SOMBOON
ADVANCE TECHNOLOGY

Drive Business toward
a Sustainable Future

Opportunity Day 4Q2021

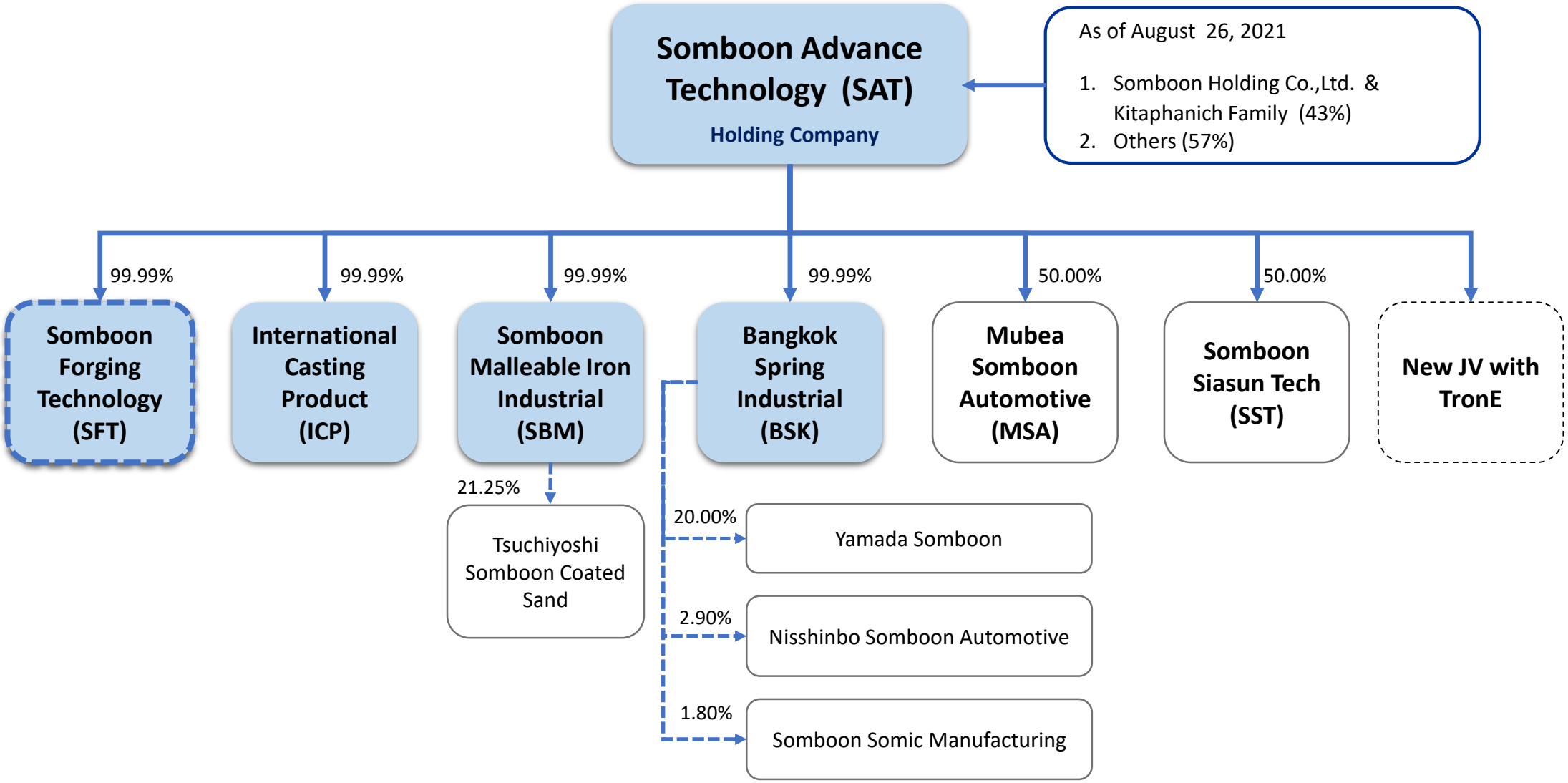
March 17, 2022

Agenda

SOMBOON
ADVANCE TECHNOLOGY

1. Company Overview and Update
2. Automotive & Tractor Industries
3. Financial Summary
4. ESG Development & Guidance
5. Q&A

Company Overview



Our Vision

To be a trusted partner

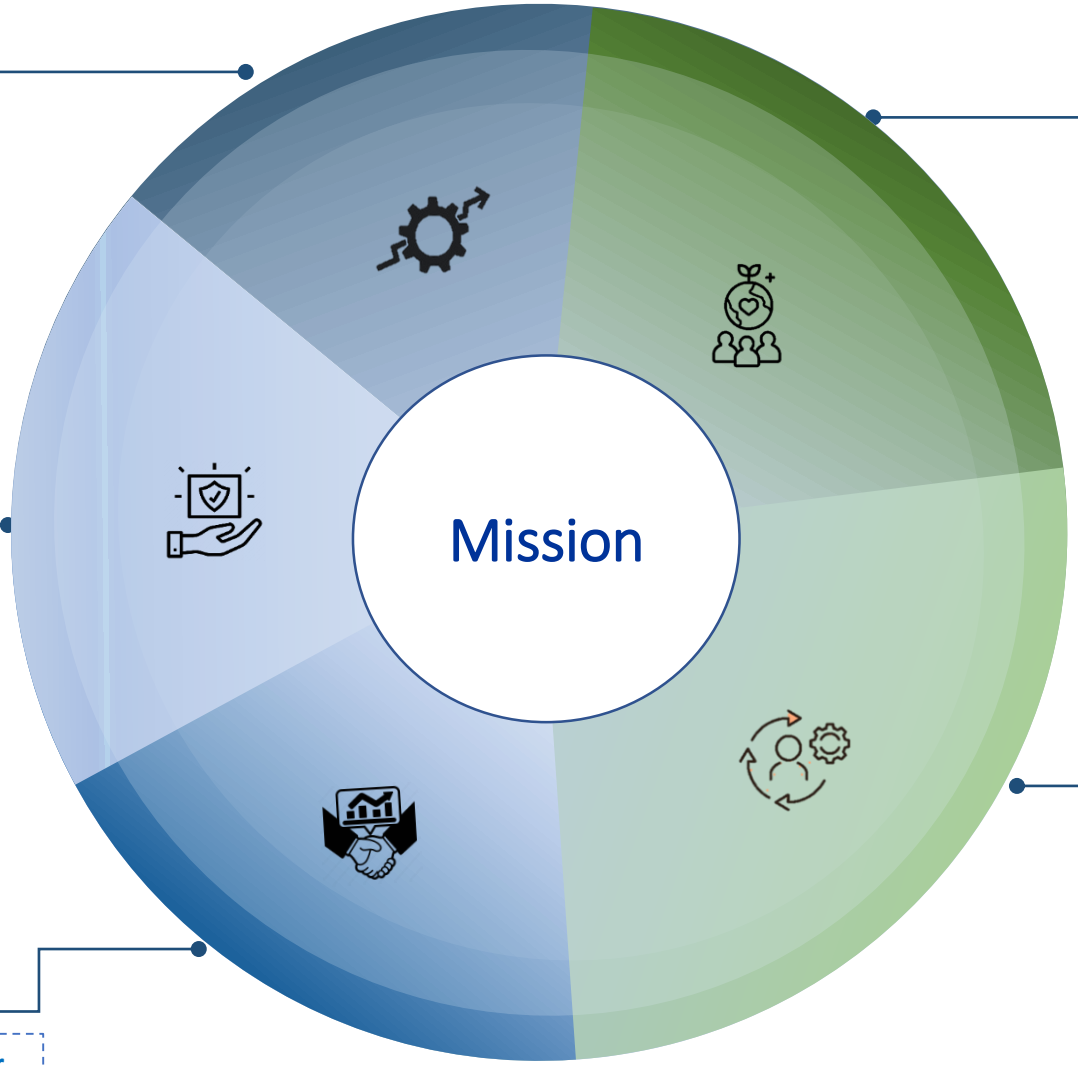
Leading engineering products and solutions

Advanced technology

Social and Environmental Sustainability

To be a trusted partner with leading engineering products and solutions that harmonizes the use of advanced technology with social and environmental sustainability

Mission



Core Businesses

Innovate and apply advanced technology to accelerate change in **our core businesses**

Environment& Society

Commit to optimize resource and protect **environment** and promote living quality of people in **society**

Customers

Deliver reliable products and services with competitive prices to **our customers**

Organization & People

Enhance capabilities of **our organization and people** to adapt to changes in business context

Partners

Grow business with **our partners** and deliver our promise

Business Timeline

Local Thai Supplier

1962: Establishment of Somboon Spring Ltd. into REM market

1975: Establishment of Somboon Malleable Iron Ltd. ("SBM")

From REM to OEM

1977: Establishment of Bangkok Spring Industrial ("BSK") with Technical Assistance ("TA") from Mitsubishi Steel (1983) and Somboon Spring transferred operation to Bangkok Spring (BSK)

1984: Began the move into OEM market

Expansion Footprint

1990: JVs:

- Yamada Somboon Co.,ltd.
- Tsuchiyoshi Coated Sand Co.,ltd.
- Nishinbo Co.,ltd.
- Somboon Somic Co.,ltd.

1995: Establishment of Somboon Advance Technology ("SAT") with Technical Assistance from Gohsyu and Ibara Seiki

Listed Company

2005: SAT get into Stock Exchange of Thailand and name change to "Somboon Advance Technology PCL."

2006: Bought up International Casting Products. ("ICP")

Enhance People's Capabilities

2014: Establishment of Somboon Forging Technology ("SFT") and Somboon Learning Academy ("SLA")

Continued Expansion & Growth through Partnership

2017: SAT J/V with Mubea and established new company name "Mubea Somboon Automotive" ("MSA")

2018: BSK transfer its production spring business to MSA

2020: SAT J/V with Siasun established new company name "Somboon Siasun Tech Co.,Ltd." ("SST")

Restructure for New business growth

2021: SAT Transfer operation to SFT and make itself to be a "Holding company"

2022: SAT J/V with TronE. In the process of establishing a joint venture company.

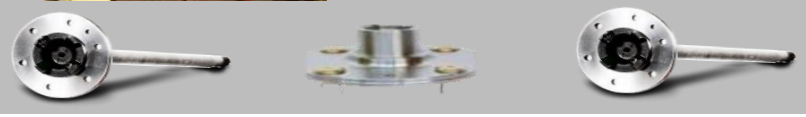
Company Overview

Automotive Industry(~70-75%)	Tractor Industry (~20-25%)	Robot & Automation (<1%)

SFT

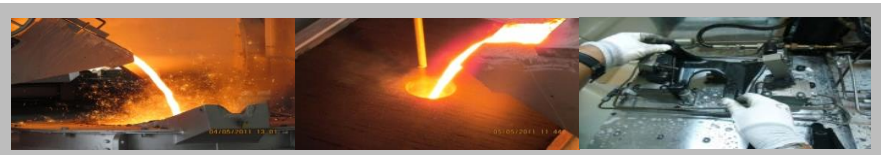
Process: Forging/ Machining

Product: Axle Shaft, Hub



ICP/SBM

Process: Casting/ Machining

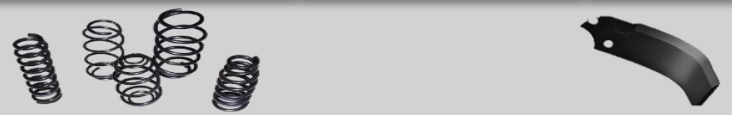


Product: Disc & Drum Brake,
Exhaust Manifold, Fly Wheel, Bracket

MSA

Process: Bending & Coiling

Product: Spring Products



SST

Intelligent Logistics

SMART Factory

Robot

Customers

Kubota

MICHELIN

Automotive Part Products

SFT

Axle Shaft

Inner Shaft

Front Hub

Front Axle Ass'y

Brake Disc

Brake Drum

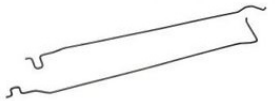
Yoke

Differential Carrier

MSA

Coil Spring

Stabilizer Bar


Bar Hinge Torsion

Engine part related 3-5%

Camshaft

Flywheel

Exhaust Manifold

Timing Cover

SBM/ICP

Agriculture Machinery Part Products

Tractor

Axle Shaft

Case Rear Axle

Case Front Axle

Axle Assy Rear

Rear Diff Assy

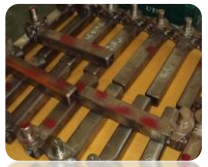
Combine Harvester

Holder Bearing

Case Bevel Gear

Differential Assy

Implement



Frame Tension

Roller 275

Case Drive

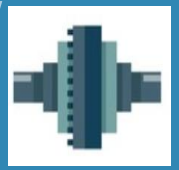
Rotary Blade

Assy Cutting Blade

Strategy

Automotive and Agricultural Parts Businesses

- New Product: Intermediate shaft, Case Set (Differential Gear)



- Optimize Asset Utilization

- Competitiveness with QCD

New Businesses

- Agriculture Equipment Business

- EV Bus Platform

- Robot and Automation (Automotive Industry)

Key Highlights 2021

8,598 MB

Sale Revenue

1,689 MB

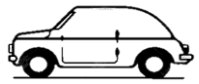
EBITDA

953 MB

Net Profit

68 %

% Revenue: Pick up & Truck



7 %

% Revenue: Passenger & Eco car

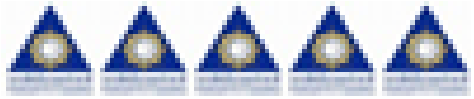
25 %

% Revenue: Tractor

- Samutprakan - (Head Office and 1 Plant)
- Rayong – 4 Plants

5 Plants in 2 locations

Production Facilities



Excellent 13 years in roll

CG Scoring

From SET and Customers

Awards

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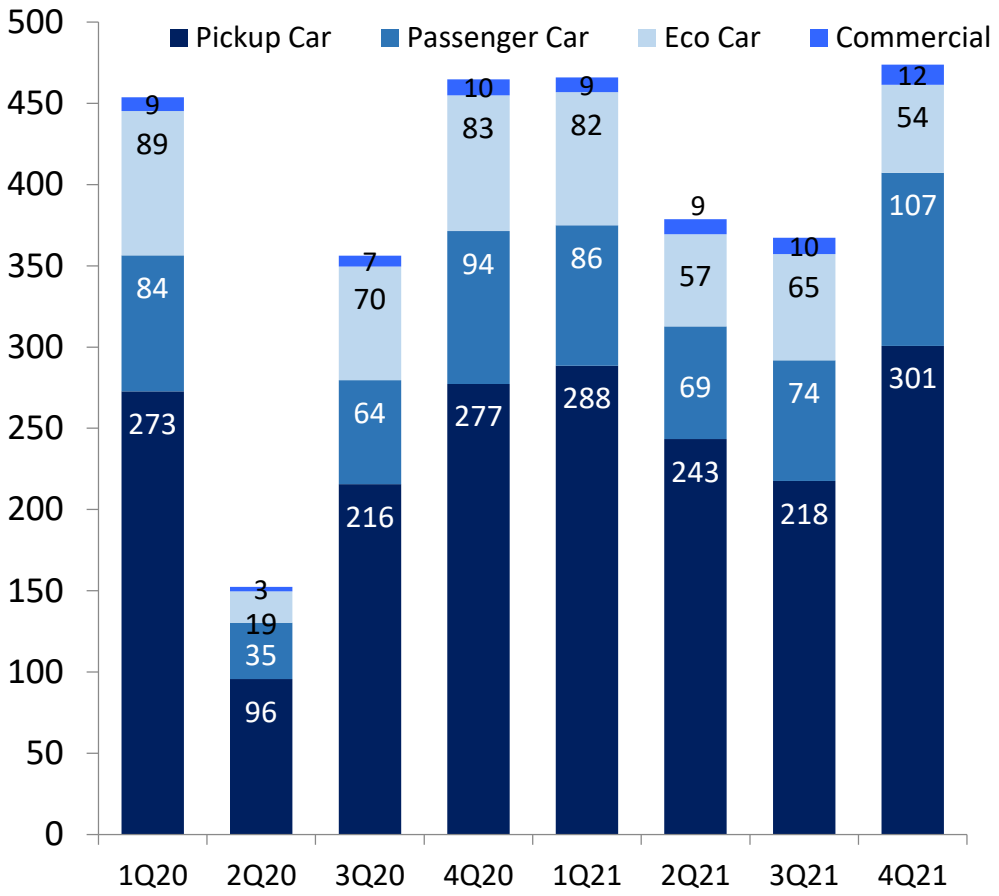
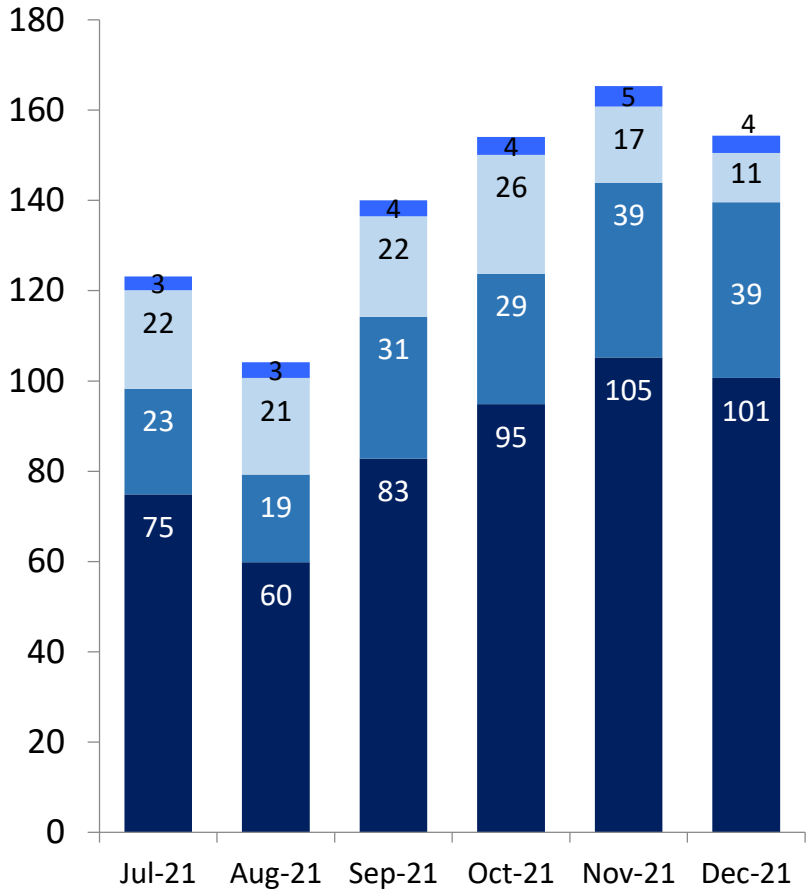
Car Production: by Type

Unit: Thousand cars

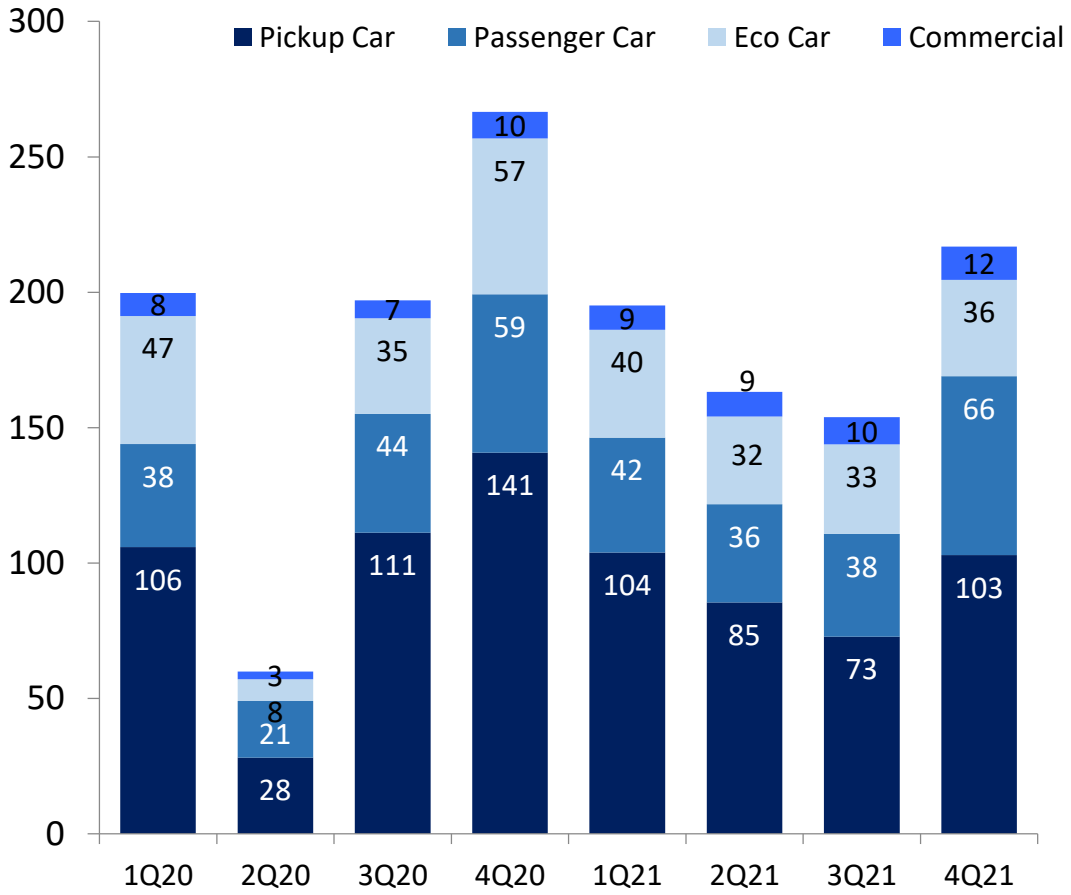


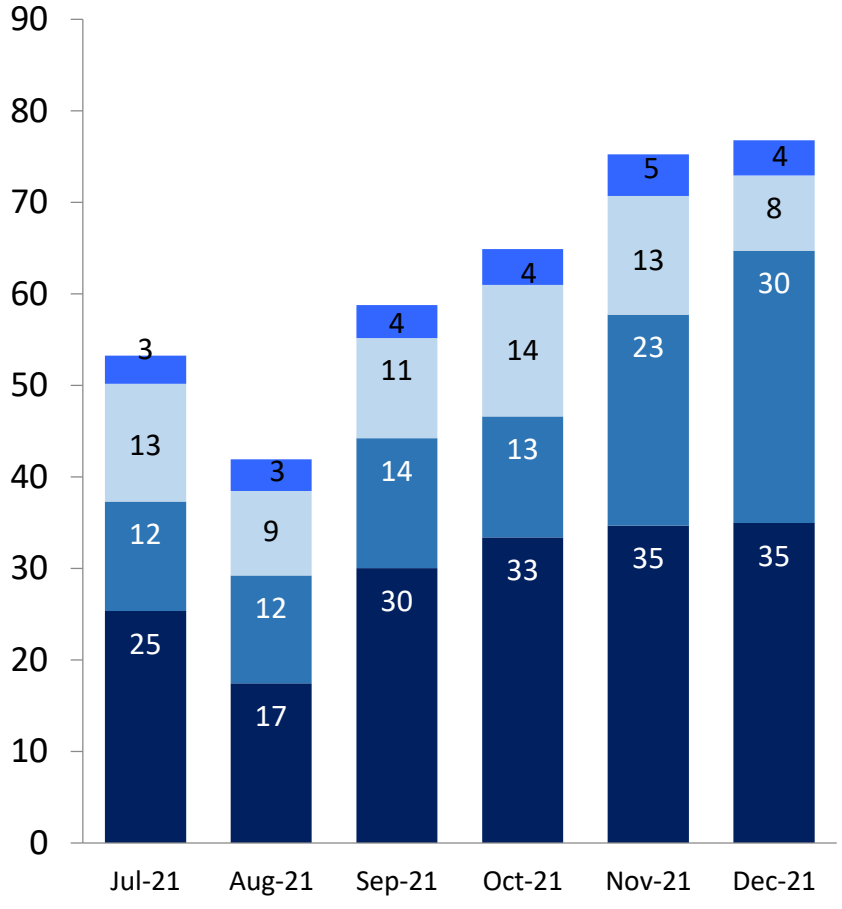


- QoQ (+29%) : Changes in Pick up, Passenger and Eco car are +38%, +44% and -17%
- YoY (+2%) : Changes in Pickup, Passenger and Eco car are +8%, +13% and -35%
- 2021 (+18%) : Changes in Pickup, Passenger and Eco car are +22%, +22% and -1%

Car Production: Domestic

Unit: Thousand cars

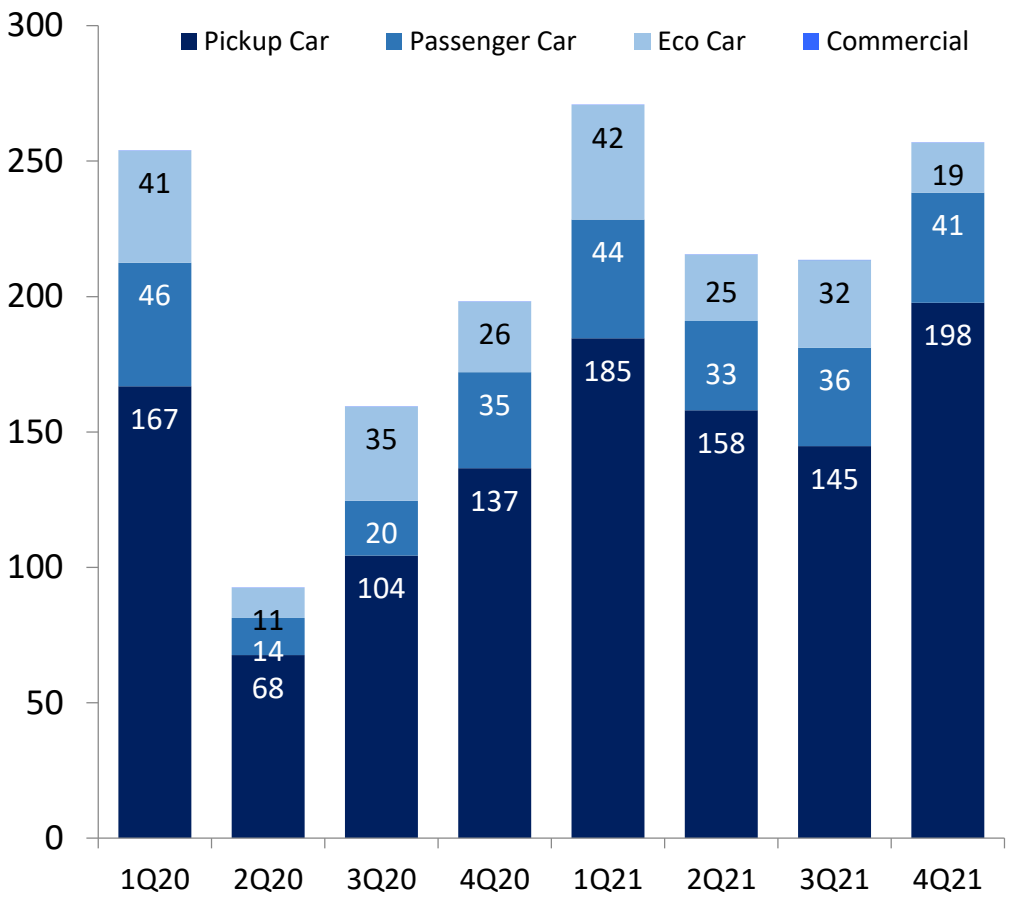


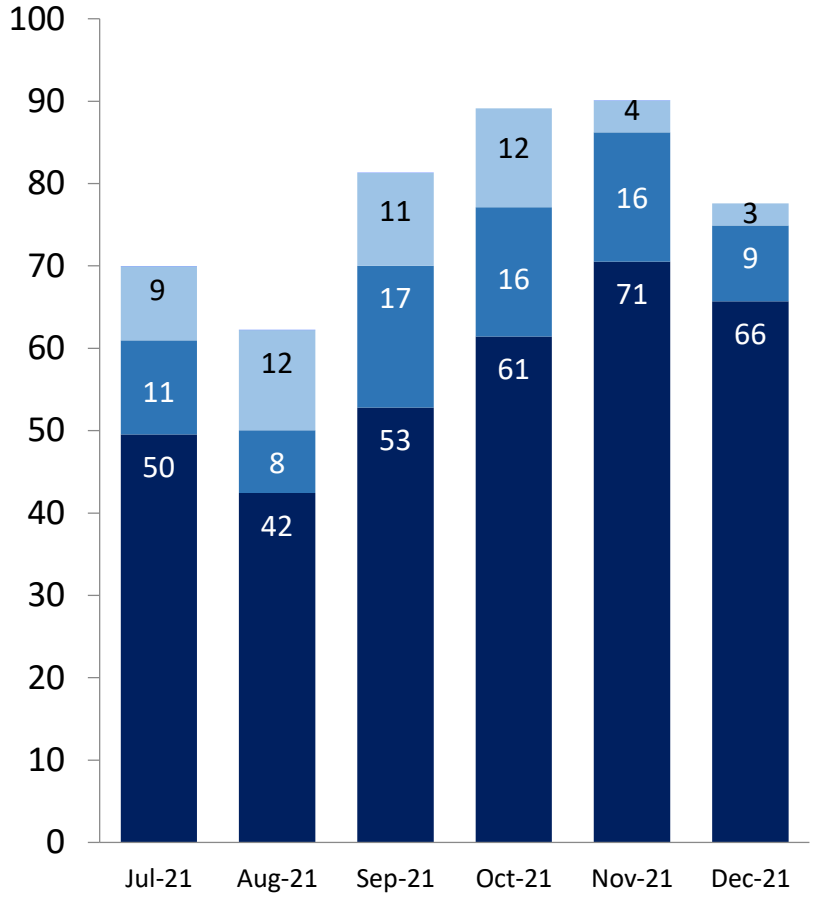


- QoQ (+41%) : Changes in Pickup, Passenger and Eco car are +41%, +74% and +8%
- YoY (-19%) : Changes in Pickup, Passenger and Eco car are -27%, +13% and -38%
- 2021 (+1%) : Changes in Pickup, Passenger and Eco car are -5%, +13% and -5%

Car Production: Export

Unit: Thousand cars

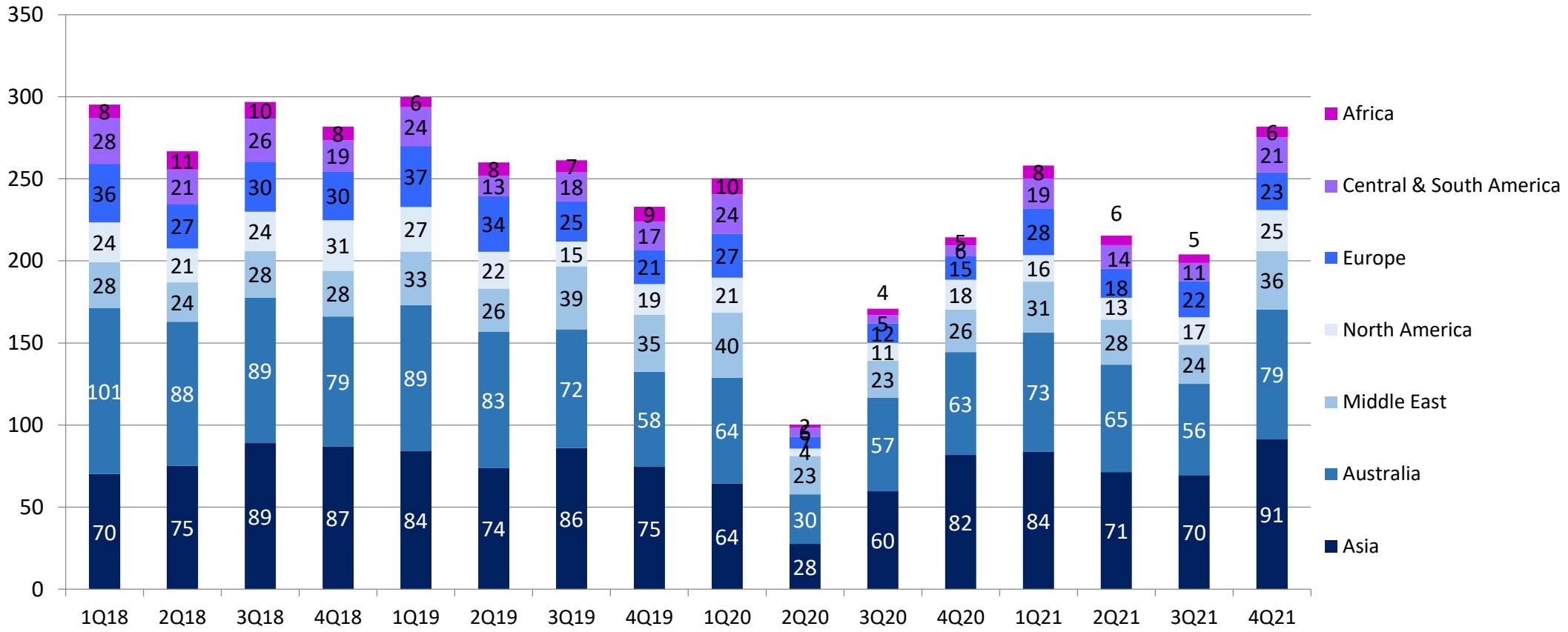




- QoQ (+20%) : Changes in Pickup, Passenger and Eco car are +37%, +12% and -43%
- YoY (+30%) : Changes in Pickup, Passenger and Eco car are +45%, +14% and -29%
- 2021 (+36%) : Changes in Pickup, Passenger and Eco car are +44%, +34% and +4%

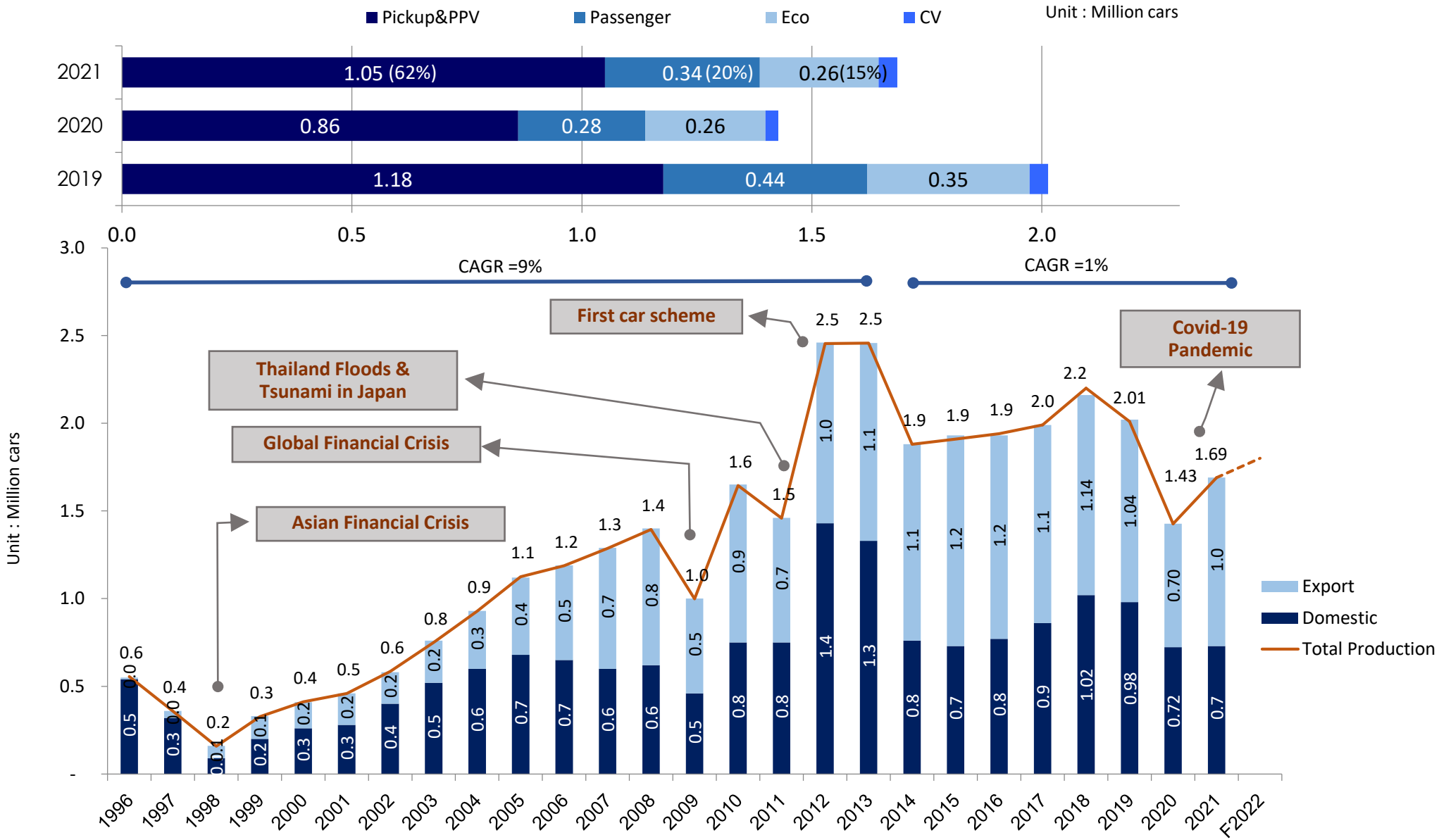
Car Export Destinations

Unit: Thousand cars



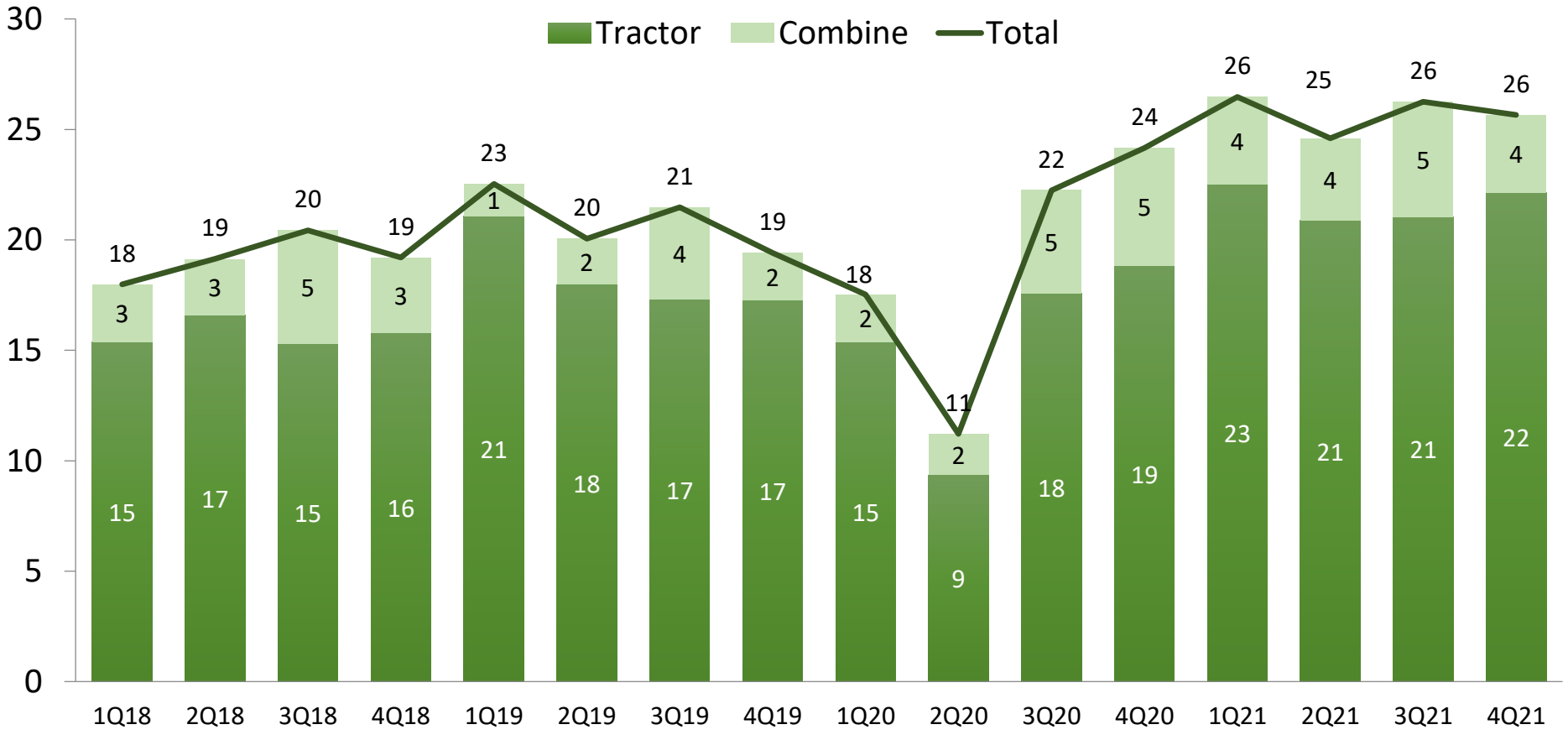
- QoQ (+38%): Car export increased mainly from export to Australia, Asia and Middle East.
- YoY (+30%) and 2021 (+31%) : Car export increased from all regions.
- Thailand top 3 car export market are Asia, Australia and Middle East.

Thailand automotive outlook



Tractor production by quarter

Unit: Thousand units

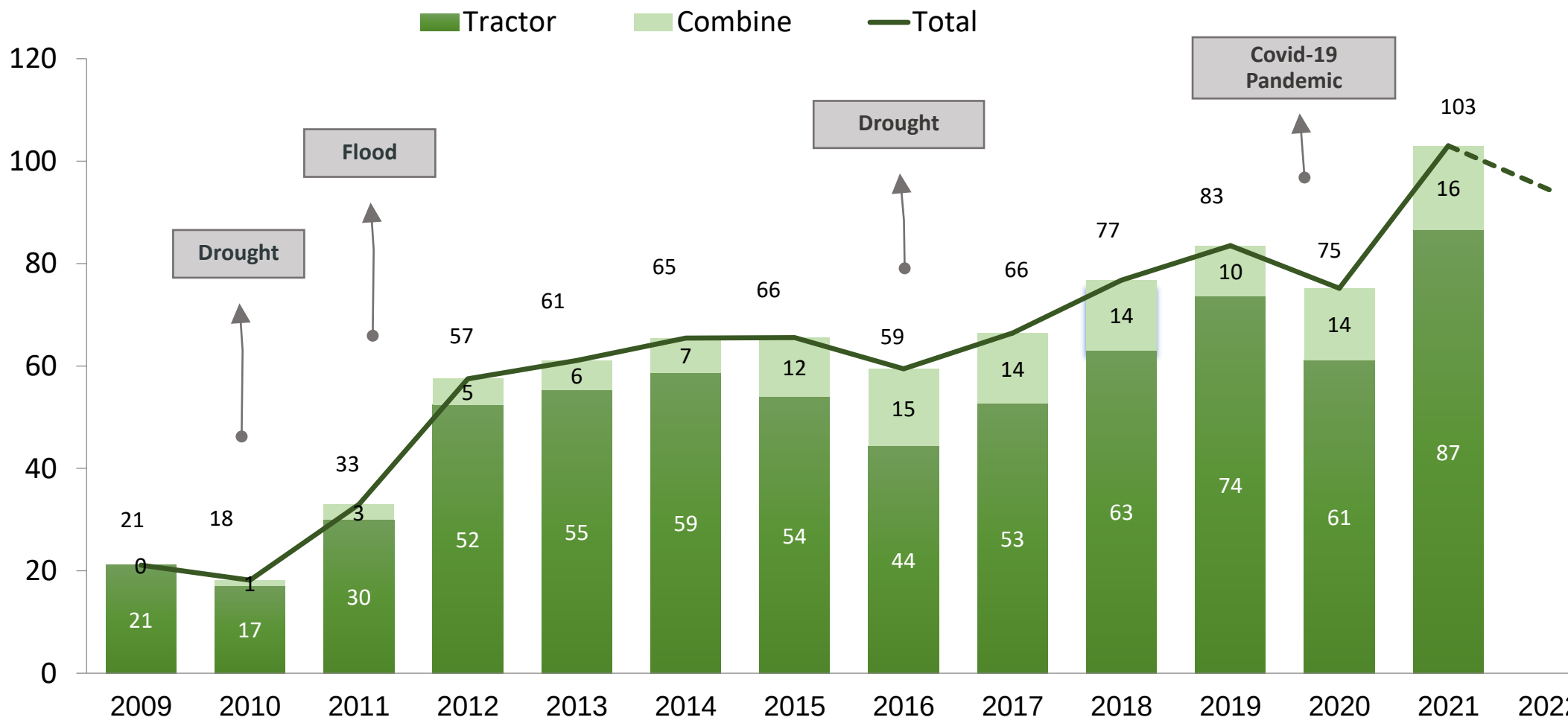


- QoQ : Declined -2%
- YoY : Increased +6%
- 2021 : Increased +37%

Source : Customer

Tractor production outlook

Unit: Thousand units



Source : SBG's Forecast

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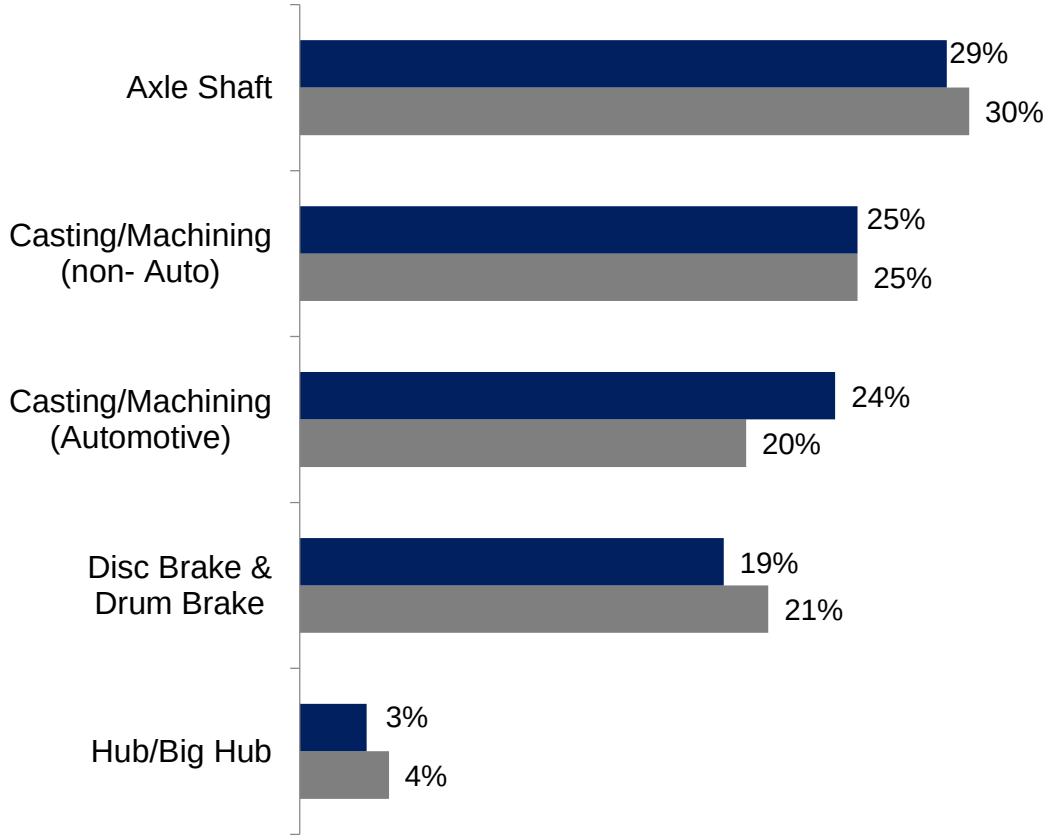
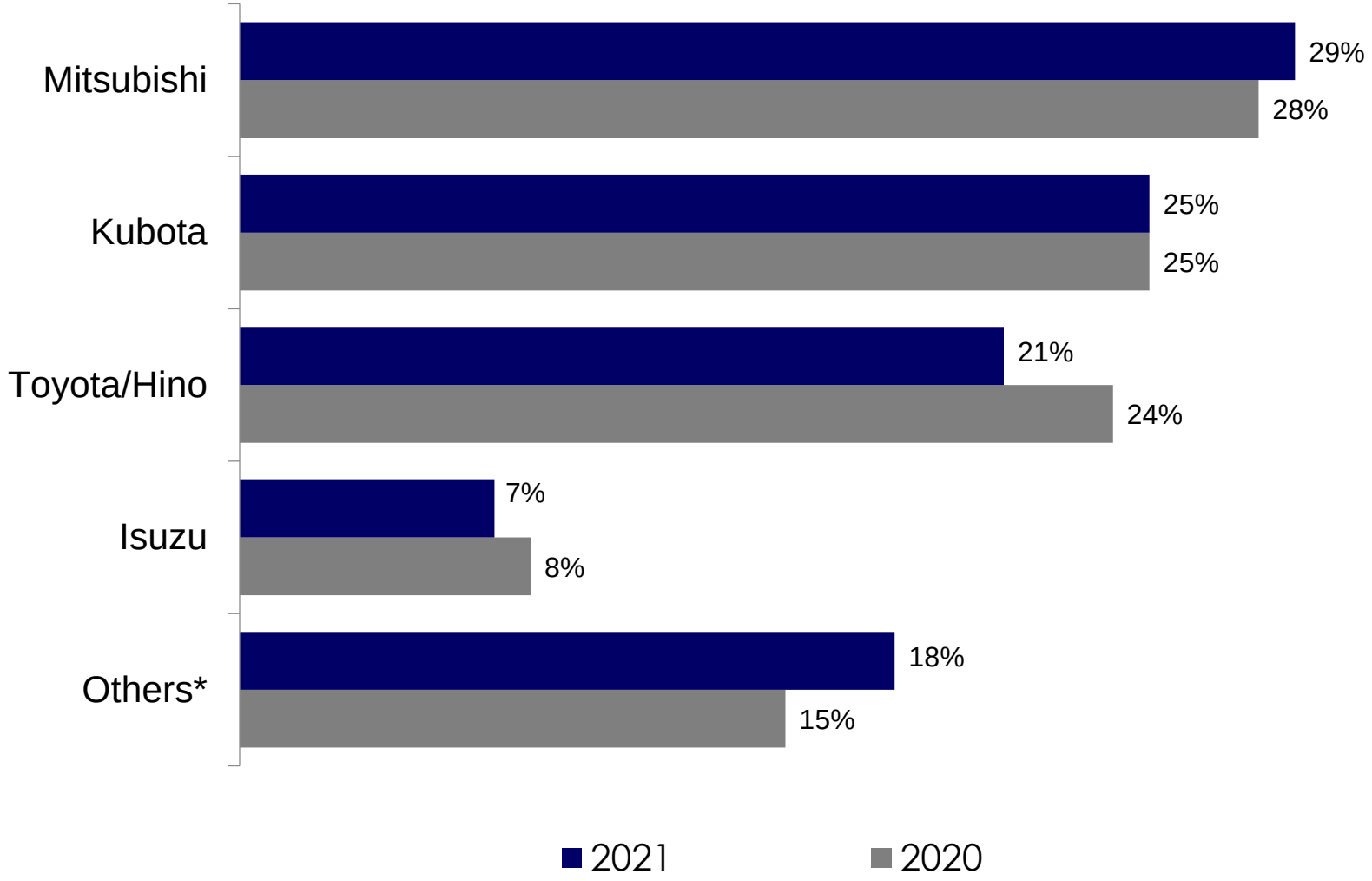
Sale 2021 vs 2020 and market share by products

Sales Contribution



Market Share

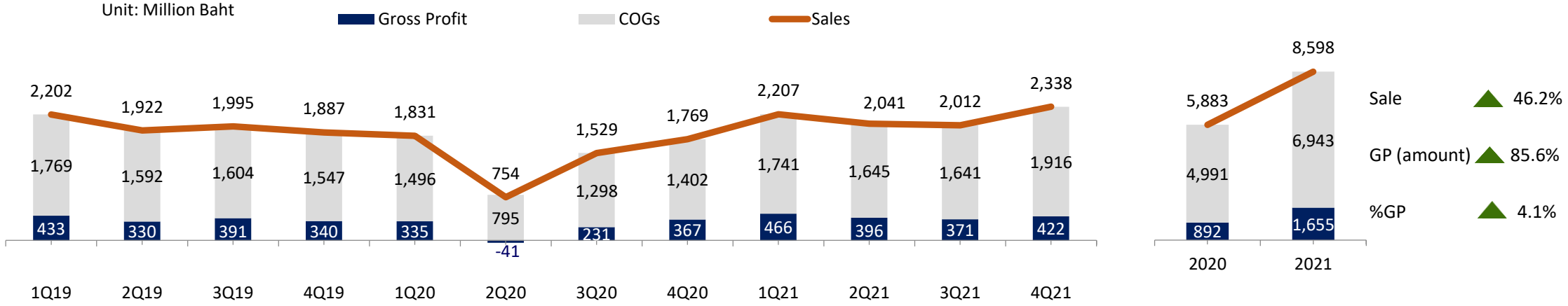
Sale by brand 2021 vs 2020



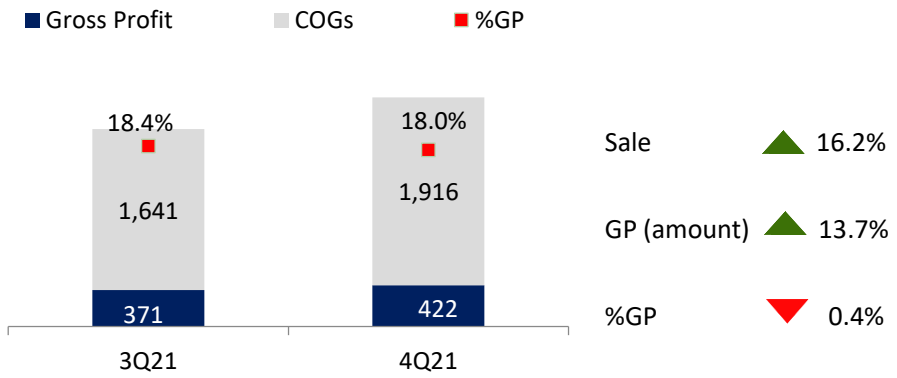
Note : *Other : Other customer included direct export and REM customer.

Sale and Gross Profit

Unit: Million Baht

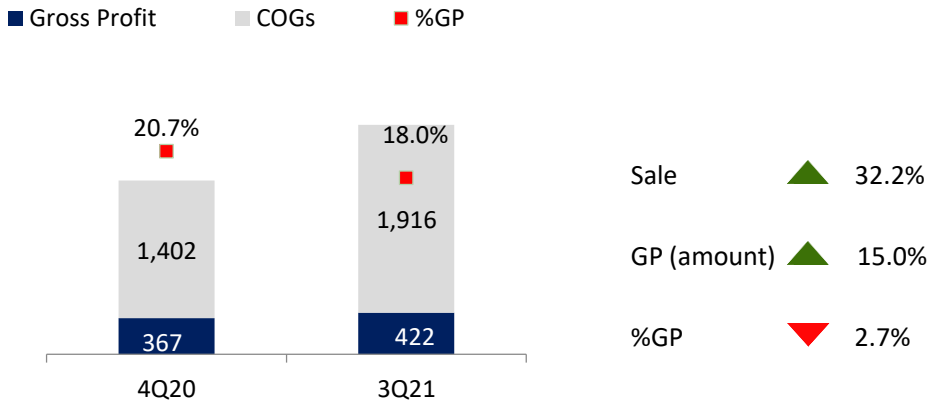


QoQ: 4Q21 vs 3Q21



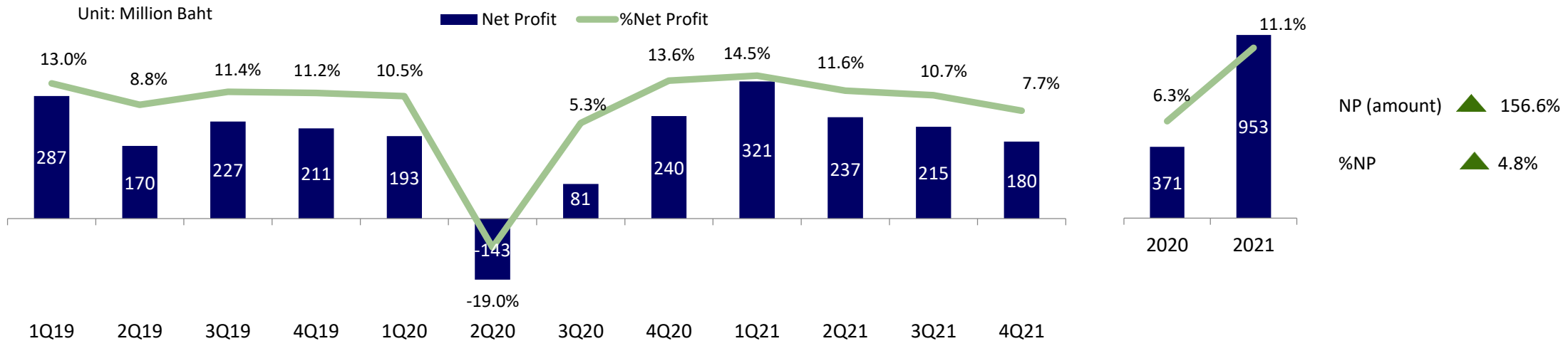
- Sale increased by 16.2% mainly from the increase in the automotive industry.
- GP amount increased by 13.7% from increase in sales revenue.
- %GP declined by 0.4% due to the impact from higher raw material prices, which will be adjusted to customers later

YoY: 4Q21 vs 4Q20

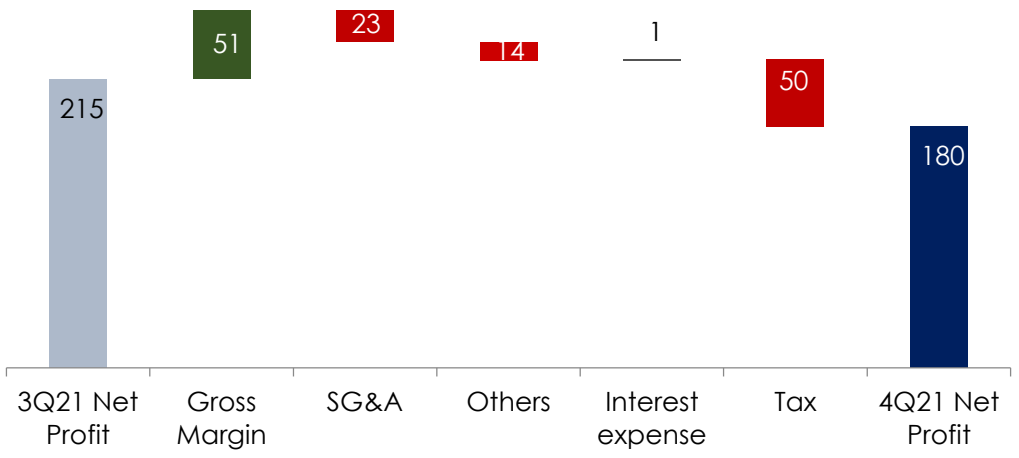


- Sale increased by 32.2% mainly from the recovery in the automotive industry and agricultural machinery industry.
- GP amount increased by 15% from increase in sales revenue.
- %GP declined by 2.7% due to the impact of higher raw material prices

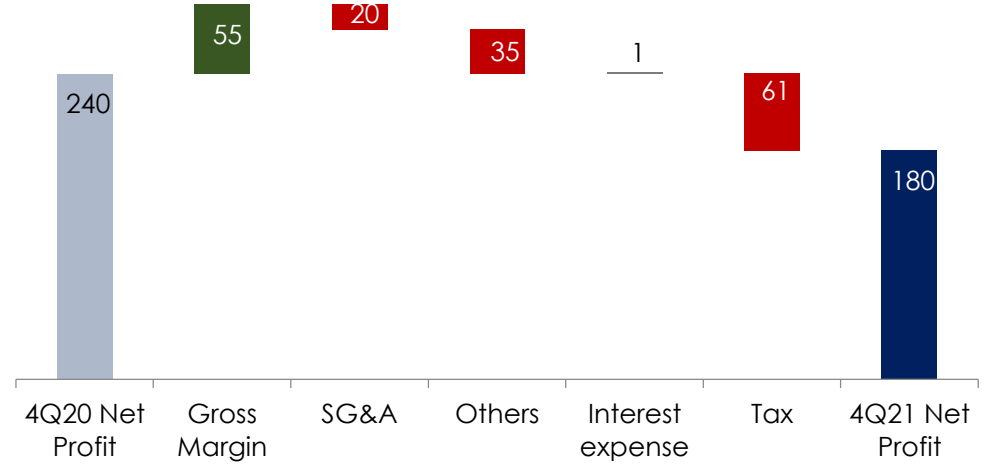
Net Profit



QoQ: 4Q21 vs 3Q21



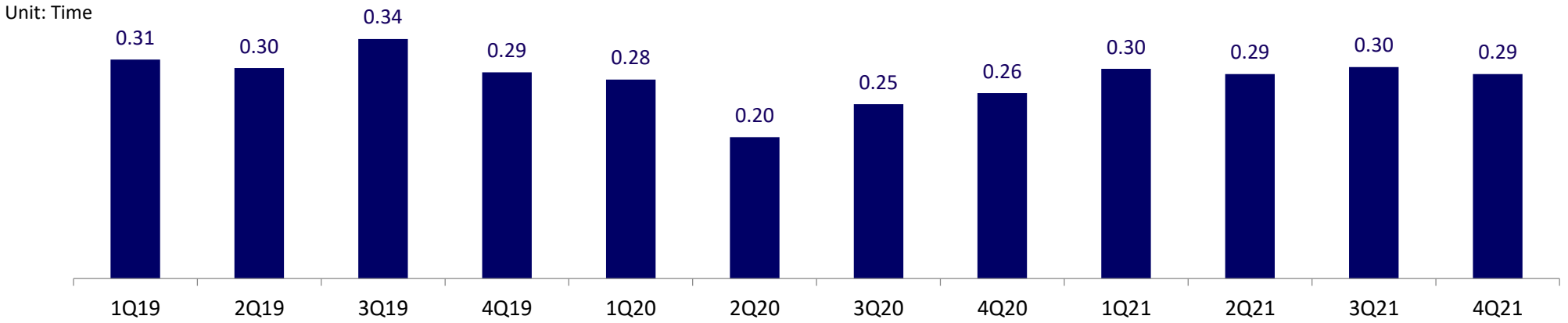
YoY: 4Q21 vs 4Q20



Financial Ratio

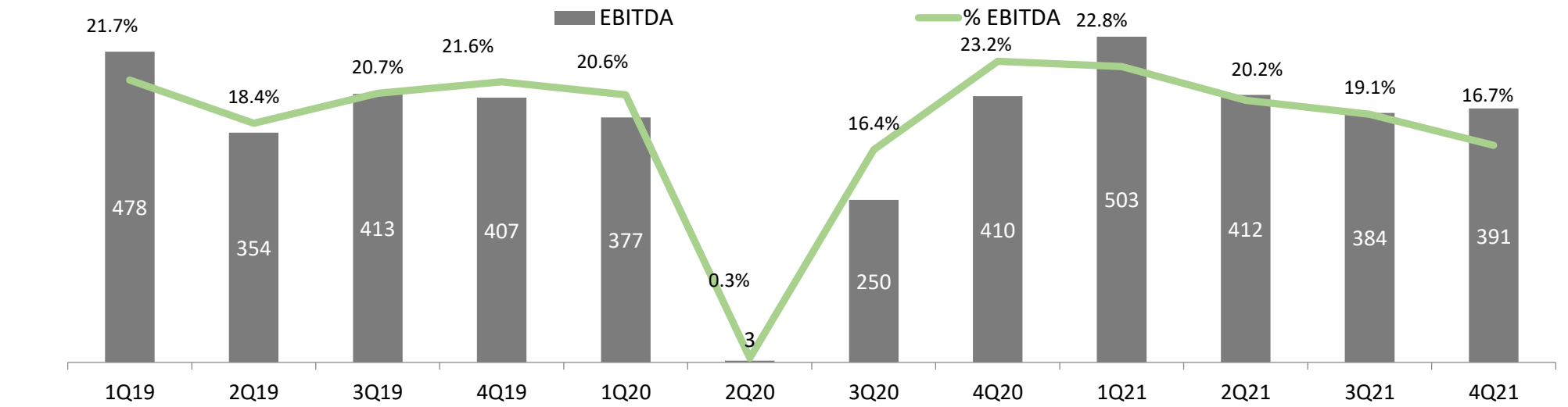
DE Ratio

Unit: Time

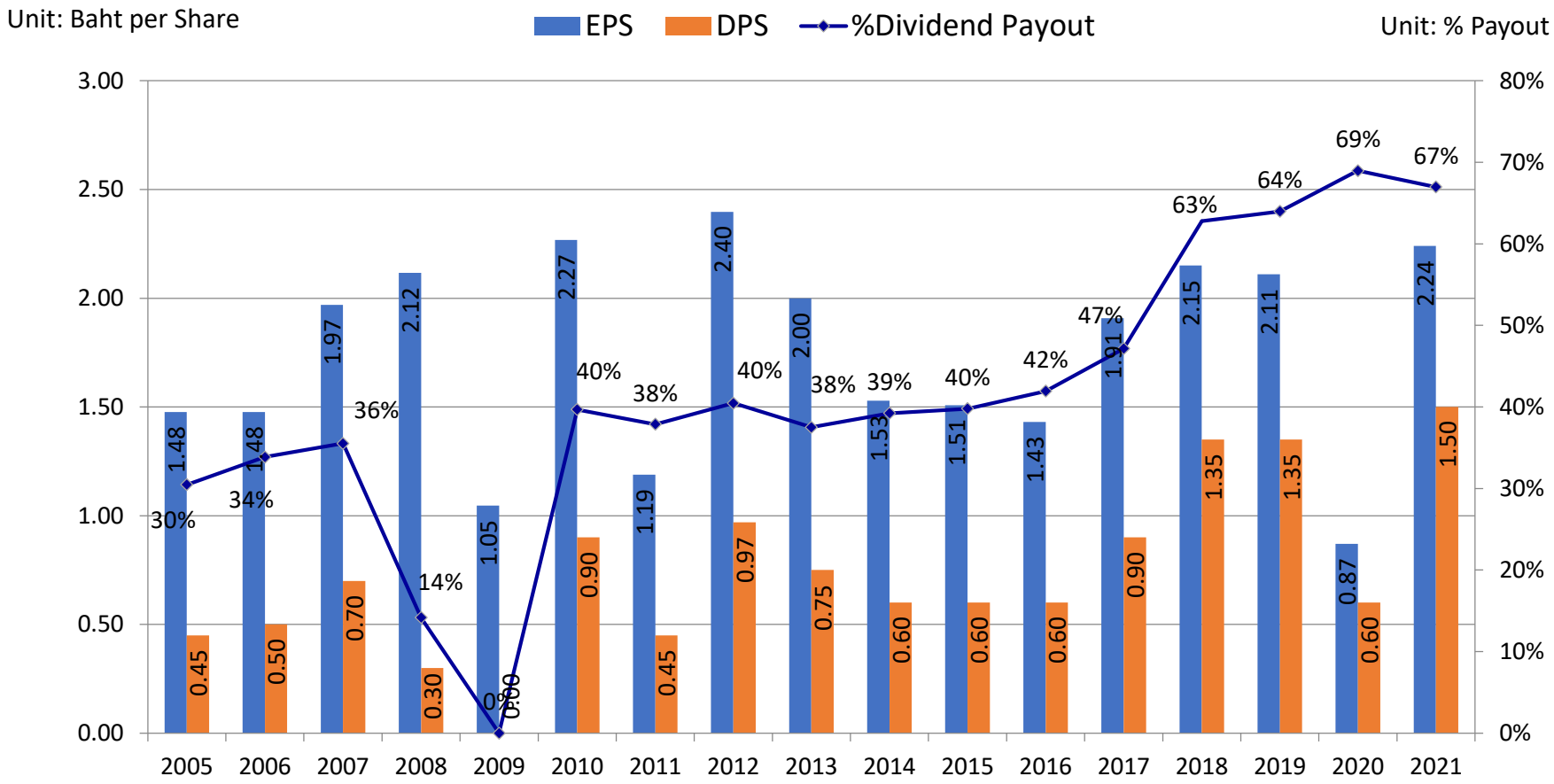


EBITDA

Unit: Million Baht



Dividend Payments



- Y2021's dividend payment is 1.50 Baht per share, with interim dividends of 0.40 Baht per share paid on September 7, 2021
- The remaining dividends of 1.10 Baht per share will be paid to shareholders on May 6, 2022

Note: Dividend policy at a minimum rate of 30% of net profit after tax and legal reserve

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ESG Development : ESG Target 2022

- **GHG Reduction** - The amount of greenhouse gas emissions decreased by 8%.
- **Energy Saving -** Reduce energy consumption per production by 3%

- **Reduce the impact of using water resources** - Water consumption per production decreased by 1%

- **Waste Management-** The amount of hazardous industrial waste to the production decreased by 2%.

- **Employees.** Develop employees to be smart and good people to society.

Target

- Hours of good deed on average 8 hours/ person/year
- Hours of training 8 hours/ person /year

- **Customer Relationship Management** - Continuously develop and improve operational efficiency
- **Supplier Management -** Cooperation with suppliers for sustainable development, such as participating in anti-corruption network, etc.

Key Guidance

2022 Performance perspective

- SAT's revenue will grow in line with the recovery of automotive industry and new orders.

Strategy

- Strengthen core competency and competiveness: cost leadership, efficiency and technology improvement.
- Moving forward with new business expansion strategies with partners: EV Bus platform, Robot and Automation industry and Agriculture Equipment Business.

Key concerns

Covid-19

- Ensure healthy lives and well-beings of Somboon Group’s employees and their families.
- Ensure sufficient liquidity during COVID-19 pandemic and economic crisis: Sufficient cash level.

Increase in direct material price and energy price

- Track the movement of direct material prices and energy price that are likely to increase for cost management.

Q&A

Somboon Advance Technology Public Company Limited – Investor Relations Department

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Financial Highlights

Unit : Million Baht	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	QoQ	YoY	Y2020	Y2021	YoY
Sales	2,202	1,922	1,995	1,887	1,831	754	1,529	1,769	2,207	2,041	2,012	2,338	16.2%	32.2%	5,883	8,598	46.1%
Total Revenue	2,235	1,955	2,027	1,982	1,864	781	1,576	1,806	2,248	2,073	2,041	2,365	15.9%	31.0%	6,027	8,727	44.8%
Gross Margin	433	330	391	340	335	-41	231	367	466	396	371	422	13.7%	15.0%	892	1,655	85.5%
SG&A	184	181	183	188	161	120	163	171	197	181	168	191	13.7%	11.7%	615	737	19.8%
FOREX Gain (Loss)	0	-3	1	2	-1	3	-1	-2	6	2	1	0	-55.0%	-128.5%	0.03	9	31500.0%
Interest Expense	3	3	2	3	3	2	1	2	1	2	2	1	-51.1%	-52.1%	8	6	-25.3%
Net Profit	287	170	227	211	193	-143	81	240	321	237	215	180	-16.3%	-25.0%	371	953	156.9%
Net Profit excluding fx	287	173	226	209	194	-146	82	242	315	235	214	180	-16.1%	-25.7%	371	944	154.3%
EBITDA	478	354	413	407	377	3	250	410	503	412	384	391	1.8%	-4.6%	1,039	1,689	62.5%
Cash Flow from Operating	359	350	372	216	439	86	152	351	411	419	301	248	-17.6%	-29.3%	1,028	1,379	34.1%
Depreciation	161	161	160	161	156	155	154	155	146	146	144	136	-5.6%	-12.3%	620	572	-7.7%
CAPEX	52	96	84	119	68	119	109	123	82	62	81	120	48.1%	-2.4%	419	345	-17.7%
Effective Tax Rate	9%	11%	10%	12%	11%	7%	14%	5%	10%	10%	10%	29%	19.0%	24.0%	10%	14%	4.5%
Total Assets	9,401	8,984	9,430	9,311	9,480	8,188	8,553	8,955	9,637	9,651	9,774	9,830	0.6%	9.8%	8,955	9,830	9.8%
Interest Bearing Debt	281	252	372	322	194	180	144	155	157	82	74	31	-58.3%	-80.0%	155	31	-80.0%
Total Liabilities	2,228	2,065	2,391	2,108	2,086	1,367	1,696	1,865	2,209	2,187	2,265	2,188	-3.4%	17.3%	1,865	2,188	17.3%
Equity	7,174	6,919	7,038	7,203	7,394	6,821	6,856	7,091	7,428	7,464	7,509	7,642	1.8%	7.8%	7,091	7,642	7.8%
Key Financial Ratios	**1Q19**	**2Q19**	**3Q19**	**4Q19**	**1Q20**	**2Q20**	**3Q20**	**4Q20**	**1Q21**	**2Q21**	**3Q21**	**4Q21**	**QoQ**	**YoY**	**Y2020**	**Y2021**	**YoY**
%GP	19.7%	17.2%	19.6%	18.0%	18.3%	-5.4%	15.1%	20.7%	21.1%	19.4%	18.4%	18.0%	-0.4%	-2.7%	15.2%	19.2%	4.1%
%SG&A	8.4%	9.4%	9.2%	10.0%	8.8%	15.9%	10.7%	9.7%	8.9%	8.9%	8.3%	8.2%	-0.2%	-1.5%	10.5%	8.6%	-1.9%
%NP	13.0%	8.8%	11.4%	11.2%	10.5%	-19.0%	5.3%	13.6%	14.5%	11.6%	10.7%	7.7%	-3.0%	-5.9%	6.3%	11.1%	4.8%
%NP excluding fx	13.0%	9.0%	11.3%	11.1%	10.6%	-19.4%	5.4%	13.7%	14.3%	11.5%	10.6%	7.7%	-3.0%	-6.0%	6.2%	10.8%	4.7%
%EBITDA	21.7%	18.4%	20.7%	21.6%	20.6%	0.3%	16.4%	23.2%	22.8%	20.2%	19.1%	16.7%	-2.4%	-6.4%	17.7%	19.6%	2.0%
%ROA	12.4%	7.7%	9.9%	9.4%	8.1%	-6.7%	3.6%	10.5%	13.4%	10.6%	9.3%	7.7%	-1.7%	-2.8%	4.1%	9.7%	5.6%
EBITDA/CAPEX	9.20	3.68	4.92	3.42	5.54	0.02	2.29	3.33	6.13	6.64	4.74	3.26	-1.48	-0.07	2.48	4.90	2.4
%ROE	16.6%	10.1%	13.3%	12.2%	10.5%	-8.3%	4.7%	13.4%	17.3%	13.3%	11.9%	9.8%	-2.1%	-3.7%	5.2%	12.5%	7.2%
%ROIC	15.6%	9.8%	12.7%	11.8%	10.3%	-8.0%	4.6%	13.1%	17.0%	13.2%	11.8%	9.7%	-2.1%	-3.4%	3.6%	9.8%	6.2%
Interest bearing Debt/Equi	0.04	0.04	0.05	0.04	0.03	0.03	0.02	0.02	0.02	0.01	0.01	0.00	-0.01	-0.02	0.02	0.00	-0.02
D/E	0.31	0.30	0.34	0.29	0.28	0.20	0.25	0.26	0.30	0.29	0.30	0.29	-0.02	0.02	0.26	0.29	0.02
EPS (Baht)	0.68	0.40	0.53	0.50	0.45	-0.34	0.19	0.56	0.76	0.56	0.51	0.42	-16.3%	-25.0%	0.87	2.24	156.9%
BVPS (Baht)	16.88	16.28	16.56	16.95	17.40	16.05	16.13	16.68	17.48	17.56	17.67	17.98	1.8%	7.8%	16.68	17.98	7.8%

THANK YOU

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