

# PRECIOUS SHIPPING

THAILAND / TRANSPORT & LOGISTIC

PSL TB

## REDUCE

UNCHANGED

|                 |           |
|-----------------|-----------|
| TARGET PRICE    | THB5.40   |
| CLOSE           | THB6.60   |
| UP/DOWNSIDE     | -18.2%    |
| PRIOR TP        | THB5.40   |
| CHANGE IN TP    | UNCHANGED |
| TP vs CONSENSUS | -4.6%     |

## Supply overhang limits recovery

- Expect PSL to post a core loss for 2Q25 for the second consecutive quarter, but the loss should narrow q-q.
- Freight rates recover seasonally in 3Q25, but headwinds remain.
- We maintain our REDUCE rating, given the persistent risk of vessel supply growth outpacing demand in 2025-26.

### 2Q25E loss narrows but still below breakeven

We expect PSL to post a core loss for 2Q25 for the second consecutive quarter, although the loss should narrow to THB35m from a core loss of THB139m in 1Q25. While freight rates have rebounded from 1Q25, they remain at low levels due to subdued demand for steel and coal shipments in China, as the property sector has yet to recover. Additionally, vessels previously delayed in 1Q25 due to congestion at the Panama Canal have gradually returned to service, easing supply constraints. As a result, the average BHSI in 2Q25 rose to 587 points (+16.7% q-q, -19.0% y-y), while the average BSI reached 962 points (+17.5% q-q, -29.5% y-y)—both still below PSL's estimated breakeven level.

### Revenue lifted by rates but strong baht a drag

Given the aforementioned freight indices and the Thai baht appreciation to its strongest level in over three years, we estimate PSL's shipping revenue in 2Q25 at THB1.2b (+17.0% q-q, -24.7% y-y). We also expect voyage expenses to decline from 1Q25, supported by effective cost control and lower global crude oil prices. We forecast a FX loss of around THB70m, leading to an expected net loss of THB105m for 2Q25.

### Freight rates recover seasonally in 3Q25 but headwinds remain

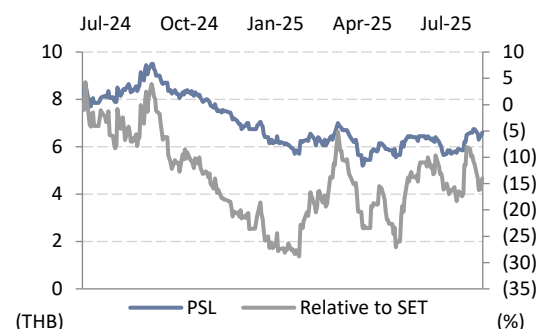
As of 3QTD, the average BHSI stands at 654 points (+11.5% q-q), while the BSI averages 1,210 points (+26.2% q-q), reflecting a seasonal uptrend driven by coal and grain shipments. Freight rates have room to improve further, with both indices currently just 8%-11% below their 3Q24 averages. Nonetheless, with our expectation of a THB174m core loss in 1H25 and macroeconomic headwinds from ongoing trade tariffs continuing to weigh on sentiment, we maintain our cautious stance and keep our estimates unchanged for now.

### Valuation looks cheap, but supply risk caps upside

Despite the stock trading at 0.6x 2025E P/BV, we maintain our REDUCE rating with a TP of THB5.40 (based on 0.5x 2025E P/BV, or -0.6SD below its five-year average), given the persistent risk of vessel supply growth outpacing demand in 2025-26. As of 18 July 2025, PSL has repurchased a total of 74.5m shares at an average price of THB6.04 per share, representing 48% of the total buyback program, which is set to expire on 29 August 2025.

### KEY STOCK DATA

| YE Dec (THB m)       | 2024  | 2025E  | 2026E | 2027E |
|----------------------|-------|--------|-------|-------|
| Revenue              | 5,985 | 5,077  | 5,300 | 5,572 |
| Net profit           | 1,468 | 75     | 307   | 502   |
| EPS (THB)            | 0.94  | 0.05   | 0.20  | 0.32  |
| vs Consensus (%)     | -     | (69.3) | 26.6  | 57.6  |
| EBITDA               | 3,344 | 2,247  | 2,448 | 2,610 |
| Recurring net profit | 1,276 | 75     | 307   | 502   |
| Core EPS (THB)       | 0.82  | 0.05   | 0.20  | 0.32  |
| Chg. in EPS est. (%) | -     | -      | -     | -     |
| EPS growth (%)       | 92.9  | (94.1) | 308.8 | 63.3  |
| Core P/E (x)         | 8.1   | 137.0  | 33.5  | 20.5  |
| Dividend yield (%)   | 6.1   | 0.3    | 1.2   | 1.9   |
| EV/EBITDA (x)        | 5.0   | 7.4    | 6.8   | 6.2   |
| Price/book (x)       | 0.6   | 0.6    | 0.6   | 0.6   |
| Net debt/Equity (%)  | 37.4  | 37.7   | 37.8  | 34.4  |
| ROE (%)              | 7.7   | 0.4    | 1.8   | 2.9   |



| Share price performance        | 1 Month                          | 3 Month | 12 Month |
|--------------------------------|----------------------------------|---------|----------|
| Absolute (%)                   | 13.8                             | 7.3     | (15.9)   |
| Relative to country (%)        | 3.6                              | 2.2     | (10.8)   |
| Mkt cap (USD m)                | 303                              |         |          |
| 3m avg. daily turnover (USD m) | 0.6                              |         |          |
| Free float (%)                 | 48                               |         |          |
| Major shareholder              | Globex Corporation Limited (28%) |         |          |
| 12m high/low (THB)             | 9.60/4.96                        |         |          |
| Issued shares (m)              | 1,559.29                         |         |          |

Sources: Bloomberg consensus; FSSIA estimates



Jitra Amorntum

Fundamental Investment Analyst on Securities; License no. 014530  
 jitra.a@fssia.com, +66 2646 9966

## Investment thesis

We expect PSL to report a narrowed core loss of THB35m in 2Q25, supported by a seasonal uptick in freight rates and cost discipline. However, average BHSI and BSI remain below breakeven levels, reflecting weak demand from China's steel and coal sectors.

While the 3Q freight outlook shows improvement, we remain cautious amid persistent vessel oversupply and trade-related macro risks. Despite a low valuation at 0.6x 2025E P/BV, upside is capped. Maintain REDUCE and TP THB5.40 (based on 0.5x 2025E P/BV, or -0.6SD below its five-year average).

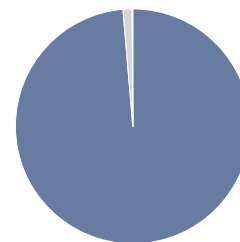
## Company profile

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)

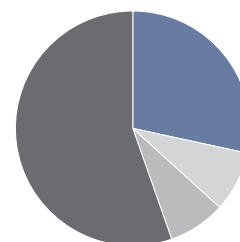
- Time charter - 98.7 %
- Voyage charter - 1.3 %
- Service revenue - 0.1 %



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

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                      |
|---------------|----------------------------|
| 1 August 2025 | 2Q25 earnings announcement |

## Key assumptions

|                     | 2024A  | 2025E  | 2026E  | 2027E  |
|---------------------|--------|--------|--------|--------|
| BSI Index           | 1,238  | 990    | 1,012  | 1,047  |
| TCE rate (USD/day)  | 12,700 | 9,849  | 10,753 | 11,677 |
| TCE rate growth (%) | 16.4   | (22.4) | 9.2    | 8.6    |
| OPEX (USD/day)      | 5,293  | 5,325  | 5,442  | 5,562  |
| Gross margin (%)    | 38.2   | 23.8   | 27.1   | 29.2   |
| SG&A to sales (%)   | 7.3    | 9.6    | 9.4    | 9.2    |

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.

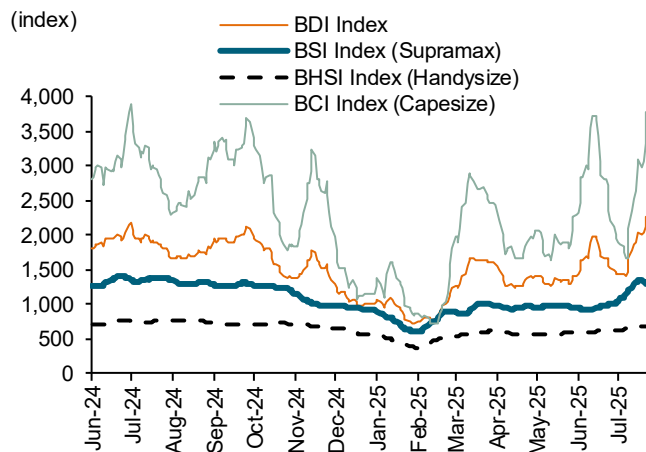
Source: FSSIA estimates

## Exhibit 1: PSL - 2Q25 earnings preview

| Year to Dec 31                    | 2Q24       | 3Q24       | 4Q24       | 1Q25         | 2Q25E        | ----- Change ----- |                | 1H24       | 1H25E        | Change         | % of      |
|-----------------------------------|------------|------------|------------|--------------|--------------|--------------------|----------------|------------|--------------|----------------|-----------|
|                                   | (THB m)    | (THB m)    | (THB m)    | (THB m)      | (THB m)      | (q-q %)            | (y-y %)        | (THB m)    | (THB m)      | (y-y %)        | 2025E     |
| Service revenue                   | 1,612      | 1,436      | 1,458      | 1,037        | 1,213        | 17.0               | (24.7)         | 3,091      | 2,250        | (27.2)         | 44.3      |
| Cost of services                  | (929)      | (876)      | (954)      | (960)        | (1,028)      | 7.0                | 10.7           | (1,863)    | (1,988)      | 6.7            | 51.5      |
| Gross profit                      | 683        | 561        | 503        | 77           | 186          | 141.5              | (72.8)         | 1,228      | 263          | (78.6)         | 21.6      |
| Operating costs                   | (141)      | (160)      | (143)      | (91)         | (106)        | 17.2               | (24.3)         | (252)      | (197)        | (21.9)         | 31.9      |
| Operating profit                  | 572        | 420        | 379        | 1            | 98           | 7,675.0            | (82.9)         | 1,022      | 99           | (90.3)         | 14.8      |
| Operating EBITDA                  | 961        | 787        | 774        | 388          | 485          | 25.0               | (49.5)         | 1,785      | 873          | (51.1)         | 38.9      |
| Interest expense                  | (146)      | (138)      | (157)      | (145)        | (140)        | (3.4)              | (4.2)          | (266)      | (285)        | 7.0            | 46.2      |
| Profit before tax                 | 426        | 282        | 222        | (144)        | (42)         | nm                 | nm             | 756        | (186)        | nm             | (343.3)   |
| Extra gain from FX and asset sold | 99         | (14)       | 24         | (1)          | (70)         | nm                 | nm             | 182        | (71)         | nm             | nm        |
| <b>Reported net profit</b>        | <b>530</b> | <b>280</b> | <b>249</b> | <b>(140)</b> | <b>(105)</b> | <b>nm</b>          | <b>nm</b>      | <b>939</b> | <b>(245)</b> | <b>nm</b>      | <b>nm</b> |
| <b>Core profit</b>                | <b>430</b> | <b>294</b> | <b>225</b> | <b>(139)</b> | <b>(35)</b>  | <b>nm</b>          | <b>nm</b>      | <b>757</b> | <b>(174)</b> | <b>nm</b>      | <b>nm</b> |
| Reported EPS (THB)                | 0.34       | 0.18       | 0.16       | (0.09)       | (0.07)       | nm                 | nm             | 0.60       | (0.15)       | nm             | nm        |
| Core EPS (THB)                    | 0.27       | 0.18       | 0.14       | (0.09)       | (0.02)       | nm                 | nm             | 0.48       | (0.11)       | nm             | nm        |
| <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                      | 42.4       | 39.1       | 34.6       | 7.5          | 15.6         | 8.1                | (26.9)         | 39.7       | 11.7         | (28.0)         |           |
| Operating margin                  | 35.5       | 29.3       | 26.0       | 0.1          | 8.1          | 8.0                | (27.4)         | 33.1       | 4.4          | (28.7)         |           |
| EBITDA margin                     | 59.6       | 54.8       | 53.1       | 37.5         | 40.0         | 2.5                | (19.6)         | 57.8       | 38.8         | (19.0)         |           |
| Core profit margin                | 26.7       | 20.5       | 15.5       | (13.4)       | (2.9)        | 10.5               | (29.6)         | 24.5       | (7.7)        | (32.2)         |           |
| SG&A / Sales                      | 6.8        | 8.6        | 8.0        | 7.4          | 8.8          | 1.4                | 2.0            | 8.2        | 8.8          | 0.6            |           |
| <b>Operating statistics</b>       |            |            |            |              |              | <b>(q-q %)</b>     | <b>(y-y %)</b> |            |              | <b>(y-y %)</b> |           |
| No. of vessels                    | 36         | 38         | 38         | 39           | 40           | 2.6                | 11.1           | 36.0       | 40.0         | 11.1           |           |
| BSI Index (Supramax) - average    | 1,364      | 1,320      | 1,084      | 819          | 962          | 17.5               | (29.5)         | 1,274      | 892          | (30.0)         |           |
| BHSI Index (Handysize) - average  | 725        | 740        | 672        | 504          | 505          | 0.2                | (30.3)         | 698        | 546          | (21.8)         |           |
| PSL's TC rate (USD/ship/day)      | 13,483     | 12,755     | 12,177     | 8,641        | 10,110       | 17.0               | (25.0)         | 12,958     | 9,375        | (27.6)         |           |
| PSL's OPEX (USD/ship/day)         | 5,226      | 5,175      | 5,382      | 5,425        | 5,262        | (3.0)              | 0.7            | 5,303      | 5,344        | 0.8            |           |

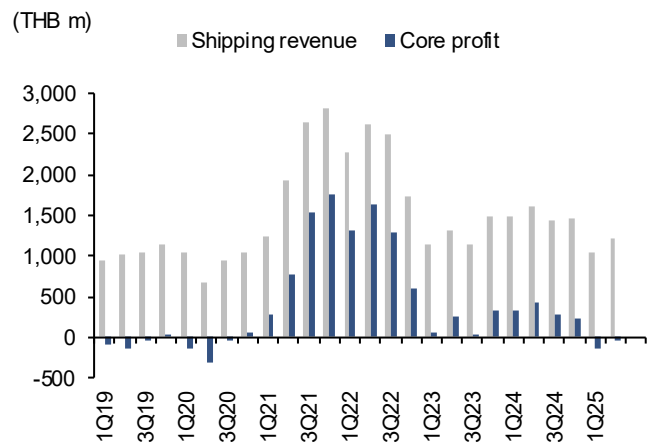
Sources: PSL, FSSIA estimates

## Exhibit 2: Baltic dry indices



Source: Bloomberg

## Exhibit 3: Revenue and core profit



Sources: PSL, FSSIA estimates

## Financial Statements

### Precious Shipping

| Profit and Loss (THB m) Year Ending Dec           | 2023         | 2024         | 2025E        | 2026E        | 2027E        |
|---|--------------|--------------|--------------|--------------|--------------|
| Revenue   | 5,099        | 5,985        | 5,077        | 5,300        | 5,572        |
| Cost of goods sold                                | (3,595)      | (3,699)      | (3,867)      | (3,866)      | (3,947)      |
| <b>Gross profit</b>                               | <b>1,504</b> | <b>2,287</b> | <b>1,210</b> | <b>1,435</b> | <b>1,625</b> |
| Other operating income                            | 46           | 90           | 79           | 77           | 81           |
| Operating costs                                   | (425)        | (556)        | (619)        | (641)        | (674)        |
| <b>Operating EBITDA</b>                           | <b>2,553</b> | <b>3,344</b> | <b>2,247</b> | <b>2,448</b> | <b>2,610</b> |
| Depreciation                                      | (1,429)      | (1,523)      | (1,577)      | (1,577)      | (1,577)      |
| Goodwill amortisation                             | 0            | 0            | 0            | 0            | 0            |
| <b>Operating EBIT</b>                             | <b>1,124</b> | <b>1,821</b> | <b>670</b>   | <b>871</b>   | <b>1,033</b> |
| Net financing costs                               | (481)        | (561)        | (616)        | (585)        | (553)        |
| Associates  | 21           | 20           | 21           | 22           | 23           |
| Recurring non-operating income                    | 21           | 20           | 21           | 22           | 23           |
| Non-recurring items                               | 48           | 192          | 0            | 0            | 0            |
| <b>Profit before tax</b>                          | <b>713</b>   | <b>1,473</b> | <b>75</b>    | <b>308</b>   | <b>504</b>   |
| Tax   | (4)          | (5)          | 0            | (1)          | (2)          |
| <b>Profit after tax</b>                           | <b>709</b>   | <b>1,468</b> | <b>75</b>    | <b>307</b>   | <b>502</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>75</b>    | <b>307</b>   | <b>502</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>75</b>    | <b>307</b>   | <b>502</b>   |
| <b>Per share (THB)</b>                            |              |              |              |              |              |
| Recurring EPS *                                   | 0.42         | 0.82         | 0.05         | 0.20         | 0.32         |
| Reported EPS                                      | 0.45         | 0.94         | 0.05         | 0.20         | 0.32         |
| DPS   | 0.25         | 0.40         | 0.02         | 0.08         | 0.13         |
| 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         | (15.2)       | 4.4          | 5.1          |
| Operating EBITDA (%)                              | (61.0)       | 31.0         | (32.8)       | 8.9          | 6.6          |
| Operating EBIT (%)                                | (78.5)       | 62.0         | (63.2)       | 29.9         | 18.6         |
| Recurring EPS (%)                                 | (86.4)       | 92.9         | (94.1)       | 308.8        | 63.3         |
| Reported EPS (%)                                  | (85.4)       | 107.0        | (94.9)       | 308.8        | 63.3         |
| <b>Operating performance</b>                      |              |              |              |              |              |
| Gross margin inc. depreciation (%)                | 29.5         | 38.2         | 23.8         | 27.1         | 29.2         |
| Gross margin exc. depreciation (%)                | 57.5         | 63.7         | 54.9         | 56.8         | 57.5         |
| Operating EBITDA margin (%)                       | 50.1         | 55.9         | 44.3         | 46.2         | 46.8         |
| Operating EBIT margin (%)                         | 22.1         | 30.4         | 13.2         | 16.4         | 18.5         |
| Net margin (%)                                    | 13.0         | 21.3         | 1.5          | 5.8          | 9.0          |
| Effective tax rate (%)                            | 0.5          | 0.3          | 0.3          | 0.4          | 0.4          |
| Dividend payout on recurring profit (%)           | 58.9         | 48.9         | 40.0         | 40.0         | 40.0         |
| Interest cover (X)                                | 2.4          | 3.3          | 1.1          | 1.5          | 1.9          |
| Inventory days                                    | 6.1          | 3.8          | 2.4          | 2.4          | 2.4          |
| Debtor days                                       | 20.6         | 21.3         | 26.5         | 23.0         | 21.9         |
| Creditor days                                     | 83.2         | 62.4         | 58.1         | 62.9         | 64.8         |
| Operating ROIC (%)                                | 4.2          | 6.7          | 2.4          | 3.1          | (0.9)        |
| ROIC (%)  | 4.2          | 6.6          | 2.4          | 3.0          | (0.9)        |
| ROE (%)   | 4.0          | 7.7          | 0.4          | 1.8          | 2.9          |
| ROA (%)   | 4.3          | 6.8          | 2.2          | 3.0          | 1.5          |
| * Pre-exceptional, pre-goodwill and fully diluted |              |              |              |              |              |
| <b>Revenue by Division (THB m)</b>                |              |              |              |              |              |
| Time charter                                      | 5,016        | 5,905        | 4,994        | 5,215        | 5,485        |
| Voyage charter                                    | 79           | 75           | 77           | 79           | 82           |
| 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          | 75             | 307            | 502            |
| Depreciation  | 1,429         | 1,523          | 1,577          | 1,577          | 1,577          |
| Associates & minorities   | -             | -              | -              | -              | -              |
| Other non-cash items  | 413           | 497            | (157)          | 29             | (77)           |
| Change in working capital   | (336)         | (26)           | 118            | (41)           | 166            |
| <b>Cash flow from operations</b>  | <b>2,167</b>  | <b>3,270</b>   | <b>1,613</b>   | <b>1,872</b>   | <b>2,167</b>   |
| Capex - maintenance   | -             | -              | -              | -              | -              |
| Capex - new investment  | (562)         | (4,439)        | (1,800)        | (1,800)        | (1,577)        |
| Net acquisitions & disposals  | 1             | 1,429          | 0              | 0              | 0              |
| Other investments (net)   | 21            | (483)          | 158            | (31)           | 73             |
| <b>Cash flow from investing</b>   | <b>(541)</b>  | <b>(3,493)</b> | <b>(1,642)</b> | <b>(1,831)</b> | <b>(1,503)</b> |
| Dividends paid  | (624)         | (624)          | (30)           | (123)          | (201)          |
| Equity finance  | 0             | 0              | 0              | 0              | 0              |
| Debt finance  | 710           | 1,198          | (265)          | (578)          | (286)          |
| Other financing cash flows  | (455)         | (501)          | 0              | 1              | 2              |
| <b>Cash flow from financing</b>   | <b>(368)</b>  | <b>73</b>      | <b>(296)</b>   | <b>(700)</b>   | <b>(484)</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>(325)</b>   | <b>(659)</b>   | <b>180</b>     |
| Free cash flow to firm (FCFF)   | 2,106.72      | 338.14         | 586.82         | 626.12         | 1,217.36       |
| Free cash flow to equity (FCFE)   | 1,882.57      | 474.55         | (294.92)       | (535.80)       | 380.58         |
| <b>Per share (THB)</b>  |               |                |                |                |                |
| FCFF per share  | 1.35          | 0.22           | 0.38           | 0.40           | 0.78           |
| FCFE per share  | 1.21          | 0.30           | (0.19)         | (0.34)         | 0.24           |
| Recurring cash flow per share   | 1.61          | 2.11           | 0.96           | 1.23           | 1.28           |
| Balance Sheet (THB m) Year Ending Dec   | 2023          | 2024           | 2025E          | 2026E          | 2027E          |
| Tangible fixed assets (gross)   | 32,689        | 34,690         | 35,532         | 36,405         | 37,086         |
| 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>22,775</b>  | <b>22,775</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          | 1,841          | 1,182          | 1,362          |
| A/C receivable  | 295           | 405            | 333            | 334            | 336            |
| Inventories   | 30            | 15             | 15             | 15             | 16             |
| Other current assets  | 250           | 233            | 203            | 212            | 223            |
| <b>Current assets</b>   | <b>2,890</b>  | <b>2,818</b>   | <b>2,392</b>   | <b>1,743</b>   | <b>1,936</b>   |
| Other assets  | 529           | 960            | 803            | 834            | 761            |
| <b>Total assets</b>   | <b>24,346</b> | <b>26,208</b>  | <b>25,848</b>  | <b>25,453</b>  | <b>25,573</b>  |
| Common equity   | 16,246        | 16,863         | 16,909         | 17,093         | 17,394         |
| Minorities etc.   | 0             | 0              | 0              | 0              | 0              |
| <b>Total shareholders' equity</b>   | <b>16,246</b> | <b>16,864</b>  | <b>16,909</b>  | <b>17,093</b>  | <b>17,394</b>  |
| Long term debt  | 5,548         | 7,081          | 6,836          | 6,283          | 6,091          |
| Other long-term liabilities   | 276           | 211            | 179            | 165            | 224            |
| <b>Long-term liabilities</b>  | <b>5,824</b>  | <b>7,292</b>   | <b>7,015</b>   | <b>6,448</b>   | <b>6,314</b>   |
| A/C payable   | 447           | 362            | 420            | 432            | 473            |
| Short term debt   | 1,788         | 1,399          | 1,380          | 1,355          | 1,262          |
| Other current liabilities   | 41            | 291            | 125            | 125            | 130            |
| <b>Current liabilities</b>  | <b>2,276</b>  | <b>2,053</b>   | <b>1,924</b>   | <b>1,912</b>   | <b>1,864</b>   |
| <b>Total liabilities and shareholders' equity</b>   | <b>24,346</b> | <b>26,208</b>  | <b>25,848</b>  | <b>25,453</b>  | <b>25,573</b>  |
| Net working capital   | 87            | (1)            | 6              | 4              | (29)           |
| Invested capital  | 21,542        | 23,389         | 23,462         | 23,714         | 23,608         |
| * Includes convertibles and preferred stock which is being treated as debt  |               |                |                |                |                |
| <b>Per share (THB)</b>  |               |                |                |                |                |
| Book value per share  | 10.42         | 10.81          | 10.84          | 10.96          | 11.15          |
| Tangible book value per share   | 10.41         | 10.80          | 10.83          | 10.95          | 11.14          |
| <b>Financial strength</b>   |               |                |                |                |                |
| Net debt/equity (%)   | 30.9          | 37.4           | 37.7           | 37.8           | 34.4           |
| Net debt/total assets (%)   | 20.6          | 24.1           | 24.7           | 25.4           | 23.4           |
| Current ratio (x)   | 1.3           | 1.4            | 1.2            | 0.9            | 1.0            |
| CF interest cover (x)   | 6.1           | 9.8            | 3.4            | 3.2            | 4.5            |
| Valuation   | 2023          | 2024           | 2025E          | 2026E          | 2027E          |
| <b>Recurring P/E (x) *</b>  | <b>15.6</b>   | <b>8.1</b>     | <b>137.0</b>   | <b>33.5</b>    | <b>20.5</b>    |
| <b>Recurring P/E @ target price (x) *</b>   | <b>12.7</b>   | <b>6.6</b>     | <b>112.1</b>   | <b>27.4</b>    | <b>16.8</b>    |
| Reported P/E (x)  | 14.5          | 7.0            | 137.0          | 33.5           | 20.5           |
| Dividend yield (%)  | 3.8           | 6.1            | 0.3            | 1.2            | 1.9            |
| Price/book (x)  | 0.6           | 0.6            | 0.6            | 0.6            | 0.6            |
| Price/tangible book (x)   | 0.6           | 0.6            | 0.6            | 0.6            | 0.6            |
| EV/EBITDA (x) **  | 6.0           | 5.0            | 7.4            | 6.8            | 6.2            |
| EV/EBITDA @ target price (x) **   | 5.3           | 4.4            | 6.6            | 6.1            | 5.5            |
| EV/invested capital (x)   | 0.7           | 0.7            | 0.7            | 0.7            | 0.7            |
| * 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 4: 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 5: ESG – peer comparison

|          | FSSIA<br>ESG<br>score | Domestic ratings |         |                   |             |              |           | Global ratings          |             |      |         |           | --- Bloomberg --- |              |                     |
|----------|-----------------------|------------------|---------|-------------------|-------------|--------------|-----------|-------------------------|-------------|------|---------|-----------|-------------------|--------------|---------------------|
|          |                       | DJSI             | SET ESG | SET ESG<br>Rating | CG<br>score | AGM<br>level | Thai CAC  | Morningstar<br>ESG risk | ESG<br>Book | MSCI | Moody's | Refinitiv | S&P<br>Global     | ESG<br>score | Disclosure<br>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 6: 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     | <b>Size of audit committee / ID</b>               | <b>3 / 3</b> |
| <b>Social</b>                                 |         | Audit committee meetings                          | 4            |
| Human rights policy                           | Yes     | Audit committee meeting attendance (%)            | 100          |
| Policy against child labor                    | Yes     | <b>Size of compensation committee / ID</b>        | <b>3 / 2</b> |
| 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     | <b>Size of nomination committee / ID</b>          | <b>3 / 3</b> |
| 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 (DJSI) 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 (SETESG) by The Stock Exchange of Thailand (SET)      | 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. |   |              |         |   |        |             |       |             |       |             |          |   |    |             |   |             |     |             |          |   |
| CG Score 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%).   |   |              |         |   |        |             |       |             |       |             |          |   |    |             |   |             |     |             |          |   |
| AGM level 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.   |   |              |         |   |        |             |       |             |       |             |          |   |    |             |   |             |     |             |          |   |
| Thai CAC 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.  |   |              |         |   |        |             |       |             |       |             |          |   |    |             |   |             |     |             |          |   |
| Morningstar Sustainabilitycs   | The Sustainabilitycs' 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+          |         |   |        |             |       |             |       |             |          |   |    |             |   |             |     |             |          |   |
| ESG Book   | 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.  |   |              |         |   |        |             |       |             |       |             |          |   |    |             |   |             |     |             |          |   |
| MSCI   | 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>AAA</td><td>8.571-10.000</td><td rowspan="3">Leader:</td><td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td></tr><tr><td>AA</td><td>7.143-8.570</td></tr><tr><td>A</td><td>5.714-7.142</td></tr><tr><td>BBB</td><td>4.286-5.713</td><td rowspan="3">Average:</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>BB</td><td>2.857-4.285</td></tr><tr><td>B</td><td>1.429-2.856</td></tr><tr><td>CCC</td><td>0.000-1.428</td><td>Laggard:</td><td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr></table> |  | AAA   | 8.571-10.000 | Leader: | leading its industry in managing the most significant ESG risks and opportunities | AA     | 7.143-8.570 | A     | 5.714-7.142 | BBB   | 4.286-5.713 | Average: | a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers | BB | 2.857-4.285 | B | 1.429-2.856 | CCC | 0.000-1.428 | Laggard: | lagging its industry based on its high exposure and failure to manage significant ESG risks |
| AAA  | 8.571-10.000   | Leader:  | leading its industry in managing the most significant ESG risks and opportunities   |              |         |   |        |             |       |             |       |             |          |   |    |             |   |             |     |             |          |   |
| AA   | 7.143-8.570  |  |   |              |         |   |        |             |       |             |       |             |          |   |    |             |   |             |     |             |          |   |
| A  | 5.714-7.142  |  |   |              |         |   |        |             |       |             |       |             |          |   |    |             |   |             |     |             |          |   |
| BBB  | 4.286-5.713  | Average:   | a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers |              |         |   |        |             |       |             |       |             |          |   |    |             |   |             |     |             |          |   |
| BB   | 2.857-4.285  |  |   |              |         |   |        |             |       |             |       |             |          |   |    |             |   |             |     |             |          |   |
| B  | 1.429-2.856  |  |   |              |         |   |        |             |       |             |       |             |          |   |    |             |   |             |     |             |          |   |
| CCC  | 0.000-1.428  | Laggard:   | lagging its industry based on its high exposure and failure to manage significant ESG risks                                   |              |         |   |        |             |       |             |       |             |          |   |    |             |   |             |     |             |          |   |
| Moody's ESG solutions  | 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.  |  |   |              |         |   |        |             |       |             |       |             |          |   |    |             |   |             |     |             |          |   |
| Refinitiv ESG rating   | 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>  |  |   |              |         |   |        |             |       |             |       |             |          |   |    |             |   |             |     |             |          |   |
| S&P Global   | 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.   |  |   |              |         |   |        |             |       |             |       |             |          |   |    |             |   |             |     |             |          |   |
| Bloomberg  | 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

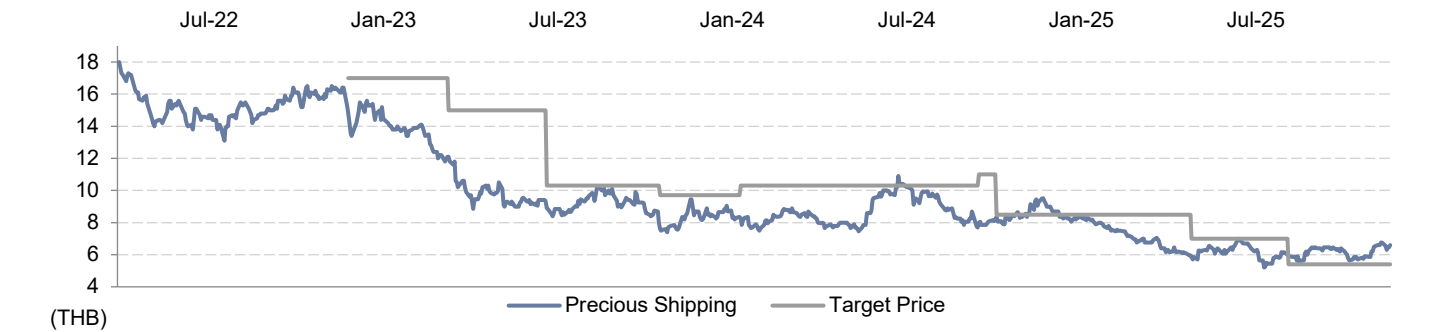
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History of change in investment rating and/or target price

Precious Shipping (PSL TB)



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   |
|-------------------|--------|----------|--------|---|
| Precious Shipping | PSL TB | THB 6.60 | REDUCE | 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 25-Jul-2025 unless otherwise stated.



## RECOMMENDATION STRUCTURE

### Stock ratings

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

**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.