



SAHAMITR PRESSURE CONTAINER
PUBLIC COMPANY LIMITED



Opportunity Day

2020 Presentation

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4 March 2021





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SMPC Overview

02

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Agenda

01

SMPC Overview

- Profile
- Products
- Process

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40 YEARS ANNIVERSARY

THE BEST CYLINDER MANUFACTURER SINCE 1981





I. SMPC Overview : Profile



SMPC is a world leading Low Pressure Vessel manufacturer with customers in almost 100 countries



Main Products which generate major sales volume are LPG Cylinders



Established in 1981 by the "Ekahitanond" family



Listed in SET market in 1991



Production capacity 10 million cylinders per year



Located in Bangkok, Thailand
(Total area 46-1-13.9 Rai)

SMPC Received 5-Star Rating for the Corporate Governance of 2020



On November 19, 2020, Sahamitr Pressure Container Plc. (SMPC) received the highest rating, or 'Excellent' on the Corporate Governance Report (CGR) of Thai Listed Companies 2020 by the Thai Institute of Directors (IOD) in collaboration with the Stock Exchange of Thailand (SET).

Efficiency Improvement



- Rearrange warehouse area by moving finished goods warehouse to new area and renovate existing warehouse to raw materials warehouse
- Factory 2 and 3 expansion
- New Loading Area

Production Process Improvement

Solar Rooftop

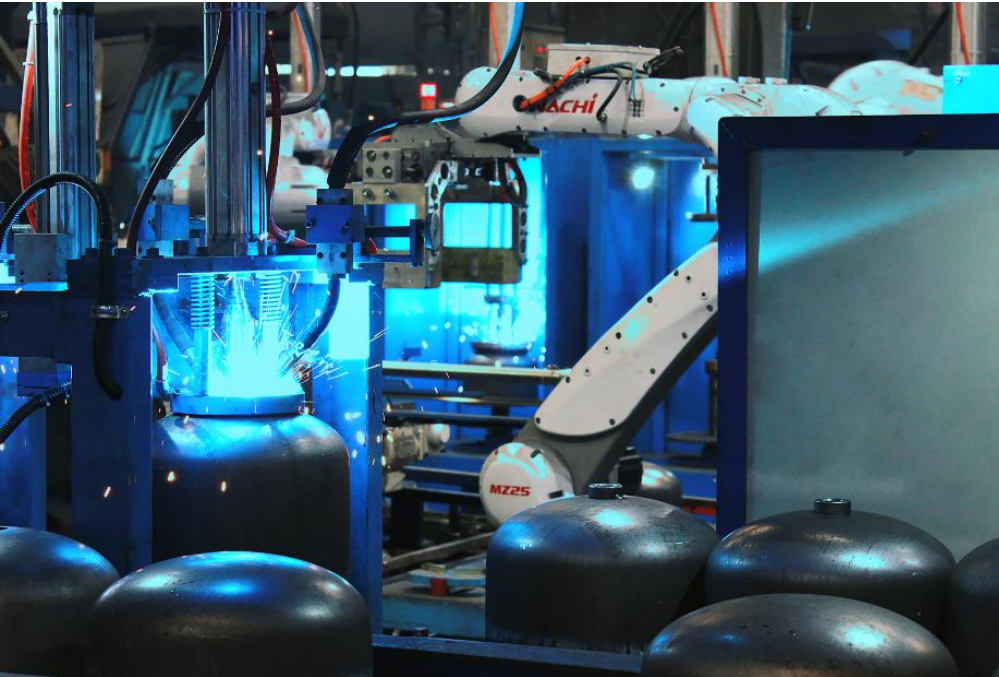


Solar Cell on Rooftop

Solar rooftop was approved by BOI and it will be ready to use in 2021

Production Process Improvement

Automated Spud Welding Line Production



Fully Automated Spud Welding Line Production in Factory 1

The Automated Spud Welding machines are initially used in Factory 1. For now, the production department has prepared to install this fully automated spud welding for all factories.



Key Milestones

“SMPC has continuously developed its business since its establishment to be one of the world-leading manufacturers in liquefied petroleum gas (LPG) cylinder business”

40 YEARS OF TRUST

1981–1991

- Established by the “Ekahitanond” family with a capacity of 6.4 million baht
- LPG cylinder production capacity approx. 60,000 cylinders per year
- In 1985 Certified TIS Standard for LPG cylinder manufacturing “Always Standard”
- Listed in the Stock Exchange of Thailand (SET)
- New production facility project at Bangkhunthien-Chaitalay Rd

1992–2002

- Operation of second factory started, production capacity increased to 2.4 million cylinders per year in 1992
- First Thai cylinder manufacturer to be accredited with ISO 9002 standard in 1995
- Annual production capacity reached 5 million cylinders in 2001

2003–2013

- Catching the Autotank market boom, SMPC was the first Thai manufacturer to be accredited with TIS 370-2009 standard for safe product of cylindrical and toroidal automotive LPG cylinders.
- Completion of factory 3, increasing the Company’s total capacity to 5.5 million cylinders per year in 2013
- Launched of new product; Light-weight cylinder

2014–2020

- SET Awards 2015 and 2017 “Best Company Performance”
- ESG100 Award from Thaipat Institute for 2016-2018 and 2020
- SET Awards 2017 “Outstanding CEO”
- Accredited the ISO 14001 standard and CAC member for Anti-Corruption Practice
- Paid-up capital increased to THB 535 million due to ESOP exercise
- Capacity increased to 10 million by end of 2018
- 5-star rating or ‘Excellent’ score on the CGR
- Launched products with ASME standard, 420lbs cylinder, which have high profit margins

2021 International Exhibitions

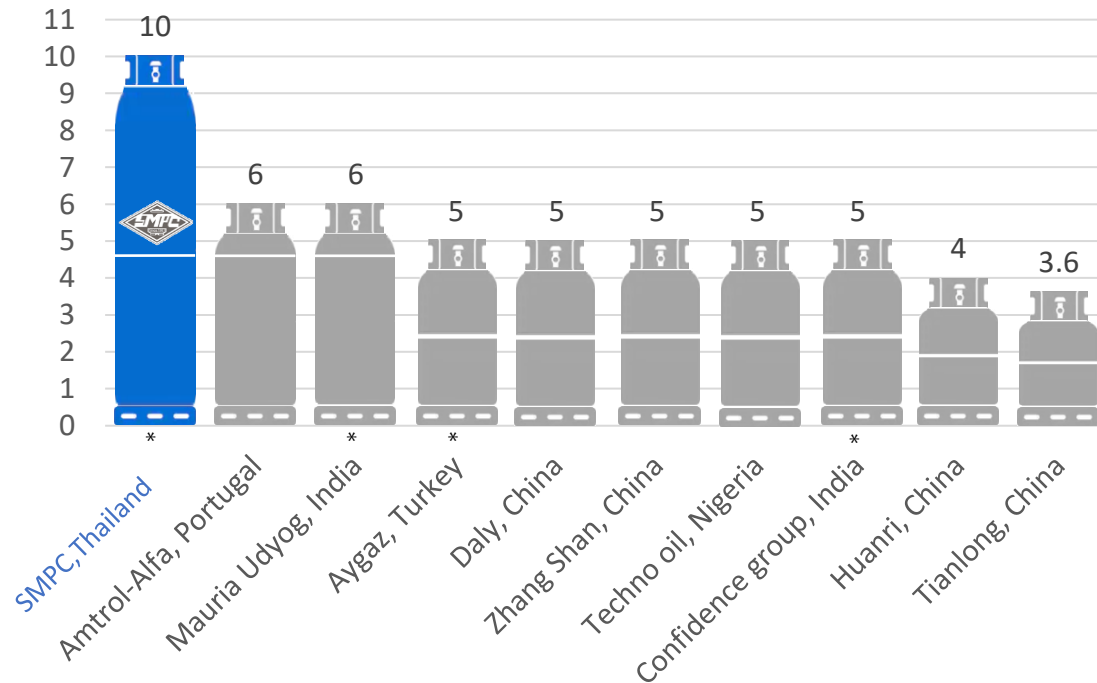


World-Class Cylinder Manufacturer

“Currently, SMPC is still maintain its marketing position as one of the Top 3 LPG cylinder manufacturers in global market with various customers based in almost 100 countries”

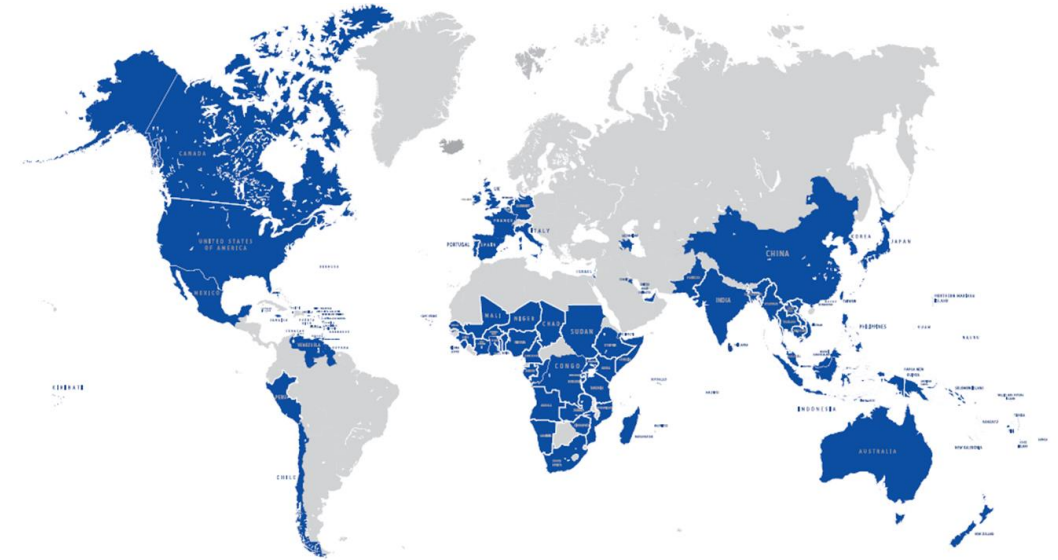
List of Top 10 Cylinder Manufacturers

* Listed company



Domestic capacity : Metal mate 1.8 M. Cyls/year, SGP+Lihn 2 M. Cyls/year

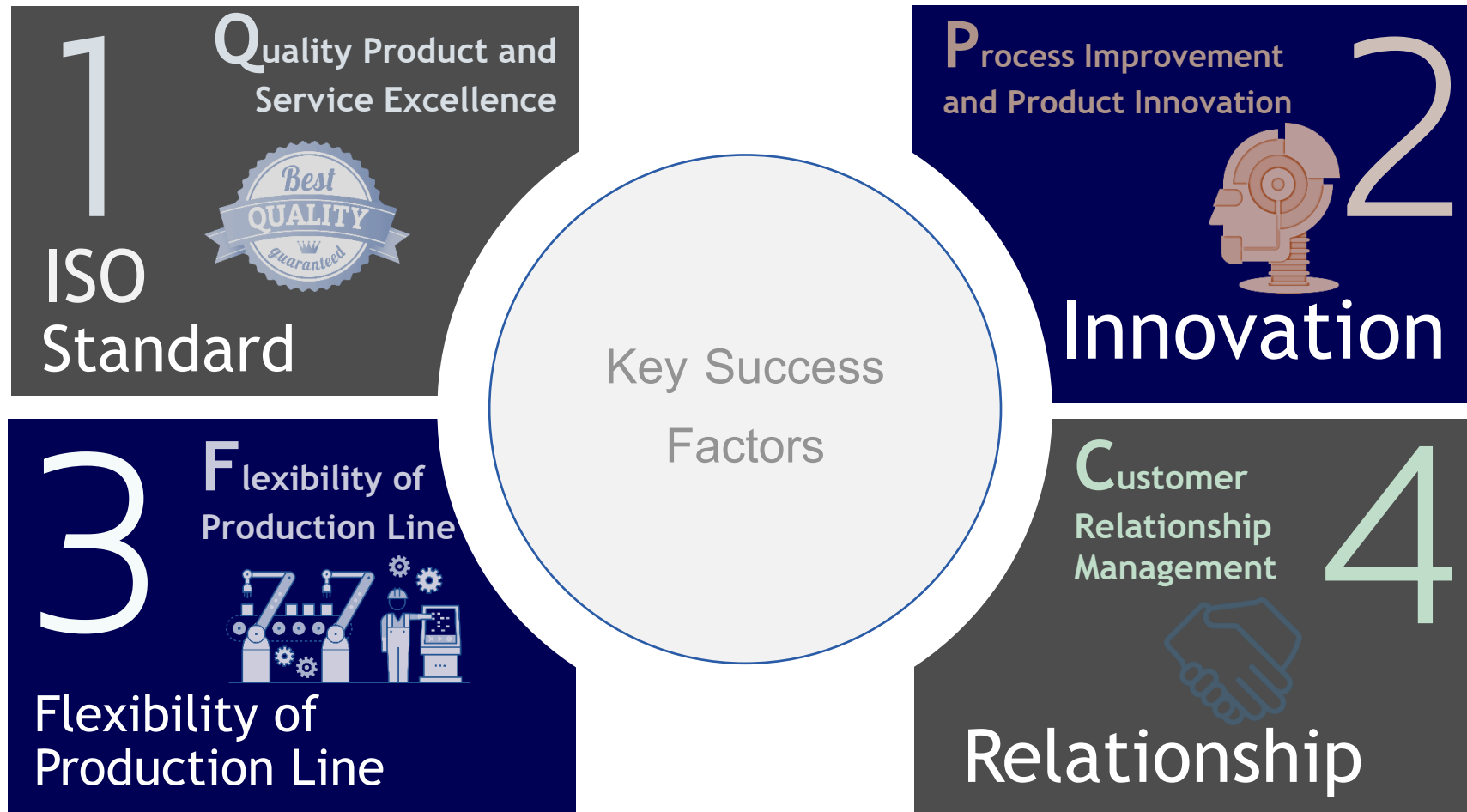
SMPC's Present in Global Market



- Currently, SMPC has capacity of 10 million cylinders per year, being one of the three largest manufacturers in the world
- More than 90% of SMPC products are exported to more than 100 countries around the world

Business Key Success Factors

“Experienced in LPG cylinder business about 40 years, SMPC, currently, is one of the world-leading manufacturer who offers variety of products and service with excellent quality assurance”



5 Megatrends Towards Sustainability for SMPC

Digitization

- Business Creativity to Widen Customer Reach
- Virtual Meeting / Virtual Workplace
- Real-Time Communication
- Digital Infrastructure for Big Data Development
- Digital Privacy & Network Security

Environment

- Solar Rooftop
- Robotic/GMAW Welding: Solid Waste Reduction
- Recirculation Painting System
- Noise/Dust/Emission Reduction Projects



Human Development

- Reskill Employees for Expanded Products & Manufacturing Process
- Collaboration
- New Ways of Learning
- Social Awareness & Environmental Responsibility

Innovation

- Continuously Develop New Products
- Widen Ranges of Additional Services
- Efficient & Safe Production Process



Automation

- Integrated Robotic-Mechanic Welding Process
- Expansion of Automation to Other Processes

Wide Ranges of Product Coverage

Household LPG Cylinder 0.45 - 300 kg.
(Water Capacity 0.9 - 1,000 lt.)



2 Piece Cylinder 0.45 - 16 kg.
(Water Capacity 0.9 - 36 lt.)

3 Piece Cylinder 18 - 300 kg.
(Water Capacity 43 - 1,000 lt.)

Automotive LPG Cylinder



Cylindrical Autogas Tanks



Toroidal Autogas Tanks

Other Cylinders



Air Receivers



Refrigerant
Cylinders



Chlorine
Cylinders



Ammonia
Cylinders



Cylinders with
Accessories

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- Overview
- Growth Opportunities
- Campaign

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About the Industry

Production



Consumption



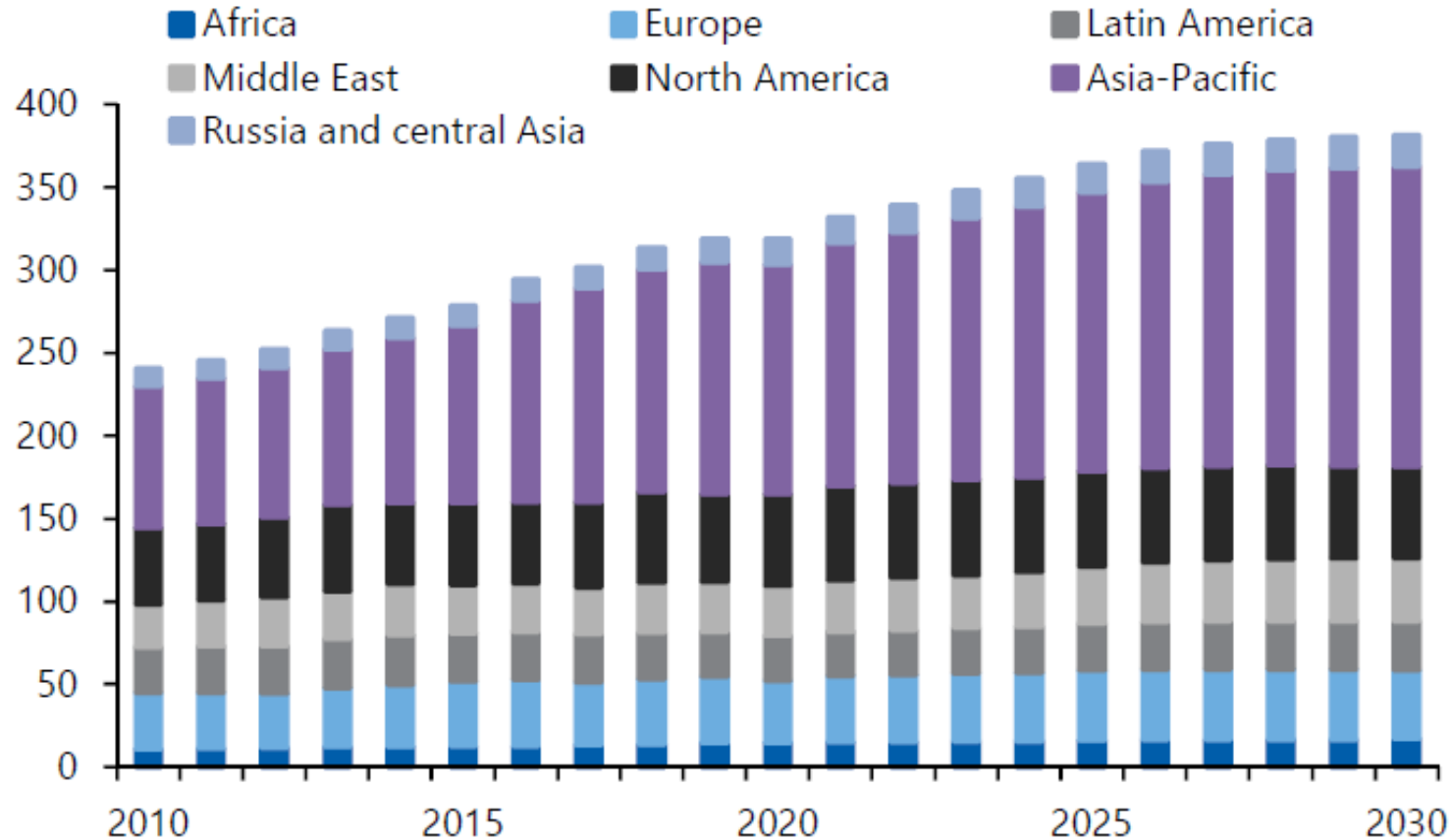
Industry Overview

Sales revenue			
continent	2019	2020	%change
Asia	21%	25%	+4%
N. America	23%	26%	+3%
S. America	0%	1%	+1%
Middle east	5%	4%	-1%

- 2020 global LPG demand dropped 2%. Still very resilience compared to other fuels. (-14% for gasoline, -7% for diesel and -10% for crude)
- LPG is expected to be growing into 2040, where main growth is expected to come from Asia Pacific, Middle East, and Africa
- In 2020-2022, LPG investment has been distributed to users who use conventional fuels (Biomass) for cooking energy. The expectation of new LPG users will occurred in an emerging markets around 100-400 million people

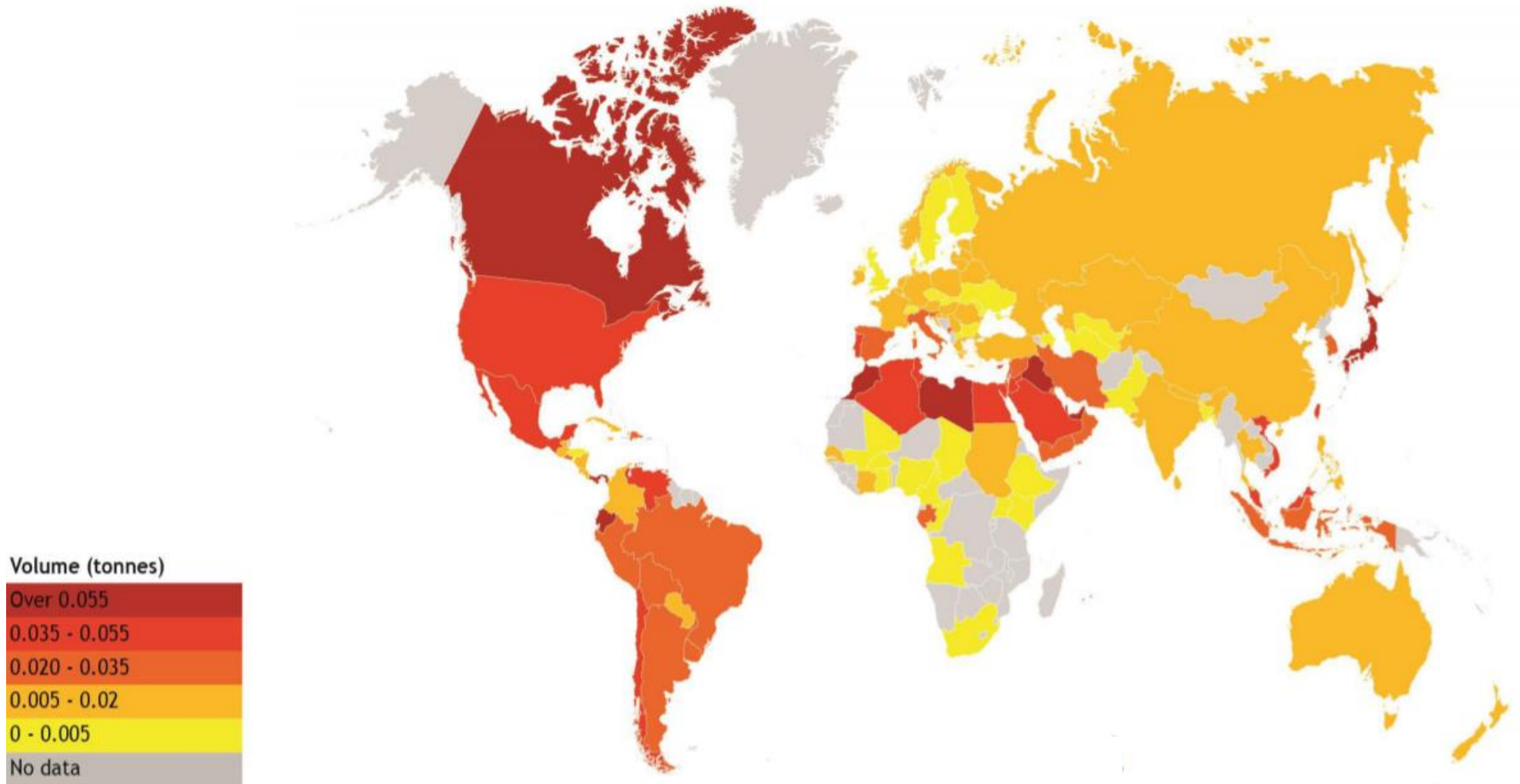
Predicted Global LPG Consumption by region 2010-30

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- Predicted global LPG consumption is gradual growth each year, in short to intermediate term, so there are opportunities for SMPC to grow.
- Thermal efficiency of LPG and transportation flexibility make LPG an excellent fuel for cooking, especially in Asia where the use of the wok demands a fierce flame

Predicted World LPG domestic consumption per capita



Room for Household LPG Demand Growth in Emerging Markets



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Financial Highlights

- Utilization Rate
- Sales Revenue
- Financial Ratios

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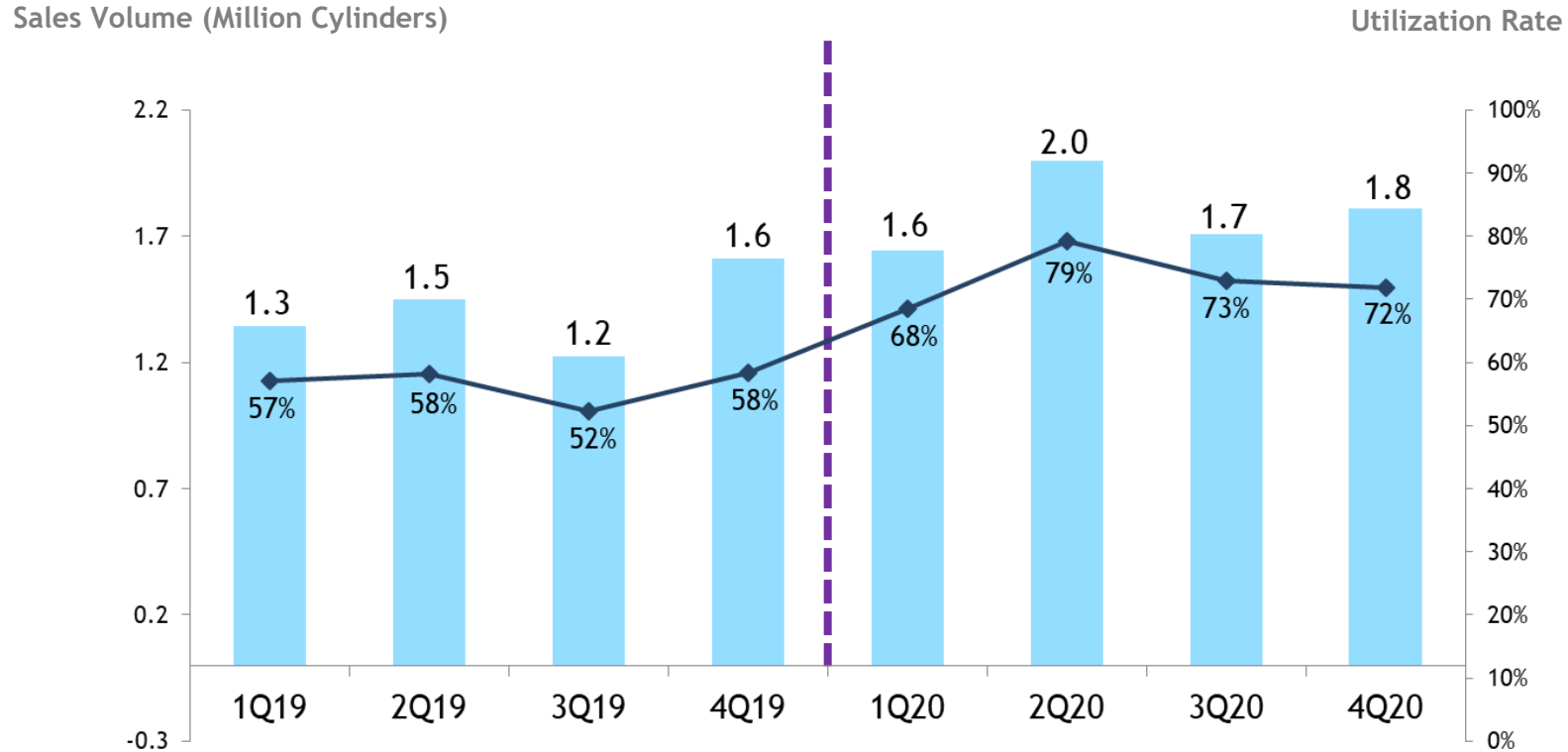
Business Outlook



III. Financial Highlights : Utilization Rate

Operational Statistics

Utilization Rate (%) 1Q19-4Q20



Capacity (million cylinder)	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20
Per Year	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0
Per Quarter	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50



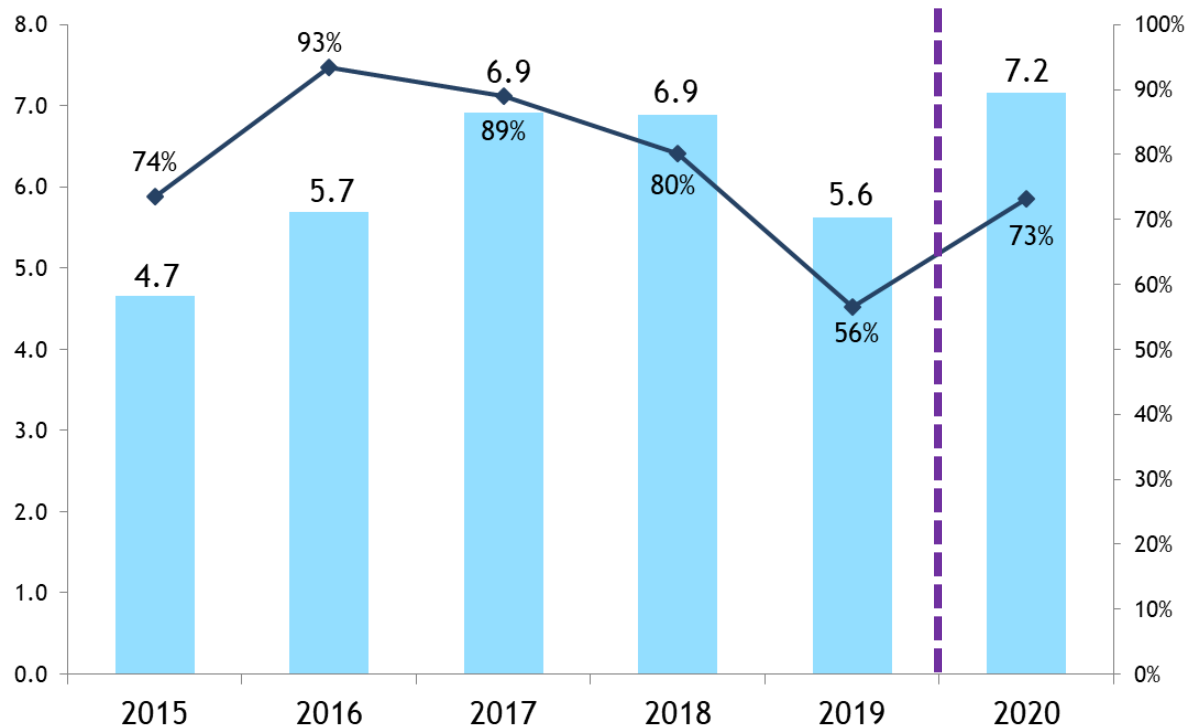
III. Financial Highlights : Utilization Rate

Operational Statistics

Utilization Rate (%) 2015-2020

Sales Volume (Million Cylinders)

Utilization Rate



- Sale Volume of 2020 increased from prior year because high demand from Customers in South Asia and Africa. Moreover, trade war between the U.S. and China caused more purchases from U.S. customers

Capacity (million cylinder)	2015	2016	2017	2018	2019	2020
Per Year	6.2	6.2	7.7	8.7	10.0	10.0
Per Quarter	1.55	1.55	1.93	2.16	2.50	2.50

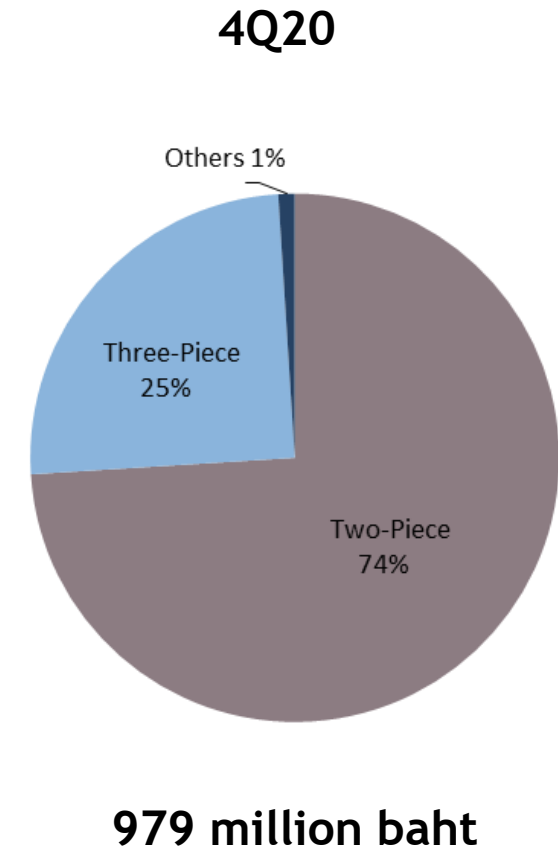
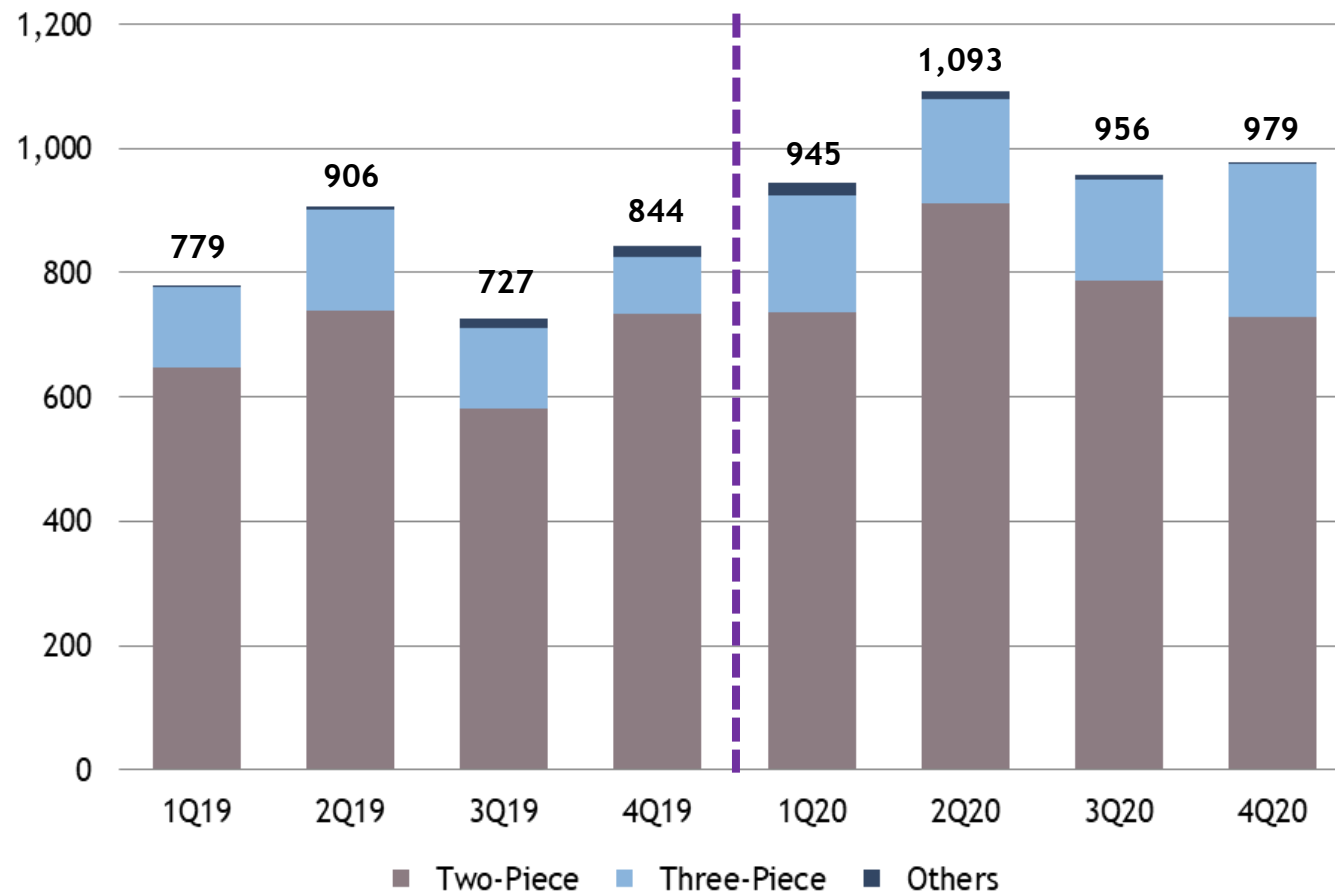


III. Financial Highlights : Sales Revenue

Operational Statistics (Cont'd)

Sales Revenue by Product Category : 1Q19-4Q20

Sales Revenue (Million Baht)



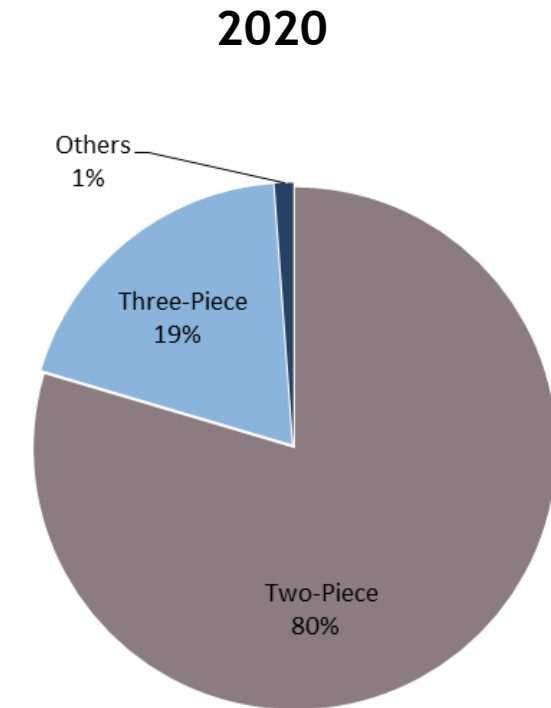
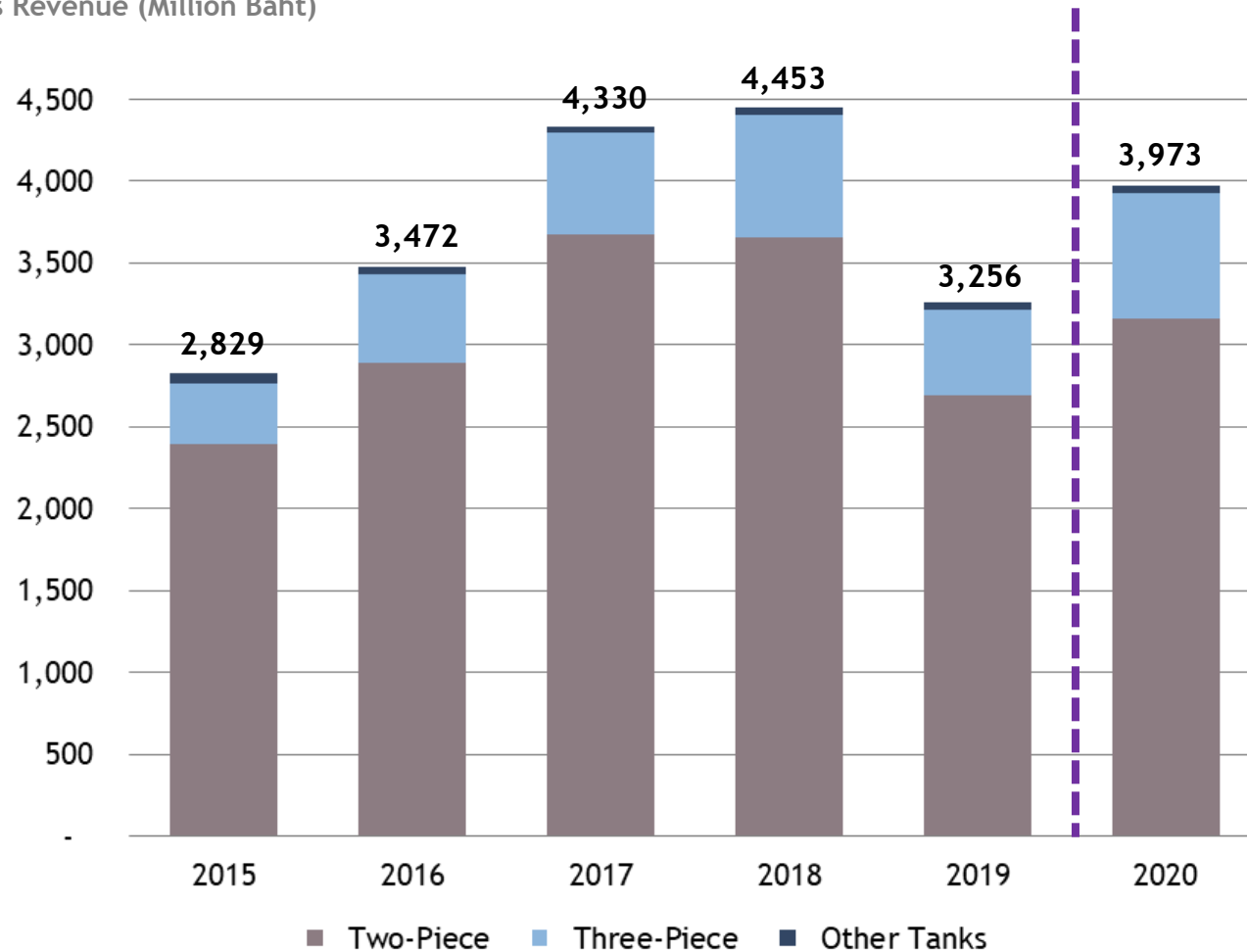


III. Financial Highlights : Sales Revenue

Operational Statistics (Cont'd)

Sale Revenue by Product Category : 2015 -2020

Sales Revenue (Million Baht)



3,973 million baht

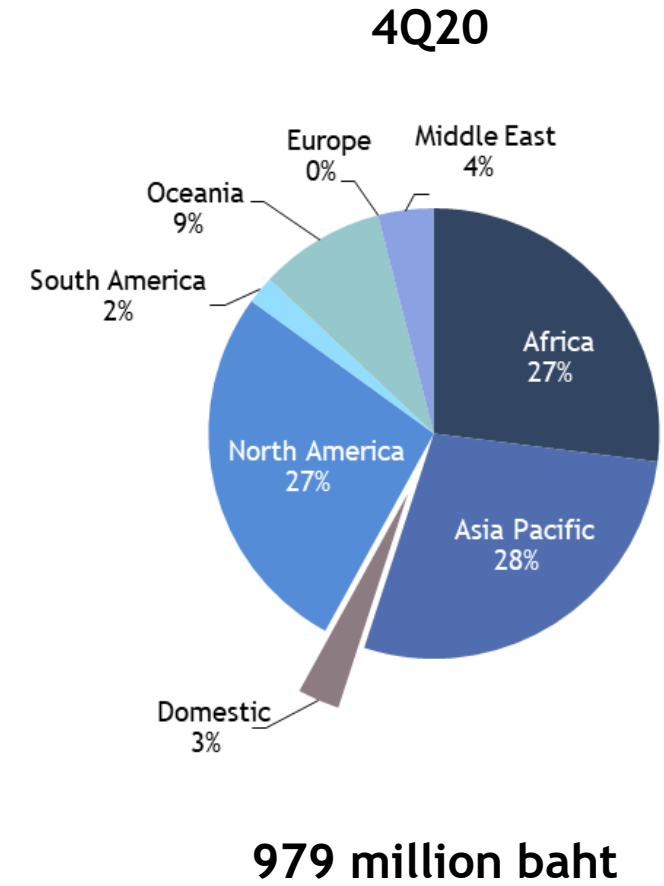
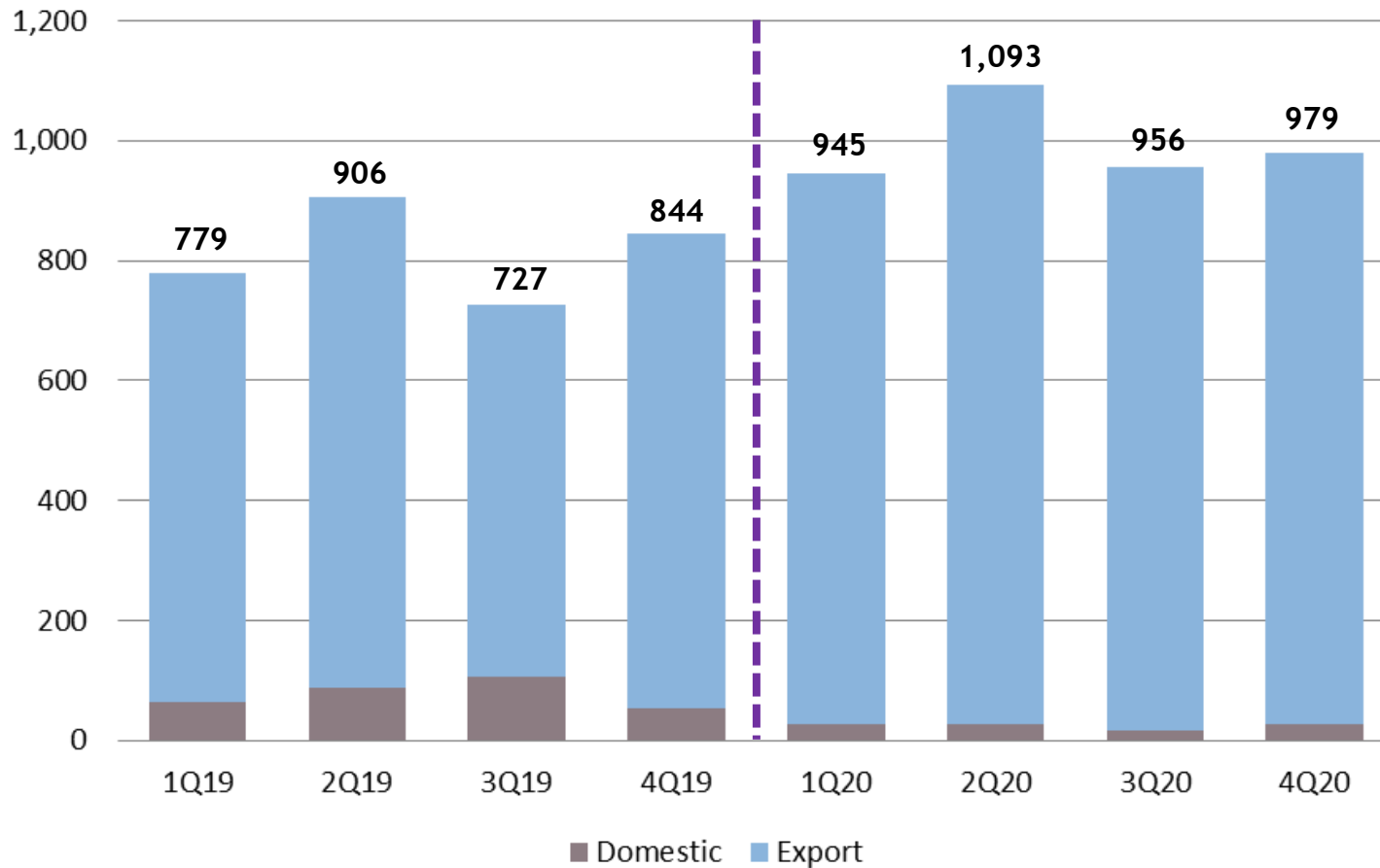


III. Financial Highlights : Sales Revenue

Operational Statistics (Cont'd)

Sales Revenue by Geography : 1Q19 - 4Q20

Sales Revenue (Million Baht)

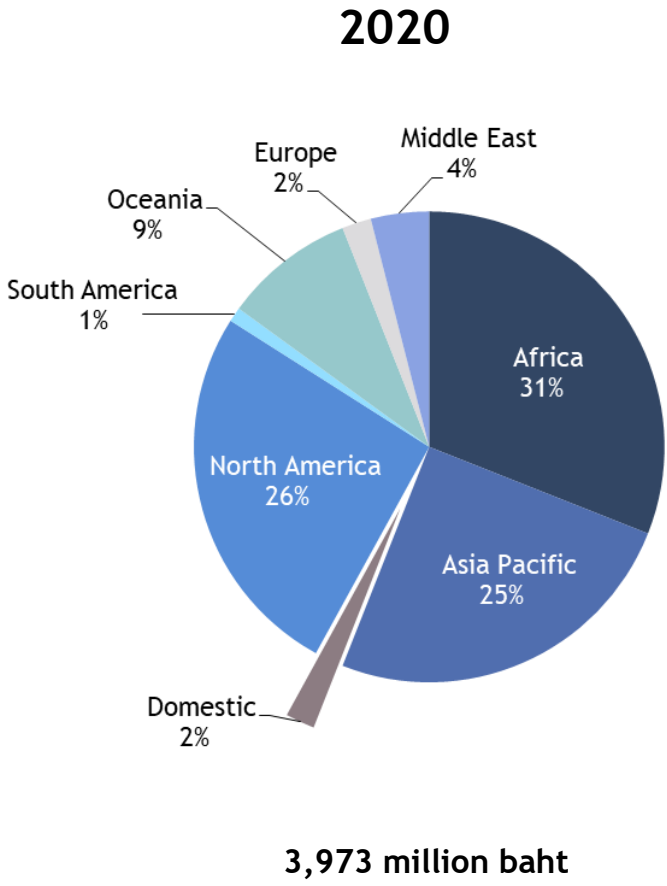
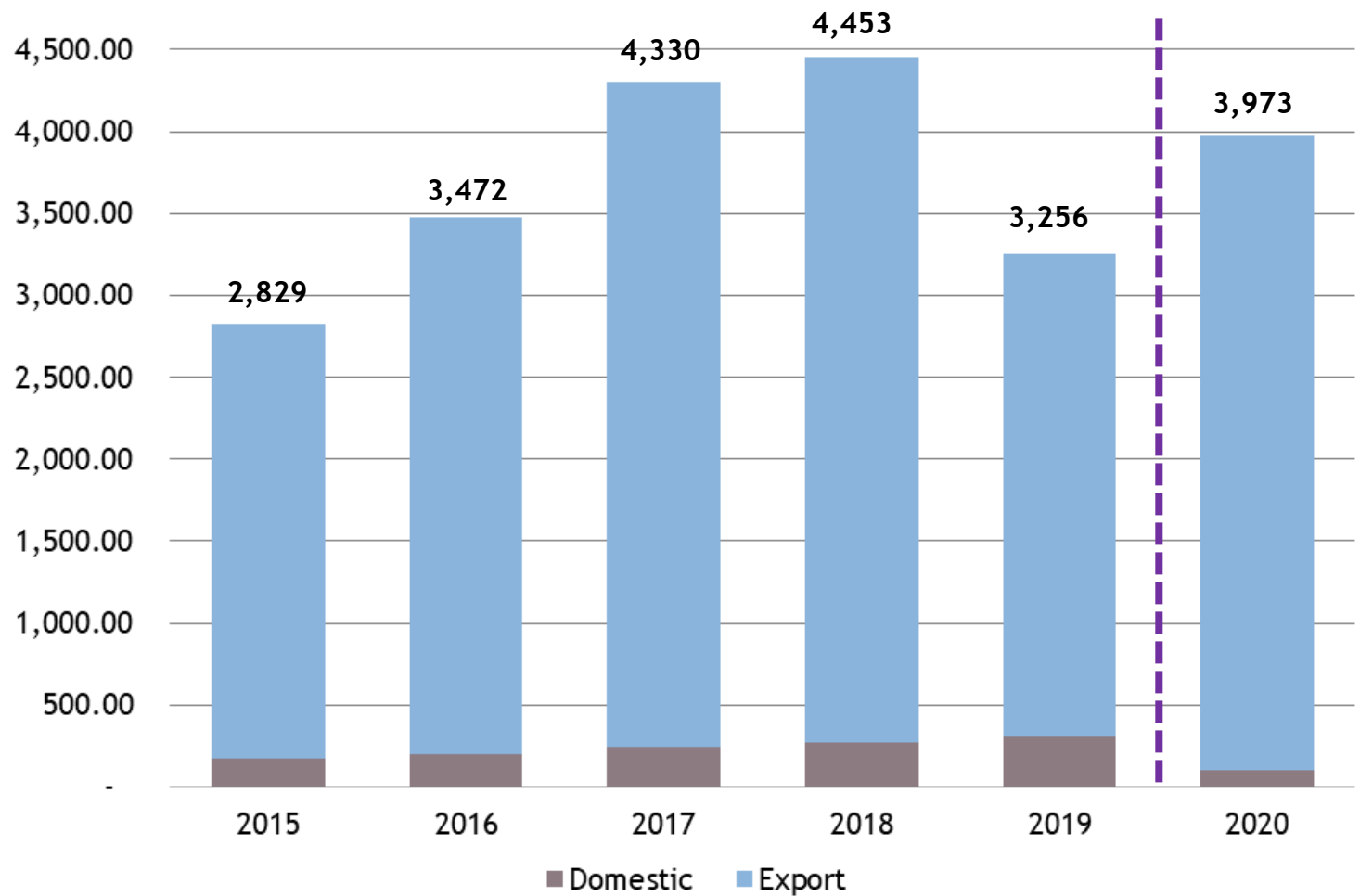


- Asia, North America and Africa are the major customers.

Operational Statistics (Cont'd)

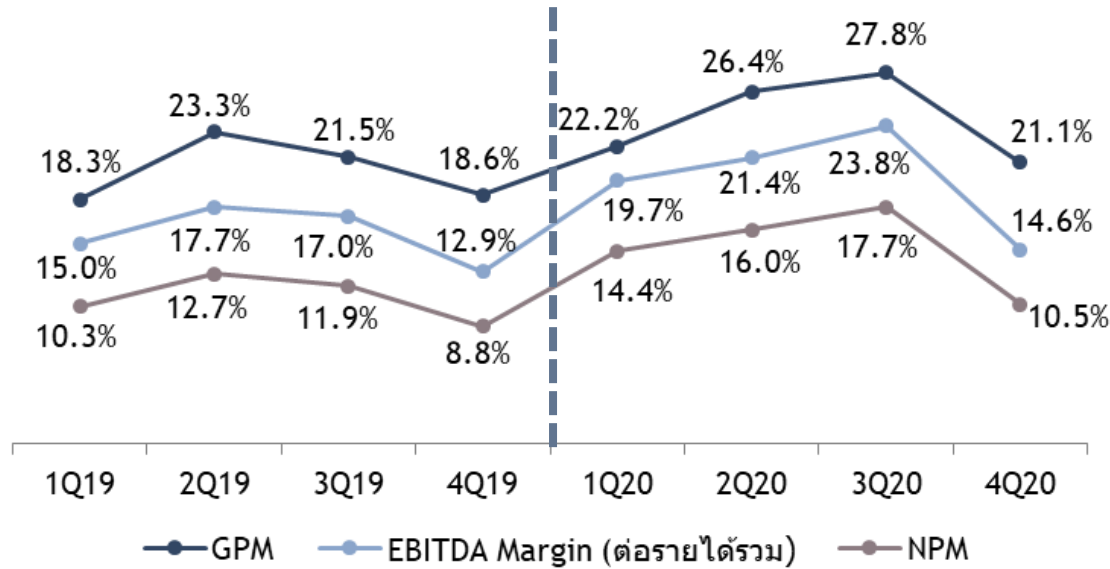
Sales Revenue by Geography : 2015 - 2020

Sales Revenue (Million Baht)

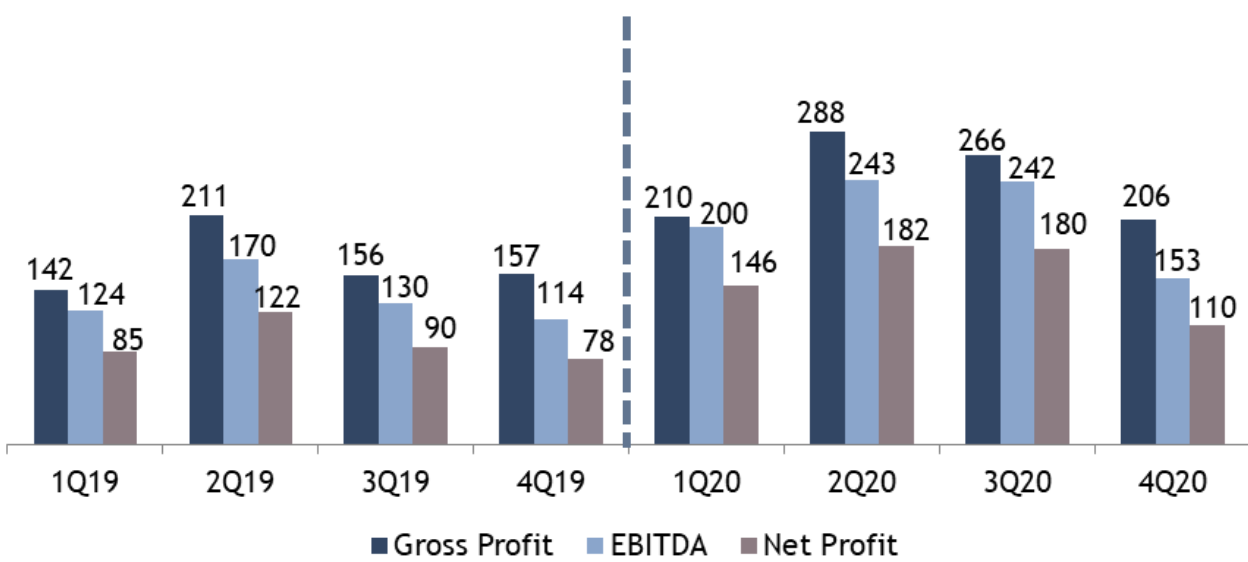


Operational Statistics (Cont'd)

GPM, EBITDA Margin and NPM (%) 1Q19-4Q20



Gross Profit, EBITDA and Net Profit (MB) 1Q19-4Q20

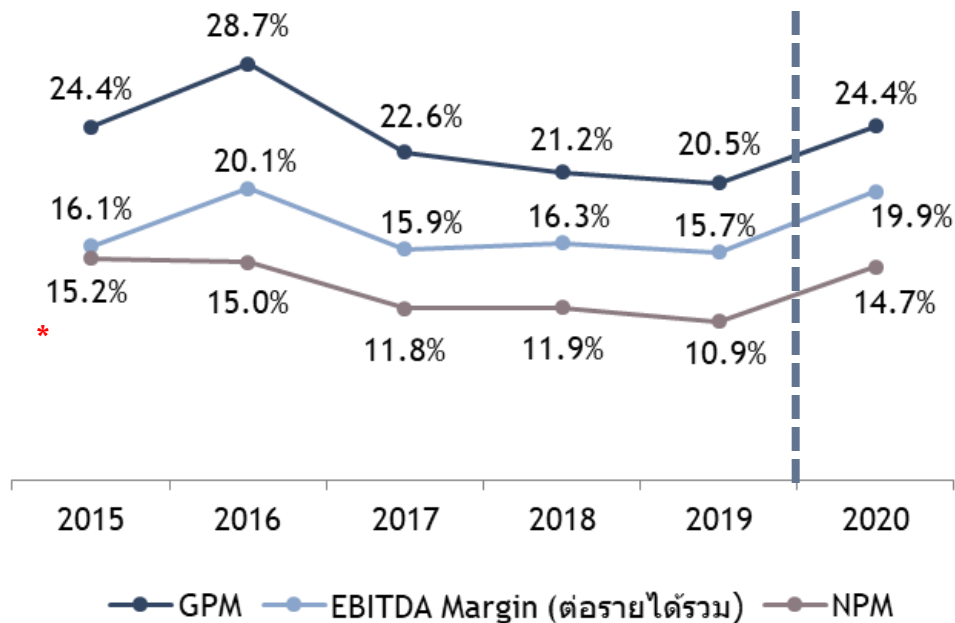


- Compare to prior period, GPM, EBITDA Margin and NPM of 4Q20 decreased because Baht Currency is stronger 2% and cost of steel increased by 5%

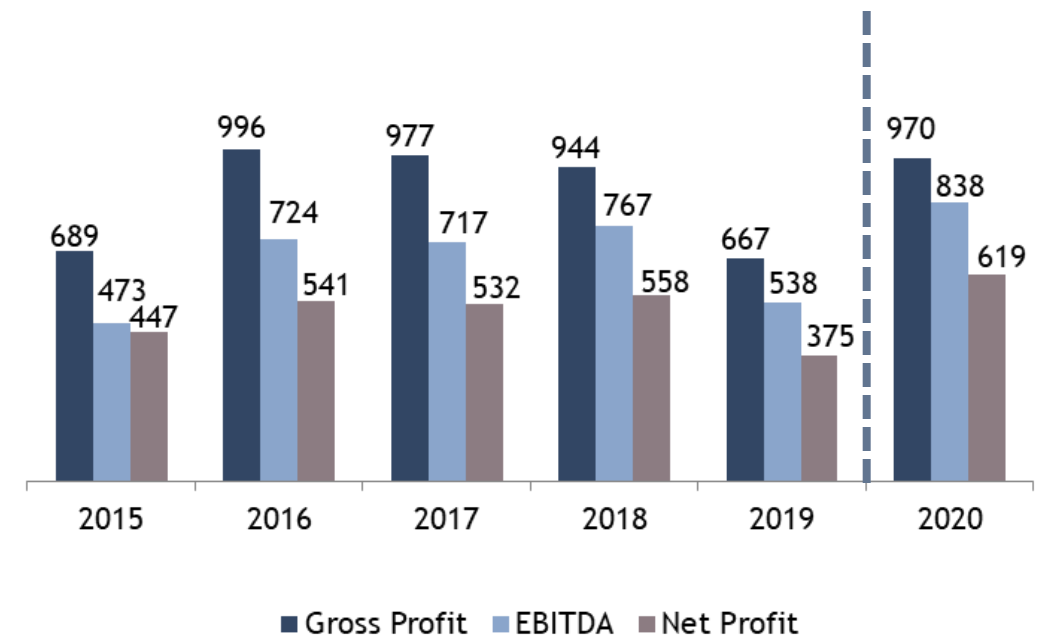
III. Financial Highlights : Financial Ratios

Operational Statistics (Cont'd)

GPM, EBITDA Margin and NPM (%) 2015-2020



Gross Profit, EBITDA and Net Profit (MB) 2015-2020

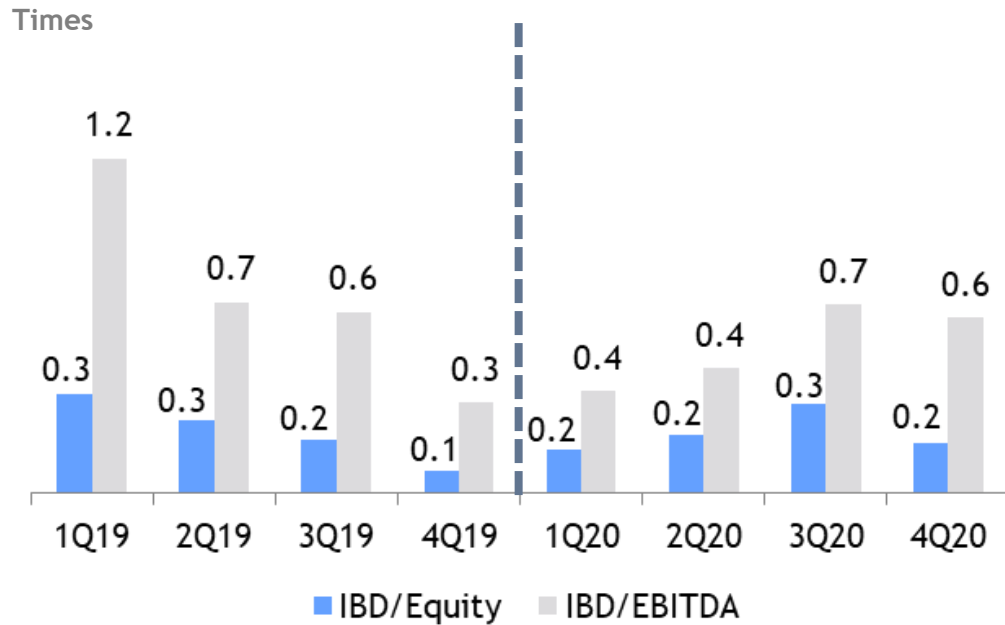


- Compare to prior year, GPM, EBITDA Margin and NPM of 2020 increased because Baht Currency is weaker 1% and cost of steel decreased by 14%

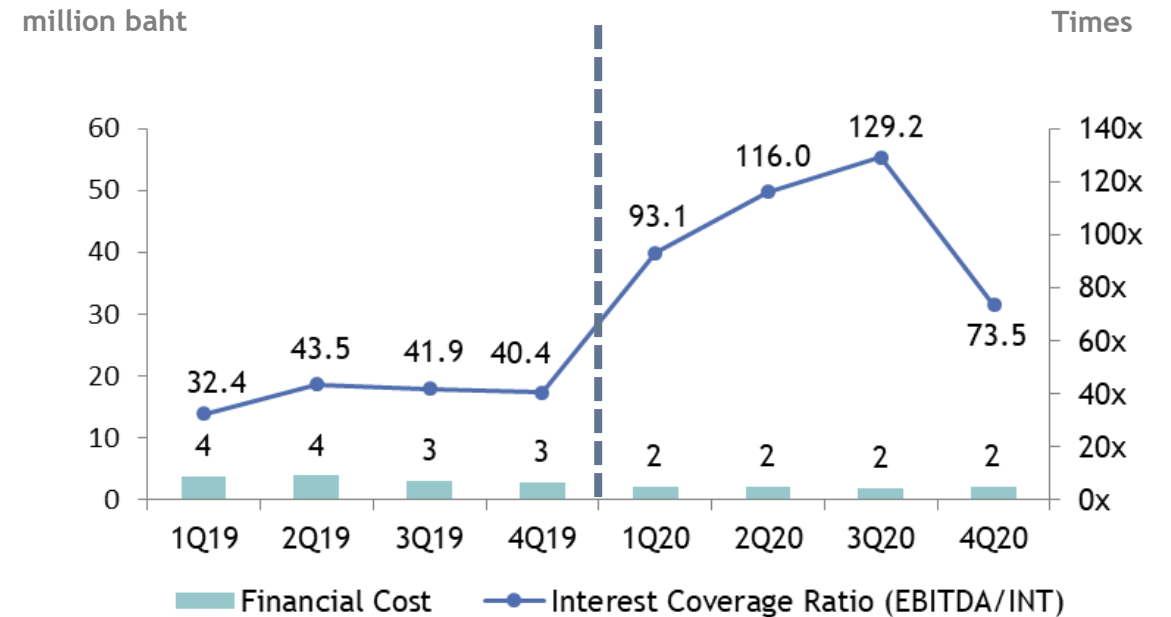
Remarks * NPM of 2015 (NO DTA) = 11%

Operational Statistics (Cont'd)

IBD* to Equity Ratio, IBD* to EBITDA Ratio (times)
1Q19-4Q20



Financial Cost (million baht),
Interest Coverage Ratio (times) 1Q19-4Q20



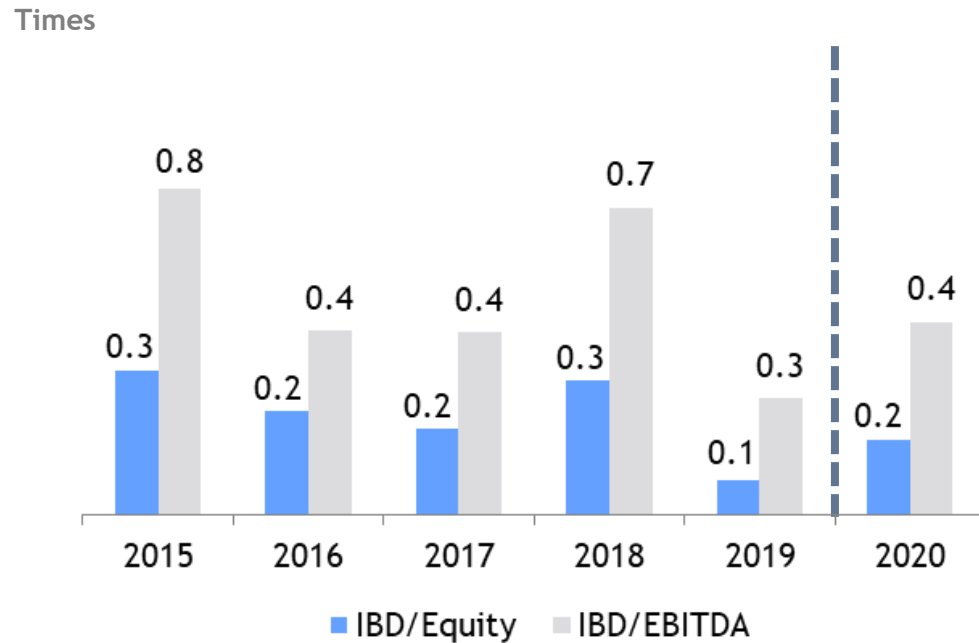
- Interest Coverage Ratio of 4Q20 is less than prior period because an decrease in EBITDA due to a decrease in profitability and more SG&A expenses

Remarks * IBD = Interest Bearing Debt

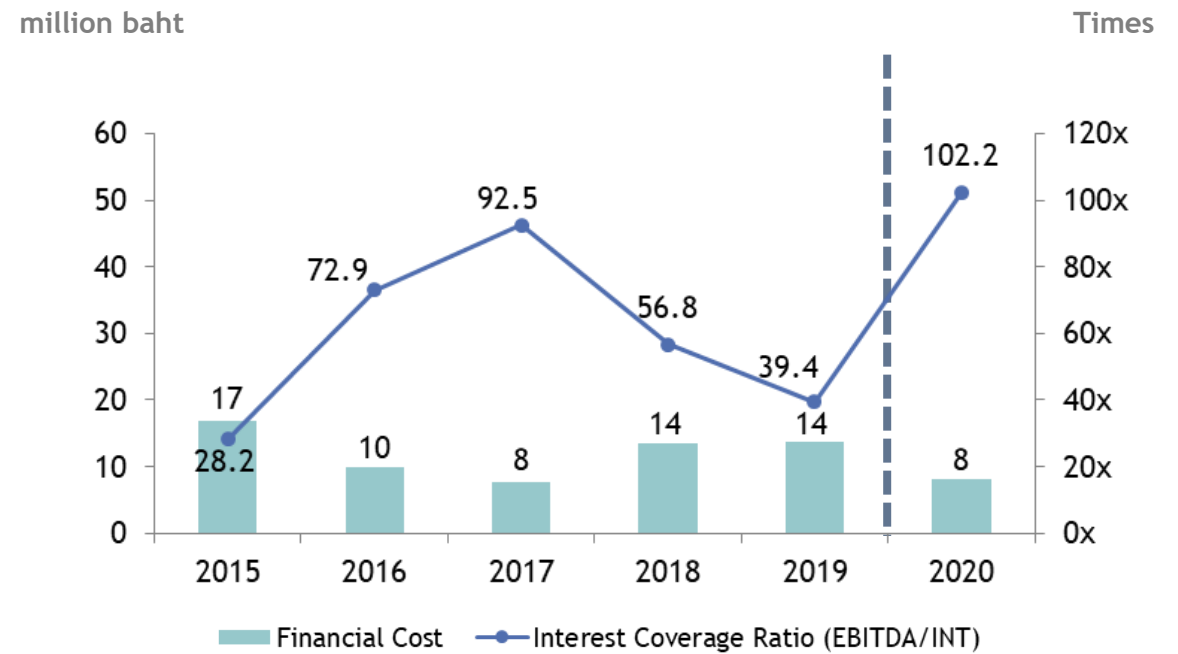
III. Financial Highlights : Financial Ratios

Operational Statistics (Cont'd)

IBD* to Equity Ratio, IBD* to EBITDA Ratio (times) 2015-2020



Financial Cost (million baht), Interest Coverage Ratio (times) 2015-2020



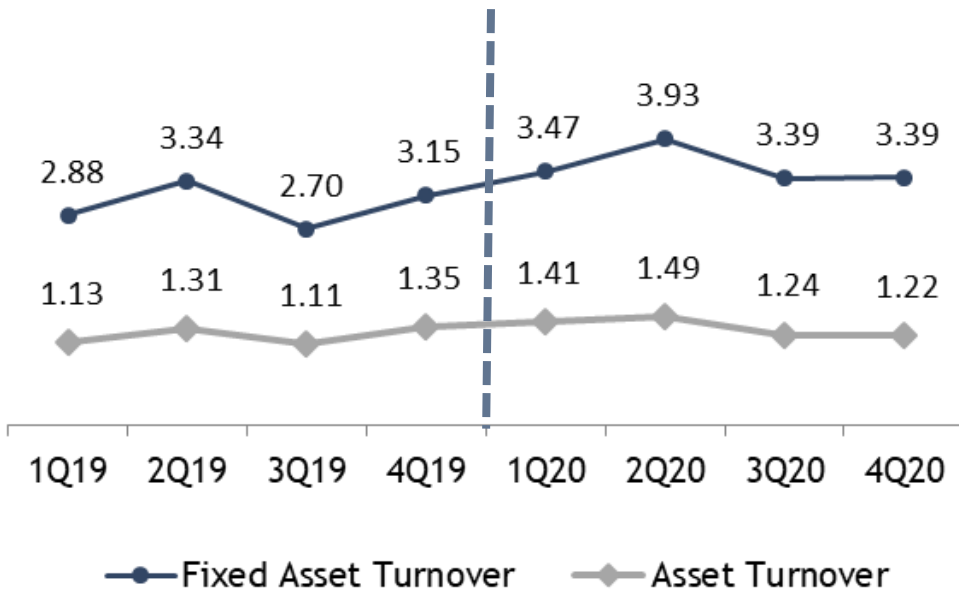
- Interest Coverage Ratio of 2020 is higher than prior period because an increase in EBITDA due to an increase in sales and better profitability

Remarks * IBD = Interest Bearing Debt

Operational Statistics (Cont'd)

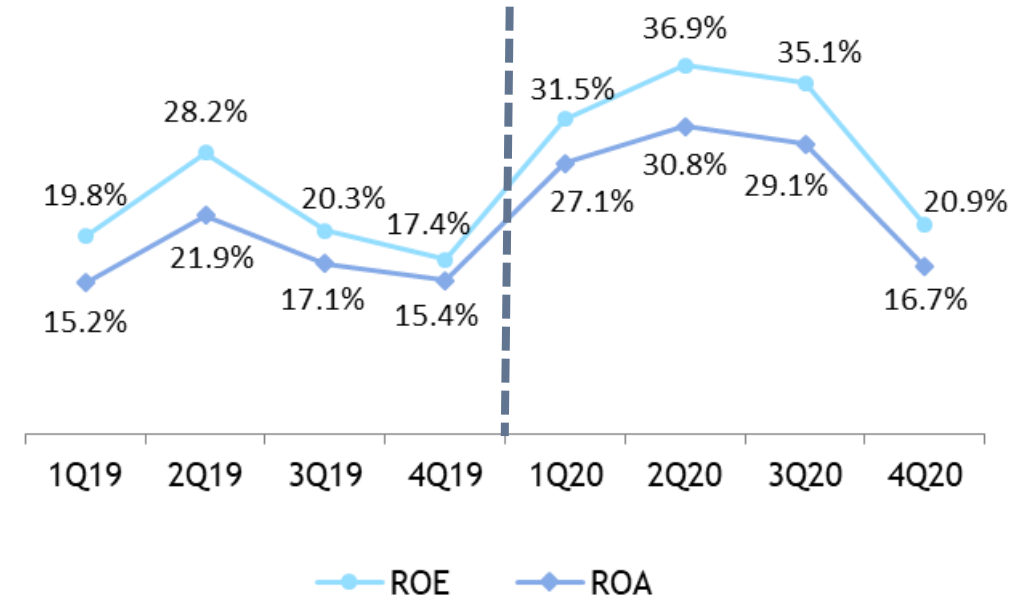
Fixed Asset Turnover and Asset Turnover (Times)

1Q19-4Q20



ROE and ROA (%)

1Q19-4Q20

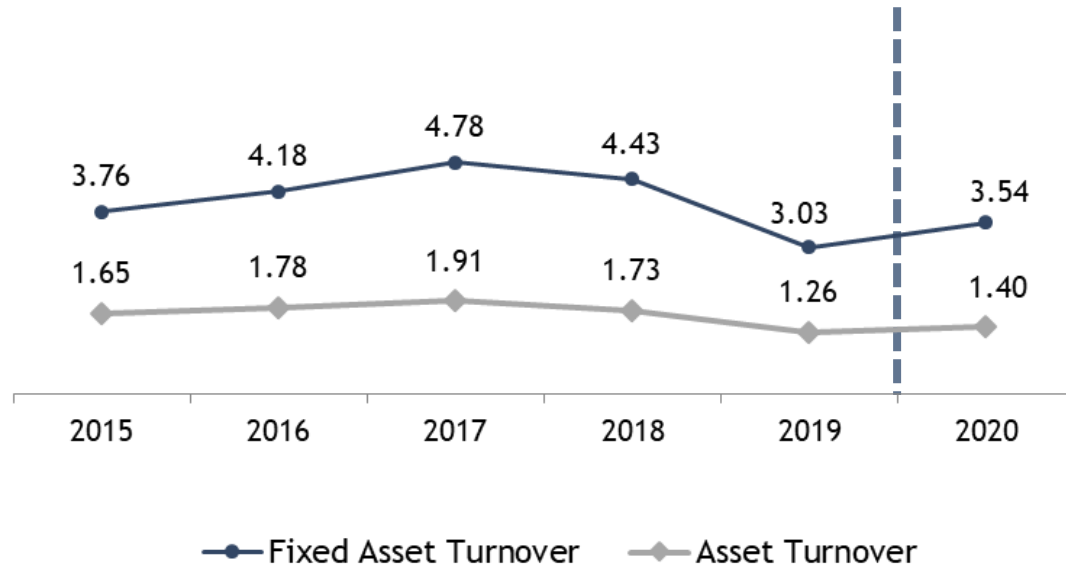


- ROE and ROA of 4Q20 decreased from prior period because of a decrease in net income for the period from stronger value of Baht currency and an increase in cost of raw material (steel)

Operational Statistics (Cont'd)

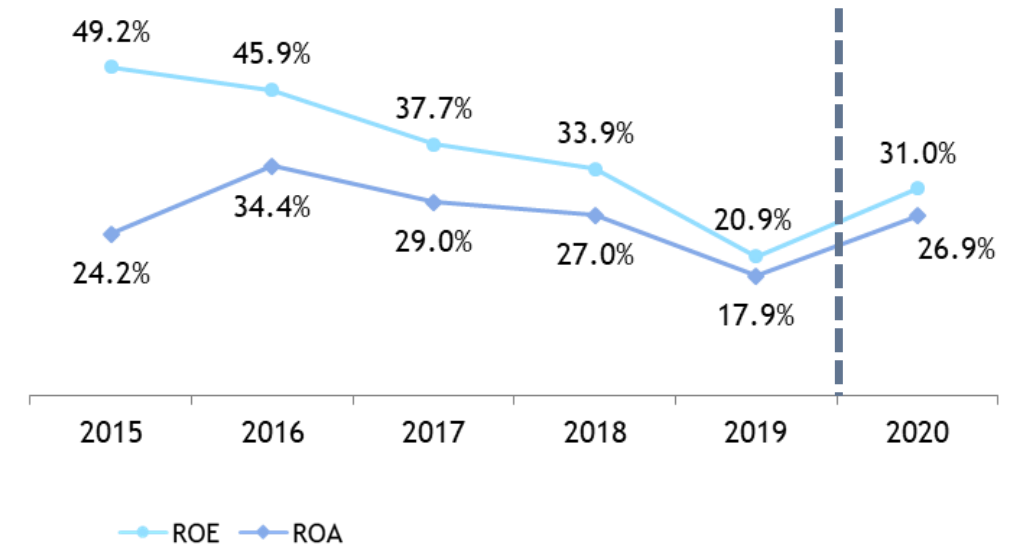
Fixed Asset Turnover and Asset Turnover (Times)

2015-2020



ROE and ROA (%)

2015-2020

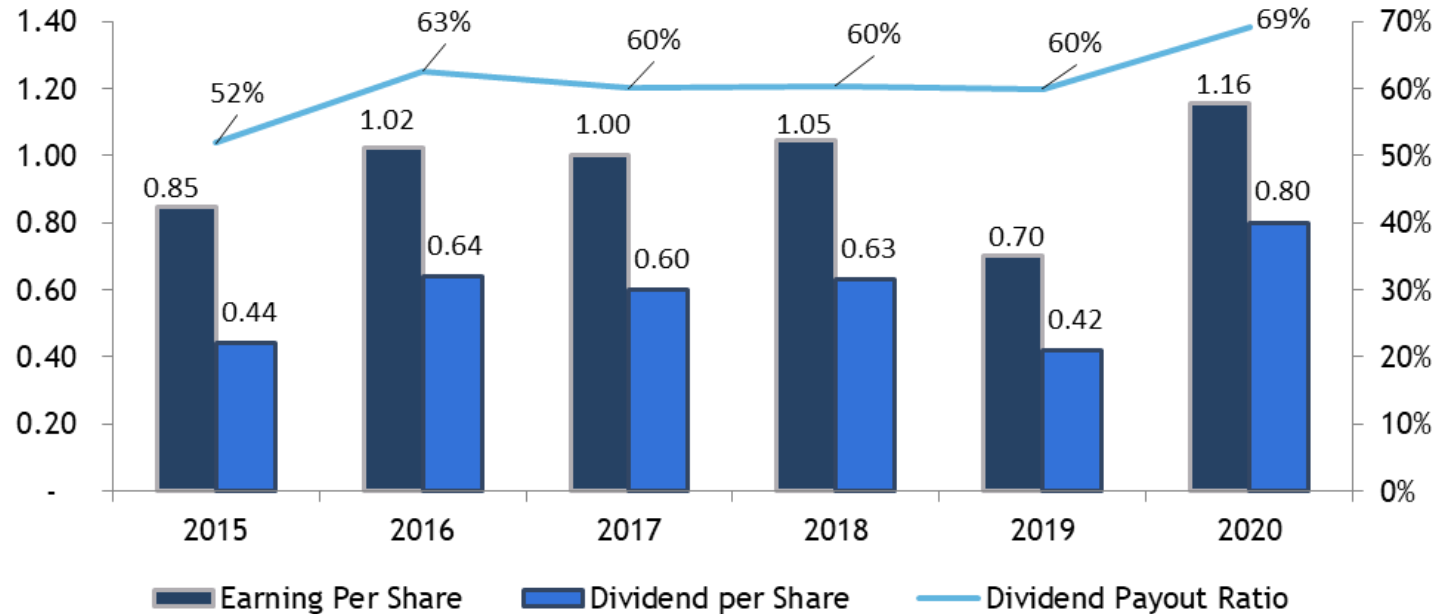


- Asset Turnover of 2020 is higher than prior year because the company keep cash as working capital and inventory increased from raw material for future orders
- Fixed Asset Turnover of 2020 is higher than prior year due to additional investments in Factory Building, Finished goods warehouse and machines (Robot and Solar Roof)
- ROE and ROA increased from prior year because of an increase in net income for the year



III. Financial Highlights : Dividend

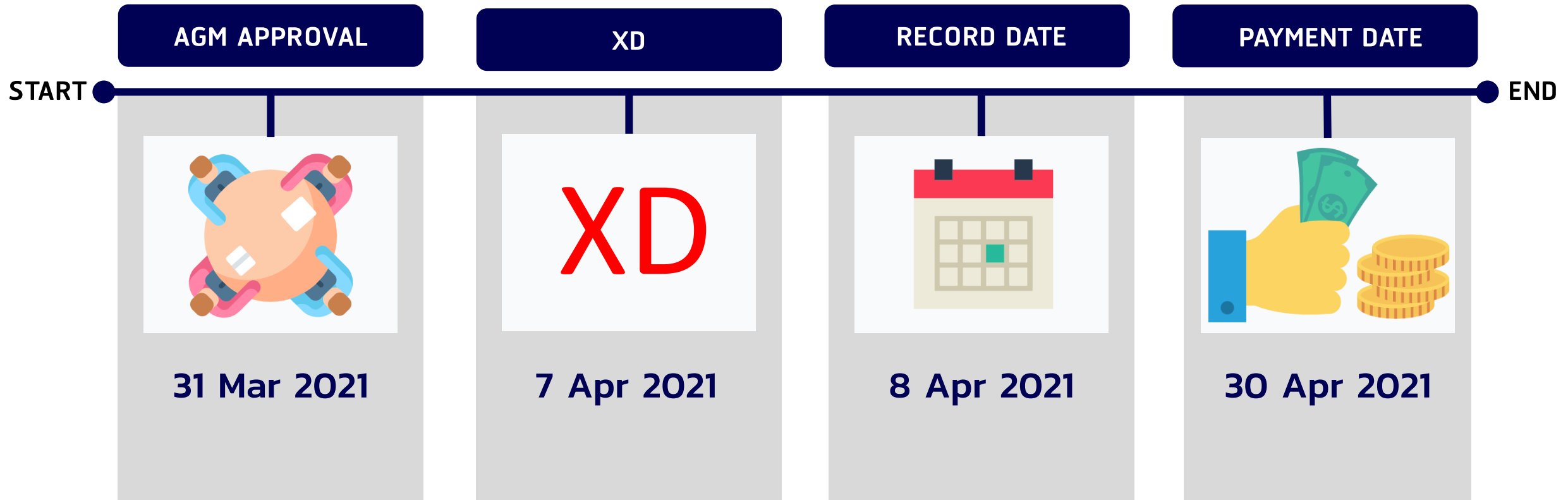
Dividend Payment History



	2014	2015	2016	2017	2018	2019	2020
FS publication day	12/02/2015	11/02/2016	15/2/2017	14/2/2018	12/02/2019	21/02/2020	15/02/2021
Price per share	7.58	11.00	16.60	13.40	12.10	5.65	11.70
Dividend per share	0.35	0.44	0.64	0.60	0.63	0.42	0.80
Earning Per Share	0.59	0.85	1.02	1.00	1.05	0.70	1.16
Dividend Yield per year	4.6%	4.0%	3.9%	4.5%	5.2%	7.4%	6.8%
Dividend Amount (MB)	163.89	231.84	338.62	319.18	337.37	224.91	428.41
Dividend Payout Ratio	59%	52%	63%	60%	60%	60%	69%

Waiting for AGM
approval 31 Mar
2021

DIVIDEND PAYMENT TIMEFRAME





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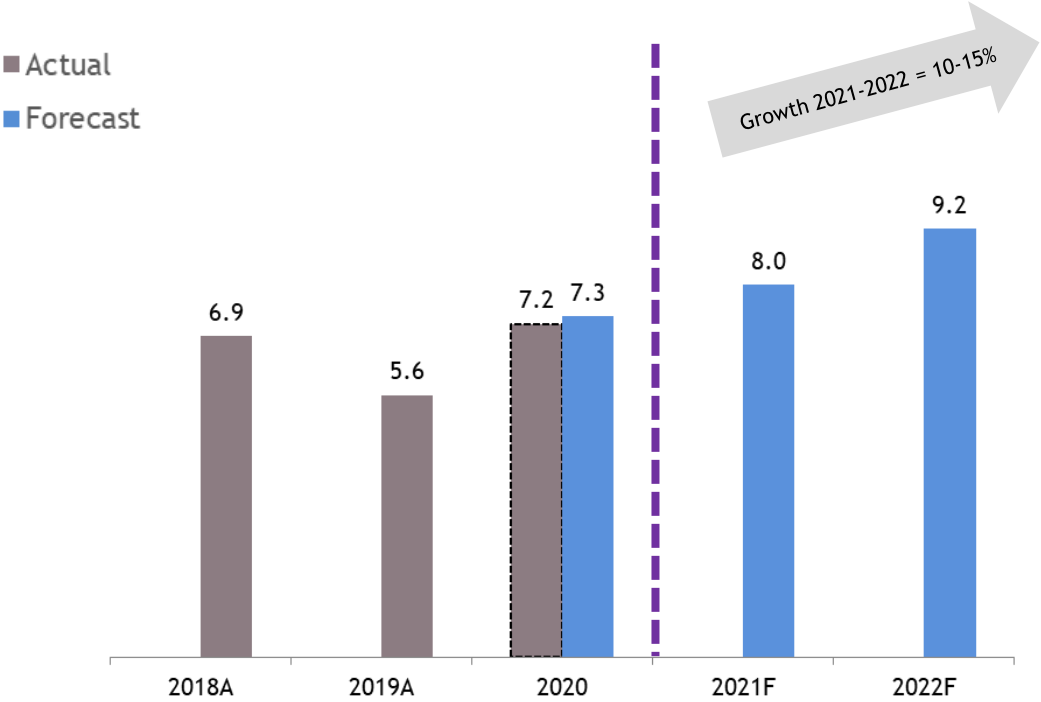
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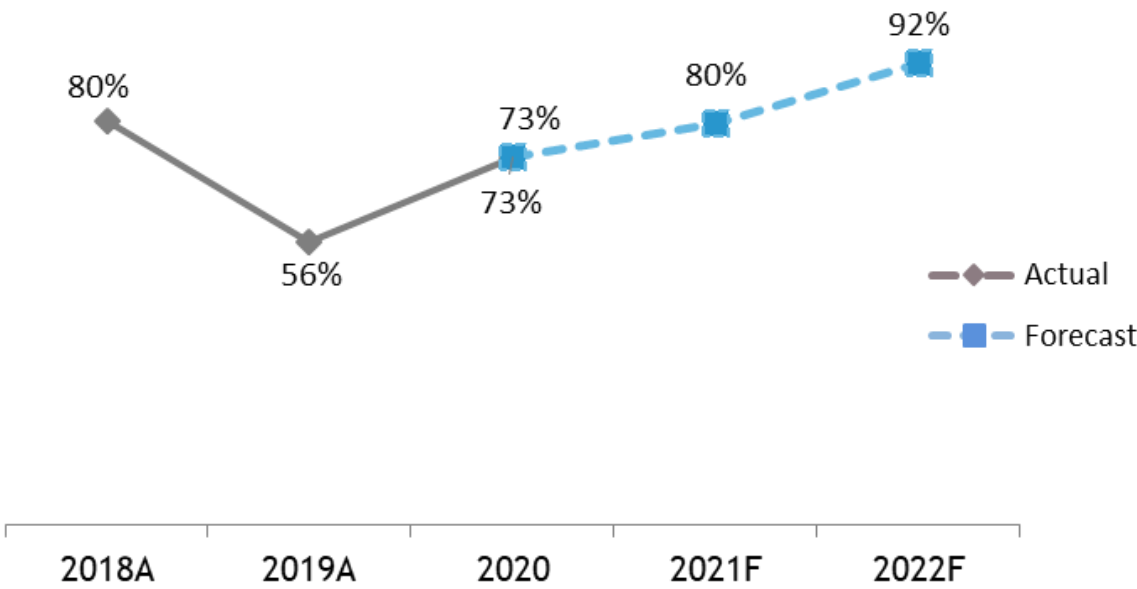
IV. Business Outlook

2021 Target and Future Growth Strategy

Projected Sales Volume (million cylinders)



Projected Utilization (%)



Capacity (million cylinder)	2011-2013	2014	2015-2016	2017	2018	2019-2020	2021	F2022
Per Year	5.0	5.5	6.2	7.7	8.7	10.0	10.0	10.0
Per Quarter	1.25	1.38	1.55	1.93	2.16	2.50	2.50	2.50



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