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Prima Marine Public Company Limited

Operating Results for Q1/2018

Analyst Meeting

30 May 2018

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I. Fleet & Performance Summary in Q1/2018

Fleet & Performance Summary in Q1/2018

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	1 Oil & Petrochemical Tanker Business	2 Floating Storage Unit Business ("FSU")	3 Offshore Business	4 Ship Management Business
Business Unit	Domestic Trading	FSU	Floating Storage and Offloading Unit ("FSO")	As crucial support function to other core business Services provided include: • technical management, • crew management, • safety management, • regulations and compliance
	International Trading	Ship to Ship Transfer Operation	Accommodation Work Barge ("AWB")	Owner Ship 24 Vessels Charter-in 2 Vessels Third Party 3 Vessels Total 29 Vessels 333 Experienced Crews

No. of vessels/ Capacity (DWT)	SMALL	AFRAMAX	VLCC	FSO	AWB
	13/48,173	2/211,531	6/1,794,945	2/191,754	1/300 PAX

Performance Summary

Unit : MTHB	Q1/2017	Q4/2017	Q1/2018
Revenue	1,141.7	1,079.7	1,018.5
Gross Profit	358.2	199.4	240.8
Net Profit	298.6	105.5	146.8

II. Performance by Business Segment

Performance : Domestic Trading

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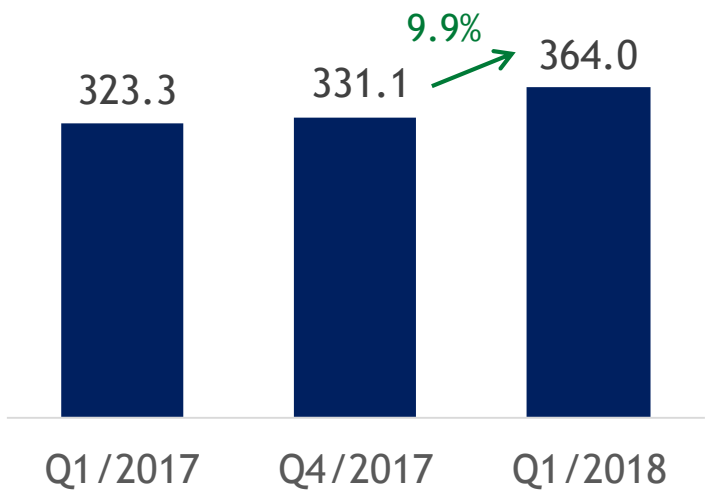
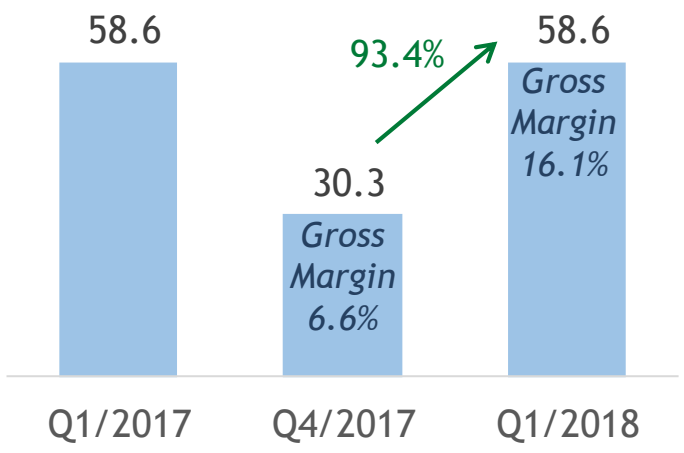
Revenue *Unit: MTHB*



Gross Profit *Unit: MTHB*

Unit: Million Baht

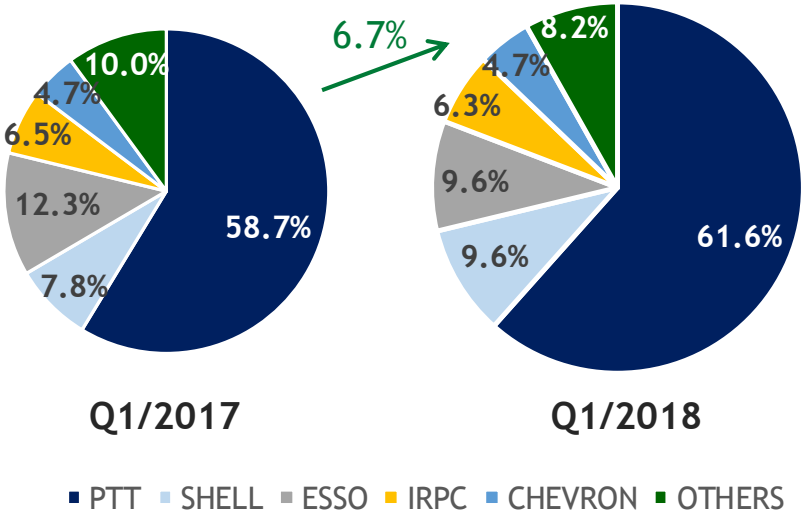


Performance Summary

	Domestic Trading		
	Q1/2017	Q4/2017	Q1/2018
Number of Owned Vessels	11	13	13
Capacity (DWT)	44,651	47,672	48,173
Number of Charter-in Vessels	4	4	4
Capacity (DWT)	12,320	12,320	12,320

- 1 new-built vessel acquired in Q1/2018 service providing to PTT
- Some of charter-in vessels were committed with minimum guaranteed contract with lower trading requirement only in this quarter which affected to lower gross profit margin in Q1/2018. However, it shall not affect to the overall trading volume and margin for entire year.

PRM Domestic Trading Customer Y-o-Y



Performance : International Trading

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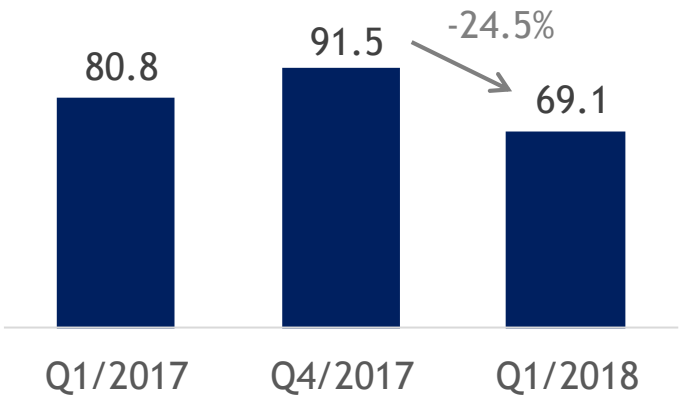
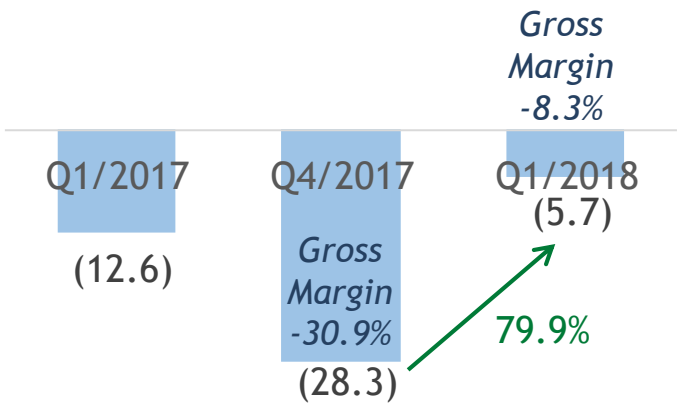
Revenue *Unit: MTHB*



Gross Profit *Unit: MTHB*

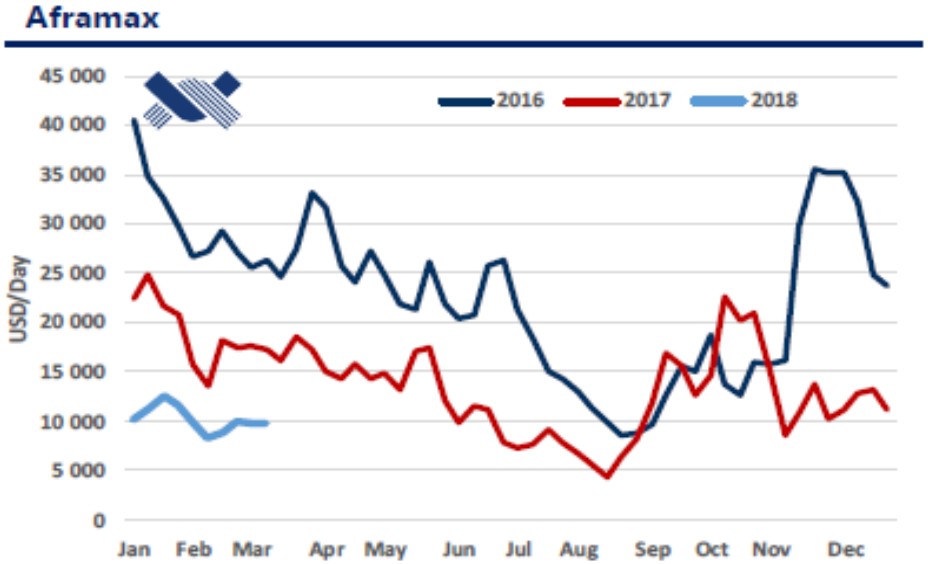


Performance Summary

	International Trading		
	Q1/2017	Q4/2017	Q1/2018
Number of Vessels	2	2	2
Capacity (DWT)	211,531	211,531	211,531

- Discontinuation fuel oil import by Chinese Tea Pot refineries and weak freight rate were major reasons underlying the poor performance in 2017
- Gross profit improvement in 2018 came from the ability to switch from Spot business to one-year time chartering of one of two Aframax vessels starting by November 2017
- Another Aframax vessel is expected to be time chartered by mid-2018

Aframax Freight Market



Performance : FSU Business

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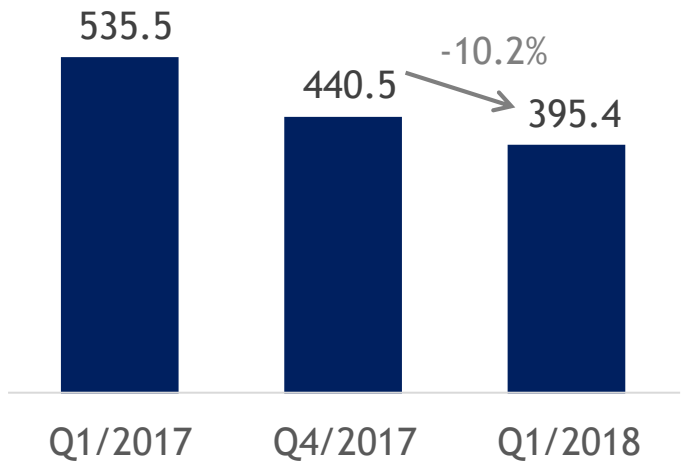
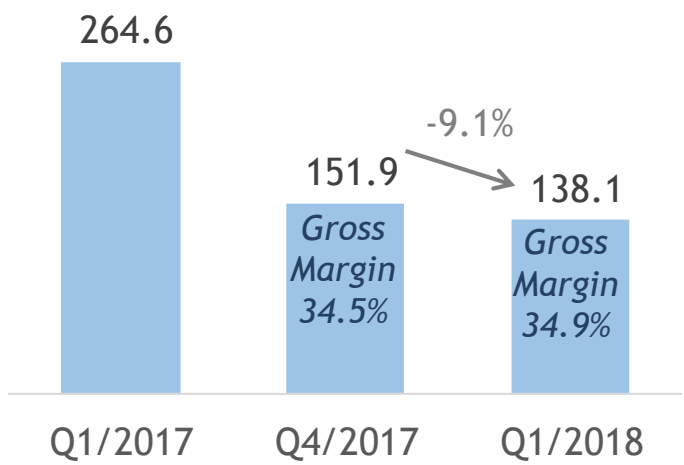
Revenue *Unit: MTHB*



Gross Profit *Unit: MTHB*



Performance Summary

	FSU Business		
	Q1/2017	Q4/2017	Q1/2018
Number of Vessels	6	7	6
Capacity (DWT)	1,776,065	2,075,995	1,794,945

- Lack of fuel oil storage requirement for Chinese Tea Pot refineries and continued high oil price leading to backwardation situation of future oil market was the main reason for the week performance in FSU Business since Q3/2017
- One VLCC was demolished in 1Q/2018 thereby improve utilization rate for remaining 6 vessels
- Gross profit was partly affected by THB depreciation from THB33 to THB31/USD
- Another VLCC is planned to be demolished by mid-2018 to further improve utilization rate of the remaining vessels and their gross profit margin.

Brent Crude Oil Price during 2017 - 2018

Source: http://www.macrotrends.net/2480/brent-crude-oil-prices-10-year-daily-chart

Performance : Offshore Business

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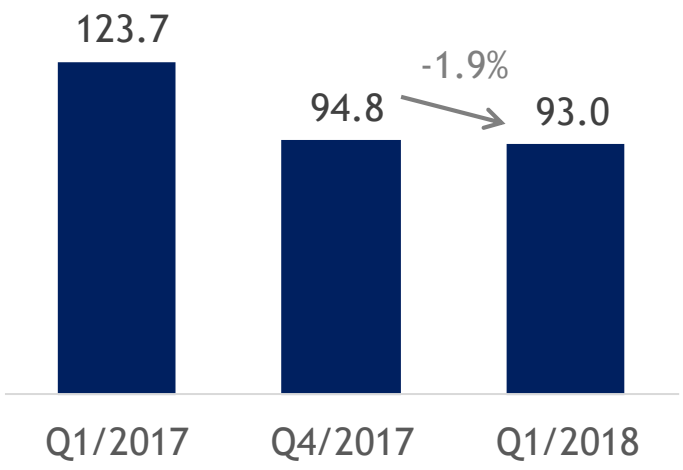
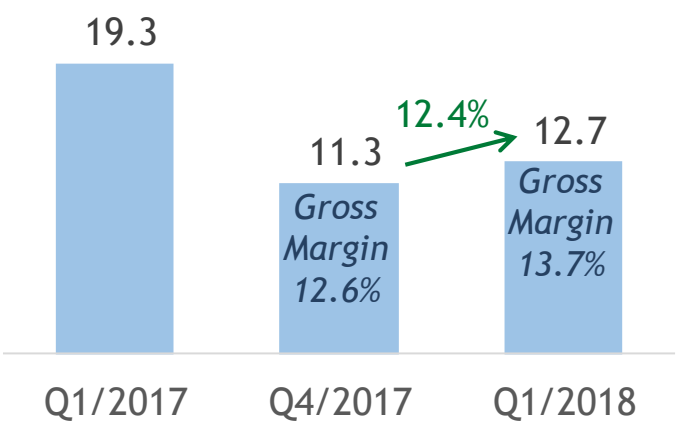
Revenue *Unit: MTHB*



Gross Profit *Unit: MTHB*



Performance Summary

	Offshore Business		
	Q1/2017	Q4/2017	Q1/2018
Total Number of Vessels	3	3	3
- FSO/Capacity (DWT)	2/191,754	2/191,754	2/191,754
- AWB/Capacity (PAX)	1/300	1/300	1/300

- Uncleared situation of Erawan-Bongkot gas field auction caused offshore exploration and petroleum production and relevant activities to decline
- Our Accommodation Work Barge (AWB) was on-hire again in March 2018
- Gross profit was partly affected by Thai Baht appreciation from 33THB to 31THB/USD

Performance : Ship Management

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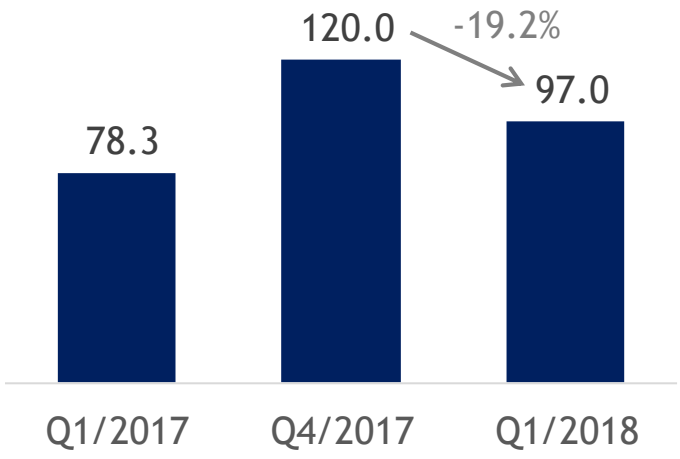
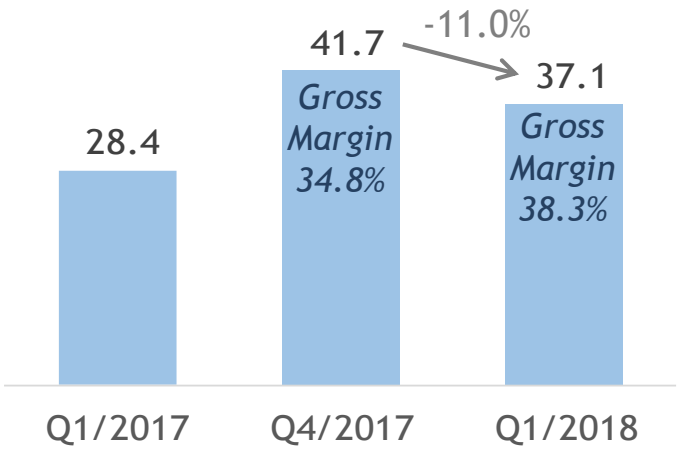
Revenue *Unit: MTHB*



Gross Profit *Unit: MTHB*



Performance Summary

Unit: Vessel(s)	Ship Management		
	Q1/2017	Q4/2017	Q1/2018
Total Number of Service Vessels	24	30	29
Own Vessels			
Trading Business			
- Domestic*	13	15	15
- International	2	2	2
FSU Business			
- FSU	6	7	6
Offshore Business			
- FSO	2	2	2
- AWB	1	1	1
Total	24	27	26
Third Party Vessels			
- Container	-	2	2
- VLCC	-	1	1
Total	-	3	3

*Remark: * 2 charter-in vessels included*

III. Consolidated Financial Performance

Selling & Admin Cost

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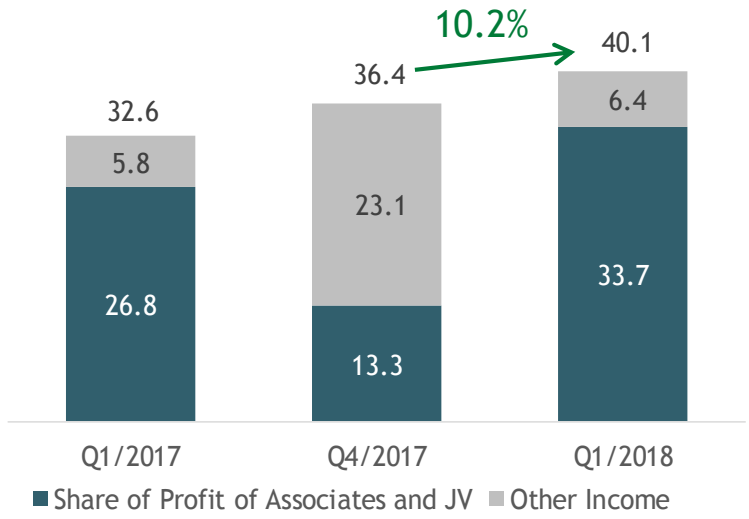
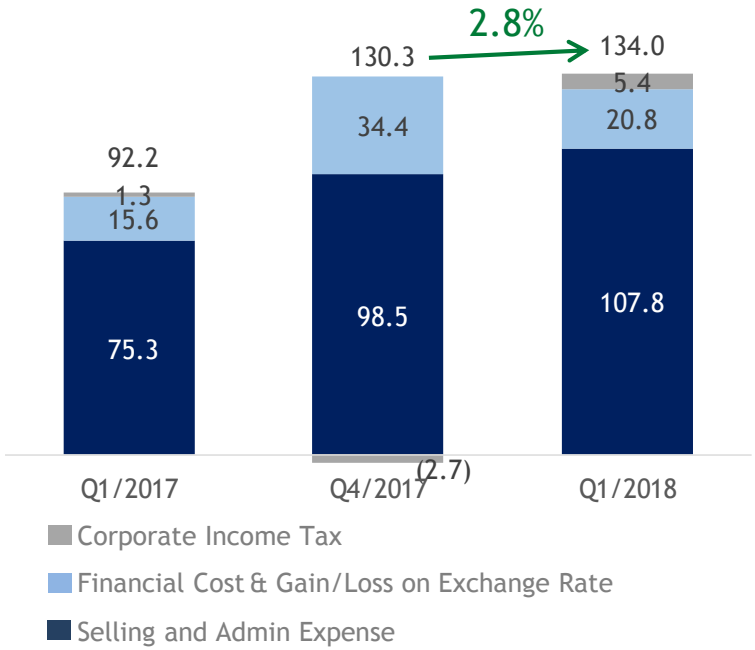
Other Income *Unit: MTHB*



Selling and Admin Expense *Unit: MTHB*



Performance Summary

- Administrative expense increased from Amity Star if VAT upon prepayment of a vessel leasing
- The changes of financial cost were mainly from the decrease of gain on exchange rate due to Thai Baht appreciation.
- Other income were mainly from interest from Bank; Demurrage Charges and loan interest from other third-party companies.

Statement of Financial Position

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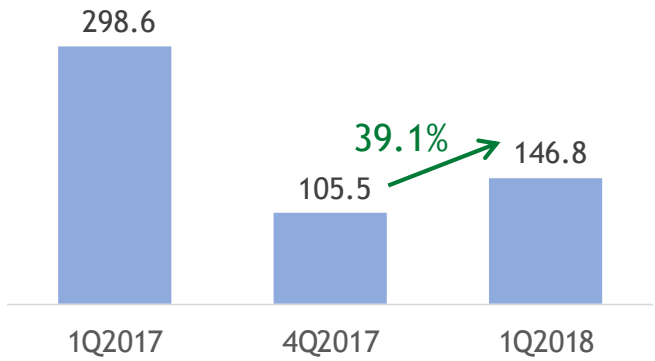
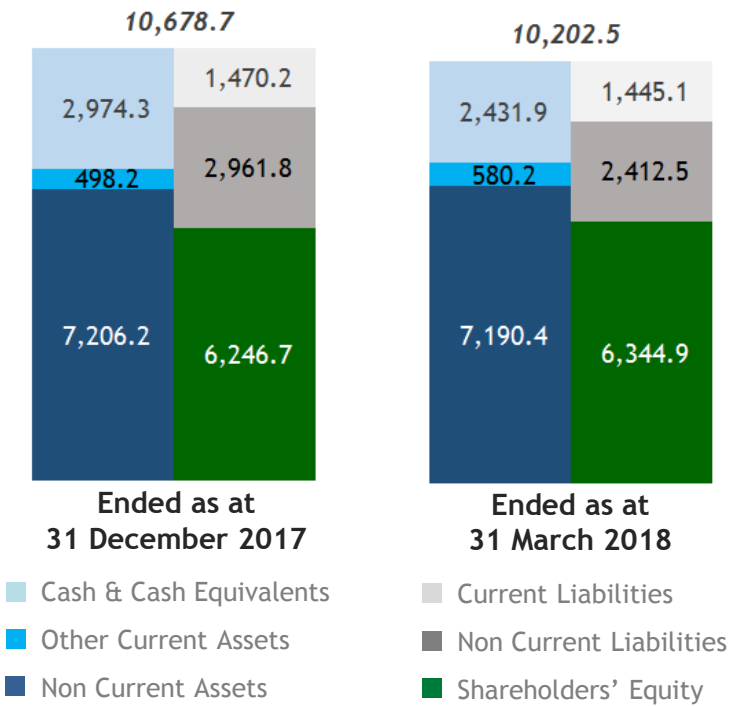
Net Profit *Unit: MTHB*



Statement of Financial Position *Unit: MTHB*



Performance Summary

- Earning per share is 0.06 THB/share (0.14 THB/share in 1Q2017 and 0.04 THB/share in 4Q2017)
- Asset decreased by 476.2 MTHB
  - cash and cash equivalents totaling 2,431.9 MTHB, decreased by 542.4 MTHB from loan payment to financial institutions.
- Liability decreased by 574.4 MTHB from long term loan repayment during the quarter
- Shareholders' Equity increased by 98.2 MTHB
- D/E ratio was equivalent to 0.61x

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Q&A

THANK YOU

Contact Information

Mr. Boonrux Leeprakobboon
Senior Investor Relations Manager
Investor Relations Department
Tel (66) 2 016 0190 Ext 610
Email prima-ir@primamarine.co.th

Mr. Pachara Rodsomboon
Finance Manager
Accounting and Finance Department
Tel (66) 2 016 0190 Ext 601
Email prima-ir@primamarine.co.th

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Appendix

Acquisition of Big Sea Co., Ltd.

Impact on Market Share

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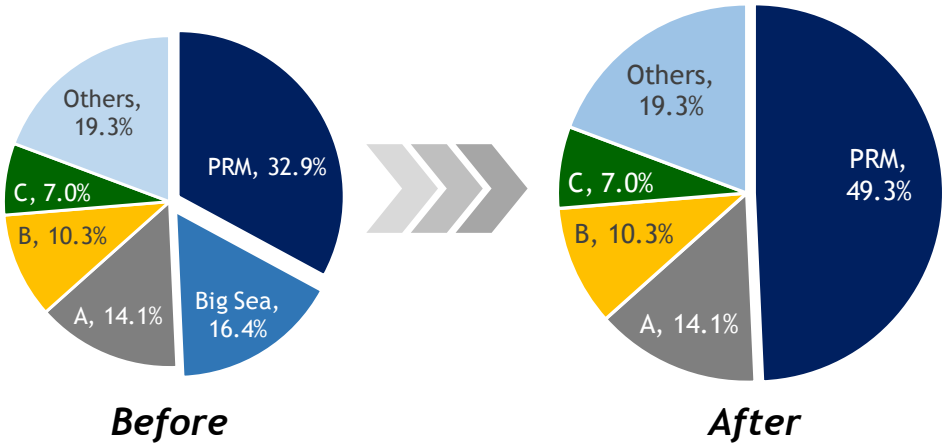
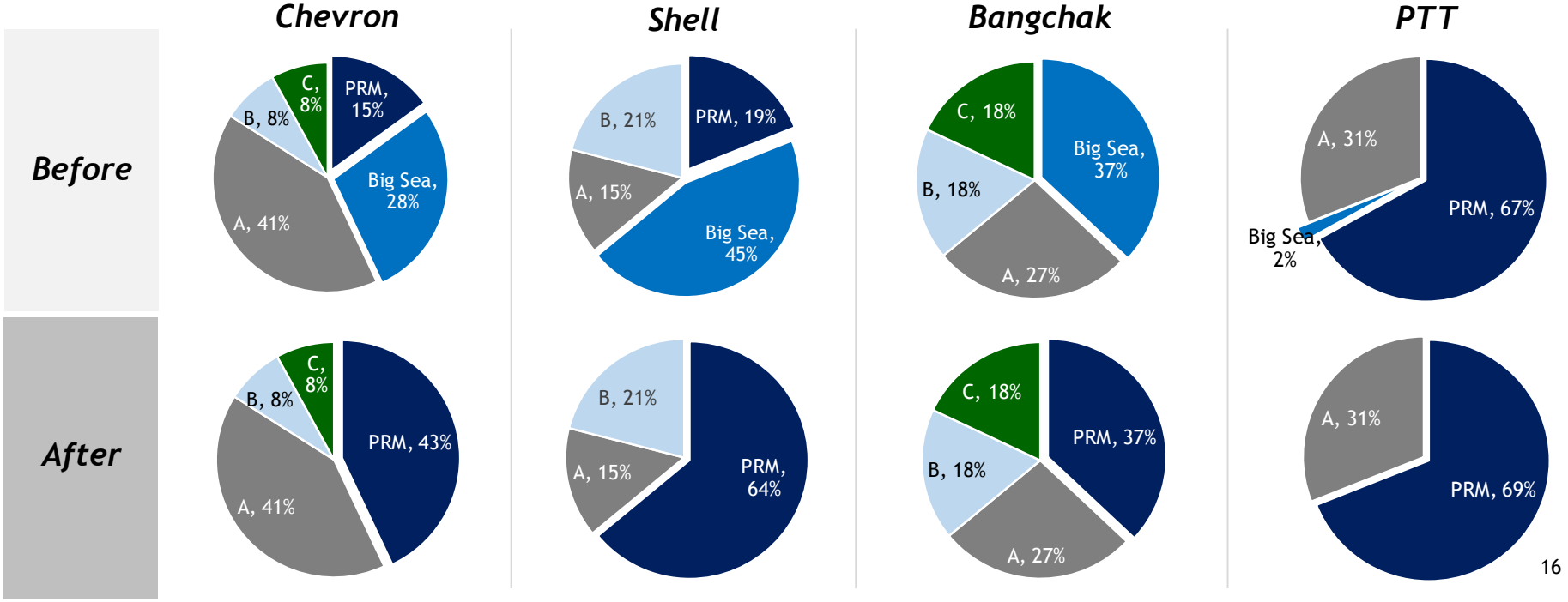
Domestic Market Share by Volume



Domestic Market Share by Charterer (Volume Sold)



Acquisition of Big Sea Co., Ltd.

Investment and Return

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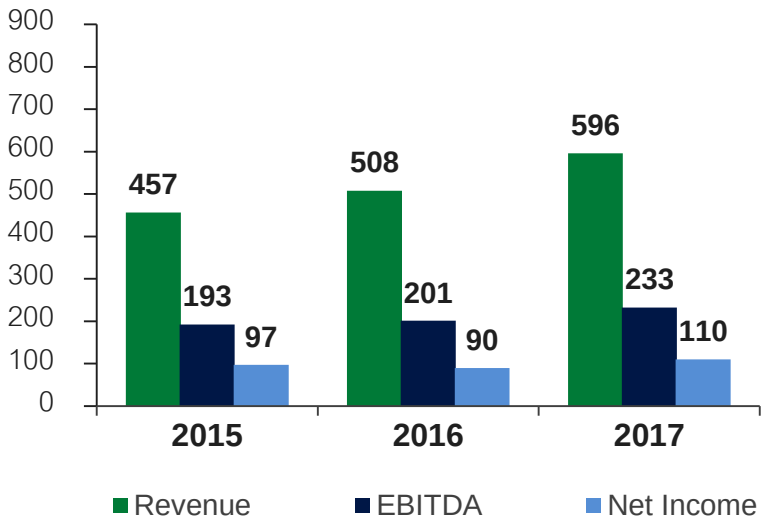
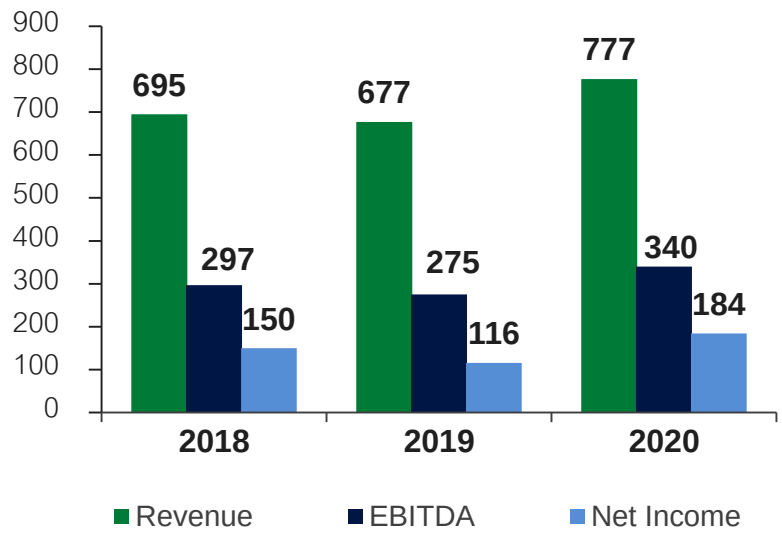
Historical Performance *Unit: MTHB*



Forecast Period *Unit: MTHB*



Investment and Return

Phase	% Acquisition	Valuation (mm)	Payment (mm)	Payment due	Net Profit by Year (mm)			PIRR%	EIRR% 70:30	P/E	Payback Period (y)
					2018	2019	2020				
1	70%	2,000	1,400	2018				11.20%	13.80%	18.1	10.3
2	30%	Case 1: 2,000	600	2021	< 140			12.50%	16.90%	15.4	8
		Case 2: 2,200	***800***		***150***			***11.70%***	***15.50%***	***14.7***	***9***
		Case 3: 2,900	1,500		220			8.90%	11.40%	13.2	11