



# SINGAMAS

## Singamas Container Holdings Limited

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

**2021 Interim Results Announcement**  
26 August 2021

[www.singamas.com](http://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





- Singamas is a **world-leading container manufacturer** and **logistics services provider**.
- Listed on the Hong Kong Stock Exchange since 1993.
- The investment by Heliconia Capital Management Pte. Ltd., (an independently managed wholly-owned subsidiary of Temasek Holdings (Private) Limited) to PIL Pte. Ltd., the holding company of Pacific International Lines (Private) Limited, the controlling shareholder of Singamas, has been completed. The management team of Singamas remains the same.

## 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, with a new facility adjacent to the Shanghai Baoshan plant setting for completion by the fourth quarter of 2021.
- total annual capacity of around 280,000 TEUs<sup>1</sup> 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.
- 8 container depots at the major ports in Mainland China<sup>2</sup>.
- 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. The Group's depots in Hong Kong ceased operation in June 2021 due to a land reclamation exercise conducted by the local authorities.

# 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

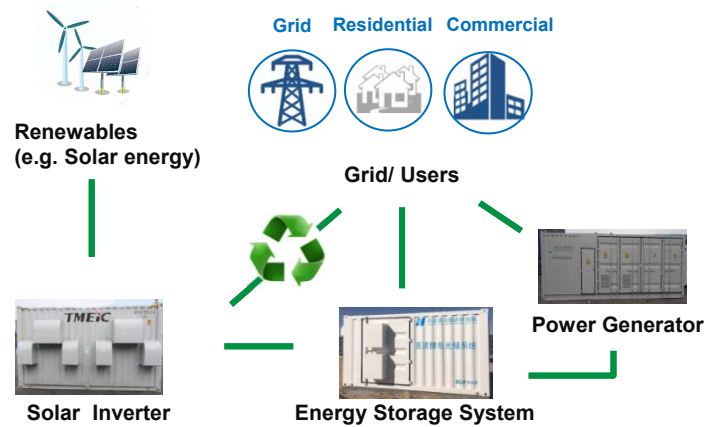


Sewage Treatment Containers



Breeding and Farming Containers

## Containerised green solution and renewable energy



*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
- A department dedicated to the R&D of containers that advance solar, wind and hydro power generation was established

### Major customers





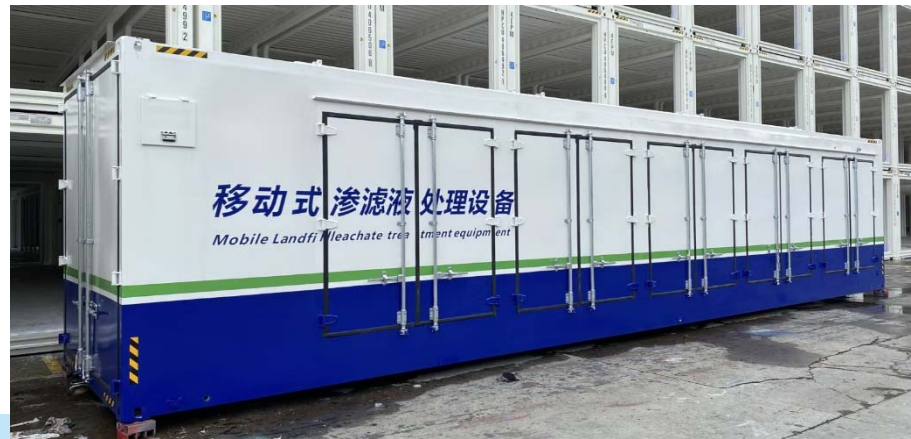
# Containerised application

## Containerised environmental protection

- Various countries have put more emphasis on environmental protection and thus, environmental protection related, including sewage treatment containers, are developed and customised to address current market demand



Water Treatment  
污水处理箱  
(麻溪项目)



Water Treatment 污水处理箱 (云南项目1)

# Containerised application

## Other application

### Train Maintenance Container for MTR Corporation

- The container to place on the train deck, which is integrated with the generator set and workshop, as a mobile maintenance station for the trains.



# Containerised Application

## Other applications

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

### Data centre container

- For data network and infrastructure support



### Fire fighting container

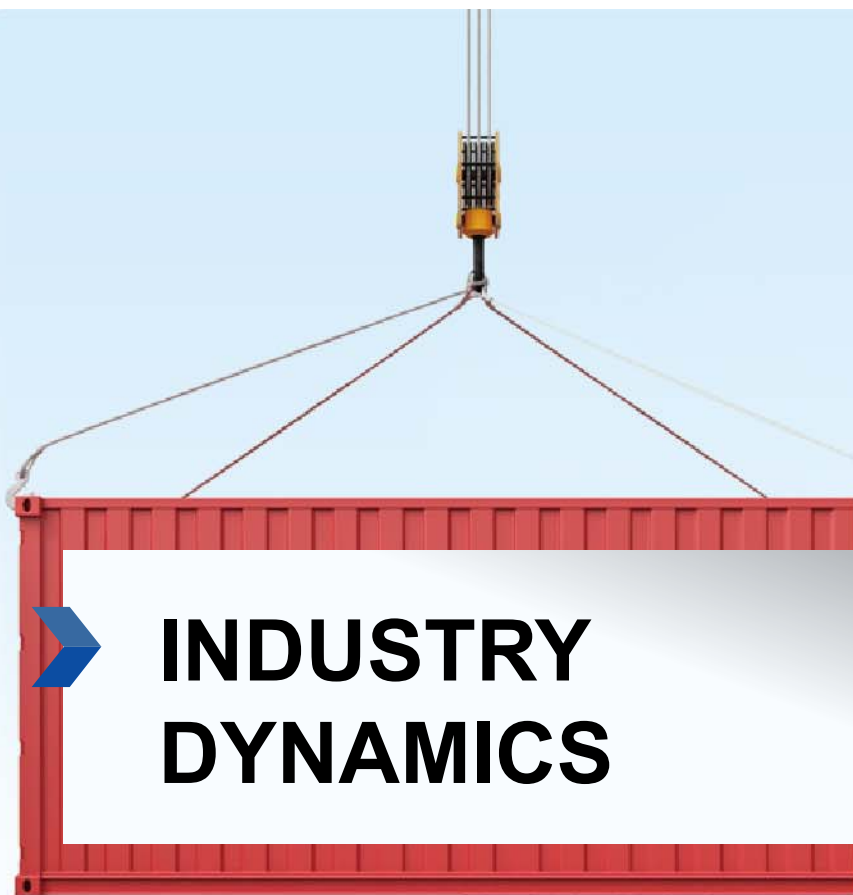
- A mobile fire fighting facilities



### Shock absorbing container

- With shock absorbing design which can effectively protect the instruments in the container during transportation.





# Container Industry Dynamics – *Dry Freight Container*

Demand for dry freight containers surged in the first half of 2021 due to global supply chain disruption

- Port congestion experienced around the world has continued to date.
- Increased domestic consumption in various countries spurred by government stimulus and relief measures and strong export from China further driving the demand of dry freight container.
- This strong demand is expected to continue through to the latter part of the year.

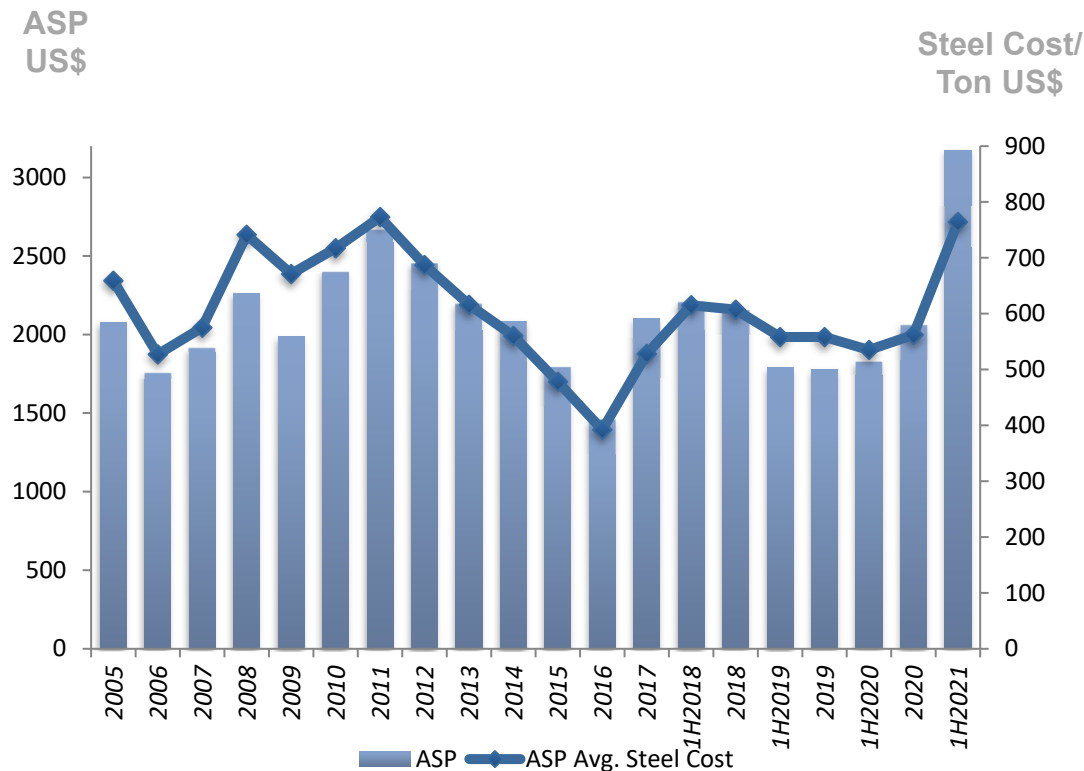
Cost-plus pricing model to set selling price of dry freight containers.

- Material cost is the major determinant of container price.
- Corten steel, a high-grade hot-rolled steel product, accounts for 55% of total dry freight container production costs in 1H2021, much higher than approximately 50% previously.
- Direct labour cost accounted for 7.5% of total dry freight container production costs in 1H2021, slightly lower than 7.8% in 1H2020. However, the absolute labour cost per TEU was almost US\$40 higher than 1H2020 due to the surge in demand yet relatively short in supply of skilled workers.

# Container Prices vs. Steel Prices



2005 – 1H 2021 20ft. Dry Freight Container<sup>1</sup> Price (ASP<sup>2</sup>) vs. Average Steel Cost Per Ton



- 1H2021 ASP of 20ft dry freight container increased to US\$3,175, 73.5% higher than 1H2020's US\$1,830.
- 1H2021 average steel cost was US\$764/ton, 42.8% higher than 1H2020's US\$535/ton.
- Increased in ASP as a reflection of the increase in container demand and material cost.

**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.

- ↑ Demand for **Renewable Energy** containers has increased as the People’s Republic of China (“PRC”) committed to becoming carbon neutral by 2060. Green-related clean energy solutions will be in demand for some time, and from a wide spectrum of industries. A new department dedicated to the R&D and marketing of new spices of renewable energy containers was established.
- ↑ **Environmental protection** has been promoted by the PRC government with national policies support. As mentioned by President Xi “绿水青山就是金山银山”<sup>note</sup>, the Group will continue to produce tailor-made containers that addresses the environmental protection issues, such as sewage treatment containers.
- ↑ 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.
- ↑ A new facility adjacent to the Shanghai Baoshan factory specifically for producing customized containers is set for completion by the fourth quarter of 2021. Once fully operational, production of renewable energy containers is expected to further increase.

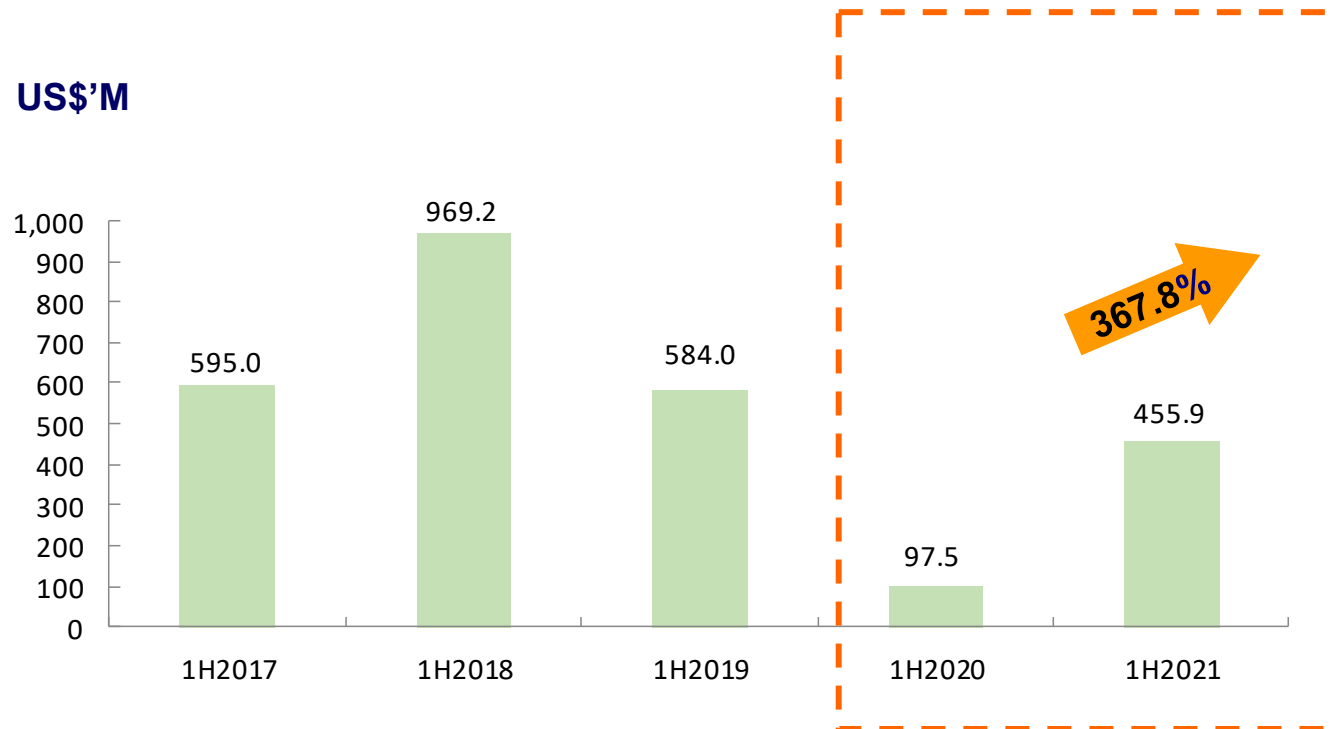
*With favorable industry environment and national policies, the Group will continue to diversify its specialised container portfolio to create new income streams.*

Note: It means “clear waters and green mountains are as good as mountains of gold and silver”.





# Consolidated Revenue

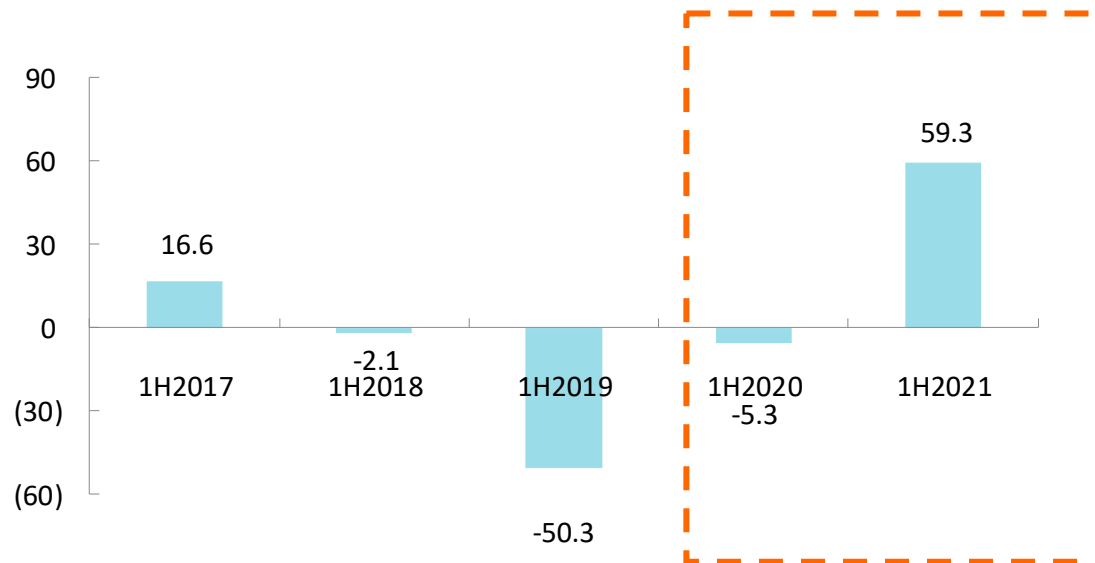


For the six months ended 30 June

- We recorded consolidated revenue of US\$455.9 million in 1H2021, an increase of 367.8% over the revenue of US\$97.5 million in 1H2020.
- The increase in revenue is mainly attributable to the increased demand for both dry freight and customised containers.

# Consolidated Net Profit / Loss Attributable to Owners of the Company

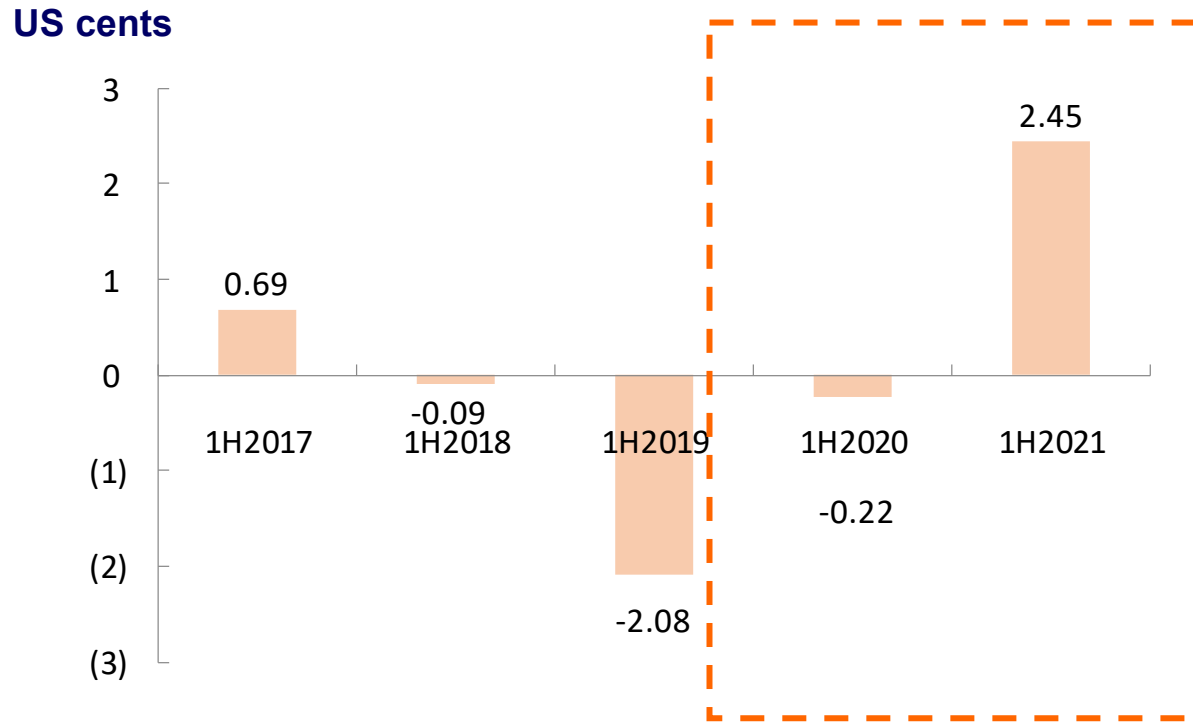
US\$'M



For the six months ended 30 June

- With regard to customised containers, there was particularly robust demand for renewable energy and environmental protection related containers, both of which have been driven with varying degree by government support.
- Consolidated net profit attributable to owners of the Company totalled US\$59.3 million (1H2020: net loss of US\$5.3 million).

# Basic Earnings / Loss per Share

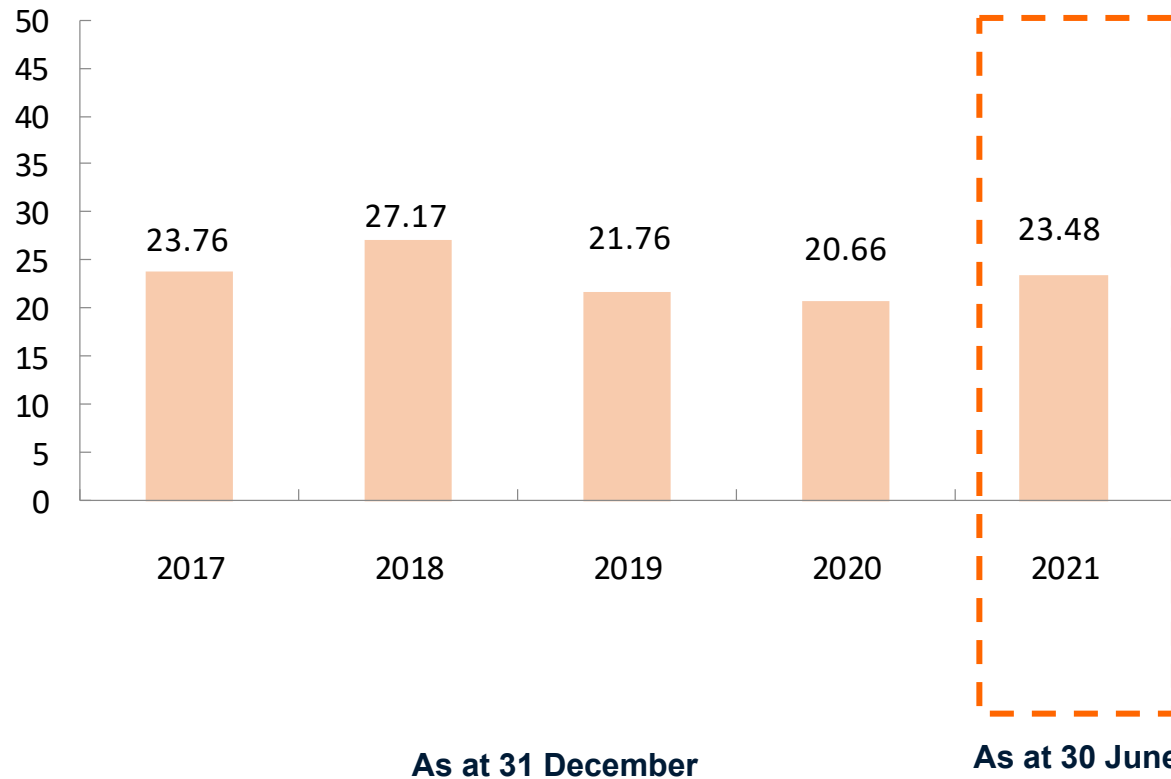


For the six months ended 30 June

- Basic earnings per share was US2.45 cents, compared with basic loss per share of US0.22 cent in 1H2020.

# Net Assets Value per Share

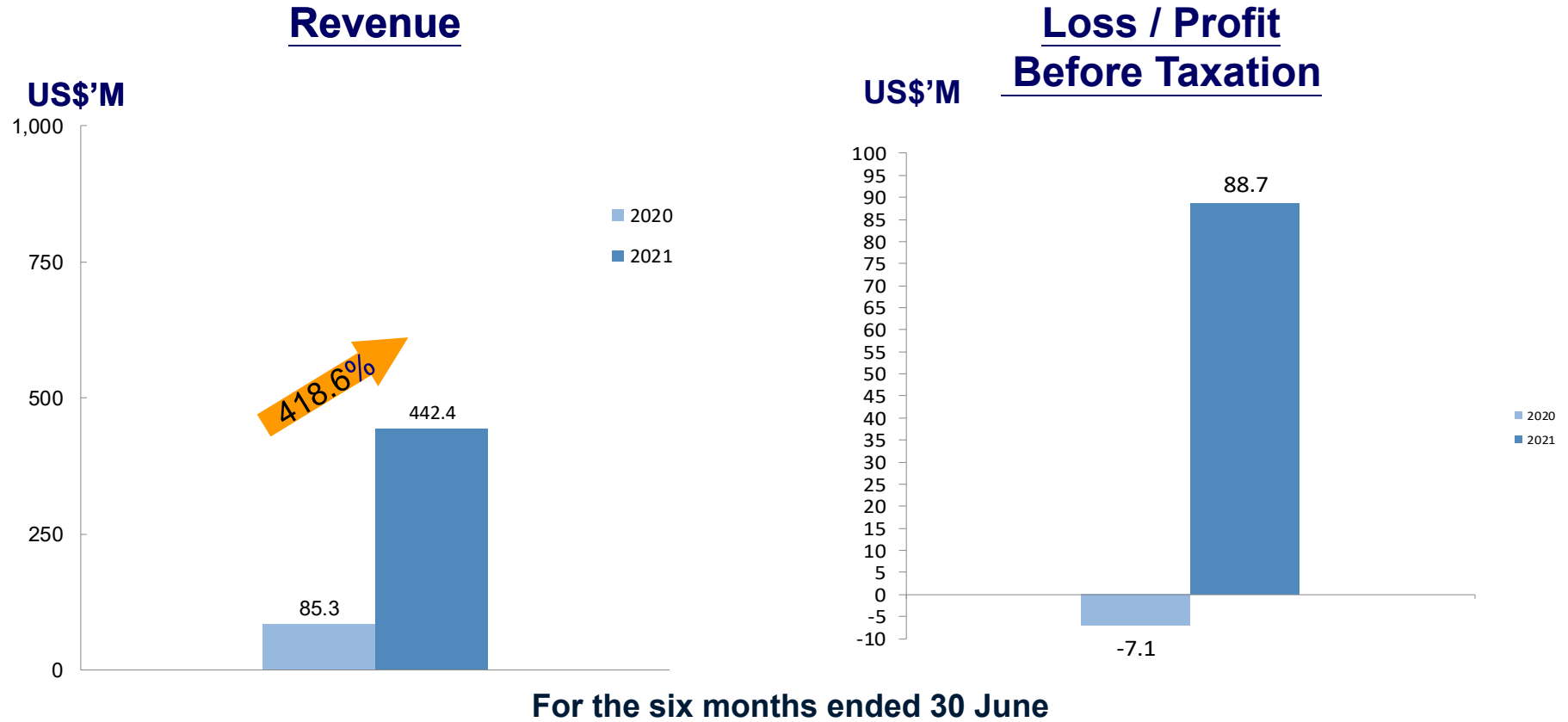
US cents



Net assets value per share increased from US20.66 cents as at 31 December 2020 to US23.48 cents as at 30 June 2021.



# Manufacturing Business – Revenue and Profit Analysis



- Manufacturing segment performed strongly as reflected by revenue of US\$442,418,000 (1H2020: US\$85,308,000), hence accounted for 97% of the Group’s total revenue.
- Pretax earnings and non-controlling interests for this segment reached US\$88,748,000 (1H2020 loss of: US\$7,093,000).

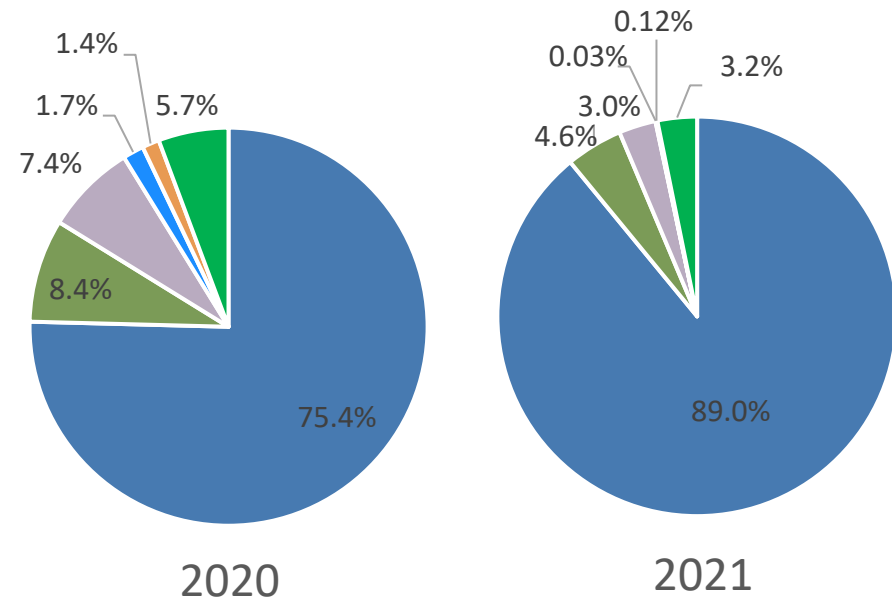
# Manufacturing Business – Sales Volume and Sales Revenue Breakdown



## Sales Volume (Product Types)

For the six months ended 30 June	2020	2021
Dry freight (TEU)	37,663	142,658
ISO Special (TEU)	3,222	7,062
Tank (Unit)	356	705
Car Rack (Unit)	2,637	269
Customised Special – Offshore (unit)	140	40
Customised Special - Others	454	957

## Revenue Breakdown (Product Types)

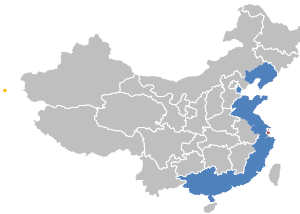


For the six months ended 30 June

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

## 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

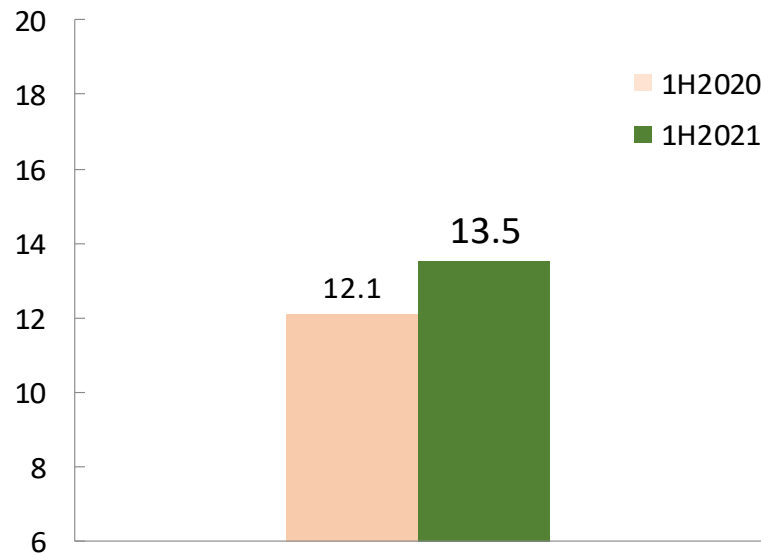
- The logistics services business performed steadily and continued to deliver stable returns to the Group.
- The Group's depot in Hong Kong ceased operation in June 2021 due to a land reclamation exercise conducted by the local authorities for city development.



# Logistics Services Business – Revenue and Profit Analysis

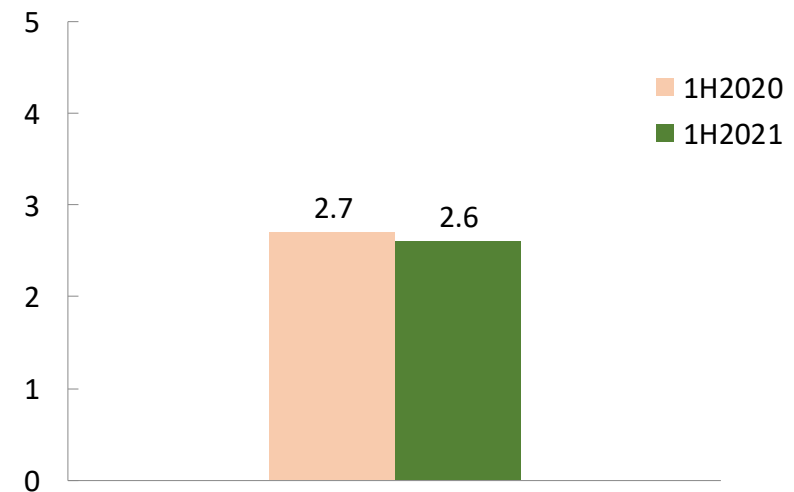
## Revenue

US\$'M



## Profit / Loss Before Tax

US\$'M



### Revenue and Pretax Profit

- The segment revenue amounted to US\$13,474,000, remained stable as compare with the previous year (1H2020: US\$12,146,000)
- Pretax profit and non-controlling interests for the segment amounted to US\$2,614,000, compared with US\$2,679,000 recorded in 1H2020



# Growth Strategies – The “New Singamas”

# SINGAMAS

## 1 Resources put on developing specialised container sector

- Used in a wide-range of industries and less driven by trade volumes.
- Tailor-made products to attract and retain customers.
- Environmentally friendly and efficient power generator containers through the use of “green” energy.
- Dedicated department for the research and development of renewable energy containers.



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.
- Establishing new facility for producing customised specialised containers.
- 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.
- Extensive client base built from container manufacturing business.
- High growth potentials in Southeast Asia regions .



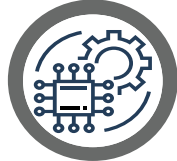
## 3 Nimble, efficient operations focusing on margins and returns to shareholders

- 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.**

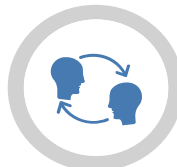


**Enhance competitiveness in specialised container market.**

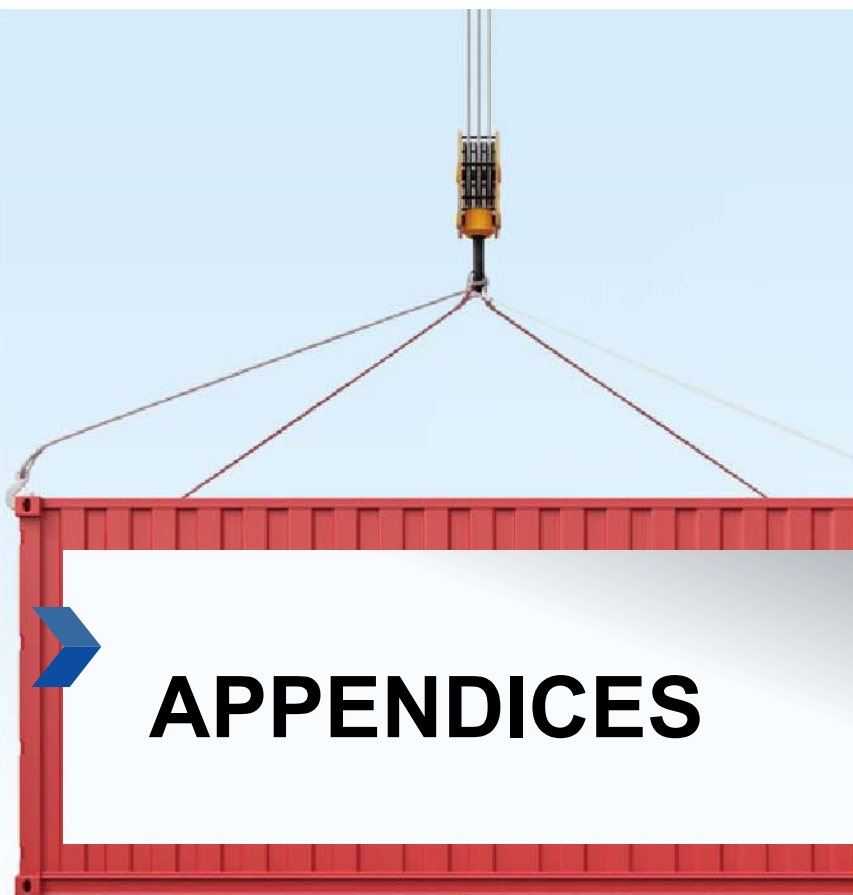
- Direct greater effort towards three principal areas: i) renewable energy, ii) environmental protection, and iii) medical services
- Work closely with customers to deliver bespoke design and production services
- Further bolster R&D and product development capabilities for developing new innovative 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.**



# Consolidated Income Statement I (Classification Of Expenses By Nature)



Six months ended 30 June

	2021 US\$'000	2020 US\$'000
<b>Revenue</b>	<b>455,892</b>	97,454
<i>Other income</i>	1,526	1,756
<i>Changes in inventories of finished goods and work in progress</i>	3,905	(8,575)
<i>Raw materials and consumables used</i>	<b>(276,343)</b>	(54,315)
<i>Staff costs</i>	<b>(57,241)</b>	(16,384)
<i>Depreciation expense</i>	<b>(5,627)</b>	(6,082)
<i>Impairment losses under expected credit loss model, net of reversal</i>	<b>(47)</b>	(1,258)
<i>Impairment loss on property, plant and equipment</i>	<b>(2,000)</b>	-
<i>Other expenses</i>	<b>(31,198)</b>	(21,435)
Finance costs	<b>(655)</b>	(530)
Investment income	<b>4,594</b>	6,133
Other gains and losses	<b>(1,741)</b>	(2,321)
Share of results of associates	<b>196</b>	934
Share of results of joint ventures	<b>101</b>	209
<b>Profit (loss) before taxation</b>	<b>91,362</b>	(4,414)
Income tax expense	<b>(24,855)</b>	(1,088)
<b>Profit (loss) for the year</b>	<b>66,507</b>	(5,502)
<b>Attributable to:</b>		
Owners of the Company	<b>59,293</b>	(5,331)
Non-controlling interests	<b>7,214</b>	(171)
	<b>66,507</b>	(5,502)
<b>Earnings (loss) per share</b>		
Basic	<b>US2.45 cents</b>	US(0.22) cent
Diluted	<b>N/A</b>	US(0.22) cent

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

**SINGAMAS**

*Six months ended 30 June*

	<i>2021</i>	<i>2020</i>
	<i>US\$'000</i>	<i>US\$'000</i>
<b>Revenue</b>	<b>455,892</b>	97,454
<i>Cost of sales</i>	<i>(334,349)</i>	<i>(89,001)</i>
<b>Gross Profit</b>	<b>121,543</b>	8,453
<i>Other income</i>	<i>1,526</i>	<i>1,756</i>
<i>Selling and distribution expenses</i>	<i>(10,751)</i>	<i>(4,552)</i>
<i>General and administrative expenses</i>	<i>(26,513)</i>	<i>(15,374)</i>
<i>Exchange gain (loss)</i>	<i>1,068</i>	<i>(1,446)</i>
Finance costs	<b>(655)</b>	(530)
Investment income	<b>4,594</b>	6,133
Fair value gain on financial asset at fair value through profit and loss	<b>98</b>	3
Fair value gain on investment properties	<b>155</b>	-
Share of results of associates	<b>196</b>	934
Share of results of joint ventures	<b>101</b>	209
<b>Profit (loss) before taxation</b>	<b>91,362</b>	(4,414)
Income tax expense	<b>(24,855)</b>	(1,088)
<b>Profit (loss) for the year</b>	<b>66,507</b>	(5,502)
<b>Attributable to:</b>		
Owners of the Company	<b>59,293</b>	(5,331)
Non-controlling interests	<b>7,214</b>	(171)
	<b>66,507</b>	(5,502)
<b>Earnings (loss) per share</b>		
Basic	<b>US2.45 cents</b>	US(0.22) cent
Diluted	<b>N/A</b>	US(0.22) cent

# 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 280,000 TEUs of dry and specialised containers and 5,000 units of offshore and customised specialised containers.

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





# Container Depot / Terminals

➤ Singamas will continue to operate its 7 container depots in at key coastal regions in China.

No.	Depots	Area (m <sup>2</sup> )	Storage Capacity (TEU)	Average Turnaround Time of Truck Repair (minute)	Allocated Repair Area (m <sup>2</sup> )	Repair Capacity per Day (unit)
1	Dalian Singamas International Container Co. Ltd. ("DSIC")	160,000	16,000	30	10,000	120
2	Fuzhou Singamas Container Co. Ltd. ("FSC")					
	- Mawei Depot	25,400	3,500	15	1,500	50
	- Jiangyin Depot	66,100	8,000	15	1,800	80
3	Ningbo Victory Container Co. Ltd. ("NVCL")	173,420	28,000	20	10,000	250
4	Qingdao Singamas International Logistics Co. Ltd. ("QSIL")	64,695	8,300	15	8,640	150
5	Singamas Logistics (Qingdao) Co. Ltd. ("SLQC")	128,000	12,000	15	9,000	150
6	Tianjin Singamas Container Co. Ltd. / Singamas Logistics (Tianjin) Co. Ltd. ("TSCL & SLTC")	83,000	8,000	10	8,000	200
7	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
8	Xiamen Xiangyu Singamas Container Co. Ltd. – Shanghai Branch ("XHYD")	73,000	11,000	20	3,000	350

