

**SCG Packaging Public Company Limited
and its Subsidiaries**

Interim consolidated financial statements
and
Interim financial statements
for the three-month and six-month periods ended
30 June 2022
and
Independent auditor's report
on review of interim financial information

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To the Board of Directors of SCG Packaging Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of SCG Packaging Public Company Limited and its subsidiaries as at 30 June 2022; the consolidated income statement and statements of comprehensive income for the three-month and six-month periods ended 30 June 2022, the consolidated statements of changes in shareholders' equity and cash flows for the six -month period ended 30 June 2022; and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

(Pornthip Rimdusit)
Certified Public Accountant
Registration No. 5565

KPMG Phoomchai Audit Ltd.
Bangkok
9 August 2022

SCG Packaging Public Company Limited and its Subsidiaries

Consolidated statement of financial position

As at 30 June 2022

Assets	<i>Note</i>	30 June 2022 (Unaudited)	31 December 2021
<i>(in thousand Baht)</i>			
<i>Current assets</i>			
Cash and cash equivalents		9,897,842	7,310,312
Investments in short-term debt instruments	8	1,096,706	12,911,559
Trade and other current receivables	4, 5	27,466,492	24,910,096
Advance payment for assets		628,718	571,197
Inventories		24,732,871	23,307,925
Other current assets		328,990	175,141
Total current assets		64,151,619	69,186,230
<i>Non-current assets</i>			
Investments in associates		900,074	873,034
Other non-current receivables	4	693,784	740,976
Investment property		135,465	138,230
Property, plant and equipment		97,111,197	97,181,239
Goodwill	3	28,201,733	29,482,758
Other intangible assets	3	9,559,202	7,750,002
Deferred tax assets		927,658	920,301
Others non-current assets		885,529	550,971
Total non-current assets		138,414,642	137,637,511
Total assets		202,566,261	206,823,741

The accompanying notes are an integral part of these interim financial statements.

SCG Packaging Public Company Limited and its Subsidiaries

Consolidated statement of financial position

As at 30 June 2022

Liabilities and shareholders' equity	Note	30 June 2022 (Unaudited)	31 December 2021
<i>(in thousand Baht)</i>			
Current liabilities			
Bank overdrafts and short-term borrowings			
from financial institutions	8	22,467,158	30,547,449
Trade and other current payables	4	19,765,291	15,261,285
Current portion of long-term borrowings			
from financial institutions		1,637,191	1,864,933
Current portion of lease liabilities	4	486,270	476,647
Corporate income tax payable		720,893	609,559
Other current liabilities		323,809	3,216,706
Total current liabilities		45,400,612	51,976,579
Non-current liabilities			
Long-term borrowings from financial institutions		15,612,667	16,670,734
Lease liabilities	4	1,660,451	1,718,428
Debenture		5,494,242	5,493,051
Deferred tax liabilities		5,017,018	4,491,388
Non-current provisions for employee benefits		4,078,620	3,877,591
Other non-current liabilities		158,221	296,026
Total non-current liabilities		32,021,219	32,547,218
Total liabilities		77,421,831	84,523,797

The accompanying notes are an integral part of these interim financial statements.

SCG Packaging Public Company Limited and its Subsidiaries

Consolidated statement of financial position

As at 30 June 2022

Liabilities and shareholders' equity	30 June 2022 (Unaudited)	31 December 2021
	<i>(in thousand Baht)</i>	
Shareholders' equity		
Share capital		
<i>Authorized share capital</i>		
<i>(4,500 million ordinary shares,</i>		
<i>par value at Baht 1 per share)</i>	4,500,000	4,500,000
<i>Issued and paid share capital</i>		
<i>(4,293 million ordinary shares,</i>		
<i>par value at Baht 1 per share)</i>	4,292,920	4,292,920
Share premium	40,860,245	40,860,245
Other deficits	(1,445,045)	(1,445,045)
Retained earnings		
<i>Appropriated</i>		
Legal reserve	450,000	450,000
General reserve	3,000	3,000
<i>Unappropriated</i>	53,923,422	52,106,464
Other components of shareholders' equity	660,976	569,616
Total equity attributable to owners of the Company	98,745,518	96,837,200
Non-controlling interests	26,398,912	25,462,744
Total shareholders' equity	125,144,430	122,299,944
Total liabilities and shareholders' equity	202,566,261	206,823,741

The accompanying notes are an integral part of these interim financial statements.

SCG Packaging Public Company Limited and its Subsidiaries

Consolidated income statement

For the three-month period ended 30 June 2022 (Unaudited)

	Note	2022	2021
		<i>(in thousand Baht)</i>	
Revenue from sales	4	37,982,020	29,894,805
Cost of sales	4	(31,302,686)	(23,747,824)
Gross profit		6,679,334	6,146,981
Gain on exchange rate		329,137	165,095
Other income	4	261,651	242,119
Profit before expenses		7,270,122	6,554,195
Distribution costs	4	(2,196,815)	(1,516,369)
Administrative expenses	4	(2,005,207)	(1,405,494)
Total expenses		(4,202,022)	(2,921,863)
Profit from operations		3,068,100	3,632,332
Finance costs		(310,763)	(306,945)
Share of profit of associates			
accounted for using equity method		19,854	7,079
Profit before income tax		2,777,191	3,332,466
Tax expense		(541,288)	(619,504)
Profit for the period		2,235,903	2,712,962
Profit attributable to			
Owners of the Company		1,855,932	2,263,261
Non-controlling interests		379,971	449,701
		2,235,903	2,712,962
Basic earnings per share (in Baht)			
Attributable to owners of the Company		0.43	0.53

The accompanying notes are an integral part of these interim financial statements.

SCG Packaging Public Company Limited and its Subsidiaries**Consolidated statement of comprehensive income****For the three-month period ended 30 June 2022 (Unaudited)**

	2022	2021
	<i>(in thousand Baht)</i>	
Profit for the period	2,235,903	2,712,962
Other comprehensive income		
<i>Items that will be reclassified subsequently to profit or loss</i>		
Exchange differences on translating financial statements	1,217,491	1,240,323
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Gain (loss) on investments in equity instruments measured at fair value	44	(130)
Gain on remeasurements of defined benefit plans	26,079	15,891
Share of other comprehensive income of associates accounted for using equity method	2,239	7,151
Income tax relating to items that will not be reclassified subsequently to profit or loss	(4,799)	(4,030)
Total items that will not be reclassified subsequently to profit or loss	23,563	18,882
Other comprehensive income for the period, net of tax	1,241,054	1,259,205
Total comprehensive income for the period	3,476,957	3,972,167
Total comprehensive income attributable to		
Owners of the Company	2,598,201	3,302,525
Non-controlling interests	878,756	669,642
	3,476,957	3,972,167

The accompanying notes are an integral part of these interim financial statements.

SCG Packaging Public Company Limited and its Subsidiaries

Consolidated income statement

For the six-month period ended 30 June 2022 (Unaudited)

	Note	2022	2021
		<i>(in thousand Baht)</i>	
Revenue from sales	4	74,616,251	57,148,150
Cost of sales	4	(61,648,461)	(44,952,536)
Gross profit		12,967,790	12,195,614
Gain on exchange rate		321,388	63,530
Other income	4	557,373	632,283
Profit before expenses		13,846,551	12,891,427
Distribution costs	4	(4,486,021)	(2,922,915)
Administrative expenses	4	(3,705,808)	(2,968,539)
Total expenses		(8,191,829)	(5,891,454)
Profit from operations		5,654,722	6,999,973
Finance costs		(596,677)	(567,692)
Share of profit of associates			
accounted for using equity method		27,651	29,855
Profit before income tax		5,085,696	6,462,136
Tax expense		(857,640)	(1,178,127)
Profit for the period		4,228,056	5,284,009
Profit attributable to			
Owners of the Company		3,513,890	4,397,992
Non-controlling interests		714,166	886,017
		4,228,056	5,284,009
Basic earnings per share (in Baht)			
Attributable to owners of the Company		0.82	1.02

The accompanying notes are an integral part of these interim financial statements.

SCG Packaging Public Company Limited and its Subsidiaries

Consolidated statement of comprehensive income

For the six-month period ended 30 June 2022 (Unaudited)

	2022	2021
	<i>(in thousand Baht)</i>	
Profit for the period	4,228,056	5,284,009
Other comprehensive income		
<i>Items that will be reclassified subsequently to profit or loss</i>		
Exchange differences on translating financial statements	417,045	2,546,145
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Gain on investments in equity instruments		
measured at fair value	179	1,618
Gain (loss) on remeasurements of defined benefit plans	38,010	(12,564)
Share of other comprehensive income of associates		
accounted for using equity method	2,239	7,151
Income tax relating to items that will not be		
reclassified subsequently to profit or loss	(11,177)	4,955
Total items that will not be reclassified		
 subsequently to profit or loss	29,251	1,160
Other comprehensive income for the period, net of tax	446,296	2,547,305
Total comprehensive income for the period	4,674,352	7,831,314
Total comprehensive income attributable to		
Owners of the Company	3,625,344	6,341,958
Non-controlling interests	1,049,008	1,489,356
	4,674,352	7,831,314

The accompanying notes are an integral part of these interim financial statements.

SCG Packaging Public Company Limited and its Subsidiaries

Consolidated statement of changes in shareholders' equity

For the six-month period ended 30 June 2022 (Unaudited)

	Note	Retained earnings					Other components of shareholders' equity						
		Issued and paid share capital	Share premium	Other deficits	Legal reserve	General reserve	Unappropriated	Exchange differences on translating financial statement	Loss on investments in equity instruments measured at fair value	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Non-controlling interests	Total shareholders' equity
							(in thousand Baht)						
Balance at 1 January 2021		4,292,920	40,860,245	(448,444)	337,700	3,000	46,836,323	(3,136,214)	(7,713)	(3,143,927)	88,737,817	21,102,965	109,840,782
Transactions with owners, recorded directly in shareholders' equity													
Contributions by and distributions to owners													
Dividends	7	-	-	-	-	-	(1,931,216)	-	-	-	(1,931,216)	(356,135)	(2,287,351)
Total contributions by and distributions to owners		-	-	-	-	-	(1,931,216)	-	-	-	(1,931,216)	(356,135)	(2,287,351)
Changes in ownership interests in subsidiaries													
Changes that result in an acquisition or a loss of control		-	-	-	-	-	-	-	-	-	-	7,985	7,985
Total changes in ownership interests in subsidiaries		-	-	-	-	-	-	-	-	-	-	7,985	7,985
Total transactions with owners, recorded directly in shareholders' equity		-	-	-	-	-	(1,931,216)	-	-	-	(1,931,216)	(348,150)	(2,279,366)
Comprehensive income for the period													
Profit or loss		-	-	-	-	-	4,397,992	-	-	-	4,397,992	886,017	5,284,009
Other comprehensive income		-	-	-	-	-	(1,721)	1,944,477	1,210	1,945,687	1,943,966	603,339	2,547,305
Total comprehensive income for the period		-	-	-	-	-	4,396,271	1,944,477	1,210	1,945,687	6,341,958	1,489,356	7,831,314
Balance at 30 June 2021		4,292,920	40,860,245	(448,444)	337,700	3,000	49,301,378	(1,191,737)	(6,503)	(1,198,240)	93,148,559	22,244,171	115,392,730

The accompanying notes are an integral part of these interim financial statements.

SCG Packaging Public Company Limited and its Subsidiaries

Consolidated statement of changes in shareholders' equity

For the six-month period ended 30 June 2022 (Unaudited)

	Note	Retained earnings					Other components of shareholders' equity							
		Issued and paid share capital	Share premium	Other deficits	Legal reserve	General reserve	Appropriated	Unappropriated	Exchange differences on translating financial statement	Loss on	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Non- controlling interests	Total shareholders equity
										investments in				
										equity measured at fair value				
(in thousand Baht)														
Balance at 1 January 2022		4,292,920	40,860,245	(1,445,045)	450,000	3,000	52,106,464	576,089	(6,473)	569,616	96,837,200	25,462,744	122,299,944	
Transactions with owners, recorded directly in shareholders' equity														
Contributions by and distributions to owners														
Dividends	7	-	-	-	-	-	(1,717,026)	-	-	-	(1,717,026)	(750,042)	(2,467,068)	
Total contributions by and distributions to owners		-	-	-	-	-	(1,717,026)	-	-	-	(1,717,026)	(750,042)	(2,467,068)	
Changes in ownership interests in subsidiaries														
Changes that do not result in an acquisition or a loss of control		-	-	-	-	-	-	-	-	-	-	588,000	588,000	
Changes that result in an acquisition or a loss of control		-	-	-	-	-	-	-	-	-	-	49,202	49,202	
Total changes in ownership interests in subsidiaries		-	-	-	-	-	-	-	-	-	-	637,202	637,202	
Total transactions with owners, recorded directly in shareholders' equity		-	-	-	-	-	(1,717,026)	-	-	-	(1,717,026)	(112,840)	(1,829,866)	
Comprehensive income for the period														
Profit or loss		-	-	-	-	-	3,513,890	-	-	-	3,513,890	714,166	4,228,056	
Other comprehensive income		-	-	-	-	-	20,094	91,226	134	91,360	111,454	334,842	446,296	
Total comprehensive income for the period		-	-	-	-	-	3,533,984	91,226	134	91,360	3,625,344	1,049,008	4,674,352	
Balance at 30 June 2022		4,292,920	40,860,245	(1,445,045)	450,000	3,000	53,923,422	667,315	(6,339)	660,976	98,745,518	26,398,912	125,144,430	

The accompanying notes are an integral part of these interim financial statements.

SCG Packaging Public Company Limited and its Subsidiaries

Consolidated statement of cash flows

For the six-month period ended 30 June 2022 (Unaudited)

	2022	2021
	<i>(in thousand Baht)</i>	
<i>Cash flows from operating activities</i>		
Profit for the period	4,228,056	5,284,009
<i>Adjustments for</i>		
Tax expense	857,640	1,178,127
Depreciation and amortization	4,710,655	3,831,503
Reversal expected credit loss	(4,141)	(9,234)
Loss on inventories devaluation (reversal)	(28,757)	9,652
Non-current provisions for employee benefit expense	196,875	177,224
Loss (gain) on foreign currency exchange	(254,975)	129,851
Share of profit of associates accounted for using equity method	(27,651)	(29,855)
Interest income	(77,050)	(104,812)
Finance costs	596,677	567,692
Loss on impairment of assets	3,328	125,259
Loss (gain) on fair value adjustments and others	99,237	(212,255)
Cash flows generated from operations		
before changes in operating assets and liabilities	10,299,894	10,947,161
<i>Decrease (increase) in operating assets</i>		
Trade and other receivables	(2,248,806)	(4,231,076)
Inventories	(1,227,887)	(4,537,202)
Other assets	(143,511)	(379,274)
Net increase in operating assets	(3,620,204)	(9,147,552)

The accompanying notes are an integral part of these interim financial statements.

SCG Packaging Public Company Limited and its Subsidiaries

Consolidated statement of cash flows

For the six-month period ended 30 June 2022 (Unaudited)

	2022	2021
	<i>(in thousand Baht)</i>	
<i>Increase (decrease) in operating liabilities</i>		
Trade and other payables	677,445	2,731,182
Non-current provisions for employee benefits	(79,672)	(41,128)
Other liabilities	2,247	(121,982)
Net increase in operating liabilities	600,020	2,568,072
Net cash flows generated from operations	7,279,710	4,367,681
Income tax paid	(929,111)	(1,015,967)
Net cash flows provided by operating activities	6,350,599	3,351,714
<i>Cash flows from investing activities</i>		
Acquisitions of subsidiary, net of cash acquired	-	(2,961,888)
Proceeds from sale of debt instruments of other entities	12,132,001	560,489
Acquisitions of debt instruments of other entities	(384,005)	(13,949,123)
Proceeds from sale of property, plant and equipment	21,965	8,933
Acquisitions of property, plant and equipment	(2,968,616)	(2,832,500)
Acquisitions of other intangible assets	(122,041)	(63,426)
Dividends received	2,850	5,700
Interest received	78,128	101,622
Net cash flows provided by (used in) investing activities	8,760,282	(19,130,193)

The accompanying notes are an integral part of these interim financial statements.

SCG Packaging Public Company Limited and its Subsidiaries

Consolidated statement of cash flows

For the six-month period ended 30 June 2022 (Unaudited)

	2022	2021
	<i>(in thousand Baht)</i>	
<i>Cash flows from financing activities</i>		
Proceeds from changes in ownership interests		
in subsidiaries that do not result in a loss of control	588,000	-
<i>Proceeds from (payments of) borrowings</i>		
Proceeds from (payments of) bank overdrafts		
and short-term borrowings from financial institutions	(8,434,275)	9,001,785
Payments of long-term borrowings from financial institutions	(1,505,449)	(12,811,360)
Payments of lease liabilities	(283,547)	(313,015)
Proceeds from issuance of debentures	-	5,500,000
Net increase (decrease) in borrowings	(10,223,271)	1,377,410
Dividends paid		
Dividends paid to owners of the Company	(1,717,026)	(1,931,216)
Dividends paid to non-controlling interests	(750,042)	(356,135)
Total dividends paid	(2,467,068)	(2,287,351)
Interest and other finance costs paid	(612,395)	(556,532)
Net cash flows used in financing activities	(12,714,734)	(1,466,473)
Net increase (decrease) in cash and cash equivalents	2,396,147	(17,244,952)
Effect of exchange rate changes on cash and cash equivalents	191,383	397,172
Cash and cash equivalents at beginning of the period	7,310,312	31,255,702
Cash and cash equivalents at end of the period	9,897,842	14,407,922
<i>Supplementary information for cash flows</i>		
Non-cash transactions at end of the period		
Account payables from purchase of assets	656,852	459,836
Accrued investments	4,392,035	2,762,266

The accompanying notes are an integral part of these interim financial statements.

SCG Packaging Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2022 (Unaudited)

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SCG Packaging Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2022 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim consolidated financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai and English languages, and were approved and authorized for issue by the audit committee, as appointed by the Board of Directors of the Company, on 9 August 2022.

1 General information

SCG Packaging Public Company Limited, the “Company”, is incorporated in Thailand. The Company’s registered office is at 1 Siam Cement Road, Bangsue, Bangkok 10800, Thailand.

The parent company is The Siam Cement Public Company Limited. It was incorporated in Thailand.

The Company and its subsidiaries, the “Group”, are a comprehensive packaging solutions providers comprising of two main operating businesses (1) Integrated Packaging Business; and (2) Fibrous Business.

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim consolidated financial statements are presented in the same format as the annual consolidated financial statements and together with notes to the interim financial statements on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 “*Interim Financial Reporting*”, guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The interim consolidated financial statements focus on new activities, events and circumstances to avoid repetition of information previously reported in annual consolidated financial statements. Accordingly, these interim consolidated financial statements should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2021.

In preparing these interim consolidated financial statements, judgements and estimates are made by management in applying the Group’s accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those described in the financial statements for the year ended 31 December 2021 unless otherwise stated.

The Group has adopted the amendments in accordance with TFRS No. 9 “*Financial Instruments*” and TFRS No. 7 “*Disclosure of Financial Instruments*”, which apply to transactions directly affected by interest rate benchmark reform (IBOR). The Group is currently in the process of preparing to amend contractual terms in order to response to IBOR reform.

(b) Functional and presentation currency

The interim consolidated financial statements are prepared and presented in Thai Baht, which is the Company’s functional currency. All financial information presented in Thai Baht has been rounded in the notes to the interim financial statements to the nearest thousand unless otherwise stated.

SCG Packaging Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2022 (Unaudited)

3 Acquisition of business

Deltalab, S.L and its Subsidiaries, Spain

On 9 December 2021, International Healthcare Packaging Company Limited, which is a wholly owned subsidiary of the Company, acquired 85% stake in Deltalab, S.L. (“Deltalab”), a specialized manufacturer and distributor of high-quality medical supplies and labware registered in Spain with total consideration of EUR 86.4 million or equivalent to Baht 3,307 million. The Group has engaged an independent appraiser to determine the fair values of assets acquired and liabilities assumed. As at 31 December 2021, the determination of the fair values has not been completed. Therefore, the Group has recorded at provisional amounts in the consolidated statement of financial position.

In the first quarter of 2022, the determination of the fair values has been completed. The Group recorded the fair value of the assets acquired and liabilities assumed accordingly, mainly from an increase of other intangible assets of Baht 2,105 million, and recognized a decrease in goodwill of Baht 1,770 million. This adjustment is in accordance with the accounting adjustment condition for business acquisition.

Duy Tan Plastics Manufacturing Corporation Joint Stock Company and its subsidiaries, Vietnam

On 23 July 2021, SCGP Rigid Packaging Solutions Pte. Ltd., which is a wholly owned subsidiary of the Company, acquired 70% stake in Duy Tan Plastics Manufacturing Corporation Joint Stock Company (“Duy Tan”), Vietnam’s leading producers of rigid plastic packaging products. By at the end of 2021, the total consideration of approximately VND 5,576 billion or equivalent to Baht 7,982 million. The first payment of VND 3,630 billion or equivalent to Baht 5,195 million have been paid.

In the second quarter of 2022, the Group has reached a final agreement with the former shareholder of Duy Tan to pay the remaining amount of VND 2,340 billion or equivalent to Baht 3,547 million. This resulted in an increase in the remaining of the provision of contingent consideration by VND 394 billion or equivalent to Baht 582 million, which consists of the recognition an increase of goodwill of Baht 195 million and loss from estimate adjustment of Baht 387 million which presented in administrative expenses in the consolidated income statement. In July 2022, the Group has already paid the remaining amount to the former shareholder.

The Group has continuously reviewed fair values of the business acquired during the measurement period. If there are any new additional information obtained within one year from the acquisition date and acknowledged facts that reflect on circumstances existing at the acquisition date, then the acquisition accounting will be adjusted.

SCG Packaging Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2022 (Unaudited)

4 Related parties

Significant transactions with related parties for the three-month and six-month periods ended 30 June are summarized as follows:

	Three-month periods		Six-month periods	
	2022	2021	2022	2021
	(in thousand Baht)			
<i>Parent</i>				
Revenue from sales	2,177	2,642	2,379	5,593
Service fee	208,520	219,302	420,022	441,892
<i>Associates</i>				
Revenue from sales	174,342	111,625	271,133	210,065
Dividends income	-	-	2,850	5,700
Purchases	80,154	73,123	160,229	138,102
<i>Other related parties</i>				
Revenue from sales	2,418,872	1,454,888	4,584,449	2,624,259
Purchases	3,107,986	2,060,929	5,466,812	3,696,577
Service fee	825,780	732,433	1,574,637	1,406,063

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Balances as at 30 June 2022 and 31 December 2021 with related parties were as follows:

	30 June 2022	31 December 2021
	<i>(in thousand Baht)</i>	
<i>Trade receivables</i>		
Parent	1,393	159
Associates	73,053	56,613
Other related parties	1,453,578	1,126,461
Total	1,528,024	1,183,233
<i>Other current receivables</i>		
Parent	62,095	58,441
Associates	73,409	41,177
Other related parties	4,961	27,068
Total	140,465	126,686
<i>Other non-current receivables</i>		
Parent	139,287	163,693
Associates	117,706	120,118
Total	256,993	283,811
<i>Trade payables</i>		
Associates	32,215	29,511
Other related parties	1,642,388	1,346,290
Total	1,674,603	1,375,801
<i>Other current payables</i>		
Parent	99,962	85,467
Associates	3,506	8,549
Other related parties	129,812	39,487
Total	233,280	133,503
<i>Lease liabilities</i>		
<i>Current and non-current portion</i>		
Parent	101,176	120,409
Associates	104,516	106,831
Other related parties	237,714	240,667
Total	443,406	467,907

The Board of Directors and key management compensation

	Three-month periods		Six-month periods	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>For the periods ended 30 June</i>				
Short-term employee benefits	43,572	34,262	73,249	62,532
Post-employment benefits	2,337	2,247	4,664	4,495
Total	45,909	36,509	77,913	67,027

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5 Trade receivables

	<i>Note</i>	30 June 2022	31 December 2021
		<i>(in thousand Baht)</i>	
Trade receivables			
Related parties	4	1,528,024	1,183,233
Other companies		23,335,044	21,391,797
Less allowance for expected credit loss		(156,851)	(161,886)
Net		23,178,193	21,229,911
Total		24,706,217	22,413,144
Trade receivables			
Related parties			
Within credit terms		1,383,982	1,155,089
Overdue:			
Less than 1 month		120,476	19,794
1 - 3 months		22,429	1,578
Over 3 - 12 months		1,137	6,772
Total		1,528,024	1,183,233
Other companies			
Within credit terms		20,343,959	18,694,131
Overdue:			
Less than 1 month		2,115,644	1,872,669
1 - 3 months		630,821	573,732
Over 3 - 12 months		78,875	87,562
Over 12 months		165,745	163,703
		23,335,044	21,391,797
Less allowance for expected credit loss		(156,851)	(161,886)
Net		23,178,193	21,229,911
Total		24,706,217	22,413,144

The normal credit term granted by the Group is 30 - 90 days.

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6 Business segment information

Segment information is presented in respect of the Group's business segments. The primary format, business segments, is based on the Group's management and internal reporting structure.

Segment assets, revenues and results of operations include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Business segments

The Group comprises the following main business segments:

<i>Integrated Packaging Business</i>	Comprise of Packaging Paper, Performance and Polymer Packaging (PPP), both flexible packaging and rigid packaging in the industries of consumer, food and beverage, and medical supplies and labware, and Fiber-Based Packaging, such as corrugated containers, retail display packaging, recycled paper bags for consumer products, and industrial bags
<i>Fibrous Business</i>	Comprise of foodservice products, printing and writing paper, and pulp products
<i>Other</i>	Holding company

The business segment information is used by management to evaluate the performance of segments and to allocate resources. The Group evaluates operating performance based on EBITDA.

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Information relating to business segments for six-month periods ended 30 June was as follows:

	Integrated Packaging		Fibrous Business		Others		Intersegment		Consolidated SCGP	
	Business						Elimination			
	30 Jun	31 Dec	30 Jun	31 Dec	30 Jun	31 Dec	30 Jun	31 Dec	30 Jun	31 Dec
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	<i>(in thousand Baht)</i>									
Information from										
statement of financial position										
Current assets	55,680,634	47,856,212	8,637,471	9,312,989	46,360,950	56,478,895	(46,527,436)	(44,461,866)	64,151,619	69,186,230
Investments in associates	-	-	414,205	415,278	485,869	457,756	-	-	900,074	873,034
Investments in equity instrument	813,659	813,757	-	-	42,049,172	40,577,172	(42,855,130)	(41,383,130)	7,701	7,799
Property, plant and equipment	79,285,833	79,031,095	18,021,028	18,363,871	347,730	344,752	(543,394)	(558,479)	97,111,197	97,181,239
Others non-current assets	33,935,402	32,903,865	5,962,821	6,308,368	760,930	626,436	(263,483)	(263,230)	40,395,670	39,575,439
Total assets	169,715,528	160,604,929	33,035,525	34,400,506	90,004,651	98,485,011	(90,189,443)	(86,666,705)	202,566,261	206,823,741
Short-term borrowings	62,709,093	57,925,539	901,596	1,939,983	6,388,032	16,551,186	(45,408,102)	(43,527,679)	24,590,619	32,889,029
Other current liabilities	18,627,299	17,326,102	2,861,409	2,449,183	414,487	249,204	(1,093,202)	(936,939)	20,809,993	19,087,550
Long-term borrowings	6,638,012	7,733,271	1,368,306	1,398,288	15,598,844	15,594,539	(837,802)	(843,885)	22,767,360	23,882,213
Other non-current liabilities	7,685,359	7,053,880	1,013,772	1,074,915	554,728	536,210	-	-	9,253,859	8,665,005
Total liabilities	95,659,763	90,038,792	6,145,083	6,862,369	22,956,091	32,931,139	(47,339,106)	(45,308,503)	77,421,831	84,523,797
Shareholders' equity	74,055,765	70,566,137	26,890,442	27,538,137	67,048,560	65,553,872	(42,850,337)	(41,358,202)	125,144,430	122,299,944
Total liabilities and shareholders' equity	169,715,528	160,604,929	33,035,525	34,400,506	90,004,651	98,485,011	(90,189,443)	(86,666,705)	202,566,261	206,823,741

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	Integrated Packaging				Intersegment					
	Business		Fibrous Business		Others		Elimination		Consolidated SCGP	
	1 Jan - 30 Jun		1 Jan - 30 Jun		1 Jan - 30 Jun		1 Jan - 30 Jun		1 Jan - 30 Jun	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	(in thousand Baht)									
Information from income statement										
Revenue from sales										
External customers	62,745,417	48,018,336	11,870,834	9,129,814	-	-	-	-	74,616,251	57,148,150
Intersegment	139,066	137,842	1,353,314	950,372	-	-	(1,492,380)	(1,088,214)	-	-
Total revenue from sales	62,884,483	48,156,178	13,224,148	10,080,186	-	-	(1,492,380)	(1,088,214)	74,616,251	57,148,150
Cost of sales	(51,993,540)	(38,032,572)	(11,239,186)	(8,190,236)	-	-	1,584,265	1,270,272	(61,648,461)	(44,952,536)
Gross profit	10,890,943	10,123,606	1,984,962	1,889,950	-	-	91,885	182,058	12,967,790	12,195,614
Other income	502,557	359,385	204,229	175,567	4,869,660	5,214,659	(4,697,685)	(5,053,798)	878,761	695,813
Profit before expenses	11,393,500	10,482,991	2,189,191	2,065,517	4,869,660	5,214,659	(4,605,800)	(4,871,740)	13,846,551	12,891,427
Operating expenses	(6,889,726)	(4,463,747)	(1,341,970)	(1,305,263)	(1,298,174)	(1,061,745)	1,338,041	939,301	(8,191,829)	(5,891,454)
Profit before finance cost										
and income tax	4,503,774	6,019,244	847,221	760,254	3,571,486	4,152,914	(3,267,759)	(3,932,439)	5,654,722	6,999,973
Finance cost	(711,773)	(660,957)	(81,889)	(43,372)	(202,245)	(284,443)	399,230	421,080	(596,677)	(567,692)
Profit before income tax	3,792,001	5,358,287	765,332	716,882	3,369,241	3,868,471	(2,868,529)	(3,511,359)	5,058,045	6,432,281
Tax benefit (expense)	(719,658)	(971,242)	(195,670)	(157,483)	54,493	(48,175)	3,195	(1,227)	(857,640)	(1,178,127)
Profit after income tax	3,072,343	4,387,045	569,662	559,399	3,423,734	3,820,296	(2,865,334)	(3,512,586)	4,200,405	5,254,154
Share of profit of associates										
accounted for using equity method	-	-	1,777	24,381	25,874	5,474	-	-	27,651	29,855
Profit for the period	3,072,343	4,387,045	571,439	583,780	3,449,608	3,825,770	(2,865,334)	(3,512,586)	4,228,056	5,284,009

Revenue from sales of integrated packaging chain's proportion in 84% of the total revenue from sales includes packaging paper 47%, fiber-based packaging 25%, and performance and polymer packaging 12%.

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	Integrated Packaging				Intersegment				Consolidated SCGP	
	Business		Fibrous Business		Others		Elimination			
	1 Jan - 30 Jun		1 Jan - 30 Jun		1 Jan - 30 Jun		1 Jan - 30 Jun		1 Jan - 30 Jun	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	<i>(in thousand Baht)</i>									
Profit (loss) attributable to:										
Owners of the Company	2,679,479	3,810,740	569,824	587,271	3,449,608	3,825,770	(3,185,021)	(3,825,789)	3,513,890	4,397,992
Non-controlling interests	392,864	576,305	1,615	(3,491)	-	-	319,687	313,203	714,166	886,017
	3,072,343	4,387,045	571,439	583,780	3,449,608	3,825,770	(2,865,334)	(3,512,586)	4,228,056	5,284,009
Interest income	67,867	78,866	3,008	1,484	386,883	428,494	(380,708)	(404,032)	77,050	104,812
Depreciation and amortization	3,644,236	2,804,534	1,036,455	1,005,365	46,450	38,273	(16,486)	(16,669)	4,710,655	3,831,503
Other non-monetary items:										
- Loss on inventories devaluation										
(reversal)	(4,596)	48,543	(24,161)	(38,891)	-	-	-	-	(28,757)	9,652
- Loss on impairment of assets	3,328	24,310	-	100,949	-	-	-	-	3,328	125,259

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7 Dividends

The dividends paid by the Company to shareholders were as follows:

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in million Baht)
2022				
Annual dividend 2021	29 March 2022	25 April 2022	0.40	1,717
Total			0.40	1,717
2021				
Annual dividend 2020	30 March 2021	22 April 2021	0.45	1,931
Interim dividend 2021	27 July 2021	25 August 2021	0.25	1,073
Total			0.70	3,004

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8 Financial instruments

Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities measured at amortized cost if the carrying amount is a reasonable approximation of fair value.

	Carrying amount			Fair value				
	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total	Level 1	Level 2	Level 3	Total
<i>(in thousand Baht)</i>								
Balance at 30 June 2022								
Financial assets								
Cash and cash equivalents	-	-	9,897,842	9,897,842				
Investments in short-term debt instruments								
- Deposit at financial institutions	-	-	1,096,706	1,096,706				
Trade receivables	-	-	24,706,217	24,706,217				
Derivatives assets	201,002	-	-	201,002	-	201,002	-	201,002
Investments in debt instruments								
- Deposit at financial institutions	-	-	20,599	20,599				
- Investments in convertible loan and debenture	152,959	-	-	152,959	-	-	152,959	152,959
Investments in equity instruments	2,770	7,701	-	10,471	2,770	-	7,701	10,471
Total financial assets	356,731	7,701	35,721,364	36,085,796				
Financial liabilities								
Bank overdrafts and short-term borrowings	-	-	22,467,158	22,467,158				
Trade payables	-	-	11,659,370	11,659,370				
Derivatives liabilities	62,231	-	-	62,231	-	62,231	-	62,231
Contingent considerations	3,687,388	-	-	3,687,388		-	3,687,388	3,687,388
Long-term borrowings	-	-	17,249,858	17,249,858				
Lease liabilities	-	-	2,146,721	2,146,721				
Debenture	-	-	5,494,242	5,494,242	-	5,506,056	-	5,506,056
Total financial liabilities	3,749,619	-	59,017,349	62,766,968				

In the first quarter of 2022, the Company got the proceed from selling back its investment in a mutual fund with an asset management company in the amounting to Baht 12,122 million and primarily used for repayment of short-term loans from financial institutions.

In the second quarter of 2022, the collateral of the secured long-term borrowings from the business acquisition in Vietnam in 2021 has been settled and released all collaterals.

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	Carrying amount			Fair value				
	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total	Level 1	Level 2	Level 3	Total
<i>(in thousand Baht)</i>								
Balance at 31 December 2021								
Financial assets								
Cash and cash equivalents	-	-	7,310,312	7,310,312				
Investments in short-term debt instruments								
- Deposit at financial institutions	-	-	805,239	805,239				
- Fund	12,106,320	-	-	12,106,320	-	12,106,320	-	12,106,320
Trade receivables	-	-	22,413,144	22,413,144				
Derivatives assets	52,532	-	-	52,532	-	52,532	-	52,532
Investments in debt instruments								
- Deposit at financial institutions	-	-	19,886	19,886				
- Investments in convertible loan and debenture	38,358	-	-	38,358	-	-	38,358	38,358
Investments in equity instruments	-	7,799	-	7,799	-	-	7,799	7,799
Total financial assets	12,197,210	7,799	30,548,581	42,753,590				
Financial liabilities								
Bank overdrafts and short-term borrowings	-	-	30,547,449	30,547,449				
Trade payables	-	-	11,645,038	11,645,038				
Derivatives liabilities	137,291	-	-	137,291	-	137,291	-	137,291
Contingent considerations	2,965,986	-	-	2,965,986	-	-	2,965,986	2,965,986
Long-term borrowings	-	-	18,535,667	18,535,667				
Lease liabilities	-	-	2,195,075	2,195,075				
Debenture	-	-	5,493,051	5,493,051	-	5,538,286	-	5,538,286
Total financial liabilities	3,103,277	-	68,416,280	71,519,557				

Financial instruments measured at fair value

The Group determined Level 2 fair values for financial assets and financial liabilities using valuation techniques as follows:

- Investment in debt instruments which are simple over-the-counter securities were based on broker quotes. Those quotes are tested for reasonableness by discounting expected future cash flows using market interest rate for a similar financial instrument at the measurement date. Fair values reflect the credit risk of the financial instrument and include adjustments to take account of the credit risk of the Group and counterparty when appropriate.
- Derivatives assets and liabilities such as forward exchange contracts were calculated using the rates initially quoted by the Group's bankers which were based on market conditions existing at the end of the reporting period to reflect current fair values of the contracts. The fair value of interest rate swap is calculated from the difference between the present value of future cash flows based on the yield curve of the contractual interest rate and the expected interest rate based on observable market for similar financial instruments.

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The Group determined Level 3 fair values for financial assets and financial liabilities using valuation techniques as follows:

- Investments in equity instruments and investments in convertible loan which are not actively traded in market were calculated using valuation techniques such as the latest reporting net assets adjusted by relevant factors. This was because the equity instruments and convertible loan were not listed on any stock exchanges and there were no recent observable arm's length transactions in the instruments.
- Contingent consideration using the discounted cash flow technique: significant unobservable inputs such as expected cash flows and risk-adjusted discount rate.

Financial instruments measured at amortized cost

The Group determined Level 2 fair value for debentures based on quoted selling price from the Thai Bond Market Association at the closing price on the reporting date.

9 Commitments and contingent liabilities

As at 30 June 2022, the Group had:

- (a) The purchase of land, construction and installation of machinery and equipment of Baht 2,910 million (*31 December 2021: Baht 2,766 million*).
- (b) The purchase of inventories, raw materials and others of Baht 4,677 million (*31 December 2021: Baht 3,963 million*).
- (c) Contingent liability for letter of guarantees issued by local banks for the Group to government organizations and private sectors of Baht 61 million (*31 December 2021: Baht 68 million*).
- (d) Contingent liability for borrowings guarantees issued by a local bank for the Group to associate which limit is not exceed Baht 99 million (*31 December 2021: Baht 132 million*).
- (e) A subsidiary has entered into agreements with foreign company for the delivery and loading of Woodchips to Vessel. The subsidiary is committed to sell and deliver the Woodchips in volume equivalent to approximately 48,000 BDMT per year. The agreement period is for 12 years with the expiration date in December 2034.
- (f) A subsidiary has entered into agreements with local company for provide Biofuel to delivery point. The subsidiary is committed to sell and deliver the Biofuel in volume equivalent to approximately 73,000 tons per year. The agreement period is for 25 years with the expiration date in August 2037.

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10 Events after the reporting period

- (a) On 15 July 2022, SCGP Solutions (Singapore) Pte. Ltd., which is a wholly owned subsidiary of the Group, signed a share purchase agreement to acquire a 100% stake in Peute Recycling B.V. (“Peute”), an international packaging materials recycling company covering both recovered paper and plastic, based in the Netherlands. The agreement has total consideration of Euro 78.19 million or equivalent to approximately Baht 2,875 million. The Group will consolidate assets, liabilities and operating results of Peute in the consolidated financial statements from July 2022 onwards.
- (b) At the Board of Directors’ Meeting of the Company held on 26 July 2022, the directors approved to pay the 2022 interim dividend at the rate of Baht 0.25 per share to the shareholders entitled to receive dividends totaling approximately Baht 1,073 million and is scheduled for payment on 24 August 2022.
- (c) On 1 August 2022, the Company issued digital debenture No. 1/2022 amounting to Baht 5,000 million. Term of the debenture is 2 years and 10 months with fixed interest rate at 2.80% per annum. The proceeds from the debenture amounting to Baht 2,000 million is used for repayment of the short-term loans from financial institution in accordance with the purpose of the issuance and offering of debenture.