



Inspire Better Living



**FY 2023**

# Operating Results

**TOA Paint (Thailand) PCL.**



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# AGENDAS

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# CORPORATE UPDATES

# Q4/23 Marketing and Sales Activities (1)

**1. New Product: FiberStain Ultimate** – Coating for fiber cement and all types of solid wood. More durable (10-15 years) and more types of finishing



**2. New Product: Polyurethane 1K Ultimate** – Provide 2in1 Polyurethane that can be applied to exterior wood. Highly resistant to scratch and Chlorine



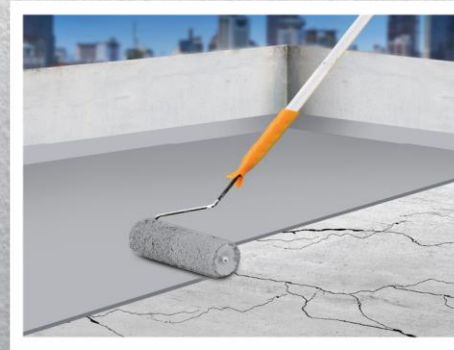
# Q4/23 Marketing and Sales Activities (4)

## 4. TOA is going “NET ZERO”

We choose environmentally friendly energy in production.

Selecting TOA products with the TOA GREEN CERTIFIED logo. This logo guarantees safety and environmentally friendly production process for the sustainability of both people and the environment.





# EXECUTIVE SUMMARY



# Q4/23 Executive Summary

Core profit rose YoY and QoQ, fueled by an increase in higher gross profit and sales. While higher unrealized losses from the exchange rate impacted net profit, QoQ decreased.

## Sales

**5,747**<sup>MB</sup>

+5.5% YoY  
+6.8% QoQ

## Selling Expenses

**768**<sup>MB</sup>

% to sales  
**13.4%** +0.1 p.p. YoY  
+0.4 p.p. QoQ

## EBITDA

**886**<sup>MB</sup> +46.3% YoY  
-15.8% QoQ

% to total revenues  
**15.2%**

## Net Profit

**545**<sup>MB</sup> +86.7% YoY  
-16.3% QoQ

% to total revenues  
**9.4%**

## Gross Profit

**1,971**<sup>MB</sup>

%GP  
**34.3%** +5.0 p.p. YoY  
+0.5 p.p. QoQ

## Admin Expenses

**438**<sup>MB</sup>

% to sales  
**7.6%** +0.9 p.p. YoY  
+0.5 p.p. QoQ

## Core EBITDA

**1,021**<sup>MB</sup> +42.1% YoY  
+2.7% QoQ

% to total revenues  
**17.6%**

## Core Net Profit

**680**<sup>MB</sup> +68.0% YoY  
+14.5% QoQ

% to total revenues  
**11.7%**

Remark: Q4/2022 shown in Restated basis.



# FY2023 Executive Summary

Higher 2023 sales were driven by sales volume growth from the recovery of tourism, and the impressive 2023 net profit was driven by the gross profit recovery.

## Sales

**22,238<sup>MB</sup>**

+7.7% YoY

## Selling Expenses

**2,820<sup>MB</sup>**

% to sales

**12.7%** +0.1 p.p. YoY

## EBITDA

**4,093<sup>MB</sup>** +57.8% YoY

% to total revenues

**18.2%**

## Net Profit

**2,569<sup>MB</sup>** +81.3% YoY

% to total revenues

**11.4%**

## Gross Profit

**7,533<sup>MB</sup>**

%GP

**33.9%** +4.8 p.p. YoY

## Admin Expenses

**1,533<sup>MB</sup>**

% to sales

**6.9%** +0.1 p.p. YoY

## Core EBITDA

**4,142<sup>MB</sup>** +45.5% YoY

% to total revenues

**18.4%**

## Core Net Profit

**2,618<sup>MB</sup>** +56.7% YoY

% to total revenues

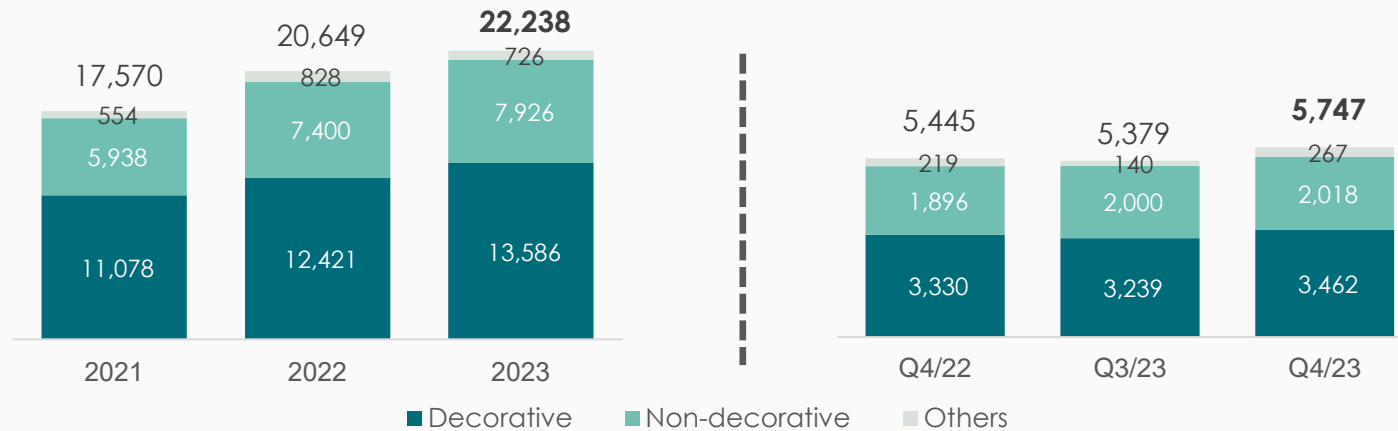
**11.6%**

# Group Sales Breakdown : By Product Categories

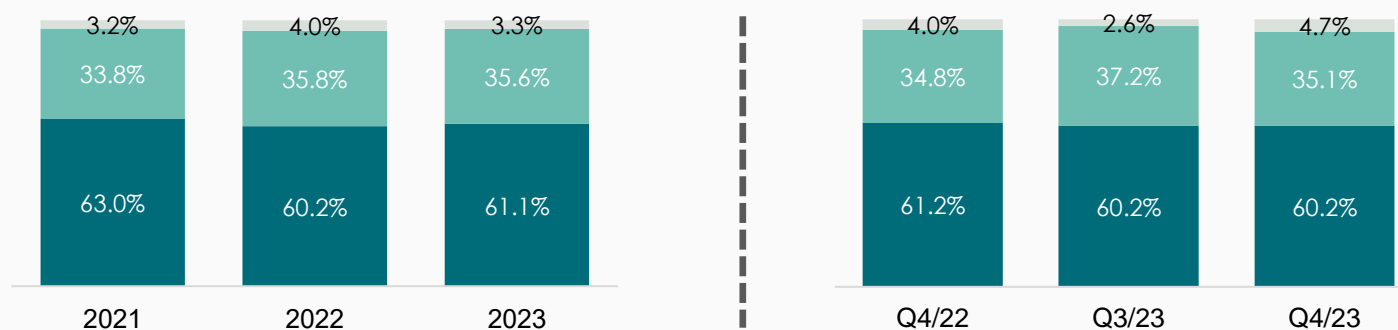


2021	2022	2023	%Growth	QoQ	YoY
+7.8%	+17.5%	+7.7%	<b>Total</b>	<b>+6.8%</b>	<b>+5.5%</b>
+2.8%	+12.1%	+9.4%	Decorative	+6.9%	+4.0%
+14.5%	+24.6%	+7.1%	Non-Dec	+0.9%	+6.4%
+64.7%	+49.4%	-12.3%	Others	+91.2%	+22.2%

(Million Baht)



Sales Contribution (% to Total Sales Revenue)



- In Q4/23, sales revenue increased by 5.5% YoY, driven by higher sales for both decorative and non-decorative products mostly from higher volume.

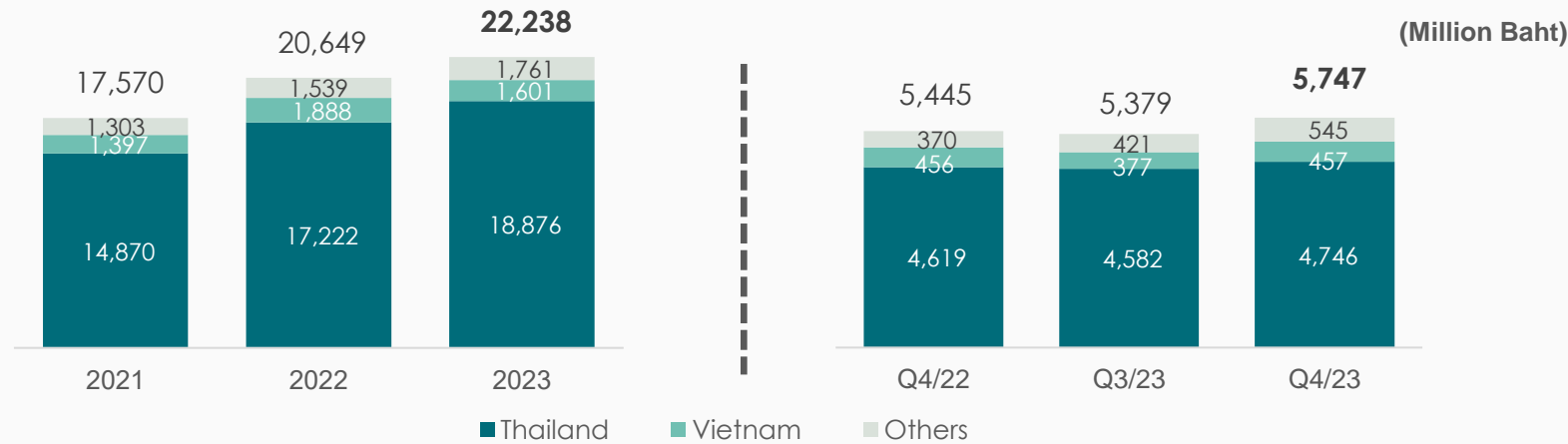
- Compared to Q3/23, sales revenue increased by 6.8%, mostly from the higher volume sales of decorative products after the low season in Q3/23.

- In 2023, sales revenue increased by 7.7%, driven by 9.4% growth in Decorative (mainly from premium group products) and Non-Decorative sales grew by 7.1% (mainly from Construction Chemicals, Gypsum Products, and Ceramics) due to higher volume sales and pricing up, respectively.

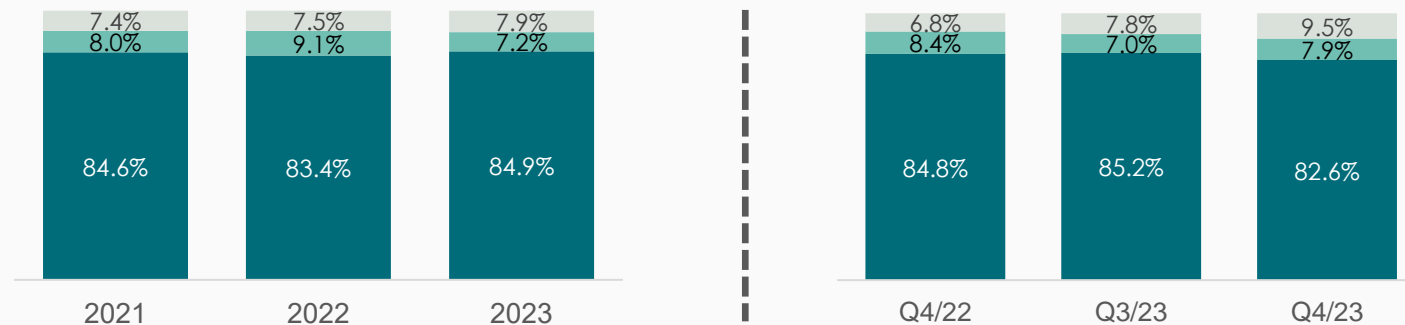
# Group Sales Breakdown : By Geography



2021	2022	2023	%Growth	QoQ	YoY
+7.8%	+17.5%	+7.7%	<b>Total</b>	<b>+6.8%</b>	<b>+5.5%</b>
+5.8%	+15.8%	+9.6%	Thailand	+3.6%	+2.8%
+12.1%	+35.1%	-15.2%	Vietnam	+21.3%	+0.1%
+30.5%	+18.1%	+14.4%	Others	+29.5%	+47.1%



Sales Contribution (% to Total Sales Revenue)



- **In Q4/23, sales revenue in Thailand increased by 2.8% YoY** as the economy and tourism recovered. For QoQ, the sales recovery from the rainy season in Q3.
- **Vietnam's sales increased by 21.3% QoQ and 0.1% YoY.** This shows the recovery signal of Vietnam's real estate. The higher sales are driven by an increase in both premium-grade products and non-decorative products.
- **Other countries' sales** increased QoQ and YoY, driven by higher sales in Malaysia.

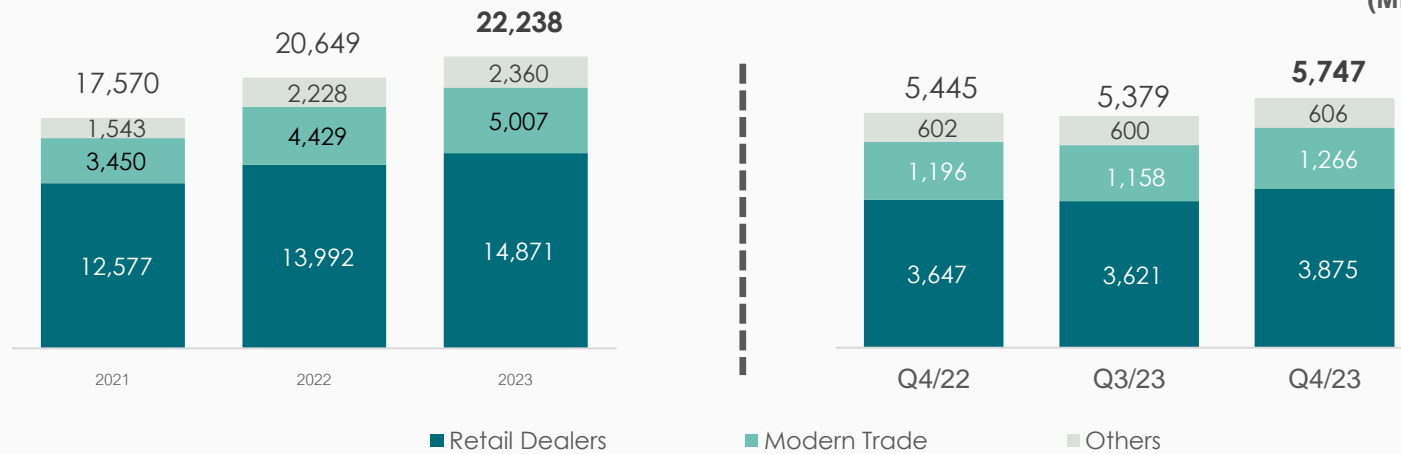
- **In 2023, sales revenue in Thailand increased by 9.6% YoY,** due to higher demand for paint and construction materials as the economy and tourism recovered.
- **Sales revenue from Vietnam decreased by 15.2%,** due to economic slowdown causing stricter real estate market over the year.
- **Other countries' sales revenue** increased, mainly driven by higher sales in Malaysia and Myanmar.

# Group Sales Breakdown : By Distribution Channel

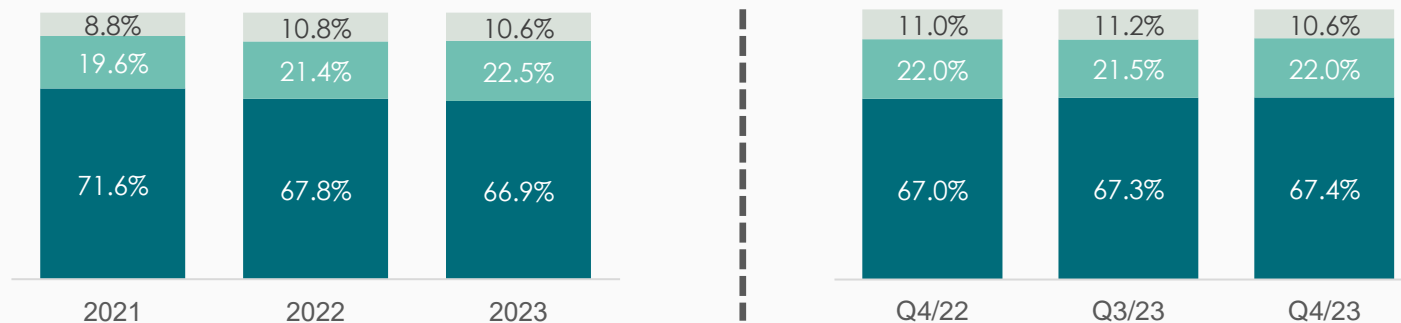


2021	2022	2023	%Growth	QoQ	YoY
+7.8%	+17.5%	+7.7%	<b>Total</b>	<b>+6.8%</b>	<b>+5.5%</b>
+5.5%	+11.2%	+6.3%	Retail Dealers	+7.0%	+6.2%
+20.6%	+28.4%	+13.1%	Modern Trade	+9.4%	+5.8%
+2.1%	+44.4%	+5.9%	Others	+0.9%	+0.7%

(Million Baht)



Sales Contribution (% to Total Sales Revenue)



- In Q4/23, sales revenue in the retail channel, increased by 6.2% YoY and 7.0%, due to the tourist recovery, especially in southern and northern Thailand.
- The modern trade channel's sales revenue increased by 5.8% YoY and 9.4%, attributed to an increase in the number of modern trade stores in Thailand. As well as the expansion of our chemical construction products in modern trade stores.
- In 2023, sales revenue increased by 7.7% mostly from recovery of economy and tourism in Thailand. Overall, sales revenue increased in all distribution channels.



# Financial Summary

# Q4/2023 Key Financial Highlights

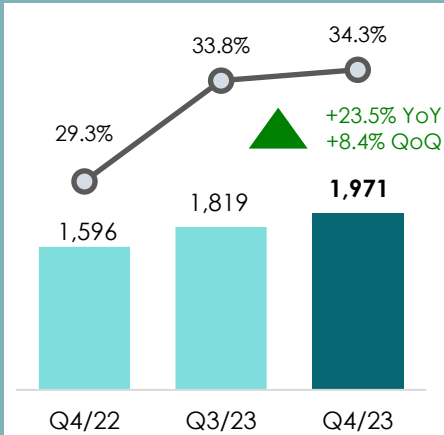
## Sales Revenue

(Mil. Baht)



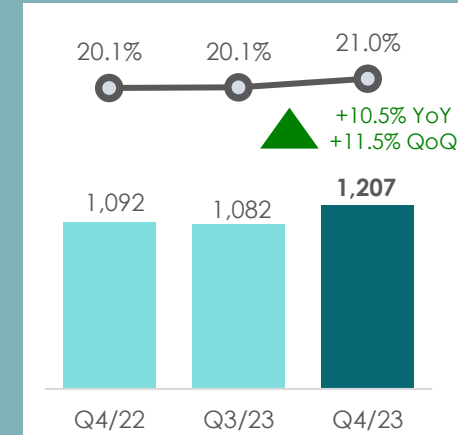
## Gross Profit

(Mil. Baht and % to sales)



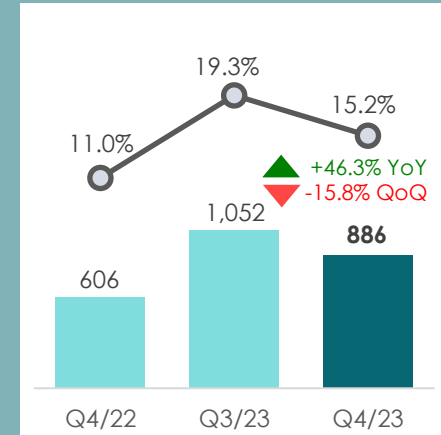
## SG&A

(Mil. Baht and % to sales)



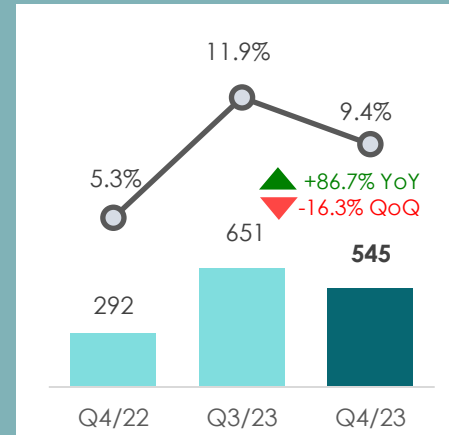
## EBITDA

(Mil. Baht and % to total revenues)



## Net Profit

(Mil. Baht and % to total revenues)



### Q4/23 compared to Q4/22

**Sales revenue rose by 5.5%**, mainly due to higher sales in Thailand contributed by decorative and non-decorative products.

**Gross profit increased significantly by 23.5%**, as a result of better management of raw materials and production costs and a decrease in raw material costs. As well as the growth in high-margin products in the premium segments.

**SG&A increased by 10.5%**, mainly due to higher expenses from employee cost, and freight expense.

**Net profit increased significantly by 86.7%**, mainly from higher sales and gross margin.

### Q4/23 compared to Q3/23

**Sales revenue increased by 6.8%**, mainly from high season for paint and renovation after the rainy season in Q3.

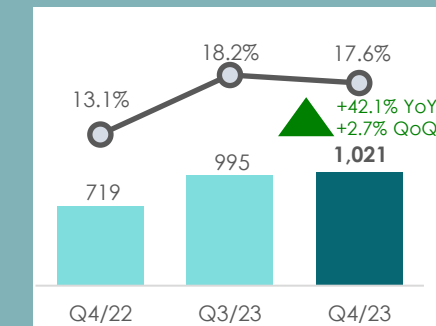
**Gross profit increased by 8.4%** as a result of better management of raw materials and production costs.

**SG&A increased by 11.5%**, mostly due to employee cost of sales, sale promotion, and freight expenses.

**Net profit decreased by 16.3%**, mainly from higher COGS and SG&A expenses

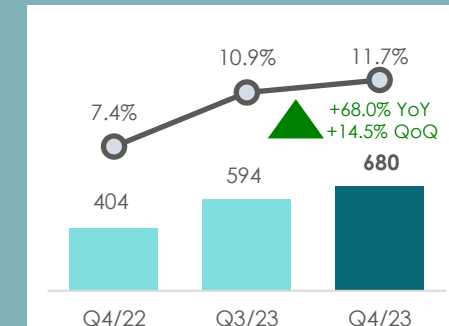
### EBITDA Excl. Extraordinary Items

(Mil. Baht and % to total revenues)



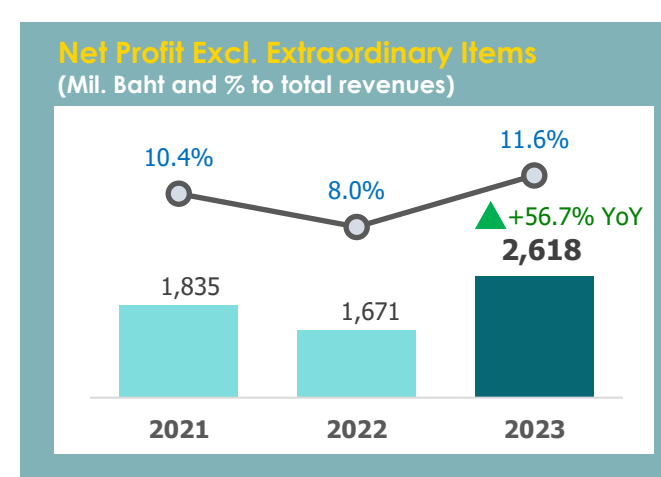
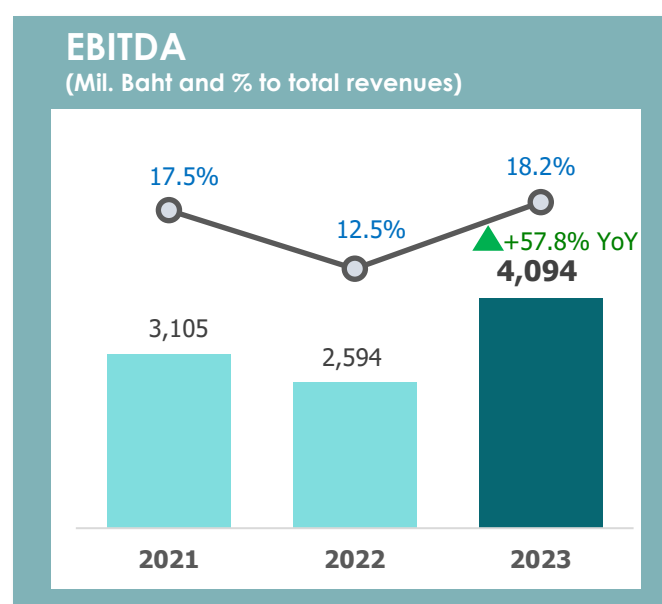
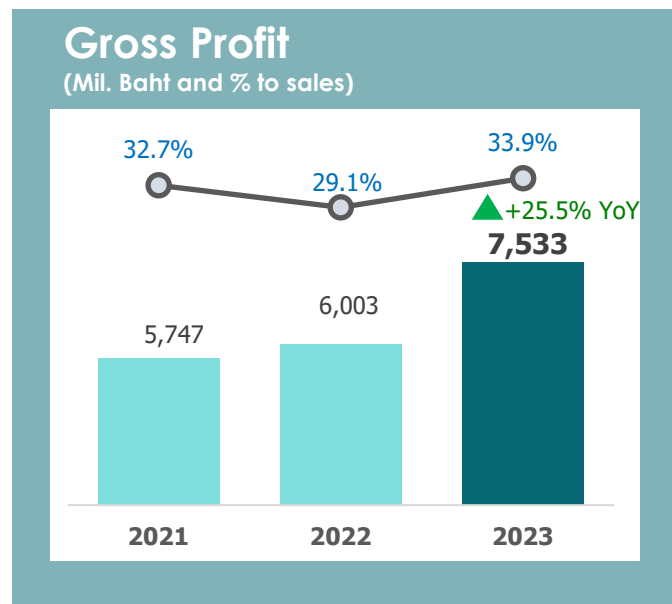
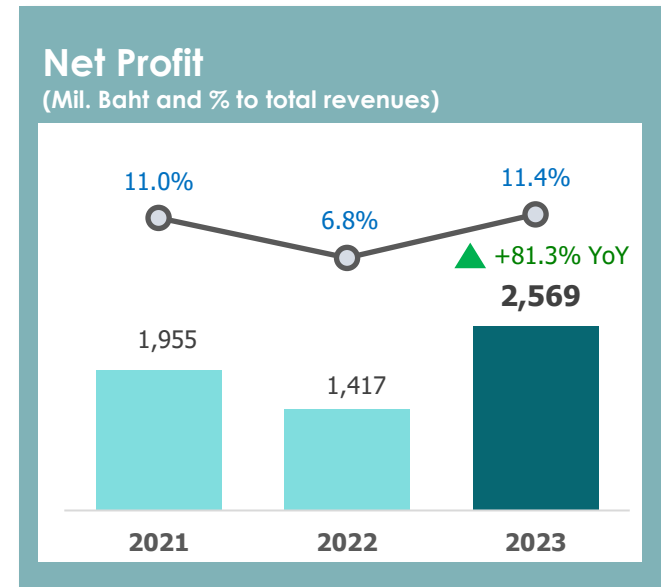
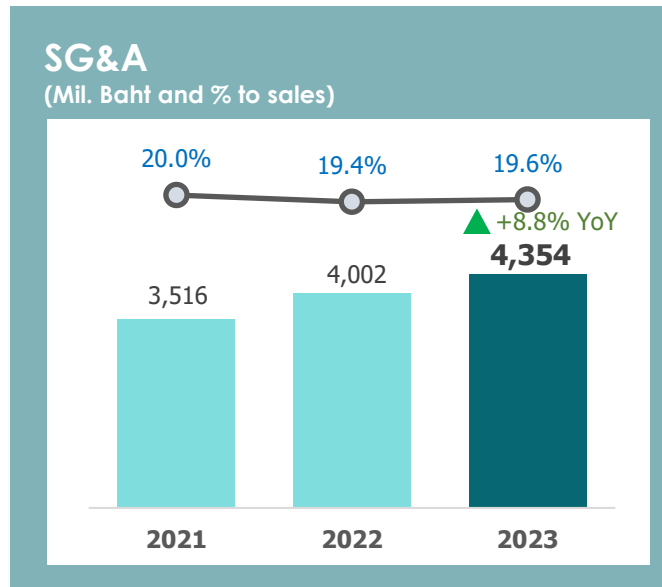
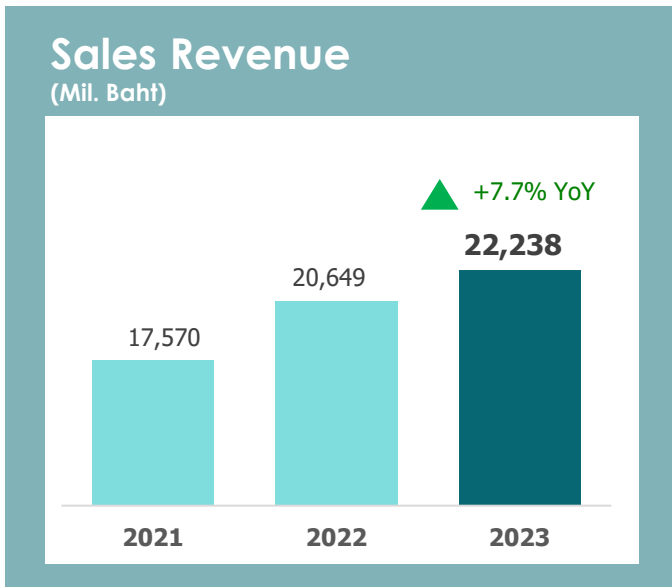
### Net Profit Excl. Extraordinary Items

(Mil. Baht and % to total revenues)



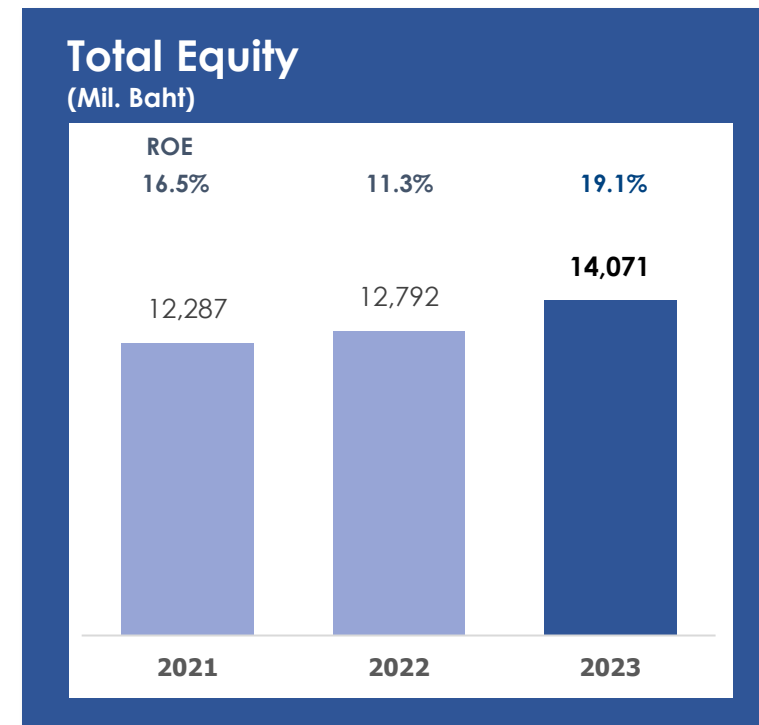
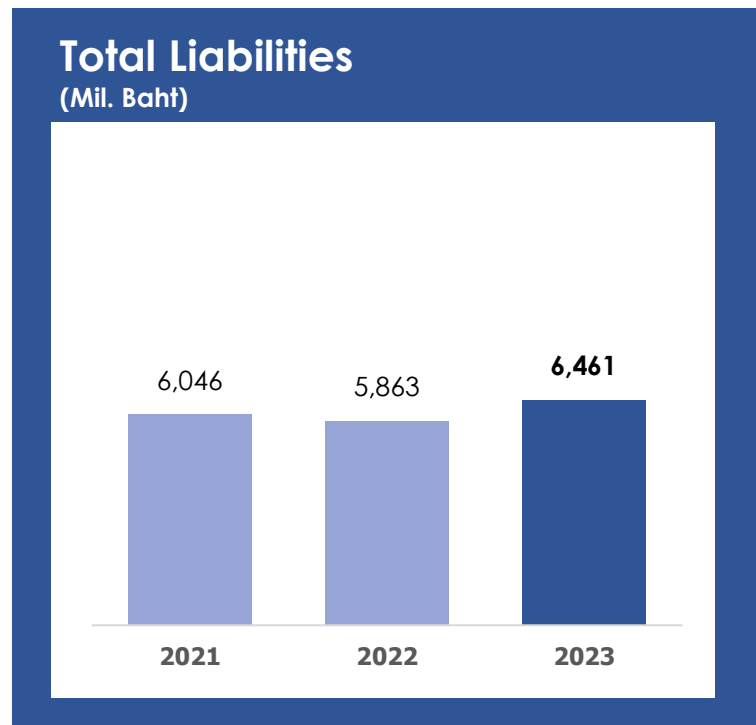
Extraordinary Items (MB)	Q4/22	Q3/23	Q4/23
Gain/(Loss) on exchange rates	(179)	64	(166)
Gain/(Loss) from fair value of financial assets	66	(6)	31

# FY2023 Key Financial Highlights



Extraordinary Items (MB)	2021	2022	2023
Gain/(Loss) on exchange rates	51	(147)	(72)
Gain/(Loss) from fair value of financial assets	69	(107)	23

# Statement of Financial Position



- **At the end of 2023, total assets increased by 1,926 MB from the end of 2022** mainly from
  - an increase of cash and cash equivalents, property, plant and equipment and AR, while inventories decreased.
  - **2023, ROA** increased from 2022 due to the strongly growth of annualized net profit.

- **At the end of 2023, total liabilities increased by 598 MB from the end of 2022** mainly from an increase in trade and other payables, income tax payable, and long-term loans from financial institutions.

- **At the end of 2023, total equity increased by 1,279 MB from the end of 2022** mainly from an increase in unappropriated retained earnings by 1,392 MB from our operating profit.
- **In 2023, ROE** increased from 2022, resulting from higher annualized net profit.

Note:

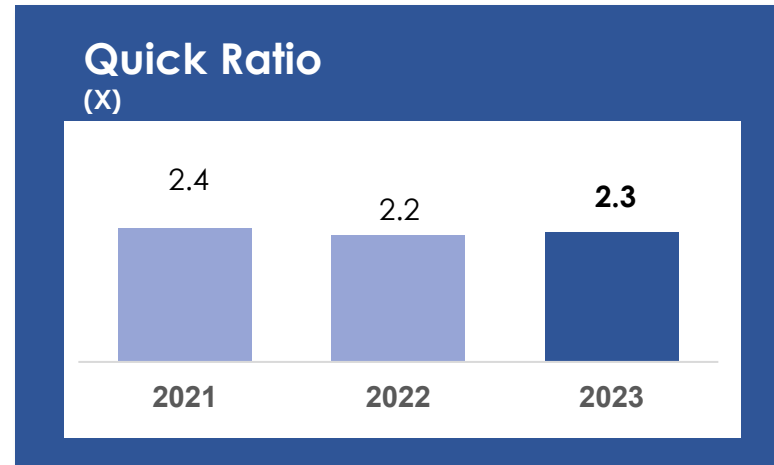
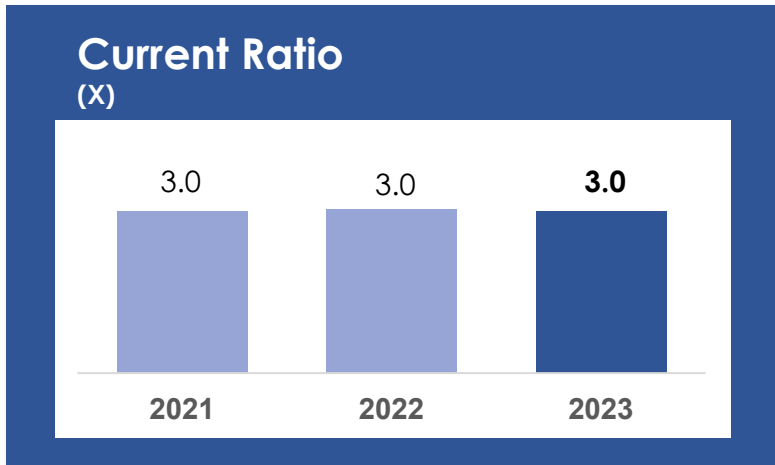
ROA = Annualized net profit divided by average total assets.

ROE = Annualized net profit divided by average shareholders' equity.

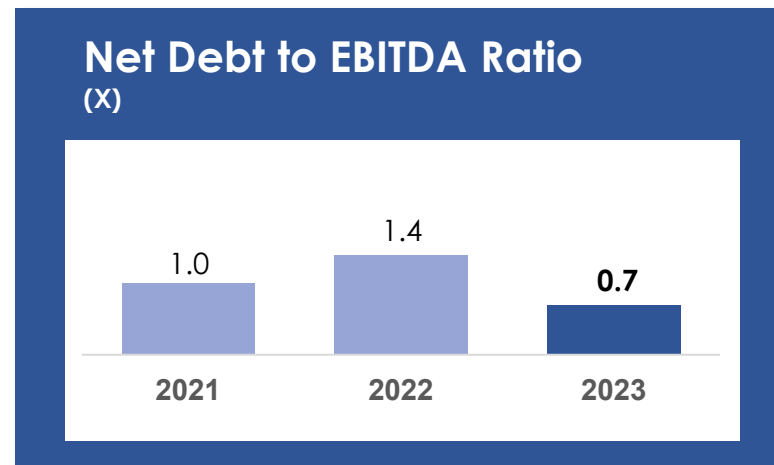
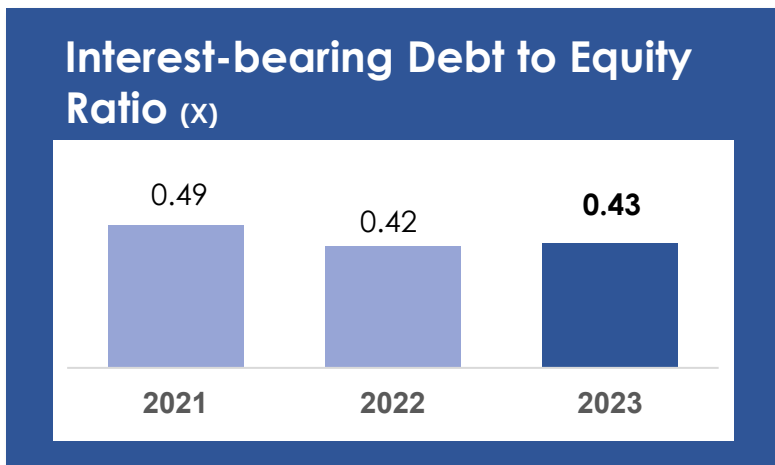


# Liquidity & Leverage Ratios

## Ability to Maintain Our Robust Financial Position



- **Current Ratio and Quick Ratio were still at a healthy level.** They were similar when compared to the last year.



- **The interest-bearing debt-to-equity ratio** shows a low level of financial loans compared to shareholders' equity.
- **Net Debt to EBITDA ratio** was below 1, showing its strong ability to cover the debt.

Note:

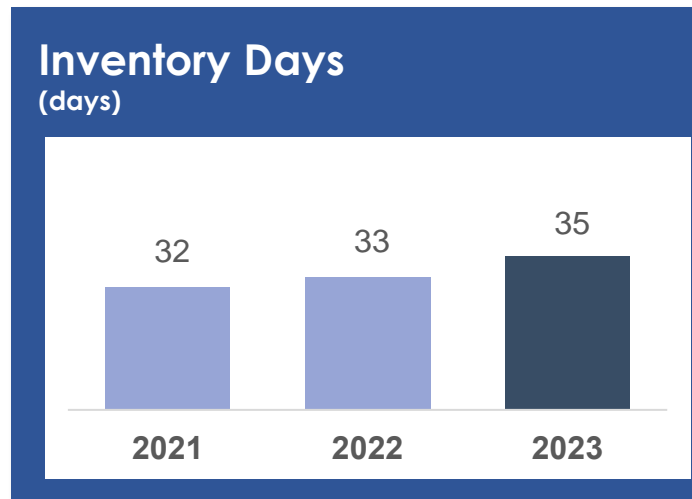
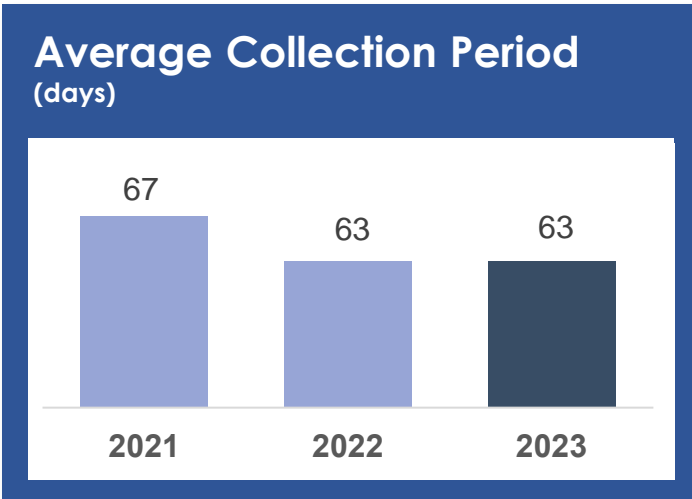
Current Ratio = Current assets / Current liabilities.

Quick Ratio = (Cash + Investment in trading securities + Trade receivables) / Current liabilities.

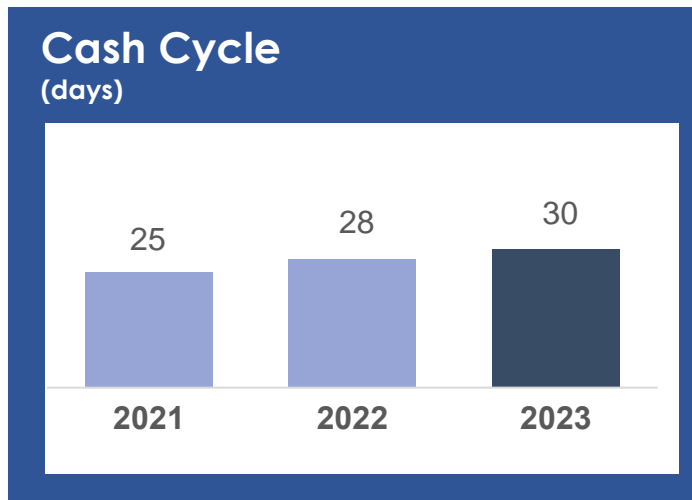
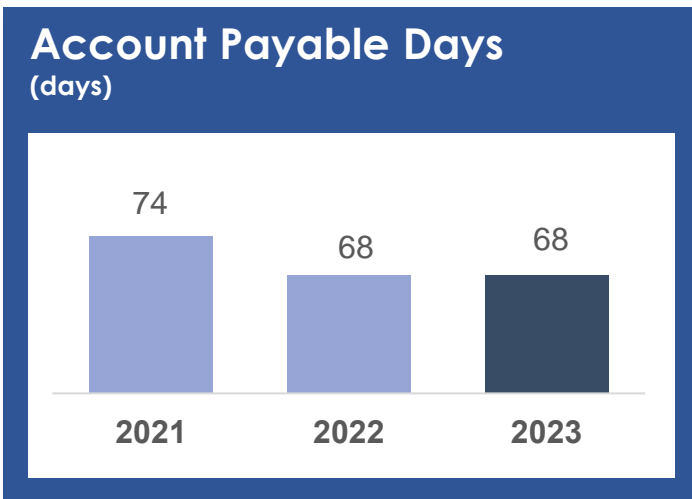
Interest-bearing debt to equity = Interest-bearing debt / Total shareholders' equity.

Net debt to EBITDA = (Total borrowings – Cash and cash equivalent) / Annualized EBITDA.

# Cash Cycle Days



Cash cycle days for 2023 are longer by 2 days than 2022 due to the longer inventory days from the lower COGS and the lower raw material prices.

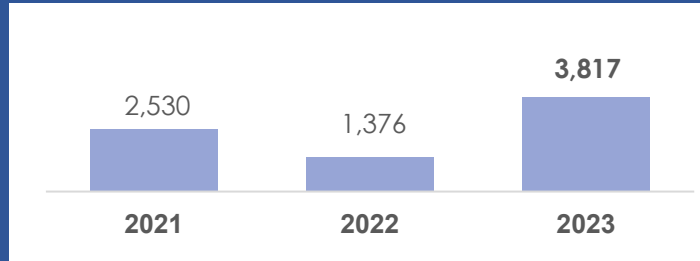


Note:  
 Cash cycle day = avg. inventory days + avg. collection days – avg. payment days  
 Average inventory days = 360 / (annualized cost of sales/ avg. finished goods inventory after net of allowance of obsolete stocks)  
 Average collection days = 360 / (annualized sales / avg. trade receivables before allowance for doubtful accounts)  
 Average payable days = 360 / (annualized cost of sales/ avg. trade payables)

# Statement of Cash Flows & Capex

## Operating Cash Flow

(Million Baht)

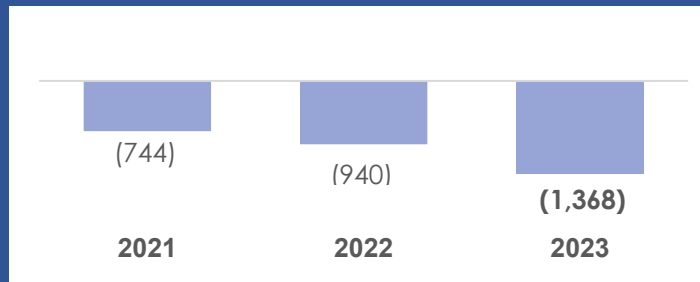


In 2023, Net cash generated from operating activities was 3,817.1 MB due to

- Profit before tax by 3,330.4 MB.
- Adjusted for items affecting net income to cash received from operating activities of 822.7 million baht, mainly from depreciation and amortization.
- Increase in cash from operating assets and liabilities of THB 242.7 million, mainly from a decrease in inventory.
- cash paid for income tax and withholding tax refund of THB 578.7 million.

## Investing Cash Flow

(Million Baht)

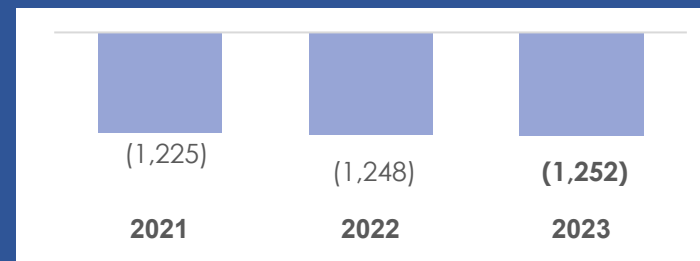


In 2023, Net cash used in investing activities was 1,367.9 MB, primarily from

- cash paid for the purchase of property, plant and equipment of THB 956.0 million,
- the net purchase of current financial assets of THB 202.8 million.

## Financial Cash Flow

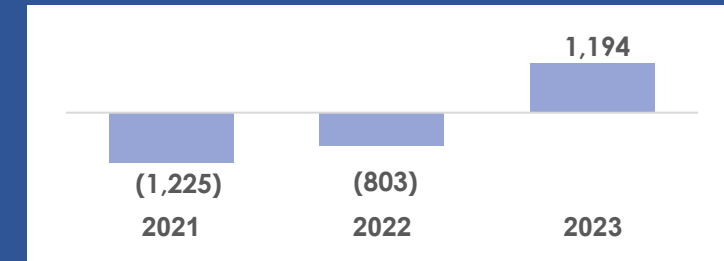
(Million Baht)



In 2023, Net cash used in financial activities increased was THB 1,251.7 million, primarily from dividend payment of THB 1,176.8 million and the payment for lease liabilities of THB 197.1 million.

## Net Cash Flow

(Million Baht)

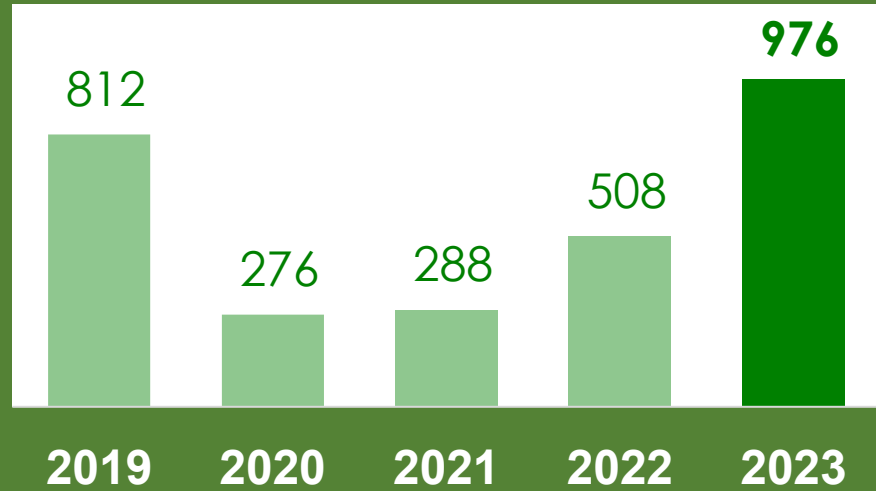


In 2023, Net cash flow increased from last year to 1,194 MB mainly from the higher net cash from operating activities.

# 2023 Capital Expenditure

## Capital Expenditures

(Million Baht)



## Completed Projects in 2023

- New Distribution Center in Vietnam
- Automation in Bangna Plant for the enamel and emulsion processes.
- Modernization of the Samrong plant to use more automation and increase the production batch size.

### Plant and New Distribution Center in Binh Duong, Vietnam





**TOA WOOD EXPERT**  
ผู้เชี่ยวชาญผลิตภัณฑ์ไม้ธรรมชาติ



**TOA GOING FORWARD**

# 2024 Outlooks



## Opportunities

- The Recovery of the Tourism Industry
- Higher Demand of Old House Renovation
- The Relocation of Production Base from China
- Reversal of interest rates to downtrend
- Lower cost of productions

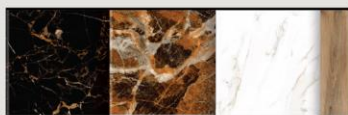


## Challenges

- High Level of Household Debt
- New property projects slow down
- Fluctuation of Thai Baht
- Geopolitics Uncertainty



**TILE**  
COLLECTION  
Interior & Exterior | Wall & Floor Tiles



**TOA GypsuM**  
เบากว่า นานกว่า แกร่งที่สุด



# DIRECTION AND STRATEGY



**Our Vision :** No. 1 in AEC through a wide range of product portfolio of coating and light construction materials with value creation and sustainability

**Mission :** To innovatively create the products with enhancing life quality of customer and building aesthetic beauty







# SUSTAINABILITY DEVELOPMENT & CORPORATE GOVERNANCE



# OUR SUSTAINABILITY VISION

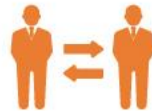
“To be a leader in the paint industry and construction in ASEAN by offering integrated products and services, creating business stability and sustainability as well as participating in creating better environment and society”  
under the following three-dimensional framework namely:



## Economy and CG

- Good corporate governances
- Customers and Products Stewardship
- Customer Relationship management
- Supply chain management

Response to  
SDGs



## Society

- Human Capital Management
- Human rights, and Health and Safety
- Improving quality of life for Community and Society
- Drive society towards sustainability



## Environmental

- Resources Management (energy, water)
- Climate Change Management
- Waste Management
- Innovation development



## TOWARDS NET ZERO CARBON EMISSIONS BY 2050



**TOA** does not just focus on operation toward business's stability only, but we are also conscious of the need to return to society and environment with a strong emphasis on advancement of sustainability in society and environment across all dimensions.

**TOA drives the greenhouse gas emissions reduction to Net Zero with the following main strategies:**

- 1. Implementation on greenhouse gas emissions reduction** that focuses on improving operational efficiency and adjustments for better.
- 2. Implementation to absorb greenhouse gases** with reforestation activities

### TOA GOAL

- 1. Reduce greenhouse gas emissions at least 20% by 2025 (2021 baseline)**
- 2. Reduce net greenhouse gas emissions to 0 (Net Zero) by 2050**

# NET ZERO



# Environment



## MISSION ROAD TO NET ZERO

# TOWARDS NET ZERO CARBON EMISSIONS BY 2050



### 01 RENEWABLE ENERGY

เพิ่มการใช้พลังงานสะอาด  
มากถึง **20%** ในปี 2022



### 03 LEAN & AUTOMATION PROCESS

ปรับปรุงกระบวนการดำเนินงาน  
และการผลิตด้วยเทคโนโลยี  
ให้ทันสมัยที่สุด



### 02 GREENOVATION

คัดค้นผลิตภัณฑ์และนวัตกรรม  
ที่เป็นมิตรต่อสิ่งแวดล้อม  
อย่างต่อเนื่อง



### 04 REFORESTATION

อนุรักษ์ป่า เพื่อเพิ่มพื้นที่สีเขียว  
ให้กับชุมชนและโลกของเรา



Sustainability

# TOA Greenovation ผู้นำนวัตกรรมความยั่งยืน

**TOA Inspire Better Living**

**TOA GREEN CERTIFIED**

**Selected for Better Living**

- LEED & WELL Building Standard
- Environmental Sustainability
- Health & Well-being

TOA product line: SEASONE, Shield-1, SuperShield DURACLEAN, organic care, AQUA SHIELD, SuperShield DURACLEAN, TOA NEUTRAL LACQUER

**TOA GREEN CERTIFIED**

**HEALTH AND WELLNESS**

- มาตรฐาน Indoor Environmental Quality, LEED 4.1 และ WELL สาหะเทออินทรีย์ (VOC) ต่ำ
- ปราศจาก โลหะหนัก สารปรอท ตะกั่ว แคดเมียม และสารอันตรายกลุ่มอัลคิลฟีนอลออกซิเลท (APEO)
- ยับยั้งแบคทีเรียและไวรัสได้ 99%
- ลดการเกิดเชื้อรา ตะไคร่น้ำ และคราบสกปรก

**GREEN PRODUCTION**

- ลดการปล่อยก๊าซเรือนกระจก (Carbon Footprint)
- ใช้พลังงานที่เป็นมิตรต่อสิ่งแวดล้อม ในกระบวนการผลิต
- ลดของเสียจากกระบวนการผลิต

**GREEN MATERIAL AND PACKAGING**

- ลดการใช้วัตถุดิบที่ส่งผลกระทบต่อสิ่งแวดล้อม
- สามารถรีไซเคิลบรรจุภัณฑ์กลับมาใช้ใหม่
- การใช้วัตถุดิบจากธรรมชาติ

**ENERGY AND COST SAVING**

- ช่วยประหยัดพลังงาน ลดความร้อนในอาคาร
- เพิ่มอายุการใช้งาน ลดทรัพยากรและค่าใช้จ่ายในการดูแลรักษาอาคาร
- ลดขั้นตอน ประหยัดเวลาการทาสี

**GREEN INNOVATION AND SOLUTION**

- นวัตกรรมที่ตอบโจทย์การใช้งานที่ดีที่สุด และเป็นมิตรต่อสิ่งแวดล้อมมากขึ้น

**TOA GREEN CERTIFIED GOLD CLASS**

**Certified product: 7 product groups  
(40 products)**

# Track Record of Achievements



**Best Brand Performance on Social Media 2023** in Construction Material Section from 11th Thailand Social Awards



**Best Innovation Award 2023** for TOA Aqua Shield for Architect '23, Live Architectural Event



**Most Innovative Company Awards from SET Awards 2023** for TOA AQUA SHIELD



**No.1 Brand Thailand 2023**  
11 consecutive years for decorative paint and coating category by Marketeer



**Top 50 Companies in Thailand 2023** by Work Venture



**SET ESG Ratings of "A"** from the Stock Exchange of Thailand



**5 stars – excellent level for CGR assessment results (IOD)**



**Brand Age 2023 Thailand's Most Admired Brand**  
12 consecutive years for the construction materials by Brand Age Magazine



**CSR-DIW Continuous Award 2023**  
9 consecutive years for Bangna Plant  
8 consecutive years for Samrong Plant  
by Department of Industrial Works, Ministry of Industry



**The Award for Outstanding national-level recognition in the category of Gold Shield, "Disease-Free, Safe, and Healthy Workplace," for the year 2023**

# Q & A



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