

# Taylor Maritime Investments Limited

## Q1 Factsheet – 30 June 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 47 vessels (including vessels contracted to sell as well as owned and chartered-in vessels with purchase options at Grindrod) 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 at the end of the quarter decreased c.9% from \$1.71 to \$1.56 at 30 June 2023
- A further \$12 million of debt was repaid at TMI from net proceeds from the completed sale of a previously announced 2008 built 32k dwt Handysize vessel. This resulted in a debt to gross assets ratio of 28.5% for TMI at quarter end (27.7% as at 31 March 2023)
- Grindrod repaid approximately \$28 million of debt from operations and proceeds from vessel sales completed during the quarter, resulting in an estimated debt to gross assets ratio on a 'look through' basis at 30 June 2023 of 37.8% (38.9% as at 31 March 2023)
- At Grindrod, the sale of a 2011 Chinese built 33k dwt Handysize vessel was agreed for gross proceeds of \$10.8 million, with expected delivery by the end of August
- The combined fleet of TMI and Grindrod numbered 47 vessels (TMI 22 and Grindrod 25<sup>1</sup>). The Market Value of the fleet was \$880 million (TMI \$331 million and Grindrod \$549 million which excludes chartered-in ships without purchase options), a decrease of approximately 5.7% on a like for like basis over the quarter
- The net time charter rate for the TMI fleet was \$10,600 per day at quarter end, outperforming the adjusted BHSI (Baltic Handysize Index) Time Charter Average (net) which stood at \$6,712 at quarter end
- The average charter duration for the TMI fleet stands at three months, with a large portion of the fleet positioned to capture improvements in the charter market expected in the latter part of 2023, and the average annualized unlevered gross cash yield was 7.9% at quarter end
- The blended net time charter equivalent (TCE) across the TMI and Grindrod fleet was \$12,735 per day for the quarter (including Handysize and Supra/Ultramax vessels)
- On 1 June 2023, Henry Strutt was appointed Non-Executive Chair of the Company with the Interim Chair Frank Dunne remaining as Senior Independent Director
- Since quarter end, TMI agreed the sale of two vessels to Grindrod on an arm's-length basis. The transactions include a 2011 built 38.5k dwt Handysize vessel due to complete in July for \$15 million net proceeds and a 40k dwt Handysize newbuild due for delivery in Q1 of calendar year 2024 for net proceeds of \$33.75 million
- On 13 July, Grindrod announced an EGM to be held on 10 August 2023 to propose a capital reduction which would result in a total cash distribution up to a maximum of \$45 million, of which up to a maximum of up to \$37 million would be payable to TMI in line with its 83.23% ownership to be used for debt reduction

### Fleet

Ship type	# of Vessels	Average Age	Deadweight Tonnage (DWT)	Portfolio Weighting (DWT)	Portfolio Weighting (FMV \$)
TMI Handysize	22	12 yrs	740,700	39%	34%
GRIN Handysize	13	10 yrs	431,700	23%	24%
GRIN Supra/Ultra	8	6 yrs	480,600	25%	27%
GRIN Chartered-in <sup>2</sup>	4	5 yrs	246,100	13%	14%
<b>Total</b>	<b>47</b>	<b>10 yrs</b>	<b>1,899,100</b>	<b>100%</b>	<b>100%</b>

<sup>1</sup> Including one vessel held for sale, 4 chartered in ships with purchase options including one which has been exercised, but excluding 3 chartered in ships without purchase options

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

### Overview at 30 June 2023

Market cap (at closing, 30 June 2023)

**\$324m / £252m**

Unaudited NAV (at closing, 30 June 2023)

**\$516m / £406m**

Unaudited NAV per share

**\$1.56 / 123.00p**

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 28.5%
- Look-through debt to gross assets 40.2%

Latest share price (at closing, 27 July 2023)

**\$0.95 / 74.00p**

Share price (at closing, 30 June 2023)

**\$0.98 / 76.00p**

Ordinary shares in issue

**330,215,878**

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

#### Unaudited NAV Bridge



#### Unaudited NAV Components<sup>1</sup>



<sup>1</sup> NAV components presented on a look-through basis to the Group SPVs

<sup>2</sup> Net of loan financing fee

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### Investment Outlook

- With the slower-than-expected recovery in China amid weak global demand, 2023 is now expected to see more moderate dry bulk markets overall compared to the strong conditions experienced in 2021 and the first half of 2022
- Headline supply-demand fundamentals in the dry bulk space are expected to be balanced in 2023 with 3.0% tonne-mile trade growth projected vs 2.9% fleet growth
- Combined minor bulk and grain trade, the principal cargoes of Handysize and Supra/Ultramax vessels, is forecast to grow at 3.0% in 2023 and 3.9% in 2024 in tonne-mile terms, with growth expected to pick up in latter part of 2023 driven by improved industrial trends and re-stocking in China and ample seaborne grain supply, notably from Brazil, Canada and Australia, meeting firm demand across key importing regions
- The supply backdrop remains supportive with the dry bulk orderbook remaining at a near historical low of c.7%, limited slot availability at shipyards until the second half of 2026 and environmental regulations acting as a catalyst for greater demolition of older, less efficient tonnage, reinforcing the Company's expectation of improving rates in the latter part of 2023 and positive outlook for 2024 and 2025 as supply tightens and demand growth is positive

Clarksons Research

### Overview at 30 June 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

### 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

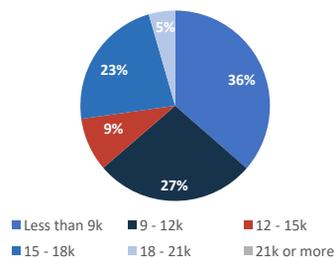
**Christopher Buttery**  
Non-Executive Director

### Environmental, Social & Governance

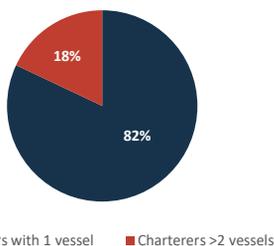


- During the period, a further two TMI vessels were fitted with energy saving devices including boss-cap fins, high performance paints, pre-swirl ducts and fuel efficiency monitoring systems. The carbon intensity of TMI's fleet, as measured by the EEOI ("Energy Efficiency Operational Index"), improved by 18% y-o-y over the FY22 period, primarily driven by the divestment of less-efficient vessels, installation of energy saving devices and other efficiency initiatives onboard
- TMI's Technical Manager has implemented a mental health policy for seafarers onboard Group vessels, as well as mandatory mental-health training
- TMI continues to work closely with its commercial and technical managers to ensure the fleet is compliant with the new industry decarbonisation regulations that came into force in January 2023, designed to meet the IMO's 2030 GHG reduction targets.

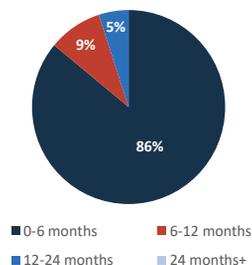
### Net Time Charter Rates Per Day (\$)



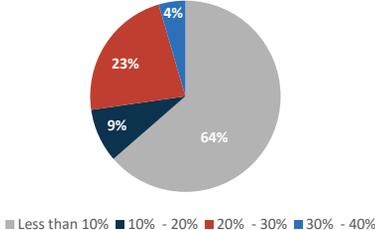
### Vessel Charterers



### Average Charter Cover<sup>1</sup>



### Annualized Unlevered Gross Cash Yield (%)<sup>2</sup>



<sup>1</sup> Includes onward fixtures  
<sup>2</sup> Based on 30 June 2023 Fair Market Value

### 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  
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Contact: Stuart Klein  
T: +44 (0)20 7029 8000

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

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Contact: Sophie De Freitas  
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### Disclaimer

This fact sheet has been prepared by Taylor Maritime Investments Limited ("TMI" or the "Company") and does not constitute an offer 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.

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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 annualized 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.