



SINGAMAS

Singamas Container Holdings Limited

(incorporated in HK with Limited Liability)
(HKEx stock code: 00716)

2020 Annual Results Announcement
26 March 2021

www.singamas.com

Disclaimer

The logo for SINGAMAS, featuring the word "SINGAMAS" in bold, red, uppercase letters. The text is centered between two horizontal blue bars. To the right of the text, there is a stylized graphic element consisting of two parallel lines, one blue and one red, that converge towards the top right corner, forming a triangular shape.

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 any ordinary shares (“Shares”) or rights to purchase Shares in Singamas Container Holdings Limited (“Singamas” or the “Company”); nor does the information contained in this presentation constitute or form part of (and should not be construed as constituting or forming part of) an inducement to enter into any investment activity involving Singamas in any jurisdiction.

This presentation should not, nor should anything contained in it, form the basis of or be relied upon in any connection with any contract, investment decision or commitment whatsoever; nor does it constitute a recommendation regarding the securities of Singamas. This presentation may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions.

Although Singamas believes that such forward-looking statements are based on reasonable assumptions, it can give no assurance that such expectations will be met. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current views of the management regarding future events.

In addition, certain information in this presentation, including but not limited to information concerning strategic decisions, corporate principles and information relating to the Company's competitors in the shipping container industry, is not based on published statistical data or information obtained from independent third parties. Such information and statements reflect the Singamas directors' belief and best estimates based upon internal Company information and information obtained from trade and business organizations and associations and other contacts within the industry in which it competes, as well as information published by its competitors.

This presentation has been prepared by Singamas. The information in this presentation has not been independently verified. The provision of the information in this presentation should not be treated as giving investment advice. No representation, warranty, express or implied, is made as to, and no reliance should be placed for any purpose whatsoever on, the fairness, accuracy, completeness or correctness of the information and opinions in this presentation. The information and opinions contained in this presentation are provided only as at the date of this presentation and are subject to change without notice. None of Singamas or its agents or advisers, or any of their respective affiliates, advisers or representatives, undertakes to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, and none of them shall have any liability (in negligence or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation.

This presentation is given to you solely for your own use and information, and no part of this presentation may be copied or reproduced, or redistributed or passed on, directly or indirectly, to any other person in any manner or published, in whole or in part, for any purpose.

Agenda

- Corporate Profile
- Industry Dynamics
- Financial Review
- Business Review
- Future Plans
- Appendices
 - Consolidated income statements
 - Singamas' comprehensive factory & depot network – post transaction



The image is a collage. On the left, there are several stacked shipping containers in red and blue. A white window with two panes is set into the side of a red container. On the right, a red container is open, revealing a scene with solar panels, wind turbines, and an industrial facility under a blue sky. In the top right corner, there are three overlapping squares: a small dark blue one, a larger red one, and a medium blue one. A white rectangular box with a blue border is positioned over the lower part of the containers and the window.

CORPORATE PROFILE

- Singamas is a **world-leading container manufacturer** and **logistics services provider**.
- Listed on the Hong Kong Stock Exchange since 1993.
- Completed the disposal of five of its wholly-owned subsidiaries in August 2019 and successfully shift towards the “New Singamas” in 2020.

Manufacturing Business

- manufactures a wide range of products including dry freight containers and specialised containers for shipping industry; tailor made customised specialised containers for various industries.
- operating 4 factories located in the PRC, including a new Huizhou plant having commenced operation in June 2020.
- total annual capacity of around 280,000 TEUs¹ of dry and specialised containers (based on one extended shift), 5,000 units of offshore containers and customised specialised containers.

Logistics Services Business

- includes container depots and a logistics company.
- 7 container depots at the major ports in Mainland China² and 2 in Hong Kong.
- 1 logistics company in Xiamen.

Notes:

- 1. TEU stands for Twenty-foot Equivalent Unit, a standard unit of measurement used for container transportation.*
- 2. The one located in Shanghai is the branch of Xiamen depot.*

Diverse Portfolio of Specialised Containers



- Specialised containers including ISO standardised specialised containers and customised specialised containers.
- ISO standardised specialised containers are mainly for marine transportation, including ISO tanks, open top & open sides containers, flat racks, bulk containers, bitutainers, etc.

Singamas ISO Standardised Specialised Containers



Tank Containers



FlatRack Containers



Bulk (Food) Containers



Platform Containers



Bitutainer



Open sides Containers

Diverse Portfolio of Specialised Containers



- Singamas cooperates with customers to offer tailor-made designs and container solutions accommodating customers' requirements.
- Comprehensive range of innovative designs attracts customers from 5G technology, medical, energy, engineering, environmental technologies, urban development and industrial sectors.

Singamas Customised Specialised Containers



Power Generator Containers



Energy Storage Containers



Data Centre Containers



Terminal Electrical Equipment Containers



Offshore Containers



House Containers



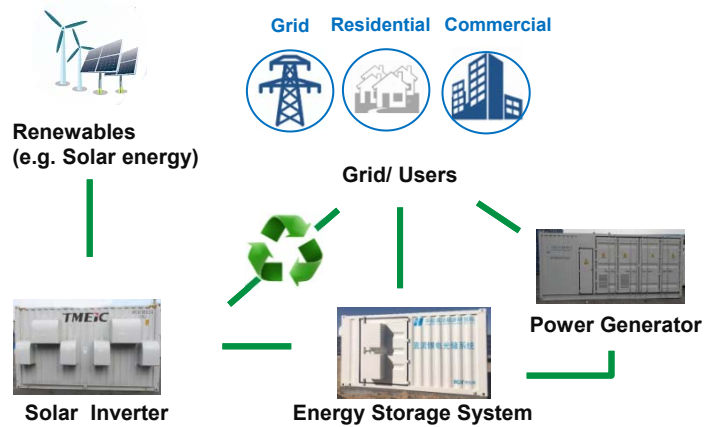
Sewage Treatment Containers



Breeding and Farming Containers

Containerised application

Containerised green solution



For illustration purpose only



Renewable energy inside containers

Key Features

- Modular “plug & play”
- Scalable storage capacity
- Faster deployment & transportability
- Reliable, cost effective & efficient energy supply
- Bring green solutions to where you need
- Generate & store electricity from clean renewable sources

Major customers

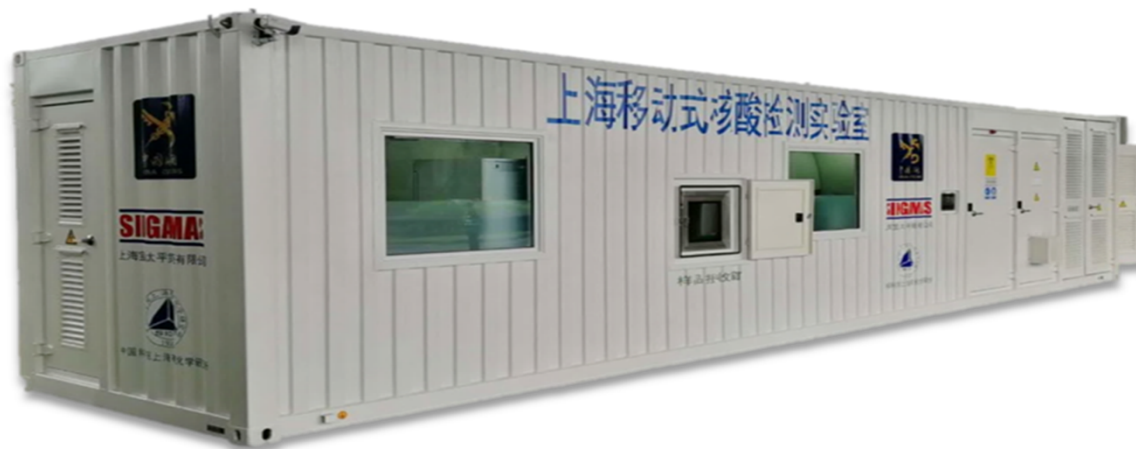


Containerised application

Containerised medical solution

PCR Laboratory for COVID-19 Testing

- Developed together with experts from Chinese Academy of Sciences (中國科學院) and China Customs a mobile Polymerase Chain Reaction (“PCR”) laboratory for COVID-19 testing. The first laboratory has been delivered to Shanghai Pudong Airport in mid-July 2020 and the official delivery ceremony took place on 7 August 2020 by the government officials
- A total of 10 laboratories have subsequently been produced and delivered to hospitals and customs in Shanghai and Qingdao
- Comprising three functional rooms: the reagent preparation room, specimen processing room and PCR test room. The laboratory has the capability to handle a maximum of 1,500 specimens per day
- It benchmarked the Group’s success in product innovation and superb manufacturing skills

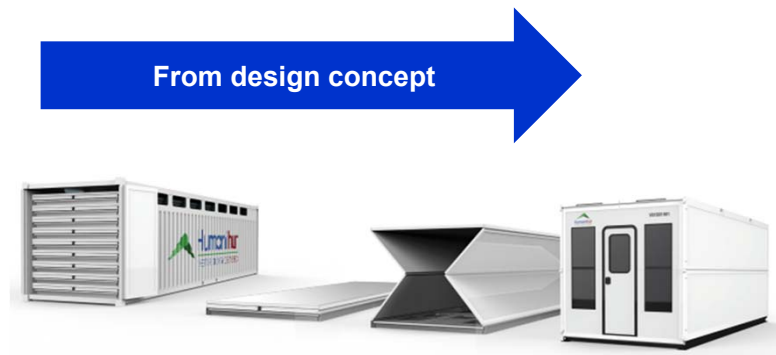


Containerised application

Containerised Accommodation

Temporary Housing Solution

- Singamas cooperates with Humanihut, an Australian company, to provide temporary housing solution.
- The set can be easily installed and dismantled, moving from one site to another.



Actual delivery



Modular Constructions

- Singamas being appointed as the subcontractor of China State Hailong Construction Technology Company Limited, a member of China State Construction Group, to participate in various modular construction projects.
- Including the Penny's Bay Quarantine Centre in Hong Kong and several kindergarten construction buildings in Guangdong Province.



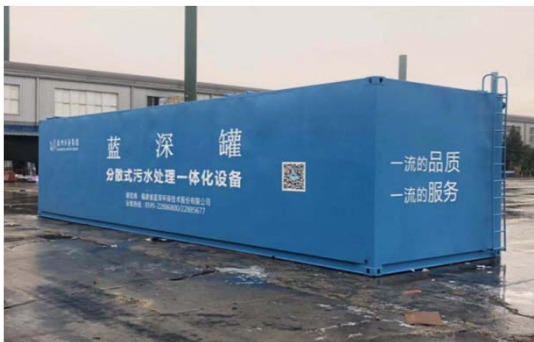
Containerised Application

Other applications

- Product applications extend to various industries for specify purposes
- With stringent environmental control and safety workplace requirements, the Group will develop different types of containers to address these requirements.

Sewage treatment container

- For environmental protection



Fire fighting container

- A mobile fire fighting facilities



Emergency container

- Specially designed for tackling emergency cases in terminal



The image is a collage. On the left, there are several stacked shipping containers in red and blue. A white window is set into the side of a red container. On the right, a red frame contains a scene of a sustainable energy facility with solar panels, wind turbines, and an industrial building. The background is white with some blue and red geometric shapes.

INDUSTRY DYNAMICS

Container Industry Dynamics – *Dry Freight Container*

Growing demand of dry freight container from third quarter 2020.

- China recovered relatively quickly from the outbreak of COVID-19, container volume at eight major Chinese ports increased 3.7% year-on-year in late November 2020. (Source: China Ports and Harbours Association)
- With large number of containers held at overseas ports, domestic demand for new boxes increased significantly, and has continued to date. This strong demand is expected to continue through to the latter part of the year.

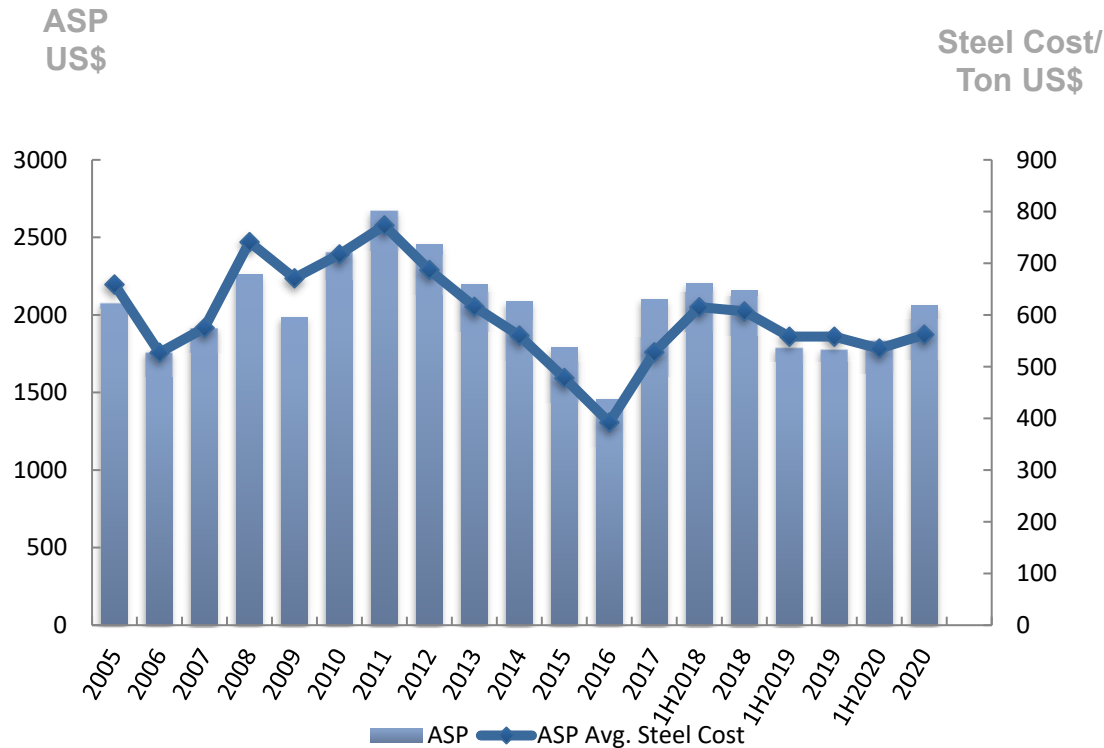
Cost-plus pricing model to set selling price of dry freight containers.

- Material cost is the major determinant of container price.
- Corten steel, a high-grade hot-rolled steel product, accounts for 51% of total dry freight container production costs.
- Direct labour cost accounted for 7.6% of total dry freight container production costs in 2020, slightly higher than 7.4% in 2019 due to high demand in skilled workers.

Container Prices vs. Steel Prices



2005 – 2020 20ft. Dry Freight Container¹ Price (ASP²) vs. Average Steel Cost Per Ton



- FY2020 ASP of 20ft dry freight container increased to US\$2,059, 15.7% higher than FY2019's US\$1,779.
- FY2020 average steel cost was US\$562/ton, a slight increase compared to FY2019's US\$558/ton.
- Increased in ASP as a reflection of the increase in container demand.

Note:

1. one 20' container normally requires 1.7 tons (including wastage) of steel.
2. ASP stands for average selling price of Singamas for 20ft dry freight container.



Renewable energy has been gaining traction across the globe, hence the Group will be developing solutions that cater for solar, wind and hydroelectric power generation.



Environmental protection has been promoted by the PRC government and its pledge to become carbon neutral before 2060 surprised global leaders. To be in line with the national policies, the Group has endeavoured to develop containers addressing this concern.



On **Medical** front, the Group has been developing mobile laboratories with medical capabilities for functions such as COVID-19 testing, CT scans and negative pressure isolation, enabling rapid response from frontline medical staff.



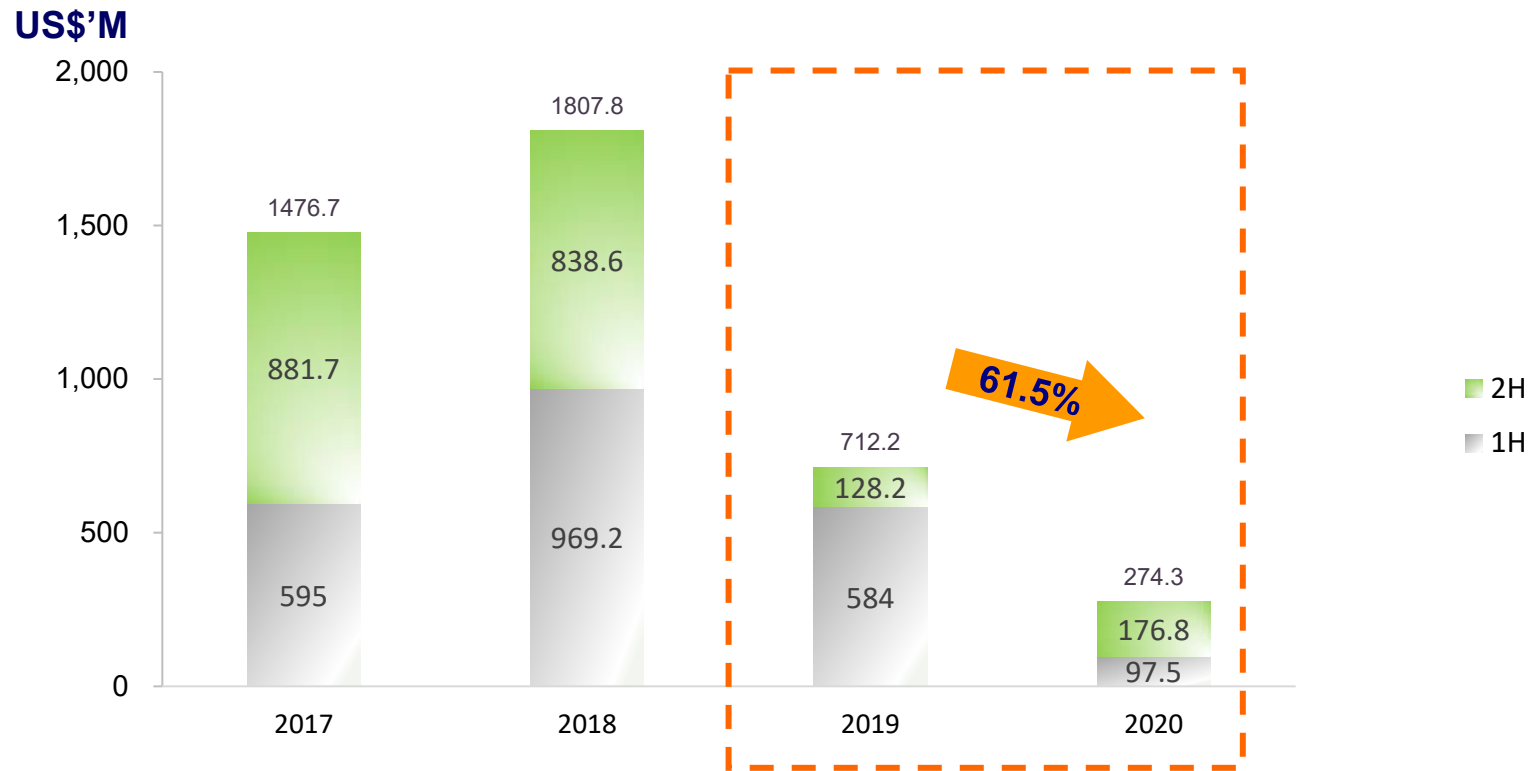
Other recently developed specialised containers include **5G equipment containers** created to support data network infrastructure, **environmental containers** for sewage treatment, and different types of **modular housing products** which are able to serve specific purposes.

Unique product nature of specialised containers with favorable industry environment.

The image is a collage. On the left, there are several stacked shipping containers in red and blue. A white window is set into the side of a red container. On the right, a red frame contains a scene with solar panels in the foreground, two wind turbines, and an industrial facility in the background under a blue sky. In the top right corner, there are three overlapping squares: a small blue one, a larger red one, and a medium blue one. A white rectangular box with a blue border is positioned over the lower part of the containers and the solar panel scene.

FINANCIAL REVIEW

Consolidated Revenue

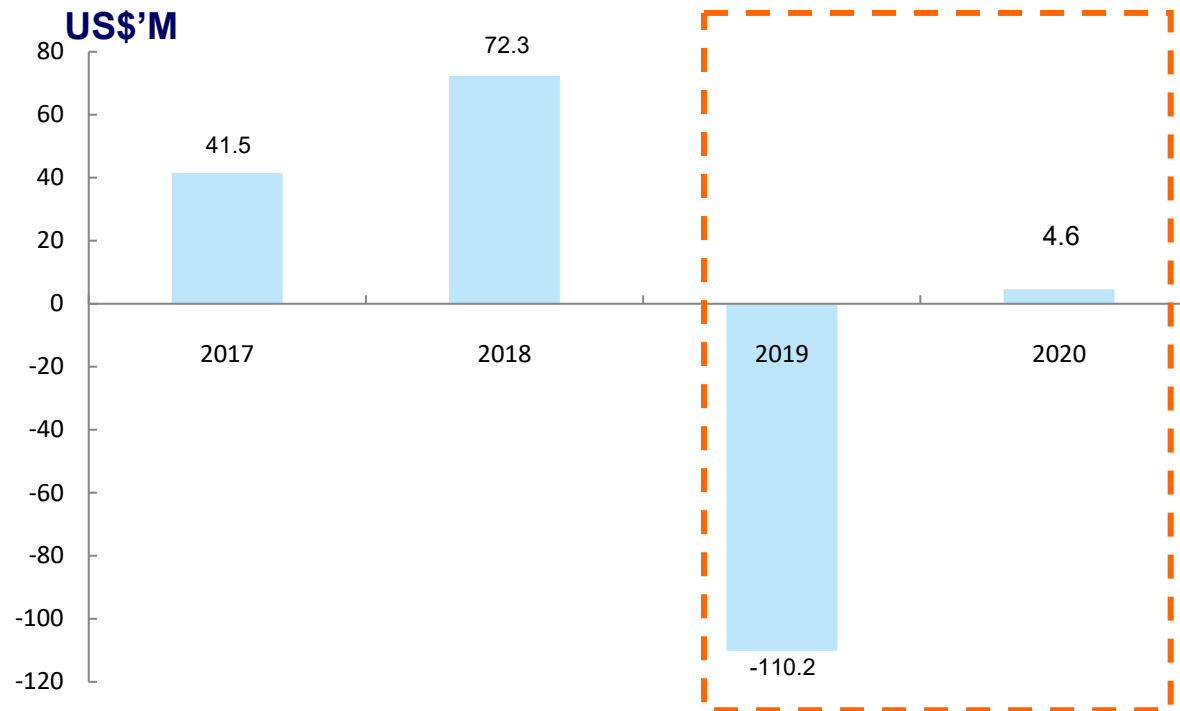


For the year ended 31 December

- We recorded consolidated revenue of US\$274.3 million in FY2020, a decrease of 61.5% over the revenue of US\$712.2 million in FY2019.
- The decrease was the result of the disposal of subsidiaries during the year 2019, along with a production suspension in early 2020 owing to the outbreak of COVID-19.

Consolidated Net Profit / Loss Attributable to Owners of the Company

SINGAMAS

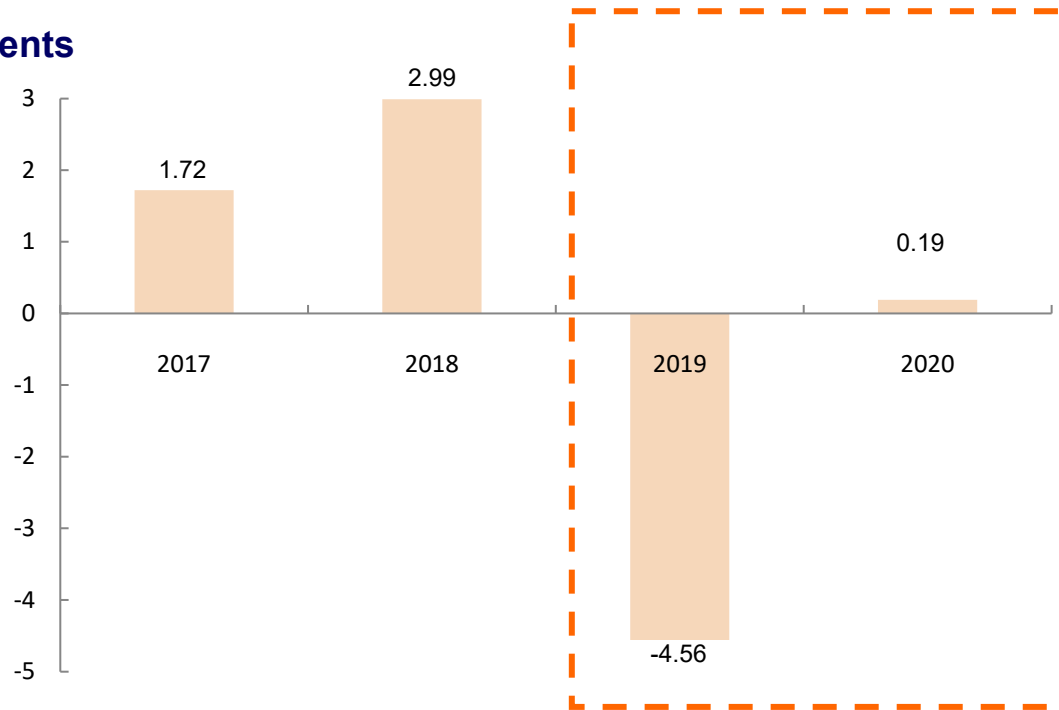


For the year ended 31 December

- Consolidated net profit attributable to owners of the Company totalled US\$4.6 million (FY2019: net loss of US\$110.23 million).
- Excluding the extraordinary items recorded during the year, namely a gain on disposal of US\$8.5 million related to the disposal of Tianjin Pacific Container Company Limited in mid-2020 and an expected credit loss of US\$17.5 million in relation to the receivables from immediate holding company and its subsidiaries, net profit from core operations amounted to US\$13.6 million, reflecting the positive impact of the 'New Singamas' business model on the Group's business operations.

Basic Earnings / Loss per Share

US cents



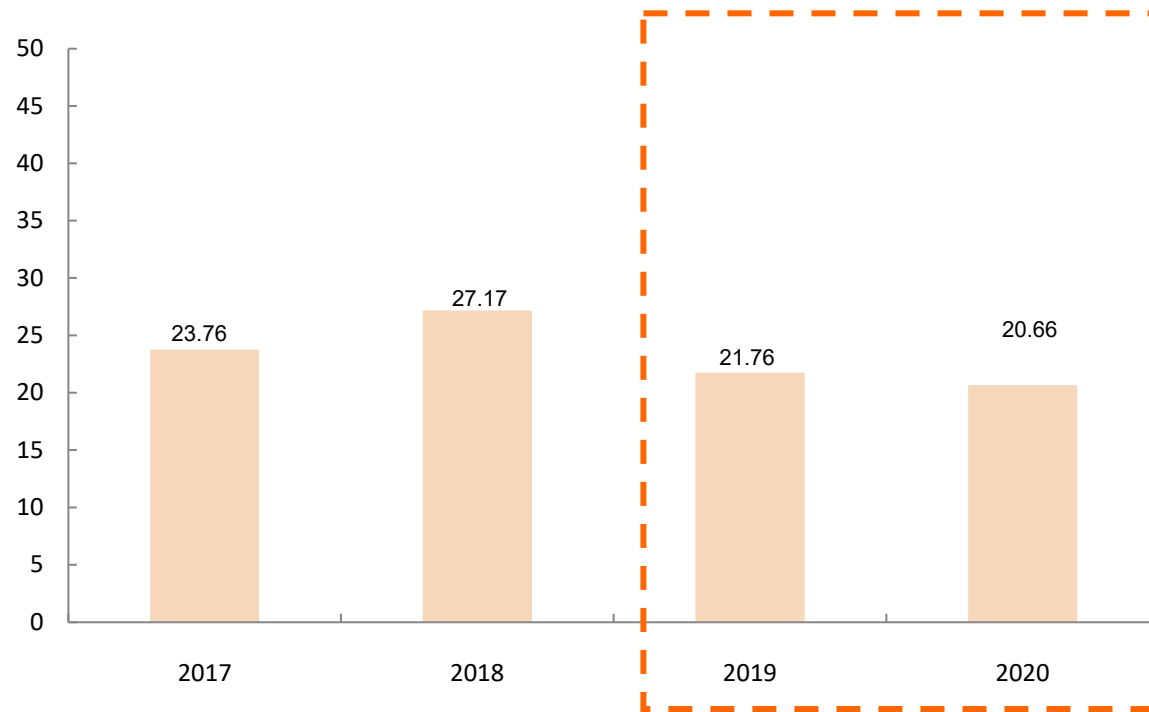
For the year ended 31 December

- Basic earnings per share was US0.19 cent, compared with basic loss per share of US4.56 cents in 2019.

Net Assets Value per Share



US cents



As at 31 December

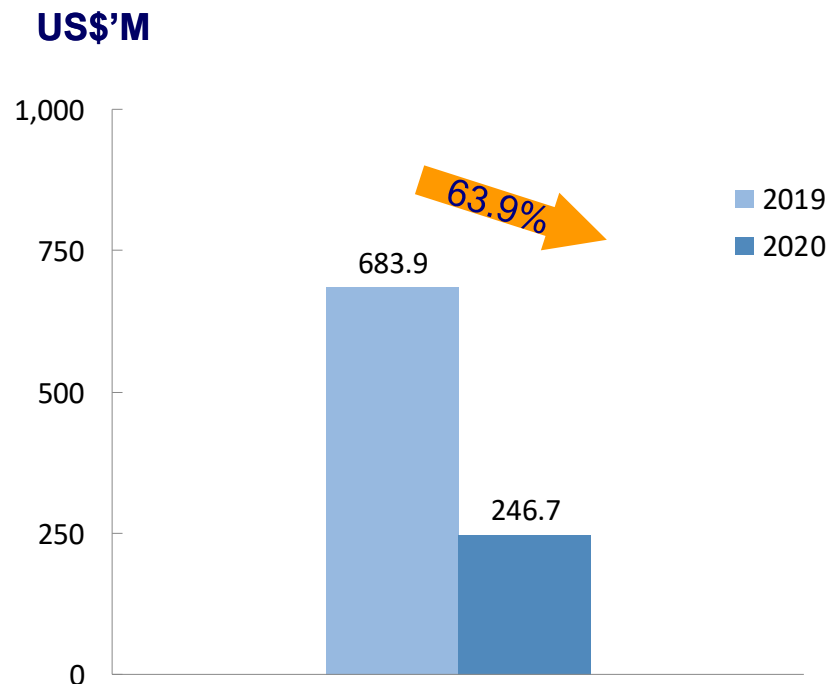
The image is a collage. On the left, there are several shipping containers, some red and some blue, stacked. In the center, a white window with a blue sky view is set into a red container. On the right, a red container is open, revealing a scene with solar panels, wind turbines, and an industrial facility. The background is white with a few blue and red squares. The text 'BUSINESS REVIEW' is centered in a white box.

BUSINESS REVIEW

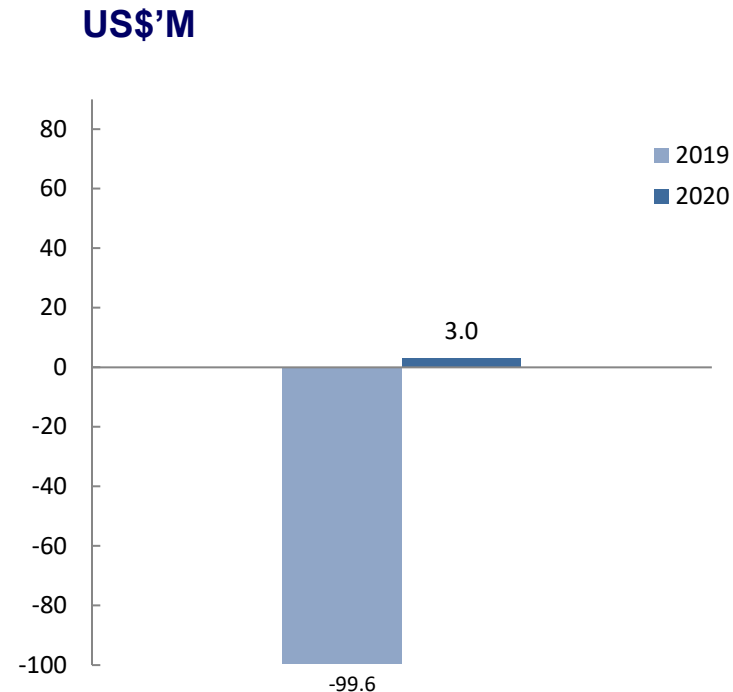
Manufacturing Business – Revenue and Profit Analysis



Revenue



Profit / Loss Before Taxation



For the year ended 31 December

- Revenue of this segment was US\$246,677,000 (FY2019: US\$683,925,000), which accounted for 90% of the Group's total revenue (FY2019: 96%).
- Segment profit before taxation and non-controlling interests amounted to US\$3,009,000 (FY2019: Segment loss of US\$99,622,000). If excluding the one-off items, segment profit for the year amounted to US\$12,001,000.

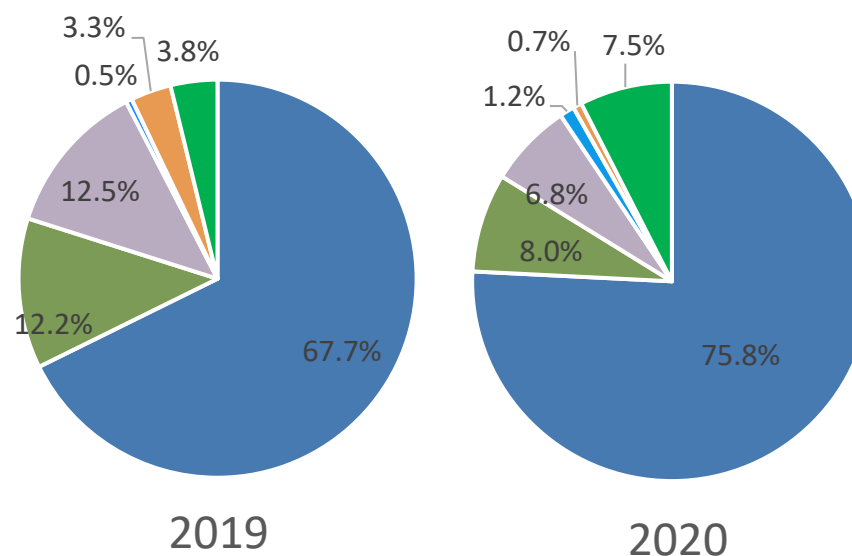
Manufacturing Business – Sales Volume and Sales Revenue Breakdown



Sales Volume (Product Types)

For the year ended 31 December	2019	2020
Dry freight (TEU)	111,706	102,112
ISO Special (TEU)	10,840	8,629
Tank (Unit)	1,925	823
Car Rack (Unit)	1,081	5,526
Customised Special – Offshore (unit)	990	185
Customised Special – Others (Unit)	874	2,030

Revenue Breakdown (Product Types)



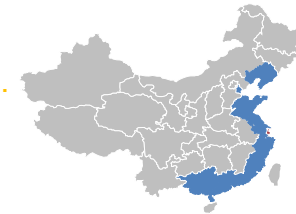
For the year ended 31 December

- Dry freight
- ISO Special
- Tank
- Car Rack
- Customised Special - offshore
- Customised Special - others

Note: Figures shown in 2019 exclude sales from the disposed entities.

Singamas is a major operator of container depots in China with over 30 years of industry experience and exposure

- Long established network and relationships with major port operators and shipping companies.
 - Network with key port operators in China.
 - Customer relationships with global major shipping companies and leasing companies.



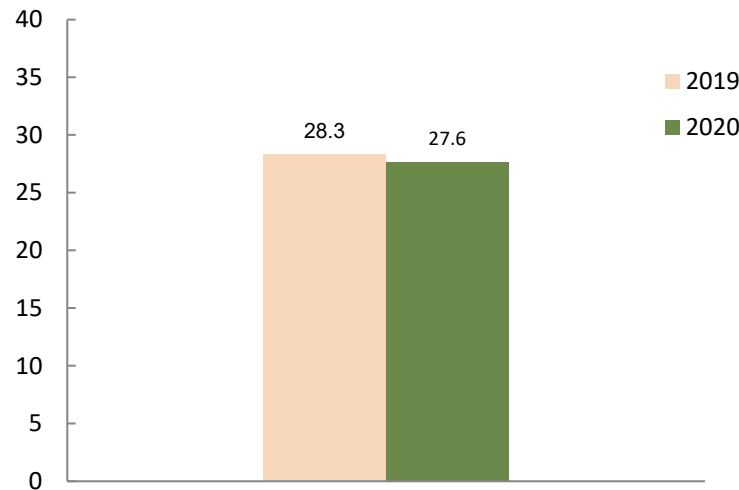
Logistic Business Updates of Singamas

- Disposal of Shanghai Huasing International Container Freight Transportation Co., Ltd. to joint venture partner in October 2019
- The logistics services business performed steadily and continued to deliver stable returns to the Group.

Logistics Services Business – Revenue and Profit Analysis

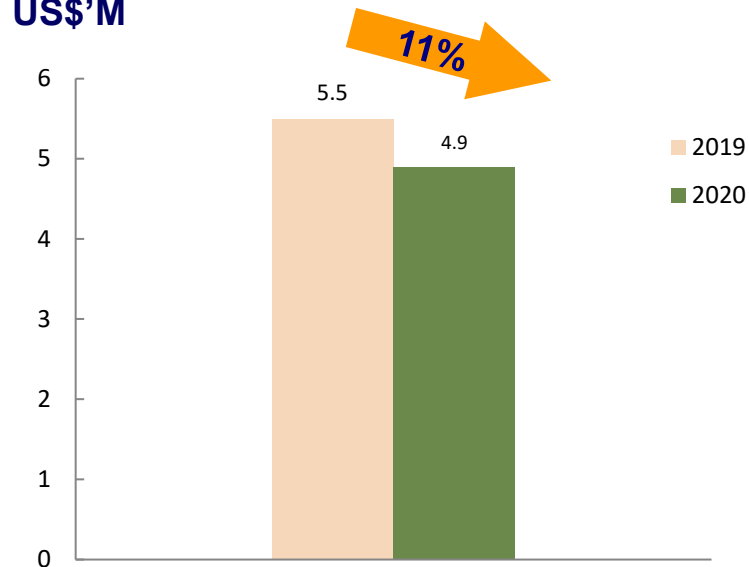
Revenue

US\$'M



Profit / Loss Before Tax

US\$'M



Revenue and Pretax Profit

- The segment revenue amounted to US\$27,628,000, a slight decline from the previous year (FY2019: US\$28,284,000). Pretax profit for the segment amounted to US\$4,861,000, compared with US\$5,463,000 recorded in FY2019.
- Strong exports in China resulted in fast turnaround in boxes and less repair items performed.
- Logistic company in Xiamen has continued to deliver stable returns, with dividends of US\$1,817,000 in 2020 (2019: US\$1,872,000).



FUTURE PROSPECTS



Growth Strategies – The “New Singamas”

SINGAMAS

1 Niche player focusing on specialised container sector

- Used in a wide-range of industries and less driven by trade volumes.
- High unit price, high added value, and high margin.
- Tailor-made products to attract and retain customers.
- Environmentally friendly and efficient power generator containers through the use of “green” energy.
- Less affected by trade conflicts and the slow down in trade volume.



Power Generator Container



Arctic Expenditure Container



Breeding and Farming Container

2 Offers tailor-made sophisticated products and services to customers through technological upgrade

- Continue to bolster R&D capabilities.
- Automation of manufacturing activities and system upgrade.
- Develop new specialised containers and complimentary products with higher technological requirements.
- Strategic cooperation.



Remote Monitoring Technology



Portable Medical Container

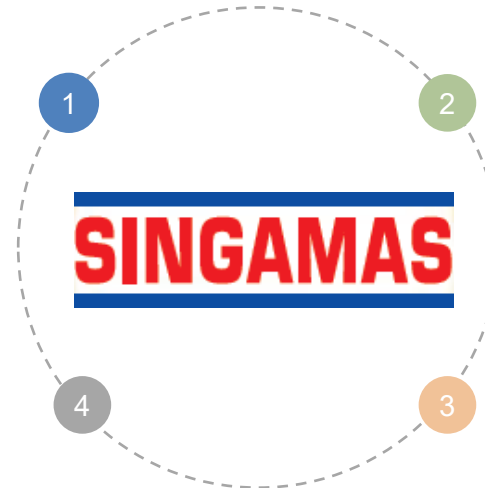
4 Build on expertise on logistic, depot businesses and expand presence in high growth regions

- Over 30 years of experience in the container depot business.
- Sector expertise, know-how and industry connections.
- High growth potentials in Southeast Asia regions .



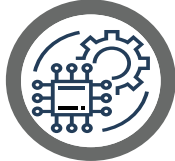
3 Nimble, efficient operations focusing on margins and returns to shareholders

- Improve cost structure and implement stringent cost controls.
- Streamline operations to improve efficiency.
- Higher margins and returns to shareholders.





Strategic transformation to the “New Singamas” by shifting focus to specialised container industry & logistics services.



Enhance competitiveness in specialised container market.

- Direct greater effort towards three principal areas: i) renewable energy, ii) environmental protection, and iii) medical services
- Work closely with customers to deliver bespoke design and production services
- Further bolster R&D and product development capabilities for developing new innovative customised specialised containers with higher technological requirements
- Shedding of various assets and bolster of different facets of operation to become more flexible and more capable of adapting to the industry, with the ultimate goal of becoming a leading manufacturer of specialised containers



Explore business avenues outside of the sea-freight segment to widen revenue streams and enjoy higher margins.



Actively participate in industry exhibitions to showcase 30 years of industry experience and capabilities.



APPENDICES

Consolidated Income Statement I (Classification Of Expenses By Nature)



For the year ended 31 December

	2020 US\$'000	2019 US\$'000
Revenue	274,305	712,209
Other income	3,420	4,613
Changes in inventories of finished goods and work in progress	(4,827)	(10,469)
Raw materials and consumables used	(166,342)	(545,580)
Staff costs	(41,963)	(98,615)
Depreciation expense	(12,814)	(29,434)
Impairment losses under expected credit loss model, net of reversal	(17,407)	(7,961)
Impairment loss on property, plant and equipment	(2,400)	-
Other expenses	(43,943)	(97,143)
Finance costs	(799)	(14,515)
Investment income	7,381	9,629
Other gains and losses	2,743	(23,962)
Gain on disposal of subsidiaries	8,457	7,771
Share of results of associates	1,651	(829)
Share of results of joint ventures	408	127
Profit (loss) before taxation	7,870	(94,159)
Income tax expense	(3,120)	(16,638)
Profit (loss) for the year	4,750	(110,797)
Attributable to:		
Owners of the Company	4,576	(110,230)
Non-controlling interests	174	(567)
	4,750	(110,797)
Earnings (loss) per share		
Basic	US0.19 cent	US(4.56) cents
Diluted	US0.19 cent	US(4.56) cents

Consolidated Income Statement II
(Classification Of Expenses By Function)
(For Reference Only)

SINGAMAS

For the year ended 31 December

	<i>2020</i>	<i>2019</i>
	<i>US\$'000</i>	<i>US\$'000</i>
Revenue	274,305	712,209
<i>Cost of sales</i>	<i>(237,113)</i>	<i>(703,516)</i>
Gross Profit	37,192	8,693
<i>Other income</i>	<i>3,420</i>	<i>4,613</i>
<i>Selling and distribution expenses</i>	<i>(8,874)</i>	<i>(18,781)</i>
<i>General and administrative expenses</i>	<i>(43,709)</i>	<i>(66,905)</i>
Finance costs	(799)	(14,515)
Investment income	7,381	9,629
Other gains and losses	2,743	(23,962)
Gain on disposal of subsidiaries	8,457	7,771
Share of results of associates	1,651	(829)
Share of results of joint ventures	408	127
Profit (loss) before taxation	7,870	(94,159)
Income tax expense	(3,120)	(16,638)
Profit (loss) for the year	4,750	(110,797)
Attributable to:		
Owners of the Company	4,576	(110,230)
Non-controlling interests	174	(567)
	4,750	(110,797)
Earnings (loss) per share		
Basic	US0.19 cent	US(4.56) cents
Diluted	US0.19 cent	US(4.56) cents

Manufacturing Facilities - Container Factories (After The Disposal)

SINGAMAS

- Following the disposal transaction, Singamas will have five manufacturing facilities in China with total annual capacity of 200,000 TEUs of dry and specialised containers and 5,000 units of offshore and customised specialised containers.

No.	Factories	Area (m ²)	Annual capacity	Description
1	Shanghai Baoshan Pacific Container Co. Ltd. ("SBPC")	93,891	110,000 TEUs	<ul style="list-style-type: none"> Main products: 20', 20'HC, 40', 40'HC & 45' ISO dry freight containers, flatrack container, open top, open-side and other specialised containers
			3,000 units	<ul style="list-style-type: none"> Offshore & customized specialised containers
2	Shanghai Pacific International Container Co. Ltd. ("SPIC")	79,407	10,000 TEUs	<ul style="list-style-type: none"> Main products: standard tank containers ranging from 2,600 litres to 38,000 litres
3	Xiamen Pacific Container Manufacturing Co. Ltd. ("XPCL")	83,523	100,000 TEUs	<ul style="list-style-type: none"> Main products: ISO standard and non-ISO standard marine containers and related components
4	Huizhou Singamas Energy Equipment Co. Ltd. ("HSCL")	300,000	60,000 TEUs	<ul style="list-style-type: none"> New factory commenced operations in mid-2020 Focus on manufacturing of specialised containers
			2,000 units	<ul style="list-style-type: none"> Customized specialised containers
	Shanghai Reeferco Container Co. Ltd.	73,256	N/A	<ul style="list-style-type: none"> Currently as investment property
	Singamas Container Industry Co. Ltd. ("SCIC")	63,069	N/A	<ul style="list-style-type: none"> Currently dormant



Container Depot / Terminals

➤ Singamas will continue to operate its 10 container depots in at key coastal regions in China.

No.	Depots	Area (m ²)	Storage Capacity (TEU)	Average Turnaround Time of Truck (minute)	Allocated Repair Area (m ²)	Repair Capacity per Day (unit)
1	Dalian Singamas International Container Co. Ltd. ("DSIC")	160,000	16,000	30	10,000	120
2	DY Terminal Limited ("DYTL")	10,500	1,575	15	1,500	30
3	Eng Kong Container Services Ltd. ("EKCS")	58,000	8,925	15	8,800	170
4	Fuzhou Singamas Container Co. Ltd. ("FSCL")					
	- Mawei Depot	25,400	3,500	15	1,500	50
	- Jiangyin Depot	66,100	8,000	15	1,800	80
5	Ningbo Victory Container Co. Ltd. ("NVCL")	173,420	28,000	20	10,000	200-250
6	Singamas Logistics (Qingdao) Co. Ltd. ("SLQC")	144,000	17,000	15	9,000	150
7	Tianjin Singamas Container Co. Ltd. / Singamas Logistics (Tianjin) Co. Ltd. ("TSCL & SLTC")	123,000	17,000	10	15,000	200
8	Xiamen Xiangyu Singamas Container Co. Ltd. ("XSCL")					
	- Depot I (Island Depot)	115,200	11,000	10	9,000	250
	- Depot II (Haicang Depot)	101,800	20,500	15-30	11,000	350
9	Xiamen Xiangyu Singamas Container Co. Ltd. - Shanghai Branch (XHYD)	23,600	5,000	10-15	1,000	150

