Highlight of Annual Report **2018**

SCG Packaging Public Company Limited



PASSION FOR BETTER PACKAGING SOLUTIONS



SCG Packaging Public Company Limited

Company Profile

Registration no.

0107537000921

Head office address

1 Siam Cement Road, Bangsue, Bangkok 10800

Business type

Holding company for packaging and packaging paper, forestry, pulp and paper and other businesses

Initial registered capital

(as at the registration date of conversion into the Public Limited Company on March 24, 1994)

Registered capital: 1,000 Million Baht Paid-up capital: 1,000 Million Baht

Issued and paid up ordinary shares of: 100 Million shares,

Issued and paid up preference shares: - None -

Par value of 10 Baht per share

Present registered capital

Registered capital: 1,563 Million Baht Paid-up capital: 1,563 Million Baht

Issued and paid up ordinary shares of: 156.3 Million shares,

Issued and paid up preference shares: - None -

Par value of 10 Baht per share

Website

www.scgpackaging.com

Shares Registrar

Tel: +66 2586 2894 Fax: +66 2586 3007

E-mail: scgpackaging@scg.com

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and its Subsidiaries
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2018 Financial Statements of SCG Packaging Public Company Limited (Referring to the Annual Report 2018 Page 112-167)

Financial Overview

SCG Packaging Public Company Limited and its Subsidiaries

Profit Before Finance
Costs, Income Tax
Expense, Depreciation
and Amortization EBITDA

7,654

8,843

8,518

8,554

9,189

9,422

10,499

10,554

12,082

10,499

10,554

12,082

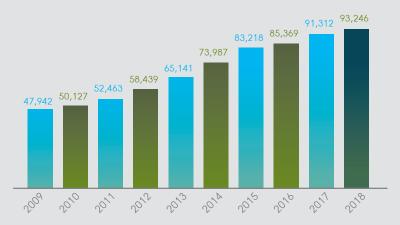
Unit: Million Baht

Profit Attributable to Owners of the Parent



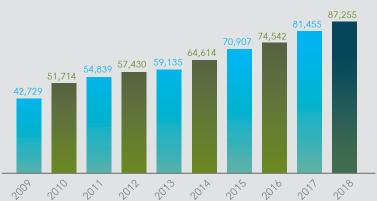
Unit : Million Baht

Total Assets



Unit : Million Baht

Revenue from Sales



Financial Overview

SCG Packaging Public Company Limited and its Subsidiaries

Unit : Million Baht

		2018	2017	2016	2015	2014
Statements of Income						
Revenue		87,770	82,862	75,128	71,598	65,107
Costs and expenses		(79,661)	(76,888)	(70,799)	(67,114)	(60,664)
EBITDA		14,566	12,082	10,554	10,499	9,422
Profit attributable to owners of the	parent	6,066	4,425	3,285	3,225	3,194
Statements of Financial Position	1					
Assets		93,246	91,312	85,369	83,218	73,987
Liabilities		39,986	35,661	32,617	34,892	29,150
Total equity attributable to owners of	the parent	40,441	42,891	40,402	38,339	35,714
Total shareholders' equity		53,260	55,651	52,752	48,326	44,837
Share Information						
Total number of shares issued (M	illion Shares)	156.3	156.3	156.3	156.3	156.3
Book value per share	(Baht)	258.7	274.4	258.5	245.3	228.5
Basic earnings per share	(Baht)	38.8	28.3	21.0	20.6	20.4
Proposed dividends per share	(Baht)	10.0	50.0	5.0	5.0	5.0
Financial Ratio						
Dividends payout ratio	(%)	25.8	176.6	23.8	24.2	24.5
Profit on revenue from sales	(%)	7.0	5.4	4.4	4.5	4.9
Return on assets	(%)	6.6	5.0	3.9	4.1	4.6
Return on equity attributable to owners of the parent	(%)	14.6	10.6	8.3	8.7	9.1

Green packaging solutions for better life



SCG Packaging Public Company Limited

and its Key Subsidiaries

PACKAGING CHAIN

Packaging Business

Thai Containers Group Co., Ltd.

Conimex Co., Ltd.

D-In Pack Co., Ltd.

Dyna Packs Co., Ltd.

Tawana Container Co., Ltd.

TC Flexible Packaging Co., Ltd.

Thai Containers Khonkaen Co., Ltd.

Thai Containers Rayong Co., Ltd.

Precision Print Co., Ltd.

Prepack Thailand Co., Ltd.

SCGP-T Plastics Co., Ltd.

SCGP Solutions Co., Ltd.

Orient Containers Co., Ltd.

Alcamax Packaging (Vietnam) Co., Ltd. (Vietnam)

AP Packaging (Hanoi) Co., Ltd. (Vietnam)

New Asia Industries Co., Ltd. (Vietnam)

Packamex (Vietnam) Co., Ltd. (Vietnam)

PT Indocorr Packaging Cikarang (Indonesia)

PT Indoris Printingdo (Indonesia)

PT Primacorr Mandiri (Indonesia)

SCGP Solutions (Singapore) Pte. Ltd. (Singapore)

TCG Rengo (S) Ltd. (Singapore)

Tin Thanh Packing Joint Stock Company (Vietnam)

Packaging Paper Business

Thai Cane Paper Public Company Limited

Siam Kraft Industry Co., Ltd.

United Pulp and Paper Co., Inc. (The Philippines)

Vina Kraft Paper Co., Ltd. (Vietnam)

FIBROUS CHAIN

Forestry Business

The Siam Forestry Co., Ltd.

Pulp and Paper Business

Thai Union Paper Public Company Limited

(on process of liquidation)

Thai Paper Co., Ltd.

Phoenix Pulp & Paper Public Company Limited

Phoenix Utilities Co., Ltd.

Interpress Printers Sendirian Berhad (Malaysia)

OTHER BUSINESSES

Invenique Co., Ltd.

SCG Paper Energy Co., Ltd.

SCGP Excellence Training Center Co., Ltd.

Message from the Board of Directors

2018 was an eventful year driven by changes in the global economy. In the second half of the year, in particular, we faced with greater volatility spawned by diverse political and economic factors such as impacts of the trade war, rising interest rates and political tensions.

Although the ASEAN's overall economy in the first half of the year remained at a good level due to economic fundamentals, infrastructure investment and export activities, the effect of global economic volatility has intensified economic risk factors. Similar to the overall Thai economy in the first half of the year, Thailand has made an economic recovery due to factors of productions. However, in the second half of the year, Thailand had faced increased negative factors such as export slowdown, rising interest rate and the uncertain number of tourists.

The growth of the packaging paper industry in Thailand shared similar economic growth rate with domestic business expansion in 2018. On the ASEAN front, continuation of economic progress and manufacturers in the region managed to further production capacity in line with the positive momentum. A risk and an opportunity associated with the US-China trade war could lead to a relocation of production bases to and from Southeast Asia. In response to such changes, the company seeks to ensure the readiness for rapid adaptation by focusing on the internal efficiency enhancement, personnel development, business value creation, productivity improvement and cost-reduction initiative to keep pace with fastchanging technological changes and to enhance business's competitive advantages. As a result, SCG Packaging Public Company Limited's revenues from sales were reported at 87,255 Million Baht, or a 7% growth, and registered a total profit of 6,066 Million Baht in 2018, equaling to a 37% rise y-o-y.

Serving Total Packaging Solutions through Investment for Sustainable Growth

The company succeeds in the stake acquisition of Malaysian acclaimed food packaging manufacturer 'Interpress Printers Sendirian Berhad', best known with acceptance by the fast food sector. This transaction attests to business determination to strive to be ASEAN's leading total packaging solutions provider while maximizing the potential for addressing rising fast food demand amid lifestyle and consumer satisfaction. Additionally, the business also invested in United Pulp and Paper Co., Inc. (UPPC) which is a packaging paper subsidiary in the Philippines. UPPC will add an additional packaging paper capacity of approximately 230,000 tons per annum or double UPPC's existing capacity. The project is expected to begin operations in the fourth quarter of 2020.





Developing Innovative Products that Fit Consumers' Lifestyle

SCG Packaging Public Company Limited has adopted the notion of Circular Economy into business's operation. Besides maximizing resources utilization, focusing on product and service development is also one of the key directions; ensuring products' usability and accessibility, less resources consumptions, reusable and recyclable. Examples of eco-friendly products included micro flute for small-sized packaging that catered a great strength with light-weighted property, food packaging made from natural fibers and paper straws under the brand 'Fest' which suitably meeting consumers' needs on eco-friendly packaging, as well as the development of plastic film packaging (R-1), made from mono-material, which is a prerequisite for recycling and also offers product protection. In addition, the company also applied digital technologies to create data visibility, a tool for efficient value chain management, a data analytic platform which enhances the company's competitive advantages as well as the application of MARs (Mechanization, Automation, and Robotics) technology which transform the organization into smart factory, enhancing the effectiveness in work process as well as resources utilization, quickly adapting to the needs of customers and business's fast-moving environment.

Continuously Developing Human Resources, Social and Environment Aspects

Human development is always the priority to keep up with the evolving business and technology. To rapidly and effectively fulfill customers' needs, operational skills and employees' mindset toward total packaging solutions are encouraged to be in line with customer-centricity approach. In addition, the company also provide several knowledge dissemination to the society such as packaging design seminar led by global keynote speaker, targeted at students and public who are interested in packaging design as well as the provision of community's well-being through the development of environmentally-friendly manufacturing process. The company was also constantly sharing knowledge and supporting communities' activities to ensure sustainable income and growth.

The Board of Directors would like to express gratitude to all shareholders and other relevant parties for your continued contribution and support for SCG Packaging Public Company Limited. We urge you to trust that the company will continue to conduct the business effectively and transparently, while adhere to the principles of good governance and sustainable development for maximum benefits of all stakeholders.

Bangkok, January 30, 2019

(Roongrote Rangsiyopash)

Chairman

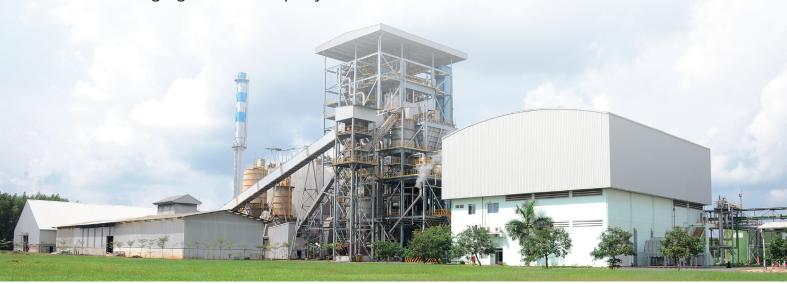
(Tanawong Areeratchakul)

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Vice-Chairman and President

2018 Operating Results

SCG Packaging Public Company Limited and its Subsidiaries



Operating Results

In 2018, total revenue from sales of SCG Packaging Public Company Limited amounted to 87,255 Million Baht, an increase of 7% y-o-y. EBITDA was 14,566 Million Baht, a 21% rise from the previous year while profit for the year was 6,066 Million Baht, up 37% y-o-y owing to enhanced production efficiency and the company's cost reduction efforts.

Packaging Chain: Total sales volume grew 1% compared to the previous year due to improved export sales, especially to the ASEAN which saw demand grow 5% from 2017.

Fibrous Chain: Total sales volume of printing and writing paper dropped 4% compared to 2017, mainly due to a steady decline in domestic sales, particularly from Publication and Commercial segment.

Market and Competition

Domestic demand for paper packaging and corrugated containers continued to increase especially in the first nine months of 2018. However, the US-China trade war became intense and finally impacted in the fourth quarter, leading to a soften demand which resulted in an increase of 3 % y-o-y. Moreover, the ongoing US-China trade war may cause some manufacturers of paper packaging and corrugated containers to move their production bases in or out of the region.

Domestic demand for printing and writing paper dropped continuously in 2018 mainly due to printed media being edged out by digital media, especially Publication and Commercials segment. Meanwhile, imports of coated paper and copier paper decreased y-o-y. On the contrary, pulp capacity in global market remained stable while demand for pulp grow moderately, causing a steady pulp price.

Business Growth and Investment

Expanded food packaging business by acquiring a 68.3% stake in Interpress Printers Sendirian Berhad, a food-grade paper packaging company and highly accredited and vetted by the global leading fast food restaurant chain. Located in Malaysia, the company offers wide-ranging products including folding cartons, formed trays, clamshells, wrappers, and bags which have been well-received by global quick service restaurant chains. This investment emphasizes the company's commitment in becoming a total packaging solutions provider in ASEAN and enhances its potential to serve

the region's rapidly-growing demand for fast food consumption in response to evolving lifestyles and consumer preferences.

Approved to invest in United Pulp and Paper Co., Inc. (UPPC) which is a packaging paper subsidiary in the Philippines. UPPC will add an additional packaging paper capacity of approximately 230,000 tons per annum or double UPPC's existing capacity. The project is expected to begin operations in the fourth quarter of 2020. According to the investment, the total packaging paper capacity of the business will be becoming 2.8 million tons per year across Thailand, Vietnam and the Philippines.

Human Resources Development

Adjusted organizational structure to enchance flexiblity and to better address customer demand. The company also pledged to create organizational effectiveness by updating processes, methods, models, and tools as well as developing the corporate culture, talent and leadership of leaders, enabling them to be role models and fostering strong ties with the company in a sustainable way.

Adopted the Innovation Management Process (IMP) concept to drive innovations and innovative products that can serve the needs of customers in a precise and timely manner.

Developed the potential of employees to cater to fast technological disruption through reskilling and upskilling together with promoting ongoing learning among employees where they are fully engaged in creating experience and learning themselves.

Equipped employees responsible for corporate branding and communication with knowledge and understanding along with instilling a mindset about Total Packaging Solutions Provider so as to satisfy customer demand more promptly.

Enhanced the communication skills of the Community Relations staff to boost efficiency in communicating with communities surrounding the plants and all involved parties appropriately. On top of this was learning to strategically devise activity plans that match the needs of the target groups to foster ties with the company and promote sustainable coexistence.



Product, Service and Solution Development in Accordance to Circular Economy

The business adopted the sustainable practice of Circular Economy in every aspect of business operation such as production management system, the effectiveness of resources utilization as well as products and services designing.

Developed micro flute paper for small-sized packaging. It offers a smooth surface to cater to high quality printing and great strength to satisfy the demand of industries for various packaging solutions.

Developed the manufacture of recyclable grocery bags in response to consumers' growing environmental concern. Ideal for consumer products, the grocery bags are sturdy and strong enough to support the weight of the items inside. Moreover, the used bags can be recycled in conformance with the circular economy concept which offer an alternative for consumers opting for eco-friendly packaging. The company also collaborated with modern trades and department stores to promote the



circular economy concept by encouraging the use of recyclable grocery bags. The goal was to encourage consumer behavior toward proper use of packaging to contribute to sustainable conservation of the environmental and natural resources.

Expanded distribution channels for parcel packaging for e-commerce, offering a wide range of parcel packaging and packing materials to cater to the needs of retailers.

Developed food packaging under the brand of "FEST". The packaging is made from natural fiber from contract farming promoted by the business to help increase farmers' household income. Available in various sizes and designs, the packaging is strong, water and oil-resistant, good for both hot and cold food, and microwavable, meeting various application needs.



Developed "FEST" paper straw made from food contact paper. It is recyclable, making it ideal for eco-conscious customers.

Developed a plastic film packaging (R-1), a multilayer laminated packaging which can be fully recyclable due to its monomaterial property. The packaging offers product protection. Its recyclability makes it ideal for customers looking for environmentally-friendly plastic packaging.

Applied digital technology as a tool to enhance the efficiency of value chain optimization. Mechanization, Automation and Robotics (MARs) were also adopted to transform the organization into smart factory, increasing an efficiency in both process and resources management.

Organized CEO Exclusive Forum 2018 for customers, presenting informative updates on economic and industry outlook as well as business strategies that would uplift customers' business in return.

Co-branded with S&P Syndicate Public Company Limited to provide packaging solutions and exclusive packaging design for moon cake, with the concept of "Enjoy the Moon". The designed packaging made from recycled papers which can be reused as containers or brought back to plant as raw material for the production of recycle paper.

Presented packaging solutions to Food and Beverage industry through the exhibit of THAIFEX – World of Food Asia 2018, hosted in Thailand, and VietFood, Beverage and Professional Packing Machines 2018 in Vietnam. Showcasing products, services and solutions, corresponding to the vision of "Total Packaging Solutions Provider", such as flexible packaging, food packaging, merchandising display and logistic packaging.

Cooperated with leading organization in human resource development, the exchange of technological and innovative knowledge as well as research to modernize the packaging industry in terms of working process, product, service and new technology. In addition, support was offered to improve the organization in innovation and technology aspect.



Production Process Development

Applied biogas, derived from anaerobic water treatment, as a source of renewable energy production. A solar rooftop system was also installed to produce renewable energy for internal use, creating an efficient use of energy, as well as improved the condensate system which allows the plant to reuse the condensate, reducing energy consumption in production process.

Social and Environmental Responsibilities

Organized "The Challenge - Packaging Design Contest 2018" for the 3rd consecutive year to provide a stage for young designers to showcase their packaging design talents and to equip them with insights into customer-centric marketing. The contest was supported by several leading companies including S&P Syndicate Public Company Limited, Betterway (Thailand) Co., Ltd., Malee Group Public Company Limited, and Thaveevong Industry Co., Ltd. which judged and provided feedback on product application. The winning design will be further developed for use in the market.

Held a seminar on Design Talk 2018 where worldclass designers shared their packaging design experience with students, academic personnel, designers, and those interested in packaging design in Thailand. The objective was to inspire designers to enhance design perspective, uplifting the Thai packaging industry.

Organized the Green Mart project for the 5th consecutive year to generate more income for communities surrounding the plants and create a social enterprise network by providing a market for local enterprises to promote their products. In 2018, the communities surrounding the plants had a total sales of 737,000 baht (12 times).

Encouraged a sustainable income for communities surrounding the plants through training of basket weaving from paper band; waste from paper manufacturing processes which can be designed into bags, basket and decorative items, as well as provided multiple channels for sales promotion. In 2018, products from paper band had a total sales of 1,029,470 Baht; adding values to waste and promoting communities' economic growth sustainably.

Irrigated water for cultivation to agriculturalists surrounding the plant, help reducing water expense while enhancing the income as well as agricultural productivity. In 2018, water of 4,202,371 cubic meters were irrigated from the plants.



Major Awards and Achievement in 2018

Thai Containers Group Co., Ltd. received the award from WorldStar Awards 2018, a global contest in packaging design, in "Health & Personal Care" and "Household" categories, from World Packaging Organisation (WPO).

SCG Packaging Public Company Limited and Thai Containers Group Co., Ltd. received the award from AsiaStar Awards 2018, a regional contest in packaging design, in Consumer Package category (2 awards) and Point of Purchase category (1 award) from Asian Packaging Federation (APF).

SCG Packaging Public Company Limited and Thai Containers Group Co., Ltd. received 3 awards from ThaiStar Awards 2018, a national contest in packaging design, in the category of "Consumer Package". Thai Containers Group Co., Ltd. also received an award in the category of "Eco Package" and "Point of Purchase" (12 awards) from the department of Industrial Promotion, Ministry of Industry.





Thai Containers Group Co., Ltd. received awards in Asian Packaging Excellence Awards 2018, under the category of "Offset Printed Bag", "Offset Folding Carton", "Structural Design" and "Concept/ Graphic Design". The business also won the 1st runner up award for Suriya Sasitorn Calendar Competition in the category of "National Identity and Cultural Promotion: AEC" organized by the Thailand Public Relations Association.

Thai Containers Group Co., Ltd., Ratchaburi Plant, Navanakorn Plant, Saraburi Plant, Samutprakarn Plant, Chonburi Plant, Prachinburi Plant, Pathumthani Plant, Thai Containers Khonkaen Co., Ltd., Thai Containers Rayong Co., Ltd., Tawana Container Co., Ltd., Prepack Thailand Co., Ltd., Ampawa Plant, Dyna Packs Co., Ltd., Thai Cane Paper Public Company Limited, Kanchanaburi Plant and Siam Kraft Industry Co., Ltd., Banpong Plant were awarded with the Outstanding Workplace Award for Safety, Occupational Health and Environment in national level, organized by the Department of Labor Protection and Welfare, Ministry of Labor.

Thai Containers Group Co., Ltd., Ratchaburi Plant and Siam Kraft Industry Co., Ltd. Banpong Plant received the award of an Outstanding Workplace Award for Labor Development Promotion 2018, organized by the Department of Labor Protection and Welfare, Ministry of Labor.

Thai Containers Group Co., Ltd., Samutprakarn Plant, Thai Container Khonkaen Co., Ltd. and Phoenix Pulp and Paper Public Company Limited, received the award from Environmental Governance and Safety award 2018 (Green Star Award) from the Industrial Estate Authority of Thailand, Ministry of Industry.

Thai Containers Group Co., Ltd., Ratchaburi Plant, received the award in Advanced Special Award for TPM Achievement while Navanakorn Plant received the award in Special Award for TPM Achievement from TPM Awards Ceremony 2017, organized by Japan Institute of Plant Maintenance (JIPM).

Thai Cane Paper Public Company Limited, Prachinburi Plant received a Silver Award in the category of "Support QCC Prize" while Siam Kraft Industry Co., Ltd., Banpong Plant, received both Golden and Silver Awards in the category of "Support QCC Prize" from Thailand Quality Prize 2018 competition from the Technology Promotion Association (Thailand – Japan).

Thai Cane Paper Public Company Limited Kanchanaburi Plant was awarded with The Prime Minister's Industry Award 2018, in the category of "Production Enhancement", organized by the Ministry of Industry.

Thai Cane Paper Public Company Limited, Kanchanaburi Plant, Prachinburi Plant, Siam Kraft Industry Co., Ltd. Wangsala Plant, Thai Paper Co., Ltd., Banpong Plant and Orient Containers Co., Ltd. were awarded with CSR-DIW Continuous Awards from the Department of Industrial Works, Ministry of Industry.

Siam Kraft Industry Co., Ltd., Wangsala Plant was awarded with first prize in Thailand Coal Awards 2018 from the category of "Excellence Coal Management", organized by the Department of Mineral Fuels, Ministry of Energy.



Siam Kraft Industry Co., Ltd., Banpong Plant received the Golden Award from Thailand Kaizen Awards 2018 from the Technology Promotion Association (Thailand – Japan).

Phoenix Pulp and Paper Public Company Limited was awarded for an Outstanding Organization Award – Labor Relations and Welfare in 2018 from the Department of Labor Protection and Welfare, Ministry of Labor.

The Board of Directors and Executive Officers

SCG Packaging Public Company Limited and its Subsidiaries (As of December 31, 2018)



The Board of Directors

SCG Packaging Public Company Limited

Mr. Roongrote Rangsiyopash

Chairman

Mr. Tanawong Areeratchakul

Vice-Chairman and President

Mr. Somchai Wangwattanapanich

Director

Mr. Aree Chavalitcheewingul

Director

Mr. Nithi Patarachoke

Director

Mr. Thammasak Sethaudom*

Director

* Appointed as a director on 1st October 2018, replacing Mr. Chaovalit Ekabut



Executive Officers

SCG Packaging Public Company Limited and its Subsidiaries

Mr. Tanawong Areeratchakul

Vice-Chairman and President SCG Packaging Public Company Limited

Packaging Chain

Packaging Business

Mr. Wichan Jitpukdee

Managing Director

Thai Containers Group Co., Ltd. Thai Containers Khonkaen Co., Ltd. Thai Containers Rayong Co., Ltd.

Orient Containers Co., Ltd.

Mr. Jakjit Klomsing

Managing Director
Tawana Container Co., Ltd.

Mr. Leaudej Vimonpackt

Managing Director

Dyna Packs Co., Ltd.

Mr. Ekasit Kitisakchaikul

Managing Director
D-In Pack Co., Ltd.

Mr. Karan Tejasen

Managing Director
TC Flexible Packaging Co., Ltd.
SCGP-T Plastics Co., Ltd.

Mr. Paradorn Chulajata

Managing Director
Prepack Thailand Co., Ltd.

Mr. Tawatchai Jungsomsri

Managing Director
Precision Print Co., Ltd.

Mr. Prachaya Chungsaengsatidporn

Executive Managing Director Conimex Co., Ltd.

Mr. Amnuay Pattaramongkolkul

General Director

Alcamax Packaging (Vietnam) Co., Ltd. (Vietnam)

AP Packaging (Hanoi) Co., Ltd. (Vietnam)

New Asia Industries Co., Ltd. (Vietnam)

Packamex (Vietnam) Co., Ltd. (Vietnam)

Mr. Surasak Songkul

President Director

PT Indoris Printingdo (Indonesia)

PT Indocorr Packaging Cikarang (Indonesia)

PT Primacorr Mandiri (Indonesia)

Mr. Somchart Patamamongkonchai

General Director

Tin Thanh Packing Joint Stock Company (Vietnam)

Packaging Paper Business

Mr. Sangchai Wiriyaumpaiwong

Managing Director

Thai Cane Paper Public Company Limited Siam Kraft Industry Co., Ltd.

Mr. Danaidej Ketsuwan

President and CEO

United Pulp and Paper Co., Inc. (The Philippines)

Mr. Sompob Witworrasakul

General Director

Vina Kraft Paper Co., Ltd. (Vietnam)

Fibrous Chain

Forestry Business

Mr. Mahasan Thieravarut

Managing Director

The Siam Forestry Co., Ltd.

Pulp and Paper Business

Mr. Wichan Charoenkitsupat

Managing Director

Thai Paper Co., Ltd.

Phoenix Pulp & Paper Public Company Limited Phoenix Utilities Co., Ltd.

Mr. Ratha Kerisnan

Managing Director

Interpress Printers Sendirian Berhad (Malaysia)

Other Businesses

Mr. Suchai Korprasertsri

Managing Director

Invenique Co., Ltd.

Mr. Panya Sopasriphan

Managing Director

SCG Paper Energy Co., Ltd.

Mr. Jesda Saeliang

Managing Director

SCGP Excellence Training Center Co., Ltd.

We innovate packaging solutions for better life



2018 Consolidated Financial Statements

SCG Packaging Public Company Limited and its Subsidiaries

(Referring to the Annual Report 2018 Page 17-111)



Independent auditor's Report on the Summary

Financial Statements

To the Shareholders of SCG Packaging Public Company Limited

Opinion

The summary consolidated financial statements, which comprise the consolidated statements of financial position as at 31 December 2018, the consolidated income statement and statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended which are derived from the audited consolidated financial statements of SCG Packaging Public Company Limited and its subsidiaries (the "Group") for the year ended 31 December 2018.

In my opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements.

Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by Thai Financial Reporting Standards applied in the preparation of the audited consolidated financial statements of SCG Packaging Public Company Limited and its subsidiaries. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

The Audited Consolidated Financial Statements and My Report Thereon

I expressed an unmodified audit opinion on the audited consolidated financial statements in my report dated 12 February 2019.

Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of the summary consolidated financial statements for publication to shareholders, investors and business partners.

Auditor's Responsibility

My responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on my procedures, which were conducted in accordance with Thai Standard on Auditing 810 (Revised), "Engagements to Report on Summary Financial Statements".

h. Xm

(Thanyalux Keadkeaw) Certified Public Accountant Registration No. 8179

KPMG Phoomchai Audit Ltd. Bangkok 12 February 2019

Consolidated statement of financial position

SCG Packaging Public Company Limited and its Subsidiaries

As at 31 December 2018

Assets	2018	2017
	(in thousar	nd Baht)
Current assets		
Cash and cash equivalents	2,095,349	1,383,637
Current investments	803,011	247,247
Trade and other current receivables	13,835,757	13,871,966
Short-term loans to related parties	127,152	811
Current portion of long-term loan to related party	92,738	-
Inventories	12,894,256	13,417,037
Other current assets	226,011	396,252
Total current assets	30,074,274	29,316,950
Non-current assets		
Investments in associates	729,740	760,734
Other long-term investments	16,192	16,192
Other non-current receivables	768,513	819,768
Long-term loan to related party	-	98,333
Investment properties	185,575	106,281
Property, plant and equipment	58,378,647	57,142,842
Goodwill	2,289,836	1,994,878
Other intangible assets	307,716	276,410
Deferred tax assets	378,649	405,213
Others non-current assets	117,043	374,835
Total non-current assets	63,171,911	61,995,486
Total assets	93,246,185	91,312,436

For and on behalf of the Board of Directors

(Roongrote Rangsiyopash)

Chairman

Truf. Affi

Vice-Chairman and President

Consolidated statement of financial position

SCG Packaging Public Company Limited and its Subsidiaries

As at 31 December 2018

Liabilities and shareholders' equity	2018	2017
	(in thousar	nd Baht)
Current liabilities		
Bank overdrafts and short-term borrowings from		
financial institutions	4,312,464	5,079,763
Trade and other current payables	8,573,666	9,095,099
Current portion of long-term borrowings	151,996	2,401,621
Current portion of finance lease liabilities	13,823	48,425
Short-term borrowings from related parties	23,415,700	15,496,563
Current income tax payable	529,798	228,607
Short-term provisions	194,026	98,619
Total current liabilities	37,191,473	32,448,697
Non-current liabilities		
Long-term borrowings from financial institutions	587,129	1,297,658
Finance lease liabilities	15,327	30,632
Deferred tax liabilities	216,694	270,236
Non-current provisions for employee benefits	1,905,638	1,484,048
Other non-current liabilities	70,193	130,569
Total non-current liabilities	2,794,981	3,213,143
Total liabilities	39,986,454	35,661,840

Consolidated statement of financial position

SCG Packaging Public Company Limited and its Subsidiaries

As at 31 December 2018

Liabilities and shareholders' equity	2018	2017
	(in thousan	d Baht)
Shareholders' equity		
Share capital		
Authorized share capital		
- Ordinary share	1,563,000	1,563,000
Issued and paid share capital		
- Ordinary share	1,563,000	1,563,000
Share premium	1,935,000	1,935,000
Retained earnings		
Appropriated		
Legal reserve	156,300	156,300
General reserve	3,000	3,000
Unappropriated	40,145,205	42,129,342
Other components of shareholders' equity	(3,361,868)	(2,895,380)
Total equity attributable to owners of the parent	40,440,637	42,891,262
Non-controlling interests	12,819,094	12,759,334
Total shareholders' equity	53,259,731	55,650,596
Total liabilities and shareholders' equity	93,246,185	91,312,436

Consolidated income statement

SCG Packaging Public Company Limited and its Subsidiaries

	2018	2017
	(in thousan	d Baht)
Revenue from sales	87,254,869	81,455,287
Cost of sales	(69,074,282)	(67,290,666)
Gross profit	18,180,587	14,164,621
Gain on exchange rate	151,930	157,675
Other income	363,021	1,249,111
Profit before expenses	18,695,538	15,571,407
Distribution costs	(4,964,650)	(4,874,030)
Administrative expenses	(4,582,826)	(3,840,860)
Total expenses	(9,547,476)	(8,714,890)
Profit from operations	9,148,062	6,856,517
Finance costs	(1,039,637)	(882,914)
Share of (loss) profit of associates	(14,603)	4,133
Profit before income tax	8,093,822	5,977,736
Tax expense	(1,267,522)	(603,394)
Profit for the year	6,826,300	5,374,342
Profit attributable to:		
Owners of the parent	6,065,539	4,425,349
Non-controlling interests	760,761	948,993
	6,826,300	5,374,342
Basic earnings per share (in Baht)		
Attributable to owners of the parent	38.81	28.31

Consolidated statement of comprehensive income

SCG Packaging Public Company Limited and its Subsidiaries

	2018	2017
	(in thousan	d Baht)
Profit for the year	6,826,300	5,374,342
Other comprehensive income		
Components of other comprehensive income		
that will be reclassified to profit or loss		
Exchange differences on translating financial statement	(319,990)	(1,529,282)
Share of other comprehensive income of associates		30,685
Total components of other comprehensive income		
that will be reclassified to profit or loss	(319,990)	(1,498,597)
Components of other comprehensive income		
that will not be reclassified to profit or loss		
Defined benefit plan actuarial losses	(343,227)	(30,059)
Share of other comprehensive income of associate	(519)	(234)
Income tax relating to components of other comprehensive		
income that will not be reclassified to profit or loss	66,578	7,787
Total components of other comprehensive income		
that will not be reclassified to profit or loss	(277,168)	(22,506)
Other comprehensive income for the year, net of tax	(597,158)	(1,521,103)
Total comprehensive income for the year	6,229,142	3,853,239
Total comprehensive income attributable to		
Owners of the parent	5,557,199	3,311,012
Non-controlling interests	671,943	542,227
	6,229,142	3,853,239

Consolidated statement of changes in shareholders' equity

SCG Packaging Public Company Limited and its Subsidiaries

			R	Retained earnings	ings	Other components o	Other components of shareholders' equity			
		' '	Appropriated	iated	Unappropriated			Total equity		
	Issued					Translation of	Changes in other	attributable to	Non-	Total
	and paid	Share	Legal	General		financial	components	owners of	controlling	shareholders'
	share capital	premium	reserve	reserve		statement	from shareholders	the parent	interests	equity
						(in thousand Baht)				
Balance at 1 January 2017	1,563,000	1,935,000	156,300	3,000	38,502,387	(712,453)	(1,044,889)	40,402,345	12,349,243	52,751,588
Transactions with owners, recorded directly										
in shareholders' equity										
Contributions by and distributions to										
owners of the parent										
Dividends	1	ı	1	1	(781,500)	ı	1	(781,500)	(185,235)	(966,735)
Total contributions by and distributions to										
owners of the parent	ī		•	1	(781,500)	•	•	(781,500)	(185,235)	(966,735)
Changes in ownership interests in subsidiaries										
Changes that do not result in a loss of control	1	ı	ı	1	ı	ı	(40,595)	(40,595)	(160,244)	(200,839)
Changes that result in an acquisition or a loss of control	1	1	1	1		ı	1	ı	213,343	213,343
Total changes in ownership interests in subsidiaries	1	-	1	1	-	-	(40,595)	(40,595)	53,099	12,504
Total transactions with owners, recorded directly										
in shareholders' equity	1	'	'	'	(781,500)		(40,595)	(822,095)	(132,136)	(954,231)
Comprehensive income for the year										
Profit or loss	1	1	1	1	4,425,349	ı	1	4,425,349	948,993	5,374,342
Other comprehensive income	1	ı	1	1	(16,894)	(1,097,443)	1	(1,114,337)	(406,766)	(1,521,103)
Total comprehensive income for the year	1	-	1	1	4,408,455	(1,097,443)	1	3,311,012	542,227	3,853,239
Balance at 31 December 2017	1,563,000	1,935,000	156,300	3,000	42,129,342	(1,809,896)	(1,085,484)	42,891,262	12,759,334	55,650,596

Consolidated statement of changes in shareholders' equity

SCG Packaging Public Company Limited and its Subsidiaries

			Œ	Retained earnings	ings	Other components c	Other components of shareholders' equity			
		'	Appropriated	ated	Unappropriated			Total equity		
	Issued	•				Translation of	Changes in other	attributable to	Non-	Total
	and paid	Share	Legal	General		financial	components	owners of	controlling	shareholders'
	share capital	premium	reserve	reserve		statement	from shareholders	the parent	interests	equity
						(in thousand Baht)				
Balance at 1 January 2018	1,563,000	1,935,000	156,300	3,000	42,129,342	(1,809,896)	(1,085,484)	42,891,262	12,759,334	55,650,596
Transactions with owners, recorded directly										
in shareholders' equity										
Contributions by and distributions to										
owners of the parent										
Dividends	ı	1	1	1	(7,815,000)	ı	1	(7,815,000)	(254,454)	(8,069,454)
Total contributions by and distributions to										
owners of the parent	ı	1	1	1	(7,815,000)	1	•	(7,815,000)	(254,454)	(8,069,454)
Changes in ownership interests in subsidiaries										
Changes that do not result in a loss of control	ı	1	1	ı		ı	(192,824)	(192,824)	(447,193)	(640,017)
Changes that result in an acquisition or a loss of control	ı	1	1	1	ı	ı	1	1	89,464	89,464
Total changes in ownership interests in subsidiaries	1	1	1	1	1	-	(192,824)	(192,824)	(357,729)	(550,553)
Total transactions with owners, recorded directly										
in shareholders' equity	.			'	(7,815,000)		(192,824)	(8,007,824)	(612,183)	(8,620,007)
Comprehensive income for the year										
Profit or loss	1	1	ı	ı	6,065,539	1	ı	6,065,539	760,761	6,826,300
Other comprehensive income	ı	1	1	ı	(234,676)	(273,664)	1	(508,340)	(88,818)	(597,158)
Total comprehensive income for the year			·	'	5,830,863	(273,664)		5,557,199	671,943	6,229,142
Balance at 31 December 2018	1,563,000	1,935,000	156,300	3,000	40,145,205	(2,083,560)	(1,278,308)	40,440,637	12,819,094	53,259,731

Consolidated statement of cash flows

SCG Packaging Public Company Limited and its Subsidiaries

	2018	2017
	(in thousan	d Baht)
Cash flows from operating activities		
Profit for the year	6,826,300	5,374,342
Adjustments for		
Tax expense	1,267,522	603,394
Depreciation and amortization	5,381,693	5,190,134
Bad debt and doubtful debts expenses	42,556	3,643
Loss on inventories devaluation	170,457	108,071
Employee benefit expense	239,433	150,526
Unrealized losses (gains) on foreign currency exchange	(9,060)	336
Share of loss (profit) of associates	14,603	(4,133)
Gain on a bargain purchase	-	(65,322)
Loss on sales of investments and other	9,500	35,007
Impairment losses on property, plant and equipment		
and other intangible assets	24,126	15,424
Loss (gain) on sales of property, plant and equipment		
and other intangible assets	16,357	(908,911)
Dividend Income	(10,762)	(14,125)
Interest income	(61,135)	(21,345)
Interest expense	988,501	860,198
Cash flows generated from operations before		
changes in operating assets and liabilities	14,900,091	11,327,239
Decrease (increase) in operating assets		
Trade and other current receivables	169,792	(1,703,284)
Inventories	292,545	(2,847,635)
Other current assets and other non-current assets	113,974	(272,639)
Net decrease (increase) in operating assets	576,311	(4,823,558)

Consolidated statement of cash flows

SCG Packaging Public Company Limited and its Subsidiaries

	2018	2017
	(in thousan	d Baht)
Increase (decrease) in operating liabilities		
Trade and other current payables	(286,597)	1,085,721
Provision for employee benefits	(172,760)	(154,251)
Other current liabilities and other non-current liabilities	8,268	(97,372)
Net increase (decrease) in operating liabilities	(451,089)	834,098
Net cash flows generated from operations	15,025,313	7,337,779
Income tax paid	(773,180)	(595,701)
Net cash flows provided by operating activities	14,252,133	6,742,078
Cash flows from investing activities		
Acquisition of subsidiaries, net of cash acquied	(451,470)	(540,348)
Proceeds from sales of investment	257,309	106,114
Current investments	(555,809)	(205,240)
Proceeds from sales of property, plant and equipment and		
other intangible assets	151,256	1,105,343
Acquisition of property, plant and equipment	(6,870,171)	(6,106,722)
Acquisition of investment properties	(64,411)	-
Acquisition of other intangible assets	(77,220)	(45,909)
Proceeds from (payment of) repayment of		
short-term loans to related parties	(126,341)	4,439
Payment of repayment of long-term loan to related parties	-	(98,333)
Dividends received	26,634	32,913
Interest received	51,080	9,213
Net cash flows used in investing activities	(7,659,143)	(5,738,530)

Consolidated statement of cash flows

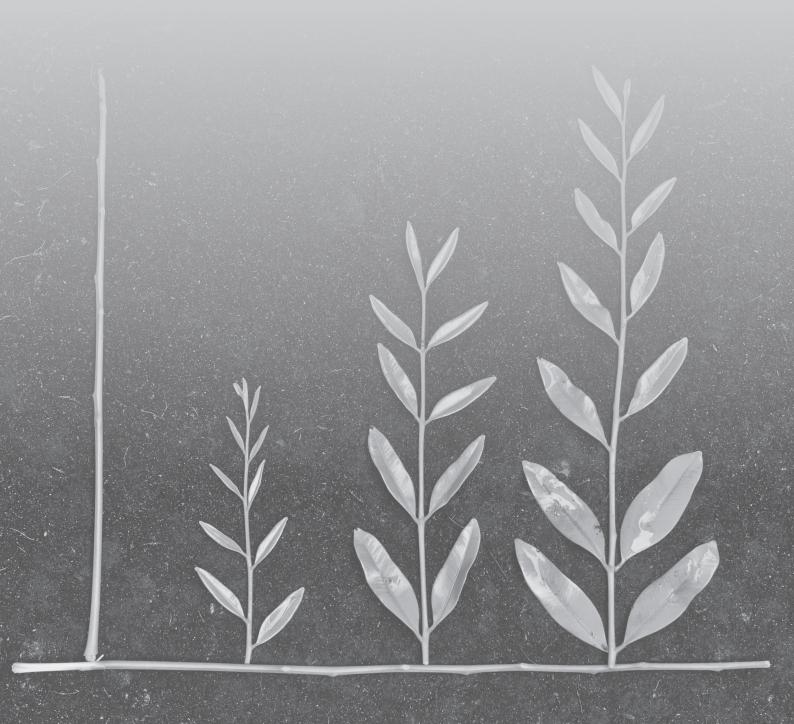
SCG Packaging Public Company Limited and its Subsidiaries

	2018	2017
	(in thousand	d Baht)
Cash flows from financing activities		
Proceeds from change in ownership interests in subsidiaries		
that do not result in a loss of control	-	90,882
Payments of changes in ownership interests in subsidiaries		
that do not result in a loss of control	(640,017)	(291,615)
Proceeds from (payments of) borrowings		
Decrease in bank overdrafts and short-term borowings		
from financial institutions	(933,029)	(235,012)
Increase in short-term borrowing from related parties	7,919,137	2,976,651
Proceeds from long-term borrowings from financial institutions	351,489	709,527
Payments of long-term borrowings from financial institutions	(3,307,059)	(2,385,166)
Payments of finance lease liabilities	(140,960)	(47,754)
Net increase in borrowings	3,889,578	1,018,246
Dividends paid		
Dividends paid to owners of the parent	(7,815,000)	(781,500)
Dividends paid to non-controlling interests	(254,454)	(185,235)
Total dividends paid	(8,069,454)	(966,735)
Interest paid	(1,012,063)	(871,129)
Net cash flows used in financing activities	(5,831,956)	(1,020,351)
Net increase (decrease) in cash and cash equivalents	761,034	(16,803)
Effect of exchange rate changes on cash and cash equivalents	(49,322)	(117,748)
Cash and cash equivalents at beginning of the year	1,383,637	1,518,188
Cash and cash equivalents at end of the year	2,095,349	1,383,637
Supplementary information for cash flows		
Non-cash transactions		
Account payables from purchase of assets	538,639	702,225
Accrued investments	181,783	114,992

2018 Financial Statements

SCG Packaging Public Company Limited

(Referring to the Annual Report 2018 Page 112-167)



Independent auditor's report on the Summary Financial Statements

To the Shareholders of SCG Packaging Public Company Limited

Opinion

The summary financial statements, which comprise the statement of financial position as at 31 December 2018, the income statement and statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended which are derived from the audited financial statements of SCG Packaging Public Company Limited (the "Company") for the year ended 31 December 2018.

In my opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by Thai Financial Reporting Standards applied in the preparation of the audited financial statements of SCG Packaging Public Company Limited. Reading the summary financial statements and auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The Audited Financial Statements and My Report Thereon

I expressed an unmodified audit opinion on the audited financial statements in my report dated 12 February 2019.

Management's Responsibility for the Summary Financial Statements

Management is responsible for the preparation of the summary financial statements for publication to shareholders, investors and business partners.

Auditor's Responsibility

My responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on my procedures, which were conducted in accordance with Thai Standard on Auditing 810 (Revised), "Engagements to Report on Summary Financial Statements".

(Thanyalux Keadkeaw)

Certified Public Accountant

th. Xm

Registration No. 8179

KPMG Phoomchai Audit Ltd.

Bangkok

12 February 2019

Statement of financial position

SCG Packaging Public Company Limited

As at 31 December 2018

(in thousand Baht) Current assets Cash and cash equivalents 5,673 4,703 Other current receivables 193,394 149,770 Short-term loans to related parties 17,862,997 11,147,587 Other current assets 22,142 88,457 Total current assets 18,084,206 11,390,517 Non-current assets 350,121 350,121 Investments in associates 350,121 350,121 Investments in subsidiaries 28,398,365 27,027,254 Other non-current receivables 11,555 13,847 Investment properties 299,572 237,150 Property, plant and equipment 225,595 240,563 Intangible assets 30,107 24,536 Deferred tax asset 34,602 17,787 Other non-current assets 44,608 124,360 Total non-current assets 47,478,731 39,426,135	Assets	2018	2017
Cash and cash equivalents 5,673 4,703 Other current receivables 193,394 149,770 Short-term loans to related parties 17,862,997 11,147,587 Other current assets 22,142 88,457 Total current assets 18,084,206 11,390,517 Non-current assets 350,121 350,121 Investments in associates 350,121 350,121 Investments in subsidiaries 28,398,365 27,027,254 Other non-current receivables 11,555 13,847 Investment properties 299,572 237,150 Property, plant and equipment 225,595 240,563 Intangible assets 30,107 24,536 Deferred tax asset 34,602 17,787 Other non-current assets 44,608 124,360 Total non-current assets 29,394,525 28,035,618		(in thousa	nd Baht)
Other current receivables 193,394 149,770 Short-term loans to related parties 17,862,997 11,147,587 Other current assets 22,142 88,457 Total current assets 18,084,206 11,390,517 Non-current assets 350,121 350,121 Investments in associates 350,121 350,121 Investments in subsidiaries 28,398,365 27,027,254 Other non-current receivables 11,555 13,847 Investment properties 299,572 237,150 Property, plant and equipment 225,595 240,563 Intangible assets 30,107 24,536 Deferred tax asset 34,602 17,787 Other non-current assets 44,608 124,360 Total non-current assets 29,394,525 28,035,618	Current assets		
Short-term loans to related parties 17,862,997 11,147,587 Other current assets 22,142 88,457 Total current assets 18,084,206 11,390,517 Non-current assets 350,121 350,121 Investments in associates 28,398,365 27,027,254 Other non-current receivables 11,555 13,847 Investment properties 299,572 237,150 Property, plant and equipment 225,595 240,563 Intangible assets 30,107 24,536 Deferred tax asset 34,602 17,787 Other non-current assets 44,608 124,360 Total non-current assets 29,394,525 28,035,618	Cash and cash equivalents	5,673	4,703
Other current assets 22,142 88,457 Total current assets 18,084,206 11,390,517 Non-current assets \$\$\$\$\$Investments in associates \$\$\$\$\$\$\$\$\$121 350,121 350,121 Investments in subsidiaries 28,398,365 27,027,254 27,027,254 Other non-current receivables 11,555 13,847 Investment properties 299,572 237,150 Property, plant and equipment 225,595 240,563 Intangible assets 30,107 24,536 Deferred tax asset 34,602 17,787 Other non-current assets 44,608 124,360 Total non-current assets 29,394,525 28,035,618	Other current receivables	193,394	149,770
Non-current assets 18,084,206 11,390,517 Non-current assets 350,121 350,121 Investments in associates 28,398,365 27,027,254 Other non-current receivables 11,555 13,847 Investment properties 299,572 237,150 Property, plant and equipment 225,595 240,563 Intangible assets 30,107 24,536 Deferred tax asset 34,602 17,787 Other non-current assets 44,608 124,360 Total non-current assets 29,394,525 28,035,618	Short-term loans to related parties	17,862,997	11,147,587
Non-current assets Investments in associates 350,121 350,121 Investments in subsidiaries 28,398,365 27,027,254 Other non-current receivables 11,555 13,847 Investment properties 299,572 237,150 Property, plant and equipment 225,595 240,563 Intangible assets 30,107 24,536 Deferred tax asset 34,602 17,787 Other non-current assets 44,608 124,360 Total non-current assets 29,394,525 28,035,618	Other current assets	22,142	88,457
Investments in associates 350,121 350,121 Investments in subsidiaries 28,398,365 27,027,254 Other non-current receivables 11,555 13,847 Investment properties 299,572 237,150 Property, plant and equipment 225,595 240,563 Intangible assets 30,107 24,536 Deferred tax asset 34,602 17,787 Other non-current assets 44,608 124,360 Total non-current assets 29,394,525 28,035,618	Total current assets	18,084,206	11,390,517
Investments in associates 350,121 350,121 Investments in subsidiaries 28,398,365 27,027,254 Other non-current receivables 11,555 13,847 Investment properties 299,572 237,150 Property, plant and equipment 225,595 240,563 Intangible assets 30,107 24,536 Deferred tax asset 34,602 17,787 Other non-current assets 44,608 124,360 Total non-current assets 29,394,525 28,035,618			
Investments in subsidiaries 28,398,365 27,027,254 Other non-current receivables 11,555 13,847 Investment properties 299,572 237,150 Property, plant and equipment 225,595 240,563 Intangible assets 30,107 24,536 Deferred tax asset 34,602 17,787 Other non-current assets 44,608 124,360 Total non-current assets 29,394,525 28,035,618	Non-current assets		
Other non-current receivables 11,555 13,847 Investment properties 299,572 237,150 Property, plant and equipment 225,595 240,563 Intangible assets 30,107 24,536 Deferred tax asset 34,602 17,787 Other non-current assets 44,608 124,360 Total non-current assets 29,394,525 28,035,618	Investments in associates	350,121	350,121
Investment properties 299,572 237,150 Property, plant and equipment 225,595 240,563 Intangible assets 30,107 24,536 Deferred tax asset 34,602 17,787 Other non-current assets 44,608 124,360 Total non-current assets 29,394,525 28,035,618	Investments in subsidiaries	28,398,365	27,027,254
Property, plant and equipment 225,595 240,563 Intangible assets 30,107 24,536 Deferred tax asset 34,602 17,787 Other non-current assets 44,608 124,360 Total non-current assets 29,394,525 28,035,618	Other non-current receivables	11,555	13,847
Intangible assets 30,107 24,536 Deferred tax asset 34,602 17,787 Other non-current assets 44,608 124,360 Total non-current assets 29,394,525 28,035,618	Investment properties	299,572	237,150
Deferred tax asset 34,602 17,787 Other non-current assets 44,608 124,360 Total non-current assets 29,394,525 28,035,618	Property, plant and equipment	225,595	240,563
Other non-current assets 44,608 124,360 Total non-current assets 29,394,525 28,035,618	Intangible assets	30,107	24,536
Total non-current assets 29,394,525 28,035,618	Deferred tax asset	34,602	17,787
	Other non-current assets	44,608	124,360
Total assets 47,478,731 39,426,135	Total non-current assets	29,394,525	28,035,618
Total assets 47,478,731 39,426,135			
	Total assets	47,478,731	39,426,135

For and on behalf of the Board of Directors

(Roongrote Rangsiyopash)

Chairman

(Tanawong Areeratchakul)

Fund At.

Vice-Chairman and President

Statement of financial position

SCG Packaging Public Company Limited

As at 31 December 2018

Liabilities and shareholders' equity	2018	2017
	(in thousa	nd Baht)
Current liabilities		
Other current payables	139,425	100,498
Short-term borrowings from related parties	23,343,402	15,458,617
Current provisions for employee benefits	13,439	13,759
Total current liabilities	23,496,266	15,572,874
Non-current liabilities		
Non-current provisions for employee benefits	159,578	75,451
Other non-current liabilities	8,021	8,168
Total non-current liabilities	167,599	83,619
Total liabilities	23,663,865	15,656,493

Statement of financial position

SCG Packaging Public Company Limited

As at 31 December 2018

Liabilities and shareholders' equity	2018	2017
	(in thousand Baht)	
Shareholders' equity		
Share capital		
Authorised share capital		
- Ordinary share	1,563,000	1,563,000
Issued and paid share capital		
- Ordinary share	1,563,000	1,563,000
Share premium	1,935,000	1,935,000
Retained earnings		
Appropriated		
Legal reserve	156,300	156,300
General reserve	3,000	3,000
Unappropriated	20,157,566	20,112,342
Total shareholders' equity	23,814,866	23,769,642
Total liabilities and shareholders' equity	47,478,731	39,426,135

Income statement

SCG Packaging Public Company Limited

	2018	2017
	(in thousa	and Baht)
Dividend income	7,824,862	801,704
Service income	1,287,578.00	1,158,579.00
Other income	403,022	224,306
Gain on exchange rate	329	117
Total revenues before expenses	9,515,791	2,184,706
Administrative expenses	(1,374,205)	(1,219,337)
Profit before finance costs and income tax	8,141,586	965,369
Finance costs	(195,404)	(146,463)
Profit before income tax	7,946,182	818,906
Tax income (expenses)	(21,188)	149
Profit for the year	7,924,994	819,055
Basic earnings per share (in Baht)	50.70	5.24

Statement of comprehensive income

SCG Packaging Public Company Limited

	2018	2017
	(in thousan	d Baht)
Profit for the year	7,924,994	819,055
Other comprehensive income		
Components of other comprehensive income		
that will not be reclassified to profit or loss		
Defined benefit plan actuarial gains (losses)	(80,963)	2,657
Income tax relating to components of other comprehensive		
income that will not be reclassified to profit or loss	16,193	(532)
Other comprehensive income for the year, net of tax	(64,770)	2,125
Total comprehensive income for the year	7,860,224	821,180

Statement of changes in shareholders' equity

SCG Packaging Public Company Limited

	-		Re	Retained earnings	S	-
	Issued and		Appropriated	iated	Unappropriated	Total
	paid		Legal	General		shareholders'
	share capital	Share premium	reserve	reserve		equity
			(in thousand Baht)	nd Baht)		
	1,563,000	1,935,000	156,300	3,000	20,072,662	23,729,962
recorded directly in shareholders' equity						
	I	1	1	1	(781,500)	(781,500)
l						
recorded directly in shareholders' equity	1	1			(781,500)	(781,500)
Comprehensive income for the year						
	ı	ı	ı	1	819,055	819,055
	ı	ı	ı	ı	2,125	2,125
Total comprehensive income for the year	1	1	ı	'	821,180	821,180
"	1,563,000	1,935,000	156,300	3,000	20,112,342	23,769,642

Statement of changes in shareholders' equity

SCG Packaging Public Company Limited

Statement of cash flows

SCG Packaging Public Company Limited

	2018	2017
	(in thousand	l Baht)
Cash flows from operating activities		
Profit for the year	7,924,994	819,055
Adjustments for		
Tax expenses (income)	21,188	(149)
Depreciation and amortisation	41,646	39,871
Employee benefit expense	16,062	8,180
Allowance for doubtful debts expenses	16,963	-
Unrealised losses on foreign currency exchange	115	219
Gain on sales of investment	(173,185)	-
Losses on sales of property, plant and equipment	26	-
Dividend income	(7,824,862)	(801,704)
Interest income	(582,567)	(387,022)
Interest expense	777,944	533,383
Cash flows generated from operations		
before changes in operating assets and liabilities	218,324	211,833
Decrease (increase) in operating assets		
Other current receivables and other non-current receivables	(54,262)	9,191
Net decrease (increase) in operating assets	(54,262)	9,191

Statement of cash flows

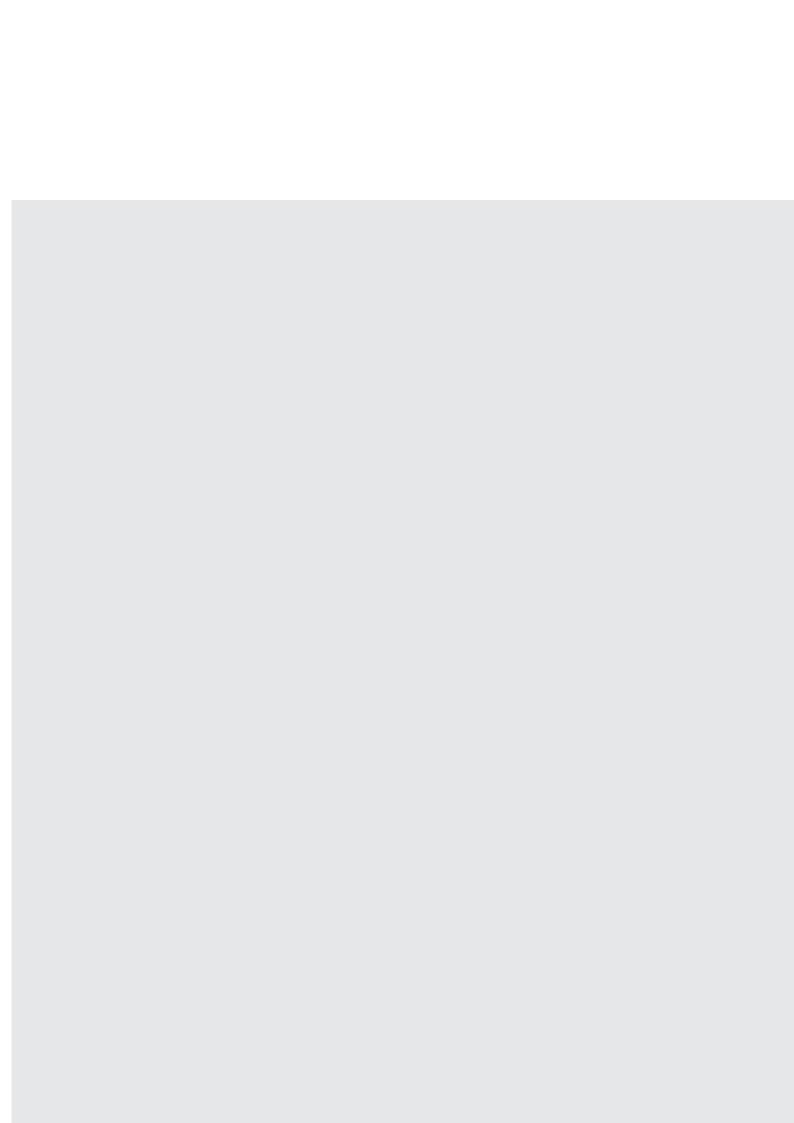
SCG Packaging Public Company Limited

	2018	2017
	(in thousar	nd Baht)
Increase (decrease) in operating liabilities		
Other current payables	21,572	(32,009)
Provisions for employee benefits	(2,381)	(1,824)
Net increase (decrease) in operating liabilities	19,191	(33,833)
Net cash flows generated from operations	183,253	187,191
Income tax paid	(6,879)	(42,860)
Net cash flows provided by operating activities	176,374	144,331
Cash flows from investing activities		
Investment in subsidiaries	(1,324,099)	(961,384)
Proceeds from sales of property, plant and equipment	22	-
Acquisition of investment property	(64,261)	-
Acquisition of property, plant and equipment	(20,442)	(23,049)
Acquisition of intangible assets	(10,531)	(9,811)
Proceeds from sales of other investment	257,309	-
Payments of short-term loans to related parties	(6,715,410)	(2,018,949)
Dividends received	7,824,862	801,704
Interest received	578,324	383,822
Net cash flows provided by (used in) investing activities	525,774	(1,827,667)

Statement of cash flows

SCG Packaging Public Company Limited

	2018	2017
	(in thousand	d Baht)
Cash flows from financing activities		
Proceeds from short-term borrowings from related parties	7,884,785	2,991,731
Dividends paid	(7,815,147)	(777,125)
Interest paid	(770,816)	(531,277)
Net cash flows provided by (used in) financing activities	(701,178)	1,683,329
Net increase (decrease) in cash and cash equivalents	970	(7)
Cash and cash equivalents at beginning of the year	4,703	4,710
Cash and cash equivalents at end of the year	5,673	4,703
		
Supplementary information for cash flows		
Non-cash transactions		
Account payables from purchases of assets	5,526	6,041



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