

# Taylor Maritime Investments Limited

## Q3 Factsheet – 31 December 2023

Ticker

**TMI / TMIP**

### The Company

Taylor Maritime Investments Limited (“TMI/Company”) is an internally managed closed ended investment company with a diversified portfolio comprising 40 vessels (including owned and chartered-in vessels with purchase options at Grindrod and one vessel contracted to sell) in the geared dry bulk segment of the global shipping sector. TMI’s strategy is to acquire vessels, primarily second-hand, at valuations below long-term average prices and depreciated replacement cost. The Company has a selective growth strategy focusing on

accretive opportunities to increase shareholder returns, such as its investment in Grindrod Shipping. The Company listed on the premium segment of the London Stock Exchange in May 2021 and its investment objective is to deliver strong cashflow, stable income growth and potential for capital growth. The Company is committed to paying quarterly dividends of 2 cents per ordinary share, with a targeted NAV return of 10-12% per annum.

### Core Strengths

- Management experience – successful track record, proven strategy and aligned interests with investors
- High quality fleet, with scale and global reach, shipping necessity goods with delivery of defensive earnings
- Attractive, sustainable yield thanks to a commitment to prudent leverage, financial discipline, balance of charter rates and durations, effective recycling of capital



### Key Highlights

- The Company’s unaudited NAV per ordinary share as at 31 December was \$1.36 (\$1.31 as at 30 September)
- The Market Value of the combined fleet increased by approximately 3.7%, on a like for like basis, to \$734.4 million (TMI \$275.8 million and Grindrod \$458.6 million excluding chartered-in ships without purchase options) with improving market conditions over the period
- The Company capitalised on the rapid market strengthening from mid-November to mid-December, when the adjusted BHSI TCA (net) and the adjusted BSI TCA (net) reached a peak of \$13,660 per day and \$17,006 per day, respectively
- Charter income for the combined TMI and Grindrod Shipping Holdings Limited (“Grindrod”) fleet increased c.15% to an average time charter equivalent (“TCE”) rate of \$11,977 per day for the quarter. At quarter end, the combined average TCE was \$11,996 per day (versus \$10,695 at 30 September 2023)
- Overall, the combined Handysize fleet and Supra/Ultramax fleet outperformed the Company’s benchmark indices by c.US\$1,896 per day (22%) and c.US\$2,734 per day (24%), respectively, for the 2023 calendar year
- The number of ship days for the fleet which are covered for the 2024 calendar year stands at 42% at an average TCE rate of \$12,387 per day
- The Company completed the sale of the two oldest vessels in the TMI fleet; a 2004 built 34k dwt Handysize vessel for gross proceeds of \$7.8 million, generating an IRR of 44.2% and MOIC of c.1.8x, and a 2007 built 33k dwt Handysize vessel for gross proceeds of \$9.0 million, generating an IRR of c.19% and MOIC of c.1.4x (as announced on 5 December 2023)
- Grindrod completed the sale of the last two Chinese built Handysize bulk carriers for aggregate gross proceeds of \$23.2 million, resulting in a combined fleet of fully Japanese built vessels (as announced on 11 December 2023)
- Post period, Grindrod agreed the sale of a Handysize vessel, expected to complete this quarter for gross proceeds of \$10.4 million, a 1.5% premium to carrying value
- Following the selective fleet divestments, the combined owned fleet comprised 40 Japanese-built vessels at quarter end (TMI 19 and Grindrod 21) with an attractive average age of 10.5 years and a larger average carrying capacity of c.40k dwt, with commensurate increased earnings capacity
- The Company’s debt-to-gross assets ratio was 24.9% at the end of December (versus 26.9% at 30 September 2023) as a result of a repayment of \$11.4 million of debt and a slight rise in asset values. This is now below the 25% target set by management following the Grindrod acquisition. The Company’s outstanding debt was \$156.2 million at the quarter end
- Excluding lease liabilities and so taking interest bearing debt only, look-through debt-to-gross assets was 35% at 31 December 2023 with outstanding debt of \$298.7 million on a look-through basis
- TMI received \$26.7 million from Grindrod’s previously announced capital reduction in line with its 82.3% ownership
- As previously announced, Charles Maltby was appointed as an independent non-executive Director of the Company with effect from 1 January 2024, bringing over 20 years of executive experience in the shipping industry to the Board, while it was announced that Helen Tveitan will retire as a non-executive Director on 31 March 2024
- Principals of the original Taylor Maritime group acquired a total of 3,910,450 ordinary shares in the market in the period taking the total number of ordinary shares in the Company owned by such persons (directly or indirectly) to 26,493,914 ordinary shares (c.8% of issued share capital)

### Fleet

Ship type	# of Vessels	Average Age	Deadweight Tonnage (DWT)	Portfolio Weighting (DWT)	Portfolio Weighting (FMV \$)
TMI Handysize	19	12.5 yrs	635,800	39%	37%
GRIN Handysize <sup>1</sup>	11	11 yrs	373,600	23%	24%
GRIN Supra/Ultra	7	6 yrs	420,300	26%	27%
GRIN Chartered-in <sup>2</sup>	3	5 yrs	185,700	12%	12%
<b>Total</b>	<b>40</b>	<b>10.5 yrs</b>	<b>1,615,400</b>	<b>100%</b>	<b>100%</b>

<sup>1</sup> Includes one vessel held for sale post period

<sup>2</sup> Excludes four chartered-in vessels without purchase options

### Overview at 31 December 2023

Market cap (at closing, 31 December 2023)

**\$282m / £220m**

Unaudited NAV (at closing, 31 December 2023)

**\$449m / £352m**

Unaudited NAV per share

**\$1.36 / 106.55p**

Target dividend per share

**8 cents p.a.**

Total NAV return target (set at IPO)

**10-12% net total return per annum**

Gearing

25% of gross assets limit save for the purchase of Grindrod Shipping where limit raised to 40% with commitment to reduce to 25% within 18 months

Current gearing:

- Debt to gross assets 24.9%
- Look-through debt to gross assets 37.4%

Latest share price (at closing, 25 January 2024)

**\$0.85 / 67.00p**

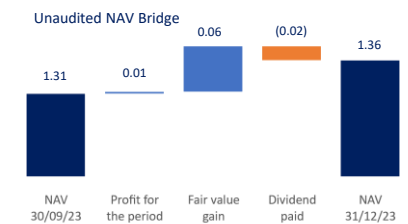
Share price (at closing, 31 December 2023)

**\$0.86 / 66.60p**

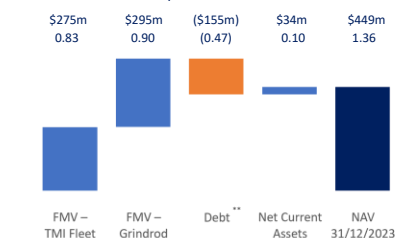
Ordinary shares in issue

**330,215,878**

### NAV Bridge and Components (\$ per share)



Unaudited NAV Components\*



\* NAV components presented on a look-through basis to the Group SPVs

\*\* Net of loan financing fee

# Taylor Maritime Investments Limited

## Q3 Factsheet – 31 December 2023



### Investment Outlook

- Dry bulk charter rates surged from mid-November with the BHSI and BSI reaching 13-month highs in December due to increased port congestion in Brazilian grain load ports and further tightening of drought-related transit restrictions at the Panama Canal (expected to continue through the first half of 2024)
- Spot market rates softened over the holiday period though. However, rates have remained more stable than usual and are expected to remain so through Chinese New Year, reflecting positive forward sentiment
- Looking further into 2024, restocking of global inventories of bulk commodities should ensure that charter rates and asset values remain relatively strong and demand may be bolstered if interest rates are considered to have peaked with the possibility of cuts later in the year. Specific to the geared dry bulk segment, improving industrial trends in China and firm forecasts for global grain exports are expected to result in significant growth in minor bulk and grain tonne-miles. In addition to the Panama Canal, ongoing tensions in the Red Sea have begun to impact global shipping, causing further re-routing and increased voyage times, providing further potential upside
- Strong positive momentum in freight rates at the end of last quarter suggests demand and supply are finely balanced in our segment
- We maintain a favourable medium-term investment outlook for our defensive asset class with anticipated tightening in supply owing to sustained low new ordering activity. Environmental regulatory pressures resulting in continued reductions in operating speeds and recycling of older less efficient units will also impact effective supply. These factors are likely to contribute to strong market improvement and capital appreciation over the next two to three years

Clarksons Research

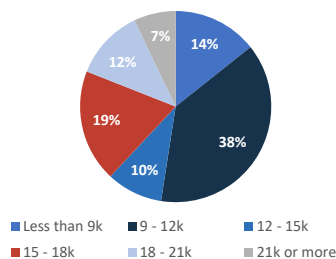
### Environmental, Social & Governance



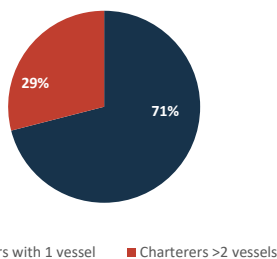
- The Company released its second annual ESG Report during the quarter, covering the financial year ended 31 March 2023. The report can be viewed on TMI's website. The Report highlights progress made on TMI's sustainability priorities including decarbonisation, social and community impact, and responsible business practices
- The Company obtained independent assurance of its greenhouse gas emissions, as well as completing a more comprehensive Scope 3 emissions measurement. TMI's ESG disclosure follows guidance from the Task Force on Climate-related Disclosure, the Global Reporting Initiative, and the Sustainability Accounting Standards Board
- TMI continues to work closely with Grindrod on ESG strategy and alignment

### Combined Fleet Charter Profile as at 31 December 2023

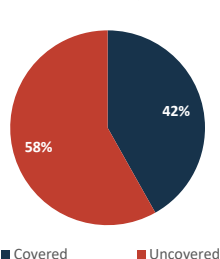
Net Time Charter Rates Per Day (\$)



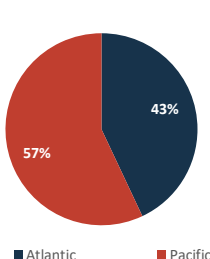
Vessel Charterers



Forward Coverage CY2024



Trading Location



### Overview at 31 December 2023

ISIN  
GG00BP2NJT37

SEDOL  
BP2NJT3 (TMI) / BP2NJW6 (TMIP)

### Executive Team

**Edward Buttery**  
Chief Executive Officer

**Alexander Slee**  
Deputy Chief Executive Officer and Head of ESG

**Camilla Pierrepont**  
Chief Strategy Officer and Head of Investor Relations

**Yam Lay Tan**  
Chief Financial Officer

**Carl Ackerley**  
Chief Operating Officer

### Board of Directors

**Henry Strutt**  
Chair, Independent Non-Executive Director

**Edward Buttery**  
Chief Executive Officer

**Frank Dunne**  
Senior Independent Director

**Helen Tveitan**  
Independent Non-Executive Director

**Trudi Clark**  
Independent Non-Executive Director

**Sandra Platts**  
Independent Non-Executive Director

**Christopher Buttery**  
Non-Executive Director

**Charles Maltby**  
Independent Non-Executive Director

### Company Information

**Registered Office** 1 Royal Plaza  
Royal Avenue  
St Peter Port  
Guernsey GY1 2HL  
Channel Islands

**Listing** Premium Segment, London  
Stock Exchange

**Dividend Frequency** Quarterly  
(Oct, Jan, Apr, Jul)

**ISA Eligible** Yes

**Contact** ir@tminvestments.com

**Website** www.taylormaritimeinvestments.com

### Company Information

**Secretary & Administrator** Sanne Fund Services  
Contact: Matthew Falla  
T: +44 (0)1481 737 600

**Corporate Broker** Jefferies International  
Contact: Stuart Klein  
T: +44 (0)20 7029 8000

**Financial PR** Montfort Communications  
Contact: Alison Allfrey  
E: tmi@montfort.london

**Registrar** Computershare  
Contact: Sophie De Freitas  
T: +44 (0)1534 281 800

### Disclaimer

This fact sheet has been prepared by Taylor Maritime Investments Limited ("TMI" or the "Company") and does not constitute or form part of, and should not be construed as, any offer or invitation or inducement for sale, transfer or subscription of, or any solicitation of any offer or invitation to buy or subscribe for or to underwrite, any share in the Company or to engage in investment activity (as defined by the Financial Services and Markets Act 2000) in any jurisdiction nor shall it, or any part of it, or the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision whatsoever, in any jurisdiction. Any investment in the securities of the Company should only be made on the basis of the Prospectus published by the Company on 7 May 2023.

You are recommended to seek financial advice or otherwise satisfy yourself of the suitability for you of an investment in TMI. Past performance cannot be relied on as a guide to future performance and, accordingly, there can be no assurance that the value of an investment in the Company will increase. The value of an investment and the income from it may go down as well as up and you may not be able to realise the full amount of your original investment on sale.

The information contained herein does not constitute or form a part of any offer to sell or issue, or the solicitation of where, or to any person to whom, such an offer or solicitation would be unlawful. The use and distribution of the information contained herein may be restricted by law in jurisdictions other than the United Kingdom. Potential users of the information contained herein are requested to inform themselves about and observe all applicable restrictions. The Company's shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act"), or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered, sold, resold, pledged, transferred or delivered, directly or indirectly, into or within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There has been and will be no public offer of the Company's shares in the United States.

This fact sheet contains certain forward looking statements with respect to the Company. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that may or may not occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward looking statements and forecasts. Nothing in this fact sheet should be construed as a profit forecast.

The targeted annualised dividend yield and targeted total NAV return are targets only and not profit forecasts and there can be no assurance that either will be met or that any dividend or capital growth will be achieved.