



TPnC
PACKAGING

**Opportunity Day
Q4'22 and FY'22**

28 March 2023

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| Company Overview

TPAC – A packaging solution specialist

Asia's fastest
growing packaging
company *



TPAC Design Lab,
backbone for our
innovations



Market leadership for
niche segments in all
our Geographies



Focused on
100% monolayer recyclable
or recycled polymers
(PET, PP & HDPE)



>90% portfolio in F&B
& Pharma which
requires strict hygiene



Listed on
Thai Stock
Exchange



Our Vision

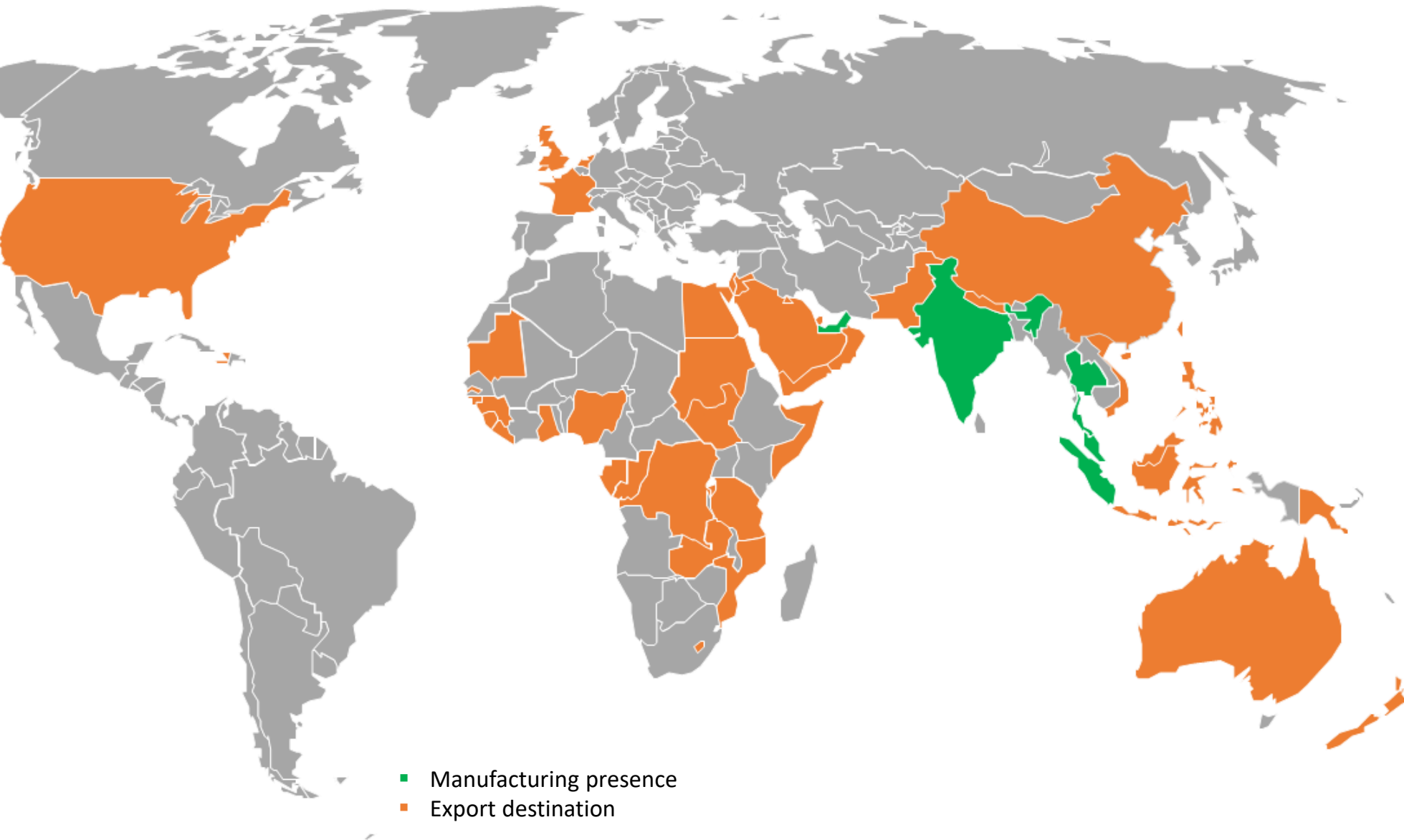
To be the company whose innovations positively impact our world, and a place attractive to the most passionate packaging minds

Our Mission

To collaborate passionately, always showing our customers *what's new*

* Company estimation based on 5 years revenue growth trend

In the last five years, we have quintupled our manufacturing location to 16 plants & grew our footprint rapidly with a strong emerging market focus



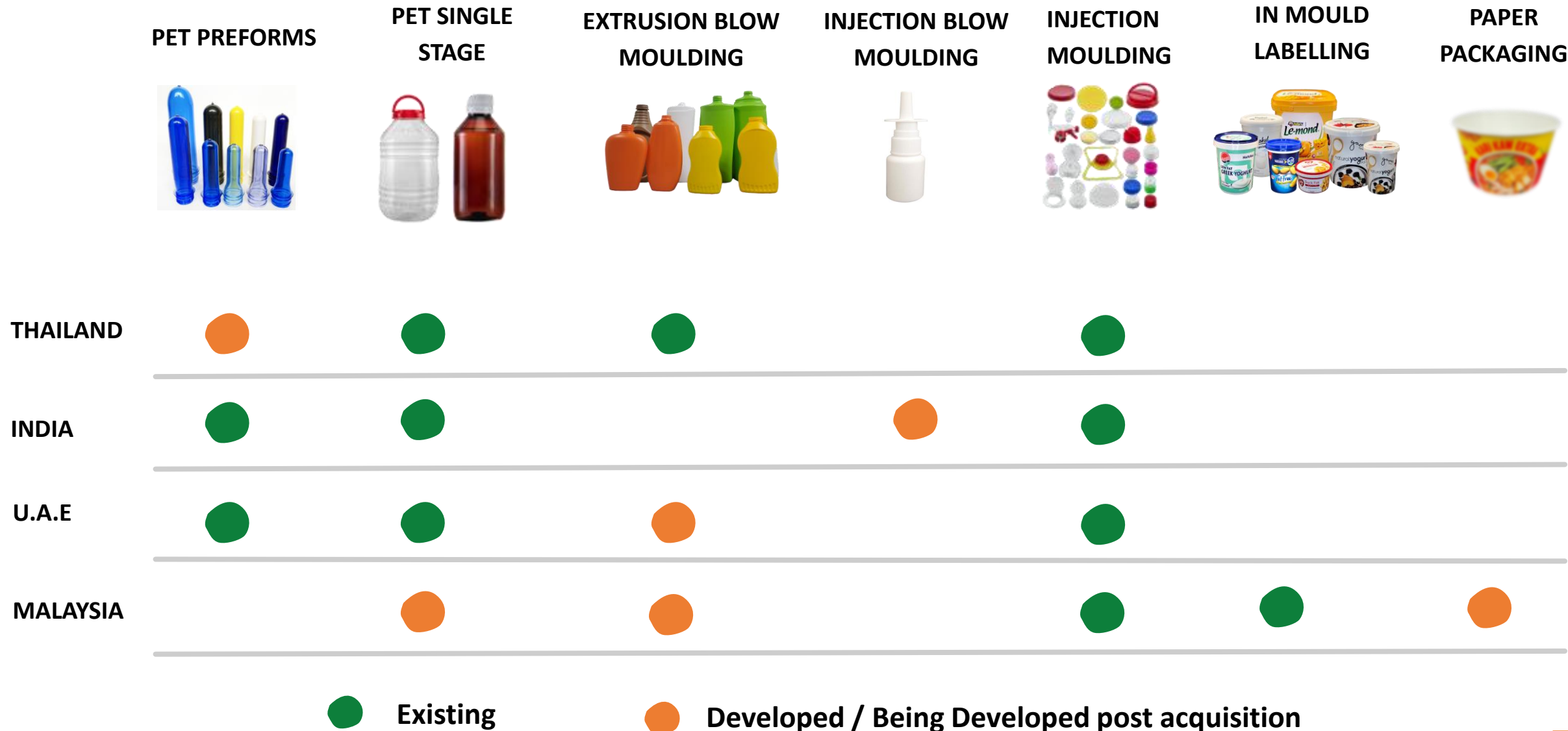
Revenue Contribution

29% Thailand
46% India
16% Malaysia
9% UAE

Manufacturing presence in the emerging markets:

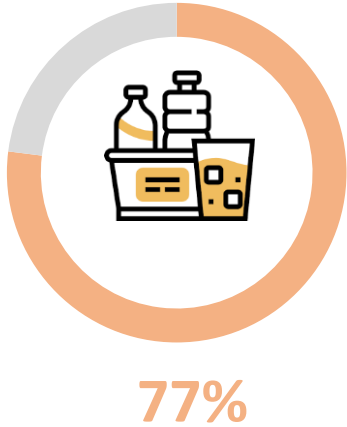
 4 plants
 9 plants
 1 plants
 2 plants

Continuously leveraging and investing in new technologies to provide bouquet of products to our customers, leveraging on each of our M&A's



With more than 90% portfolio focused on Food & Pharma segment, which requires strict hygiene and clean room facilities and not prone to demand cyclicity

Food and Beverages



- Condiments, Spreads & Oil
- Dairy & Ice Creams
- Specialty Beverages & Formulations
- Confectioneries & Snacks



Sticky, Non-cyclical, resilient, visible, diversified and focused product portfolio



Demand resiliency severely tested during Covid period.



Food and Pharma segment's appreciation for quality and hygiene leading to customer stickiness.

Pharmaceutical and Personal care



- Liquid Formulations
- Solid Formulations
- Nasal Drug Delivery Solutions
- Intravenous Drug Solutions



Built on a world class infrastructure with no compromise philosophy, while selecting technology partners across the globe



Highly Automated line



Thin wall Injection Moulding



Clean room environment



Certifications



 TPAC Groups total production area ~ 40 K sqm



Technology Partners

Serving Blue Chip customer base across all our segments, in 50 countries. Relationships spanning over multi-decades with no major customer concentration

Global MNCs



Pharma Giants



Food Giants



Thai Champions



- ✓ **1500+** customers across **~50** countries
- ✓ **Geographically diversified** customer base across attractive segments, while maintaining **low customer concentration**.
- ✓ **Reputed brand** names on our customer list in the **high growth markets**
- ✓ Focused on **Food & Pharma** segments
- ✓ **Decade long relationship** with multinational consumer giants

Differentiating through design and new product development led by global R&D team.



State Of The Art:
Design Lab & Machine Technology



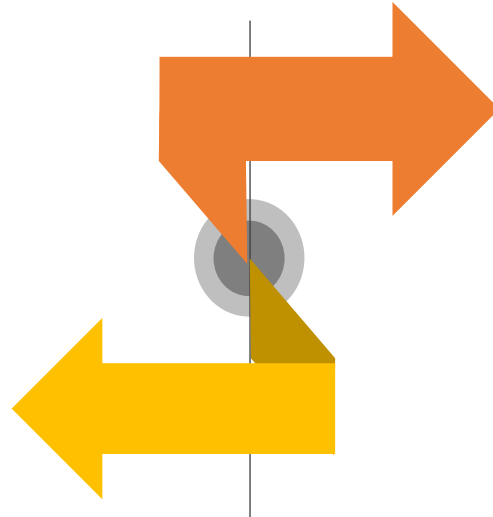
Strong Technical and
Industrial Design Teams



Innovation and New
Product Development



Intellectual Property and
Design Registrations



Saline PP bottles



Paper Bowl



Temper evident Infant
nutrition scoop & closure



Vitamin water closure,
with unique hanging
cap design



Nasal spray 3-piece
system for Pharma MNC



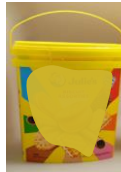
Confectionary IML
biscuit replacing tin
packaging

Partnering with our customers with high focus on sustainability, which presents a huge opportunity for TPAC

Conversion projects (non-recyclable unfriendly polymers to recyclable winners)

Food & Beverage segment

- **PS** to recyclable material **PET** for **Mint Box**.
- **PVC wrap film** to more **recycle friendly OPP-PE wrap film** for Nestle Scoop for milk powder
- **Tin Cans** to **PP resin** with IML technology for Julie's products.



Monolayer conversion projects

Food & Beverage segment

- **Shrink Sleeving to IML** and **Sticker to IML**



Recycled resin projects

Food & Beverage and Pharmaceutical and Personal Care segment

- **> 10 projects** with global MNCs using **rPET resin**.



Weight optimization projects

- Weight **reduction** through **design optimization** and **technology** advancements.
- Multiple ongoing projects leading to **savings of more than 500 Tons** of polymers annually + many more projects under development.



Reusables

RFID reusable lunchboxes

- Minimum 500 times. To be incorporate with **RFID technology** for tracking the number of uses.

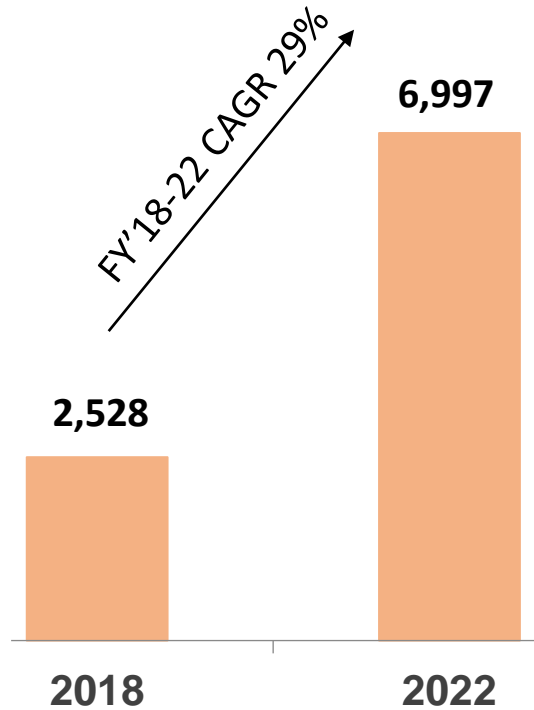


Bio Solutions

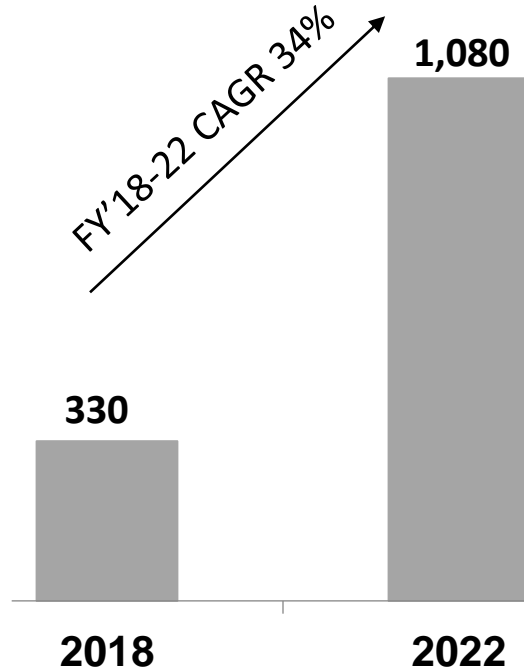
Projects using **bio-PP/bio-HDPE resins** to produce spoons and caps with plans to scale up towards commercial production, in line with Bio-Circular-Green Economy (BCG).

Resulting in us becoming the fastest growing packaging company in Asia during the last five years.
Our strong endeavor will be to keep this title for the the next decade also.

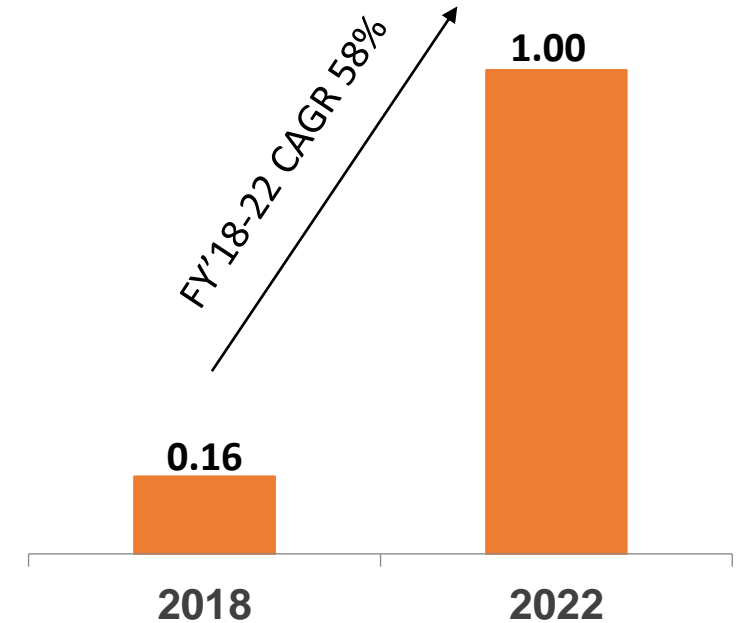
Sales (THB Million)



Core EBITDA (THB Million)



Core EPS (THB)



Our Journey and Growth Strategy



The world before and after...

⌚ Before change in management control (1983 - 2015)

Limited to Thailand and exports across **~8 countries**

Presence only in Thailand with **3 Plants**

PET Moulding, Injection Moulding and EBM

~ **900 employees** in Thailand

Revenue of ~THB 1.5 Billion and Core EBITDA of ~ 0.25 Billion (FY'15)

Listed on **MAI**

CG Rating of **2 Stars**

Food and Beverages focus



Geography



Plants



Technologies



Talent



Financials



Listing



Governance



Segment

⌚ After change in management control (2016 - 2022)

Strategic entry into India, UAE and Malaysia with 100% focus on emerging markets and exports across **~50 countries**

Presence in 4 countries with **16 Plants**.

Introduction of new technologies such as PET Preforms, IML, paper packaging, Injection Blow Molding, automations together with sustainability focus

~ **3000 employees** across ASEAN, India and UAE

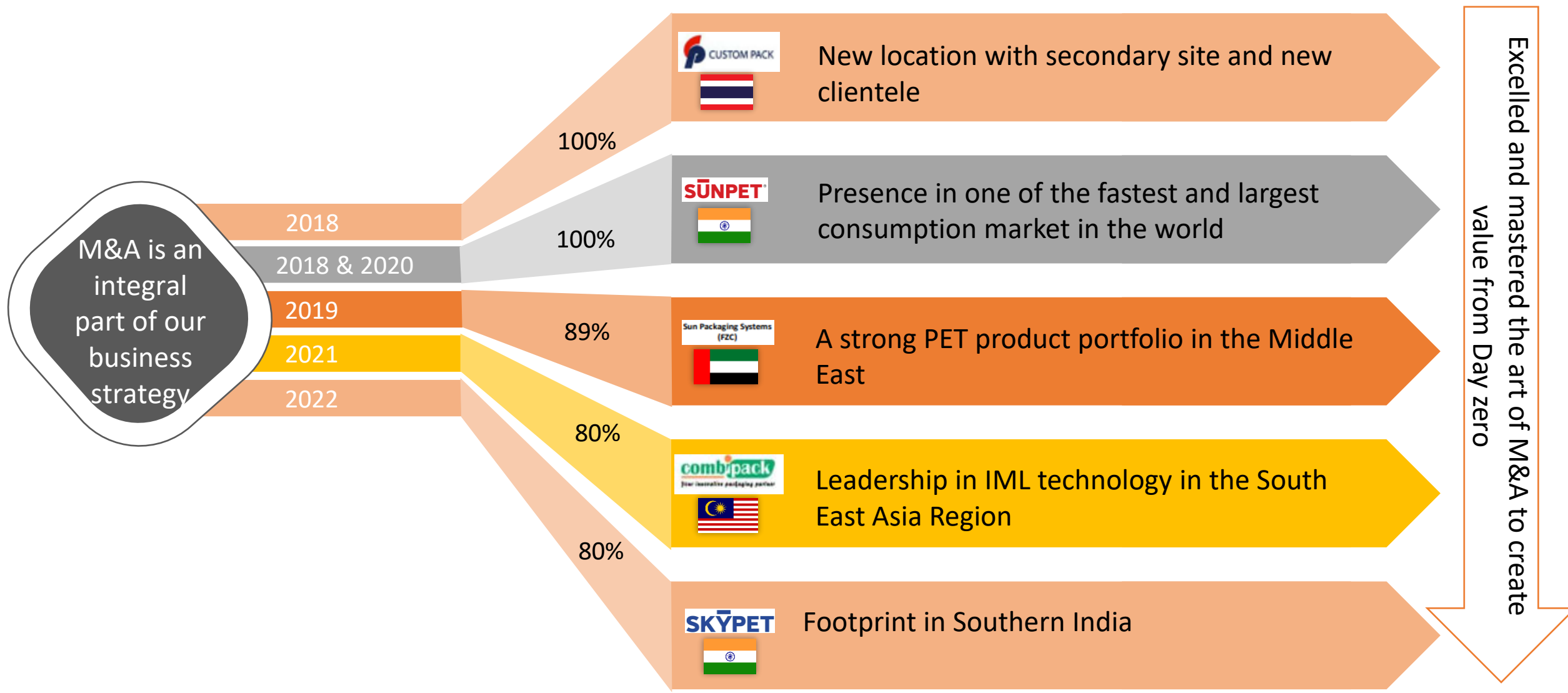
Revenue of ~ THB 7.0 Billion and Core EBITDA of ~THB 1.1 Billion (FY'22). ~ **4x growth**

Listed on **SET**

CG Rating of **4 Stars**

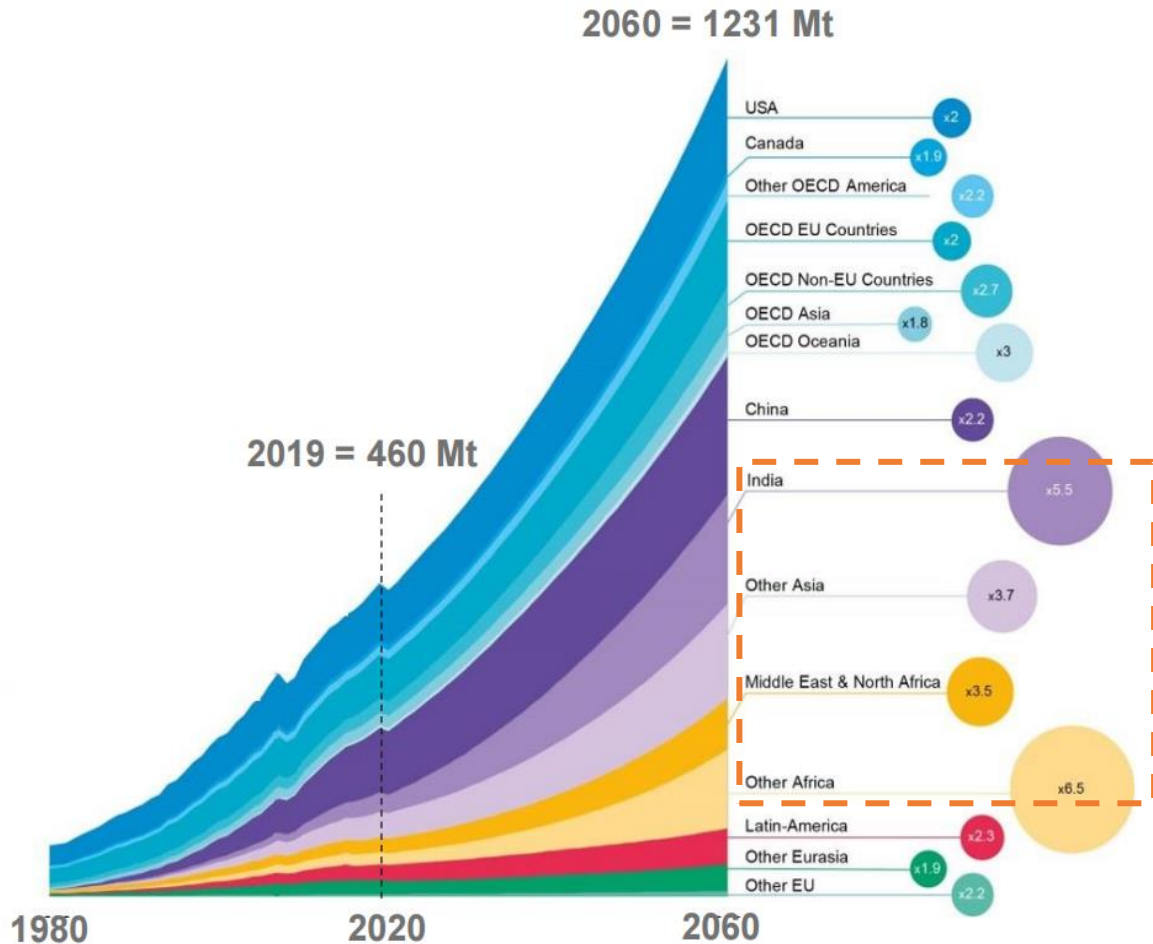
F&B and **entry into Pharma**

Our global presence built on series of M&A's, executed in a unique '*TPAC Way of M&A*'



Global plastics consumption is on course to almost triple by 2060 led by India, Africa and Asia.
Changing trends witnessed of using recycled plastics over virgin polymers as demand soars.

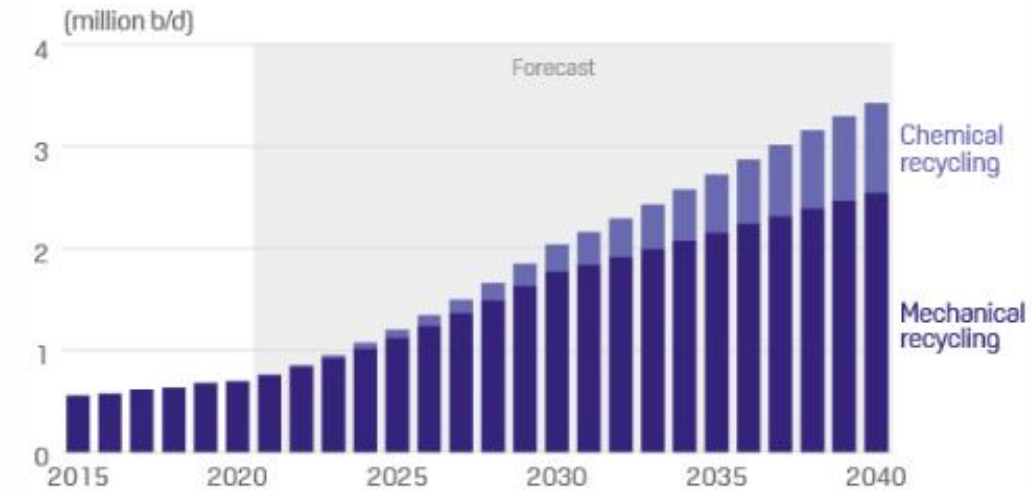
Global Plastic Consumption



TPAC has a strong footprint in the **top 4 high growth geographies**

Increase in demand of recycled plastic

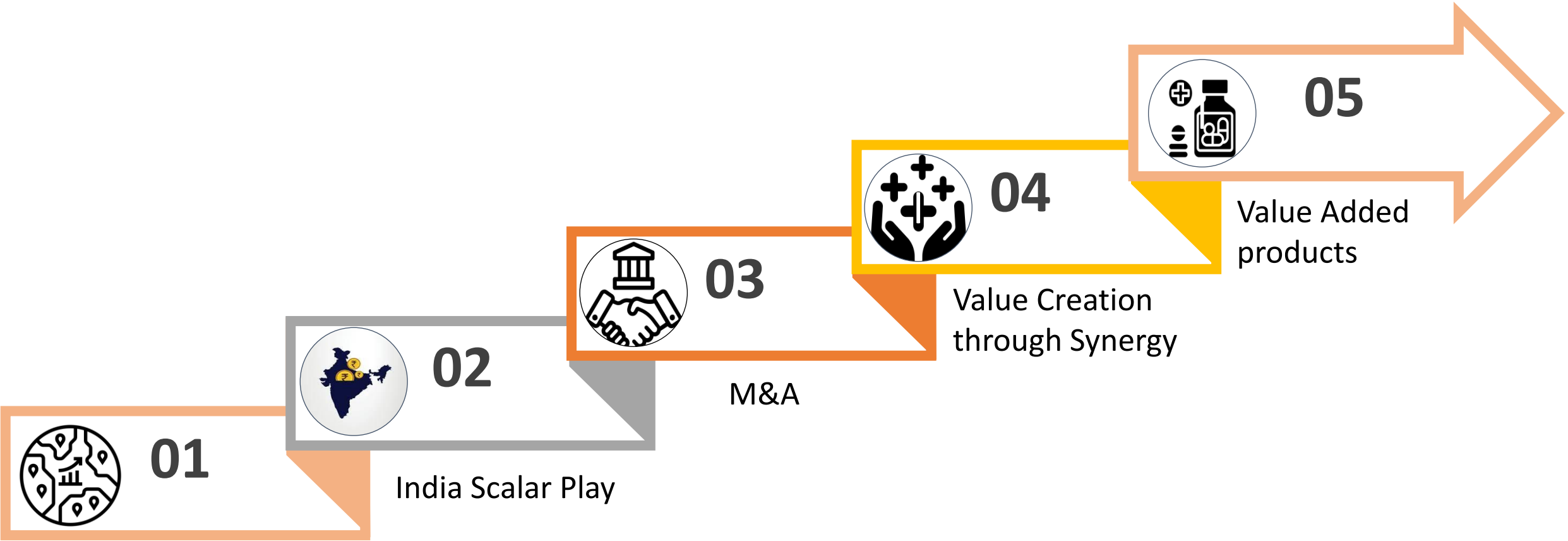
VIRGIN POLYMER FEEDSTOCKS DISPLACEMENT BY RECYCLED PLASTICS



Source: S&P Global Platts Analytics

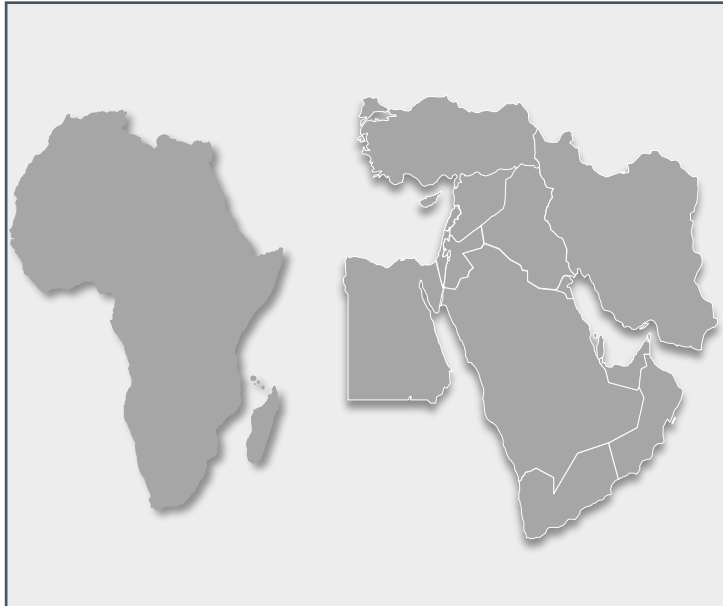
- Recycled plastics will replace over 2.0 million MT of virgin polymer feedstocks by 2030, compared with 0.7 million MT in 2020.
- This is aligned with TPAC's strategic focus on using **100% monolayer recyclable polymers** (PET, PP & HDPE)

Our Growth Strategy over the next 5 years.



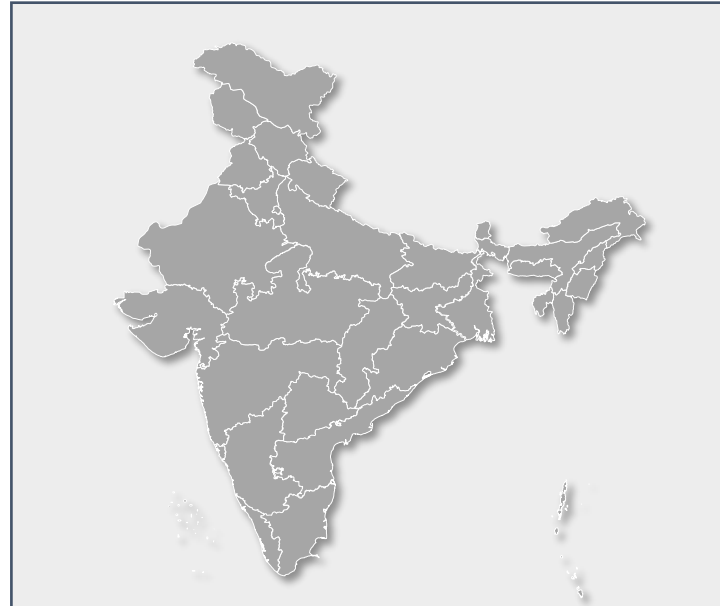
Emerging Market Focus

Our current focus is on 3 geographic engines, with high market growth, where we now have strong management, customers relationships and deep market understanding in place



AMEA (Africa & Middle East)

- ❑ 1.7 Billion people
- ❑ FY'22 GDP growth rate – 3.7% (Africa) and 5.6% (Middle East)^
- ❑ Plastic consumption expected to increase by ~3.5 - 6.5 times from FY'19 to FY'60*



India

- ❑ 1.4 Billion people
- ❑ FY'22 GDP growth rate – 6.8%^
- ❑ Plastic consumption expected to increase by ~5.5 times from FY'19 to FY'60*

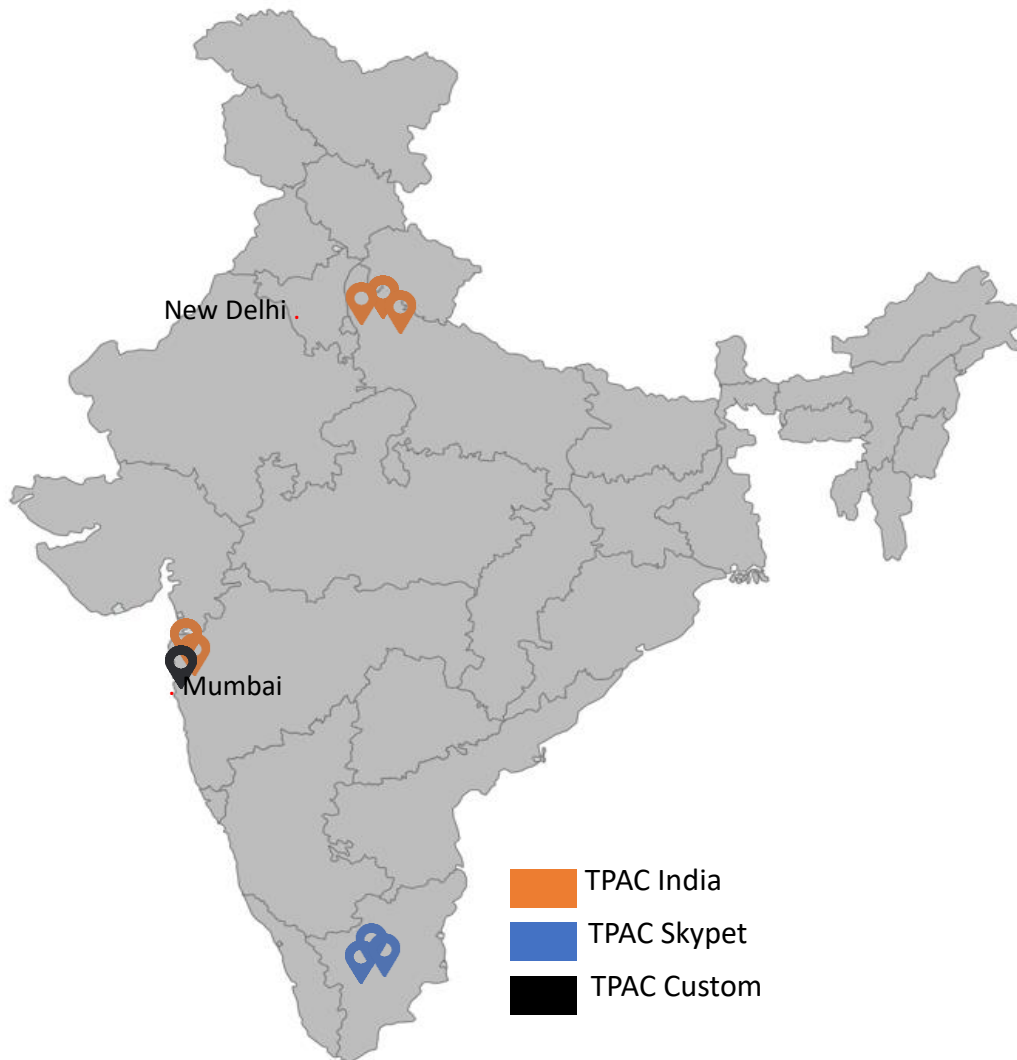


ASEAN

- ❑ 600 million people
- ❑ FY'22 GDP growth rate – 5%^
- ❑ Plastic consumption expected to increase by ~3.7 times from FY'19 to FY'60*

Market of 3.7 bn people, where a lot of the world's growth is likely to come from.
GDP growth rate of these 3 regions is much higher than global FY'22 GDP growth rate which was 3.20% in FY'22^

India's business has the potential to drive scalar growth for the Group

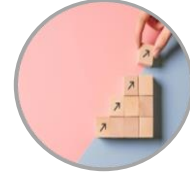


Revenue from India business now accounts for ~46% of total group revenue



Market Leadership

- Market leader in the PET rigid space in India, having the largest consumer base



Organic and Inorganic Growth

- Acquired 80% stake in the business of Skypet Polymers and two green field projects completed in the north & west of India.



Entering in to new specialty verticals

- TPAC's foray into new specialty verticals through the newly incorporated company.



Factory to the world

- India becoming a global manufacturing hub for the world. Many companies looking for an alternate supplier outside of China.



Indian Pharma Industry

- TPAC has made strong inroads into Indian pharma segments which is high value market and offers a strong potential.



Consumer Business

- Potential to grow our consumer business with introduction of new product range under our brand name Sunpet.

TPAC's unique culture, being a family of family companies, makes us the preferred partner for potential M&A's



Successfully executed and integrated 4 solid family businesses



Well oiled M&A engine in place to close a deal in best-in-class timelines



Solid family run businesses trust TPAC to take forward their legacy



Well developed integration strategy driving high ROCE on investments



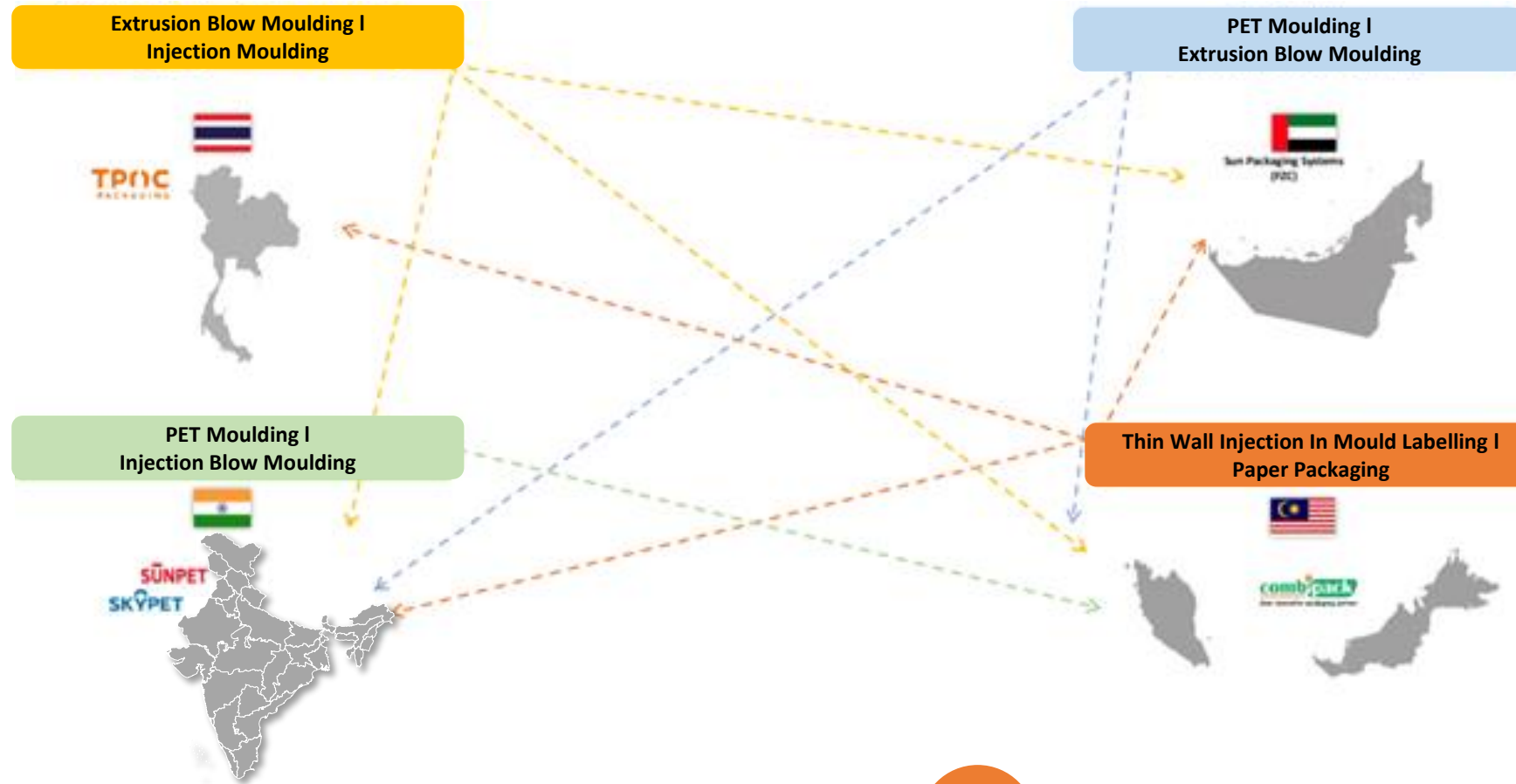
Many consolidation opportunities exist, which can be capitalized



In-depth understanding of business and ecosystem enabling best strategic decisions



Value Creation through Synergy on customer relationship, procurement and global design capabilities present within the Group



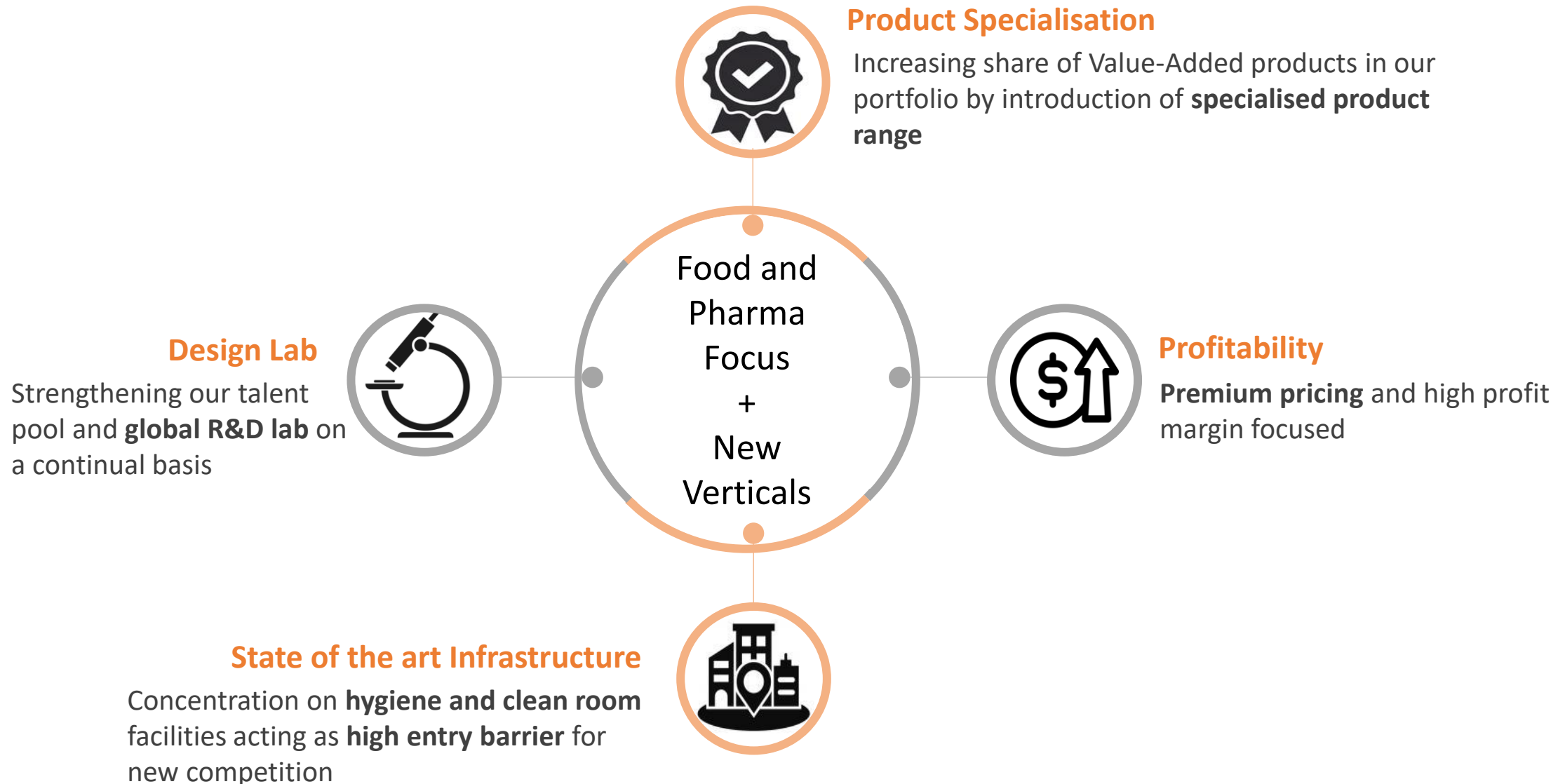
01 Today TPAC is in prime position to **generate alpha**.

02 **Customer relationships** transfer across businesses

03 **Technology / know how transfer** across businesses

04 Synergising on global **design lab capabilities** and knowledge across various geographies.

Increasing portfolio of Value-added products while maintaining our focus on strict hygiene segments like food, pharma and potential new verticals like cosmetics etc.





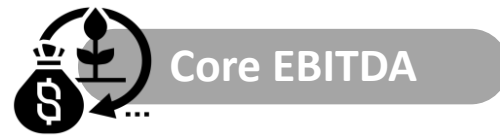
Financial Highlights and Key Business Updates

FY 2022 – A year of strong financial performance, demonstrating resilience and agility in an uncertain, inflationary environment

Profitability driven by strong, sustainable growth...



THB 6,997 Mn



THB 1,080 Mn



THB 359 Mn

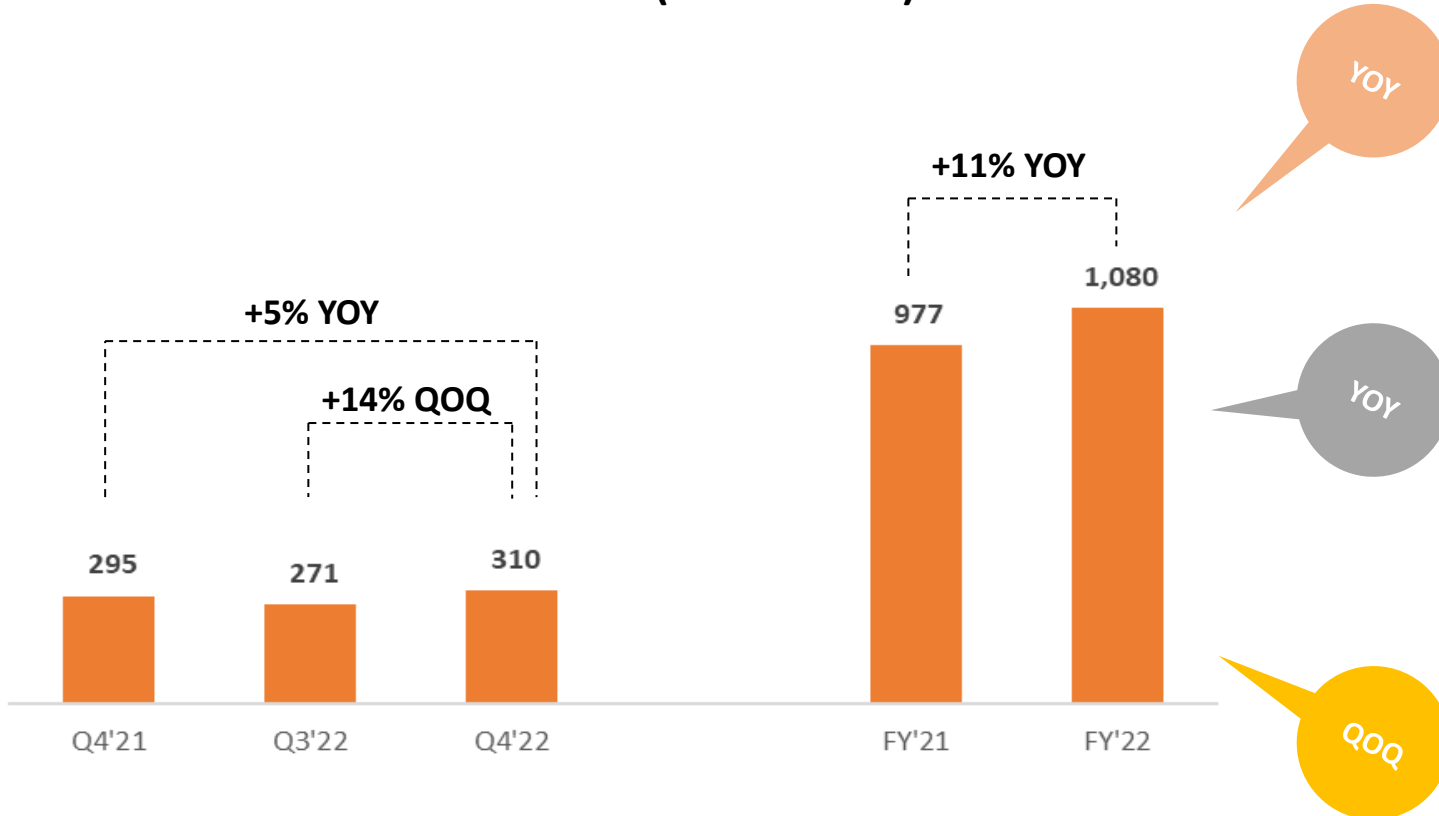


THB 1.00

...All time high revenue and profitability

Core EBITDA increased QOQ and YOY driven by growth in both organic and inorganic business

Core EBITDA (THB Million)



FY'21 vs FY'22

Strong growth momentum witnessed during FY'22 compared to FY'21 on the backdrop of underlying **organic volume growth**, acquisition of **Skypet business** and full year **consolidation of Malaysia business**.

Q4'22 vs Q4'21

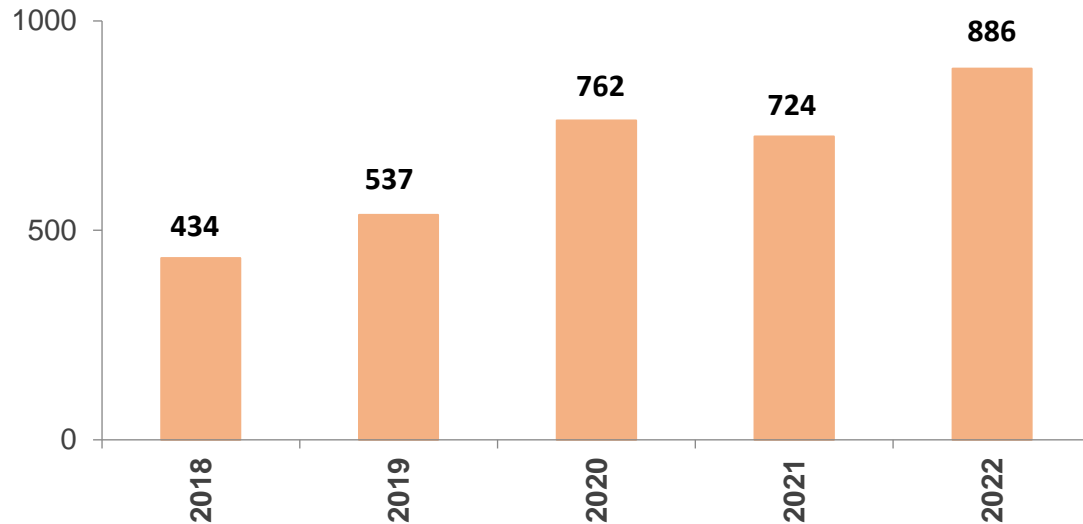
Increase in Core EBITDA is led by **addition of Skypet business** and on account of **growth in existing business**.

Q4'22 vs Q3'22

Increase in Core EBITDA by **~14%** is driven by margin enhancement across all our business. This has been driven through a host of factors including **procurement led savings** and **stringent cost optimization measures** undertaken by the businesses.

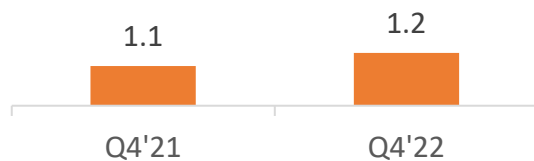
Growing cash flow from operations provides capability for future investments

Operating Cash Flow (THB Million)

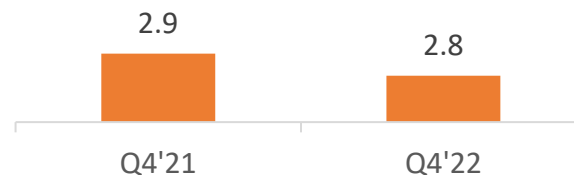


↑ CAGR 20%

Net Debt to Equity (x)



Net Debt to Core EBITDA (x)



A **strong growth** in cash flow from **operations** from FY'18 to FY'22 at a **CAGR of 20%**, fuels **growth investments** and building momentum.



Management has been able to maintain **same level of Debt-to-Equity ratio**, even after business **acquisition** of **Skypet polymers** and **greenfield projects** during FY'22. Net debt to equity ratio remains within our comfort level and allows further **head room to grow opportunistically** in future.



Business acquisition of Skypet polymers has paid off really well, we have been able to **seamlessly integrate** this asset in our **TPAC portfolio** and the **performance** of Skypet post the **acquisition has been ahead of our expectations**.

Agile management team and intimacy with customers, allowing for price increase to customers and cost optimization measures to overcome inflationary pressures faced during FY2022

High inflation causing interest rates to spike

- **Refinancing** of existing loan with lower interest rates, focusing on cash flow generation and raising IRR threshold for new investments

04



Higher Manpower Cost

- Cost optimization measures adopted to control increase in cost
- **Automation** of various processes, leading to lower dependence on manpower

03



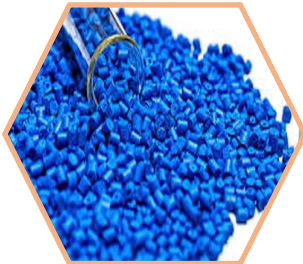
Increase in Energy cost

- TPAC is continuously adopting **newer technology** which require lower energy consumption
- Investments made in **solar** projects to reduce energy cost

02



01



Volatility in Raw material cost

- ✓ **Pass through of cost escalations experienced in FY'22**
 - There have been unprecedented volatility in resin prices during the year, with prices remaining high at the start of the year and then subsequently normalising
 - Effectively **passing on resin cost increase** while maintaining long-term customer relationships

Solar Rooftop Project

- **Solar rooftop project** has a capacity of 1.5 MW in Malaysia business
- Project completed and started enjoying the solar saving from Q4'22



Green Field Expansion

- **Two green field projects** for capacity expansion in the north and west of India initiated and completed to meet the ever-growing demand from our existing and new potential customers.

Exhibition and Customer Engagements

Participated in 3 global exhibitions : CPHI – Korea (Pharmaceuticals), Gulf food – UAE (Food & Beverages) and FHA – Singapore (Food & Beverages)



Incorporation of TPAC Custom Solutions Pvt Ltd.

- TPAC's India business plans to venture into high value add **caps and closures business** and other specialty verticals such as **cosmetics**.

New Vertical: Paper Packaging

- TPAC's Malaysia business has ventured into the **paper packaging space** through a strategic paper food packaging project.



Key Takeaways



Asia's fastest growing packaging company, listed on the Stock Exchange of Thailand

Market leaders positioned in dynamic markets with fast growing consuming class

Multi decade relationships with blue chip customers over our 40-year history

Focused on specialty packaging, differentiating through design capability and clean room manufacturing

Non-cyclical, resilient, visible business. Severely tested and proven over Covid

Management value creation track record. Core EBITDA grown 3.3x over past 5 years

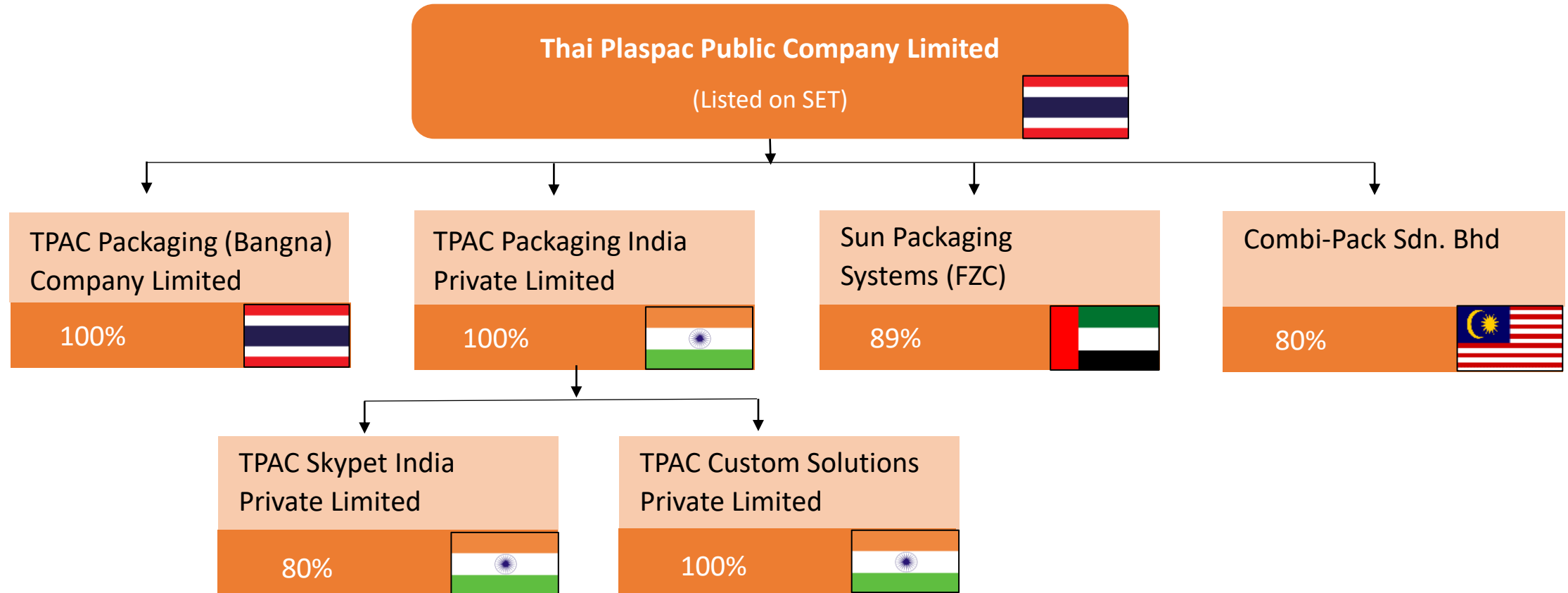
Sustainability continues to be a big opportunity for TPAC



Making Packaging Better

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Website: <https://www.tpacpackaging.com>

TPAC Group Corporate Structure



- Thai Plaspac Public Company Limited, is the parent holding company of the Group and is publicly listed on the Stock Exchange of Thailand.
- TPAC currently has 4 direct subsidiaries and 2 step down subsidiaries held by TPAC Packaging India Pvt Ltd.
- While the subsidiaries located in Thailand and India are 100% owned, the subsidiaries located in UAE and in Malaysia are minority held by partners, who were erstwhile founders of these companies.

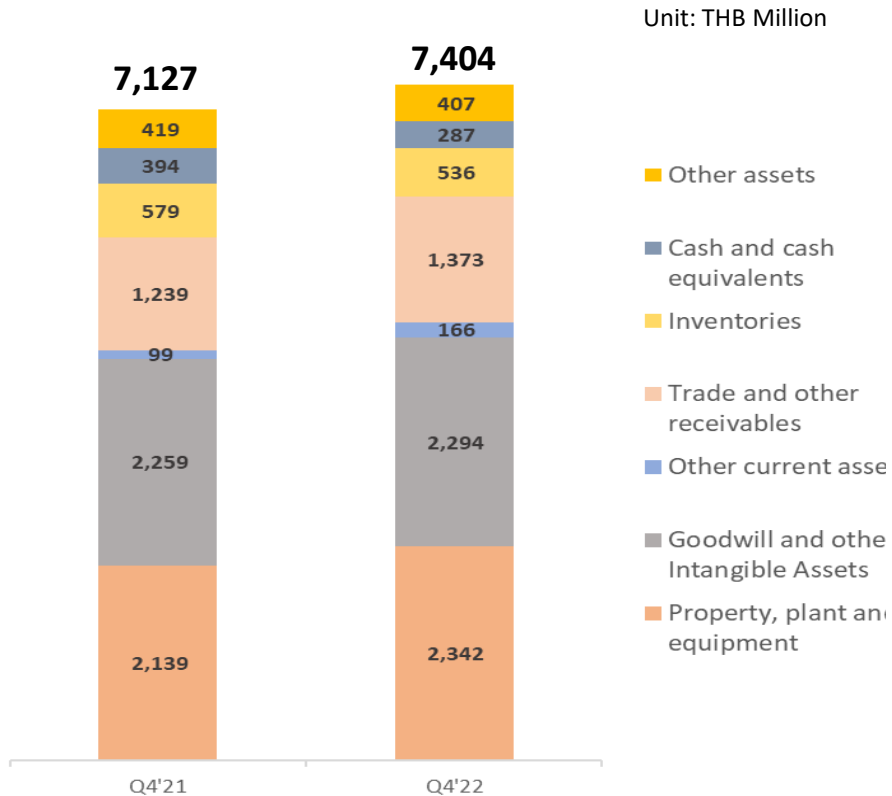
Strong growth momentum witnessed during FY 2022

Unit: THB Million

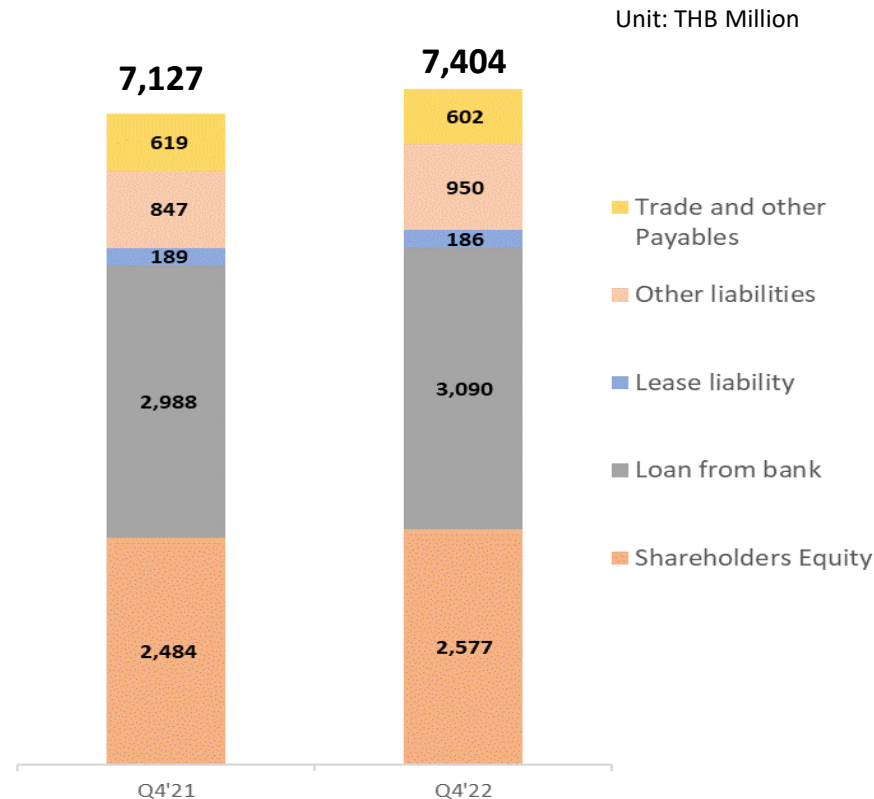
	Quarterly					Financial Years		
Particulars	Q4'22	Q3'22	%Δ	Q4'21	%Δ	FY22	FY21	%Δ
Consolidated Sales	1,753	1,834	-4%	1,570	12%	6,997	5,194	35%
EBITDA	310	271	14%	290	7%	1,069	952	12%
Core EBITDA	310	271	14%	295	5%	1,080	977	11%
Core EBIT	186	151	24%	151	24%	598	549	9%
Core Net Profit	116	89	30%	82	41%	359	329	9%
Core Net Profit after NCI	106	79	35%	75	42%	328	307	7%
EPS	0.33	0.24	35%	0.22	48%	0.98	0.47	108%
Core EPS	0.33	0.24	35%	0.23	42%	1.00	0.94	7%
Core ROE	20%	14%	6%	14%	5%	15%	15%	0%
Debt to Equity (times)	1.27	1.32	-0.05	1.28	-0.01	1.27	1.28	-0.01
Net Debt to Equity (times)	1.16	1.15	0.01	1.12	0.04	1.16	1.12	0.04

Balance sheet size increasing with investments into organic and inorganic ventures

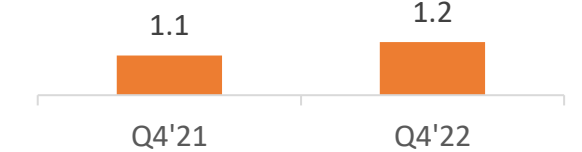
Asset



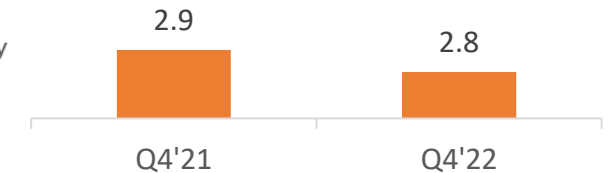
Liabilities and Shareholder Equity



Net Debt to Equity (x)



Net Debt to Core EBITDA (x)

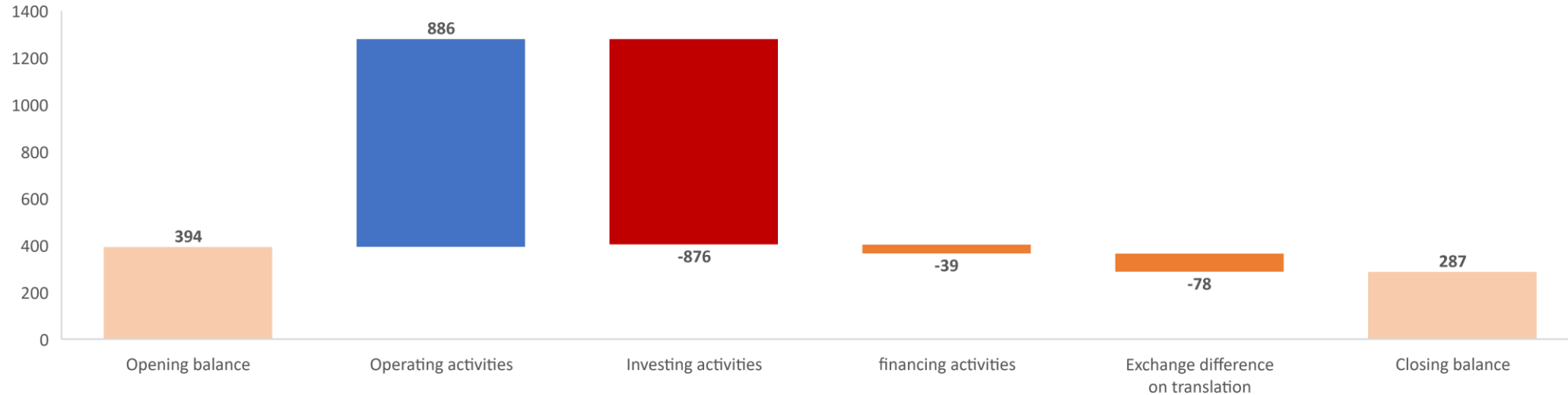


- Total asset increased during FY'22 due to consolidation of assets pertaining to Skypet polymers w.e.f 01st Apr 2022 and investment in PPE.
- Management has been able to maintain same level of Debt, even after business acquisition of Skypet polymers and greenfield projects during FY'22. Net debt to equity ratio is at 1.16x at as end of FY'22, which is within our comfort level.

Strong cash flow acts as an anchor for growth capex and investments

Unit: THB Million

Cash flow bridge for FY 2022



Cash Flows (THB Million)	Q4'22	FY2022	FY2021
Net cash received from operating activities	437	886	724
Net cash used in investing activities	(99)	(876)	(1,157)
Net cash used/received in financing activities	(384)	(39)	502
Exchange differences on translation of financial statements	(151)	(78)	129
Net increase/decrease in cash and cash equivalents	(197)	(107)	198
Cash and Cash Equivalents - Opening Balance	484	394	196
Cash and Cash Equivalents - Closing Balance	287	287	394

- With the business performing well, TPAC generated **strong positive operating cash flow**.
- **Investing** activities during FY'22 primarily comprises of **purchase of Skypet business, first deferred payment** pertaining to **Malaysia business** acquisition and **balance for growth** and maintenance **capex**.
- **Financing** activities is mainly related towards **repayment of existing loan and finance cost**, which is **partly offset** with **new loans taken** for acquisition of Skypet business and towards normal operations.