WIRANA SHIPPING CORPORATION

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COMMENTARY

INDIA – There was a continuous strengthening of local plate prices during the month of October with a total improvement of about USD 30 per MT bringing about a very strong market sentiment. In addition to that, continuing slow supply of fresh tonnages with a stable exchange rate resulted in Ship recyclers improving their prices offered for fresh tonnages by about USD 40 per MT in the month and the improvement in prices was in a gradual but continuous manner. Imported scrap prices also registered a strong increase of about USD 40/ MT during the month. While local steel prices has softened by about USD 10 / MT in the first week of November prices offered for fresh tonnages has improved by about USD 5/ MT LDT which is mainly due to low supply of fresh tonnages. We would expect prices to show improvement during the month of November.

PAKISTAN – The month began with slight weakening of local steel plate prices but the local market strengthened up by second week of October and continued to remain strong for rest of the month. With slow supply of fresh tonnages, prices offered for by recyclers improved during the month by about USD 35 / MT LDT. The currency weakened during mid-month by about 2.50% but regained the same by end of the month. The currency pressure is likely to continue in coming months which would be an uncertain feature that the recyclers would have to cope since the continuing low supply of fresh tonnages would mean that high prices will have to be paid by recyclers to compete with their neighbor. We would expect prices to register improvement in November.

BANGLADESH – Local steel plate prices have registered a strong increase during the month by about USD 70 / MT. Increased investment in infrastructure project along with improved housing sector helped improvement in local market. Imported steel prices improved by about USD 40/MT during the month. Backed by strong market fundamentals as well as low supply of fresh tonnages, prices offered by Ship recyclers during the month improved by about USD 50 / MT LDT. With strong market fundamentals and continuing slow supply of fresh tonnages, we would expect prices for fresh tonnages to improve during the month of November.

TURKEY- This month saw a strong market situation both in terms of demand and pricing. Prices of imported scrap improved by about USD 50 /MT. Local market demand is strong. Though the currency situation was a challenge for recyclers as the currency weakened by about 9% in October. Prices offered by Ship recyclers improved by about USD 30/ MT LDT during the month

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of October. Considering low supply of fresh tonnages along with strong market, we would expect prices to register a marginal improvement in November.

CHINA – With effect from 1.1.2019, China has stopped accepting any foreign flagged ship for recycling as per directives from Government. Breakers now can only recycle local ships from China.

SUPPLY – Tanker continued to be the major source of supply during the month due to a weak freight market being experienced. Lower supply of fresh tonnages continued during the month.

OUTLOOK FOR NOVEMBER – With low supply of fresh tonnages expected to continue along with strong global demand for steel, we would expect to see continuity of strong pries being offered for recycling units with a possibility to improve during the month of November. There are also expectations that the tanker market would improve in first quarter of 2022 which would psychologically add pressure on ship recyclers to procure the units for next year too since the supply may further diminish.

MAIN DEMOLITION SALES DATA FOR OCTOBER 2021

Type	Name of Vessel	Built	DWT	LDT	Price	Remarks
Dredger	Asan Ho	1992	GRT3233	3152	345	As is Batam
LPG	Pilatus 15	1986	1114	808	600	Alang
P/C/F	Sassnitz	1989	3100	9805		Aliaga
Pass/ RORO	St. Leo the Great	1992	3520	7245	400	As is Philipines
Pass/RORO	Mahabbah	1972	1965	6414	515	As is UAE
Pass/RORO	Masarrah	1977	1945	5705	515	As is UAE
Passenger	Century Harmony	1994	7180	30612		Alang
Reefer	Lake Glory	1982	6395	4480		Ctg
Tanker	Aris	2001	38695	11442	585	As is UAE
Tanker	Asian Glory	1997	10345	3413		As is Batam
Tanker	Astrov Russkiy	1985	7199	2396	658	Ctg
Tanker	Bunga	2000	73096	13034		Alang
Tanker	Chemical Pioneer	1968	35489	12269	515	Alang, HKC - Sold as is NY/Philadelphia, Solid SS 308T, Cladded SS 110T
Tanker	De Sing Jin	2002	5000	2603		Ctg

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Type	Name of Vessel	Built	DWT	LDT	Price	Remarks
Tanker	Duruca	1993	6999	2717		Alang
Tanker	EM Longevity	2000	306324	46657		Ctg, Previous sale in Sept failed
Tanker	Explorindo 1	2001	35751	8554		Ctg
Tanker	Gulf Glow I	1979	4999			Gadani
Tanker	Hai Soon 29	1993	3309			Ctg
Tanker	Heng Long	1997	99999	16209		Ctg
Tanker	Jal Pari	1998	8821	2998	985	Alang, High Solid SS
Tanker	Karen Knutsen	1999	153617	25865		Alang, HKC
Tanker	Melati Satu	1997	32127	10211		Alang
Tanker	Muskie	1993	70296	13842	630	Alang, HKC
Tanker	Pacific Bravery I	1999	68967	12497		Gadani
Tanker	Pelican	1999	11915	4234	942	As is Colombo, High SS content
Tanker	Saga Wave	1991	47062	10510	595	Alang, HKC
Tanker	Sedna	1992	2641	1048		Ctg
Tanker	Sonangol Girassol	2000	159057	23313	618	HKC
Tanker	Sonangol Luanda	2000	159178	23192	618	HKC
Tanker	Tiina Two	1992	9103	2762	955	Alang, High SS content
Tanker	Umnenga I	1999	105401	18009	578	Alang, As is Port Elizabeth, HKC, Incl 730 MT Bunkers
Tanker	Wall Eye	2003	70296	13842	627	Alang, HKC
Tanker	Zara 17	1979	2294	1180		Alang

STATISTICS

VESSELS AND QUANTITY LDT BEACHED IN INDIAN SUBCON – IN OCTOBER 2021, 2020, 2019

	INDIA		BANGLADESH		PAKISTAN	
	Vessel	LDT - LT	Vessel	LDT – LT	Vessels	LDT – LT
2021	21	131,370	19	147,359	14	164,452
2020	16	116,413	22	290,189	20	113,955
2019	15	155,067	21	160,753	01	1,179

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VESSELS AND QUANTITY LDT BEACHED IN INDIAN SUBCON – JANUARY TO OCTOBER 2021, 2020, 2019

	INDIA		BANGLADESH		PAKISTAN	
	Vessel	LDT - LT	Vessel	LDT – LT	Vessels	LDT – LT
2021	175	1,256,776	216	2,110,876	118	988,279
2020	150	1,500,803	118	1,581,667	78	618,977
2019	159	1,311,119	200	2,132,734	29	93,730

Indicative Price Levels for end of October in Current Year Vs Previous Years

India	Year	DRY			WET
		Cape / Pmx	Handymax	Container	Tanker
	Oct 2021	590	580	655	615
	Oct 2020	355	345	385	375
	Oct 2019	355	350	395	390
	Oct 2018	420	405	465	430

Indicative Price Levels for end of October in Current Year Vs Previous Years

Bangladesh	Year	DRY			WET
		Cape / Pmx	Handymax	Container	Tanker
	Oct 2021	610	600	630	630
	Oct 2020	365	355	375	380
	Oct 2019	395	365	405	405
	Oct 2018	450	430	475	470

Indicative Price Levels for end of October in Current Year Vs Previous Years

Pakistan	Year	DRY			WET
		Cape / Pmx	Handymax	Container	Tanker
	Oct 2021	610	600	620	630
	Oct 2020	385	375	385	395

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	Oct 2019	350	340	355	360
	Oct 2018	455	435	470	460

Indicative Price Levels for end of October in Current Year Vs Previous Years

Turkey	Year	DRY	WET
	Oct 2021	300	310
	Oct 2020	199	209
	Oct 2019	225	230
	Oct 2018	290	295