



Suksawat Terminal | Site construction



Bangpakong Terminal | Loading bay expansion .

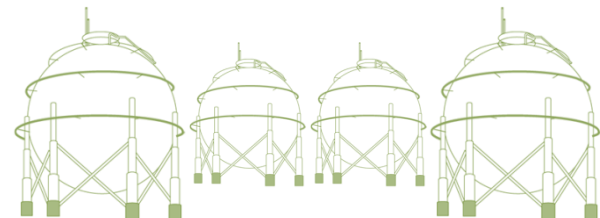


Songkla Terminal | New terminal with capacity 1,500 MT.



## SIAMGAS AND PETROCHEMICALS PCL. Q2 | 2016 PERFORMANCE RESULTS

PRESENTATION FOR INVESTOR & ANALYST

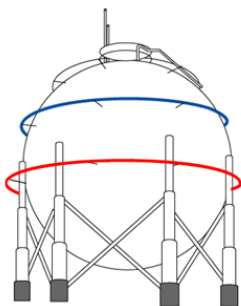


The information contained in this presentation is for information purposes only and does not constitute an offer or invitation to sell or the solicitation of an offer or invitation to purchase or subscribe for share in Siamgas and Petrochemicals Public Company Limited (“SGP” and shares in SGP, “shares”) in any jurisdiction or should it or any part of it form the basis of, or be relied upon in any connection with, any contract or commitment whatsoever.

This presentation may include information which is forward-looking in nature. Forward-looking information involve known and unknown risks, uncertainties and other factors which may impact on the actual outcomes, including economic conditions in the markets in which SGP operates and general achievement of SGP business forecasts, which will cause the actual results, performance or achievements of SGP to differ, perhaps materially, from the results, performance or achievements expressed or implied in this presentation.

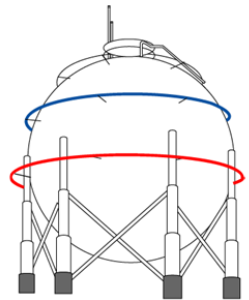
This presentation has been prepared by the SGP. The information in this presentation has not been independently verified. No presentation, warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information and opinions in this presentation. None of the SGP or any of its agents or advisers, or any of their respective affiliates, advisers or representatives, shall have any liability (in negligence or otherwise) for any loss howsoever arising from any use of the presentation or its contents or otherwise arising in connection with this presentation.

This presentation is made, furnished and distributed for information purposes only. No part of this presentation shall be relied upon directly or indirectly for any investment decision-making or for any other purposes.

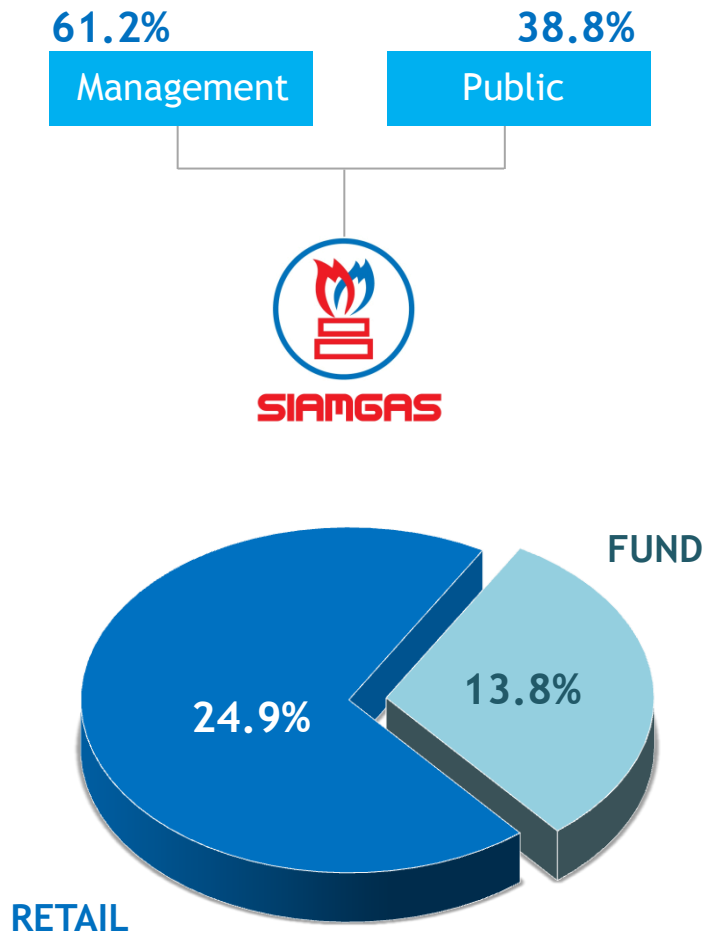


This presentation and all other information, materials or documents provided in connection therewith, shall not, either in whole or in part, be reproduced, redistributed or made available to any other person, save in strict compliance with all applicable laws.






















- Business Overview
- Thailand Business Model and Highlights
- Oversea LPG Market Highlights
- Financial Results
- Business Outlook
- Q & A



## Shareholding Structure

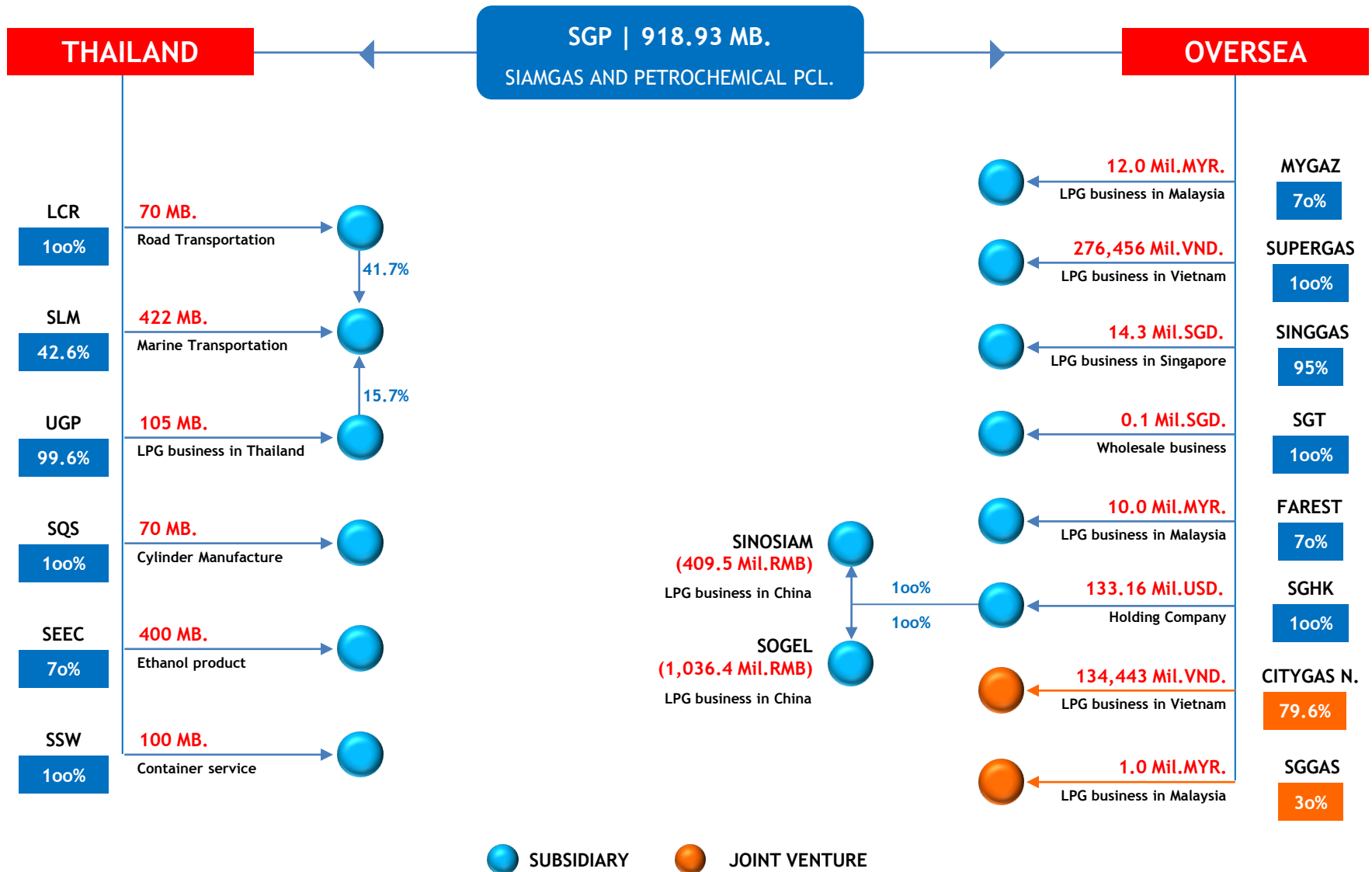


## Key milestones :

- 1976 Founded the company  
- 2004 Acquired Uniquegas  
- 2008 Listed in  SET | [ SGP ]
- 2010 Purchase LPG business in Vietnam [Supergas]  
- Purchase LPG business in Singapore [Singgas]  
- Purchase LPG business in China [Sinosiam]  
- 2011 Setup Trading Business in Singapore [SGT]  
- Purchase LPG Business in China [Sogel]  
- 2013 Purchase LPG Business in Vietnam [Citygas N.]  
- Purchase LPG Business in Vietnam [Citygas]  
- Purchase LPG Business in E.Malaysia [Mygaz]  

Latest closed data : On 11 MAR 2016

# COMPANY STRUCTURE





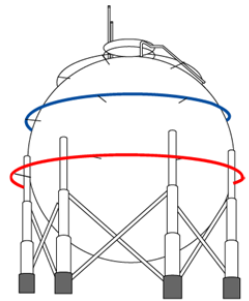
# SGP's PRESENCE



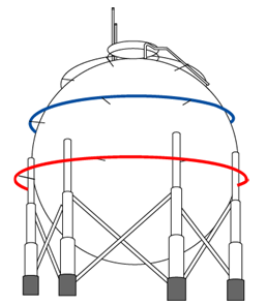
**SIAMGAS**  
GROUP



- Business Overview
- **Thailand Business Model and Highlights**
- Oversea LPG Market Highlights
- Financial Results
- Business Outlook
- Q & A



- *Energy regulatory commission keep LPG retail price unchanged at baht 20.29 per kg.*
- *The regulator is setting up regulation on liberalize of LPG import. SGP is ready to import LPG when the regulation is settled.*
- *Siamgas and Petrochemicals Plc. started to import LPG for export purpose since January 2016.*
- *The action began after the Company was allowed to use LPG storage as a bonded warehouse to imported LPG and exported as a tax exempt product.*



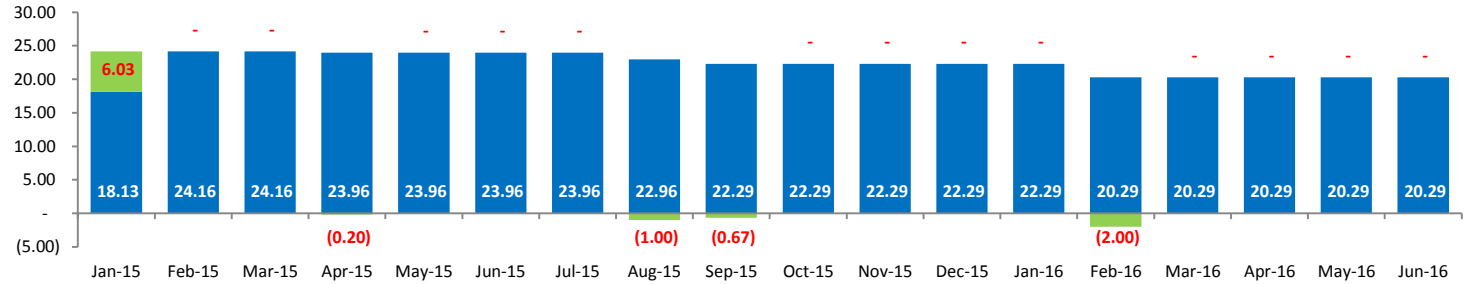


# LPG Retail Price

## COOKING



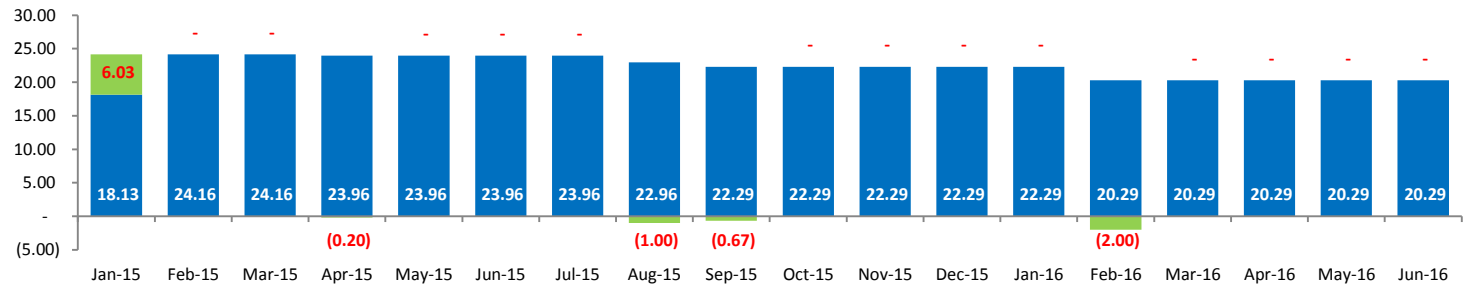
**20.29 Baht/kg.**



## AUTOMOBILE



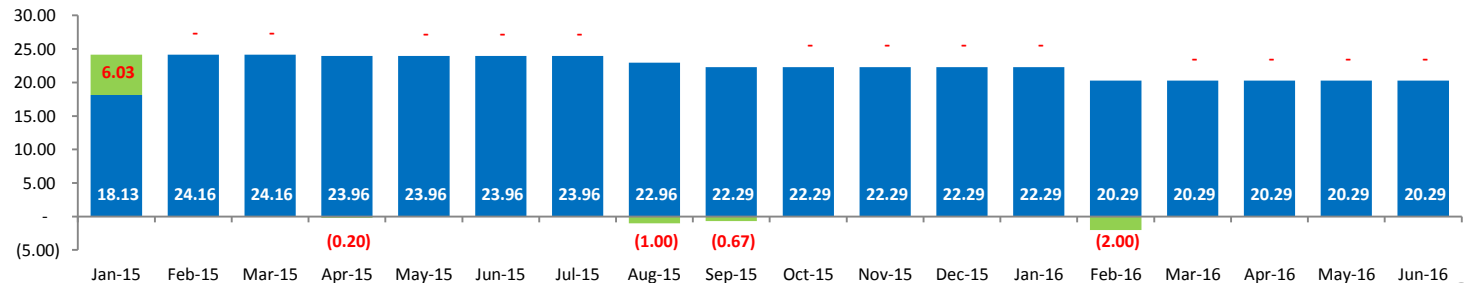
**20.29 Baht/kg.**



## INDUSTRIAL



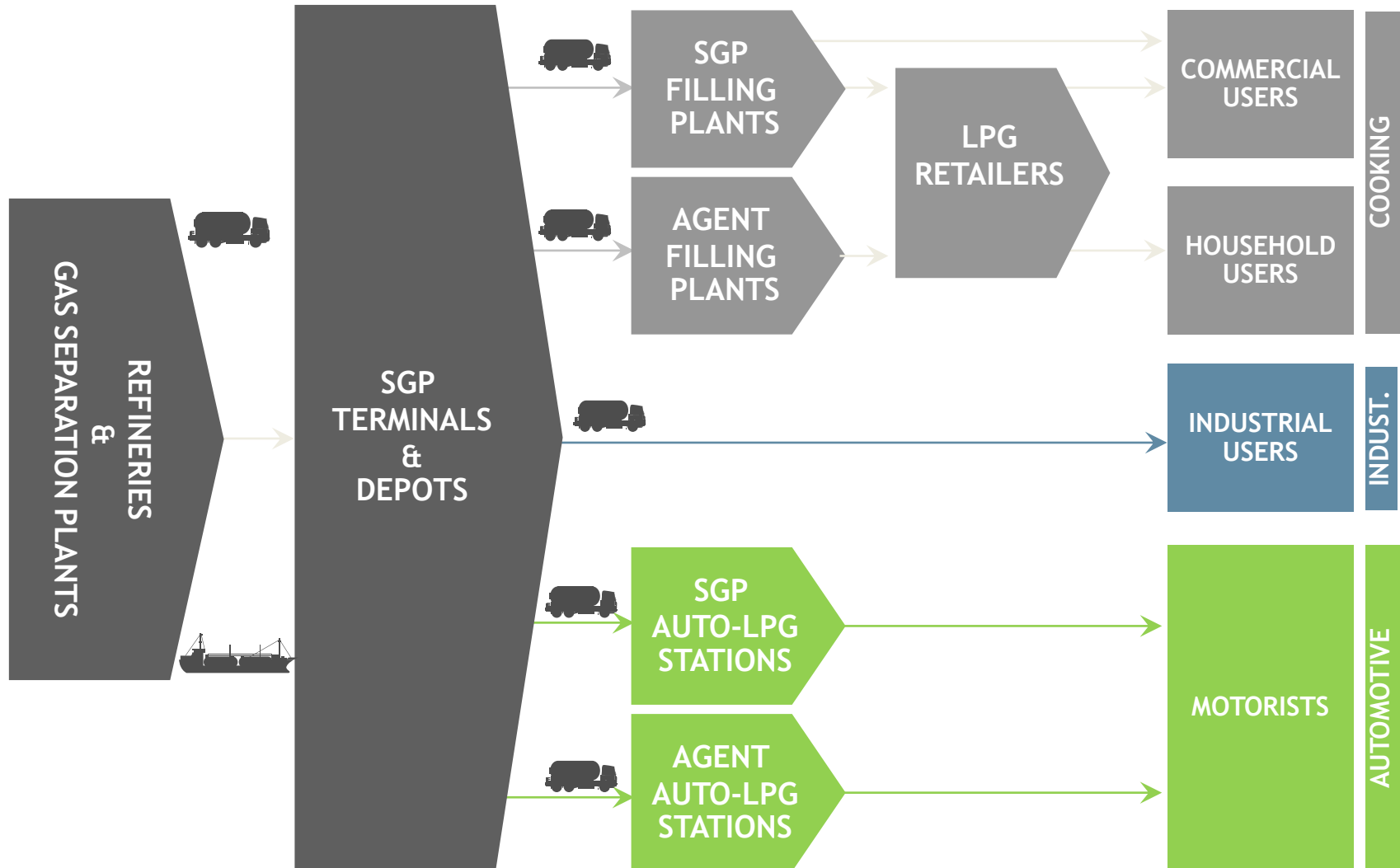
**20.29 Baht/kg.**



# THAILAND BUSINESS MODEL



**SIAMGAS**  
GROUP



# SGP's NETWORK IN THAILAND



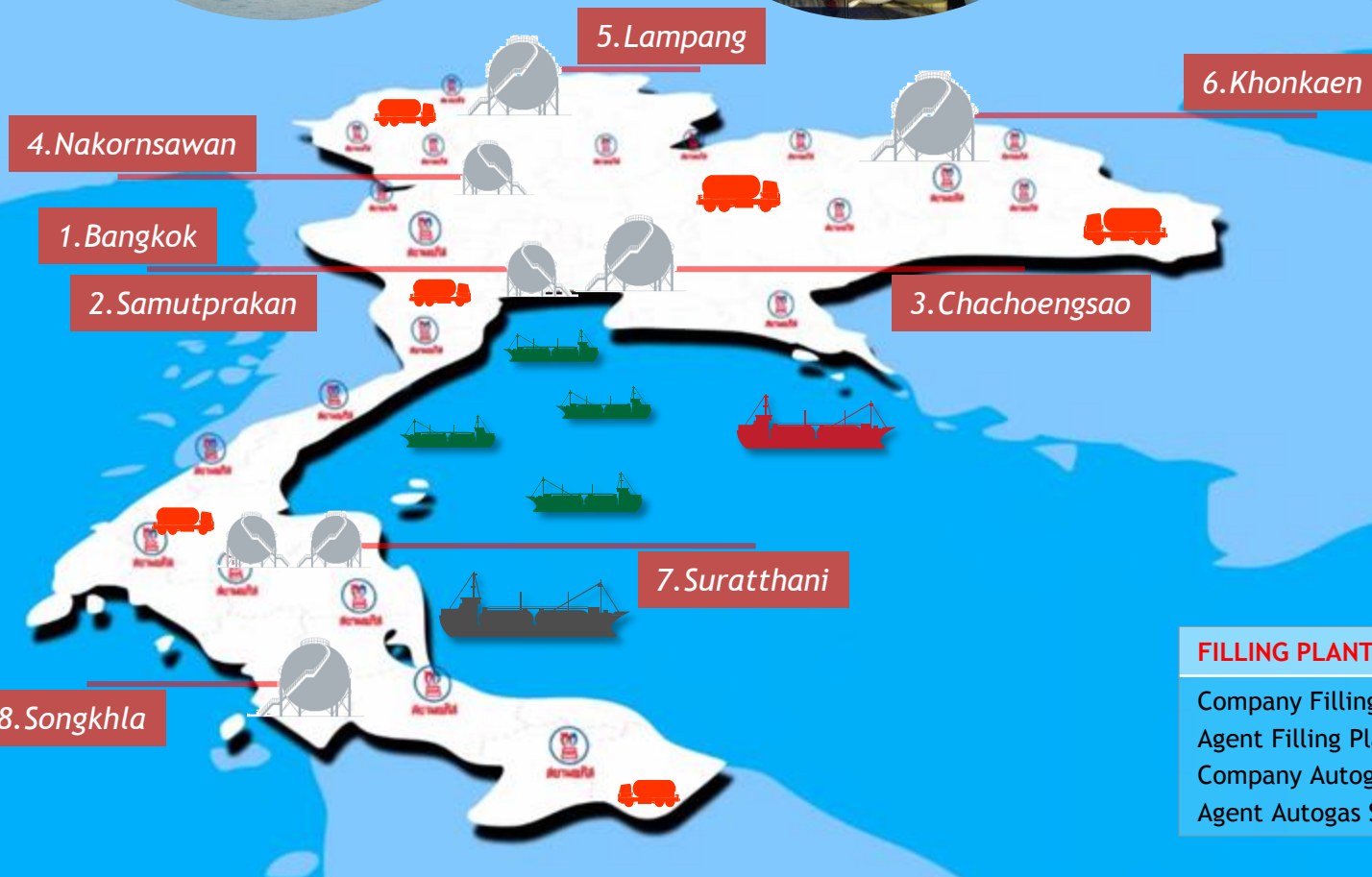
22  
vessels



8  
terminals



500  
roadtankers



## FILLING PLANT & AUTOGAS STATION

Company Filling Plants x 37+

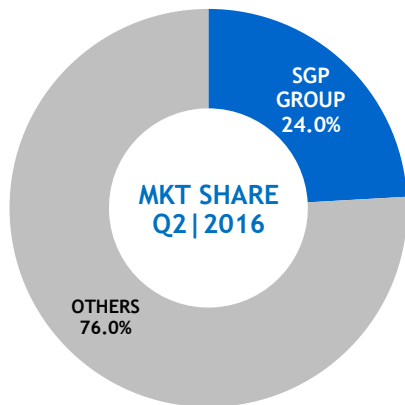
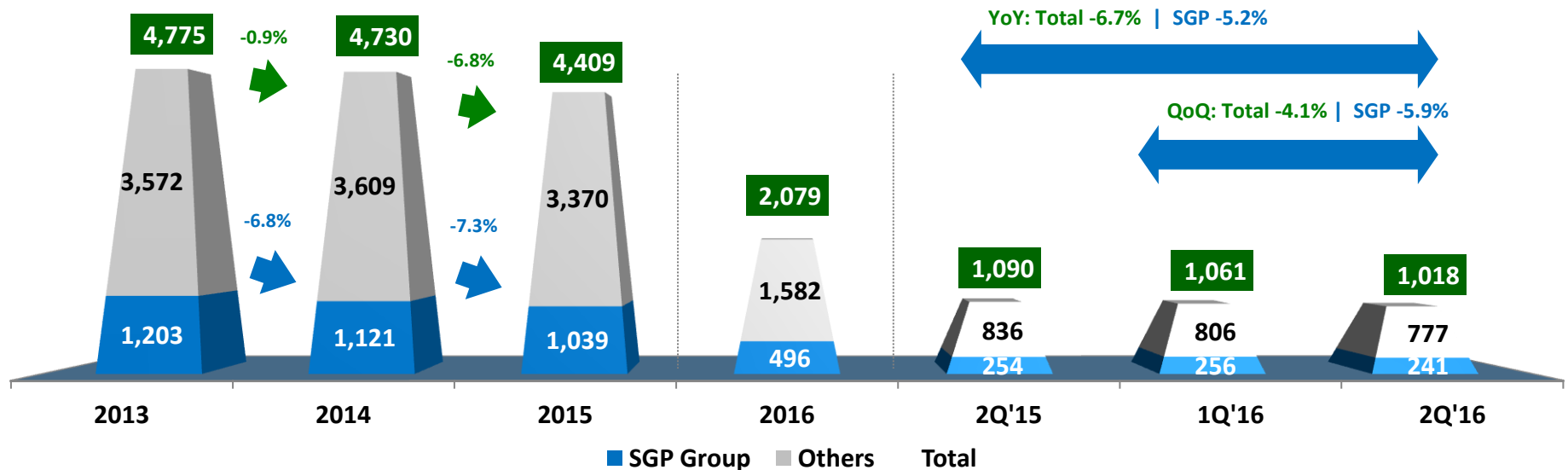
Agent Filling Plants x 145+

Company Autogas Stations x 43++

Agent Autogas Stations x 533+

# THAILAND LPG MARKET

LPG Sales Volume ('000 tons) | ALL SECTORS



2

## MARKET SHARE

1. PTT	38.6 %
2. SGP	24.0 %
3. WP	22.2 %
4. OTHER	15.2 %

- Total market size 2.08 million TON (6M | 2016)

Cooking 1.03 million TON (49.5%)

Automotive 0.75 million TON (36.1%)

Industrial 0.30 million TON (14.4%)

- Average growth ('10-'15) 4.2%

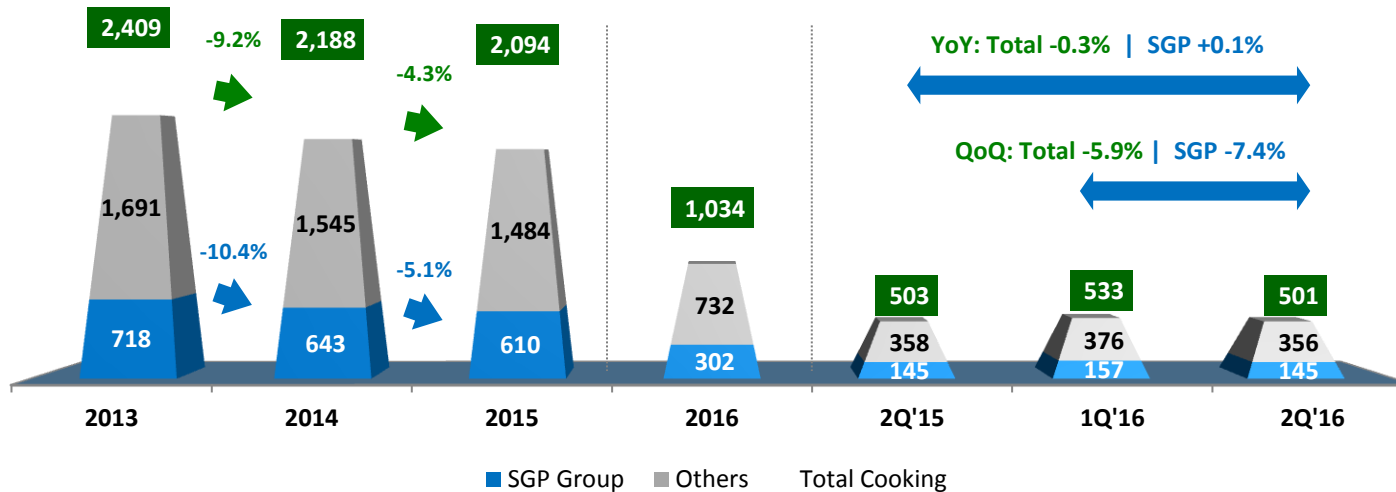
# COOKING MARKET



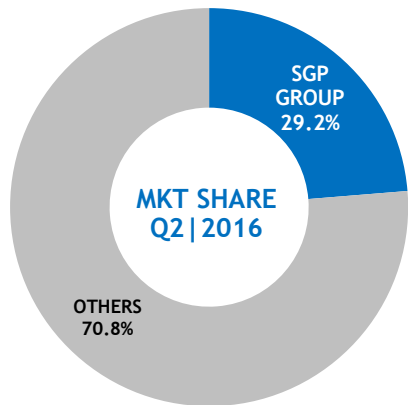
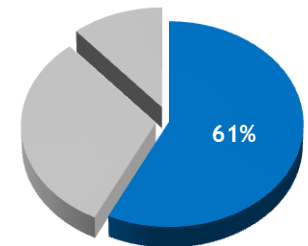
**SIAMGAS**  
GROUP



LPG Sales Volume ('000 tons) | COOKING SECTORS



## COOKING PORTION



2

### MARKET SHARE

1. PTT	48.7 %
2. SGP	29.2 %
3. WP	19.7 %
4. OTHER	2.4 %

- Energy Regulatory Commission approved the floating of LPG price on February 2, 2015 with the announcement of LPG price every month. The price derived from the calculation of real cost of LPG from three sources which are gas separation plant, refineries, and import LPG.
- On February 3, 2016, Energy Regulatory Commission reduced the LPG price by baht 2.00 per kilogram.
- Currently (June 2016) LPG price is equal to baht 20.29 per kg.

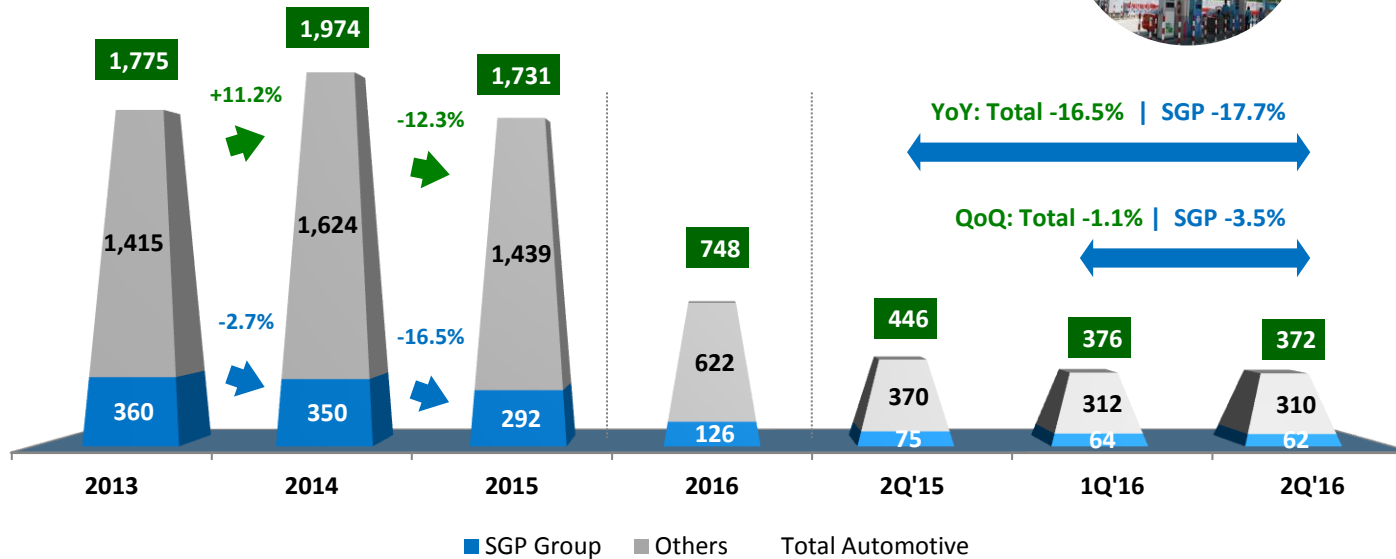


# AUTOMOTIVE MARKET

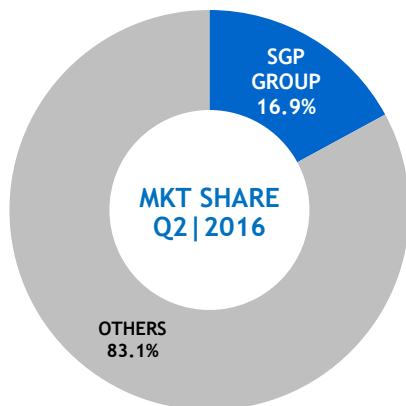
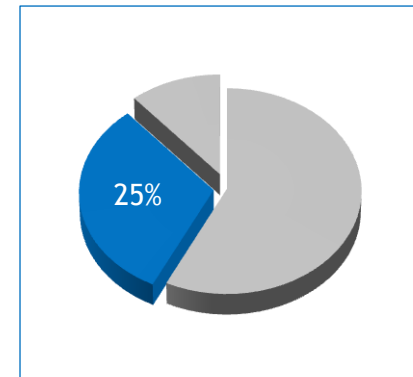


**SIAMGAS**  
GROUP

LPG Sales Volume ('000 tons) | AUTOMOTIVE SECTORS



AUTOMOTIVE PORTION



3

## MARKET SHARE

1. WP 28.7 %
2. PTT 17.7 %
3. SGP 16.9 %
4. OTHER\* 36.7 %

\* 10 company

• The decrease in oil price narrow the gap between oil price and LPG price. This lead to the increase in oil usage.

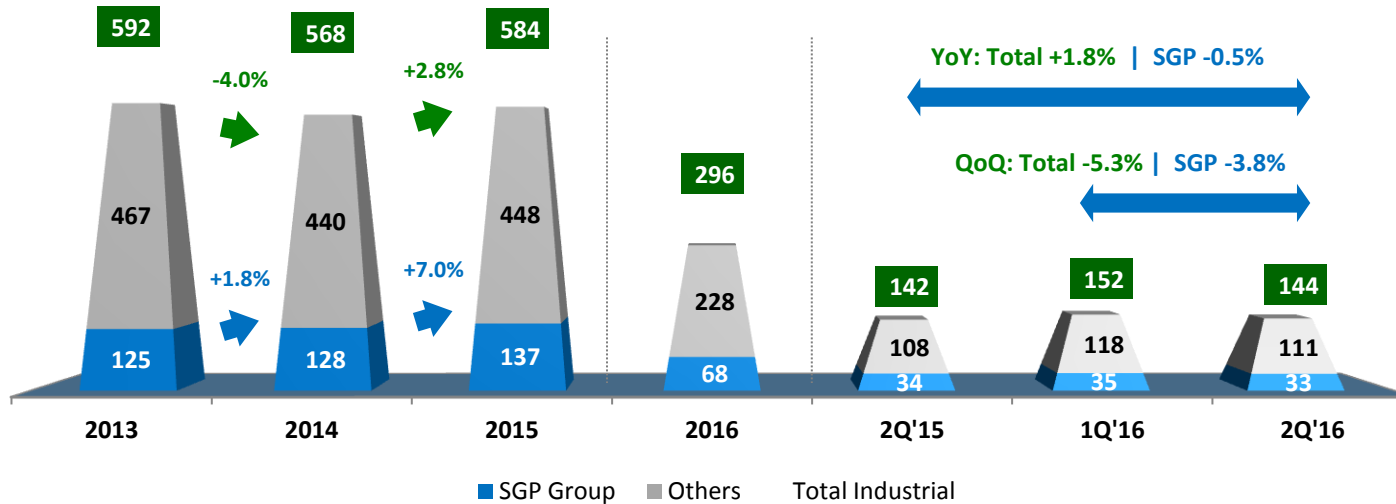
2016	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
LPG	13.46	12.36	12.35	12.38	12.38	12.38						
2016 (91 E10)	22.98	21.85	22.95	23.53	24.75	24.63						
diff	9.52	9.49	10.60	11.15	12.37	12.25						
2015	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
LPG	14.49	14.49	14.49	14.43	14.46	14.43	14.46	13.83	13.59	13.50	13.46	13.46
2015 (91 E10)	26.45	27.20	28.03	27.38	28.31	28.78	27.60	26.12	25.86	25.90	25.18	23.78
diff	11.96	12.71	13.54	12.95	13.85	14.35	13.14	12.29	12.27	12.40	11.72	10.32
2014	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
LPG	13.01	13.01	12.98	12.97	12.98	12.98	12.98	12.98	12.98	13.44	13.77	14.45
2014 (91 E10)	38.28	38.28	38.33	38.73	38.48	38.58	37.78	36.63	36.63	34.72	32.70	30.08
diff	25.27	25.27	25.35	25.76	25.50	25.60	24.80	23.65	23.65	21.28	18.93	15.63

Data Source : Department of Energy Business

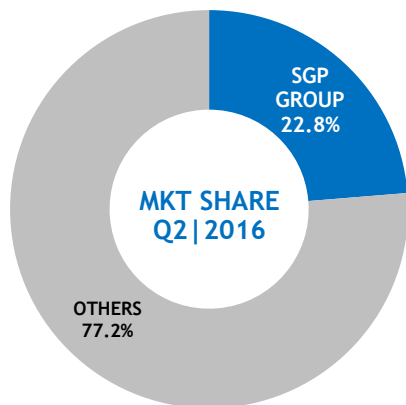
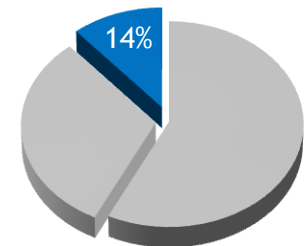
Siamgas and Petrochemicals Public Company Limited



## LPG Sales Volume ('000 tons) | INDUSTRY SECTORS



### INDUSTRY PORTION



2

### MARKET SHARE

1. PTT	54.5 %
2. SGP	23.0 %
3. WP	13.5 %
4. OTHER	9.0 %

- Thai economy slowdown owing to global economy slowdown. This impact the export sector and effect the local industries. However, the economy expanded slightly due to increase in government sector investment and household spending.
- The industrial section increase due to new customer penetration and expand to new market as follow:
  - Food and Agriculture sector : New customer in poultry industry.
  - Modern Trade and Department Store sector : New branches of department store and modern trade.
  - Hotel sector : Penetrate new customer in the Southern part, Central, and Eastern part.
  - Metal Industry : The customer increase production capacity due to expansion in government spending in infrastructure.

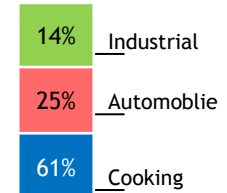
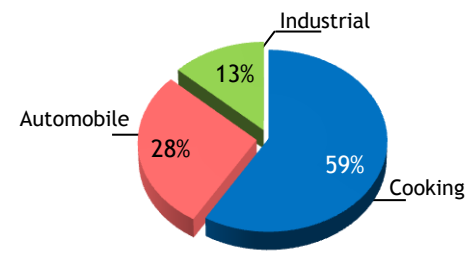
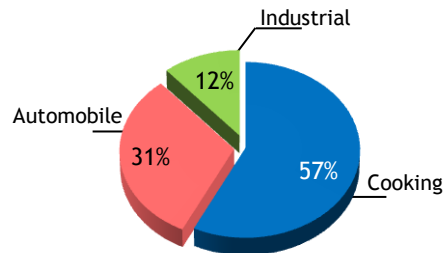
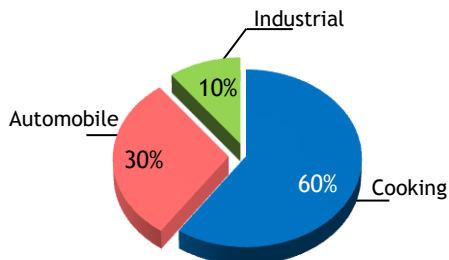
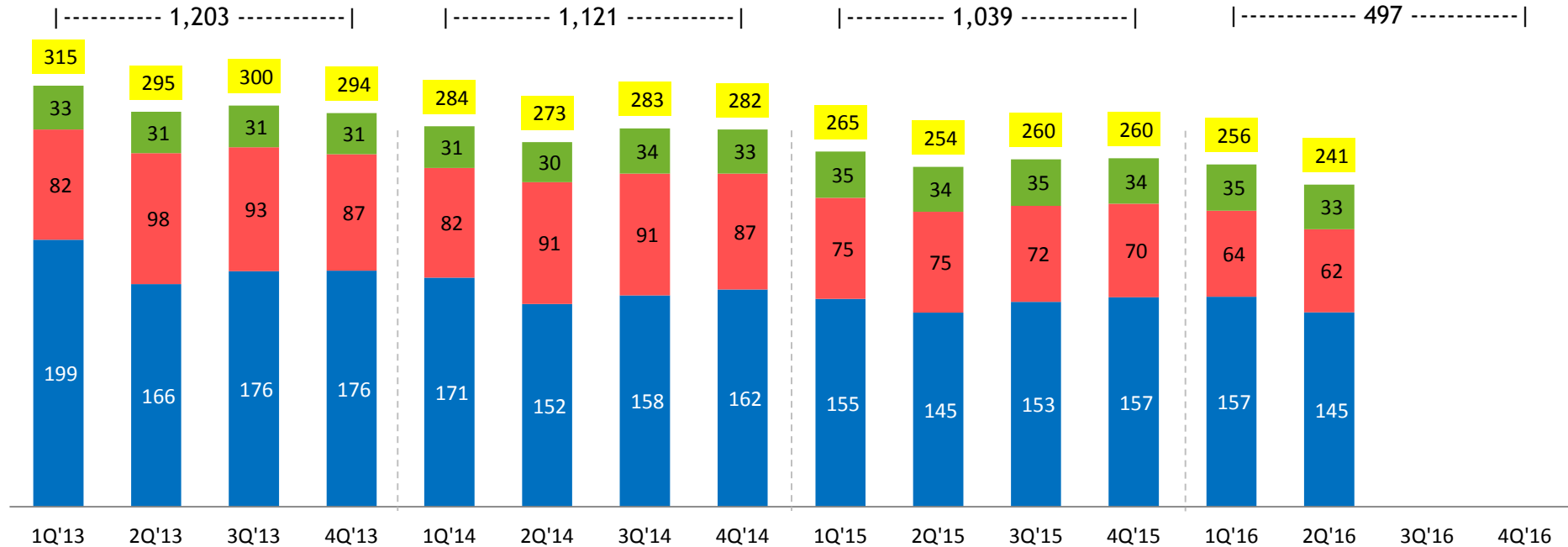
# LPG market (Volume sale by SGP)



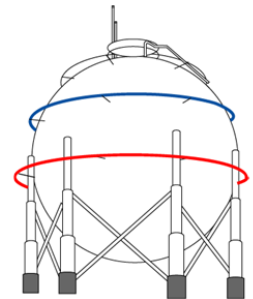
**SIAMGAS**  
GROUP

LPG Sales Volume ('000 tons) | By SECTORS

■ Cooking ■ Automobile ■ Industrial

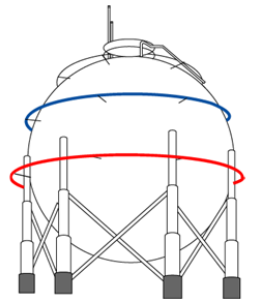


- Business Overview
- Thailand Business Model and Highlights
- **Oversea LPG Market Highlights**
- Financial Results
- Business Outlook
- Q & A





- *CP price movement between USD 335 - USD 352.5 per ton between April to June*
- *Tight competition in Chinese market after LPG traders started reducing price to lessen their inventories.*
- *Stable sale volume for oversea markets especially Malaysia.*
- *Acquire 30% share capital of MSN and AEPL which operate power plant in Myanmar.*

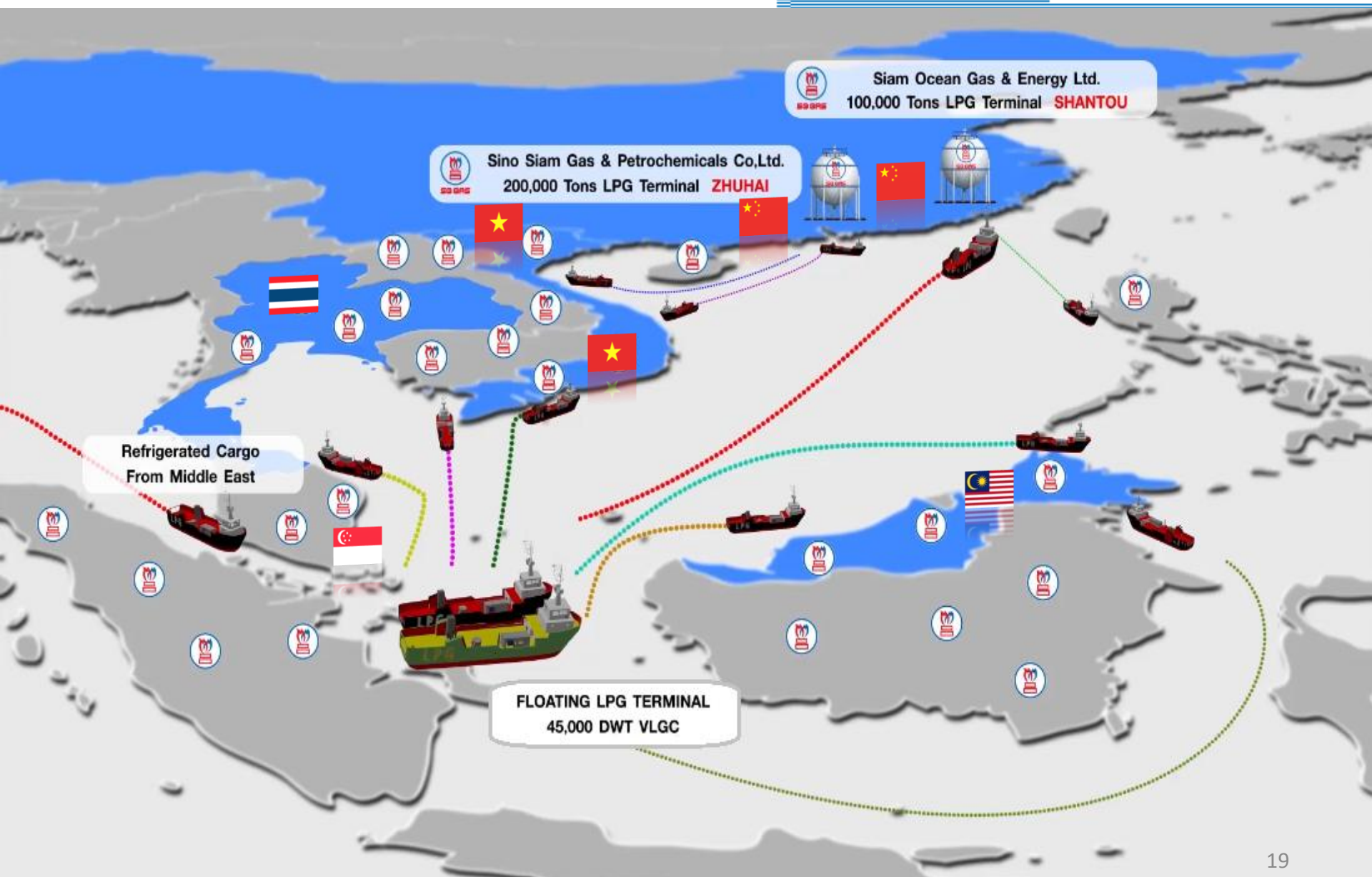




# REGIONAL LPG WHOLESALE MODEL



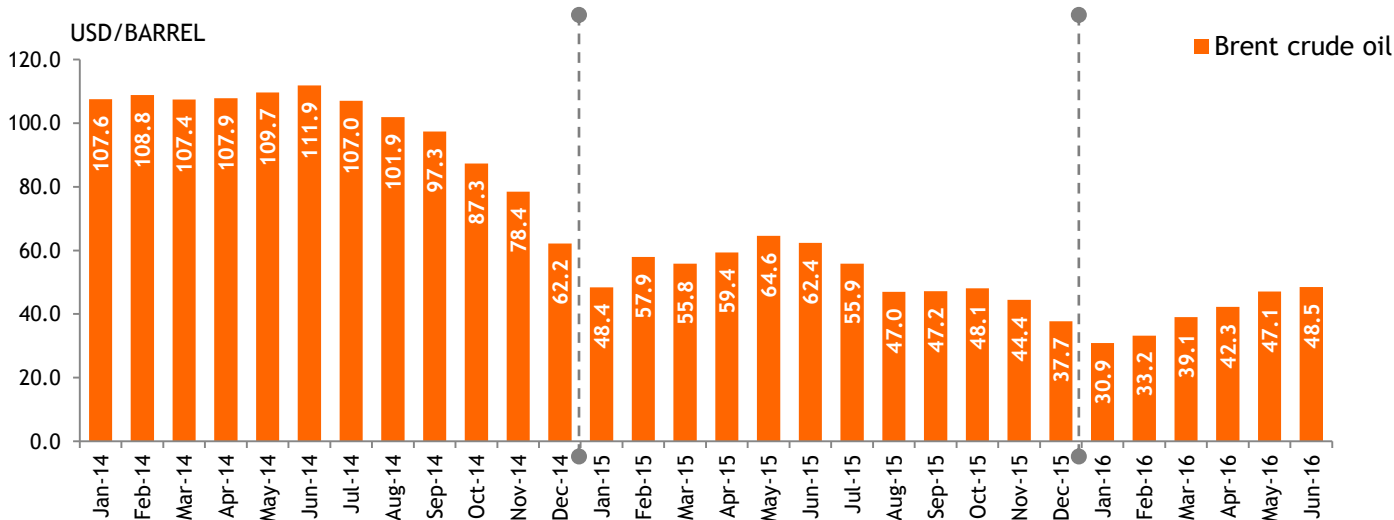
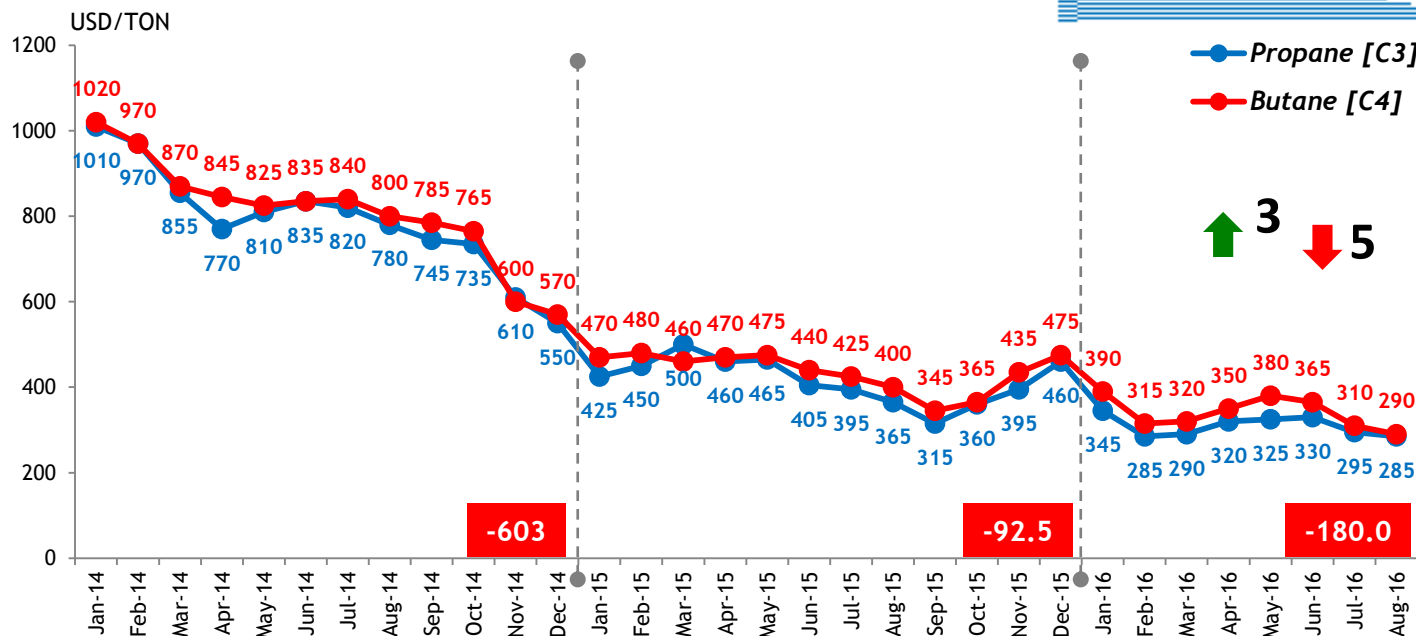
**SIAMGAS**  
GROUP



# Saudi Aramco CP vs Crude oil



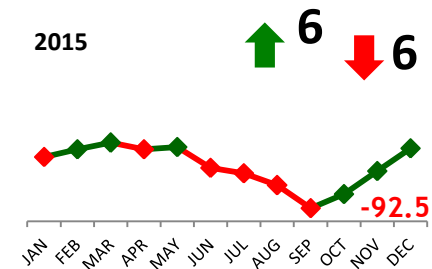
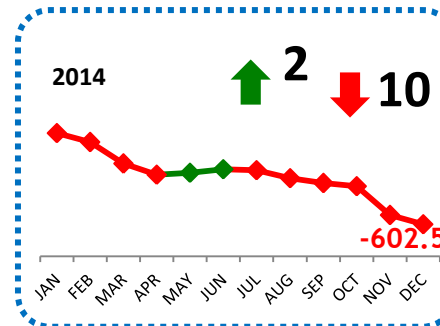
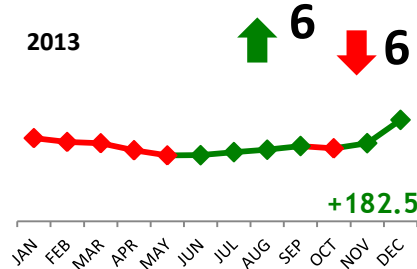
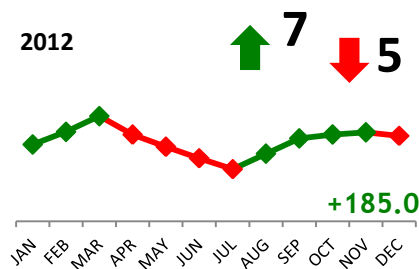
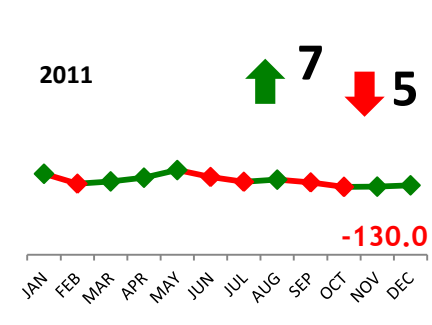
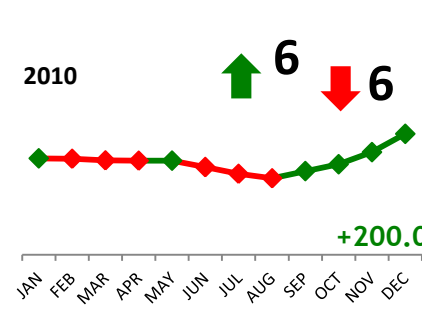
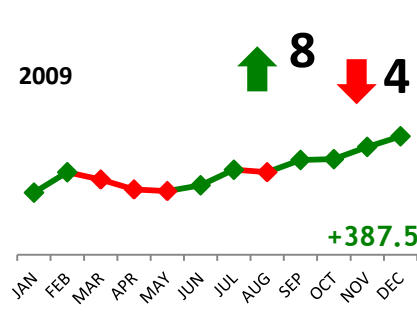
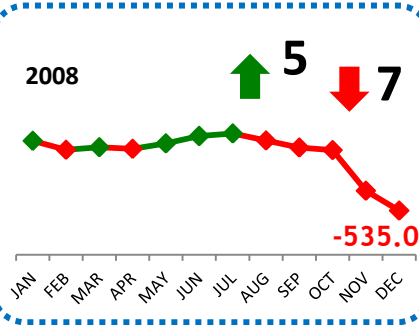
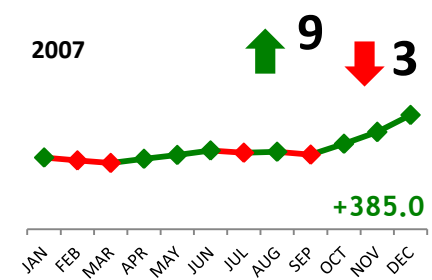
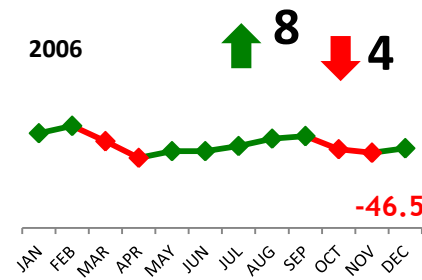
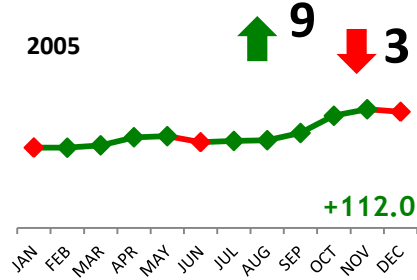
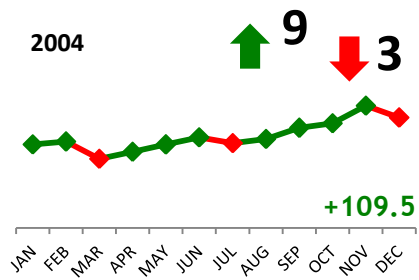
**SIAMGAS**  
GROUP



# HISTORICAL CP PRICE MOVEMENT



**SIAMGAS**  
GROUP

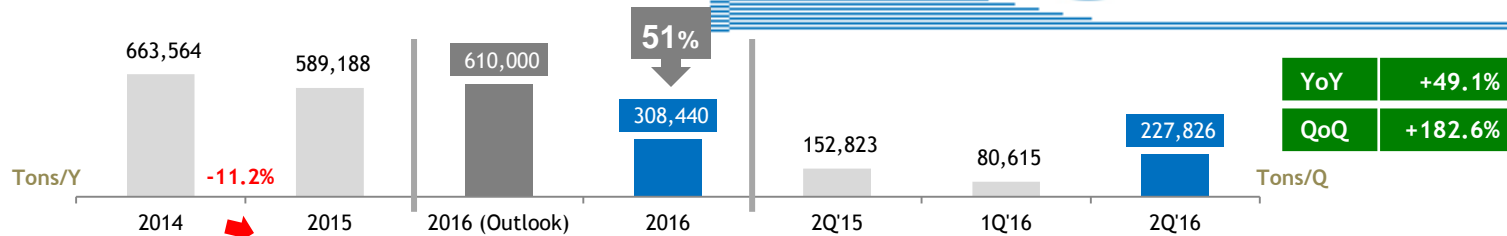


# OVERSEA MARKET : SALE VOLUME

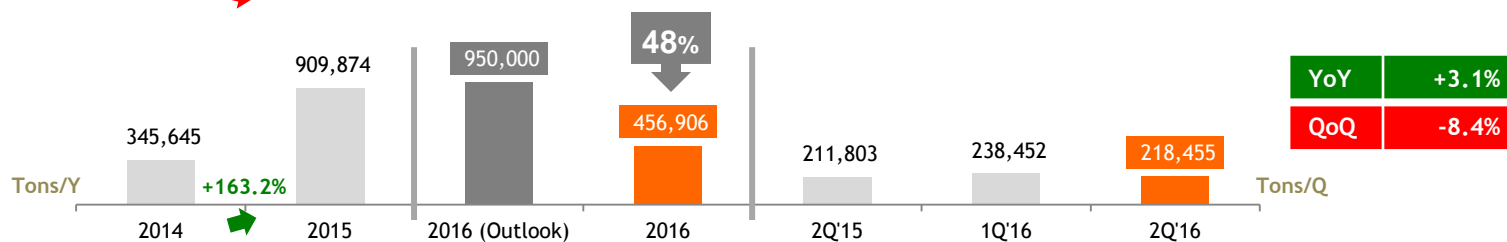


**SIAMGAS**  
GROUP

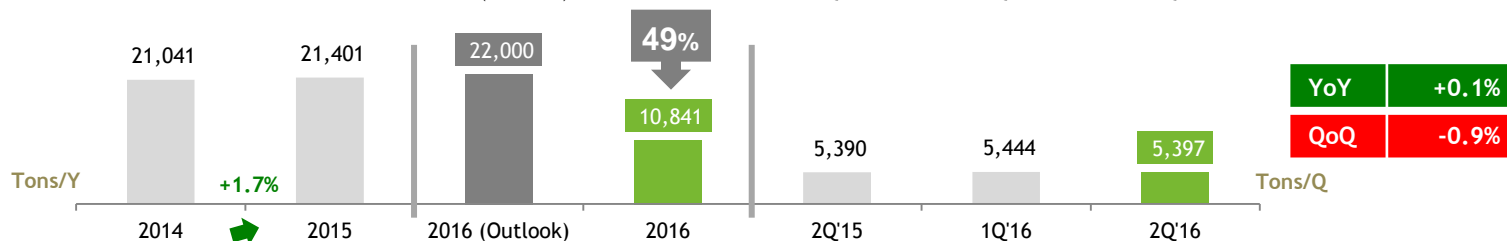
## Wholesale



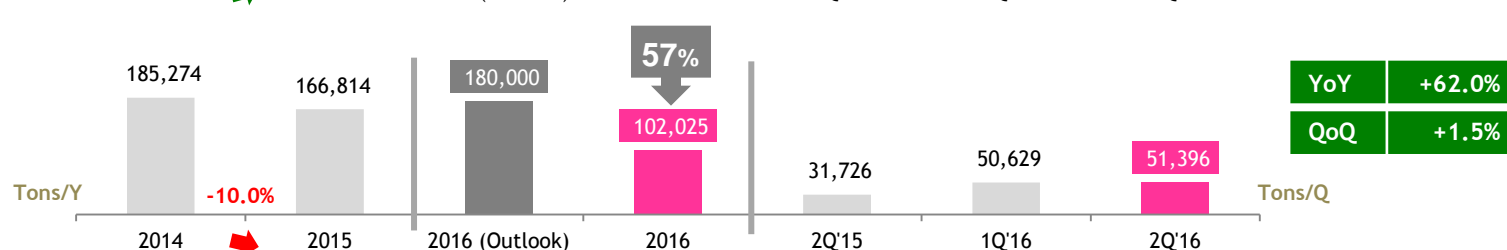
## China



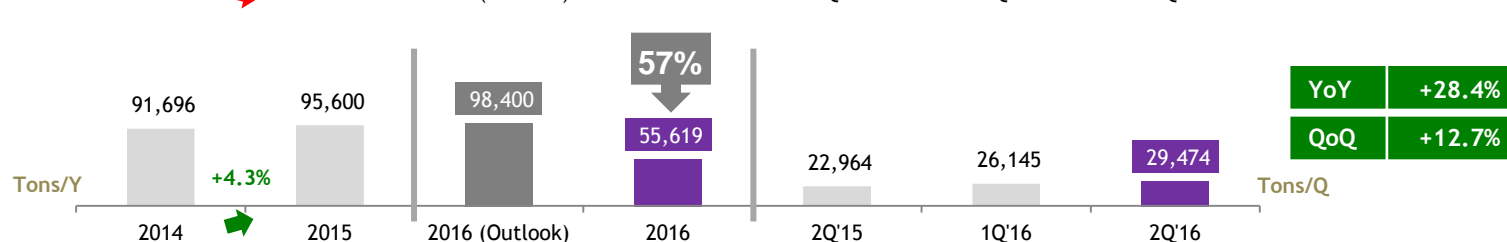
## Singapore



## Vietnam



## Malaysia

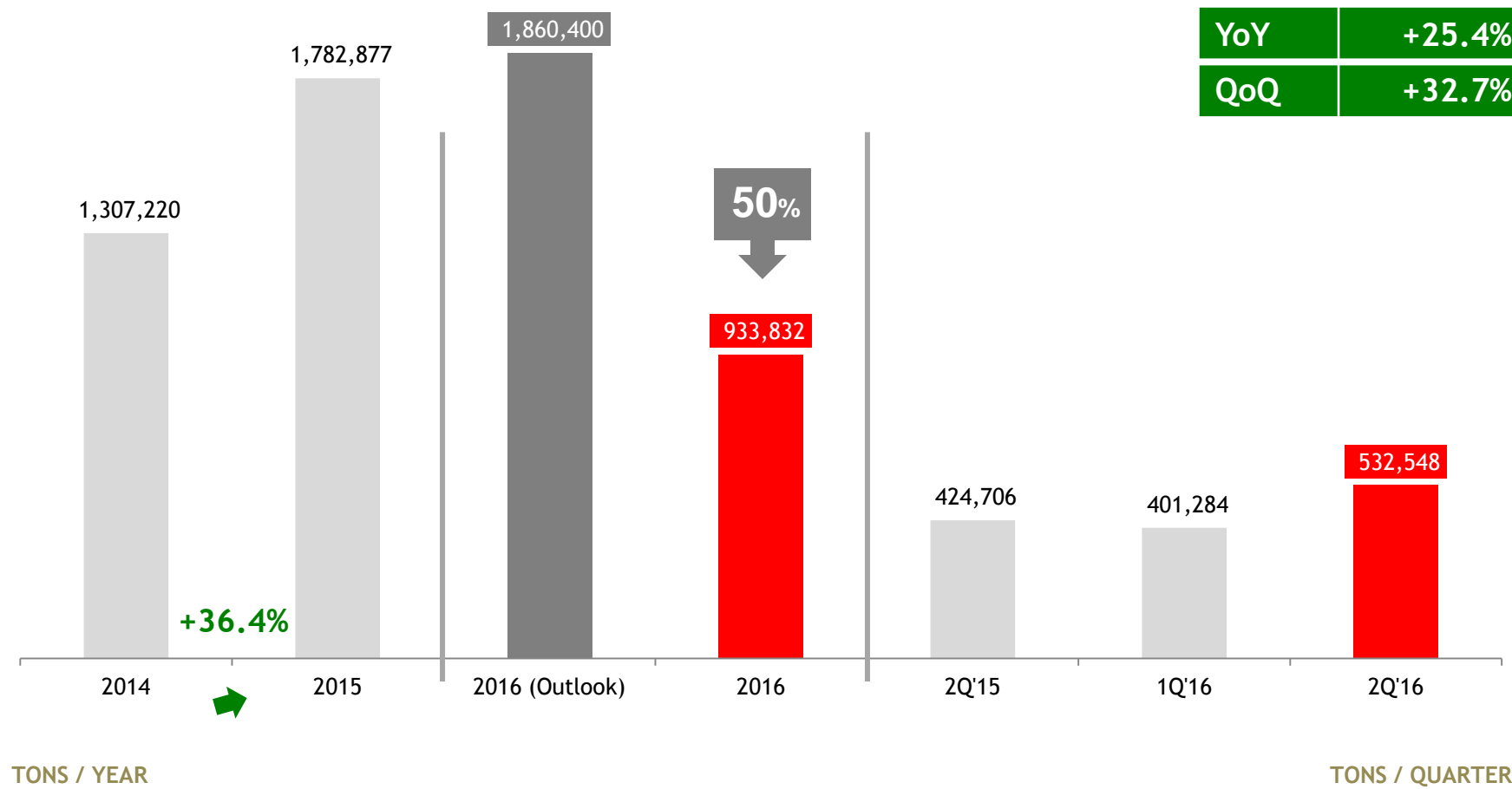


# OVERSEA MARKET : SALE VOLUME



**SIAMGAS**  
GROUP

● Total →

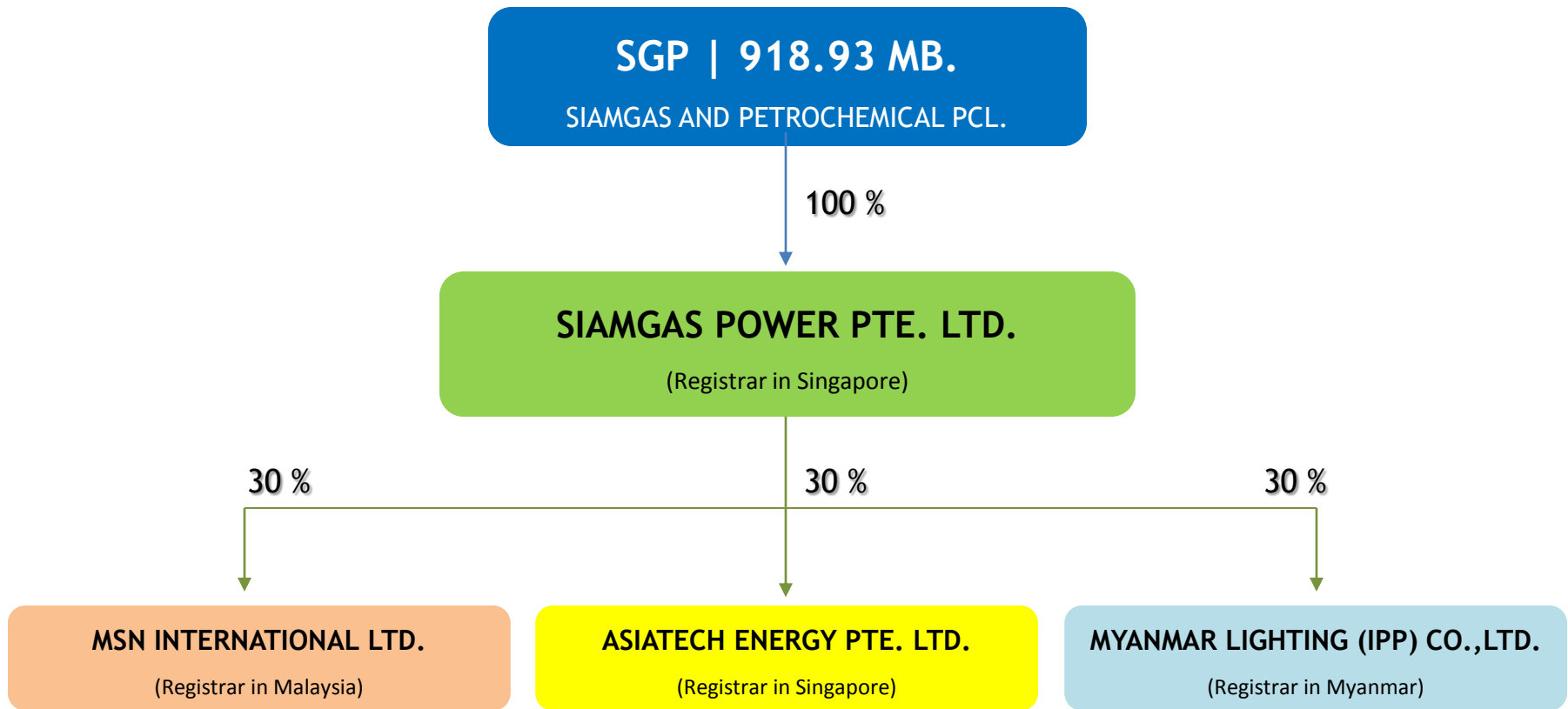






**SIAMGAS**  
GROUP

# ***230 MW. COMBINE CYCLE POWERPLANT IN MYANMAR***



/----- Share transfer complete -----/

/----- On process -----/

# DETAIL OF POWERPLANT



**SIAMGAS**  
GROUP

*Plant location* : Myanmar  
*Business* : Power Generation  
*COD* : 4 February 2014



*Produce Electricity 230 MW.*

*Type of plant : Combine cycle power plant  
(4 Gas turbines , 2 Steam turbines)*



*Gas turbines generator*



*Steam turbines generator*



# DETAIL OF POWERPLANT



*Power Transformer*



*Steam turbine control building*



# DETAIL OF POWERPLANT



**SIAMGAS**  
GROUP



*Cooling Tower*



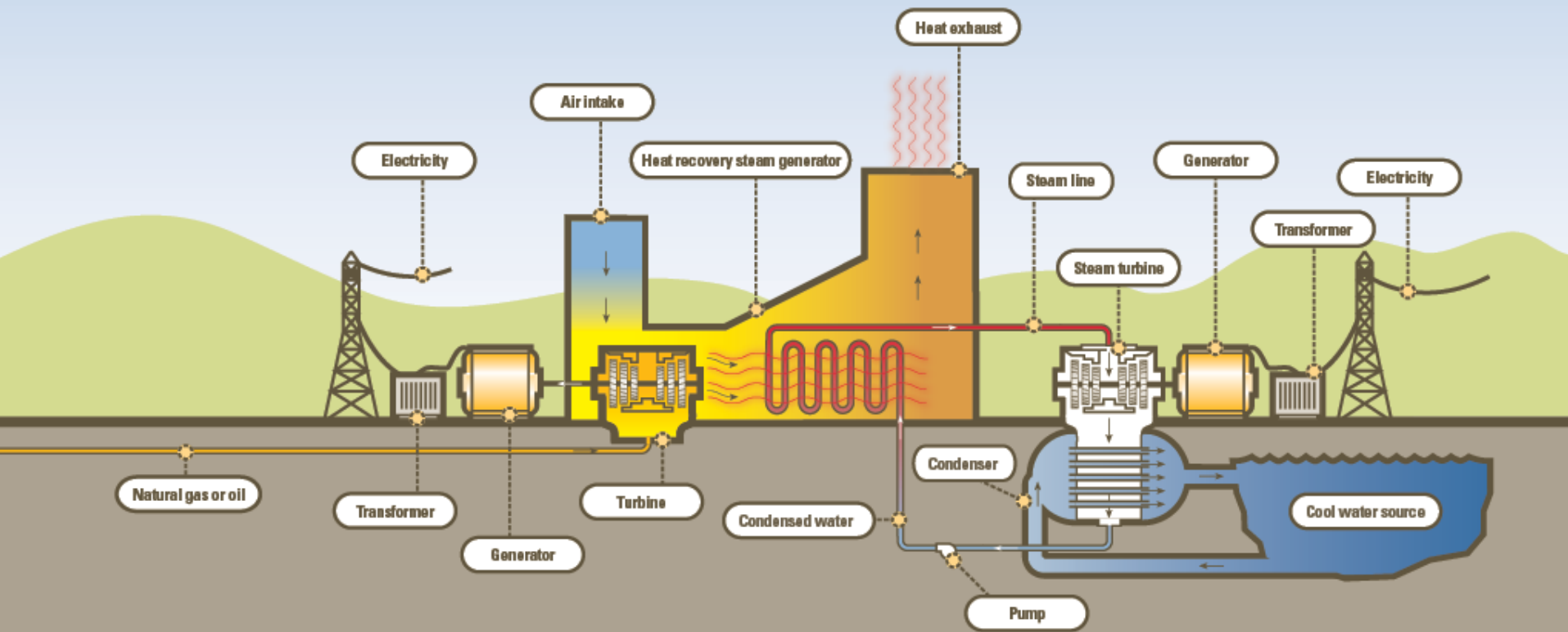
*Substation and Transmission line*

# COMBINED-CYCLE POWER PLANT



**SIAMGAS**  
GROUP

|----- 4 gas turbines -----| |----- 2 steam turbine -----|  
|----- output 152 MW -----| |----- output 78 MW -----|



Source of reference : <http://www.c2es.org/publications/leveraging-natural-gas-reduce-greenhouse-gas-emissions>

<i>Project Investment</i>	<i>48.0 Million USD.</i>
<i>Time of projection</i>	<i>30 year</i>
<i>Share equity</i>	<i>30 % of total share in power plant</i>

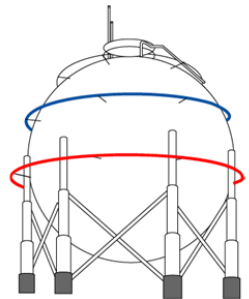
## *Assumption :*

<i>Productivity</i>	<i>230 MW./hr.</i>	<i>Fixed tariff</i>	<i>0.034 USD/kWh.</i>
<i>WACC</i>	<i>7.80 %</i>		
<i>Investment portion</i>	<i>Equity 35 % Debt 65 %</i>		

## *Discount cash flow method (DCF)*

<i>Payback period</i>	<i>9.3 year</i>
<i>IRR</i>	<i>7.5 %</i>

- Business Overview
- Thailand Business Model and Highlights
- Oversea LPG Market Highlights
- **Financial Results**
- Business Outlook
- Q & A



# REVENUE PORTION

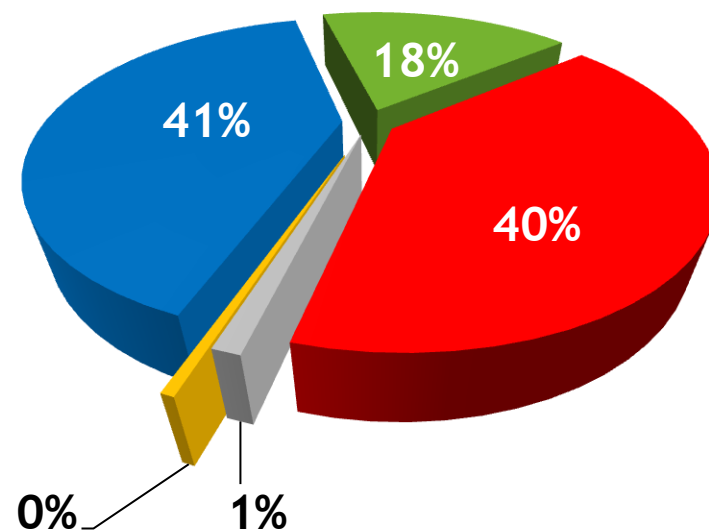
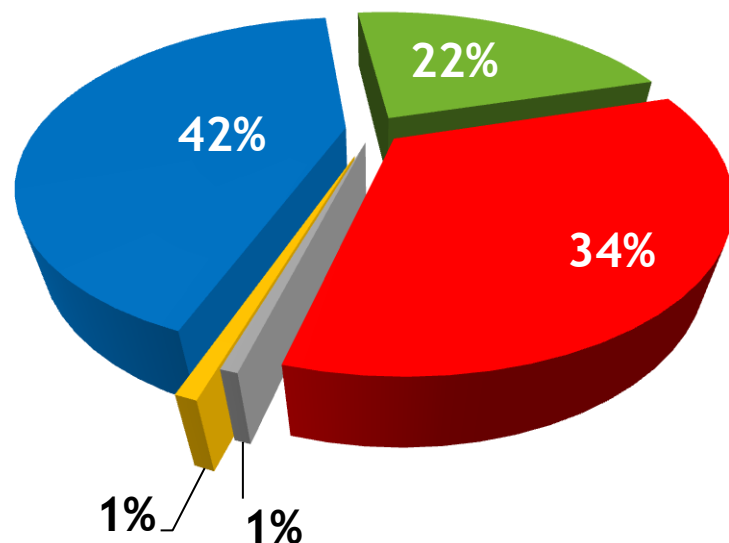


**SIAMGAS**  
GROUP

- THAILAND
- OFFSHORE
- OVERSEA BUSINESS
- LOGISTIC
- OTHER (SERVICE & OTHER)

## 6M | 2015

Thailand 44.0%  
Oversea 56.0%



## 6M | 2016

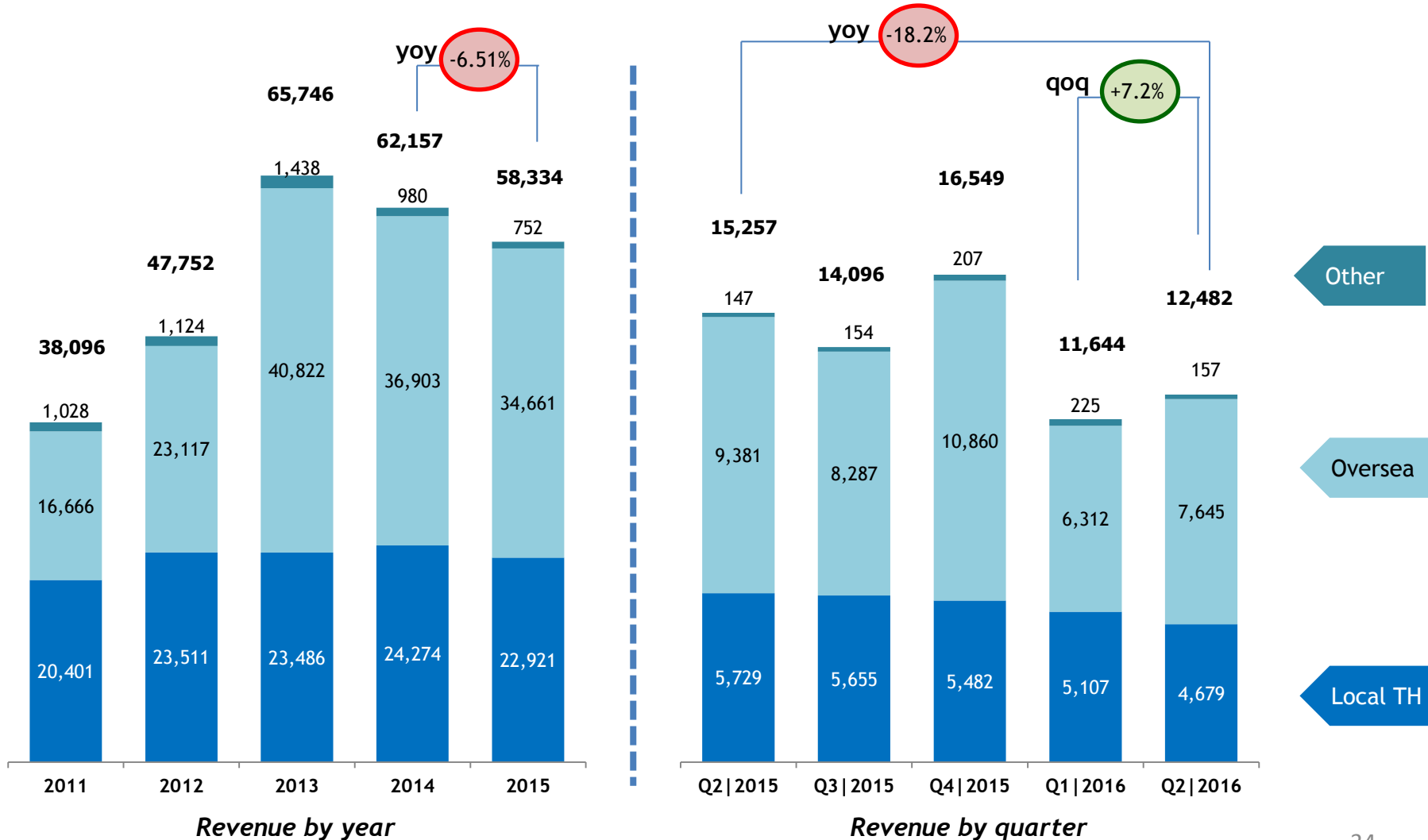
Thailand 42.0%  
Oversea 58.0%

# Full year and quarterly Revenue [Bt.m]



**SIAMGAS**  
GROUP

Consolidated revenue of **Bt.12,482 m** shows a **18.2%** yoy declined

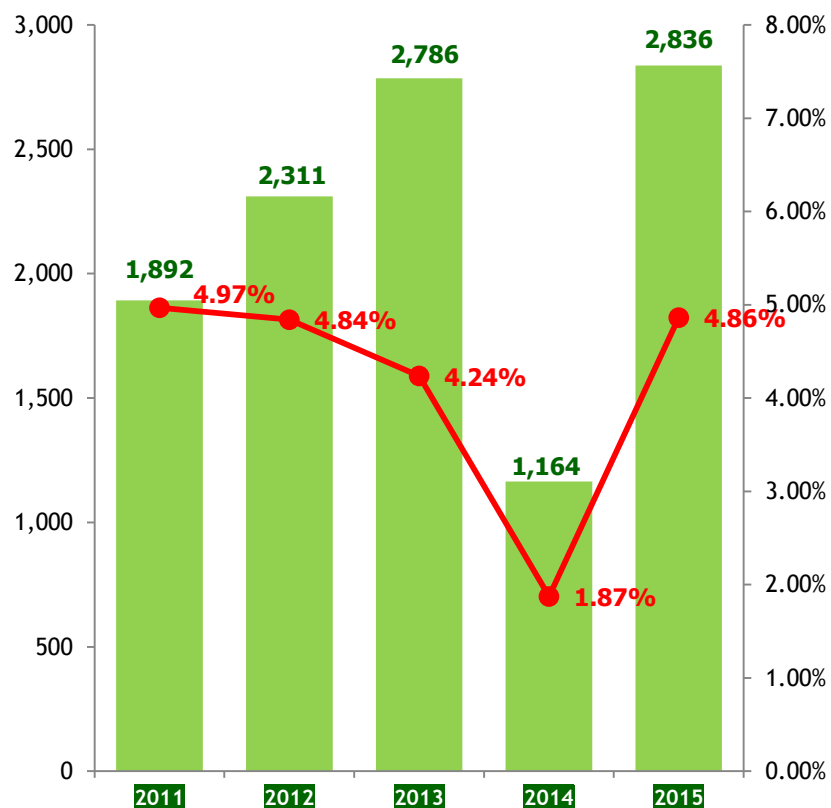


# Full year and quarterly EBITDA [Bt.m]

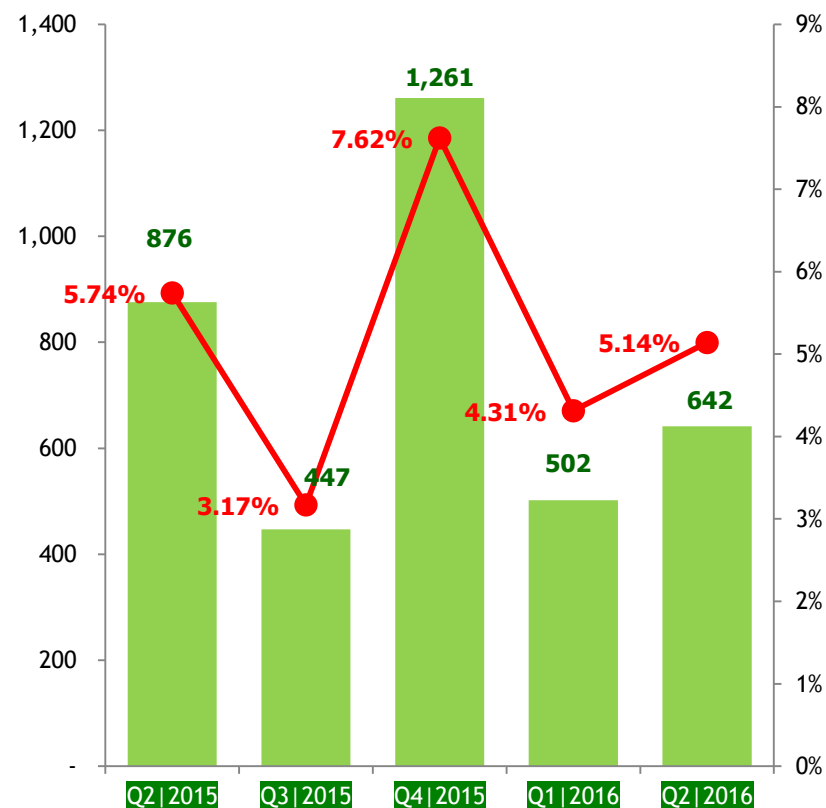


**SIAMGAS**  
GROUP

Consolidated EBITDA of **Bt.642 m** shows a **26.8%** yoy declined



EBITDA by year



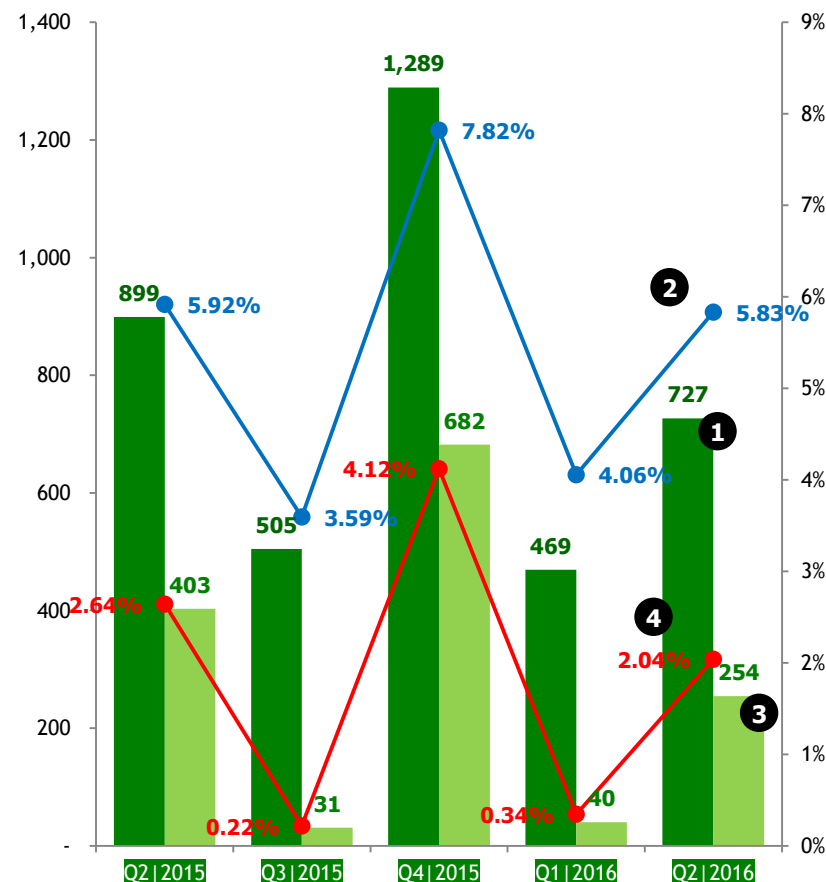
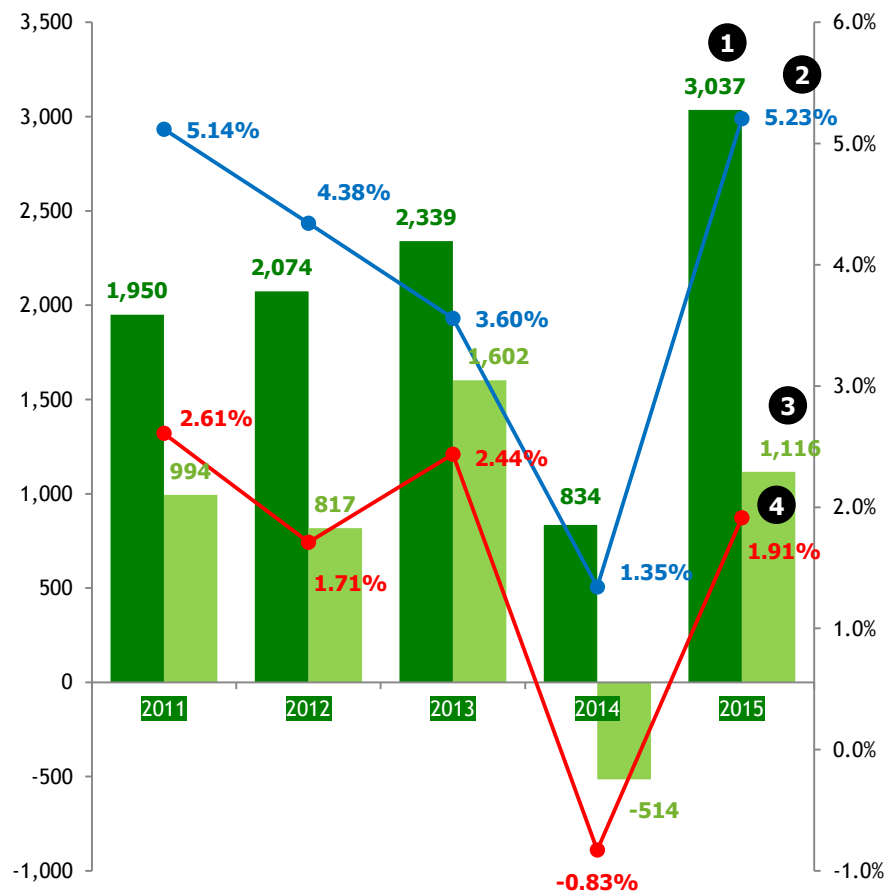
EBITDA margin : 5.14% in Q2 | 2016 decreased from 5.74% in Q2 | 2015



# Gross profit margin & Net profit margin



**SIAMGAS**  
GROUP



Gross profit margin : 5.83% in Q2|2016 decreased from 5.92% in Q2|2015  
Net profit margin : 2.04% in Q2|2016 decreased from 2.64% in Q2|2015

- ① Gross profit = 727 Bt.m
- ② Gross profit margin = 5.83%
- ③ Net profit = 254 Bt.m
- ④ Net profit margin = 2.04%

# FINANCIAL POSITION



**SIAMGAS**  
GROUP

## ASSET (THB Million)

29,098

28,184

Cash & Equivalents

2,270

1,794

Inventory

4,375

4,441

Other asset

7,207

6,769

PP&E

15,246

15,180

31 DEC 2015

30 JUN 2016

## LIABILITIES & EQUITY (THB Million)

29,098

28,184

6,681

4,181

3,666

4,795

9,775

31 DEC 2015

4,361

3,947

5,459

5,057

9,359

30 JUN 2016

Short term loan

Current Liabilities

Long term debt

Non current Liabilities

Total Equity

## Interest Bearing Debt (Times)

1.78

1.44

1.39

1.24

1.13

1.10

1.07

0.99

1.06

2012 2013 2014 1Q15 2Q15 3Q15 4Q15 1Q16 2Q16

## DEBT PORTION

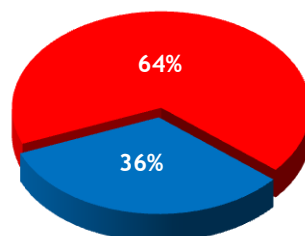
LOAN FROM FINANCIAL INSTITUTION 3,529

DEBENTURE 6,291

TOTAL 9,820  
(THB Million)

■ Loan from financial institution

■ Debenture

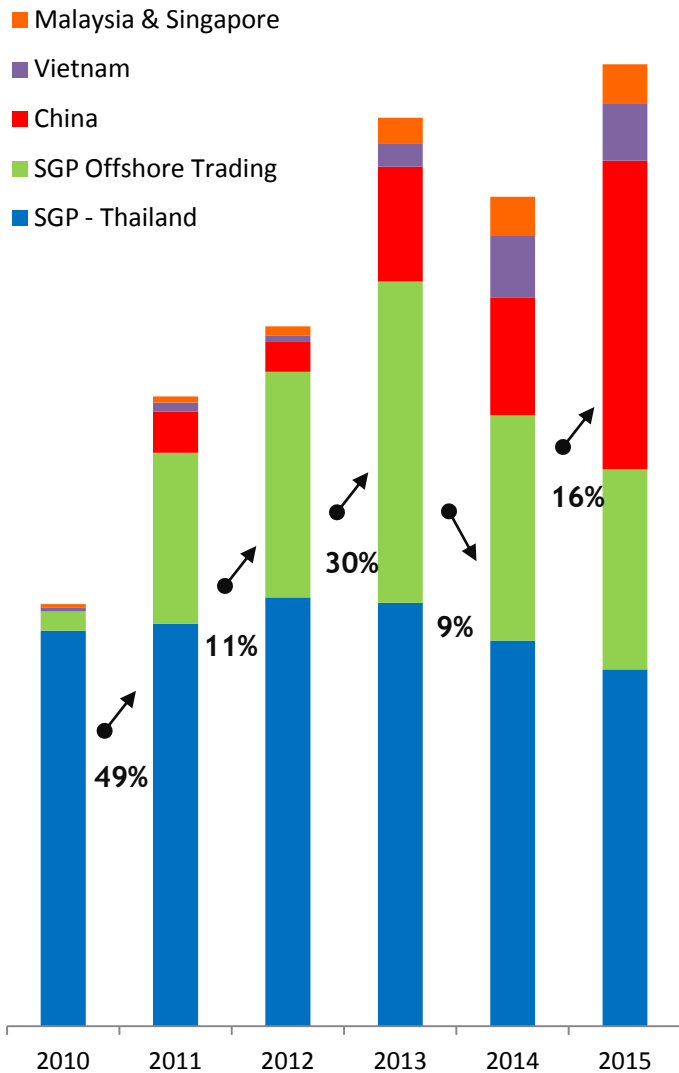


## CREDIT RATING

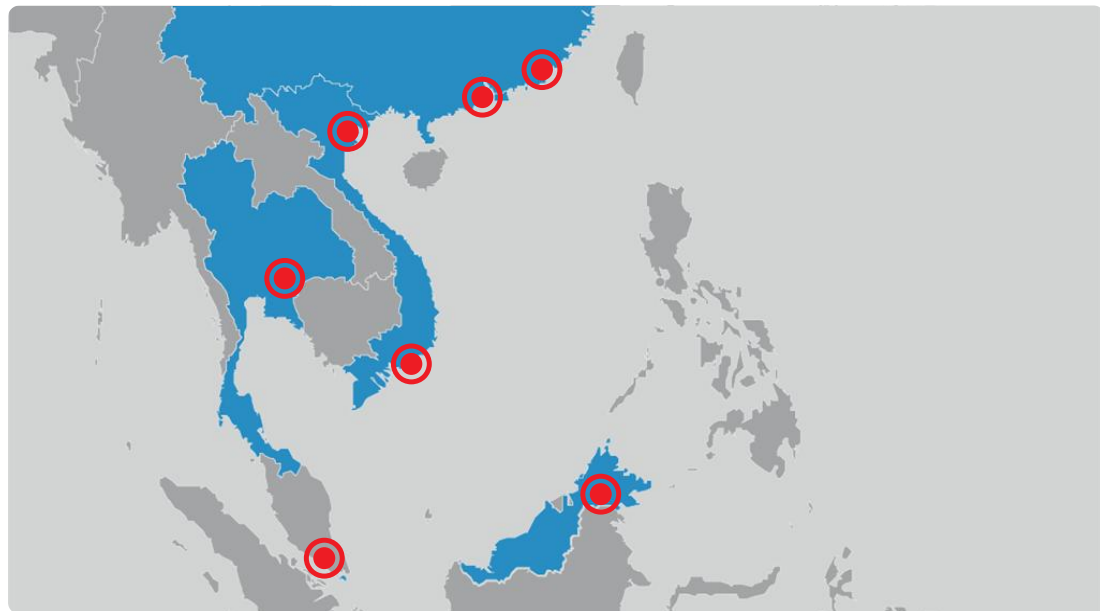
**TRIS**  
RATING

BBB  
Stable

## LPG Sales Volume (Tons)



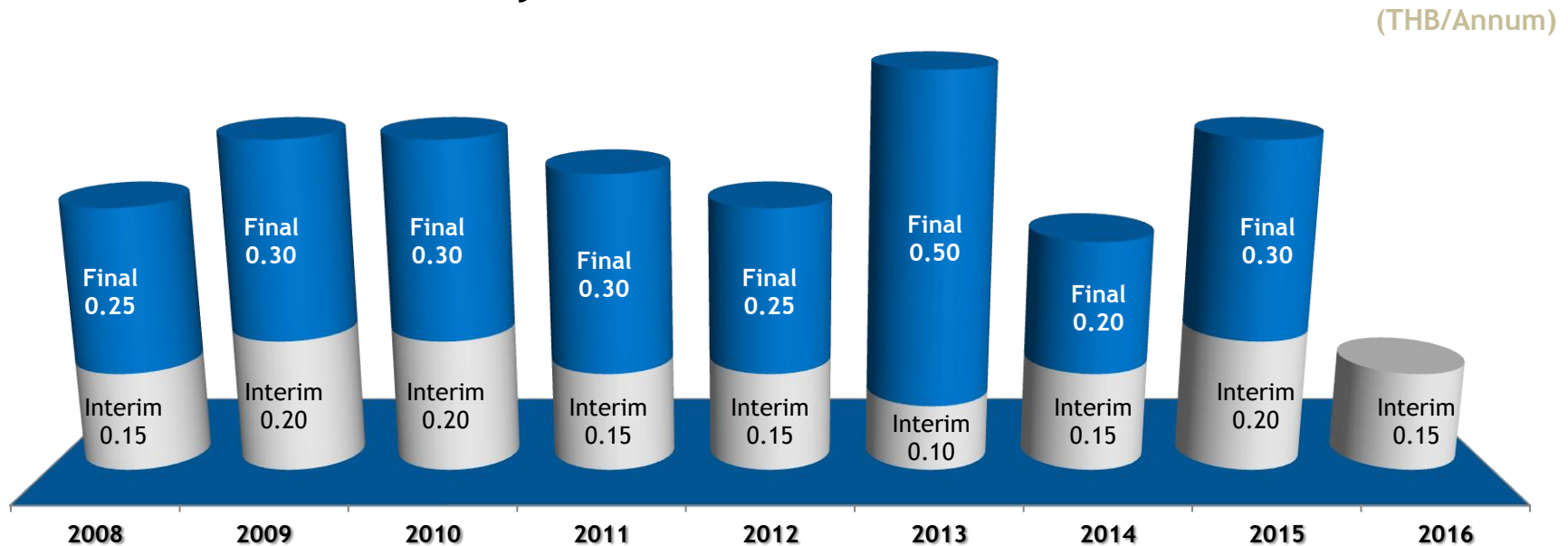
Sales volume (TONs)	2014	2015	Outlook 2016	6M   2106	% Success
SGP - Thailand	1,136,130.52	1,051,300.48	1,115,000.00	501,878.85	45.0%
SGP Offshore Trading*	663,563.89	589,188.38	610,000.00	308,440.48	50.6%
China	345,644.84	909,874.15	950,000.00	456,906.24	48.1%
Vietnam	185,274.46	166,813.80	180,000.00	102,024.53	56.7%
Malaysia & Singapore	112,737.21	117,000.45	120,400.00	66,460.34	55.2%
<b>GRAND TOTAL</b>	<b>2,443,350.93</b>	<b>2,834,177.25</b>	<b>2,975,400.00</b>	<b>1,435,710.45</b>	<b>48.3%</b>
<i>Oversea business</i>	<i>1,307,220.41</i>	<i>1,782,876.77</i>	<i>1,860,400.00</i>	<i>933,831.60</i>	<i>50.2%</i>
Domestic portion	46.5%	37.1%	37.5%		
Oversea portion	53.5%	62.9%	62.5%		
Growth (%)	-8.7%	16.0%	5.0%		



- **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 !