



Ref. Thor Hor 014/2566

November 10, 2023

To: The President  
The Stock Exchange of Thailand

Re: Report on the operating result of the reviewed consolidated financial statements for the third quarter ended September 30, 2023

Dear Sirs,

TPI Polene Public Company Limited (“the Company”) would like to report the operating result of the reviewed consolidated financial statements for the third quarter ended September 30, 2023 as follows:-

Total consolidated revenue from sales of goods in Q3/2023 were Baht 10,838 million compared with the same of Baht 12,523 million in Q3/2022, a decrease of 13.45%, whereas total income in Q3/2023 was Baht 11,474 million compared with the same of Baht 13,216 million in Q3/2022, a decrease of 13.18%.

In Q3/2023, the Company and its subsidiaries registered profit for the period of Baht 1,487 million (Profit attributable to owners of the parent of Baht 1,237 million, or basic earnings per share of Baht 0.065), compared with profit for the period in Q3/2022 of Baht 2,189 million (Profit attributable to owners of the parent of Baht 2,029 million, or basic earnings per share of Baht 0.107), a decrease of 39.02%.

Profit for the period of Baht 1,487 million in Q3/2023 was comprised of normal operating profit of Baht 1,430 million, net foreign exchange gain of Baht 203 million and tax expense of Baht 146 million, whereas profit for the period of Baht 2,189 million in Q3/2022 was comprised of normal operating profit of Baht 2,122 million, net foreign exchange gain of Baht 133 million and tax expense of Baht 67 million.

For the first nine-month period of the year 2023, the Company and its subsidiaries registered profit for the period of Baht 3,893 million (Profit attributable to owners of the parent of Baht 3,054 million or basic earnings per share of Baht 0.161) compared with profit for the period of Baht 6,924 million (Profit attributable to owners of the parent of Baht 6,255 million or basic earnings per share of Baht 0.330) in 9M /2022, a decrease of 51.17%. Normal operating profit in 9M/2023 was Baht 3,735 million compared with normal operating profit of Baht 6,477 million in 9M/2022, a decrease of 42.33%.

**บริษัท ทีพีไอ โพลีน จำกัด (มหาชน)**

**TPI POLENE PUBLIC COMPANY LIMITED**

As at September 30, 2023, the Company and its subsidiaries' total assets and total equity were Baht 149,766 million and Baht 64,214 million respectively. The book value per share was Baht 3.39. Details of consolidated financial statements for the third quarter ended September 30, 2023, can be summarized as follows:

#### Assets

The Company and its subsidiaries' total assets as at September 30, 2023 was Baht 149,766 million as compared with Baht 144,499 million as at December 31, 2022, an increase of Baht 5,266 million, or increased by 3.64%.

Unit: million Baht				
	As at 30 Sept. 2023	As at 31 Dec. 2022	Increase (Decrease)	%
Cash and cash equivalents	8,579	10,671	(2,093)	(19.61)
Other current financial assets	4,491	954	3,537	370.85
Trade accounts receivable	6,104	5,560	544	9.79
Inventories	17,584	19,355	(1,771)	(9.15)
Property, plant and equipment	105,659	100,474	5,185	5.16
Total assets	149,766	144,499	5,266	3.64

#### Liabilities

The Company and its subsidiaries' total liabilities as at September 30, 2023 was Baht 85,552 million as compared with Baht 81,685 million as at December 31, 2022, an increase of Baht 3,866 million, or increased by 4.73%. Details of the major accounting changes are as follows:

Unit: million Baht				
	As at 30 Sept. 2023	As at 31 Dec. 2022	Increase (Decrease)	%
Trade account payable and other payables	6,559	7,374	(815)	(11.06)
Income tax payable	77	119	(42)	(35.21)
Loans from financial institutions	8,332	4,355	3,977	91.31
Debentures	67,462	66,586	877	1.32
Interest Bearing Debts (IBD)	76,164	71,372	4,791	6.71
Net Interest Bearing Debts (Net IBD)*	63,094	59,747	3,347	5.60
Total Liabilities	85,552	81,685	3,866	4.73

Note : \* Net Interest Bearing Debts means Interest Bearing Debts less cash and cash equivalents and other current financial assets.

## Equity

The Company and its subsidiaries' total equity as at September 30, 2023 was Baht 64,214 million, an increase of Baht 1,400 million, from Baht 62,814 million as at December 31, 2022, or increased by 2.23% primarily due to profit from business operation. Details of the major accounting change are as follows:

Unit : million Baht

	As at 30 Sept.2023	As at 31 Dec.2022	Increase (Decrease)	%
Registered and paid-up capital	18,935.235	18,935.235	-	-
Retained earnings - unappropriated	23,845	22,685	1,160	5.12
Total equity	64,214	62,814	1,400	2.23
Book value per share (Baht)	3.39	3.32	0.07	2.23

As of September 30, 2023, the Company and its subsidiaries' Interest Bearing Debts to Equity ratio (IBD/Equity Ratio) equated 1.19 times and Net IBD to Equity Ratio equated 0.98 times.

## Profit (Loss)

In Q3/2023, the Company and its subsidiaries registered profit for the period of Baht 1,487 million (profit attributable to owners of the parent of Baht 1,237 million, or basic earnings per share of Baht 0.065).

In the first nine-month period of the year 2023, the Company and its subsidiaries registered profit for the period of Baht 3,893 million (Profit attributable to owners of the parent of Baht 3,054 million or basic earnings per share of Baht 0.161).

Details of the major accounting change are as follows:-

Unit: million Baht

	For nine-month period ended 30 Sept. 2023	Q3/2023	Q3/2022	Increase (Decrease)	%
Revenue from sale of goods	33,528	10,838	12,523	(1,685)	(13.45)
Cost of sales of goods	25,716	8,008	9,095	(1,087)	(11.95)
Gross Profit	7,813	2,830	3,428	(597)	(17.43)
Distribution costs and administrative expenses	4,076	1,304	1,392	(87)	(6.27)
Finance cost	1,488	536	480	57	11.84
Tax income (expense)	(302)	(146)	(67)	80	119.69
Net foreign exchange gain (loss)	460	203	133	69	52.01
Normal operating profit	3,735	1,430	2,122	(692)	(32.60)
Profit attributable to owners of the parent	3,054	1,237	2,029	(792)	(39.02)
Total profit	3,893	1,487	2,189	(702)	(32.08)
Earnings before interest, taxes, depreciation and amortization (EBITDA)	8,127	2,985	3,579	(594)	(16.59)

For the first nine-month period of the year 2023, the Company and its subsidiaries registered earnings before interest, taxes, depreciation and amortization (EBITDA) of Baht 8,127 million, representing IBD to EBITDA (Annualized) ratio at 7.03 times whilst Net IBD/ EBITDA (Annualized) ratio equated 5.82 times.

### ESG Performance

The Company has implemented sustainable development in Environmental, Social and Governance (ESG) dimensions for business operations. ESG performance in the first nine-month period of the year 2023 is summarized as follows:-

#### Environmental Management

1. The Company used 286,149.93 tons of waste fuel to replace coal in cement production process, or accounting for 13.88% of total fuel.
2. The Company invested in 41 units of 60-ton EV mining trucks and 4 units of EV wheel loader trucks to replace all diesel-powered limestone trucks and wheel loader trucks and converted additional 8 units of diesel-powered trucks to EV engines trucks. The investment will help reduce transportation costs while reducing greenhouse gas emissions and PM 2.5 emissions.
3. The Company was able to reduce energy consumption by 2,349,223.80 gigajoules, or decreased by 8.43%, from 27,869,910.78 gigajoules in the first nine month-period of the year 2022 to 25,520,686.98 gigajoules in the first nine month-period of the year 2023.
4. The Company was able to reduce greenhouse gas emissions from cement plants by 1,023,401.37 tons emission of carbon dioxide equivalent, or 13.77%, from 7,433,834.37 tons emission of carbon dioxide equivalent in the first nine-month period of 2022 to 6,410,433.00 tons emission of carbon dioxide equivalent in the first six month-period of the year 2023.
5. The Company was able to reuse the effluents from production process to re-filter of 1,033,715 cubic meters, representing 51.87% of the total water consumption of 1,992,734 cubic meters.
6. The Company has set a target, aiming to exploit the best benefit of industrial waste up to  $\geq 95\%$  of the total quantity of industrial waste generated. In the first nine-month period of 2023, the Company utilized 4,146.97 tons of industrial waste from the production process to be used as renewable fuels, alternative materials and recycled, representing 99.52% total quantity of industrial wastes generated, which was higher than the target set by the Company.

7. TPI Polene Group has a policy to produce products that reduce greenhouse gas emissions. On June 1, 2023 onwards, the Company has designed green products, consisting of Green Clinker, Green Cement, Green Fiber Cement and Green CRT. Such products emphasize the use of alternative raw materials, renewable fuels and electricity from renewable energy

#### Corporate Social Responsibility

1. TPI Polene Group has supported various projects and activities for public benefits in the first nine-month period of 2023, totaling approximately Baht 58.72 million to communities, academic institutions, temples, hospitals and government authorities and contributed healthcare products and products of TPI Polene Group, such as cement, other construction materials, organic fertilizers, and drinking water and health products to prevent pathogens.
2. The Company provides equal opportunities for employment without discrimination in favor or against any person. In the first nine-month period of 2023, 620 additional employees, 24 additional employees with disabilities and 56 seniors were employed.
3. The Company has implemented human rights for stakeholders throughout the value chain with respect human rights of employees, suppliers, customers, and local communities. In the first nine-month period of 2023, there were no complaints of human rights violations.
4. The Company evaluated the level of job satisfaction and employee engagement towards the organization for the year 2023, which showed an average score of 84.17%, which is higher than the Company's target set at 75%.
5. For the first nine-month period of the year 2023, the Company disposed of hazardous industrial wastes and non-hazardous industrial wastes of 30,033.13 tons and 12,276.57 tons respectively.

#### In Compliance with Good Corporate Governance Policy

1. On June 23, 2023, Thai Pat Institute announced that the Company was ranked on the ESG100 securities list for the year 2023 for the consecutive two years (2022 and 2023), with outstanding performance covering the areas of Environmental, Social and Governance aspects (ESG) and is assessed as an attractive company to invest in the Property & Construction Sector.

2. The Company has received the prestigious 3G Environmental Responsibility Award 2023 from the Global Good Governance Awards 2023 (3G Awards), organized by Cambridge IFA International Financial Advisory (financial advisory firm) in the UK, with an aim to esteem organizations that have successfully adopted social responsibility issues to their ongoing business operations. This includes quality, consistency, stability and clarity of the corporate social responsibility plans and reports.
3. On July 14, 2023, the Company received two Honorary Awards from “The One Million Courage for Good Deeds towards the Homeland Project 2023” as follows:-
  - 1) “Good Deeds towards the Homeland 2023 Award in the category of agricultural innovation as the Company places importance on the agricultural sector, which is the main core of Thailand's economic system. Food Study and research of bio-organic agricultural products make food safety, organic and antibiotic-free.
  - (2) "Excellence" Award 2023 for Excellence in Management, Technology, Innovation, Research and Development due to its focus on product development Investment in technology advancement to increase operational efficiency. The Company's R&D Department has been established in collaboration with external research institutes and leading universities in the country to develop products, enhance efficiency of production processes, and create working personnel to make the products that meet the needs of customers and all related stakeholders in all sectors, by taking into account of being products that help reduce environmental problems and material impacts on the environment
4. On October 31, 2023, the Company has achieved "Excellent CG Scoring, a 5-star corporate governance assessment” in Corporate Governance Report of Thai Listed Companies (CGR) for the year 2023, operated by Thai Institute of Directors (IOD) in collaboration with the Stock Exchange of Thailand and the Office of Securities and Exchange Commission. This reflects the determined dedication of the companies' Board of Directors, top management and employees to the continuous development and enhancement of the good corporate governance practices of the companies.

5. On November 6, 2023, the Company has received “2023 SET ESG Ratings: AA” Corporate Sustainability Assessment from the Stock Exchange of Thailand, reflecting the Company’s business operations to continuously develop towards corporate sustainability with full responsibilities to stakeholders by taking into account of Environmental, Social and Governance criteria (ESG).

Please be informed accordingly.

Sincerely Yours,



Mrs. Orapin Leophairatana  
Senior Executive Vice President