



Ref. Thor Hor 014/2567

August 13, 2024

To: The President
The Stock Exchange of Thailand

Re: Report on the operating result of the reviewed consolidated financial statements for the second quarter ended June 30, 2024

Dear Sirs,

TPI Polene Public Company Limited (“the Company”) would like to report the operating result of the reviewed consolidated financial statements for the second quarter ended June 30, 2024 as follows:-

Total consolidated revenue from sales of goods in Q2/2024 were Baht 8,742 million compared with the same of Baht 11,407 million in Q2/2023, a decrease of 23.37%, whereas total consolidated income in Q2/2024 was Baht 9,426 million compared with the same of Baht 12,203 million in Q2/2023, a decrease of 22.76%.

In Q2/2024, the Company and its subsidiaries registered profit for the period of Baht 862 million (profit attributable to owners of the parent of Baht 606 million, or basic earnings per share of Baht 0.032), compared with profit for the period in Q2/2023 of Baht 1,449 million (profit attributable to owners of the parent of Baht 1,171 million, or basic earnings per share of Baht 0.062), a decrease of 40.55%.

Profit for the period of Baht 862 million in Q2/2024 was comprised of normal operating profit of Baht 937 million, net foreign exchange gain of Baht 99 million and tax expense of Baht 174 million, whereas profit for the period of Baht 1,449 million in Q2/2023 was comprised of normal operating profit of Baht 1,275 million, net foreign exchange gain of Baht 243 million and tax expense of Baht 69 million.

For the first six-month period of the year 2024, the Company and its subsidiaries registered profit for the period of Baht 1,812 million (Profit attributable to owners of the parent of Baht 1,348 million or basic earnings per share of Baht 0.071) compared with profit for the period in H1/2023 of Baht 2,406 million (Profit attributable to owners of the parent of Baht 1,817 million or basic earnings per share of Baht 0.096), a decrease of 24.70%. Normal operating profit in 1H/2024 was Baht 1,563 million compared with normal operating profit of Baht 2,305 million in 1H/2023, a decrease of 32.21%.

บริษัท ทีพีโอ โพลีน จำกัด (มหาชน)

TPI POLENE PUBLIC COMPANY LIMITED

As at June 30, 2024, the Company and its subsidiaries' total assets and total equity were Baht 162,232 million and Baht 64,809 million respectively. The book value per share was Baht 3.42. Details of consolidated financial statements for the second quarter ended June 30, 2024, can be summarized as follows:-

Assets

The Company and its subsidiaries' total assets as at June 30, 2024 was Baht 162,232 million compared with Baht 163,415 million as at December 31, 2023, a decrease of Baht 1,182 million, or decreased by 0.72%. Details of the major accounting change are as follows:-

Unit: million Baht

	As at 30 June 2024	As at 31 Dec. 2023	Increase (Decrease)	%
Cash and cash equivalents	14,661	18,313	(3,653)	(19.95)
Other current financial assets	799	2,385	(1,586)	(66.50)
Trade accounts receivable	5,344	5,445	(100)	(1.84)
Inventories	18,317	17,864	453	2.53
Property, plant and equipment	113,322	109,157	4,165	3.82
Total assets	162,232	163,415	(1,182)	(0.72)

Liabilities

As at June 30, 2024, the Company and its subsidiaries' total liabilities was Baht 97,423 million compared with Baht 98,788 million as at December 31, 2023, a decrease of Baht 1,365 million, or decreased by 1.38%. Details of the major accounting changes are as follows:-

Unit: million Baht

	As at 30 June 2024	As at 31 Dec. 2023	Increase (Decrease)	%
Trade account payable and other payables	8,028	7,676	352	4.58
Income tax payable	80	88	(8)	(9.28)
Loans from financial institutions	11,969	9,408	2,561	27.22
Debentures	71,481	75,398	(3,917)	(5.19)
Interest Bearing Debts (IBD)	83,785	85,144	(1,359)	(1.60)
Net Interest Bearing Debts (Net IBD)*	68,326	64,446	3,880	6.02
Total Liabilities	97,423	98,788	(1,365)	(1.38)

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 June 30, 2024 was Baht 64,809 million compared with Baht 64,626 million as at December 31, 2023, an increase of Baht 182 million or increased by 0.28%. Details of the major accounting change are as follows:-

Unit : million Baht

	As at 30 June 2024	As at 31 Dec 2023	Increase (Decrease)	%
Registered and paid-up capital	18,935.235	18,935.235	-	-
Retained earnings - unappropriated	23,871	23,848	23	0.10
Total equity	64,809	64,626	182	0.28
Book value per share (Baht)	3.42	3.41	0.01	0.28

As of June 30, 2024, the Company and its subsidiaries' Interest Bearing Debts to Equity ratio (IBD/Equity Ratio) equated 1.29 times and Net IBD to Equity Ratio equated 1.05 times.

Profit (Loss)

In Q2/2024, the Company and its subsidiaries registered profit for the period of Baht 862 million (profit attributable to owners of the parent of Baht 606 million, or basic earnings per share of Baht 0.032) compared with profit for the period in Q2/2023 of Baht 1,449 million (profit attributable to owners of the parent of Baht 1,171 million, or basic earnings per share of Baht 0.062), a decrease of Baht 588 million or decreased by 40.55%.

In the first six-month period of the year 2024, the Company and its subsidiaries registered profit for the period of Baht 1,812 million (Profit attributable to owners of the parent of Baht 1,348 million or basic earnings per share of Baht 0.071). Details of the major accounting change are as follows:-

Unit : million Baht

	For six-month period ended 30 June 2024	Q2/2024	Q2/2023	Increase (Decrease)	%
Revenue from sale of goods	17,793	8,742	11,407	(2,665)	(23.37)
Cost of sales of goods	13,727	6,686	8,827	(2,141)	(24.25)
Gross Profit	4,065	2,056	2,580	(525)	(20.33)
Cost of Distribution, transportation and administrative expenses	2,291	1,128	1,389	(260)	(18.74)
Finance cost	1,214	587	482	105	21.77
Tax income (expense)	(249)	(174)	(69)	105	152.90
Net foreign exchange gain (loss)	499	99	243	(145)	(59.46)
Normal operating profit	1,563	937	1,275	(338)	(26.48)
Profit attributable to owners of the parent	1,348	606	1,171	(565)	(48.22)
Profit for the period	1,812	862	1,449	(588)	(40.55)
Earnings before interest, taxes, depreciation and amortization (EBITDA)	5,057	2,554	2,781	(227)	(8.17)

In the first six-month period of the year 2024, the Company and its subsidiaries registered earnings before interest, taxes, depreciation and amortization (EBITDA) of Baht 5,057 million, representing IBD to EBITDA ratio (annualized) at 8.28 times whilst Net IBD/EBITDA ratio (annualized) equated 6.76 times.

ESG Performance in the first six-month period of the year 2024

The Company has implemented sustainable development in Environmental, Social and Governance (ESG) dimensions for business operations. ESG performance in the first six-month period of the year 2024 is summarized as follows:-

Environmental Management

1. The Company used 140,658.93 tons of waste fuel to replace coal in cement production process, or accounting for 12.89% of the required heat.
2. The Company reduced greenhouse gas emissions of cement plant by 833,313 tCO₂e or decreased by 18.54% from 4,494,766 tCO₂e in the first six-month period of the year 2023 to 3,661,453 tCO₂e in the first six-month period of the year 2024.
3. The Company is committed to creating sustainable business growth and pays attention to the development of environmental innovation TPIPL with green innovation technology throughout the value chain as follows:
 - Green Mining / Green Quarry: Replaced Drill Trucks and Loaders Dump Truck, excavators in mines that use internal combustion engines with all electric cars.
 - Green Cement Process: Used waste as fuel to replace coal approximately 25% in cement production process.
 - Green Logistics: Converted diesel-fuel trucks into electric trucks to transport cement and ready-mixed concrete.
 - Green Manufacturing: Produce environmentally friendly construction materials that help reduce global warming.
 - Green Marketing/Management: Use electric trains for sales and marketing operations, including executive vehicles instead of combustion cars.
 - Green Packing Line/Warehouse : Use 100% electric forklift.All of the above help to ensure stability for the organization, the community, and the nation as a whole for sustainable growth.
4. The Company reused the effluents from production process to re-filter of 498,311 cubic meters, representing 45.22% of the total water consumption of 1,101,889 cubic meters.
5. The Company aims to benefit from utilizing industrial waste \geq 95% of total industrial waste generated. In the first six-month period of the year 2024, the Company utilized 2,458.58 tons of industrial waste from cement production process as renewable fuels, alternative materials and recycled, representing 99.81% total quantity of industrial wastes, which is higher than the target set by the Company.

Corporate Social Responsibility

1. TPI Polene Group has supported various projects and activities for public benefits totaling approximately Baht 15.72 million to communities, academic institutions, temples, hospitals and government authorities and contributed healthcare products

and construction material products of TPI Polene Group, such as cement, other construction materials, organic fertilizers, drinking water and healthcare products to prevent pathogens.

2. The Company provides equal opportunities for employment without discrimination in favor or against any person, covering employees with disabilities and other disadvantaged groups. In the first six-month period of the year 2024, 470 new employees were employed, which comprises 361 general staffs, 67 seniors and 42 employees with disabilities.
3. The Company has implemented human rights for stakeholders throughout the value chain by respecting human rights of employees, suppliers, customers, and local communities. In the first six-month period of the year 2024, there were no complaints of human rights violations.
4. The Company has implemented occupational health and safety in the working environment with an objective to become an accident-free and a zero-accident organization. Performance in the first six-month period of the year 2024 is summarized as follows:-
 - The number of Fatal Occupational Injuries of employees and contractors was 0.
 - Occupational injuries rate (associated with high-impact jobs) of employees and contractors was 0.
 - Occupational illnesses rate of employees and contractors was 0.
5. The Company disposed of hazardous industrial wastes and non-hazardous industrial wastes of 15,233.52 tons and 10,994.32 tons respectively.

In Compliance with Good Corporate Governance Policy

The Company continues to operate its business with an emphasis on sustainable development and growth while creating sustainable values in environmental and social importance under a good corporate governance policy, disclosing information and operating results transparently, managing risks in all aspects. The Company pays attention to the impacts that occur or are expected to arise from business operations. Therefore, the Company has the opportunity to generate increased revenue and profit from its business operations, driven by sustainable development that create growth potential and increase good quality of products and environmentally friendly output. As a result, investors and shareholders will receive sustainable returns from investment in the Company's business.

The Company is fully responsible and creates value and benefits for relevant stakeholders in an all-round manner. As a result, in the first six-month period of the year 2024, the Company received awards and certifications from recognized organizations in terms of promoting sustainable development as follows:-

1. On July 12, 2024, Thaipat Institute announced that the Company has been ranked in the 2024 ESG100 list for the third consecutive year (in 2022, 2023 and 2024) with

outstanding environmental performance in Environmental, Social and Governance (ESG) criteria in the Property and Construction Sector.

2. On March 23, 2024, the Company was certified ISO14064-1 (Carbon Footprint Verification or CFV), which is a standard for principles and requirements at corporate level for measuring and reporting greenhouse gas emissions and reductions, including requirements for design, development, management, reporting and verification of corporate greenhouse gas emissions and reductions from BSI Group (Thailand) Co., Ltd. ("BSI: British Standards Institution"), British Standards Institution
3. The Company received "Certificate of Achievement" award from World's Leaders Magazine Proudly Features, India.
4. The Company received "Certificate of Excellence 2024 AWARDEE 30 Fabulous Companies of the Year" from the Silicon Review in USA.
5. The Company received "the Best ESG Practices for Sustainable Development in Thailand 2023" from The Global Economics magazine, a leading financial magazine, the United Kingdom.

Please be informed accordingly.

Sincerely Yours,

B. Leophairatana

Mrs. Orapin Leophairatana
Senior Executive Vice President