



The Great Eastern
Shipping Co. Ltd.

CORPORATE PRESENTATION



September 2024

COMPANY HISTORY



OVERVIEW

Great Eastern Shipping was founded in 1948, with the purchase of a Liberty ship

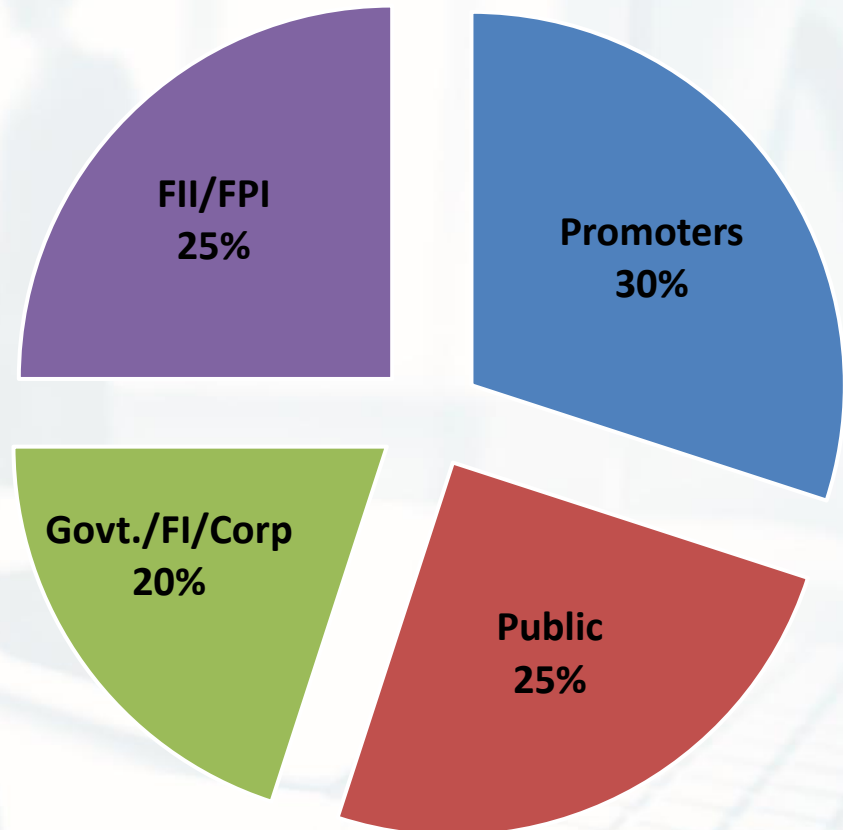
Today, GES is India's largest private sector shipping company, owning and operating 43 ships and 23 offshore assets, with a balance sheet size of almost USD 2 billion

More than size, we pride ourselves on being among the best in the world in quality of our operations and ships



First Ship bought was '*SS Fort Ellice*', renamed '*Jag Vijay*'

SHAREHOLDING PATTERN



Shareholding Pattern as on 30 June 2024

CORPORATE PROFILE



Shipping (Bulk)

Offshore

(Through wholly-owned subsidiary
Greatship (India) Limited)

Tankers

- Crude (6)
- Product (19)
- LPG (4)

Dry Bulk (14)

Logistics (19)

Drilling (4)

India's largest private sector shipping company, with more than
76 years of experience in commodity shipping

FLEET PROFILE

SHIPPING		
Fleet	DWT	Number of Ships
Crude Carriers	842,958	6
Product Carriers	1,145,829	19
Gas Carriers	185,363	4
Dry Bulk Carriers	1,239,274	14
Total	3,413,424	43

OFFSHORE	
Fleet	Number of Units
Jack Up Rigs	4
Platform Supply Vessels	4
Anchor handling Tug Cum Supply Vessels	9
Multipurpose Platform Supply & Support Vessels	2
ROV Support Vessels	4

BUSINESS PHILOSOPHY

INVESTMENT THESIS

Fleet operated at global standards, with a large number of international customers

Offshore fleet – quality operations with low balance sheet leverage

Prudent Capital Allocation across a diversified fleet

Strong cash flows

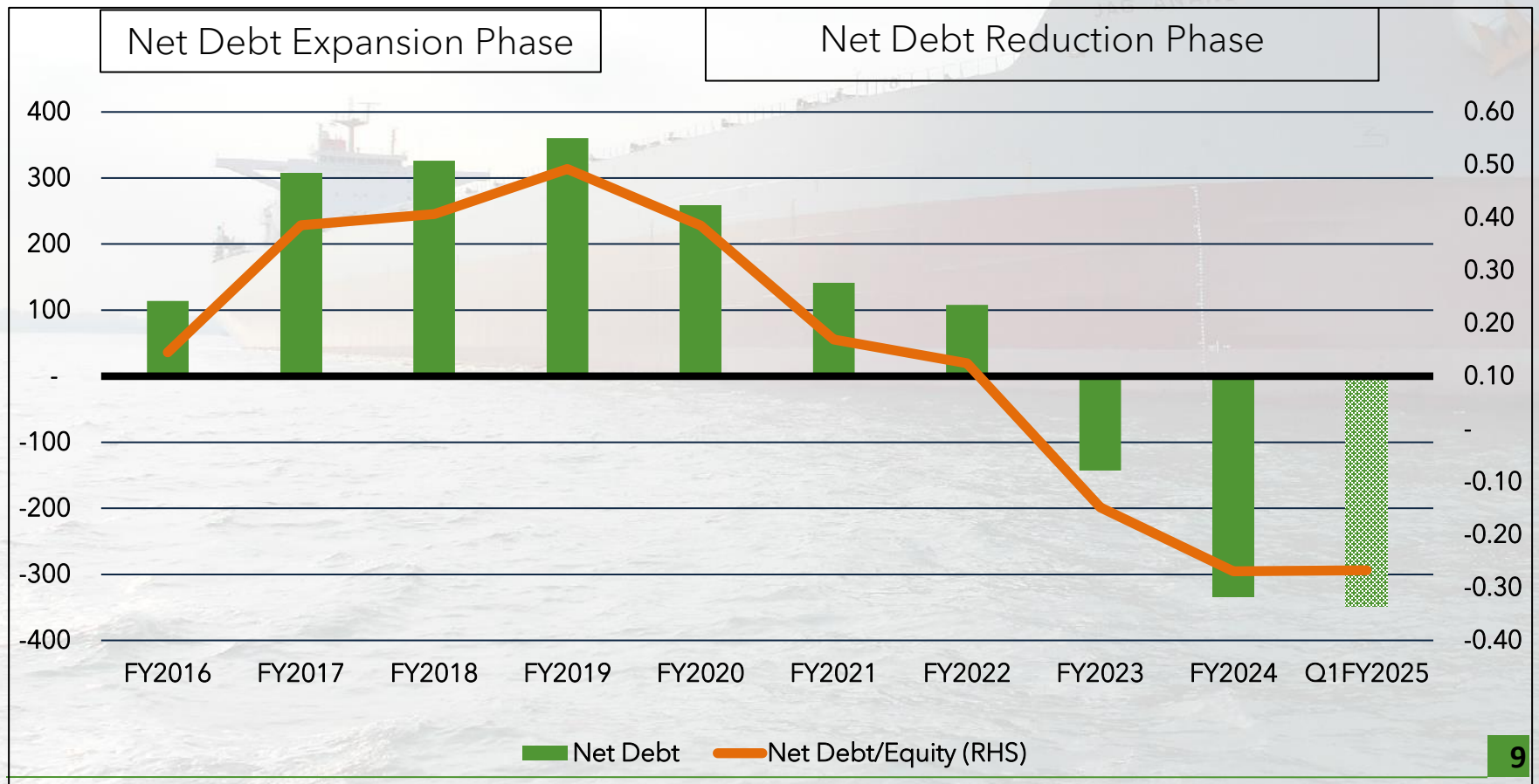
Strong balance sheet enables capacity expansion in low markets without equity dilution

High level of operating leverage in shipping to take advantage of high freight markets



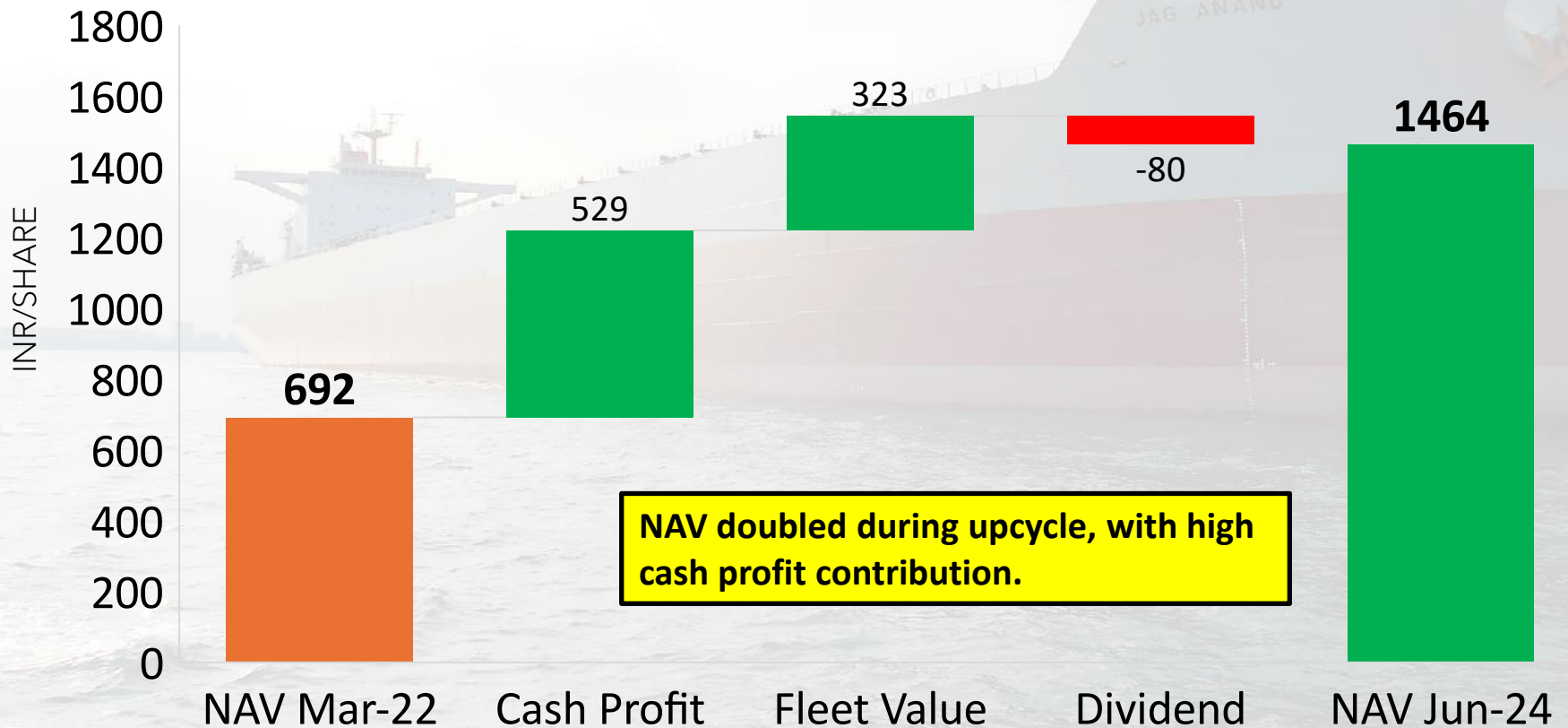
STRONG CASHFLOWS LED NET DEBT USD 360 MN TO NET CASH OF USD 350+ MN (STANDALONE)

USD Mn



SIGNIFICANT UP MOVE IN NAV LAST 2 YEARS (CONSOLIDATED)

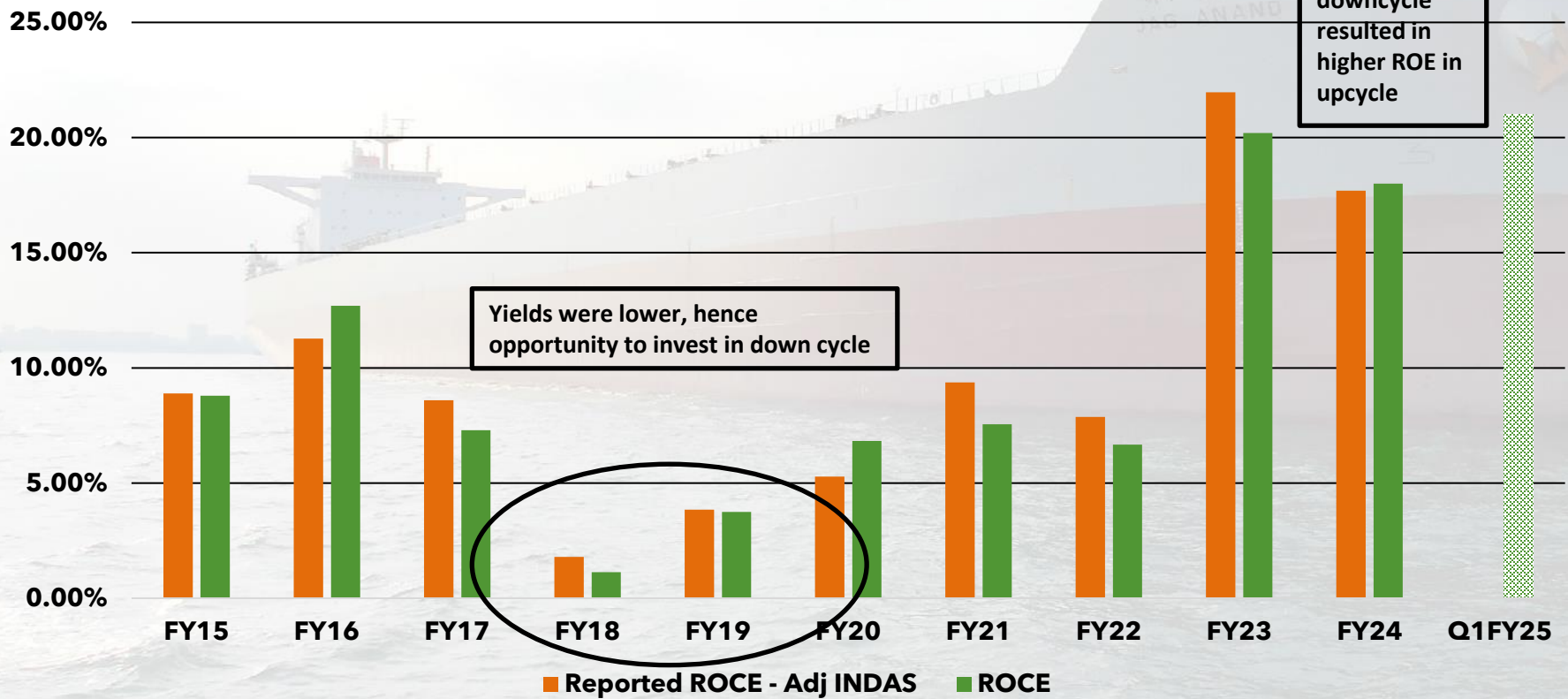
CONSOLIDATED NAV MOVEMENT - SINCE MARCH 2022



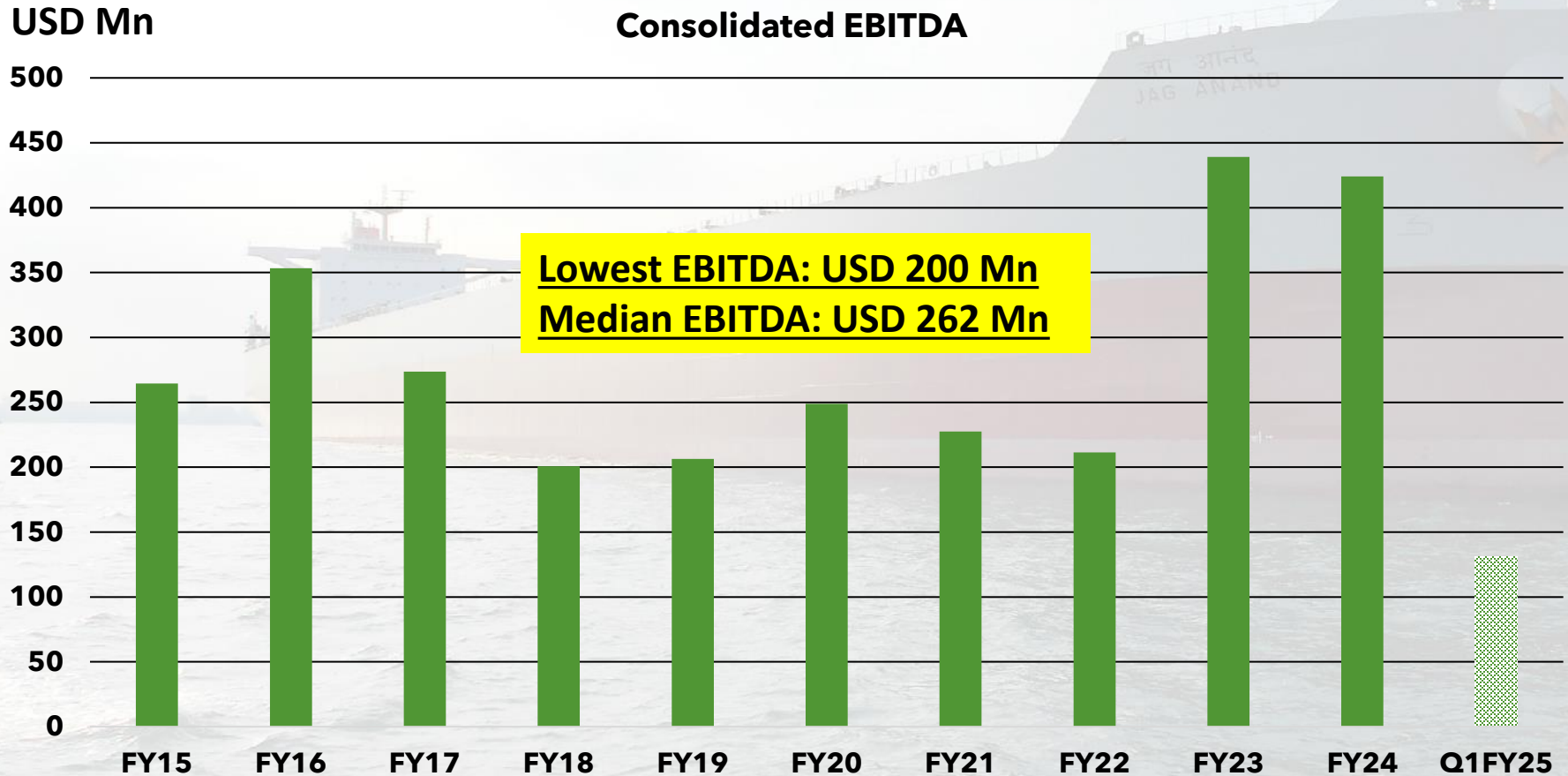
ROE & ROCE HISTORICAL (CONSOLIDATED)

Average ROCE: 10%
Average ROE: 13%

CONSOLIDATED ROCE



TOO MUCH VOLATILITY? EBITDA MOVEMENT 10 YRS



FUNDAMENTALS ARE STACKING UP

DEMAND SIDE

Trade pattern shift: Following the onset of Russia-Ukraine conflict, have seen the average distances of seaborne trade rise

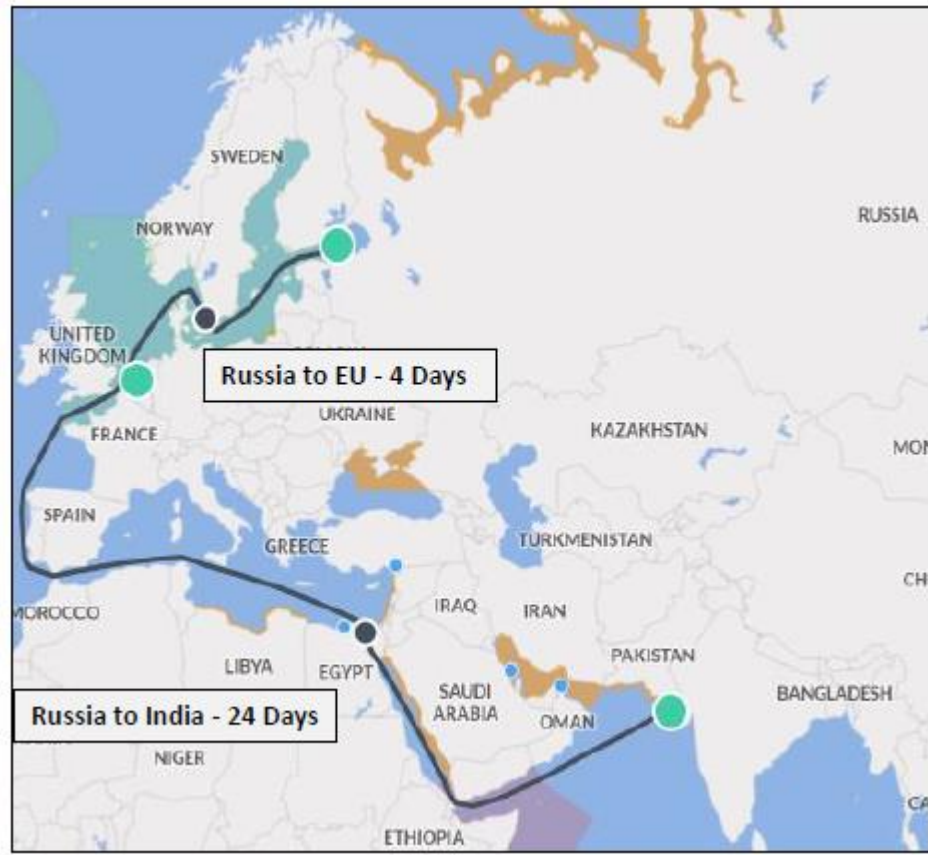
Oil demand continues to be main driver behind seaborne trade

Atlantic basin provides a lot of the incremental oil, while Asia-Pacific provides demand growth

US and OECD inventories are low, and restocking is expected

Asian coal and iron ore demand continue to grow

FUNDAMENTALS ARE STACKING UP TRADE PATTERN SHIFT – POST RUSSIA UKRAINE CONFLICT



New trade routes are formed and average trade distances of seaborne trade has risen

FUNDAMENTALS ARE STACKING UP

SUPPLY SIDE

Orderbook significantly lower than historical levels.

Yard capacity has shrunk significantly in the last 15 yrs

Large Korean yards are full with containers and LNG orders almost till end CY26

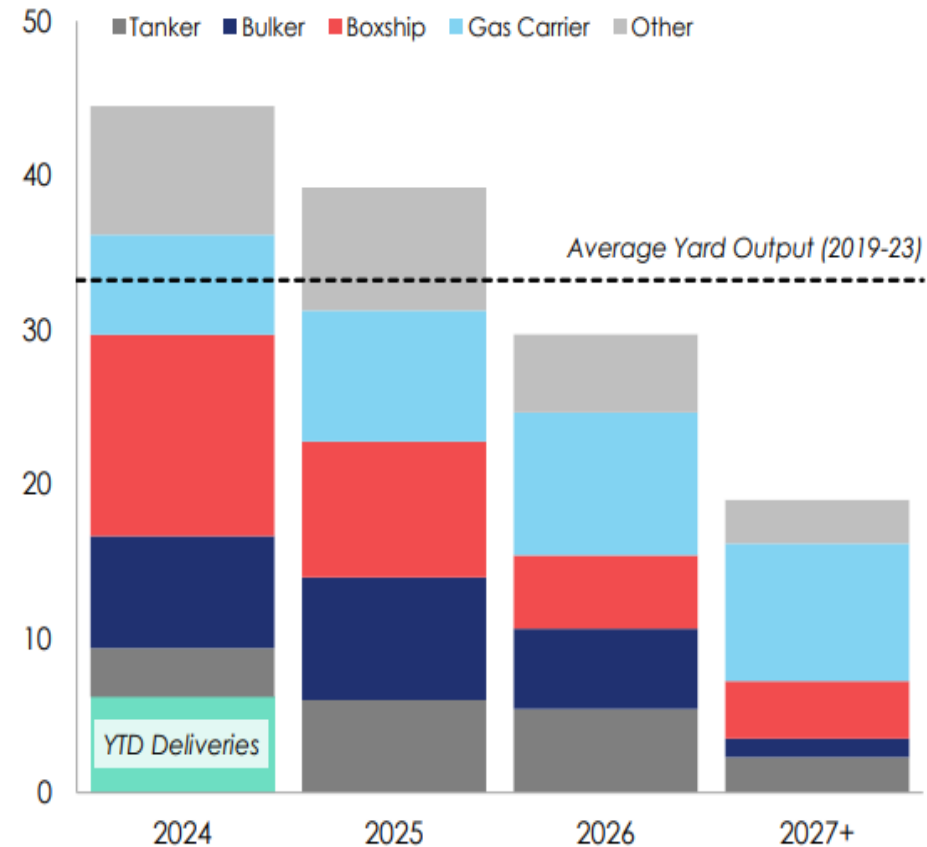
Disruption in Suez canal

FUNDAMENTALS ARE STACKING UP SUPPLY SIDE (YARD CAPACITY)

Active Yards:	South Korea	China	Japan	World
2011	24	275	64	519
2024	10	125	51	247
Change:	-58%	-55%	-20%	-52%

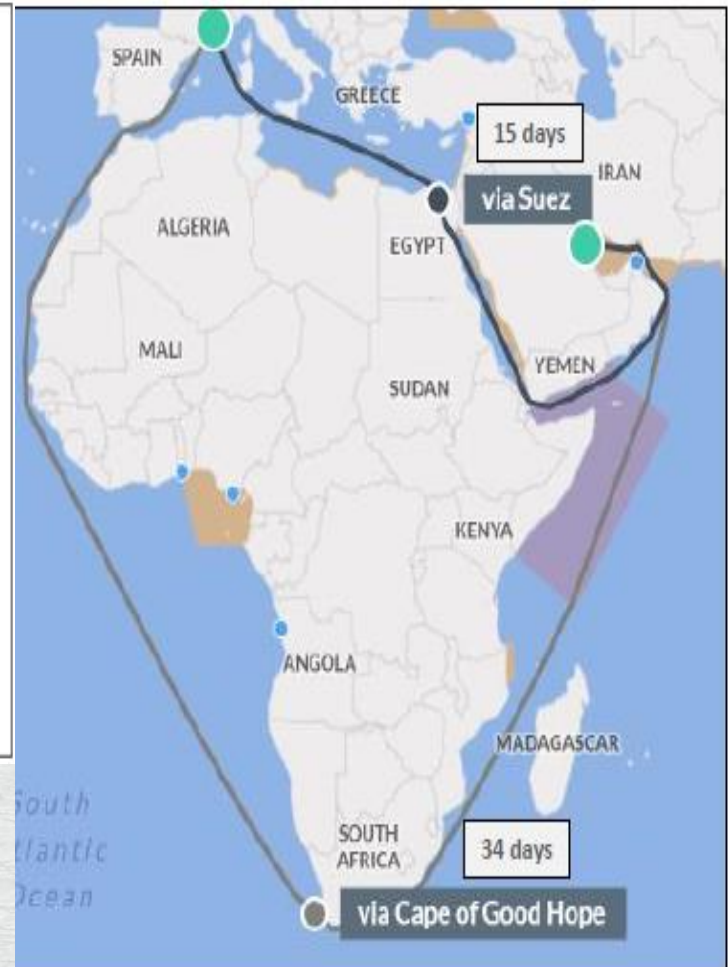
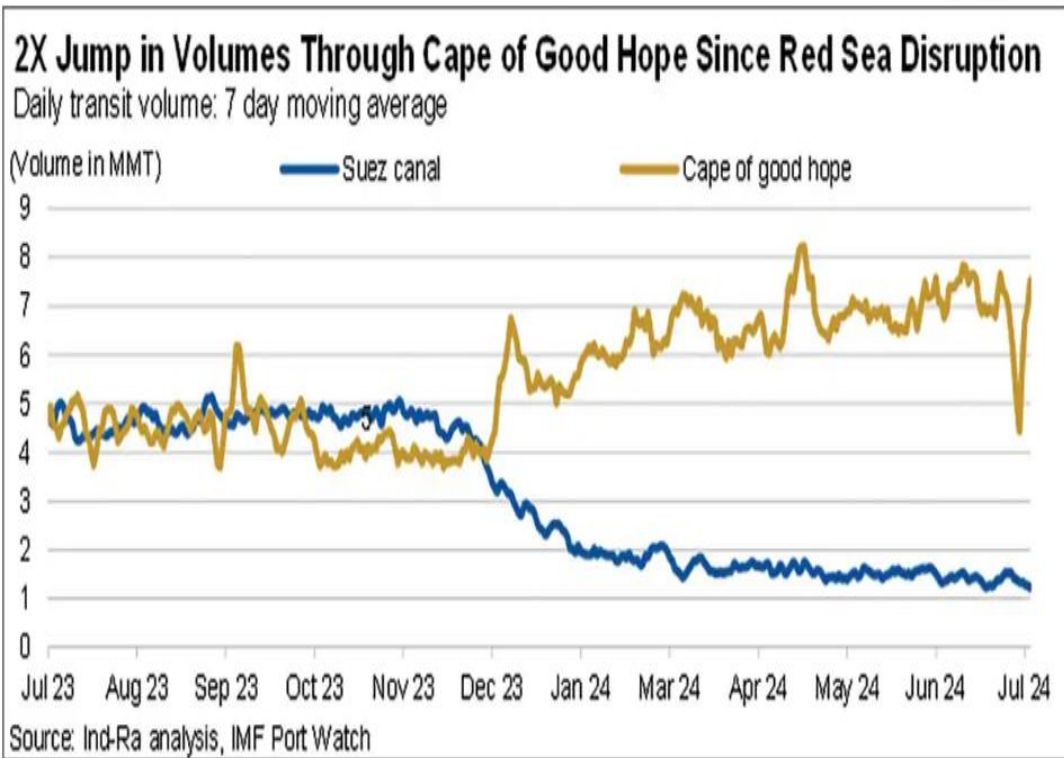
Global active shipyards is down 52% basis number of yards compared to 2011 building peak, ~40% basis CGT capacity.

Orderbook by Year of Delivery (m. GT)



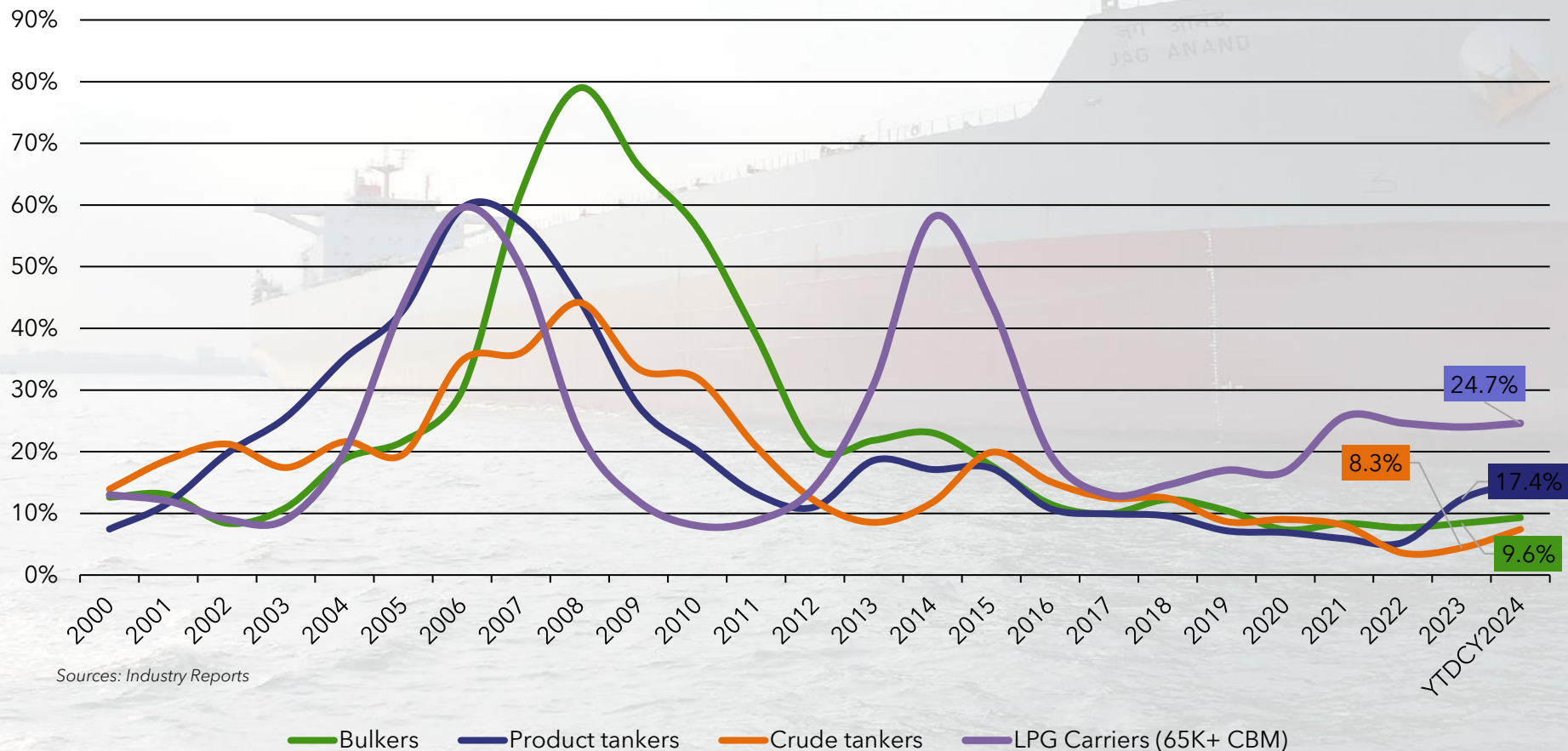
Suez Canal disruptions

IMPACT ON SHIPPING



ORDERBOOK TO FLEET RATIO HISTORICAL

Historic Order Book as a % of fleet (Calendar Year)

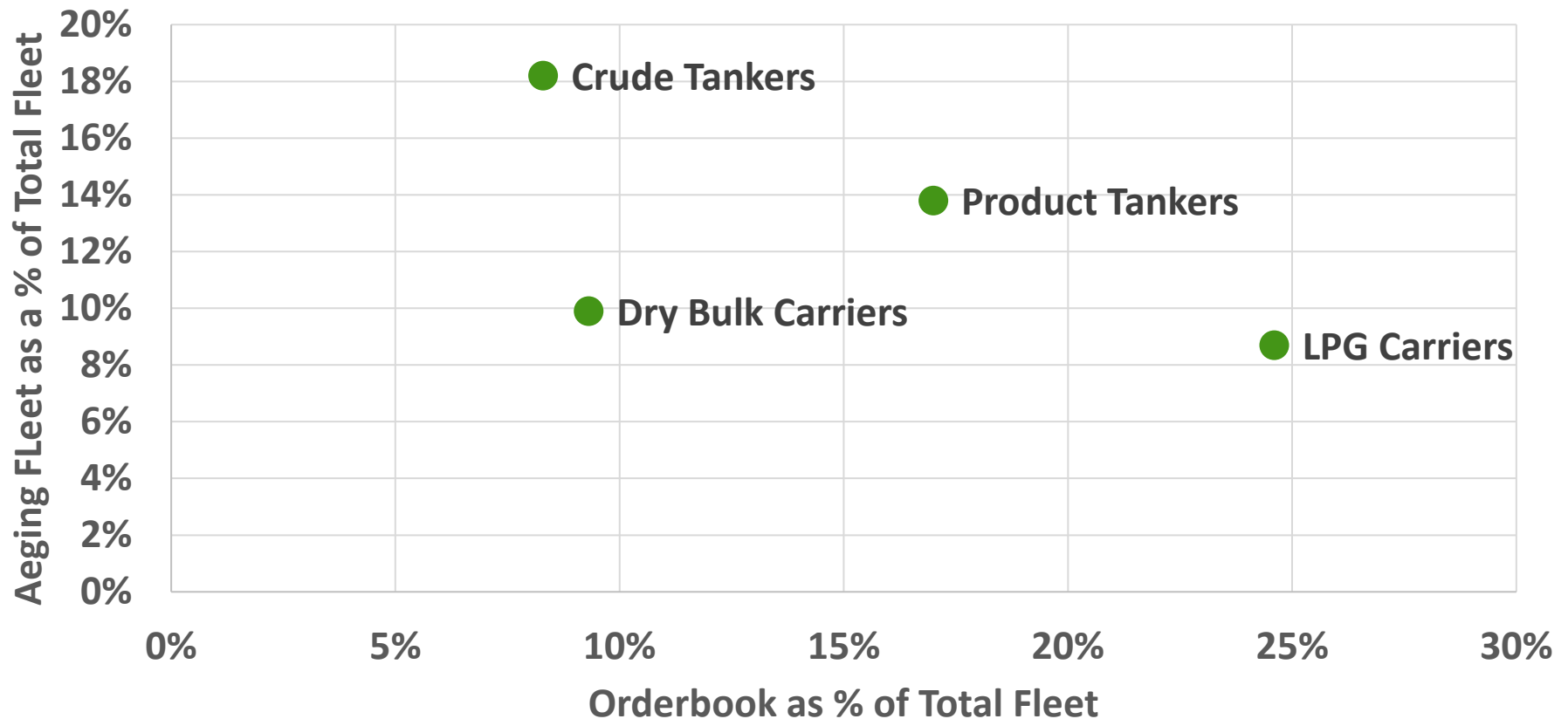


Sources: Industry Reports

— Bulkers — Product tankers — Crude tankers — LPG Carriers (65K+ CBM)

ORDERBOOK AND SCRAPPING POTENTIAL

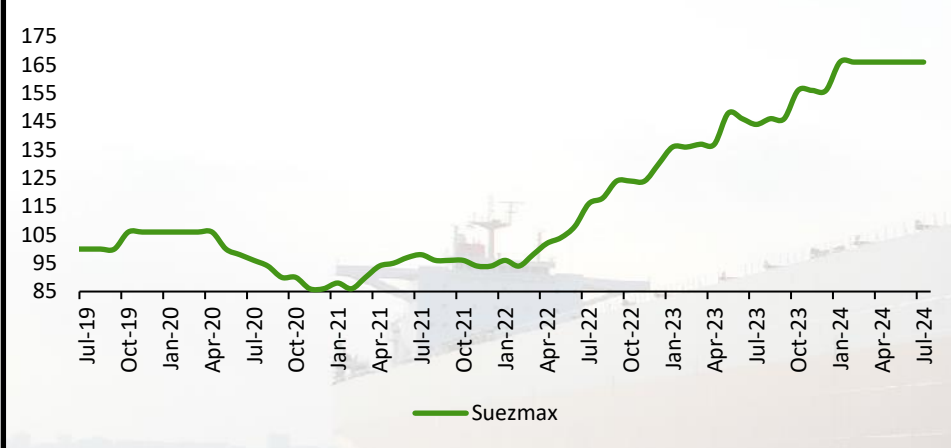
Orderbook Vs Scrapping Potential



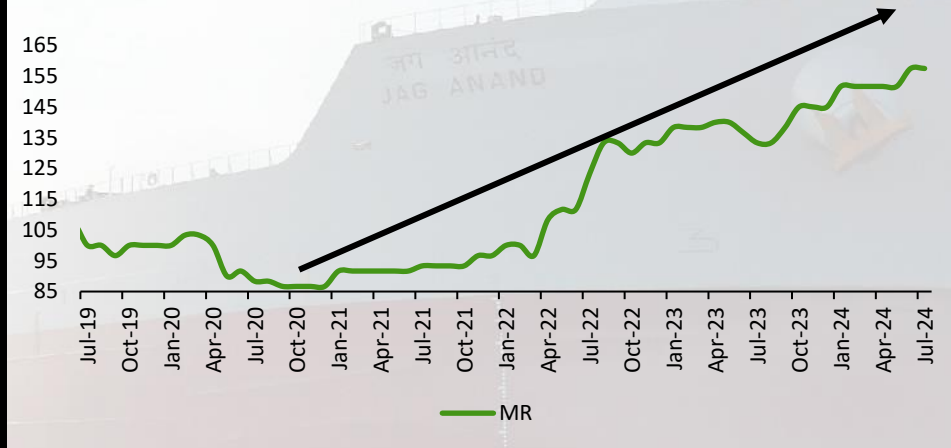
Scraping potential is defined as 20 yrs for all asset classes except LPG which is 25 yrs

ASSET PRICE MOVEMENT INDEXED OVER LAST 5 YRS

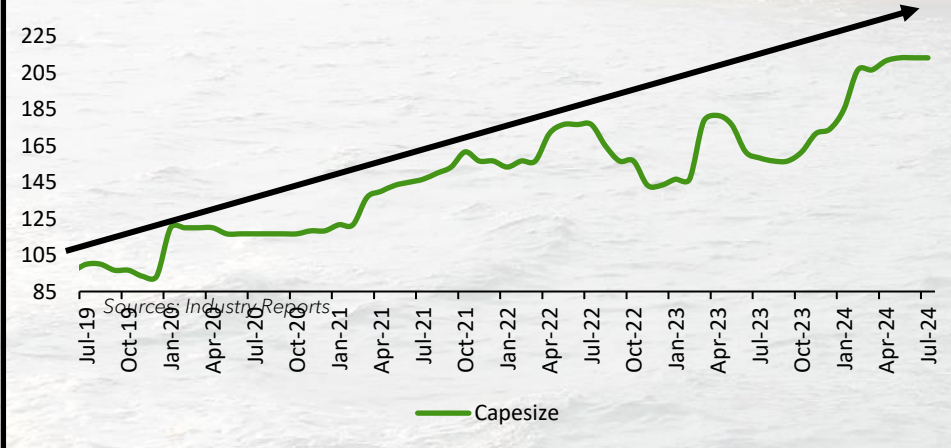
5 Yr Old Asset Value Movement (Crude)



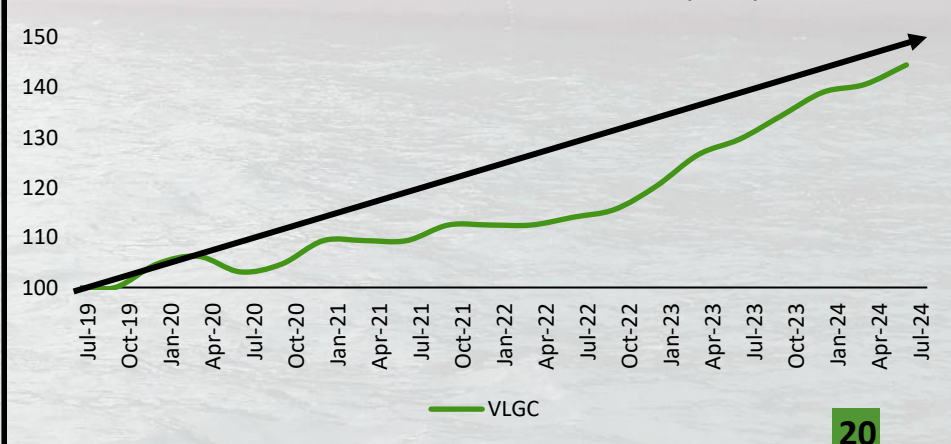
5 Yr Old Asset Value Movement (Product)



5 Yr Old Asset Value Movement (Dry Bulk)



5 Yr Old Asset Value Movement (LPG)



OFFSHORE SUBSIDIARY GREATSHIP STORY

FY 16 to FY21

- Most challenging years for the offshore sector since late 80s
- Utilization levels across asset classes dropped to historic lows, charter rates came down to levels that barely generated any +ve EBITDA
- A large part of industry went through financial restructuring/reorganization/forced consolidation

How did we fare?

- Cash on the balance sheet: Minimal cash depletion from \$118 Mn (March 2015) to \$108 Mn (March 2021)
- Net Bank Debt: Paid down from USD 437 mn (March 2015) to USD 72 mn (March 2021)

OFFSHORE SUBSIDIARY GREATSHIP STORY

Post FY21

- Utilization levels have improved
- E&P activities have started to increase
- Contracts are getting repriced at levels which generate significant EBITDA
- Negligible O/B to Current Fleet Ratio

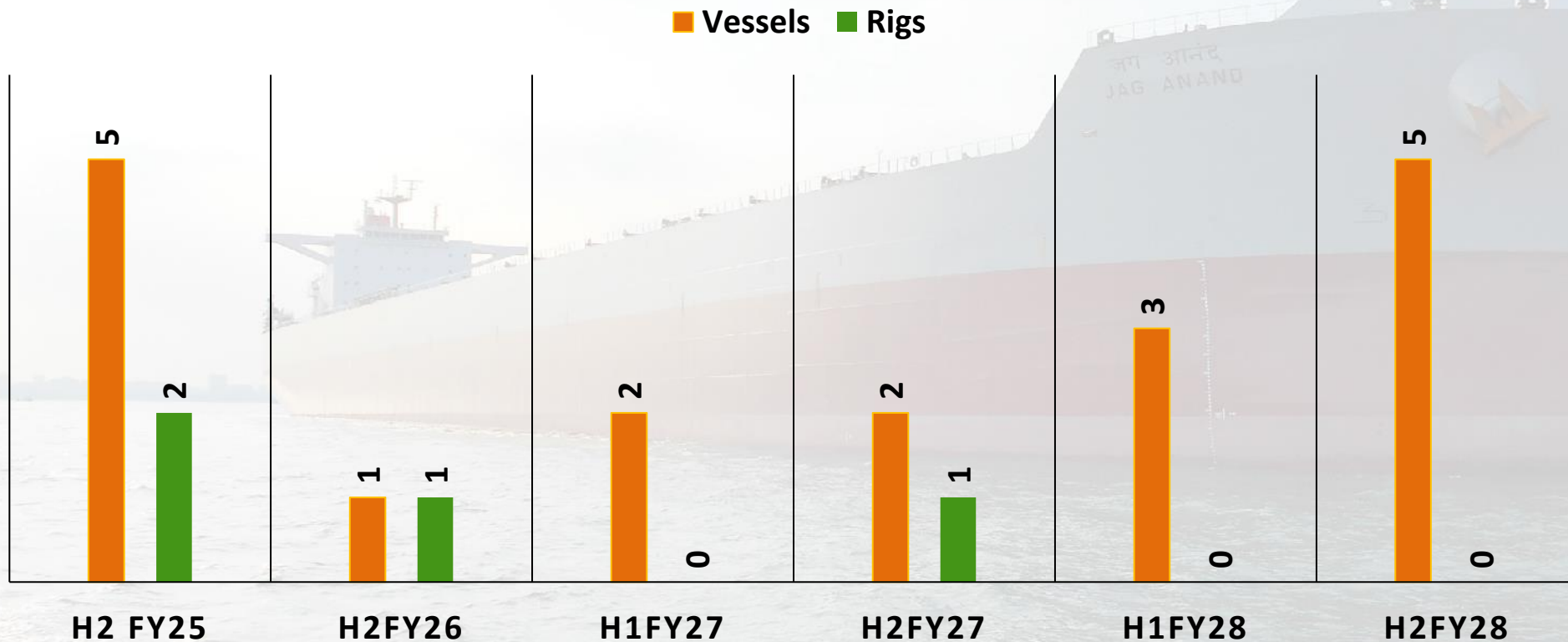
How are we positioned currently?

- Cash on the balance sheet: \$116 Mn (June 2024)
- Net Bank Debt: -ve \$24 Mn (June 2024)

OFFSHORE SUBSIDIARY FLEET SUPPLY

Number	Jack-up Rigs	PSV+AHTSV
Current Fleet	500	3,351
Under Contract Fleet	371	2,328
Order Book	15	46
O/B to Current Fleet	3.0%	1.4%
Total Scrapping since Jan 2016 (Nos)	145	713
No of Vessels/Rigs more than 20/30 years old (% Fleet)	32%	21%
Cold stacked more than 3 years	57	434

OFFSHORE SUBSIDIARY REPRICING



- Remaining 1 vessel will come up for repricing in H1FY29

FINANCIAL HIGHLIGHTS

Fig in INR Crores	Standalone			Conslidated		
	Q1 FY25	Q1 FY24	FY24	Q1 FY25	Q1 FY24	FY24
Income Statement						
Revenue*	1,310	1,109	4,724	1,703	1,335	5,919
EBITDA*	851	675	2,932	1,092	776	3,508
Net Profit	677	517	2,280	817	529	2,520
Balance Sheet						
Total Assets	14,084	12,442	13,612	17,374	15,583	16,808
Equity	10,864	8,969	10,346	13,058	10,733	12,397
Gross Debt	2,674	2,996	2,691	3,437	4,031	3,495
Net Debt	(2,961)	(1,723)	(2,802)	(3,377)	1,631	(3,032)

* Including Other Income

FINANCIAL HIGHLIGHTS

Fig in USD Mn	Standalone			Consolidated		
	Q1 FY25	Q1 FY24	FY24	Q1 FY25	Q1 FY24	FY24
Income Statement						
Revenue*	157	135	571	205	162	716
EBITDA*	102	82	355	131	94	424
Net Profit	81	63	276	98	64	305
Balance Sheet						
Total Assets	1,689	1,517	1,632	2,083	1,899	2,016
Equity	1,303	1,093	1,241	1,566	1,308	1,487
Gross Debt	321	365	323	412	491	419
Net Debt	(355)	(210)	(336)	(405)	199	(364)

* Including Other Income

FINANCIAL HIGHLIGHTS

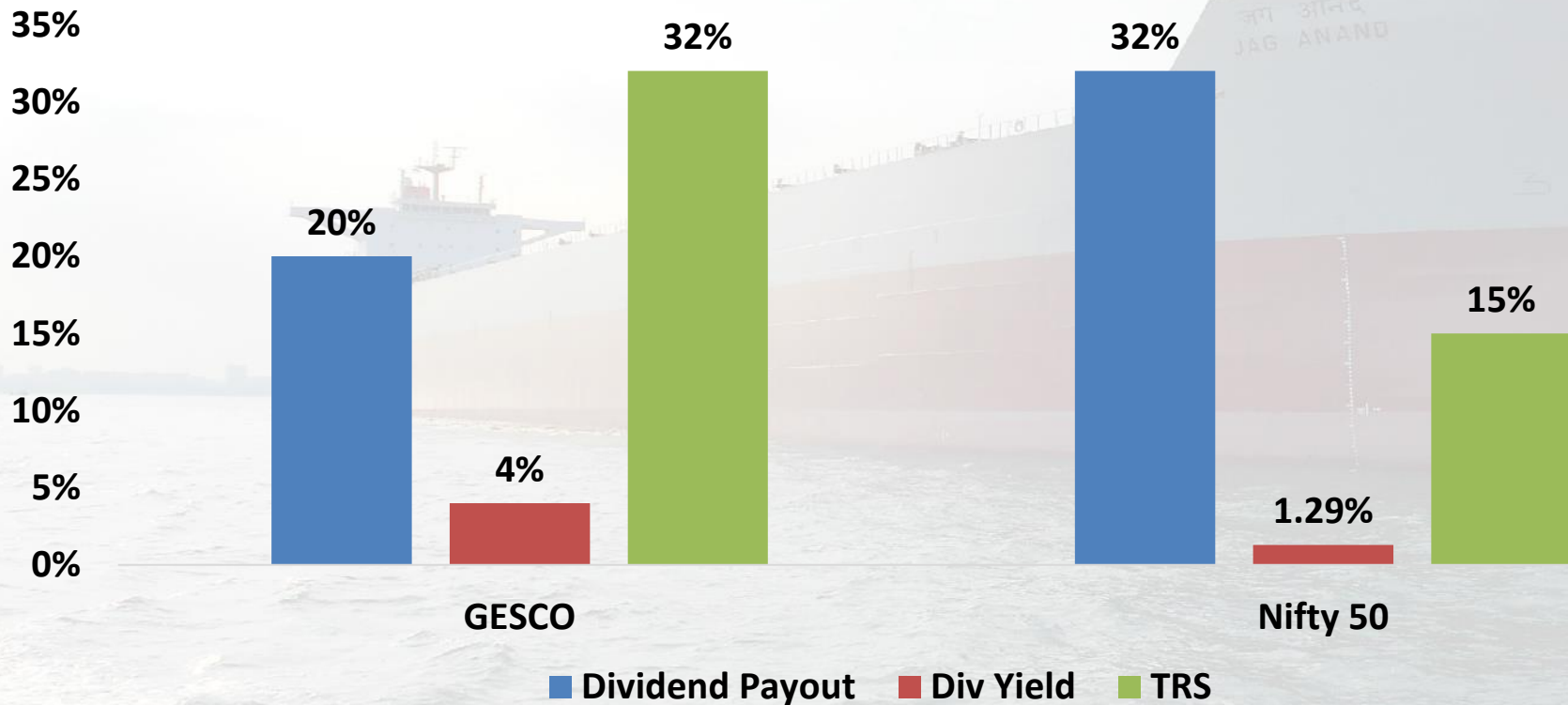
	Standalone			Consolidated		
	Q1 FY25	Q1 FY24	FY24	Q1 FY25	Q1 FY24	FY24
Key Financial Figure						
Return on Equity (ROE%)**	26%	24%	24%	26%	20%	22%
Return on Capital Employed (ROCE%)**	21%	19%	20%	21%	16%	18%
Gross Debt/Equity (x)	0.25	0.33	0.26	0.26	0.38	0.28
Net Debt/Equity (x)	(0.27)	(0.19)	(0.27)	(0.26)	(0.15)	(0.24)
Earnings Per Share (EPS - INR/Share)	47.40	36.23	159.73	57.26	37.06	176.49
Cash Profit Per Share (INR/Share)	56.30	44.17	191.62	71.06	49.65	226.43
Dividend Per Share (INR/Share)*	9.00	12.90	36.30	9.00	12.90	36.30
Net Asset Value Per Share (INR/Share)	1,181	995	1,127	1,442-1,487	1,175-1,232	1,374-1,418

*Q1FY24 and FY24 includes special dividend of INR 7.50/Share to commemorate the 75th anniversary of the company

** Annualized

TOTAL RETURN TO SHAREHOLDERS (TRS) & DIVIDEND – GESCO vs NIFTY50 (Last 5 years)

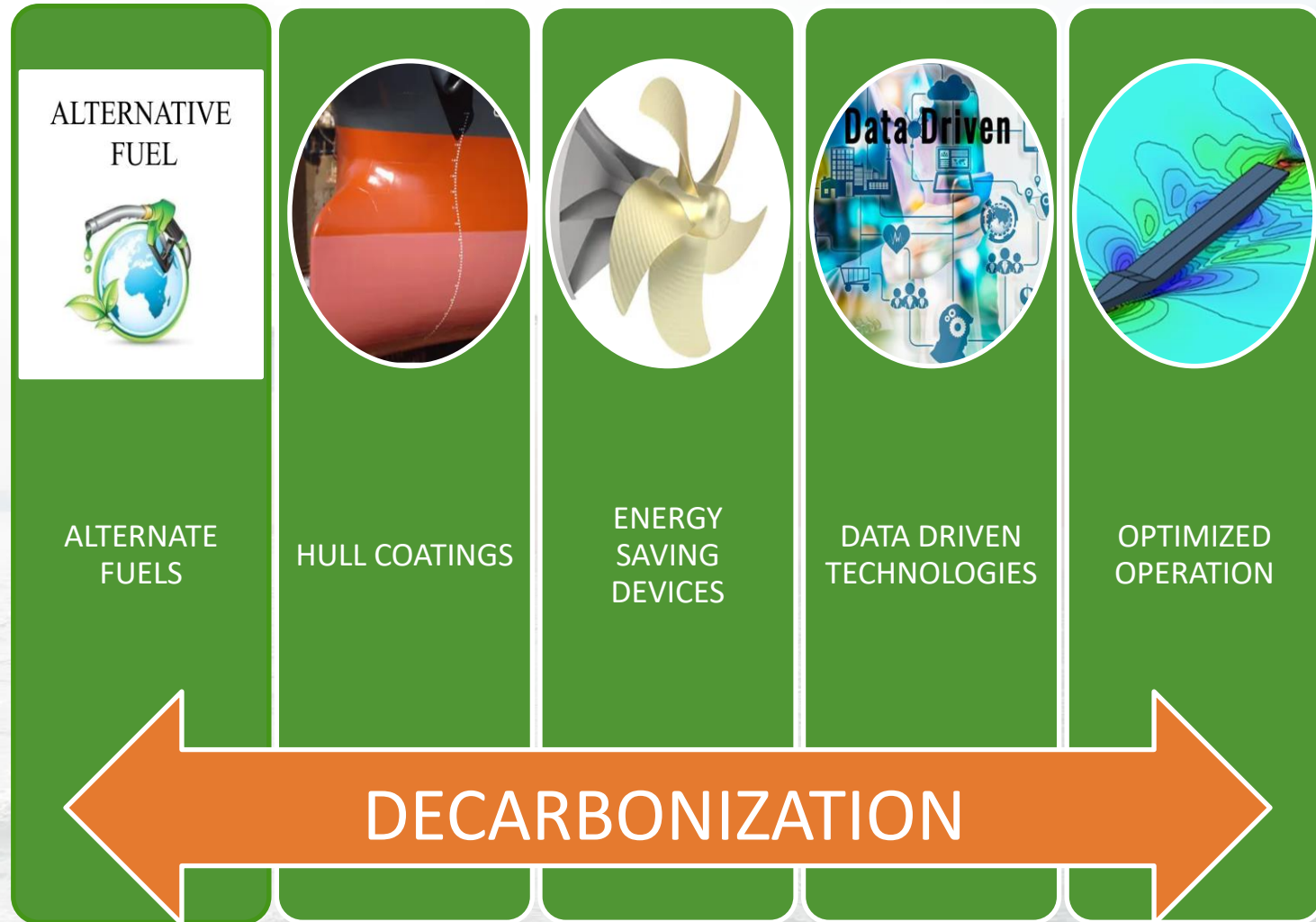
TRS, Div Yield and Div Payout - GESCO Vs NIFTY 50





SUSTAINABILITY

GE SHIPPING DECARBONIZATION STRATEGY



INITIATIVES ON ENVIRONMENT

Most of our vessels are retrofitted with energy saving measures, including

- Mewis ducts, Eco Cap, Rudder Bulb, MT fast fins
- Propeller Boss Cap Fins, Redesigned Efficient Propellers, High Performance Paints
- Ultrasonic Antifouling Device for Propellers, In-Transit Hull Cleaning Trials

Apart from these, we use voyage optimization software and Real-time data acquisition system

We did India's first trial on an MR tanker in international waters using biofuel blended VLSFO, which could lead to 80-90% CO2 reduction compared to VLSFO/LSMGO

CO2 EMISSIONS TREND ANALYSIS

CO2 EMISSION (MT)



Since 2019 (Inception of IMO DCS) – We have fitted ESDs (Mewis Duct, Redesigned propellers, PBCF, ECO Cap, etc.) & applied high performance paint resulting in a reduction of **10.1%**

GREAT EASTERN CSR FOUNDATION (GECSRF)

Since 2015, GECSRF has partnered with **53 NGOS** under the three key CSR focus areas.

- **Education:** More than **1.50 Lakh students** reached out through primary and secondary education.
- **Health:** More than **78,000 women and 40,300 children** provided with health services – including maternal care, nutrition support through clinics and community programs.
- **Livelihoods:** Around **42,400 women** provided with entrepreneurship trainings and business handholding support in agriculture, non-agriculture sectors and handloom weaving.

GREAT EASTERN CSR FOUNDATION (GECSRF)



GECSRF currently supporting 27 NGOs working under health, education and livelihoods across 17 states in India

EDUCATION	HEALTH	LIVELIHOODS
1. Adhyayan Quality Education Foundation (AQEF)	1. Anushkaa Foundation for Eliminating Clubfoot (AFEC)	1. Ayang Trust
2. Alumni Association of College of Engineering, Guindy (AACEG)	2. Cuddles Foundation	2. Foundation for Promotion of Sports and Games (OGQ program)
3. ATMA Education	3. Every Infant Matters Association	3. Impact Foundation (India)/ Dasra
4. IIT Madras	4. Inga Health Foundation (IHF)	4. Forum for Knowledge and Social Impact/India Development Review
5. Karadi Cultural Alliance Trust (KCAT)	5. Nourishing Schools Foundation (NSF)	5. Mauna Dhvani Foundation
6. Learnhill Foundation		6. Medha Learning Foundation
7. Pratham Infotech Foundation/ Educational Initiatives		7. Mrida Heart 'N Soil Foundation
8. Saajha		8. Nudge Lifeskills Foundation
9. Studeasy Bharat Foundation		9. Sri Arunodayam Charitable Trust
10. Ummeed Child Development Center		10. Vrutti
11. Vision Empower Trust		
12. 17000ft Foundation		



THANK YOU
visit us at www.greatship.com