

## Thai Plaspac Public Company Limited “TPAC” Management Discussion and Analysis for Q3’20

### Core Financials of Consolidation Business

THB Million (except where stated otherwise)	Quarterly				YTD	Three Years Performance			
	Q3’20	Q2’20	Q3’19	YoY <sup>1</sup>	YTD’20	FY19	FY18	FY17	CAGR%
Consolidated Revenue <sup>2</sup>	1,036	926	877	18%	3043	2,810	2,528	1,584	33%
EBITDA	194	216	138	41%	646	428	280	259	29%
<b>Core EBITDA<sup>3</sup></b>	<b>195</b>	<b>216</b>	<b>145</b>	<b>35%</b>	<b>647</b>	<b>452</b>	<b>330</b>	<b>267</b>	<b>30%</b>
Core EBIT <sup>3</sup>	140	138	67	107%	427	241	141	134	34%
Core Net Profit <sup>3</sup>	92	95	27	237%	287	131	43	114	7%
TPAC Core Net Profit <sup>3</sup>	80	88	22	257%	259	112	41	114	-1%
EPS	0.24	0.27	0.07	255%	0.79	0.37	0.12	0.42	-7%
<b>Core EPS<sup>3</sup></b>	<b>0.25</b>	<b>0.27</b>	<b>0.09</b>	<b>178%</b>	<b>0.79</b>	<b>0.44</b>	<b>0.16</b>	<b>0.45</b>	<b>-1%</b>
ROE <sup>4</sup>	15%	19%	7%	8%	17%	13%	3%	10%	n/a
Debt to Equity (times) <sup>5</sup>	0.72	0.86	2.31	(1.59)	0.72	0.89	2.08	0.00	n/a
Net Debt to Equity (times) <sup>6</sup>	0.60	0.68	2.26	(1.66)	0.60	0.87	2.02	0.00	n/a

1. YoY: Q3’19 vs Q3’20, 2. Revenue growth may not present a clear picture of actual sales growth, as our sales prices are a function of underlying feedstock (polymer) prices due to pass through pricing mechanism., 3. Core excludes 1-time expenses primarily related to M&A costs. Details of which are given in the segment analysis., 4. ROE (FY) = FY Profit attributable to equity / FY Avg. Equity excluded NCI, ROE (Qn) = Qn Profit attributable to equity (annualized) / Qn Equity excluded NCI, ROE (YTDn) = YTDn Profit attributable to equity (annualized) / Equity excluded NCI at the latest Q, 5. Debt to Equity = IBD / Equity, 6. Net Debt to Equity = (IBD - Cash) / Equity.

Dear Stakeholders,

- **TPAC Q3 ’20 core earnings per share Baht 0.25 per share, 178% increase to same period last year Q3’19, 9% decrease to previous quarter.**
- **TPAC Q3 ’20 core EBITDA Baht 195m, 35% increase to same period last year, 10% decrease to previous quarter.**

**Thai Plaspac Public Company Limited**

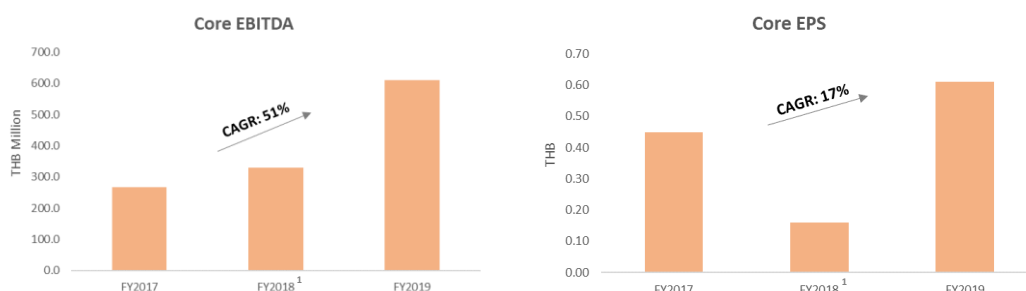
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COMPANY REGISTRATION NO. AND TAX ID : 0107547000575

## Thai Plaspac Public Company Limited “TPAC” Management Discussion and Analysis for Q3’20

### Background to TPAC story.



TPAC began operations in 1983 from our headquarters of Bangkok, Thailand.

For over 3 decades we have been a packaging partner to some of the world’s leading brands and entrepreneurs.

Our specialty focus is FMCG and pharmaceutical rigid plastic packaging.

Our team of technical experts evaluate a products technical design, engineering and sustainability considerations, before applying the right technologies to ensure the most efficient and reliable production.

Our production facilities are certified with world class hygiene controls as the vast majority of TPACs portfolio caters to segments where stringent hygiene standards are a requisite (Pharmaceuticals, Food & Beverage, Personal Hygiene).

TPACs packaging solutions use a select range of plastic polymers that are all recyclable and / or made from recycled material.

Our plants are equipped with the full range of plastic processing technologies (injection, extrusion blow, PET single stage and 2-stage)

TPAC has 10 production facilities spread across Thailand (4), India (5) and the United Arab Emirates (1).

Post a period of steady organic growth, in 2005 TPAC listed itself on the Stock Exchange of Thailand<sup>2</sup>.

In Q4’15, under new leadership (post a change of control at the shareholder level), a new bolder vision was outlined for TPAC.

**TPAC would aspire to be a global company, working with our customers globally, with a strong innovation focus.**

In Q2’18 TPAC made its first ever acquisition, with the acquisition of Custompack with 1 plant in Samutprakarn, Thailand (‘TPAC Bang Na’).

In Q3’18 TPAC acquired Sunrise Containers with 5 plants across the west and north of India (‘TPAC India’).

In Q3’19 TPAC acquired Sun packaging Systems, with 1 plant in the UAE.

In Q4’19, TPAC completed a fully subscribed THB 797m rights issue to prepare our balance sheet to for further growth opportunities.

From ’17 to ’19 we experienced consecutive upgrades to our CG rating<sup>3</sup>, to 4-star (Very Good)

As of today, TPAC has 10 plants and is has made entry into the emerging markets of the middle east and India.

**TPAC ’17-’19 achieved EBITDA CAGR 51%, EPS CAGR ~ 17%**

**Management is focused on diversified, defensive, non-cyclical, and high free cash generating revenue streams.**

Balance sheet well capitalised with Net Debt / Equity ~ 0.81x<sup>4</sup>

1) 2018 performance was affected by depreciation step up and tax costs post the amalgamation of TPAC India and Sunrise containers as well as peak quarterly finance costs. 2) Market for Alternative Investments (mai) 3) Thai Institute of Directors. 4) Balance sheet as of Q3’20, after adjusting for 20% of TPAC India minority equity acquisition.

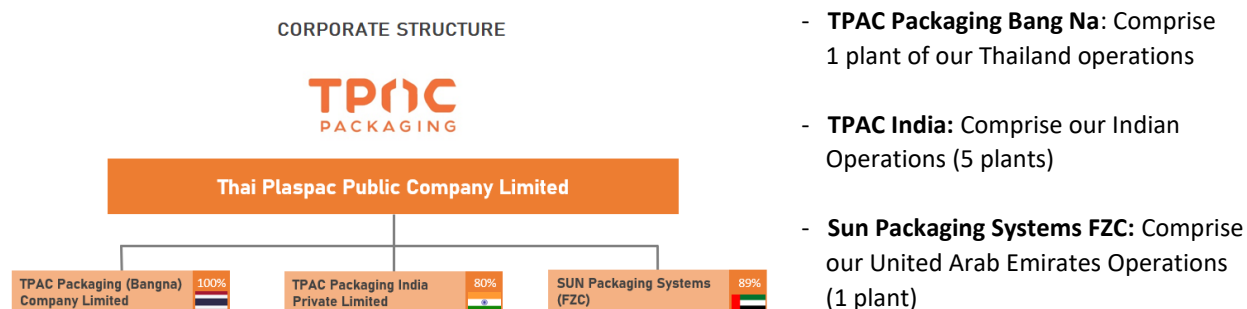
## Thai Plaspac Public Company Limited “TPAC” Management Discussion and Analysis for Q3’20

### Profit and Loss (TPAC Consolidated)

THB Million	Q3'20	Q2'20	% Δ	Q3'20	Q3'19	%Δ	YTD'20	YTD'19	%Δ
Sales	1,036.2	925.6	12%	1,036.2	876.9	18%	3,000.9	2,809.7	7%
Cost of sales	790.6	695.7	14%	790.6	727.5	9%	2,273.0	2,336.5	-3%
<b>Gross Profit</b>	<b>245.6</b>	<b>230.0</b>	<b>7%</b>	<b>245.6</b>	<b>149.5</b>	<b>64%</b>	<b>727.9</b>	<b>473.2</b>	<b>54%</b>
<b>Gross Profit Margin %</b>	<b>23.7%</b>	<b>24.8%</b>	<b>-1.1%</b>	<b>23.7%</b>	<b>17.0%</b>	<b>6.7%</b>	<b>24.3%</b>	<b>16.8%</b>	<b>7.4%</b>
SG&A	119.9	105.6	14%	119.9	99.8	20%	342.8	293.6	17%
Other income	13.6	13.1	4%	13.6	11.4	19%	41.6	36.8	13%
<b>EBITDA</b>	<b>194.4</b>	<b>216.1</b>	<b>-10%</b>	<b>194.4</b>	<b>138.3</b>	<b>41%</b>	<b>645.5</b>	<b>428.2</b>	<b>51%</b>
<b>EBITDA Margin %</b>	<b>18.5%</b>	<b>23.0%</b>	<b>-4.5%</b>	<b>18.5%</b>	<b>15.6%</b>	<b>2.9%</b>	<b>21.2%</b>	<b>15.0%</b>	<b>6.2%</b>
<b>Core EBITDA</b>	<b>194.9</b>	<b>216.4</b>	<b>-10%</b>	<b>194.9</b>	<b>144.6</b>	<b>35%</b>	<b>646.6</b>	<b>452.4</b>	<b>43%</b>
<b>Core EBITDA Margin %</b>	<b>18.6%</b>	<b>23.1%</b>	<b>-4.5%</b>	<b>18.6%</b>	<b>16.3%</b>	<b>2.3%</b>	<b>21.3%</b>	<b>15.9%</b>	<b>5.4%</b>
Depreciation and amortization	55.2	78.5	-30%	55.2	77.2	-29%	218.8	211.9	3%
<b>EBIT</b>	<b>139.3</b>	<b>137.5</b>	<b>1%</b>	<b>139.3</b>	<b>61.1</b>	<b>128%</b>	<b>426.8</b>	<b>216.4</b>	<b>97%</b>
<b>Core EBIT</b>	<b>139.8</b>	<b>137.9</b>	<b>1%</b>	<b>139.8</b>	<b>67.4</b>	<b>107%</b>	<b>427.8</b>	<b>240.5</b>	<b>78%</b>
<b>Core EBIT Margin %</b>	<b>13.3%</b>	<b>14.7%</b>	<b>-1.4%</b>	<b>13.3%</b>	<b>7.6%</b>	<b>5.7%</b>	<b>14.1%</b>	<b>8.4%</b>	<b>5.6%</b>
Finance costs	24.8	25.4	-2%	24.8	41.3	-40%	79.0	113.5	-30%
<b>Profit Before Tax</b>	<b>114.5</b>	<b>112.1</b>	<b>2%</b>	<b>114.5</b>	<b>19.8</b>	<b>478%</b>	<b>347.7</b>	<b>102.8</b>	<b>238%</b>
<b>Core Profit Before Tax</b>	<b>115.0</b>	<b>112.5</b>	<b>2%</b>	<b>115.0</b>	<b>26.1</b>	<b>341%</b>	<b>348.8</b>	<b>127.0</b>	<b>175%</b>
<b>Core Profit Before Tax Margin %</b>	<b>11.0%</b>	<b>12.0%</b>	<b>-1.0%</b>	<b>11.0%</b>	<b>2.9%</b>	<b>8.0%</b>	<b>11.5%</b>	<b>4.5%</b>	<b>7.0%</b>
Income tax expense	22.5	17.3	30%	22.5	-2.6	963%	60.5	-8.9	780%
<b>Net Profit</b>	<b>91.9</b>	<b>94.9</b>	<b>-3%</b>	<b>91.9</b>	<b>22.4</b>	<b>310%</b>	<b>287.2</b>	<b>111.7</b>	<b>157%</b>
<b>Net Profit Margin %</b>	<b>8.8%</b>	<b>10.1%</b>	<b>-1.3%</b>	<b>8.8%</b>	<b>2.5%</b>	<b>6.2%</b>	<b>9.4%</b>	<b>3.9%</b>	<b>5.5%</b>
<b>Core Net Profit</b>	<b>92.3</b>	<b>95.1</b>	<b>-3%</b>	<b>92.3</b>	<b>27.4</b>	<b>237%</b>	<b>288.0</b>	<b>131.0</b>	<b>120%</b>
<b>Core Net Profit Margin %</b>	<b>8.8%</b>	<b>10.1%</b>	<b>-1.3%</b>	<b>8.8%</b>	<b>3.1%</b>	<b>5.7%</b>	<b>9.5%</b>	<b>4.6%</b>	<b>4.9%</b>
<b>TPAC Net Profit</b>	<b>79.8</b>	<b>87.8</b>	<b>-9%</b>	<b>79.8</b>	<b>17.5</b>	<b>357%</b>	<b>258.6</b>	<b>93.1</b>	<b>178%</b>
<b>TPAC Net Profit Margin %</b>	<b>7.6%</b>	<b>9.4%</b>	<b>-1.8%</b>	<b>7.6%</b>	<b>2.0%</b>	<b>5.6%</b>	<b>8.5%</b>	<b>3.3%</b>	<b>5.2%</b>
<b>TPAC Core Net Profit</b>	<b>80.2</b>	<b>88.1</b>	<b>-9%</b>	<b>80.2</b>	<b>22.5</b>	<b>257%</b>	<b>259.4</b>	<b>112.4</b>	<b>131%</b>
<b>TPAC Core Net Profit Margin %</b>	<b>7.6%</b>	<b>9.4%</b>	<b>-1.7%</b>	<b>7.6%</b>	<b>2.5%</b>	<b>5.1%</b>	<b>8.5%</b>	<b>3.9%</b>	<b>4.6%</b>

Non-Recurring income/(expenses) (THB Million)	Q3'20	Q2'20	Q3'19	2020	2019
Overseas M&A Related Expenses	-	-	-	-	-
Thailand M&A Related Expenses	(0.5)	(0.4)	(6.2)	(1.1)	(17.0)
Employees' benefits (Thailand)	-	-	-	-	(8.8)
<b>Total</b>	<b>(0.5)</b>	<b>(0.4)</b>	<b>(6.2)</b>	<b>(1.1)</b>	<b>(25.8)</b>

TPAC Consolidated numbers consist of earnings from 3 subsidiaries all consolidated into Thai Plaspac Public Company Limited. The 3 subsidiary companies are:



Operations of ‘Thai Plaspac Public Company Limited’ (3 plants) and ‘TPAC Packaging Bang Na’ (1 plant) are together grouped and reported as ‘Thailand Business’ (all together comprise 4 plants).

Operations of ‘TPAC India’ and ‘Sun Packaging Systems FZC’ are together grouped and reported as ‘SUNPET Business’ (5 plants in India and 1 plant in UAE). Both of these companies market their packaging products under the ‘Sunpet’ brand.

### Thai Plaspac Public Company Limited

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COMPANY REGISTRATION NO. AND TAX ID : 0107547000575

## Thai Plaspac Public Company Limited “TPAC” Management Discussion and Analysis for Q3’20

### Profit and Loss (TPAC Thailand)

THB Million	Q3’20	Q2’20	% Δ	Q3’20	Q3’19	%Δ	YTD’20	YTD’19	%Δ
Sales	466.8	454.9	3%	466.8	412.1	13%	1,385.4	1,321.3	5%
Cost of sales	382.5	346.7	10%	382.5	343.4	11%	1,084.0	1,102.0	-2%
<b>Gross Profit</b>	<b>84.3</b>	<b>108.1</b>	<b>-22%</b>	<b>84.3</b>	<b>68.6</b>	<b>23%</b>	<b>301.4</b>	<b>219.3</b>	<b>37%</b>
<b>Gross Profit Margin %</b>	<b>18.1%</b>	<b>23.8%</b>	<b>-5.7%</b>	<b>18.1%</b>	<b>16.7%</b>	<b>1.4%</b>	<b>21.8%</b>	<b>16.6%</b>	<b>5.2%</b>
SG&A	55.1	47.0	17%	55.1	53.4	3%	153.7	159.2	-3%
Other income	4.0	2.5	59%	4.0	3.0	34%	10.3	9.7	6%
<b>EBITDA</b>	<b>67.8</b>	<b>101.3</b>	<b>-33%</b>	<b>67.8</b>	<b>49.6</b>	<b>37%</b>	<b>269.6</b>	<b>165.2</b>	<b>63%</b>
<b>EBITDA Margin %</b>	<b>14.4%</b>	<b>22.1%</b>	<b>-7.7%</b>	<b>14.4%</b>	<b>12.0%</b>	<b>2.5%</b>	<b>19.3%</b>	<b>12.4%</b>	<b>6.9%</b>
<b>Core EBITDA</b>	<b>68.2</b>	<b>101.7</b>	<b>-33%</b>	<b>68.2</b>	<b>55.9</b>	<b>22%</b>	<b>270.5</b>	<b>189.3</b>	<b>43%</b>
<b>Core EBITDA Margin %</b>	<b>14.5%</b>	<b>22.2%</b>	<b>-7.7%</b>	<b>14.5%</b>	<b>13.5%</b>	<b>1.0%</b>	<b>19.4%</b>	<b>14.2%</b>	<b>5.2%</b>
Depreciation and amortization	34.6	37.7	-8%	34.6	31.4	10%	111.6	95.4	17%
<b>EBIT</b>	<b>33.3</b>	<b>63.6</b>	<b>-48%</b>	<b>33.3</b>	<b>18.2</b>	<b>82%</b>	<b>158.0</b>	<b>69.8</b>	<b>126%</b>
<b>Core EBIT</b>	<b>33.6</b>	<b>64.0</b>	<b>-47%</b>	<b>33.6</b>	<b>24.5</b>	<b>37%</b>	<b>158.9</b>	<b>94.0</b>	<b>69%</b>
<b>Core EBIT Margin %</b>	<b>7.1%</b>	<b>14.0%</b>	<b>-6.8%</b>	<b>7.1%</b>	<b>5.9%</b>	<b>1.2%</b>	<b>11.4%</b>	<b>7.1%</b>	<b>4.3%</b>
Finance costs	8.1	8.0	1%	8.1	18.3	-56%	26.3	47.7	-45%
<b>Profit Before Tax</b>	<b>25.2</b>	<b>55.6</b>	<b>-55%</b>	<b>25.2</b>	<b>0.0</b>	<b>92727%</b>	<b>131.7</b>	<b>22.1</b>	<b>495%</b>
<b>Core Profit Before Tax</b>	<b>25.5</b>	<b>56.0</b>	<b>-54%</b>	<b>25.5</b>	<b>6.2</b>	<b>310%</b>	<b>132.7</b>	<b>46.3</b>	<b>187%</b>
<b>Core Profit Before Tax Margin %</b>	<b>5.4%</b>	<b>12.2%</b>	<b>-6.8%</b>	<b>5.4%</b>	<b>1.5%</b>	<b>3.9%</b>	<b>9.5%</b>	<b>3.5%</b>	<b>6.0%</b>
Income tax expense	6.1	11.6	-47%	6.1	0.1	6767%	26.2	1.5	1698%
<b>Net Profit</b>	<b>19.1</b>	<b>44.0</b>	<b>-57%</b>	<b>19.1</b>	<b>-0.1</b>	<b>16532%</b>	<b>105.5</b>	<b>20.7</b>	<b>410%</b>
<b>Net Profit Margin %</b>	<b>4.0%</b>	<b>9.6%</b>	<b>-5.6%</b>	<b>4.0%</b>	<b>0.0%</b>	<b>4.1%</b>	<b>7.6%</b>	<b>1.6%</b>	<b>6.0%</b>
<b>Core Net Profit</b>	<b>19.4</b>	<b>44.3</b>	<b>-56%</b>	<b>19.4</b>	<b>4.9</b>	<b>296%</b>	<b>106.2</b>	<b>40.0</b>	<b>166%</b>
<b>Core Net Profit Margin %</b>	<b>4.1%</b>	<b>9.7%</b>	<b>-5.6%</b>	<b>4.1%</b>	<b>1.2%</b>	<b>2.9%</b>	<b>7.6%</b>	<b>3.0%</b>	<b>4.6%</b>
<b>Non-Recurring income/(expenses) (THB Million)</b>				<b>Q3’20</b>	<b>Q2’20</b>	<b>Q3’19</b>	<b>2020</b>	<b>2019</b>	
Sunrise Containers / Sun packaging Systems M&A Related Expenses				(0.5)	(0.4)	(6.2)	(1.1)	(17.0)	
Employees' benefits							-	(8.8)	
<b>Total</b>				<b>(0.5)</b>	<b>(0.4)</b>	<b>(6.2)</b>	<b>(1.1)</b>	<b>(25.8)</b>	

**TPAC Thailand Q3 ’20 core EBITDA Baht 68mm, 22% increase to same period last year, 33% decrease to previous quarter.**

As compared to the previous quarter of Q2’20, gross profit margin contracted primarily as a result of a reduced raw material spread.

In Q2’20 TPAC Thailand’s raw material spread was wider as underlying polyolefin prices came down due to the oil price crash of April’20. Around the start of Q3’20, this reduction in underlying polyolefin prices was passed onto our customers.

EBITDA were also dragged down due to the poor performance of our Bang Na plant. Utilization rate in Bang Na continued to hover at around 35%. Management expects to obtain Bang Na’s food safety certification by Q1’21. As food packaging represents TPACs core strength, obtaining the food safety certification would be an important step in management’s efforts to unlock value from Bang Na. The turnaround of Bang Na is a clear strategic priority for our Thailand business and aside from the food safety certification, we have been investing to upgrade the infrastructure, development of the middle management leadership and most importantly creating a culture of excellence on the shop floor.

In Bang Khun Thian where we have 3 plants, utilization is around 65%.

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**Thai Plaspac Public Company Limited “TPAC”**  
**Management Discussion and Analysis for Q3’20**

**Management feels the outlook for our Thailand business is positive for 3 key reasons:**

- i) Thailand’s pipeline of new products under development continue to remain strong as our customers continue to trust us as their packaging partner of choice. On average it takes around 6 months for us to bring a project to commercialization, could be more or less depending on complexity of project. Our R&D teams are fully loaded with new projects and we are pushing hard to get these commercialized to further drive our utilization rates.
- ii) Given the low utilization rates of our Bang Khun Thian (~65%) and Bang Na (~35%) plants there is significant upside to be unlocked, with minimal capex in most cases required only into moulds.
- iii) TPAC position within defensive end segments of food & dairy, personal care, pharmaceuticals and home care have all demonstrated resilience during these past very tough 9 months for Thailand and the world. We are very satisfied with the segments in which we play and excel in. We are in a great niche with lots of growth potential. We do not want or need to enter into different segments. We love where we are and will continue to work tirelessly for our customers to truly perceive us as the clear differentiated leader in Thailand for such rigid plastic consumer and pharmaceuticals packaging solutions.

TPAC Thailand’s YTD ’20 core EBITDA is 43% up, versus YTD’19. We are continuing to push hard targeting to end this year in Thailand with a record annual EBITDA growth rate!

**Thai Plaspac Public Company Limited “TPAC”**  
**Management Discussion and Analysis for Q3’20**

Profit and Loss (Sunpet Business)

THB Million	Q3’20	Q2’20	% Δ	Q3’20	Q3’19	%Δ	YTD’20	YTD’19	%Δ
Sales	569.4	470.8	21%	569.4	464.9	22%	1615.5	1489.1	8%
Cost of sales	403.7	346.0	17%	403.7	372.3	8%	1176.8	1223.6	-4%
<b>Gross Profit</b>	<b>165.7</b>	<b>124.7</b>	<b>33%</b>	<b>165.7</b>	<b>92.5</b>	<b>79%</b>	<b>438.7</b>	<b>265.5</b>	<b>65%</b>
<b>Gross Profit Margin %</b>	<b>29.1%</b>	<b>26.5%</b>	<b>2.6%</b>	<b>29.1%</b>	<b>19.9%</b>	<b>9.2%</b>	<b>27.2%</b>	<b>17.8%</b>	<b>9.3%</b>
SG&A	64.8	58.5	11%	64.8	46.3	40%	189.1	134.5	41%
Other income	9.6	10.6	-9%	9.6	8.3	15%	31.3	27.2	15%
<b>EBITDA</b>	<b>126.6</b>	<b>114.8</b>	<b>10%</b>	<b>126.6</b>	<b>91.0</b>	<b>39%</b>	<b>375.9</b>	<b>265.4</b>	<b>42%</b>
<b>EBITDA Margin %</b>	<b>21.9%</b>	<b>23.8%</b>	<b>-2.0%</b>	<b>21.9%</b>	<b>19.2%</b>	<b>2.6%</b>	<b>22.8%</b>	<b>17.5%</b>	<b>5.3%</b>
<b>Core EBITDA</b>	<b>126.6</b>	<b>114.8</b>	<b>10%</b>	<b>126.6</b>	<b>91.0</b>	<b>39%</b>	<b>375.9</b>	<b>265.4</b>	<b>42%</b>
<b>Core EBITDA Margin %</b>	<b>21.9%</b>	<b>23.8%</b>	<b>-2.0%</b>	<b>21.9%</b>	<b>19.2%</b>	<b>2.6%</b>	<b>22.8%</b>	<b>17.5%</b>	<b>5.3%</b>
Depreciation and amortization	16.1	38.0	-58%	16.1	36.5	-56%	95.0	107.2	-11%
<b>EBIT</b>	<b>110.5</b>	<b>76.8</b>	<b>44%</b>	<b>110.5</b>	<b>54.5</b>	<b>103%</b>	<b>280.9</b>	<b>158.2</b>	<b>78%</b>
<b>Core EBIT</b>	<b>110.5</b>	<b>76.8</b>	<b>44%</b>	<b>110.5</b>	<b>54.5</b>	<b>103%</b>	<b>280.9</b>	<b>158.2</b>	<b>78%</b>
<b>Core EBIT Margin %</b>	<b>19.1%</b>	<b>16.0%</b>	<b>3.1%</b>	<b>19.1%</b>	<b>11.5%</b>	<b>7.6%</b>	<b>17.1%</b>	<b>10.4%</b>	<b>6.6%</b>
Finance costs	16.7	17.4	-4%	16.7	23.0	-27%	52.8	65.8	-20%
<b>Profit Before Tax</b>	<b>93.8</b>	<b>59.4</b>	<b>58%</b>	<b>93.8</b>	<b>31.5</b>	<b>197%</b>	<b>228.1</b>	<b>92.4</b>	<b>147%</b>
<b>Core Profit Before Tax</b>	<b>93.8</b>	<b>59.4</b>	<b>58%</b>	<b>93.8</b>	<b>31.5</b>	<b>197%</b>	<b>228.1</b>	<b>92.4</b>	<b>147%</b>
<b>Core Profit Before Tax Margin %</b>	<b>16.2%</b>	<b>12.3%</b>	<b>3.9%</b>	<b>16.2%</b>	<b>6.7%</b>	<b>9.5%</b>	<b>13.9%</b>	<b>6.1%</b>	<b>7.8%</b>
Income tax expense	16.4	5.7	189%	16.4	-2.7	708%	34.3	-10.4	431%
<b>Net Profit</b>	<b>77.3</b>	<b>53.7</b>	<b>44%</b>	<b>77.3</b>	<b>34.2</b>	<b>126%</b>	<b>193.8</b>	<b>102.7</b>	<b>89%</b>
<b>Net Profit Margin %</b>	<b>13.4%</b>	<b>11.2%</b>	<b>2.2%</b>	<b>13.4%</b>	<b>7.2%</b>	<b>6.1%</b>	<b>11.8%</b>	<b>6.8%</b>	<b>5.0%</b>
<b>Core Net Profit</b>	<b>77.3</b>	<b>53.7</b>	<b>44%</b>	<b>77.3</b>	<b>34.2</b>	<b>126%</b>	<b>193.8</b>	<b>102.7</b>	<b>89%</b>
<b>Core Net Profit Margin %</b>	<b>13.4%</b>	<b>11.2%</b>	<b>2.2%</b>	<b>13.4%</b>	<b>7.2%</b>	<b>6.1%</b>	<b>11.8%</b>	<b>6.8%</b>	<b>5.0%</b>

**SUNPET Q3 ’20 core EBITDA Baht 127mm, 39% increase to same period last year, 10% increase to previous quarter.**

**SUNPET business comprises our business in the UAE and India.**

The Indian consumer story continues to show its resilience, further reinforcing TPACs belief that the world’s most exciting consumer growth story is that of India’s.

TPACs leadership position within the PET food and pharmaceutical segments is allowing us to nicely capture this growth.

At TPAC we are feeling very encouraged at the resiliency shown across all our Sunpet segments. These include food, personal care & pharmaceutical packaging.

This resilience and exciting growth profile of the Indian FMCG market made it almost an easy decision for management to decide upon exercising our call option to purchase the remaining 20% equity stake of TPAC India<sup>5</sup>.

It is of course never an easy decision to be doing M&A whilst in the midst of an unprecedented pandemic with India being one of the worst impacted countries in the world and with one of the highest infection numbers.

But our rock-solid performance is testament to the strength and the resilience of the business that TPAC India is.

5) On 22<sup>nd</sup> October 2020, TPAC completed the acquisition of the remaining 20% equity stake for TPAC India

## **Thai Plaspac Public Company Limited “TPAC”**

### **Management Discussion and Analysis for Q3’20**

As the acquisition of the remaining 20% was completed at the start of Q4’20, the earnings for the remaining 20% are not reflected in TPACs earnings as yet. Thai Plaspac now owns a 100% of our Indian business and we are delighted with our entry into the Indian market so far.

TPAC now has a solid leadership team on the ground. With our 5 plants, we have an established presence in the north and west of India.

2 more greenfield plants, 1 dedicated to pharmaceuticals and another for food are under construction. Once completed we will have 7 plants, all in the west and north.

Developing a pan India presence with plants also in the east and south of India are a strategic priority of ours. This could happen via M&A or further greenfield projects.

Expanding our product offerings to also cater for packaging solutions using High Density Polyethylene (HDPE) and Polypropylene (PP), similar to our Thailand operation, are also seriously being evaluated. At present, TPAC India is only focused on PET packaging. This could also happen via M&A or organically or perhaps both.

There are a number of M&A opportunities in the pipeline which have the potential to deliver strong synergies and transform us into the leading rigid plastic consumer and pharmaceutical packaging company in India.

Crucially, TPAC now has a firm foothold into the immense Indian market of over 1.4 billion people. We understand what it takes to be successful in India and our team on the ground comprise of passionate professional all determined to make TPAC the No.1 rigid plastic packaging company in India. Our peoples performance during this very difficult Covid-19 period all working from home, does provide some insight into the determination and passion of our team in India.

There is much opportunity ahead for us in India. Disciplined execution and cost excellence are the key as India is a ruthless place for companies that lack these attributes. We keep reminding ourselves of this every day.

With respect to our Middle East (UAE) plant which comprises ~20% of the total Sunpet business revenues, like India, the Middle East business also continues to demonstrate solid resilience despite the weak macro-economic backdrop and pains brought by Covid-19.

No different to Thailand, the niches where we operate (food, pharmaceuticals, personal care) in India and the Middle East are exactly where we want to be and the customer base that we have continue to view TPAC as their packaging partner of choice. TPAC continues to interact intimately with these customers, and lots of exciting discussions are ongoing on how we can further grow together, as similar to India, we feel the golden decades of growth are ahead for the Middle East underpinned by a young and vibrant demographic.

#### **Thai Plaspac Public Company Limited**

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COMPANY REGISTRATION NO. AND TAX ID : 0107547000575

## Thai Plaspac Public Company Limited “TPAC” Management Discussion and Analysis for Q3’20

### Balance Sheet (Consolidated)

THB Million	As at 30 Sep'20	As at 30 Jun'20	% Δ	As at 30 Sep'20	As at 30 Sep'19	% Δ
Cash and cash equivalents	271.3	361.1	-25%	271.3	54.6	397%
Trade and other receivables	803.8	764.0	5%	803.8	734.6	9%
Inventories	315.8	290.3	9%	315.8	291.2	8%
Other current financial assets	-	0.6	-100%	-	102.0	-100%
Advance purchase for raw material	11.8	0.4	3081%	11.8	14.2	-17%
Other current assets	50.8	37.8	34%	50.8	39.5	28%
<b>Total current assets</b>	<b>1,453.5</b>	<b>1,454.2</b>	<b>0%</b>	<b>1,453.5</b>	<b>1,236.1</b>	<b>18%</b>
Restricted bank deposits	24.4	25.6	-5%	24.4	35.9	-32%
Investments in subsidiaries	-	-	n/a	-	-	n/a
Long-term investment	2.4	9.6	-75%	2.4	-	n/a
Property, plant and equipment	1,549.3	1,513.8	2%	1,549.3	1,498.1	3%
Right-of-use assets	90.3	91.3	-1%	90.3	-	n/a
Goodwill	1,052.9	1,008.3	4%	1,052.9	1,035.0	2%
Intangible assets	381.9	376.1	2%	381.9	416.5	-8%
Deferred tax assets	9.1	8.6	5%	9.1	6.9	32%
Withholding tax deducted at source	93.2	93.2	0%	93.2	84.9	10%
Advance payment for purchasing of molds	57.9	59.9	-3%	57.9	27.1	113%
Assets associated with call options	8.8	8.8	0%	8.8	8.8	0%
Other non-current assets	50.0	38.4	30%	50.0	38.7	29%
<b>Total non current assets</b>	<b>3,320.1</b>	<b>3,233.8</b>	<b>3%</b>	<b>3,320.1</b>	<b>3,152.0</b>	<b>5%</b>
<b>Total assets</b>	<b>4,773.6</b>	<b>4,688.0</b>	<b>2%</b>	<b>4,773.6</b>	<b>4,388.1</b>	<b>9%</b>
Bank overdraft and short-term loans from banks	426.0	438.0	-3%	426.0	333.1	28%
Trade and other payables	321.6	338.4	-5%	321.6	268.1	20%
Current portion of long-term debentures	77.3	66.6	16%	77.3	55.1	40%
Current portion of long-term lease liabilities	7.1	6.9	3%	7.1	-	n/a
Current portion of long-term loans from banks	114.5	134.9	-15%	114.5	471.9	-76%
Income tax payable	6.6	8.2	-20%	6.6	-	n/a
Other current financial liabilities	0.5	-	n/a	0.5	-	n/a
Liabilities associated with share purchase agreement in subsidiary	481.9	-	n/a	481.9	-	n/a
Other current liabilities	43.8	39.9	10%	43.8	34.5	27%
<b>Total current liabilities</b>	<b>1,479.4</b>	<b>1,033.0</b>	<b>43%</b>	<b>1,479.4</b>	<b>1,162.6</b>	<b>27%</b>
Long-term debentures - net of current portion	410.9	424.3	-3%	410.9	475.1	-14%
Long-term lease liabilities, net of current portion	84.5	85.5	-1%	84.5	-	n/a
Long-term loans from banks - net of current portion	460.8	544.0	-15%	460.8	1,116.1	-59%
Non-controlling interest put options	-	488.6	-100%	-	470.3	-100%
Deferred tax liabilities	84.3	64.5	31%	84.3	49.5	70%
Provision for long-term employee benefits	70.9	69.3	2%	70.9	54.8	29%
Other non-current liabilities	-	-	n/a	-	-	n/a
<b>Total non current liabilities</b>	<b>1,111.4</b>	<b>1,676.2</b>	<b>-34%</b>	<b>1,111.4</b>	<b>2,165.8</b>	<b>-49%</b>
<b>Total liabilities</b>	<b>2,590.7</b>	<b>2,709.2</b>	<b>-4%</b>	<b>2,590.7</b>	<b>3,328.4</b>	<b>-22%</b>
Registered share capital	326.6	326.6	0%	326.6	255.0	28%
Issued and paid-up capital	326.5	326.5	0%	326.5	253.8	29%
Premium on ordinary shares	1,027.0	1,027.0	0%	1,027.0	302.9	239%
Appropriated - statutory reserve	28.6	28.6	0%	28.6	25.5	12%
Retained earnings	854.1	774.3	10%	854.1	597.6	43%
Other components of shareholders' equity	(174.3)	(279.8)	-38%	(174.3)	(218.5)	-20%
Equity attributable to owners of the Company	2,061.9	1,876.6	10%	2,061.9	961.3	114%
Non-controlling interests of the subsidiaries	120.9	102.1	18%	120.9	98.4	23%
<b>Total shareholders' equity</b>	<b>2,182.9</b>	<b>1,978.8</b>	<b>10%</b>	<b>2,182.9</b>	<b>1,059.7</b>	<b>106%</b>
<b>Total liabilities and shareholders' equity</b>	<b>4,773.6</b>	<b>4,688.0</b>	<b>2%</b>	<b>4,773.6</b>	<b>4,388.1</b>	<b>9%</b>

**Remark:** Translation of financial statements in foreign currency

Profit/Loss	Q3'20	Q2'20	Q3'19	Balance Sheet	Q3'20	Q2'20	Q3'19
INR	0.4256	0.4274	0.4385	INR	0.4297	0.4100	0.4238
AED	8.5796	8.6044	8.3503	AED	8.6191	8.4100	8.3284

### Thai Plaspac Public Company Limited

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**Thai Plaspac Public Company Limited “TPAC”**  
**Management Discussion and Analysis for Q3’20**

As at end Q3’20, TPAC Net Interest-Bearing Debt / Equity = 0.60x.

However, as of end Q3’20, the Share Purchase Agreement had been entered into for the purchase of the remaining 20% equity stake of TPAC India.

The liabilities associated with this acquisition is recorded as the line item under current liabilities, ‘Liabilities associated with share purchase agreement in subsidiary’.

Post bank funding & consolidation of this acquisition which happened on 5<sup>th</sup> October 2020, the Net Interest Bearing Debt / Equity has increased to 0.81x<sup>6</sup>

This comfortably still leaves us with ample headroom to execute on potential further M&A.

TPAC consolidated Net Debt / Equity covenants at 2.0x.

Shareholders equity has posted a healthy increase of 10% in Q3’20 over Q2’20. This has come from

- 10% increase in retained earnings resulting from Baht 80m of profits for the quarter.
- FX translation gain from both India and UAE over the quarter recorded under ‘other components of shareholders equity’. Both currencies strengthened against the Thai baht over the quarter

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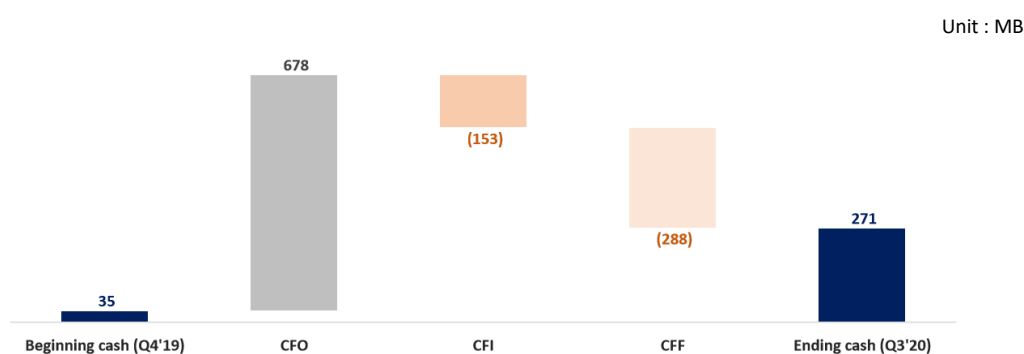
6) Balance sheet as of Q3’20, after adjusting for 20% of TPAC India minority equity acquisition.

## Thai Plaspac Public Company Limited “TPAC” Management Discussion and Analysis for Q3’20

### Cash Flow (Consolidated)

THB Million	Jan-Sep 20
<b>Cash flow from Operating Activities</b>	
Profit Before Tax	347.7
Adjustment : Depreciation and Amortisation	245.6
Adjustment : Other adjustments	91.2
Profit from operating activities before changes to working capital	684.5
Net changes to working capital	18.2
Other Net changes from operating activities	-4.1
Cash flows from Operating Activities	698.6
Cash paid for corporate income tax	-20.9
<b>Net Cash Flows from Operating Activities</b>	<b>677.7</b>
<b>Cash flow from Investing Activities</b>	
Acquisition of Fixed Assets	-223.3
Proceeds from equipments sales	3.3
Other	66.9
<b>Net Cash Flow used in Investing Activities</b>	<b>-153.0</b>
<b>Cash flow from Financing Activities</b>	
Increase (decrease) in short-term loans from bank	48.6
Increase from restricted bank deposit	2.5
Repayment of long-term loan	-173.2
Repayment of debenture	-55.3
Cash paid for finance lease payable	-9.6
Finance costs	-89.4
Dividend Paid Out	-40.8
<b>Net Cash Flow from Financing Activities</b>	<b>-317.3</b>
Decrease in exchange differences on translation of financial statements in foreign currency	29.4
<b>Change in Cash and Cash Equivalents</b>	<b>236.7</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>34.7</b>
<b>Cash and Cash equivalents - Closing Period Balance</b>	<b>271.3</b>

### Cash flow bridge for 9 months period of 2020



- (i) CFO: Cash flow from operation activities
- (ii) CFI: Cash flow from investing activities
- (iii) CFF: Cash flow from financing activities and included translation adjustment (29.4MB)

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