



**Thai Plaspac Public Company Limited**

**3Q 2017 Investor Presentation**

November 15, 2017

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## **Record Operating Results**

**Thai Plaspac – Our Story so Far**

**Introducing M&A #1 – Sunrise Acquisition, Truly Transformative**

# Strong Organic Earnings Growth

## Record Quarterly EBITDA and Net Profit Generation



Q3 2017

- Q3'17 EBITDA THB 78.4 million,
  - 22% up quarter-on-quarter and 9% up YTD
- Q3'17 Net Profit THB 37.6 million,
  - 47% up quarter-on-quarter and 23% up YTD

Delivering on our Strategy



# Third Quarter and Year-to-Date 2017

## Key Highlights

	Q3'17	Q2'17	Q3'16	% Q-on-Q	% Y-on-Y	9M17	9M16	% Y-on-Y
EBITDA (THB m)	78.4	64.3	59.7	↑ 22%	↑ 31%	201.8	185.9	↑ 9%
Net Profit (THB m)	37.6	25.7	21.2	↑ 47%	↑ 77%	86.6	70.4	↑ 23%
EBITDA Margin (%)	18.9%	16.2%	15.6%	↑ 270 bps	↑ 330 bps	16.8%	16.3%	↑ 40 bps

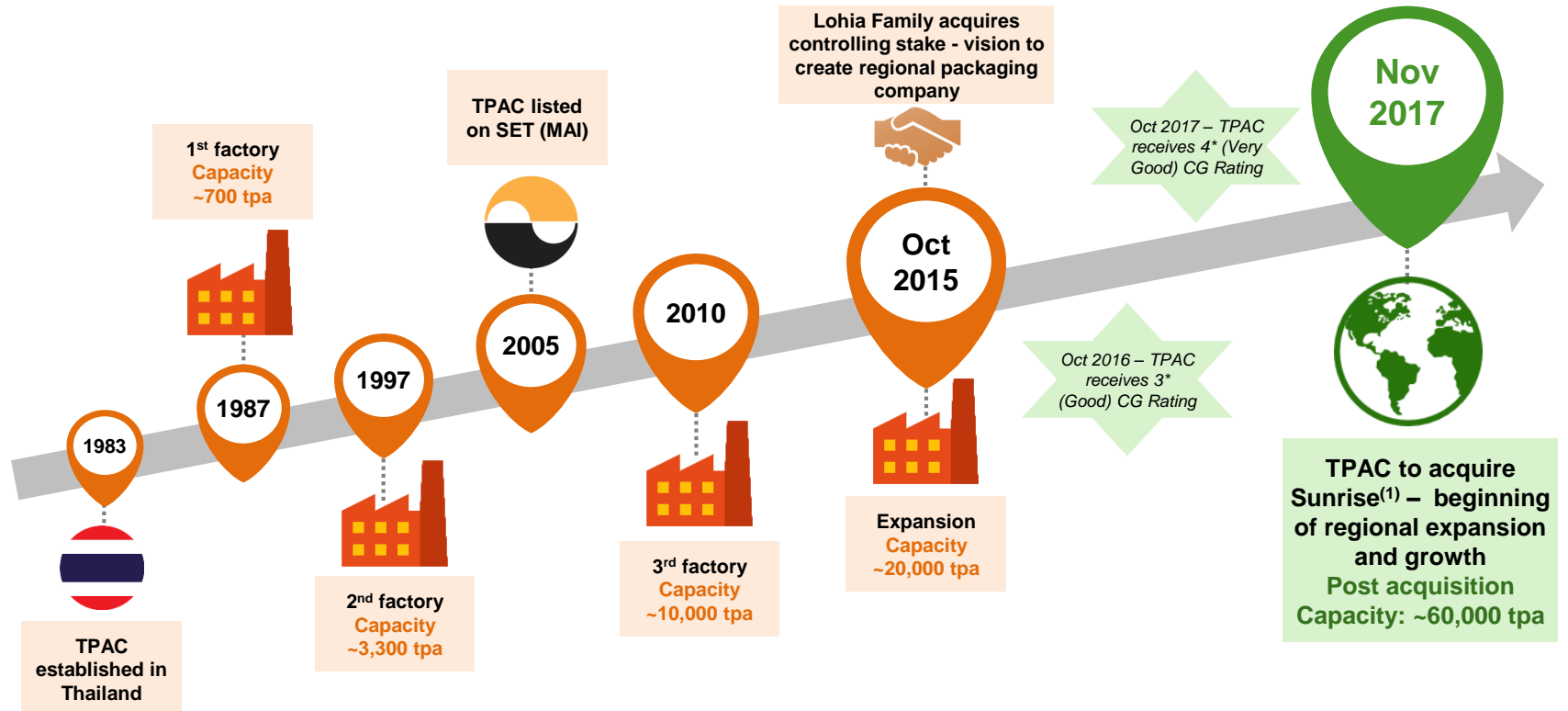
## **Record Operating Results**

### **Thai Plaspac – Our Journey so Far**

**Introducing M&A #1 – Sunrise Acquisition, Truly Transformative**

# TPAC – 33 Years of History

## Marking the New Era of Growth



Note: Capacity shown above is on cumulative basis

(1) TPAC to enter into definitive agreements for acquisition of 80% of Sunrise, transaction subject to shareholders' approval at EGM scheduled for 15 January 2018. Closing expected Q2'18.

# Thai Plaspac – Strong Fundamentals, Well Positioned for Future Growth

## Established Top-Tier Player within Thailand’s Consumer Rigid Packaging Space

### 3 Manufacturing Plants in Bangkok



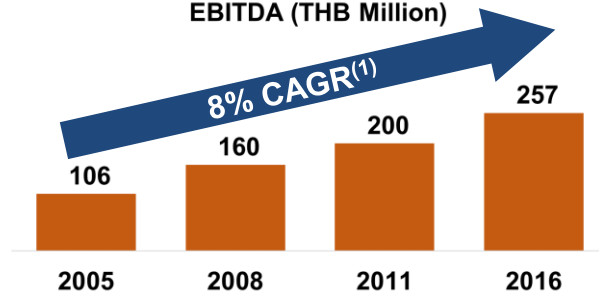
Capacity: 22,600 tpa  
Bangkok, Thailand

### Serving Consumer Brands

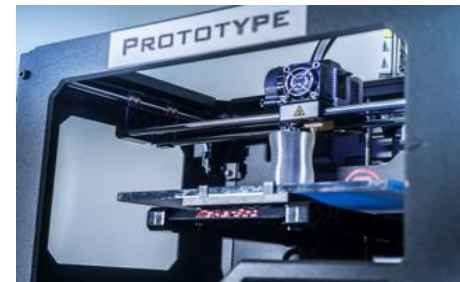


### Growing Organically with Our Customers

EBITDA (THB Million)



### Focus on Customized Rigid Plastic R&D



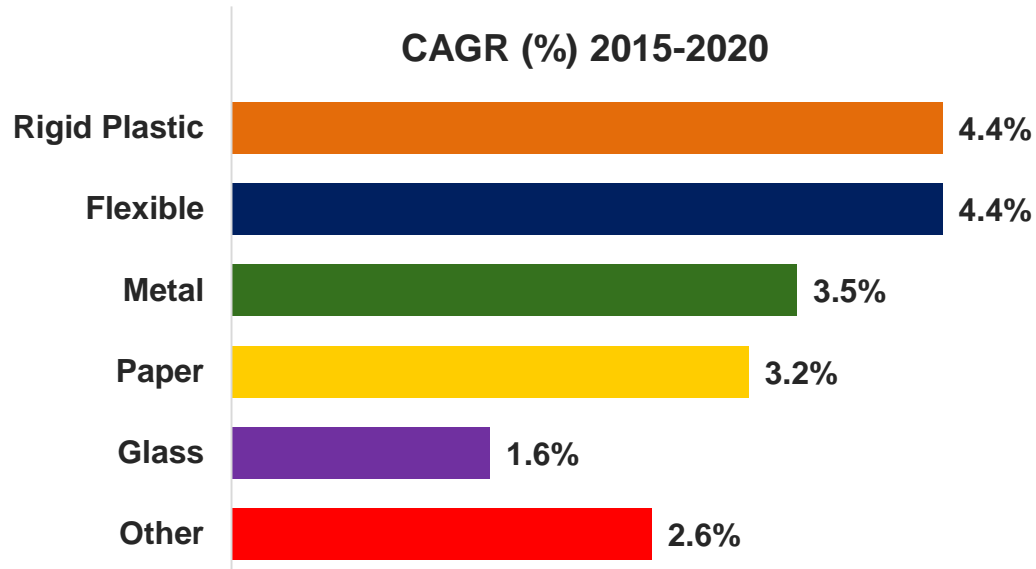
(1) CAGR stands for compound annual growth rate



# Our Industry Remains Healthy

## Plastics forecasted as the Fastest Growing Segment

	CAGR (%) 2015-2020
Rigid Plastic	4.4%
Flexible	4.4%
Metal	3.5%
Paper	3.2%
Glass	1.6%
Others	2.6%



**Rigid plastic packaging market expansion primarily driven by replacement of glass and metal with lighter, cost-effective and higher performance plastic.**

# Executing On Our Vision

## 4 Criteria for Disciplined M&A Were Outlined

**Vision: to be the leading rigid plastic packaging solutions provider with a presence across Asia's high growth economies.**



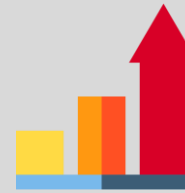
- **Top-Tier Player in All Markets We Operate**
- **Compliment & protecting brand TPAC**



- **Focus on Consumer Sector**
- **Non-cyclical (defensive) earnings profile**



- **Rigid Plastics at Our Core**
- **Sticking to TPAC's core technical competence**



- **Asian consumption hungry economies**

**Clear strategic direction, defined process and strict acquisition criteria**

**Record Operating Results**

**Thai Plaspac – Our Story so Far**

**Introducing M&A #1 – Sunrise Acquisition, Truly Transformative**

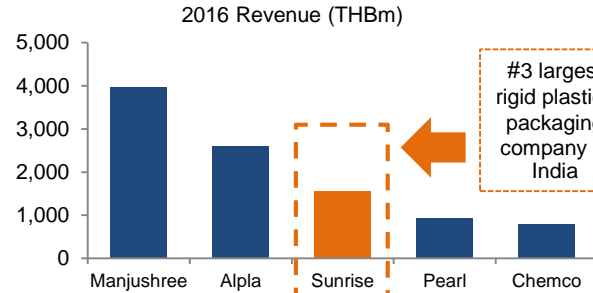
# Sunrise Is The Ideal Company For TPAC Transformation

## A Rare Acquisition Opportunity



- ✓ Strategically located, well-invested asset base
- ✓ R&D and innovation track record
- ✓ Strong, experienced leadership team

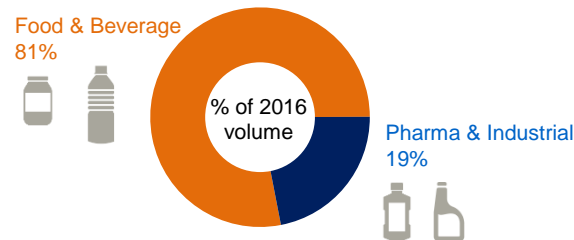
### ✓ A Premier Player in A High-Growth Market



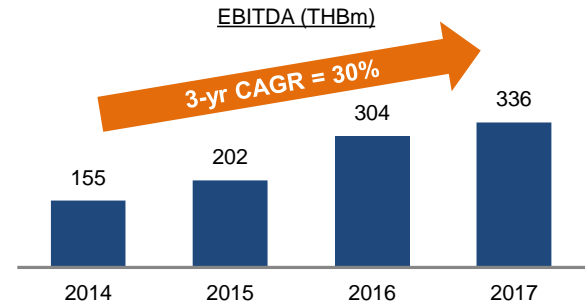
### ✓ Serving World-Class Consumer Brands



### ✓ Well-Distributed Rigid Plastics Portfolio



### ✓ Strong Earnings Growth



Note: EBITDA derived from audited financial statements year ending March 31st (note India fiscal year starts April 1<sup>st</sup> and ends March 31<sup>st</sup>). Exchange rate at 0.50795 THB/INR

# Transaction Structure

## TPAC To Acquire 80% of Sunrise Equity With Option To Buy Remainder

### THAI PLASPAC

- ✓ TPAC to acquire 80% of Sunrise equity
- ✓ Entry into JV with strong industrial Indian based family
- ✓ TPAC with option to purchase remaining 20% equity in 3 years (after 80% acquisition)



### SUNRISE CONTAINERS LTD

- ✓ Sunrise founding family to retain 20%
- ✓ Experienced professional management team to be retained
- ✓ Sunrise with option to sell remaining 20% equity in 3 years to TPAC (after 80% acquisition)

Retention of Sunrise Founding Family Provides TPAC a Partner with Multi-Decades of Indian Packaging Experience

## Key Financials

TPAC Margin profile to be further enhanced with Sunrise acquisition

THB m	TPAC'16 <sup>(1)</sup>	Sunrise'17 <sup>(2,3,4)</sup>
Revenue	1,524	1,691
EBITDA	257	336
EBITDA Margin	16.9%	19.9%
EBIT	128	247
EBIT Margin	8.4%	14.6%
Profit Before Tax	126	233
Net Profit	105	165
Net Profit margin	6.9%	9.8%
ROCE	12.1%	23.5%

1. TPAC FY'16 data

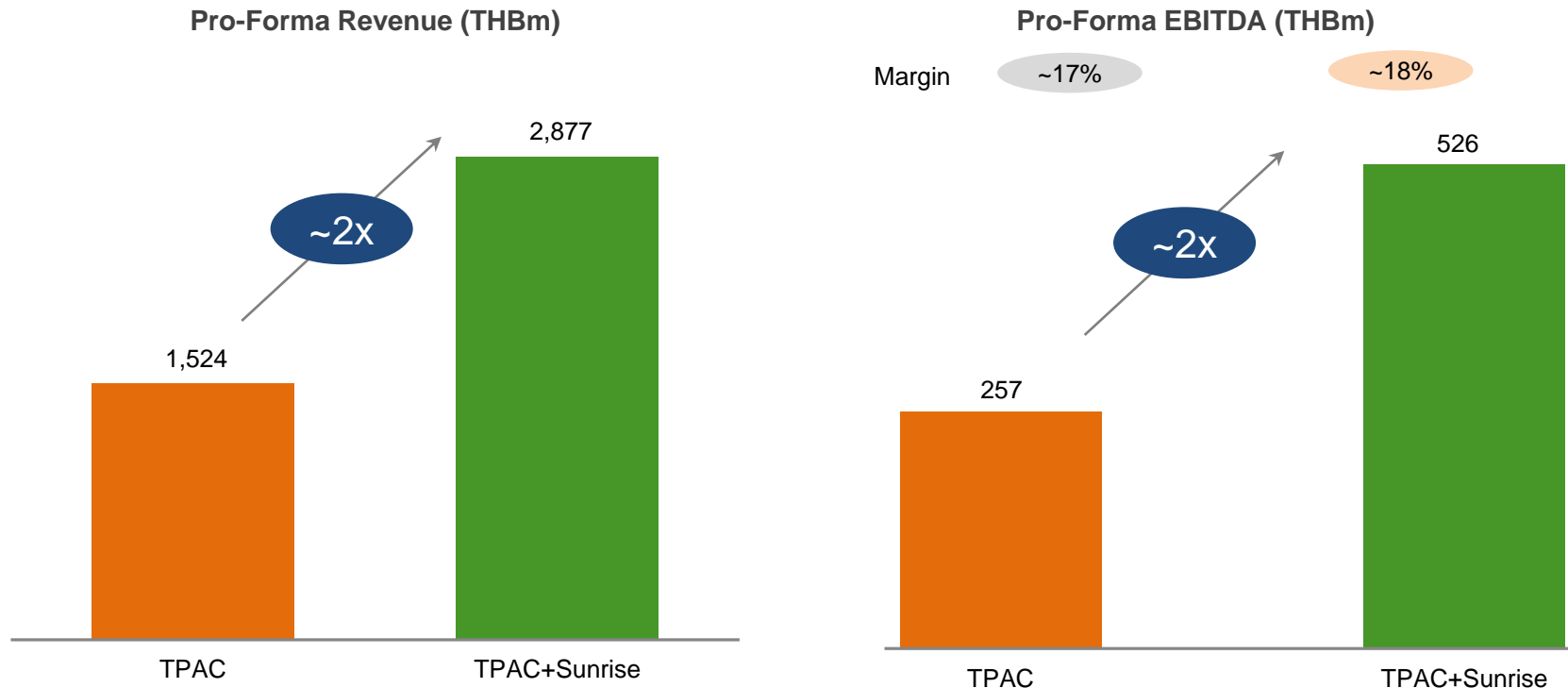
2. Sunrise FY'17 data (note India fiscal year starts April 1<sup>st</sup> ends March 31<sup>st</sup>).

3. Exchange rate at 0.50795 THB/INR

4. Sunrise FY'17 numbers shown are 100% of the company excluding LED casings business which are not part of this transaction. TPAC to be acquiring 80% of the company subject to shareholder approval.

# Doubling Our Top and Bottom Line

## EBITDA Margin Enhancement



Note: TPAC FY2016 data, Sunrise FY2017 data is from April 1<sup>st</sup> 2016 - March 31<sup>st</sup> 2017 as per Indian fiscal year.  
Considering 80% of Sunrise's revenue and EBITDA. Exchange rate at 0.50795 THB/INR. Not considering any synergies.

# Key Financials

## Strong Financial Position of TPAC and Sunrise

THB m	TPAC'17 <sup>(1)</sup>	Sunrise'17 <sup>(2,3,4)</sup>
Trade accounts receivables	443	232
Inventories	95	199
<b>Total Current Assets</b>	<b>584</b>	<b>552</b>
Property, Plant & Equipment	567	646
<b>Total assets</b>	<b>1,250</b>	<b>1,200</b>
Trade payables	171	38
<b>Total current liabilities</b>	<b>184</b>	<b>268</b>
<b>Total liabilities</b>	<b>206</b>	<b>377</b>
<b>Total shareholders equity</b>	<b>1,044</b>	<b>825</b>
Net debt (Cash surplus)	(40)	226
<b>Net debt-equity</b>	<b>N/A</b>	<b>0.27</b>

1. TPAC as on 30<sup>th</sup> September 2017

2. Sunrise FY'17 data (note India fiscal year starts April 1<sup>st</sup> ends March 31<sup>st</sup>).

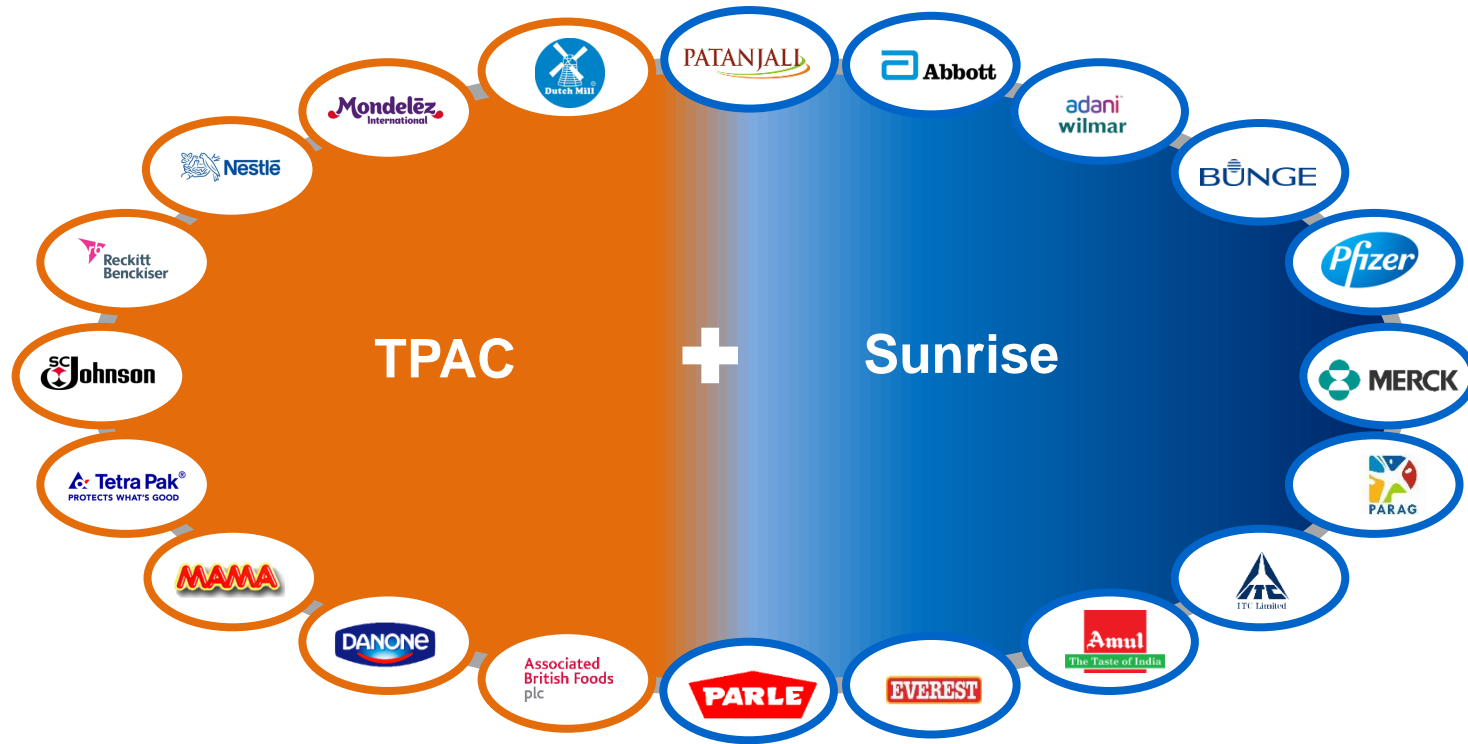
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# Adding Complementary Blue-Chip Customer Base

## Further Diversifying our Earnings Profile



# Upgrading Our Portfolio

Acquisition deepens TPAC penetration into the Pharma sector.



Note: Pro-forma sales. TPAC FY2016 data, Sunrise FY2017 data.  
Considering 80% of Sunrise's sales. Exchange rate at 0.50795 THB/INR.

# Breaking Into Most Exciting Packaging Market India With Untapped Potential

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

Globally, India is becoming one of the most attractive markets for foreign FMCG players

Indian FMCG market is projected to grow at ~15-20% CAGR during 2016-2020 vs world's average of ~4%



By 2030, India is expected to have 68 cities and 6 mega cities

Rising income, growth in e-commerce, new product launches driving demand for rigid plastics in India

Per capita plastic consumption in India is ~10 kg vs ~40 kg in Thailand vs ~50 kg in Europe ~100 kg in US

# Transaction Summary

## Acquisition of Sunrise Creates Value



### Transaction Structure

- TPAC to be entering into definitive agreements with existing shareholders of Sunrise Containers
- TPAC to acquire 80% of Sunrise equity with option to buy remainder in 3 years after 80% acquisition



### Strategic Considerations

- Transaction in line with TPAC M&A criteria
- TPAC becomes top tier player in worlds most exciting packaging market



### Financial Considerations

- Transaction Doubles TPAC EBITDA , further enhances TPAC margin profile
- Value accretive transaction
- Comfortable leverage, expected ~1.9x Debt / Equity



### Timing

- TPAC shareholders' approval (EGM Jan 15, 2018)
- Expected closing Q2'18, subject to shareholders, approval

## 5 Key Takeaways from Today

- ✓ TPAC reports record Q3'17 EBITDA, Net Profit... YTD 23% organic net earnings growth versus same period last year...our rigid plastics industry is healthy and TPAC is well positioned in Thailand as a top-tier player.
- ✓ M&A #1: TPAC to be executing SPA to enter into 80:20 JV with existing shareholders of Sunrise Containers.
  - Closing expected in Q2'18, acquisition subject to shareholders' approval, EGM 15 January, 2018
- ✓ Sunrise 3-year EBITDA growth of 30% CAGR...with this acquisition TPAC becomes a top-tier packaging player in India
- ✓ Value accretive transaction – doubles TPAC EBITDA, enhances margin profile, EPS accretive
- ✓ With this acquisition TPAC establishes further diversified presence across consumer packaging sector, well-positioned for non-cyclical outsized shareholder returns