



**BRINGING GOOD VALUE
TO EVERY ONE EVERYDAY**



○ Industry Overview

The Thai economy slowed down in 2023, despite a continued increase in the number of tourists visiting Thailand. However, the number of tourists and the per capita spending of tourists have yet to recover to pre-COVID-19 levels. In addition, exports contracted slightly compared to the previous year, following the slowdown in the global economy, especially in Thailand's major trading partners. On the consumer side, they have been affected by rising interest rates and high costs of living, as well as rising household debt. This has had an impact on the growth of the packaging industry.

The overall packaging industry benefited from the decline in natural gas and soda ash prices, as well as the decline in the cost of raw materials for other packaging groups, such as plastic pellets, films, and kraft paper. However, rising interest rates, which have affected financial expenses and living costs, continue to pressure consumer purchasing power.

○ Business Overview

In 2023, the Company continued to achieve strong revenue growth, reaching 15,005 MB. This was supported by the recovery of economic activity, particularly in the first and fourth quarters, which are the high seasons for the packaging industry. The reopening of the country led to a recovery in the tourism sector, which stimulated consumption of beverages and spending. This was evident in the improved demand for beer as well as soft drinks and water. Revenue from other packaging also grew, both in paper packaging and flexible plastic packaging. In 2023, Prime Packaging Company Limited, which the company acquired in the second quarter, continued to drive the growth of revenue from other packaging categories.

As for the case of an increase in some raw material costs, the Company initiated cost management by negotiating with suppliers and seek more suppliers. The Company also implement cost optimization and adjust production formulas to reduce the cost of production per unit and deployed suitable alternative energies for effective cost management along with increased 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 the year 2023



● 16 February

The investment in glass furnace no.1 maintenance (Cold Repair) of the Ayutthaya Glass Industry Company Limited according to the plan in order to increase the capacity and quality of glass packaging.

● 23 February

The establishment of a new subsidiary "BGC Supply Chain Management Company Limited", in which the Company holds 100% of shares. This transaction would diversify the Company's sources of revenue and support core business as the Company foresee growth opportunities in the supply chain management.

● 28 February

BGC Packaging Company Limited ("BGCP"), a wholly owned subsidiary of the Company, signed an agreement to purchase ordinary shares of Prime Packaging Company Limited ("Prime"), which is a manufacturer and distributor of flexible plastic packaging and plastic rolls. On March 30, 2023, BGCP received 75% of Prime's ordinary shares.



● 18 April

Held 2023 Shareholders' Annual General Meeting via Electronic Meeting

● 15 May

Approve an interim dividend payment of THB 0.08 per share, totaling THB 55.56 million, from the three-month operating results period ended 31 March 2023. The dividend was paid on 15 June 2023.

● 27 July

TRIS Rating affirms the 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.

● 14 November

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 September 2023. The dividend was paid on 13 December 2023.

Company Milestones



- The Company has been selected as one of the listed sustainable stocks "SET ESG Ratings" at level "AA" by the Stock Exchange of Thailand (SET), being one of 193 listed companies that have announced the results of this sustainable assessment. Both in the dimensions of corporate governance, economics, and environment.



- The Company has been selected to be in ESG 100 by Thaipat Institute, which assesses listed companies with outstanding performance in environmental, social and governance.



- Received an assessment score of 98% with a rating of "Excellent" (5 stars) in the Corporate Governance Report 2023 (CGR) and scored 100/100 in the AGM Checklist.



- Received the Outstanding Innovative Company Awards from the project "Innovative energy in the glass production process" and the Outstanding Investor Relations Awards at the SET Awards 2023, organized by the Stock Exchange of Thailand in collaboration with Money and Banking Journal. It is considered a quality and honor award that shows the importance and commitment to research and development of innovation as well as investor relations activities.



- The Company Group received certificates and was certified for the CSR-DIW & CSR-DIW Continuous 2023 projects from the Department of Industrial Works, Ministry of Industry, reflecting the commitment to responsible business operations that benefit society and communities align with the sustainable development goals.



Financial Performance



Income Statement

Earnings Result						
	4 th Quarter			12-month period		
<i>Unit: Million Baht</i>	Dec-23	Dec-22	VS. LY	Dec-23	Dec-22	VS. LY
Sales ^{/1}	4,263	3,798	+12%	15,005	14,192	+6%
Cost of Goods Sold - Cash	(3,167)	(3,064)	+3%	(11,539)	(10,973)	+5%
Cost of Goods Sold - Non-Cash	(445)	(402)	+11%	(1,446)	(1,482)	-2%
Gross Profits	651	332	+96%	2,020	1,737	+16%
GP %	15.3%	8.8%	+652 bps	13.5%	12.2%	+122 bps
Operating Expenses	(489)	(224)	+118%	(1,452)	(1,256)	+16%
Other Income	41	10	+335%	127	224	-43%
Earnings Before Interest and Tax	203	118	+72%	695	705	-1%
Financial Cost	(86)	(48)	+79%	(283)	(168)	+68%
Net Profit Before Tax	117	69	+70%	412	537	-23%
Income Taxes	(8)	17	+147%	(62)	(10)	+520%
Net Profit After Tax	109	86	+27%	350	527	-34%
Net Profit to Non-Controlling Interest	8	1	+700%	26	20	+30%
Net Profit to Equity holders of the Company	101	85	+19%	324	507	-36%
From continuing operations	101	85	+19%	324	507	-36%
EBITDA	613	491	+25%	1,860	1,814	+3%

Remarks: /1 Sales included transportation revenue and trading income

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

4Q23, sales revenue of THB 4,263 million, an increase of THB 465 million or 12% YoY, mainly due to



Sales Revenue

Unit : Million Baht	Q4			12M		
	Dec-23	Dec-22	VS. LY	Dec-23	Dec-22	VS. LY
Revenue from Sales	4,263	3,798	+12%	15,005	14,192	+6%
Glass packaging business	3,620	3,333	+9%	12,747	12,367	+3%
Other packaging business	695	530	+31%	2,507	2,081	+20%
Elimination	(52)	(64)		(248)	(256)	

Glass packaging business



- 4Q23, sales revenue was THB 3,620 million, an increase of THB 287 million or 9% YoY due to domestic sales revenue, which came from the beer, soda and water, and energy drink groups as fourth quarter is considered a high season for the packaging business.
- 2023, sales revenue was THB 12,747 million, an increase of THB 380 million or 3% YoY resulted from the increase in beer along with soda and water product group compared to the previous year.

Other packaging business



- 4Q23, sales revenue of THB 695 million, an increase of THB 165 million or 31% YoY. This increase was driven by the flexible plastic packaging and film rolls segment, which benefited from the recent acquisition, and the trading of plastic packaging.
- 2023, sales revenue of THB 2,507 million, an increase of THB 426 million or 20% YoY. This increase was driven by sales of flexible plastic packaging and film rolls.

4Q23, Gross Profits of THB 651 million, an increase of THB 319 million or 96% YoY, with a gross profit margin of 15.3%, an increase of 652 bps YoY, mainly due to the following reasons:



Gross Profit

Unit: Million Baht	Q4			12M		
	Dec-23	Dec-22	VS. LY	Dec-23	Dec-22	VS. LY
Gross Profit	651	332	+96%	2,020	1,737	+16%
Glass packaging business	608	298	+104%	1,810	1,622	+12%
Other packaging business	46	36	+29%	221	125	+77%
Elimination	(3)	(1)		(11)	(9)	

Glass packaging business



- 4Q23, gross profit was THB 608 million, an increase of THB 310 million or 104% YoY. The gross profit margin was 16.8%, an increase of 785 bps YoY. The main reason for this was the decrease in raw material costs, energy prices, and electricity costs.
- 2023, gross profit was THB 1,810 million, an increase of THB 188 million or 12% YoY. The gross profit margin was 14.2%, an increase of 108 bps YoY. The main reason for this was the increase in selling prices, to align with the increase in raw material costs and electricity costs compared to last year.

Other packaging business



- 4Q23, gross profit was THB 46 million, an increase of THB 10 million or 29% YoY. The gross profit margin was 6.6%, a decrease of 10 bps YoY. This was due to lower sales of flexible plastic packaging and film rolls, as well as lower prices of major raw materials such as plastic pellets, film, and kraft paper.
- 2023, gross profit was THB 221 million, an increase of THB 97 million or 77% year-on-year. The gross profit margin was 8.8%, an increase of 284 bps YoY. The reasons for this are the same as for the quarterly results.



Selling and administrative expenses:

4Q23, Sales and administrative expenses amounted to THB 489 million, an increase of THB 265 million or 118% YoY. This was mainly due to higher sales, as well as higher administrative expenses from reserving obsolete inventory and warehouse rent.

In 2023, Selling and administrative expenses amounted to THB 1,452 million, an increase of THB 196 million or 16% YoY. This was mainly due to the same reasons as quarterly result.



Tax expense:

4Q23, tax expenses amounted to THB 8 million, an increase of THB 25 million or 147% YoY. This is due to the adjustment of tax assets of Pathumthani Glass Company Limited and the expiration of tax privileges (BOI) of Ayutthaya Glass Company Limited this year.

In 2023, tax expenses amounted to THB 62 million, an increase of THB 52 million or 520% YoY. The reasons are the same as those for the quarterly results.



Net Profit to Equity holders of the Company:

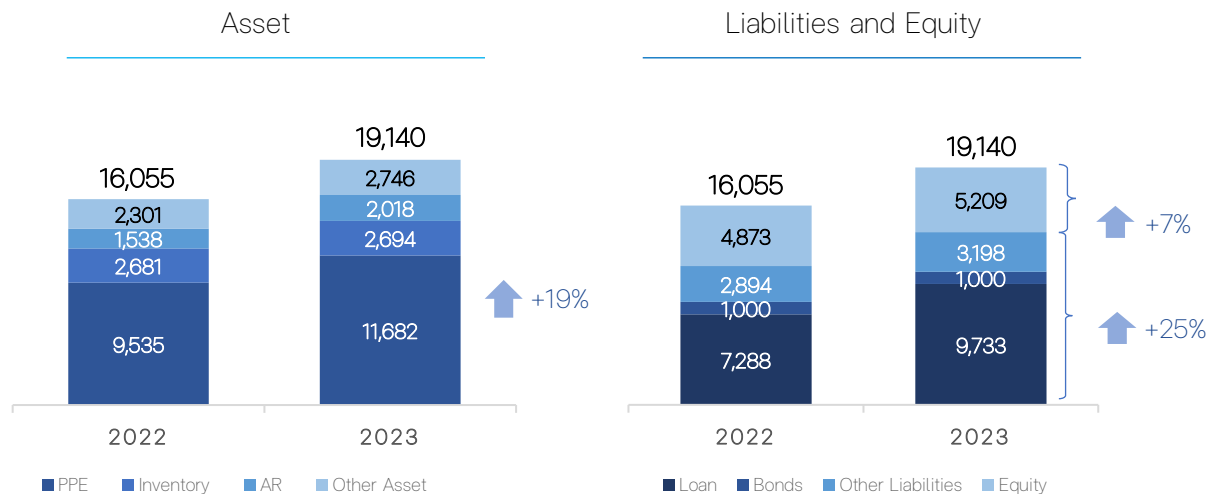
4Q23, the net profit to equity holders of the company was THB 101 million, increased by THB 16 million or 19% YoY.

In 2023, the net profit to equity holders of the company was THB 324 million, a decrease of THB 183 million or 36% YoY. This was due rising raw material and energy costs in the first half of the year impacted the net profit to equity holders of the company, rising interest rates, and a slowdown in the domestic and international economies. However, the profit in 2022 included an extraordinary item from the sale of the energy business of 80 million baht. Excluding this item, profit would have decreased by 103 million baht or 24% YoY.

● Statement of Financial Position As of 31 December 2023



(Unit : Million)

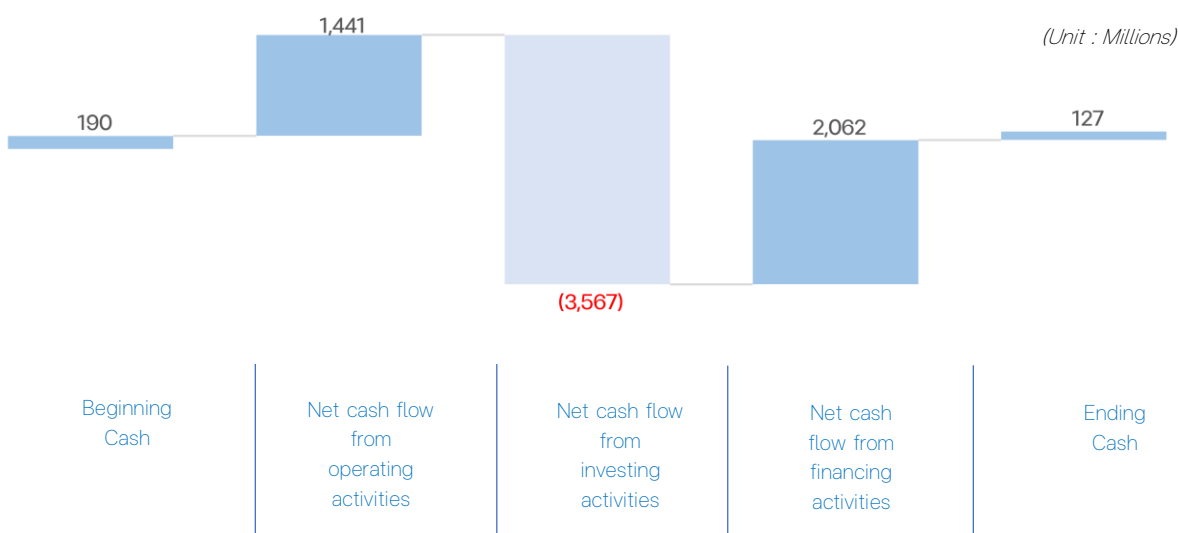


Total Assets As of December 31, 2023, the Group's total assets amounted to THB 19,140 million, an increase of THB 3,085 million or 19% YoY. The main reasons for the increase were land, buildings, and equipment, which increased due to the acquisition of glass melting furnaces from Ayutthaya Glass Industry Co., Ltd., BGC Glass Solutions Co., Ltd. In addition, the total asset increased from higher inventory.

Total Liabilities As of December 31, 2023, the Group's total liabilities amounted to THB 13,931 million, an increase of THB 2,749 million or 25% YoY. The main reasons for the increase were loans for the repair of glass furnaces at Ayutthaya Glass Industry Co., Ltd. and BGC Glass Solution Co., Ltd., and increased loans to prepare for the repair of glass furnaces at Prachinburi Glass Co., Ltd.

Shareholders' equity As of December 31, 2022, the Company Group had total shareholders' equity of THB 5,209 million, an increase of THB 336 million or 7% YoY. The main reason for this was the capital surplus from the land revaluation.

● Cash Flows



Net cash from operating activities increased by THB 1,441 million, which came from an increase in operating profit of THB 255 million, an increase in non-cash items of THB 1,684 million, and an increase in working capital changes of THB 498 million.

Net cash from investing activities decreased by THB 3,567 million, which came from payments for the purchase of land, buildings, equipment, and intangible assets of THB 3,223 million, cash paid to purchase investment properties THB 195 million, cash paid to purchase investments in subsidiaries net of proceeds received THB 175 million, cash received from the sale of equipment THB 20 million and dividends received THB 7 million.

Net cash from financing activities increased by THB 2,062 million. This primarily stemmed from loans repayment of THB 43,286 million and cash received of THB 45,731 million from financial institutions. Additionally, the company distributed THB 222 million in dividends to shareholders, paid THB 140 million to settle lease liabilities, and disbursed THB 20 million in dividends to non-controlling interests.

● Financial Ratios

Key Ratios	Period Ending		
	Dec - 23	Dec - 22	Ch. +(-)
Collection period (days)	42.7	36.7	6.0
Inventory turnover (days)	42.6	49.2	(6.6)
Payment period (days)	51.1	45.3	5.8
Operating Working Capital (days)	34.2	40.6	(6.4)
Debt to Equity (times)	2.7	2.3	0.4
Net Debt to EBITDA (times)	4.6	3.7	0.9
DSCR (times)	1.6	1.3	0.3

As of December 31, 2023, the Group had a cash conversion cycle of 34.2 days, a decrease of 6.4 days from December 31, 2022. This was due to a decrease in the Company's inventory turnover and the increase in payment periods.

The Company group's debt-to-equity ratio was 2.7 times, an increase of 0.4 times from December 31, 2022. The net debt-to-EBITDA ratio was 4.6 times, an increase of 0.9 times from December 31, 2022.