"I am enough of an artist to draw freely upon my imagination. Imagination is more important than knowledge. Knowledge is limited. Imagination encircles the world." -- Albert Einstein

THE RESULTS in Thai Baht, audited by Ernst & Young, as well as US Dollars, certified by Baker Tilly, show you the latest financial position of the Company. The net profit before tax for Q4 2010 was USD 7.15 million. The earnings per day per ship during Q4 came in at USD 12,378, on the lower side of our forecast for this year of USD 12,500 per day per ship. In this quarter, daily operating costs were USD 4,486, which has taken the annual costs to USD 4,725 per day per ship, slightly better than our target of USD 4,750. The EBITDA was USD 12.62 million during Q4 2010. The earnings per share (eps) in Thai Baht stood at Baht 0.18 per share for this quarter. To put our annual profit for 2010 of USD 35.16 million into perspective, we need only have a look at some of the publicly listed shipping companies that are facing liquidation and bankruptcy.

THE HARD FACTS	2009	2010	Q4 2009	Q4 2010
Highest Earnings per day per ship in USD	33,250	23,909	23,750	19,421
Average Earnings per day per ship in USD	13,459	12,304	12,282	12,378
Operating cost per day per ship in USD	5,040	4,725	4,717	4,486
EBITDA in million USD (excluding gain on sale of vessels)	86.04	48.12	12.34	12.62
Net Profit/(Loss) in million USD (including exchange Gain (loss)) before Income Tax	89.38	37.68	13.43	7.20
Net Profit/(Loss) in million USD	88.09	35.16	13.37	7.15
Earnings Per Share in Thai Baht	2.93	0.87	0.40	0.18

AWARDS AND ACCOLADES: The year has been crowned with the December 2010/January 2011 issue of Asiamoney, under their Corporate Governance Poll 2010, conferring the title of Best Overall for Corporate Governance, Best for Disclosure and Transparency, Best for Shareholders' Rights and Equitable Treatment and Best for Investor Relations in Thailand to our Company! The same issue also conferred on our Managing Director the title of Best Investor Relations Officer in Thailand for the third year in a row! We have attached a copy of the respective page from the magazine.

PROSPECTS: China's steelmakers face falling prices as property market curbs begin to bite, in a trend that could spread to upstream sectors such as spot iron ore, coking coal and freight rates. After four years of double-digit growth, the pace of China's steel consumption is expected to moderate in 2011, slowed by steps Beijing took in September 2010 to limit multi-home ownership, rein in developers' access to land and tighten lending rules. Construction accounts for half of steel demand in China. Analysts say the property measures have now clearly filtered down to steel

output, which had ramped up in the past two years to satisfy demand stoked by a government stimulus package of 4 trillion Yuan in 2008 that set off a rash of new residential and office developments in major cities. In Beijing, there is a noticeable slowdown in the velocity of construction, with forecasts for China's 2011 steel production growth by five analysts coming in at a range of between 4 and 7%, compared with an average of a 10.5% rise this year to a record 625 MMT. An ambitious program by Beijing to build 15.2 million affordable homes by 2012 could be an important prop this/next year, consuming 25 to 40 MMT of steel. But not everyone is convinced the latest housing push, which is part of the still un-detailed five-year economic plan starting in 2012, will work.

In terms of ships, as of 1st January 2008 there were 411.92 million DWT which increased to 438.2 million DWT as of 1st January 2009. This figure then increased to 478.68 million DWT as of 1st January 2010 and has jumped to 554.37 million DWT by 1st January 2011. If we apply a 50% slippage factor to the expected deliveries over the next two years - it was 38% for 2010 - and do not factor in any scrapping, this number would increase to 625 and 721 million DWT at the start of 2012 and 2013 respectively. According to various reports, as of the end of 2010 about 7% of the global dry bulk fleet was tied up in congestion, which compares to the range of 2-7% in the period 2006 to date.

So there you have it, whilst apparent Steel consumption is forecast to grow in 2011 marginally over the peak year of 2008, the global dry cargo fleet is set to increase exponentially. This is a rather simplistic view of the future demand/supply balance without looking at factors like congestion and/or under utilization of the world fleet and/or ton/mile growth, but whichever way you look at this situation, it still comes out looking like bad news for 2011 and 2012 in terms of dry cargo prospects.

LONG TERM VERSUS SHORT TERM CHARTERS: The long term charters already booked as of 31st December 2010 are shown in the chart below.

Year	2010	2011	2012	2013	2014
Total Available Days	7,801	8,574	11,697	14,606	15,695
Fixed T/C Days	7,622	6,021	4,444	3,984	3,978
%age Fixed T/C Days	98%	70%	38%	27%	25%
Av. T/C Rate/Day in USD	11,936	14,006	15,192	15,943	15,924
Contract value in USD	$91m	$84m	$68m	$63m	$58m

As can be seen, our forward four year (2011 to 2014) rolling book is currently at 40% of capacity level with a visible revenue stream of USD 273 million. When freight rates move in an upward direction, as the BDI had done till the end of May 2008, we effectively locked in rates by putting away the spot ships for longer term charters at healthy rates. This policy was very successfully employed over the last few years and allowed us to ride out the volatile nature of the spot market with relative ease. Now that the BDI has plunged to almost all time lows, and then recovered such that the market is more confused than ever before, we will have to

wait out the current uncertain period before redeploying this strategy in the future when the BDI starts to clearly move in an upward direction.

The Fleet Rejuvenation Plan of replacing the aging ships from our current fleet with younger, better geared, economical and larger units from the second-hand market has progressed well with the sale of 35 ships since 2007. We have secured credit lines of USD 450+ million from our existing Lenders, and have cash of USD 140m in our balance sheet as of the end of 2010, to be able to execute this plan without stressing ourselves in any way. We have started the replacement program with the purchase of 4 brand new re-sale Supramax ships of 57,000 DWT each from China at a very attractive price. Should the price of similar ships remain at this or lower levels, then we would add 19 more ships from the second hand/re-sale market to our fleet. This is the opportunity that we had been patiently waiting for, and which, if implemented successfully, would ensure the long term profitability of the Company over the next 2 to 3 decades.

THE CHINA FACTOR continues to have a disproportionate impact on the dry bulk markets. Chinese Coal imports for 2010 grew to 164 MMT, an increase of 27% from the 126 MMT imported in 2009. Reports indicate that this figure could increase to 190 MMT in 2011. Domestic iron ore production in China has also grown hugely - by more than 36%. Consequently, Iron Ore import into China during 2010 has totaled 619 MMT or roughly 2% below the 628 MMT achieved in 2009. Reports indicate that this figure could increase to 740 MMT in 2011. China's banking regulators are trying to slow down credit growth just enough to support an economic recovery while limiting the risk of a lending boom leading to asset bubbles and bad loans in the future. China's USD 586 billion stimulus package has boosted steel demand from property developers and automakers and as a result, steel output in China hit a record high in 2010. According to the National Bureau of Statistics, China is estimated to have produced 625 MMT of Steel in 2010, up by almost 10+% from the previous year. Reports indicate that this figure could increase to 665 MMT in 2011.

The next SET Opportunity Day where PSL will be presenting will be held at the SET building at 0900 hours on Monday the 21st February 2011. This event is normally very well attended with between 70 and 100 participants from the analysts, fund management and investor communities. We hope that many of you will attend this event where the Company will get a chance to thoroughly discuss the 2010 results and the prospects for 2011. For those of you who cannot attend physically, the SET live web casts the Opportunity Day presentation giving you a chance to be present via the web.

SHIP SCRAPPING has slowed down significantly as the year has progressed. In Q4 2010, 31 ships were scrapped whilst a total of 64 ships were added resulting in a net increase in the world fleet by 33 ships in our sector. For the whole of the year 2010, there has been a net increase of 0.8% in the world fleet in our sector from

3,126 ships at the beginning to 3,151 at the end of 2010. If the freight markets continue at their current low, but volatile levels, we expect the world fleet in our sector to shrink by roughly 3 to 5% per annum in the next few years. This will help redress the current imbalance between supply and demand and allow for the spot market rates to rise in a couple of years.

Sincerely,

Khalid Hashim