

TP()C PACKAGING

Analyst Meeting Q1'23

13 June 2023

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Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future.

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TPAC – A packaging solution specialist





Asia's fastest growing packaging company *

Focused on 100% monolayer recyclable or recycled polymers (PET, PP & HDPE) TPAC Design Lab, backbone for our innovations

>90% portfolio in F&B & Pharma which requires strict hygiene Market leadership for niche segments in all our Geographies

> Listed on Thai Stock Exchange

> > /SET

Our Vision

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

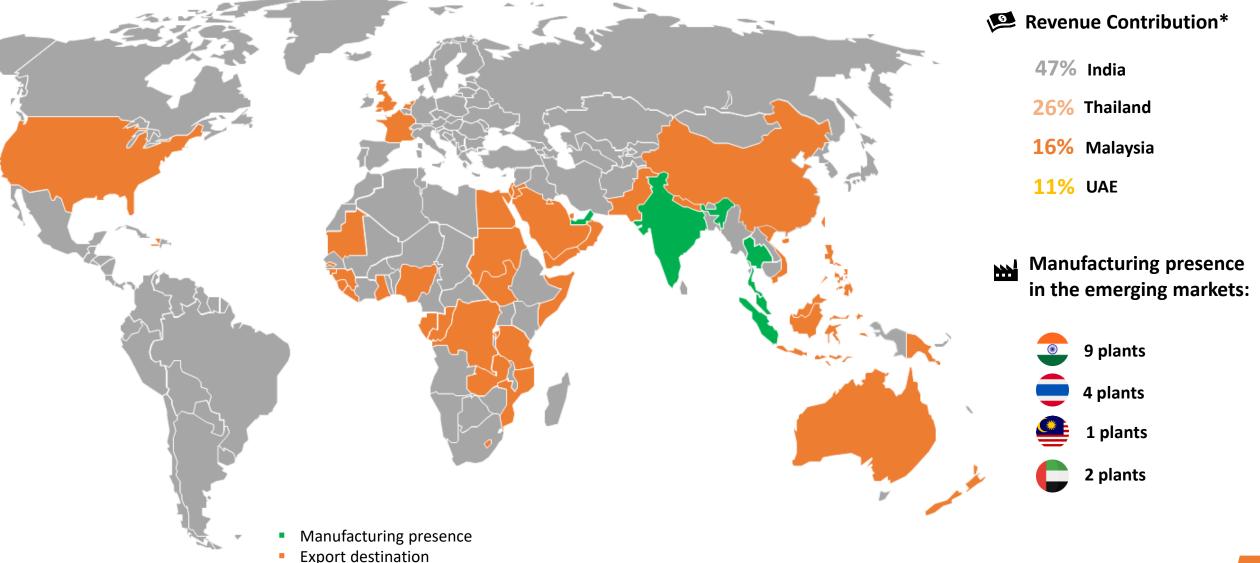
Our Mission

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

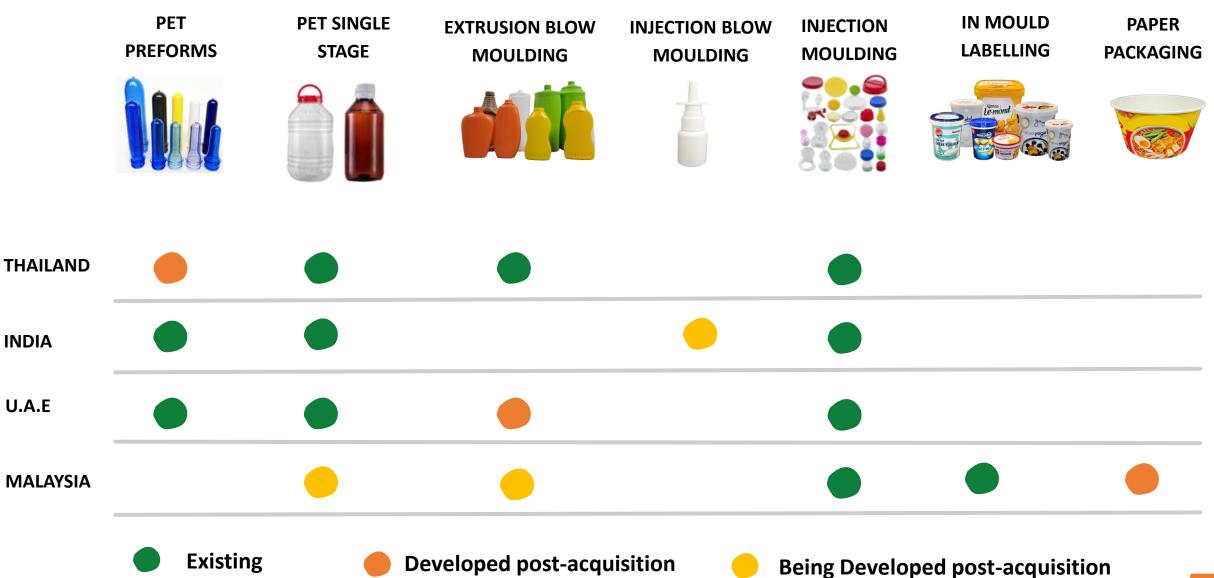
* Company estimation based on 5 years revenue growth trend

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





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



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

Food and ≻ Condiments, Spreads & Oil **Beverages** > Dairy & Ice Creams Specialty Beverages & Formulations GOLD Confectioneries & Snacks 78% **Pharmaceutical** ► Liquid Formulations and Personal care > Solid Formulations ► Nasal Drug Delivery Solutions ► Intravenous Drug Solutions 14% Basis Q1 FY'23

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. 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



Total built up area is ~ 110 K sqm



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







- ✓ 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





Vitamin water closure, with unique hanging cap design



Nasal spray 3-piece system for Pharma MNC



Confectionary IML biscuit replacing tin packaging

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Saline PP preforms

Paper Bowl





Temper evident Infant nutrition scoop & closure

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 biscuits packing.





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 600 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

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

TPAC's DNA: Continuously focused on three key drivers



Digitization



Automation



Energy Conservation

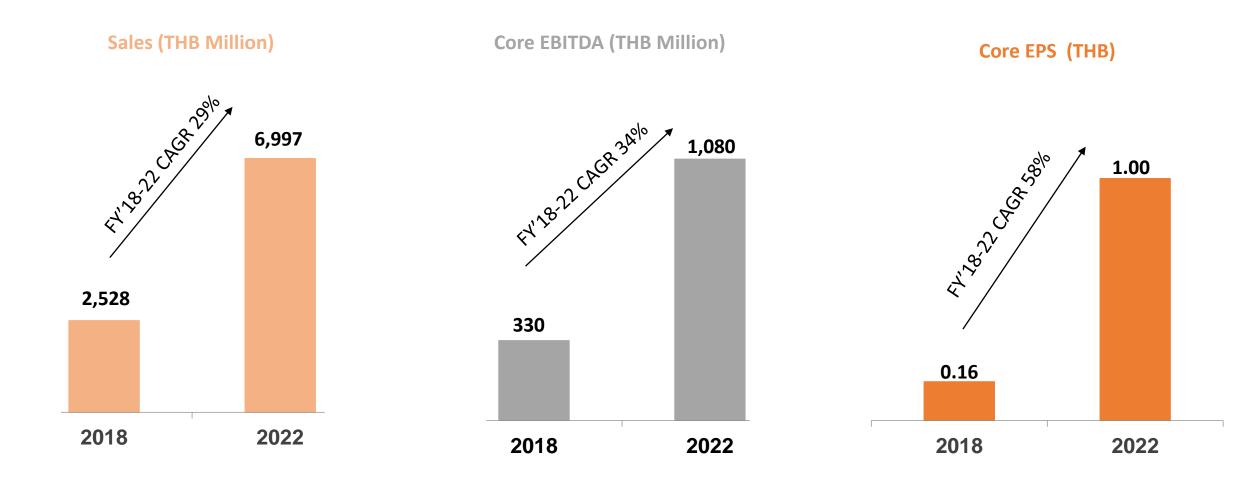


Focus to build a robust digital infrastructure. Actively seeking opportunities for digitization by considering it a vital factor for success.

Through **cutting-edge technologies** and **automation** in key production stages, TPAC **maximizes efficiency** and **enhances safety** Group-wide commitment to energy conservation:

- Solar project across multiple factories.
- Purchasing efficient, allelectric machines and installing VFDs.

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





The world before and after...

After change in management control

(2016 - 2022)

O 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**

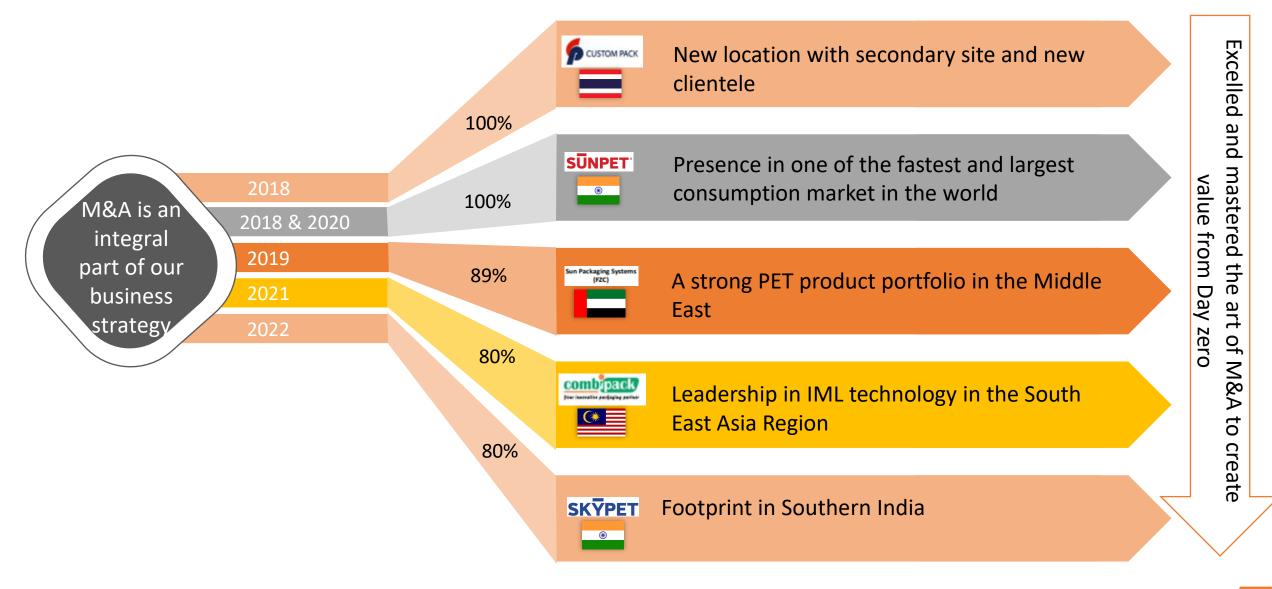
Food and Beverages focus

Geography	Strategic entry into India, UAE and Malaysia with 100% focus on emerging markets and exports across ~50 countries
Plants	Presence in 4 countries with 16 Plants.
Technologies	Introduction of new technologies such as PET Preforms, IML, paper packaging, Injection Blow Molding, automations together with sustainability
Talent	focus ~ 3000 employees across ASEAN, India and UAE
Financials	Revenue of ~ THB 7.0 Billion and Core EBITDA of ~THB 1.1 Billion (FY'22). ~ 4x growth
遺 Listing	Listed on SET
fin Governance	CG Rating of 4 Stars
Segment	F&B and entry into Pharma

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





Within just one year of integrating with TPAC, Skypet, our most recent acquisition, has demonstrated strong growth and profitability enhancement



Sales volume witnessed a 1.3x boost post-acquisition

Profitability (EBITDA) experienced a 1.5x increase post-acquisition

Successful expansion into export markets.

Investments into **capex and Infrastructure** include state-of-the-art machines, **automation**, and **expanded production area**.

Process enhancements improving controls, management reporting, and structured decision-making.



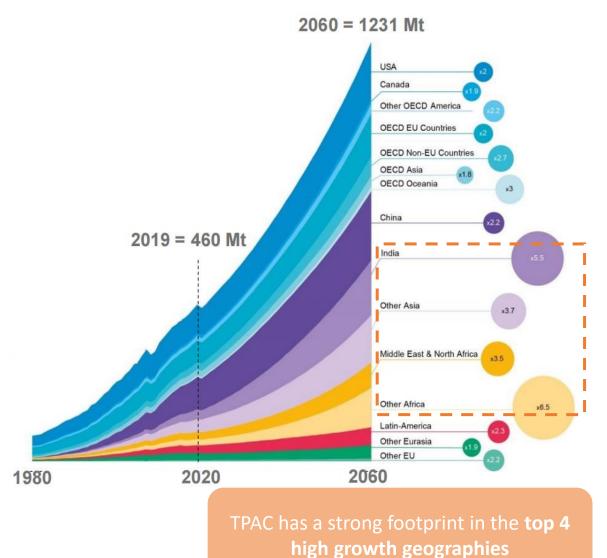
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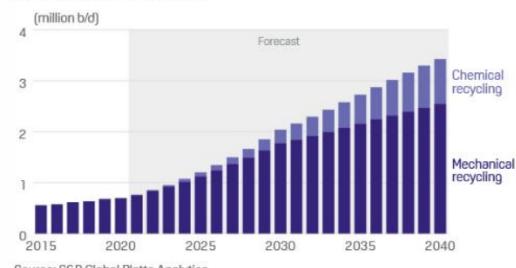
Global plastics consumption is on course to almost triple by 2060 led by India, Africa and Asia. Changing trends witnessed of using recycled plastics over virgin polymers as demand soars.



Global Plastic Consumption



Increase in demand of recycled plastic



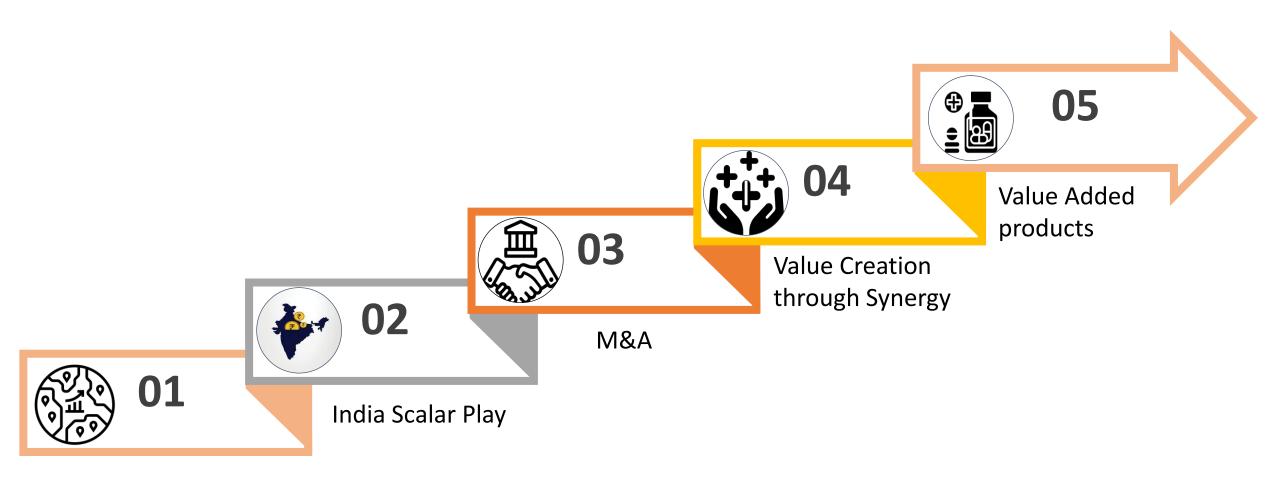
VIRGIN POLYMER FEEDSTOCKS DISPLACEMENT BY RECYCLED PLASTICS

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)

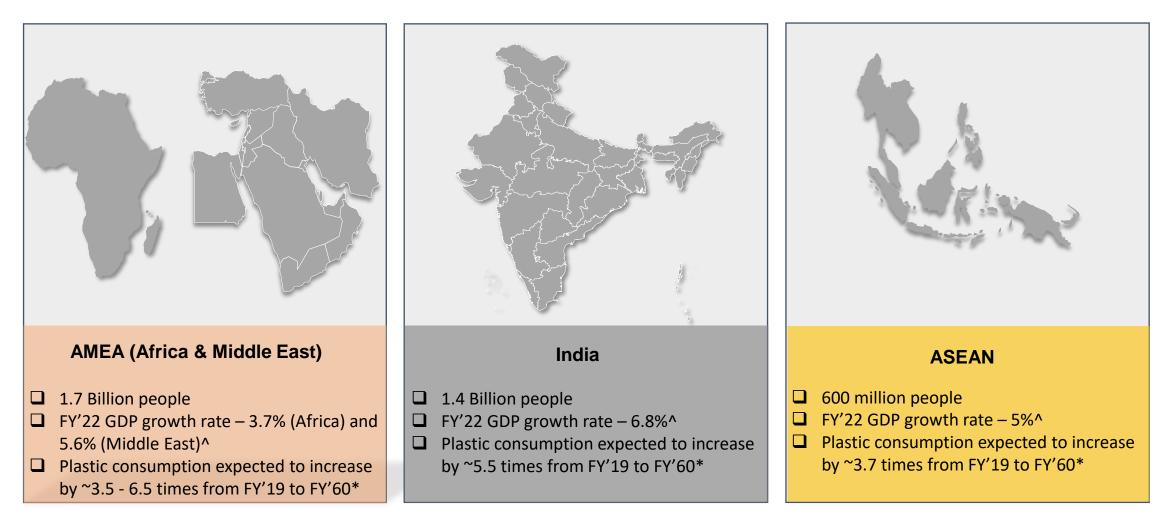
Our Growth Strategy over the next 5 years.





Emerging Market Focus

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



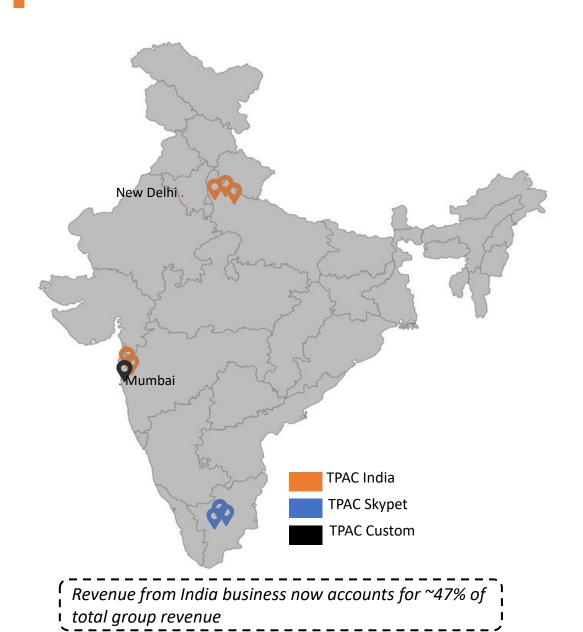
Market of 3.7 bn people, where a lot of the world's growth is likely to come from. GDP growth rate of these 3 regions is much higher than global FY'22 GDP growth rate which was 3.20% in FY'22^

*Source: OECD Global Plastic Outlook

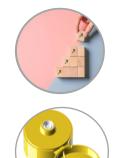
^Source: imf.org

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









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

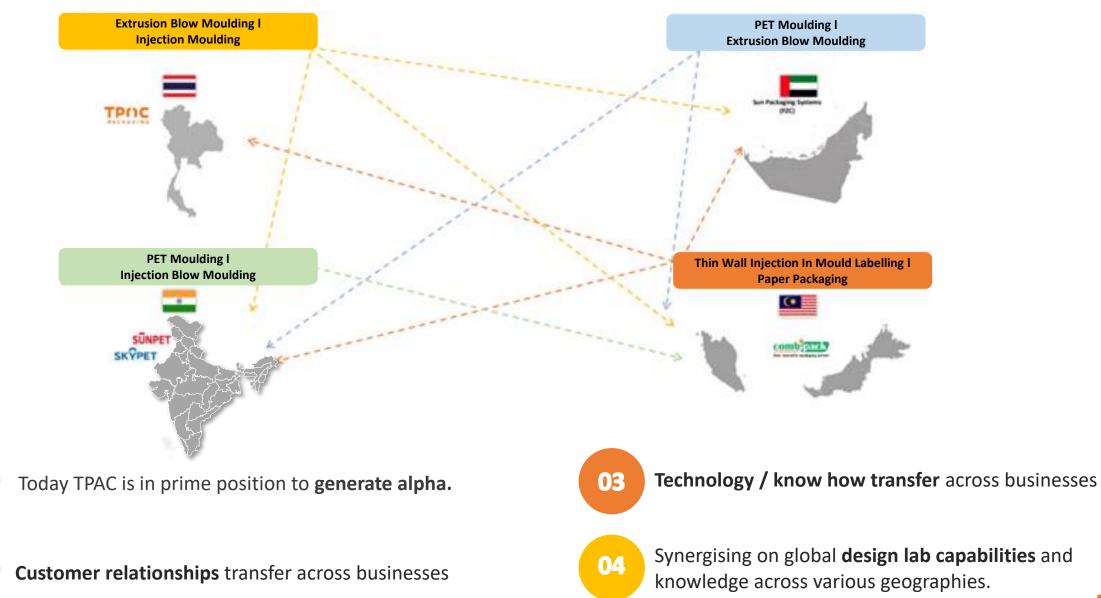


Well developed integration strategy driving high ROCE on investments Many consolidation opportunities exist, which can be capitalized



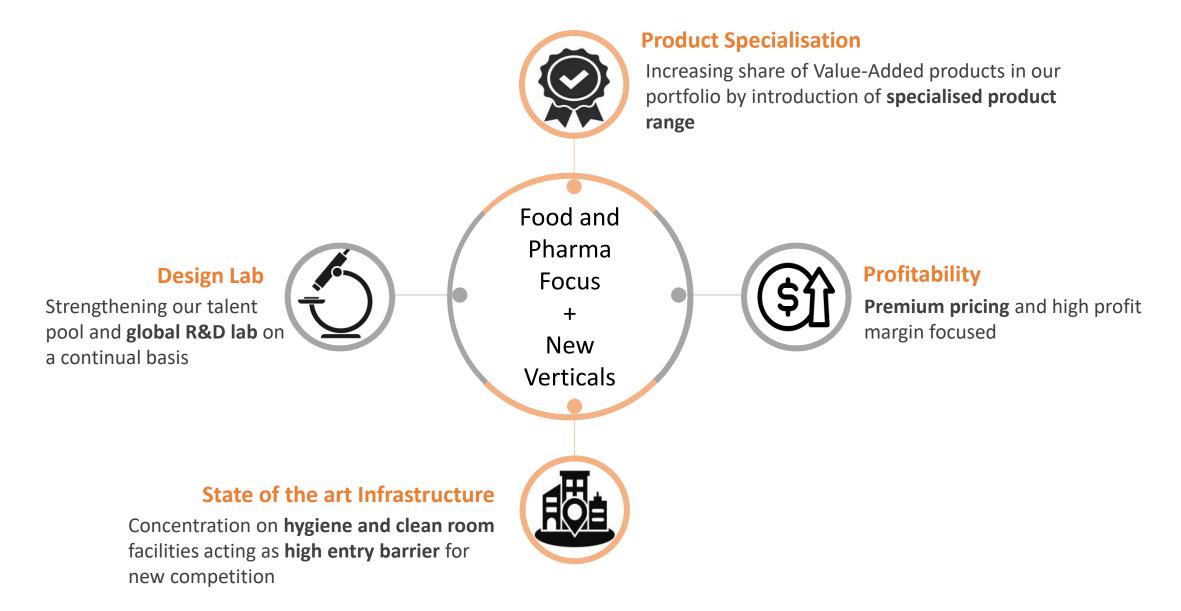
In-depth understanding of business and ecosystem enabling best strategic decisions Value Creation through Synergy on customer relationship, procurement and global design capabilities present within the Group



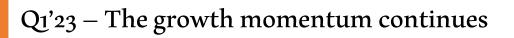


Increasing portfolio of Value-added products while maintaining our focus on strict hygiene segments like food, pharma and potential new verticals like cosmetics etc.



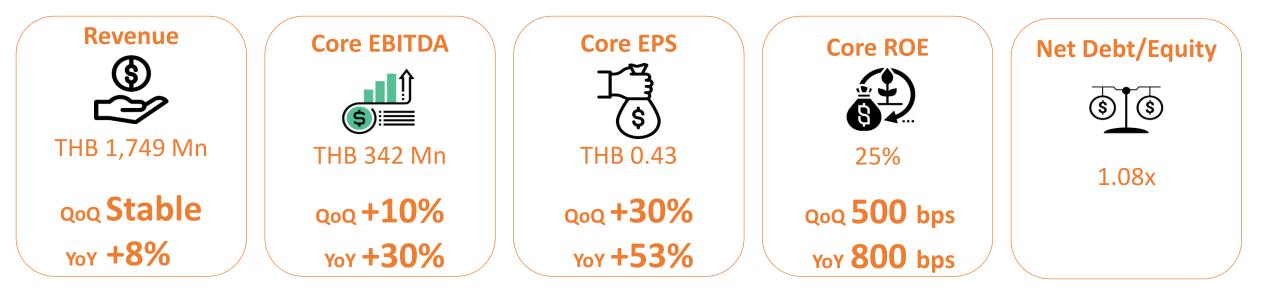








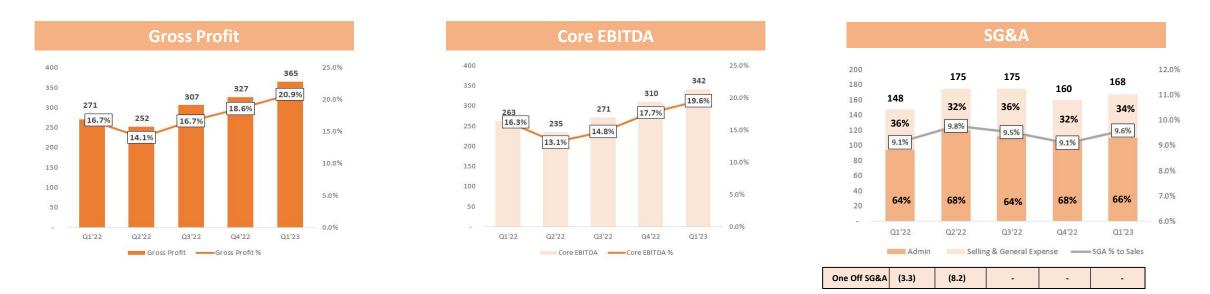
Profitability driven by strong, sustainable growth and margin expansion



- The FY2023 kicks off with record profitability and Core EPS
- **02** New Greenfield projects and inorganic acquisitions to act as catalyst for future growth

• Improved Net debt to equity ratio at 1.08x, provides good headroom for new M&A investments

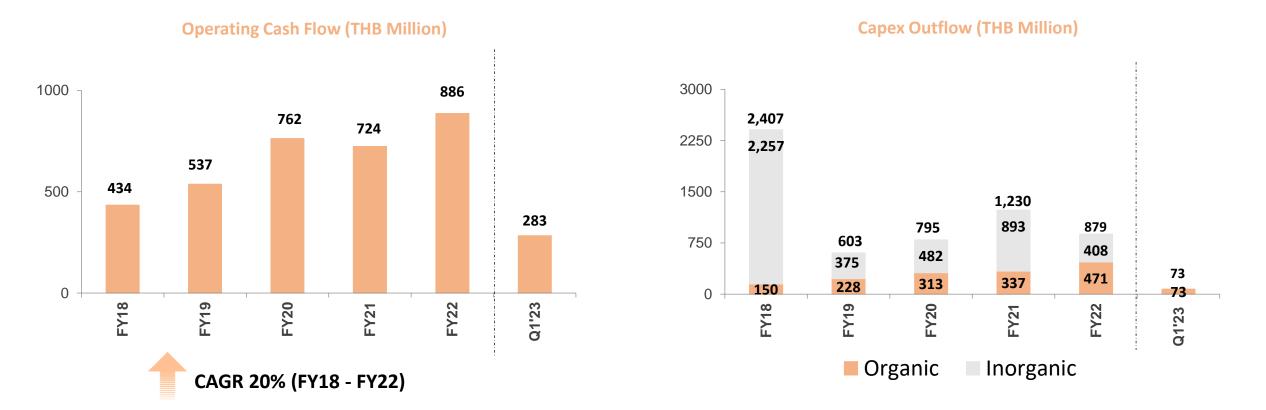
Q1'23 - Financial updates



- Gross profit for this quarter has increased by ~12% on QoQ basis and by ~35% on YoY basis. Gross profit margin has shown an increasing trend since Q2'22, which is primarily on the back of savings in procurement and efficient pass through of cost to customers on a continual basis.
- Core EBITDA for this quarter has increased by ~10% on QoQ basis and by ~30% on YoY basis due to volume growth and margin expansion. Profitability has increased in recent quarters due to a variety of factors, including scale benefits, cost-cutting initiatives, and improved product mix across select geographies.
- SG&A (excluding one off expenses pertaining to M&A transactions) as a % to sales ranged between 9% to 10%, with majority pertaining to admin expenses.

Fueling Growth: Robust cash flow empowers strategic investments and expansion







A strong cash flow from operations during FY'18 to FY'22 at a CAGR of 20%, fuels growth investments for future expansion

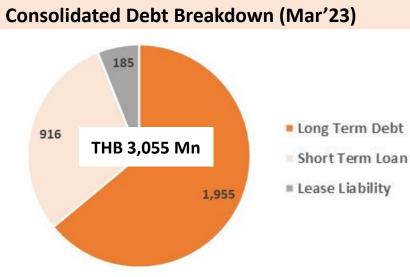


Consistent investments in **organic** growth for driving capacity expansion, increased automation and building world class infrastructure

Series of Inorganic investments have added to overall company's debt, but also doubled the operating cashflow, leaving good room on balance sheet for further investments

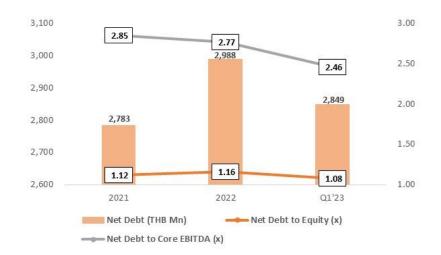
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Debt covenants within our comfort zone

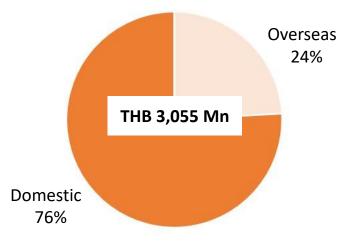


Cash and Cash Equivalent as at Mar'23 was ~THB 206 Mn

Net Debt to Equity and Net Debt to Core EBITDA



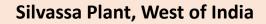
Geographical Spilt of Consolidated Debt (Mar'23)



Note: More than half of the consolidated debt is primarily attributable to historical acquisitions.



Completion of India Green Field projects, with state of art infrastructure, giving ample room to drive future growth and investments





Haridwar Plant, North of India



- Total Area : ~10,000 sq meter
- Product : Bottles and Jars

- Total Area : ~ 5,000 sq meter
- Product : Preform, Bottles and Jars

01

Silvassa plant capitalized during Q1'23 and Haridwar plant was fully commissioned and capitalised during end of FY22. Both the plants have started commercial production.



Commercialization of these two plants will enable us to **meet the ever-growing demand** from existing and new customers in west and north India



We have also **consolidated our operations in the west** by shifting **Dadra production to Silvassa**, for better efficiency and capacity optimization at one single location

Other key business highlights in Q1, FY 23



New Corporate Office – India Business



TPAC India inaugurated a **new Corporate office** in Mumbai, adding to the Brand value

TPAC Skypet



Renovation of warehouse to **create production floor with epoxy flooring** for **installing** new high speed, **high-capacity machines**, which is expected to be completed by **end of Q2'23**.

Awards & Recognition



India Business awarded Excellence in Contribution towards Sustainability for year 2023 by Economic times.

Malaysia Business awarded from INVEST NS the largest local investment in Negeri Sembilan.



- 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

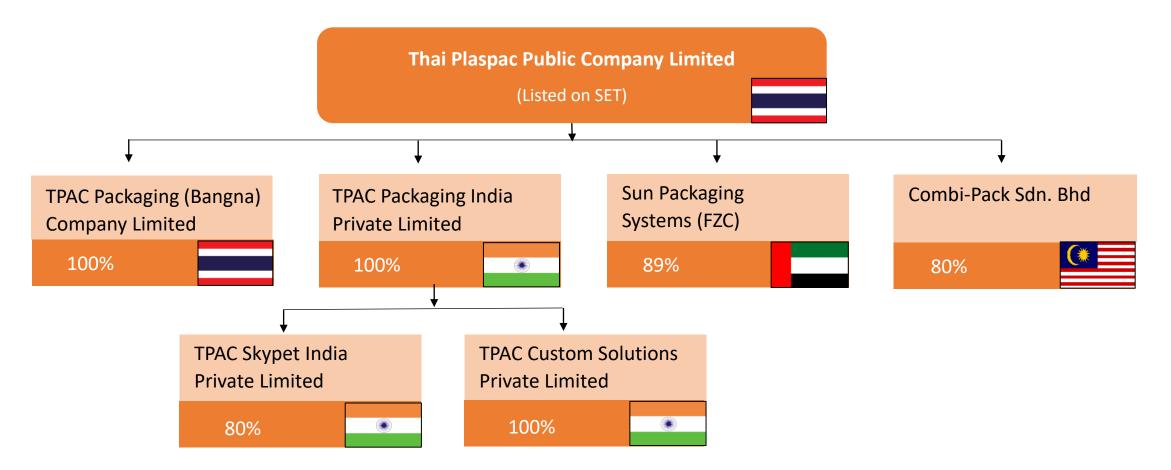
Management value creation track record. Core EBITDA grown 3.3x over past 5 years

Sustainability continues to be a big opportunity for TPAC



Making Packaging Better

IR Contact: IR@TPACPACKAGING.COM Tel. 02-897-2250-1 Ext. 510 Website: https://www.tpacpackaging.com



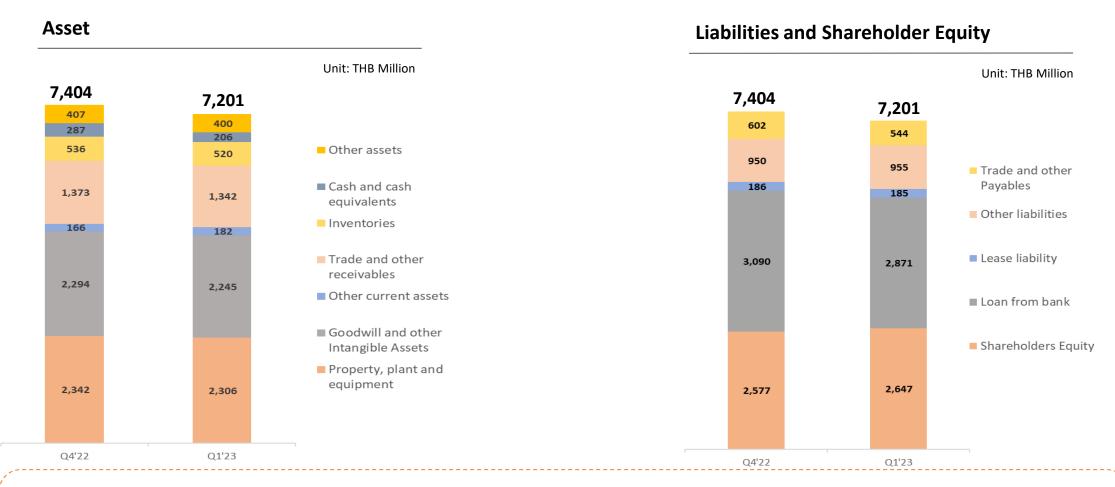
- Thai Plaspac Public Company Limited, is the parent holding company of the Group and is publicly listed on the Stock Exchange of Thailand.
- TPAC currently has 4 direct subsidiaries and 2 step down subsidiaries held by TPAC Packaging India Pvt Ltd.
- While the subsidiaries located in Thailand and India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

Unit: THB Million

	Quarterly				Financial Years			
	Q1'23	Q4'22	%Δ	Q1'22	%∆-	FY22	FY21	%Δ
Consolidated Sales	1,749	1,753	0%	1,620	8%	6,997	5,194	35%
EBITDA	342	310	10%	260	32%	1,069	952	12%
Core EBITDA	342	310	10%	263	30%	1,080	977	11%
Core EBIT	225	186	21%	151	49%	598	549	9%
Core Net Profit	153	116	32%	99	55%	359	329	9%
Core Net Profit after NCI	139	106	30%	91	53%	328	307	7%
EPS	0.43	0.33	30%	0.27	57%	0.98	0.47	108%
Core EPS	0.43	0.33	30%	0.28	53%	1.00	0.94	7%
Core ROE	25%	20%	5%	17%	8%	15%	15%	0%
Debt to Equity (times)	1.15	1.27	-0.12	1.36	-0.21	1.27	1.28	-0.01
Net Debt to Equity (times)	1.08	1.16	-0.08	1.11	-0.03	1.16	1.12	0.04

Balance sheet size increasing with investments into organic and inorganic ventures



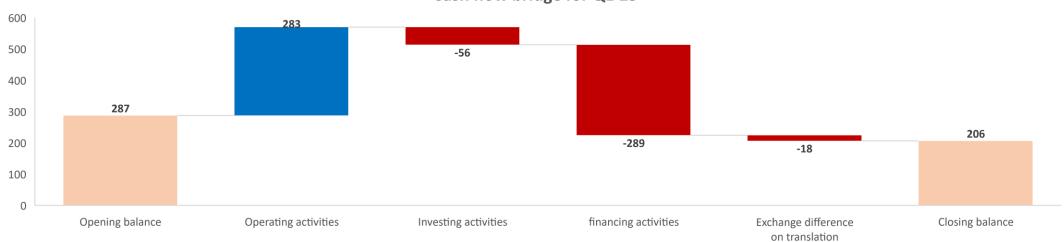


- Reduction in balance sheet size is on account of loss of forex during Q1'23 due to the appreciation of the Thai baht.
- Net Debt to Equity stands at 1.08x, has improved from 1.16x to 1.08x in this quarter.
- Net Working Capital as % to LTM Revenue is ~20% during last 2 quarters.

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



Unit: THB Million



Cash	flow	bridge	for	01'22
Casii		DIIUEC	IUI	

Cash Flows (THB Million)	Q1'23	FY2022
Net cash received from operating activities	283	886
Net cash used in investing activities	(56)	(876)
Net cash used/received in financing activities	(289)	(39)
Exchange differences on translation of financial statements	(18)	(78)
Net increase/decrease in cash and cash equivalents	(81)	(107)
Cash and Cash Equivalents - Opening Balance	287	394
Cash and Cash Equivalents - Closing Balance	206	287

- With the business performing well, TPAC generated strong positive operating cash flow.
- Investing activities during Q1'23 primarily comprises of cost towards greenfield projects in India and machine and mould cost for capacity expansion.
- Financing activities is mainly related towards repayment of existing loan of THB ~219 Mn, finance cost of THB ~37 Mn and dividend payment of THB 34 Mn during Q1'23.