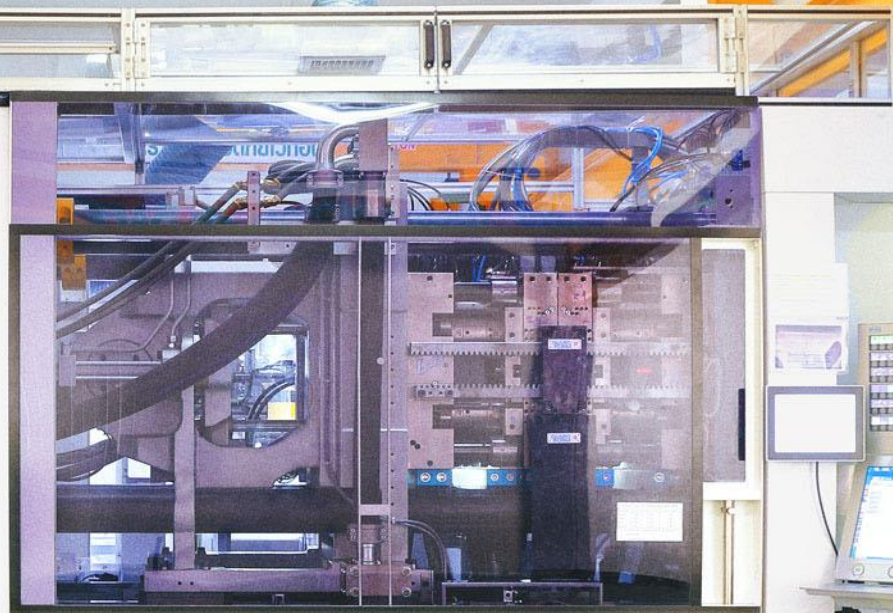


Aspiration '23

April 30<sup>th</sup>, 2021

**TPHC**  
PACKAGING





## DISCLAIMER

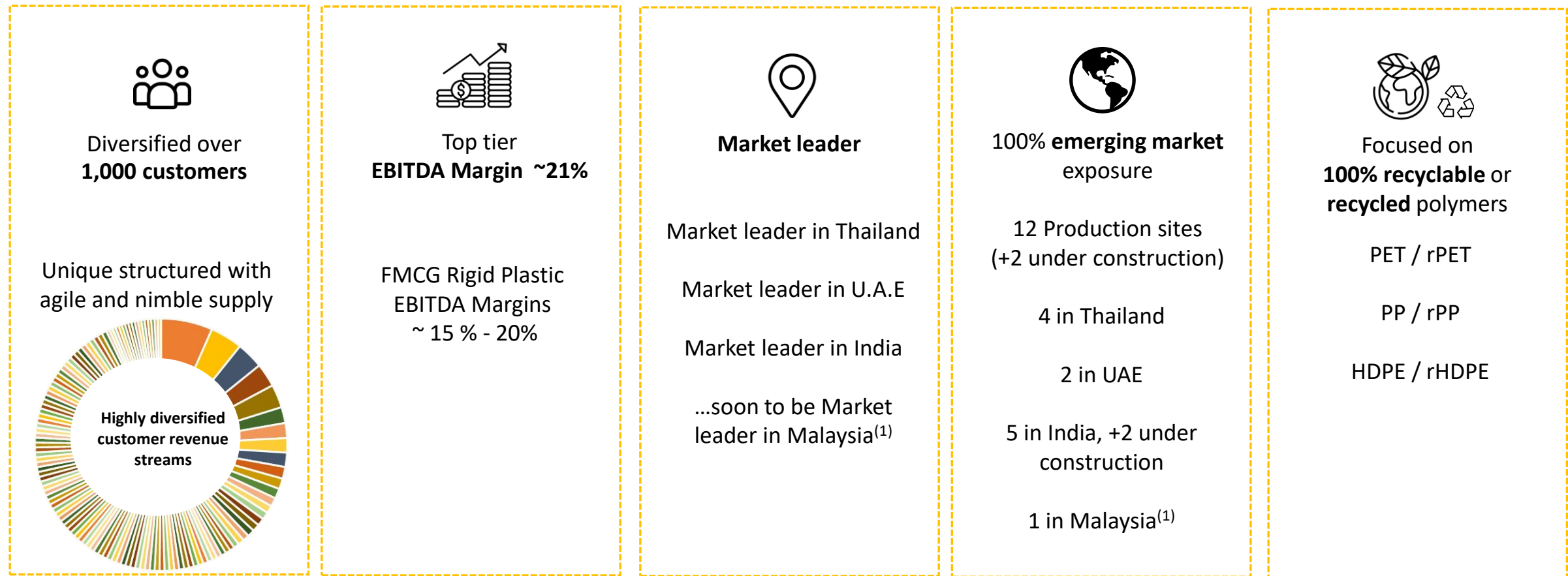
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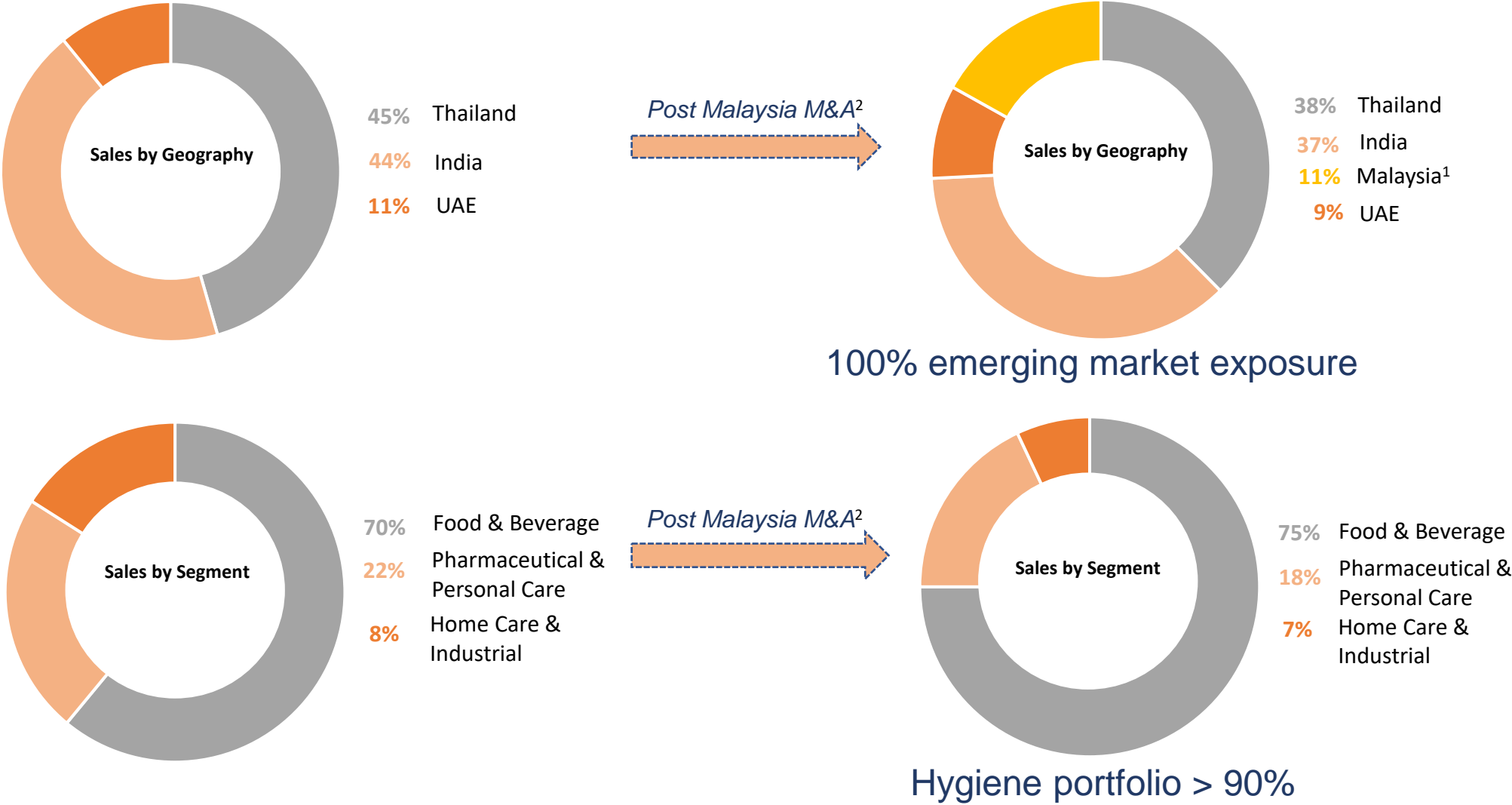
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TPAC is a packaging solutions specialist, focused on the design and manufacture of sustainable rigid plastic packaging for the consumer and pharmaceutical segments.



(1) TPAC entered into definitive agreements to acquire Combi-pack on Apr. 10, 2021 transaction expected to close on or around May 31, 2021

Catering to Pharmaceuticals and Food Packaging in the Emerging Markets is at the core of our operation. Malaysian acquisition further strengthens ASEAN engine and sharpens TPAC Food focus.



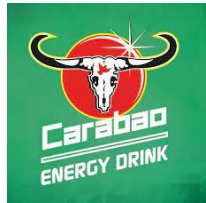
Source : TPAC Analysis  
<sup>1</sup>Exchange rate of Combi-Pack @7.5 THB/MYR  
<sup>2</sup>TPAC entered into definitive agreements to acquire Combi-pack on Apr. 10, 2021 transaction expected to close on or around May 31, 2021

# Products



# Market leading customer base

## Thai Champions



## FMCG MNCs



## Indian Champions



## Pharma Giants



## Topics of discussion today



### **Chapter 1:**

**Aspiration'20**

**2015 - 2020**

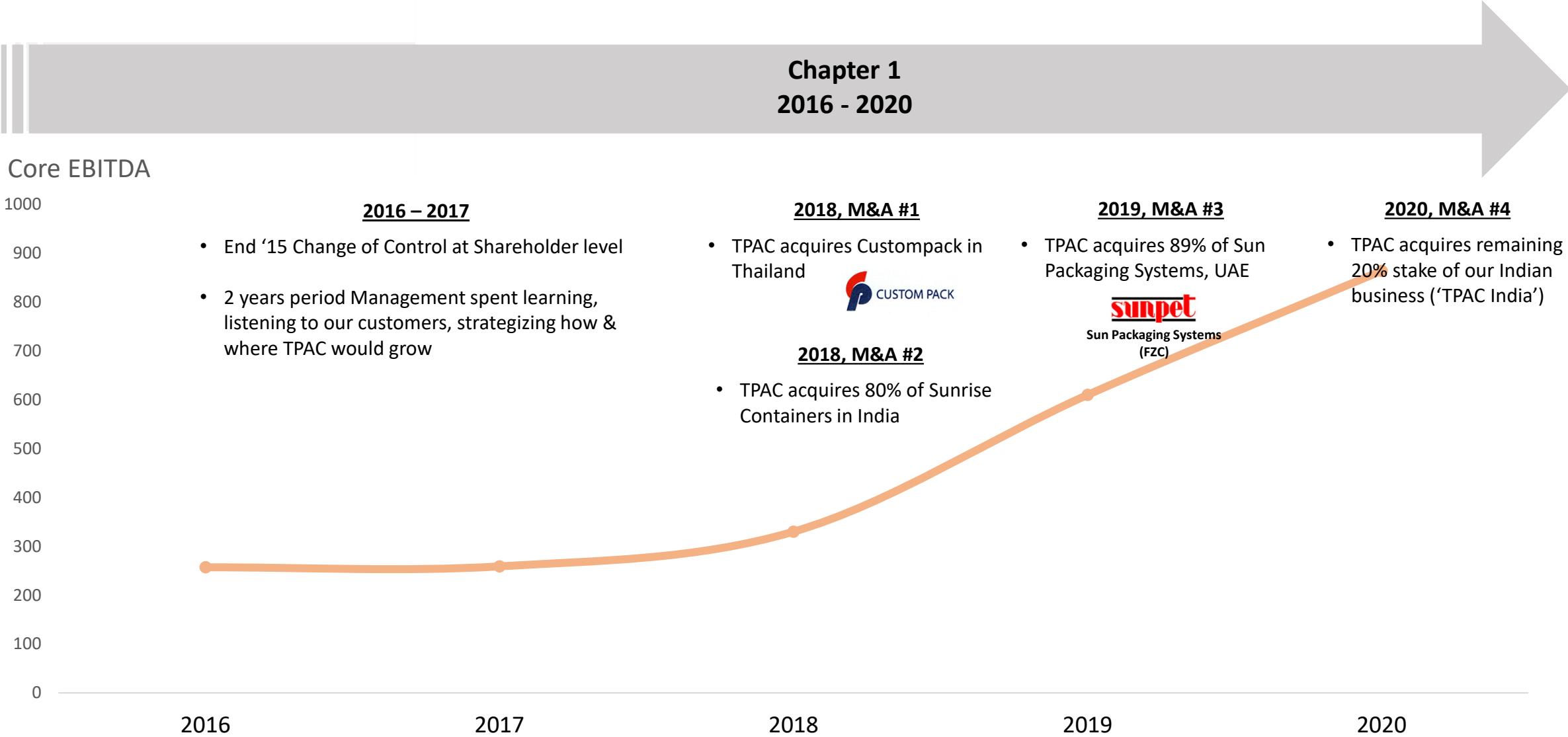


### **Chapter 2:**

**Aspiration '23**

**2021 – 2023**

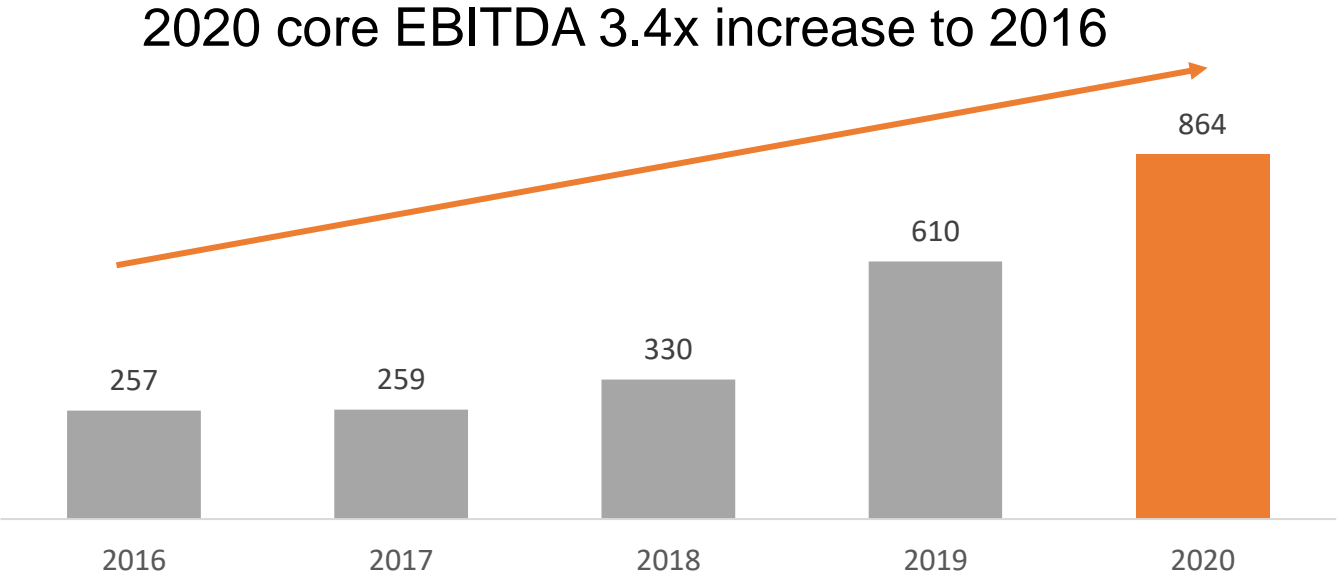
2016 was the first year upon a change of control at the shareholder level. TPAC has transformed since, but this is just the start. Management expects the future pace of transformation to now accelerate.



Source : TPAC Analysis

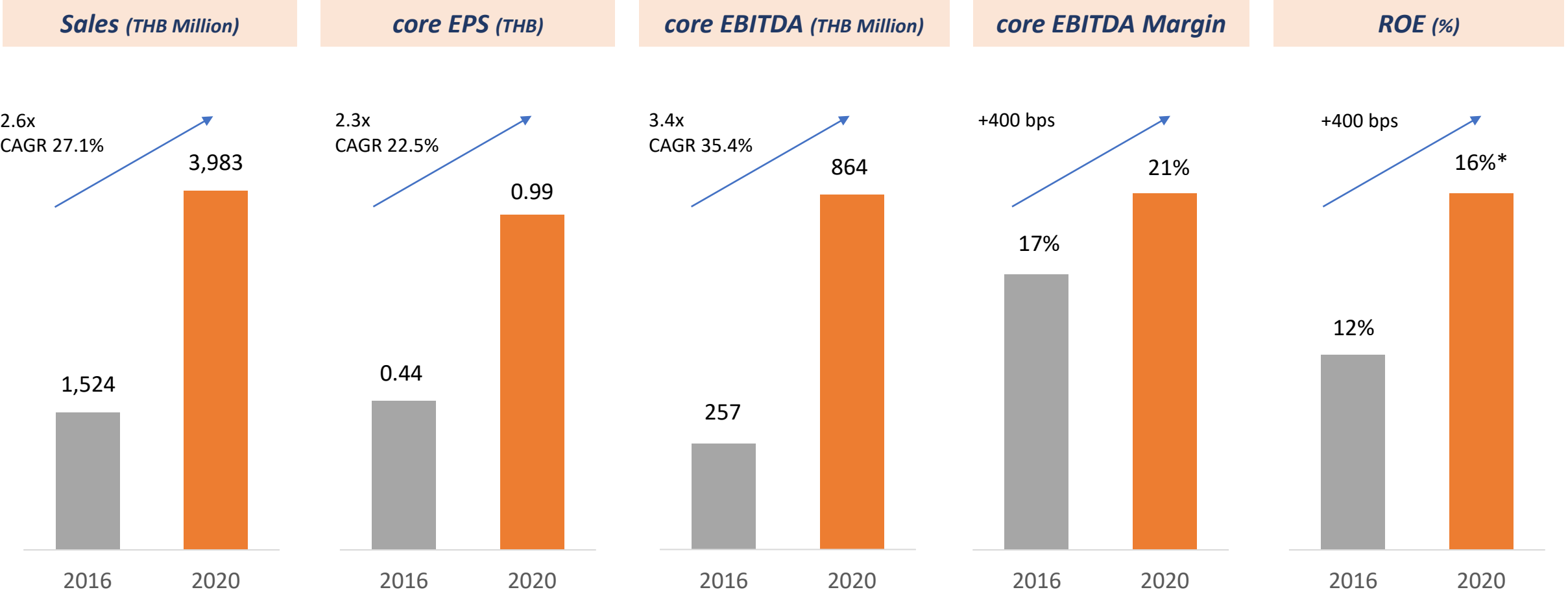


# Chapter 1: EBITDA growth achieved



Source : Financial Statements ended Dec 31, 2020

Since 2016, TPAC has grown respectably in absolute terms, and also expanded our margins.



ROE = Net profit attributed to the Company / average shareholder equity excluded NCI  
Source : Financial Statements ended Dec 31, 2020

Together with our financial value creation, we have enhanced Customer Intimacy, our People and Portfolio.

- **TPAC has exceeded and delivered on our 2016 aspiration**
  - ✓ 2016 – 2020 core EBITDA 35% CAGR; 3.4x
- **Aside from the financial objectives, just as important has been the Non-Financial Objectives achieved**
  - ✓ **Team & Culture:** Built a team with hunger to win. Instilled high performance management culture.
    - Right team is now in place. Teams mentality tested and proven, especially during these pandemic times.
  - ✓ **M&A Skills:** Developed M&A Execution & Integration Capability
    - We have successfully completed and integrated 2 cross-border acquisitions (3 post Malaysia M&A) and 1 domestic acquisition.
  - ✓ **De-Risked:** Have significantly further diversified our revenue streams
    - ~ 45% of our revenues are today from Thailand as compared to 100% 4 years ago.
    - Top 1 customers 6% revenue, top 3 customers 14% of revenue, top 10 customers only 28% of revenue.
  - ✓ **Discovered new Growth Engines:**
    - Entry into India & UAE have established for TPAC 2 new growth engines.
  - ✓ **Enhanced customer Delight:**
    - Sell more, now able to offer our customers a broadened product portfolio.
    - Get closer, have demonstrated to our customers we are serious about serving them beyond just Thailand.
    - Innovate more, by staying focused only on rigid plastics for consumer and pharmaceutical, TPACs Design Lab capabilities are now world class.
  - ✓ **Expanded our Margins:**
    - Portfolio optimized product mix and pricing. Continuous drive for procurement, manpower and energy cost efficiencies.
  - ✓ **Pharmaceuticals:**
    - Made entry into Pharmaceuticals, now comprising ~ 20% of our portfolio.

TPAC is now positioned for growth, setting us up nicely for Chapter 2.

## Topics of discussion today



Chapter 1:

Aspiration'20

2015 - 2020



Chapter 2:

Aspiration '23

2021 – 2023



**In the next 3 years, TPAC is aspiring for the following 2 objectives:**

**1) Move to the SET main board.**

**2) Double our 2020 core EBITDA, by 2023**

2 additional criteria to be satisfied for TPAC to move from the MAI to the SET.

**2 criteria:**



✓ **Chairman and CEO to not be the same person.**

- At present, Chairman and CEO is the same person, Kevin Sharma.
- Kevin Sharma to vacate the Chairman role, continue as CEO, prior to moving to the SET.



✓ **Free float minimum requirement 25%**

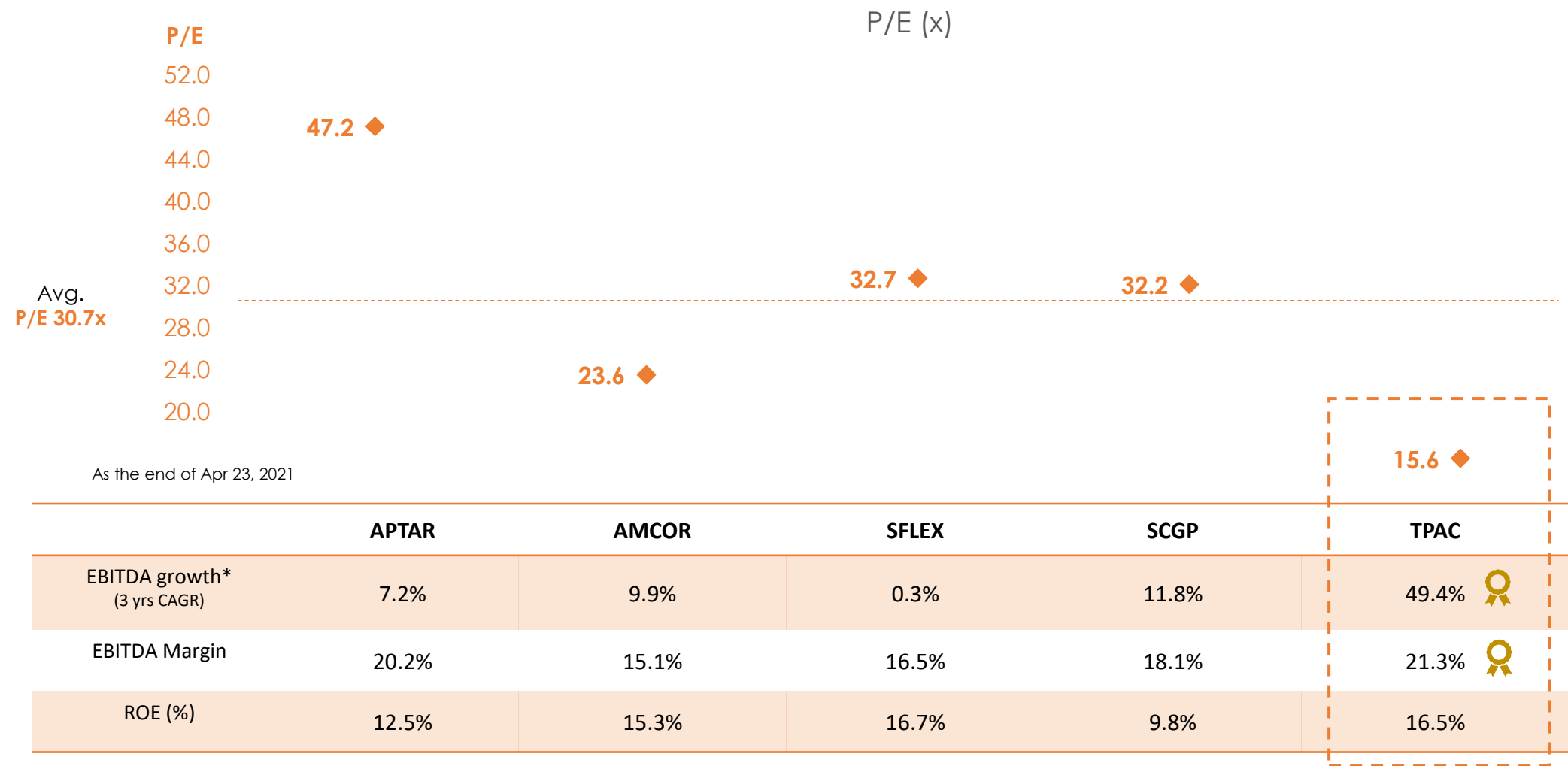
- As of last book closure Mar '21, free float 20.43%



✓ **1000 minority shareholders required – recently satisfied**

- As of last book closure Mar'21, number of TPAC minority shareholders 1,168.
- Number of minority shareholders expected to continue to climb as TPACs investor relations and communication efforts ramp up.

Unlocking Value, TPAC has delivered superior EBITDA growth, margin growth, EPS growth, yet trades at the lowest multiple. A move to the SET expected to enhance liquidity and bring TPAC multiple in line with peers.



EBITDA Growth period FY2017 – FY2020.  
P/E = Market Capital as of Apr 23, 2021 / Net Profit attributed of Jan – Dec 20  
ROE = Net profit attributed to the Company / average shareholder equity excluded NCI  
Source : SETSMART & Seeking Alpha

TPAC has set ourselves up beautifully over the past 5 years.

3 solid growth engines already established in Chapter I, now providing the foundation for Chapter II.

### AMEA (Africa & Middle East)

1.7 Billion people



2 factories in United Arab Emirates

### India

1.4 Billion people



2 factories in the North &  
3 factories in the West of India  
+ 2 factories under construction

### ASEAN

600 million people



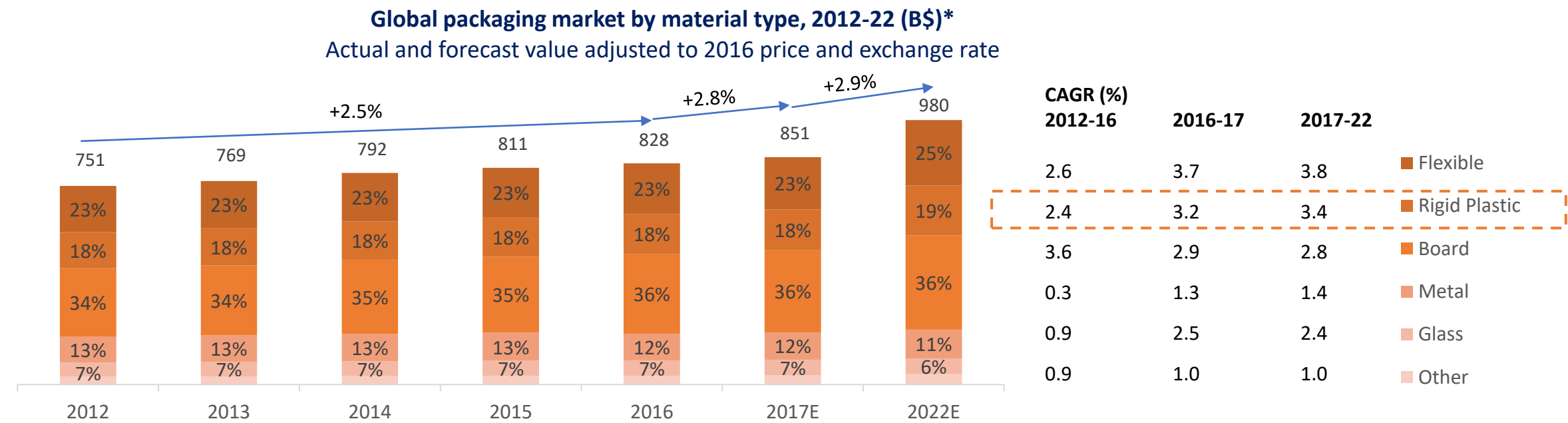
4 factories in Thailand  
1 factory in Malaysia<sup>(2)</sup>

TPAC has a 3.7bn people addressable market, with highly attractive supporting demographics.

<sup>2</sup>TPAC entered into definitive agreements to acquire Combi-pack on Apr. 10, 2021 transaction expected to close on or around May 31, 2021



Fully recyclable rigid plastic an attractive, high growth space to be in.



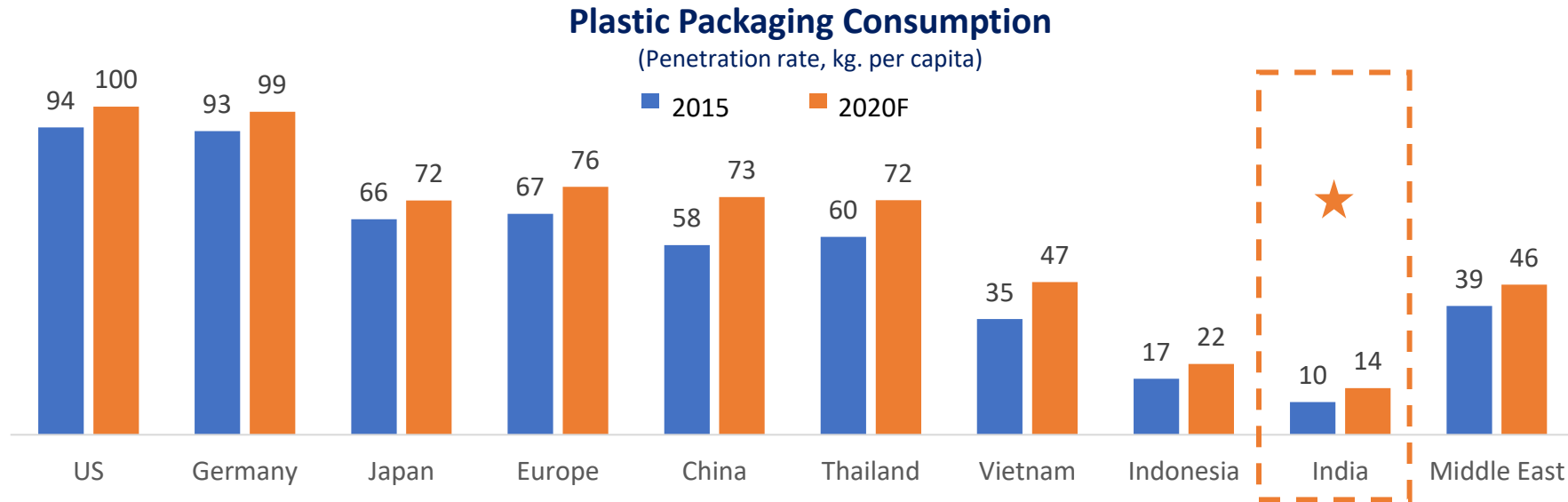
Rigid plastics have grown faster than Board, Metal and Glass.

Recycling infrastructure and technologies are fast improving resulting increasing amount of recycled resin coming to the market.

TPAC is increasingly involved in projects involving the use of recycled resins, especially rPET.

Emerging market rigid plastic growth expected to far exceed global average growth rates.

India is a difficult place to establish a foothold successfully in.  
TPAC now has a foot in the door of the worlds most exciting packaging market.



By 2030, world will have 8.6bn people. 1.5bn of them will live in India.

Rising income, growth in e-commerce, new product launches driving demand for packaging in India.

India also establishing itself as worlds pharmaceutical hub.

M&A pipeline robust, many solid family businesses considering generational handover / succession. TPAC expects an exciting decade of consolidation opportunities to come.

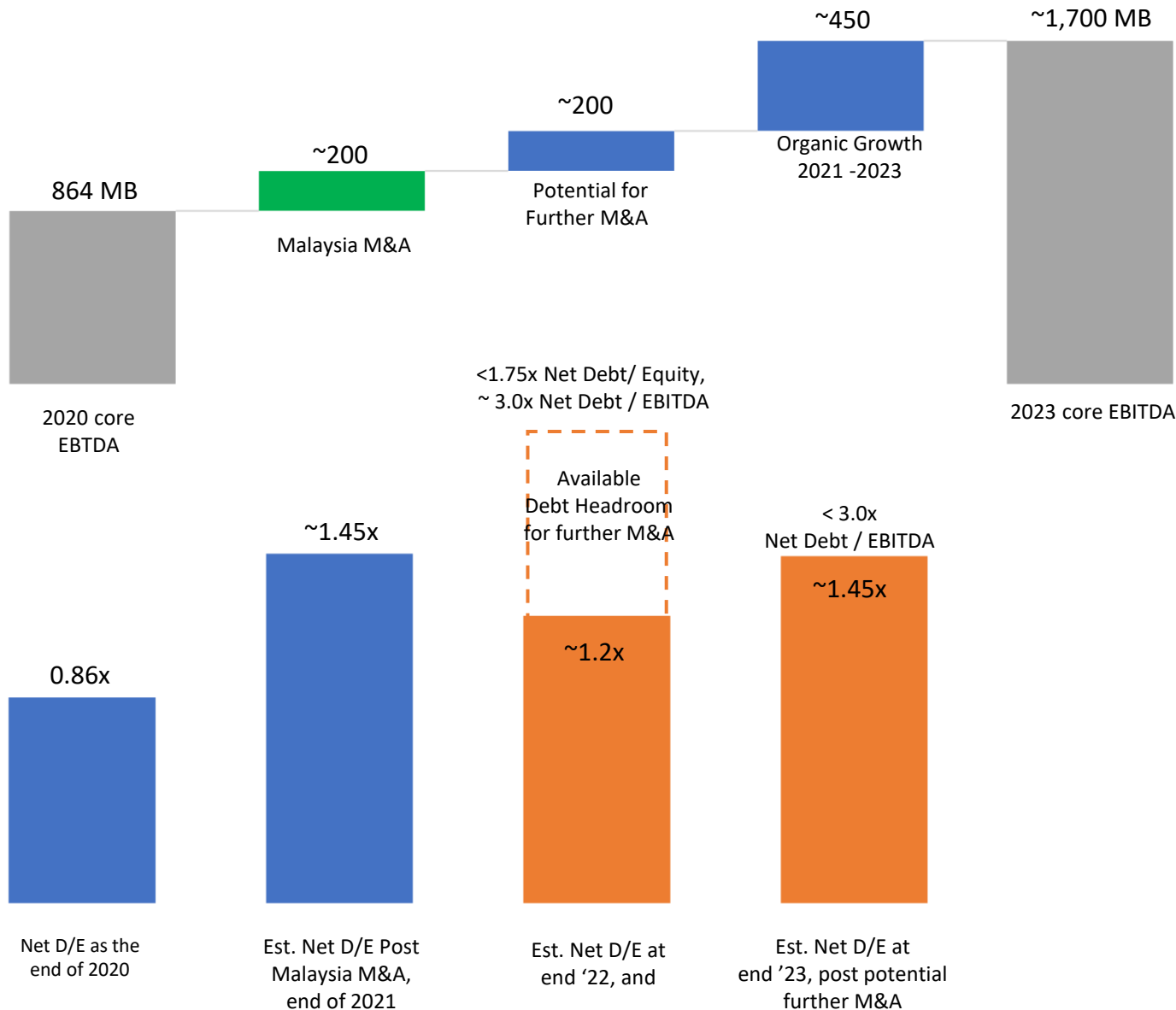
Source: : pagder.org

: Plastic Packaging Consumption per Capita = Plastic Consumption per Capita x % Plastic Packaging

### 3 separate Growth Market Leading engines to power TPAC to Aspiration '23.

	India Engine	ASEAN Engine	Middle East & Africa Engine
Presence Established	✓ India for 40 years. TPAC acquired since 2018.	✓ Thailand for 37 years. ✓ Malaysia for 15 years	✓ UAE for 15 years. TPAC acquired since 2019.
TPAC Technical Focus	Rigid Plastics	Rigid Plastics	Rigid Plastics
TPAC Segment Focus	Pharmaceuticals (40%) & Food packaging (50%)	Food & Niche Beverage, Pharmaceuticals & Personal Care, Home Care & Industrial	Food, Pharmaceuticals,
TPAC Market Share	India, 8% market share <b>TPAC, market leader in India</b>	Thailand, 18% market share <b>TPAC, market leader in Thailand</b> <b>TPAC, market leader in Malaysia</b>	UAE, 25% market share <b>TPAC, market leader in UAE</b>
M&A Strategy	Consolidate further within Indian Rigid Plastic Consumer & Pharma packaging.	Consolidate further within ASEAN Consumer & Pharma packaging.	Consolidate further within the UAE
Greenfield Strategy	TPAC currently building 2 additional plants in North and West.	Exploring Indonesia for expansion of Malaysia IML vertical.	Lease for new factory in UAE just signed.

‘Aspiration 2023’: TPAC aspires to double our 2020 EBITDA over the next 3 years.  
With the signing of our Malaysian M&A, management has wasted no time towards our journey to '23.



### Aspiration 2023 targets as follows:

- For the next 3 years, management aspiration for TPACs businesses target to compound EBITDA organically ~ 13%
- Headroom available for further M&A (post Malaysia)
  - Management comfortable with Net Debt / Equity < 1.75x, Net Debt / EBITDA ~ 3.0x
  - Additional debt headroom ~ Baht 1.55bn Assuming EV/EBITDA multiple of 8x, this to result in ~ Baht 200m of incremental EBITDA
- Visibility and non-cyclical and resilience of revenue streams underpin managements view of sustainable leverage



## 6 Takeaways

### 1) Aspiration '23, clear growth story:

Next 3 years will be powered from our 3 established engines. India, Africa & Middle East, ASEAN.

Aspiration 2023 is ambitious, but undoubtedly achievable. Target is for TPAC to double our 2020 core EBITDA from 864 to Baht 1700 million.

Move to SET from MAI expected to be catalyst for further value creation as trading liquidity gets enhanced.

### 2) Management Track Record:

New leadership installed in TPAC 2016.

5 year core EBITDA growth 3.4x, 35% cagr; core EPS growth 23%, 2.3x

core EBITDA margin from 17% in 2016 to 21% in 2020.

### 3) Sponsor Strength:

TPAC is 70% owned and controlled by the family of Khun Alope Lohia, with a proven track record of creating world class global businesses.

### 4) Resilient, Visible, Non-Cyclical cash flows:

Stable and resilient 'consumer like' margins.

TPAC focused on consumer (food, personal hygiene, home care) and pharmaceutical packaging.

Food and Pharmaceuticals > 90% of portfolio. Rock solid resilience, as demonstrated by acid test of Covid during 2020.

Sticky revenues due to strict hygiene and quality protocols as demanded by customers for food and pharmaceutical segments.

### 5) Strong Market Tailwinds:

Sustainable rigid plastics forecasted to grow at fastest rate compared to other packaging mediums.

Furthermore, TPACs portfolio comprise of resins that are 100% recyclable [PET,PP,HDPE] and sustainable.

Another exciting area of growth will be the use of recycled resins in packaging [rPET, rPP, rHDPE].

TPAC to ride wave of emerging and growing middle class trends of ASEAN, India and Middle East

### 6) Market leader:

TPAC a market leader in Thailand, India and the UAE and soon Malaysia. We are a market leader in all the markets we are present in.

