PRIMA MARINE
PUBLIC COMPANY LIMITED

Q4/2019 and YE2019
Operating Results & Market Outlook

CG Scoring of "EXCELLENT"
as of 25 Oct 2019

10 Mar 2020

PRIMA MARINE
PUBLIC COMPANY LIMITED

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Q4/2019 & YE2019 Operating Results

Summary of Investment Plan 2019

PRIMA MARINE
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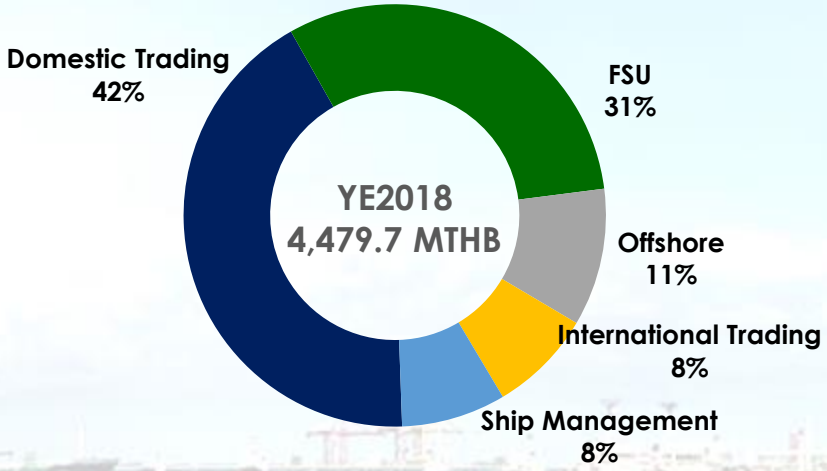
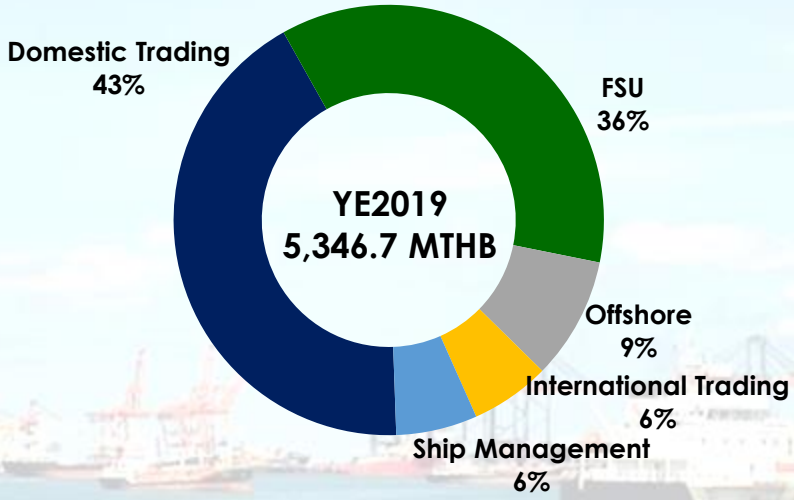
Revenue Proportion by Business





No. of Vessels and Capacity Y-o-Y

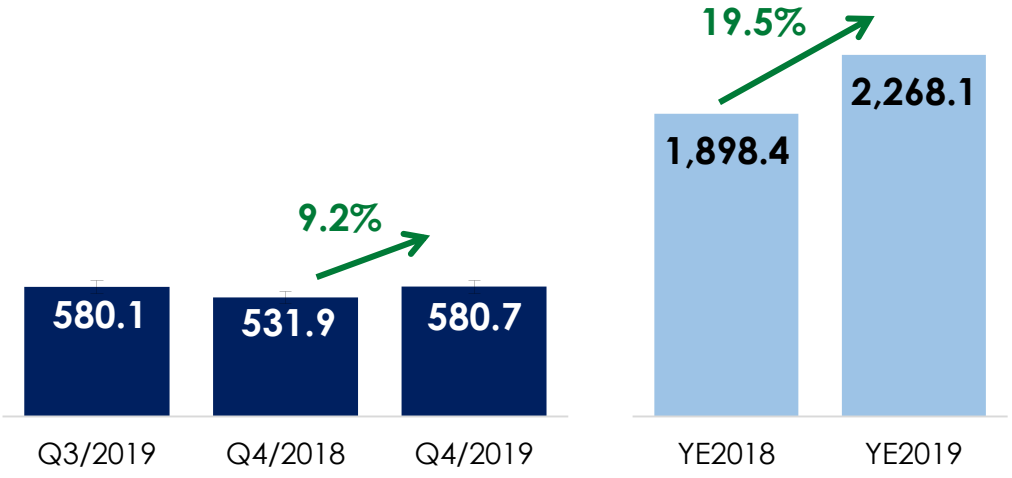
Types of vessels	2018 No. of vessels	2018 DWT ('000)	2019 No. of vessels	2019 DWT ('000)
Trading				
- Domestic	26	81.4	31	101.2
- International	2	211.5	1	106.0
FSU	5	1,503.6	8	2,400.5
Offshore				
- FSO	2	191.8	2	191.8
- AWB	1	300 Pax	1	300 Pax
Total	**36**	**1,988.3**	**43**	**2,799.4**

Domestic Oil and Petrochemical Tanker Business ("Domestic Trading")

PRIMA MARINE
PUBLIC COMPANY LIMITED

Revenue

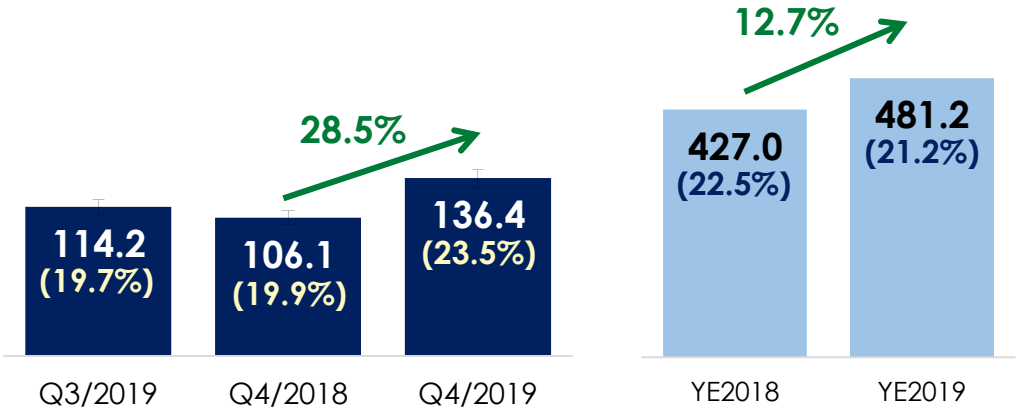
Unit: MTHB



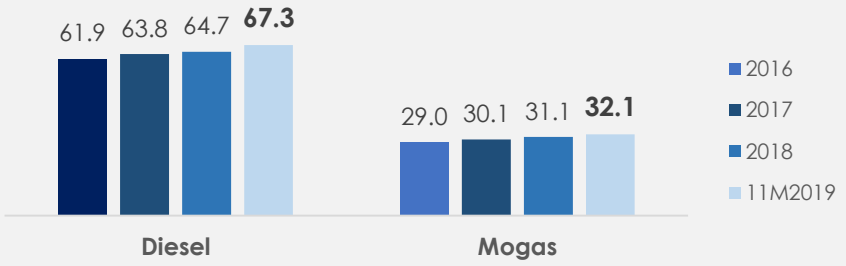
32/104	26/83	31/101	Vessels/ '000 DWT
95.9%	85.0%	95.7%	Utilization Rate

Gross Profit

Unit: MTHB



- Domestic oil consumption of both diesel and mogas grew approximately 4.6% and 4.0% respectively in 11M2019.



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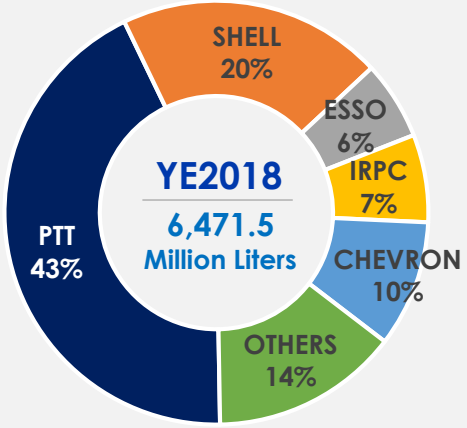
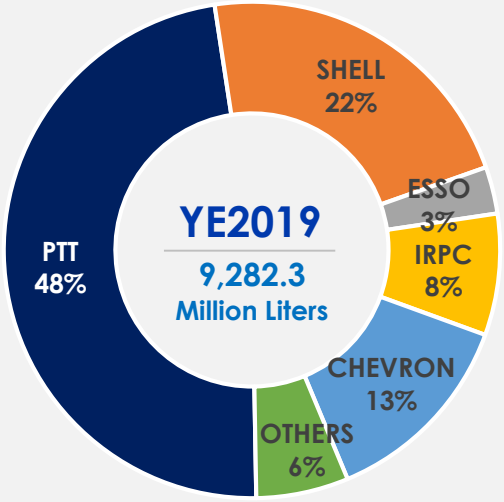
- Revenue in Q4/19 and YE2019 increased by 9.2% and 19.5% respectively from higher business volume following delivery of 6-new built vessels which were fully operated in Q4/2019.
- Higher GP margin in Q4/19 when compared to Q3/19 was due to the changing from trial runs to normal main routes
- PRM's oil transport volume increased by 43.4% Y-o-Y





International Oil and Petrochemical Tanker Business ("International Trading")

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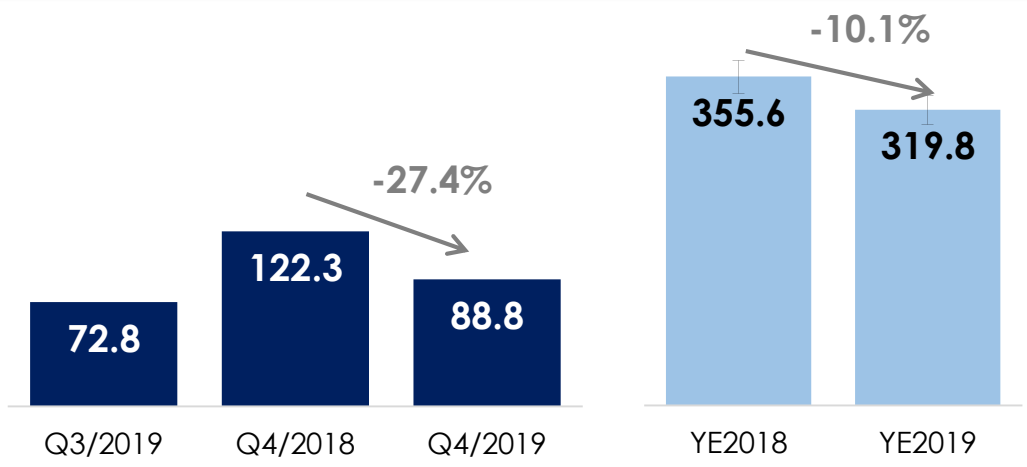
Revenue

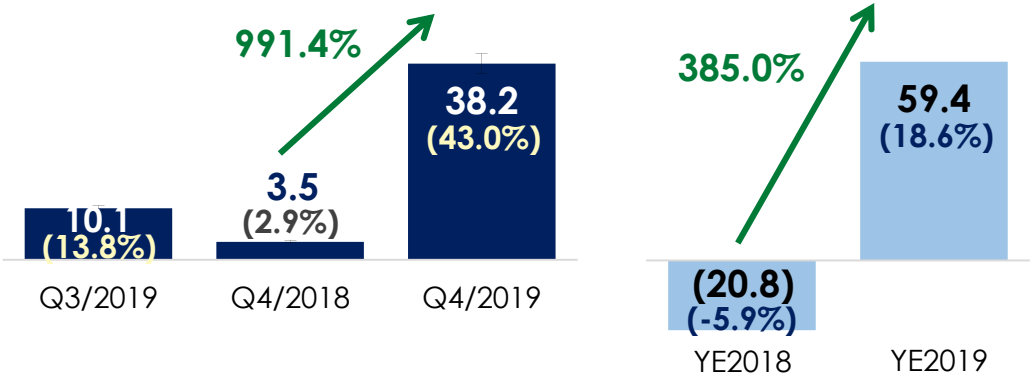
Unit: MTHB



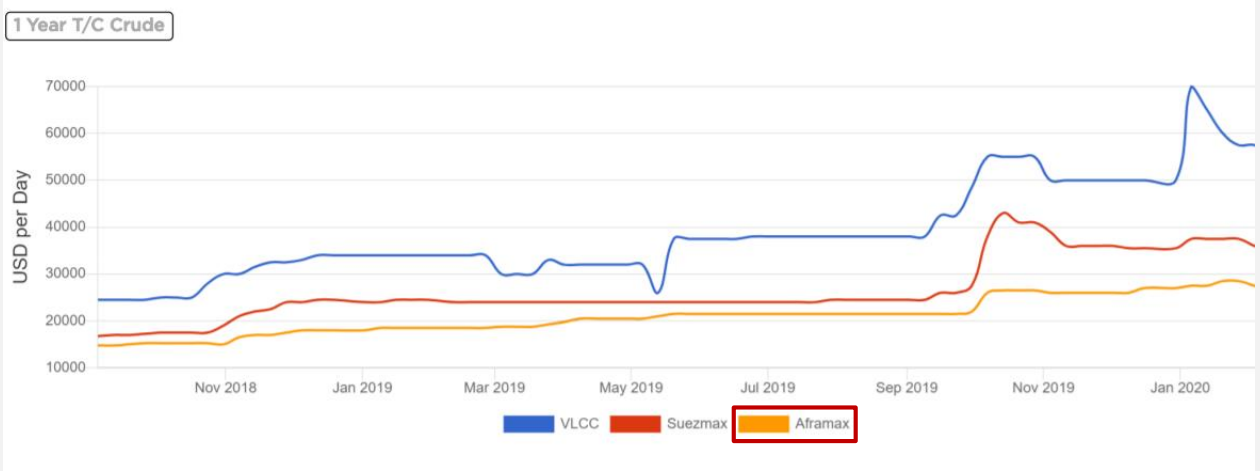
1/106	2/211	1/106	Vessels/ '000 DWT
93.9%	71.4%	100.0%	Utilization Rate

Gross Profit

Unit: MTHB



- Higher gross profit in 2019 VS 2018 by 385.0% due mainly to the increase in freight rate since the end of 2018 as number of vessels were temporarily removed from the market for installation of Sulphur scrubber in preparation for IMO requirement for LSFO bunker starting January 2020



Source: Fearnleys Report Week 10, 2020

- One of our Aframax was operated under time charter contract generated consistent revenue while another one was under SPOT contract before dispositioning at the end of 2019
- Higher GP in Q4/19 was due to higher global chartering rate for Aframax

Floating Storage Unit ("FSU") Business

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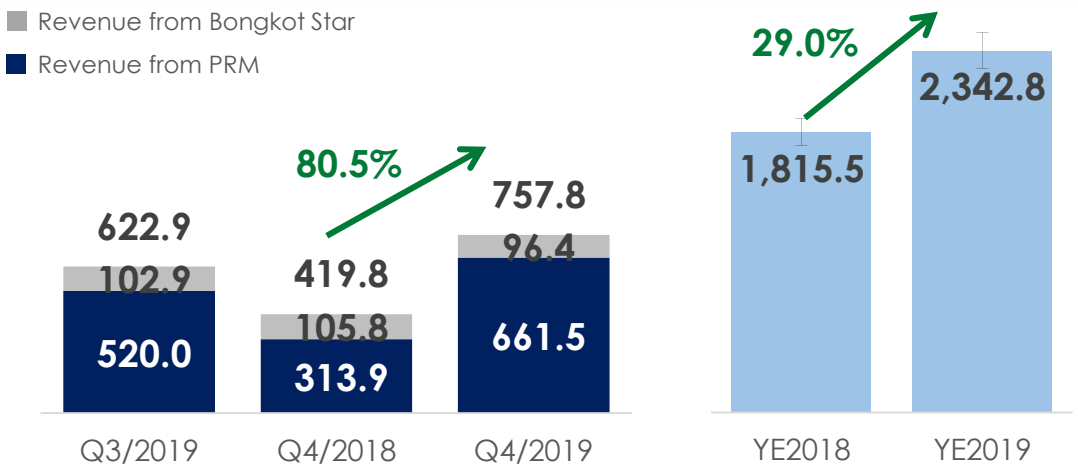
Revenue

Unit: MTHB

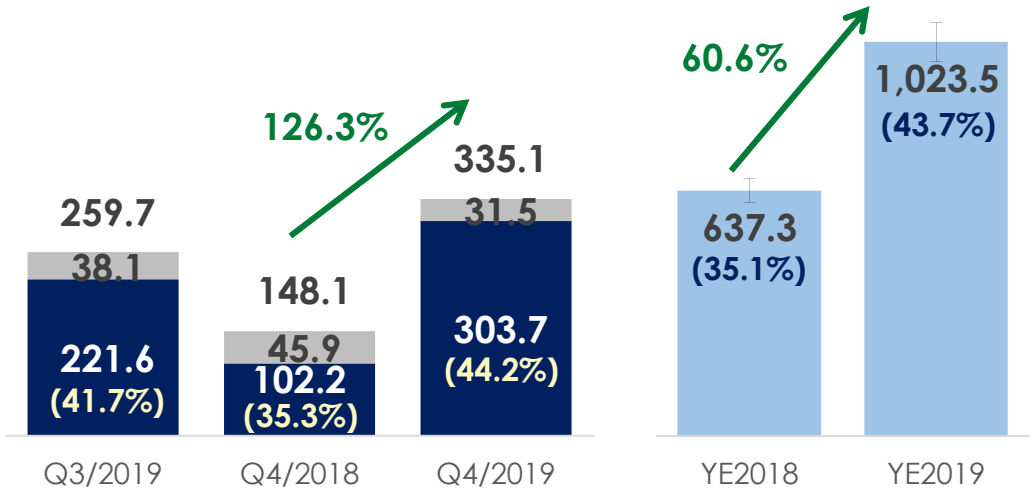


8/2,400	5/1,504	8/2,400	Vessels/ '000 DWT
89.6%	94.0%	99.2%	Utilization Rate

Remark: The revenue of Bongkot Star is included

Gross Profit

Unit: MTHB



- Revenue and GP in Q4/19 increased from Q3/19 mainly from full operation for entire Q4/19 of all 3 new FSUs added to the fleet in prior quarters.
- Higher revenue and gross profit in 2019 VS 2018 by 29.0% and 60.6% respectively was due mainly to the increase of 3 FSUs during 2019. Better chartering rate in 2019 following an increase in FSU demand for storing and blending LSFO.
- Bongkot Star of our existing FSUs was off-hired for 6 days for underwater survey.

Floating Storage and Offshore Exploration Service ("Offshore") Business

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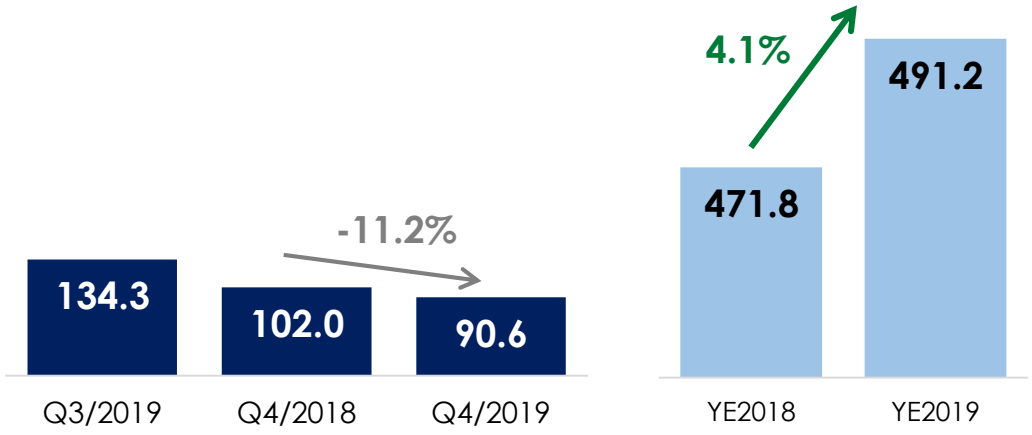
Revenue

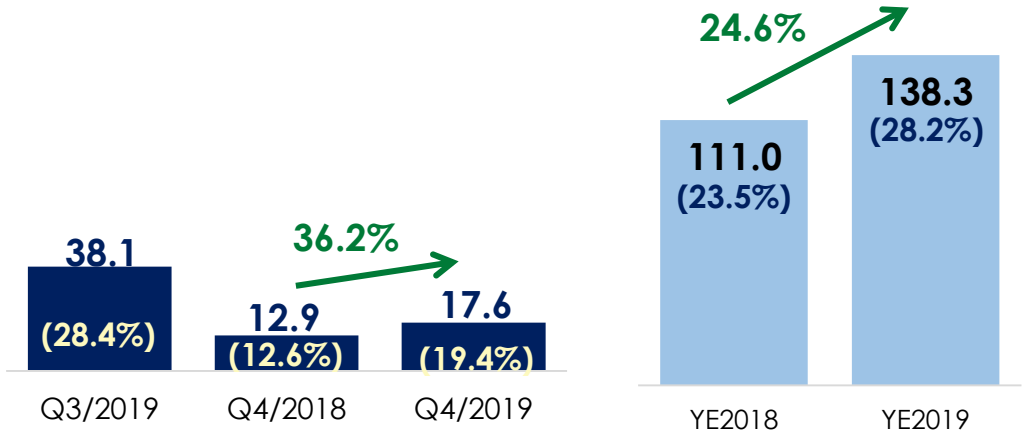
Unit: MTHB



2/192	2/192	2/192	FSO/ '000 DWT
100.0%	100.0%	100.0%	FSO Utilization Rate
1/300	1/300	1/300	AWB/Capacity (PAX)
100.0%	12.6%	9.7%	AWB Utilization Rate

Gross Profit

Unit: MTHB



- Two floating storage and off-loading (FSO) vessels were on hired throughout Q4/19 under time charter contract.
- Navathani, the accommodation work barge (AWB) was off-hired due to the monsoon season since 10 Oct 2019 onwards.
- The AWB is currently rehired since the mid of February 2020 with 8-month contract.
- Lower revenue in Q4/19 was due to Baht appreciation from 32.4498 Baht/USD in Q4/18 to 30.1540 Baht/USD in Q4/19.
- Gross profit for Q4/19; however, increased from Q4/18 by 4.7 million Baht or 36.2% from lower operation cost.

Ship Management ("SM") Business

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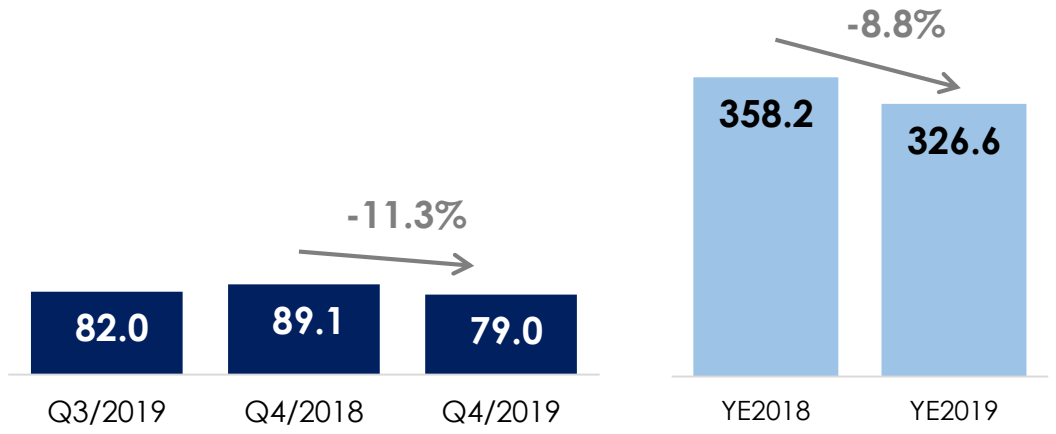
Revenue

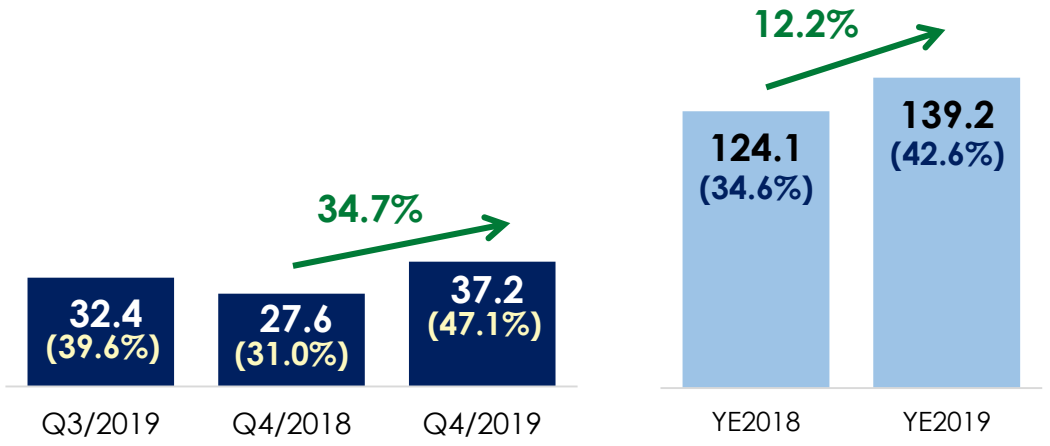
Unit: MTHB



3	5	3	No. of 3rd Party Vessels

Gross Profit

Unit: MTHB



- PRM still provides ship management services for 28 vessels comprising of 25 own vessels and 3 third party vessels which includes 2 VLCC and one Aframax vessel.
- Gross profit for Q4/19 increased by 96 million Baht or 34.7% from Q4/18 due to lower ship maintenance expenses.
- Lower revenue in Q4/19 compared to Q4/18 was impacted by Baht appreciation due to the service income under USD contract.

Summary of Operating Results

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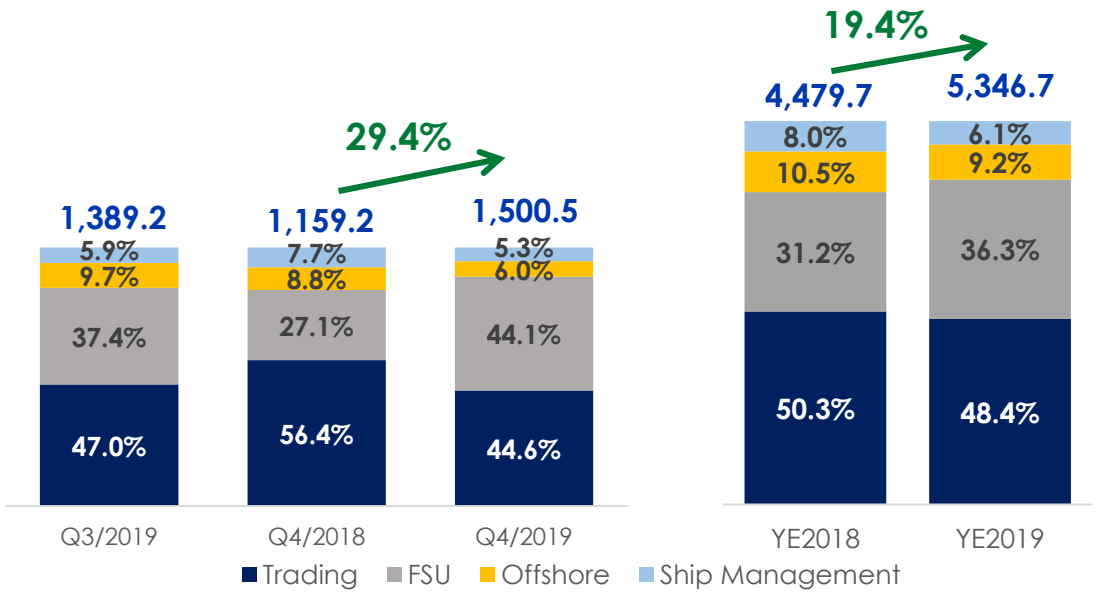
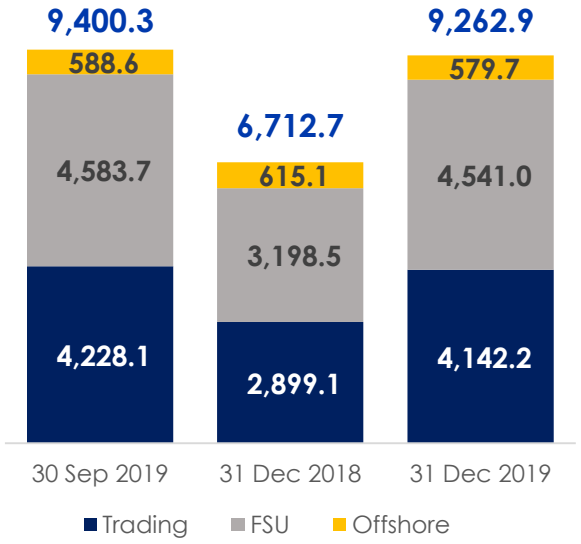
Revenue

Unit: MTHB



Investment Assets

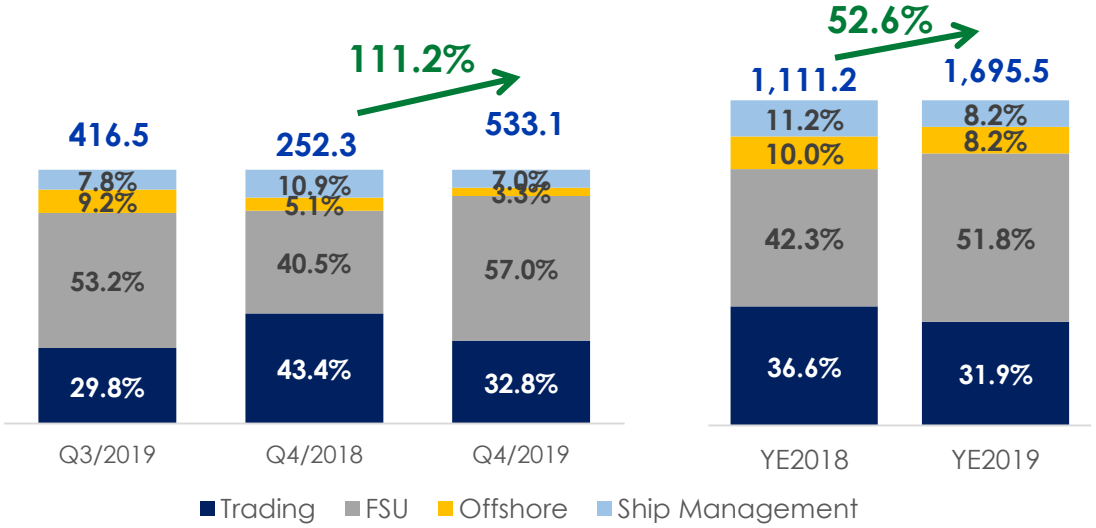
Unit: MTHB



Types of vessels	No. of vessels	DWT ('000)
Trading		
- Domestic	31	101.2
- International	1	106.0
FSU	8	2,400.5
Offshore		
- FSO	2	191.8
- AWB	1	300 Pax
Total	**43**	**2,799.4**

Gross Profit

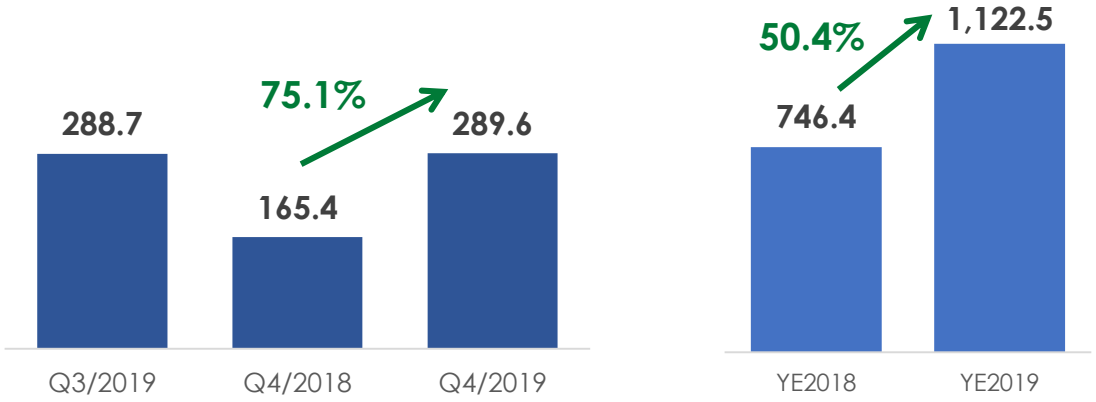
Unit: MTHB



Net Profit*

Unit: MTHB

	Q3/2019	Q4/2018	Q4/2019	YE2018	YE2019
EPS (THB/Share)	0.10	0.06	0.11	0.28	0.41



*Net profit = Net profit for the period which includes profit attributable to owner of the parents and non-controlling interests.

Consolidated P/L Statement

PRIMA MARINE
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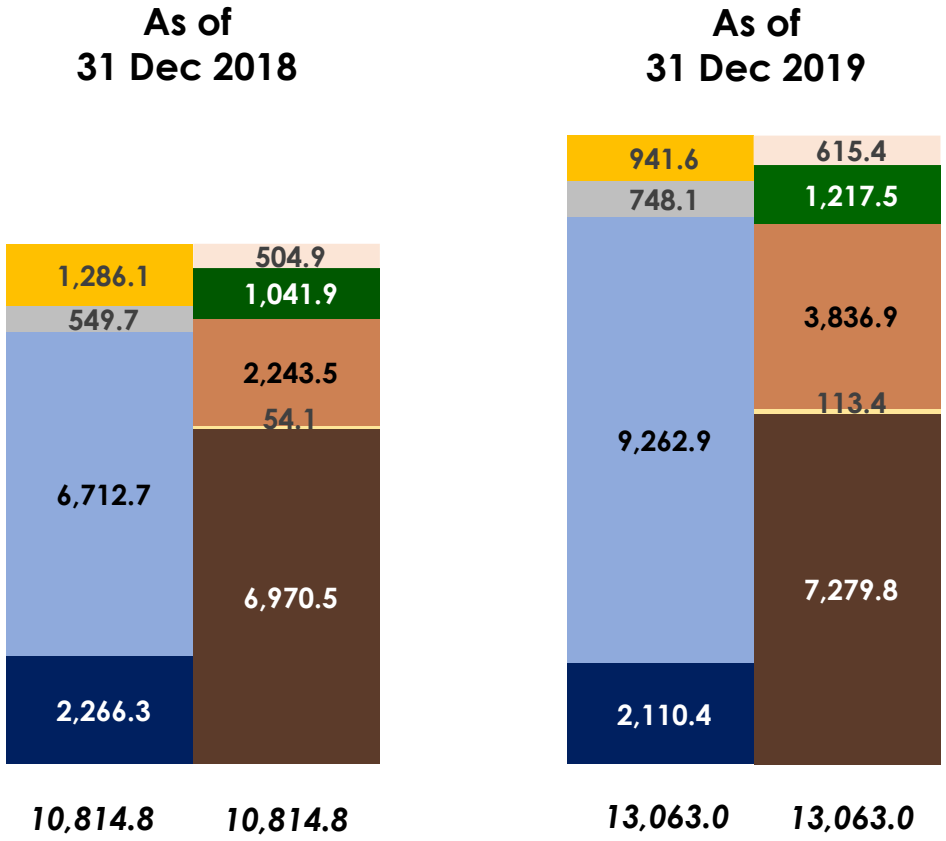
	Unit: MTHB	Q3/2019	Q4/2018	Q4/2019	YE2018	YE2019
1	Sales	1,389.2	1,159.2	1,500.5	4,479.7	5,346.7
2	Gross Profit	416.5	252.3	533.1	1,111.2	1,695.5
3	Share of P/L fr Assoc.	31.7	52.1	(17.1)	150.3	92.0
4	Other incomes	16.1	15.5	21.3	92.5	58.1
5	Net FX Gain/(Loss)	(4.2)	2.7	18.9	8.2	47.7
6	SG&A	(87.0)	(98.0)	(159.7)	(389.7)	(435.4)
7	Financial cost	(61.5)	(40.5)	(60.0)	(167.8)	(211.0)
8	Income Tax	(22.8)	(18.8)	(46.8)	(58.3)	(124.4)
9	Net Profit	288.7	165.4	289.6	746.4	1,122.5
10	EBITDA	564.0	350.5	582.3	1,474.4	2,097.9
11	Gross Profit Margin(%)	30.0%	21.8%	35.5%	24.8%	31.7%
12	Average FX rate (Baht/USD)	30.5919	32.4498	30.1540	32.4498	30.1542
13	No. of Vessels	44	36	43	36	43
14	Capacity ('000 DWT)	2,801.8	1,988.2	2,799.4	1,988.2	2,799.4

- Share of loss from JV in 2019 came from loss from disposition of a vessel at the end of 2019.
- Higher other income in 2018 was from extraordinary profit from disposition of 1 vessel.
- Increase in SG&A Y-o-Y of 45.7 million Baht or 12% derived from a loss from closing of a joint venture and year-end accrual of employees' expenses.
- Financing cost increased in line with higher borrowing to finance new domestic trading and FSU vessels.
- FX gain in Q4/19 due mainly to unrealized gain from mark-to-market of US Dollar loan outstanding as at 31 Dec 2019 of USD 43.8 million
  - USD 42.6 million as at 30 Sep 2019
  - USD 9.9 million as at 31 Dec 2018

Consolidated Financial Position



Current Ratio	1.19:1	0.82:1
D/E Ratio	0.55:1	0.83:1

- Cash & Cash Equivalent
- Other Current Assets
- Investment Assets
- Non Current Assets
- Other Current Liabilities and S/T Loan
- Current Portion of Loan
- L/T Loan
- Other Non Current Liability
- Shareholders' Equity

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- Investment assets increased from acquisition of new vessels.
- Net LT loan increased by 1,593.4 million Baht for fleet expansion financing.
- Shareholder's equity increased 309.4 million Baht from earning for the period deducted by interim dividend distribution.
- D/E ratio rose to 0.83:1 due to additional loan required to finance new investments but the ratio is well within the lenders' financial covenant requirement.

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Market Outlook

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PRM Protective Measures
Against the Spread of COVID-19

- ✓ Communicate and Keep updated on the spread of COVID-19
- ✓ Do a checklist and screen infected people
- ✓ Daily monitor the physical condition of all crews (body temperature measurement)
- ✓ Report the adequacy of preventive facilities on board (surgical masks, hand cleansing gel, thermometer, etc.)
- ✓ Comply the temporary regulation of shore leave and sign on and off in the risk areas

The Impact of COVID-19 on Business

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Daily monitor the operation

Keep Updated COVID-19 Situation

Strictly Comply with the National Measures and the Company's

Domestic Trading *- Temporarily Affected -*

- Monitor aviation fuel and commercial fuel which impact on transportation volume
- **Keep fully utilized our assets (vessels)**

International Trading *- No Affected -*

- Time Charter contract has been engaged until Q4/2020

FSU *- No Affected -*

- All FSU vessels are under T/C contract until Q4/2020
- Chartering rate has been increasingly adjusted as demand of LSFO storage is also increasing
- **Strictly prohibit crew's sign on and off during the port**

Offshore & Ship Management *- No Affected -*

- Highly alert and comply with PRM preventive measures against the spread of COVID-19

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Q&A

THANK YOU

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