

### ○ Industry Overview



In the third quarter of 2023, the overall domestic economy continued to recover gradually. Private consumption, which expanded significantly in the tourism and services sectors, remained a key driver of the economy. However, consumers remained concerned about the high cost of living and interest rates, which had risen to its highest level in 10 years, affecting the cost of borrowing for households and businesses. Consequently, the government has implemented measures to reduce energy costs for the public, including fuel, cooking gas, and electricity, to alleviate the pressure on the cost of living and household debt, which remains high.

The overall packaging industry benefited from the decline in energy prices. However, the glass packaging industry was pressured by rising prices of cullets, as well as rising interest rates that affected financial costs and the cost of living, which pressured consumer demand.



The company's revenue increased from the same quarter of the previous year. This was primarily driven by the growth of glass packaging business in the beer group, as well as the soda and water groups. In addition, Prime Packaging Co., Ltd. (Prime), which the company acquired in the second quarter, continued to support the growth of other packaging revenue.

As for the case of an increase in some raw material costs, the company initiated cost management by negotiating with suppliers to secure the best possible prices and seek more suppliers. The Company also adjusted production formulas to reduce the cost of production per unit and deployed suitable alternative energies for effective cost management along with increase flexibility as well as the ability to adapt to situations in parallel with negotiating with the customers for price adjustments, adopting innovative technology throughout the production process, such as an Intelligent Furnace Control System (ESIII), etc., joining the Energy Saving Projects with ESCO (Energy Service Company) to optimize electricity and energy consumption, reduce expenses, and costs throughout the entire electrical system as well as to increase business competition potential.



## Company Milestone of Quarter 3/2023

### 27 July

- TRIS Rating affirms company's rating at "A-", with a "stable" outlook. Reflected BGC's leading position in the glass container industry with sustained demand from its beverage customers, its moderate financial profile, and its business diversification into other packaging segments.

### 9 August

- The Board of Directors' meeting of the Company passed a resolution to approve an interim dividend payment of THB 0.06 per share, totaling THB 41.67 million, from the three-month operating results period ended 30 June 2023. The dividend was paid on 8 September 2023.
- The Board of Directors has approved the investment project to repair the second glass furnace of the Pathumthani Glass Industry Co., Ltd. in the 3<sup>rd</sup> quarter of 2025 to improve production efficiency with innovation and increase production capacity to meet the increasing demand for glass packaging products.

### 17 August

- Participated in Opportunity Day via an online channel, which was set up by The Securities Exchange of Thailand for results announcement as of 2<sup>nd</sup> quarter the period ended 31 March 2023.



### 13 September

- The Company received a Certificates of honor for the Company's standards of Corporate Social Responsibility (CSR-DIW & CSR-DIW Continuous 2023) on the department of industrials works from the Ministry of Industry



### 22 September

- Received the "HR Asia Best Companies to Work for in Asia 2023" award, which is an award given to the best companies to work for in Asia by HR ASIA magazine. It reflects good HR policies and practices that can create excellent employees engagement within the organization.



"Nominated for the SET Awards 2023 under Business Excellence category in two award, namely Innovative Company Awards and Investor Relations Awards. The announcement will be made on November 21, 2023."

### ○ Business Overview



### Income Statement

Unit : Million Baht	3 <sup>rd</sup> Quarter			9 - month period		
	Sep - 23	Sep - 22	VS. LY	Sep - 23	Sep - 22	VS. LY
Sales <sup>/1</sup>	3,417	3,039	+12%	10,742	10,394	+3%
Cost of Goods Sold - Cash	(2,563)	(2,321)	+10%	(8,372)	(7,909)	+6%
Cost of Goods Sold - Non-Cash	(335)	(313)	+7%	(1,002)	(1,080)	-7%
Gross Profits	519	405	+28%	1,369	1,405	-3%
GP %	15.2%	13.3%	+186 bps	12.7%	13.5%	-77 bps
Selling and Administrative expenses	(374)	(300)	+25%	(963)	(1,032)	-7%
Other Income <sup>/2</sup>	33	37	-11%	86	215	-60%
Earnings Before Interest and Tax	178	142	+25%	492	587	-16%
Financial Cost	(75)	(40)	+88%	(196)	(120)	+63%
Net Profit Before Tax	103	102	+1%	296	468	-37%
Income Taxes	(20)	(2)	+900%	(55)	(27)	+104%
Net Profit After Tax	83	99	-16%	241	440	-45%
Net Profit to Non-Controlling Interest	6	3	+100%	18	19	-5%
Net Profit to Equity holders of the Company	77	97	-21%	223	421	-47%
Earnings before interest, taxes, depreciation and amortization	588	516	+14%	1,657	1,696	-2%

<sup>/1</sup> Sales included transportation revenue and trading income

<sup>/2</sup> Other Income included share of profit from investments in associates

**Sales Revenue, 3Q23 sales revenue of THB 3,417 million, an increased of THB 377 million or 12% YoY, mainly due to**



### Sales Revenue

Unit : Million Baht	Q3			9M		
	Sep - 23	Sep - 22	VS. LY	Sep - 23	Sep - 22	VS. LY
Revenue from Sales	3,417	3,039	+12%	10,742	10,394	+3%
Glass packaging business	2,834	2,589	+9%	9,127	9,034	+1%
Other packaging business	639	536	+19%	1,812	1,551	+17%
Elimination	(56)	(85)		(196)	(192)	



#### Quarter 3/2023

Sales revenue was THB 2,834 million, an increase of THB 245 million or 9% YoY due to the adjustment of selling prices and increase in domestic sales volume, especially in the beer and soda and water group. This was driven by the expansion of consumption and the recovery of economic activity, following the continued recovery of international tourist arrivals.

#### For 9-month period

Sales revenue was THB 9,127 million, an increase of THB 92 million or 1% YoY. The main reason for the increase was due to the same factors as the third quarter period.

#### Packaging business



#### Quarter 3/2023

Sales revenue was THB 639 million, an increase of THB 103 million or 19% YoY. Mainly due to the increase in revenue of flexible plastic packaging and film rolls from the recent acquisitions, and the trading business of plastic packaging.

#### For 9-month period

Sales revenue was THB 1,812 million, an increase of THB 261 million or 17% YoY, mainly due to increase in revenue of flexible plastic packaging and film rolls, trading business and paper packaging.



### Gross Profit

**Gross Profits, 3Q23 THB 519 million, an increase of THB 117 million or 28% YoY, with a gross profit margin of 15.2%, an increase of 186 bps YoY, mainly due to the following reasons:**

Unit : Million Baht	Q3			9M		
	Sep - 23	Sep - 22	VS. LY	Sep - 23	Sep - 22	VS. LY
Gross Profit	519	405	+28%	1,369	1,405	-3%
Glass packaging business	461	376	+23%	1,202	1,324	-9%
Other packaging business	60	33	+82%	175	89	+97%
Elimination	(3)	(4)		(8)	(8)	

#### Glass packaging business



##### Quarter 3/2023

Gross profit was THB 461 million, an increase of THB 85 million or 23% YoY. The gross profit margin was 16.3%, an increase of 174 basis points YoY. The main reason was the adjustment of selling prices and the change in Product Mix by SKU. In addition, energy cost and Ft rate, declined in the latter part of the quarter compared to the previous year.

##### For 9-month period

Gross profit was THB 1,202 million, a decrease of THB 122 million or 9% YoY. The gross profit margin was 13.2%, a decrease of 149 basis points YoY due to the increase in the cost of raw materials and energy compared to the previous year.

#### Packaging business



##### Quarter 3/2023

Gross profit of THB 60 million, an increase of 28 million baht or 82% YoY. The gross profit margin was 9.5%, an increase of 335 basis points YoY due to an increase in the gross profit margin of flexible plastic packaging, resulting from the decrease in the cost of raw materials for other packaging, such as plastic pellets, film, and kraft paper.

##### For 9-month period

Gross profit was THB 175 million, an increase of THB 86 million or 97% YoY. The gross profit margin was 9.7%, an increase of 393 bps YoY due to the same reason as the third quarter period.

### Quarter 3/2023



#### Selling and administrative expenses:

In 3Q23, sales and administrative expenses amounted to THB 374 million, an increase of THB 74 million or 25% YoY. The main reason for the increase was the cost of warehouse and administrative expenses incurred during the furnace repair at BGC Glass Solution Co., Ltd. In addition, the increase in sales expenses was in line with the increase in sales.

#### Tax expense:

In 3Q23, tax expenses amounted to THB 20 million, an increase of THB 18 million or 900% YoY. The main reason was the expiration of tax incentives under the Board of Investment (BOI).

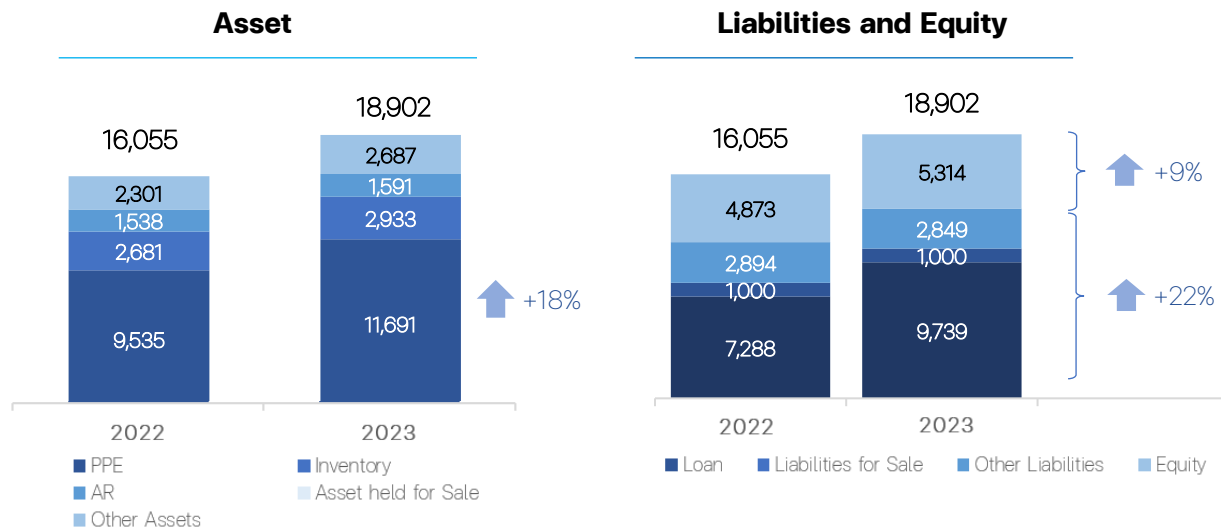
#### Net Profit to Equity holders of the Company:

In 3Q23, net profit attributable to shareholders was THB 77 million, a decrease of THB 20 million or -21% YoY. The main reasons for the decrease were the increase in raw material costs, administrative expenses, tax expenses, and financial cost.



(Unit : Million)

### ● Statement of Financial Position As of 30 September 2023



**Total assets** As of 30 September 2023, the Company's total assets were THB 18,902 million, an increase of THB 2,846 million or 18% YoY, mainly due to an increase in land, buildings, and equipment, which increase from assets for repairing glass furnaces at Ayutthaya Glass Industry Co., Ltd. and BGC Glass Solutions Co., Ltd., assets of right of use and investment properties.



**Total Liabilities** As of September 30, 2023, the Company's total liabilities were THB 13,588 million, an increase of THB 2,405 million or 22% YoY. The main reason for the increase was the loan for the repair of the glass furnace of Ayutthaya Glass Industry Co., Ltd. and BGC Glass Solutions Co., Ltd.

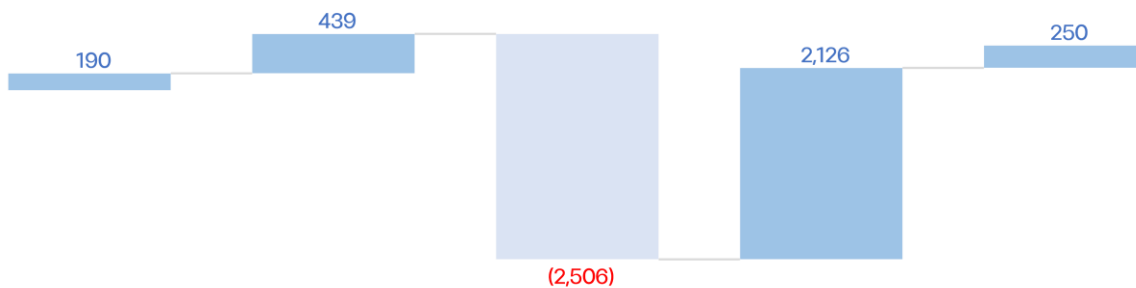


**Total Equity** As of 30 June 2023, the Company's total equity were THB 5,314 million, an increase of THB 441 million or 9% YoY. The main reason for the increase was the revaluation surplus.



### ● Statement of Cash Flows

(Unit : Million)



Beginning cash

Net Cash flow from operating activities

Net Cash flow from investing activities

Net Cash flow from financing activities

Ending cash



Net Cash flow from operating activities increased by THB 439 million, of which came from non-cash items that increased by THB 1,204 million, operating profit increased by THB 132 million and working capital decreased by THB 897 million.

Net Cash flow from operating activities decreased by THB 2,506 million, which came from payments for the purchase of land, buildings, and equipment as well as the investments in subsidiaries.

Net Cash flow from financing activities increased by THB 2,126 million, due to an increase in cash received from loans from financial institutions, decrease in cash payments of loans to financial institutions, and cash payments for dividends.





### ● Financial Ratios

Key Ratios	Period Ending		
	Sep - 23	Dec - 22	Ch. + , (-)
Collection period (days)	38.7	36.7	+2.0
Inventory turnover (days)	46.5	49.2	-2.7
Payment period (days)	48.3	45.3	+3.0
Operating Working Capital (days)	36.9	40.6	-3.7
Debt to Equity (times)	2.6	2.3	+0.3
Net Debt to EBITDA (times)	5.0	4.5	+0.5
DSCR (times)	0.9	1.1	-0.2

As of September 30, 2023, the Company had a cash conversion cycle of 36.9 days, which decreased by 3.7 days from the end of 2022. This was due to an increase in the days payable outstanding of 3 days and a decrease in the days inventory outstanding of 2.7 days.

As of September 30, 2023, the Company group's debt-to-equity ratio (D/E) was 2.6 times, an increase of 0.3 times from the end of 2022. The net debt-to-EBITDA ratio was 5.0 times, an increase of 0.5 times from the end of 2022.