

## Thai Plaspac Public Company Limited “TPAC” Management Discussion and Analysis for Q1’21

### Financials of Consolidated Business

Unit: THB Million (except where stated otherwise)

	Quarterly				Three Years Performance			
	Q1’21	Q4’20	Q1’20	YoY <sup>1</sup>	FY20	FY19	FY18	CAGR%
Consolidated Sales <sup>2</sup>	1,089	982	1,039	5%	3,983	1,210	2,528	26%
EBITDA	252	190	235	7%	862	162	280	76%
<b>Core EBITDA<sup>3</sup></b>	<b>253</b>	<b>190</b>	<b>235</b>	<b>7%</b>	<b>864</b>	<b>188</b>	<b>330</b>	<b>62%</b>
Core EBIT <sup>3</sup>	170	115	150	13%	543	102	141	96%
Core Net Profit <sup>3</sup>	118	66	101	18%	354	69	43	188%
TPAC Core Net Profit <sup>3</sup>	114	64	91	25%	323	66	41	181%
EPS	-0.06	0.19	0.28	-122%	0.99	0.16	0.12	182%
<b>Core EPS<sup>3</sup></b>	<b>0.35</b>	<b>0.19</b>	<b>0.28</b>	<b>25%</b>	<b>0.99</b>	<b>0.24</b>	<b>0.16</b>	<b>148%</b>
Core ROE <sup>4</sup>	22%	15%	24%	-2%	20%	6%	4%	124%
Debt to Equity (times) <sup>5</sup>	0.93	0.96	0.87	0.06	0.96	0.89	2.08	n/a
Net Debt to Equity (times) <sup>6</sup>	0.82	0.86	0.78	0.04	0.86	0.87	2.02	n/a

1. YoY: Q1’21 vs Q1’20, 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. For Q1’21, core EPS exclude 1-time Non-recurring tax of 133.20mb from disallowance of goodwill depreciation. 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 Q1 ’21 core EBITDA<sup>1</sup> Baht 253m, 7% increase to same period last year, 33% increase to previous quarter.**
- **TPAC Q1 ’21 core earnings per share<sup>1</sup> Baht 0.35 per share, 25% increase to same period last year, 79% increase to previous quarter.**
- **TPAC Q1 ’21 EBITDA Baht 252m, 7% increase to same period last year, 32% increase to previous quarter.**
- **TPAC Q1 ’21 earnings per share Baht - 0.06 per share, 122% decrease to same period last year, 132% decrease to previous quarter.**

### TPAC India for the quarter of Q1’21 is subject to a 1-time Non-recurring tax of 133.20mb

In 2018, when Sunrise Containers Limited was amalgamated with TPAC Packaging India Private Limited (‘TPAC India’), TPAC India generated goodwill of 942.6mb. Based on the Income Tax Act in India in 2018 and various judicial precedents, depreciation on goodwill was considered as tax deductible.

However recently on March 28 2021, the Government of India enacted tax amendments proposed in its Finance Budget, whereby Goodwill has been excluded from the definition of intangible asset, resulting in depreciation on goodwill being considered non-tax deductible.

This amendment is effective from 1st April 2020. Thus, goodwill that was previously tax-deductible is now no longer eligible for tax deductions. This change in Indian tax law has resulted in a 1-time non-recurring negative impact of 133.2mb to TPAC Q1’21 Net Profits.

### TPAC Q1’21 core EBITDA and core EPS a new record high quarter for TPAC.

1) Core excludes the 1-time non-recurring tax due to change in Indian tax law equal to 133.2mb, and 1.2mb expenses relating to our Malaysian acquisition.

### Thai Plaspac Public Company Limited

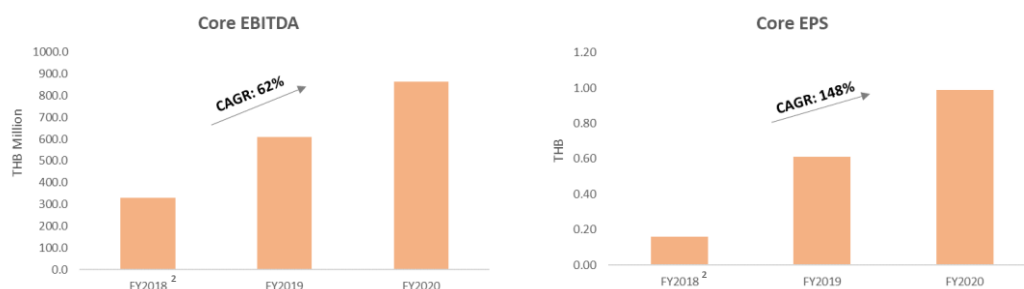
77 Soi Thian Thaley 30, Bang Khun Thian–Chay Thaley Road, Tha Kham, Bang Khun Thian, Bangkok 10150, Thailand

t 66-2 897 2250-1 | 66-2 897 2529-30 f 66-2 897 2531 | 66-2 897 2426 w www.tpacpackaging.com

COMPANY REGISTRATION NO. AND TAX ID : 0107547000575

## Thai Plaspac Public Company Limited “TPAC” Management Discussion and Analysis for Q1’21

### 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 speciality 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 with ~90% of TPACs portfolio catering to segments where stringent hygiene standards are a requisite (Pharmaceuticals & Personal Care, Food & Beverage). The remaining 10% of our portfolio comprise to the home care & industrial segment.

TPACs packaging solutions use a select range of plastic polymers that are all recyclable (PET, PP, HDPE and LDPE).

The emergence of post-consumer recycled resins, especially rPET, for consumer packaging applications is a fast growing segment which TPAC is increasingly getting involved with.

Our plants are equipped with a 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).

Two further plants in India are currently under construction, both expected to come onstream in Q1’22.

Post a period of steady organic growth, in 2005 TPAC listed itself on the Stock Exchange of Thailand<sup>3</sup>.

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

### Thai Plaspac Public Company Limited

77 Soi Thian Thaley 30, Bang Khun Thian-Chay Thaley Road, Tha Kham, Bang Khun Thian, Bangkok 10150, Thailand

t 66-2 897 2250-1 | 66-2 897 2529-30 f 66-2 897 2531 | 66-2 897 2426 w www.tpacpackaging.com

COMPANY REGISTRATION NO. AND TAX ID : 0107547000575

**Thai Plaspac Public Company Limited “TPAC”****Management Discussion and Analysis for Q1’21**

**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 one plant in Samutprakarn, Thailand (‘TPAC Bang Na’).

In Q3’18 TPAC acquired 80% of Sunrise Containers with 5 plants across the west and north of India (‘TPAC India’).

In Q3’19 TPAC acquired 89% of Sun packaging Systems, with one 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.

In Q3’20, TPAC completed the acquisition of the remaining 20% stake of our Indian business (‘TPAC India’)

In Q1’21, TPAC signed the acquisition for 80% of Combipack, a leading precision Injection, making our entry to Malaysia and further solidifying our ASEAN footprint. This transaction is expected to close end May ’21.

From ’17 to ’20 we experienced consecutive upgrades to our CG rating<sup>4</sup> and we are now at a 4-star (Very Good) rating.

**TPAC ’18-’20 achieved Core EBITDA CAGR 62% and EPS CAGR 182%**

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

Balance sheet is well capitalised with Net Debt / Equity ~ 0.82x<sup>5</sup>, expected 1.34x post completion of Malaysia acquisition

TPAC’s aspiration ’23 involves the doubling of our 2020 core EBITDA, by 2023.

---

2) 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. 3) Market for Alternative Investments (mai) 4) Thai Institute of Directors. 5) Net Debt / Equity as of end Q1’21.

## Thai Plaspac Public Company Limited “TPAC” Management Discussion and Analysis for Q1’21

TPAC Consolidated

Unit: THB Million

	Q1’21	Q4’20	% Δ	Q1’21	Q1’20	%Δ	FY’20	FY’19	%Δ
Sales	1,089.1	981.9	11%	1,089.1	1,039.1	5%	3,982.8	1,210.2	229%
Cost of sales	815.4	752.4	8%	815.4	786.7	4%	3,025.3	1,011.2	199%
<b>Gross Profit</b>	<b>273.7</b>	<b>229.5</b>	<b>19%</b>	<b>273.7</b>	<b>252.3</b>	<b>8%</b>	<b>957.4</b>	<b>199.0</b>	<b>381%</b>
<b>Gross Profit Margin %</b>	<b>25.1%</b>	<b>23.4%</b>	<b>1.8%</b>	<b>25.1%</b>	<b>24.3%</b>	<b>0.8%</b>	<b>24.0%</b>	<b>16.4%</b>	<b>7.6%</b>
SG&A	119.9	130.1	-8%	119.9	117.3	2%	472.8	133.2	255%
Other income	14.6	15.2	-4%	14.6	14.9	-2%	56.9	10.7	430%
<b>EBITDA</b>	<b>251.7</b>	<b>190.1</b>	<b>32%</b>	<b>251.7</b>	<b>235.0</b>	<b>7%</b>	<b>862.4</b>	<b>161.8</b>	<b>433%</b>
<b>EBITDA Margin %</b>	<b>22.8%</b>	<b>19.1%</b>	<b>3.7%</b>	<b>22.8%</b>	<b>22.3%</b>	<b>0.5%</b>	<b>21.3%</b>	<b>13.3%</b>	<b>8.1%</b>
<b>Core EBITDA</b>	<b>252.9</b>	<b>190.3</b>	<b>33%</b>	<b>252.9</b>	<b>157.7</b>	<b>60%</b>	<b>863.7</b>	<b>187.7</b>	<b>360%</b>
<b>Core EBITDA Margin %</b>	<b>22.9%</b>	<b>19.1%</b>	<b>3.8%</b>	<b>22.9%</b>	<b>15.0%</b>	<b>7.9%</b>	<b>21.4%</b>	<b>15.4%</b>	<b>6.0%</b>
Depreciation and amortization	83.3	75.4	10%	83.3	85.1	-2%	321.0	85.3	276%
<b>EBIT</b>	<b>168.4</b>	<b>114.7</b>	<b>47%</b>	<b>168.4</b>	<b>150.0</b>	<b>12%</b>	<b>541.5</b>	<b>76.5</b>	<b>607%</b>
<b>Core EBIT</b>	<b>169.6</b>	<b>114.9</b>	<b>48%</b>	<b>169.6</b>	<b>80.8</b>	<b>110%</b>	<b>542.8</b>	<b>102.4</b>	<b>430%</b>
<b>Core EBIT Margin %</b>	<b>15.4%</b>	<b>11.5%</b>	<b>3.8%</b>	<b>15.4%</b>	<b>7.7%</b>	<b>7.7%</b>	<b>13.4%</b>	<b>8.4%</b>	<b>5.1%</b>
Finance costs	26.0	26.3	-1%	26.0	28.9	-10%	105.3	27.6	282%
<b>Profit Before Tax</b>	<b>142.5</b>	<b>88.4</b>	<b>61%</b>	<b>142.5</b>	<b>121.1</b>	<b>18%</b>	<b>436.1</b>	<b>49.0</b>	<b>791%</b>
<b>Core Profit Before Tax</b>	<b>143.6</b>	<b>88.6</b>	<b>62%</b>	<b>143.6</b>	<b>53.3</b>	<b>169%</b>	<b>437.4</b>	<b>74.8</b>	<b>485%</b>
<b>Core Profit Before Tax Margin %</b>	<b>13.0%</b>	<b>8.9%</b>	<b>4.1%</b>	<b>13.0%</b>	<b>5.1%</b>	<b>8.0%</b>	<b>10.8%</b>	<b>6.1%</b>	<b>4.7%</b>
Income tax expense	158.4	22.3	609%	158.4	20.7	666%	82.9	0.3	24438%
<b>Net Profit</b>	<b>-15.9</b>	<b>66.1</b>	<b>-124%</b>	<b>-15.9</b>	<b>100.4</b>	<b>-116%</b>	<b>353.3</b>	<b>48.6</b>	<b>627%</b>
<b>Net Profit Margin %</b>	<b>-1.4%</b>	<b>6.6%</b>	<b>-8.1%</b>	<b>-1.4%</b>	<b>9.5%</b>	<b>-11.0%</b>	<b>8.7%</b>	<b>4.0%</b>	<b>4.8%</b>
<b>Core Net Profit</b>	<b>118.2</b>	<b>66.3</b>	<b>78%</b>	<b>118.2</b>	<b>52.7</b>	<b>124%</b>	<b>354.3</b>	<b>69.3</b>	<b>411%</b>
<b>Core Net Profit Margin %</b>	<b>10.7%</b>	<b>6.6%</b>	<b>4.1%</b>	<b>10.7%</b>	<b>5.0%</b>	<b>5.7%</b>	<b>8.8%</b>	<b>5.7%</b>	<b>3.1%</b>
TPAC Net Profit	-20.1	63.4	-132%	-20.1	91.0	-122%	322.0	45.8	603%
TPAC Net Profit Margin %	-1.8%	6.4%	-8.2%	-1.8%	8.6%	-10.5%	8.0%	3.8%	4.2%
TPAC Core Net Profit	114.0	63.6	79%	114.0	47.1	142%	323.0	66.4	386%
TPAC Core Net Profit Margin %	10.3%	6.4%	4.0%	10.3%	4.5%	5.9%	8.0%	5.4%	2.6%

Non-Recurring income/(expenses) (THB Million)	Q1’21	Q4’20	Q1’20	2020	2019
Thailand M&A Related Expenses	(1.2)	(0.2)	(0.2)	(1.3)	(17.0)
Employees' benefits (Thailand)	-	-	-	-	(8.8)
Deferred tax - pursuant to disallowance of amortization of goodwill on acquisition	(133.2)	-	-	-	-
Total	(134.4)	(0.2)	(0.2)	(1.3)	(25.8)

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

### Corporate Structure



- **TPAC Packaging Bang Na (100% owned):**  
Thailand operations (1 plant)
- **TPAC India (100% owned):**  
Indian Operations (5 plants)
- **Sun Packaging Systems FZC (89% owned):**  
United Arab Emirates Operations (1 plant)
- **Combi-Pack Sdn. Bhd. (80% owned):**  
Malaysia Operations (1 plant)<sup>6</sup>

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

‘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.

6) Transaction is expected to close on or around May 31, 2021

### Thai Plaspac Public Company Limited

77 Soi Thian Thaley 30, Bang Khun Thian–Chay Thaley Road, Tha Kham, Bang Khun Thian, Bangkok 10150, Thailand

☎ 66-2 897 2250-1 | 66-2 897 2529-30    ☎ 66-2 897 2531 | 66-2 897 2426    🌐 www.tpacpackaging.com

COMPANY REGISTRATION NO. AND TAX ID : 0107547000575

**Thai Plaspac Public Company Limited “TPAC”**  
**Management Discussion and Analysis for Q1’21**

TPAC Thailand

Unit: THB Million

	Q1’21	Q4’20	% Δ	Q1’21	Q1’20	%Δ	FY’20	FY’19	%Δ
Sales	445.9	410.4	9%	445.9	463.7	-4%	1,795.8	1,747.5	3%
Cost of sales	369.4	344.4	7%	369.4	354.8	4%	1,428.4	1,446.0	-1%
<b>Gross Profit</b>	<b>76.5</b>	<b>66.0</b>	<b>16%</b>	<b>76.5</b>	<b>108.9</b>	<b>-30%</b>	<b>367.3</b>	<b>301.5</b>	<b>22%</b>
<b>Gross Profit Margin %</b>	<b>17.2%</b>	<b>16.1%</b>	<b>1.1%</b>	<b>17.2%</b>	<b>23.5%</b>	<b>-6.3%</b>	<b>20.5%</b>	<b>17.3%</b>	<b>3.2%</b>
SG&A	53.3	60.4	-12%	53.3	51.5	3%	214.1	211.8	1%
Other income	10.9	5.6	93%	10.9	3.7	191%	15.9	14.2	12%
<b>EBITDA</b>	<b>73.8</b>	<b>40.3</b>	<b>83%</b>	<b>73.8</b>	<b>100.5</b>	<b>-27%</b>	<b>313.7</b>	<b>232.6</b>	<b>35%</b>
<b>EBITDA Margin %</b>	<b>16.2%</b>	<b>9.7%</b>	<b>6.5%</b>	<b>0.2</b>	<b>21.5%</b>	<b>-5.3%</b>	<b>17.3%</b>	<b>13.2%</b>	<b>4.1%</b>
<b>Core EBITDA</b>	<b>75.0</b>	<b>40.7</b>	<b>84%</b>	<b>75.0</b>	<b>100.7</b>	<b>-26%</b>	<b>315.0</b>	<b>258.4</b>	<b>22%</b>
<b>Core EBITDA Margin %</b>	<b>16.4%</b>	<b>9.8%</b>	<b>6.6%</b>	<b>0.2</b>	<b>21.5%</b>	<b>-5.1%</b>	<b>17.4%</b>	<b>14.7%</b>	<b>2.7%</b>
Depreciation and amortization	39.7	29.2	36%	39.7	39.3	1%	144.5	128.8	12%
<b>EBIT</b>	<b>34.1</b>	<b>11.2</b>	<b>206%</b>	<b>34.1</b>	<b>61.1</b>	<b>-44%</b>	<b>169.2</b>	<b>103.8</b>	<b>63%</b>
<b>Core EBIT</b>	<b>35.3</b>	<b>11.5</b>	<b>206%</b>	<b>35.3</b>	<b>61.3</b>	<b>-42%</b>	<b>170.4</b>	<b>129.6</b>	<b>31%</b>
<b>Core EBIT Margin %</b>	<b>7.7%</b>	<b>2.8%</b>	<b>5.0%</b>	<b>0.1</b>	<b>13.1%</b>	<b>-5.4%</b>	<b>9.4%</b>	<b>7.4%</b>	<b>2.1%</b>
Finance costs	11.7	11.4	3%	11.7	10.2	15%	37.7	64.6	-42%
<b>Profit Before Tax</b>	<b>22.4</b>	<b>-0.2</b>	<b>9602%</b>	<b>22.4</b>	<b>51.0</b>	<b>-56%</b>	<b>131.5</b>	<b>39.2</b>	<b>235%</b>
<b>Core Profit Before Tax</b>	<b>23.6</b>	<b>0.1</b>	<b>18211%</b>	<b>23.6</b>	<b>51.1</b>	<b>-54%</b>	<b>132.8</b>	<b>65.0</b>	<b>104%</b>
<b>Core Profit Before Tax Margin %</b>	<b>5.2%</b>	<b>0.0%</b>	<b>5.1%</b>	<b>0.1</b>	<b>10.9%</b>	<b>-5.8%</b>	<b>7.3%</b>	<b>3.7%</b>	<b>3.6%</b>
Income tax expense	4.8	6.5	-26%	4.8	8.5	-44%	32.7	2.1	1454%
<b>Net Profit</b>	<b>17.6</b>	<b>-6.7</b>	<b>363%</b>	<b>17.6</b>	<b>42.4</b>	<b>-58%</b>	<b>98.8</b>	<b>37.1</b>	<b>166%</b>
<b>Net Profit Margin %</b>	<b>3.9%</b>	<b>-1.6%</b>	<b>5.5%</b>	<b>0.0</b>	<b>9.1%</b>	<b>-5.2%</b>	<b>5.5%</b>	<b>2.1%</b>	<b>3.3%</b>
<b>Core Net Profit</b>	<b>18.6</b>	<b>-6.4</b>	<b>389%</b>	<b>18.6</b>	<b>42.6</b>	<b>-56%</b>	<b>99.8</b>	<b>57.8</b>	<b>73%</b>
<b>Core Net Profit Margin %</b>	<b>4.1%</b>	<b>-1.5%</b>	<b>5.6%</b>	<b>0.0</b>	<b>9.1%</b>	<b>-5.0%</b>	<b>5.5%</b>	<b>3.3%</b>	<b>2.2%</b>

Non-Recurring income/(expenses) (THB Million)	Q1’21	Q4’20	Q1’20	2020	2019
Sunrise Containers / Sun packaging Systems M&A Related Expenses	-	(0.2)	(0.2)	(1.3)	(17.0)
Employees' benefits	-	-	-	-	(8.8)
Combi Pack M&A Related Expenses	(1.2)	-	-	-	-
<b>Total</b>	<b>(1.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(1.3)</b>	<b>(25.8)</b>

**TPAC Thailand Q1 ’21 core EBITDA Baht 75mm, 26% decrease to same period last year, 84% increase to previous quarter.**

Thailand Q1’21 performance improved versus the previous quarter primarily due to improved raw material spread.

Raw Material spread was improved (Gross Margin in Q1’21 17.2% versus 16.1% in Q4’20), but still below last years average level (Gross Margin 20.5%) as raw material prices in Q1’21 continued their steep rise. This was true across all our key polymers [HDPE, PP, PET], but was most pronounced in Polypropylene markets which comprise ~ 33% of our Thailand business.

Volumes however continued to remain sluggish, with volumes in Q1’21 still 5% below our budgets.

## Thai Plaspac Public Company Limited “TPAC” Management Discussion and Analysis for Q1’21

Even though Thailand's Q1’21 performance was behind last years, management remains optimistic about TPAC Thailand's potential to deliver growth.

The 3 drivers for this are expected to be:

- 1) Improving raw material spread: for the past 6 months (Q4’20 & Q1’21) we have experienced increases in our key underlying raw materials. In Q1’21, this has therefore resulted in a gross margins below our normalized historical average of 2020. Management feels it is unlikely for our raw materials to continue their steep rise consecutively for the rest of the year and some correction or stabilization of their prices is likely. This would allow TPAC to achieve a gross margins more in line with our historical average of 2020.
- 2) Organic volume growth of existing portfolio: As potential stimulus packages are unleashed, the consumption environment in Thailand should pick up. TPAC's portfolio consists of everyday consumable items, mainly food, pharmaceutical, personal care and home care, products that are ‘*first in line*’ beneficiaries of any potential stimulus dollars. The gradual reopening of Thailand will also of course contribute to the uptick we expect to see in our volumes as we move forward.
- 3) Volumes growth from new projects: TPAC's design lab continues to work intimately with our customers as their trusted solution provider. Our development pipeline is healthy and we are excited about working alongside our customer to bring to market some great designed consumer products. Technological advancements in plastic processing technology has meant we are constantly able to lower the resources required for a unit of production. The constant advancements in rigid plastic processing technology have allowed practitioners to push the limits of weight, energy, speed and overall carbon footprint of every unit produced. Simultaneously, the recycling infrastructure, especially that of PETs, continues to make advancements and there is strong appetite with all stakeholders across the industry to be a sustainability leader, emitting the lowest levels of CO<sub>2</sub>. The end to end carbon footprint of packaging and every single item manufactured on earth is the single is the most important challenge we are facing as a species over the next 3 decades. Plastics are our best bet, and recycled monolayer rigid plastics can viably be collected, sorted and recycled whilst also being produced in a carbon efficient manner. Our customers clearly recognize this and the commitment to rigid recyclable plastics is strong. Sustainability and recycled packaging are a huge industry opportunity for TPAC to seize. As a market leader in Thailand our customers have trusted us with a vast portfolio of exciting projects involving eye catching design and decoration, and with sustainability at the very top of the agenda.  
Also, the cannabis and hemp market developments in Thailand are another potential exciting market segment where TPAC is exploring solutions with customers. We are closely following developments in this market and it is important TPAC establishes market leading presence within the rigid plastic format for cannabis packaging. TPAC Thailand's multi-decade track record of clean room pharmaceutical and food packaging excellence positions us nicely to offer innovation in this exciting space.

### Thai Plaspac Public Company Limited

77 Soi Thian Thaley 30, Bang Khun Thian-Chay Thaley Road, Tha Kham, Bang Khun Thian, Bangkok 10150, Thailand

☎ 66-2 897 2250-1 | 66-2 897 2529-30    📠 66-2 897 2531 | 66-2 897 2426    🌐 [www.tpacpackaging.com](http://www.tpacpackaging.com)

COMPANY REGISTRATION NO. AND TAX ID : 0107547000575

**Thai Plaspac Public Company Limited “TPAC”**  
**Management Discussion and Analysis for Q1’21**

**SUNPET business comprises our business in the UAE and India whose packaging products are all branded under the ‘SUNPET’ brand.**

Unit: THB Million

	Q1'21	Q4'20	% Δ	Q1'21	Q1'20	%Δ	FY'20	FY'19	%Δ
Sales	643.2	571.5	13%	643.2	575.3	12%	2187.0	2008.3	9%
Cost of sales	442.3	404.3	9%	442.3	427.1	4%	1581.1	1636.1	-3%
<b>Gross Profit</b>	<b>200.9</b>	<b>167.2</b>	<b>20%</b>	<b>200.9</b>	<b>148.2</b>	<b>36%</b>	<b>605.9</b>	<b>372.1</b>	<b>63%</b>
<b>Gross Profit Margin %</b>	<b>31.2%</b>	<b>29.3%</b>	<b>2.0%</b>	<b>31.2%</b>	<b>25.8%</b>	<b>5.5%</b>	<b>27.7%</b>	<b>18.5%</b>	<b>9.2%</b>
SG&A	69.1	69.6	-1%	69.1	65.8	5%	258.7	198.6	30%
Other income	3.7	9.6	-61%	3.7	11.2	-67%	41.0	32.1	28%
<b>EBITDA</b>	<b>174.6</b>	<b>146.6</b>	<b>19%</b>	<b>174.6</b>	<b>134.6</b>	<b>30%</b>	<b>545.5</b>	<b>351.7</b>	<b>55%</b>
<b>EBITDA Margin %</b>	<b>27.0%</b>	<b>25.2%</b>	<b>1.8%</b>	<b>27.0%</b>	<b>22.9%</b>	<b>4.0%</b>	<b>24.5%</b>	<b>17.2%</b>	<b>7.2%</b>
<b>Core EBITDA</b>	<b>174.6</b>	<b>146.6</b>	<b>19%</b>	<b>174.6</b>	<b>134.6</b>	<b>30%</b>	<b>545.5</b>	<b>351.7</b>	<b>55%</b>
<b>Core EBITDA Margin %</b>	<b>27.0%</b>	<b>25.2%</b>	<b>1.8%</b>	<b>27.0%</b>	<b>22.9%</b>	<b>4.0%</b>	<b>24.5%</b>	<b>17.2%</b>	<b>7.2%</b>
Depreciation and amortization	39.1	39.4	-1%	39.1	40.9	-4%	157.4	146.0	8%
<b>EBIT</b>	<b>135.5</b>	<b>107.2</b>	<b>26%</b>	<b>135.5</b>	<b>93.6</b>	<b>45%</b>	<b>388.1</b>	<b>205.7</b>	<b>89%</b>
<b>Core EBIT</b>	<b>135.5</b>	<b>107.2</b>	<b>26%</b>	<b>135.5</b>	<b>93.6</b>	<b>45%</b>	<b>388.1</b>	<b>205.7</b>	<b>89%</b>
<b>Core EBIT Margin %</b>	<b>20.9%</b>	<b>18.5%</b>	<b>2.5%</b>	<b>20.9%</b>	<b>16.0%</b>	<b>5.0%</b>	<b>17.4%</b>	<b>10.1%</b>	<b>7.3%</b>
Finance costs	14.3	14.9	-4%	14.3	18.7	-24%	67.7	76.4	-11%
<b>Profit Before Tax</b>	<b>121.2</b>	<b>92.3</b>	<b>31%</b>	<b>121.2</b>	<b>75.0</b>	<b>62%</b>	<b>320.4</b>	<b>129.3</b>	<b>148%</b>
<b>Core Profit Before Tax</b>	<b>121.2</b>	<b>92.3</b>	<b>31%</b>	<b>121.2</b>	<b>75.0</b>	<b>62%</b>	<b>320.4</b>	<b>129.3</b>	<b>148%</b>
<b>Core Profit Before Tax Margin %</b>	<b>18.7%</b>	<b>15.9%</b>	<b>2.8%</b>	<b>18.7%</b>	<b>12.8%</b>	<b>6.0%</b>	<b>14.4%</b>	<b>6.3%</b>	<b>8.0%</b>
Income tax expense	153.6	15.9	868%	153.6	12.1	1165%	50.1	-10.7	570%
<b>Net Profit</b>	<b>-32.4</b>	<b>76.5</b>	<b>-142%</b>	<b>-32.4</b>	<b>62.8</b>	<b>-152%</b>	<b>270.3</b>	<b>140.0</b>	<b>93%</b>
<b>Net Profit Margin %</b>	<b>-5.0%</b>	<b>13.2%</b>	<b>-18.2%</b>	<b>-5.0%</b>	<b>10.7%</b>	<b>-15.7%</b>	<b>12.1%</b>	<b>6.9%</b>	<b>5.3%</b>
<b>Core Net Profit</b>	<b>100.8</b>	<b>76.5</b>	<b>32%</b>	<b>100.8</b>	<b>62.8</b>	<b>60%</b>	<b>270.3</b>	<b>140.0</b>	<b>93%</b>
<b>Core Net Profit Margin %</b>	<b>15.6%</b>	<b>13.2%</b>	<b>2.4%</b>	<b>15.6%</b>	<b>10.7%</b>	<b>4.9%</b>	<b>12.1%</b>	<b>6.9%</b>	<b>5.3%</b>
<b>Non-Recurring income/(expenses) (THB Million)</b>				<b>Q1'21</b>	<b>Q4'20</b>	<b>Q1'20</b>	<b>2020</b>	<b>2019</b>	
Deferred tax - pursuant to disallowance of amortization of goodwill on acquisition				(133.2)	-	-	-	-	
Total				(133.2)	-	-	-	-	

**SUNPET Q1 '21 core EBITDA Baht 175mm, 30% increase to same period last year, 19% increase to previous quarter.**

Our SUNPET business continues to perform remarkably well despite India going through a very difficult time now.

Our leaders are persevering under the most difficult of situations. TPACs product portfolio resiliency is also displaying immense toughness.

Like Thailand, we are also a market leader in India and the UAE within our niche of rigid PET food & pharmaceutical packaging.

This has allowed us to capture growth above and beyond the market growth rate.

TPAC India and UAEs plants are run with high levels of efficiency supported by strong utilization rates (85%+) in Q1'21.

Our managements intimacy with customers and robust systems have also supported the swift pass through of underlying raw material market rate escalations. Note that PET, in line with other polymers also experienced an increasing trend over Q1'21, and despite this management have been able to protect our margins.

**Thai Plaspac Public Company Limited**

77 Soi Thian Thaley 30, Bang Khun Thian-Chay Thaley Road, Tha Kham, Bang Khun Thian, Bangkok 10150, Thailand

t 66-2 897 2250-1 | 66-2 897 2529-30 f 66-2 897 2531 | 66-2 897 2426 w www.tpacpackaging.com

COMPANY REGISTRATION NO. AND TAX ID : 0107547000575

## Thai Plaspac Public Company Limited “TPAC” Management Discussion and Analysis for Q1’21

We have repeatedly been saying that the world’s most exciting consumer and pharmaceutical packaging market is that of India. But right now India is undoubtedly facing one of its darkest hours in recent times. India will get through this and our business resiliency will pass the test.

Ongoing SUNPET developments include:

- World Class Pharmaceutical plant currently under construction in West of India (greenfield project)
  - Status:
    - ✓ Land has been cleared (Original land and building on the site have been demolished).
    - ✓ Foundation work ongoing, target completion Q1’22
  
- Food focused plant currently under construction in North of India (greenfield project).
  - Status:
    - ✓ Adjoining land available for expansion has been cleared and new building is being constructed
    - ✓ Foundation work ongoing, target completion Q1’22
  
- UAE new plant.
  - Status:
    - ✓ Lease signed on 1<sup>st</sup> April 2021 for 2,400 sqm of already well fitted out factory space (was a former pharmaceutical factory).
    - ✓ Factory right next to existing factory (<20 meters away), therefore allowing us to leverage off existing skilled production teams.
    - ✓ Previous factory was tight for space, thus some machines have already been shifted and production has started at new factory.

### Thai Plaspac Public Company Limited

77 Soi Thian Thaley 30, Bang Khun Thian-Chay Thaley Road, Tha Kham, Bang Khun Thian, Bangkok 10150, Thailand

☎ 66-2 897 2250-1 | 66-2 897 2529-30    ☎ 66-2 897 2531 | 66-2 897 2426    🌐 [www.tpacpackaging.com](http://www.tpacpackaging.com)

COMPANY REGISTRATION NO. AND TAX ID : 0107547000575



## Thai Plaspac Public Company Limited “TPAC” Management Discussion and Analysis for Q1’21

### Balance Sheet (Consolidated)

Unit: THB Million

	As at 31 Mar'21	As at 31 Dec'20	% Δ	As at 31 Mar'21	As at 31 Mar'20	% Δ
Cash and cash equivalents	242.8	195.6	24%	242.8	182.8	33%
Trade and other receivables	911.1	826.0	10%	911.1	864.4	5%
Inventories	517.4	415.7	24%	517.4	328.5	57%
Other current financial assets	0.3	0.4	-37%	0.3	-	n/a
Advance purchase for raw material	0.1	8.1	-99%	0.1	-	n/a
Other current assets	69.7	115.2	-39%	69.7	44.7	56%
<b>Total current assets</b>	<b>1,741.4</b>	<b>1,561.1</b>	<b>12%</b>	<b>1,741.4</b>	<b>1,420.4</b>	<b>23%</b>
Restricted bank deposits	21.9	23.2	-6%	21.9	27.1	-19%
Long-term investment	2.4	2.3	5%	2.4	9.5	-75%
Property, plant and equipment	1,541.9	1,476.1	4%	1,541.9	1,559.8	-1%
Right-of-use assets	87.6	85.9	2%	87.6	95.8	-8%
Goodwill	1,048.7	1,001.8	5%	1,048.7	1,066.6	-2%
Intangible assets	360.1	353.5	2%	360.1	407.9	-12%
Deferred tax assets	9.3	8.9	4%	9.3	8.2	13%
Withholding tax deducted at source	93.2	93.2	0%	93.2	94.2	-1%
Advance payment for purchasing of molds	53.4	49.9	7%	53.4	43.0	24%
Assets associated with call options	8.8	8.8	0%	8.8	8.8	0%
Other non-current assets	51.1	58.7	-13%	51.1	41.0	25%
<b>Total non current assets</b>	<b>3,278.4</b>	<b>3,162.4</b>	<b>4%</b>	<b>3,278.4</b>	<b>3,361.8</b>	<b>-2%</b>
<b>Total assets</b>	<b>5,019.7</b>	<b>4,723.5</b>	<b>6%</b>	<b>5,019.7</b>	<b>4,782.2</b>	<b>5%</b>
Bank overdraft and short-term loans from banks	612.3	515.3	19%	612.3	439.7	39%
Trade and other payables	343.9	359.0	-4%	343.9	283.0	22%
Current portion of long-term debentures	92.2	76.0	21%	92.2	70.5	31%
Current portion of long-term lease liabilities	7.2	7.0	3%	7.2	7.1	1%
Current portion of long-term loans from banks	165.3	165.2	0%	165.3	136.1	21%
Income tax payable	17.6	12.8	37%	17.6	-	n/a
Other current financial liabilities	1.1	-	n/a	1.1	1.4	-20%
Other current liabilities	40.6	37.0	10%	40.6	46.2	-12%
<b>Total current liabilities</b>	<b>1,280.2</b>	<b>1,172.4</b>	<b>9%</b>	<b>1,280.2</b>	<b>983.9</b>	<b>30%</b>
Long-term debentures - net of current portion	356.0	390.3	-9%	356.0	447.2	-20%
Long-term lease liabilities, net of current portion	83.4	80.9	3%	83.4	89.3	-7%
Long-term loans from banks - net of current portion	751.3	792.7	-5%	751.3	581.1	29%
Non-controlling interest put options	-	-	n/a	-	504.7	-100%
Deferred tax liabilities	255.3	95.6	167%	255.3	62.3	309%
Provision for long-term employee benefits	72.9	70.9	3%	72.9	67.0	9%
<b>Total non current liabilities</b>	<b>1,518.9</b>	<b>1,430.3</b>	<b>6%</b>	<b>1,518.9</b>	<b>1,751.5</b>	<b>-13%</b>
<b>Total liabilities</b>	<b>2,799.1</b>	<b>2,602.7</b>	<b>8%</b>	<b>2,799.1</b>	<b>2,735.5</b>	<b>2%</b>
Registered share capital	326.5	326.5	0%	326.5	326.6	0%
Issued and paid-up capital	326.5	326.5	0%	326.5	326.5	0%
Premium on ordinary shares	1,027.0	1,027.0	0%	1,027.0	1,027.0	0%
Appropriated - statutory reserve	32.7	32.7	0%	32.7	28.6	14%
Retained earnings	893.3	912.5	-2%	893.3	727.3	23%
Other components of shareholders' equity	(144.8)	(257.1)	-44%	(144.8)	(141.7)	2%
Excess of book value of acquired subsidiary over cost	20.0	20.0	0%	20.0	-	n/a
Equity attributable to owners of the Company	2,154.7	2,061.7	5%	2,154.7	1,967.7	10%
Non-controlling interests of the subsidiaries	66.0	59.1	12%	66.0	79.0	-17%
<b>Total shareholders' equity</b>	<b>2,221</b>	<b>2,121</b>	<b>5%</b>	<b>2,220.6</b>	<b>2,046.7</b>	<b>8%</b>
<b>Total liabilities and shareholders' equity</b>	<b>5,019.7</b>	<b>4,723.5</b>	<b>6%</b>	<b>5,019.7</b>	<b>4,782.2</b>	<b>5%</b>

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

Profit/Loss	Q1'21	Q4'20	Q1'20	Balance Sheet	Q1'21	Q4'20	Q1'20
INR	0.4150	0.4230	0.4209	INR	0.4285	0.4091	0.4337
AED	8.2468	8.5196	8.5168	AED	8.5319	8.1774	8.8945

### Thai Plaspac Public Company Limited

77 Soi Thian Thaley 30, Bang Khun Thian-Chay Thaley Road, Tha Kham, Bang Khun Thian, Bangkok 10150, Thailand

t 66-2 897 2250-1 | 66-2 897 2529-30 f 66-2 897 2531 | 66-2 897 2426 w www.tpacpackaging.com

COMPANY REGISTRATION NO. AND TAX ID : 0107547000575

## Thai Plaspac Public Company Limited “TPAC” Management Discussion and Analysis for Q1’21

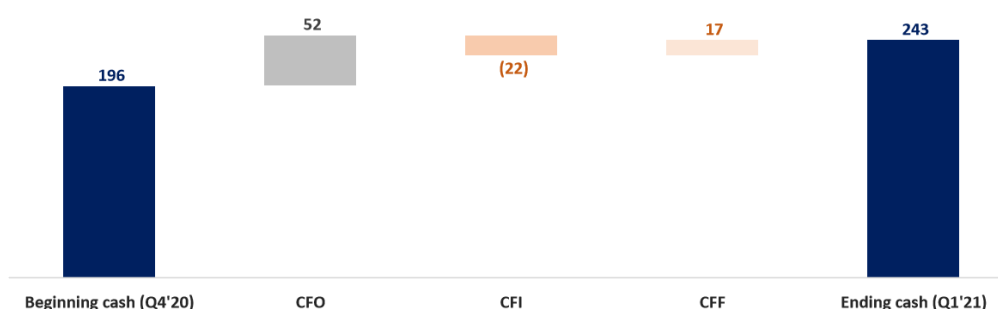
*Cash Flow (Consolidated)*

Unit: THB Million

	Q1’21
<b>Cash flow from Operating Activities</b>	
Profit Before Tax	142.5
Adjustment : Depreciation and Amortisation	83.3
Adjustment : Other adjustments	26.5
Profit from operating activities before changes to working capital	252.2
Net changes to working capital	-203.0
Other Net changes from operating activities	2.8
Cash flows from Operating Activities	51.9
Cash paid for corporate income tax	-0.4
<b>Net Cash Flows from Operating Activities</b>	<b>51.6</b>
<b>Cash flow from Investing Activities</b>	
Acquisition of Fixed Assets	-80.9
Acquisition of Intangible Assets	-0.7
Proceeds from equipments sales	0.8
Proceeds from Asset held for sale	57.3
Other	2.0
<b>Net Cash Flow used in Investing Activities</b>	<b>-21.6</b>
<b>Cash flow from Financing Activities</b>	
Increase (decrease) in short-term loans from bank	97.0
Decrease from restricted bank deposit	2.4
Repayment of long-term loan	-41.6
Repayment of debenture	-40.5
Cash paid for finance lease payable	-2.9
Finance costs	-38.0
<b>Net Cash Flow from Financing Activities</b>	<b>-23.5</b>
Decrease in exchange differences on translation of financial statements in foreign currency	40.7
<b>Change in Cash and Cash Equivalents</b>	<b>47.2</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>195.6</b>
<b>Cash and Cash equivalents - Closing Period Balance</b>	<b>242.8</b>

Cash flow bridge for 3 months period of 2021

Unit: THB Million



- (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 (40.7MB)

**Thai Plaspac Public Company Limited**

77 Soi Thian Thaley 30, Bang Khun Thian-Chay Thaley Road, Tha Kham, Bang Khun Thian, Bangkok 10150, Thailand

t 66-2 897 2250-1 | 66-2 897 2529-30 f 66-2 897 2531 | 66-2 897 2426 w www.tpacpackaging.com

COMPANY REGISTRATION NO. AND TAX ID : 0107547000575