



For Immediate Release

TTA Continued to Deliver Strong Results in 1Q/2022

- TTA reported net profits of Baht 979.8 million, increasing 418%YoY.
- Shipping segment delivered a net profits to TTA of Baht 1,297.0 million; TCE rate outperformed the net market TC rate by 5%.
- Offshore Service segment's revenues increased 136%YoY to Baht 1,335.6 million with the strong order book at US\$ 271 million.
- Agrochemical segment continued to be profitable despite the low season in 1Q/2022.
- Robust capital structure with low interest-bearing debt to total equity of 0.36 times.

Bangkok, 12 May 2022 – In 1Q/2022, Thoresen Thai Agencies Plc. (TTA) reported its solid revenues of Baht 6,034.0 million which increased 75%YoY and strong net profits of Baht 979.8 million which increased 418%YoY, driven by the significant growth in core businesses, especially Shipping segment.

Shipping, Offshore Service, Agrochemical, Food & Beverage, and Investment segments contributed 52%, 22%, 12%, 9%, and 5% to the consolidated revenues, respectively. Accordingly, gross profits amounted to Baht 1,719.4 million, increasing 118%YoY

The gross profit margin increased YoY from 23% in 1Q/2021 to 28% in 1Q/2022 from a much better margin of the Shipping segment. Accordingly, EBITDA grew 164%YoY to Baht 1,306.5 million.

As of March 31, 2022, TTA had total assets of Baht 38,325.9 million, decreased by Baht 621.2 million or 2% from the end of 2021, mainly due to a decrease in other current financial assets by Baht 1,301.3 million for repaying debentures amounted Baht 1,500.0 million at maturity in 1Q/2022. TTA maintained a strong balance sheet with cash under management of Baht 10,591.7 million and low interest-bearing debt to total equity of 0.36 times at quarter-end.

Mr. Chalermchai Mahagitsiri, TTA President and Chief Executive Officer, said: "Despite the low season in 1Q/2022, we managed to deliver a strong net profits with the significant growth in our core businesses. As the high time charter equivalent (TCE) rate and consistently low vessel operating expenses (OPEX), Shipping segment's performance remained robust.



“The outlook for the full-year 2022 seems moderately balanced, Clarksons Research forecasts dry bulk trade growth of 1.6% in ton-miles, affected by the Russia-Ukraine conflict but change trade patterns towards longer-haul routes should help to moderate the ton-mile impact, while fleet expansion is projected at 2.2% in the deadweight ton (DWT).

“Offshore Service segment’s revenues improved in 1Q/2022 as a result of the expansion of services to the cable laying business, and decommissioning and Transportation & Installation (T&I) business with the strong order book of US\$ 271 million.

“Meanwhile, Agrochemical segment continued to be profitable despite the low season in 1Q/2022.”

Key Strategic Business Segment Performance

Shipping Segment: Thoresen Shipping’s revenues in 1Q/2022 were reported at Baht 3,164.9 million, increased 83%YoY mainly due to the rising freight rate. In 1Q/2022, Thoresen Shipping’s TCE rate rose 119%YoY to US\$ 24,987 per day on average, outperforming the net market rate of US\$ 23,898 by 5%.

Meanwhile, the owned fleet utilization rate has remained high at 100%. Vessel operating expenses (OPEX) remained low at US\$ 4,048 per day. With the high TCE rate and consistently low OPEX, gross profits grew 230%YoY and EBITDA increased 309%YoY to Baht 1,449.9 million.

As a result, Thoresen Shipping delivered the net profits to TTA of Baht 1,297.0 million, which grew 532%YoY in 1Q/2022. At Quarter-end, Thoresen Shipping owned 24 vessels (22 Supramaxes and 2 Ultramax) with an average size of 55,913 DWT and an average age of 14.0 years.

Offshore Service Segment: During the low season in 1Q/2022, Mermaid Maritime Public Company Limited or Mermaid recorded revenues at Baht 1,335.6 million, increasing 136%YoY, mainly from the expansion of services to the cable laying business, decommissioning and Transportation & Installation (T&I) business, and an increase in non-vessel revenue.

However, Mermaid reported gross losses of Baht 77.8 million, mainly due to increasing project costs of the cable laying projects and lower utilization rate of subsea-IRM vessels during the planned maintenance. Consequently, EBITDA was negative at Baht 161.0 million. Summarily, Mermaid reported net losses to TTA of Baht 151.9 million and its order book remained strong at US\$ 271 million in 1Q/2022.



Agrochemical Segment: In 1Q/2022, PM Thoresen Asia Holdings Public Company Limited or PMTA reported revenues of Baht 725.2 million, increasing 39%YoY, mainly due to higher selling price of fertilizer and higher revenues from pesticides and area management services.

Total fertilizer sales volume was recorded at 26.7 Ktons, decreased 20%YoY due to slow demand during the low season and increasing fertilizer price in 1Q/2022. Domestic fertilizer sales volume accountable for 88% of total fertilizer sales volume, totaled 23.4 Ktons, decreased 27%YoY. Meanwhile, export fertilizer sales volume increased 120%YoY to 3.3 Ktons due to unusual low export volume in 1Q/2021 caused by rising container freight rate, which remained an obstacle to export to main customers in Africa. Besides fertilizer, PMTA's service income from factory area management increased 186%YoY to Baht 23.3 million due to higher customers' demand for warehouse.

In line with the revenue, gross profits increased 11%YoY to Baht 88.0 million. Nonetheless, gross profit margin decreased YoY but increased QoQ from 15% and 11% to 12%. In summary, PMTA continued to be profitable with net profits to TTA of Baht 1.1 million in 1Q/2022.

Food & Beverage

Pizza Hut is operated as a 70%-owned subsidiary of TTA. As of March 31, 2022, there were 176 outlets nationwide. All outlets were opened in the high traffic location in major provinces.

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 March 31, 2022, there were 11 outlets nationwide.

Investment focuses on water and logistics sectors.

Asia Infrastructure Management (Thailand) Co., Ltd. ("AIM"), an 83.75%-owned subsidiary of TTA, is the 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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Note: For additional financial information, please see financial statements.



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TTA CORPORATE | Shipping | Offshore Service | Agrochemical | Food & Beverage | Investment

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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