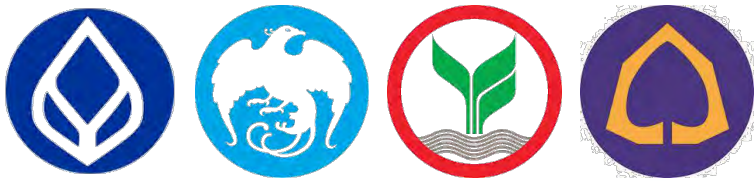




# Investor Roadshow



1 September 2023



# HMC Polymers Investor Roadshow Presenters



**Mr. Corso Uzielli**  
President



**Mr. Pornchai Pichitwutikorn**  
SVP - Business, Strategy, Innovation & Commercial



**Mr. Vasun Subanake**  
SVP - Manufacturing & Operational Excellence



**Ms. Angkaneer Soonthornsawad**  
VP - Finance, Accounting & Corporate Support



**Mr. Paween Chiasakul**  
Division Manager - Investor Relations



**Mr. Ronnarit Virachanang**  
Head - Debt Capital Market, Capital Markets Business Division

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# Vision and Mission



# 2023 Key Highlights

Long heritage of achievement since 1983



New President and  
experienced and diverse Leadership Team



PP4 & SPDP Maximization



Sustainable Products



Sustainability Framework in Actions



# Strong and Aligned Shareholders

Provides significant benefits to HMC Polymers

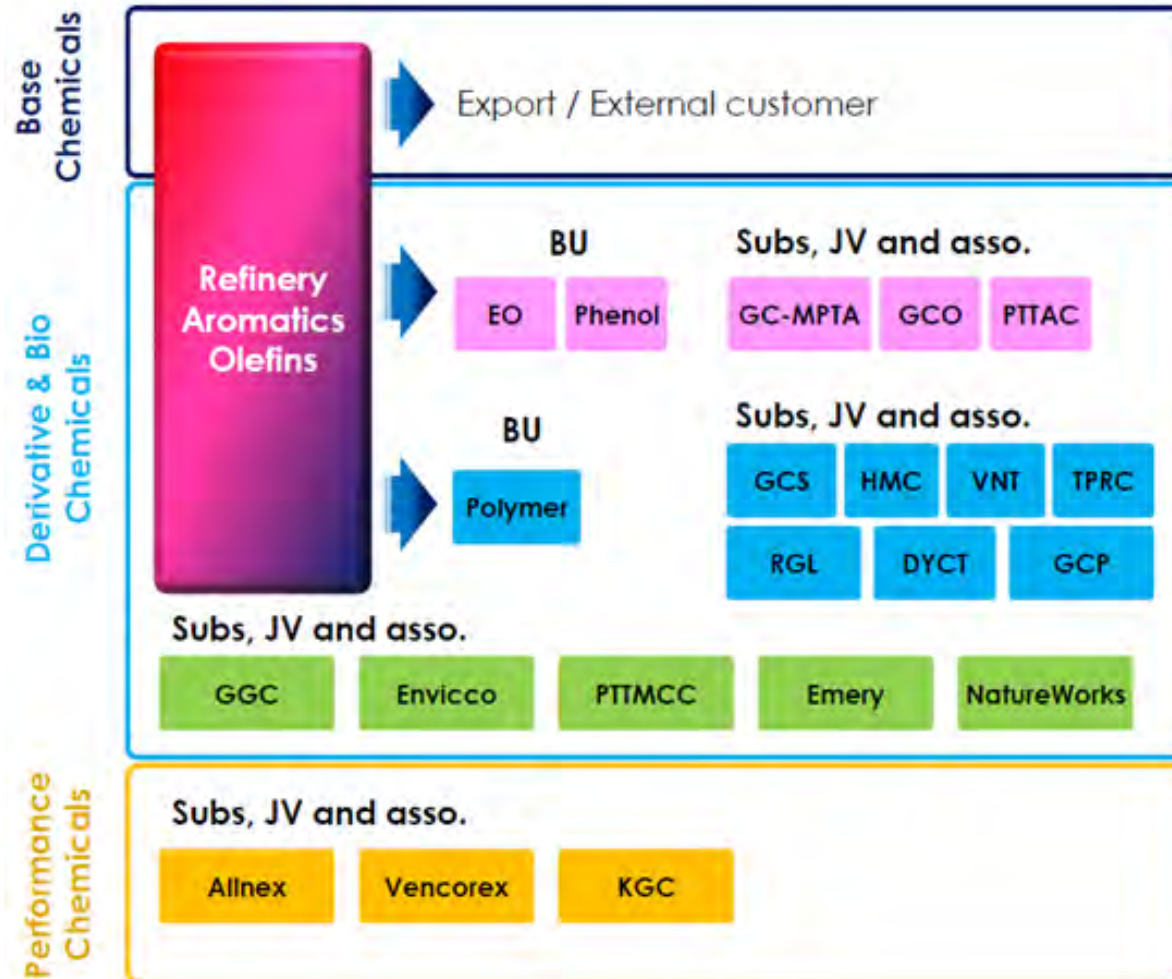


- GC leverages HMC Polymers as a **PP Flagship** to diversify product portfolio to high performance products
- Provide security in competitive **feedstock (40% off-taker)**, utilities, warehouse, logistics and other services
- Deliver **sales and marketing** competencies throughout Asia Pacific

- LyondellBasell as a global leader in PP technology and catalyst
- Second largest PP producer in the world
- HMC Polymers as the largest and most advanced PP joint venture producer globally
- Sales and marketing throughout the world with global grades and brands

- Original founders of HMC Polymers
- Strong connections with industry and financial institutions

# HMC as PP Flagship of



## Products

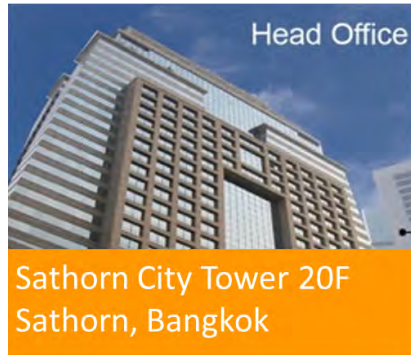
- Upstream** Diesel, LSFO, Olefins, PX, BZ
- Intermediates** EO/EG, Phenol, Acetone, BPA, PTA, PO, AN, MMA
- Polymers & Chemicals**

  - PE, PS, PP, PET, PVC, Compound
  - Ethanolamine, Polyols
- Bio & Circularity** Oleochemical, Bioplastics, Recycle Resins
- Performance Chemicals**
  - Coating & Adhesives** Liquid Resins & Additives (LRA), Power Coating Resins (PCR), Raddured Resins (RAD), Crosslinkers (XLR), IPDI, HDI, HDI Derivatives
  - Engineering Plastic** PA9T, HSBC



# Facts and Figures

## Head Office

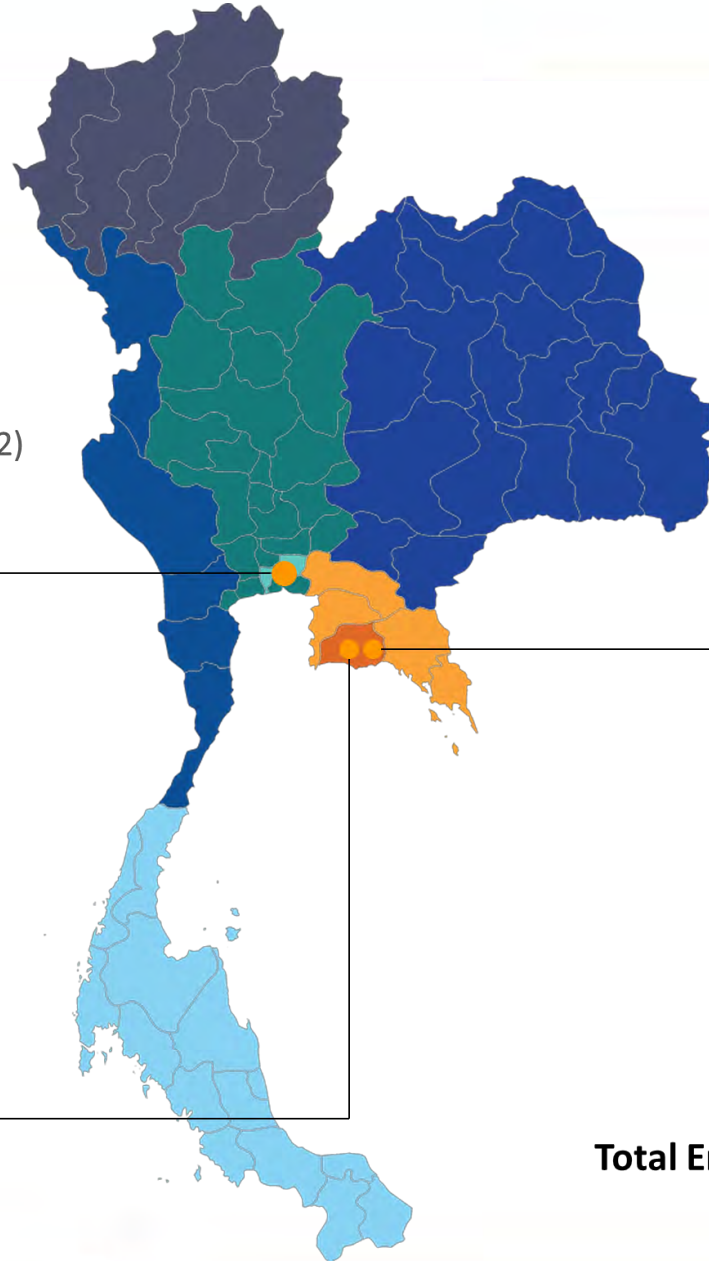


Total asset value (2022)

- 40 Billion THB
- 1.2 Billion US\$

Annual sales revenue (2022)

- 32 Billion THB
- 1.0 Billion US\$



## PP Plants



- Area: 156 rai | 25 hectares
- PP Capacity: 1,060 KTA
- 4 Production lines
- Technology: *Spheripol* and *Spherizone* from LyondellBasell
- ISO 9001 and ISO 14001

## PDH Plant



- Area: 59 rai | 9.4 hectares
- Propylene Capacity: 300 KTA
- Technology: UOP's Oleflex
- ISO 9001 and ISO 14001

Total Employees ≈ 500



70%



30%

# Long Heritage of Achievement

- **1983** : Founded on December 8<sup>th</sup> by Himont, Metro (Srikrung) and Bangkok Bank
- **1987** : Construction start of HMC Polymers' first plant - first PP manufacturing facility in Thailand.
- **1989** : First plant completed in September. Production startup in Nov. for "Pro-fax" – 100 KTA

1980s



1990s

- **1995** : PP Line 1 debottlenecked to 125 KTA  
Investment in Rayong Olefins.  
PP Line 2 construction started.
- **1997** : PP Line 2 startup with 200 KTA and Impact Copolymers capability.
- **1999** : ISO 9001 (1994 version) & ISO 14001 certification.

2000s



- **2001** : PP Line 2 debottlenecked to 250 KTA
- **2002** : PP Line 1 debottlenecked to 165 KTA
- **2006** : PTT became shareholder. Invested in PDH and PP (*Spherizone*) Projects – 300 KTA each
- **2007** : PDH and PP Line 3 construction started

2010s

- **2010** : PP Line 3 completed
- **2011** : PDH completed
- **2015** : Debottlenecked PP Line 3 to 360 KTA
- **2017** : Transfer of PTT JV ownership to GC



2020s

- **2022** : PP Line 4 , the most advanced PP plant completed.
- **2023** : The highest capacity of PP manufacturer in Thailand



# PP4 Plant

Exploit the new generation technology and catalyst benefits



- **Nameplate Capacity:** 250 KTA
- **Technology:** *Spherizone*  
Latest generation polypropylene technology based on new Multi-zone circulating reactor (MZCR)
- **Total PP Production Capacity:** 1,060 KTA
- **Project Cost:** ~8,800mTHB  
Less than plan amid COVID-19 pandemic
- **Target Products and Markets:** Specialty and Differentiated products to serve customers in Thailand, SEA, China, India, Africa, Australia, New Zealand and Japan

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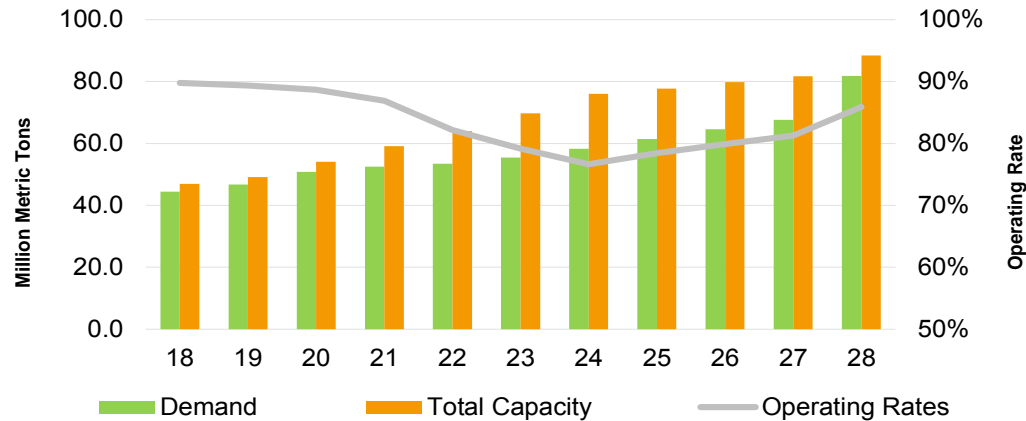
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Proposed Offering and Timeline

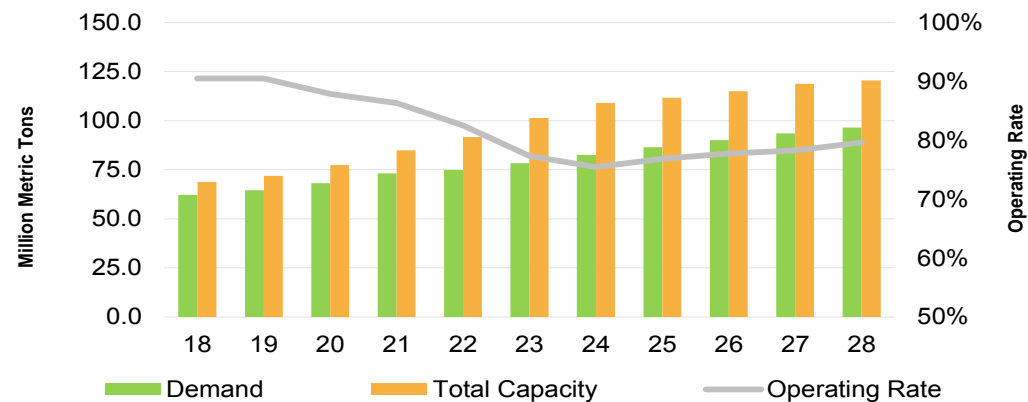
# Polypropylene and Propylene

PP demand recovery with more affordable propylene

Polypropylene Demand & Capacity in Asia Pacific



Propylene Demand & Capacity in Asia Pacific



- Most of new capacities are announced in China, shifting the country towards self-sufficiency and impacting regional supply / demand balance.
- Due to current PP oversupply, some new PP capacities without feedstocks or cost advantage will delay commercial start-up resulting in **lower supply pressure** in the regional market.
- PP plants with commodity focus and high costs are expected to run at low rates during 2023-2024 and regional **PP market is forecast to gradually improve** from 2025 along with expected economic recovery.
- More propylene new capacities – both PDH and steam crackers – in China will make **propylene price more affordable** in the long run.

# 2023 Agile Strategies through Challenges

Resilient toward petrochemical cyclical and economic uncertainty

## Feedstock

- Optimize feedstock portfolio.
- Utilize multiple and diversified feedstock sources for supply security and cost competitiveness.
- Expand into new sustainable feedstock e.g., bio-circular monomer.

## Manufacturing

- Exploit new *Spherizone* Plant to produce specialty and differentiated products.
- Enhance flexibility of production cycle through 4 PP Plants.
- Improve monomer yield by optimizing process condition.
- Prioritize CAPEX plan and prudent OPEX spendings.

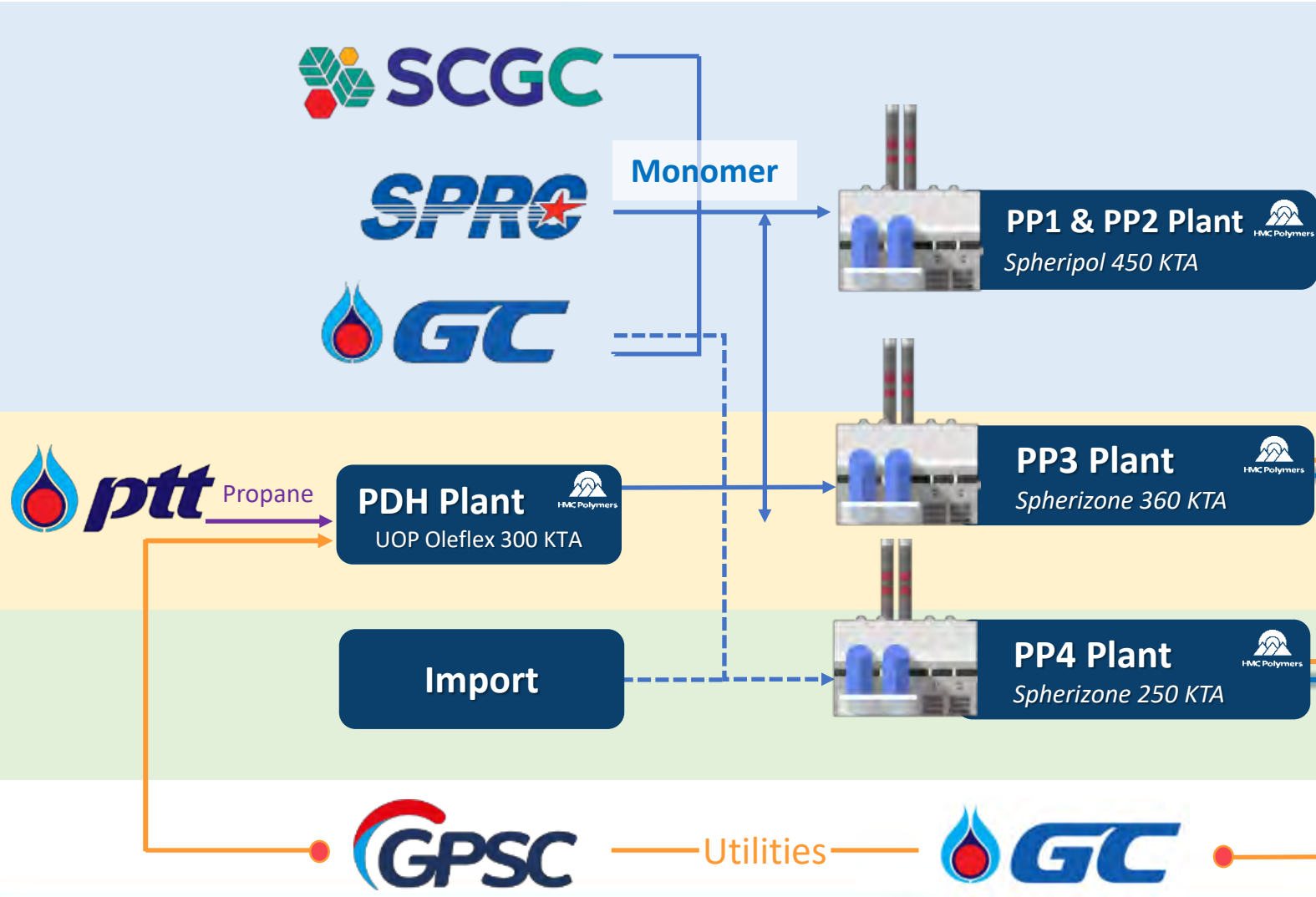
## Sales

- Elevate product portfolio margins through specialty and differentiated products from new *Spherizone* capacity.
- Promptly adjust our product mix, sales plan and production plan for higher premiums and margins.
- Diversify markets with less competition and more opportunities e.g., countries in Indian Subcontinent and Africa.
- Expand in new markets e.g., sustainable and specialty PP solutions

## Finance

- Secure adequate liquidity through the petrochemical cycle.
- Manage available cash and committed revolving credit facilities.
- Access to Thai Bond Market to refinance short-term debts.
- Optimize working capital management.

# Production Flow



**Distribution Channels**

**Current**

- 43% Export
- 57% Domestic

**Target 2030**

- 50% Export
- 50% Domestic

Direct Sales and Agents

- HMC Polymers
- GTC
- lyondellbasell
- POLYMERS MARKETING CO., LTD.

**Polypropylene (PP) resin**

# Our Market Applications

## Healthcare & Hygiene

Medical | Spunbond



## Industrial Products

Pipes | Automotive | Appliances |  
Compounds | Industrial Products



## Rigid Packaging

Caps and Closures | Crates & Pails |  
EBM and ISBM | Thermoforming |  
TWIM | Houseware



## Flexible Packaging

Blown Film | BOPP | CPP | IPP |  
POF Shrink film | Raffia | Coating





# Market Leading Innovation

Contributing to sustainable developments and enhancing product performance



## Food safety & access

Flexible and Rigid packaging for safe transportation, storage and extend shelf life of food products

- Consumer safety
- Non-phthalate
- International standard compliance



## Qualified health & hygiene application

Products for IV bottles, bags, syringes, medical devices, test kits, labware and other hygiene products

- Spunbond & Soft spunbond
- Medical



## Cleaner air & fuel efficiency

Stronger, lighter plastics, high purity

- High MFI for compound
- Capacitor film



## Infrastructure

Stronger, longer-lasting pipes used for sewage transportation and hot and cold-water pipes

- Sewage pipe
- Pressure pipe



## Sustainable PP resin

Using renewable raw material as feedstock & Innovated environmentally friendly PP resin in term of recyclability



- Certified Biobased PP



- Certified Recycled PP

- Downgaging

- Momomaterial

# Sustainability Framework

Carbon Neutrality ● Connectivity ● Circularity



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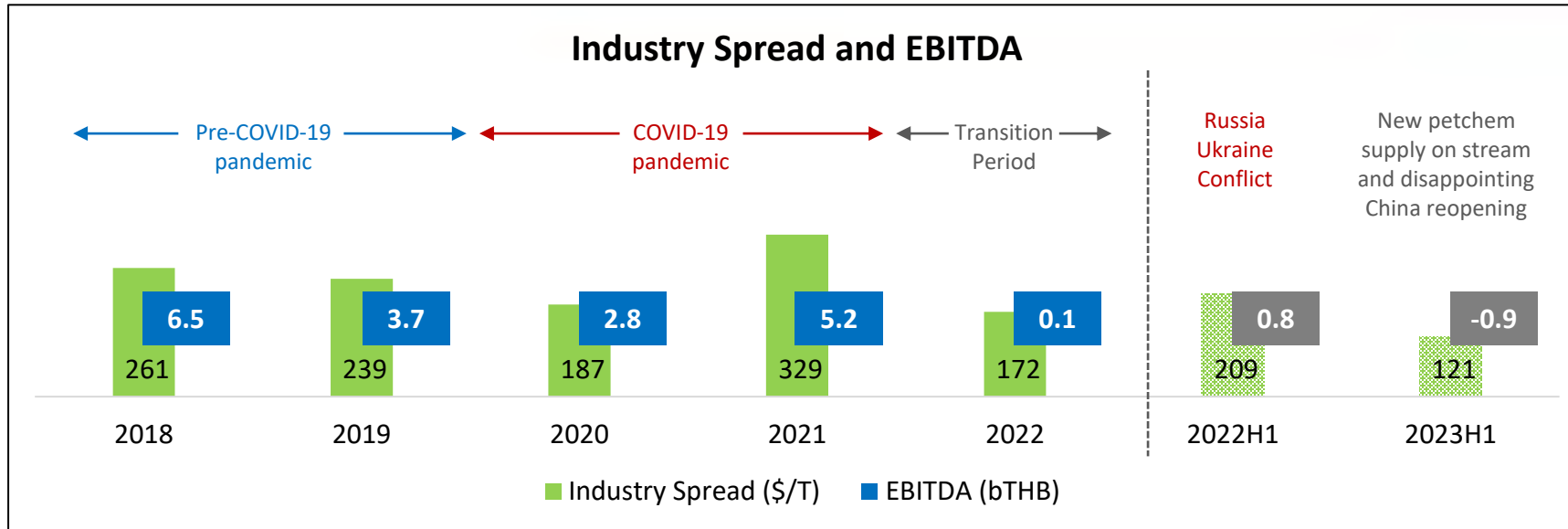
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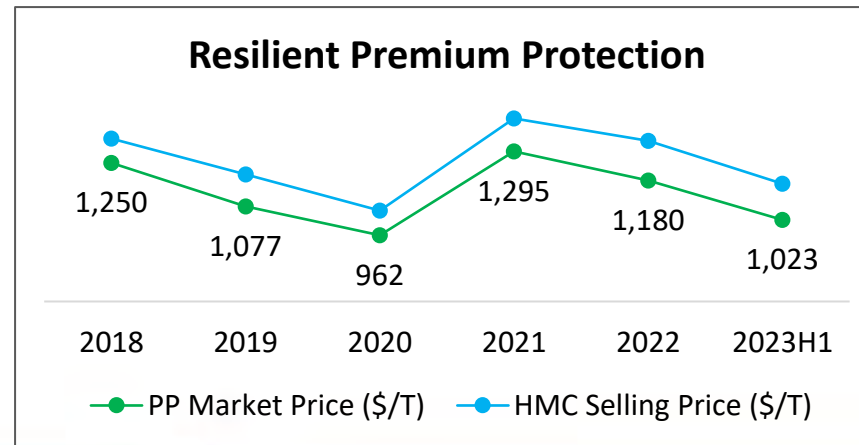
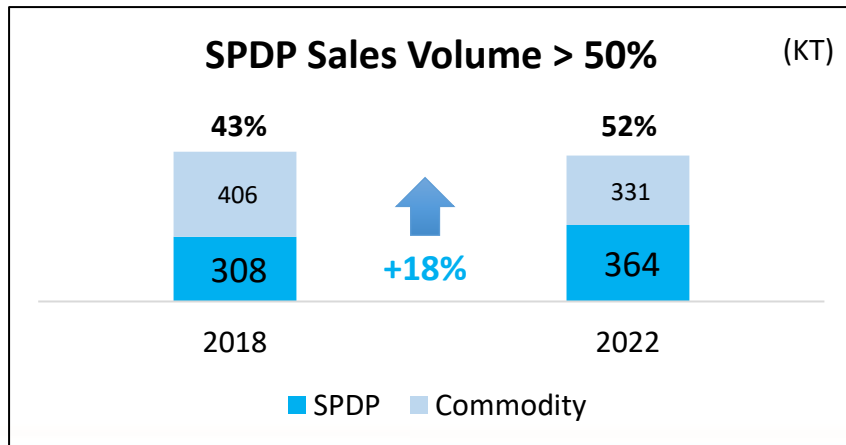
# Inherent Cyclicalality of Petrochemical Industry

Escalate growth in specialty and differentiated products



### Transition Period

- Narrow PP-Propylene spread
- High feedstock and utility cost
- + Achieved **SPDP > 50%** of portfolio
- + Strong price premium performance
- + Growth in **NPD +10% in average**

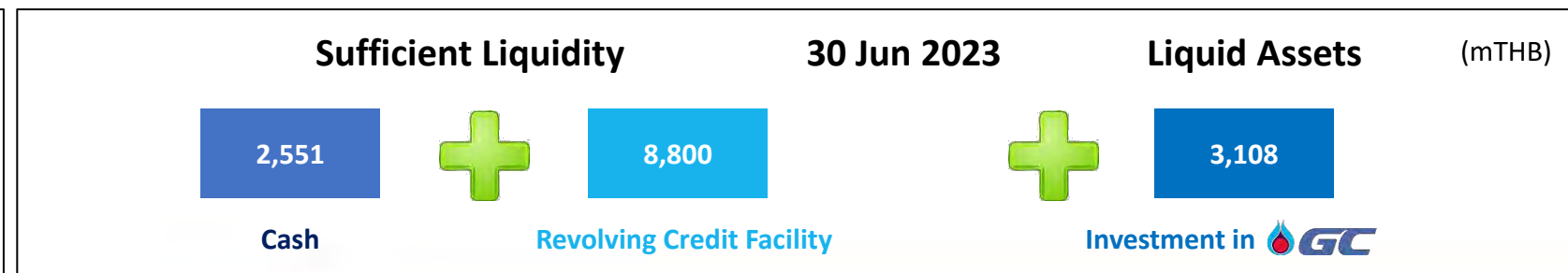
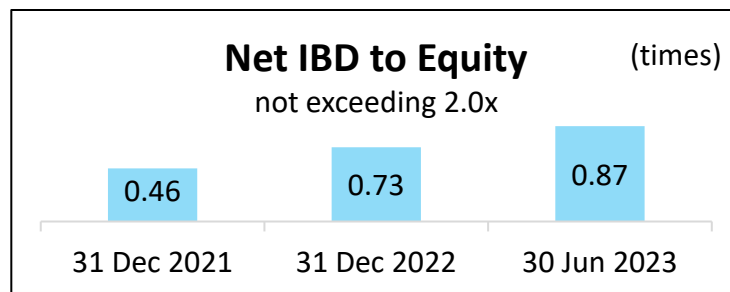
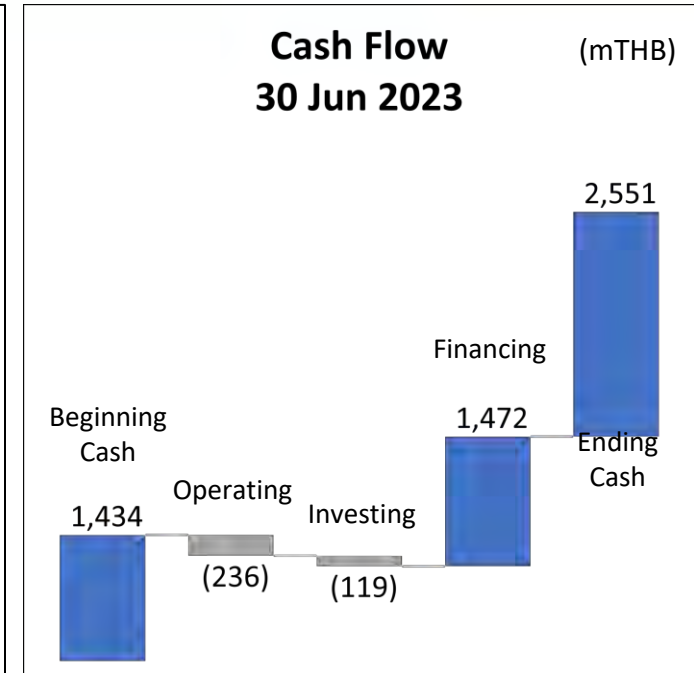
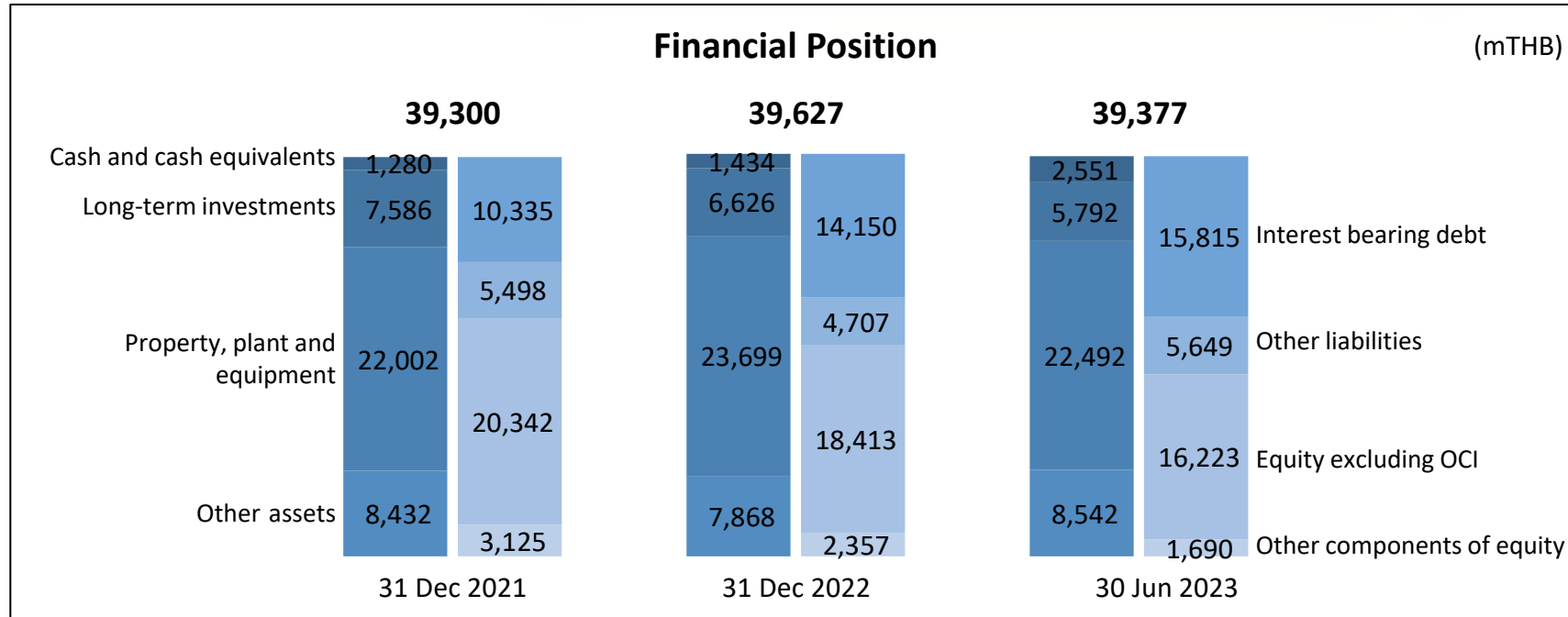


### Growth in NPD Sales Volume

**+10%**

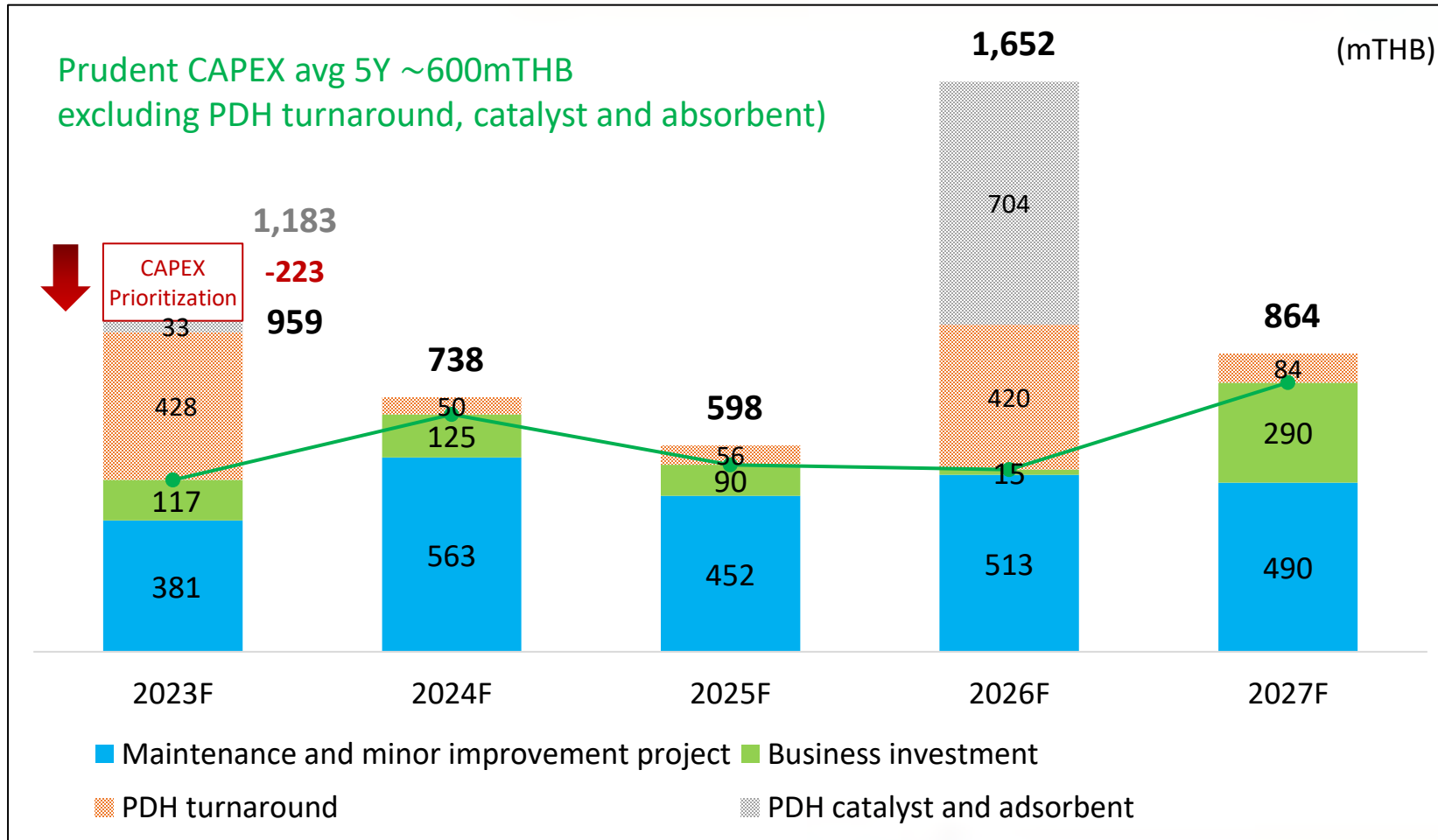
# Solid Financial Position

Adequate liquidity through the transition period in 2023 – 2024



# 5 Years CAPEX Plan

No major capital projects in near term



## Key Highlights

- No major capital projects in near term
- PDH major turnaround in 2023 and will extend turnaround interval from 2 to ~3 years, then next turnaround will be shifted to 2026.
- Prudent CAPEX avg 5Y to be 960mTHB (600mTHB excluding PDH turnaround, catalyst and adsorbent).

# Value Enhancement and Cost Efficiency

Strive for excellence toward petrochemical cyclicalty

1

- Price premium enhancement by escalating growth in SPDP from new *Spherizone* capability



[350 – 400] mTHB

2

- Feedstock portfolio optimization
- Continuous OPEX cost improvement



[150 – 250] mTHB

3

- CAPEX prioritization
- Working capital optimization



[300 – 350] mTHB



LEADING PP  
PRODUCER IN ASEAN  
WITH LONG HERITAGE



WORLD CLASS  
PP TECHNOLOGY



STRONG TIES  
WITH SHAREHOLDERS



GEOGRAPHIC  
MARKET  
DIVERSIFICATION



SOLID FINANCIAL  
POSITION AND  
SUFFICIENT  
LIQUIDITY





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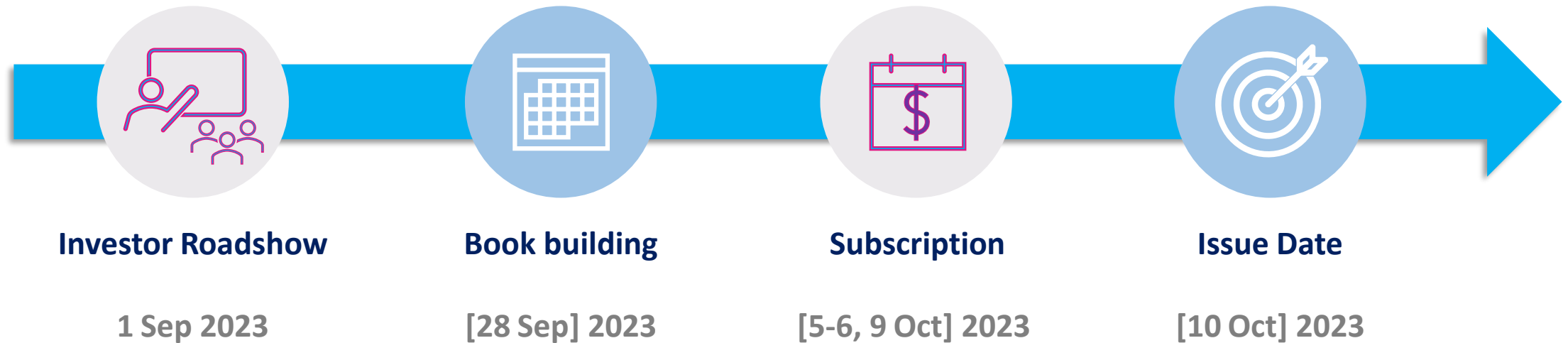
# Investment Highlights



# Indicative Debenture Structure

<b>Issuer</b>	HMC Polymers Company Limited (“HMC” or the “Issuer”)			
<b>Company Rating</b>	“A-(tha)” with “Negative” Outlook by Fitch Ratings (Thailand) Limited			
<b>Issue Rating</b>	“A-(tha)” by Fitch Ratings (Thailand) Limited			
<b>Debenture Type</b>	Thai Baht Senior Unsecured Debenture with Debenture holders’ representative (“Debenture”)			
<b>Type of Offering</b>	Private Placement to Institutional and High Net Worth Investors (PP-II&HNW)			
<b>Tenor</b>	3 years	5 years	7 years	10 years
<b>Use of Proceed</b>	For refinance existing debts and/or working capital			
<b>Tentative Issue Date</b>	[10 October] 2023			
<b>Interest Payment</b>	Semi-annually			
<b>Principal Repayment</b>	Bullet payment at maturity			
<b>Joint Lead Arrangers</b>	BBL, Krungthai, KBANK and SCB			
<b>Debenture holders’ representative</b>	BBL			
<b>Registrar</b>	KBANK			
<b>Debenture Financial Covenants</b>	Net Debt to Equity Ratio not exceeding 2.0x			
<b>Debenture Registration</b>	Thai Bond Market Association (ThaiBMA)			

# Tentative Timeline



# Q & A





**HMC Polymers**

บริษัท เอ็ชเอ็มซี โพลีเมอส์ จำกัด

ผู้นำธุรกิจเม็ดพลาสติกโพลีโพรพิลีนรายใหญ่ที่สุดของประเทศไทย บริษัทในเครือ GC แขนงนำธุรกิจของ PTT

เตรียมเสนอขายหุ้นกู้ครั้งที่ 1/2566

ชนิดระบุชื่อผู้ถือ ประเภทไม่ด้อยสิทธิ ไม่มีประกัน และมีผู้แทนผู้ถือหุ้นกู้

ให้แก่ ผู้ลงทุนสถาบัน และ/หรือ ผู้ลงทุนรายใหญ่

อายุ 3 ปี	อายุ 5 ปี	อายุ 7 ปี	อายุ 10 ปี
ประกาศอัตราดอกเบี้ยภายหลัง	อัตราดอกเบี้ย [4.10 – 4.40]% ต่อปี	อัตราดอกเบี้ย [4.45 – 4.75]% ต่อปี	อัตราดอกเบี้ย [4.79 – 5.09]% ต่อปี

ชำระดอกเบี้ยทุกๆ 6 เดือน (ตลอดอายุหุ้นกู้)

อันดับความน่าเชื่อถือของหุ้นกู้ “A-(tha)” โดยบริษัท พีทรี เพรตติ้งส์ (ประเทศไทย) จำกัด เมื่อวันที่ 24 สิงหาคม 2566

จองซื้อขั้นต่ำ 100,000 บาท และทวีคูณครั้งละ 100,000 บาท (สำหรับผู้ลงทุนรายใหญ่)

คาดว่าจะเปิดจองซื้อวันที่ [5 – 6] และ [9] ตุลาคม 2566 นี้

สอบถามรายละเอียดเพิ่มเติมได้ที่



โทร. 1333 (ยกเว้นสาขาไมโคร)



โทร. 02-111-1111



โทร. 02-888-8888 กด 819

กสิกรไทยทุกสาขา



โทร. 02-777-6784



คำเตือน: การลงทุนมีความเสี่ยง ผู้ลงทุนควรศึกษาและทำความเข้าใจลักษณะสินค้า เงื่อนไขผลตอบแทน และความเสี่ยงก่อนตัดสินใจลงทุน ทั้งนี้ ผู้ลงทุนสามารถศึกษารายละเอียดได้จากแบบแสดงรายการข้อมูลและร่างหนังสือชี้ชวนที่ [www.sec.or.th](http://www.sec.or.th)

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