

FY16 & 4Q16

**ANALYST
PRESENTATION**

CONTENT



1. FY 2016 and 4Q16 Results



2. Business Updates

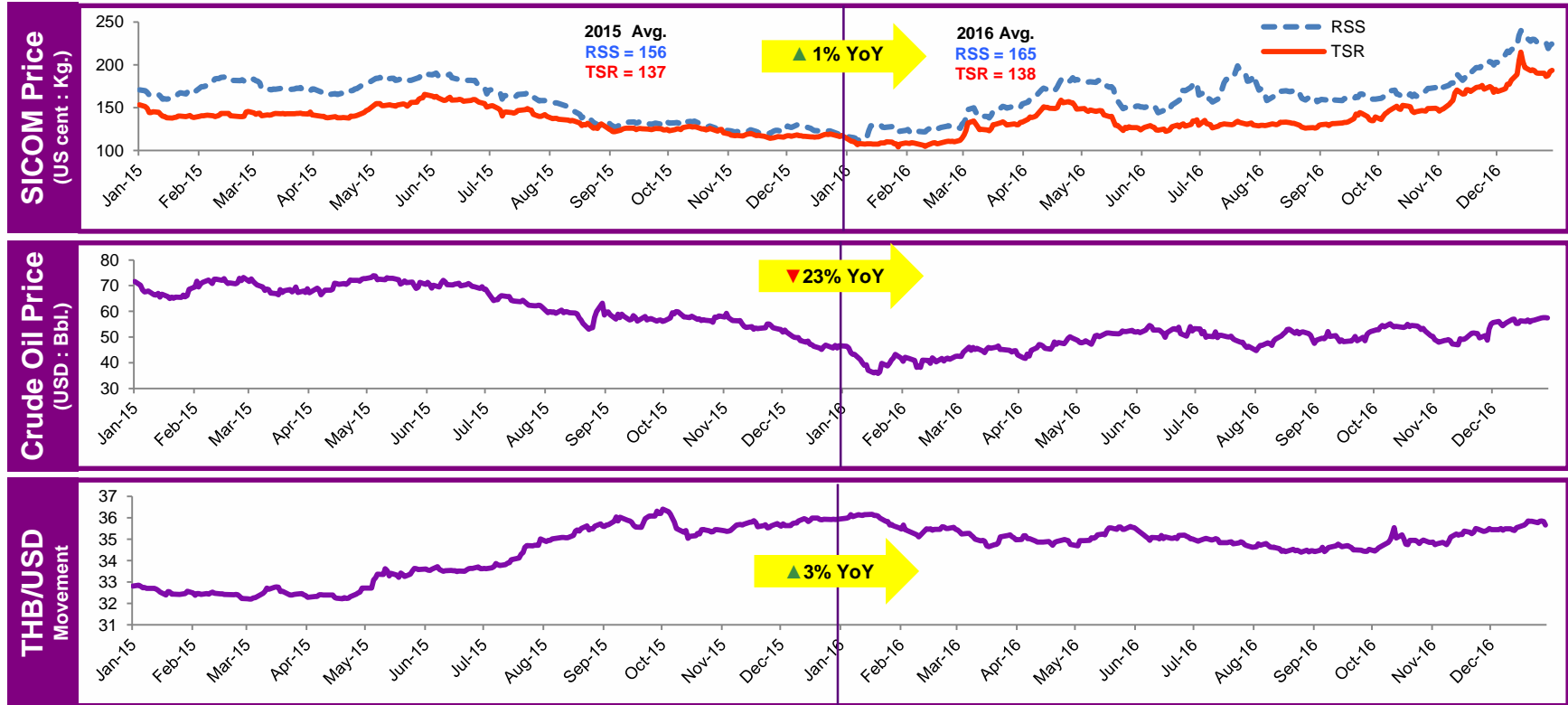


3. Natural Rubber Industry

1. FY2016 AND 4Q16 RESULTS



SICOM – Oil Price - FX



Financial Highlights

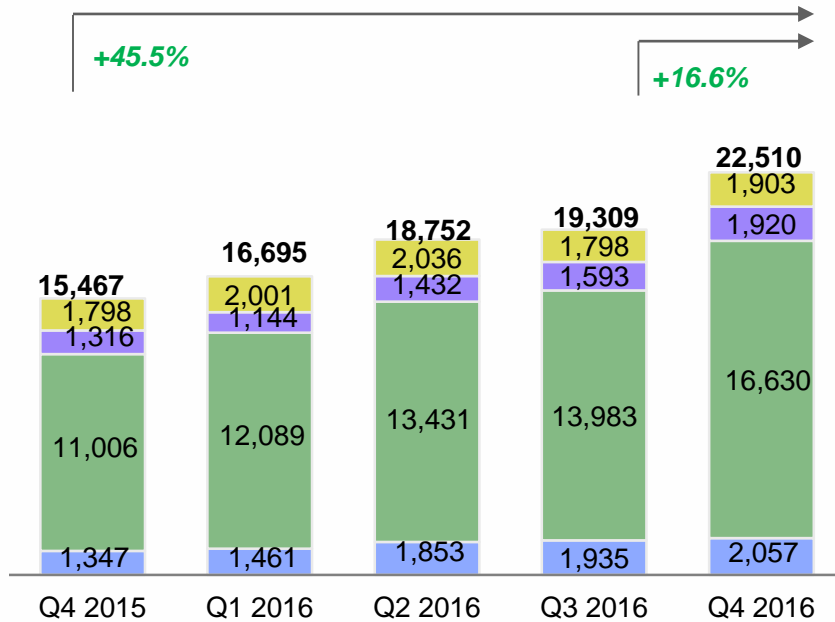
(THB million)	FY'15	FY'16	%YoY	Q4'15	Q3'16	Q4'16	%YoY	%QoQ
Revenue	61,292	77,266	▲ 26%	15,467	19,309	22,510	▲ 46%	▲ 17%
Sale volume (tons)	1,119,966	1,494,094	▲ 33%	302,962	370,467	399,615	▲ 32%	▲ 22%
Avg. selling price (Baht per ton)	48,858	46,534	▼ 5%	45,117	47,266	51,567	▲ 14%	▲ 9%
Gross profit	3,521	5,413	▲ 54%	617	1,037	1,621	▲ 163%	▲ 56%
Adj. gross profit*	4,981	4,686	▼ 6%	1,059	1,276	662	▼ 38%	▼ 48%
EBITDA	3,008	794	▼ 74%	314	402	(983)	▼ 413%	▼ 344%
Net profit	1,118	(758)	▼ 168%	(47)	(91)	(1,303)	▼ 2664%	▼ 1136%
Adj. GP margin*	8.1%	6.0%	▼ 210bps	6.8%	6.6%	2.9%	▼ 390bps	▼ 370bps
Net profit margin	1.8%	(1.0%)	▼ 280bps	(0.3%)	(0.5%)	(5.8%)	▼ 550bps	▼ 530bps

*Adjusting for (reversal) allowance of inventory and realised gains /(losses) from hedging activities

Revenue by Product

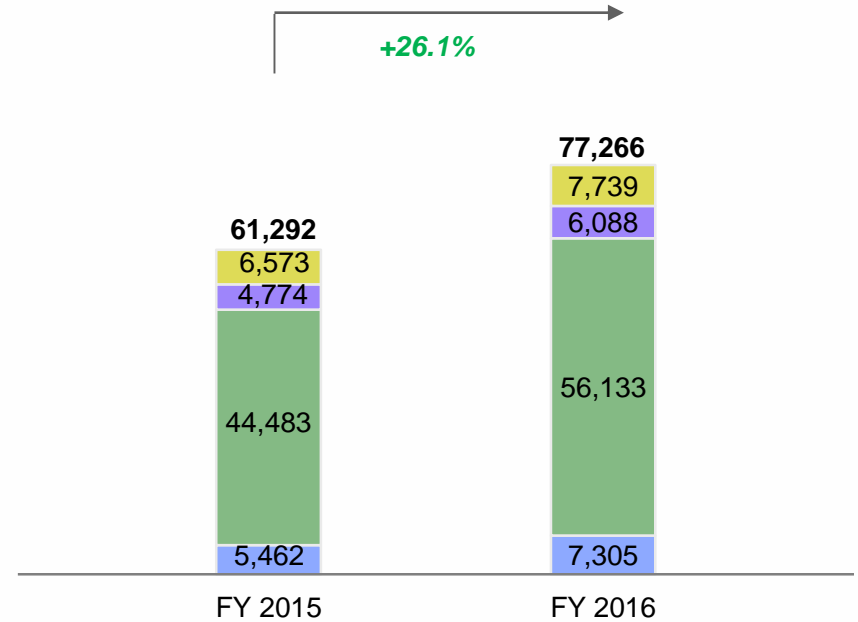
Revenue – Quarterly (THB million)

■ RSS ■ TSR ■ Con. Latex ■ Others



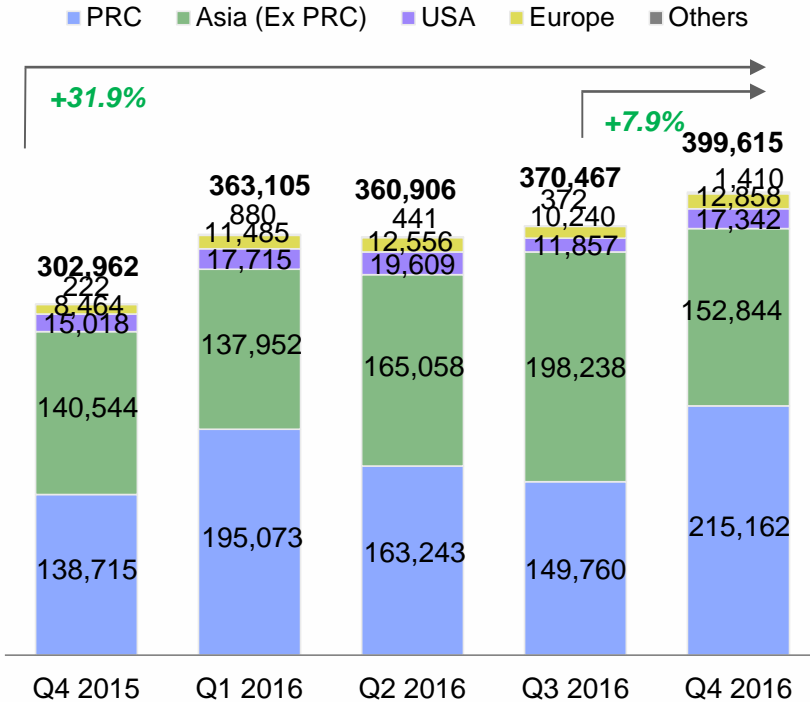
Revenue – Yearly (THB million)

■ RSS ■ TSR ■ Con. Latex ■ Others

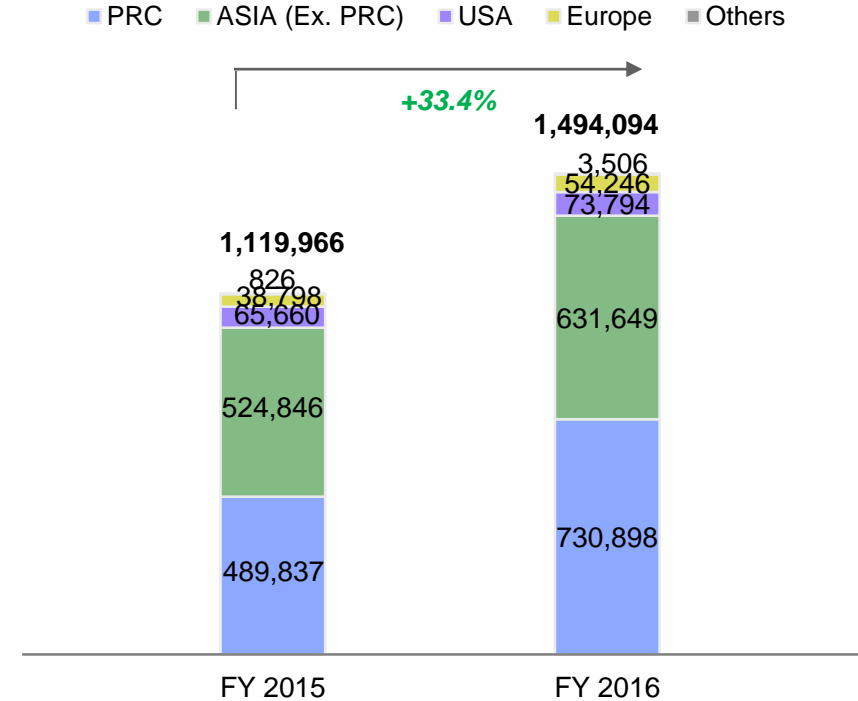


Sale Volume by Geography

Sale Volume – Quarterly (tons)

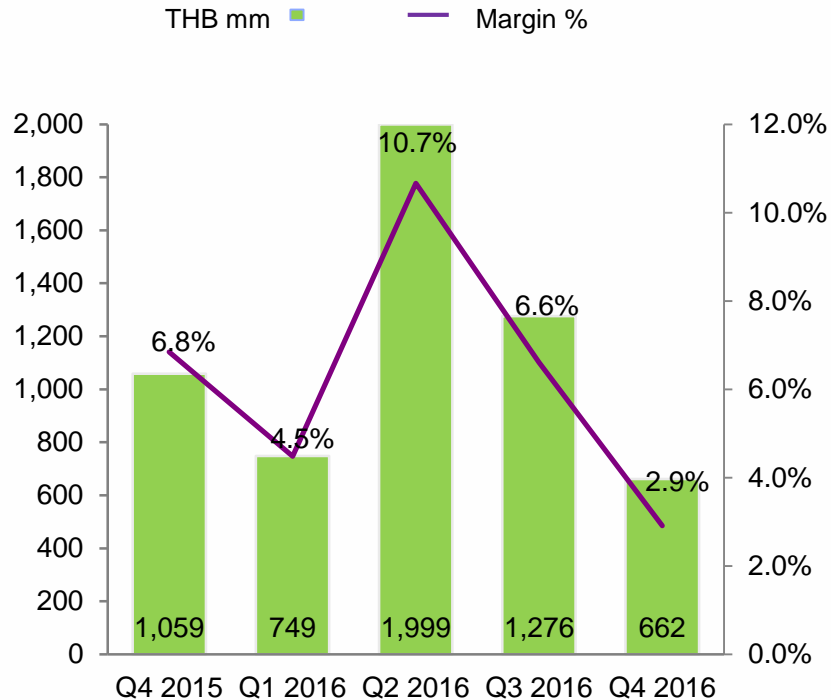


Sale Volume – Yearly (tons)

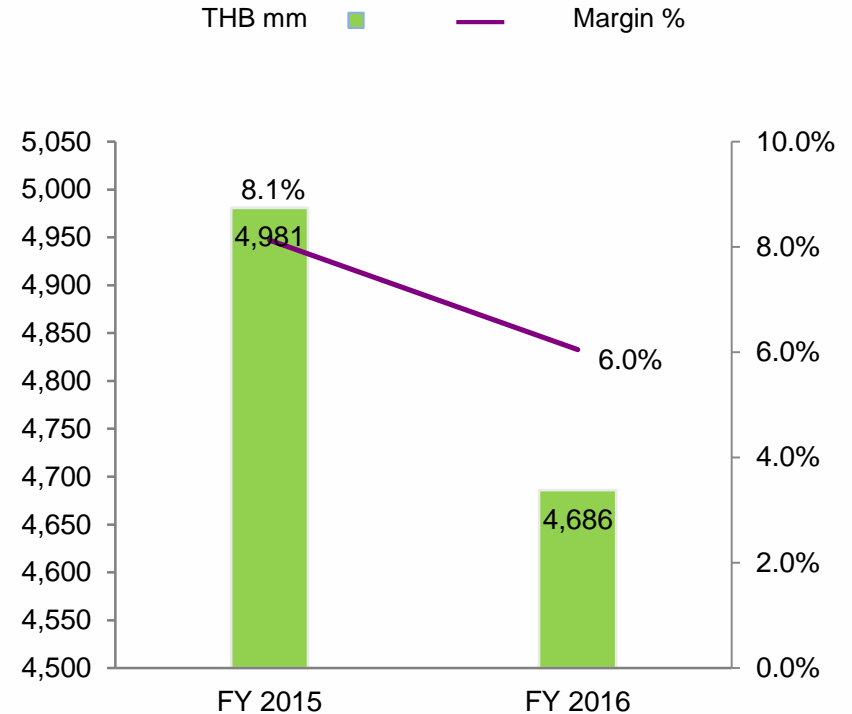


Adjusted Gross Profit

Adjusted Gross Profit – Quarterly



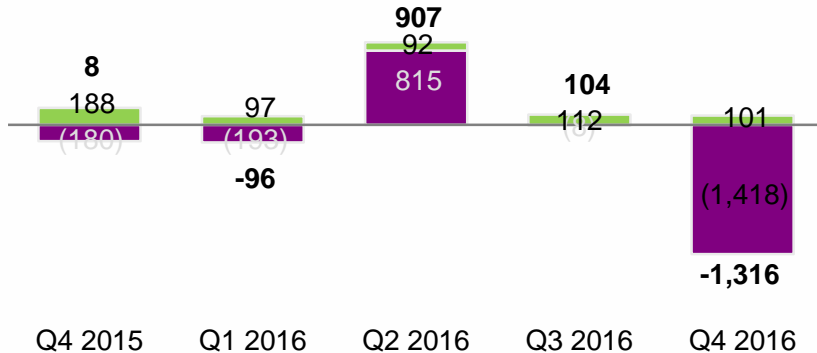
Adjusted Gross Profit – Yearly



Earning Before Interest and Tax (EBIT)

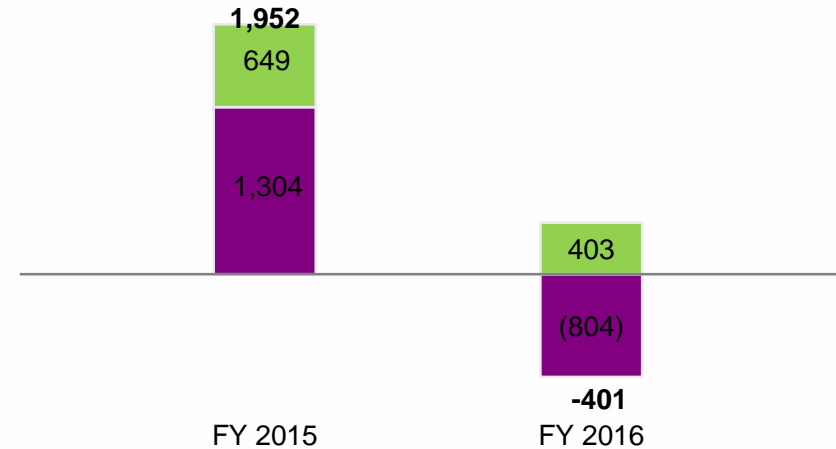
EBIT – Quarterly (THB million)

■ Share of profits from associates & a Joint Venture
■ Operating profits



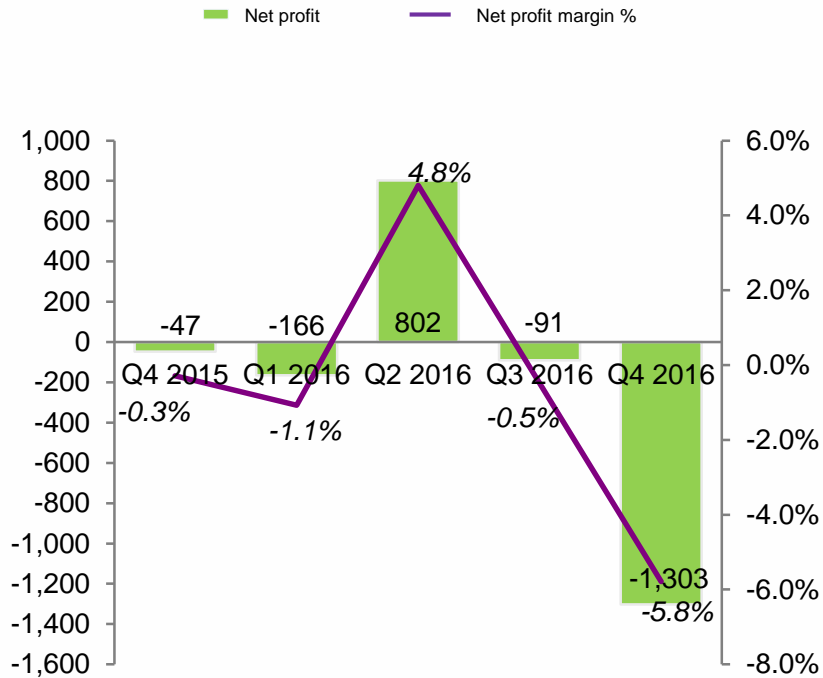
EBIT – Yearly (THB million)

■ Share of profits from associates & a Joint Venture
■ Operating profits

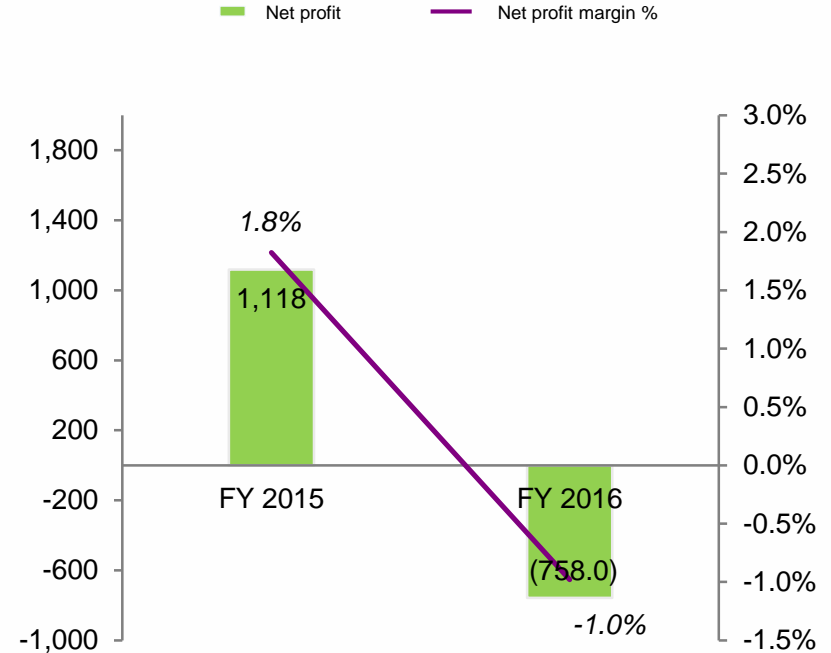


Net Profit

Net Profit – Quarterly (THB million)



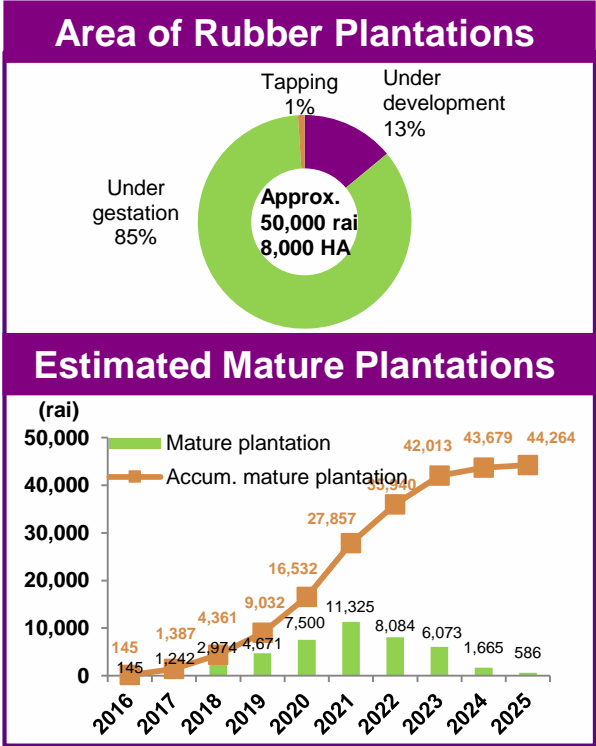
Net Profit – Yearly (THB million)



2. BUSINESS UPDATES



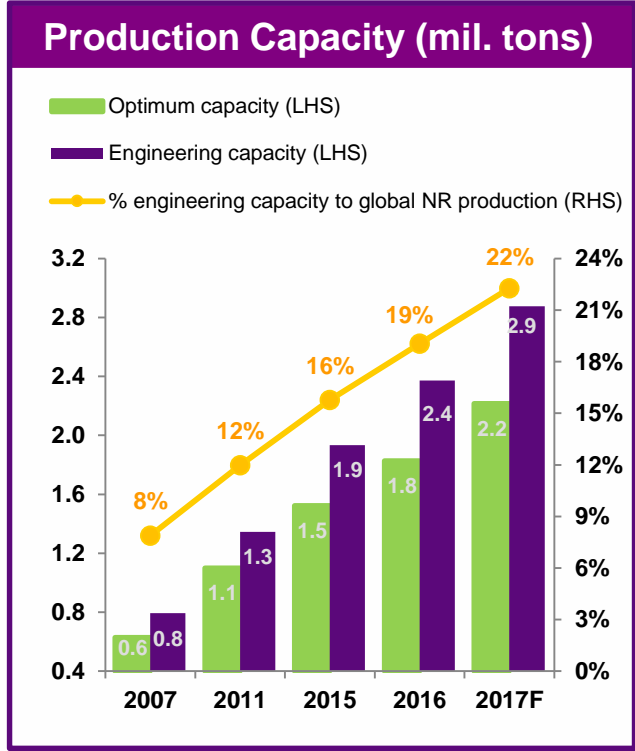
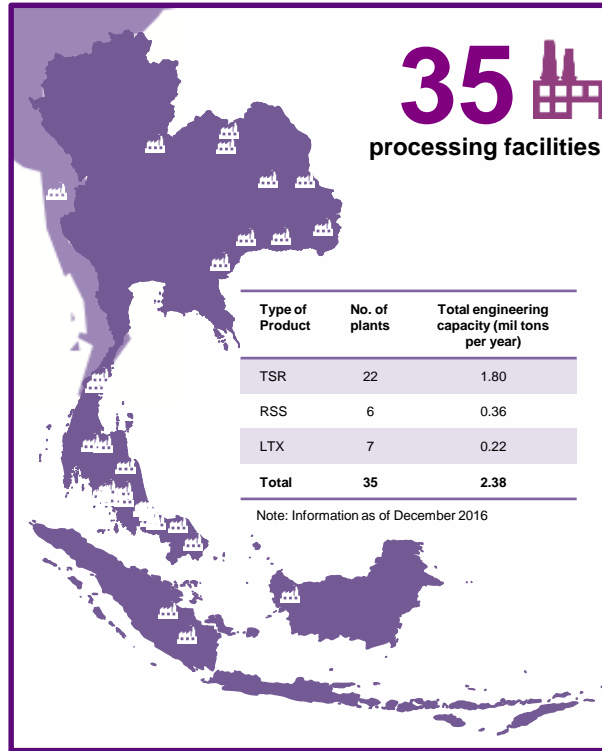
Upstream Operations - Rubber Plantations



Note: Information as of 31 December 2016



Midstream Operations – NR Processing



Note: Engineering capacity in 2016 included capacity of Thaitech Rubber Co., Ltd. of 315,360 tons. (Optimum capacity = 254,016 tons)



3. NATURAL RUBBER INDUSTRY



2017 Natural Rubber Industry Outlook

Bull

- US Economic outlook.
- Over capacity management in China.
- Commodity Price movement.

- NR Supply situation.
- Synthetic Rubber price movement.
- Strong Auto sales (especially China).
 - China Truck weight policy
 - Antidumping on TBR from China.
- Downstream rubber related product price adjustment.
- Funds movement.

Macro

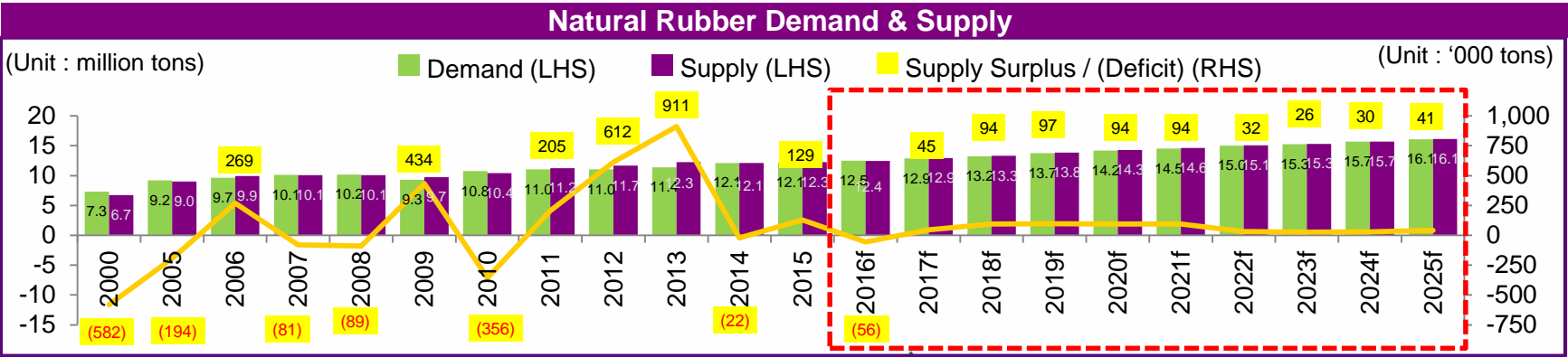
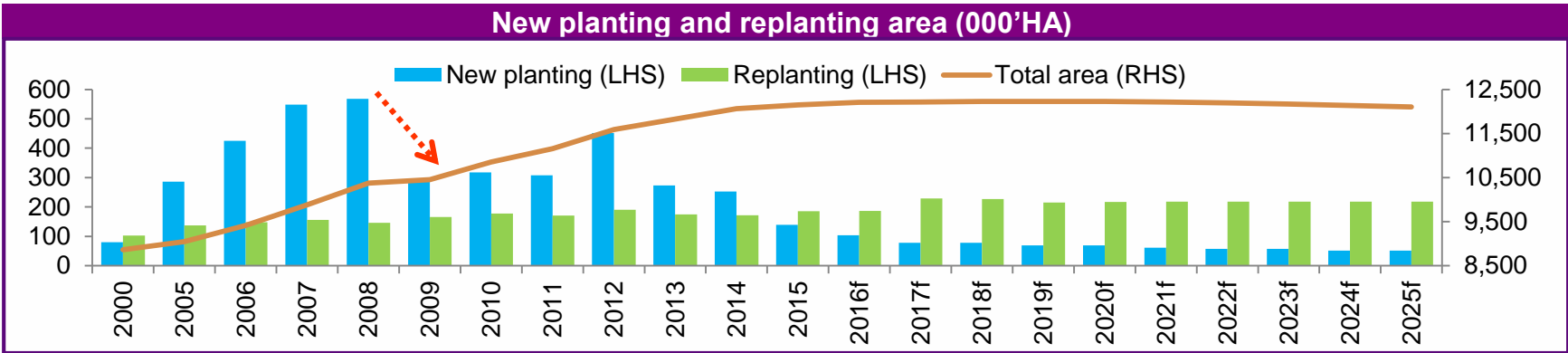
Fundamental

Bear

- Uncertain US Policy.
- China Economic concern.
- EU political uncertainty.
- Potential economic crisis.

- High Volatility of NR price.
- Thai Government NR stock movement.
- Potential increase in supply due to higher price level of NR.

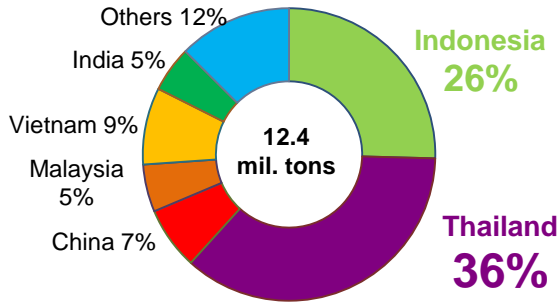
Fewer new planting activities tightens NR supply



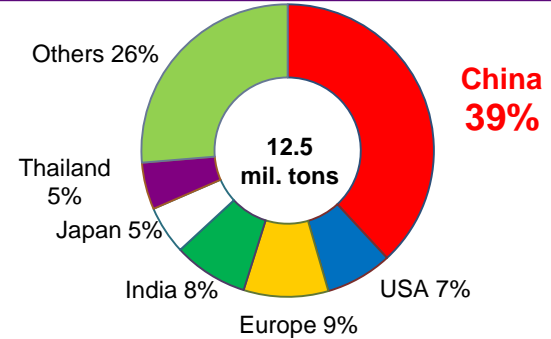
Source : IRSG

The World's Major NR Consuming and Producing Countries

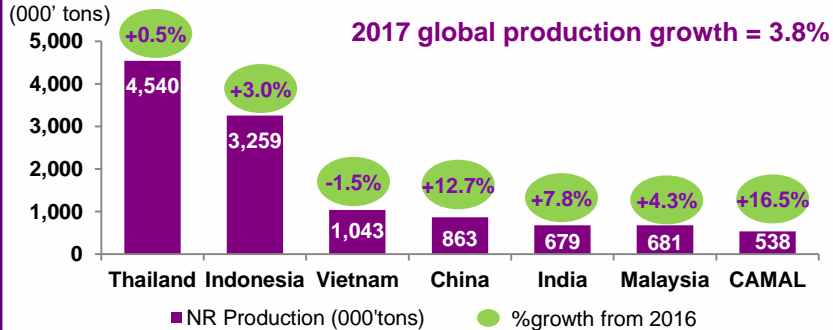
2016 Major suppliers of Natural Rubber



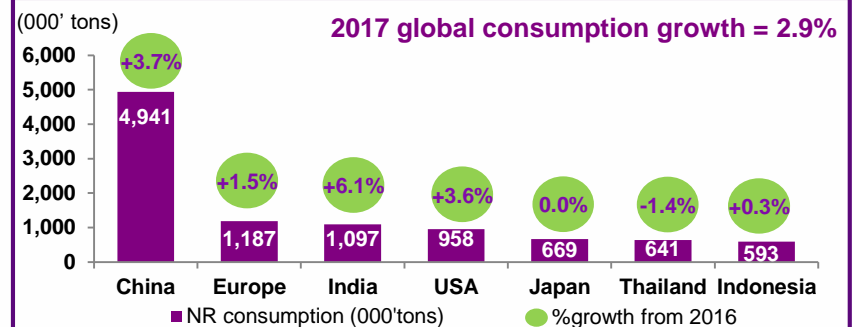
2016 Major consumers of Natural Rubber



2017 NR production forecast



2017 NR consumption forecast



Source : IRSG



Double Digit Growth for New-Vehicle Sales in China

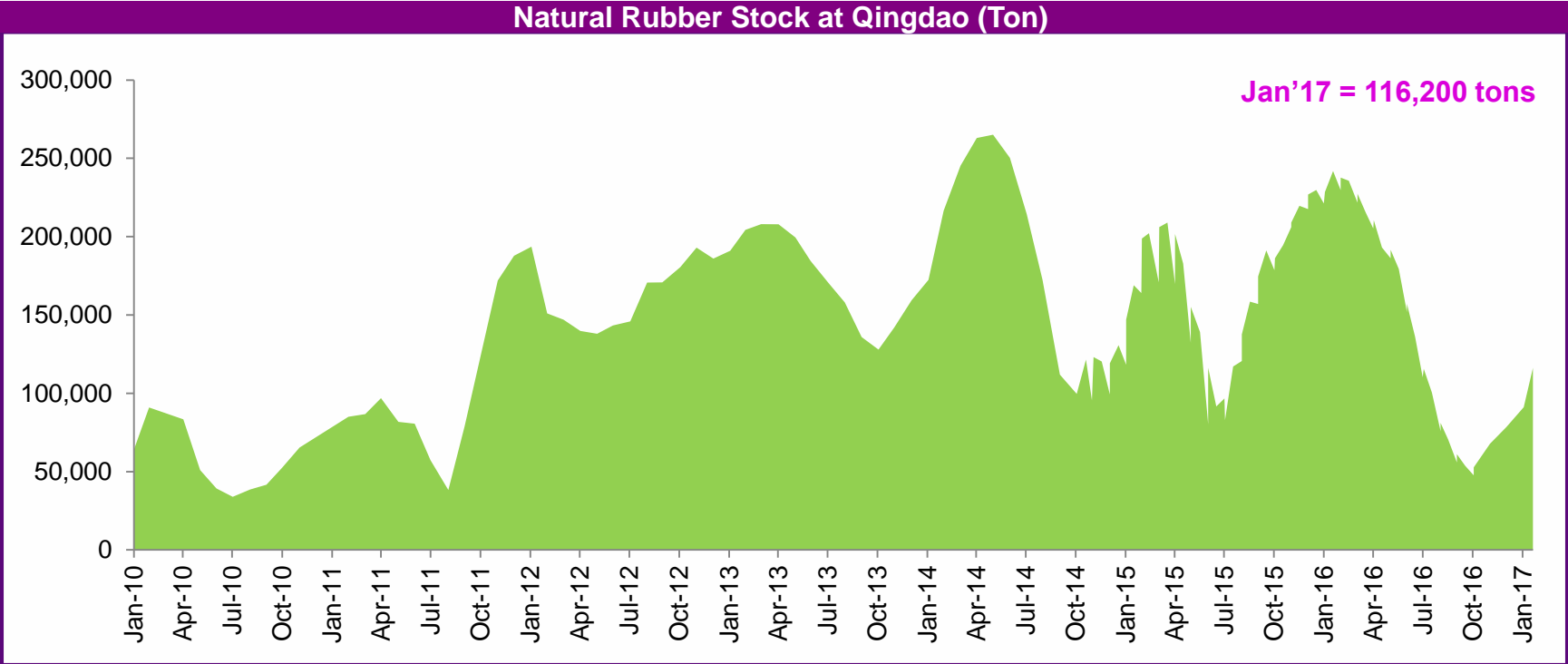


Source : Bloomberg



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Natural Rubber Inventory at Qingdao



Source : Bloomberg



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