

Market : MAI  
INDUS : PACKAGING



12 May 2017

**TPAC**

**Thai Plaspac Public Company Limited**

Main Branch and factory: 77 Soi Thian Thaley 30, Bang Khun Thian-Chay Thaley Road.  
Tha Khan, Bangkok 10150. Tel: 02-897-2250  
www.Thaiplaspac.com

Stock Data			
	(30/12/16)	2016	2015
Paid-up (MB.)	253.82	208.77	201.3
Listed share (M.)	253.82	208.77	201.3
Par (B.)	1.00	1.00	1.00
Market Cap (MB.)	1,840.18	1,732.76	1,107
Price (B./share)	7.25	8.30	5.50
EPS (B.)	0.44	0.51	0.46

**Chief Executive Officer** Mr. Kevin Sharma     **Managing Director** Mr. Theerawit Busayapoka     **Investor Relations** Ms. Anong Sompittayanurak  
kevin@thaiplaspac.com     theerawit@thaiplaspac.com     anong@thaiplaspac.com

Statistics			
	(30/12/16)	P/E	P/BV
TPAC (x)	18.95	1.88	2.84
INDUS – mai (x)	N/A	5.24	0.41
INDUS – SET (x)	21.62	2.69	2.15
mai (x)	63.27	3.86	1.24
SET (x)	18.55	1.96	3.04

**Company Background**

- TPAC is Thailand's leading rigid plastic consumer packaging solutions provider, with a 33 year proven track record in partnership with the world's leading FMCG brands.
- Our customer relationships span over decades and our brand is synonymous with customized Research & Development rigid plastic services and consistently high quality production lots in line with world class manufacturing standards.
- Utilizing proprietary technology as developed by our in-house R&D platform, our team of specialists provide end to end packaging solutions starting from product design utilizing cutting edge 3D printing technology to final product manufacturing.
- Our long serving, highly experienced and passionate management team has over 3 decades of specialist experience in working with a wide range of plastic resin types with expertise across injection molding, injection stretch blow molding, and extrusion blow molding.
- With 3 world class factories in Bangkok, we have established a leadership position across the food & beverage, pharmaceutical, personal care, home care and precision tools sectors.
- All our packaging solutions are bespoke and they predominantly encompass closures, cups, bottles and specialty containers.
- All our systems and processes are ISO 9000:2008 and GMP accredited and we offer best in class clean room infrastructure.

**Corporate Milestones**

- 1983, The first factory was established in Sathu-Pradit
- 1987, move to a new factory in Bang Khun Thian
- 1997, completion of our 2nd factory
- 2003, Good Manufacturing Practice certification attained
- 2005, Listed on the Stock Exchange of Thailand (MAI)
- 2010, completion of our 3rd factory
- 2015, completion of new 3300 sqm. warehouse
- 2015, Lohia family acquires a controlling stake in TPAC in preparation for the company's new phase of international growth
- 2016, Start TPAC 4-New purpose Built Logistic Warehouse Online

**Revenue Breakdown**

Income Structure	2016	%	2015	%	2014	%
Food and Beverage	782	51%	810	50%	826	49%
Personal care and pharmaceutical	452	29%	428	27%	488	29%
Home care products	257	17%	305	19%	307	18%
Other / Other Income	43	3%	53	4%	65	4%
<b>Total Sales</b>	<b>1,534</b>	<b>100%</b>	<b>1,596</b>	<b>100%</b>	<b>1,686</b>	<b>100%</b>

Recent Research			

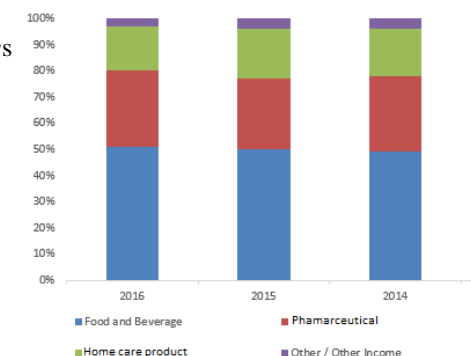
CG Report Score	THSI List

Shareholder Structure (16/03/2017)		
Shareholder	จำนวนหุ้น (M.)	%
Mr. Anuj Lohia	153	60.28
Mr. Ekavut	22	8.82
Thai NVDR Company	16	6.38
Mr. Theeravit	10	4.16
Non-Strategic	51	20.36

Financial Ratios			
	2016	2015	2014
ROE (%)	11.80	14.29	13.92
ROA (%)	10.60	11.72	10.86
D/E (X)	0.25	0.51	0.79
GP Margin (%)	16.90	15.95	14.18
EBIT Margin (%)	8.36	8.79	7.72
NP Margin (%)	6.84	6.53	5.54

Capital Structure (MB)			
	2016	2015	2014
Current Liabilities	232.58	302.85	400.69
Non-Current	18.60	87.83	144.41
Shareholders'	1,010.44	767.78	690.61

**Operating Revenue**



**Business Plan**

- TPAC organic volumetric CAGR over the 5-year period 2011 - 2016 was 9%. The rigid plastic market is expected to continue to experience high levels of growth as the trend of plastic products substituting other forms of packaging materials such as glass and paper is expected to continue due to plastics leadership position across areas of recycling & sustainability, functionality and cost effectiveness.
- Building on our long history of plastic specialist knowledge and deep rooted customer relationships, TPAC aims to take advantage of the high growth plastic packaging market by staying focused on plastic packaging whilst expanding our operations beyond Thailand.
- The plastic packaging industry is fragmented across Asia and we believe there is potential for value accretive corporate acquisitions.
- In summary, TPAC aims to build on our world class plastic packaging brand via organic and inorganic initiatives with the ambition being to serve our international customer base across high growth markets.

**Investment Highlight - year 2016**

- Net Profit ฿104.9 MM Baht, a 0.7% YoY increase.
  - Our Net Profit Margin increased to 6.9% in 2016 from 6.6% in 2015.
  - As a result of TPAC's long established 33 years leadership track record, TPAC made strong wins of new projects in 2016 and management is optimistic this momentum will continue into 2017.
- TPAC has also recorded another year of positive volume growth
  - Sales volumes increased 1% YoY despite a slow start to 2016.
  - In 2016 management invested a further ฿123.3 MM of growth capex into new machinery and molds, robotic take-out systems and most of the volume growth from these investments are expected to yield results in 2017 as production from these projects comes on line.
- TPAC 2016 Gross Profit increased to ฿257.5MM in 2016 from ฿252.7MM in 2015. Gross Profit Margin widened 100 basis points to 16.9% because of the higher sales volumes achieved.
- 2016 EBITDA ฿257.1MM Baht
  - EBITDA Margins are steady at 16.9% against 17.0% in 2015.

**Risk Factors**

- Raw Material risk: Polyolefin are our raw materials and comprise a significant part of our cost of goods sold. To manage the raw material volatility, selling prices are adjusted in line with the underlying raw material price movement, however there may be a lag period of about a quarter before selling prices are adjusted.
- Market consumption risk: Our orders are dependent on the sales of our customer's products. Our customer's products sales can be adversely affected by consumer consumption behavior. However, as our markets are everyday consumer products the consumption pattern tends to be rather stable.
- Competition risk: The packaging space is competitive. Our customers may decide as they wish to work with other packaging companies if dissatisfied with any aspect of our capabilities.

**Company Structure**

No subsidiaries or associate companies

**Products**