



DELTA

ดีลต้า



DPAINIT

OPPORTUNITY DAY

Q2/2022



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Management Team



Ronnarit Tangkaravakoon

Chief Executive Officer



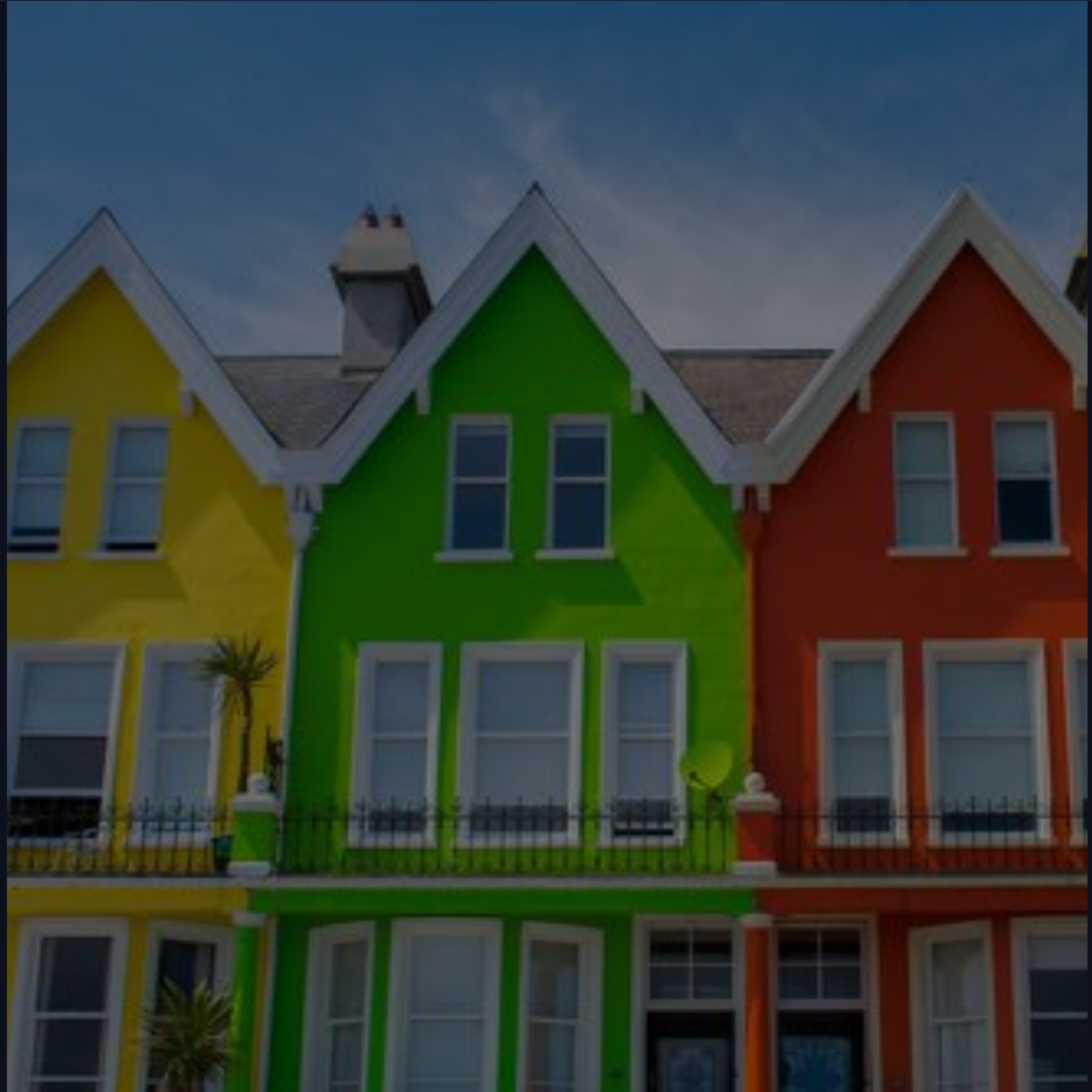
Athapon Tangkaravakoon

Chief Financial Officer

Agenda



1. Business Overview
2. Business Strategies
3. Financial Overview
4. Growth Strategy





Business Overview



Company History



Established on
16 July 1999

Participated in decorative
coating Industry
using Delta, Toptech, Deltech
National, IBC and SEFCO

Became a Public Company on
17 July 2020

Paid up Capital of
230 Million Baht

“

Leading company with innovative **Coating Solutions** focused on delivering **Greater Value™** for the celebration of every new chapter of life with social and environment responsibility.

”

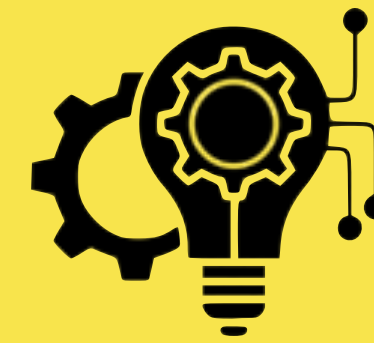




**Sustainable Growth
through good
governance and ethic.**



**Focused on
understanding customer's
need.**



**Committed to innovation
to delivered greater
value product.**



**Great take care for
employee and their
family.**



**Respect and treat
business partner as
true friend.**



**Be responsible and aware of
environment impact.**



**Focused on overall benefit
with honorable and integrity
management.**

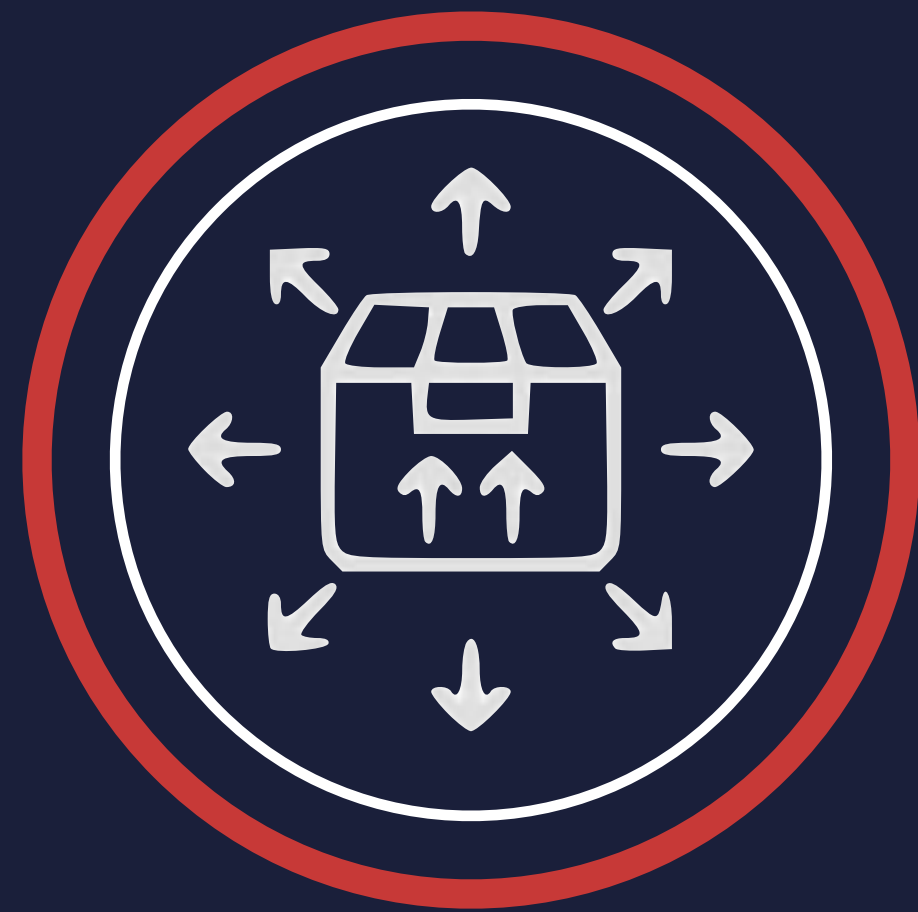
Key Success Factors



Quality product at reasonable price



Nationwide distribution channels



Strong relationship with dealers, contractors and end users



Highly efficient manufacturing facility



Strong financial discipline



**Contractors
and Painters**



**Dealers
and Distributor**



Home Owner



**Government
and Private Projects**



Wide Range of Products to suit every need

Premium Quality



**DELTA
MAGIC SHIELD**

High Quality



**DELTA
CLEAN & CARE MATT**

Economy Quality



**NATIONAL
2IN1 GALVANIZED**

Product Segments



DELTA
CHILLSHIELD



DELTA
SHIELD PLUS



TOPTECH
PRIMER



DELTA
SHIELD



DELTA
MAGIC SHIELD



TOPTECH
PRIMER GOLD



TOPTECH
COTE FLEX



TOPTECH
COTE WHITE



DELTA
CLEAN&CARE



DELTA
CLEAN&CARE MATT

Premium Quality Grade

Product Segments



DELTA
PREMIUM ACRYLIC



DELTA
ACRYLIC EMULSION



DELTA
GLOSS ENAMEL



DELTA ALKALI
RESISTING PRIMER



DELTA
CONTACT PRIMER



DELTECH
SHIELD



DELTECH



NATIONAL



ACNER

High Quality Grade



Product Segments



NATIONAL GLOSS



NATIONAL EMULSION



NATIONAL 2IN1 GALVANIZED



IBC PLASTIC EMULSION



SEFCO SYNTHETIC



SEFCO ACRYLIC EMULSION



BESTCO



NTS

Economical Quality Grade

Revenue by Segments



Marketing and Sales Activities

Introducing Delta Magic Shield : a collaboration with DISNEY enables creative usage of DISNEY intellectual property in product co-creation. Launched with 3D Animation Communication on digital channels and massive marketing activities with partner.



Marketing and Sales Activities

Build Delta ChillShield's brand awareness using online influencer and through respective channels.



Marketing and Sales Activities

Emphasize more on projects with top real estate developers.



Marketing and Sales Activities

Holding seminar to introduce new products as well as consistently maintaining close relationship with strategic partners.



Marketing and Sales Activities

Partnering with distributors to hold events for their respective sub-dealers to accelerate growth of distribution channel.



Modern Trade



Traditional Trade and Modern Retail



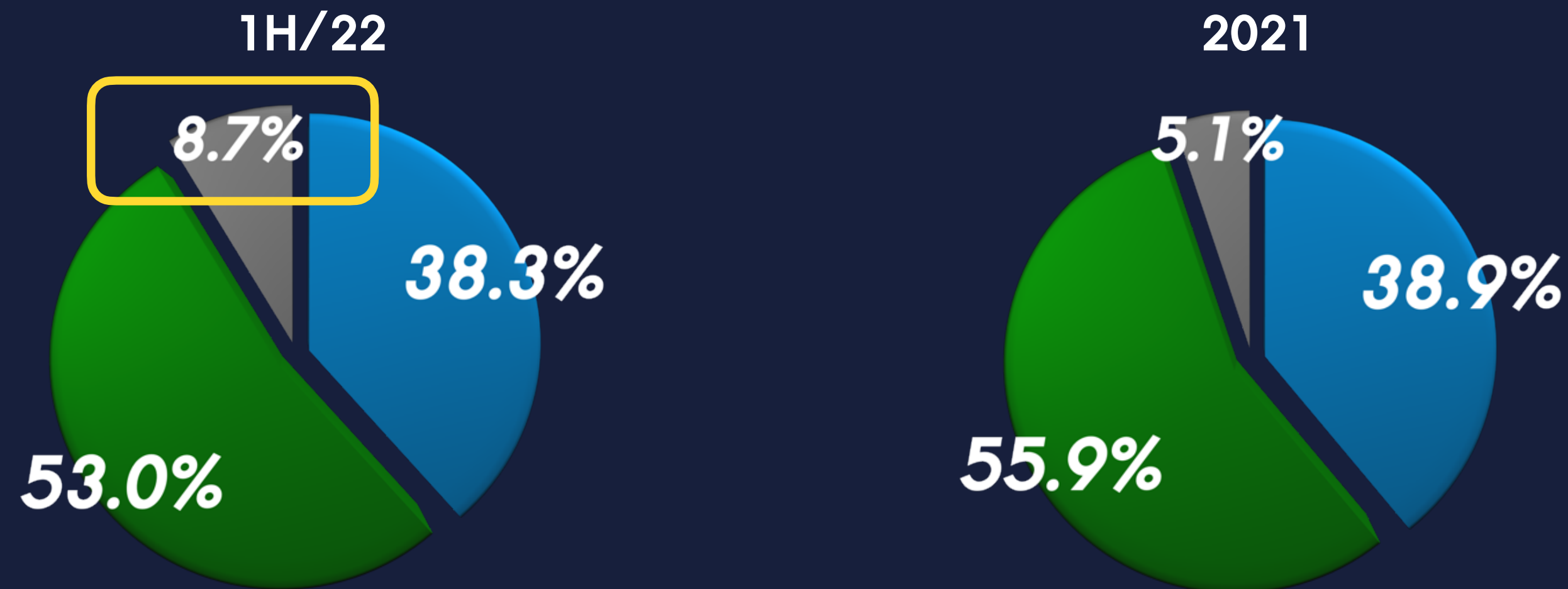
Projects



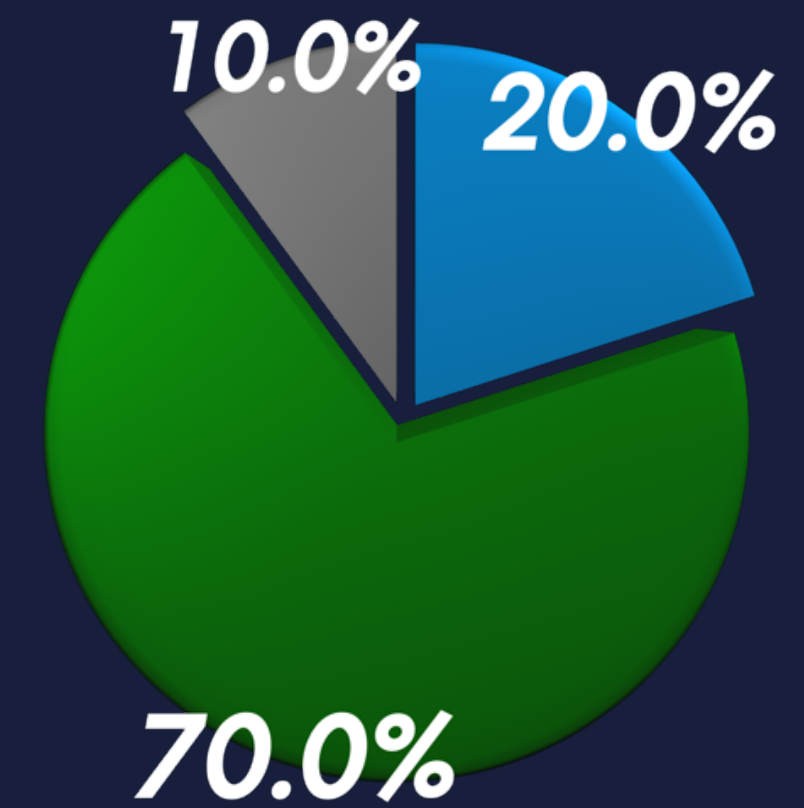
Revenue by distribution channel



DPAINT's
Percentage



Thailand's Percentage*



*Estimated



Modern Trade



Tradition Trade
and Modern Retail



Projects



Business Strategies



1



Innovative New Products
and Expanding
Distribution Channel

2



Increasing
Auto-Tinting
Machines

3



Enhancing
Manufacturing
Efficiency and
Capacity

4



Improving
Profitability
Capability

1



**Innovative New Products
and Expanding
Distribution Channel**

2



**Increasing
Auto-Tinting
Machines**

3



**Enhancing
Manufacturing
Efficiency and
Capacity**

4



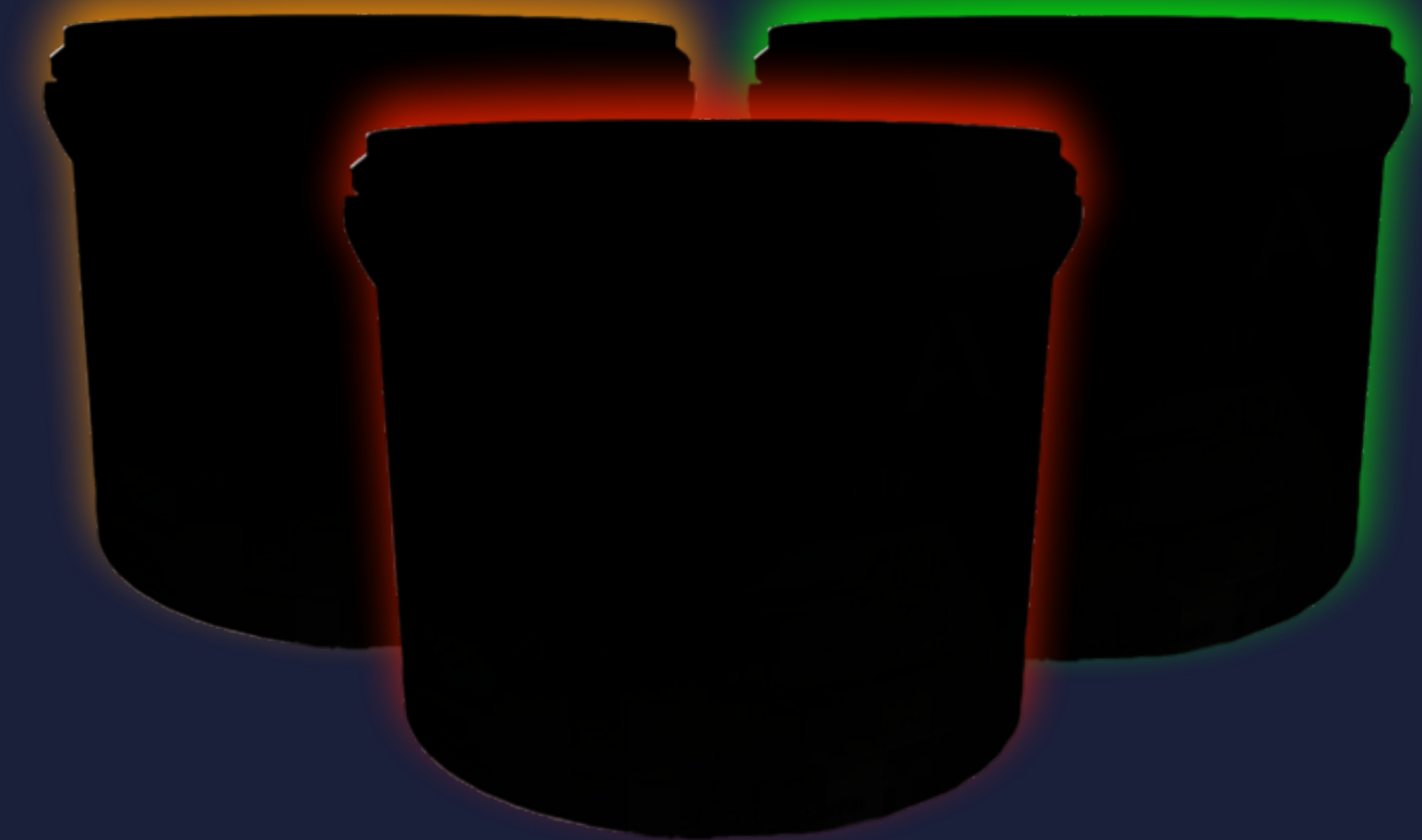
**Improving
Profitability
Capability**

New Products in High Quality Grade



DELTA GRYPTO 5IN1

- Oil based coating with anti-rust primer
- Applicable to any metal work
- Severe weather resistance



Ready to launch 3 new products in Q4/22

New Product Line : Construction Chemicals



DELTA ROOFSEAL UV BLOCK

- 100% Waterproofing
- High flexibility with good penetration
- Sunlight & Severe weather resistance



DELTA HYBRID/PU SEALANT

- Highly flexible
- UV light & weather resistance
- Suitable for common sealant, crack and joint



DELTA SKIMCOAT

- Easy to plaster
- Highly adhesive with surface
- Very smooth surface finishing

New Product Line : Construction Chemicals



DELTA CEMENT WATERPROOF FLEX

- 100% Waterproofing
- High flexibility, free from toxics
- Aligned with Waterworks Authority



DELTA NON-SHRINK GROUT

- Non-bleeding
- High compressive strength
- Good flow ability



DELTA SELF-LEVELING

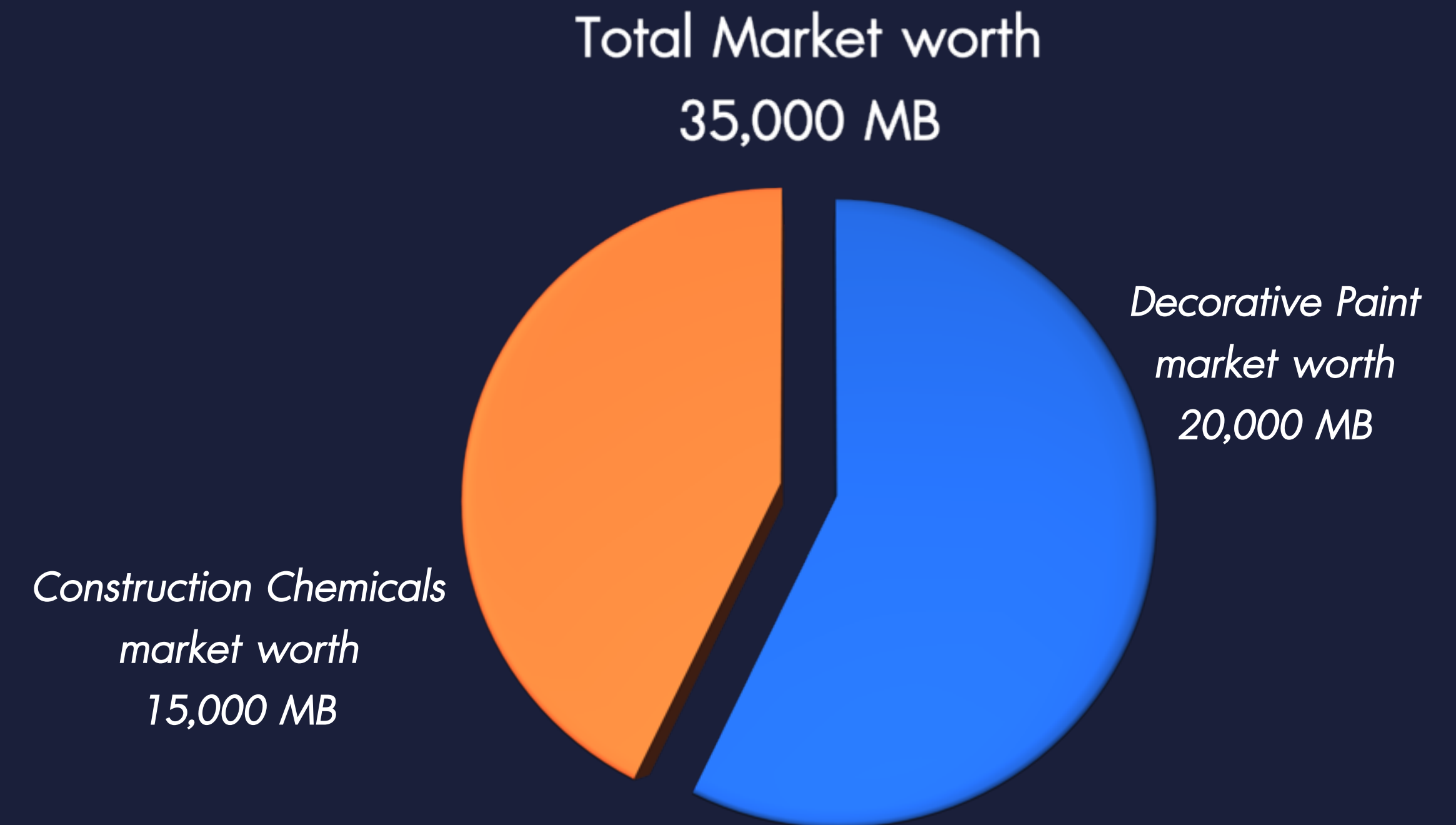
- Smooth and polishing surface
- Self-leveling without troweling
- Excellent bonding with exist substrate



DELTA WALL PUTTY

- Ready to use, no mixing required
- Fast drying, no shrinkage
- Good adhesion

Sales Growth Opportunity



- For Construction Chemicals market, focused on Precast Solution market (7,500 MB).

Complete Solutions for Modern Home

Construction Chemicals



DELTA NON-SHRINK GROUT



DELTA ROOFSEAL



DELTA PU SEALANT



DELTA WALL PUTTY



DELTA SKIMCOAT



DELTA CEMENT WATERPROOF FLEX



DELTA SELF-LEVELING



New Distribution Channels : CLMV Expansion



New Distribution Channels : CLMV Expansion



- CLMV Decorative Paint's worth 17,000 MB
- First move focused on Cambodia

New Distribution Channels : CLMV Expansion

Dealer store in Cambodia



Business Strategies

1



Innovative New Products
and Expanding
Distribution Channel

2



Increasing
Auto-Tinting
Machines

3



Enhancing
Manufacturing
Efficiency and
Capacity

4



Improving
Profitability
Capability

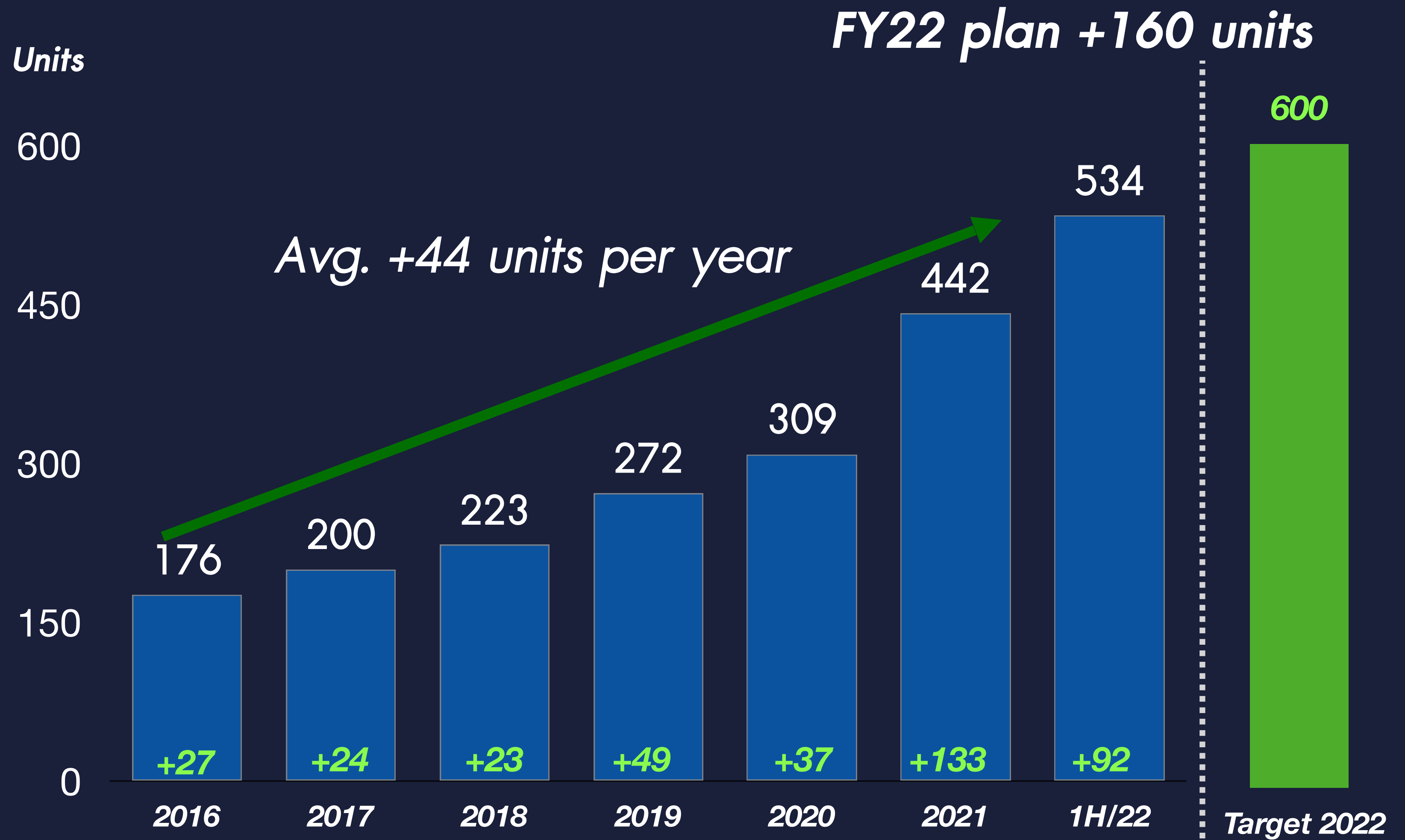
Auto-Tinting Machine



Benefits

- Greatly reduce inventory
- Less loss sale rate
- Higher sales from wider selection of colors (10,000+)

Auto-Tinting Machine installation plan



Business Strategies



1



Innovative New Products
and Expanding
Distribution Channel

2



Increasing
Auto-Tinting
Machines

3

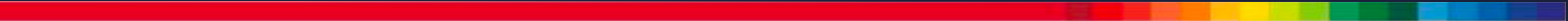


Enhancing
Manufacturing
Efficiency and
Capacity

4



Improving
Profitability
Capability



Enhancing Manufacturing Efficiency and Capacity

Plant 157



- Area : 4,000 SQ.M.
- Capacity : 3.2 Million Gallons per year

Plant 159



- Fully Operate in Q3/22
- Area : 4,000 SQ.M.
- Capacity : 1.6 Million Gallons per year
- Using Slurry production system

Benefits

- Increase Capacity by 50% leads to total production of 4.8 Million Gallons per year.
- Lower cost of production and lower TiO₂ usage.
- Higher production yield from less chemical component losses.

Business Strategies



1



Innovative New Products
and Expanding
Distribution Channel

2



Increasing
Auto-Tinting
Machines

3

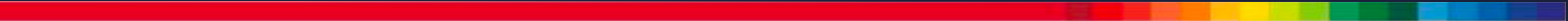


Enhancing
Manufacturing
Efficiency and
Capacity

4



Improving
Profitability
Capability



Current Market Situation Analysis

Current Situation

Stable raw material cost including TiO₂ and Oil link based.
(Surged in Q2/22)

Downward trend of crude oil price.

Weaken Bath to Dollar from increasing US interest rate.

Higher minimum wage. (Effect start in October 2022)



Company Actions



Increased selling price by 6-12% in Q2'2022 which will have full effect in Q3/22.



Introduced new high-quality product to cope with shrinking purchasing power.



New production plant has been fully operational since Q3/22.



Implemented price-fixing contract with supplier to reduce FX risk.



Enhanced production efficiency and increase productivity of sales department to compensate the higher minimum wage.



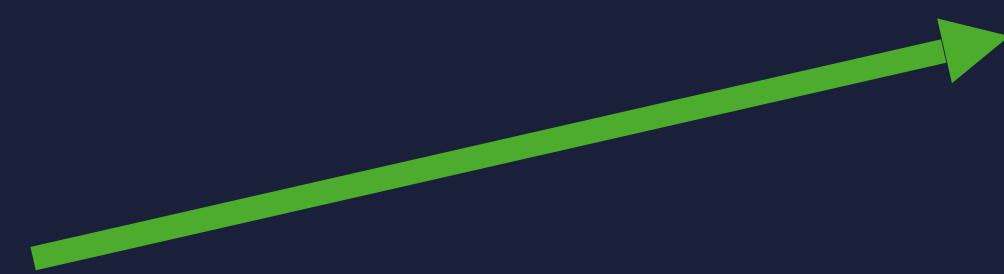
Financial Overview



Revenues



▲ +7.6%



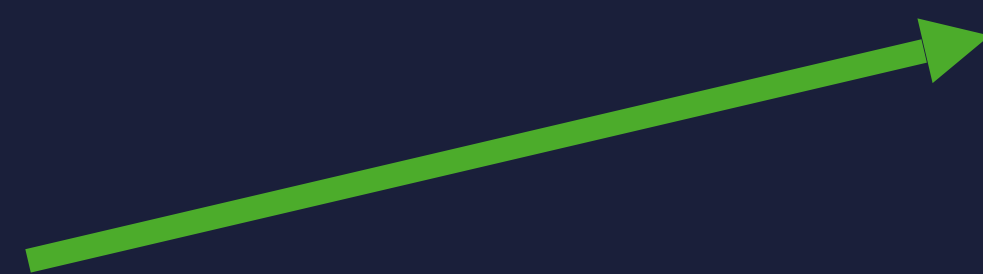
197

Q2/21

212

Q2/22

▲ +11.0%



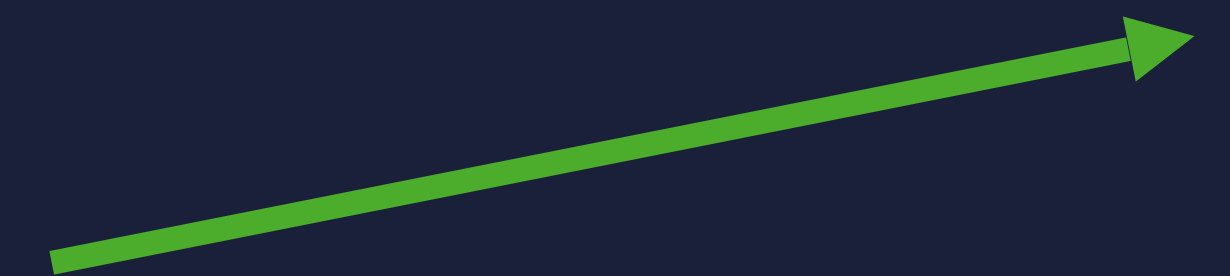
387

1H/21

430

1H/22

▲ +28.0%



586

2019

596

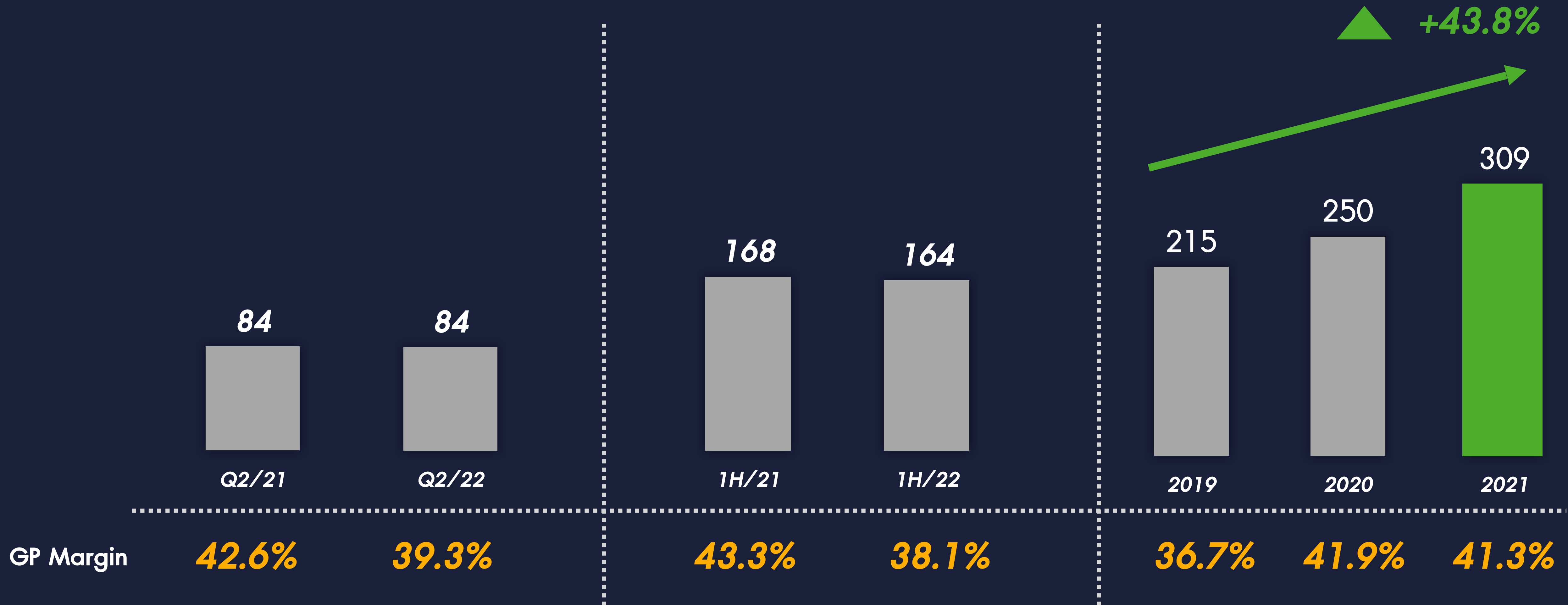
2020

750

2021

Unit : Million Baht

Maintaining Gross Profit



▲ +43.8%

309

215

250

84

84

168

164

Q2/21

Q2/22

1H/21

1H/22

2019

2020

2021

GP Margin

42.6%

39.3%

43.3%

38.1%

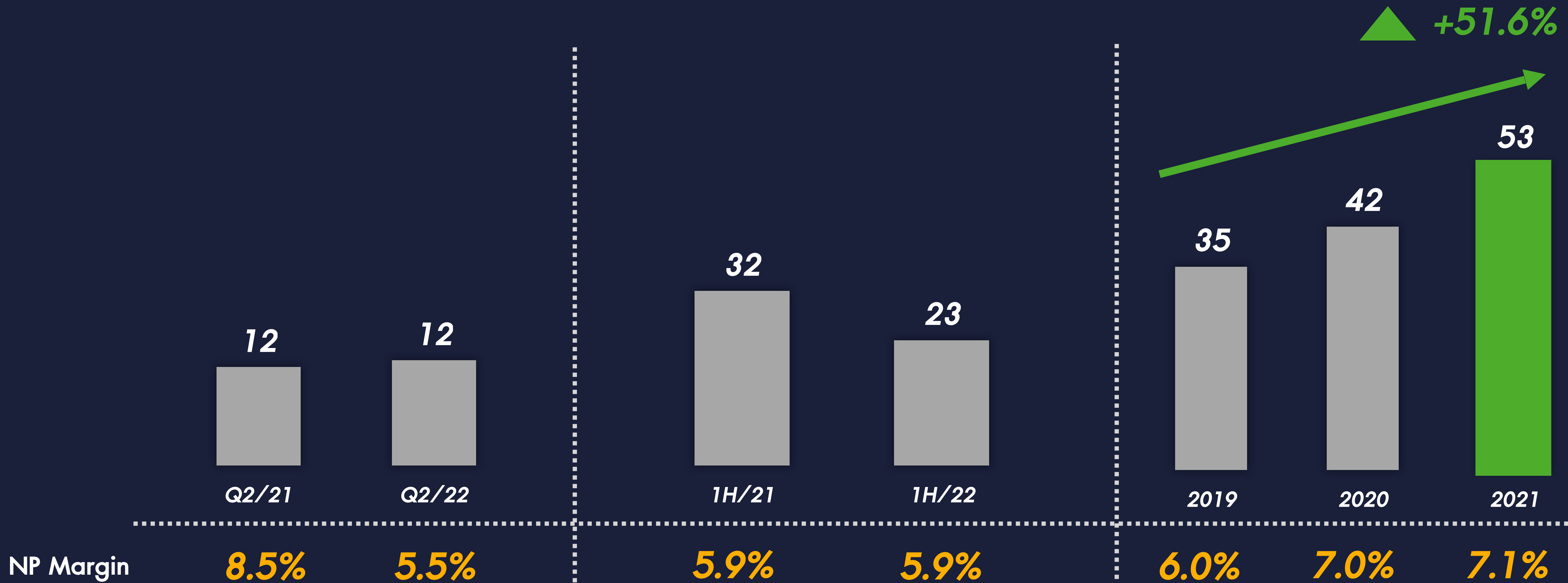
36.7%

41.9%

41.3%

Unit : Million Baht

Net Profit



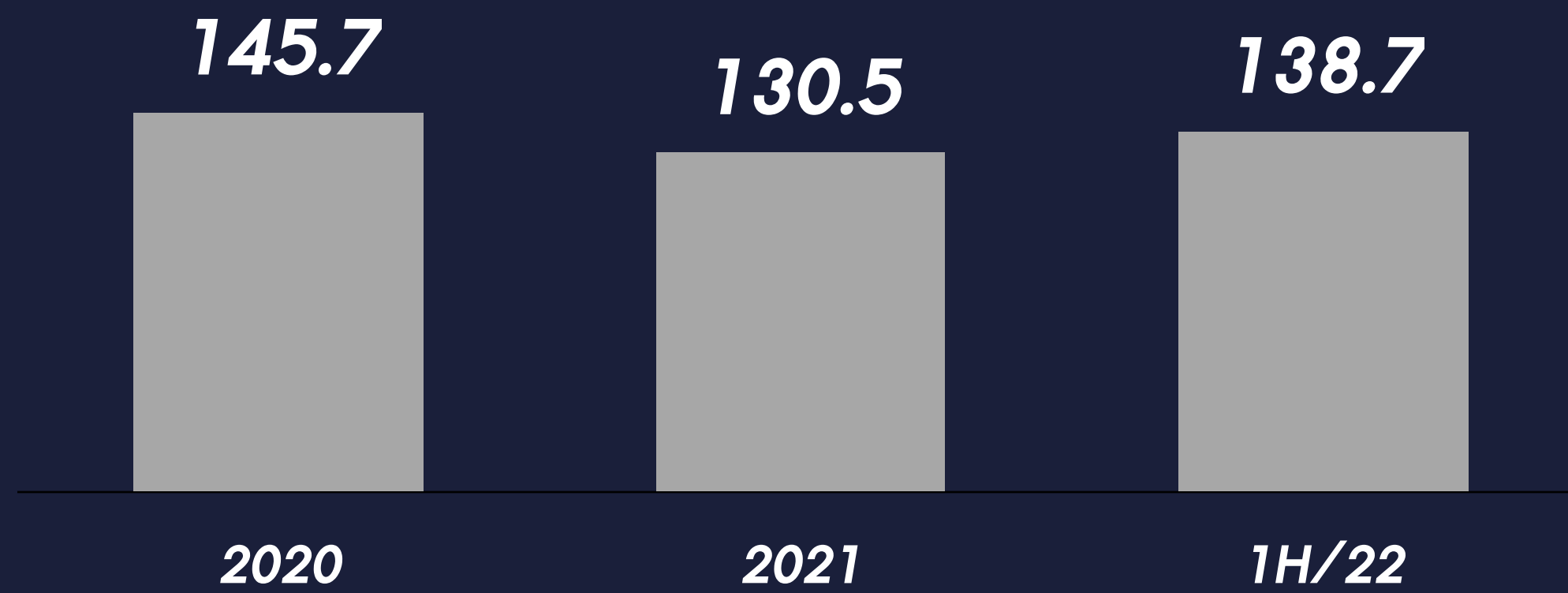
▲ +51.6%

Unit : Million Baht

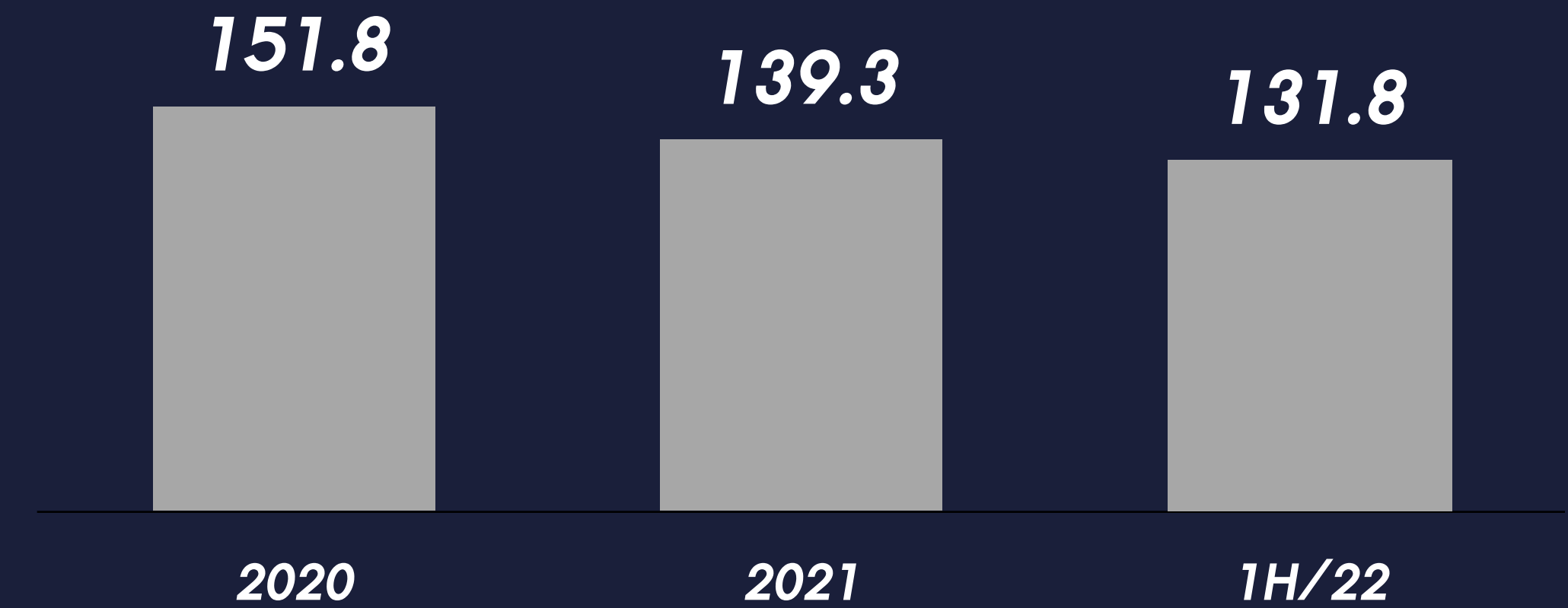
Key Financial Ratios



Accounts Receivable Days



Accounts Payable Days



Inventory Days

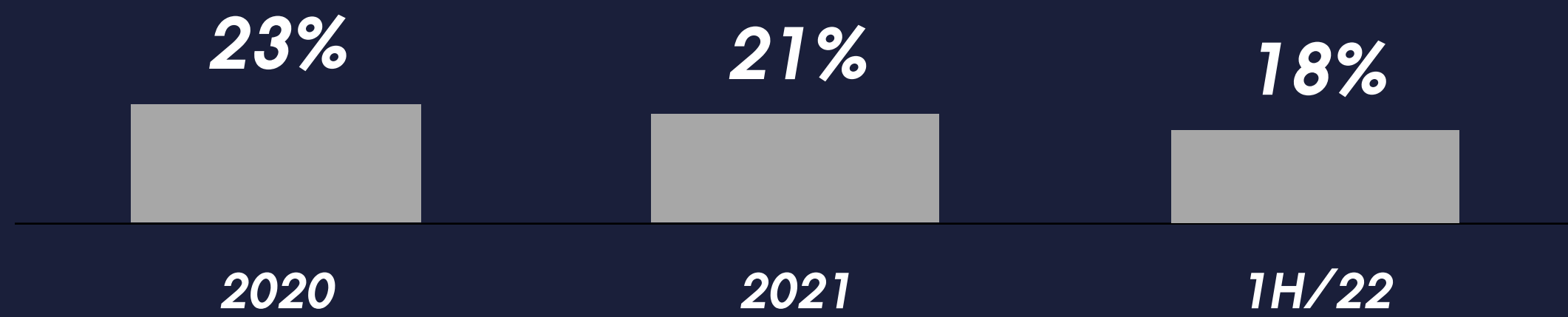


Cash Cycle Days

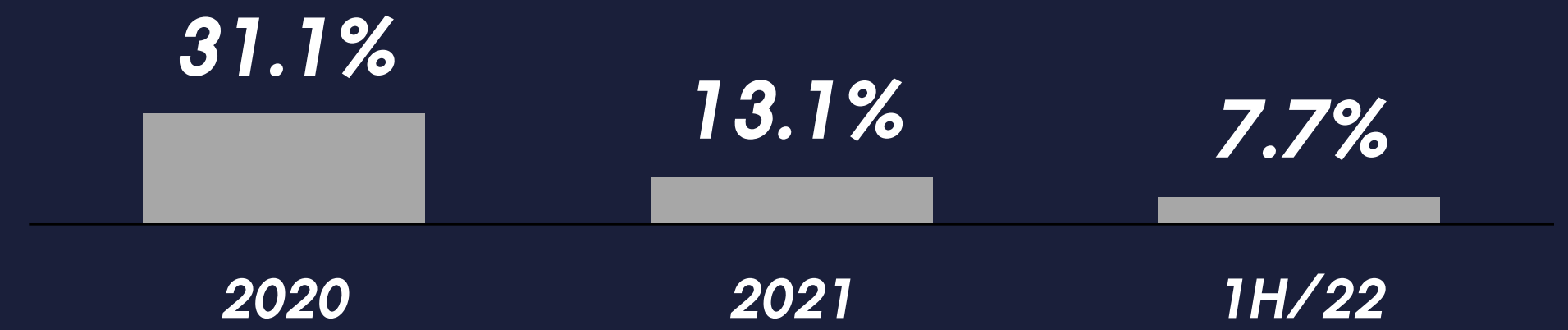


Key Financial Ratios

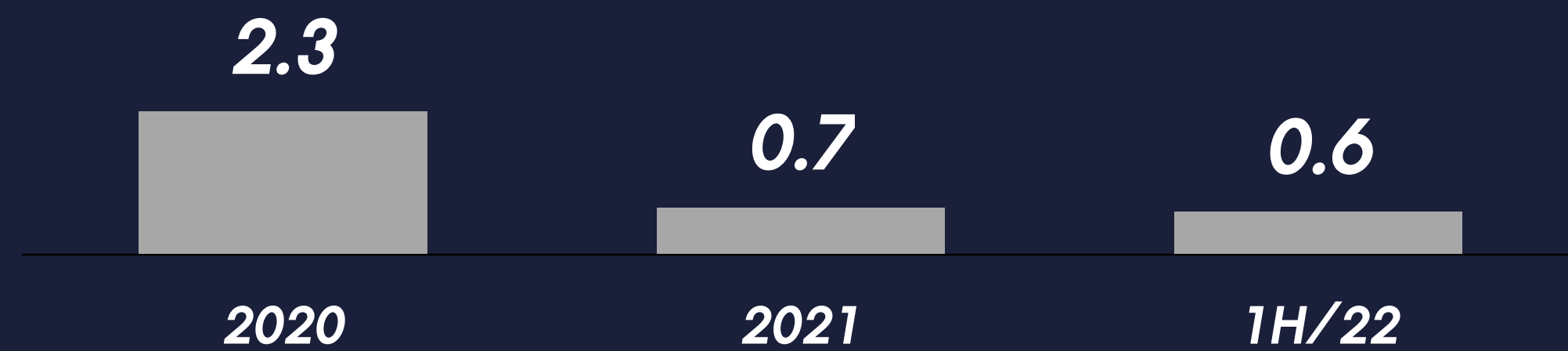
ROA



ROE



D/E



IBD/E





Growth Strategy



Sales Forecast



■ Organic
 ■ Inorganic

- M&As, JV's and new ventures are in progress and will create inorganic growth.

Key Differentiation Strategies



Increase market share in decorative paint and expanded distribution channel.



Build strong brand awareness.



Enhance production process efficiency.



Adopt agile management.



Enhance competitive edge and increase profitability capability through new strategic alliance and M&A.



Q&A





DELTA

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