



For immediate Release

**TTA Reported Net profits of Baht 1,216.9 million in 2023
Driven by Shipping and Offshore Service segments**

- TTA reported revenues of Baht 23,975.5 million and net profits of Baht 1,216.9 million in 2023.
- Shipping segment delivered net profits to TTA of Baht 1,528.4 million with the outperforming TCE rate over the net Supramax market rate by 27%, and the effective OPEX cost lower than industry by 16%.
- Offshore Service segment reported a net profit to TTA of Baht 199.9 million in 2023, with the recorded high order book at US\$ 734.2 million at the year-end 2023.
- Agrochemical segment continued to be profitable with the recovery of fertilizer sales volume of 169.3 Ktons in 2023.

Bangkok, 29 February 2024 – Thoresen Thai Agencies Public Company Limited or TTA reported revenues of Baht 23,975.5 million and net profits of Baht 1,216.9 million in 2023, driven by Shipping and Offshore Service segments. Revenue from Shipping, Offshore Service, Agrochemical, Food & Beverage, and Other Investments segments contributed 31%, 40%, 16%, 8%, and 5% to the consolidated revenues respectively.

TTA's Financial position remained strong with cash under management of Baht 8.2 billion and low IBD/E at 0.35 times. Net cash flow from operating activities continued to be positive at Baht 3,040.8 million in 2023. The current ratio was 2.50 times, indicating adequate liquidity with sufficient cash under management to cover interest-bearing debts.

Mr. Chalermchai Mahagitsiri, TTA President and Chief Executive Officer, said:

Thoresen Shipping remains profitable. Another aspect of pride is its ability to earn the trust and confidence of customers worldwide, despite being a Thai company with predominantly Thai personnel. In 2023, Thoresen Shipping secured a contract to supply coated steel pipeline transportation services for crude oil projects in East Africa spanning three years. Additionally, the company serves clients in New Zealand, facilitating log transportation, and meets the increased demand for cement transportation services in the North Atlantic. Moreover, its Chartering office in London, UK, has demonstrated a positive contribution to the bottom line.

Meanwhile, **Mermaid** has achieved unprecedented levels of performance. In 2023, Mermaid experienced income growth across all service functions, primarily attributed to expanding both the income and client bases into other regions. In addition, Mermaid has secured multiple offshore contracts spanning various regions including Thailand, the Middle East, South Africa, Western-Sahara, and the United Kingdom. These contracts, totaling nearly USD 500 million. Moreover, Mermaid is actively expanding its comprehensive subsea and offshore services in Vietnam and throughout Southeast Asia, with the establishment of Tan Cang Mermaid Subsea Services Co., Ltd. (TCMS). Recently, TCMS successfully secured a short-term contract for a single project from a client.



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PM Thoresen Asia Holdings Public Company Limited (PMTA) faces the challenge of declining fertilizer prices. However, PMTA tackled this challenge by maintaining superior product quality standards compared to competitors, implementing effective inventory management practices, establishing clear policies for pricing and discounts, and leveraging a network of distributors in Vietnam alongside efficient online marketing strategies. These combined efforts enable PMTA to sustain a consistent profit margin.

In the Food & Beverage Segment, **Pizza Hut** has significantly increased its advertising efforts through various mass media channels in 2023. Consequently, the Pizza Hut brand has regained consumer attention and gained widespread recognition among consumers, beyond just families to include office workers and students. Furthermore, Pizza Hut introduced a groundbreaking concept store named *Pizza & Bar*, the first of its kind in Thailand and Asia, and the second globally, situated at Jungceylon, Patong, Phuket. Geared towards catering specifically to foreign customers and tourists, this innovative venture gained an exceptionally positive response.

In 2023, **Taco Bell** achieved profitability for the first time, an accomplishment attributed to refining its branch expansion strategy in residential areas on the outskirts of Bangkok, including locations such as Bangna, Ratchaphruek, and Rama II. This strategy prioritized building brand awareness, trialing services, and venturing into gas stations, allowing direct access to target customers. Expanding into tourist cities like Pattaya and Phuket also proved highly successful, gaining positive feedback from patrons.

Key Strategic Business Segment Performance

Shipping Segment: Thoresen Shipping's freight revenues were reported at Baht 7,369.6 million, which decreased 47%YoY due to the substantial decline in market freight rate from the remarkably high rate in 2022 and decreasing operating days of the owned fleet. However, the TCE rate continued to outperform the net Supramax market rate of US\$ 10,678 by 27%. The owned fleet continued full utilization at 100% with the highest TCE rate of US\$ 28,023 per day. Furthermore, Shipping's vessel operating expenses (OPEX) were US\$ 4,258 per day, 16% below industry OPEX. In summary, Shipping segment delivered net profits to TTA of Baht 1,528.4 million in 2023. At year-end, Shipping segment owned 24 vessels (22 Supramaxes and 2 Ultramax) with an average size of 55,913 DWT and an average age of 15.7 years.

Offshore Service Segment: Mermaid Maritime Public Company Limited or Mermaid revenues were recorded at Baht 9,628.6 million, which increased by 22%YoY from most service segments, especially subsea-IRM. Revenues from subsea-IRM significantly grew by 43%YoY due to an increasing subsea IRM short-term chartered-in vessel and non-vessel projects, and a higher performing subsea-IRM vessel utilization rate of 91% in 2023. Revenues from the decommissioning and transportation & installation (T&I) business also increased 28%YoY due to the service expansion in Thailand and Southeast Asia. In conclusion, Mermaid reported strong net profits of Baht 345.9 million, which increased 912%YoY, and a net profit to TTA of Baht 199.9 million in 2023, which significantly increased 2,224%YoY, with the recorded high order book at US\$ 734.2 million at the year-end 2023.

Agrochemical Segment: In 2023, PM Thoresen Asia Holdings Public Company Limited or PMTA recorded revenue of Baht 3,778.8 million. Total fertilizer sales volume increased by 18%YoY to 169.3 Ktons. Domestic fertilizer, in Vietnam, sales volume accounted for 82% of total fertilizer sales volume amounting to 139.1 Ktons, increasing 47%YoY due to demand recovery following the reduced selling price. According to sales volume by product, single fertilizer sales volume increased 66%YoY to 41.6 Ktons, and NPK



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fertilizer sales volume also increased 8%YoY to 127.7 Ktons. Sales of pesticides also slightly decreased 4%YoY to Baht 285.5 million. Meanwhile, service income from factory management increased 9%YoY to Baht 109.5 million due to the warehouse expansion and higher warehousing demand. In summary, Agrochemical segment reported net profits to TTA of Baht 39.8 million.

Food & Beverage:

Pizza Hut is operated as a 70%-owned subsidiary of TTA. As of 31 December 2023, there were 185 outlets nationwide. All new 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 31 December 2023, there were 25 outlets nationwide.

Investment focuses on water and logistics sectors:

Asia Infrastructure Management (Thailand) Co., Ltd. ("AIM"), a 91.87%-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.

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