



For immediate Release

TTA Reported Strong Net Profits of Baht 629.8 Million in 2Q/2023

Driven by Shipping and Offshore Service Segments

- Shipping segment delivered a net profit of Baht 437.9 million, with TCE rate outperforming net Supramax TC rate by 44%.
- Offshore Service segment was back on track with a turnaround profit of Baht 64.0 million with a high order book at US\$ 337.1 million in 2Q/2023.
- Agrochemical segment reported net profits of Baht 2.1 million with higher fertilizer sales volume in 2Q/2023
- Healthy balance sheet with cash under management Baht 11.4 billion.
- Strong capital structure with low IBD/E at 0.42 times.

Bangkok, Thailand, 10 August 2023 – Thoresen Thai Agencies Public Company Limited or TTA reported revenues of Baht 6,001.0 million in 2Q/2023, increasing 26%QoQ driven by the improvement of most business segments, especially Offshore Service segment and Agrochemical segment. Shipping, Offshore Service, Agrochemical, Food & Beverage, and Other Investment segments contributed 35%, 36%, 16%, 8%, and 5% to the consolidated revenues, respectively. Gross profits amounted to Baht 1,450.9 million, increasing 33%QoQ. EBITDA grew 49% QoQ to Baht 883.6 million. In addition, there were realized/unrealized gains from foreign exchange of Baht 301.2 million mainly from unrealized gains on loans to related parties and short-term investment in US dollar due to the depreciation of Thai Baht against US Dollar. Furthermore, TTA recognized net non-recurring gains of Baht 152.6 million, mainly from gains on sales of investment in a joint venture and a reversal of the provision of digital assets. Therefore, TTA reported net profits of Baht 629.8 million, increased 193%QoQ in 2Q/2023.

As of June 30, 2023, TTA had total assets of Baht 44,677.4 million, increased by Baht 3,084.8 million or 7% from the end of 2022, mainly due to an increase in cash and cash equivalents, property, plant and equipment, and digital assets. Cash and cash equivalents increased to Baht 9,821.9 million mainly from the issuance of debentures in January and operating profit in 1H/2023. In addition, TTA's capital structure remained strong and was represented by the low interest-bearing debt to total equity (IBD/E) of 0.42 times during this period.

Mr. Chalermchai Mahagitsiri, TTA President and Chief Executive Officer said: "In this quarter, Thoresen Shipping continued outperforming the net Supramax TC rate. Offshore Service segment turnaround its performance with a high order book. Agrochemical segment also reported net profits in this quarter with higher fertilizer sales volume.



Shipping Industry in 2H 2023, moderate market conditions are anticipated to persist, though there remains potential for periods of upside, stimulated by seasonal factors. The outlook for the full-year 2023 supply-demand fundamentals seems moderately balanced, Clarksons Research forecasts dry bulk trade growth at 2.7% in tons or 3.3% in ton-mile and fleet expansion of 2.9% in deadweight tons (DWT), with China-driven demand growth countered by a moderate fleet expansion. On the other hand, the order book for newbuilds remains at around a 30-year low of 7% of fleet capacity, partly reflecting uncertainty in the new ship design in compliance with the new environmental regulations. Environmental regulations (e.g., EEXI, CII) could reduce available bulker supply by an estimated of 2.0-2.5% in 2023 and 2024 through slower speeds and retrofit time.”

Key Strategic Business Segment Performance

Shipping Segment:

Thoresen Shipping recorded its revenues of Baht 2,111.3 million in 2Q/2023, increased 2%QoQ, due to the recovery of freight rates from a low level during the Lunar New Year in 1Q/2023.

TCE rate increased 7%QoQ to an average of US\$ 14,719 per day, outperforming the net Supramax's market rate of US\$ 10,225 by 44%. Owned fleet TCE rate increased 7%QoQ with the highest TCE rate of US\$ 28,023 per day and full utilization rate at 100%. Meanwhile, vessel operating expenses (OPEX) were recorded at US\$ 4,500 per day, which remained 2% below the industry OPEX. As a result, gross profits was Baht 654.6 million, which increased 3%QoQ. EBITDA also increased 2%QoQ to Baht 608.9 million.

In summary, Thoresen Shipping delivered the net profits to TTA of Baht 437.9 million, which grew 4%QoQ in 2Q/2023. 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 15.2 years.

Offshore Service Segment:

Mermaid Maritime Public Company Limited or Mermaid recorded its revenues in 2Q/2023 at Baht 2,138.6 million, which significantly increased 45%QoQ, mainly from the increasing non-vessel subsea-IRM and decommissioning and installation (T&I) projects. Revenues from subsea-IRM, decommissioning and T&I, and cable laying accounted for 62%, 20%, and 18% of Offshore Service segment's revenues, respectively. Revenues from subsea-IRM rose 58%QoQ due to an increasing subsea non-vessel project and the better performing subsea-IRM vessel utilization rate of 100% in 2Q/2023 from 96% in 2Q/2022 and 97% in 1Q/2023. In addition, revenues from decommissioning and T&I business, and cable laying business increased 23%QoQ.

Therefore, Mermaid Maritime successfully generated turnaround net profits of Baht 111.9 million and net profits to TTA of Baht 64.0 million in 2Q/2023, which significantly improved 167%QoQ. Offshore Service delivered a high order book at US\$ 337.1 million at the quarter-end.



Agrochemical Segment:

PM Thoresen Asia Holdings Public Company Limited or PMTA reported total revenues in 2Q/2023 at Baht 954.0 million, which significantly increased 132%QoQ from increasing revenues from fertilizer and pesticides in the planting season. Revenues from fertilizer increased by 140%QoQ due to an increase in fertilizer sales volume.

Total fertilizer sales volume was recorded at 43.2 Ktons, increasing 207%QoQ largely from domestic fertilizer demand recovery in Vietnam. Domestic fertilizer sales volume totalled 36.0 Ktons, which increased 238%QoQ. Likewise, export fertilizer sales volume increased 111%QoQ from increasing export volume to South East Asia customers.

Furthermore, sales revenue from pesticides increased 168%QoQ to Baht 93.4 million due to the market recovery. Meanwhile, Service income from factory area management increased by 6%YoY to Baht 25.7 million from an additional 10,000 square meter warehouse.

In summary, PMTA delivered net profits in this quarter of Baht 3.1 million and net profit to TTA of Baht 2.1 million, which increased 108%QoQ in 2Q/2023.

Food & Beverage

Pizza Hut is operated as a 70%-owned subsidiary of TTA. As of June 30, 2023, there were 191 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 June 30, 2023, there were 16 outlets nationwide.

Investment focuses on water and logistics sectors.

Asia Infrastructure Management (Thailand) Co., Ltd. ("AIM"), an 89.40%-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 100%-owned subsidiary.

###

Note: For additional financial information, please see financial statements.

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. For more information, please visit www.thoresen.com



THORESEN THAI AGENCIES PLC Press Release

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

For more information, please contact:

Thoresen Thai Agencies Plc.

Natasa Urcharoenngan

E-mail: natasa_u@thoresen.com

Tel: +662 254 8437 Ext.332

Mobile: +668 3492 2442

Tupsin Vongpibal

E-mail: tupsin.v@thoresen.com

Tel: +66 2254 8437 Ext. 313

Mobile: +669-4-759-4564