



Thoresen Thai Agencies  
Public Company Limited



**TTA**



**SAY NO  
TO CORRUPTION**

# FY2020 Opportunity Day

*1 March 2021*



SEEDING  
SUSTAINABILITY

# 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.*

## **01 COMPANY OVERVIEW**

## **02 FINANCIAL PERFORMANCE**

## **03 MARKET OUTLOOK**

## **04 APPENDICES**

# THORESEN GROUP AT A GLANCE

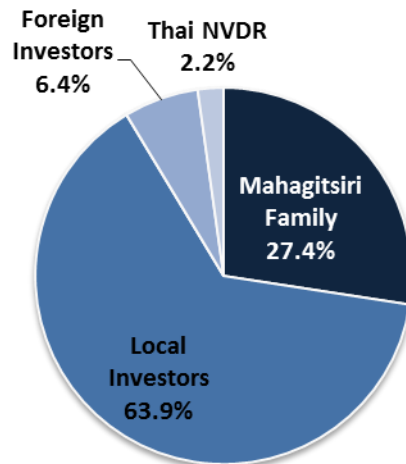
- Thoresen Group: established in 1904 : 100+ years of financial strength
- TTA: established in 1983 and listed in SET in 1995
- Headquartered in Bangkok, Thailand
- Global presence spanning more than 10 countries in three continents




## Vision

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

## Shareholding Structure (as of 25 Jun 2020)



## Stock Information (as of 29 Jan 2021)

• Market	SET
• Symbol	TTA:TB   TTA:BK
• Industry	Services
• Sector	Transportation & Logistics
• CG Score	
• Thai CAC	Declared
• First Trade Date	25 September 1995
• Par Value	1 Baht
• Market Capitalization	Baht 10,297 million or US\$ 343 million
• 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 STRATEGIC BUSINESS PORTFOLIO

## Shipping



100%

- Dry Bulk Shipping
- Shipping Services

## Offshore Service



58.2%

- Subsea Services

## Agrochemical



68.5%

- Fertilizer
- Factory Area Management Service

## Others



70%



70%



80.5%



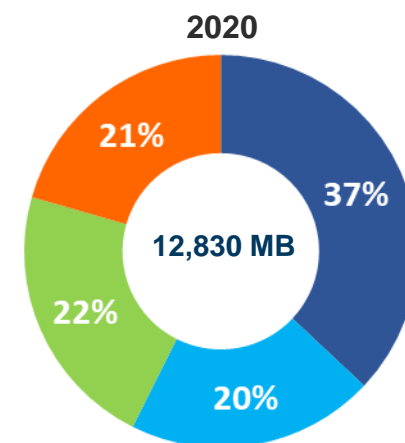
28%



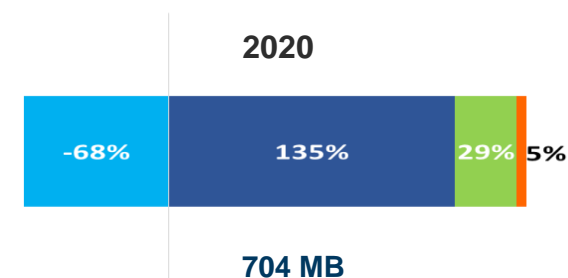
95.65%

- Food and Beverage (F&B)
- Investment
  - Water
  - Logistics
  - Others

## Revenue Structure



## EBITDA Structure\*



■ Shipping      ■ Offshore Service  
■ Agrochemical      ■ Others

Note \* Others comprise F&B, Investment, holding and elimination.

1. Shareholding percentage as of December 31, 2020.

2. Only major companies were shown under Investment.

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# FY2020 FINANCIAL HIGHLIGHT

- Normalized net profits to TTA in 4Q/20 increased 216%QoQ to Baht 160 million as impacts from the COVID-19 seemed to be resolved while the full-year performance registered a normalized loss to TTA of Baht 503 million.
- Positive EBITDA of Baht 704 million for full-year 2020.
- Shipping segment maintained its market leader position; TCE rate for full-year 2020 outperformed the net market TC rate by 22%, and TCE rate in 4Q/20 rose to US\$ 11,282 per day.
- Offshore Service was back on track; EBITDA turned positive in 4Q/20, and its order book remained strong at US\$ 190 million at year-end.
- Agrochemical segment continued to be profitable; its net profits to TTA more than doubled YoY for full-year 2020.
- Robust capital structure with low net interest-bearing debt to equity of 0.08 times at year-end.

# SIGNIFICANT EVENTS/ CHANGES IN 2020

## Award & Recognition



**CG Score of “Excellent” level  
in 2020 for the second  
consecutive year**

**Top 100 of the 2020 Singapore  
Governance and Transparency  
Index (“SGTI”)**

## Fleet Renewal

Shipping



23

No. of New Vessels

Total Owned Vessels

## Drydocking

Offshore Service



## New Company



Offshore Service  
segment



Subsidiary of PTT  
Exploration and Production  
Pcl. (“PTTEP”)

To develop robotics and artificial intelligence (AI) technology to provide subsea & offshore services



Offshore Service  
segment



PT Meindo Elang Indah  
 (“MEINDO”) group  
(future shareholder)

To create a synergy with PT Meindo Elang Indah (“MEINDO”) group, one of the leading EPCI contractors in Indonesia, and provide access to MEINDO group’s fleet of vessels and other specialist services.

## Sale of Shares

- Offshore Service segment sold 33.76% shares in one associate in drilling business at the fair value of US\$ 31 million or equivalent to Baht 981 million in cash and have now exited from the drilling business.



# THORESEN THAI AGENCIES (TTA)

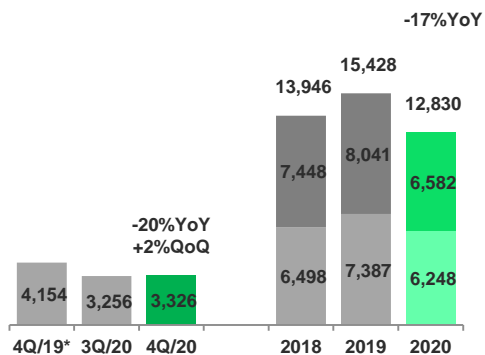
## CONSOLIDATED STATEMENT OF INCOME

■ First half of the year

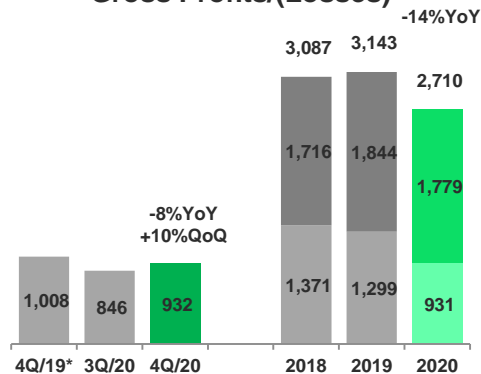
■ Second half of the year

Unit: Million Baht

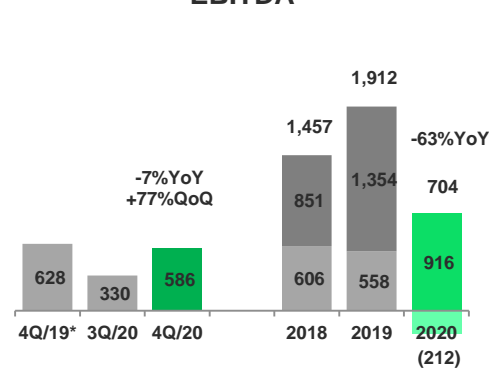
### Revenues



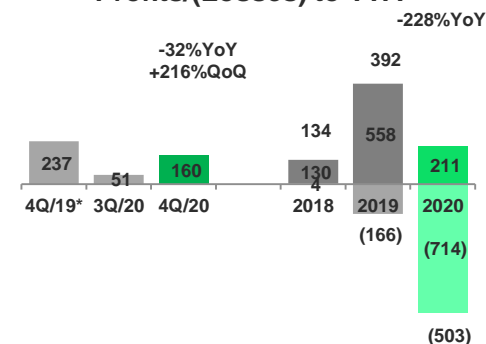
### Gross Profits/(Losses)



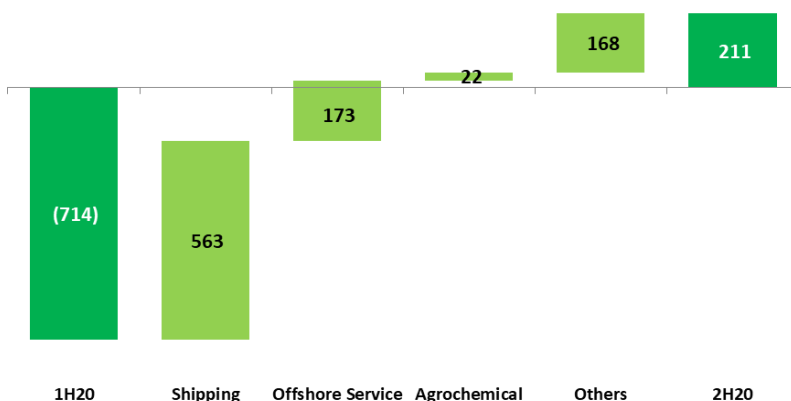
### EBITDA



### Normalized Net Profits/(Losses) to TTA



### Normalized Net Profits/ (Losses) to TTA



- In 2H20, all core businesses improved from 1H20. Normalized net profits to TTA in 2H20 rebounded to Baht 211 million as two key subsea vessels returned from the quarantine and dry bulk freight rate continue to increase since June after businesses in many countries started to normalize. However, there were some impacts from COVID-19 on 1H20 performance, so the full-year normalized performance to TTA was still negative at Baht 503 million.
- There were extraordinary losses of Baht 2,490 million, mainly from a non-cash loss from the sale of shares of the associate to mitigate risk from drilling business in the future. This resulted in a net loss to TTA of Baht 1,945 million in FY2020.
- Shipping segment maintained its market leader position. Its TCE rate has outperformed the market TC rate and its OPEX has lowered than the industry OPEX. The market freight rate escalated toward year-end 2020 and further to early 2021 and reached above US\$ 12,000 per day at the end of January 2021.
- Offshore Service's performance in 2H20 improved by Baht 173 million or 49% from 1H20 and was back to the pre-COVID-19 level in 2H19. And its order book remained strong at US\$ 190 million at year-end.
- Agrochemical segment continued to be profitable and has not been significantly impacted by COVID-19.

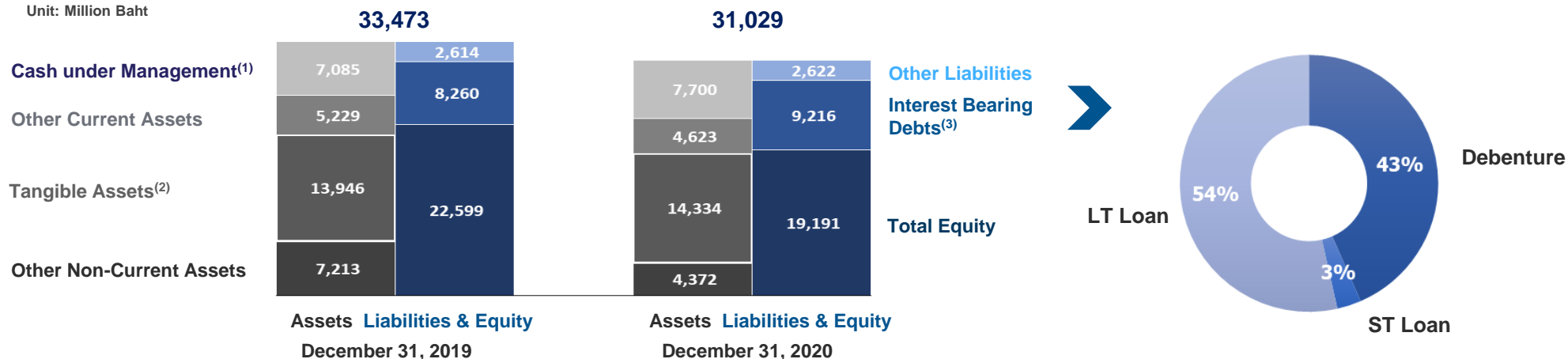
Note As of December 31, 2020, TTA held TSG (Shipping) @ 100%, MML (Offshore Service) @ 58.2%, and PMTA (Agrochemical) @ 68.5%

\*Certain accounts have been restated to reflect the Group's adoption of TFRS 9 beginning from 1 January 2019.

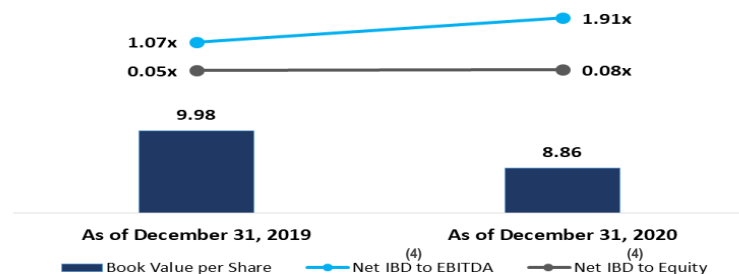
# THORESEN THAI AGENCIES (TTA)

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION & STATEMENT OF CASH FLOWS

Unit: Million Baht



### Key Financial Ratio



As of December 31, 2020

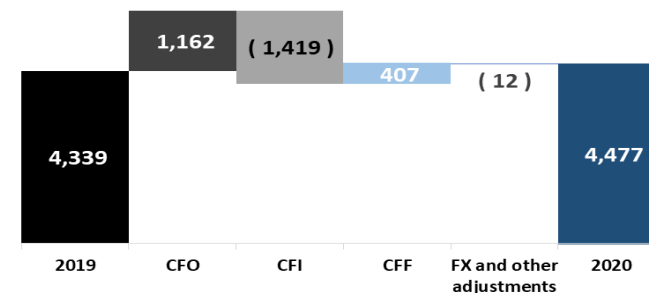
- Net cash from operating activities was positive at Baht 1,162 million, which resulted from TTA's smooth operation and strong demand, as well as payment ability of customers.
- High liquidity and healthy consolidated balance sheet with cash under management over Baht 7.7 billion and net IBD/E of 0.08 times.
- TTA had total assets of Baht 31,029 million, which decreased by 7% or Baht 2,444 million from the end of 2019, mainly due to a decrease in investments in associates resulting from the sale of shares in one associate under Offshore Service segment at the fair market value to mitigate risk in drilling business in the future. However, the sale of shares also contributed cash of Baht 981 million in return.
- Total liabilities increased by Baht 963 million or 9% to 11,838 million from year-end 2019, mainly from the issuance of new debentures in December 2020.
- Total equity decreased to 19,191 million from the end of 2019, primarily due to the extraordinary and non-cash loss from the sale of shares in the associate as aforementioned.

<sup>(1)</sup> Cash, cash equivalents, and other current financial assets  
<sup>(2)</sup> Property, plant, equipment, and investment properties

<sup>(3)</sup> IBD = Interest bearing debts excluding lease liabilities (2019: finance lease liabilities)  
<sup>(4)</sup> Net IBD = IBD - cash and cash equivalents - other current financial assets

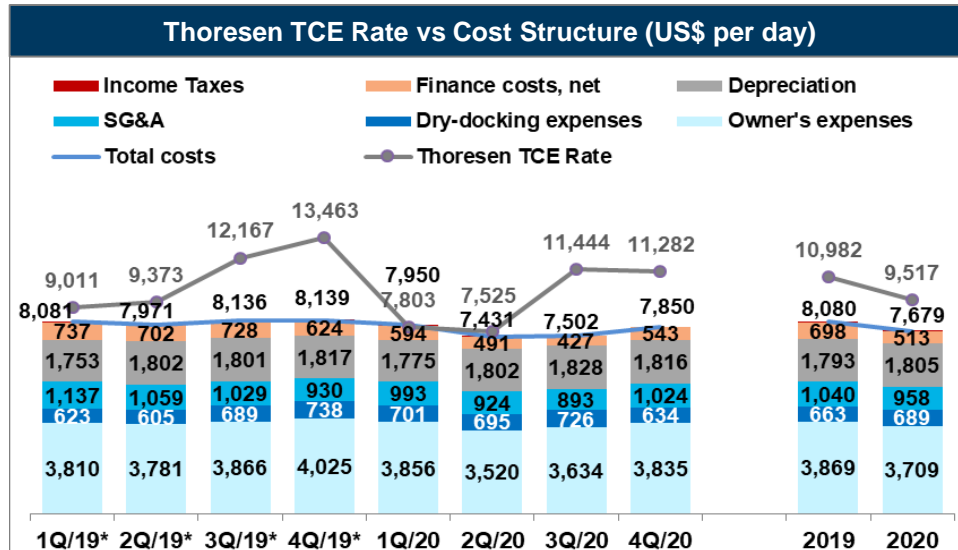
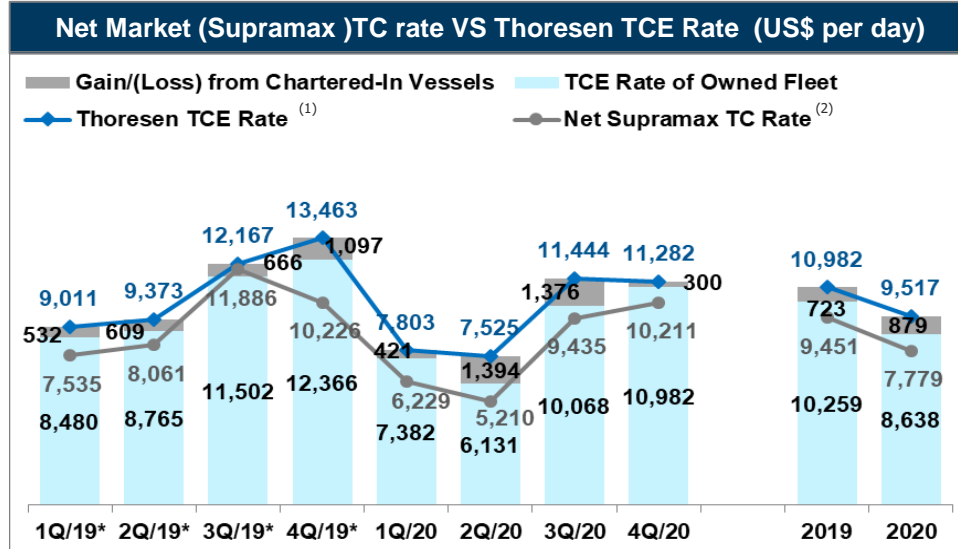
### Cash Flows

Unit: Million Baht



# SHIPPING SEGMENT

TCE rate in FY2020 outperforming net market TC rate by 22%

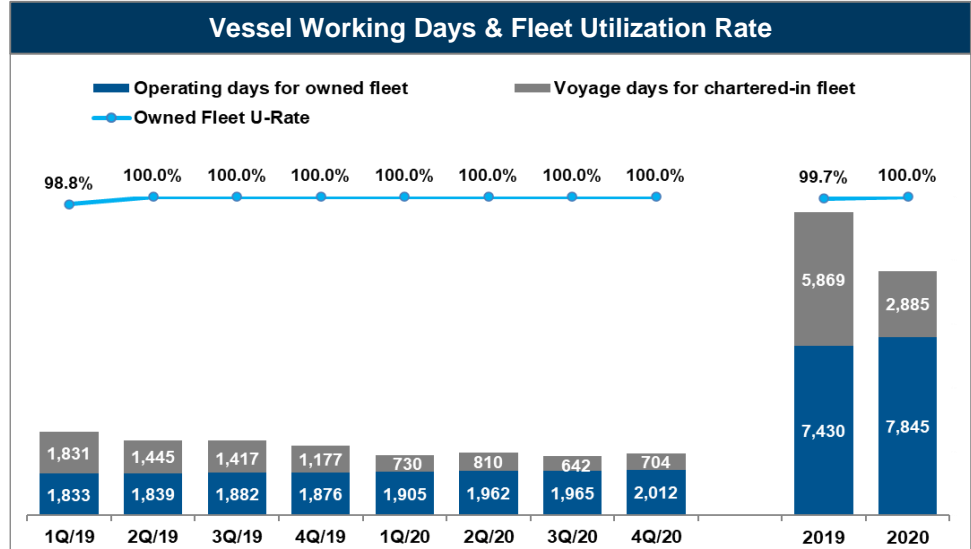


\*Certain accounts have been restated to reflect the Group's adoption of TFRS 9 beginning from 1 January 2019.

<sup>(1)</sup> Thoresen TCE Rate = Owned Vessel TCE Rate + Chartered-In Rate

<sup>(2)</sup> Gross Supramax TC rate net of commission. Based on BSI-52 index up through 4Q/18 and BSI-58 index from 1Q/19 onwards.

<sup>(3)</sup> Referred to 2019 industry OPEX for Supramax, published in Nov 2020 (compiled by BDO, formally known as Moore Stephens).



## 2020 Operating Performance

- Shipping's TCE averaged US\$ 9,517 per day for the full-year 2020, outperforming the net market (Supramax) TC rate of US\$ 7,779 per day by 22%, but decreased by 13%YoY from the impact of the COVID-19 pandemic on shipping activities during 1H20.
- TCE rate comprised owned fleet TCE rate of US\$ 8,638 per day and gains from chartered-in vessels of US\$ 879 per day.
- The highest TCE rate was at US\$ 20,983 per day.
- 100% owned fleet utilization rate.
- Low vessel operating expenses (OPEX) of US\$ 3,709 per day, 18% lower than industry OPEX for Supramax of US\$ 4,503 per day.<sup>(3)</sup>
- At year-end 2020, Shipping segment owned 23 vessels (22 Supramax and 1 Ultramax) with an average size of 55,686 DWT and an average age of 13.06 years.

# SHIPPING SEGMENT

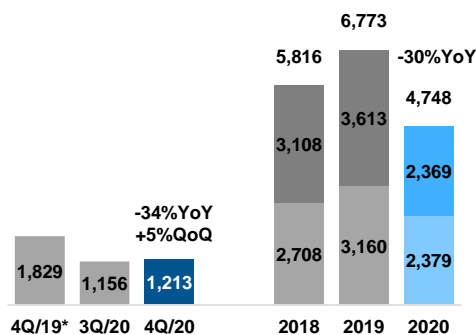
Continued market leader position

First half of the year

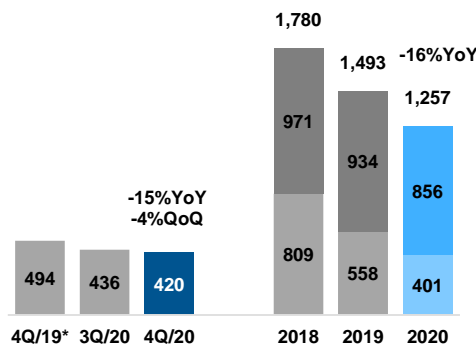
Second half of the year

Unit: Million Baht

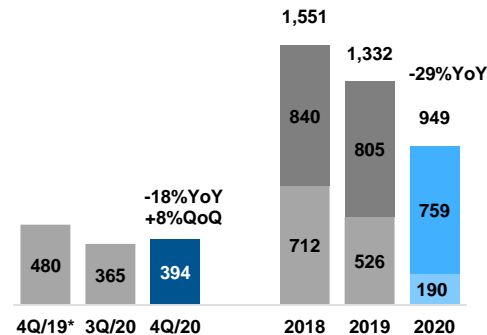
## Revenues



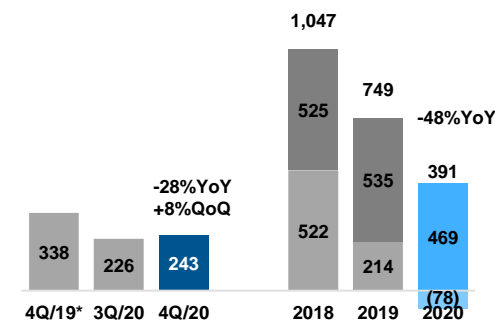
## Gross Profits



## EBITDA



## Net Profit/(Loss) to TTA



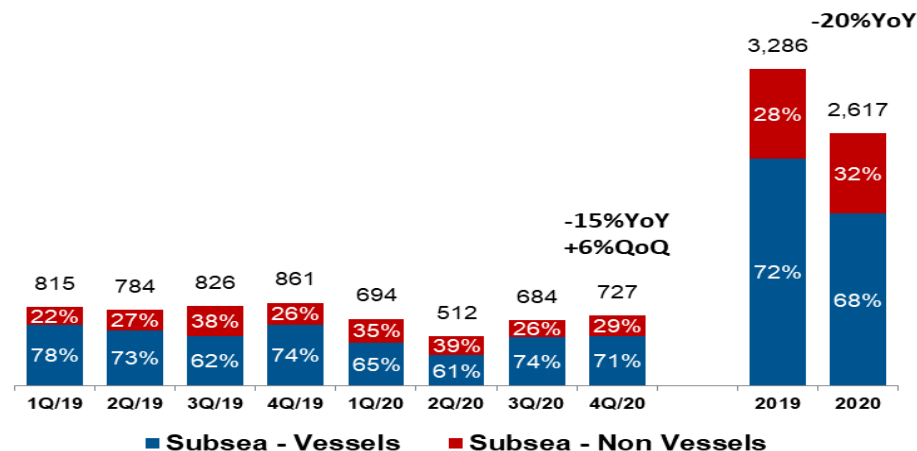
- To analyze performance for dry bulkers, per day performance such as TCE is the global norm.
- In 4Q/20, freight revenues increased 5%QoQ to Baht 1,213 million, mainly due to a higher freight rate and higher service days of the owned fleet resulting from an additional vessel received in December. EBITDA improved 8%QoQ to Baht 394 million. Net profits to TTA improved 8%QoQ to Baht 243 million in 4Q/20.
- For FY2020, freight revenues amounted to Baht 4,748 million, which decreased 30%YoY due to a lower average freight rate pressured by the COVID-19 pandemic during 1H20. However, the impact of COVID-19 on shipping activities seemed to be resolved in 2H20, and more positive market trends and freight rate in recent months is being seen. Shipping's TCE averaged US\$ 9,517 per day for the full-year 2020, outperforming the net market (Supramax) TC rate by 22%. OPEX remained low at US\$ 3,709 per day, 18% lower than industry OPEX. EBITDA for the full year was positive at Baht 949 million. EBITDA in 2H20 improved to Baht 759 million, compared to Baht 190 million in 1H20. In conclusion, Shipping segment reported net profits to TTA of Baht 391 million for FY2020.

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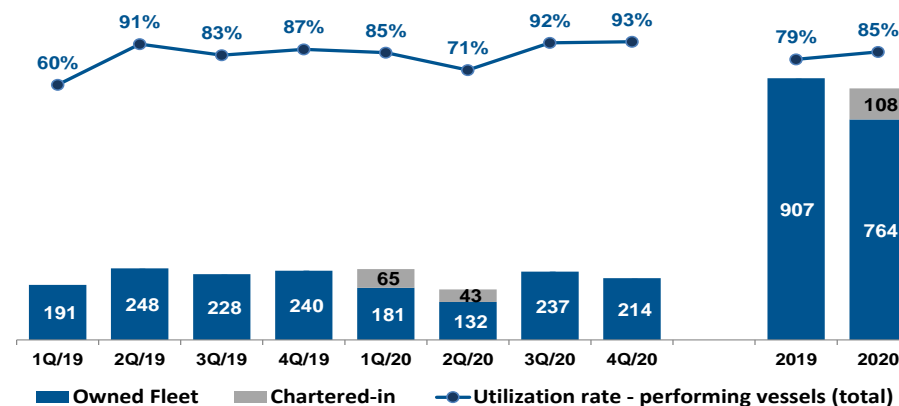
# OFFSHORE SERVICE SEGMENT

## Revenues Breakdown by Services

Unit: Million Baht



## Subsea Vessel Working Days & Utilization Rate <sup>(1), (2), (3)</sup>



### Subsea IRM Service

- Higher performing vessel utilization rate from 79% in 2019 to 85% in 2020 on the back of the strong order book and improved operational efficiency by cold-stacking one vessel since late 1Q/19. The order book at year-end 2020 remained strong at US\$ 190 million.

### Drilling Service

- Offshore Service segment has now exited from the drilling business, which is very volatile to oil prices, and it currently focuses on its core Inspection, Repair & Maintenance (IRM) work, which is a more stable business. Offshore Service segment sold all of its 33.76% shares in one associate in September 2020 to the other shareholder of this associate to mitigate future risk in the drilling business at the fair market value of US\$ 31 million or equivalent to Baht 981 million. As a result, this company no longer remained the associate. Later in February 2021, the Chapter 11 cases of this company was filed in the Southern District of Texas.

<sup>(1)</sup> Performing vessels only. Since 2Q/19, there have been 3 performing vessels in calculation, compared to 4 performing vessels in previous period.

<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<sup>(3)</sup>.

<sup>(3)</sup> Available service days are calendar days less planned off hire days associated with major repairs, dry dockings, or special or intermediate surveys.

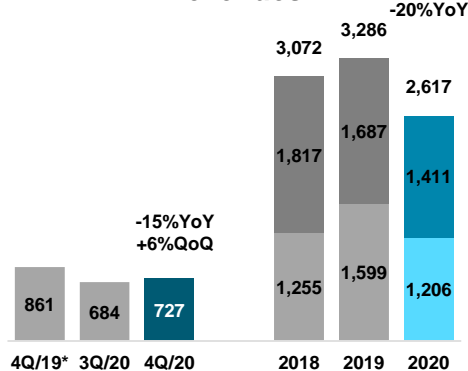
# OFFSHORE SERVICE SEGMENT

First half of the year

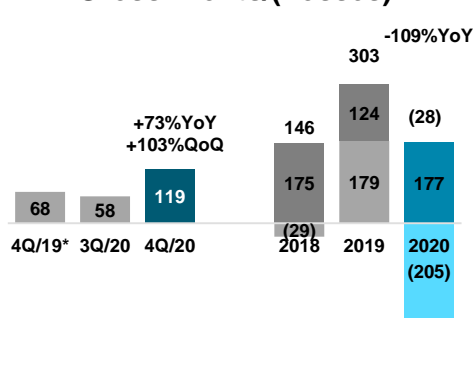
Second half of the year

Unit: Million Baht

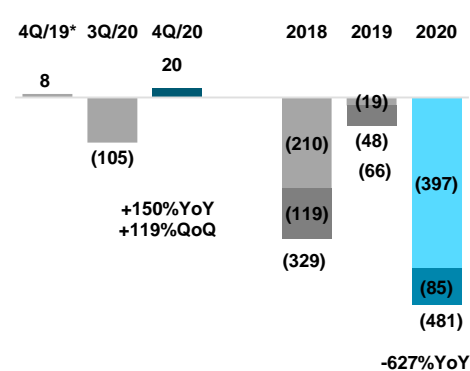
## Revenues



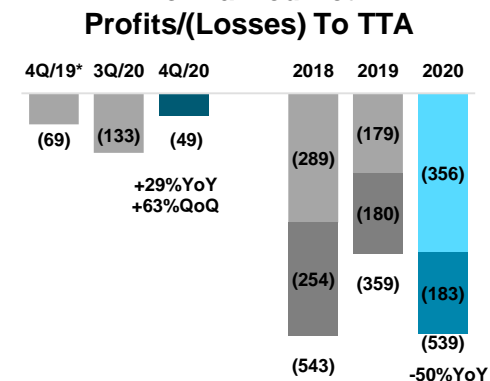
## Gross Profits/(Losses)



## EBITDA



## Normalized Net Profits/(Losses) To TTA

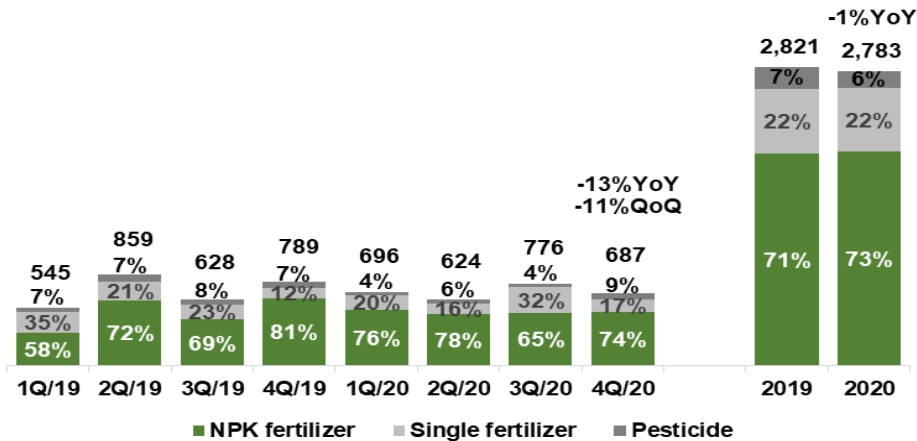


- In 4Q/20, Offshore Service segment's revenues increased 6%QoQ to Baht 727 million, mainly due to higher non-vessel revenue. Despite lower vessel working days from the drydocking of one vessel in this quarter, vessel revenues remained stable due higher average day rate resulting from the return from the quarantine of the key vessels sent for drydocking in 1H20. Gross profits continue to be positive for the second quarter this year and improved significantly to Baht 119 million due to better gross profit margins. The share of loss of associates and JV in this quarter improved significantly QoQ from Baht 59 million to Baht 2 million from the sale of shares in one associate as aforementioned. Then, EBITDA turned positive and improved to Baht 20 million. Summarily, a normalized net loss to TTA improved 63%QoQ and 29%YoY to Baht 49 million.
- For FY2020, Offshore Service segment's revenues decreased YoY from 3 main reasons: 1) the drydocking of subsea vessels, 2) the quarantine measures against COVID-19 pandemic on key subsea vessels off-hired for drydocking, and 3) a lower day rate of the replacement vessel for one key vessel sent for drydocking. Gross profits in 2H20 was positive at Baht 177 million, compared to gross loss of Baht 205 million in 1H20. EBITDA for full year was negative at Baht 481 million, though EBITDA in 2H20 improved 79% from that in 1H20. There were extraordinary losses of Baht 2,511 million, mainly from an accounting loss from sale of shares of the associate. Nonetheless, this transaction contributed Baht 981 million in return. The performance in 2H20 was back on track; a normalized net loss to TTA in 2H20 improved by Baht 173 million or 49% from 1H20 and was back to the pre-COVID-19 level in 2H19. In conclusion, Offshore Service segment reported a normalized net loss to TTA of Baht 539 million and a net loss to TTA of Baht 2,001 million.

# AGROCHEMICAL SEGMENT

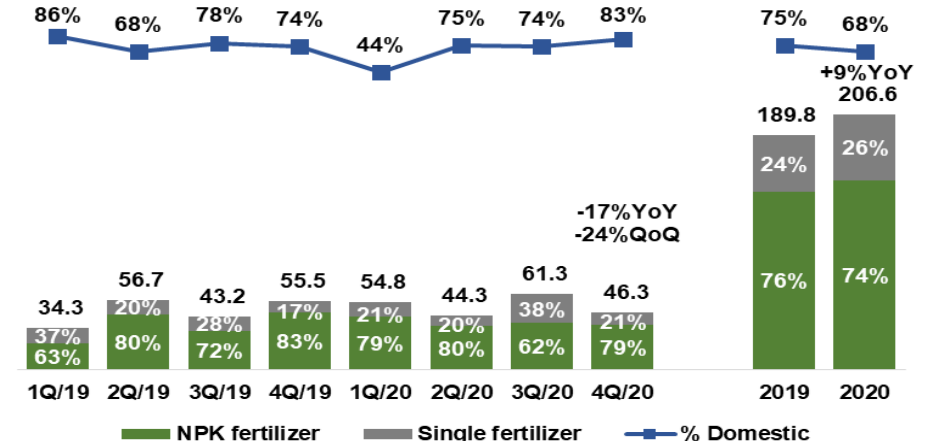
## Sales Revenue Breakdown by Product

Unit: million Baht



## Total Fertilizer Sales Volume Breakdown

Unit: KTons



## Fertilizer

- Covid-19 pandemic has not significantly impacted fertilizer demand, but difficulties in logistics, networking, and marketing activities remain. However, with the effective control measures against the Covid-19 pandemic by the Vietnamese government, sales and marketing activities started to normalize in 3Q/20.
- In 2020, total fertilizer sales volume grew by 9%YoY to 206.6 KTons from robust growth in export sales volume. Export fertilizer sales volume increased 39%YoY to 65.3 KTons, due to intensive marketing and strong networking, especially in the African market. Domestic fertilizer sales volume, which accounted for 68% of total fertilizer sales volume, has maintained at 141.3 KTons.
- Regarding sales volume by product, single fertilizer sales volume increased by 18%YoY to 53.6 KTons, and NPK fertilizer sales volume also increased 6%YoY to 153.1 KTons, mainly from the export market.

## Factory Area Management Service

- Total area for factory area management services is 66,420 sqm. Approximate 15,000-sq.m. area was internally used for its storage while the remaining was fully utilized by external customers in 2020.



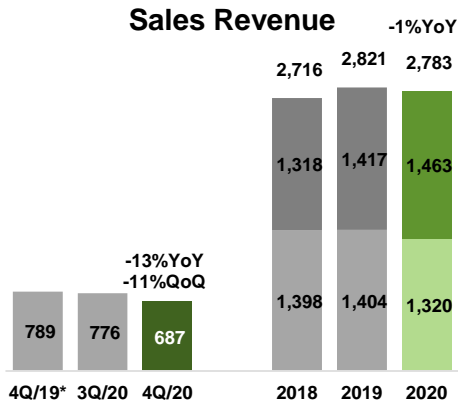
# AGROCHEMICAL SEGMENT

■ First half of the year

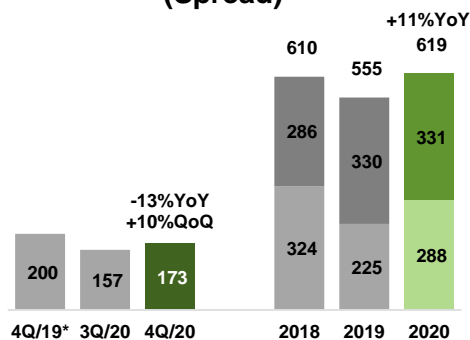
■ Second half of the year

Unit: Million Baht

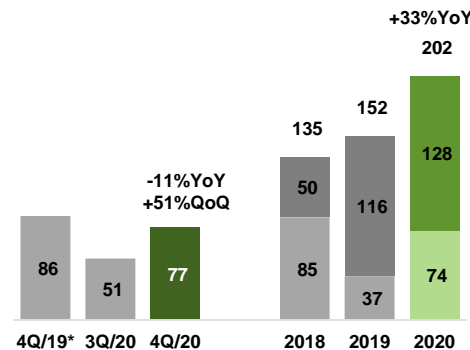
## Sales Revenue



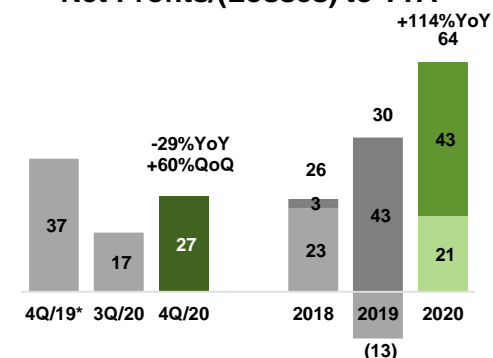
## Gross Profits/(Losses) (Spread)\*\*



## EBITDA



## Net Profits/(Losses) to TTA



- In 4Q/20, Agrochemical segment recorded sales revenue of Baht 687 million, which decreased 11%QoQ due to lower fertilizer sales volume driven by the modest domestic demand and lower export sales volume limited by the shortage of containers and higher container freight rate. In spite of lower fertilizer sales volume, gross profits (spread) increased 10%QoQ to Baht 173 million from a better gross profit (spread) margin from 20% to 25% resulting from a higher portion of key high-margin products in the sales mix. EBITDA increased by 51%QoQ to Baht 77 million. Net profits to TTA improved 60%QoQ to Baht 27 million.
- For FY2020, sales revenue has maintained YoY at Baht 2,783 million. Sales revenue of fertilizer slightly increased YoY while sales revenue of pesticides decreased YoY due to the ban on the imports of glyphosate-containing products in Vietnam effective from the beginning of 2020. However, sales revenue of pesticides started to recover in 4Q/20 from an increase in sales of other substituted products. Gross profits (spread) increased 11%YoY to Baht 619 million. Gross profit (spread) margin improved YoY from 20% to 22%, due to a higher portion of key high-margin products in the sales mix and lower raw materials cost. EBITDA increased by 33%YoY to Baht 202 million. Net profits to TTA doubled to Baht 64 million for FY2020.

\* Certain accounts have been restated to reflect the Group's adoption of TFRS 9 beginning from 1 January 2019

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



# OTHER SEGMENTS

Other segments comprises Food & Beverage (F&B) and Investment.

F&B



70%

- TTA acquired the franchise license of Pizza Hut in Thailand in 2017.
- 169 outlets nationwide at the end of December 2020.

F&B



70%

- Taco Bell is the leading American restaurant chain serving a variety of Mexican inspired food.
- TTA was granted the right to enter into the franchise agreements of Taco Bell in 2018 and opened the first outlet of Taco Bell in January 2019.
- 8 outlets nationwide at the end of December 2020.

Water



80.5%

- TTA acquired Asia Infrastructure Management Co., Ltd. ("AIM") in 2018.
- Aim is a water contractor/service company and also owns a concession to sell tap water in Luang Prabang, Laos, through a 66.7%-owned subsidiary

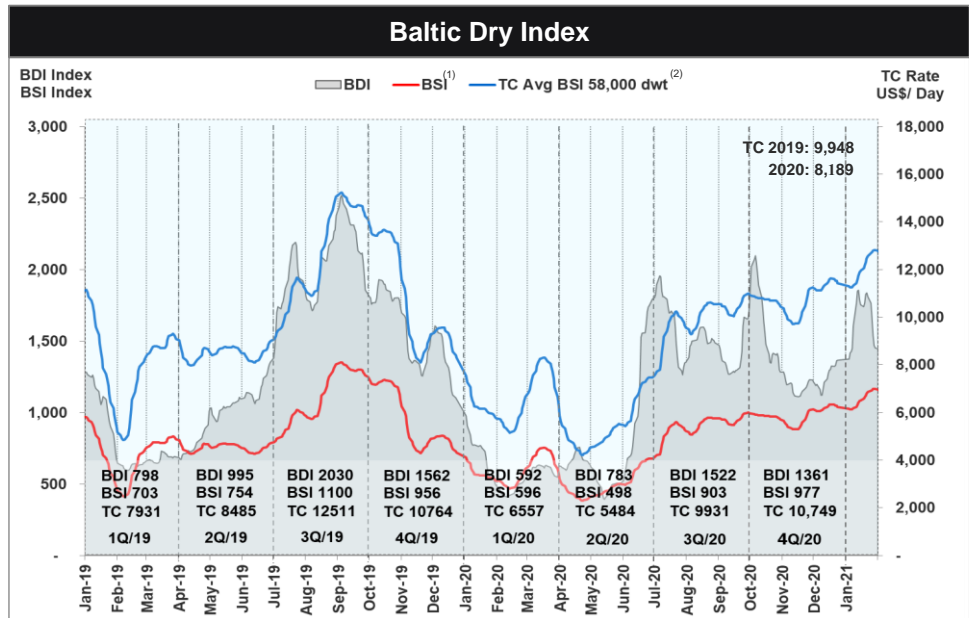
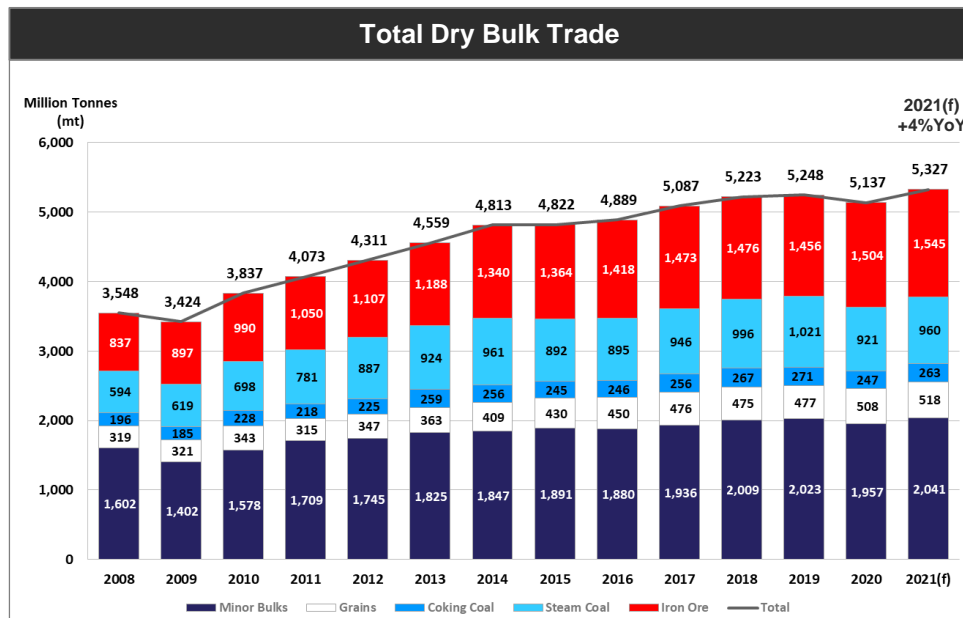
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# DRY BULK BUSINESS OUTLOOK - DEMAND



- **Baltic Dry Index (BDI)** averaged at 1,066 points in 2020, decreasing from 1,353 points in 2019 due to the impact of COVID-19 on shipping activities during 1H20. However, BDI recovered to an average of 1,444 points in 2H20, compared to an average of 685 points in 1H20 as the worst impacts of the COVID-19 pandemic may have passed, and trade has improved seasonally. More positive market trends in recent months is being seen, driven by robust Chinese iron ore imports and improved soybean exports from both US and Brazil.
- For full-year 2020, increased Chinese dry bulk imports from the Atlantic (especially iron ore and grain) and changes in trade patterns elevated the average haul of trade, resulting in stable ton-mile demand YoY. However, in term of ton, the COVID-19 pandemic resulted in an estimated 2% decline in seaborne dry bulk trade, as well as a decrease in dry bulker earnings. The average market TC rate of Supramax fell 18%YoY to US\$ 8,189/day while Capesize spot TC rate marked the sharpest decline by 31%YoY. Additionally, the market freight rate for Supramax escalated toward year-end 2020 and further to early 2021 and reached above US\$ 12,000 per day at the end of January 2021.
- Looking further to 2021, a rebound of dry bulk trade growth of 4% in tons (compared to 2.6% fleet growth) is projected, which is above the pre-Covid level in 2019. The rebound is driven by economic improvements in key regions. Iron ore (+3%) and grain (+2%) are projected for another year of steady growth, while minor bulk trade is projected to rebound by c.4%. Coal trade, which was impacted the most from major impacts from the Covid-19 in 2020, is projected to grow by c.5%.

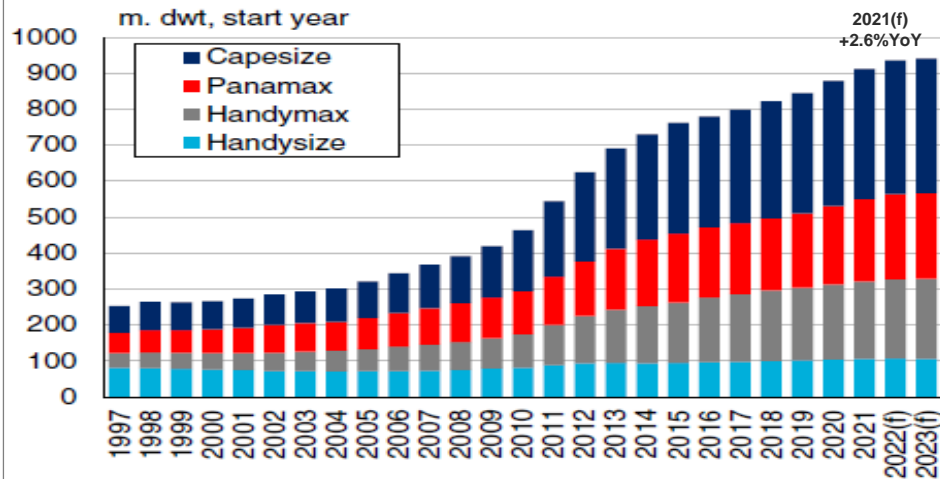
Source: Clarksons Research, January 2021

<sup>(1)</sup> 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.

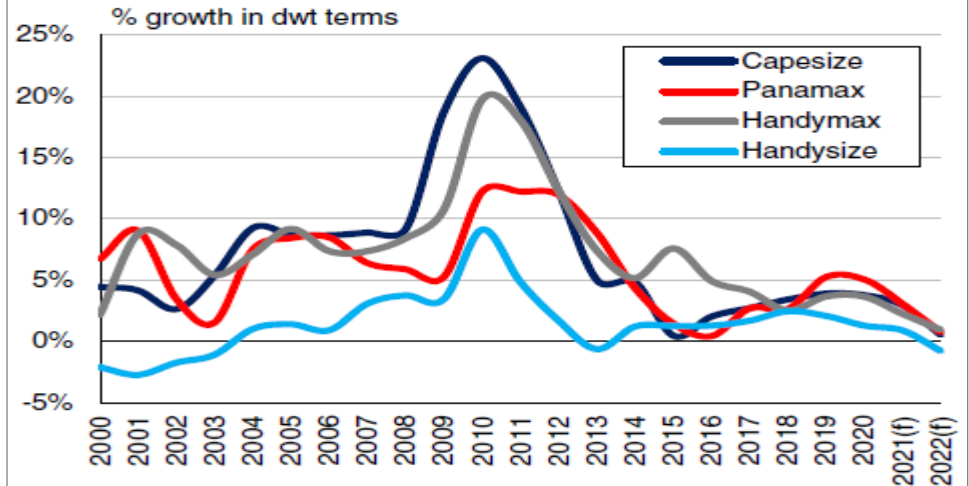
<sup>(2)</sup> TC Avg BSI is based on BSI-52 index up through 4Q/18 and BSI-58 index from 1Q/19 onwards.

# DRY BULK BUSINESS OUTLOOK - SUPPLY

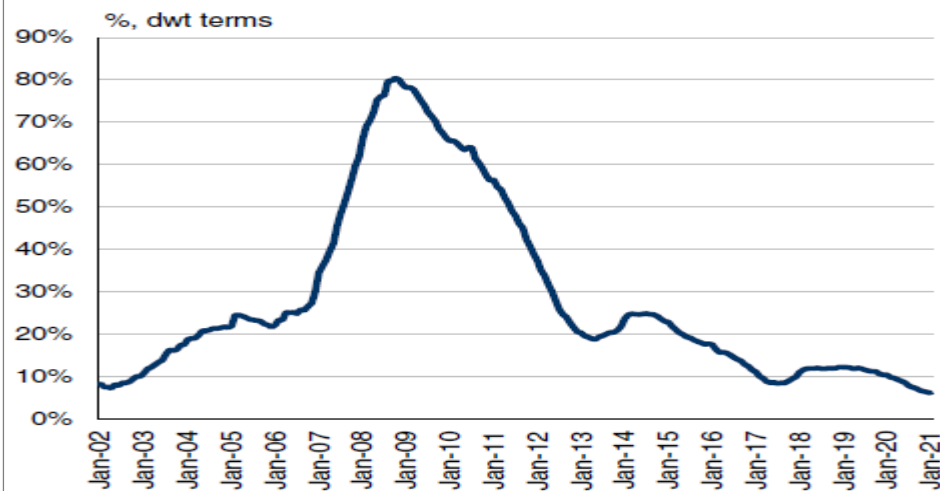
Bulk Carrier Fleet Development by DWT



YoY Bulkcarrier Fleet Growth



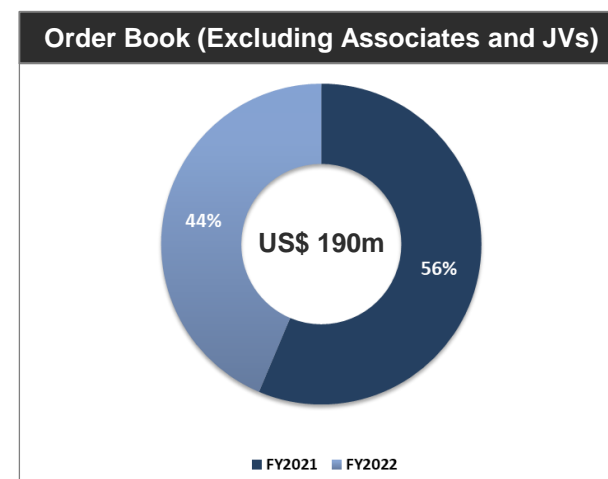
Orderbook as % of Fleet



- The orderbook now stands at a record low of 6% of fleet capacity.
- Fleet expansion is projected to slow to 2.6% in DWT terms across full year 2021 and less than 1% in 2022, which would be the lowest level in two decades.
- Overall, with the current record low bulker orderbook and trade rebound from the worst of 2020's COVID-19 disruption, the market is expected to see some positive momentum further to 2022, although uncertainty remains.
- As the market looks positive, TTA plans to acquire 2-3 vessels in 2021. TTA already received one second hand vessel (Ultramax) in January 2021.

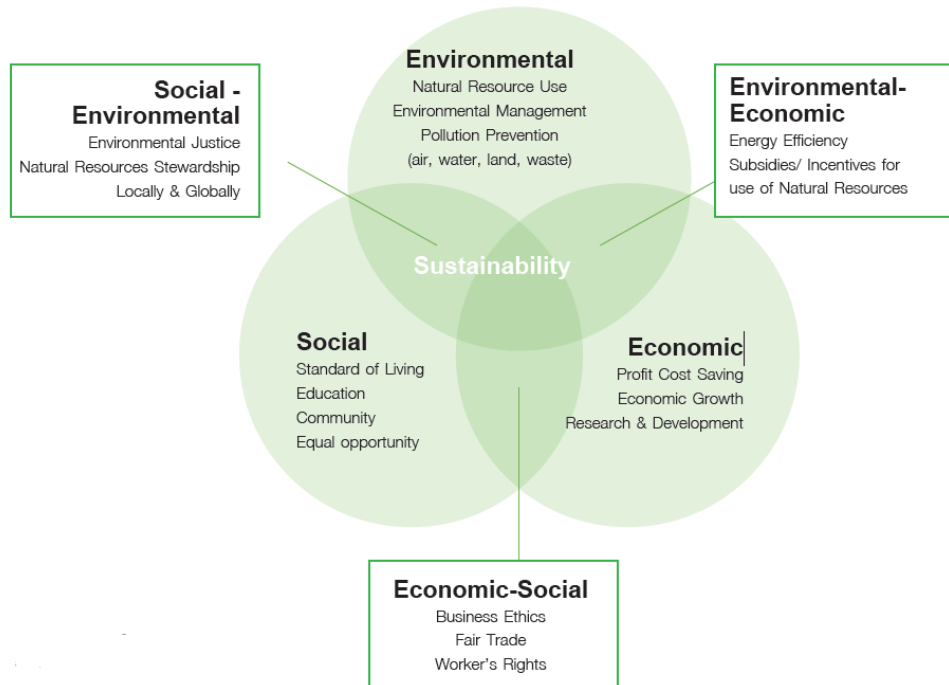
# OFFSHORE SERVICE BUSINESS OUTLOOK

- The Offshore Service segment recovered in 2H20. During 1H20, the Offshore Service segment suffered from the quarantine of the key subsea vessels and their crews sent for mandatory drydocking outside the country of operations. Things got much better in 2H20 as the two vessels sent for drydocking resumed their normal operations. There was additional drydocking of one vessel in 4Q/20; however, the vessel was sent for drydocking within the country of operation based on earlier lessons learned, so there was no required quarantine for that vessel.
- The outlook for subsea service providers continues to be positive on a longer- term basis as new projects are expected to be sanctioned, though impacted by the global pandemic in short term. Saudi has plans to invest US\$ 440 billion on the Eastern Seaboard in various projects up to 2025. Qatar has plans to invest US\$ 27 billion in the oil & gas sector. Furthermore, in the West African market, majors have allocated budgets of an additional US\$ 123 billion towards the subsea sector, in addition to Mozambique's US\$ 47 billion for subsea projects. The Offshore Service segment has re-established to explore significant opportunities in these markets.
- Looking forward to 2021, the Offshore Service segment has no scheduled drydocking. In addition, its order book at year-end 2020, to be delivered during 2021-2022, remained strong at US\$ 190 million, of which US\$ 107 million is expected to be delivered in 2021.



# CG & SUSTAINABLE DEVELOPMENT

In addition to financial performance, TTA gives priority to good corporate governance, transparency, and sustainable development as detailed below:



- Appointment of Corporate Governance Committee to review the CG policy and to monitor compliance of the policy and practices
- Appointment of Sustainable Development Committee to ensure that sustainable development will be implemented throughout TTA
- Grant of the opportunity to shareholders to propose the agenda and director candidates
- The declaration of intent to join Thailand's Private Sector Collective Action Against Corruption (CAC)
- Achieving the CG Score of “Excellent” level in 2019 - 2020

**01 COMPANY OVERVIEW**

**02 FINANCIAL PERFORMANCE**

**03 MARKET OUTLOOK**

**04 APPENDICES**

# DIVIDEND POLICY

TTA has established a policy to distribute dividends of at least 25% of the consolidated net profit after tax but excluding unrealized foreign exchange gains or losses, subject to the Company's investment plans and other relevant factors. The Board may review and revise the dividend policy from time to time to reflect the Company's future business plans, the needs for investment, and other factors, as the Board deems appropriate. However, dividend distributions may not exceed the retained earnings reported in the financial statements of TTA only.

## EPS and Dividend Payment

	2015	2016	2017	2018	2019
Earnings per Share (Baht)	(6.61)	(0.23)	0.32	0.12	0.31
Dividend per Share (Baht)	0.05	0.05	0.075	0.05	0.06 <sup>(7)</sup>
Number of Shares (Million)*	1,822	1,822	1,822	1,822	1,822

\* As the end of period



# KEY REGULATORY CHANGES FOR DRY BULK

## Ballast Water Management (BWM)

- **Regulator:** International Maritime Organization (IMO)
- **Enforcement:** September 8, 2017
- **Requirement:** The implementation will be phased in over time for individual ships from September 8, 2017 to September 8, 2024. Eventually, most ships will need to install an on-board ballast water treatment system.
- **Cost:** About US\$ 0.3-0.5 million for a ballast water treatment system
- **TTA Fleet:** Up to date, all of owned vessels were already installed BWM system

## IMO 2020 Sulphur Cap

- **Regulator:** International Maritime Organization (IMO)
- **Enforcement:** January 1, 2020
- **Requirement:** The limit for Sulphur in fuel oil used on board ships operating outside designated emission control areas will be reduce to 0.5% m/m (mass by mass) from 3.5% m/m.
- **Cost:** About US\$ 2.5-3.0 million for a scrubber and the current spread between HSFO and LSFO price is in the range of 100-130 usd/ton.
- **Scrubber Installation Situation:** Scrubber retrofiting reduced in recent months due to narrower spread between HSFO and LSFO and the efforts to conserve cash during challenging situation.
- **TTA Fleet:** We adopt LSFO and have smooth operation during transition as we are well prepared prior to the effective date.

# SHIPPING SEGMENT

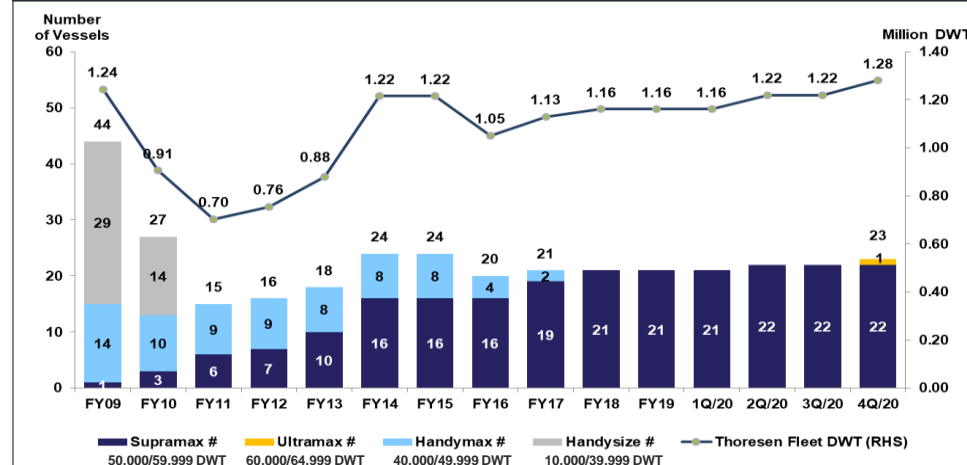
A Supramax fleet with one of the lowest daily OPEX



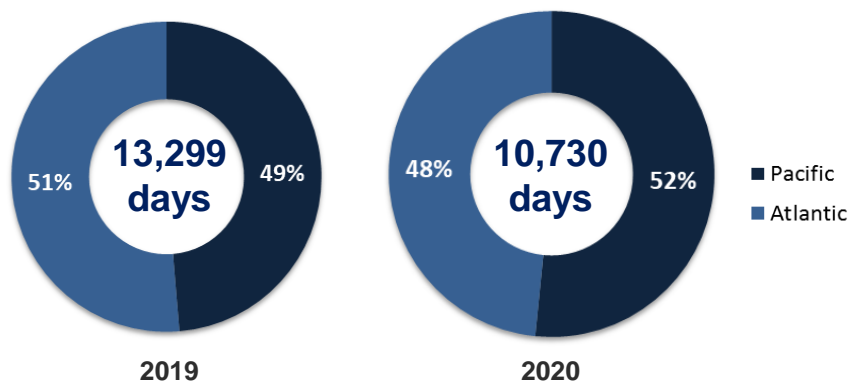
- 23 owned vessels (dry bulk)
- 13.06 years (average age)
- 55,686 DWT (average size)

As of December 2020

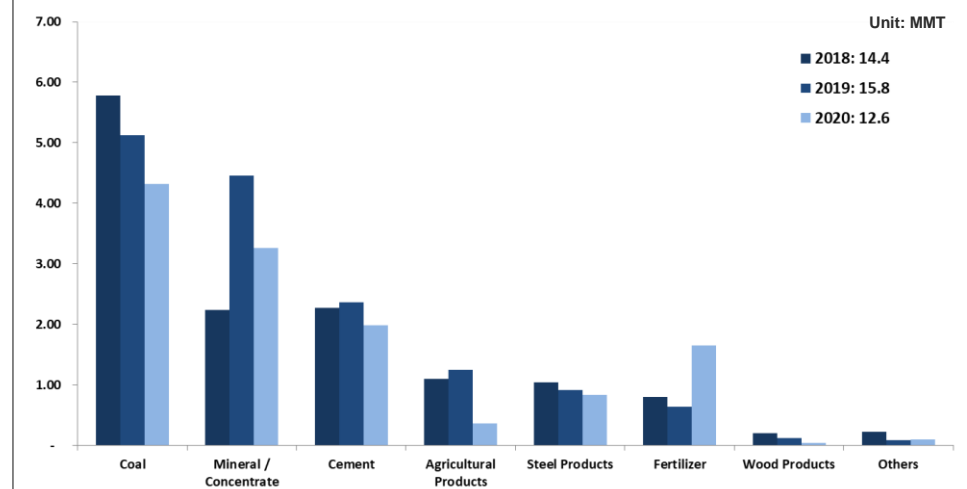
## Owned Fleet 2009 – 2020



## FY2020 Transportation Route by Geography\*

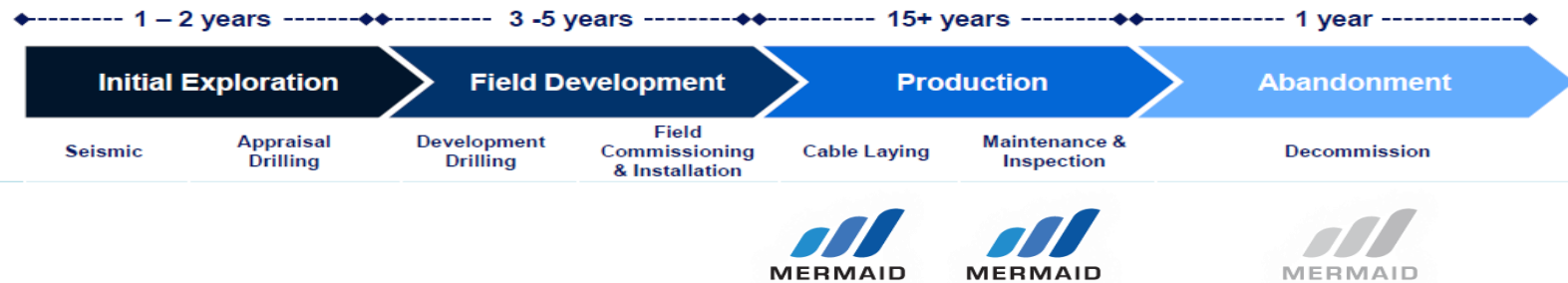


## 2018-2020 Cargoes Carried\*



\* By owned and chartered-in fleet.

# OFFSHORE SERVICE



As of 31 December, 2020

- 3 performing subsea vessels
- 10 years (average age)

## Subsea Services

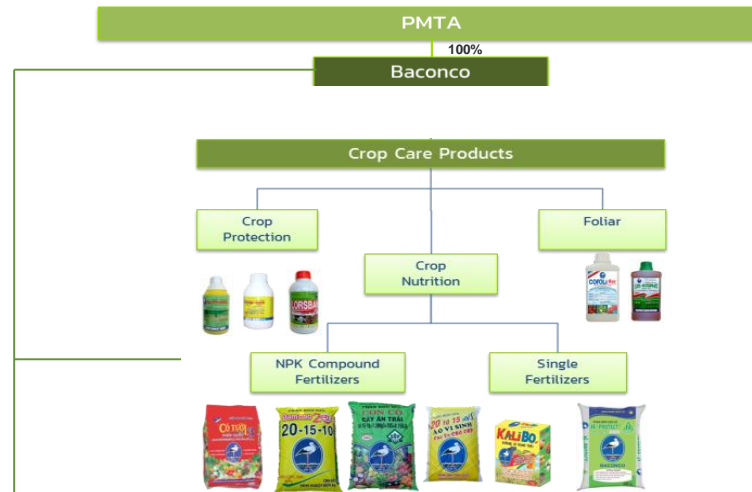
- Inspection, Repair & Maintenance (IRM)
- Infrastructure Installation Support
- Remotely Operated Vehicle (ROV) Support
- Cable & Flexible Pipe Laying

- Mermaid Maritime Public Company Limited is a Thai company listed on SGX (<http://www.mermaid-group.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
- Streamline operation/ process for cost cutting

As of September 2020

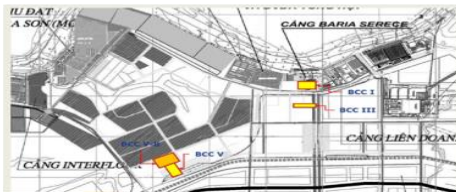
\* 3 performing vessels (Offshore Service segments owns 6 subsea vessels in total (excluding the related party's vessel), of which 3 vessels are in cold stack and marketed for sales.)

# AGROCHEMICAL SEGMENT



Engages in over 95 different fertilizer formulas from generic market blends to highly specialized types.

## Factory Area For Leasing



Notable customers



## Baconco

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

**70** KILOMETERS FROM HO CHI MINH CITY

- 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

# CONSOLIDATED STATEMENT OF INCOME

in million Baht	4Q/19*	3Q/20	4Q/20	% YoY	% QoQ	2019	2020	% YoY
Revenues	4,153.5	3,255.6	3,326.4	-20%	2%	15,428.0	12,829.8	-17%
Gross Profits/(Losses)	1,008.2	846.4	932.2	-8%	10%	3,143.3	2,709.8	-14%
Share of Profit of Associates and JVs	56.7	(55.3)	13.6	-76%	125%	245.0	37.5	-85%
EBITDA	627.9	330.1	585.8	-7%	77%	1,911.6	704.2	-63%
EBIT	345.3	27.6	289.7	-16%	952%	778.6	(501.6)	-164%
Net Profits/(Losses)	38.3	(2,450.2)	40.2	5%	102%	218.2	(3,368.7)	-1644%
Net Profits/(Losses) to TTA	142.2	(1,354.6)	110.1	-23%	108%	562.6	(1,944.6)	-446%
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)	0.08	(0.74)	0.06	-23%	108%	0.31	(1.07)	-446%
Normalized Net Profits/(Losses) **	191.1	(36.4)	131.3	-31%	460%	106.3	(878.2)	-926%
Normalized Net Profits/(Losses) to TTA	237.4	50.8	160.4	-32%	216%	392.1	(503.1)	-228%
Gross Profit Margin (%)	24%	26%	28%			20%	21%	
EBITDA Margin (%)	15%	10%	18%			12%	5%	
Net Profit Margin (to TTA) (%)	3%	-42%	3%			4%	-15%	
Net Profit Margin (%)	1%	-75%	1%			1%	-26%	
Normalized Net Profits Margin (to TTA) (%)	6%	2%	5%			3%	-4%	

\*Certain accounts have been restated to reflect the Group's adoption of TFRS 9 beginning from 1 January 2019.

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

# SHIPPING SEGMENT

## STATEMENT OF INCOME

in million Baht	4Q/19*	3Q/20	4Q/20	%YoY	%QoQ	2019	2020	% YoY
<b>Freight Revenues</b>	1,829.2	1,155.7	1,213.1	-34%	5%	6,772.6	4,747.7	-30%
Vessel Operating Expenses	1,334.9	719.6	793.5	-41%	10%	5,280.1	3,491.0	-34%
<b>Gross Profits/(Losses)</b>	494.3	436.1	419.6	-15%	-4%	1,492.5	1,256.7	-16%
Other Income	8.5	1.0	2.4	-71%	148%	43.1	19.5	-55%
Gains/ (losses) from Change in Fair Value of Derivatives	30.2	(17.2)	35.4	17%	306%	36.6	(91.6)	-350%
SG&A	52.9	55.0	63.1	19%	15%	240.5	235.2	-2%
<b>EBITDA</b>	480.1	364.9	394.4	-18%	8%	1,331.7	949.4	-29%
Depreciation & Amortization	103.2	112.5	112.0	8%	-1%	414.9	443.3	7%
<b>EBIT</b>	376.9	252.4	282.4	-25%	12%	916.9	506.1	-45%
Finance Costs	35.4	26.3	33.4	-6%	27%	161.6	125.9	-22%
Gains/(Losses) from Foreign Exchange	(3.1)	(1.0)	(5.9)	-94%	-500%	(14.3)	(4.3)	70%
Gains/ (Losses) from Non-Recurring Items	-	-	(0.0)	-100%	-100%	12.0	16.1	34%
<b>Profits/(Losses) before Income Tax</b>	338.4	225.1	243.1	-28%	8%	753.0	392.1	-48%
Income Tax Expenses	0.3	(0.4)	(0.2)	-184%	47%	4.0	1.2	-71%
<b>Net Profits/(Losses)</b>	338.1	225.5	243.3	-28%	8%	749.0	390.9	-48%
<b>Normalized Net Profits/(Losses)</b>	338.1	225.5	243.3	-28%	8%	737.0	374.8	-49%
<b>Gross Profit Margin (%)</b>	27%	38%	35%			22%	26%	
<b>EBITDA Margin (%)</b>	26%	32%	33%			20%	20%	
<b>Net Profit Margin (%)</b>	18%	20%	20%			11%	8%	

\*Certain accounts have been restated to reflect the Group's adoption of TFRS 9 beginning from 1 January 2019.

\*\*TTA held 100.00% of issued and paid up capital of TSG at the period-end

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

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

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

# SHIPPING SEGMENT

## OPERATING RESULT

Fleet Data Summary						2019	2020	%YoY
Calendar days for owned fleet <sup>(1)</sup>	4Q/19	3Q/20	4Q/20	%YoY	%QoQ	7,665	7,990	4%
Available service days for owned fleet <sup>(2)</sup>	1,932	2,024	2,053	6%	1%	7,453	7,845	5%
Operating days for owned fleet <sup>(3)</sup>	1,876	1,965	2,012	7%	2%	7,430	7,845	6%
Owined fleet utilization <sup>(4)</sup>	100.0%	100%	100%	0%	0%	99.7%	100.0%	0%
Voyage days for chartered-in fleet	1,177	642	704	-40%	10%	5,869	2,885	-51%
TC (%)	46%	61%	63%			53%	54%	
VC/COA (%)	54%	39%	37%			47%	46%	
Average DWT (Tons)	55,285	55,436	55,686	1%	0%	55,285	55,686	1%
Number of owned vessels at the ending period	21	22	23	10%	5%	21	23	10%
Average number of vessels <sup>(5)</sup>	33.2	28.3	29.5	-11%	4%	36.4	29.3	-20%
Market Data						2019	2020	%YoY
BDI Index	1,562	1,522	1,361	-13%	-11%	1,353	1,066	-21%
BSI Index	956	903	977	2%	8%	880	744	-15%
Net Supramax TC Rate** (USD/Day) <sup>(6)</sup>	10,226	9,435	10,211	0%	8%	9,451	7,779	-18%
Per-Day Operating Results <sup>(7)</sup> (USD/Day)						2019	2020	%YoY
Highest TCE Rate	24,189	20,351	20,983	-13%	3%	27,531	20,983	-24%
Thoresen TCE Rate <sup>(8)</sup>	13,463	11,444	11,282	-16%	-1%	10,982	9,517	-13%
TCE Rate of Owned Fleet	12,366	10,068	10,982	-11%	9%	10,259	8,638	-16%
Gain/(Loss) from Chartered-In Vessels	1,097	1,376	300	-73%	-78%	723	879	21%
<b>Expenses</b>								
Vessel Operating Expenses (Owner's expenses)	4,025	3,634	3,835	-5%	6%	3,869	3,709	-4%
Dry-Docking Expenses	738	726	634	-14%	-13%	663	689	4%
General and Administrative Expenses	930	893	1,024	10%	15%	1,040	958	-8%
<b>Cash Costs</b>	<b>5,693</b>	<b>5,253</b>	<b>5,493</b>	<b>-4%</b>	<b>5%</b>	<b>5,572</b>	<b>5,356</b>	<b>-4%</b>
Finance Costs, net	624	427	543	-13%	27%	698	513	-27%
Depreciation	1,817	1,828	1,818	0%	-1%	1,793	1,805	1%
Income Taxes	4	(7)	(3)	-178%	47%	17	5	-71%
<b>Total Costs</b>	<b>8,139</b>	<b>7,502</b>	<b>7,850</b>	<b>-4%</b>	<b>5%</b>	<b>8,080</b>	<b>7,679</b>	<b>-5%</b>
<b>Operating Results</b>	<b>5,325</b>	<b>3,943</b>	<b>3,432</b>	<b>-36%</b>	<b>-13%</b>	<b>2,902</b>	<b>1,838</b>	<b>-37%</b>
USD/THB Rate (Daily Average)	30.28	31.33	30.61	1%	-2%	31.05	31.29	1%
<b>Gains/(Losses) from Change in Fair Value of Derivatives <sup>(9)</sup></b>	<b>532</b>	<b>(279)</b>	<b>576</b>	<b>8%</b>	<b>306%</b>	<b>158</b>	<b>(373)</b>	<b>-336%</b>
<b>Per-Day Gross Profit Margin (%) <sup>(10)</sup></b>	<b>65%</b>	<b>62%</b>	<b>60%</b>			<b>59%</b>	<b>54%</b>	
<b>Per-Day EBITDA Margin (%)</b>	<b>58%</b>	<b>54%</b>	<b>51%</b>			<b>49%</b>	<b>44%</b>	
<b>Per-Day Net Profit Margin (%)</b>	<b>40%</b>	<b>34%</b>	<b>30%</b>			<b>26%</b>	<b>19%</b>	

\*Certain accounts have been restated to reflect the Group's adoption of TFRS 9 beginning from 1 January 2019.

\*\*TTA held 100.00% of issued and paid up capital of TSG at the period-end

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

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

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

TCE Rate = Time-Charter Equivalent Rate  
 TC Rate = Time-Charter Rate  
 BDI = The Baltic Exchange Dry Index  
 BSI = The Baltic Exchange Supramax Index

Note:

- 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.
- Available service days are calendar days(1) less planned off hire days associated with major repairs, dry dockings, or special or intermediate surveys.
- Operating days are the available days (2) less unplanned off-hire days, which occurred during the service voyage.
- 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.
- 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.
- Gross Supramax TC rate net of commission. Based on BSI-52 index up through 4Q/18 and BSI-58 index from 1Q/19 onwards.
- The per day basis is calculated based on available service days for owned fleet.
- Thoresen TCE Rate comprises owned fleet TCE rate and gain (loss) from chartered-in vessels, excluding net realized/unrealized gain (loss) from the change in fair value of derivatives.
- Realized and unrealized gain (loss) from the change in fair value of derivatives (excluding the realized gain/ (loss) on IRS, which is recorded in finance cost). The most common shipping derivatives are Forward Freight Agreements ("FFAs"), Bunker Swaps, and Interest Rate Swaps ("IRS").
- Per-Day Gross Margin (%) = (Thoresen TCE Rate - Vessel Operating Expenses - Dry-Docking Expense) / Thoresen TCE Rate



# OFFSHORE SERVICE SEGMENT

## STATEMENT OF INCOME

in million Baht	4Q/19*	3Q/20	4Q/20	% YoY	% QoQ	2019	2020	% YoY
<b>Revenues</b>	860.7	683.5	727.4	-15%	6%	3,286.0	2,616.7	-20%
Total Costs	792.3	625.1	608.8	-23%	-3%	2,983.4	2,645.1	-11%
<b>Gross Profits/(Losses)</b>	68.4	58.5	118.6	73%	103%	302.7	(28.4)	-109%
Other Income	4.8	0.1	5.7	19%	11123%	26.2	10.7	-59%
Gains/(Losses) on Investment	9.3	0.3	2.3	-76%	713%	(19.6)	(4.6)	77%
SG&A	81.1	105.3	104.1	28%	-1%	523.3	430.6	-18%
<b>EBITDA from Operation</b>	1.5	(46.5)	22.5	1443%	148%	(213.9)	(452.9)	-112%
Share of Profit of Associates and JVs	6.7	(58.5)	(2.1)	-131%	96%	147.7	(28.5)	-119%
<b>EBITDA</b>	8.1	(105.1)	20.4	150%	119%	(66.2)	(481.4)	-627%
Depreciation & Amortization	103.2	90.9	82.4	-20%	-9%	432.3	359.5	-17%
<b>EBIT</b>	(95.0)	(196.0)	(62.0)	35%	68%	(498.5)	(840.9)	-69%
Finance Costs	22.0	15.0	14.3	-35%	-5%	105.7	69.8	-34%
Gains/(Losses) from Foreign Exchange	0.1	(4.9)	(0.5)	-766%	91%	7.1	(0.4)	-105%
Gains/ (Losses) from Non-Recurring Items	(132.7)	(2,414.4)	(97.3)	27%	96%	(134.7)	(2,511.0)	-1764%
<b>Profits/(Losses) before Income Tax</b>	(249.7)	(2,630.3)	(174.1)	30%	93%	(731.7)	(3,422.1)	-368%
Income Tax Expenses	2.1	5.2	7.6	260%	46%	18.0	12.2	-32%
<b>Net Profits/(Losses)</b>	(251.8)	(2,635.5)	(181.7)	28%	93%	(749.7)	(3,434.3)	-358%
Net Profits/(Losses) Attributable to Non-Controlling Interest	(105.2)	(1,096.3)	(75.7)	28%	93%	(312.5)	(1,433.8)	-359%
<b>Net Profits/(Losses) to TTA</b>	(146.6)	(1,539.1)	(106.0)	28%	93%	(437.2)	(2,000.5)	-358%
<b>Normalized Net Profits/(Losses)</b>	(119.1)	(221.1)	(84.4)	29%	62%	(615.0)	(923.3)	-50%
<b>Normalized Net Profits/(Losses) To TTA</b>	(69.3)	(133.5)	(49.3)	29%	63%	(358.8)	(538.6)	-50%
<b>Gross Profit Margin (%)</b>	8%	9%	16%			9%	-1%	
<b>EBITDA Margin (%)</b>	1%	-15%	3%			-2%	-18%	
<b>Normalized Net Profits Margin to TTA (%)</b>	-8%	-20%	-7%			-11%	-21%	

\*Certain accounts have been restated to reflect the Group's adoption of TFRS 9 beginning from 1 January 2019.

\*\*TTA directly and indirectly held 58.22% of issued and paid up capital of MML at the period-end

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

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



# AGROCHEMICAL SEGMENT

## STATEMENT OF INCOME

in million Baht	4Q/19*	3Q/20	4Q/20	% YoY	% QoQ	2019	2020	% YoY
<b>Sales Revenue</b>	788.8	775.6	687.3	-13%	-11%	2,820.5	2,782.8	-1%
Raw Material Costs	589.2	618.2	514.0	-13%	-17%	2,265.1	2,164.2	-4%
<b>Gross Profits/(Losses) (Spread)**</b>	199.7	157.3	173.3	-13%	10%	555.4	618.6	11%
Service & Other Income	15.1	11.7	11.6	-23%	-1%	64.5	51.5	-20%
Operating Cost	50.7	50.3	48.3	-5%	-4%	197.2	187.6	-5%
Cost of Providing Services	5.6	3.2	2.9	-49%	-12%	27.2	14.9	-45%
SG&A	72.1	64.7	56.8	-21%	-12%	243.3	265.4	9%
<b>EBITDA</b>	86.4	50.9	76.8	-11%	51%	152.3	202.2	33%
Depreciation & Amortization	15.5	18.6	17.7	14%	-5%	64.1	73.8	15%
<b>EBIT</b>	70.9	32.3	59.2	-17%	83%	88.1	128.4	46%
Finance Costs	3.5	6.3	4.8	36%	-24%	14.6	22.8	56%
Gains/(Losses) from Foreign Exchange	(0.3)	6.4	(4.0)	-1239%	-163%	(11.4)	13.6	219%
Gains/ (Losses) from Non-Recurring Items	-	-	0.1	0%	100%	0.1	0.1	-36%
<b>Profits/(Losses) before Income Tax</b>	67.0	32.3	50.5	-25%	56%	62.3	119.3	92%
Income Tax Expenses	12.6	8.1	11.7	-7%	44%	18.4	25.5	38%
<b>Net Profits/(Losses)</b>	54.4	24.2	38.7	-29%	60%	43.8	93.8	114%
Net Profits/(Losses) Attributable to Non-Controlling Interests	17.1	7.6	12.2	-29%	60%	13.8	29.5	114%
<b>Net Profits/(Losses) to TTA</b>	37.3	16.6	26.6	-29%	60%	30.0	64.3	114%
<b>Gross Profit (Spread) Margin (%)</b>	25%	20%	25%			20%	22%	
<b>EBITDA Margin (%)</b>	11%	7%	11%			5%	7%	
<b>Net Profit Margin (%)</b>	7%	3%	6%			2%	3%	

\*Certain accounts have been restated to reflect the Group's adoption of TFRS 9 beginning from 1 January 2019.

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

\*\*\*TTA held 68.52% of issued and paid up capital of PMTA at the period-end

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

# Financial Ratios - Consolidated

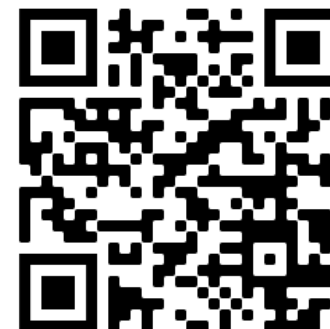
Financial Ratios - Consolidated	Unit	4Q/19	3Q/20	4Q/20	2019	2020
Gross Margin	%	24.3%	26.0%	28.0%	20.4%	21.1%
EBITDA Margin	%	15.1%	10.1%	17.6%	12.4%	5.5%
Net Profit Margin (to TTA) - normalized	%	5.7%	1.6%	4.8%	2.5%	-3.9%
Net Profit Margin - normalized	%	4.6%	-1.1%	3.9%	0.7%	-6.8%
Return on Assets* - normalized	%	0.3%	-2.5%	-2.7%	0.3%	-2.7%
Return on Equity* - normalized	%	2.1%	-2.4%	-2.9%	2.1%	-2.9%
Current Ratio	times	3.15	2.03	2.25	3.15	2.25
Interest Bearing Debt to Equity	times	0.37	0.41	0.48	0.37	0.48
Net interest Bearing Debt to Equity	times	0.05	0.05	0.08	0.05	0.08

*\*Annualized*

## Note:

Gross profit margin services	=	Gross profits (excluding depreciation and amortization)/ Revenues from sales and services
EBITDA margin	=	EBITDA (excluding non-recurring items) / Revenues from sales and services
Net profit margin ( to TTA) - normalized	=	Normalized attributable net profits / Revenues from sales and services
Net profit margin - normalized	=	Normalized net profits / Revenues from sales and services
Return on assets - normalized	=	Normalized net profits / Average total assets
Return on equity - normalized	=	Normalized attributable net profits/ Average attributable shareholder's equity
Current ratio	=	Current assets / Current liabilities
Interest bearing debt to equity	=	Interest bearing debt excluding lease liabilities / Total shareholder's equity
Net interest bearing debt to equity	=	(Interest bearing debt excluding lease liabilities – cash and cash equivalents - other current financial assets) / Total shareholder's equity

# THANK YOU



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or scan QR code above to see TTA's Management Discussion and Analysis for 4Q/2020 and the year 2020

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