TTA

IR E-NEWSLETTER

1Q2023 | May 2023

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CEO TALK

"Against the lower freight rate in the first quarter, Thoresen Shipping achieved a net TCE of US$ 13,718 per day, outperforming the net Supramax TC rate of US$ 9,662 by 42%. Looking forward, we remain positive about the medium-term prospects for the dry bulk industry in the second quarter.

While Mermaid Martime continues to focus on high demand regions for offshore energy activities. Several key milestones have been achieved including the award of a major multi-well contract and plugging and abandonment (P&A) as well as decommissioning activities in the gulf of Thailand and North Sea. We expect that this year, Offshore Services sector will gain benefits from the increase of offshore investments in oil and gas exploration and production especially in Middle East. Earlier, Oslo-based Rystad Energy said the Middle East's spending in the offshore oil and gas (O&G) sector will increase for at least the next three years from $33 billion in 2023 to $41 billion in 2025.

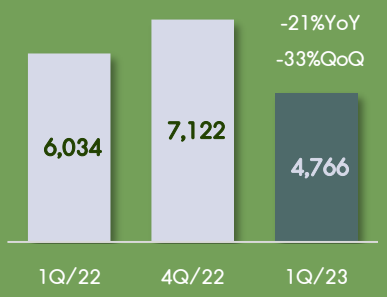
PMTA faced a decrease in domestic fertilizer sales due to the low season and downtrend of fertilizer prices. However, we expect a rebound in domestic fertilizer demand in the second quarter due to planting season assuming agricultural conditions remain the same. In addition, PMTA will introduce special products and fostering connections with current and potential customers to expand export market in Africa, and the South-East Asia."

Mr. Chalermchai Mahagitsiri
President & Chief Executive Officer

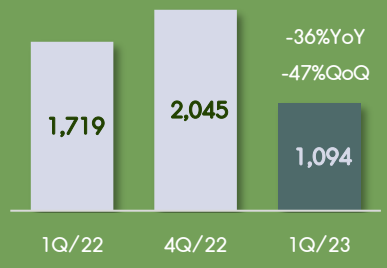
TTA Group Performance 1Q2023

Unit: Million Baht

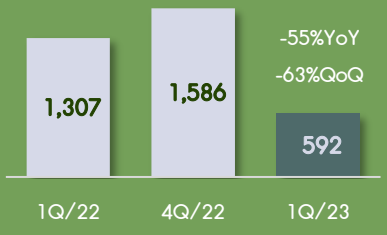
Revenues [1]



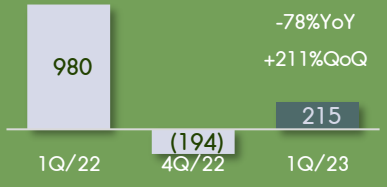
Gross Profits/(Losses) [2]



EBITDA [3]

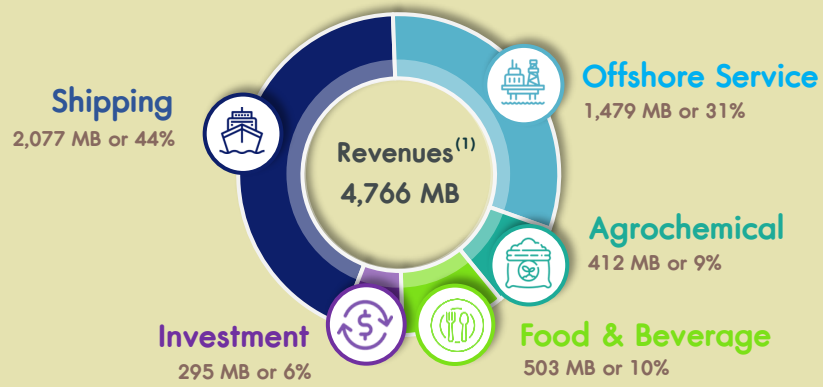


Net Profits/(Losses) to TTA



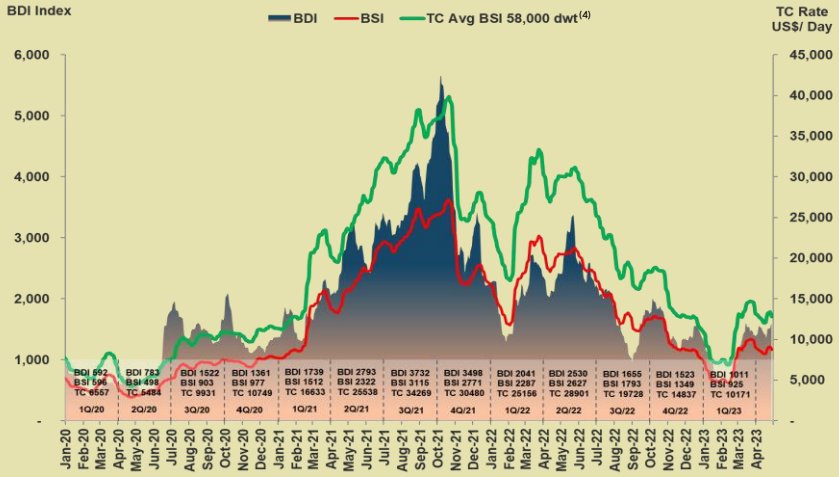
Note: [1] Revenues from sales and services
[2] Including amortization of vessel drydocking but excluding depreciation and other amortization
[3] Earnings before interest, tax, depreciation, and amortization (excluding extraordinary items)
[4] TC Avg BSI is based on BSI-52 index up through 4Q/18 and BSI-58 index from 1Q/19 onwards, to be comparable with the fleet size of Shipping segment.
Source: Clarksons Research, April 2023

Performance Highlights:



In 1Q/23, TTA reported revenues of Baht 4,765.8 million, which decreased 21%YoY and 33%QoQ mainly due to the declining Shipping TCE rate and lower fertilizer sales from Agrochemical segment. As a result, gross profit decreased 36%YoY and 47%QoQ to Baht 1,093.9 million. The gross profit margin also declined from 28% in 1Q/22 and 29% in 4Q/22 to 23% in 1Q/23 mainly from a lower Shipping TCE rate. SG&A increased 7%YoY and 2%QoQ mainly from employee expenses and advisory fee. Accordingly, EBITDA decreased 55%YoY and 63%QoQ to Baht 592.3 million. In addition, there were realized/unrealized losses from foreign exchange of Baht 129.7 million due to the conversion of US Dollars to Thai Baht during the appreciation of Thai Baht against US Dollar compared to the year end 2022. Furthermore, TTA recognized extraordinary net non-cash gains of Baht 221.9 million, mainly from a reversal of the provision of digital assets. In this quarter, Shipping segment's TCE rate averaged of US$ 13,718 per day, with gains from both owned and chartered-in vessels, outperforming the net Supramex TC rate by 42%. Offshore Service segment's order book remained strong at US$ 320 million at the quarter-end. Agrochemical segment fertilizer sales volume recorded at 14.1 Ktons. In summary, TTA reported net profits of Baht 215.0 million, decreasing 78%YoY but increasing 211%QoQ in 1Q/23.

Shipping Outlook:



The outlook for the full-year 2023 seems moderately balanced, Clarksons Research forecasts dry bulk trade growth at 2.5% in ton-mile, while fleet expansion is projected at 2.4% in deadweight ton (DWT). Global dry bulk trade driven by grain trades (+3.1%), iron ore trades (+1.8%), coal trades (+2.8%), and minor bulk trades (+0.8%), On the other hand, the order book for newbuilds stands at a near 30-year low of 7% of fleet capacity. Compliance with emissions regulations (e.g., EEXI, CII) could reduce available bulker supply by an estimate of 2.0-2.5% in 2023 and 2024 through slower speeds and retrofit time. Looking further to 2024, the bulker market is projected to see some further improvements on the back of more positive underlying demand-supply fundamentals. Ton-mile demand is initially projected to grow by 2.5%, while total fleet capacity growth could be limited to 0.6%, given the low order book and potentially increased demolition.

KNOWLEDGE CORNER

PMTA
PMThoresenAsia

BACONCO

Baconco, a subsidiary of PMTA, is operating in the agrochemical industry located in southern Vietnam. Baconco develops, manufactures, markets and distributes mixed fertilizers, compound fertilizers and single fertilizers, as well as sells and distributes other agrochemical products under its trademarks.

NPK Compound Fertilizers

NPK Compound Fertilizers are composed of all three main nutrients, namely, nitrogen (N), phosphate (P2O5) which provides phosphorus (P), and potash (K2O) which provides potassium (K) for plants. The N-P-K mix may vary according to purposes and each crop's biological needs.

PRODUCTS

Single Fertilizers

Single fertilizers are those which supply only one primary plant nutrient, namely nitrogen or phosphorus or potassium for example urea, ammonium sulphate, potassium chloride and potassium sulphate.

Pesticides

Pesticides are biochemical or chemically-synthesis substances created to protect, destroy, deter or discourage pests. Mostly-found pests are insects, plant pathogens, weeds and microbes that spread disease, damage agricultural products and reduce production.

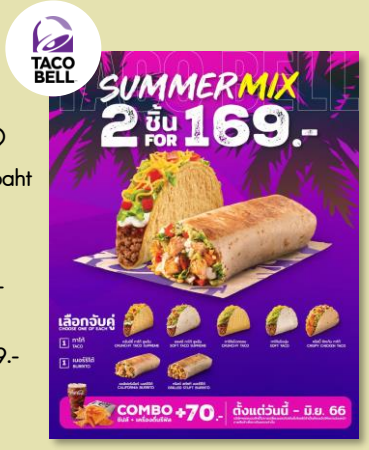
NEW Promotion

Melts

Melts, the world's most popular menu, has arrived in Thailand ♡
Pay 1 for 2 starting at only 169 baht

- Melts Hawaiian 169.-
- Melts Hokkaido Cheese 169.-
- Melts Chicken Jalapeno 169.-
- Melts Philly Cheese Steak 199.-

31 Today - 22 Jul '23



Summer Mix Taco and Burrito

Mix double deliciousness with
Tacos & Burritos
For only 169.- baht

or add deliciousness to the extreme by just paying an additional 70.- baht for a combo set, chips and refill drinks!

31 Today - 30 Jun '23

TTA AT A GLANCE

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 (SET), 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 segments.

Symbol	:	TTA:TB I TTA:BK
Market	:	SET, MSCI, THSI
Industry/ Sector	:	Services/ Transportation & Logistics
First Trade Date	:	25 Sep 1995
CG Score	:	Excellent (5 stars)
Thai CAC	:	Certified
Share Outstanding	:	1,822,464,564 Shares (Par at Baht 1.00 per share)
Foreign Limit	:	49%
Dividend Policy	:	At least 25% of the consolidated net profits after taxes but excluding unrealized foreign exchange gains or losses, subject to the Company's investment plans and other relevant factors (with additional conditions)

TTA SAY NO TO CORRUPTION

Scan here to download the latest Management Discussion and Analysis

Scan here to download the Latest SET's Opportunity Day Presentation

Business Portfolio

Shipping

24 Vessels

- Dry Bulk Shipping

Offshore Service

5 Performing Vessels

- Subsea Services
- Cable Laying
- Decommissioning

Agrochemical

HIGH Quality Fertilizer

- Fertilizer
- Pesticides
- Factory Area Management Service

Food & Beverage

191 Outlets

14 Outlets

- Pizza Hut
- Taco Bell

Investment

- Water Management
- Logistics
- Solar Rooftop
- Others

As of March 31, 2023

IR CALENDAR

May

Sun	Mon	Tue	Wed	Thu	Fri	Sat
30	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

June

Sun	Mon	Tue	Wed	Thu	Fri	Sat
28	29	30	31	1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

15 1Q2023 Earning Results
18 1Q2023 Analyst Meeting
19 1Q2023 SET's Opportunity

7 SET Digital Roadshow 1Q2023

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