



SAHAMITR PRESSURE CONTAINER  
PUBLIC COMPANY LIMITED



# Opportunity Day

YE2021 Presentation

Presented by: Mr. Surasak Urpsirisuk  
Mrs. Patama Laowong  
Mr. Jerawut Laowong  
Miss Kanya Vipanut

28 February 2022





# Agenda

- 01 SMPC Overview
- 02 Industry Overview
- 03 Financial Highlights
- 04 Business Outlook



SMPC is a world leading Low Pressure Vessel manufacturer with customers more than 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)

## Feedback from Our Valued Customers Worldwide...



**Average Overall  
Satisfaction Score  
4.3 out of 5**

In 2021, we have received valuable feedback from our customers in 33 countries worldwide, including from Africa, Asia, Australia & Oceania, Europe, North America, and South & Central America.

## Key Areas of Recognition



The highest number of our respondents' trust in our **“Product Quality”**.



**Good Customer Service & Relationship** received 2<sup>nd</sup> highest rank for the recognition.



**Reasonable Price** rounding the top 3 reasons to purchase from SMPC.

## Customers' Testimonials:

“... Good quality, employees are very professional and always available”

“... Have been dealing with you all since 2001 and your quality of product is high with reasonable pricing”

“... Big production capacity and engineering versatility”

“... Service quality, honesty and integrity”

“... The best product at a competitive price”

“... Good relationship and excellent quality”

# Continuous Improvements

Thanks to our customers' feedback, we will continue to improve in these key areas...

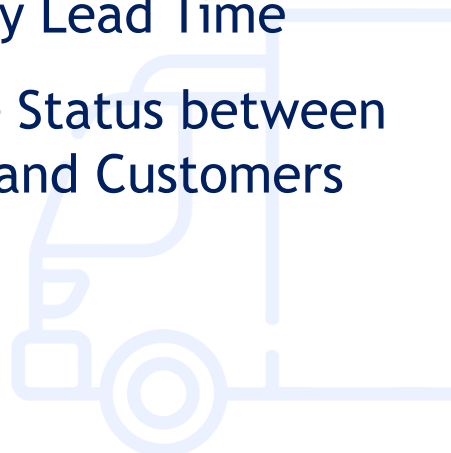
## Product

- Continue to Deliver Excellent Products that Help Our Customers' Business
- Invest in High Efficiency Machines & Improve Our Manufacturing Process



## Delivery

- Work with Our Customers and Our Supply Chain to Address Demand & Delivery Lead Time
- Update Status between Teams and Customers



## Communication

- Providing Accurate and Timely Information to Customers
- Communicate with Customers to Improve Products & Services





## Awards and Recognition 2021



November 03, 2021

SMPC received SET Awards 2021:

- Outstanding CEO Award, and
- Outstanding Company Performance Award





## Awards and Recognition 2021



*October 26, 2021*

SMPC received 5-Star Corporate Governance Score or “Excellent” for 2nd consecutive year in the Corporate Governance Report of Thai List Companies: CGR (2021) by the National CG Committee.



*June 01, 2021*

SMPC was selected in the ESG100 group of public companies in Thailand stock market with outstanding Environmental, Social, and Governance performance in 2021 for the 5<sup>th</sup> time and two consecutive years.

## 2021 Production Process Improvement

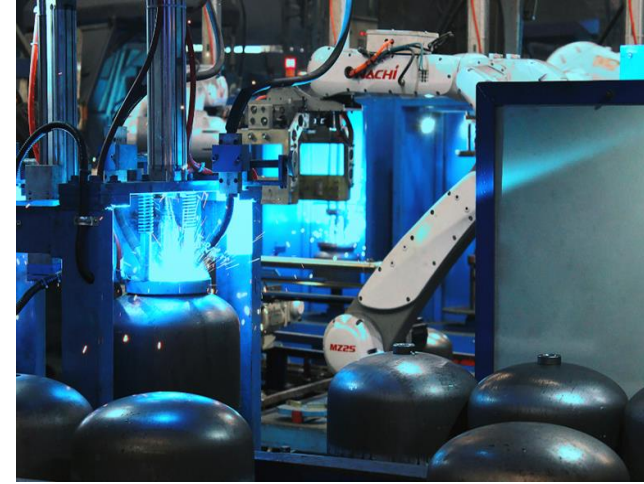
### *Factory 4 expansion*

Working space expanded and machines in factory 3 for ASME cylinders production, construction completed in May 2021.



### *Fully Automated Spud Welding Line Production*

The Automated Spud Welding machines are initially used in Factory 1 and 2. Now, the production department has prepared to install this fully automated spud welding for all factories completed in June 2021



### *Solar Rooftop Installation*

Solar rooftop project was completed in Jun 2021, by saving electricity costs up to 12%. Now the company is in a process of government license issuing.

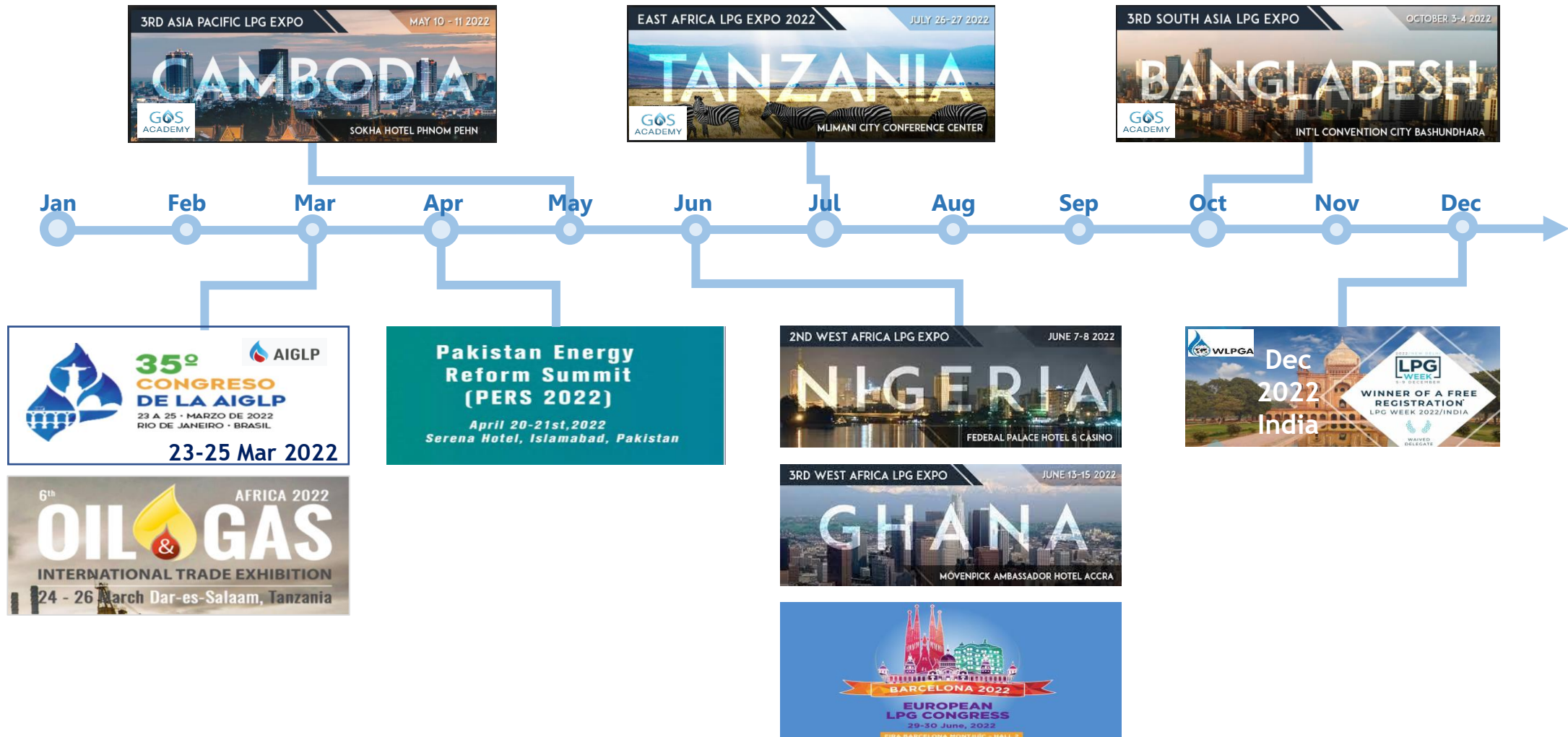


### *Factory 2 expansion*

Working space expanded and machines in factory 2. the process completed in Q4 2021.



## 2022 International Exhibitions





## 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



# Agenda

01 SMPC Overview

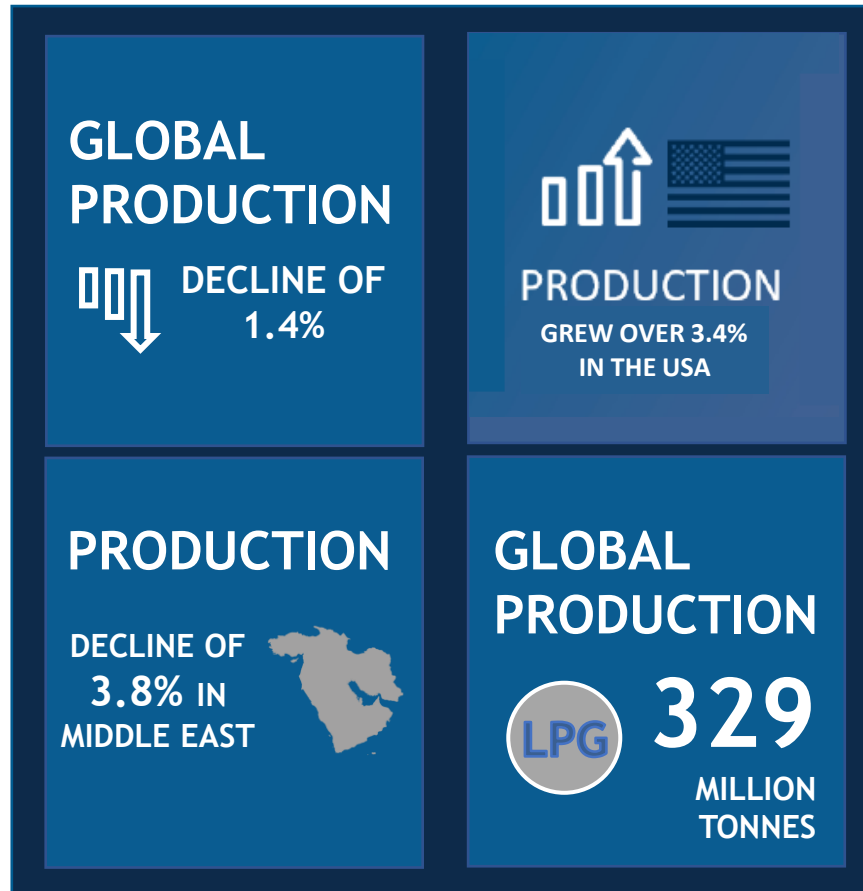
02 Industry Overview

03 Financial Highlights

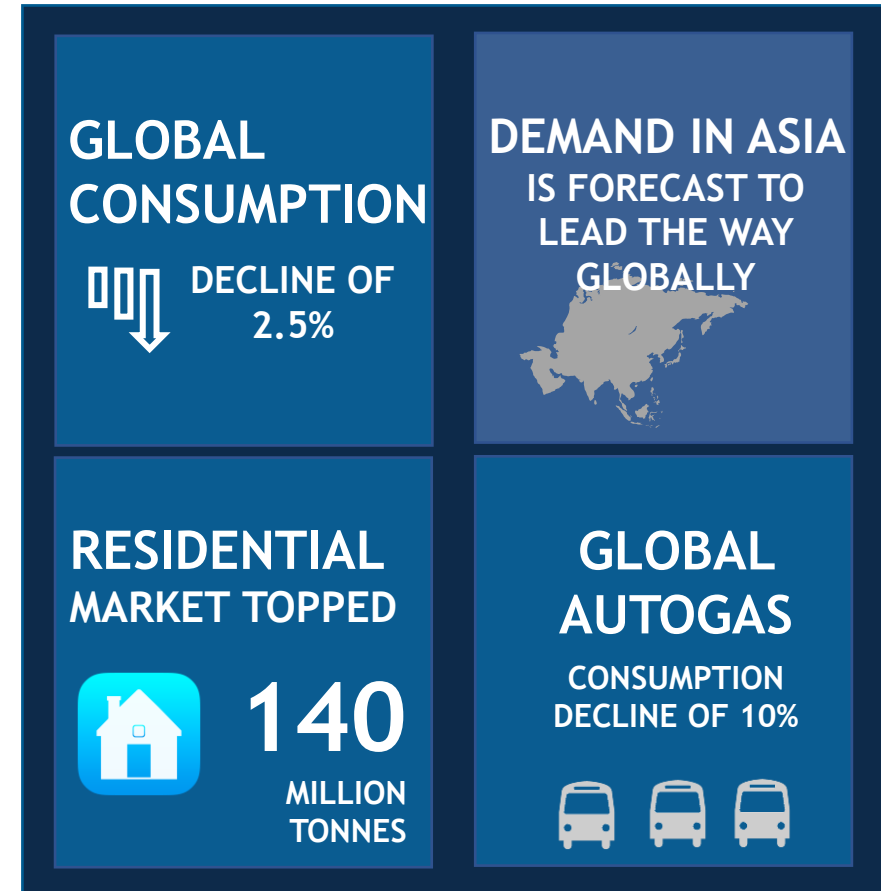
04 Business Outlook

## About the Industry

### Production

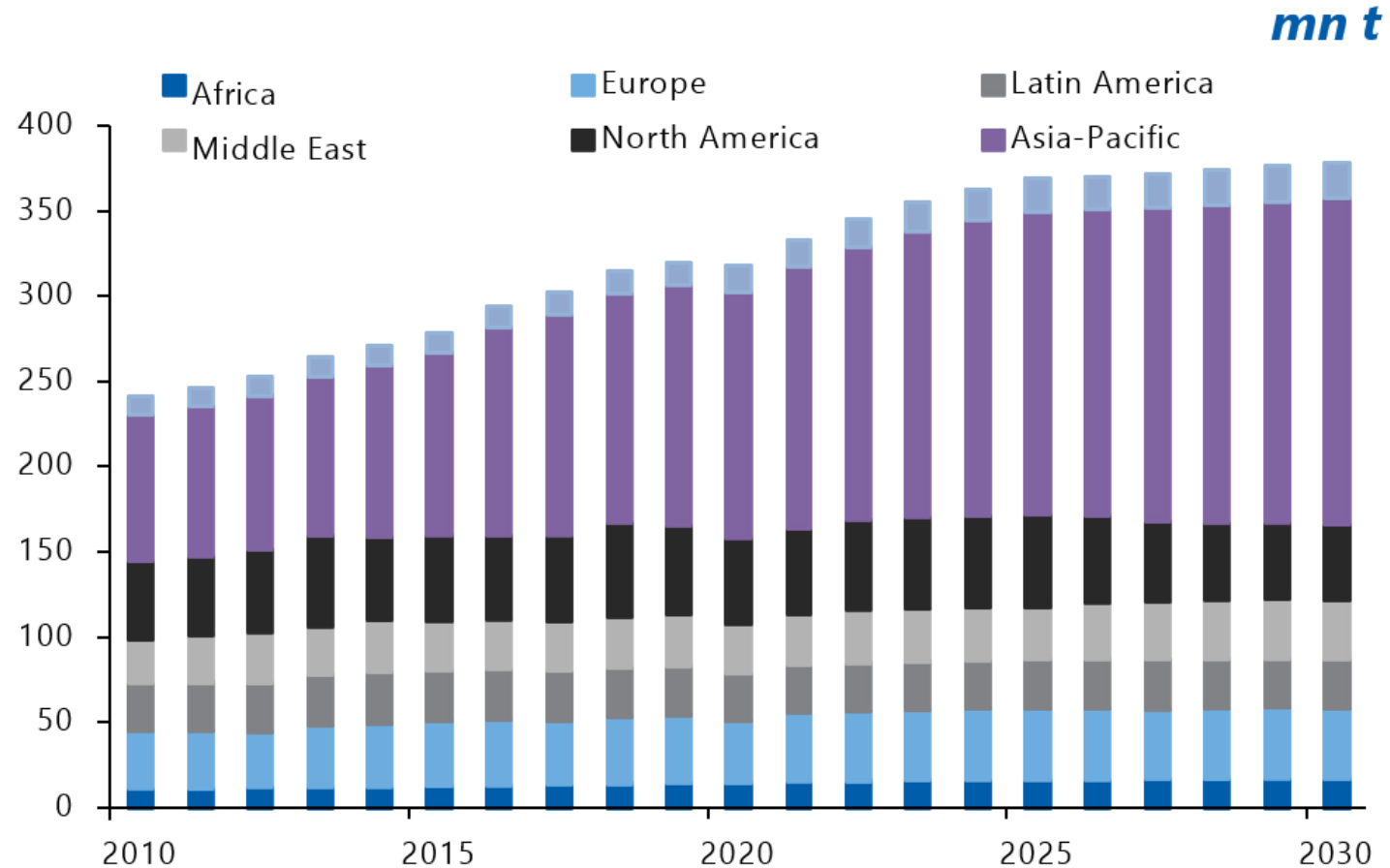


### Consumption



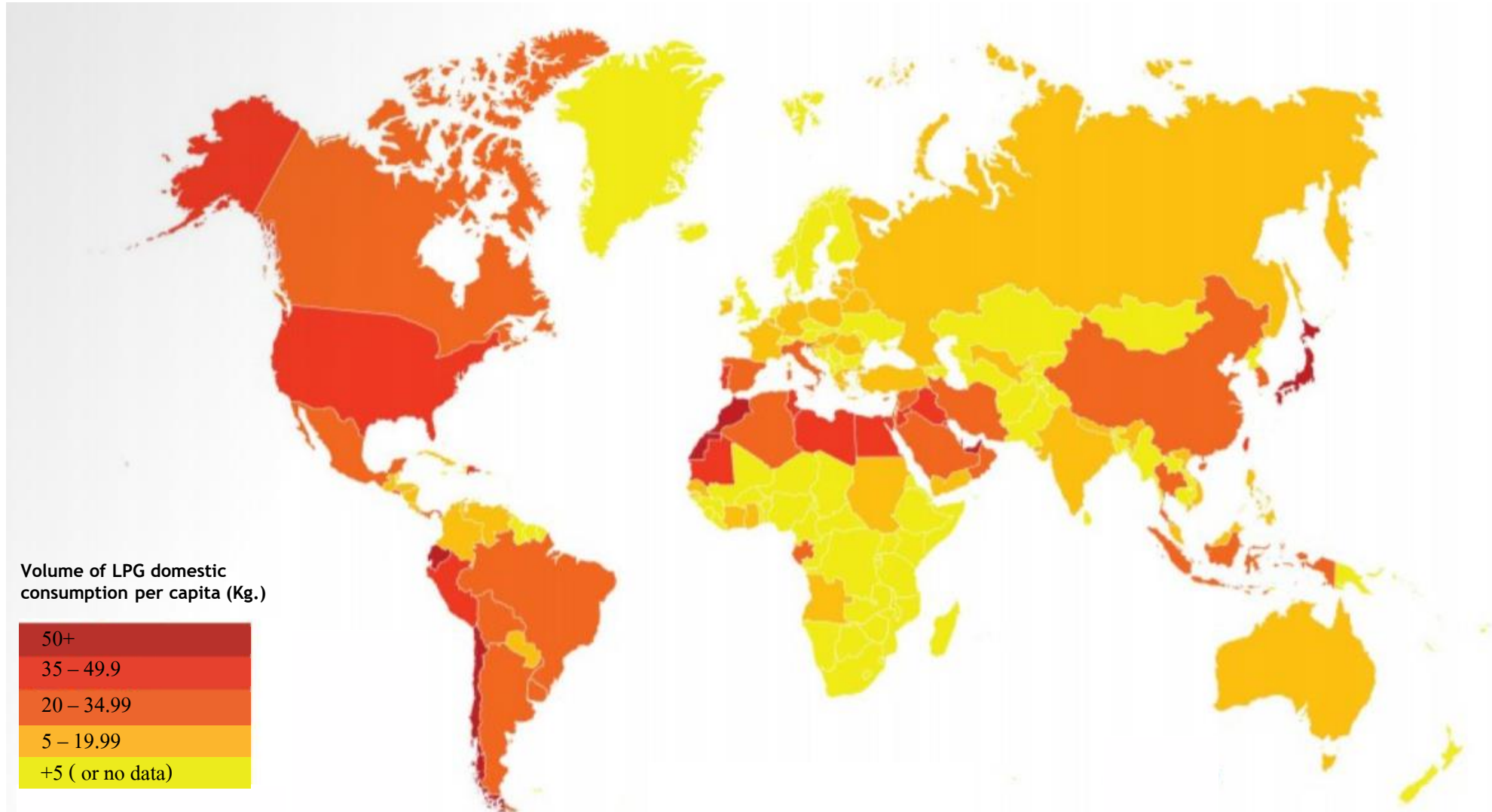


## Predicted Global LPG Consumption by region 2010-30



- 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

# Agenda

01

SMPC Overview

02

Industry Overview

03

**Financial Highlights**

- Utilization Rate
- Sales Revenue
- Financial Ratios
- Dividend

04

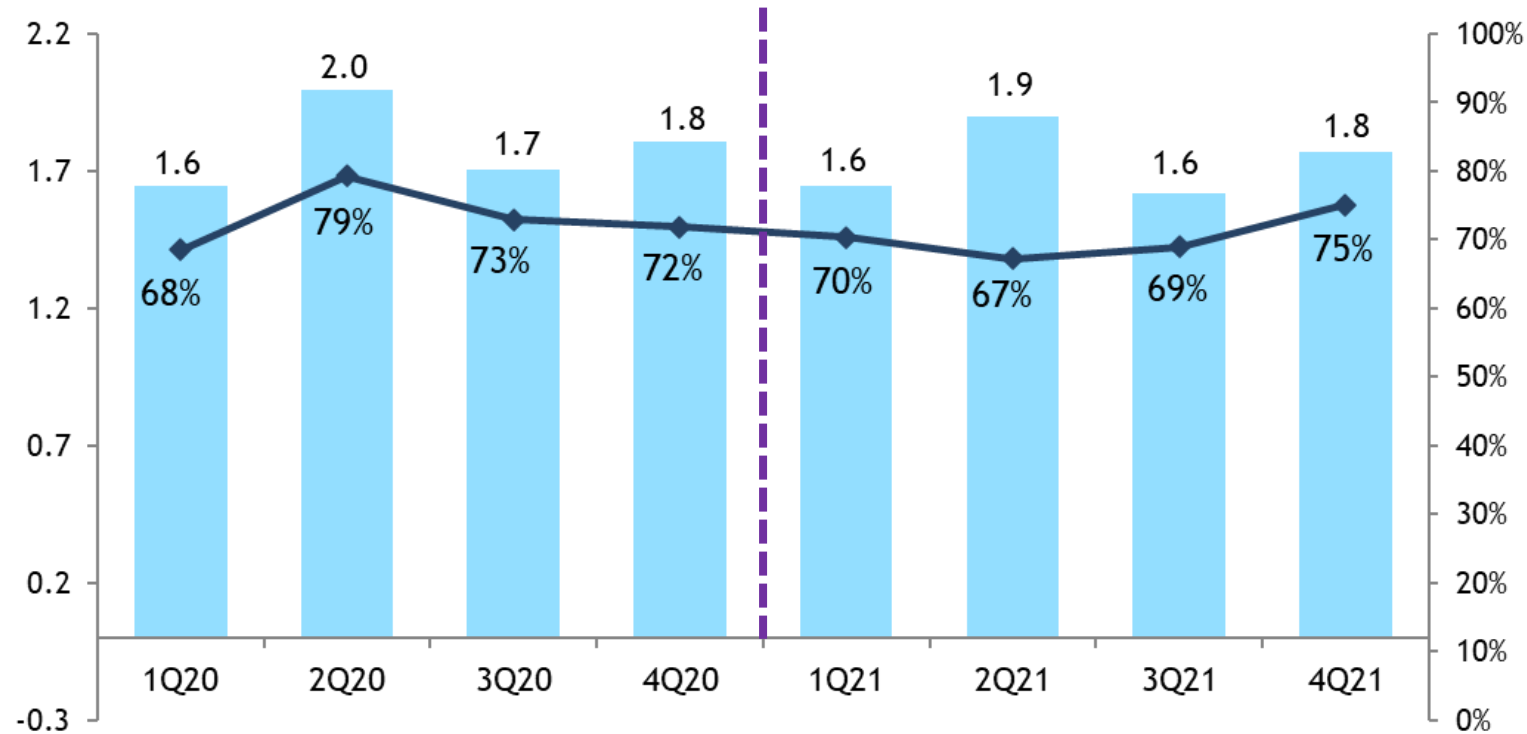
Business Outlook

## Operational Statistics

### Utilization Rate (%) 1Q20-4Q21

Sales Volume (Million Cylinders)

Utilization Rate



- Sale Volume of 4Q21 increased from 3Q21 because domestic sales which have no freight problem and are promptly to deliver increased. Sale proportion of domestic sale increased from 4% in 3Q21 to 13% in 4Q21

Capacity (million cylinder)	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21
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

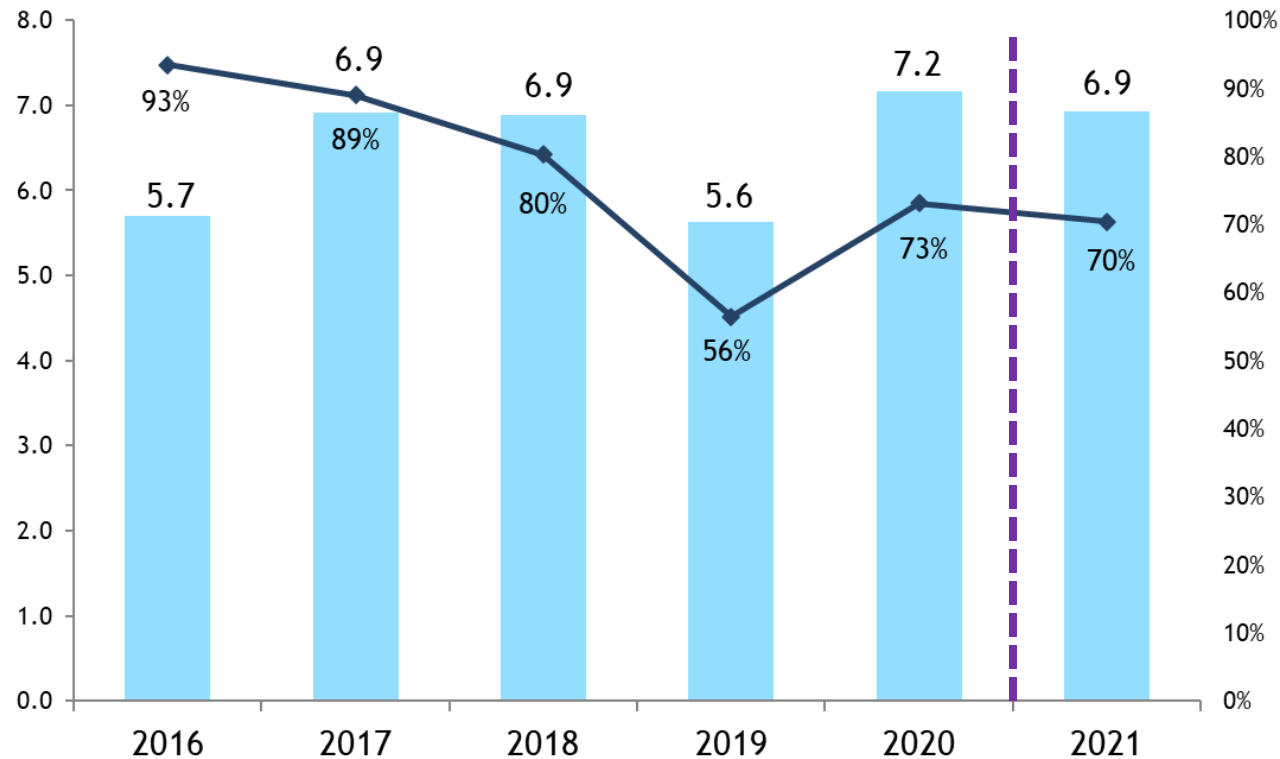


## Operational Statistics

## Utilization Rate (%) 2016-2021

Sales Volume (Million Cylinders)

Utilization Rate



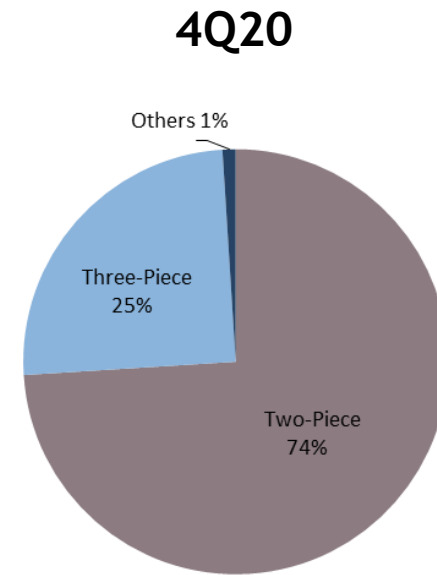
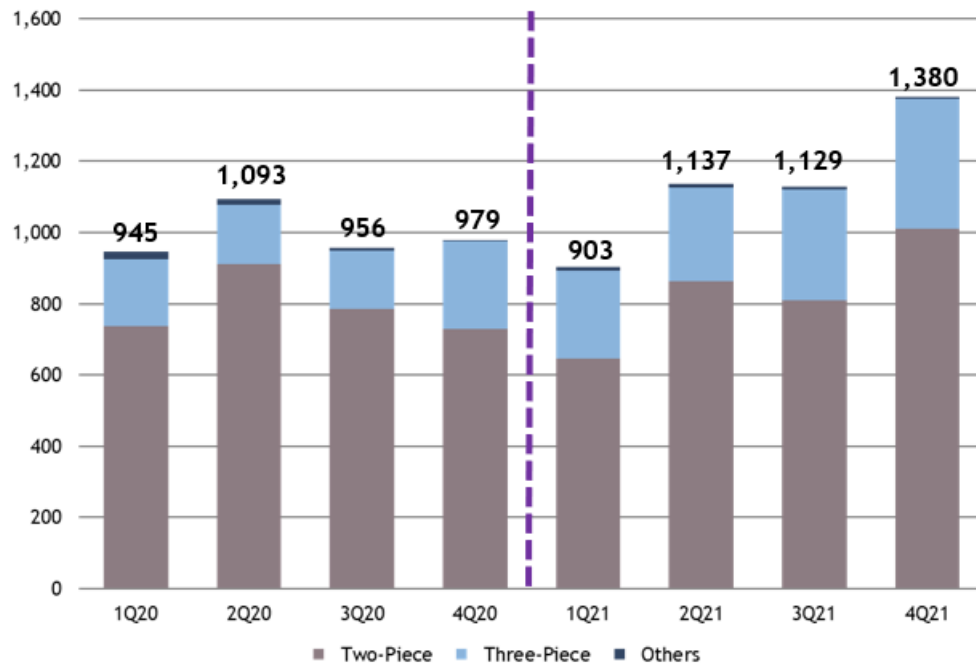
- Sale Volume of 2021 slightly decreased from 2020 because lack of shipping space; as a result, the company cannot accelerate to export goods and ending finished goods increased

Capacity (million cylinder)	2016	2017	2018	2019	2020	2021
Per Year	6.2	7.7	8.7	10.0	10.0	10.0
Per Quarter	1.55	1.93	2.16	2.50	2.50	2.50

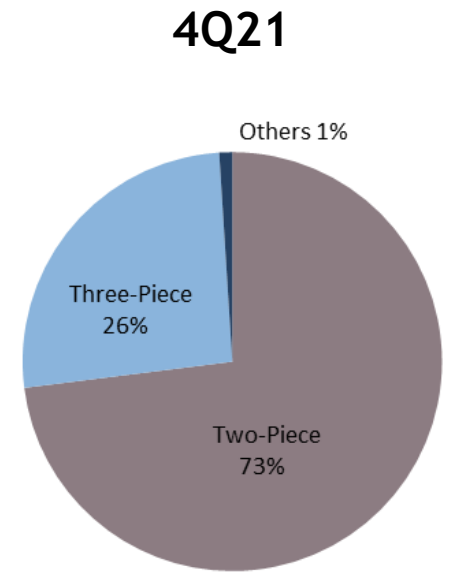
## Operational Statistics (Cont'd)

### Sales Revenue by Product Category : 1Q20-4Q21

Sales Revenue (Million Baht)



979 million baht



1,380 million baht

- Sale proportion of Three-piece cylinders of 2021 increased from the prior year due to more demands from U.S. customers and more sales in Company's recent product, large LPG cylinder.

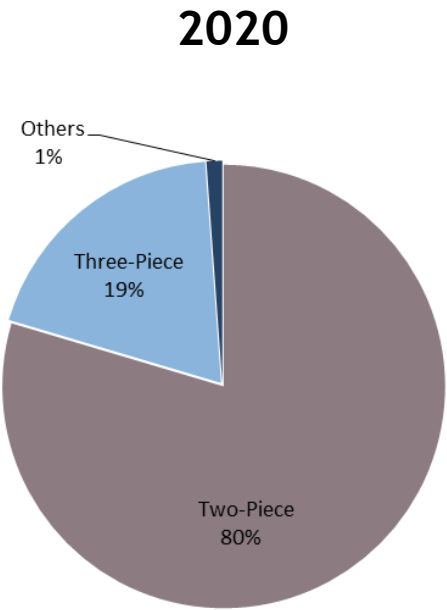
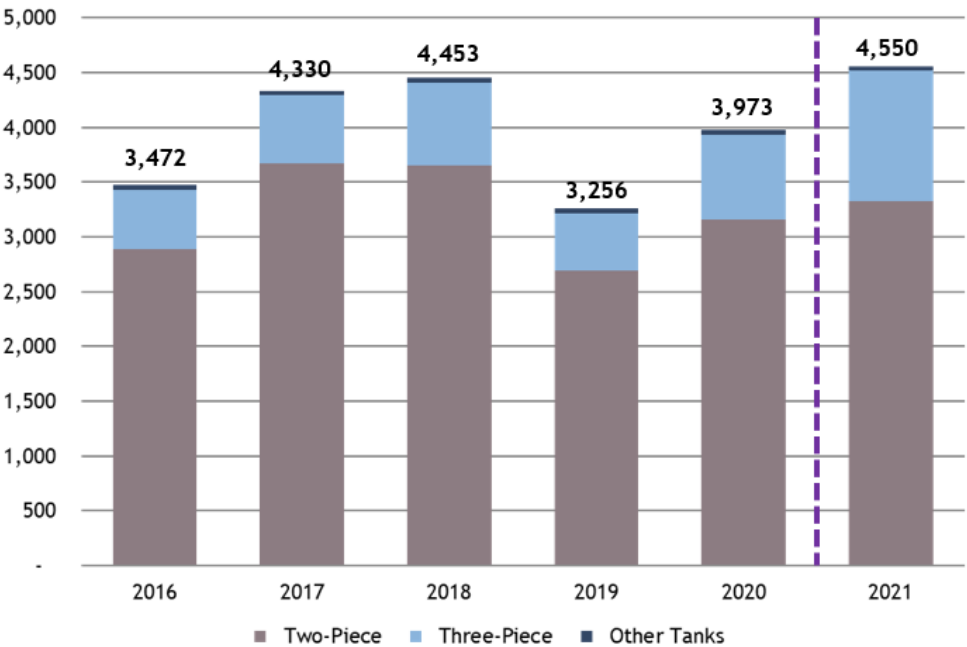




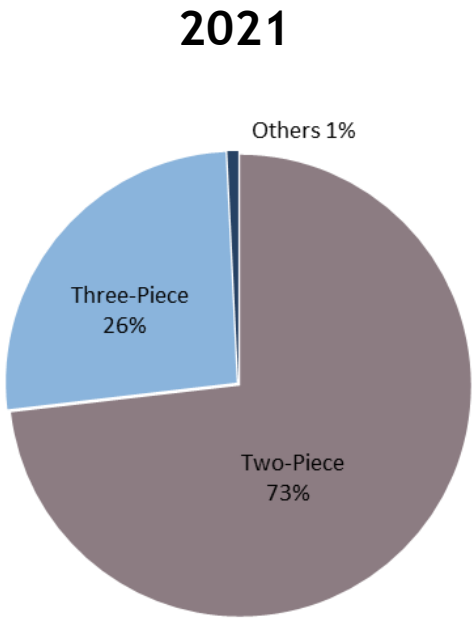
Operational Statistics (Cont'd)

Sales Revenue by Product Category : 2016-2021

Sales Revenue (Million Baht)



3,973 million baht

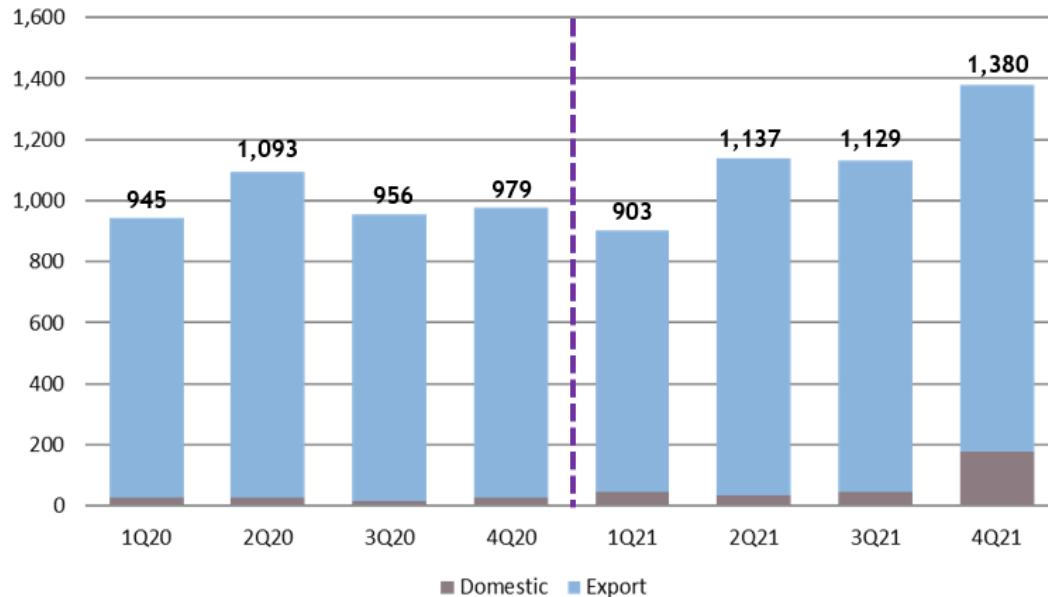


4,550 million baht

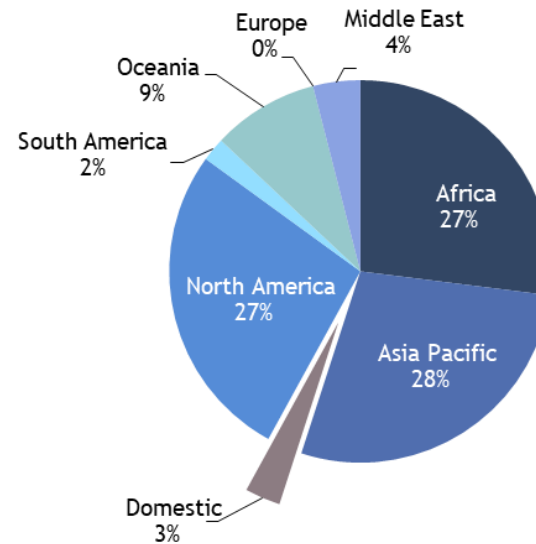
## Operational Statistics (Cont'd)

### Sales Revenue by Geography : 1Q20-4Q21

Sales Revenue (Million Baht)

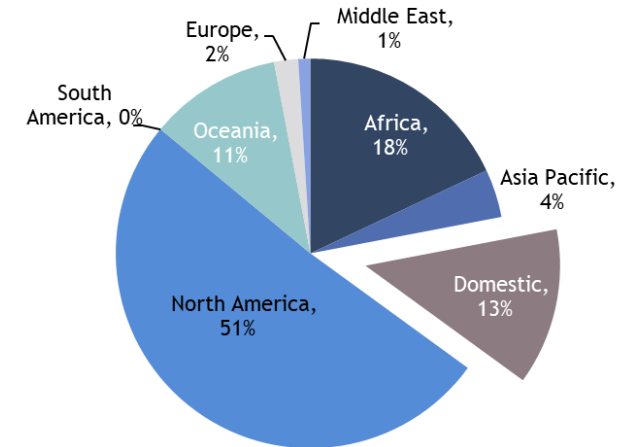


4Q20



979 million baht

4Q21



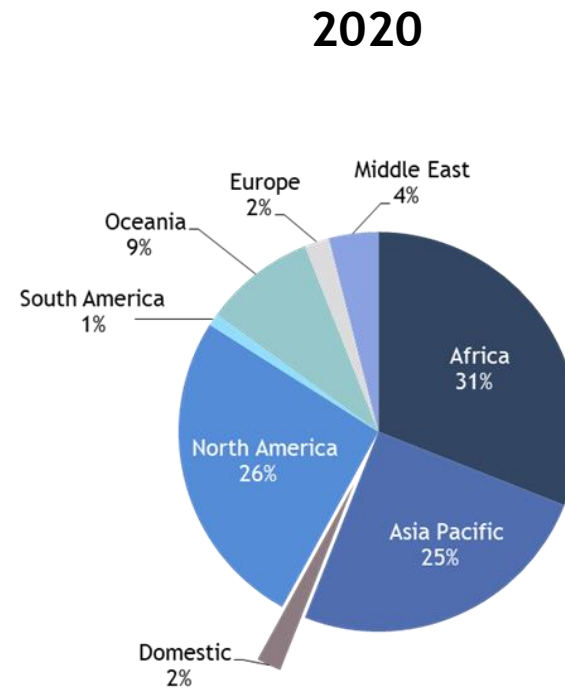
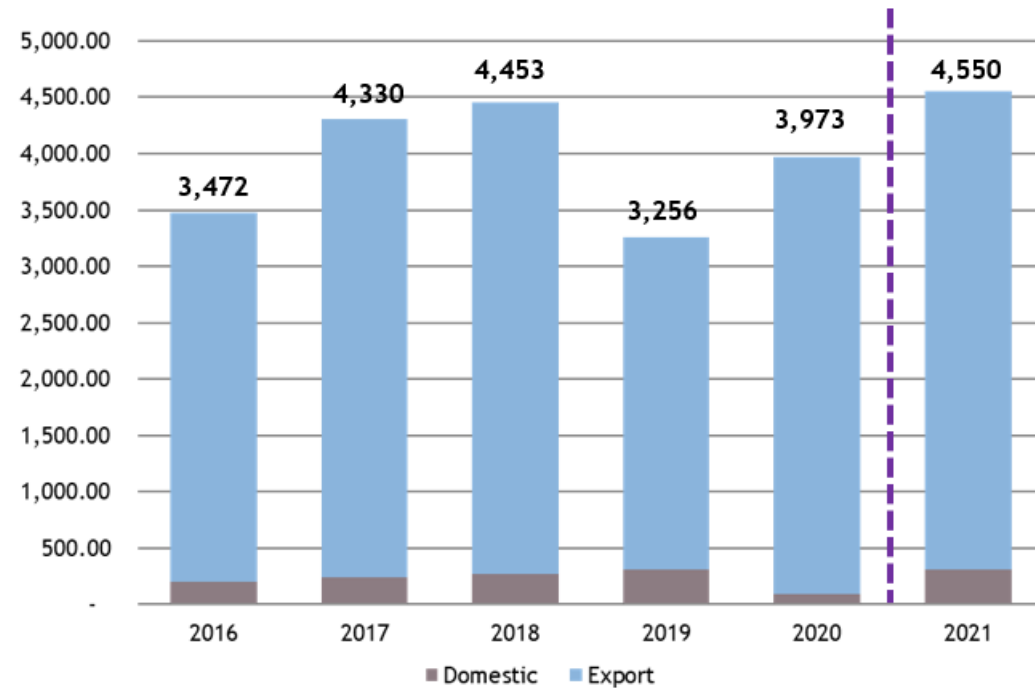
1,380 million baht

- Continuous demands in North America led to sale proportion of this region increased from prior year
- Domestic Sales increased from 4% in 3Q21 to 13% in 4Q21 due to the order of 2-pieces cylinders

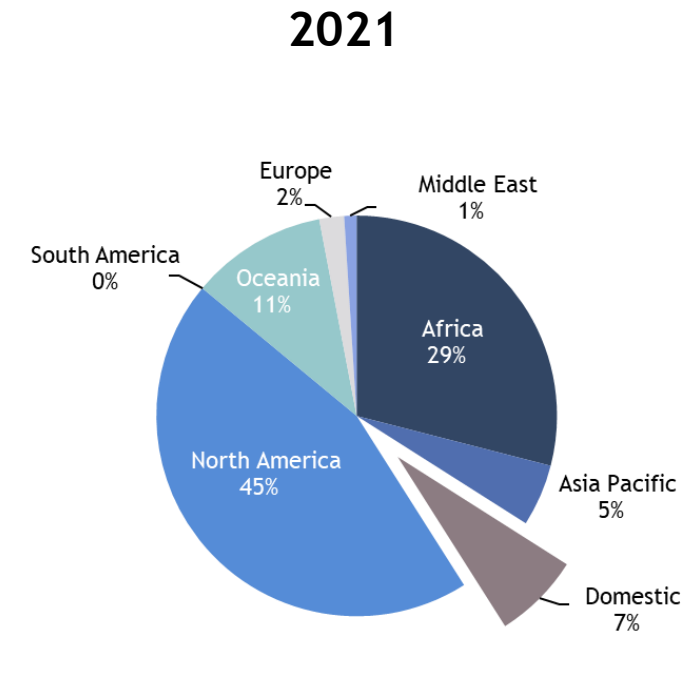
## Operational Statistics (Cont'd)

### Sales Revenue by Geography : 2016-2021

Sales Revenue (Million Baht)



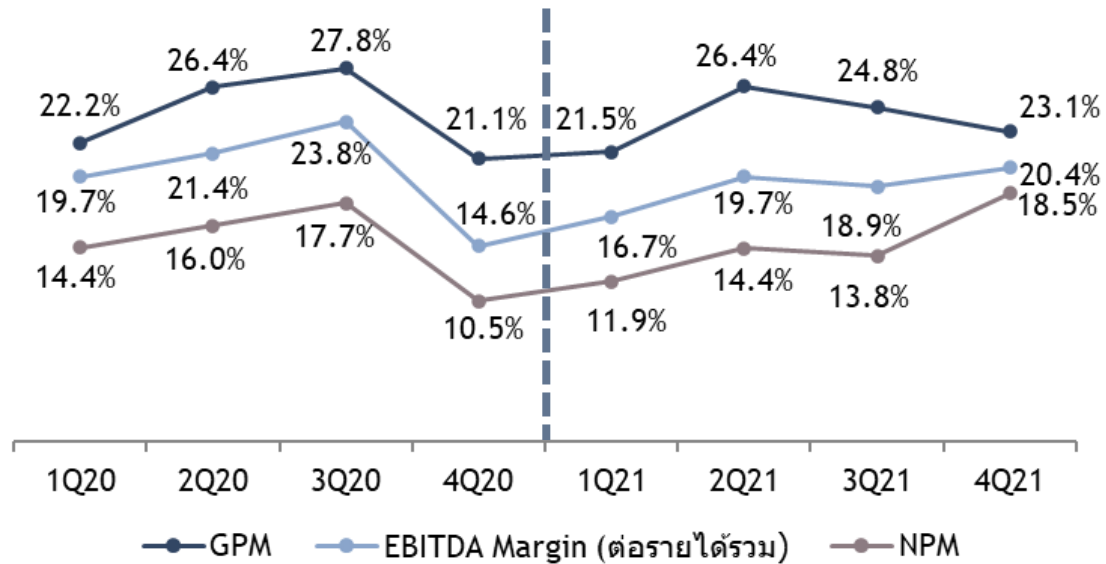
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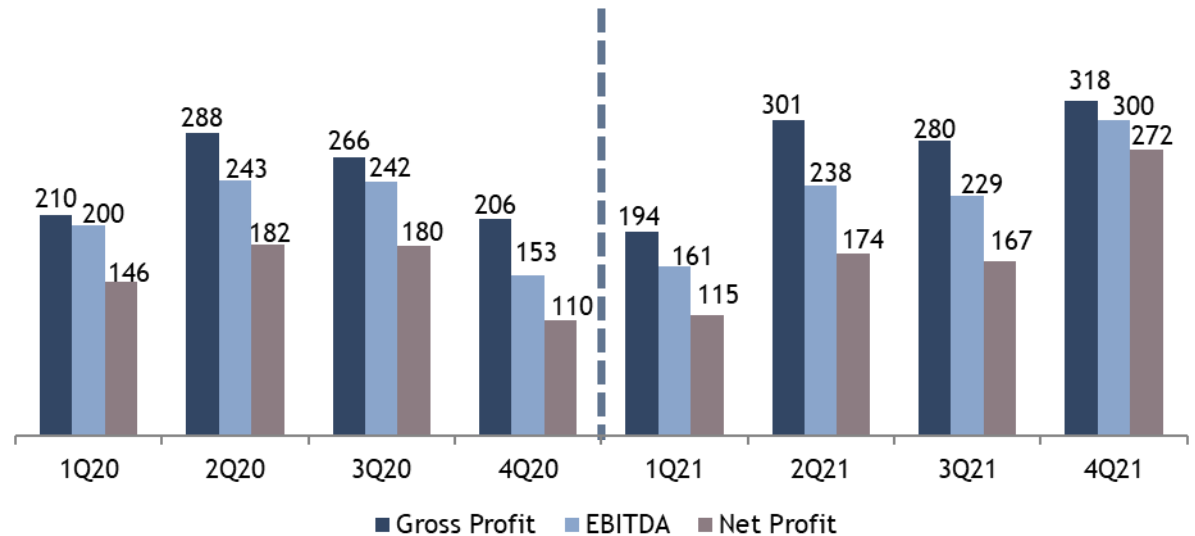
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## Operational Statistics (Cont'd)

GPM, EBITDA Margin and NPM (%) 1Q20-4Q21



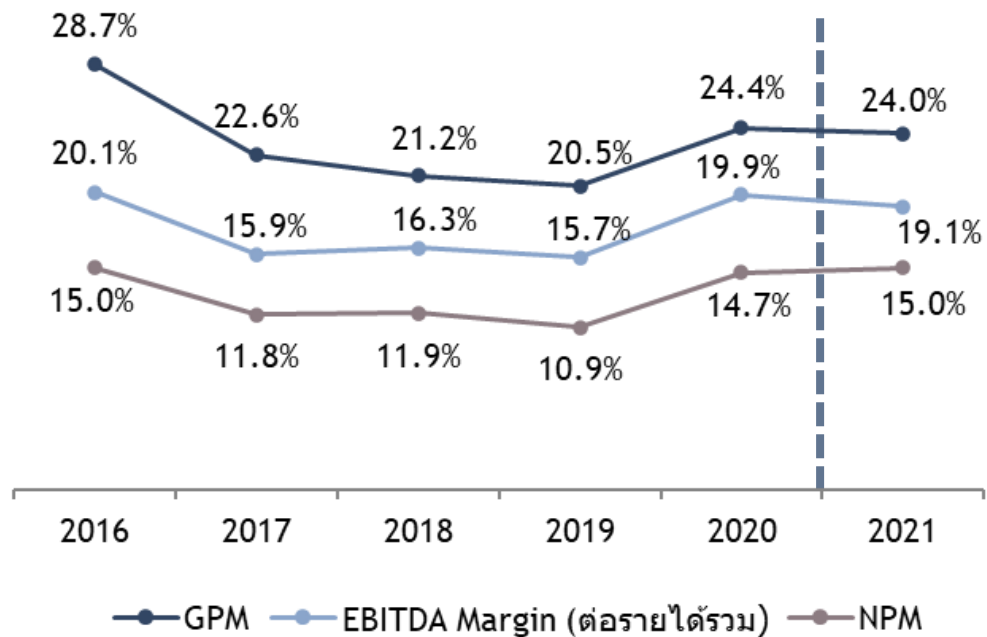
Gross Profit, EBITDA and Net Profit (MB) 1Q20-4Q21



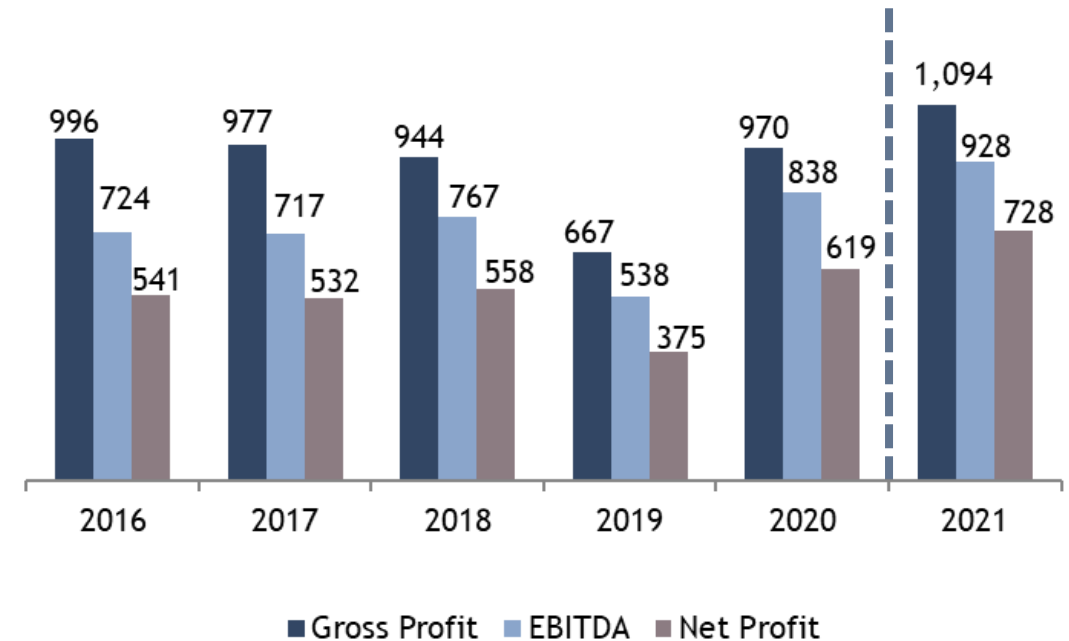
- GPM of 4Q21 decreased from the prior period due to an increase in cost of steel. However, the company already adjusted selling prices according to cost of steel.
- EBITDA Margin and NPM of 4Q21 increased from prior period because the company benefits from an exempt in corporate income tax from BOI privileges

## Operational Statistics (Cont'd)

GPM, EBITDA Margin and NPM (%) 2016-2021



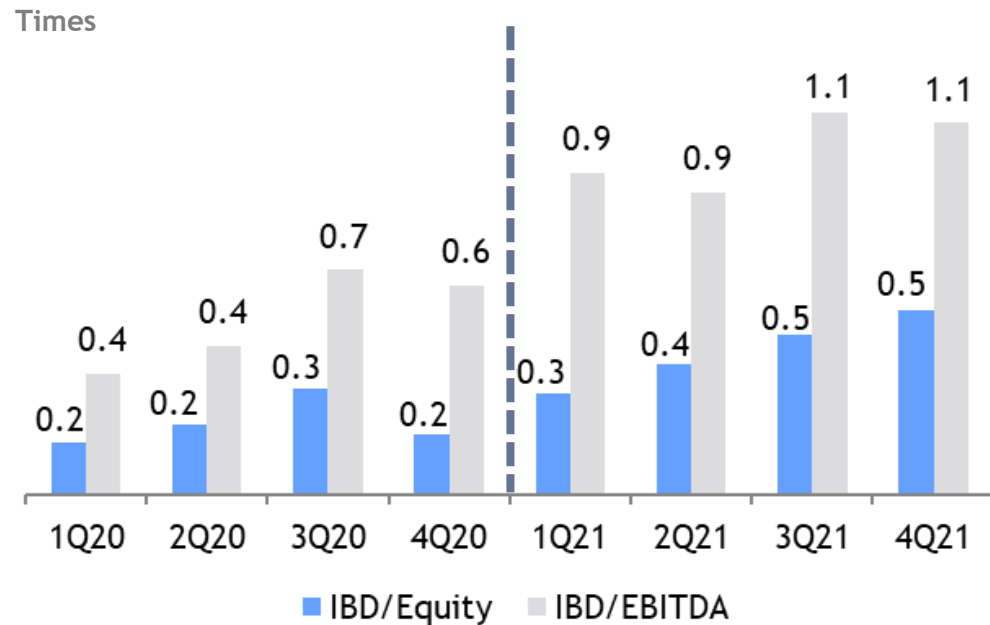
Gross Profit, EBITDA and Net Profit (MB) 2016-2021



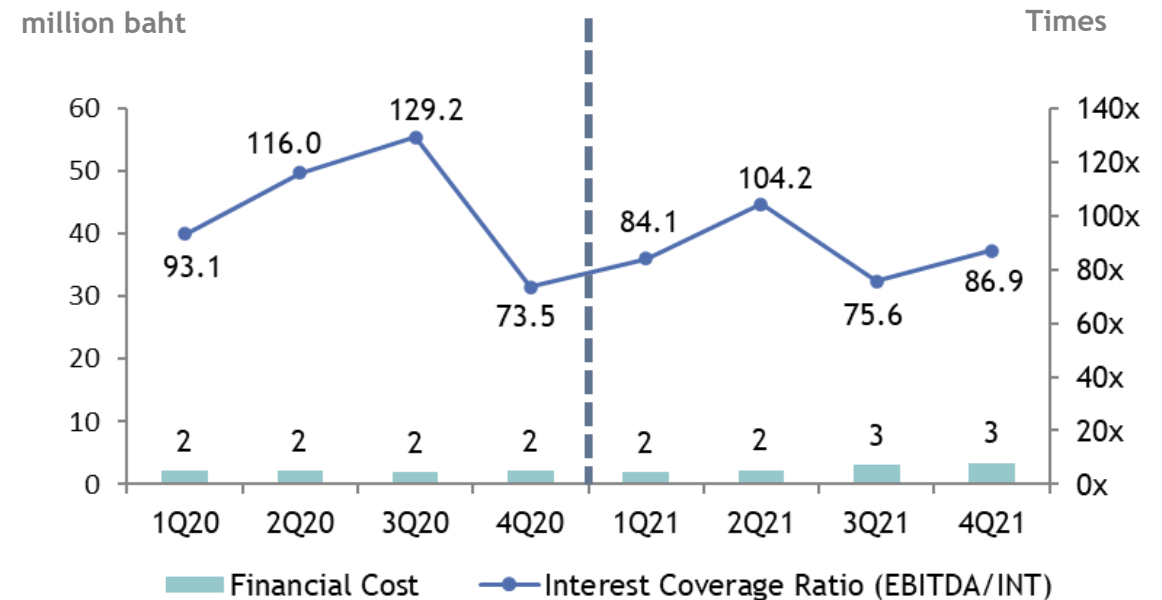
- Compared to prior year, the Company can maintain profitability, GPM EBITDA
- NPM increased because the company benefits from an exempt in corporate income tax from BOI privileges. At the same time, the company succeeded in costs and expenses management to be close to those of prior year

## Operational Statistics (Cont'd)

### IBD\* to Equity Ratio, IBD\* to EBITDA Ratio (times) 1Q20-4Q21



### Financial Cost (million baht), Interest Coverage Ratio (times) 1Q20-4Q21

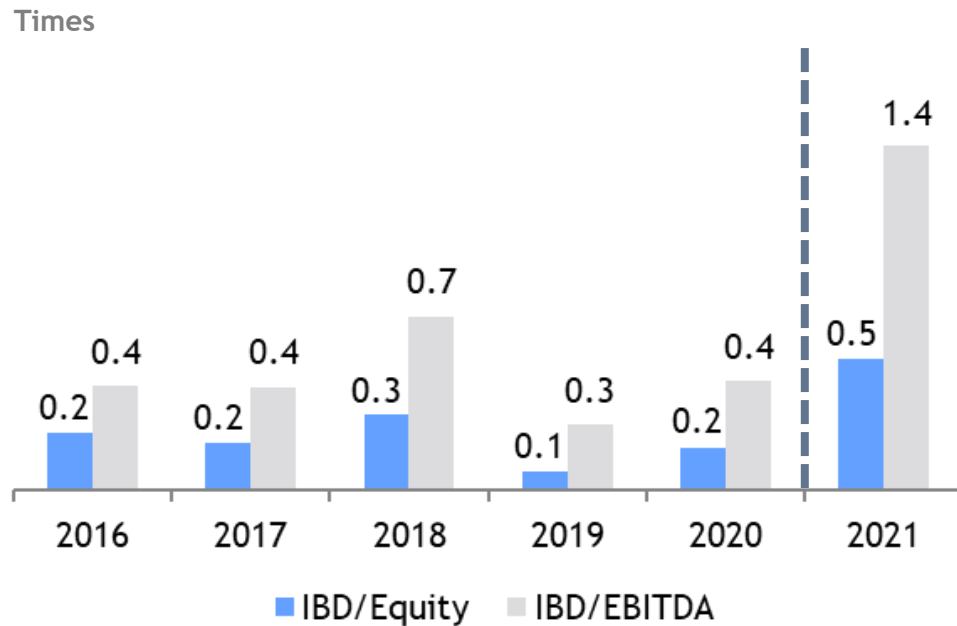


- IBD/EBITDA and IBD/Equity are higher than prior period due to an increase in short-term loans from bank from importing steel. Moreover, steel price increased regarding to an increased in steel market price and the Company imported more steel quantities for future orders

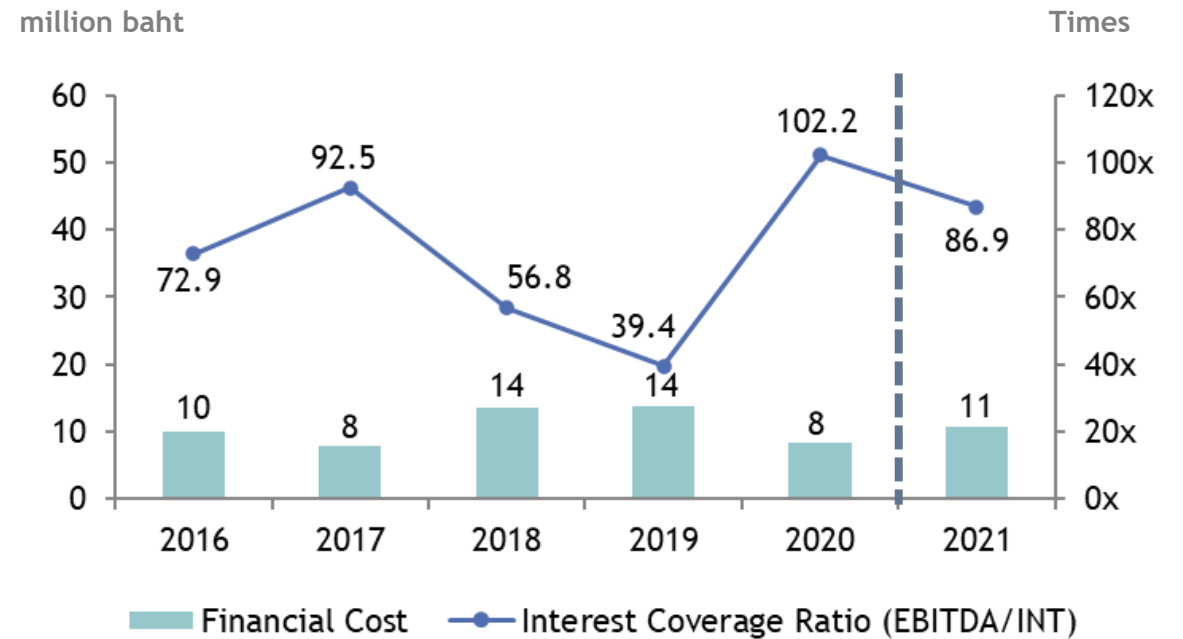


## Operational Statistics (Cont'd)

### IBD\* to Equity Ratio, IBD\* to EBITDA Ratio (times) 2016-2021



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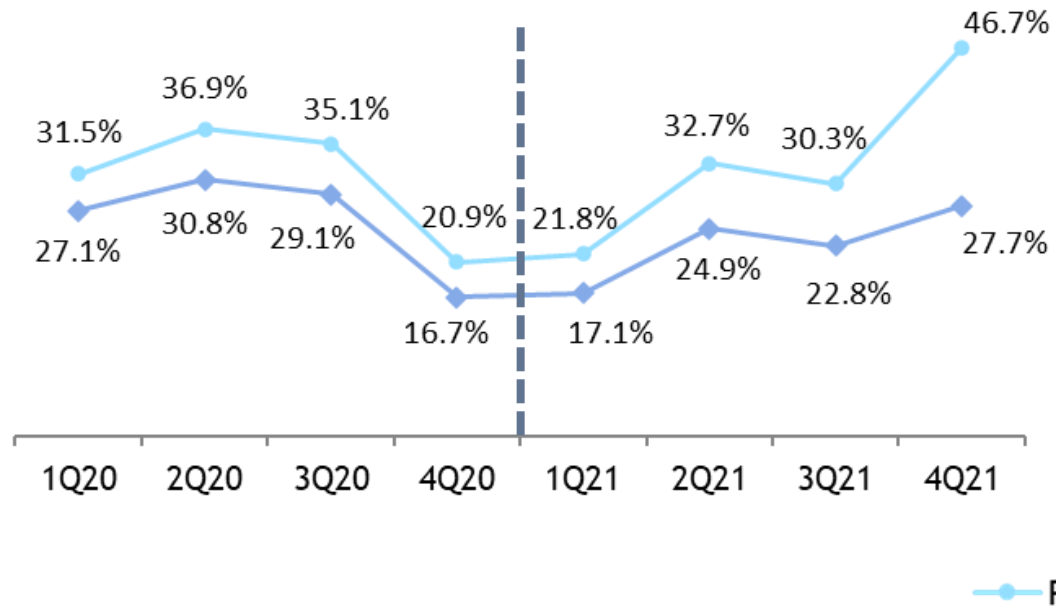


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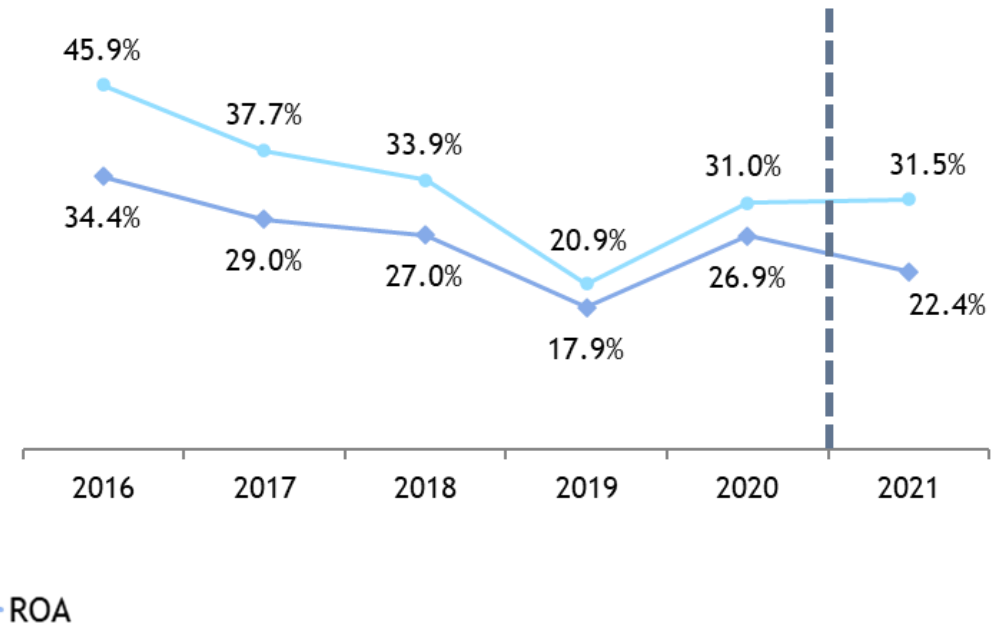
## Operational Statistics (Cont'd)

### ROE and ROA (%)

#### 1Q20-4Q21

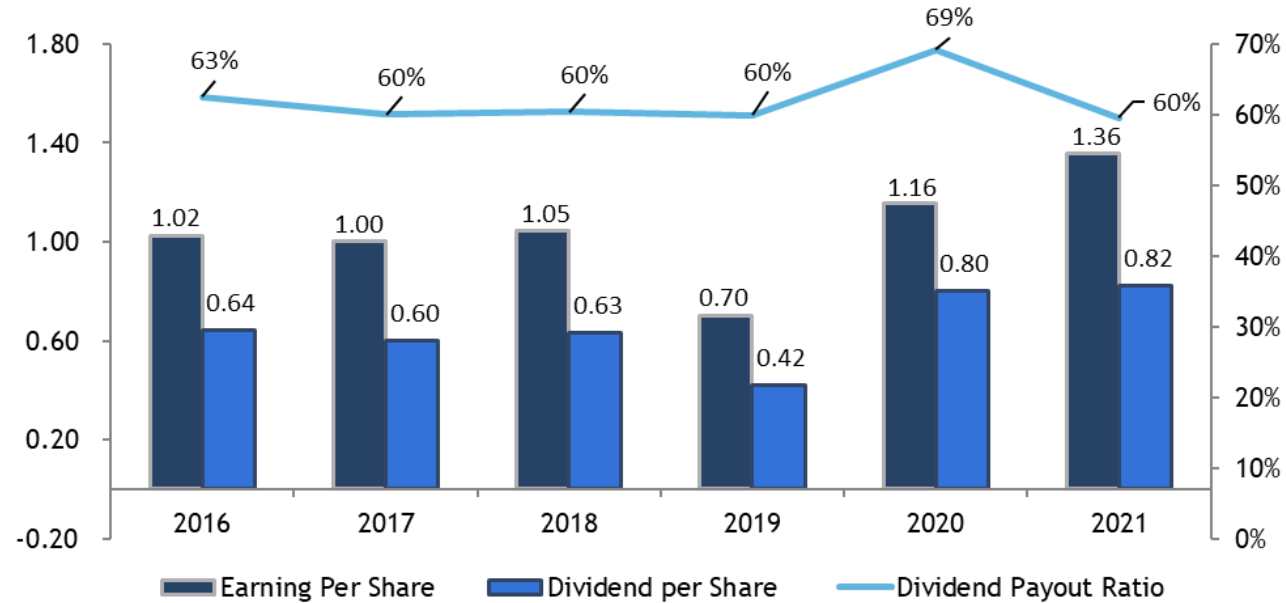


#### 2016-2021



- ROE increased from prior period because net profit increased from BOI privileges
- ROA increased from prior period due to an increase in net profit.
- ROA decreased from prior year while net profits were increased because of an increase in ending inventory and account receivables

## Dividend Payment History



	2016	2017	2018	2019	2020	2021
FS publication day	15/2/2017	14/2/2018	12/02/2019	21/02/2020	15/02/2021	14/02/2022
Price per share	16.60	13.40	12.10	5.65	11.70	12.60
Dividend per share	0.64	0.60	0.63	0.42	0.80	0.82
Earning Per Share	1.02	1.00	1.05	0.70	1.16	1.36
Dividend Yield per year	3.9%	4.5%	5.2%	7.4%	6.8%	6.5%
Dividend Amount (MB)	338.62	319.18	337.37	224.91	428.41	439.12
Dividend Payout Ratio	63%	60%	60%	60%	69%	60%

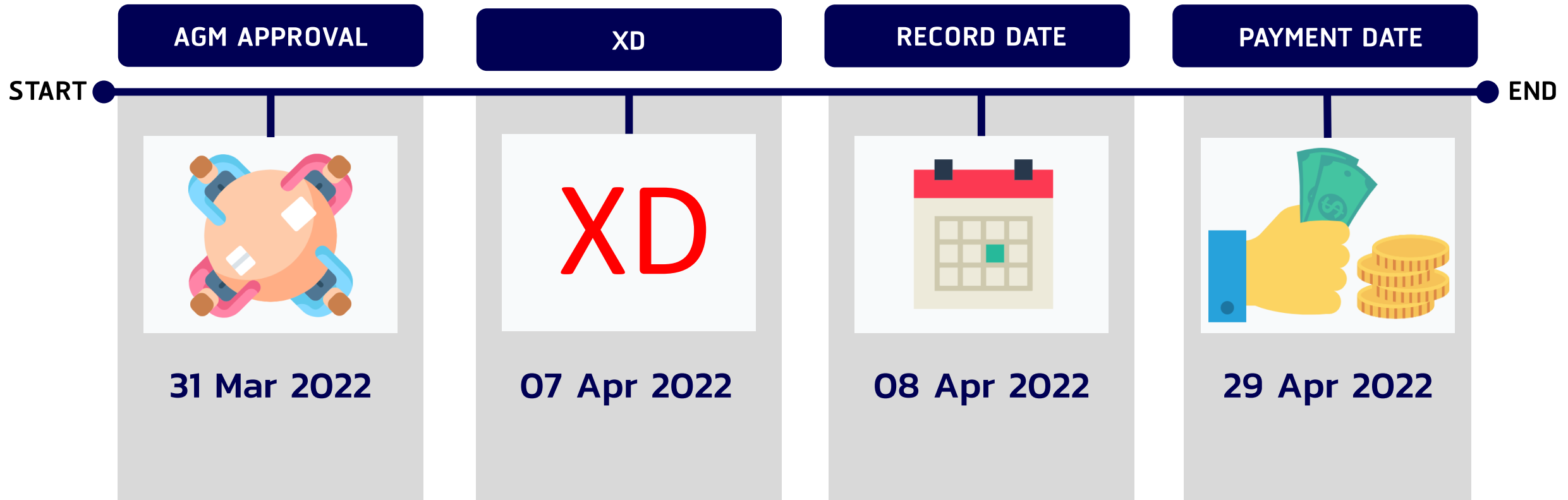
Waiting for  
AGM approval  
31 Mar 2022

[ H1/21 = 0.35  
H2/21 = 0.47 ]

Remarks: \*The company has a dividend payout policy to shareholders at not less than 60% of the net profit.

\*The Company began paying Dividend since 2014

## DIVIDEND PAYMENT TIMEFRAME





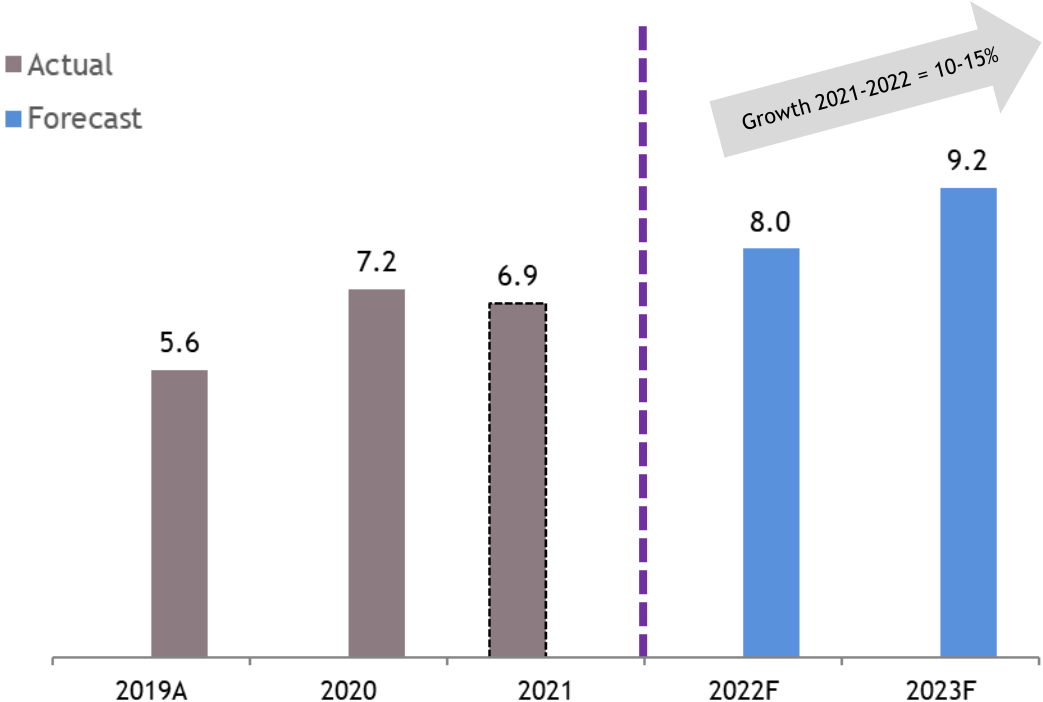
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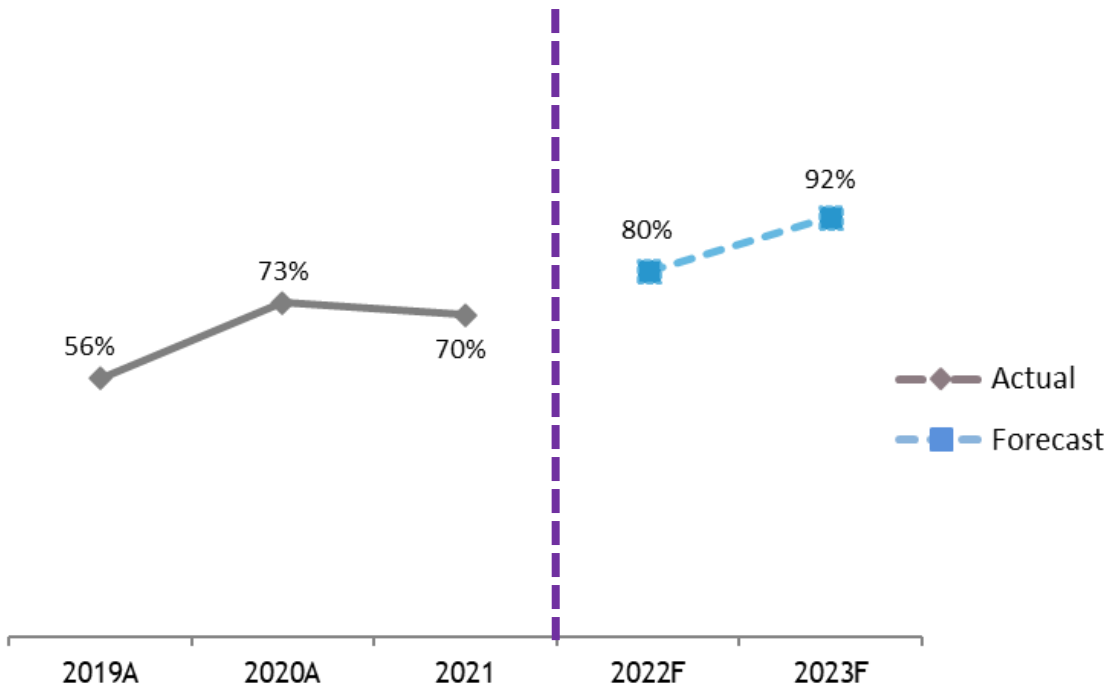


## 2022 Target and Future Growth Strategy

Projected Sales Volume (million cylinders)



Projected Utilization (%)



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



## 2022 Production Process Improvement



### *Storage location*

SMPC constructs storage location. The budget is approximately 23 MB and can store 300,000 cylinders. The project will be completed in Q1 2022.

## 5 Megatrends Towards Sustainability for SMPC

### Human Development

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

### Digitization

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

### Innovation



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

### Environment



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

### Automation

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



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# THANK YOU



0-2895-4139-54



Info@smpcplc.com



<https://www.smpcplc.com>

