



HMC Polymers

# HMC Polymers Investor Roadshow







# HMC Polymers

## Investor Roadshow

### Presenters



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



**Ms. Angkanee Soonthornsawad**  
VP | Finance, Accounting & Corporate Support



**Mr. Thien Krua-chottikul**  
DM | Strategy and Risk Management



1 Strategy and 2025 Focus Areas

2 Business Outlook

3 Financial Highlights

4 Proposed Offering and Timeline





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# Corporate Highlights



**No.1**  
in ASEAN PP production capacity

**1**  
MILLION  
TONS



The most **advanced PP** through  
LyondellBasell's **Spheripol** and **Spherizone** technologies  
*HMC Polymers is the one and only producer of specialty Hexene  
PP-RCT resin for pipe application*

**Global** market presence  
PP Products exported worldwide  
**No.1** market share in **SP/DP** in Thailand



**42**  
Years

**A legacy of resilience** and adaptability  
across every cycle of petrochemical industry



**PP Flagship**  
highlighting the strategic relationship  
and collaboration with GC

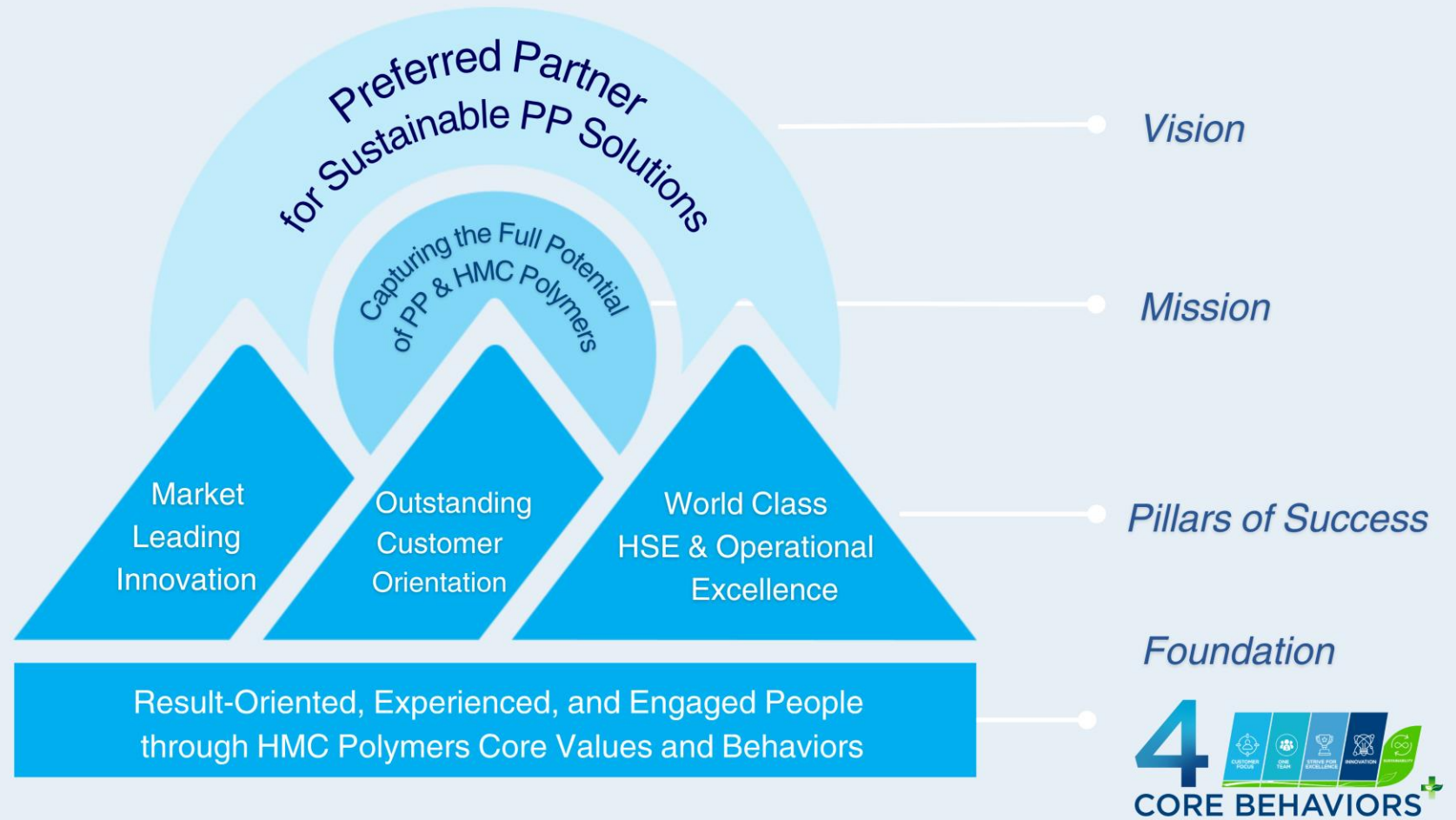
**Wide** range of **products**  
covering Specialties and Differentiated  
(SP/DP) applications



Leader of **Sustainable PP**  
products and solutions



# Vision & Mission





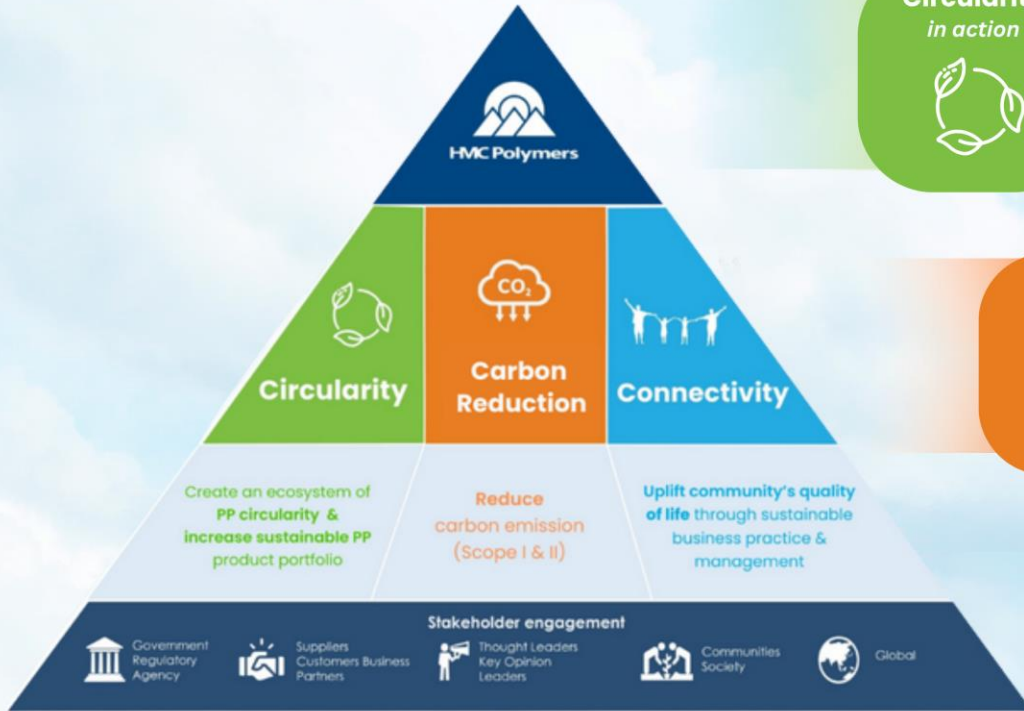
# Sustainability in action

We can create substantial Enterprise Value through leadership in sustainability

Sustainability to be a fundamental pillar of our strategy to create value for our customers, our shareholders, our employees and the wider society

2030

## OUR SUSTAINABILITY FRAMEWORK



## OUR ACTION

## TARGET

### Circularity in action



### Sustainable Products



### Sustainable Project



### PP Upcycling Products



**5% of Sustainable PP Product sales by 2030**

### Carbon Reduction in action



**20% reduction of Scope I & II by 2030**

### Connectivity in action



### Culture



### Environment



### Education



### Well being



**Achieve 70% of total spending in sustainable procurement**



SCAN HERE



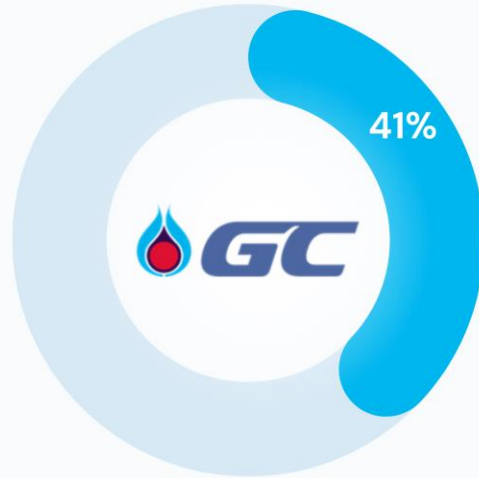
Scan to Explore

Mini Sustainability Development Report 2025

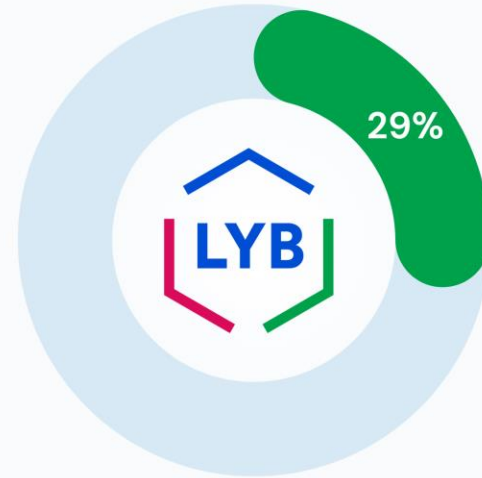




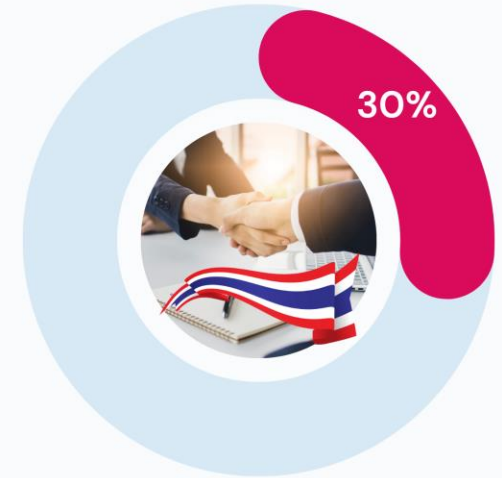
# Strong and Aligned Shareholders



- GC leverages HMC Polymers as a flagship for **Polypropylene (PP)** to broaden its product range to encompass high-performance goods.
- Ensure security in competitive feedstock, utilities, logistics, and ancillary services.
- Disseminate sales and marketing expertise across the Asia Pacific region.



- LyondellBasell is recognized as a global leader in **Polypropylene (PP)** technology and catalyst development.
- The second-largest PP producer globally.
- Sales and marketing activities worldwide, offering a range of global grades and brands.



Original founders include



**HUA KEE COMPANY LIMITED**

establishing robust connections with industry and financial institutions.





# Linkages to Shareholders



## Ultimate Shareholder

- New feedstock price formula for margin protection from Jan 2025 onwards
- Extended credit term of feedstock purchases from 2025 onwards



## Shareholder

Extended credit term to 90 days of feedstock purchases from Oct 2024 onwards



## Shareholder

Geographically expand sales and marketing channels to support SPDP export sales and higher price premium



## Shareholder

Continuously support initiatives for financing matters



## Affiliate of the Group

Renewed a reliable utility supply source



# Upstream Integration and Diversified Feedstock

through PDH plant and secured & diversified long-term contracts with suppliers

Feedstock

Polymerization

Distribution



Propane



Import



Utilities

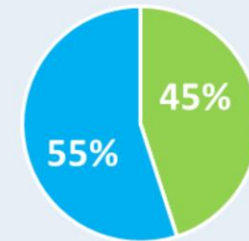


Monomer

HMC Polymers' PP sold to over 500 customers in Asia



Polypropylene (PP) resin



2024

Domestic

Export



Direct Sales and Agents



Product Portfolio



# 2025 Key Focus Area

## Manufacturing

- Focus on asset management, operating principles and best practices
- Step up reliability improvement program
- Optimize product quality and execute production roadmap

## Finance

- Deliver EBITDA / NIAT
- Manage liquidity and working capital to deleverage
- Rollover long-term bonds becoming due
- Drive cost efficiency and revenue enhancement program

## Commercial & Supply chain

- Accelerate optimization (Monomer / Sale / Production / Logistics) and enhance S&OP
- Drive continuous growth in SP/DP segment
- Re-gain domestic market share and expand geographic reach in Europe and AFMEI
- Expand PP sales to support sustainability

## Health, Safety and Environment

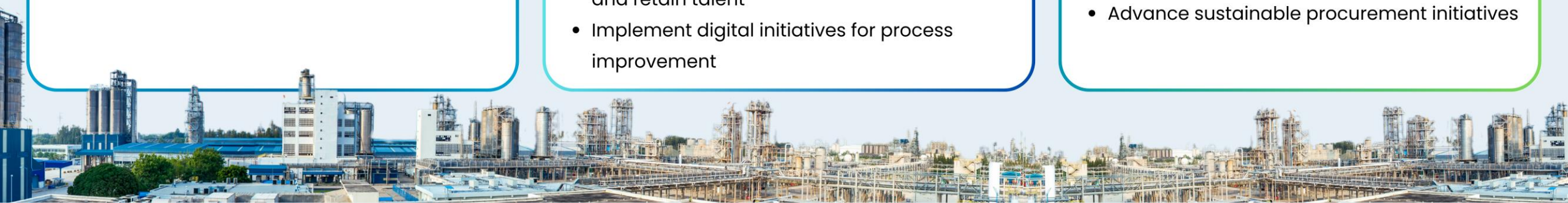
- Goal Zero and IFi

## People

- Build performance driven organization and differentiation of high performer
- Continue reward and recognition program
- Leverage compensation & benefits to attract and retain talent
- Implement digital initiatives for process improvement

## Sustainability & ESG

- Enhance sustainability roadmap / structure
- Build leading position in circular business
- Drive energy reduction (net zero) targets
- Enhance CSR initiatives
- Advance sustainable procurement initiatives





1 Strategy and 2025 Focus Areas

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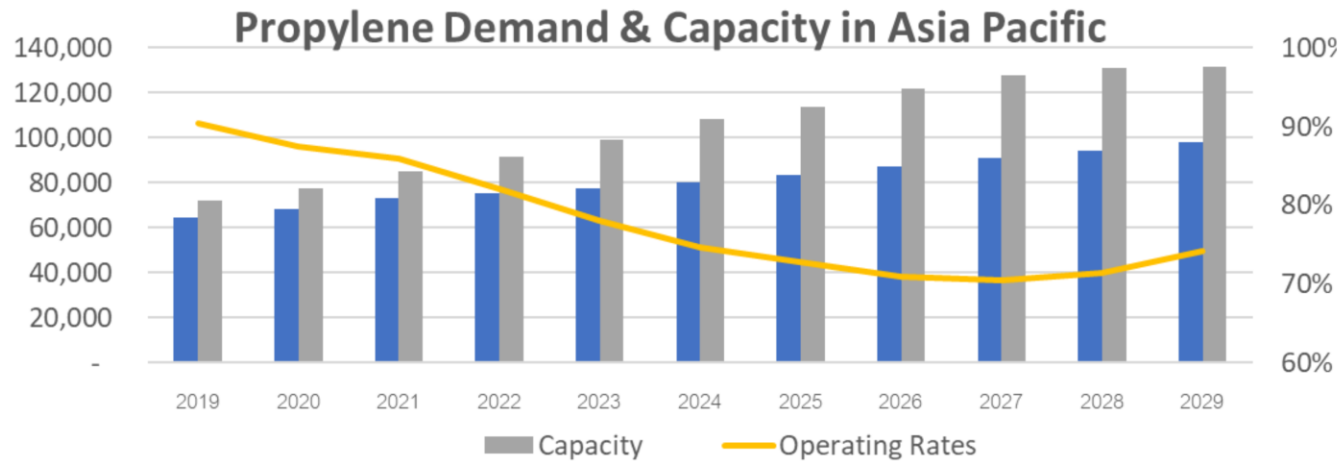
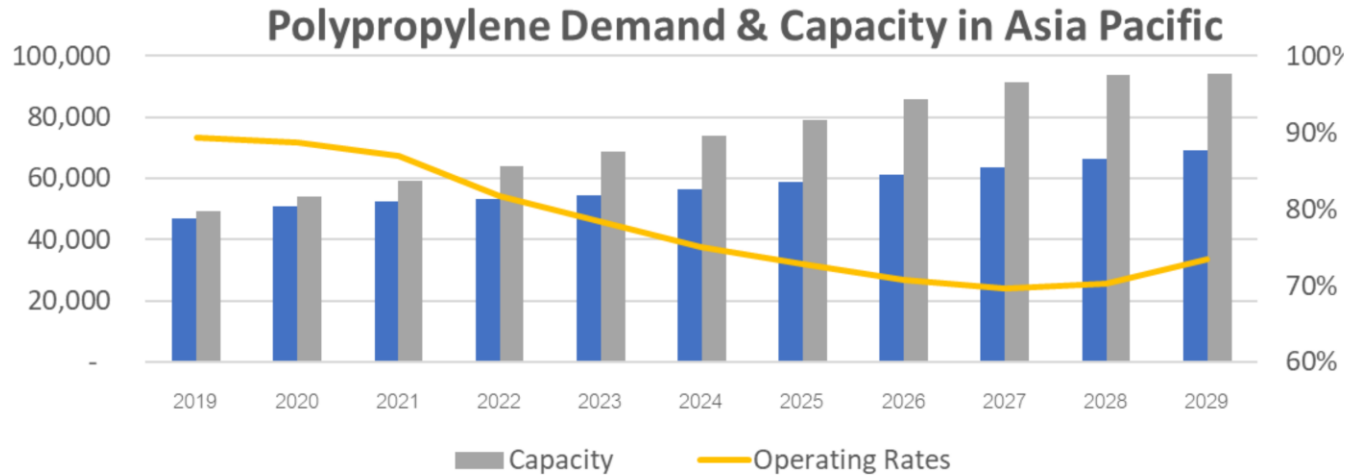
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# Polypropylene and Propylene Outlook

## Asia Pacific Region



Source: CMA – 2025 World Analysis (Polypropylene and Propylene Report)

- **Supply-Demand imbalance:**

- PP plants which do not have cost competitiveness are expected to run at lower rates or rationalized.

- **Delayed Start-ups:**

- Narrow PP-propylene margins could postpone new projects without feedstock advantages, easing supply pressure.

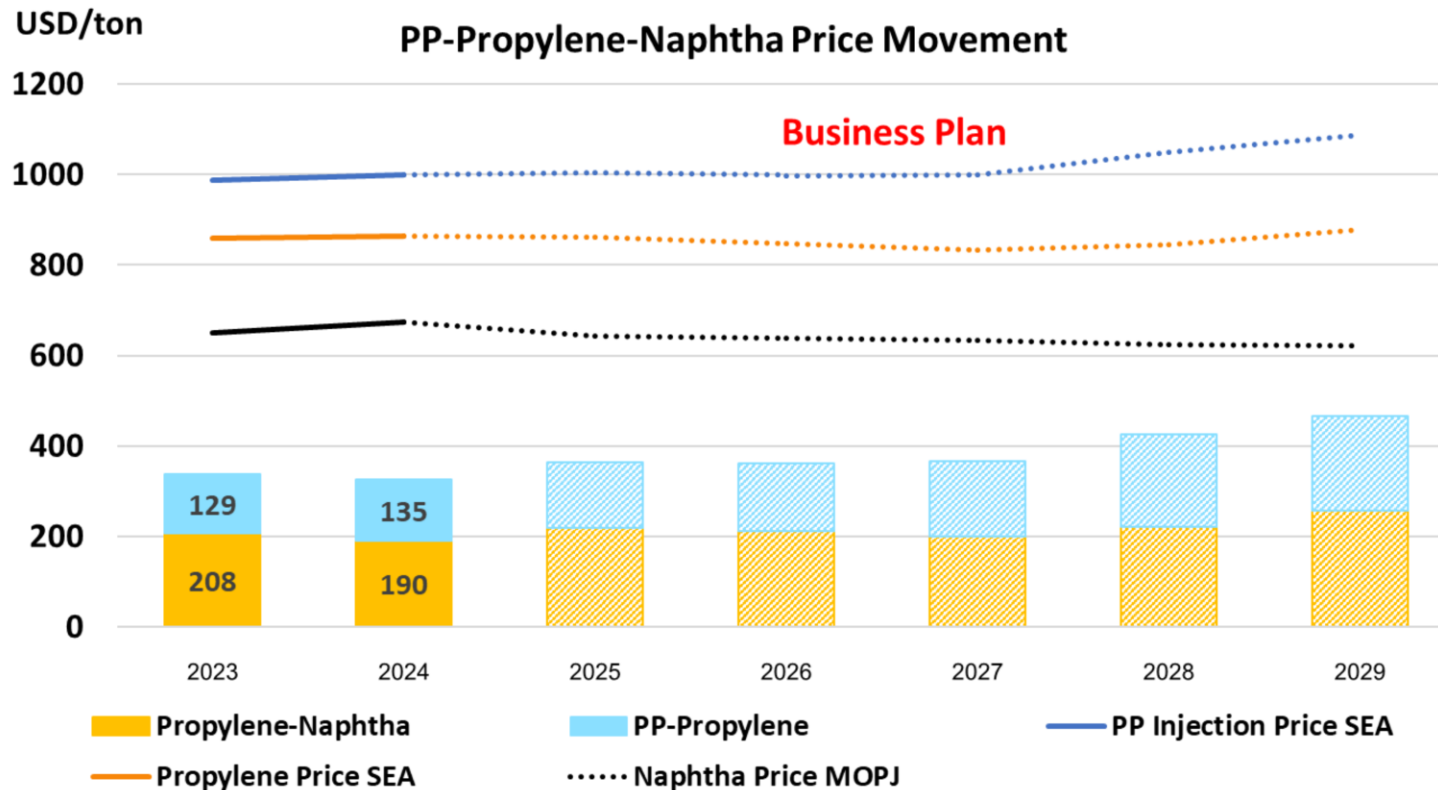
- **Propylene Supply Growth:**

- New PDH and steam crackers capacities, especially in China, are making propylene more affordable.

- **Geopolitical Risks:**

- Ongoing geopolitical uncertainties may cause energy market volatility, affecting cracker and PDH profitability.

# The industry is experiencing an extended trough



## 1. Oversupply & Weak Demand:

- PP-Naphtha Integrated margin dropped to an average of **331 \$/T** during 2023-2024 (vs. historical average of 600 \$/T)
- PP – propylene industry spread fell to **only 135 \$/T in 2024** (vs. Historical average of 250 \$/T)

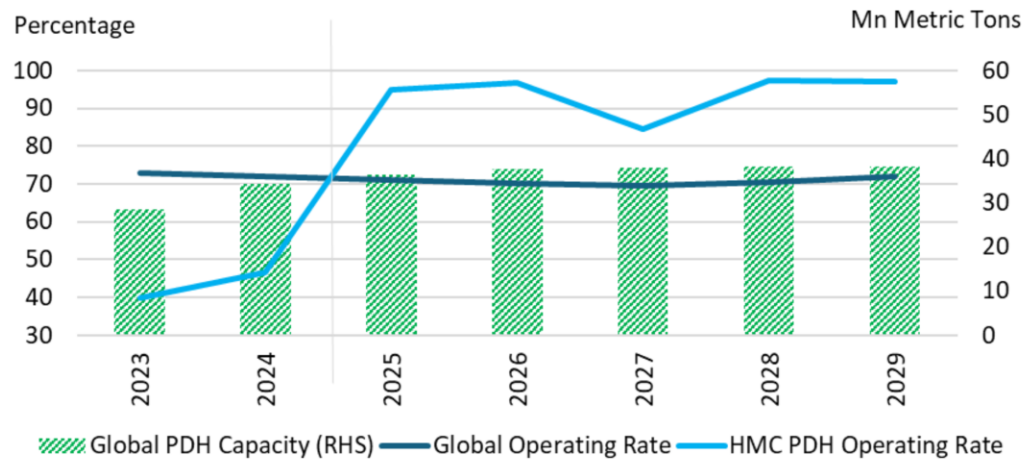
## 2. Market Recovery Outlook:

- Gradual improvement of marketbalance is expected from PP plant rationalization and global economic recovery. However, geopolitics uncertainties remain a risk factor in the short term.

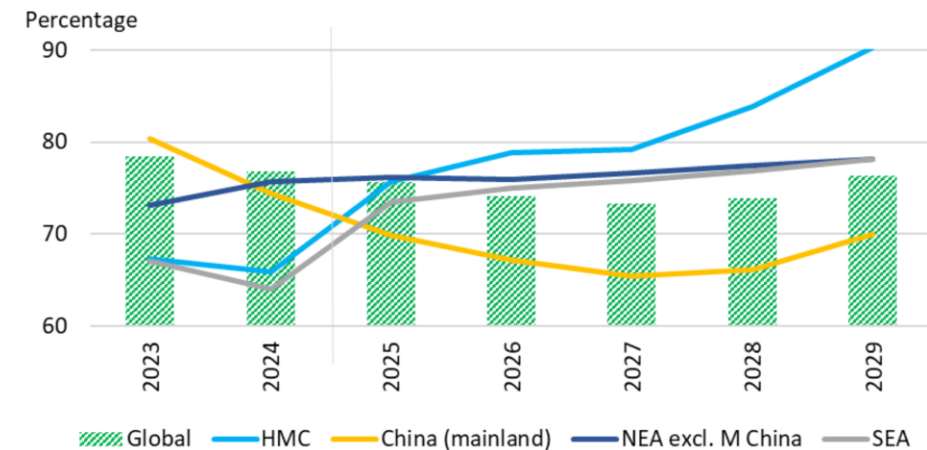


# PDH and PP performance stay above global rate

## PDH Operating Rate



## PP Operating Rate



1. New feedstock formula price has been applied in Jan 2025, improving our PDH competitiveness.
2. Impacted from supply-demand imbalance, global operating especially China have been subdued and prolonged.
3. Due to SP/DP focus, HMC Polymers' PP operating rate is superior to that of global and Chinese players.

# Our Focus Segments

cutting-edge  
technology



Spheripol  
& Spherizone

Specialty &  
Differentiated  
(SP/DP) grade

Commodity  
grade

## Healthcare & Hygiene

Medical | Spunbond

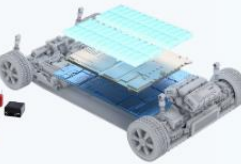
19%  
growth



## Industrial Products

Pipes | Automotive | Appliances | Compounds | Industrial Products

5%  
growth



## Rigid Packaging

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

8%  
growth



## Flexible Packaging

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

13%  
growth





# Our Sustainable PP Segments

exporting to Asia and Australia continental



## 1 Bio - Circular PP

made from second generation Bio-Based feedstock based on waste and residues.



## 2 Advance Recycling PP

made from PCR mixed plastic wastes through pyrolysis process.



## 3 Mechanical Recycling PP

PCR PP grade with US FDA LNO is also available.



Certified number CGI-700274

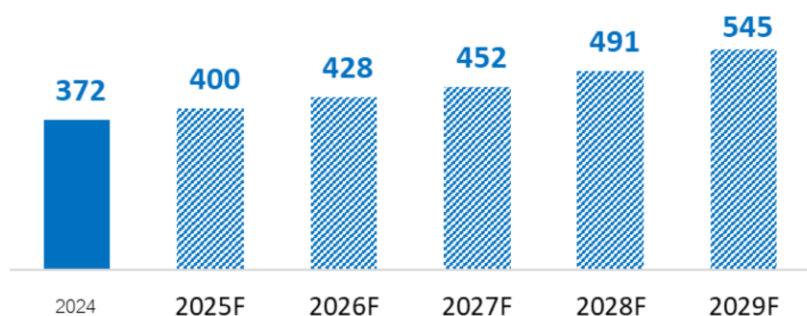


# Product Strategy

## Ongoing global expansion into SP/DP markets

### Continued Growth of SPDP

Unit: KT

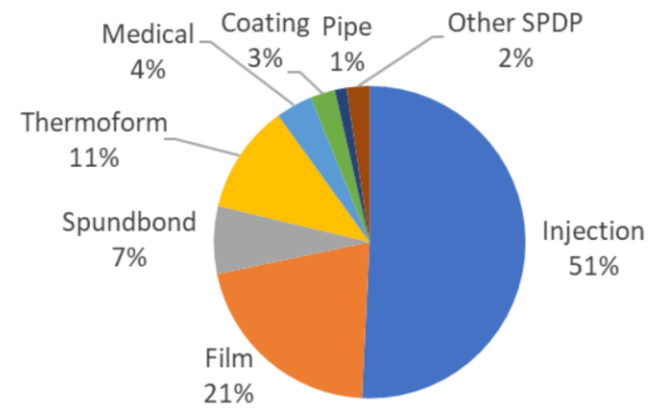


1. Gained **higher SP/DP sales** resulting in higher price premium through the challenging market environment.
2. New Product Development sales volume despite lower production volume resulting in **higher margins**.
3. Capitalized PP4 and developed unique **C6 Spherizone grades** to capture **new application segments with higher margins**.
4. Successfully achieved **10 new product industrialization** in 2024, contributing to upcoming SP/DP products
5. **Secured local sustainable feedstock** and establish **sustainable PP product pipeline**

### SP/DP Sales in 2024

#### Contributing to our successful SP/DP sales

Injection and film applications have been growing, offsetting spun bond and raffia in recent years.



SPDP

#### Specialty Product (SP)

is disruptive product, low or no other competitors, high entry barrier, high profitability end application and low-price sensitivity

#### Differentiated Product (DP)

is selected product, high growth, limited producers and superior profitability of end application.

Others

#### Commodity

is general commodity product, low entry barrier, high competition, low value end application and high price sensitivity.

#### Non-Prime

is transition products and off-specification.





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# Inherent Cyclicalality of Petrochemical Industry

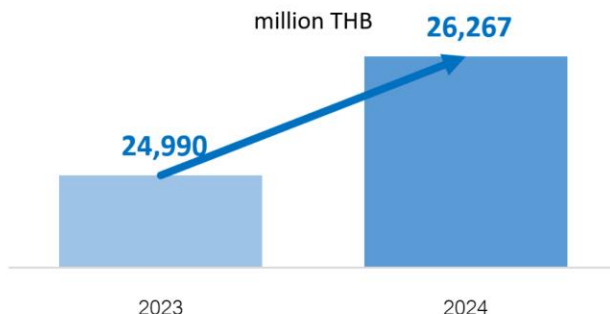
Substantially improved EBITDA despite weak industry spread

Industry Spread and EBITDA



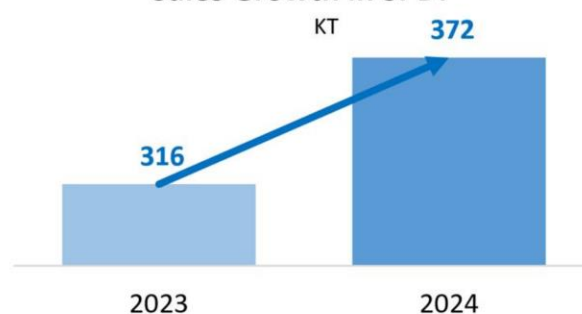
Revenues

million THB



Sales Growth in SPDP

KT



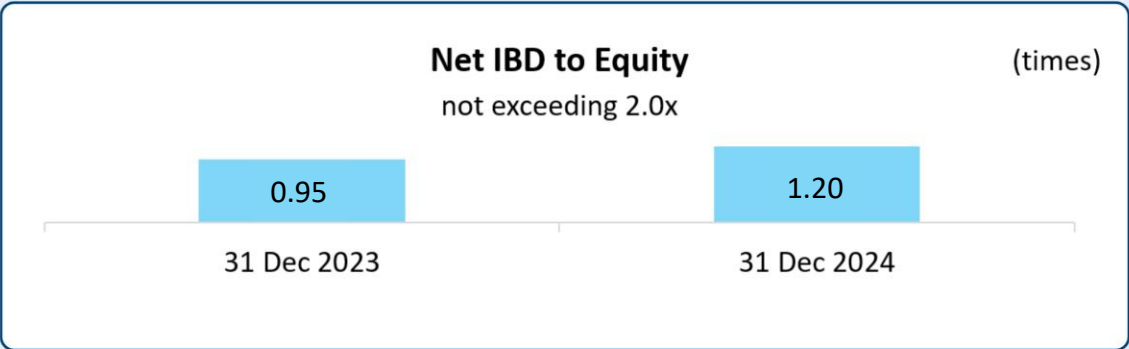
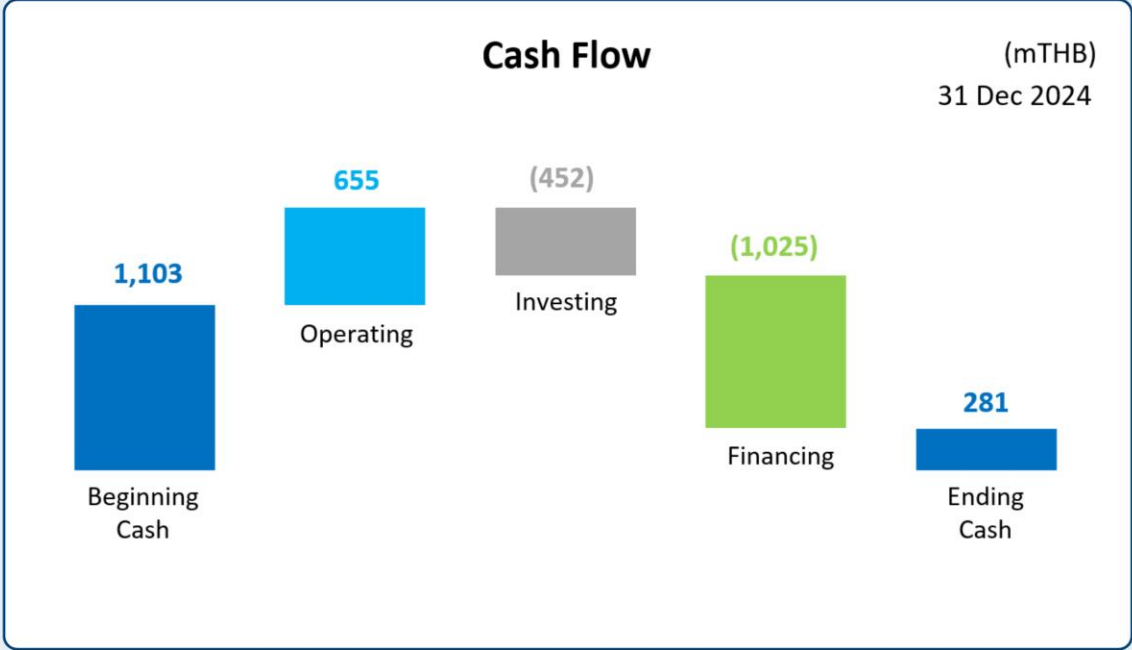
## Highlights

- Substantially **improved EBITDA** despite a weak industry spread at THB 1.5b recovering from its lowest level in 2023
- **Continued growth in SP/DP products** with higher margins
- **Robust growth in sustainable PP** with strong margins
- **Sufficient liquidity** THB 15.3 b (12 + 3.3) enhanced by revolving credit facility as of 30 June 2025



# 2024 Financials

Strong cash generation and funding from internal sources



# 2025 Value Enhancement and Cost Efficiency

Strive for performance enhancement and deleveraging

- 1 • EBITDA Enhancement**
  - Feedstock cost competitiveness
  - Revenue enhancement
  - Cost efficiency / Optimization



- 2**
  - Capex Discipline avg 852 MB (591 MB excl T/A)
  - No major capital projects in near term
  - PDH turnaround in 2027 and extend interval from 2 to 3 years



- 3**
  - **Working Capital Reduction**  
through credit term extension
  - **Liquidity**  
enhanced by additional credit facility







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# Indicative Debenture Structure

<b>Issuer</b>	HMC Polymers Company Limited (“HMC” or the “Issuer”)	
<b>Company Rating</b>	“BBB(thai)” with “Negative” Outlook by Fitch Ratings (Thailand) Limited as of 28 May 2025	
<b>Issue Rating</b>	“BBB(thai)” by Fitch Ratings (Thailand) Limited as of 15 July 2025	
<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>	2 years	3 years and 6 months
<b>Use of Proceed</b>	For refinance existing debts	
<b>Tentative Issue Date</b>	[27 August] 2025	
<b>Interest Payment</b>	Quarterly	
<b>Principal Repayment</b>	Bullet payment at maturity	
<b>Joint Lead Arrangers</b>	BBL, CIMBT, ASPS, BLU, KGI, CGSI and KTX	
<b>Debenture holders’ representative</b>	Krungthai XSpring Securities Co., Ltd.	
<b>Registrar</b>	Kasikornbank Public Company Limited	
<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





**BETTER INVESTMENTS.  
INNOVATIVE FUTURES.  
BIGGER SMILES.**

หุ้นกู้ เอ็มซี โพลีเมอร์



# HMC Polymers ติดอาวุธ

## ให้ธุรกิจเปิดพลาสติก PP เกรดพรีเมียม

ยืนหนึ่งในอาเซียนด้วยกลยุทธ์ครบมือ

ปี 2567  
รายได้  
รวมกว่า

**26,000** ล้านบาท

**4** อาวุธ

ฝ่าศึก  
เศรษฐกิจโลก

เสริมทัพด้วยจุดแข็งแบบไม่เป็นรองใคร



GC ถือหุ้ใหญ่  
และ HMC Polymers  
เป็น PP Flagship ของ GC



ถือหุ้โดยธนาคารกรุงเทพ  
สถาบันการเงินชั้นนำของไทย



ใช้หนึ่งในเทคโนโลยี  
ที่ดีที่สุดในโลก  
จาก LyondellBasell  
ผลิตเม็ดพลาสติก PP



การันตีด้วยการยืนหยัด  
และเติบโตตลอด 42 ปี

### การเพิ่มรายได้อย่างยั่งยืน



มุ่งเน้นการผลิตและจำหน่าย  
เม็ดพลาสติก PP เกรดพรีเมียม  
และเกรดยั่งยืน แตกต่างจากคู่แข่ง

### การบริหารจัดการต้นทุน



เพิ่มประสิทธิภาพในห่วงโซ่อุปทาน  
ตั้งแต่การจัดหาวัตถุดิบหลัก  
การผลิต การจำหน่าย และการขนส่ง

### กระแสเงินสดจากการดำเนินงานเป็นบวก



มีวงเงินเสริมสภาพคล่อง  
อย่างเพียงพอ

### ผลงานเรื่องความยั่งยืนในทุกมิติของธุรกิจ



ยึดหลัก 3 เสา คือ  
**Circularity**  
**Carbon Reduction**  
และ **Connectivity**  
เพื่อประโยชน์สูงสุดของผู้มีส่วนได้เสีย





# Q & A





**HMC Polymers**

# Thank you

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