



Thoresen Thai Agencies  
Public Company Limited



# 3Q/2018 Opportunity Day

November 22, 2018



# DISCLAIMER

*This presentation includes forward-looking statements that are subject to risks and uncertainties, including those pertaining to the anticipated benefits to be realized from the proposals described herein. This presentation contains a number of forward-looking statements including, in particular, statements about future events, future financial performance, plans, strategies, expectations, prospects, competitive environment, regulation and supply and demand.*

*TTA has based these forward-looking statements on its views with respect to future events and financial performance. Actual financial performance of the entities described herein could differ materially from that projected in the forward-looking statements due to the inherent uncertainty of estimates, forecasts and projections, and financial performance may be better or worse than anticipated. Given these uncertainties, readers should not put undue reliance on any forward-looking statements.*

*Forward-looking statements represent estimates and assumptions only as of the date that they were made. The information contained in this presentation is subject to change without notice and TTA does not undertake any duty to update the forward-looking statements, and the estimates and assumptions associated with them, except to the extent required by applicable laws and regulations.*

**COMPANY OVERVIEW**

**3Q/2018 PERFORMANCE**

**MARKET OUTLOOK**

**APPENDICES**

# THORESEN GROUP AT A GLANCE

- Thoresen Group: established in 1904 : 100+ years of financial strength
- TTA: established in 1983 and listed in SET in 1995
- Headquartered in Bangkok, Thailand
- Global presence spanning more than 10 countries in three continents

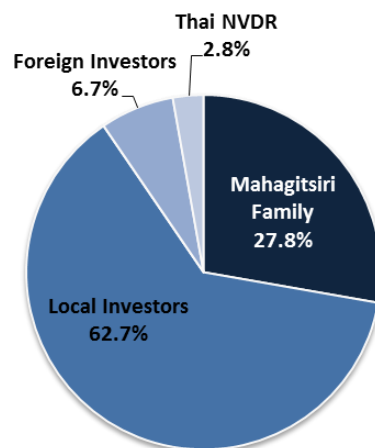
## Vision

**“TO BE THE MOST TRUSTED ASIAN  
INVESTMENT GROUP,  
CONSISTENTLY DELIVERING ENHANCED  
STAKEHOLDER EXPERIENCE”**

## Stock Information (as of 31 Oct 2018)

• Market	SET
• Symbol	TTA:TB   TTA:BK
• Industry	Services
• Sector	Transportation & Logistics
• First Trade Date	25 Sep 1995
• Paid-up Capital	1,822,464,006 Baht
• Par Value	1 Baht
• Market Capitalization	Baht 12,211 million or US\$ 367 million
• Free Float	72.2%
• 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)

## Shareholding Structure (as of 31 Oct 2018)



# TTA STRATEGIC BUSINESS PORTFOLIO

## Shipping



- Dry Bulk Shipping
- Shipping Services
- Ship Agency

## Offshore Service



- Subsea Services
- Drilling Services

## Agrochemical



- Fertilizer

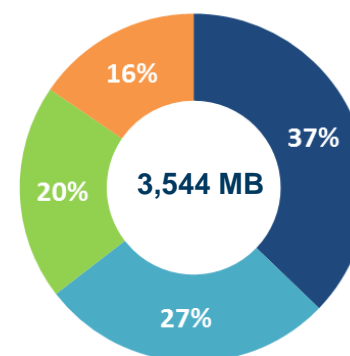
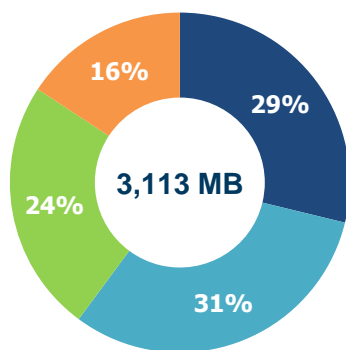
## Investment



- Food and Beverage
- Water
- Logistics
- Others



## Revenue Structure



■ Shipping ■ Offshore Service ■ Agrochemical ■ Investment

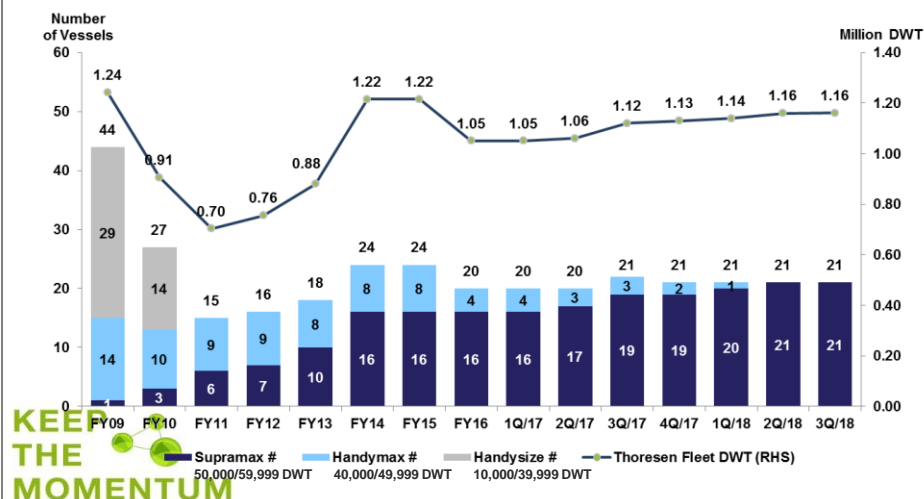


- **21** Owned Vessels
- **11.46** Years (Average age)
- **1.16** million DWT (Total Fleet)
- **55,285** DWT (Average Size)

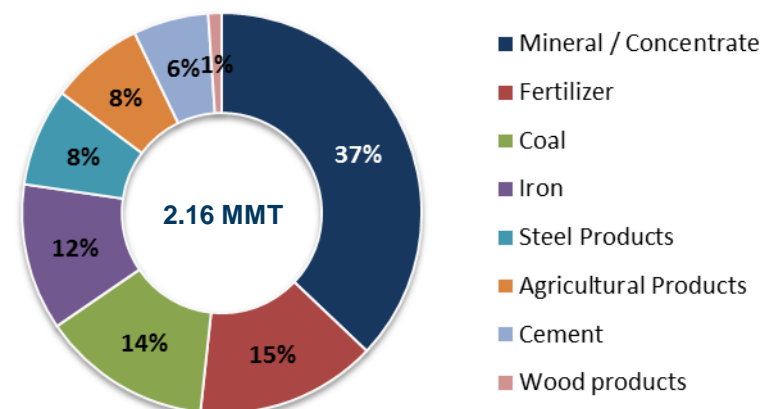
As of September 2018

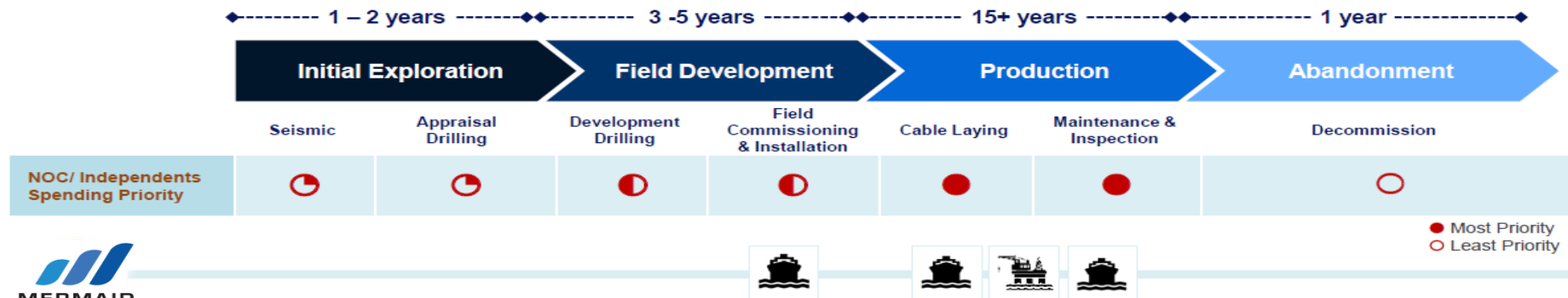
- Strong track record with global presence
- Leading Handymax and Supramax dry bulk operator
- Outstanding performance from chartered in vessels.
- Cost efficient dry bulk operator with focus on cost savings, efficiencies (without compromising safety), and risk management
- Strong customer base

Thoresen Fleet 2008 – 2018



3Q/2018 Cargoes Carried





## Subsea Services (low relative to oil price)

- Inspection, Repair & Maintenance (IRM)
- Infrastructure Installation Support
- Remotely Operated Vehicle (ROV) Support
- Cable & Flexible Pipe Laying

7

SUBSEA VESSELS \*



15

ROVs



6+17

SATURATION AND  
AIR DIVING SYSTEMS



## Drilling Services (relative to oil price)

- Offshore Drilling and Work Over Service
- Accommodation Rig Service

3

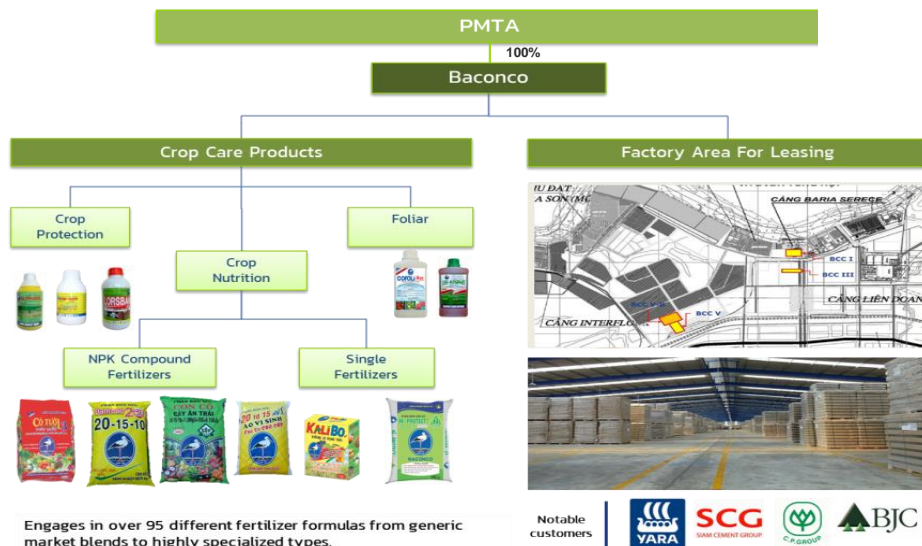
HIGH-SPEC  
JACK-UP RIGS \*\*



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\* Subsea vessels comprises 7 owned vessels, of which 3 vessels in cold stack.  
\*\* Owned by Asia Offshore Drilling Ltd. in which MML has 33.76% ownership interest.

- Mermaid Maritime Public Company Limited is a Thai company listed on SGX (<http://www.mermaid-maritime.com>)
- National Oil Company Strategy (high barrier to entry)
- Strong position in lower oil cost producing regions where it is predominantly shallow water, hence less impact by fluctuations in oil prices
- Continue to offer cable laying service, a diversification opportunity beyond Oil and Gas
- M&A opportunities through exit of competitors and available supply of chartered-in vessels in weak market
- Streamline operation/ process for cost cutting



*The leading manufacturer and seller of fertilizer in Vietnam.*

**17** MILES FROM THE OPEN SEA

## Leading market position in the Vietnam's fertilizer market

### Total NPK Compound Fertilizer Market



### Premium NPK Compound Fertilizer Market



Note: Total premium NPK market is estimated at 400,000 ton p.a.

- PM Thoresen Asia Holdings Public Company Limited listed on SET (<http://www.pmthoresenasia.com>)
- Leader NPK Supplier in Vietnam
- Biggest private fertilizer producer in Vietnam by capacity
- Comprehensive fertilizer production process with over 95 NPK formulas and customized formulas to fulfill customers' needs
- Successful presence in the global market
- Ability to speedily launch and develop new innovated products

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### 1. Debenture Repayment and Issuance

- ▶ Repaid Baht 2,000 million on the maturity date in July 2018.
- ▶ Issued new debentures of Baht 1,500 million in October 2018.

### 2. New Investment

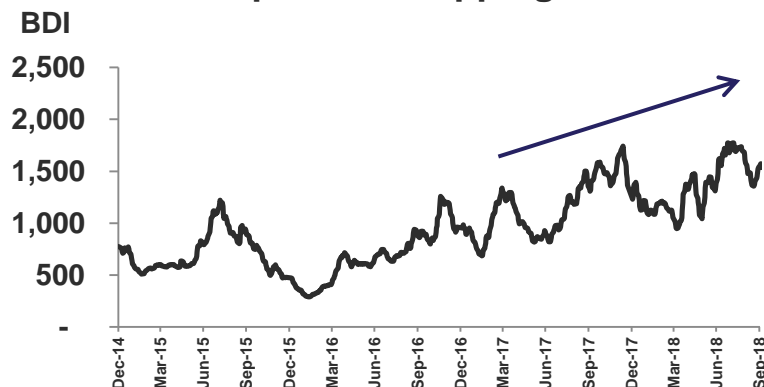
- ▶ Acquired 80.5% equity share in Asia Infrastructure Management (Thailand) Co., Ltd. (“AIM”) to create synergy with existing Water Business.



Reputable local Thai water player with access to Laos and Cambodia

- Better consolidated net profits of Baht 148 million, increasing 202%YoY.
- Shipping continued to deliver satisfied performance and achieved average TCE rate of US\$ 11,529 per day, outperforming net market TC rate.
- Positive EBITDA of Baht 545 million, increasing 42%YoY.

The upturn in shipping market



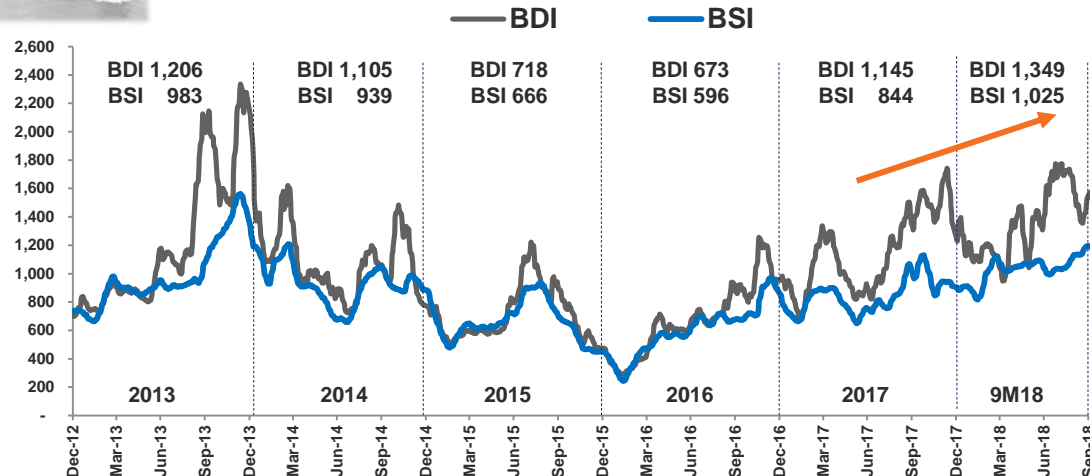
Enhance Performance



# KEY BUSINESS DRIVERS/ INDICATORS



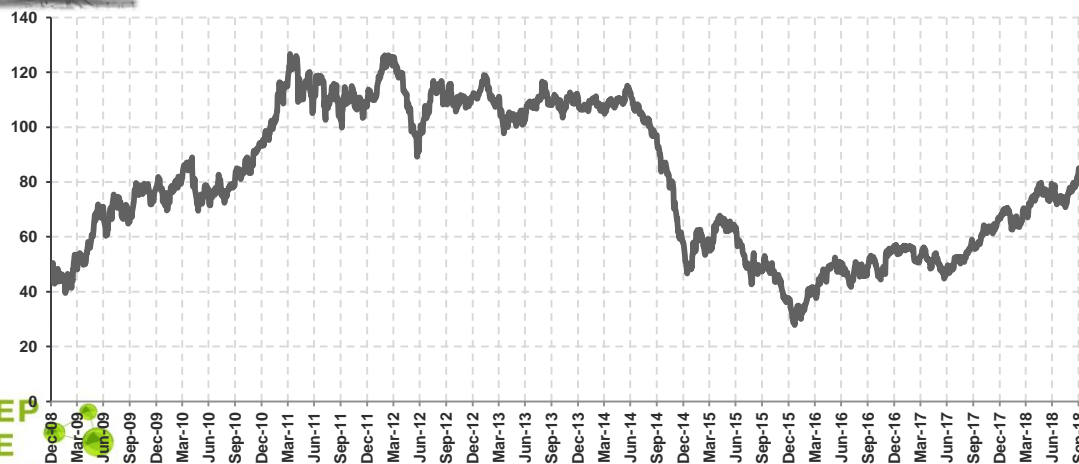
## Baltic Exchange Dry Index



- Baltic Dry index (BDI) has increased to an average of 1,607 points in 3Q/18 from 953 points at the beginning of 2017, due to limited growth in dry bulk fleet.
- 2018 have so far seen the improved balance of fundamentals in bulker sector.



## Brent Crude Oil (US\$/Barrel)



- Brent crude oil price rose from an average of US\$ 55/bbl in 2017 to an average of US\$ 76/bbl in 3Q/18. Brent crude oil has volatily traded in the range of US\$ 70-83/bbl in 3Q/18.
- Crude oil price has risen on the concern over tightened supplies caused by falling Iranian and Venezuelan oil outputs. However, the market outlook is still volatile.

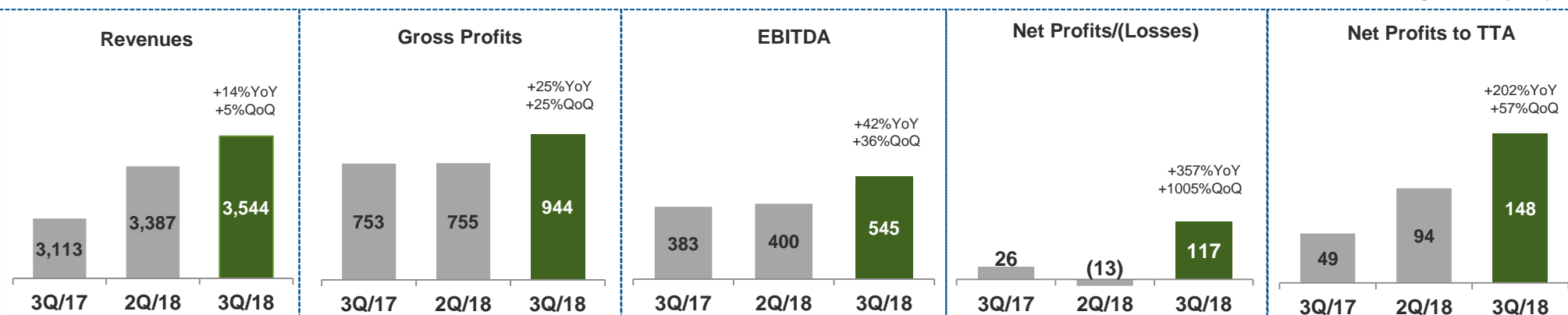
# THORESEN THAI AGENCIES (TTA)

## CONSOLIDATED INCOME STATEMENT



Thoresen Thai Agencies  
Public Company Limited

Unit: Million Baht



in million Baht

	Shipping			Offshore Service			Agrochemical		
	3Q/17	2Q/18	3Q/18	3Q/17	2Q/18	3Q/18	3Q/17	2Q/18	3Q/18
Revenues	896	1,411	1,320	976	687	970	735	702	694
Gross Profits	257	460	479	178	3	183	206	161	140
EBITDA	214	412	400	49	(76)	81	85	44	24
Net Profits/(Losses)	74	270	242	(69)	(246)	(61)	57	28	(2)
Net Profits/(Losses) to TTA	74	270	242	(40)	(143)	(36)	39	19	(1)
Gross Margin (%)	29%	33%	36%	18%	0.5%	19%	28%	23%	20%
EBITDA Margin (%)	24%	29%	30%	5%	-11%	8%	12%	6%	4%
Net Profit Margin (%)	8%	19%	18%	-7%	-36%	-6%	8%	4%	-0.3%

Note As of 30 September 2018, TTA held TSG (Shipping) @ 100%, MML (Offshore Service) @ 58.2%, and PMTA (Agrochemical) @ 68.5%

- Continued uptrend in freight rate and Offshore Service's improved vessel utilization resulted in better consolidated net profits of Baht 148 million, increasing 202%YoY and 57%QoQ in 3Q/18.
- Positive EBITDA of Baht 545 million for 3Q/18, increasing 42%YoY and 36%QoQ.
- Strong capital structure reflected by low net interest bearing debt to equity at 0.13 times at the end of 3Q/18.

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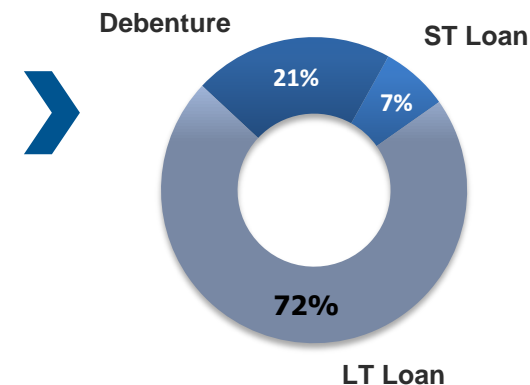
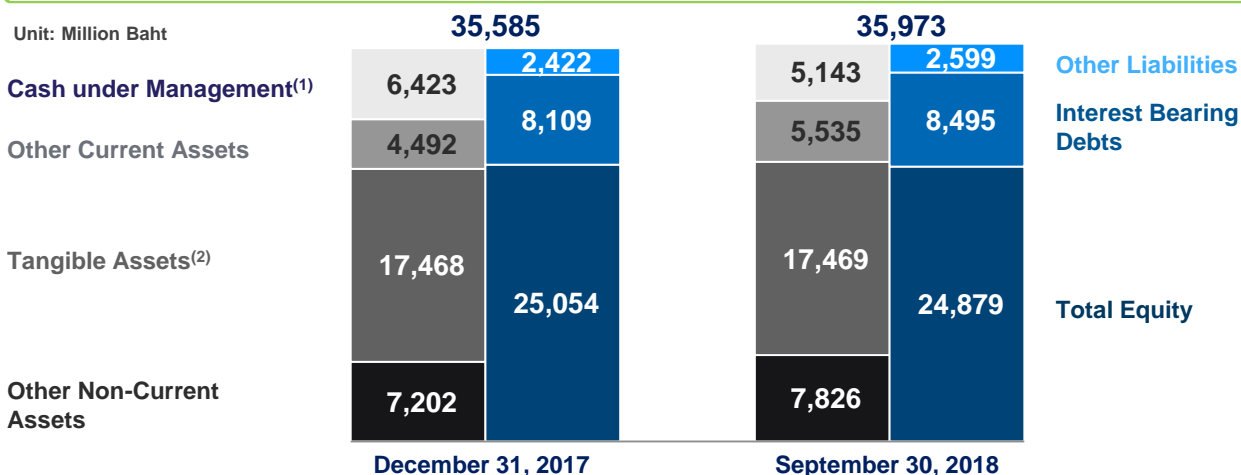
<sup>(1)</sup> Spread Margin = (Sales Revenues – Raw Material Cost)/ Sales Revenues

# THORESEN THAI AGENCIES (TTA)

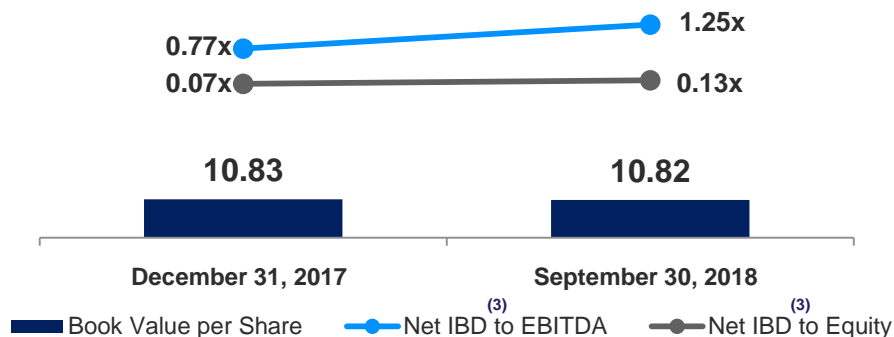
## CONSOLIDATED FINANCIAL POSITION – Strong financial position to support growth



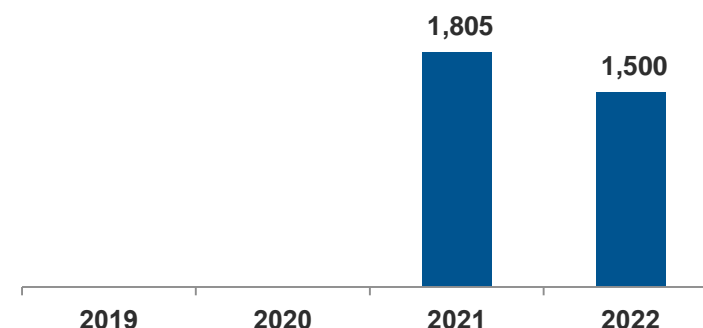
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### Key Financial Ratio



### Debenture Outstanding & Maturity



### As of September 30, 2018

- High liquidity and healthy consolidated balance sheet with cash under management totaling Baht 5 billion and net IBD/E of 0.13 times.
- Total liabilities increased by 5% to Baht 11,094 million from the end of 2017, mainly from net effects of bond repayment, new bond issuance and increased long-term borrowings to fund vessels acquired in 2018.
- Total equity decreased from the end of 2017 to Baht 24,879 million, mainly from net effects of an increase in net profits, paid dividend, and a decrease in foreign currency translation for foreign operations as Thai Baht strengthened against US Dollar from an average of 33.94 Baht/US\$ in 2017 to an average of 32.14 Baht/US\$ in 9M18.



<sup>(1)</sup> Cash and cash equivalents + current investments

<sup>(2)</sup> Property, plant, and equipment + investment properties

<sup>(3)</sup> Interest bearing debts - cash and cash equivalents - current investments

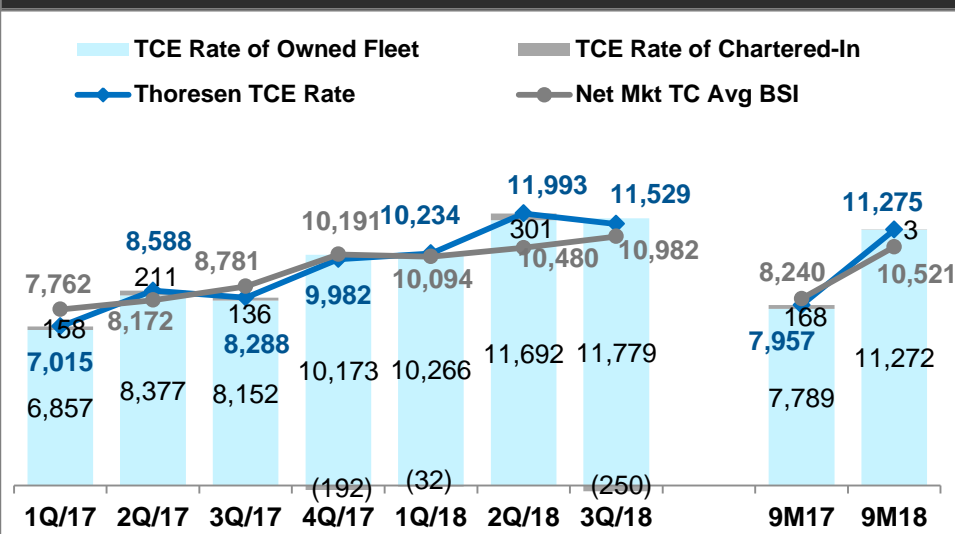
# SHIPPING SEGMENT

TCE rate significantly improved and the utilization rate remained at high level

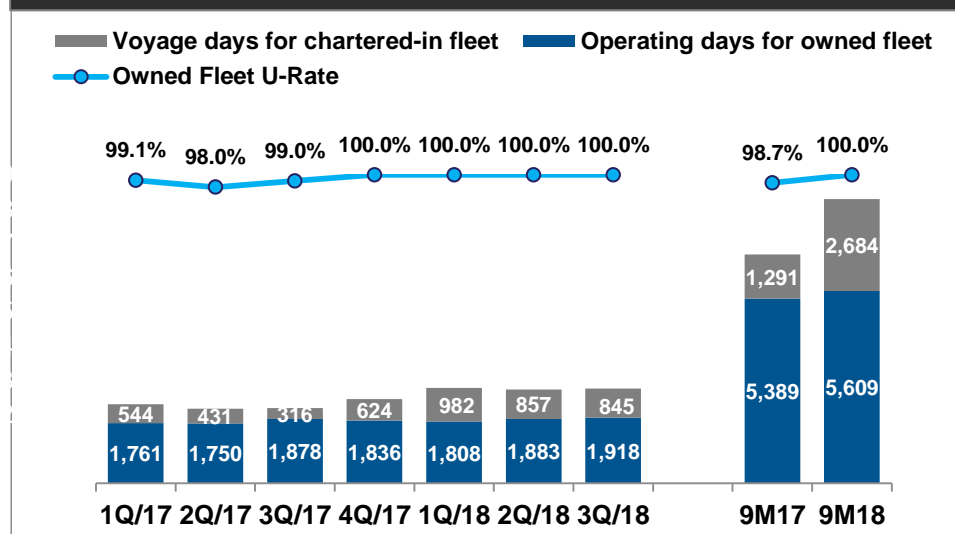


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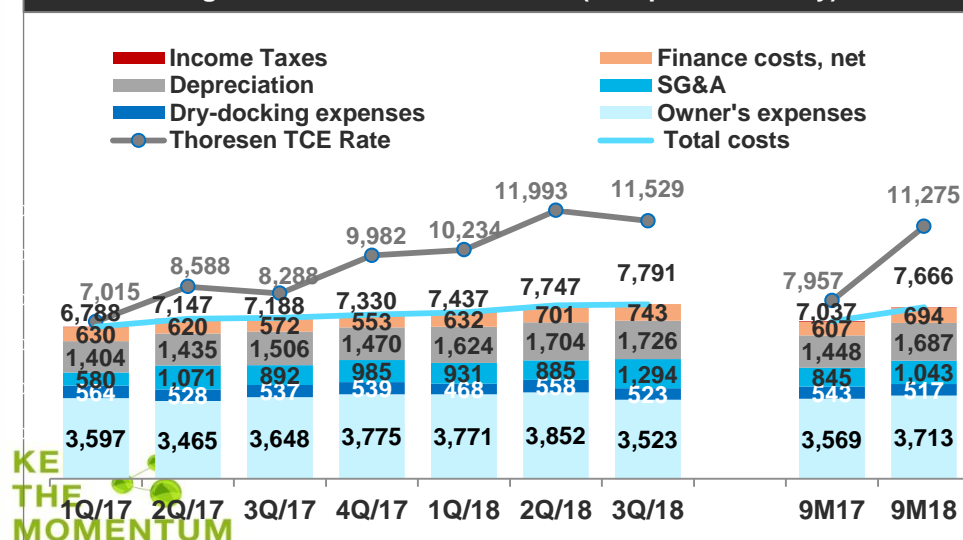
## Net Market TC Avg BSI VS Average TCE Rate (US\$ per vessel day)



## Vessel Working Days & Fleet Utilization Rate



## Avg TCE Rate vs Cost Structure (US\$ per vessel day)



- Average TCE rate was at US\$ 11,529 per day, improved 39%YoY, and outperformed net market TC rate of US\$ 10,982 per day.
- TCE rate comprised owned fleet TCE rate of US\$ 11,779 per day and a loss from chartered-in vessels of US\$ 250 per day.
- Highest earned TCE rate in 3Q/2018 was at US\$ 19,469 per day.
- Owned fleet utilization rate has remained high at 100% in 3Q/18.
- Operating cash costs remained flat at US\$ 5,341 per day.
- At the end of 3Q/2018, Shipping owned 21 vessels with an average size of 55,285 DWT and an average age of 11.46 years.

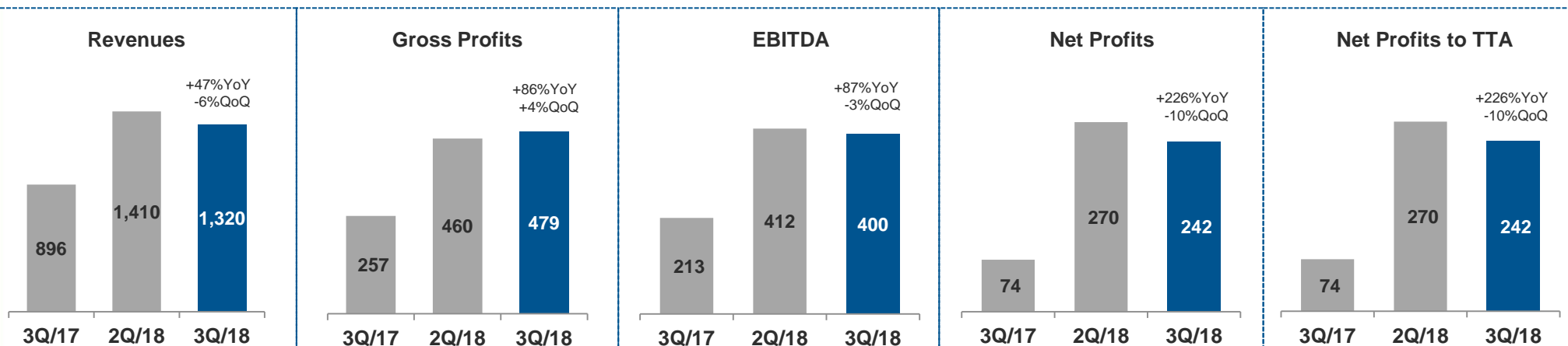
# SHIPPING SEGMENT

Continued to deliver satisfied performance



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Public Company Limited

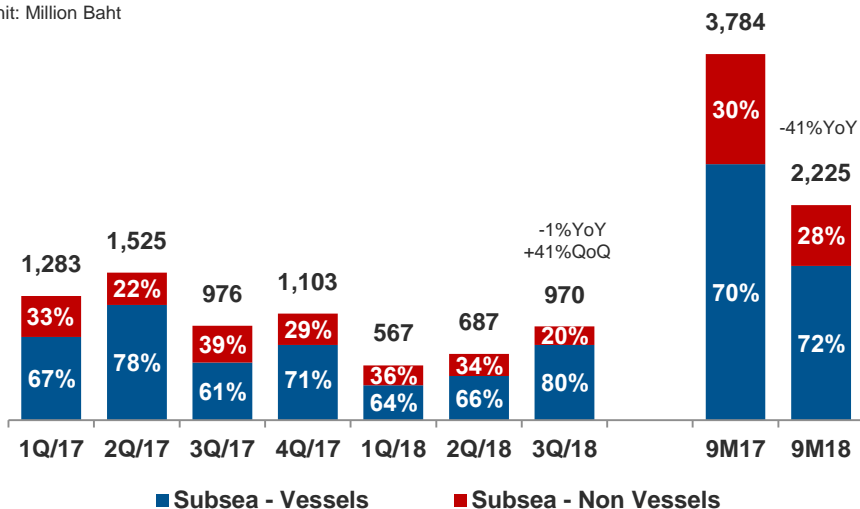
Unit: Million Baht



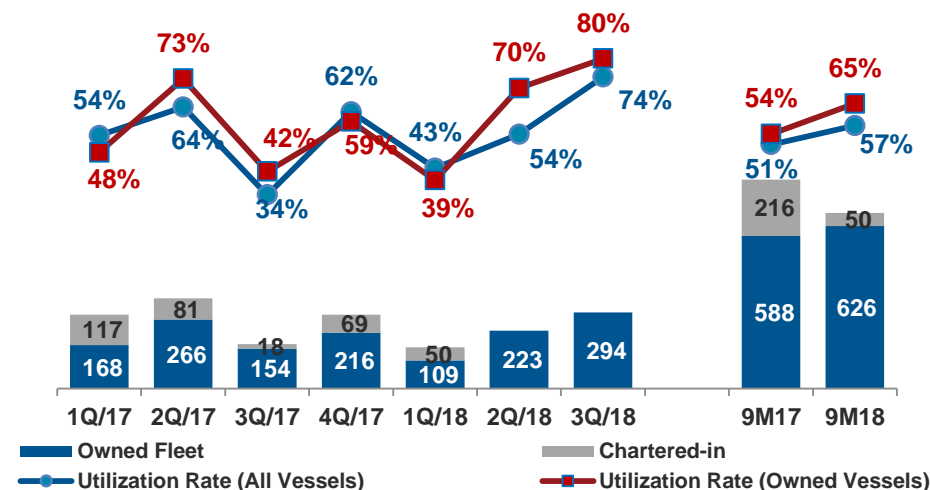
- Revenues in 3Q/18 increased 47%YoY to Baht 1,320 million, due to significant improvement in freight rate and higher demand.
- Gross profits amounted to Baht 479 million, which increased 86%YoY, and gross margin improved from 29% in 3Q/17 to 36% in 3Q/18.
- EBITDA was Baht 400 million, improving 87%YoY in 3Q/18.
- Net profits in 3Q/18 reached Baht 242 million, increasing 226%YoY.
- As freight rate has improved, Shipping plans to acquire 1-2 additional vessels if there is a right opportunity.

## Revenues Breakdown by Services

Unit: Million Baht



## Vessel Working Days & Utilization Rate <sup>(1), (2)</sup>



### Subsea IRM Service

- Vessel utilization rate had picked up to 74% in 3Q/18, compared to 34% in 3Q/17 and 54% in 2Q/18.
- No vessel off-hired for dry docking like in the last two quarters.
- At quarter-end, there was no chartered-in vessel.

### Drilling Service

- All three high specification jack-up drilling rigs, operated under one of its associates, have performed strongly with a 100% utilization in 3Q/18.
- All rigs remain contracted in the Middle East until 2019.

<sup>(1)</sup> Excluding three non-performing vessels, which is currently in cold stack.

<sup>(2)</sup> Utilization rate is the percentage of time that our vessels generated revenues and is determined by dividing operating days by available service days (excluding dry-docking period) for the relevant period.

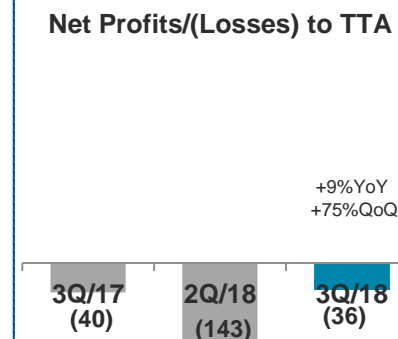
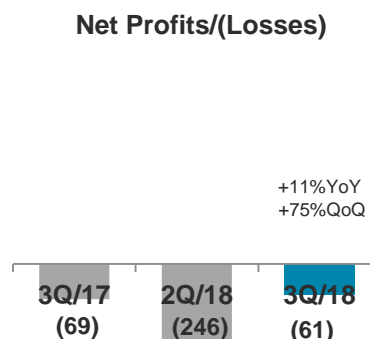
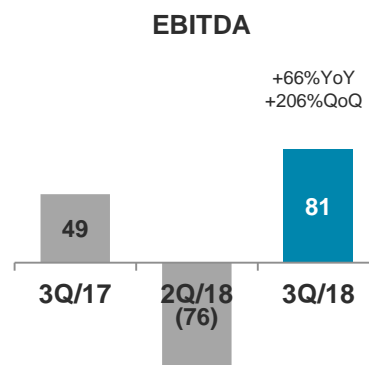
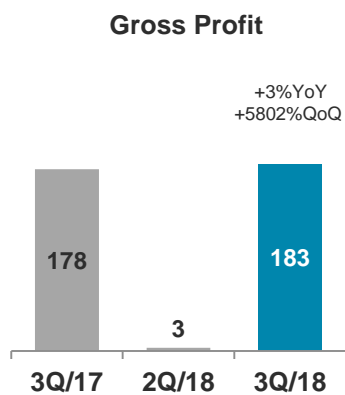
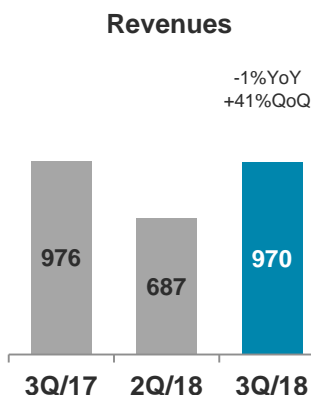
# OFFSHORE SERVICE SEGMENT

Improved utilization rate resulted in an EBITDA turnaround



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Unit: Million Baht

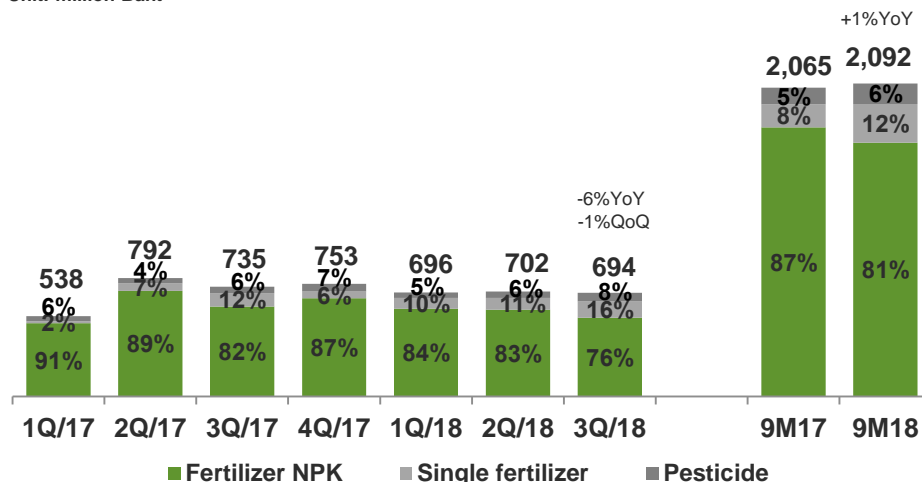


- Revenues amounted to Baht 970 million, increasing 41%QoQ, but stable YoY.
- Gross profits in 3Q/18 increased 5802%QoQ and 3%YoY to Baht 183 million due to higher vessel utilization rate. Likewise, gross margin increased QoQ from 0.5% in 2Q/18 to 19% in 3Q/18, and increased YoY from 18% in 3Q/17.
- Share of profit of associates and JVs increased by 61% YoY to Baht 60 million due to the adjustment of internal bareboat charter rate.
- An EBITDA turnaround from Baht (76) million in 2Q/18 to Baht 81 million in 3Q/18.
- Net loss to TTA was Baht 36 million, decreasing 9%YoY and 75% QoQ.
- Order book at the end of 3Q/18 was US\$ 129 million with work projected to be performed from 4Q/18 to the end of 2019.

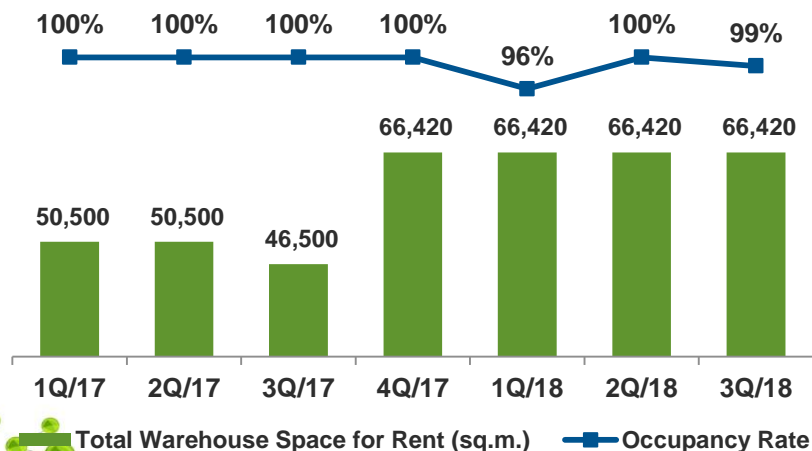
# AGROCHEMICAL SEGMENT

## Sales Revenue Breakdown by Product

Unit: million Baht

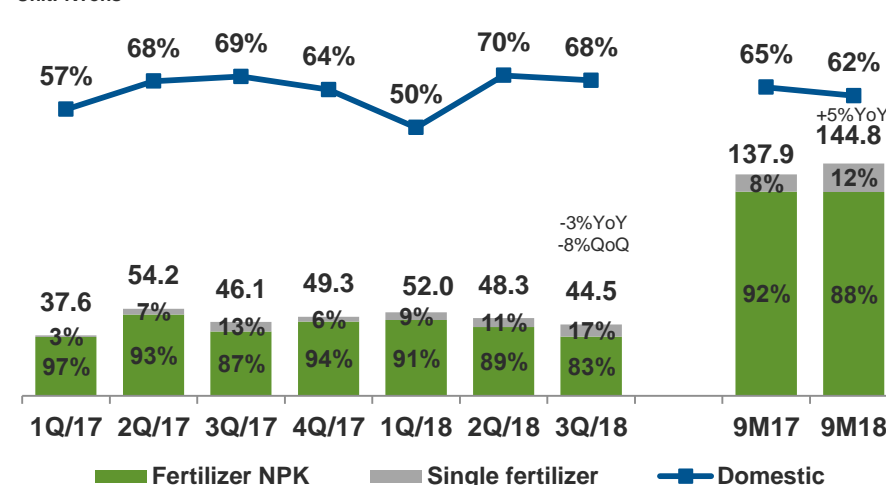


## Occupancy Rate of Factory Area for Leasing



## Total Fertilizer Sales Volume Breakdown

Unit: KTons



## Fertilizer

- In 9M18 total fertilizer sales increased 5%YoY to 144.8 KTons with 15% growth on export market, which has mainly recovered from Philippines.
- Due to a shift on product mix toward lower-price products, single fertilizer volume increased 26%YoY to 7.6 KTons while NPK fertilizer volume decreased 8%YoY to 36.9 KTons in 3Q/18.
- Domestic fertilizer sales volume decreased 5%YoY in 3Q/18 due to sluggish demand and competition in Vietnam.

## Factory Area for Leasing

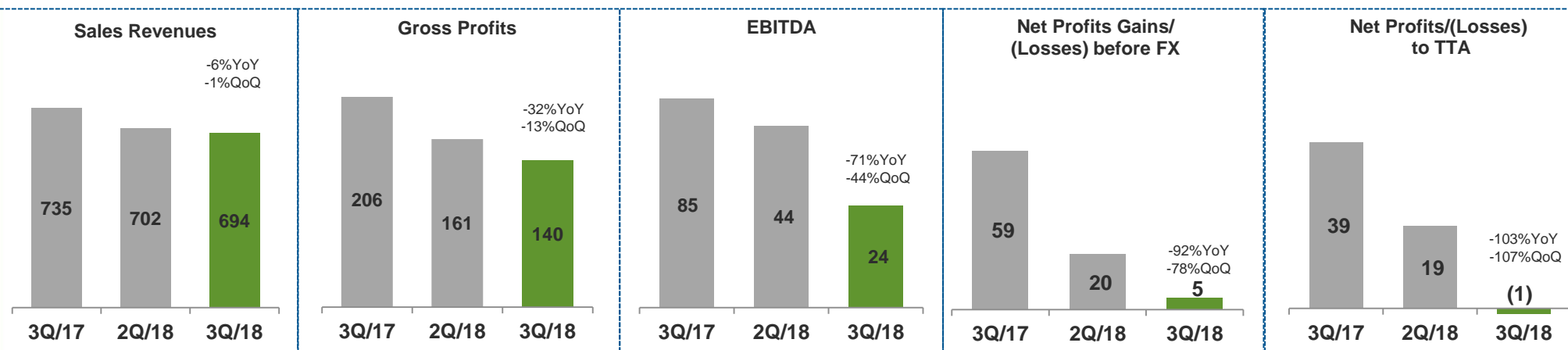
- In 3Q/18, part of the space has been used to store raw materials of fertilizer products, and the remaining space has been fully rented.

# AGROCHEMICAL SEGMENT



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Unit: Million Baht



- Sales revenue slightly decreased YoY but maintained QoQ to Baht 694 million.
- A focus on the expansion of pesticide business brought its sales revenue up 32%YoY to Baht 57 million in 3Q/18.
- Gross profits (spread) decreasing 32%YoY and 13%QoQ to Baht 140 million, and gross margin declined from 28% in 3Q/17 to 20% in 3Q/18 due to increasing raw material costs and change in product mix.
- In addition, all main fertilizer producers have been unable to match selling price with higher raw material costs. Nevertheless, selling price was able to be adjusted up QoQ in 3Q/18.
- EBITDA was Baht 24 million, which decreased 44%QoQ and 71%YoY.
- Net profits before gains/(losses) from foreign exchange were Baht 5 million in 3Q/18.

Investment Segment focused on Food & Beverage (F&B), Water, and Logistics.

## Food & Beverage Business



5

No. of Increased Outlets  
(3Q18)

18

No. of Increased Outlets  
(YTD)

126

Total Outlets

Taco Bell

- ✓ Right to enter into the Franchise Agreement for Taco Bell
- ✓ Tentative plan to open the first outlet in Dec 18/ Jan 19.

## Water Business

- TTA acquired 80.5% equity share in Asia Infrastructure Management (Thailand) Co., Ltd. ("AIM"), a Thai water contractor/service company, to create synergy with existing Water Business, TTA-Suez.



suez

Global Knowledge Connecting to Local Expertise



aim

Reputable local Thai water player with access to  
Laos and Cambodia

- MWA will open bidding for Mahasawat Water Treatment Plant (Phase 5-6) in 2019. Total budget of these phases are up to Baht 4 bn.

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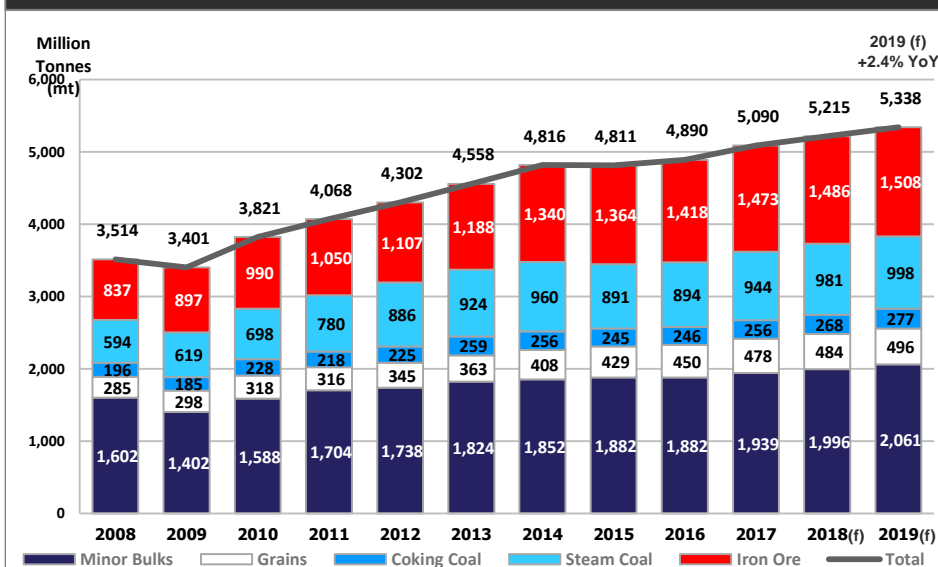
# DRY BULK BUSINESS OUTLOOK

Improved balance of fundamentals in bulkier sector have brought the freight rate up



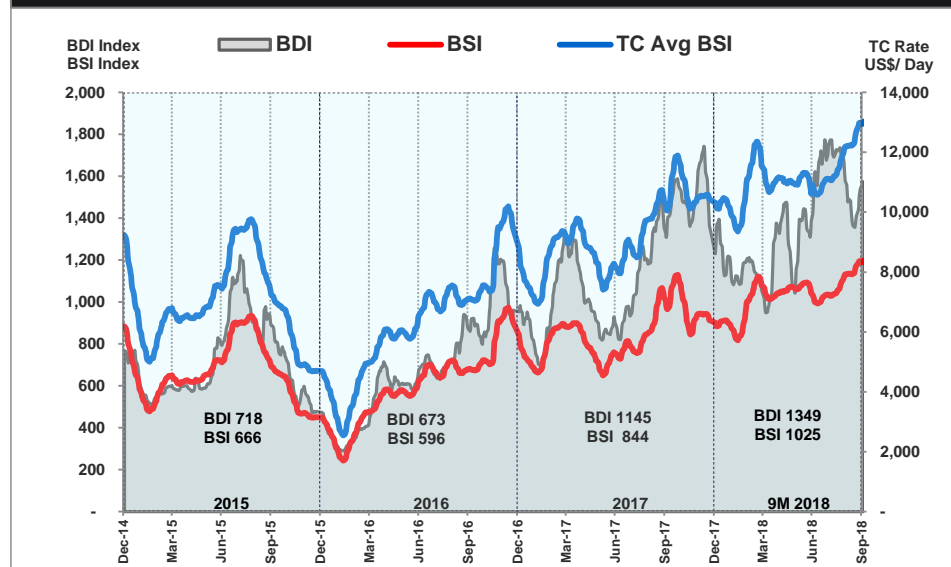
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## Total Dry Bulk Trade



Source: Clarksons Research, October 2018

## Baltic Dry Index



\*BSI referred to 52,000 dwt bulk carrier basis for the period before 3 April 2017 and to 58,000 dwt bulk carrier basis for the period starting 3 April 2017.

## Demand Side

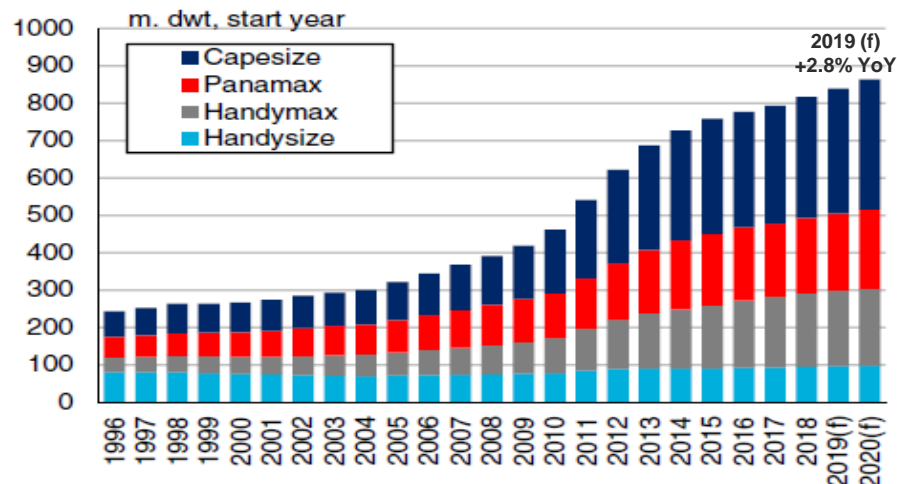
- Iron ore and grain trade is projected to remain steady while coal and minor bulk trade is projected to grow firmly in full year 2018.
- Chinese seaborne iron ore imports are now projected to remain fairly steady in full year 2018, largely reflecting the ongoing impact of rising scrap use. Looking ahead to next year, increased availability of high-quality iron ore could support Chinese seaborne iron ore imports while rising scrap use could limit iron ore demand.
- Despite reduced Chinese steel products exports, crude steel production in many emerging countries has expanded rapidly in the year to date, supporting growing coking coal demand. Overall global seaborne coking coal trade is projected to grow by a firm 4.5% in full year 2018.
- Looking to 2019, global seaborne dry bulk trade is currently projected to grow by around 2.4% in terms of tons and by 2.9% in terms of ton-miles.

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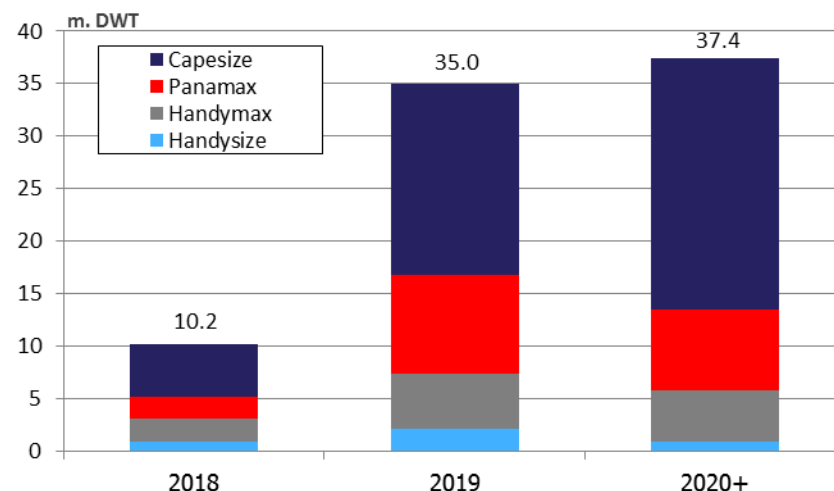
# DRY BULK BUSINESS OUTLOOK

Overall bulker demand and supply are projected to be fairly balanced

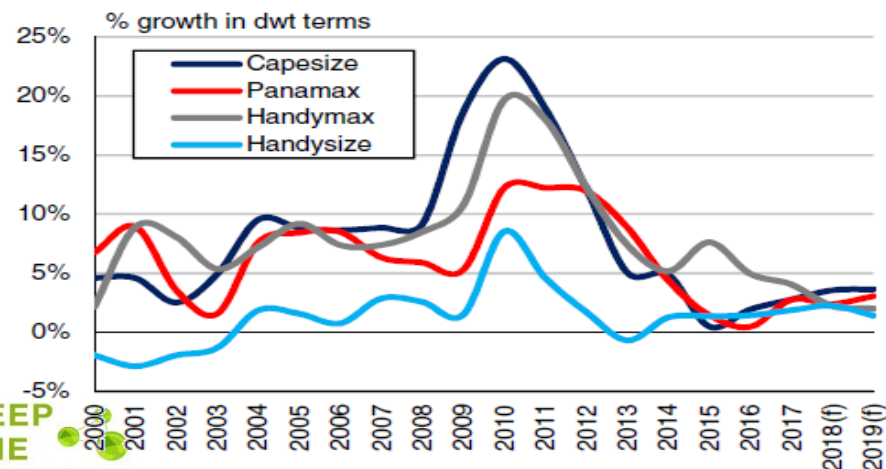
## Bulk Carrier Fleet Development



## Order Book by Year of Scheduled Delivery



## YoY Bulkcarrier Fleet Growth



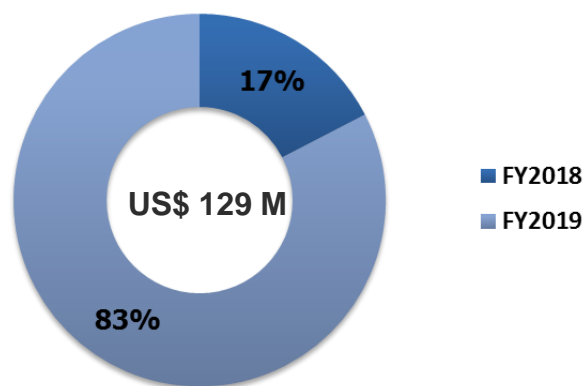
## Supply Side

- The bulkcarrier fleet is expected to grow by a moderate growth of 2.8% in both 2018 and 2019 in dwt terms.
- The pace of both bulkcarrier deliveries and demolition has slowed further this year.
- Looking to 2019, shipping analysts expect that bulker supply and demand would be fairly balanced, though there are some risks.

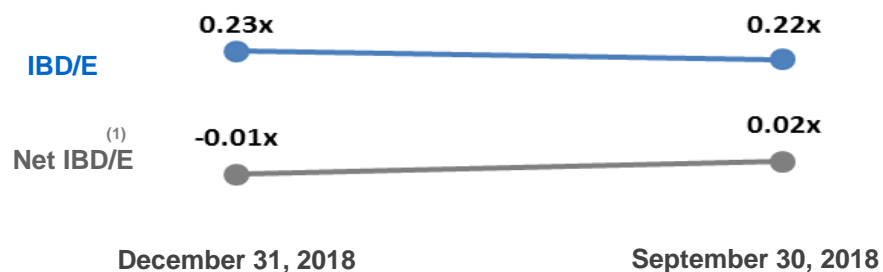
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THE  
MOMENTUM

# OFFSHORE SERVICE'S BUSINESS OUTLOOK

## Order Book (excluding Asia Offshore Drilling)



## Key Financial Ratio



## Order Book (Backlog)

- As at 30 September, 2018, order book (backlog) was US\$ 129 million.

## Subsea IRM Service

- Mermaid Challenger, Mermaid Siam, and Barakuda remain cold stacked to reduce cost and are marketed for sale.

## Drilling Service

- Brent crude oil has volatily traded in the range of US\$ 70-83/bbl in 3Q/18. The volatility in oil price has impacted several oil exploration projects and has reduced the amount of drilling work.
- All three jack-up drilling rigs 'AOD I', 'AOD II' and 'AOD III' remain on contract in the Middle East until 2019 thus reducing downside risk as market recovers.

## Financial Position

- Retain low gearing and sufficient cash reserve to be ready for future opportunities and challenges.

<sup>(1)</sup> Net IBD = interest bearing debts – cash and cash equivalents - current investments - restricted deposit

**COMPANY OVERVIEW**

**2Q/2018 PERFORMANCE**

**MARKET OUTLOOK**

**APPENDICES**

# CONSOLIDATED INCOME STATEMENT



Thoresen Thai Agencies  
Public Company Limited

in million Baht	3Q/17	2Q/18	3Q/18	% YoY	% QoQ	9M17	9M18	% YoY
Revenues	3,113.0	3,386.9	3,544.4	14%	5%	9,812.9	10,042.8	2%
Gross Profits/(Losses)	753.1	755.4	944.2	25%	25%	2,364.1	2,314.7	-2%
Share of Profit of Associates and JVs	68.4	135.3	89.8	31%	-34%	208.8	285.8	37%
EBITDA	383.0	399.9	545.0	42%	36%	1,381.5	1,151.1	-17%
Net Profits/(Losses)	25.6	(12.9)	116.9	357%	1005%	415.0	30.6	-93%
Net Profits/(Losses) to TTA	49.1	94.2	148.3	202%	57%	351.1	250.7	-29%
Number of Shares (million Shares)	1,822.5	1,822.5	1,822.5	0%	0%	1,822.5	1,822.5	0%
Basic Earnings per Share (in Baht)	0.03	0.05	0.08	202%	57%	0.19	0.14	-29%
Normalized Net Profits/(Losses)	(15.1)	5.4	128.2	947%	2254%	296.4	(79.3)	-127%
Normalized Net Profits/(Losses) to TTA	20.5	108.3	159.7	679%	47%	275.0	163.7	-40%
Gross Margin (%)	24%	22%	27%			24%	23%	
EBITDA Margin (%)	12%	12%	15%			14%	11%	
Net Profit Margin (to TTA) (%)	2%	3%	4%			4%	2%	
Net Profit Margin (%)	1%	-0.4%	3%			4%	0.3%	

\*Normalized Net Profits/(Losses) = Net Profits/(Losses) - Non-Recurring Items

# SHIPPING SEGMENT

## INCOME STATEMENT



Thoresen Thai Agencies  
Public Company Limited

in million Baht (MB)	3Q/17	2Q/18	3Q/18	%YoY	%QoQ	9M17	9M18	% YoY
<b>Freight Revenues</b>	896.3	1,410.5	1,319.7	47%	-6%	2,875.5	4,027.9	40%
Vessel Operating Expenses	639.4	950.6	841.1	32%	-12%	2,138.6	2,740.2	28%
<b>Gross Profits/(Losses)</b>	256.9	459.9	478.6	86%	4%	736.9	1,287.7	75%
Other Income	13.1	5.8	3.1	-76%	-46%	37.9	12.5	-67%
Gains/(Losses) on Investment	-	-	-	0%	0%	-	-	-
SG&A	56.4	53.3	81.9	45%	54%	158.1	188.9	19%
<b>EBITDA</b>	213.5	412.4	399.8	87%	-3%	616.6	1,111.3	80%
Depreciation & Amortization	95.4	102.6	109.2	15%	6%	270.9	305.5	13%
<b>EBIT</b>	118.1	309.7	290.6	146%	-6%	345.7	805.8	133%
Finance Costs	36.2	42.3	47.0	30%	11%	113.5	125.7	11%
Gains/(Losses) from Foreign Exchange	(5.4)	2.3	(2.1)	61%	-194%	(11.6)	(2.1)	82%
Gains/ (Losses) from Non-Recurring Items - Impairment on Assets	-	3.8	-	0%	-100%	-	56.5	100%
Gains/ (Losses) from Non-Recurring Items - Others	(0.2)	(0.4)	(0.5)	-169%	-26%	(0.7)	32.3	5045%
<b>Profits/(Losses) before Income Tax</b>	76.3	273.1	241.0	216%	-12%	220.0	766.7	249%
Income Tax Expenses	2.1	2.9	(1.2)	-157%	-142%	4.7	2.2	-52%
<b>Net Profits/(Losses)</b>	74.2	270.2	242.2	226%	-10%	215.3	764.5	255%
<b>Normalized Net Profits/(Losses)</b>	74.4	266.9	242.7	226%	-9%	215.9	675.7	213%
<b>Gross Margin (%)</b>	29%	33%	36%			26%	32%	
<b>EBITDA Margin (%)</b>	24%	29%	30%			21%	28%	
<b>Net Profit Margin (%)</b>	8%	19%	18%			7%	19%	

\*TTA held 100.00% of issued and paid up capital of TSG at the end of September 2018.

\*\*As consolidated on TTA's P&L

\*\*\*Normalized Net Profits/(Losses) = Net Profits/(Losses) - Non-Recurring Items

# SHIPPING SEGMENT



Thoresen Thai Agencies  
Public Company Limited

Fleet data Summary							9M17	9M18	%YoY
Average DWT (Tons)	3Q/17	2Q/18	3Q/18	%YoY	%QoQ		53,188	55,285	4%
Calendar days for owned fleet <sup>(1)</sup>	1,921	1,968	1,932	1%	-2%		5,516	5,756	4%
Available service days for owned fleet <sup>(2)</sup>	1,897	1,883	1,918	1%	2%		5,460	5,609	3%
Operating days for owned fleet <sup>(3)</sup>	1,878	1,883	1,918	2%	2%		5,389	5,609	4%
Owned fleet utilization <sup>(4)</sup>	99.0%	100.0%	100.0%	1%	0%		98.7%	100.0%	1%
Voyage days for chartered-in fleet	316	857	845	168%	-1%		1,291	2,684	108%
Number of vessels at the ending period	21	21	21	0%	0%		21	21	0%
Average number of vessels <sup>(5)</sup>	23.8	30.1	30.0	26%	0%		24.5	30.4	24%
							-		
Market Rate (USD/Day)							9M17	9M18	%YoY
BDI Index	1,137	1,260	1,607	41%	28%		1,030	1,349	31%
BSI Index	843	1,056	1,075	28%	2%		802	1,025	28%
Net Mkt TC Avg BSI**	8,781	10,480	10,982	25%	5%		8,240	10,521	28%
Average Daily Operating Results <sup>(6)</sup> (USD/Day)							9M17	9M18	%YoY
Highest TCE Rate	16,460	25,462	19,469	18%	-24%		17,537	25,462	45%
Thoresen TCE Rate <sup>(7)</sup>	8,288	11,993	11,529	39%	-4%		7,957	11,275	42%
TCE Rate of Owned Fleet	8,152	11,692	11,779	44%	1%		7,789	11,272	45%
TCE Rate of Chartered-In	136	301	(250)	-284%	-183%		168	3	-98%
Expenses									
Vessel operating expenses (Owner's expenses)	3,648	3,852	3,523	-3%	-9%		3,569	3,713	4%
Dry-docking expenses	537	558	523	-3%	-6%		543	517	-5%
General and administrative expenses	892	885	1,294	45%	46%		845	1,043	23%
Cash costs	5,077	5,294	5,341	5%	1%		4,957	5,273	6%
Finance costs, net	572	701	743	30%	6%		607	694	14%
Depreciation	1,506	1,704	1,726	15%	1%		1,448	1,687	16%
Income Taxes	33	47	-19	-157%	-140%		25	12	-51%
Total costs	7,188	7,747	7,791	8%	1%		7,037	7,666	9%
Operating Results	1,100	4,246	3,738	240%	-12%		920	3,609	292%
USD/THB Rate (Daily Average)	33.39	31.92	32.97	-1%	3%		34.27	32.14	-6%

\*The per day basis is calculated based on available service days.

\*\* Net Mkt TC Avg BSI = Mkt TC Avg BSI less commission

Note:

- 1) Calendar days are the total calendar days TTA owned the vessels in our fleet for the relevant period, including off hire days associated with major repairs, dry dockings, or special or intermediate surveys.
- 2) Available service days are calendar days (1) less planned off hire days associated with major repairs, dry dockings, or special or intermediate surveys.
- 3) Operating days are the available days (2) less unplanned off-hire days, which occurred during the service voyage.
- 4) Fleet utilization is the percentage of time that our vessels generated revenues and is determined by dividing operating days by available service days for the relevant period.
- 5) Average number of vessels is the number of vessels that constituted our fleet for the relevant period, as measured by the total operating days for owned fleet plus voyage days for chartered in fleet during the period divided by the number of calendar days in the relevant period.
- 6) The per day basis is calculated based on available service days for owned fleet
- 7) Thoresen TCE Rate = Owned Vessel TCE Rate + Chartered-In Rate

# OFFSHORE SERVICE SEGMENT

## INCOME STATEMENT



Thoresen Thai Agencies  
Public Company Limited

in million Baht	3Q/17	2Q/18	3Q/18	% YoY	% QoQ	9M17	9M18	% YoY
Revenues	976.0	687.1	970.0	-1%	41%	3,784.0	2,224.6	-41%
Total Costs	798.2	684.0	787.1	-1%	15%	2,877.8	2,071.0	-28%
Gross Profits/(Losses)	177.8	3.1	182.9	3%	5802%	906.2	153.6	-83%
Other Income	15.0	6.4	15.4	3%	143%	25.6	29.1	14%
SG&A	181.6	182.8	181.2	0%	-1%	576.3	513.6	-11%
EBITDA from Operation	11.3	(172.4)	20.8	85%	112%	355.5	(326.4)	-192%
Share of Profit of Associates and JVs	37.5	96.2	60.4	61%	-37%	119.7	197.4	65%
EBITDA	48.8	(76.2)	81.1	66%	206%	475.1	(129.0)	-127%
Depreciation & Amortization	129.5	111.3	105.4	-19%	-5%	410.8	328.8	-20%
EBIT	(80.7)	(187.5)	(24.2)	70%	87%	64.3	(457.8)	-812%
Finance Costs	30.6	32.2	32.6	6%	1%	92.0	93.8	2.0%
Gains/(Losses) from Foreign Exchange	4.1	(12.9)	1.9	-54%	115%	25.2	8.1	-68%
Gains/ (Losses) from Non-Recurring Items - Impairment on Assets	-	-	-	0%	0%	-	56.8	100%
Gains/ (Losses) from Non-Recurring Items - Others	32.2	(9.2)	(0.0)	-100%	100%	77.7	(1.3)	-102%
Profits/(Losses) before Income Tax	(75.0)	(241.8)	(54.9)	27%	77%	75.3	(488.0)	-748%
Income Tax Expenses	(5.6)	3.8	6.5	217%	71%	(5.6)	14.1	353%
Net Profits/(Losses)	(69.4)	(245.6)	(61.4)	11%	75%	80.8	(502.1)	-721%
Net Profits/(Losses) Attributable to Non-Controlling Interest	(29.8)	(102.5)	(25.4)	15%	75%	33.2	(209.1)	-730%
Net Profits/(Losses) to TTA	(39.6)	(143.1)	(36.0)	9%	75%	47.7	(293.0)	-715%
Normalized Net Profits/(Losses)	(101.6)	(236.4)	(61.4)	40%	74%	3.1	(557.6)	-18240%
Normalized Net Profits/(Losses) To TTA	(58.4)	(137.8)	(36.0)	38%	74%	2.4	(325.4)	-13698%
Gross Margin (%)	18%	0.5%	19%			24%	7%	
EBITDA Margin (%)	5%	-11%	8%			13%	-6%	
Net Profit Margin (%)	-7%	-36%	-6%			2%	-23%	

\*TTA directly and indirectly held 58.22% of issued and paid up capital of MML at the end of September 2018.

\*\*As consolidated on TTA's P&L

\*\*\*Normalized Net Profits/(Losses) = Net Profits/(Losses) - Non-Recurring Items

# AGROCHEMICAL SEGMENT

## INCOME STATEMENT



Thoresen Thai Agencies  
Public Company Limited

in million Baht	3Q/17	2Q/18	3Q/18	% YoY	% QoQ	9M/17	9M/18	% YoY
<b>Sales Revenue</b>	735.1	701.6	693.9	-6%	-1%	2,064.7	2,091.9	1%
Raw Material Costs	529.0	541.1	554.1	5%	2%	1,493.8	1,627.7	9%
<b>Gross Profits/(Losses) (Spread)**</b>	206.1	160.5	139.8	-32%	-13%	570.9	464.1	-19%
Service & Other Income	15.7	21.2	17.6	12%	-17%	43.6	52.0	19%
Operating Cost	61.3	61.1	57.9	-6%	-5%	169.5	179.6	6%
Cost of Providing Services	7.3	8.9	9.2	27%	3%	20.0	24.2	21%
SG&A	68.0	68.2	65.8	-3%	-4%	201.4	202.7	1%
<b>EBITDA</b>	85.2	43.5	24.4	-71%	-44%	223.7	109.6	-51%
Depreciation & Amortization	15.9	16.8	17.0	7%	1%	47.5	50.4	6%
<b>EBIT</b>	69.4	26.8	7.4	-89%	-72%	176.2	59.2	-66%
Finance Costs	0.9	1.5	1.5	61%	2%	1.3	4.3	228%
Gains/(Losses) from Foreign Exchange	(1.8)	7.9	(6.3)	-242%	-180%	(11.8)	(11.0)	7%
Gains/ (Losses) from Non-Recurring Items - Impairment on Assets	-	-	-	0%	0%	-	-	0%
Gains/ (Losses) from Non-Recurring Items - Others	0.4	0.1	-	-100%	-100%	0.4	0.1	-74%
<b>Profits/(Losses) before Income Tax</b>	67.0	33.3	(0.4)	-101%	-101%	163.4	44.0	-73%
Income Tax Expenses	10.1	5.0	1.5	-85%	-71%	30.3	11.6	-62%
<b>Net Profits/(Losses)</b>	<b>56.9</b>	<b>28.3</b>	<b>(1.9)</b>	<b>-103%</b>	<b>-107%</b>	<b>133.1</b>	<b>32.4</b>	<b>-76%</b>
<b>Net Profits/(Losses) Attributable</b>								
To Non-Controlling Interests	17.9	8.9	(0.6)	-103%	-107%	41.9	10.2	-76%
<b>To TTA</b>	<b>39.0</b>	<b>19.4</b>	<b>(1.3)</b>	<b>-103%</b>	<b>-107%</b>	<b>91.2</b>	<b>22.2</b>	<b>-76%</b>
<b>Normalized Net Profits/(Losses)</b>	<b>56.5</b>	<b>28.2</b>	<b>(1.9)</b>			<b>132.7</b>	<b>32.3</b>	
<b>Normalized Net Profits/(Losses) to TTA</b>	<b>38.7</b>	<b>19.3</b>	<b>(1.3)</b>			<b>90.9</b>	<b>22.1</b>	
<b>Gross (Spread) Margin (%)</b>	28%	23%	20%			28%	22%	
<b>EBITDA Margin (%)</b>	12%	6%	4%			11%	5%	
<b>Net Profit Margin (%)</b>	8%	4%	-0.3%			6%	2%	

\*TTA held 68.52% of issued and paid up capital of PMTA at the end of September 2018.

\*\*As consolidated on TTA's P&L

\*\*\*Gross Profits(Spread) = Sales Revenues - Raw Material Costs

# THANK YOU



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