

# Management Discussion and Analysis : MD&A

## Business and Operations Overview

SCG Packaging Public Company Limited (SCGP) is a holding company with worldwide operations through its subsidiaries and affiliates in three units, which are (1) Integrated Packaging Business (2) Fibrous Business and (3) Recycling Business.

### 1. Integrated Packaging Business

accounts for 75% of the total consolidated revenue and comprises of :

- Fiber Packaging, such as corrugated containers, retail display packaging, and rigid box
- Packaging Paper, such as linerboard, corrugated medium, and coated duplex board
- Consumer and Performance Packaging including; flexible packaging, rigid packaging, medical supplies, and labware

### 2. Fibrous Business

accounts for 19% of total consolidated revenue and comprises of foodservice products, printing and writing paper, and pulp products.

### 3. Recycling Business

accounts for 6% of total consolidated revenue and comprises of recovered paper and recovered plastic.



## Post-Pandemic Recovery

2023 presented a sequential recovery in packaging demand, primarily in consumer-related segments such as foods, beverages, and household products, especially from domestic consumption in ASEAN. This development was propelled by the continuation of recovery in the service sector and the resumption of travel and tourism activities.

The reopening of China's economy also played a significant role in alleviation of supply chain disruptions. Favorable factors from global rise of demand for essential goods, along with effect from export ban of agricultural products in other countries, have supported the growth of several ASEAN exports, including frozen food, canned food, processed food, fresh fruits, and rice.

Nonetheless, slower than expected economic recovery in China as well as high inflation and interest rates in Europe were key factors that limit purchasing power and hindered ASEAN's durable goods exports, notably in electronics, automotive parts, furniture, garments, and footwear.



## Selling Price and Cost Movements

Stiff competition and excess supply led to persistent product price pressure, particularly in Indonesia's packaging paper industry. Regional selling prices in both domestic and export markets of pulp and packaging paper reached their bottom point before started to pick up at the end of 2023. Meanwhile, selling prices of consumer packaging were more stable due to resilient demand especially for daily-consumption products.

Major cost movement, on a YoY basis, indicated improvement, including freight from higher container availability in the supply chain while raw materials and energy costs were lower in the midst of weaker economy. Nonetheless, geopolitical conflict in the Middle East which arose in the latter part of the year have led to volatility in global freight cost and route management.

## Moving Forward

SCGP continuously engages in expanding and strengthening its business operations. This involved a proactive approach in cost management, utilizing Artificial Intelligence (AI) to navigate optimization in energy cost, and simultaneously providing value through innovative products and services that align with customers' needs. The goal is to fortify SCGP's position as a leader in integrated packaging solutions in ASEAN and prioritize Environmental, Social and Governance (ESG) framework as fundamental to all business activities while also heading towards Net Zero Greenhouse Gas (GHG) emission target by 2050.

## SCGP's 2023 Performance

Revenue from sales

**129,398**

Baht million

▼ a decrease of

**11%**

year-on-year

due to lower sales volume and product prices, especially from packaging paper amidst slow global and regional economic recovery.

EBITDA

**17,769**

Baht million

▼ a decrease of

**8%**

year-on-year

with an EBITDA margin of

**14%**

Profit for the year

**5,248**

Baht million

▼ a decrease of

**10%**

year-on-year

and net profit margin was

**4%**

the lower EBITDA and profit were primarily caused by a decrease in sales volume and selling prices in alignment with revenue. However, overall margin was maintained as a result of continued efforts in cost reduction and operational excellence.

## Business Expansions to Fulfill Growing Consumer Demand

SCGP pursues continuous growth through Merger and Partnership (M&P), which enlarges the customer base and enables the creation of value-accretive synergy across operations. The expedition of organic expansions to increase production capacity has also led to the enhancement in packaging solution capabilities, to serve growing customer demands.

In 2023, SCGP successfully executed 3 Merger and Partnership (M&P) deals in Italy, the UK, and Vietnam, along with 2 organic expansions in the Netherlands and Thailand. Moreover, there are 2 ongoing expansion projects in Thailand and Vietnam. Meanwhile, SCGP has also entered into a strategic partnership to create world-class sustainable innovation in renewable materials. Specific details are as follows :

### 1. Merger and Partnership (M&P)

■ Italy (Medical Supplies and Labware, Roletto) : SCGP acquired an 85% stake in Bicappa Lab S.r.L. (Bicappa), a specialist in pipette tips, with an investment of approximately Baht 125 million. This strategic transaction is through a subsidiary of SCGP, Deltalab, S.L. (Deltalab), which specializes in medical supplies and labware. This would strengthen Deltalab with distinguished capability of its primary supplier of pipette tips, a premium margin product in Deltalab's labware portfolio. This M&P investment provides Deltalab with access to valuable expertise in conductive polymer injection technology (For auto-pipetting) and advanced automated operations. Moreover, this advancement will open up new opportunities to expand sales of other medical supplies and labware products to Bicappa's client base. The current capacity of Bicappa is 12 plastic injection mold production lines. Bicappa's financial performance was consolidated from November 2023 onward.

■ The United Kingdom (Flexible Packaging, Stockport) : The acquisition of 100% of Law Print & Packaging Management Limited (Law Print), a prominent packaging solution provider, was completed with an investment of approximately Baht 475 million. This transaction would enlarge SCGP sales channels and customer networks with focus on the premium market of fast-growing pet food manufacturers in the UK

and across Europe. This forward integration enables SCGP to supplement its customer's network with Law print's existing and future clients. Additional benefit will be on synergies via cross-selling of other SCGP's consumer packaging products to multinational companies (MNC) clients. Law Print's financial performance was consolidated from November 2023 onward.

■ Vietnam (Fiber Packaging, Dong Nai) : SCGP acquired a 70% stake in Starprint Vietnam Joint Stock Company (SPV), a leading offset folding carton manufacturer, with a total investment of approximately Baht 987 million. This transaction emphasizes SCGP's commitment to meet Vietnam's rising packaging consumption. The M&P will further enhance SCGP's packaging solutions portfolio with expanded production in folding carton, and extend the portfolio with new capabilities to produce rigid box, which will enable SCGP to serve the fast-growing and high-margin aesthetic display packaging segments. The combined capacity of SPV encompassed 16,500 tons of offset printing per year and 8 million pieces of rigid boxes per year. SPV's performance will consolidated from January 2024 onward.

### 2. Organic Expansion

■ The Netherlands (Packaging Materials Recycling, Alblasserdam) : A facility expansion and relocation project for international recycling business, from Dordrecht to Alblasserdam, nearby Rotterdam port, under Peute Recycling B.V. (Peute) was completed. The project would improve transportation efficiency, double the sourcing and processing capacity of recovered paper to 2 million tons per year and recovered plastic to 0.2 million tons per year, while also enabling SCGP to significantly improve the fulfillment of recycling materials to global customers. This project started commercialization in November 2023.

■ Thailand (Flexible Packaging, Samutsakorn) : SCGP has enlarged its consumer and performance packaging business under Prepack Thailand Co., Ltd. (Prepack). The capital expenditure for this project was part of the total investment in asset acquisition project in December 2022 from Cyberprint Group Co., Ltd. (Cyber),

a multi-type printing and packaging service provider in Thailand, with the amount of Baht 450 million. This expansion not only boosts Prepack's production capacity by approximately 26 million square meters per year, or an increase of 6% over existing capacity, but also extends the customer network by tapping into Cyber's rapidly growing customer segments in pet food and health supplement products. The additional capacity also enables SCGP to fulfill the evolving needs of customers related to on-the-go urban lifestyles. Completion of main facility and support systems were in the third quarter of 2023. The installation of printing machines is currently ongoing.

**The 2 ongoing organic expansions are as follows :**

- Thailand (Fiber Packaging, Samutprakan and Samutsakorn) : SCGP is expanding corrugated containers capacity in response to surge in domestic demand. This project incorporates the latest available technology of production and printing capabilities, including robotic, automation and attractive printing application. This will add 75,000 tons per year of production capacity, which is equal to 9% of total fiber packaging capacity in Thailand, with an investment of Baht 2,450 million. The project is strategically located at the center of customers' production hubs, making it a pivotal factor in accommodating growing customer orders while improving cost competitiveness in logistics. Currently, the corrugator building has been completed while installation of machinery is ongoing with an expected start-up in the first quarter of 2024.
- Vietnam (Packaging paper, North Vietnam) : A new production base in the northern region of Vietnam under Vina Kraft Paper Co., Ltd. (VKPC) will support the packaging market growth driven by rising demand of industrial & export sectors, and surge in FDI as a result of investment promotion policy.



This project will add packaging paper capacity of 370,000 tons per year or an increase of 75% from existing capacity with capital expenditures amounted to Baht 11,793 million. Approval of Environmental Impact Assessment (EIA) was already completed while the land preparation process is ongoing. Nevertheless, further investment in the project is currently under review amid the latest development of demand and supply condition in the region. Final investment decision is expected by the end of 2024.

**3. Joint Development Agreement (JDA)**

- SCGP has entered into a joint development agreement with Origin Materials, a NASDAQ-listed technology company, to develop sustainable innovation “Bio-based Plastic” from Eucalyptus woodchips to capture emerging growth in renewable materials globally. This partnership would also strengthen integration along SCGP's value chain. Proof-of-concept, technology verification, and pilot testing stages have been completed. The project is currently progressing towards the study of yield enhancement and identifying potential partners and markets.



**Table 1 - SCGP's Consolidated Financial Statements**

Unit : Baht million

	Year		% y-o-y
	2023	2022	
<b>Operating Results</b>			
Revenue from Sales	129,398	146,068	-11%
Integrated Packaging Business	97,044	117,219	-17%
Fibrous Business	24,894	24,273	3%
Recycling Business	7,460	4,576	63%
Cost of Sales	106,274	121,791	-13%
Gross Profit	23,124	24,277	-5%
<i>Gross Profit Margin (%)</i>	<i>18%</i>	<i>17%</i>	
Distribution Cost and Administrative Expenses	15,684	16,039	-2%
EBITDA	17,769	19,402	-8%
<i>EBITDA Margin (%)</i>	<i>14%</i>	<i>13%</i>	
Profit for the year	5,248	5,801	-10%
<i>Net Profit Margin (%)</i>	<i>4%</i>	<i>4%</i>	
Earnings per Share (Baht)	1.22	1.35	
<b>Core Financials</b>			
Core EBITDA	17,642	19,240	-8%
Core Profit	5,146	5,768	-11%

**Notes :**

Revenue from sales by business = Revenue from sales after inter-segment elimination basis

 EBITDA = Earnings before finance cost, tax, depreciation & amortization (excluded dividend from associates and included FX gain/loss from loans)  
 In 2023 and 2022, dividend from associates were Baht 9 million and Baht 11 million, respectively.

Profit for the year = Profit for the year attributable to owners of the Company

## Operations Overview by Business

### Integrated Packaging Business (IPB)

In 2023, IPB revenue from sales was recorded at Baht 97,363 million (Before inter-segment elimination), decreased by 17% year-on-year. The decrease was due to lower sale volume and product prices particularly in packaging paper business amid weak ASEAN export of durable goods under heightened inflation and interest rate. Meanwhile, consumer packaging, which consists of fiber packaging and consumer and performance packaging, provided impressive performance primarily attributed to favorable growth in food, beverage, and consumer goods segments.

EBITDA was recorded at Baht 14,419 million, decreased by 2% year-on-year with EBITDA margin of 15%. Profit for the year was Baht 5,095 million improved by 13% year-on-year. The increase in profitability was mainly due to cost improvement (raw materials and energy). As part of our efforts, SCGP has accelerated and given priority to operational excellence. This includes leveraging data analytics, such as the utilization of Artificial Intelligence (AI) to optimize energy consumption and production process along with continued endeavors to diversify sources of raw materials to ensure supply security and enhance our competitive cost position.

## Fibrous Business (FB)

In 2023, FB revenue from sales was recorded at Baht 26,835 million (Before inter-segment elimination), remained flat from last year attributed to the higher sales of foodservice packaging to serve clients particularly in Europe & the US and improvement in market price at paper products. Nonetheless, pulp prices decreased compared to the previous year.

EBITDA was recorded at Baht 3,835 million, decreased by 6% year-on-year with EBITDA margin of 14%. Profit for the year was Baht 1,235 million, decreased by 1% year-on-year mainly from a decrease in pulp market prices amidst weaker global demand for textile and garment industry.

**Table 2 - Operating Results by Business Segment**

Unit : Baht million

Revenue from Sales	Year		% y-o-y
	2023	2022	
<b>Consolidated SCGP</b>	<b>129,398</b>	<b>146,068</b>	<b>-11%</b>
Integrated Packaging Business	97,363	117,524	-17%
Fibrous Business	26,835	26,928	0%
Recycling Business	8,669	4,814	80%
Intersegment Elimination	(3,469)	(3,198)	-8%

EBITDA	Year		% y-o-y
	2023	2022	
<b>Consolidated SCGP</b>	<b>17,769</b>	<b>19,402</b>	<b>-8%</b>
Integrated Packaging Business	14,419	14,729	-2%
Fibrous Business	3,835	4,066	-6%
Recycling Business and Others	3,290	4,386	-25%
Intersegment Elimination	(3,775)	(3,779)	0%

EBITDA Margin (%)	Year		% y-o-y
	2023	2022	
<b>Consolidated SCGP</b>	<b>14%</b>	<b>13%</b>	
Integrated Packaging Business	15%	13%	
Fibrous Business	14%	15%	

Profit for the year	Year		% y-o-y
	2023	2022	
<b>Consolidated SCGP</b>	<b>5,248</b>	<b>5,801</b>	<b>-10%</b>
Integrated Packaging Business	5,095	4,505	13%
Fibrous Business	1,235	1,245	-1%
Recycling Business and Others	2,334	3,674	-36%
Intersegment Elimination	(3,416)	(3,623)	6%

**Notes :**

EBITDA = Earnings before finance cost, tax, depreciation and amortization (excluded dividend from associates and included FX gain/loss from loans)

EBITDA Margin = EBITDA / Revenue from Sales

Profit for the year = Profit for the year attributable to owners of the Company

Consolidated SCGP's financial statement is presented after the intersegment elimination.

## Cost of Sales

In 2023, SCGP's cost of sales was Baht 106,274 million (a decrease of 13% year-on-year), comprising of integrated packaging business (IPB) of Baht 80,602 million (18% year-on-year drop), fibrous business (FB) of Baht 22,704 million (flat from last year), and recycling business of Baht 6,718 million. The decrease in cost of sales was primarily attributed to continued efforts on cost reduction and operational excellence, along with the improvements in key cost components, including raw materials prices, freight, and energy costs. Below are key focuses of SCGP's effective cost management.

### i. Supply chain optimization :

SCGP focused on synergy and optimization with execution of cross-selling, pool-purchasing, and product portfolio rationalization across its regional operations to enhance cost efficiency.

### ii. Security of supply :

SCGP ensured the stability and quality of recovered paper (RCP), an important raw material, by sourcing from diversified sources globally. The effort to strengthen security of supply includes 1) Expansion of recycling infrastructure (total of 158 recycling stations and recycling partners) across ASEAN 2) Primary source collection, which allowed SCGP to access good quality RCP at competitive price 3) Investment in international

packaging materials recycling business as part of backward integration to enhance long-term sourcing capability, while also fulfill a fast-growing global demand of recycled materials for external clients.

### iii. Energy management :

SCGP has effectively managed coal cost, which primarily procured from the Indonesian coal market with index-linked price. SCGP's coal sourcing strategy involves an optimization via data analytics for both volume and price, ensuring cost-efficient management of coal resource. Meanwhile, the Company improves its cost competitiveness by increasing biomass usage portion as an alternative fuel (AF) source to coal. On another front, SCGP has implemented the project to utilize artificial intelligent (AI) technology to enhance energy and steam consumption efficiency and optimize production costs while also reduce GHG emission.

SCGP also committed to achieving a Net Zero target by 2050 through Circular Economy practices and the development of environmental-friendly innovations to meet the evolving needs of environmentally conscious customers and consumers. The abovementioned usage of AF, which increased to 36.0% of the total energy sources in 2023, from 30.6% at the end of 2022, not only led to the reduction in cost but also represented SCGP's strong commitment to reduce GHG emission.

**Table 3 - Cost of Sales Classified by Business Segment**

Unit : Baht million

	Year				% y-o-y
	2023	%	2022	%	
Integrated Packaging Business	80,602	76	98,865	81	-18%
Fibrous Business	22,704	21	22,671	19	0%
Recycling Business	6,718	6	3,622	3	85%
Intersegment Elimination	(3,750)	(3)	(3,367)	(3)	11%
<b>Consolidated SCGP</b>	<b>106,274</b>	<b>100</b>	<b>121,791</b>	<b>100</b>	<b>-13%</b>

## Distribution Costs and Administrative Expenses

In 2023, distribution costs were Baht 8,701 million, decreased by 7% year-on-year. This was primarily attributed to the improvement in freight rate and transportation costs. In addition, the administrative expenses were Baht 6,983 million, increased by 4% year-on-year mainly from the higher employee-related expenses.

## Summary of the Consolidated Statement of Financial Position as of December 31, 2023

### Total assets

were Baht 198,561 million, an increase of Baht 1,281 million or +1% from the previous year. This was mainly from the increase in assets from M&Ps of Starprint, Law Print, and Bicappa of Baht 1,992 million, including Goodwill of Baht 1,093 million. SCGP's assets consisted of property, plant and equipment 47%, current assets 30% and non-current assets 23%.

- **Current assets** were Baht 60,272 million, remained flat from the previous year which largely comprised of cash and cash equivalents, short-term investments, trade and other current receivables, and inventories.
- **Cash and cash equivalents and short-term investments** were Baht 17,181 million, an increase of Baht 4,837 million or +39% from the previous year.
- **Trade and other current receivables** were Baht 22,648 million, a decrease of Baht 606 million or -3% from the previous year, mainly attributed to lower sales volume. As of 31 December 2023, SCGP's total trade receivables were Baht 19,982 million which included expected credit loss of Baht 185 million. SCGP's normal credit term is 30-90 days as disclosed in note to the financial statements 7 "Trade receivables," in the Financial Report 2023.

- **Inventories** were Baht 19,253 million, a decrease of Baht 4,028 million or -17% from the previous year. The inventories mainly consisted of finished goods, goods-in-process, raw materials, spare parts, stores supplies, and goods in transit. In 2023, SCGP has no significant deteriorated or obsolete inventories as disclosed in note to the financial statements 8 "Inventories," in the Financial Report 2023.
- **Non-current assets** mainly comprise of property, plant and equipment, goodwill and other intangible assets.
- **Property, plant and equipment** were Baht 94,279 million, remained flat from the previous year. Under construction projects and capital expenditures was accounted for Baht 7,124 million.

### Total liabilities

were Baht 96,112 million, an increase of Baht 21,799 million or +29% from the previous year primarily due to the preparation for potential additional share acquisition (Put option) of 44.48% shares, valued at Baht 22,313 million, in PT Fajar Surya Wisesa Tbk. (Fajar) from SCGP's partner with possibility of transaction in the middle of 2024.

- **Trade and other current payables** were Baht 14,808 million, an increase of Baht 526 million or +4% from the previous year.
- **Loans** were Baht 49,113 million, a decrease of Baht 1,056 million or -2% from the previous year as a result of repayment of bank loans whilst lease liabilities increased from Peute's facility relocation project.

### Total shareholders' equity

was Baht 102,449 million, a decrease of Baht 20,518 million or -17% from the previous year. The change was mainly attributed to other equity interest of Baht 23,204 million as a result of the record of liabilities related to potential acquisition of additional Fajar's shares (above) and dividend payment of Baht 3,286 million while the increase was from profit for the year of Baht 5,429 million.



**Table 4 - Summary of SCGP's Consolidated Statement of Financial Position**

Unit : Baht million

	Year		Change	
	2023	2022	Baht million	% y-o-y
<b>Total Assets</b>	<b>198,561</b>	<b>197,280</b>	<b>1,281</b>	<b>1%</b>
Current assets	60,272	60,154	118	0%
Cash and cash equivalents	9,889	9,966	(77)	-1%
Short-term investments	7,292	2,378	4,914	207%
Trade and other current receivables	22,648	23,254	(606)	-3%
Inventories	19,253	23,281	(4,028)	-17%
Investments in associates	1,063	1,034	29	3%
Property, plant and equipment	94,279	94,585	(306)	0%
Goodwill	29,374	28,233	1,141	4%
Other intangible assets	10,051	10,574	(523)	-5%
<b>Total Liabilities</b>	<b>96,112</b>	<b>74,313</b>	<b>21,799</b>	<b>29%</b>
Trade and other current payables	14,808	14,282	526	4%
Loans	49,113	50,169	(1,056)	-2%
Liabilities related to put options	22,313	-	22,313	n.a.
<b>Total Shareholders' Equity</b>	<b>102,449</b>	<b>122,967</b>	<b>(20,518)</b>	<b>-17%</b>
Total equity attributable to owners of the Company	77,322	97,201	(19,879)	-20%
Non-controlling interests	25,127	25,766	(639)	-2%

**Table 5 - SCGP's Net Debt**

Unit : Baht million

	Year		Change	
	2023	2022	Baht million	% y-o-y
<b>Short-term Loans</b>	<b>15,337</b>	<b>16,155</b>	<b>(818)</b>	<b>-5%</b>
Foreign	15,067	12,988	2,079	16%
Baht	270	3,167	(2,897)	-91%
% of Total Loans	31%	32%		
<b>Long-term Loans</b>	<b>33,776</b>	<b>34,014</b>	<b>(238)</b>	<b>-1%</b>
Foreign	6,768	7,407	(639)	-9%
Baht	27,008	26,607	401	2%
% of Total Loans	69%	68%		
<b>Total Loans</b>	<b>49,113</b>	<b>50,169</b>	<b>(1,056)</b>	<b>-2%</b>
<b>Average Cost of Debt (%)</b>	<b>4.1%</b>	<b>2.7%</b>		
<b>Cash and Cash Under Management</b>	<b>17,180</b>	<b>12,347</b>	<b>4,833</b>	<b>39%</b>
Cash and cash equivalents	9,889	9,966	(77)	-1%
Investments in debt instruments	7,291	2,381	4,910	206%
<b>Net Debt</b>	<b>31,933</b>	<b>37,822</b>	<b>(5,889)</b>	<b>-16%</b>

## Explanation of Key Financial Ratios for the Year 2023

### Liquidity Ratio

As of December 31, 2023, the current ratio of SCGP was 0.9 times and quick ratio was 0.6 times, lower from the previous year due to the increase in liabilities related to put options. Meanwhile, the Company has prudently managed cash flow, trade accounts receivables, trade accounts payables, and inventories to mitigate liquidity risk during volatile economic environment and establish the foundation for future business expansions.

### Profitability Ratio

SCGP's gross profit margin was 18% compared to 17% in the previous year. EBITDA margin increased to 14%, compared to 13% from last year, due mainly to continuous efforts to improve cost competitiveness throughout the value chain while there were also lower external cost of raw materials, freight, and energy amidst weaker global demand. The Company's net profit margin remained steady from the previous year at 4%.

### Efficiency Ratio

SCGP's return on total assets was 3%, as the previous year. The return on fixed assets was at 15% compared to 16% in the previous year.

### Financial Leverage Ratio

SCGP had a debt to equity ratio of 0.9 times, an increase from 0.6 times in 2022, due to the recording of liabilities related to potential share acquisition in Fajar. Net debt to EBITDA ratio was at 1.8 times which was slightly lower than 1.9 times in 2022. Interest-bearing debt to equity ratio was 0.5 times, which was higher than 0.4 times in 2022.

## Summary of Consolidated Statement of Cash Flows for the Year Ended 31 December 2023

In 2023, SCGP's net cash flows provided by operating activities amounted to Baht 21,482 million including the operating cash flows of Baht 22,864 million and tax payment of Baht 1,382 million. Cash flows generated from operations were comprised of profit for the year adjusted by items such as depreciation and amortization, tax expense, and change in operating assets and liabilities.

Net cash flows used in investing activities amounted to Baht 13,060 million with main contributions from the M&P investments of Baht 1,303 million, other capital expenditure of Baht 7,383 million, and short-term investments of Baht 4,821 million.

Net cash flows used in financing activities amounted to Baht 8,366 million, driven by a decrease in net borrowings of Baht 3,024 million, dividend payment of Baht 3,286 million while interest and other finance costs payment amounted to Baht 2,067 million.

**Table 6 - SCGP's Summary of Consolidated Statement of Cash Flows**

Unit : Baht million

	Year		
	2023	2022	Change
Cash flows from operating activities	21,482	17,234	4,248
Cash flows from investing activities	(13,060)	(3,119)	(9,941)
Cash flows from financing activities	(8,366)	(11,602)	3,236
<b>Net increase in cash and cash equivalents</b>	<b>56</b>	<b>2,513</b>	<b>(2,457)</b>
<b>Free cash flows</b>	<b>14,099</b>	<b>10,048</b>	<b>4,051</b>

## Liquidity and Capital Management

SCGP's capability to generate cash from operations depends on future performance, influenced by various factors, including general economic, financial, marketing, regulatory, and other elements detailed in the Section 2.2.3 "Risks Factor" section of this report. It is crucial to note that these factors are beyond the Company's

control. Regarding the Company's cash flows, liquidity ratios, and capital sources (including cash and cash equivalents, cash from operating activities, and existing bank loans), SCGP ensures that the Company maintains sufficient liquidity to sustain business operations, meet debt obligations while adhering to loan terms and conditions, and possesses the capability to secure additional sources of funds.

## CAPEX and Investment

In 2023, the capital expenditures allocated to SCGP's expansion projects, which mainly related to incremental production capacity of its fiber packaging, consumer and performance packaging, and packaging materials recycling businesses following strategy to reinforce business integration along the chain.

**Table 7 - SCGP's CAPEX and Investment**

Unit : Baht million

	Year		
	2023	2022	2021
Merger and Partnership	1,565	7,417	16,229
Machine Maintenance	2,232	2,520	2,768
Expansion	1,748	1,765	1,653
Cost Optimization and Sustainability	1,775	1,459	1,040
Greenfield	-	-	32
Debottlenecking	193	407	468
Others <sup>(1)</sup>	1,435	1,035	454
<b>Total CAPEX and Investment</b>	<b>8,948</b>	<b>14,603</b>	<b>22,644</b>

Remarks : <sup>(1)</sup> Others means capital expenditures related to other projects in all businesses of the Company, such as the cost of replacing machinery that does not increase productivity, automation that improves the quality of the production process or the productivity, or the acquisition of land.

SCGP strategically allocates resources to fortify our leading position as a consumers' solutions provider with focuses on expanding the packaging business in consumer-linked segments and targeting growing markets across ASEAN and beyond. The expected 2024 CAPEX is Baht 15,000 million, not including potential investment for additional acquisition of 44.48% shares in PT Fajar Surya Wisesa Tbk. (Fajar) of approximately Baht 23,000 million. In addition, SCGP aims to capture new opportunities from the evolving consumer trends, by emphasizing the development of innovative sustainable packaging solutions which also enhances our value offerings and profitability in the long run.

Most of SCGP's capital expenditure is dedicated to pursuing business growth through both Merger and Partnership (M&P) and organic expansion. Concurrently, SCGP places a strong emphasis on enhancing operational efficiency, fostering development and innovation, along with sustainability. The Company consistently invests in maintenance of plants and equipment, regular improvements of production processes, and cost reduction efforts to ensure sustainable growth.

## Factors that may Significantly Affect the Company's Future Operations and Related Risk Management

### Macroeconomics

Looking into 2024, the global economy shows signs of improvement in key areas. This is supported by the decline in inflation & interest rates in various countries amid lower energy and product & service costs along with the normalization of intra-region supply chain. Consumer disposable income and spending are expected to be improved as well as business and consumer sentiments. Nonetheless, challenges still remain especially in the slow-recovered economies in Europe and also from volatilities related to ongoing geopolitical conflicts.

Thai economy is expected to recover in 2024, driven by domestic consumption growth and tourism sectors. Furthermore, several factors contribute to the positive outlook, including economic-boost government policy, public spending in stimulus measures, infrastructure projects and tourism promotion campaigns such as visa exemptions. Moreover, the increased business confidence would lead to expansion in private investment. As the economy bounces back, packaging demand is heading toward the upturn, especially in consumer-linked segments such as foods & beverages, and fast-moving consumer goods.

**ASEAN economies are expected to outperform other regions**, thanks to solid domestic demand, improving contribution from service sectors, and export recovery. These factors would lead to an uplift in demand for consumer goods while also enables ASEAN to be one of the most attractive regions for foreign investment with domestic consumption which accounted for roughly 60% of GDP, coupled with a growing young middle-class income population group.

For the regional packaging paper industry, China has continuously increased its import volume of packaging paper after the country's reopening in early 2023 with import tariff exemption of recycled-based packaging paper throughout last year while the continuation of exemption in 2024 was already announced. Meanwhile, ASEAN export paper prices has already passed the bottom in 2023 and expected to pick up in 2024 along with sequential demand improvement in the region.

### **Cost Outlook**

In early 2024, recovered paper prices are expected to move sideways up as local and regional paper mills restock inventory to serve rising demand in the region. Meanwhile, SCGP continues to enhance its competitive advantage with completion of the facility expansion and relocation project of its international recycling business in the Netherlands which is located near Rotterdam Port. This is one of the important pillars for SCGP's long term strategic direction to strengthen RCP sourcing competitiveness while also fulfill emerging demand of recycled materials.

Meanwhile, volatility in energy and freight costs are expected to continue amid geopolitical issues in the Middle East and Europe. Therefore, SCGP emphasizes on cost management efforts, including the incremental usage of alternative fuels, such as biomass from agricultural waste and woodchip, to reduce reliance on coal consumption and also improve production cost. Additionally, the Company aims to accelerate operational excellence effort by utilizing Artificial Intelligence (AI) for energy and production optimization throughout its regional operations. These initiatives not only reduce greenhouse gas emissions but also result in a reduction in overall energy costs.

### **Growth Strategy**

SCGP continues to pursue quality growth and extend its leadership position as packaging solutions provider in ASEAN. This objective is achieved through a unique

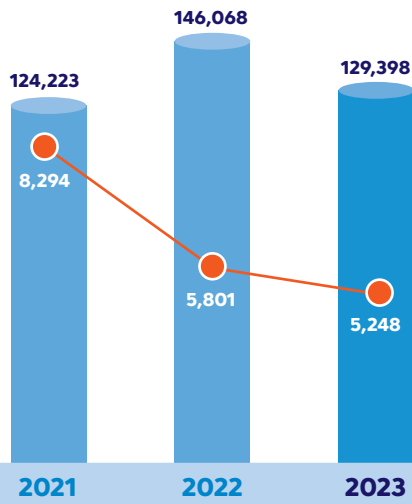
two-pronged approaches, organic expansion and programmatic M&P, that emphasize strategic fit and enable value-accretion to overall business model. Apart from expansion which strengthen value chain integration, the company focuses on identifying new frontiers of growth including in medical-related industries, bio-solutions, and global foodservices. This approach not only enhances SCGP's market presence but also generates value-accretive synergy across its various operations. By strategically pursuing these avenues, SCGP aims to capitalize on emerging opportunities and solidify its position as a leading packaging player in the industry.

Research, Development and Innovation (RD&I) are key to the fulfilments of evolving and emerging customers' requirements that shift toward being more environmentally friendly. The Company is committed to providing high-quality innovative packaging products, services, and solutions that will enhance value to customers. With a dedicated RD&I, consists of over 40 Ph.D. researchers, SCGPs' packaging solutions' revenue and innovation have been increased to approximately 35% of total sales at the end of 2023.

ESG (Environmental, Social and Governance) continues to be a crucial core of SCGP's business operations, particularly in areas such as greenhouse gas reduction. The Company has an explicit Science-Based Targets initiative (SBTi) goal to reduce GHG emission by 25% within 2030 compared with the base year 2020, while SCGP also set Net Zero target by 2050. In addition, SCGP emphasizes on the development of sustainable products by expanding its range of recyclable, reusable, or compostable packaging with the aim of reaching 100% of sales volume by 2025. These initiatives showcase SCGP's commitment to environmental sustainability and responsible business practices.

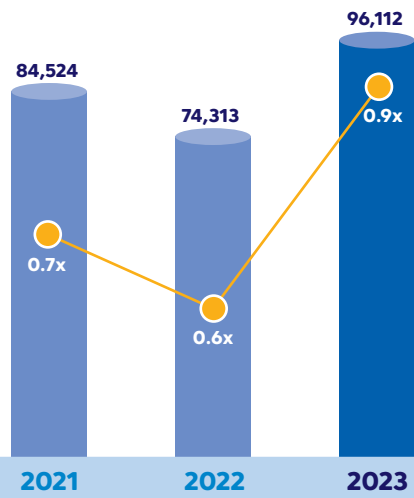
Furthermore, SCGP prioritizes extensive leadership development as part of its commitment to people caring and continuous development of employees' capabilities. This includes a systematic approach to engage employees across all operations and ensure they have the skills and capabilities to overcome new challenges. This is part of SCGPs' recognitions on fast-paced and evolving consumers' demand & lifestyle in a dynamic environment. The Company actively prepares its business operations in 10 countries to meet these changes effectively.

### Revenue from Sales and Profit for the Year



● Revenue from Sales (Baht million) —●— Profit for the year\* (Baht million)

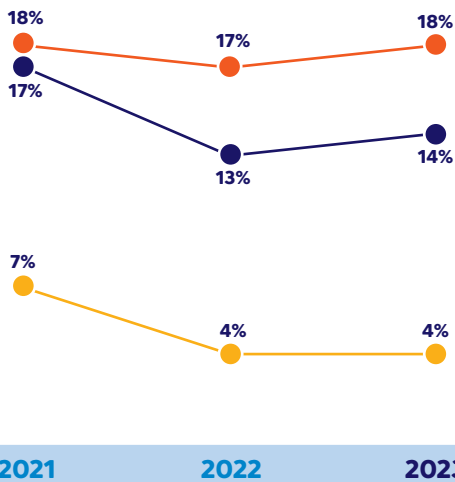
### Total Liabilities and Debt to Equity Ratio



● Total Liabilities (Baht million) —●— Debt to Equity (Times)

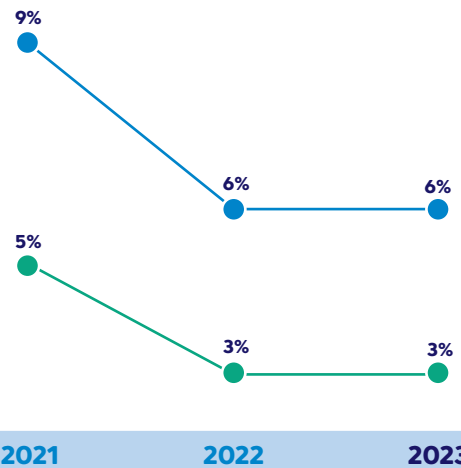
\*Attributable to owners of the Company

### Profitability Margin



—●— Gross Profit Margin (%)  
 —●— EBITDA Margin (%)  
 —●— Net Profit Margin (%)

### Return on Equity and Return on Total Assets



—●— Return on Equity (%)  
 —●— Return on Total Assets (%)

## Summary of Financial Information (compared to the past 3 years)

### SCG Packaging Public Company Limited and its Subsidiaries Consolidated statement of financial position

As at 31 December 2023, 2022 and 2021

Unit : Baht million

Assets	2023	%	2022	%	2021	%
<b>Current assets</b>						
Cash and cash equivalents	9,889	5.0	9,966	5.1	7,310	3.5
Short-term investments	7,292	3.7	2,378	1.2	12,912	6.2
Trade and other current receivables	22,648	11.4	23,254	11.8	24,910	12.0
Advance payment for assets	683	0.3	813	0.4	571	0.3
Inventories	19,253	9.7	23,281	11.8	23,308	11.3
Other current assets	507	0.3	462	0.2	175	0.1
<b>Total current assets</b>	<b>60,272</b>	<b>30.4</b>	<b>60,154</b>	<b>30.5</b>	<b>69,186</b>	<b>33.4</b>
<b>Non-current assets</b>						
Investments in associates	1,063	0.5	1,034	0.5	873	0.4
Other non-current receivables	1,419	0.7	742	0.4	741	0.4
Investment property	115	0.1	142	0.1	138	0.1
Property, plant and equipment	94,279	47.5	94,585	47.9	97,181	47.0
Goodwill	29,374	14.8	28,233	14.3	29,483	14.3
Other intangible assets	10,051	5.1	10,574	5.4	7,750	3.7
Deferred tax assets	1,036	0.5	852	0.4	921	0.4
Others non-current assets	952	0.4	964	0.5	551	0.3
<b>Total non-current assets</b>	<b>138,289</b>	<b>69.6</b>	<b>137,126</b>	<b>69.5</b>	<b>137,638</b>	<b>66.6</b>
<b>Total assets</b>	<b>198,561</b>	<b>100.0</b>	<b>197,280</b>	<b>100.0</b>	<b>206,824</b>	<b>100.0</b>

**SCG Packaging Public Company Limited and its Subsidiaries**  
**Consolidated statement of financial position**

**As at 31 December 2023, 2022 and 2021**

Unit : Baht million

Liabilities and shareholders' equity	2023	%	2022	%	2021	%
<b>Current liabilities</b>						
Bank overdrafts and short-term borrowings from financial institutions	15,337	7.7	16,155	8.2	30,547	14.8
Trade and other current payables	14,808	7.5	14,282	7.2	15,261	7.4
Current portion of long-term borrowings from financial institutions	6,493	3.3	1,571	0.8	1,865	0.9
Current portion of lease liabilities	668	0.3	587	0.3	477	0.2
Current portion of debentures	5,498	2.8	-	-	-	-
Corporate income tax payable	1,062	0.5	573	0.3	609	0.3
Liabilities related to put options	22,313	11.2	-	-	-	-
Other current liabilities	212	0.1	311	0.2	3,217	1.6
<b>Total current liabilities</b>	<b>66,391</b>	<b>33.4</b>	<b>33,479</b>	<b>17.0</b>	<b>51,976</b>	<b>25.2</b>
<b>Non-current liabilities</b>						
Long-term borrowings from financial institutions	8,034	4.0	14,450	7.3	16,671	8.1
Lease liabilities	3,090	1.6	1,921	1.0	1,718	0.8
Debentures	9,993	5.0	15,485	7.8	5,493	2.7
Deferred tax liabilities	4,886	2.5	5,322	2.7	4,492	2.2
Non-current provisions for employee benefits	3,629	1.9	3,596	1.9	3,878	1.8
Other non-current liabilities	89	-	60	-	296	0.1
<b>Total non-current liabilities</b>	<b>29,721</b>	<b>15.0</b>	<b>40,834</b>	<b>20.7</b>	<b>32,548</b>	<b>15.7</b>
<b>Total liabilities</b>	<b>96,112</b>	<b>48.4</b>	<b>74,313</b>	<b>37.7</b>	<b>84,524</b>	<b>40.9</b>
<b>Shareholders' equity</b>						
Share capital						
Authorized share capital - Ordinary share	4,500		4,500		4,500	
Issued and paid share capital - Ordinary share	4,293	2.2	4,293	2.2	4,293	2.1
Share premium	40,860	20.6	40,860	20.7	40,860	19.8
Other deficits	(1,445)	(0.7)	(1,445)	(0.7)	(1,445)	(0.7)
Retained earnings						
Appropriated - Legal reserve	450	0.2	450	0.2	450	0.2
- General reserve	3	-	3	-	3	-
Unappropriated	57,993	29.2	55,270	28.0	52,106	25.1
Other equity interest	(23,204)	(11.7)	-	-	-	-
Other components of shareholders' equity	(1,628)	(0.9)	(2,230)	(1.1)	570	0.3
<b>Total equity attributable to owners of the Company</b>	<b>77,322</b>	<b>38.9</b>	<b>97,201</b>	<b>49.3</b>	<b>96,837</b>	<b>46.8</b>
Non-controlling interests	25,127	12.7	25,766	13.0	25,463	12.3
<b>Total shareholders' equity</b>	<b>102,449</b>	<b>51.6</b>	<b>122,967</b>	<b>62.3</b>	<b>122,300</b>	<b>59.1</b>
<b>Total liabilities and shareholders' equity</b>	<b>198,561</b>	<b>100.0</b>	<b>197,280</b>	<b>100.0</b>	<b>206,824</b>	<b>100.0</b>

**SCG Packaging Public Company Limited and its Subsidiaries**  
**Consolidated income statement**

**For the years ended 31 December 2023, 2022 and 2021**

Unit : Baht million

	2023	%	2022	%	2021	%
Revenue from sales	129,398	100.0	146,068	100.0	124,223	100.0
Cost of sales	(106,274)	(82.1)	(121,791)	(83.4)	(101,345)	(81.6)
<b>Gross profit</b>	<b>23,124</b>	<b>17.9</b>	<b>24,277</b>	<b>16.6</b>	<b>22,878</b>	<b>18.4</b>
Gain on exchange rate	80	-	143	0.1	317	0.3
Other income	1,043	0.8	1,321	0.9	2,215	1.8
<b>Profit before expenses</b>	<b>24,247</b>	<b>18.7</b>	<b>25,741</b>	<b>17.6</b>	<b>25,410</b>	<b>20.5</b>
Distribution costs	(8,701)	(6.7)	(9,351)	(6.4)	(6,820)	(5.5)
Administrative expenses	(6,983)	(5.4)	(6,688)	(4.6)	(5,755)	(4.6)
<b>Total expenses</b>	<b>(15,684)</b>	<b>(12.1)</b>	<b>(16,039)</b>	<b>(11.0)</b>	<b>(12,575)</b>	<b>(10.1)</b>
<b>Profit from operations</b>	<b>8,563</b>	<b>6.6</b>	<b>9,702</b>	<b>6.6</b>	<b>12,835</b>	<b>10.4</b>
Finance costs	(2,020)	(1.5)	(1,468)	(0.9)	(1,180)	(0.9)
Share of profit of associates accounted for using equity method	39	-	55	-	57	-
<b>Profit before income tax</b>	<b>6,582</b>	<b>5.1</b>	<b>8,289</b>	<b>5.7</b>	<b>11,712</b>	<b>9.5</b>
Tax expense	(1,153)	(0.9)	(1,550)	(1.1)	(2,065)	(1.7)
<b>Profit for the year</b>	<b>5,429</b>	<b>4.2</b>	<b>6,739</b>	<b>4.6</b>	<b>9,647</b>	<b>7.8</b>
Profit attributable to						
Owners of the Company	5,248	4.1	5,801	4.0	8,294	6.7
Non-controlling interests	181	0.1	938	0.6	1,353	1.1
	<b>5,429</b>	<b>4.2</b>	<b>6,739</b>	<b>4.6</b>	<b>9,647</b>	<b>7.8</b>
Basic earnings per share (in Baht) Attributable to owners of the Company	1.22		1.35		1.93	



**SCG Packaging Public Company Limited and its Subsidiaries**  
**Consolidated statement of comprehensive income**

**For the years ended 31 December 2023, 2022 and 2021**

Unit : Baht million

	2023	2022	2021
<b>Profit for the year</b>	<b>5,429</b>	<b>6,739</b>	<b>9,647</b>
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translating financial statement	358	(3,380)	5,005
Items that will not be reclassified subsequently to profit or loss			
Gain on investments in equity instruments measured at fair value	-	5	2
Gain on remeasurements of defined benefit plans	90	273	137
Share of other comprehensive income of associates accounted for using equity method	(1)	3	8
Income tax relating to items that will not be reclassified subsequently to profit or loss	(20)	(63)	(26)
<b>Total items that will not be reclassified subsequently to profit or loss</b>	<b>69</b>	<b>218</b>	<b>121</b>
<b>Other comprehensive income for the year, net of tax</b>	<b>427</b>	<b>(3,162)</b>	<b>5,126</b>
<b>Total comprehensive income for the year</b>	<b>5,856</b>	<b>3,577</b>	<b>14,773</b>
Total comprehensive income attributable to			
Owners of the Company	5,901	3,153	12,100
Non-controlling interests	(45)	424	2,673
	<b>5,856</b>	<b>3,577</b>	<b>14,773</b>

**SCG Packaging Public Company Limited and its Subsidiaries**  
**Consolidated statement of cash flows**

**For the years ended 31 December 2023, 2022 and 2021**

Unit : Baht million

	2023	2022	2021
<b>Cash flows from operating activities</b>			
Profit for the year	5,429	6,739	9,647
<b>Adjustments for</b>			
Tax expense	1,153	1,550	2,065
Depreciation and amortization	9,206	9,700	8,315
Expected credit loss (reversal)	6	12	(59)
Loss on inventories devaluation (reversal)	(94)	170	90
Non-current provisions for employee benefit expense	376	217	370
Gain on foreign currency exchange	(52)	(120)	(209)
Share of profit of associates accounted for using equity method	(39)	(55)	(57)
Interest income	(377)	(197)	(197)
Finance costs	2,020	1,468	1,180
Loss on impairment of assets (reversal)	21	(8)	132
Gain on fair value adjustment and others	(132)	(153)	(1,405)
<b>Cash flows generated from operations before changes in operating assets and liabilities</b>	<b>17,517</b>	<b>19,323</b>	<b>19,872</b>
<b>Decrease (increase) in operating assets</b>			
Trade and other receivables	881	3,235	(4,903)
Inventories	4,309	(406)	(6,882)
Other assets	(184)	(148)	(209)
<b>Net decrease (increase) in operating assets</b>	<b>5,006</b>	<b>2,681</b>	<b>(11,994)</b>

**SCG Packaging Public Company Limited and its Subsidiaries**  
**Consolidated statement of cash flows**

**For the years ended 31 December 2023, 2022 and 2021**

Unit : Baht million

	2023	2022	2021
<b>Increase (decrease) in operating liabilities</b>			
Trade and other payables	603	(2,631)	2,224
Non-current provisions for employee benefits	(263)	(252)	(185)
Other liabilities	1	(125)	(169)
<b>Net increase (decrease) in operating liabilities</b>	<b>341</b>	<b>(3,008)</b>	<b>1,870</b>
<b>Net cash flows generated from operations</b>	<b>22,864</b>	<b>18,996</b>	<b>9,748</b>
Income tax paid	(1,382)	(1,762)	(2,247)
<b>Net cash flows provided by operating activities</b>	<b>21,482</b>	<b>17,234</b>	<b>7,501</b>
<b>Cash flows from investing activities</b>			
Acquisition of subsidiaries, net of cash acquired	(1,303)	(7,026)	(13,779)
Acquisition of interests in associates	-	(44)	-
Proceeds from sale of short-term investments	764	12,475	1,407
Acquisition of short-term investments	(5,585)	(1,711)	(12,445)
Proceeds from sale of property, plant and equipment	66	167	21
Acquisition of property, plant and equipment	(7,124)	(6,862)	(6,191)
Acquisition of other intangible assets	(259)	(324)	(224)
Proceeds from short-term loans to related parties	-	-	7
Dividends received	9	11	14
Interest received	372	195	194
<b>Net cash flows used in investing activities</b>	<b>(13,060)</b>	<b>(3,119)</b>	<b>(30,996)</b>

**SCG Packaging Public Company Limited and its Subsidiaries**  
**Consolidated statement of cash flows**

**For the years ended 31 December 2023, 2022 and 2021**

Unit : Baht million

	2023	2022	2021
<b>Cash flows from financing activities</b>			
Proceeds from changes in ownership interests in subsidiaries that do not result in a loss of control	11	650	-
Payments of changes in ownership interests in subsidiaries that do not result in a loss of control	-	-	(1,410)
<b>Proceeds from (payments of) borrowings</b>			
Proceeds from (payments of) bank overdrafts and short-term borrowings - net	(799)	(14,047)	12,454
Proceeds from long-term borrowings	135	-	5,000
Payments of long-term borrowings	(1,615)	(2,580)	(17,335)
Payments of lease liabilities	(745)	(626)	(549)
Proceeds from issuance of debentures	-	10,000	5,500
<b>Net increase (decrease) in borrowings</b>	<b>(3,024)</b>	<b>(7,253)</b>	<b>5,070</b>
<b>Dividends paid</b>			
Dividends paid to owners of the Company	(2,575)	(2,790)	(3,004)
Dividends paid to non-controlling interests	(711)	(822)	(518)
<b>Total dividends paid</b>	<b>(3,286)</b>	<b>(3,612)</b>	<b>(3,522)</b>
Interest and other finance costs paid	(2,067)	(1,387)	(1,180)
<b>Net cash flows used in financing activities</b>	<b>(8,366)</b>	<b>(11,602)</b>	<b>(1,042)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>56</b>	<b>2,513</b>	<b>(24,537)</b>
Effect of exchange rate changes on cash and cash equivalents	(133)	143	591
Cash and cash equivalents at beginning of the year	9,966	7,310	31,256
<b>Cash and cash equivalents at end of the year</b>	<b>9,889</b>	<b>9,966</b>	<b>7,310</b>
<b>Supplementary information for cash flows</b>			
<b>Non-cash from investing and financing transactions at end of the year</b>			
Account payables from purchase of assets	459	609	517
Accrued investments	509	491	3,665
Liabilities related to put options	22,313	-	-

## Financial Ratios of SCG Packaging Public Company Limited and its Subsidiaries

		Consolidated Financial Statements		
		2023	2022	2021
<b>Liquidity Ratio</b>				
Current Ratio	(Times)	0.91	1.80	1.33
Quick Ratio	(Times)	0.56	0.98	0.82
Cash Flow Liquidity	(Times)	0.43	0.40	0.16
Account Receivable Turnover	(Times)	6.34	6.76	6.69
Collection Period	(Days)	58	54	55
Inventory Turnover	(Times)	15.91	18.85	22.03
Inventory Turnover Period	(Days)	23	19	17
Account Payable Turnover	(Times)	9.61	10.83	10.48
Payment Period	(Days)	38	34	35
Cash Cycle	(Days)	43	39	37
<b>Profitability Ratio</b>				
Gross Profit Margin	(%)	17.87	16.62	18.42
EBITDA Margin	(%)	13.73	13.28	17.03
Net Profit Margin	(%)	4.06	3.97	6.68
Return on Equity	(%)	6.01	5.98	8.94
<b>Efficiency Ratio</b>				
Return on Total Assets	(%)	2.74	3.34	5.09
Return on Fixed Assets	(%)	14.59	16.28	19.05
Assets Turnover	(Times)	0.66	0.73	0.67
<b>Financial Policy Ratio</b>				
Debt to Equity	(Times)	0.94	0.60	0.69
Interest-bearing Debt to Equity	(Times)	0.48	0.41	0.46
Interest Coverage Ratio	(Times)	8.80	13.22	17.92
Debt Service Coverage Ratio	(Times)	0.79	1.06	0.64
Interest-bearing Debt to EBITDA	(Times)	2.76	2.59	2.68
Net Debt to EBITDA	(Times)	1.80	1.95	1.73
Dividend Payout Ratio	(%)	44.99	44.40	33.64



**Remarks :**

- (1) Current ratio is calculated by dividing current assets by current liabilities.
- (2) Quick ratio is calculated by dividing cash and cash equivalents, short-term investment and trade accounts receivable by current liabilities.
- (3) Cash flow liquidity ratio is calculated by dividing operating cash flow by average current liabilities.
- (4) Account receivable turnover is calculated by dividing revenue from sales by average trade accounts receivable before allowance for expected credit loss.
- (5) Collection period is calculated by dividing 365 by the account receivable turnover.
- (6) Inventory turnover is calculated by dividing the cost of goods sold by the average finished goods.
- (7) Inventory period is calculated by dividing 365 by the inventory turnover.
- (8) Account payable turnover is calculated by dividing the cost of goods sold by the average trade accounts payable.
- (9) Payment period is calculated by dividing 365 by the account payable turnover.
- (10) Cash cycle is calculated by adding collection period and inventory period minus payment period.
- (11) Gross profit margin is calculated by dividing gross profit by revenue from sales.
- (12) EBITDA margin is calculated by dividing EBITDA by revenue from sales.
- (13) Net profit margin is calculated by dividing profit for the year attributable to owners of the Company by revenue from sales.
- (14) Return on equity is calculated by dividing profit for the year attributable to owners of the Company by the average total equity attributable to owners of the Company.
- (15) Return on total assets is calculated by dividing profit for the year by average total assets.
- (16) Return on fixed assets is calculated by dividing profit for the year and depreciation by average fixed assets.
- (17) Assets turnover is calculated by dividing revenue by average total assets.
- (18) Debt to equity is calculated by dividing total liabilities by total equity.
- (19) Interest-bearing debt to equity is calculated by dividing total interest-bearing debt by total equity.
- (20) Interest coverage ratio is calculated by dividing EBITDA by finance costs.
- (21) Debt service coverage ratio is calculated by dividing EBITDA by the combined total of short-term interest-bearing debt and current portion of long-term interest-bearing debt.
- (22) Interest-bearing debt to EBITDA is calculated by dividing total interest-bearing debt by EBITDA.
- (23) Net debt to EBITDA is calculated by subtracting interest-bearing debt from cash and cash under management and dividing this amount by EBITDA.
- (24) Dividend payout ratio is calculated by dividing dividend payment by profit for the year attributable to owners of the Company.