



**For Immediate Release**

**TTA Returned YoY to Profits in the First Quarter of 2021  
Thoresen Shipping Ranked the Second Top Spot  
in Dry Bulk Benchmark Study**

- TTA reported net profits of Baht 189.1 million in 1Q/2021, backed by improved performance of Shipping and Offshore Service segments.
- Shipping segment maintained its market position; the average TCE rate grew 46%YoY.
- Offshore Service segment had high record of order book at US\$ 241 million.
- Robust capital structure with low net interest-bearing debt to equity of 0.06 times.

**Bangkok, 13 May 2021** – Thoresen Thai Agencies Plc. (TTA) reported that its revenues increased 4%QoQ and 5%YoY to Baht 3,447.2 million and net profits to TTA improved 72%QoQ and 141%YoY to Baht 189.1 million in 1Q/2021, driven by significantly improved performance of both Shipping and Offshore Service segments. The gross profit margin increased YoY from 13% to 23%. EBITDA rose 270%YoY to Baht 494.3 million, higher than the pre-Covid-19 level in 1Q/2019.

Shipping, Offshore Service, Agrochemical, and other segments (Food & Beverage and Investment) contributed 50%, 17%, 15%, and 18% to the consolidated revenues, respectively. Gross profits increased 78%YoY to Baht 788.7 million.

As of March 31, 2021, TTA had total assets of Baht 31,813.9 million, increasing by 3% or Baht 784.6 million from the end of 2020, mainly due to an increase in property, plant, and equipment resulting from the acquisition of one second-hand vessel in January 2021. TTA maintained a strong balance sheet with cash under management of Baht 7,589.2 million and low net interest-bearing debt to equity of 0.06 times at quarter-end.

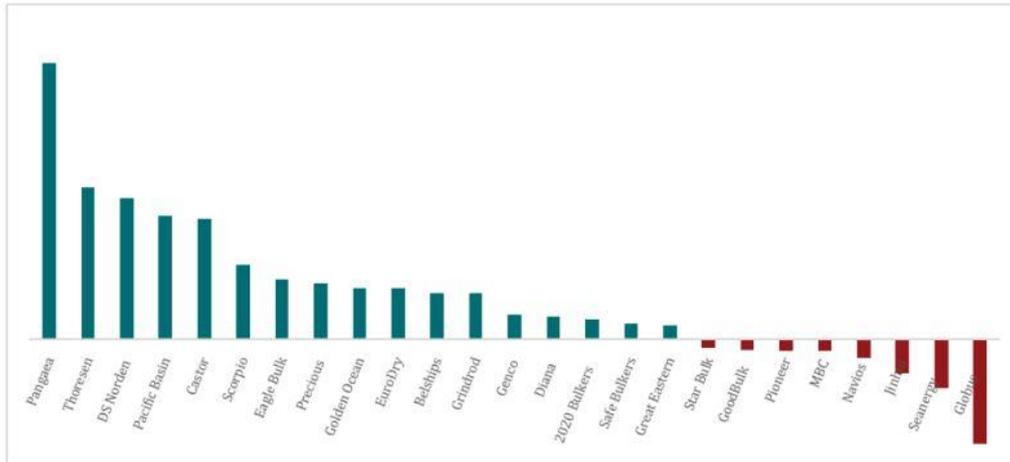
**Mr. Chalermchai Mahagitsiri, TTA President and Chief Executive Officer, said:** “Typically, BDI in the first quarter is the lowest in a year and lower from an earlier quarter as affected by seasonal factors; however, BDI and bulker earnings in this quarter reached their peak in a decade as dry bulk trade volumes have rebounded strongly. Therefore, Thoresen Shipping’s average time charter equivalent (TCE) rate per day increased significantly.

“Congratulation on the great job for Thoresen Shipping. Maritime Advisors, Liengard & Roschmann have recently published for the third year running its Vesselindex Performance Report, ranking the listed dry bulk companies based on their TCE performance. Thoresen Shipping is able to take 2<sup>nd</sup> place, competing against 23 other listed Dry Bulk companies on



their Time Charter Earnings (TCE) for 2020, and to finish in the top five performers in all three years of the Vessel Index Report.

## Liengaard & Roschmann MARITIME ADVISORS



\* Relative Time Charter Earnings vs. Baltic Exchange Indices 2020

“Looking forward to the second quarter of this year, there will be other seasonal factors to help boost dry bulk trade, such as US corn exports, as well as President Joe Biden’s economic stimulus and infrastructure packages that benefit commodity demand, hence freight rates. Therefore, the full-year 2021 outlook is very positive, but uncertainty remains.

“Meanwhile, Mermaid Maritime got a good start for 2021; its order book reached its new record high at US\$ 241 million at the quarter-end. In addition, as it has explored new opportunities in cable laying, it commenced 2 projects in 1Q/2021, and this, in part, led to the improvement of its performance to TTA.

“In addition, the outlook for subsea service providers remains positive on a medium to longer-term basis. Capital investments by oil producers are expected to continue, and these are core markets to the Offshore Service segment. The shift towards natural gas and renewable sources of energy outside of Europe is expected to provide an increase in the number of work opportunities for the segment as well.

“For Agrochemical segment, PM Thoresen Asia Holdings Public Company Limited (PMTA) continued to be profitable in a low season in 1Q/2021 due to the continued focus on key high-margin products.”

### Key Strategic Business Segment Performance

**Shipping Segment:** BDI reached an average of 1,739 points, from an average of 592 points in 1Q/2020. As a result, Thoresen Shipping’s freight revenues increased 42%QoQ and



37%YoY to Baht 1,725.1 million, mainly from a higher freight rate and higher service days of the owned fleet from an additional vessel received in January.

In addition, Thoresen Shipping maintained low vessel operating expenses (OPEX) of US\$ 4,088 per day, and the owned fleet utilization rate has remained high at 100% in 1Q/2021. TCE rate rose 46%YoY to US\$ 11,392 per day. Gross profits increased 123%YoY to Baht 431.6 million. EBITDA improved 2,985%YoY from Baht 11.5 million to Baht 354.2 million.

In conclusion, Thoresen Shipping reported net profits to TTA of Baht 205.3 million in 1Q/2021, improving 266%YoY. At quarter-end, Thoresen Shipping owned 24 vessels, comprising 22 Supramax and 2 Ultramax, with an average size of 55,913 DWT and an average age of 12.95 years.

**Offshore Service Segment:** Offshore Service segment's revenues in 1Q/2021 were recorded at Baht 565.8 million. The performing vessel utilization rate decreased from 85% in 1Q/2020 to 60% in 1Q/2021 due to completion of one project earlier than scheduled.

Since last year, Offshore Service segment has explored new opportunities in cable laying, it commenced 2 high-margin projects this quarter. Gross profit margin significantly improved YoY from -16% to 9% from improved cost base and the better margin of vessel and cable laying projects, so gross profits improved 147%YoY to Baht 53.3 million. Therefore, Offshore Service segment reported a net loss to TTA of Baht 72.7 million, improving 60% YoY in 1Q/2021. The order book reached a record high at US\$ 241 million at the quarter-end, of which US\$ 111 million is expected to be delivered in 2021.

**Agrochemical Segment:** Agrochemical segment's sales revenue in 1Q/2021 amounted to Baht 514.1 million despite 36%YoY growth in domestic sales revenue. Domestic fertilizer sales volume increased 31%YoY to 31.8 Ktons while export fertilizer sales volume dropped 95%YoY due to the shortage of containers and higher container freight rate.

Therefore, total fertilizer sales volume decreased by 39%YoY to 33.3 Ktons in 1Q/2021. However, with the continued focus on key high-margin products, gross profit (spread) margin increased YoY from 20% to 22%. Nonetheless, in line with sales revenue, gross profits (spread) dropped 21%YoY to Baht 111.3 million. In summary, Agrochemical segment continued to be profitable and registered net profits to TTA of Baht 10.3 million in 1Q/2021.

Besides fertilizer, PMTA also provides factory area management services with a total area of 66,420 sqm.

**Other segments** comprise Food & Beverage and Investment.

- **Food & Beverage**



**Pizza Hut** is operated as a 70% owned subsidiary of TTA. As of 31 March 2021, there were 167 outlets nationwide.

**Taco Bell**, the leading American restaurant chain serving a variety of Mexican-inspired food, is operated as a 70%-owned subsidiary of TTA. As of 31 March 2021, there were 9 outlets nationwide. One outlet was opened this quarter at W District, near BTS Phra Khanong.

- **Investment:** focuses on water, and logistics sectors.

**Asia Infrastructure Management (Thailand) Co., Ltd. (“AIM”)**, an 80.5%-owned subsidiary of TTA, is a water contractor/service company. AIM also owns a concession to sell tap water in Luang Prabang, Laos, through a 66.7%-owned subsidiary.

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#### **About TTA:**

Thoresen Thai Agencies Public Company Limited, or TTA, is a strategic investment holding company that is listed on the Stock Exchange of Thailand, with an investment policy to achieve growth through a balanced portfolio that is diversified both locally and internationally. Included in its current business portfolio are shipping, offshore service, agrochemical, food & beverage, and investment.

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