



Ref. Thor Hor 018/2567

November 11, 2024

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, 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 third quarter ended September 30, 2024 as follows:-

Total consolidated revenue from sales of goods in Q3/2024 were Baht 9,147 million compared with the same of Baht 10,838 million in Q3/2023, a decrease of 15.61%, whereas total income in Q3/2024 was Baht 9,677 million compared with the same of Baht 11,474 million in Q3/2023, a decrease of 15.66%.

In Q3/2024, the Company and its subsidiaries registered loss for the period of Baht 145 million (Loss attributable to owners of the parent of Baht 393 million, or basic earnings per share of Baht 0.021), compared with profit for the period in Q3/2023 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), a decrease of 109.72%.

Loss for the period of Baht 145 million in Q3/2024 was comprised of normal operating profit of Baht 639 million, net foreign exchange loss of Baht 780 million and tax expense of Baht 4 million, whereas 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.

For the first nine-month period of the year 2024, the Company and its subsidiaries registered profit for the period of Baht 1,667 million (Profit attributable to owners of the parent of Baht 956 million or basic earnings per share of Baht 0.050), compared with 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) in 9M/2023, a decrease of 57.17%. Normal operating profit in 9M/2024 was Baht 2,201 million compared with normal operating profit of Baht 3,735 million in 9M/2023, a decrease of 41.07%.

บริษัท ทีพีโอ โพลีน จำกัด (มหาชน)

TPI POLENE PUBLIC COMPANY LIMITED

As at September 30, 2024, the Company and its subsidiaries' total assets and total equity were Baht 158,316 million and Baht 64,066 million respectively. The book value per share was Baht 3.38. Details of consolidated financial statements for the third quarter ended September 30, 2024, can be summarized as follows:

Assets

The Company and its subsidiaries' total assets as at September 30, 2024 was Baht 158,316 million as compared with Baht 163,415 million as at December 31, 2023, decrease of Baht 5,099 million, or decreased by 3.12%.

Unit: million Baht

	As at 30 Sept. 2024	As at 31 Dec. 2023	Increase (Decrease)	%
Cash and cash equivalents	10,143	18,313	(8,170)	(44.61)
Other current financial assets	250	2,385	(2,135)	(89.52)
Trade accounts receivable	5,348	5,445	(97)	(1.78)
Inventories	17,398	17,864	(466)	(2.61)
Property, plant and equipment	115,564	109,157	6,407	5.87
Total assets	158,316	163,415	(5,099)	(3.12)

Liabilities

The Company and its subsidiaries' total liabilities as at September 30, 2024 was Baht 94,250 million as compared with Baht 98,788 million as at December 31, 2023, decrease of Baht 4,539 million, or decreased by 4.59%. Details of the major accounting changes are as follows:

Unit million Baht

	As at 30 Sept. 2024	As at 31 Dec. 2023	Increase (Decrease)	%
Trade account payable and other payables	7,394	7,676	(283)	(3.68)
Income tax payable	141	88	53	59.60
Loans from financial institutions	8,090	9,408	(1,317)	(14.00)
Debentures	71,481	75,398	(3,917)	(5.19)
Interest Bearing Debts (IBD)	81,119	85,144	(4,025)	(4.73)
Net Interest Bearing Debts (Net IBD)*	70,726	64,446	6,281	9.75
Total Liabilities	94,250	98,788	(4,539)	(4.59)

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, 2024 was Baht 64,066 million, a decrease of Baht 561 million, from Baht 64,626 million as at December 31, 2023, or decreased by 0.87%, due to dividend payments. Details of the major accounting change are as follows:

Unit : million Baht

	As at 30 Sept.2024	As at 31 Dec.2023	Increase (Decrease)	%
Registered and paid-up capital	18,935.235	18,935.235	-	-
Retained earnings - unappropriated	23,100	23,848	(748)	(3.14)
Total equity	64,066	64,626	(561)	(0.87)
Book value per share (Baht)	3.38	3.41	(0.03)	(0.87)

As of September 30, 2024, the Company and its subsidiaries' Interest Bearing Debts to Equity ratio (IBD/Equity Ratio) equated 1.27 times and Net IBD to Equity Ratio equated 1.10 times.

Profit (Loss)

In Q3/2024, the Company and its subsidiaries registered loss for the period of Baht 145 million (loss attributable to owners of the parent of Baht 393 million, or basic loss per share of Baht 0.021).

In the first nine-month period of the year 2024, the Company and its subsidiaries registered profit for the period of Baht 1,667 million (Profit attributable to owners of the parent of Baht 956 million or basic earnings per share of Baht 0.050).

Details of the major accounting change are as follows:-

Unit: million Baht

	For nine-month period ended 30 Sept. 2024	Q3/2024	Q3/2023	Increase (Decrease)	%
Revenue from sale of goods	26,940	9,147	10,838	(1,691)	(15.61)
Cost of sales of goods	21,021	7,293	8,008	(715)	(8.93)
Gross Profit	5,919	1,854	2,830	(977)	(34.51)
Distribution costs and administrative expenses	3,456	1,165	1,304	(140)	(10.71)
Finance cost	1,801	587	536	51	9.45
Tax income (expense)	(253)	(4)	(146)	(142)	(97.38)
Net foreign exchange gain (loss)	(281)	(780)	203	(982)	(484.45)
Normal operating profit	2,201	639	1,430	(792)	(55.34)
Profit attributable to owners of the parent	956	(393)	1,237	(1,630)	(131.73)
Total profit	1,667	(145)	1,487	(1,631)	(109.72)
Earnings before interest, taxes, depreciation and amortization (EBITDA)	6,385	1,328	2,985	(1,657)	(55.52)

For the first nine-month period of the year 2024, the Company and its subsidiaries registered earnings before interest, taxes, depreciation and amortization (EBITDA) of Baht 6,385 million, representing IBD to EBITDA (Annualized) ratio at 9.53 times whilst Net IBD/ EBITDA (Annualized) ratio equated 8.31 times.

ESG Performance

The Company is committed to strengthening the business for sustainable growth under the development with consideration for environmental, social, and corporate governance dimension or ESG (Environmental, Social and Governance). ESG performance in the first nine-month period of the year 2024 is summarized as follows:-

Environmental Performance

1. The Company used 185,045.507 tons of waste fuel to replace coal in cement production process, or accounting for 12.12% of the required heat.
2. The Company reduced greenhouse gas emissions of cement plant by 1,100,219 tCO₂e or decreased by 17.16% from 6,410,433 tCO₂e in the first nine-month period of the year 2023 to 5,310,214 tCO₂e in the first nine-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 of TPIPL with green innovation technology throughout the value chain as follows:-

- Green Mining/Green Quarry: Using a conveying system to transport raw materials instead of trucks, as well as replacing drilling trucks, loaders, dump trucks, excavators in mines that use internal combustion engines with all electric trucks. (As at September 30, 2024, total number of electric trucks was 71 units)
- Green Cement Process: Set target for using waste as fuel to replace coal approximately 25% in cement production process as well as an increase in the consumption of biomass fuel and fuels from industrial waste to replace coal fuel.
- Green Logistics: Converting diesel-fuel trucks into electric trucks to transport cement and ready-mixed concrete.
- Green Manufacturing: Producing environmentally friendly construction materials that help reduce global warming.
- Green Marketing/Management: Using electric cars for sales and marketing operations, including executive vehicles instead of combustion cars.
- Green Packing Line/Warehouse : Using 100% electric forklift (as at September 30, 2024, total number of electric forklift was 65 units)

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 911,104 cubic meters, representing 57.78% of the total water consumption of 1,576,973 cubic meters.
5. The Company aims to benefit from utilizing industrial waste \geq 95% of total industrial waste generated. In the first nine-month period of the year 2024, the Company utilized 2,282.10 tons of industrial waste from cement production process as renewable fuels, alternative materials and recycled, representing 99.71% total quantity of industrial wastes, which is higher than the target set by the Company.
6. TPI Polene Group supports the conservation of natural resources and environment by carrying out the following activities:-
 - 6.1 On June 14, 2024, the Company joined the activities of 2024 Muak Lek River Conservation Day with Muak Lek District, at Waterfall Chet Sao Noi National Park, Muak Lek district, Amphur Muak Lek, Saraburi Province.

- 6.2 On June 27, 2024, the Company participated in “Forest Restoration Project” with Thap Kwang Research Station, Faculty of Forestry, Kasetsart University, aiming to increase CO₂ absorption and for community benefits, on the Auspicious Occasion of His Majesty the King's 6th Birthday Anniversary, by planting 1,000 trees within a total area of 25 Rai at the Thap Kwang Research Station, Thap Kwang district, Amphur Kaeng Khoi, Saraburi Province.
- 6.3 On July 11, 2024, the Company participated in “Tree Planting Project” on the Auspicious Occasion of His Majesty the King's 6th Birthday Anniversary with Saraburi Provincial Office of Natural Resources and Environment by planting 1,100 trees (Bungor trees, Burmese rosewood trees, and Inthanin trees) within a total area of 50 Rai in Khaoman Community Forest area, BanThai, Moo 3, Thap Kwang Subdistrict, Amphur Kaeng Khoi, Saraburi Province and supported the budget of Baht 250,000.
- 6.4 On August 5, 2024, the Company participated in “Nakarafa Joint Tree Planting Project to increase green areas” with the Nawamin Kasatiyathiraj Air Force Academy on the Auspicious Occasion of His Majesty the King's 6th Birthday Anniversary by planting 2,567 trees (golden shower trees, yellow star trees, Peepul trees, Bungor trees and other trees) within a total area of 25 Rai at NawaminTakasatiyathiraj Air Force Academy, Amphur Muak Lek, Saraburi Province and supported the budget of Baht 200,000.
- 6.5 On September 7, 2024, the Company participated in Tree Planting Project to increase green areas with the Environment for Life Foundation by planting 2,000 trees (golden teak trees, Siamese rosewood trees, and bamboo trees) within a total area of 25 Rai at Home & Hill, the Company's guest house in Thap Kwang Subdistrict, Amphur Kaeng Khoi, Saraburi Province, and supported the budget of Baht 300,000.

Social performance and Human Rights

1. TPI Polene Group has supported various projects and activities for public benefits totaling approximately Baht 52.29 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 nine-month period of the year 2024, 607 new employees were employed, which comprises 497 general staffs, 67 seniors and 43 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 nine-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 nine-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 24,664.12 tons and 16,998.34 tons respectively.

Comply 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 nine-month period of the year 2024, the Company received awards and certifications from recognized organizations in terms of promoting sustainable development as follows:-

International Awards

1. The Company received “Certificate of Achievement” from World's Leaders Magazine Proudly Features, India.
2. The Company received “Certificate of Excellence 2024 AWARDEE 30 Fabulous Companies of the Year” from The Silicon Review, USA.
3. The Company received “The Best ESG Practices for Sustainable Development in Thailand 2023 award” (Best ESG Practices for Sustainable Development in Thailand 2023) from The Global Economics Magazine, a leading financial magazine in the United Kingdom.
4. Mr. Prachai Leophairatana, the Chief Executive Officer of the Company, received “Business Excellence Award 2023” from Biztech Outlook, USA.
5. On November 2, 2024, the Company received “Leading Industrial Conglomerate Group Thailand 2024 award” from World Business Outlook Magazine, Singapore.

National Awards

1. 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
2. On July 12, 2024, Thaipat Institute announced that the Company has been ranked in the 2024 ESG100 list for the three consecutive years (in 2022, 2023 and 2024) with outstanding environmental performance in Environmental, Social and Governance (ESG) criteria in Property and Construction Material Sector.

3. The Company received the Honorary plaque for "Organization with Outstanding Social Activities for the Year 2024" in the category of Business Organization on the occasion of National Social Work Day and Thai Volunteer Day 2024 from the Ministry of Social Development and Human Security.
4. On October 28, 2024, the Company achieved "Excellent CG Scoring, a 5-star corporate governance assessment" for two consecutive years in Corporate Governance Report of Thai Listed Companies (CGR) for the year 2024, 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.

Please be informed accordingly.

Sincerely Yours,



Mrs. Orapin Leophairatana
Senior Executive Vice President