

Siamgas and Petrochemicals Public Company Limited



Presentation for Investors & Analysts
Quarter 2/2014

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Agenda

- SGP's Milestone
- Thailand Business Model and Highlights
- Oversea LPG Market Highlights
- Business Growth 2010 – Q2/2014
- Financial Results
- Business Outlook
- Q & A

SGP's Milestone

1975

Founded the Company

2004

Acquired Unique Gas and Petrochemicals Plc. in December 2004

2008

Listed in the Stock Exchange of Thailand, with the target to raise fund to expand the business in Thailand and East Asia

2010

- Purchased 100% equity interest in Super Gas Co., Ltd. which is located in Vietnam from Shanghai Crown Company
- Purchased 100% equity interest in Shell Gas (LPG) Private Limited which is located in Singapore and renamed to SingGas (LPG) Private Limited
- Purchased 100% equity interest in BP Zhuhai LPG Limited from Shine Top International Investment Limited (49%) and BP Global Investments Limited (51%) and renamed to Sino Siam Gas and Petrochemicals Company Limited

2011

Purchased 100% equity interest in Chevron Ocean Gas & Energy Limited from Chevron China Limited and renamed to Siam Ocean Gas and Energy Limited

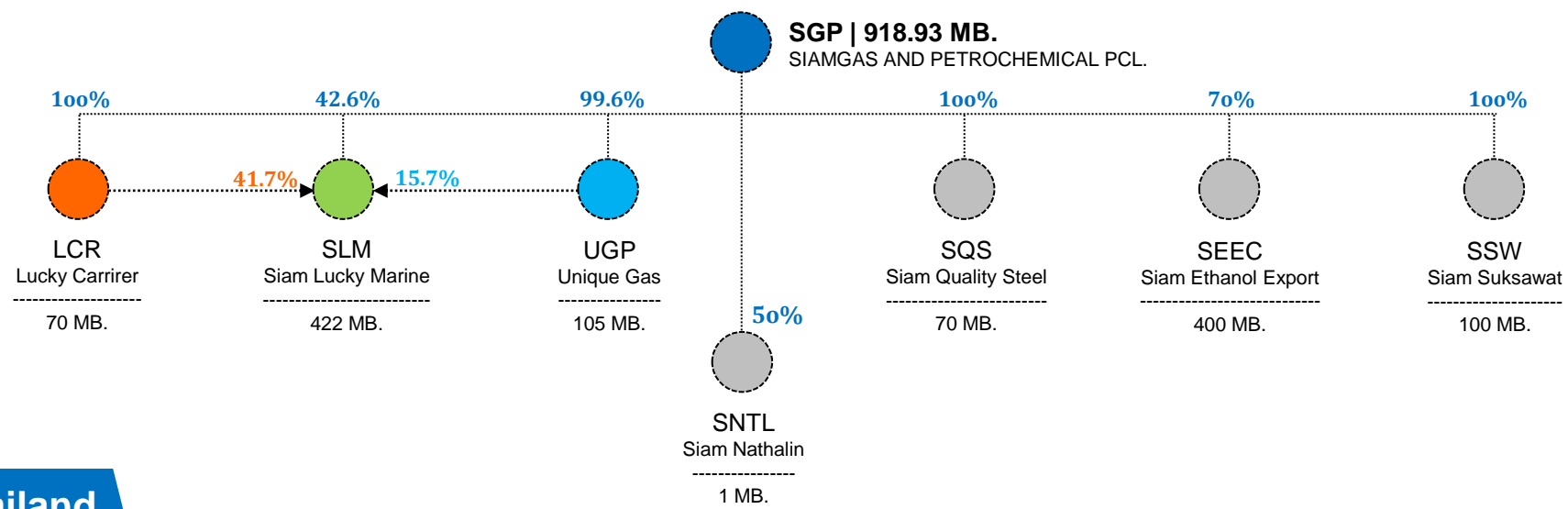
2013

- Purchased 79.64% equity interest in Shell Gas Haiphong and 100% equity interest in Shell Gas (LPG) Vietnam from Shell Gas (LPG) Holding B.V. and renamed to City Gas North Co., Ltd. and City Gas Co., Ltd. respectively
- Acquired LPG business and assets from Shell Timur SDN. BHD. in East Malaysia through MYGAZ SDN. BHD. a subsidiary of which 70% capital share owned by SGP



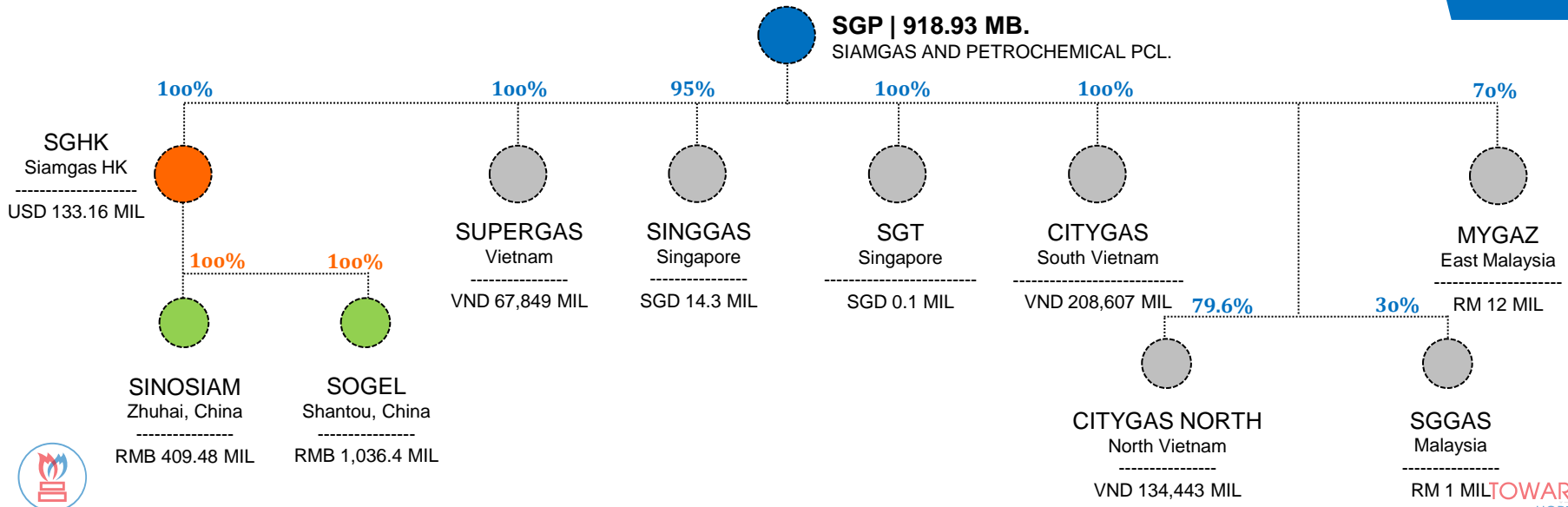
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Company Structure



Thailand

Overseas





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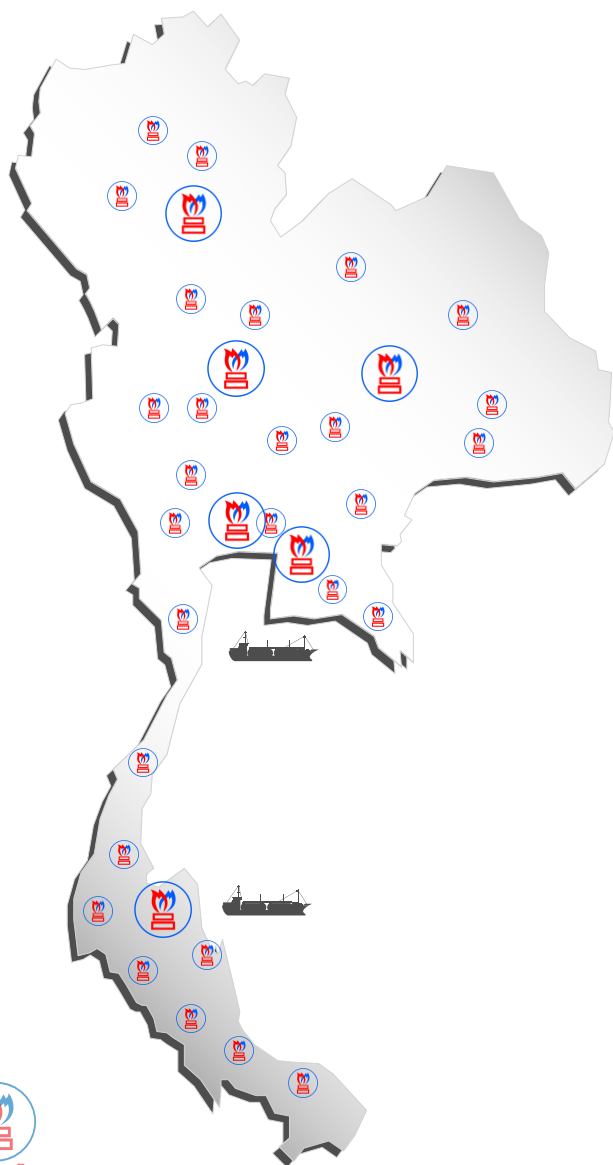
Thailand LPG Market Highlights

- Government's policy in lifting LPG prices
 - Price lifting for cooking sector was pending at baht 22.63/kg.
 - Price for automotive has been lifted by 3.25 Baht/kg and is currently on hold at baht 21.38/kg.
 - LPG price for industrial use has been lifted to reflect the LPG world price and cost of local supply
- High competition in automotive segment
- Gasoline price decreased slightly from high level
- New regulations to be more stringent to prevent cross-category sales

SGP's Presence in Thailand



SGP's Network in Thailand



Terminals & Jetties

Satupradit - Bangkok | Capacity 922 Ton.

Bangpakong - Chacherngsao | Capacity 4,823 Ton.

Surattani - Surattani | Capacity 3,330 Ton.

Phrapradaeng - Samutprakarn | Capacity 3,000 Ton. (on process)

Depots

Lampang Depot | Capacity 4,470 Ton.

Nakornsawan Depot | Capacity 1,348 Ton.

Konkaen Depot | Capacity 3,599 Ton.

Filling Plants & Autogas Stations

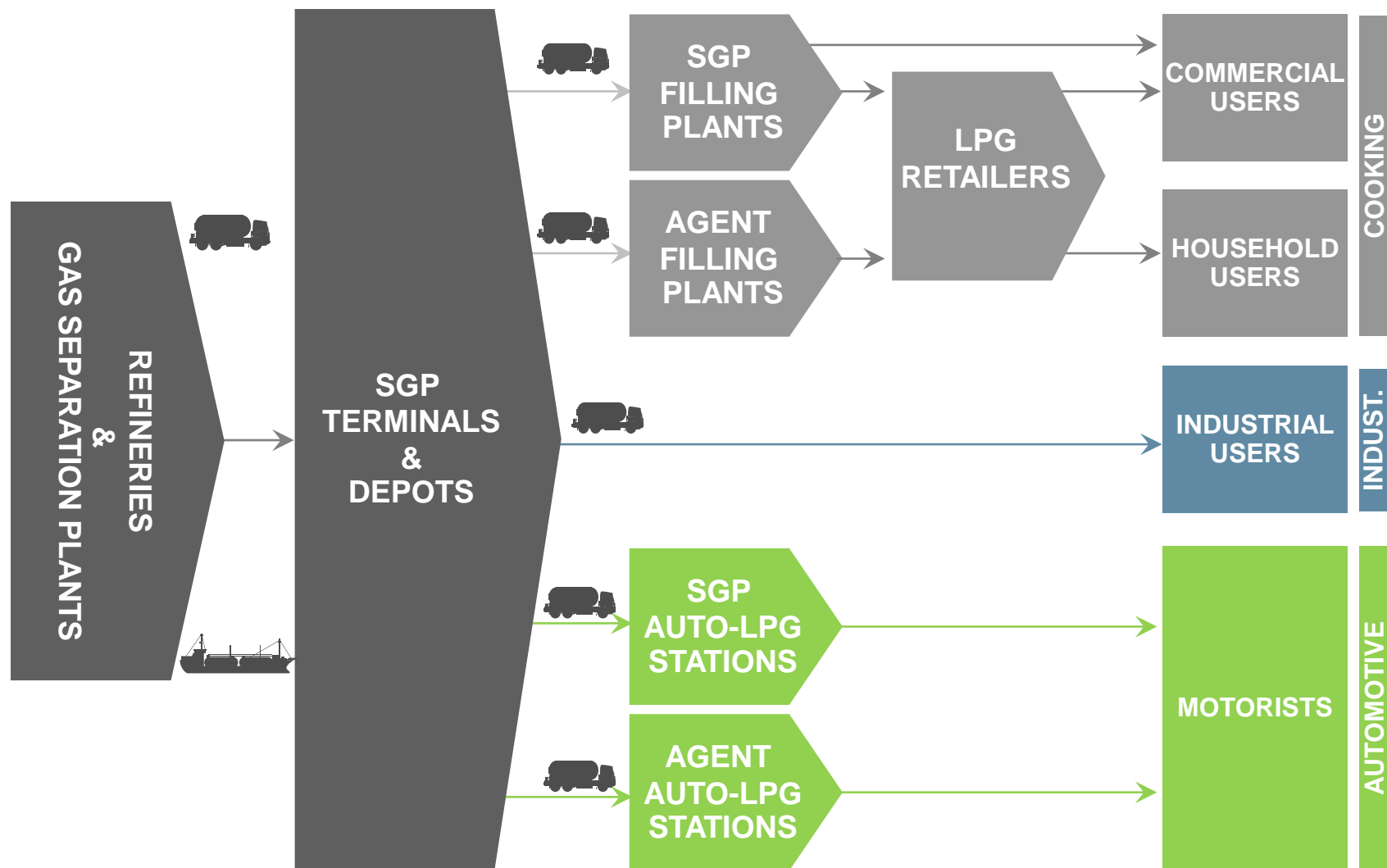
Company Filling Plants x 35+

Agent Filling Plants x 143+

Company Autogas Stations x 37+

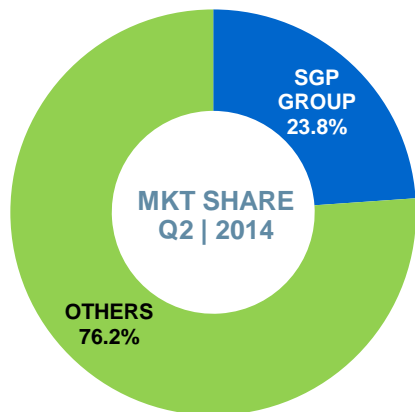
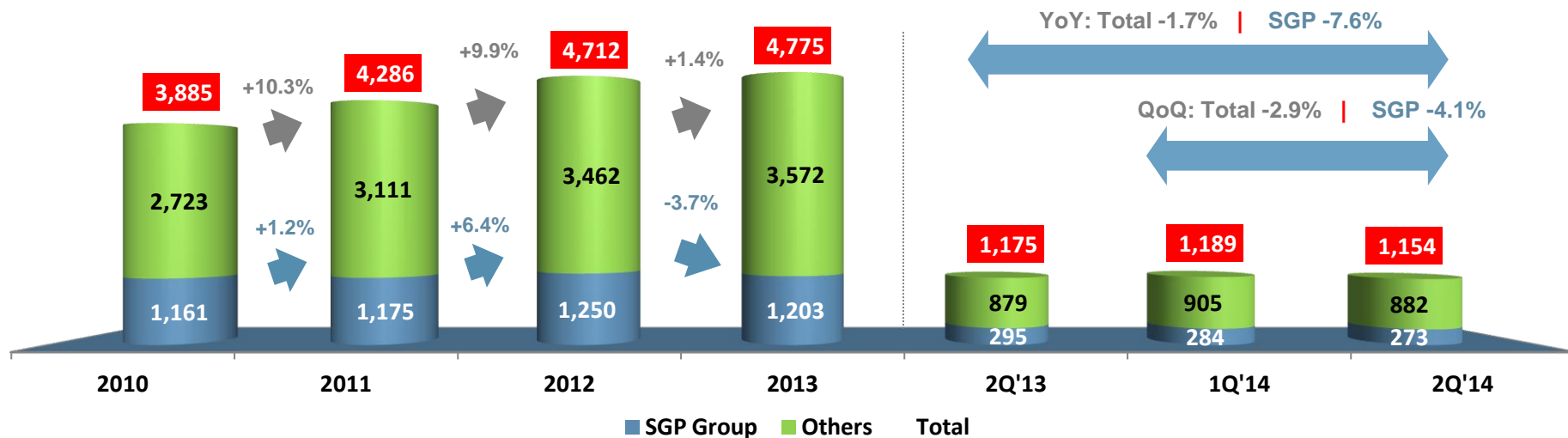
Agent Autogas Stations x 518+

Business Model – Thailand



Thailand LPG Market Highlights

LPG Sales Volume ('000 tons) | ALL SECTORS



- Legislation on cross-application sales with strict enforcement
- Total market size 4.77 million TPA (2013)

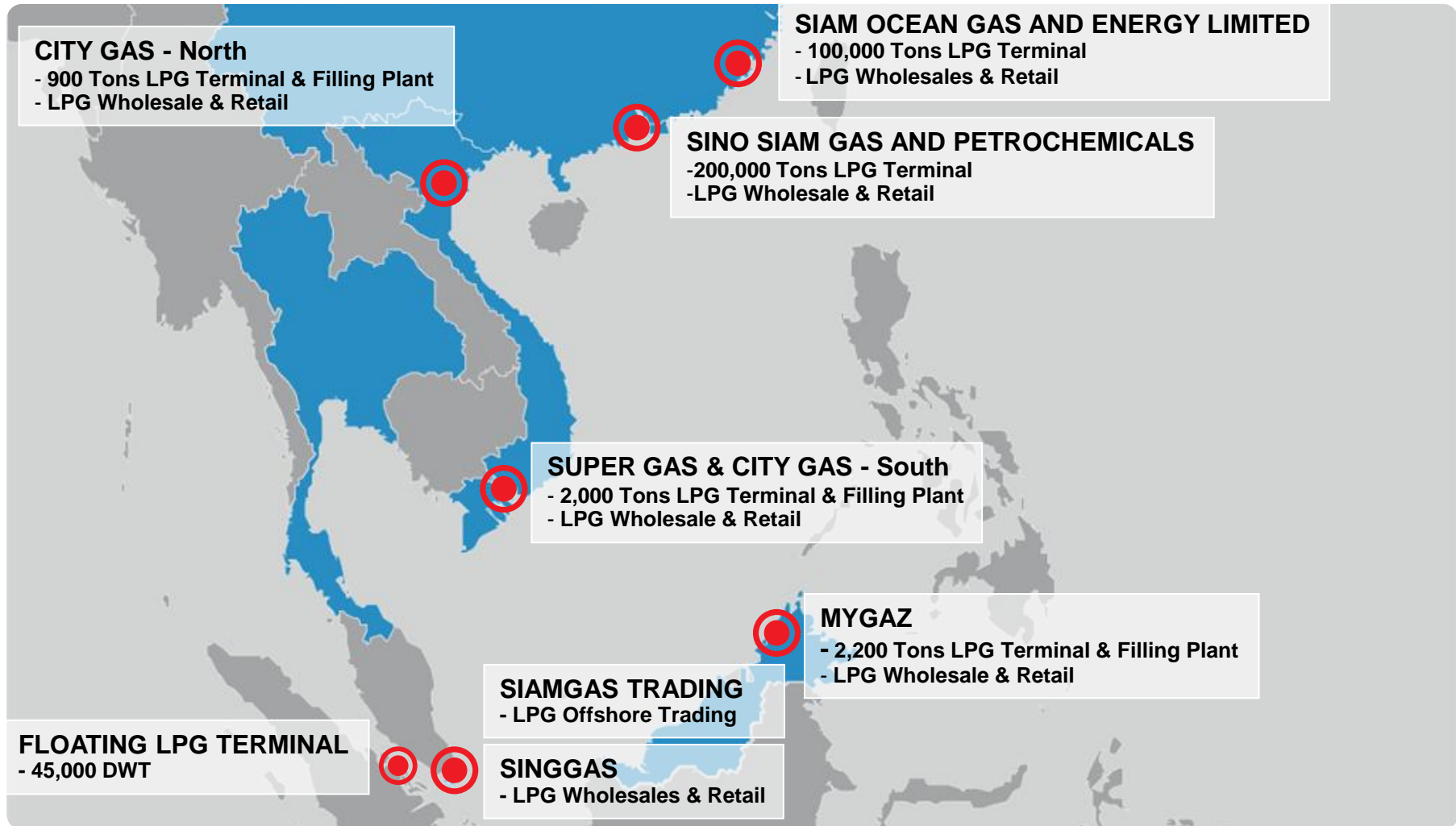
| | |
|------------|--------------------------|
| Cooking | 2.40 million TPA (50.3%) |
| Automotive | 1.77 million TPA (37.1%) |
| Industrial | 0.60 million TPA (12.6%) |
- Average growth ('10-'13) 7.6%



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SGP's Presence in Oversea business





Super Gas Co. Ltd.



SingGas (LPG) Pte. Ltd.



Sino Siam Gas & Petrochemicals Co. Ltd,



Siam Ocean Gas & Energy Ltd.



Vietnam

Singapore

Zhuhai, China

Shantou, China

March 2010

July 2010

Dec 2010

Jun 2011

LPG Retail Business

Acquired Super Gas Co.,Ltd.
USD 11.5 mil
LPG Terminal & Filling Plant
Storage. Cap 2,000 tons

LPG Retail Business

Acquired from Shell Gas (LPG)
SGD 15 mil
LPG Filling Plant
Storage. Cap 75 tons

LPG Retail Business

Acquired from BP Zhuhai (LPG)
USD 101 mil
LPG Terminal (Bulk-Breaking)
LPG Filling Plant
LPG Retail Outlets
Storage. Cap 200,000 tons
(Underground Storage Caverns)

LPG Retail Business

Acquired from Chevron China
USD 51 mil
LPG Terminal (Bulk-Breaking)
Storage. Cap 100,000 tons
(Underground Storage Caverns)





Citygas North Co. Ltd.



Citygas Co. Ltd.



Mygaz Sdn. Bhd.



Siam Gas Trading Pte. Ltd.



North Vietnam

Vietnam

East Malaysia

Singapore

January 2013

January 2013

May 2013

January 2013

LPG Retail Business

Acquired Shell Gas Hai Phong
USD 0.3 mil
LPG Terminal & Filling Plant
Storage. Cap 900 tons

LPG Retail Business

Acquired Shell Gas Vietnam
USD 0.1 mil
LPG Cylinder only

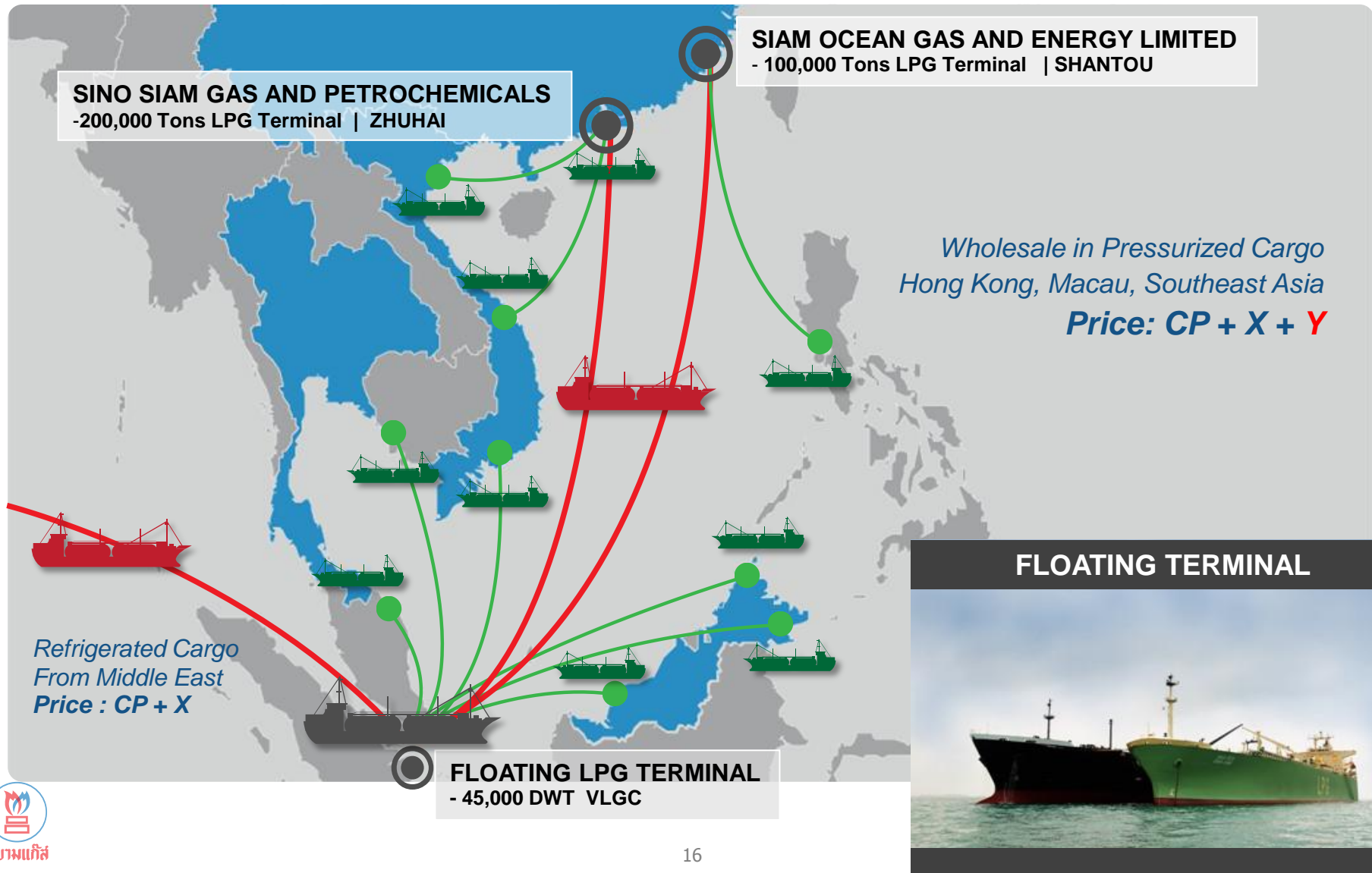
LPG Retail Business

Acquired LPG business and
assets from Shell Timur Sdn
Bhd
MYR 10.0 mil
LPG Terminal & Filling Plant
Storage. Cap 2,200 tons

LPG Wholesale Business



Regional LPG Wholesale (Re-Export) Model

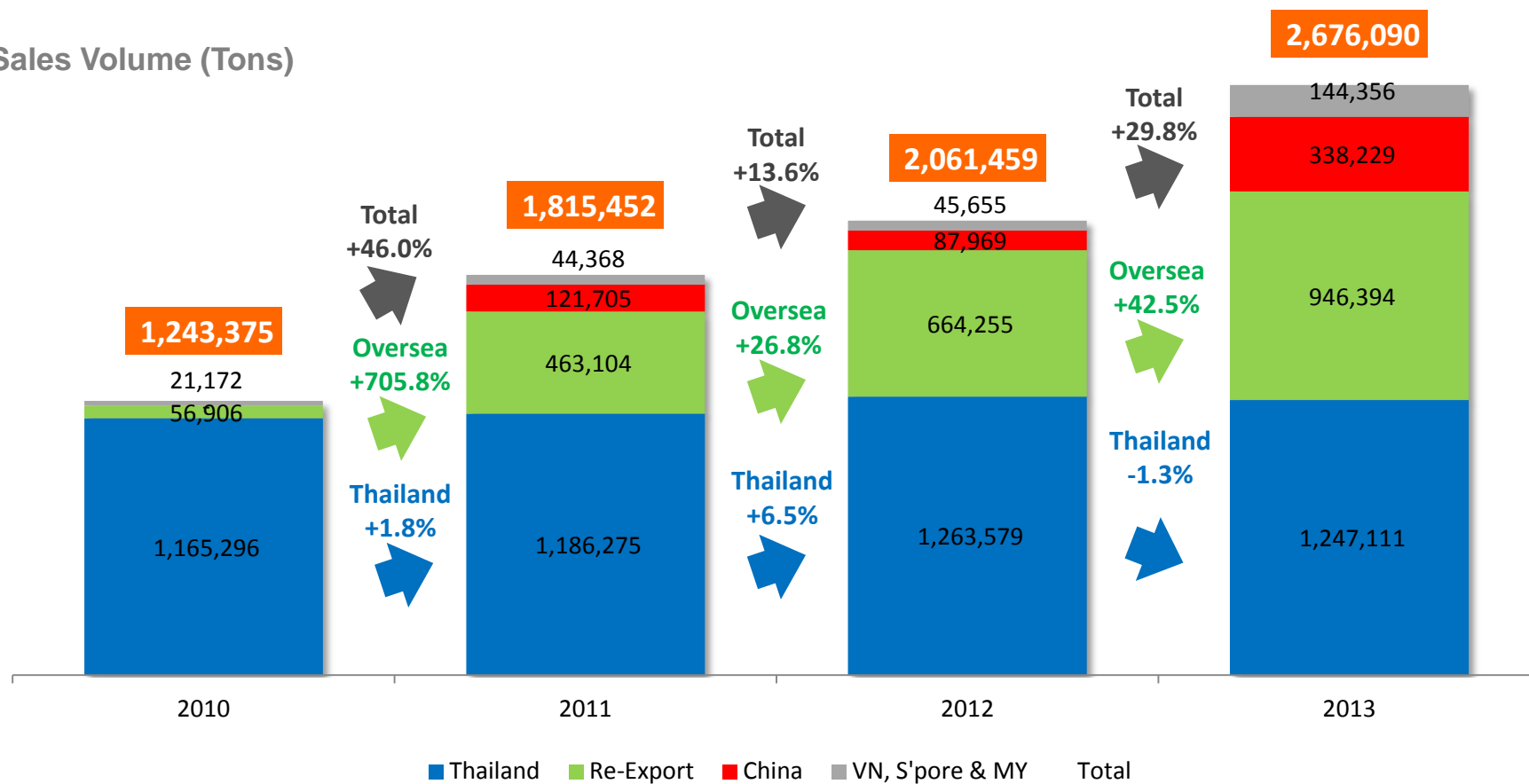


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Annually LPG Sales Growth : 2011 – 2013

Sales Volume (Tons)



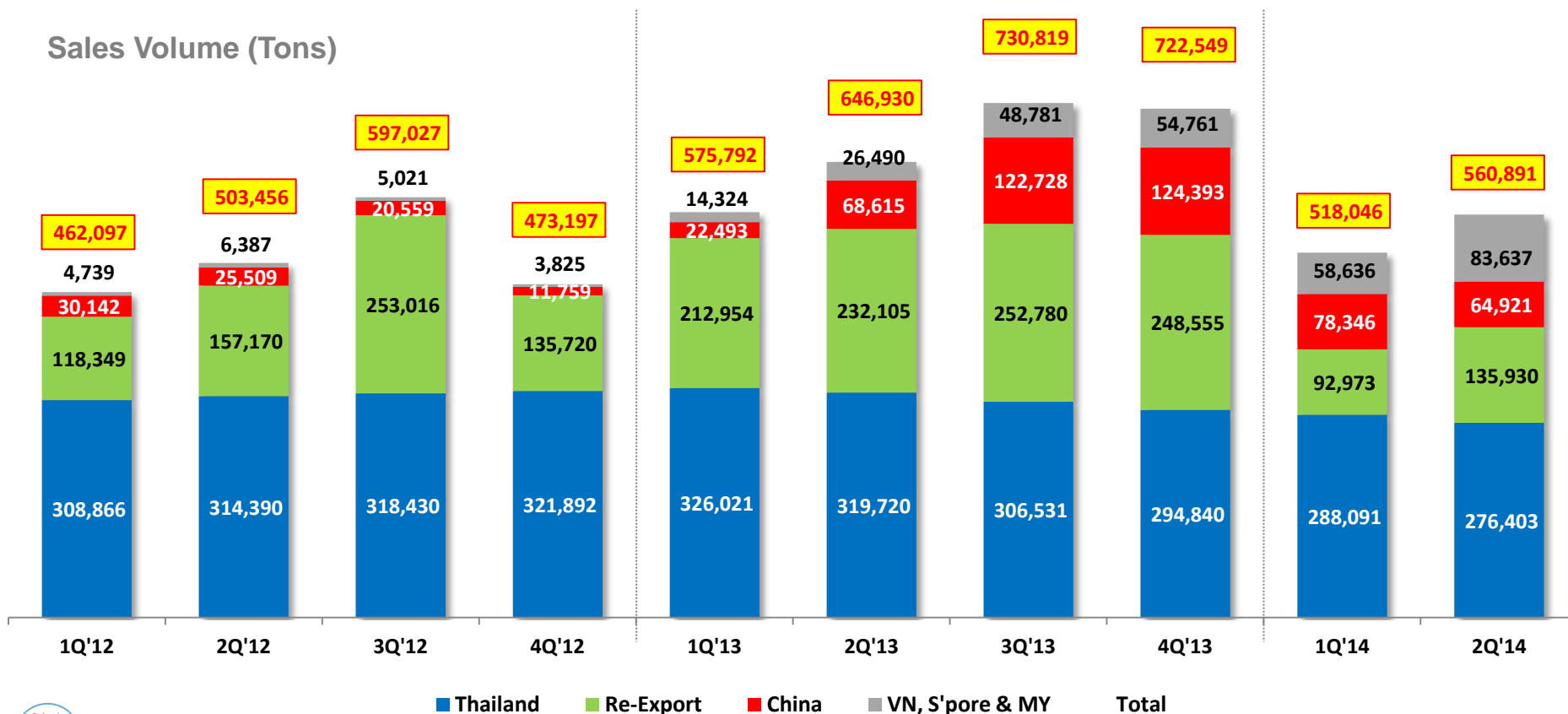


Quarterly LPG Sales Growth : 2012 – 2Q'14

YoY | Total -13.3% | Thailand -13.5% | Re-Export -41.4% China -5.4% | VSM +215.7%

QoQ | Total +8.3% | Thailand -4.1% | Re-Export +46.2% China -17.1% | VSM +42.6%

Sales Volume (Tons)

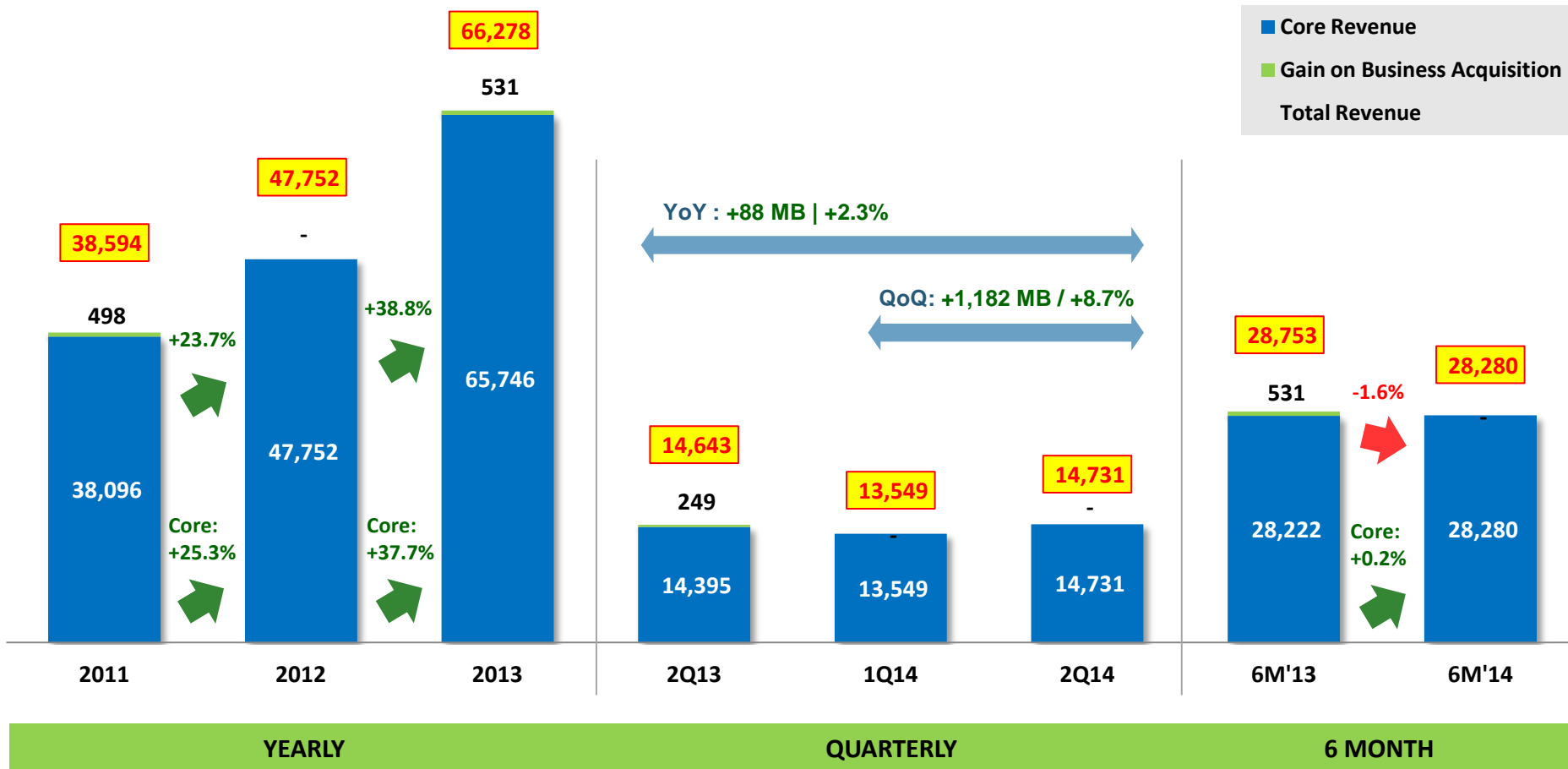


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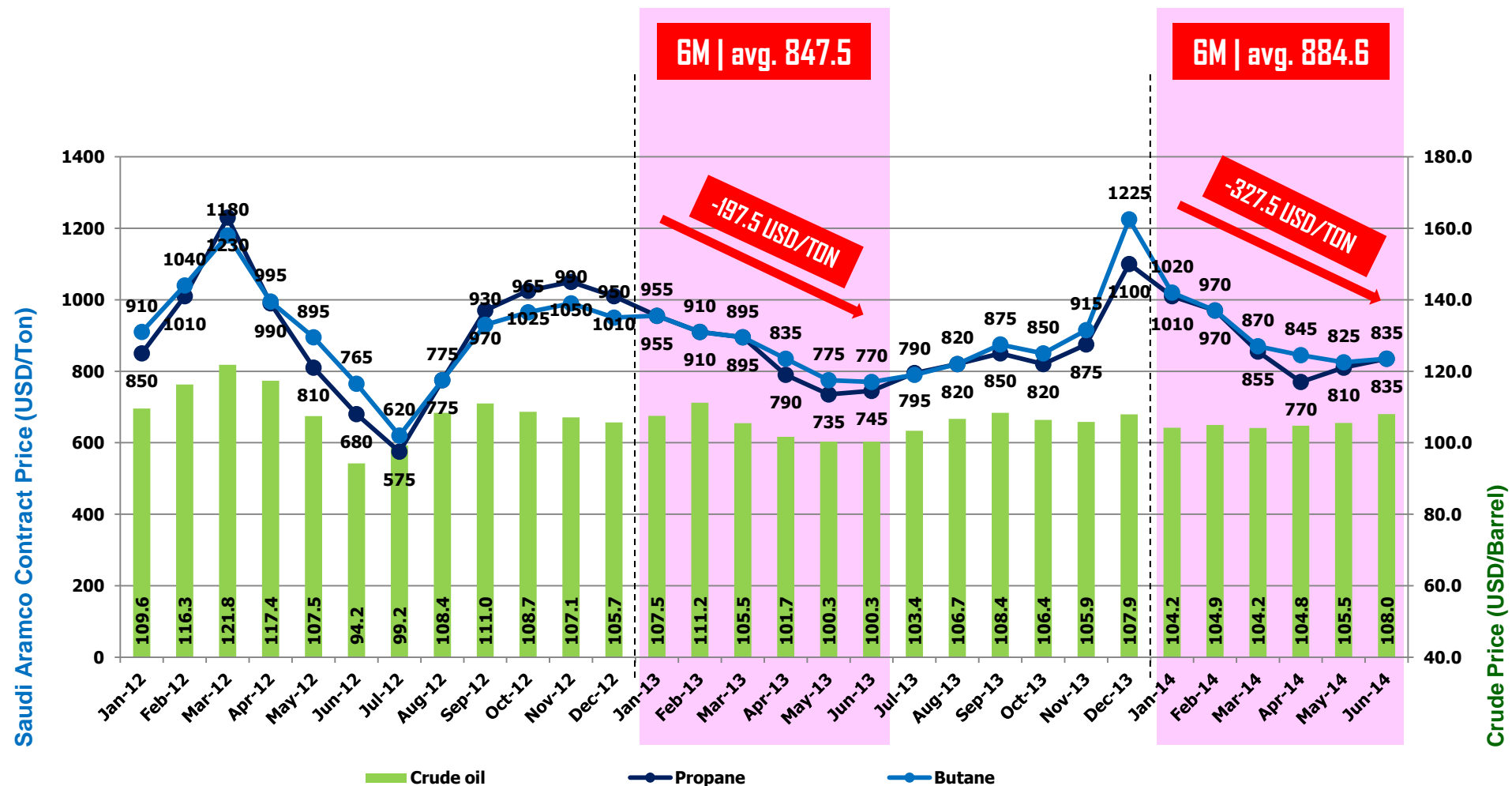
Financial Highlights - Revenue

REVENUE (MB)





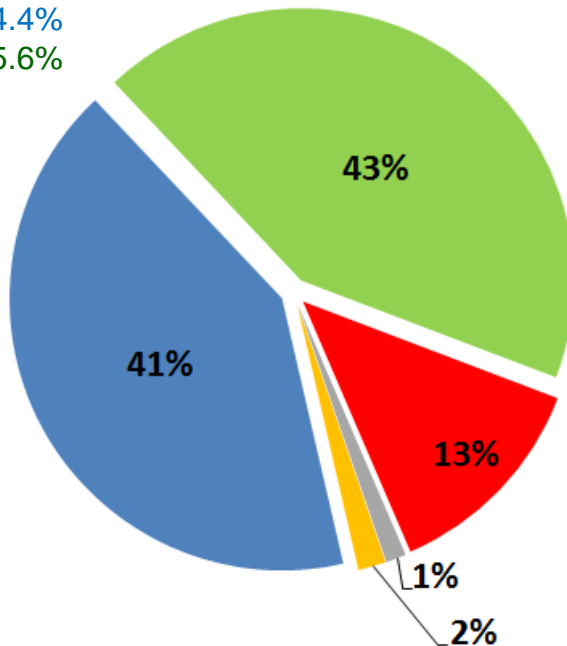
CP Price Movement vs Crude Price : Snap Shot 2012 – Jun'14



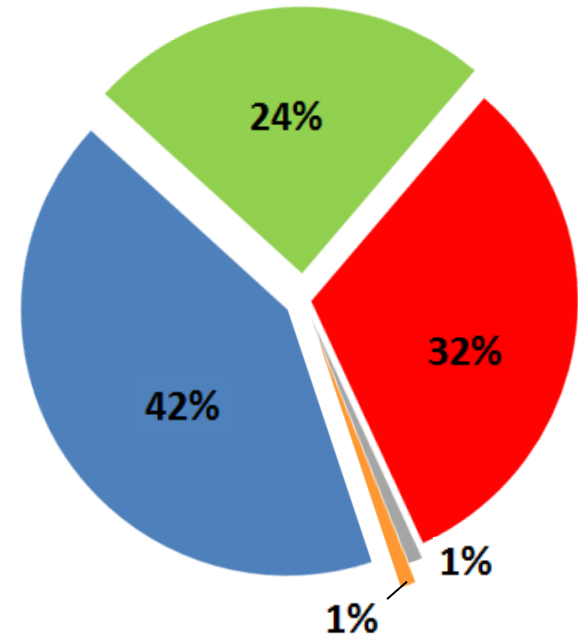
Revenue Portion

6M|2013

Thailand 44.4%
Oversea 55.6%



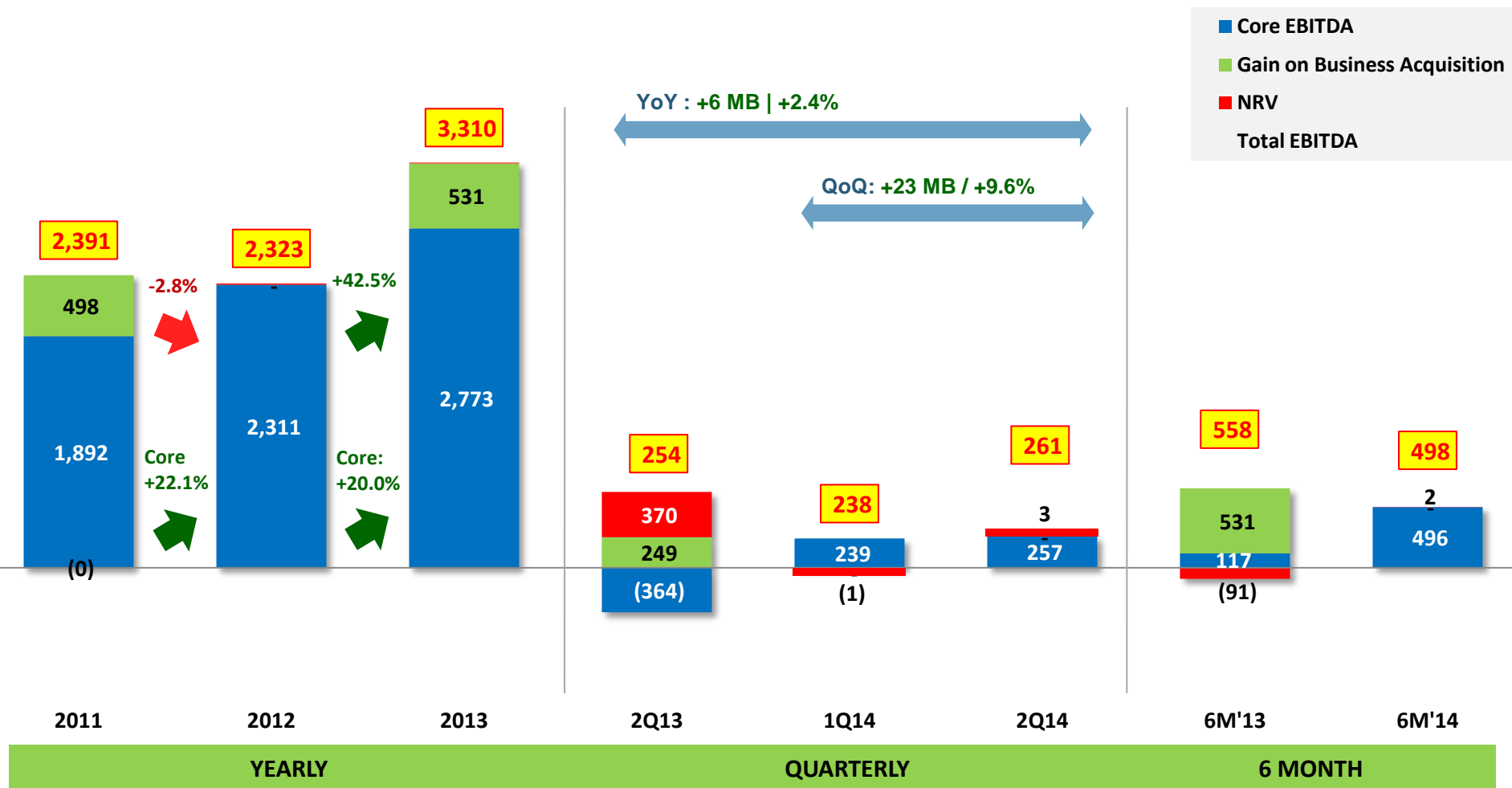
- Thailand
- Offshore trading
- Overseas business
- Logistic
- Other (Service&Other)



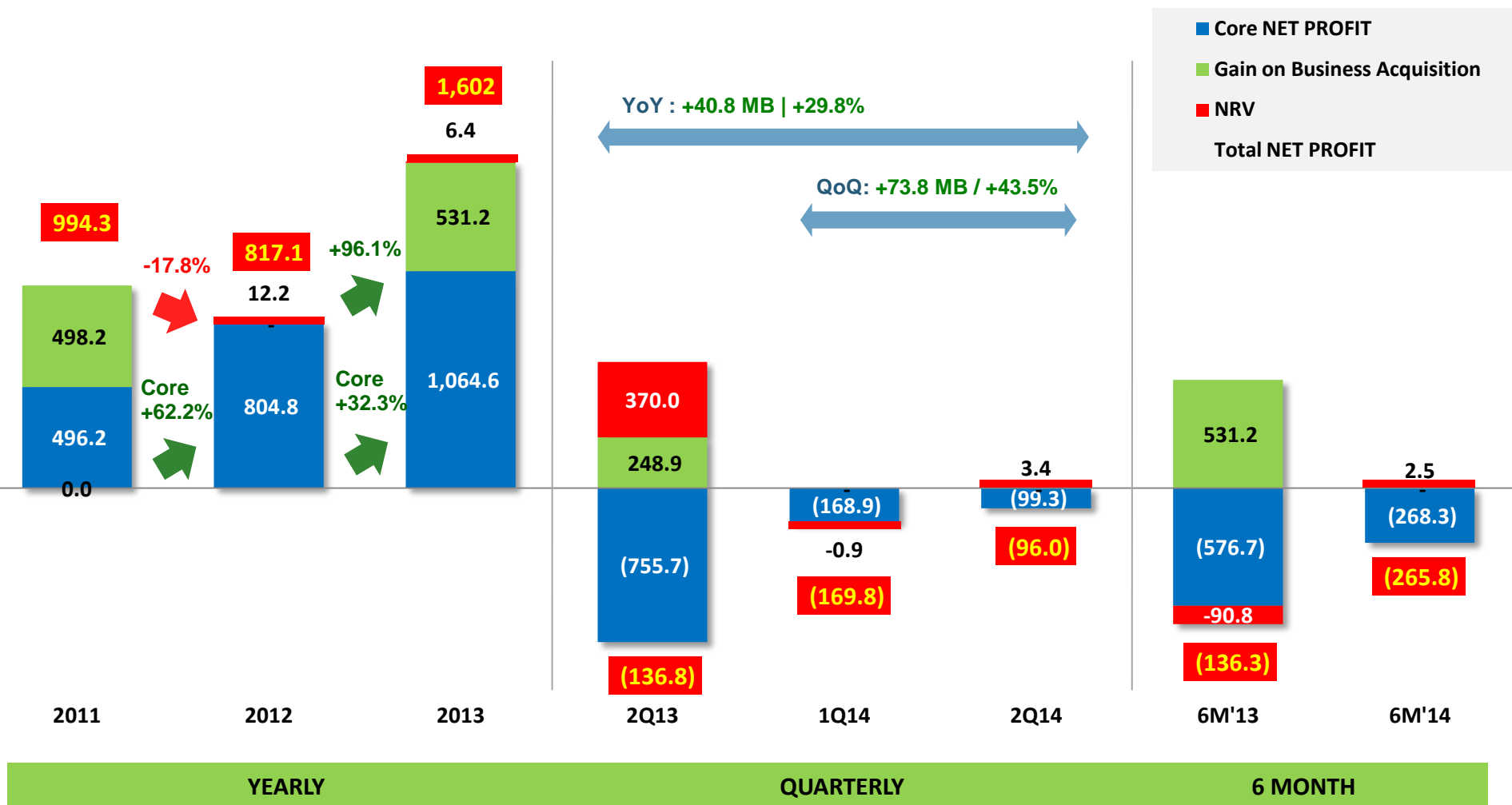
6M|2014

Thailand 43.7%
Oversea 56.3%

Financial Highlights – EBITDA (MB.)



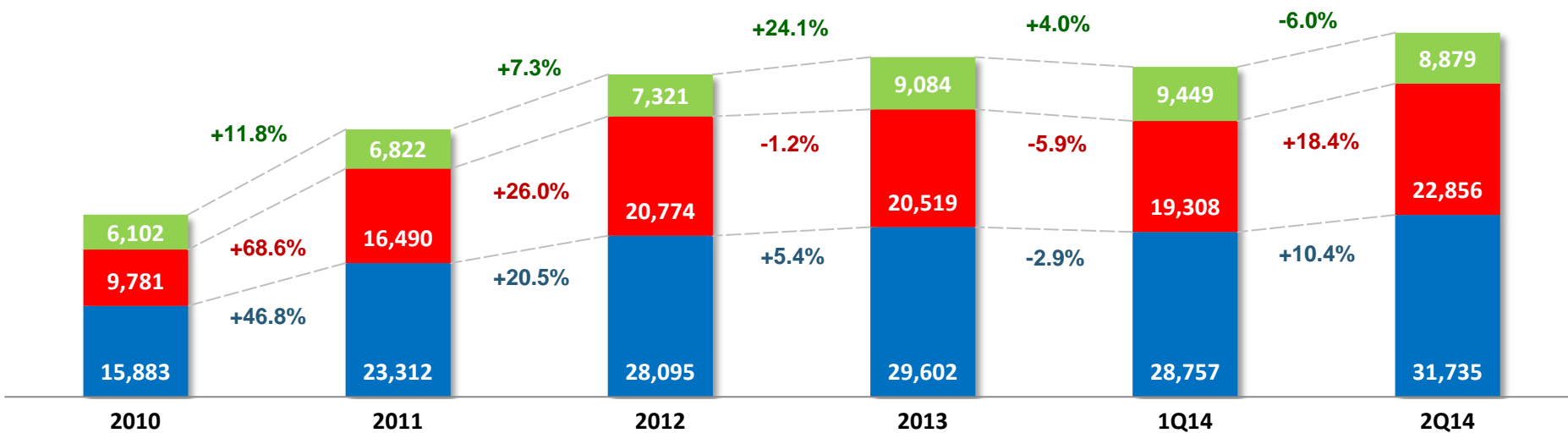
Financial Highlights – Net Profit (MB.)



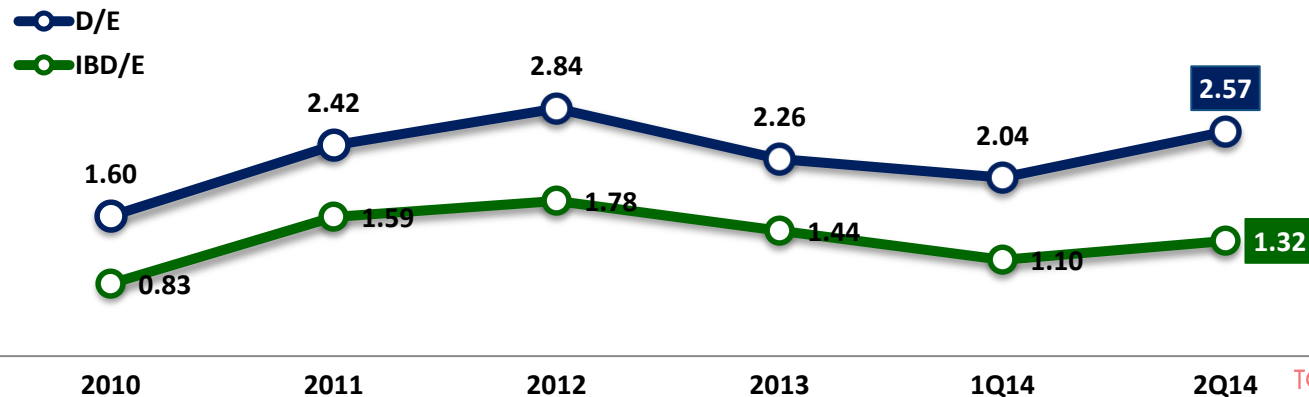
Financial Highlights – Balance Sheet & D/E

STATEMENT OF FINANCIAL POSITION

■ ASSETS ■ LIABILITIES ■ SHAREHOLDERS' EQUITY



GEARING RATIO (X)



2014 LPG Volume Achievement

LPG Sales Volume (Tons)

■ Malaysia & Singapore

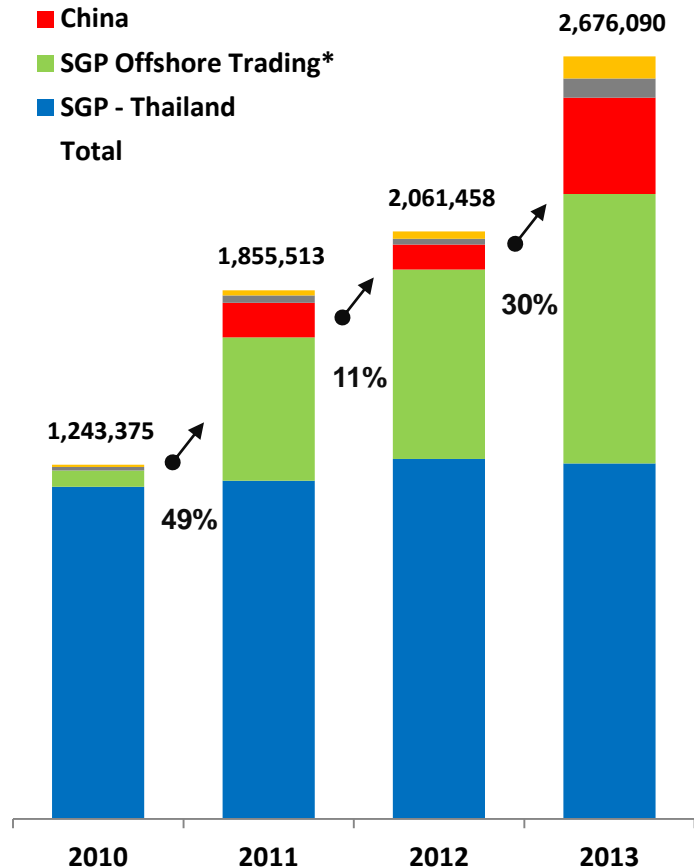
■ Vietnam

■ China

■ SGP Offshore Trading*

■ SGP - Thailand

Total



| Sales Volume (tons) | FORECAST | | | | | % success |
|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------|
| | 2011 | 2012 | 2013 | 2014 | 6M/2014 | |
| SGP - Thailand | 1,186,275.26 | 1,263,579.00 | 1,247,111.49 | 1,300,000.00 | 564,494.59 | 43.4% |
| SGP Offshore Trading | 503,164.61 | 664,255.00 | 946,393.96 | 1,028,000.00 | 228,902.88 | 22.3% |
| China | 121,705.00 | 87,969.44 | 338,228.61 | 360,000.00 | 143,266.84 | 39.8% |
| Vietnam | 26,496.00 | 19,972.00 | 67,388.20 | 194,400.00 | 86,603.90 | 44.5% |
| Malaysia & Singapore | 17,872.00 | 25,683.00 | 76,967.68 | 117,600.00 | 55,668.28 | 47.3% |
| Total | 1,855,512.87 | 2,061,458.44 | 2,676,089.94 | 3,000,000.00 | 1,078,936.50 | 36.0% |

| | | | | | |
|------------------|-------|-------|-------|-------|-------|
| Domestic portion | 63.9% | 61.3% | 46.6% | 43.3% | 52.3% |
| Oversea portion | 36.1% | 38.7% | 53.4% | 56.7% | 47.7% |
| Growth (%) | 49.2% | 11.1% | 29.8% | 12.1% | |

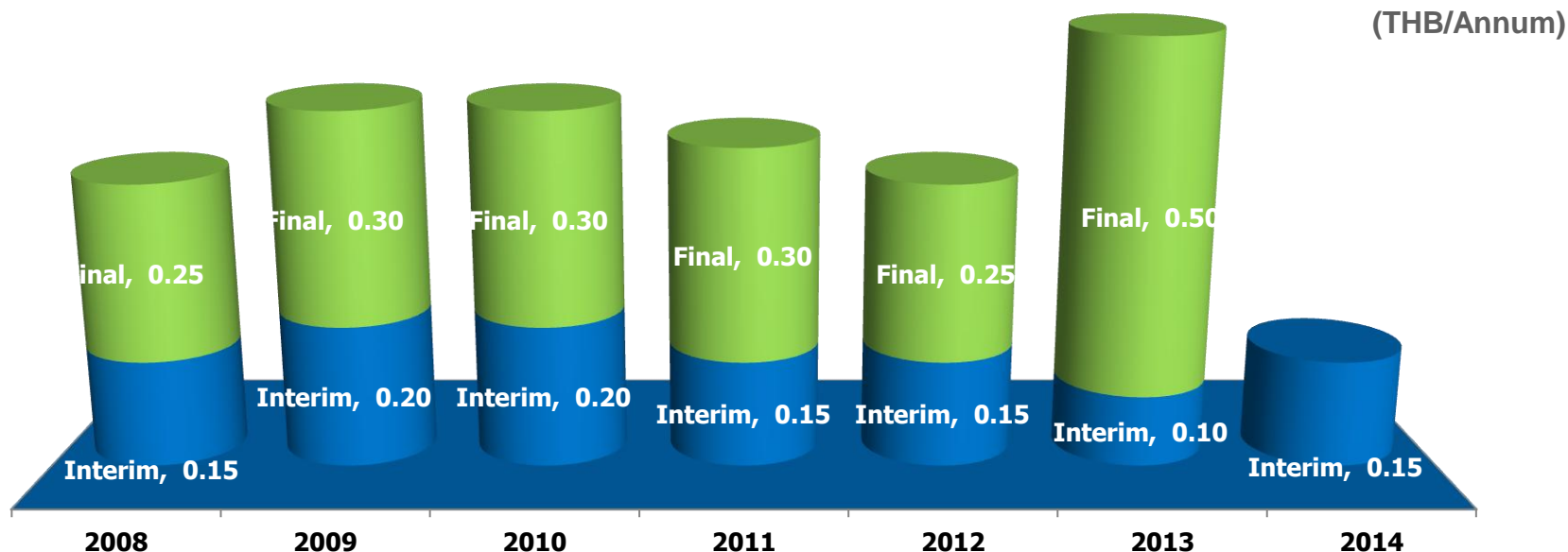


Dividend Payment

- **Dividend Policy**

- The Company has established the policy to pay dividends to the shareholders at the rate of not less than 40% of the net profit after corporate income tax, accumulated loss brought forward (if any) and appropriation of statutory reserve in accordance with the Company's separate financial statements. However, the Board of Directors may set the rate of dividend less than the one mentioned above depending on the operating results, financial situation, liquidity and the necessity to expand the operation as well as the reserve on circulating capital of the operating of the organization.

- **Historical Dividend Payments**





Questions are welcomed !