

# Thailand Shipping

## ค่าระวางเรือเทกองปรับฐานในปี 2025 จากอุปทานเพิ่ม

- ค่าระวางเรือเทกองมีแนวโน้มปรับลงในปี 2025 จากอุปสงค์ที่อ่อนแอและอุปทานที่เพิ่มขึ้น
- แม้ไม่มีความขัดแย้งทางการค้า ค่าระวางเรือมีแนวโน้มลดลงในปีนี้อาจอุปสงค์-อุปทานที่ไม่สมดุล
- คาดการณ์กำไรกลุ่มเรือเทกองปรับลงในปี 2025 ก่อนจะเพิ่มขึ้นในปี 2026

### คาดการณ์ค่าระวางเรือเทกองปรับฐานในปี 2025

ปกติแล้ว ทุก disruptions มักส่งผลบวกต่ออัตราค่าระวางเรือในระยะสั้น เช่น กรณีการกีดกันการค้าหรือการขึ้นภาษีสินค้านำเข้าจากประเทศต่างๆ ของประธานาธิบดี Trump ทำให้ผู้นำเข้าเร่งรับส่งสินค้าก่อนที่จะถูกปรับขึ้น แต่ในระยะยาวกว่านั้นส่งผลลบ เพราะทำให้เกิดความไม่แน่นอนในเศรษฐกิจ การค้าโลกชะลอตัว และการย้ายฐานการผลิต ซึ่งทั้งหมดนี้ส่งผลกระทบต่อ demand ในการขนส่งสินค้าเทกอง

### อุปสงค์-อุปทานไม่สมดุล

แต่ถึงแม้ไม่มีประเด็นความขัดแย้งทางการค้าของภูมิภาคอำนาจของโลก เราเชื่อว่าอัตราค่าระวางเรือเทกองในปี 2025 อยู่ในทิศทางขาลงจากความไม่สมดุลของอุปสงค์และอุปทาน โดยอุปทานของเรือเทกองมีแนวโน้มเพิ่มขึ้น 2.9% y-y อ้างอิงการคาดการณ์ของ Clarksons Research ซึ่งปรับเพิ่มขึ้นจากเดือน มิ.ย. 2024 ที่คาดว่าอุปทานปี 2025 จะเพิ่มขึ้น 2.6% ในขณะที่อุปสงค์ความต้องการของเรือเทกองมีแนวโน้มเพิ่มขึ้นเพิ่มขึ้นเพียง 1.1% y-y แม้จะพิจารณาเฉพาะในกลุ่มของเรือ Minor bulk ซึ่งเรือของ PSL และ TTA อยู่ในกลุ่มนี้ Clarksons Research ประเมินว่าอุปสงค์ของเรือ Minor bulk ในปี 2025 จะเติบโตดีกว่าคือ +2.3% y-y แต่อุปทานก็เพิ่มขึ้นอัตราเร่งมากกว่าคือ +4.3% y-y

### คาดการณ์กำไรกลุ่มเรือเทกองปรับลงในปี 2025 ก่อนจะเพิ่มขึ้นในปี 2026

ดัชนี BSI ปัจจุบันอยู่ที่ 864 จุด (10 มี.ค. 2025) ยังคงลดลง 6.4% 2025YTD การสั่งต่อเรือใหม่ (Orderbook) ในปัจจุบันที่อยู่ในระดับต่ำ 10.6% ของกองเรือโลก ในขณะที่เรือที่อายุเกิน 20 ปีซึ่งจะต้องนำออกจากมหาสมุทรมิตัดส่วน 9.8% ของกองเรือโลก ประกอบกับกฎระเบียบที่เข้มงวดของ EEXI และ CII ช่วยจำกัด Supply ของเรือ และช่วยจำกัดการร่วงลงแรงของค่าระวางเรือ แต่ด้วย demand ที่อ่อนแอ (PMI ภาคการผลิตของจีนยังคงขึ้นลงอยู่บริเวณ 50 +/-) และความไม่แน่นอนของการค้าโลกในยุค Trump 2.0 ทำให้เราคาดว่าค่าระวางเรือในปี 2025 มีความเสี่ยงปรับลงต่อ เราคาดว่ากำไรปกติของกลุ่มเรือเทกองในปี 2025 ลดลง 18.2% y-y ก่อนจะฟื้น 13.9% y-y ในปี 2026 และ +3.9% y-y ในปี 2027 คิดเป็นกำไรปกติโตเฉลี่ย 8.8% CAGR (2025E-27E) ปัจจุบันทั้ง PSL และ TTA ซื้อขายต่ำกว่า 2025E Book value ถึง 60-70% ถูกกว่าในอดีตมากแต่เรายังไม่เห็น catalyst ในระยะสั้น จึงยังคงแนะนำถือทั้งคู่

### FSSIA recommendations

Company	BBG code	share price	Rating		Target Price			
			Current	Previous	Current	Previous	%change	Up/downside
Thoresen Thai Agencies	TTA TB	4.48	HOLD	-	5.50	6.40	-14.06%	+20.1%
Precious Shipping	PSL TB	6.40	HOLD	-	7.00	-	-	+8.5%

Note: Priced at close of business 10/03/2025. Share prices and TPs are in listing currency.

Sources: FSSIA estimates



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## Investment thesis

Even without trade conflicts between global superpowers, we believe that dry bulk freight rates in 2025 will be on a downward trend due to the imbalance between supply and demand. According to Clarksons Research, dry bulk vessel supply is expected to grow by 2.9% y-y, an upward revision from the 2.6% growth forecast in June 2024. Meanwhile, demand for dry bulk shipping is projected to increase by only 1.1% y-y.

For 2025, freight rates started the year weak and remain under pressure from trade wars. We expect the average BSI index to decline by approximately 10% y-y, touching 1,110-1,120 points, which will directly impact the earnings of PSL and TTA. We estimate that the group's core profit will decline by 18.2% y-y in 2025, before recovering by 13.9% y-y in 2026 and 3.9% y-y in 2027, or a CAGR of 8.8% (2025-27E). Although both PSL and TTA are trading at a 60-70% discount to their 2025E book value, making them significantly cheaper than their historical levels, we do not see any near-term catalysts. Therefore, we maintain our HOLD rating on both stocks.

## Catalysts

Key potential catalysts for the dry bulk carrier sector are:

- 1) Freight rates rising on improving global trade.
- 2) Global GDP growth improves amid slowing inflation. The Chinese economy resumes its robust growth.
- 3) The demand-supply balance improves.

## Risks to our call

Risks to our call include:

- 1) The better-than-expected expansion of major economies like China and India, which materially drive the commodity demand.
- 2) The Red Sea crisis continues with no resolution in sight, resulting in the prolonged disruption of shipping routes.
- 3) Ship delivery delays. Global port congestion escalates, taking out fleet capacity.
- 4) A pandemic occurs.

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## Event Calendar

Date	Event
20 March 2025	TTA: ex-dividend date
17 April 2025	PSL: ex-dividend date

Ocean freight rates to correct in 2025 as supply speeds up

Typically, disruptions tend to have a short-term positive impact on freight rates. For instance, trade barriers or tariff increases imposed by Trump on imports from various countries prompted importers to accelerate their orders prior to the tariffs taking effect.

However, in the longer term, such disruptions have a negative impact as they create economic uncertainty, slow down global trade, and lead to shifts in production bases—all of which adversely affect the demand for dry bulk shipping.

Even without trade conflicts between global superpowers, we believe that dry bulk freight rates in 2025 will be on a downward trend due to the imbalance between supply and demand. According to Clarksons Research, dry bulk vessel supply is expected to grow by 2.9% y-y, an upward revision from the 2.6% growth forecast in June 2024. Meanwhile, demand for dry bulk shipping is projected to increase by only 1.1% y-y in 2025.

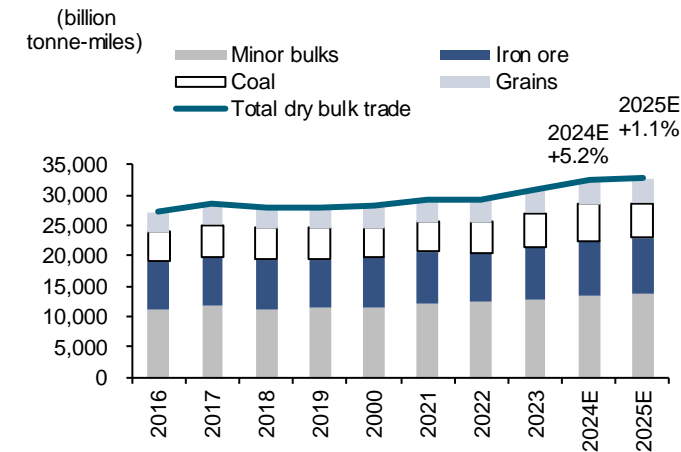
Even when focusing on the minor bulk segment, which includes vessels operated by PSL and TTA, Clarksons Research estimates that demand this year will grow by 2.3% y-y, a stronger rate than the overall market. However, supply in this segment is expected to expand at an even faster rate of 4.3% y-y, further reinforcing the downward pressure on freight rates.

Exhibit 1: Dry bulk demand-supply

(m tonne-mile)	2018	2019	2000	2021	2022	2023	2024E	2025E
Minor bulks	11,213	11,448	11,488	12,175	12,284	12,758	13,382	13,691
Iron ore	8,204	7,983	8,405	8,503	8,181	8,661	9,151	9,254
Coking coal	5,226	5,211	4,720	4,943	5,063	5,597	5,947	5,786
Grain	3,163	3,311	3,660	3,699	3,533	3,720	3,854	3,959
Total dry bulk trade	27,806	27,953	28,273	29,330	29,061	30,736	32,328	32,690
% Change in trade	2.30	0.09	1.15	3.73	(0.91)	5.76	5.18	1.12
Dry bulk fleet (m DWT)	840	880	914	947	974	1,004	1,034	1,065
% Change in fleet	3.40	4.00	3.81	3.63	2.87	3.07	3.07	2.92

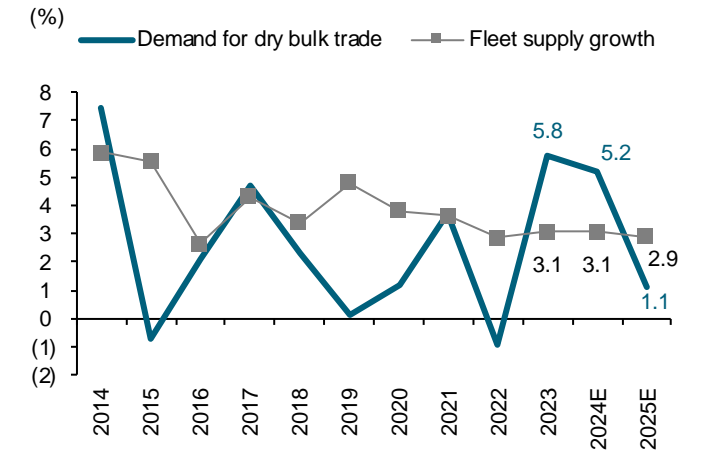
Sources: Clarksons World Seaborne Trade Timeseries (31 December 2024), PSL, FSSIA's compilation

Exhibit 2: Demand for dry bulk trade by product type



Sources: Clarksons World Seaborne Trade Timeseries (31 December 2024), PSL, FSSIA's compilation

Exhibit 3: Dry bulk demand-supply growth



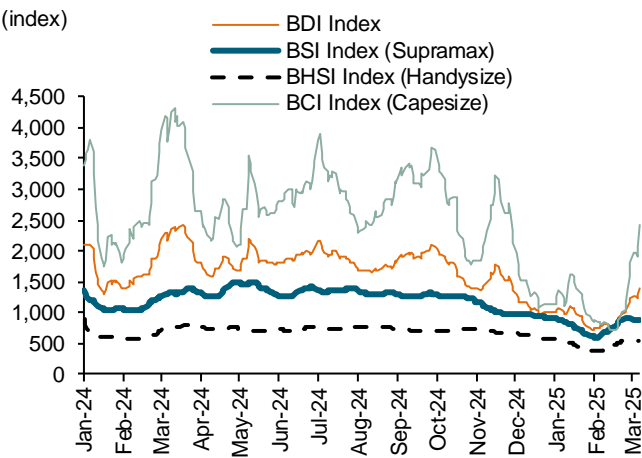
Sources: Clarksons World Seaborne Trade Timeseries (31 December 2024), PSL, FSSIA's compilation

Low orderbook and stringent regulations help rates from a sharp decline

The BSI index has dropped 56% since mid-year 2024, reaching a low of 602 points during the Chinese New Year in late January 2025 before starting to recover. The sharp 9% single-day surge in the BDI index on 10 March 2025 across all vessel types was purely driven by speculation that China may introduce additional economic stimulus measures, as February’s inflation data showed the lowest contraction in 13 months. We believe this BDI spike is only temporary, reflecting speculative momentum rather than a fundamental shift in the dry bulk market. The BSI index stood at 864 points as of 10 March 2025, still down 6.4% YTD.

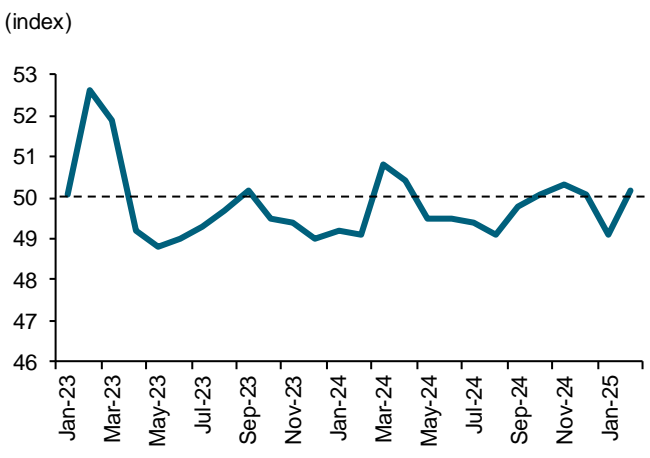
The new ship orderbook remains low at 10.6% of the global fleet, while vessels over 20 years old, which will soon be phased out of operation, account for 9.8% of the global fleet. Additionally, the stricter EEXI and CII regulations should help limit fleet supply, thus limiting the sharp decline in dry bulk freight rates. However, due to weak demand (China’s PMI continues to struggle around the 50 +/- level) and uncertainties over global trade under Trump 2.0, we anticipate that the freight rates in 2025 will face a continued downward trend.

Exhibit 4: Bulk freight rates



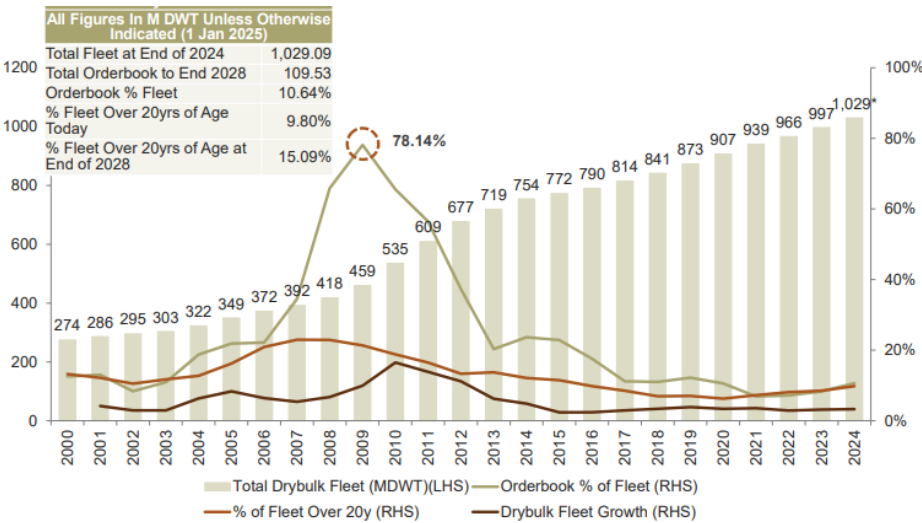
Source: Bloomberg, FSSIA's compilation

Exhibit 5: China Manufacturing PMI



Source: Bloomberg, FSSIA's compilation

Exhibit 6: Orderbook for dry bulk fleet



Sources: PSL, FSSIA's compilation

## Estimate the sector's profits to fall in 2025 before recovering in 2026

The BSI index in 2024 averaged 1,238 points (+20.2% y-y), rebounding from the previous year's downturn. This was supported by a strong global economic recovery in 1H24, which later slowed in the second half of the year. As a result, the dry bulk shipping sector's core profit surged by 75.3% y-y in 2024, primarily driven by PSL, which posted a remarkable profit increase of 92.9% y-y. Meanwhile, TTA faced challenges from its offshore services business, where revenue hit a new high, but its gross margin declined, leading to a core profit increase of 59.6% y-y.

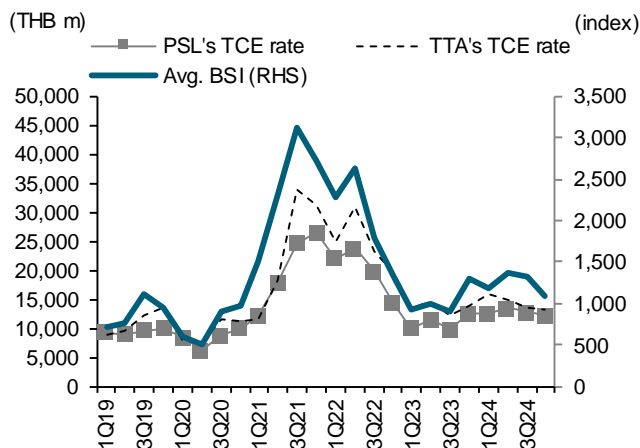
For 2025, freight rates started the year weak and remain under pressure from trade wars. We expect the average BSI index to decline by approximately 10% y-y, touching 1,110-1,120 points, which will directly impact the earnings of PSL and TTA.

- We estimate PSL's average TCE rate to decline by 7.2% y-y to USD11,785 per ship per day.
- TTA's TCE rate should decline by 4.6% y-y to USD13,794 per ship per day. From 2018 to 2024, TTA consistently achieved higher freight rates than PSL every year, with an average premium of 16.5%.

Thus, we estimate the group's core profit to decline by 18.2% y-y in 2025, before recovering by 13.9% y-y in 2026 and 3.9% y-y in 2027, or a CAGR of 8.8% (2025-27E).

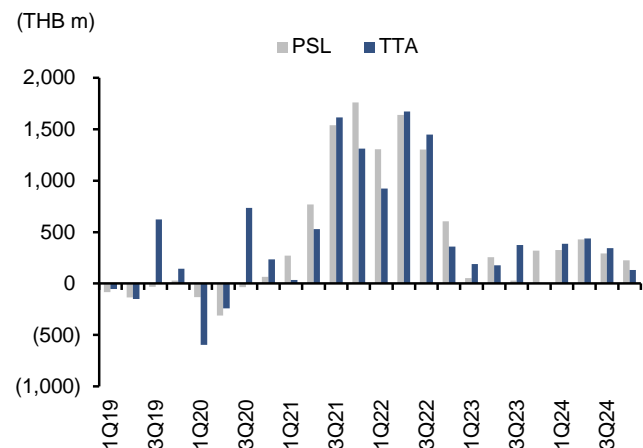
In addition, we have lowered our 2025-26 core profit forecasts for TTA by 17-18% per year, mainly due to higher-than-expected vessel operating costs and SG&A expenses.

**Exhibit 7: Revenue per ship per day vs BSI, quarterly**



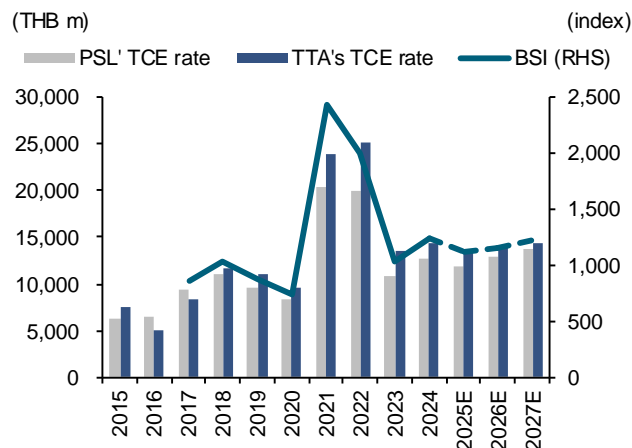
Sources: PSL, TTA, FSSIA's compilation

**Exhibit 8: Core profit, quarterly**



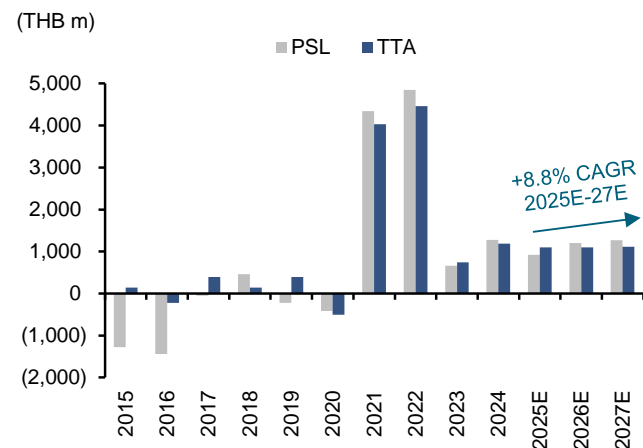
Sources: PSL, TTA, FSSIA's compilation

**Exhibit 9: Revenue per ship per day vs BSI, yearly**



Sources: PSL, TTA, FSSIA estimates

**Exhibit 10: Core profit, yearly**



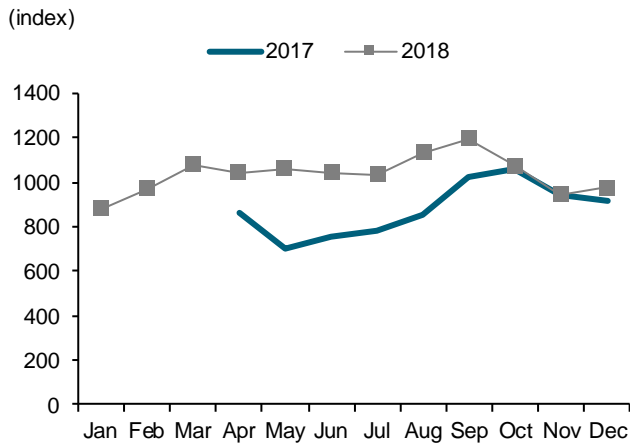
Source: Bloomberg, FSSIA's compilation

## No near-term catalysts, maintain HOLD rating despite cheap valuations

During 2017-18, before Covid-19, the BSI index did not surge significantly, as it was primarily driven by China's economic conditions. Meanwhile, PSL and TTA stocks underperformed the market, with TTA trading at a P/BV of 0.7-0.8x and PSL at 1.2-1.4x during that period.

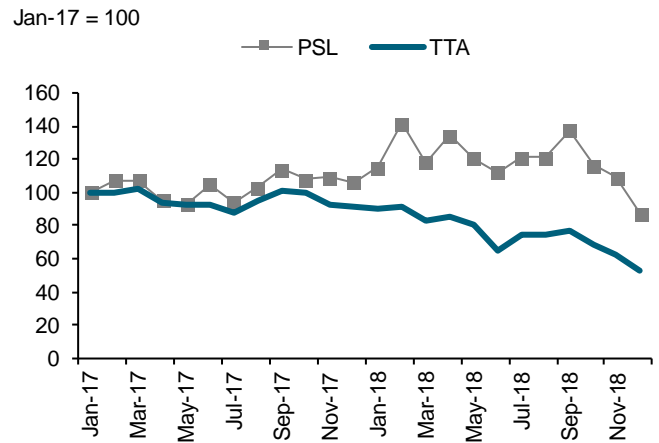
Currently, both PSL and TTA are trading at a 60-70% discount to their 2025E book value, making them significantly cheaper than their historical levels. However, as we do not see any near-term catalysts, we maintain our HOLD rating on both stocks.

**Exhibit 11: BSI index 2017-18**



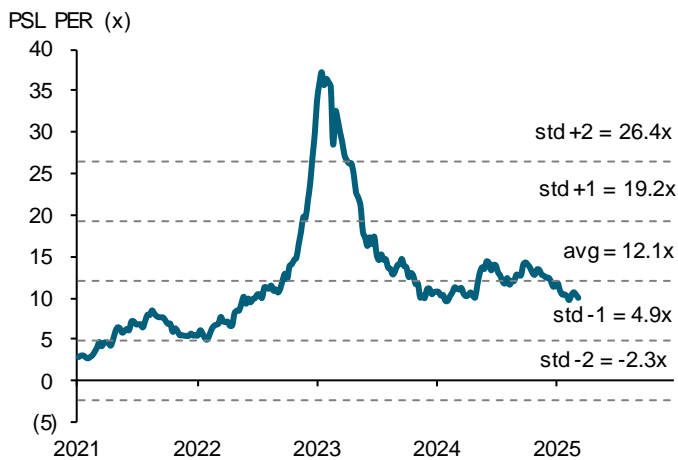
Sources: Bloomberg, FSSIA's compilation

**Exhibit 12: Share price performance 2017-18**



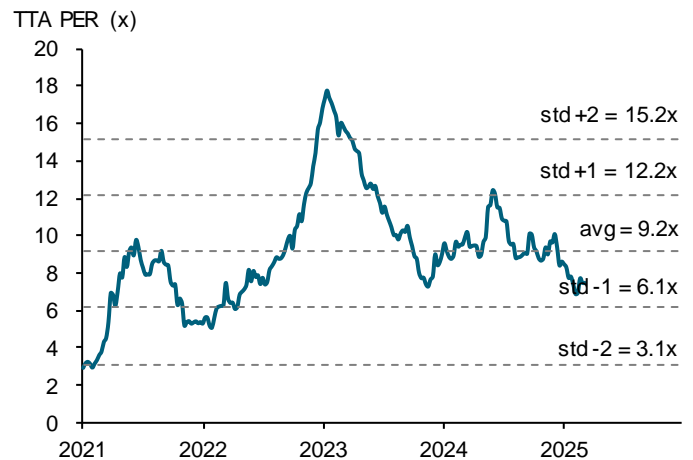
Sources: Bloomberg, FSSIA's compilation

**Exhibit 13: PSL's one-year rolling forward P/E band**



Sources: Bloomberg, FSSIA estimates

**Exhibit 14: TTA's one-year rolling forward P/E band**



Sources: Bloomberg, FSSIA estimates

## Exhibit 15: Peers comparison as of 10 March 2025

Company	BBG	Share price	---- EPS growth ----		----- PE -----		----- PBV -----		---- EV/ EBITDA ----	
		Current	25E	26E	25E	26E	25E	26E	25E	26E
		(LCY)	(%)	(%)	(x)	(x)	(x)	(x)	(x)	(x)
Thailand										
Thoresen Thai Agencies*	TTA TB	4.48	(15.8)	0.0	7.5	7.5	0.3	0.3	4.1	4.0
Precious Shipping*	PSL TB	6.40	(28.0)	30.6	10.9	8.3	0.6	0.6	5.3	4.8
Thailand average			(22.9)	15.3	9.2	7.9	0.4	0.4	4.7	4.4
Regional										
Cosco shipping Holding	601919 CH	13.78	100.8	(51.6)	9.2	10.5	0.9	0.9	3.3	3.6
Evergreen marine	2603 TT	224.50	261.0	(37.4)	5.6	7.5	1.0	1.1	2.8	3.9
Mitsui OSK Lines	9104 JP	5,563.00	55.2	(38.0)	5.3	8.6	0.8	0.7	12.9	12.3
Kawasaki Kisen Kaisha	9107 JP	2,194.00	167.6	(54.1)	5.4	11.7	0.8	0.8	9.7	9.7
Orient Oversea International	316 HK	110.30	47.5	(35.1)	5.8	8.6	0.7	0.7	1.7	2.4
Wan Hai Lines	2615 TT	86.00	2,052.4	(29.3)	9.0	n/a	0.9	n/a	2.7	n/a
Nanjing Tanker	601975 CH	3.07	22.9	1.7	6.9	6.7	1.2	1.0	3.9	3.7
Regional average			386.8	(34.8)	6.7	8.9	0.9	0.9	5.3	5.9
Global										
Hapag-Lloyd	HLAG GR	152.10	(16.1)	(71.0)	38.5	n/a	1.5	1.5	8.7	10.6
Maersk	MAERSKB DC	13,375.00	(80.6)	(129.9)	26.2	n/a	0.5	0.5	5.3	6.2
Star Bulk Carriers	SBLK US	15.75	(27.6)	93.0	9.1	4.7	0.7	0.7	5.9	4.3
Navios Maritime Partners	NMM US	39.1	(11.5)	20.5	3.9	3.2	0.3	0.3	4.2	3.9
D/S Norden	DNORD DC	186.30	(69.1)	82.0	11.9	6.5	0.7	0.6	2.8	2.4
Genco Shipping & Trading	GNK US	13.82	(56.1)	107.8	20.0	9.6	0.7	0.6	5.8	4.5
Diana Shipping	DSX US	1.77	(2.3)	383.3	29.5	6.1	0.4	0.4	6.6	5.2
Globus Maritime	GLBS US	1.25	n/a	n/a	n/a	6.9	0.1	0.1	0.2	0.1
Global average			(37.6)	69.4	19.3	6.2	0.6	0.6	4.9	4.7
Overall average			150.0	27.0	12.8	7.6	0.7	0.7	5.1	5.1

Sources: Bloomberg; \*FSSIA estimates



## THORESEN THAI AGENCIES

THAILAND / TRANSPORT &amp; LOGISTIC

TTA TB

FSSIA ESG rating



HOLD

UNCHANGED

## Cheap but no catalysts

- We maintain our revenue forecasts for 2025-26 at -7.2% y-y and -6.5% y-y, in line with the expected decline in global freight rates...
- But we revise down our offshore gross margin estimates and raise SG&A expense forecasts, leading to a 17% profit cut in 2025-26.
- Cut TP to THB5.50: cheap but no catalysts

TARGET PRICE	THB5.50
CLOSE	THB4.48
UP/DOWNSIDE	+22.8%
PRIOR TP	THB6.40
CHANGE IN TP	-14.1%
TP vs CONSENSUS	-12.7%

## KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	32,206	29,889	27,942	26,196
Net profit	1,323	1,095	1,095	1,116
EPS (THB)	0.73	0.60	0.60	0.61
vs Consensus (%)	-	(17.8)	(17.8)	-
EBITDA	4,764	4,350	4,582	9,754
Recurring net profit	1,187	1,095	1,095	1,116
Core EPS (THB)	0.65	0.60	0.60	0.61
Chg. In EPS est. (%)	nm	(17.7)	(17.4)	nm
EPS growth (%)	59.6	(15.8)	0.0	1.9
Core P/E (x)	6.3	7.5	7.5	7.3
Dividend yield (%)	4.9	4.0	4.0	4.1
EV/EBITDA (x)	3.4	4.1	4.0	1.8
Price/book (x)	0.3	0.3	0.3	0.3
Net debt/Equity (%)	14.8	19.7	20.4	16.9
ROE (%)	4.9	3.9	4.0	4.0

## 4Q24 profit dragged down by offshore business

TTA reported a net profit of THB858m in 4Q24, including gains from FX and the sale of Bitcoin. Excluding these non-recurring items, the core profit was only THB132m (-62% q-q), marking the lowest quarterly profit of the year and falling considerably short of our expectation. The weaker-than-expected profit was primarily due to the offshore services business, which reported an operating loss of THB7m, the first loss in seven quarters. This was due to higher costs and employee expenses. For the core business, shipping freight rates slipped 3% q-q and 5% y-y to USD13,247 per day, outperforming the BSI index, which fell 18% q-q and 16% y-y.

## Full-year 2024 profit rebounded due to the low base in 2023

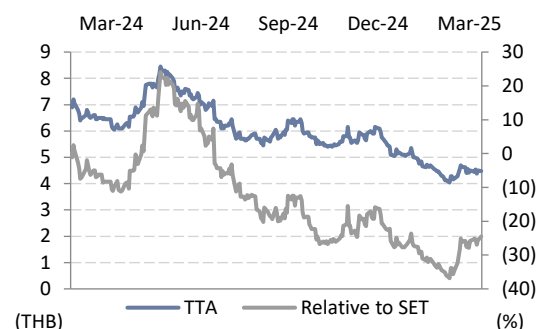
For 2024, TTA's financial performance improved due to higher revenue recognition from the offshore services business, which rose to USD513m (vs USD275m in 2023). Meanwhile, in the shipping segment, despite achieving a freight rate of USD14,467 per day (+6.3% y-y), the stronger Thai baht led to an 8.1% y-y decline in revenue in Thai baht terms. Nevertheless, the 34.3% y-y increase in total operating revenue was sufficient to offset higher costs, SG&A expenses, and interest expenses, resulting in a 59.6% y-y growth in core profit to THB1.2b in 2024.

## Revised down 2025-26 earnings due to higher costs trends

We maintain our TTA revenue forecasts for 2025-26 at -7.2% y-y and -6.5% y-y, in line with the expected decline in global freight rates this year and the gradual decrease in offshore services revenue recognition. With the fact that 2025 revenue recognition will primarily come from decommissioning, installation, and cable-laying projects, which generally have lower margins, we have revised down our offshore gross margin estimates for 2025-26 and raised our SG&A expense forecasts. As a result, TTA's core profit for 2025 and 2026 should remain at THB1.1b per year, which is 17-18% lower than our previous estimates.

## Cut TP, maintain HOLD rating

We lower our TP to THB5.50 (based on a 2025E P/E of 9x, its four-year average). Although the stock offers an expected 22% upside, the lack of short-term catalysts and weak 1Q25 earnings outlook prompts us to maintain our HOLD rating.



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	10.9	(26.6)	(35.1)
Relative to country (%)	19.7	(9.7)	(23.5)
Mkt cap (USD m)	298		
3m avg. daily turnover (USD m)	0.9		
Free float (%)	69		
Major shareholder	Mahagitsiri Family (24%)		
12m high/low (THB)	8.50/3.96		
Issued shares (m)	1,822.46		

Sources: Bloomberg consensus; FSSIA estimates



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## Investment thesis

We maintain our TTA revenue forecasts for 2025-26 at -7.2% y-y and -6.5% y-y, in line with the expected decline in global freight rates this year and the gradual decrease in offshore services revenue recognition.

With the fact that 2025 revenue recognition will primarily come from decommissioning, installation, and cable-laying projects, which generally have lower margins, we have revised down our offshore gross margin estimates for 2025-26 and raised our SG&A expense forecasts. As a result, TTA's core profit for 2025 and 2026 should remain at THB1.1b per year, which is 17-18% lower than our previous estimates.

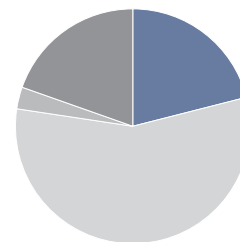
## Company profile

Thoresen Thai Agencies (TTA) is a strategic investment holding company with an investment policy of achieving growth through a balanced portfolio that is diversified both locally and internationally. Its current business portfolio includes shipping, offshore services, agrochemical, food & beverage, and investment group segments. As of December 2023, Thoresen Shipping owned 22 Supramax and 2 Ultramax vessels, making a total of 24 vessels.

[www.thoresen.com](http://www.thoresen.com)

## Principal activities (revenue, 2024)

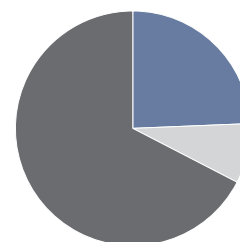
- Shipping revenue - 21.0 %
- Offshore service - 56.4 %
- Service & comission - 3.0 %
- Sales - 19.6 %



Source: Thoresen Thai Agencies

## Major shareholders

- Mahagitsiri Family - 24.4 %
- Credit Suisse AG, Singapore Branch - 8.2 %
- Others - 67.4 %



Source: Thoresen Thai Agencies

## Catalysts

Key catalysts include 1) fewer ships being built, which could reduce global fleet capacity; 2) China's stimulus package to boost the economy; and 3) higher CAPEX by the global energy sector, which creates opportunities for TTA's offshore service segment.

## Risks to our call

Downside risks to our P/E-based TP include 1) a fall in freight rates (TCE); 2) exchange rate volatility; 3) slow economic growth in China; and 4) regulatory risks, including new EEXI and CII requirements, effective 1 Jan-23. Upside risks to our P/E-based TP include 1) higher freight rates (TCE); 2) better-than-expected economic growth in China; and 3) a prolonged Red Sea crisis and shipping disruptions.

## Event calendar

Date	Event
20 March 2025	Ex-dividend date
3-10 April 2025	Subscription period

## Key assumptions

	2025E	2026E	2027E
TTA's TCE rate (USD/day)	13,794	14,125	14,408
TCE rate growth	-3.6%	2.4%	2.0%
Vessel OPEX (USD/day)	4,422	4,488	4,551
Gross margin by BU			
Shipping business	32.7%	33.0%	33.2%
Offshore business	7.7%	7.7%	7.7%
Agrochemical business	15.0%	15.0%	15.0%
Food & Beverage	41.0%	41.0%	41.0%

Source: FSSIA estimates

## Earnings sensitivity

- For every 1% change in its TCE rate, we project TTA's 2025 net profit to change by 0.8%, all else being equal.
- For every 1% change in shipping gross margin, we project TTA's 2025 net profit to change by 3.8%, all else being equal.

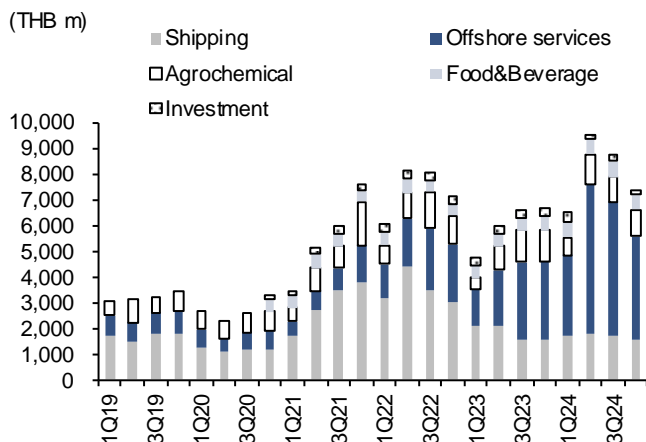
Source: FSSIA estimates

## Exhibit 16: TTA – 4Q24 earnings summary

Year to Dec 31	4Q23 (THB m)	1Q24 (THB m)	2Q24 (THB m)	3Q24 (THB m)	4Q24 (THB m)	----- Change -----		2023 (THB m)	2024 (THB m)	Change
						(q-q %)	(y-y %)			(y-y %)
Sales	6,641	6,523	9,542	8,776	7,365	(16.1)	10.9	23,975	32,206	34.3
Cost of sales	(5,317)	(5,188)	(8,203)	(7,555)	(6,353)	(15.9)	19.5	(19,663)	(27,299)	38.8
Gross profit	1,324	1,335	1,339	1,221	1,012	(17.2)	(23.6)	4,313	4,908	13.8
Operating costs	(1,218)	(703)	(795)	(921)	(953)	3.5	(21.7)	(3,211)	(3,372)	5.0
Operating profit	155	716	707	434	433	(0.1)	179.6	1,970	2,290	16.2
Operating EBITDA	736	1,299	1,342	1,061	1,063	0.2	44.4	4,157	4,764	14.6
Other income	51	52	53	54	55	1.9	7.8	869	755	(13.2)
Interest expense	154	185	190	189	175	(7.1)	14.1	(700)	(739)	5.6
FX gain/loss and other extraordinary	(520)	730	0	(1,434)	452	nm	nm	(322)	(252)	nm
<b>Net profit</b>	<b>(198)</b>	<b>1,116</b>	<b>438</b>	<b>(1,089)</b>	<b>858</b>	<b>nm</b>	<b>nm</b>	<b>1,217</b>	<b>1,323</b>	<b>8.8</b>
<b>Core profit</b>	<b>(3)</b>	<b>386</b>	<b>438</b>	<b>345</b>	<b>132</b>	<b>(61.8)</b>	<b>nm</b>	<b>744</b>	<b>1,187</b>	<b>59.6</b>
Reported EPS (THB)	(0.11)	0.61	0.24	(0.60)	0.48	(60.7)	(31.4)	0.67	0.73	8.8
Core EPS (THB)	(0.00)	0.21	0.24	0.19	0.07	13.5	(8.0)	0.41	0.65	59.6
<b>Key ratios (%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>
Gross margin	19.9	20.5	14.0	13.9	13.7	(0.2)	(6.2)	18.0	15.2	(2.8)
Operating margin	2.3	11.0	7.4	4.9	5.9	0.9	3.6	8.2	7.1	(1.1)
EBITDA margin	11.1	19.9	14.1	12.1	14.4	2.3	3.3	17.3	14.8	(2.5)
Core profit margin	(2.1)	16.9	4.9	(12.1)	9.3	21.3	11.3	3.1	3.7	0.6
SG&A / Sales	18.3	10.8	8.3	10.5	12.9	2.5	(5.4)	(13.4)	(10.5)	2.9
<b>Revenue breakdown</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(q-q %)</b>	<b>(y-y %)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(y-y %)</b>
Shipping	1,591	1,690	1,801	1,690	1,592	(5.8)	0.1	7,370	6,773	(8.1)
Offshore business	3,015	3,139	5,801	5,228	3,981	(23.8)	32.1	9,629	18,149	88.5
Agrochemical	1,213	712	1,151	959	1,025	6.9	(15.5)	3,779	3,847	1.8
Food and beverage	557	565	609	601	589	(1.9)	5.9	2,074	2,364	14.0
Investment	266	417	180	299	177	(40.8)	(33.4)	1,125	1,073	(4.6)
<b>Core profit to TTA</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(q-q %)</b>	<b>(y-y %)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(y-y %)</b>
Shipping	394	656	533	306	345	12.9	(12.4)	1,135	1,495	31.8
Offshore business	85	7	59	22	(7)	nm	nm	110	88	(20.2)
Agrochemical	41	3	34	31	35	15.4	(13.7)	(1)	68	nm
Food and beverage	(10)	(1)	(4)	(6)	(21)	nm	nm	(76)	(11)	nm
Investment	(648)	434	(156)	(1,441)	329	nm	nm	(287)	(1,162)	nm
<b>Operating statistics</b>						<b>(q-q %)</b>	<b>(y-y %)</b>			<b>(y-y %)</b>
No. of vessels	25	25	25	26	27	3.8	6.7	25	27	6.7
BSI Index (Supramax) - average	1,286	1,178	1,364	1,320	1,079	(18.3)	(16.1)	1,022	1,241	21.4
TTA's TC rate (USD/ship/day)	13,914	15,932	14,964	13,668	13,247	(3.1)	(4.8)	13,612	14,467	6.3
TTA's OPEX (USD/ship/day)	3,817	4,113	4,157	4,540	4,481	(1.3)	17.4	4,258	4,324	1.6

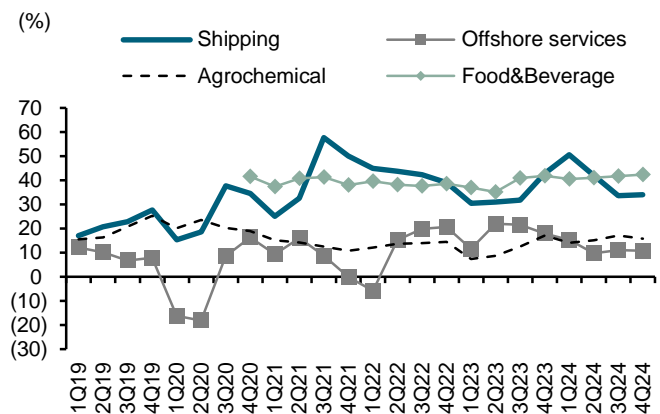
Sources: TTA, FSSIA's compilation

## Exhibit 17: Revenue breakdown



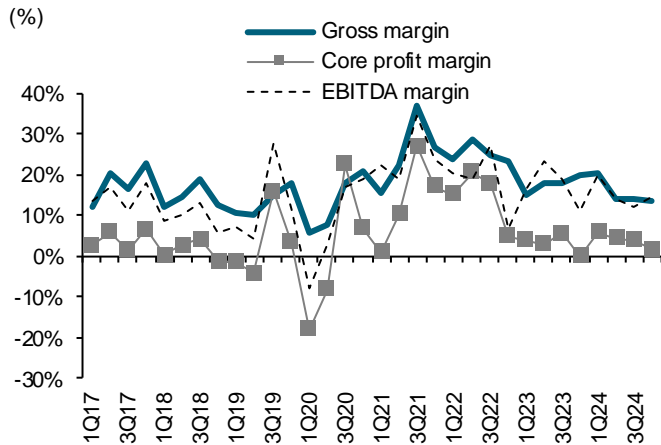
Sources: TTA, FSSIA's compilation

## Exhibit 18: Gross margin by business



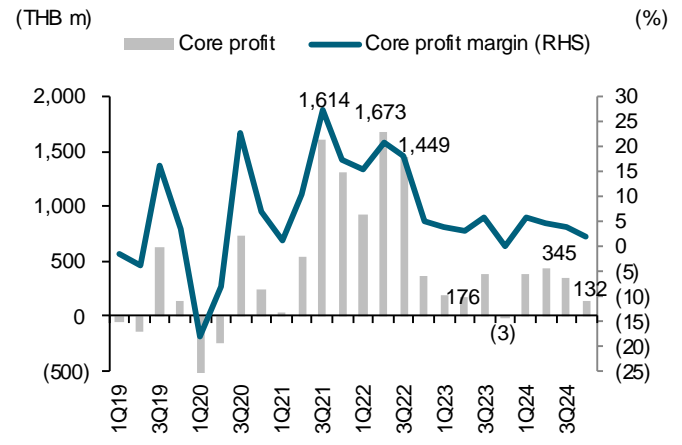
Sources: TTA, FSSIA's compilation

Exhibit 19: Margins



Sources: TTA, FSSIA's compilation

Exhibit 20: Core profit and core profit margin



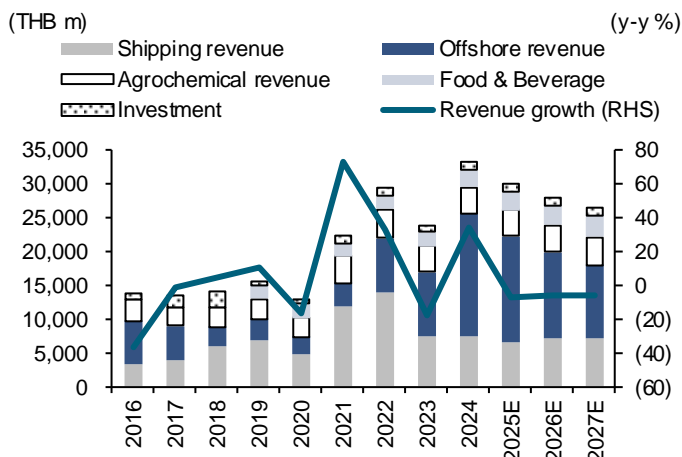
Sources: TTA, FSSIA's compilation

Exhibit 21: Key changes in assumptions

	Current			Previous			Change		
	2025E (THB m)	2026E (THB m)	2027E (THB m)	2025E (THB m)	2026E (THB m)	2027E (THB m)	2025E (%)	2026E (%)	2027E (%)
<b>TCE rate (USD/day)</b>	<b>13,794</b>	<b>14,125</b>	<b>14,408</b>	<b>13,794</b>	<b>14,125</b>	<b>14,408</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Shipping	6,646	7,049	7,190	6,646	7,049	7,190	0.0	0.0	0.0
Offshore services	15,502	12,763	10,725	15,502	12,763	10,725	0.0	0.0	0.0
Agrochemical	3,916	3,994	4,074	3,916	3,994	4,074	0.0	0.0	0.0
Food&Beverage	2,632	2,895	3,242	2,632	2,895	3,242	0.0	0.0	0.0
Other investments	1,193	1,241	1,290	1,193	1,241	1,290	0.0	0.0	0.0
<b>Total revenue</b>	<b>29,889</b>	<b>27,942</b>	<b>26,196</b>	<b>29,889</b>	<b>27,942</b>	<b>26,196</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Cost of goods sold	(25,128)	(23,165)	(21,527)	(24,965)	(22,990)	(21,527)	0.7	0.8	0.0
Gross profit	4,761	4,777	4,669	4,924	4,952	4,669	(3.3)	(3.5)	0.0
SG&A	(3,288)	(3,311)	(3,327)	(3,168)	(3,241)	(3,327)	3.8	2.2	0.0
Interest expense	722	719	695	747	720	695	(3.4)	(0.2)	0.0
EBITDA	4,350	4,582	9,754	4,632	4,827	9,754	(6.1)	(5.1)	0.0
Core profit	1,095	1,095	1,116	1,332	1,325	1,116	(17.7)	(17.4)	0.0
<b>Key ratios</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>	<b>(ppt)</b>
Gross margin	15.9	17.1	17.8	16.5	17.7	17.8	(0.5)	(0.6)	0.0
SG&A to sales	11	11.85	12.70	10.6	11.6	12.7	0.4	0.2	0.0
EBITDA margin	14.6	16.4	37.2	15.5	17.3	37.2	(0.9)	(0.9)	0.0
Core profit margin	3.7	3.9	4.3	4.5	4.7	4.3	(0.8)	(0.8)	0.0

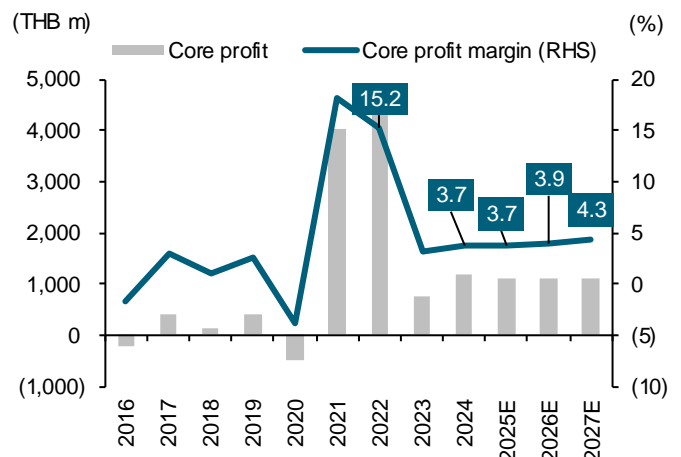
Sources: TTA, FSSIA estimates

Exhibit 22: Revenue breakdown



Sources: TTA, FSSIA estimates

Exhibit 23: Core profit and core profit margin



Sources: TTA, FSSIA estimates

## Financial Statements

Thoresen Thai Agencies

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	23,975	32,206	29,889	27,942	26,196
Cost of goods sold	(19,663)	(27,299)	(25,128)	(23,165)	(21,527)
<b>Gross profit</b>	<b>4,313</b>	<b>4,908</b>	<b>4,761</b>	<b>4,777</b>	<b>4,669</b>
Other operating income	396	755	418	405	505
Operating costs	(3,211)	(3,372)	(3,288)	(3,311)	(3,327)
<b>Operating EBITDA</b>	<b>3,684</b>	<b>4,764</b>	<b>4,350</b>	<b>4,582</b>	<b>9,754</b>
Depreciation	(2,187)	(2,474)	(2,458)	(2,711)	(7,907)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>1,497</b>	<b>2,290</b>	<b>1,892</b>	<b>1,871</b>	<b>1,847</b>
Net financing costs	(700)	(739)	(722)	(719)	(695)
Associates	179	142	118	122	128
Recurring non-operating income	179	142	118	122	128
Non-recurring items	373	(252)	0	0	0
<b>Profit before tax</b>	<b>1,349</b>	<b>1,441</b>	<b>1,288</b>	<b>1,273</b>	<b>1,279</b>
Tax	(19)	(153)	(94)	(92)	(92)
<b>Profit after tax</b>	<b>1,330</b>	<b>1,288</b>	<b>1,195</b>	<b>1,181</b>	<b>1,187</b>
Minority interests	(113)	(239)	(99)	(86)	(72)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>1,217</b>	<b>1,323</b>	<b>1,095</b>	<b>1,095</b>	<b>1,116</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>(473)</b>	<b>(136)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>744</b>	<b>1,187</b>	<b>1,095</b>	<b>1,095</b>	<b>1,116</b>
<b>Per share (THB)</b>					
Recurring EPS *	0.41	0.65	0.60	0.60	0.61
Reported EPS	0.67	0.73	0.60	0.60	0.61
DPS	0.18	0.22	0.18	0.18	0.18
Diluted shares (used to calculate per share data)	1,822	1,822	1,822	1,822	1,822
<b>Growth</b>					
Revenue (%)	(18.2)	34.3	(7.2)	(6.5)	(6.2)
Operating EBITDA (%)	(32.7)	29.3	(8.7)	5.3	112.9
Operating EBIT (%)	(58.7)	53.0	(17.4)	(1.1)	(1.3)
Recurring EPS (%)	(83.3)	59.6	(7.7)	0.0	1.9
Reported EPS (%)	(62.8)	8.8	(17.2)	0.0	1.9
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	18.0	15.2	15.9	17.1	17.8
Gross margin exc. depreciation (%)	27.1	22.9	24.2	26.8	48.0
Operating EBITDA margin (%)	15.4	14.8	14.6	16.4	37.2
Operating EBIT margin (%)	6.2	7.1	6.3	6.7	7.1
Net margin (%)	5.1	4.1	3.7	3.9	4.3
Effective tax rate (%)	1.4	10.6	7.3	7.2	7.2
Dividend payout on recurring profit (%)	38.7	30.7	30.1	30.1	30.1
Interest cover (X)	2.4	3.3	2.8	2.8	2.8
Inventory days	32.7	20.1	22.3	24.0	36.6
Debtor days	76.3	77.9	95.4	97.2	101.7
Creditor days	46.2	40.4	48.3	48.4	67.3
Operating ROIC (%)	7.4	9.6	7.5	6.9	6.6
ROIC (%)	5.4	6.4	5.0	4.8	4.8
ROE (%)	3.4	4.9	3.9	4.0	4.0
ROA (%)	3.9	4.7	3.8	3.9	3.9

\* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2023	2024	2025E	2026E	2027E
Shipping revenue	7,370	6,773	6,646	7,049	7,190
Offshore service	9,629	18,149	15,502	12,763	10,725
Service & commission	957	971	1,084	1,138	1,150
Sales	6,020	6,314	6,657	6,992	7,132

Sources: Thoresen Thai Agencies; FSSIA estimates

## Financial Statements

Thoresen Thai Agencies

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	844	1,301	1,095	1,095	1,116
Depreciation	2,187	2,474	2,458	2,711	7,907
Associates & minorities	113	239	99	86	72
Other non-cash items	3	(366)	(2,281)	(295)	(267)
Change in working capital	(480)	(1,447)	1,930	617	(46)
<b>Cash flow from operations</b>	<b>2,668</b>	<b>2,201</b>	<b>3,301</b>	<b>4,215</b>	<b>8,781</b>
Capex - maintenance	-	-	-	-	-
Capex - new investment	(3,027)	(2,187)	(4,735)	(4,500)	(7,700)
Net acquisitions & disposals	183	30	0	0	0
Other investments (net)	(315)	(1,812)	660	148	(74)
<b>Cash flow from investing</b>	<b>(3,160)</b>	<b>(3,970)</b>	<b>(4,076)</b>	<b>(4,352)</b>	<b>(7,774)</b>
Dividends paid	(410)	(341)	(330)	(330)	(336)
Equity finance	0	0	0	0	0
Debt finance	(314)	2,376	(371)	(878)	(506)
Other financing cash flows	(650)	(677)	2	3	4
<b>Cash flow from financing</b>	<b>(1,375)</b>	<b>1,358</b>	<b>(699)</b>	<b>(1,205)</b>	<b>(838)</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	505	640	0	0	0
<b>Net other adjustments</b>	<b>505</b>	<b>640</b>	<b>(313)</b>	<b>0</b>	<b>0</b>
<b>Movement in cash</b>	<b>(1,362)</b>	<b>229</b>	<b>(1,786)</b>	<b>(1,342)</b>	<b>169</b>
Free cash flow to firm (FCFF)	208	(1,030)	(53)	582	1,702
Free cash flow to equity (FCFE)	(952)	570	(1,456)	(1,012)	505
<b>Per share (THB)</b>					
FCFF per share	0.11	(0.57)	(0.03)	0.32	0.93
FCFE per share	(0.52)	0.31	(0.80)	(0.56)	0.28
Recurring cash flow per share	1.73	2.00	0.75	1.97	4.84
Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	41,300	42,666	47,401	51,901	59,601
Less: Accumulated depreciation	(25,480)	(26,420)	(28,878)	(31,589)	(39,496)
<b>Tangible fixed assets (net)</b>	<b>15,820</b>	<b>16,246</b>	<b>18,524</b>	<b>20,312</b>	<b>20,106</b>
<b>Intangible fixed assets (net)</b>	<b>5,566</b>	<b>7,061</b>	<b>5,971</b>	<b>5,392</b>	<b>5,033</b>
Long-term financial assets	1,177	1,224	1,224	1,224	1,224
Invest. in associates & subsidiaries	2,627	2,569	2,569	2,569	2,569
Cash & equivalents	7,068	7,297	5,510	4,168	4,337
A/C receivable	5,733	8,008	7,616	7,273	7,321
Inventories	1,327	1,410	1,364	1,328	1,404
Other current assets	1,931	2,616	1,799	1,702	1,615
<b>Current assets</b>	<b>16,059</b>	<b>19,331</b>	<b>16,289</b>	<b>14,471</b>	<b>14,676</b>
Other assets	1,724	3,599	3,532	3,467	3,403
<b>Total assets</b>	<b>42,973</b>	<b>50,030</b>	<b>48,109</b>	<b>47,435</b>	<b>47,011</b>
Common equity	25,007	28,439	27,228	27,845	28,476
Minorities etc.	3,282	3,485	3,554	3,625	3,698
<b>Total shareholders' equity</b>	<b>28,290</b>	<b>31,923</b>	<b>30,782</b>	<b>31,470</b>	<b>32,174</b>
Long term debt	7,439	9,604	9,022	8,389	8,003
Other long-term liabilities	355	502	448	419	393
<b>Long-term liabilities</b>	<b>7,794</b>	<b>10,106</b>	<b>9,470</b>	<b>8,808</b>	<b>8,396</b>
A/C payable	2,409	3,302	2,960	2,729	2,536
Short term debt	2,365	2,405	2,555	2,206	1,782
Other current liabilities	2,114	2,294	2,341	2,221	2,123
<b>Current liabilities</b>	<b>6,889</b>	<b>8,001</b>	<b>7,856</b>	<b>7,156</b>	<b>6,441</b>
<b>Total liabilities and shareholders' equity</b>	<b>42,973</b>	<b>50,030</b>	<b>48,109</b>	<b>47,435</b>	<b>47,011</b>
Net working capital	4,467	6,438	5,478	5,352	5,680
Invested capital	31,381	37,137	37,298	38,316	38,014
* Includes convertibles and preferred stock which is being treated as debt					
<b>Per share (THB)</b>					
Book value per share	13.72	15.60	14.94	15.28	15.63
Tangible book value per share	10.67	11.73	11.66	12.32	12.86
<b>Financial strength</b>					
Net debt/equity (%)	9.7	14.8	19.7	20.4	16.9
Net debt/total assets (%)	6.4	9.4	12.6	13.5	11.6
Current ratio (x)	2.3	2.4	2.1	2.0	2.3
CF interest cover (x)	4.0	4.7	5.5	5.9	12.8
Valuation	2023	2024	2025E	2026E	2027E
<b>Recurring P/E (x) *</b>	<b>9.7</b>	<b>6.3</b>	<b>7.5</b>	<b>7.5</b>	<b>7.3</b>
<b>Recurring P/E @ target price (x) *</b>	<b>11.9</b>	<b>7.7</b>	<b>9.0</b>	<b>9.0</b>	<b>8.8</b>
Reported P/E (x)	6.7	7.8	7.5	7.5	7.3
Dividend yield (%)	4.0	4.9	4.0	4.0	4.1
Price/book (x)	0.3	0.3	0.3	0.3	0.3
Price/tangible book (x)	0.4	0.4	0.4	0.4	0.3
EV/EBITDA (x) **	3.8	3.4	4.1	4.0	1.8
EV/EBITDA @ target price (x) **	4.4	3.8	4.5	4.4	2.0
EV/invested capital (x)	0.5	0.4	0.5	0.5	0.5
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: Thoresen Thai Agencies; FSSIA estimates

# Thoresen Thai Agencies (TTA TB)

## FSSIA ESG rating



**65.35 /100**

### Exhibit 24: FSSIA ESG score implication

Rating	Score	Implication
★★★★★	>79-100	Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability.
★★★★★	>59-79	<b>A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.</b>
★★★	>39-59	Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.
★★	>19-39	Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.
★	1-19	The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC.

Sources: FSSIA estimates

### Exhibit 25: ESG – peer comparison

	FSSIA ESG score	Domestic ratings					Global ratings					Bloomberg			
		DJSI	SET ESG	SET ESG rating	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	69.20	5.34	4.40	4.40	4.76	4.65	3.84	Medium	51.76	BBB	20.87	58.72	63.91	3.72	28.17
Coverage	67.12	5.11	4.15	4.17	4.83	4.71	3.53	Medium	52.04	BB	16.97	56.85	62.09	3.40	31.94
NYT	43.79	--	--	Y	5.00	5.00	--	--	53.86	--	--	57.61	--	6.57	45.96
PSL	55.45	--	Y	Y	5.00	5.00	Certified	Medium	59.76	BB	--	--	51.00	--	--
RCL	27.51	--	--	--	4.00	4.00	--	High	41.46	--	--	20.37	13.00	.94	30.36
SJWD	42.41	--	Y	Y	5.00	5.00	--	--	56.00	--	--	42.01	--	3.44	41.46
TTA	65.35	--	Y	Y	5.00	5.00	Certified	Medium	56.56	AA	--	50.79	25.00	3.31	56.20

Sources: [SETTRADE.com](https://www.settrade.com); FSSIA's compilation

### Exhibit 26: ESG score by Bloomberg

FY ending Dec 31	FY 2019	FY 2020	FY 2021	FY 2022
<b>ESG financial materiality scores - ESG score</b>	<b>—</b>	<b>—</b>	<b>4.82</b>	<b>3.31</b>
BESG environmental pillar score	—	—	4.86	2.13
BESG social pillar score	—	—	7.33	6.02
BESG governance pillar score	—	—	3.34	3.29
<b>ESG disclosure score</b>	<b>40.92</b>	<b>46.13</b>	<b>53.95</b>	<b>56.20</b>
Environmental disclosure score	16.79	26.31	34.25	37.24
Social disclosure score	24.73	30.86	46.40	50.18
Governance disclosure score	81.10	81.10	81.10	81.10
<b>Environmental</b>				
Emissions reduction initiatives	Yes	Yes	Yes	Yes
Climate change policy	Yes	Yes	Yes	Yes
Climate change opportunities discussed	No	No	No	No
Risks of climate change discussed	No	Yes	Yes	Yes
GHG scope 1	—	—	24	35
GHG scope 2 location-based	—	—	1	0
GHG Scope 3	—	—	0	—
Carbon per unit of production	—	—	—	—
Biodiversity policy	No	No	No	No
Energy efficiency policy	Yes	Yes	Yes	Yes
Total energy consumption	—	—	1	1
Renewable energy use	—	—	—	—
Electricity used	—	1	1	1
Fuel used - natural gas	—	—	—	—

Sources: Bloomberg; FSSIA's compilation

**Exhibit 27: ESG score by Bloomberg (cont.)**

<b>FY ending Dec 31</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Fuel used - crude oil/diesel	No	No	No	No
Waste reduction policy	Yes	Yes	Yes	Yes
Hazardous waste	—	—	—	—
Total waste	—	—	0	0
Waste recycled	—	—	—	—
Waste sent to landfills	—	—	—	—
Environmental supply chain management	Yes	Yes	Yes	Yes
Water policy	Yes	Yes	Yes	Yes
Water consumption	—	—	—	224
<b>Social</b>				
Human rights policy	Yes	Yes	Yes	Yes
Policy against child labor	No	No	Yes	Yes
Quality assurance and recall policy	Yes	Yes	Yes	Yes
Consumer data protection policy	No	No	No	No
Equal opportunity policy	No	Yes	Yes	Yes
Gender pay gap breakout	No	No	No	No
Pct women in workforce	35	64	64	67
Pct disabled in workforce	0	0	0	0
Business ethics policy	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes	Yes
Health and safety policy	Yes	Yes	Yes	Yes
Lost time incident rate - employees	—	—	0	0
Total recordable incident rate - employees	—	—	0	0
Training policy	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	No
Number of employees – CSR	104	81	76	85
Employee turnover pct	54	30	24	5
Total hours spent by firm - employee training	501	296	310	629
Social supply chain management	Yes	Yes	Yes	Yes
<b>Governance</b>				
<b>Board size</b>	<b>11</b>	<b>11</b>	<b>10</b>	<b>11</b>
<b>No. of independent directors (ID)</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>
No. of women on board	1	1	1	1
No. of non-executive directors on board	6	7	8	8
Company conducts board evaluations	Yes	Yes	Yes	Yes
No. of board meetings for the year	8	10	8	8
Board meeting attendance pct	94	90	94	97
Board duration (years)	3	3	3	3
Director share ownership guidelines	No	No	No	No
Age of the youngest director	39	40	41	42
Age of the oldest director	79	80	81	82
<b>No. of executives / company managers</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>
No. of female executives	0	1	1	1
Executive share ownership guidelines	No	No	No	No
<b>Size of audit committee</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
No. of ID on audit committee	3	3	3	3
Audit committee meetings	7	7	6	7
Audit meeting attendance %	100	95	100	100
<b>Size of compensation committee</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
No. of ID on compensation committee	2	2	2	2
No. of compensation committee meetings	2	2	3	2
Compensation meeting attendance %	83	67	67	100
<b>Size of nomination committee</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
No. of nomination committee meetings	2	2	3	2
Nomination meeting attendance %	83	67	67	100
<b>Sustainability governance</b>				
Verification type	No	No	No	No

Sources: Bloomberg; FSSIA's compilation



# PRECIOUS SHIPPING

## THAILAND / TRANSPORT & LOGISTIC

PSL TB

# HOLD

UNCHANGED

TARGET PRICE	THB7.00
CLOSE	THB6.40
UP/DOWNSIDE	+9.4%
PRIOR TP	THB7.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	-11.9%

## Navigating challenging waters

- The 2024 core profit sharply increased by 92.9% y-y, primarily due to the freight rates correction in 2023.
- We believe 2025 will be different due to the acceleration of fleet and trade conflicts between global superpowers.
- Maintain our projection and HOLD rating

### 4Q24 profit declined in line with the bulk industry trend

PSL reported a net profit of THB249m in 4Q24. Excluding FX gains, the core profit stood at THB225m (-23.2% q-q, -29.6% y-y). Although this exceeded our expectations by 76% due to a higher-than-expected gross margin and revenue, the overall profit trend was in line with expectations, showing a decline both q-q and y-y. The decline in core profit was driven by 1) a decrease in shipping revenue; 2) higher operating expenses; and 3) a sharp increase in interest expenses.

### Costs and expenses increased in 4Q24, could continue in 2025

The daily earnings per vessel in 4Q24 dropped by 4.5% q-q and 2.0% y-y to USD12,177, the lowest in five quarters, in line with the BSI and BHSI indices. However, the impact was partially offset by the two handysize vessels acquired in October 2024, resulting in total revenue in Thai baht of THB1.5b (+1.5% q-q, -1.5% y-y). Vessel operating expenses increased to USD5,382 per day per vessel, higher than the company's estimate, due to rising dry-docking expenses. As a result, the 4Q24 operating margin declined to 26.0% (-450bps q-q, -220bps y-y). Interest expenses increased by 13.8% q-q and 15.2% y-y due to an additional loan of approximately THB500m and the issuance of sustainability-linked debentures worth THB1.4b (an average interest rate of 3.75%) during the quarter.

### 2024 profit recovery driven by a rebound from 2023 low base

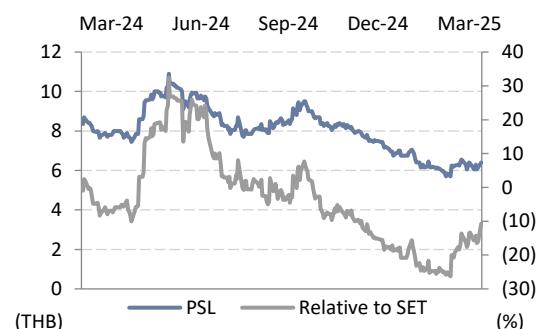
For the full-year 2024, the core profit reached THB1.3b, a sharp increase of 92.9% y-y, primarily due to the freight rates correction in 2023 and the addition of two vessels. However, freight rates in 2024 showed a clear decline in 2H24, driven by concerns over the US-China trade war and the gradual increase in vessel supply.

### Maintain our projection and HOLD rating

For 2025, freight rates started the year weak and remain under pressure from trade wars and demand/supply imbalances. We expect the average BSI index to decline by approximately 10% y-y. We maintain our 2025 profit forecast at THB919m (-28% y-y) and our TP at THB7 (2025E P/E of 12x). PSL's 1Q25 earnings are likely to be pressured by the continued decline in sea freight rates. We maintain our HOLD rating.

### KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	5,985	5,895	6,060	6,268
Net profit	1,468	919	1,200	1,269
EPS (THB)	0.94	0.59	0.77	0.81
vs Consensus (%)	-	68.6	180.0	678.8
EBITDA	3,344	3,026	3,325	3,424
Recurring net profit	1,276	919	1,200	1,269
Core EPS (THB)	0.82	0.59	0.77	0.81
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	92.9	(28.0)	30.6	5.8
Core P/E (x)	7.8	10.9	8.3	7.9
Dividend yield (%)	6.3	4.6	6.0	6.4
EV/EBITDA (x)	4.9	5.3	4.8	4.4
Price/book (x)	0.6	0.6	0.6	0.5
Net debt/Equity (%)	37.4	35.5	32.5	26.7
ROE (%)	7.7	5.4	6.8	7.0



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	12.3	(14.1)	(24.7)
Relative to country (%)	21.2	5.6	(11.3)
Mkt cap (USD m)	295		
3m avg. daily turnover (USD m)	0.7		
Free float (%)	48		
Major shareholder	Globex Corporation Limited (28%)		
12m high/low (THB)	11.20/5.60		
Issued shares (m)	1,559.29		

Sources: Bloomberg consensus; FSSIA estimates



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## Investment thesis

For 2025, freight rates started the year weak and remain under pressure from trade wars and demand/supply imbalances. We expect the average BSI index to decline by approximately 10% y-y.

We maintain our 2025 profit forecast at THB919m (-28% y-y) and our TP at THB7 (2025E P/E of 12x). PSL's 1Q25 earnings are likely to be pressured by the continued decline in sea freight rates. We maintain our HOLD rating.

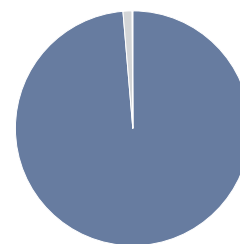
## Company profile

Precious Shipping (PSL) is a pure dry cargo ship-owner operating in the Handysize, Supramax and Ultramax sectors of the tramp freight market. PSL was founded in 1989, commenced commercial operations in March 1991, and listed on the Stock Exchange of Thailand in September 1993. As of end-2024, PSL has 40 fleet vessels, with an aggregate capacity of 1,737,504 DWT.

[www.preciousshipping.com](http://www.preciousshipping.com)

## Principal activities (revenue, 2024)

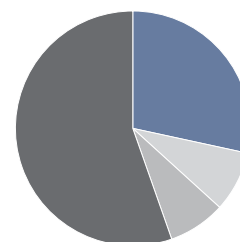
- Time charter - 98.7 %
- Voyage charter - 1.3 %
- Service revenue - 0.1 %



Source: Precious Shipping

## Major shareholders

- Globex Corporation Limited - 28.4 %
- Graintrade Limited - 8.3 %
- Bank Julius Baer & Co. Ltd., Singapore - 7.9 %
- Others - 55.4 %



Source: Precious Shipping

## Catalysts

Key potential catalysts include 1) fewer ships being built, which could reduce global fleet capacity; and 2) China's stimulus to boost the economy.

## Risks to our call

Downside risks to our P/E-based TP include 1) a fall in freight rates (time charter equivalent (TCE)); 2) exchange rate volatility; 3) China's slow economic growth; and 4) regulatory risks, including new EEXI and CII requirements, effective 1 Jan-23. Upside risks to our P/E-based TP include 1) higher freight rates (TCE); 2) better-than-expected economic growth in China; and 3) a prolonged Red Sea crisis and shipping disruptions.

## Event calendar

Date	Event
4 April 2025	Annual general meeting of shareholders
17 April 2025	Ex-dividend date

## Key assumptions

	2025E	2026E	2027E
TCE rate (USD/day)	11,785	12,858	13,762
TCE rate growth (%)	(7.2)	9.1	7.0
OPEX (USD/day)	5,235	5,238	5,364
Gross margin (%)	33.2	37.3	38.0
SG&A to sales (%)	7.8	7.8	7.8

Source: FSSIA estimates

## Earnings sensitivity

- For every 1% change in its TCE rate, we project PSL's 2025 net profit to change by 3.8%, all else being equal.
- For every 1% change in gross margin, we project PSL's 2025 net profit to change by 4.0%, all else being equal.

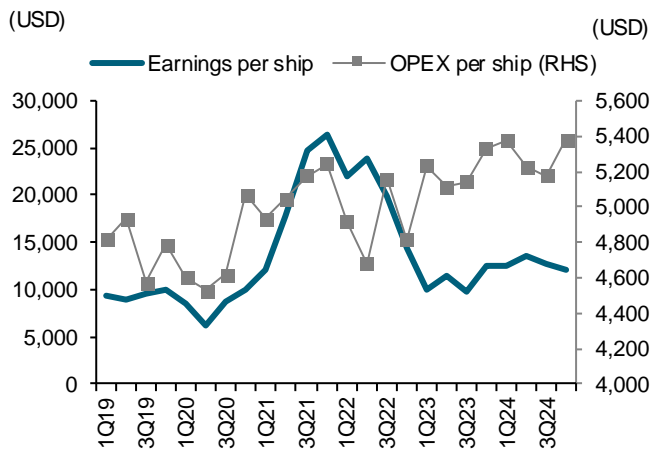
Source: FSSIA estimates

## Exhibit 28: PSL – 4Q24 results summary

Year to Dec 31	4Q23	1Q24	2Q24	3Q24	4Q24	----- Change -----		2023	2024	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Service revenue	1,480	1,479	1,612	1,436	1,458	1.5	(1.5)	5,099	5,985	17.4
Cost of services	(905)	(935)	(929)	(876)	(954)	9.0	5.5	(3,589)	(3,692)	2.9
Gross profit	575	544	683	561	503	(10.2)	(12.5)	1,510	2,294	51.9
Operating costs	(109)	(112)	(141)	(160)	(143)	(10.1)	31.1	(425)	(556)	30.6
Operating profit	450	450	572	420	379	(9.8)	(15.8)	1,124	1,821	62.0
Operating EBITDA	789	825	961	787	774	(1.7)	(1.9)	2,553	3,346	31.0
Interest expense	(136)	(120)	(146)	(138)	(157)	13.8	15.2	(481)	(561)	16.7
Profit before tax	314	330	426	282	222	(21.3)	(29.2)	644	1,260	95.8
FX gain/loss and asset sold	(74)	82	99	(14)	24	<i>nm</i>	<i>nm</i>	48	45	(5.8)
<b>Reported net profit</b>	<b>246</b>	<b>409</b>	<b>530</b>	<b>280</b>	<b>249</b>	<b>(11.0)</b>	<b>1.2</b>	<b>709</b>	<b>1,468</b>	<b>107.0</b>
<b>Core profit</b>	<b>320</b>	<b>327</b>	<b>430</b>	<b>294</b>	<b>225</b>	<b>(23.2)</b>	<b>(29.6)</b>	<b>661</b>	<b>1,276</b>	<b>92.9</b>
Reported EPS (THB)	0.16	0.26	0.34	0.18	0.16	(13.2)	(1.4)	0.45	0.94	107.0
Core EPS (THB)	0.21	0.21	0.27	0.18	0.14	(23.2)	(31.4)	0.42	0.82	92.9
<b>Key ratios (%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>
Gross margin	36.8	36.7	42.4	39.1	34.6	(4.5)	(2.2)	29.5	38.2	8.7
Operating margin	30.4	30.5	35.5	29.3	26.0	(3.3)	(4.4)	22.1	30.5	8.4
EBITDA margin	53.3	55.8	59.6	54.8	53.1	(1.7)	(0.2)	50.1	56.0	5.8
Core profit margin	21.6	22.1	26.7	20.5	15.5	(5.0)	(6.2)	13.0	21.3	8.4
SG&A / Sales	5.9	6.0	6.8	8.6	8.0	(0.6)	2.1	6.6	7.3	0.8
<b>Operating statistics</b>						<b>(q-q %)</b>	<b>(y-y %)</b>			<b>(y-y %)</b>
No. of vessels	38	37	36	38	40	5.3	5.3	38.0	40.0	5.3
BSI Index (Supramax) - average	1,293	1,178	1,364	1,320	1,084	(17.9)	(16.2)	1,030	1,241	20.5
BHSI Index (Handysize) - average	714	666	725	740	672	(9.2)	(5.9)	586	703	20.0
PSL's TC rate (USD/ship/day)	12,429	12,433	13,483	12,755	12,177	(4.5)	(2.0)	10,904	12,712	16.6
PSL's OPEX (USD/ship/day)	5,332	5,379	5,226	5,175	5,382	4.0	0.9	5,204	5,291	1.7

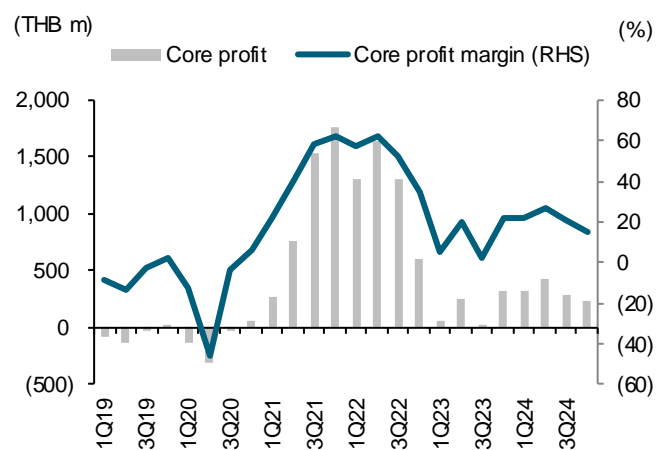
Sources: PSL, FSSIA's compilation

## Exhibit 29: Revenue and operating expenses



Sources: PSL, FSSIA's compilation

## Exhibit 30: Core profit and core profit margin



Sources: PSL, FSSIA's compilation

## Financial Statements

### Precious Shipping

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	5,099	5,985	5,895	6,060	6,268
Cost of goods sold	(3,595)	(3,699)	(3,937)	(3,802)	(3,888)
<b>Gross profit</b>	<b>1,504</b>	<b>2,287</b>	<b>1,958</b>	<b>2,258</b>	<b>2,380</b>
Other operating income	46	90	83	87	85
Operating costs	(425)	(556)	(592)	(612)	(646)
<b>Operating EBITDA</b>	<b>2,553</b>	<b>3,344</b>	<b>3,026</b>	<b>3,325</b>	<b>3,424</b>
Depreciation	(1,429)	(1,523)	(1,577)	(1,592)	(1,605)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>1,124</b>	<b>1,821</b>	<b>1,449</b>	<b>1,733</b>	<b>1,819</b>
Net financing costs	(481)	(561)	(540)	(534)	(551)
Associates	21	20	19	20	20
Recurring non-operating income	21	20	19	20	20
Non-recurring items	48	192	0	0	0
<b>Profit before tax</b>	<b>713</b>	<b>1,473</b>	<b>928</b>	<b>1,218</b>	<b>1,288</b>
Tax	(4)	(5)	(9)	(18)	(19)
<b>Profit after tax</b>	<b>709</b>	<b>1,468</b>	<b>919</b>	<b>1,200</b>	<b>1,269</b>
Minority interests	0	0	0	0	0
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>709</b>	<b>1,468</b>	<b>919</b>	<b>1,200</b>	<b>1,269</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>(48)</b>	<b>(192)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>661</b>	<b>1,276</b>	<b>919</b>	<b>1,200</b>	<b>1,269</b>
<b>Per share (THB)</b>					
Recurring EPS *	0.42	0.82	0.59	0.77	0.81
Reported EPS	0.45	0.94	0.59	0.77	0.81
DPS	0.25	0.40	0.29	0.38	0.41
Diluted shares (used to calculate per share data)	1,559	1,559	1,559	1,559	1,559
<b>Growth</b>					
Revenue (%)	(44.1)	17.4	(1.5)	2.8	3.4
Operating EBITDA (%)	(61.0)	31.0	(9.5)	9.9	3.0
Operating EBIT (%)	(78.5)	62.0	(20.4)	19.6	5.0
Recurring EPS (%)	(86.4)	92.9	(28.0)	30.6	5.8
Reported EPS (%)	(85.4)	107.0	(37.4)	30.6	5.8
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	29.5	38.2	33.2	37.3	38.0
Gross margin exc. depreciation (%)	57.5	63.7	60.0	63.5	63.6
Operating EBITDA margin (%)	50.1	55.9	51.3	54.9	54.6
Operating EBIT margin (%)	22.1	30.4	24.6	28.6	29.0
Net margin (%)	13.0	21.3	15.6	19.8	20.2
Effective tax rate (%)	0.5	0.3	1.0	1.5	1.5
Dividend payout on recurring profit (%)	58.9	48.9	50.0	50.0	50.0
Interest cover (X)	2.4	3.3	2.7	3.3	3.3
Inventory days	6.1	3.8	2.3	2.5	2.5
Debtor days	20.6	21.3	24.0	22.7	22.1
Creditor days	83.2	62.4	57.2	64.9	64.8
Operating ROIC (%)	4.2	6.7	5.2	6.1	(1.6)
ROIC (%)	4.2	6.6	5.0	5.9	(1.5)
ROE (%)	4.0	7.7	5.4	6.8	7.0
ROA (%)	4.3	6.8	5.1	6.1	4.2
* Pre-exceptional, pre-goodwill and fully diluted					
<b>Revenue by Division (THB m)</b>					
Time charter	5,016	5,905	5,830	5,977	6,184
Voyage charter	79	75	60	78	78
Service revenue	5	5	5	6	6

Sources: Precious Shipping; FSSIA estimates

## Financial Statements

### Precious Shipping

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	661	1,276	919	1,200	1,269
Depreciation	1,429	1,523	1,577	1,592	1,605
Associates & minorities	-	-	-	-	-
Other non-cash items	413	497	(42)	21	(100)
Change in working capital	(336)	(26)	(74)	(66)	235
<b>Cash flow from operations</b>	<b>2,167</b>	<b>3,270</b>	<b>2,379</b>	<b>2,747</b>	<b>3,009</b>
Capex - maintenance	-	-	-	-	-
Capex - new investment	(562)	(4,439)	(1,800)	(1,800)	(1,605)
Net acquisitions & disposals	1	1,429	0	0	0
Other investments (net)	21	(483)	43	(23)	96
<b>Cash flow from investing</b>	<b>(541)</b>	<b>(3,493)</b>	<b>(1,757)</b>	<b>(1,823)</b>	<b>(1,509)</b>
Dividends paid	(624)	(624)	(459)	(600)	(635)
Equity finance	0	0	0	0	0
Debt finance	710	1,198	(100)	(18)	19
Other financing cash flows	(455)	(501)	0	1	2
<b>Cash flow from financing</b>	<b>(368)</b>	<b>73</b>	<b>(559)</b>	<b>(617)</b>	<b>(613)</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	1	0	0	0	0
<b>Net other adjustments</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Movement in cash</b>	<b>1,259</b>	<b>(149)</b>	<b>63</b>	<b>307</b>	<b>887</b>
Free cash flow to firm (FCFF)	2,106.72	338.14	1,163.08	1,458.56	2,051.97
Free cash flow to equity (FCFE)	1,882.57	474.55	522.71	906.59	1,522.00
<b>Per share (THB)</b>					
FCFF per share	1.35	0.22	0.75	0.94	1.32
FCFE per share	1.21	0.30	0.34	0.58	0.98
Recurring cash flow per share	1.61	2.11	1.57	1.80	1.78
Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	32,689	34,690	35,532	36,389	37,070
Less: Accumulated depreciation	(11,854)	(12,362)	(12,980)	(13,629)	(14,311)
<b>Tangible fixed assets (net)</b>	<b>20,836</b>	<b>22,328</b>	<b>22,552</b>	<b>22,759</b>	<b>22,759</b>
<b>Intangible fixed assets (net)</b>	<b>9</b>	<b>21</b>	<b>21</b>	<b>20</b>	<b>20</b>
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	82	81	81	81	81
Cash & equivalents	2,315	2,166	2,229	2,536	3,423
A/C receivable	295	405	371	382	377
Inventories	30	15	15	15	16
Other current assets	250	233	236	242	250
<b>Current assets</b>	<b>2,890</b>	<b>2,818</b>	<b>2,851</b>	<b>3,175</b>	<b>4,067</b>
Other assets	529	960	917	940	844
<b>Total assets</b>	<b>24,346</b>	<b>26,208</b>	<b>26,421</b>	<b>26,975</b>	<b>27,771</b>
Common equity	16,246	16,863	17,323	17,923	18,557
Minorities etc.	0	0	0	0	0
<b>Total shareholders' equity</b>	<b>16,246</b>	<b>16,864</b>	<b>17,323</b>	<b>17,923</b>	<b>18,558</b>
Long term debt	5,548	7,081	7,002	7,008	7,120
Other long-term liabilities	276	211	207	189	252
<b>Long-term liabilities</b>	<b>5,824</b>	<b>7,292</b>	<b>7,209</b>	<b>7,197</b>	<b>7,372</b>
A/C payable	447	362	432	416	455
Short term debt	1,788	1,399	1,380	1,355	1,262
Other current liabilities	41	291	77	84	125
<b>Current liabilities</b>	<b>2,276</b>	<b>2,053</b>	<b>1,889</b>	<b>1,856</b>	<b>1,842</b>
<b>Total liabilities and shareholders' equity</b>	<b>24,346</b>	<b>26,208</b>	<b>26,421</b>	<b>26,975</b>	<b>27,771</b>
Net working capital	87	(1)	112	138	64
Invested capital	21,542	23,389	23,682	23,939	23,768
* Includes convertibles and preferred stock which is being treated as debt					
<b>Per share (THB)</b>					
Book value per share	10.42	10.81	11.11	11.49	11.90
Tangible book value per share	10.41	10.80	11.10	11.48	11.89
<b>Financial strength</b>					
Net debt/equity (%)	30.9	37.4	35.5	32.5	26.7
Net debt/total assets (%)	20.6	24.1	23.3	21.6	17.9
Current ratio (x)	1.3	1.4	1.5	1.7	2.2
CF interest cover (x)	6.1	9.8	5.3	6.1	6.7
Valuation	2023	2024	2025E	2026E	2027E
<b>Recurring P/E (x) *</b>	<b>15.1</b>	<b>7.8</b>	<b>10.9</b>	<b>8.3</b>	<b>7.9</b>
<b>Recurring P/E @ target price (x) *</b>	<b>16.5</b>	<b>8.6</b>	<b>11.9</b>	<b>9.1</b>	<b>8.6</b>
Reported P/E (x)	14.1	6.8	10.9	8.3	7.9
Dividend yield (%)	3.9	6.3	4.6	6.0	6.4
Price/book (x)	0.6	0.6	0.6	0.6	0.5
Price/tangible book (x)	0.6	0.6	0.6	0.6	0.5
EV/EBITDA (x) **	5.9	4.9	5.3	4.8	4.4
EV/EBITDA @ target price (x) **	6.2	5.2	5.6	5.0	4.6
EV/invested capital (x)	0.7	0.7	0.7	0.7	0.6
* Pre-exceptional, pre-goodwill and fully diluted    ** EBITDA includes associate income and recurring non-operating income					

Sources: Precious Shipping; FSSIA estimates

# PRECIOUS SHIPPING PCL (PSL TB)

## FSSIA ESG rating


**55.45 /100**

### Exhibit 31: FSSIA ESG score implication

Rating	Score	Implication
★★★★★	>79-100	Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability.
★★★★★	>59-79	A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.
★★★	>39-59	<b>Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.</b>
★★	>19-39	Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.
★	1-19	The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC.

Sources: FSSIA estimates

### Exhibit 32: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings						Bloomberg	
		DJSI	SET ESG	SET ESG Rating	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	69.20	5.34	4.40	4.40	4.76	4.65	3.84	Medium	51.76	BBB	20.87	58.72	63.91	3.72	28.17
Coverage	67.12	5.11	4.15	4.17	4.83	4.71	3.53	Medium	52.04	BB	16.97	56.85	62.09	3.40	31.94
NYT	43.79	--	--	Y	5.00	5.00	--	--	53.86	--	--	57.61	--	6.57	45.96
PSL	55.45	--	Y	Y	5.00	5.00	Certified	Medium	59.76	BB	--	--	51.00	--	--
RCL	27.51	--	--	--	4.00	4.00	--	High	41.46	--	--	20.37	13.00	.94	30.36
SJWD	42.41	--	Y	Y	5.00	5.00	--	--	56.00	--	--	42.01	--	3.44	41.46
TTA	65.35	--	Y	Y	5.00	5.00	Certified	Medium	56.56	AA	--	50.79	25.00	3.31	56.20

Sources: [SETTRADE.com](https://www.settrade.com); \* FSSIA estimate; FSSIA's compilation

### Exhibit 33: ESG disclosure from company's one report

FY ending Dec 31	FY 2022	FY ending Dec 31	FY 2022
<b>Environmental</b>		<b>Governance</b>	
Climate change policy	Yes	Board size / Independent directors (ID) / Female	11 / 4 / 4
Climate change opportunities discussed	--	No. of board meetings for the year / % attendance	7 / 98%
GHG scope 2 location-based policy	Yes	Company conducts board evaluations	Yes
Biodiversity policy	Yes	Number of non-executive directors on board	8
Energy efficiency policy	Yes	Director share ownership guidelines	No
Electricity used	Yes	Board age limit	--
Fuel used - crude oil/diesel	Yes	Age of the youngest / oldest director	34 / 69
Waste reduction policy	Yes	Number of executives / female	3 / 0
Water policy	Yes	Executive share ownership guidelines	No
Water consumption	Yes	Size of audit committee / ID	3 / 3
<b>Social</b>		Audit committee meetings	4
Human rights policy	Yes	Audit committee meeting attendance (%)	100
Policy against child labor	Yes	Size of compensation committee / ID	3 / 2
Quality assurance and recall policy	--	Number of compensation committee meetings	3
Consumer data protection policy	Yes	Compensation committee meeting attendance (%)	100
Equal opportunity policy	Yes	Size of nomination committee / ID	3 / 3
Gender pay gap breakout	--	Number of nomination committee meetings	3
Pct women in workforce	56	Nomination committee meeting attendance (%)	100
Business ethics policy	Yes	Board compensation (THB m)	8.5
Anti-bribery ethics policy	Yes	Executive compensation (THB m)	94.84
Health and safety policy	Yes	Auditor fee (THB m)	11.11
Lost time incident rate - employees	--	(EY Office Limited)	
Training policy	Yes	Total employee (no.)	133
Fair remuneration policy	Yes	Employee compensation (THB m)	315.37
Number of employees - CSR	Yes		
Total hours spent by firm - employee training	44286		
Social supply chain management	Yes		

Source: FSSIA's compilation



## Disclaimer for ESG scoring

ESG score	Methodology	Rating																				
The Dow Jones Sustainability Indices ( <a href="#">DJSI</a> ) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																				
SET ESG Ratings List ( <a href="#">SETESG</a> ) by The Stock Exchange of Thailand ( <a href="#">SET</a> )	SET ESG quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for <b>SETESG inclusion</b> , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. <b>SETESG Index</b> is extended from the SET ESG Ratings companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																				
<b>CG Score</b> by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																				
<b>AGM level</b> By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&amp;A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																				
<a href="#">Thai CAC</a> By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																				
<a href="#">Morningstar Sustainabilitys</a>	The Sustainabilitys' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality &amp; peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table><tr><th>NEGL</th><th>Low</th><th>Medium</th><th>High</th><th>Severe</th></tr><tr><td>0-10</td><td>10-20</td><td>20-30</td><td>30-40</td><td>40+</td></tr></table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+										
NEGL	Low	Medium	High	Severe																		
0-10	10-20	20-30	30-40	40+																		
<a href="#">ESG Book</a>	The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.	The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.																				
<a href="#">MSCI</a>	MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. <table><tr><td><b>AAA</b></td><td>8.571-10.000</td><td rowspan="3"><b>Leader:</b></td><td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td></tr><tr><td><b>AA</b></td><td>7.143-8.570</td></tr><tr><td><b>A</b></td><td>5.714-7.142</td></tr><tr><td><b>BBB</b></td><td>4.286-5.713</td><td rowspan="3"><b>Average:</b></td><td rowspan="3">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td></tr><tr><td><b>BB</b></td><td>2.857-4.285</td></tr><tr><td><b>B</b></td><td>1.429-2.856</td></tr><tr><td><b>CCC</b></td><td>0.000-1.428</td><td><b>Laggard:</b></td><td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr></table>		<b>AAA</b>	8.571-10.000	<b>Leader:</b>	leading its industry in managing the most significant ESG risks and opportunities	<b>AA</b>	7.143-8.570	<b>A</b>	5.714-7.142	<b>BBB</b>	4.286-5.713	<b>Average:</b>	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	<b>BB</b>	2.857-4.285	<b>B</b>	1.429-2.856	<b>CCC</b>	0.000-1.428	<b>Laggard:</b>	lagging its industry based on its high exposure and failure to manage significant ESG risks
<b>AAA</b>	8.571-10.000	<b>Leader:</b>	leading its industry in managing the most significant ESG risks and opportunities																			
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<a href="#">Moody's ESG solutions</a>	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																					
<a href="#">Refinitiv ESG rating</a>	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; &gt;25 to 50 = satisfactory; &gt;50 to 75 = good; and &gt;75 to 100 = excellent.)</i>																					
<a href="#">S&amp;P Global</a>	The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.																					
<b>Bloomberg</b>	ESG Score	Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.																				
Bloomberg	ESG Disclosure Score	Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.																				

[Rating](#) regarding the sustainable development of Thai listed companies, both on the SET and MAI, are publicly available on the website of the Securities and Exchange Commission of Thailand (SEC). Currently, ratings available are 1) "**CG Score**"; 2) "**AGM Level**"; 3) "**Thai CAC**"; and 4) **THSI**. The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation



## GENERAL DISCLAIMER

### ANALYST(S) CERTIFICATION

Jitra Amornthum FSS International Investment Advisory Securities Co., Ltd

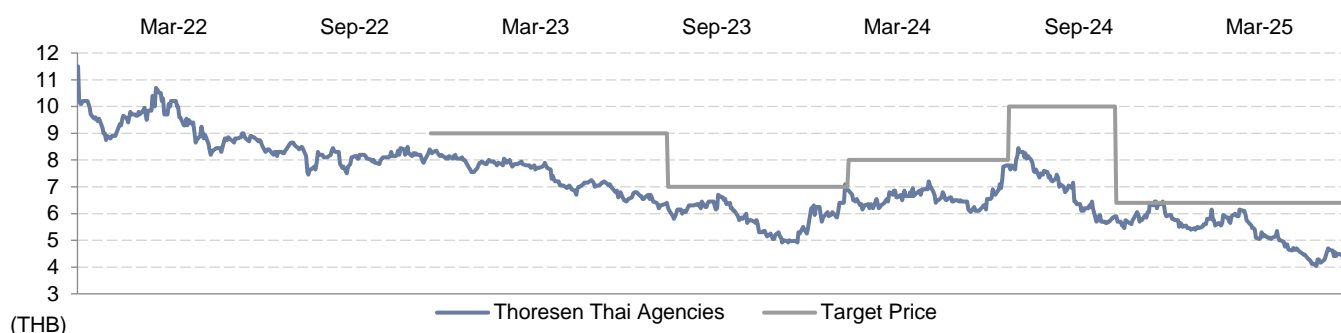
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### History of change in investment rating and/or target price

#### Thoresen Thai Agencies (TTA TB)



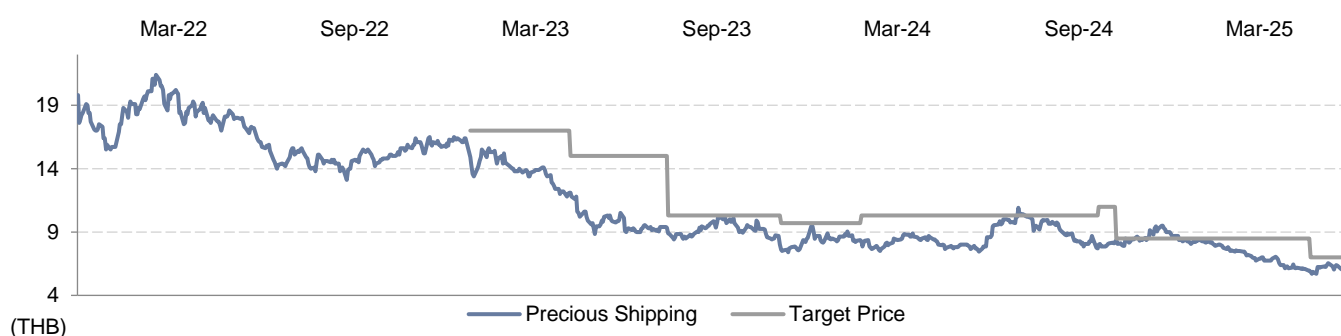
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
10-Jan-2023	HOLD	9.00	02-Aug-2023	HOLD	7.00	21-May-2024	BUY	10.00
10-May-2023	BUY	9.00	04-Jan-2024	BUY	8.00	21-Aug-2024	HOLD	6.40

Jitra Amornthum started covering this stock from 10-Jan-2023

Price and TP are in local currency

Source: FSSIA estimates

#### Precious Shipping (PSL TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
13-Feb-2023	HOLD	17.00	07-Nov-2023	HOLD	9.70	21-Aug-2024	HOLD	8.50
10-May-2023	BUY	15.00	15-Jan-2024	BUY	10.30	04-Feb-2025	HOLD	7.00
02-Aug-2023	HOLD	10.30	06-Aug-2024	BUY	11.00			

Jitra Amornthum started covering this stock from 13-Feb-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Thoresen Thai Agencies	TTA TB	THB 4.48	HOLD	Downside risks to our P/E-based TP include 1) a fall in freight rates (TCE); 2) exchange rate volatility; 3) slow economic growth in China; and 4) regulatory risks, including new EEXI and CII requirements, effective 1 Jan-23. Upside risks to our P/E-based TP include 1) higher freight rates (TCE); 2) better-than-expected economic growth in China; and 3) a prolonged Red Sea crisis and shipping disruptions.
Precious Shipping	PSL TB	THB 6.40	HOLD	Downside risks to our P/E-based TP include 1) a fall in freight rates (time charter equivalent (TCE)); 2) exchange rate volatility; 3) China's slow economic growth; and 4) regulatory risks, including new EEXI and CII requirements, effective 1 Jan-23. Upside risks to our P/E-based TP include 1) higher freight rates (TCE); 2) better-than-expected economic growth in China; and 3) a prolonged Red Sea crisis and shipping disruptions.

Source: FSSIA estimates

#### Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited.

All share prices are as at market close on 10-Mar-2025 unless otherwise stated.

## RECOMMENDATION STRUCTURE

### Stock ratings

Stock ratings are based on absolute upside or downside, which we define as (target price\* - current price) / current price.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

\* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

### Industry Recommendations

**Overweight.** The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

**Neutral.** The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

**Underweight.** The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

### Country (Strategy) Recommendations

**Overweight (O).** Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

**Neutral (N).** Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

**Underweight (U).** Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.