

**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 2024
and
Independent auditor's report
on review of interim financial information

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Independent auditor’s report on review of interim financial information

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 2024; the consolidated income statement, statements of comprehensive income for the three-month and six-month periods ended 30 June 2024, the consolidated statements of changes in shareholders’ equity and cash flows for the six-month period ended 30 June 2024; 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
6 August 2024

SCG Packaging Public Company Limited and its Subsidiaries

Consolidated statement of financial position

As at 30 June 2024

Assets	<i>Note</i>	30 June 2024 (Unaudited)	31 December 2023
<i>(in thousand Baht)</i>			
<i>Current assets</i>			
Cash and cash equivalents	8	20,787,246	9,888,587
Short-term investments	8	3,315,862	7,292,251
Trade and other current receivables	4, 5	26,257,135	23,331,192
Inventories		20,903,469	19,252,593
Other current assets		439,103	507,310
Total current assets		71,702,815	60,271,933
<i>Non-current assets</i>			
Investments in associates		1,127,253	1,062,730
Other non-current receivables		549,610	1,419,273
Property, plant and equipment		95,853,621	94,279,195
Goodwill		30,011,605	29,374,395
Other intangible assets		10,155,826	10,050,962
Deferred tax assets		1,224,664	1,036,057
Other non-current assets		1,128,344	1,066,129
Total non-current assets		140,050,923	138,288,741
Total assets		211,753,738	198,560,674

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 2024

Liabilities and shareholders' equity	<i>Note</i>	30 June 2024 (Unaudited)	31 December 2023
<i>(in thousand Baht)</i>			
<i>Current liabilities</i>			
Bank overdrafts and short-term borrowings			
from financial institutions		15,448,278	15,336,715
Trade and other current payables	4	17,350,286	14,808,198
Current portion of long-term borrowings			
from financial institutions		6,536,687	6,493,668
Current portion of lease liabilities	4	706,124	668,094
Current portion of debentures		10,496,751	5,497,816
Corporate income tax payable		1,247,004	1,061,615
Liabilities related to put options		24,138,448	22,313,049
Other current liabilities		395,130	211,238
Total current liabilities		76,318,708	66,390,393
<i>Non-current liabilities</i>			
Long-term borrowings from financial institutions	8	9,999,222	8,034,201
Lease liabilities	4	3,111,658	3,089,492
Debentures	8	9,990,285	9,992,878
Deferred tax liabilities		4,700,924	4,886,139
Non-current provisions for employee benefits		3,755,005	3,629,130
Other non-current liabilities		164,195	89,096
Total non-current liabilities		31,721,289	29,720,936
Total liabilities		108,039,997	96,111,329

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 2024

Liabilities and shareholders' equity	30 June 2024 (Unaudited)	31 December 2023
	<i>(in thousand Baht)</i>	
Shareholders' equity		
Share capital		
<i>Authorized share capital</i>		
<i>(4,500 million ordinary shares, par value</i>		
<i>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, par value</i>		
<i>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>	59,883,999	57,992,632
Other equity interest	(23,316,719)	(23,203,660)
Other components of shareholders' equity	(1,641,768)	(1,627,846)
Total equity attributable to owners of the Company	79,086,632	77,322,246
Non-controlling interests	24,627,109	25,127,099
Total shareholders' equity	103,713,741	102,449,345
Total liabilities and shareholders' equity	211,753,738	198,560,674

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 2024 (Unaudited)

	<i>Note</i>	2024	2023
		<i>(in thousand Baht)</i>	
Revenue from sales	4	34,234,595	32,215,983
Cost of sales	4	(28,114,025)	(26,350,259)
Gross profit		6,120,570	5,865,724
Gain on exchange rate		-	114,771
Other income		348,954	160,923
Profit before expenses		6,469,524	6,141,418
Distribution costs	4	(2,269,127)	(2,088,885)
Administrative expenses	4	(1,850,822)	(1,665,005)
Loss on exchange rate		(45,761)	-
Total expenses		(4,165,710)	(3,753,890)
Profit from operations		2,303,814	2,387,528
Finance costs		(610,677)	(510,480)
Share of profit of associates			
accounted for using equity method		38,477	6,239
Profit before income tax		1,731,614	1,883,287
Tax expense		(354,262)	(304,634)
Profit for the period		1,377,352	1,578,653
Profit attributable to			
Owners of the Company		1,453,667	1,484,777
Non-controlling interests		(76,315)	93,876
		1,377,352	1,578,653
Basic earnings per share (in Baht)			
Attributable to owners of the Company		0.34	0.35

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 2024 (Unaudited)

	2024	2023
	<i>(in thousand Baht)</i>	
Profit for the period	1,377,352	1,578,653
Other comprehensive income		
<i>Items that will be reclassified subsequently to profit or loss</i>		
Exchange differences on translating financial statements	(1,402,545)	3,109,639
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Gain (loss) on investments in equity instruments		
measured at fair value	665	(33)
Gain on remeasurements of defined benefit plans	-	2,227
Share of other comprehensive income of associates		
accounted for using equity method	-	(1,215)
Income tax relating to items that will not be reclassified		
subsequently to profit or loss	-	(490)
Total items that will not be reclassified	665	489
Other comprehensive income for the period, net of tax	(1,401,880)	3,110,128
Total comprehensive income for the period	(24,528)	4,688,781
Total comprehensive income attributable to		
Owners of the Company	370,120	3,923,039
Non-controlling interests	(394,648)	765,742
	(24,528)	4,688,781

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 2024 (Unaudited)

	Note	2024	2023
		<i>(in thousand Baht)</i>	
Revenue from sales	4	68,182,280	65,944,614
Cost of sales	4	(55,260,081)	(54,130,422)
Gross profit		12,922,199	11,814,192
Gain on exchange rate		7,787	268,002
Other income		611,613	393,170
Profit before expenses		13,541,599	12,475,364
Distribution costs	4	(4,627,185)	(4,436,285)
Administrative expenses	4	(3,787,188)	(3,537,369)
Total expenses		(8,414,373)	(7,973,654)
Profit from operations		5,127,226	4,501,710
Finance costs		(1,133,912)	(1,007,295)
Share of profit (loss) of associates accounted for using equity method		65,102	(10,966)
Profit before income tax		4,058,416	3,483,449
Tax expense		(837,086)	(600,426)
Profit for the period		3,221,330	2,883,023
Profit attributable to			
Owners of the Company		3,178,318	2,705,270
Non-controlling interests		43,012	177,753
		3,221,330	2,883,023
Basic earnings per share (in Baht)			
Attributable to owners of the Company		0.74	0.63

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 2024 (Unaudited)

	2024	2023
	<i>(in thousand Baht)</i>	
Profit for the period	3,221,330	2,883,023
Other comprehensive income		
<i>Items that will be reclassified subsequently to profit or loss</i>		
Exchange differences on translating financial statements	351,856	3,949,282
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Gain (loss) on investments in equity instruments		
measured at fair value	908	(50)
Gain on remeasurements of defined benefit plans	1,362	5,699
Share of other comprehensive income of associates		
accounted for using equity method	-	(1,215)
Income tax relating to items that will not be reclassified		
subsequently to profit or loss	(340)	(1,293)
Total items that will not be reclassified	1,930	3,141
Other comprehensive income for the period, net of tax	353,786	3,952,423
Total comprehensive income for the period	3,575,116	6,835,446
Total comprehensive income attributable to		
Owners of the Company	3,165,159	5,800,725
Non-controlling interests	409,957	1,034,721
	<u>3,575,116</u>	<u>6,835,446</u>

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 2024 (Unaudited)

	Note	Retained earnings					Other components of shareholders' equity							
		Issued and paid share capital	Share premium	Other deficits	Legal reserve	General reserve	Appropriated	Unappropriated	Other equity interest	Exchange differences on translating financial statement	Loss on investments in equity measured at fair value	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Non-controlling interests
Balance at 1 January 2023		4,292,920	40,860,245	(1,445,045)	450,000	3,000	55,268,983	-	(2,226,934)	(2,926)	(2,229,860)	97,200,243	25,766,497	122,966,740
Transactions with owners, recorded directly in shareholders' equity														
<i>Contributions by and distributions to owners</i>														
Dividends	7	-	-	-	-	-	(1,502,389)	-	-	-	-	(1,502,389)	(710,893)	(2,213,282)
<i>Total contributions by and distributions to owners</i>		-	-	-	-	-	(1,502,389)	-	-	-	-	(1,502,389)	(710,893)	(2,213,282)
<i>Changes in ownership interests in subsidiaries</i>														
Changes that do not result in an acquisition or a loss of control		-	-	-	-	-	-	-	-	-	-	-	1,253	1,253
<i>Total changes in ownership interests in subsidiaries</i>		-	-	-	-	-	-	-	-	-	-	-	1,253	1,253
Total transactions with owners, recorded directly in shareholders' equity		-	-	-	-	-	(1,502,389)	-	-	-	-	(1,502,389)	(709,640)	(2,212,029)
Put options		-	-	-	-	-	-	(23,203,660)	-	-	-	(23,203,660)	-	(23,203,660)
Comprehensive income for the period														
Profit or loss		-	-	-	-	-	2,705,270	-	-	-	-	2,705,270	177,753	2,883,023
Other comprehensive income		-	-	-	-	-	1,410	-	3,094,108	(63)	3,094,045	3,095,455	856,968	3,952,423
Total comprehensive income for the period		-	-	-	-	-	2,706,680	-	3,094,108	(63)	3,094,045	5,800,725	1,034,721	6,835,446
Balance at 30 June 2023		4,292,920	40,860,245	(1,445,045)	450,000	3,000	56,473,274	(23,203,660)	867,174	(2,989)	864,185	78,294,919	26,091,578	104,386,497

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 2024 (Unaudited)

	Note	Retained earnings					Other components of shareholders' equity						Total equity attributable to owners of the Company	Non-controlling interests	Total shareholders' equity
		Issued and paid share capital	Share premium	Other deficits	Legal reserve	General reserve	Appropriated	Unappropriated	Other equity interest	Exchange differences on translating financial statement	Gain (loss) on investments in equity instruments measured at fair value	Total other components of shareholders' equity			
Balance at 1 January 2024		4,292,920	40,860,245	(1,445,045)	450,000	3,000	57,992,632	(23,203,660)	(1,624,696)	(3,150)	(1,627,846)	77,322,246	25,127,099	102,449,345	
Transactions with owners, recorded directly in shareholders' equity															
<i>Contributions by and distributions to owners</i>															
Dividends	7	-	-	-	-	-	(1,287,714)	-	-	-	-	(1,287,714)	(967,955)	(2,255,669)	
<i>Total contributions by and distributions to owners</i>		-	-	-	-	-	(1,287,714)	-	-	-	-	(1,287,714)	(967,955)	(2,255,669)	
<i>Changes in ownership interests in subsidiaries</i>															
Changes that result in an acquisition or a loss of control		-	-	-	-	-	-	-	-	-	-	-	58,008	58,008	
<i>Total changes in ownership interests in subsidiaries</i>		-	-	-	-	-	-	-	-	-	-	-	58,008	58,008	
Total transactions with owners, recorded directly in shareholders' equity		-	-	-	-	-	(1,287,714)	-	-	-	-	(1,287,714)	(909,947)	(2,197,661)	
Put options		-	-	-	-	-	-	(113,059)	-	-	-	(113,059)	-	(113,059)	
Total comprehensive income for the period															
Profit or loss		-	-	-	-	-	3,178,318	-	-	-	-	3,178,318	43,012	3,221,330	
Other comprehensive income		-	-	-	-	-	763	-	(14,601)	679	(13,922)	(13,159)	366,945	353,786	
Total comprehensive income for the period		-	-	-	-	-	3,179,081	-	(14,601)	679	(13,922)	3,165,159	409,957	3,575,116	
Balance at 30 June 2024		4,292,920	40,860,245	(1,445,045)	450,000	3,000	59,883,999	(23,316,719)	(1,639,297)	(2,471)	(1,641,768)	79,086,632	24,627,109	103,713,741	

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 2024 (Unaudited)

	2024	2023
	<i>(in thousand Baht)</i>	
<i>Cash flows from operating activities</i>		
Profit for the period	3,221,330	2,883,023
<i>Adjustments for</i>		
Tax expense	837,086	600,426
Depreciation and amortization	4,658,421	4,649,609
Reversal of loss on expected credit loss	(1,147)	(8,294)
Reversal of loss on inventories devaluation	(62,327)	(117,910)
Non-current provisions for employee benefit expense	191,463	183,071
Loss (gain) on foreign currency exchange	116,154	(703,262)
Share of loss (profit) of associates accounted for using equity method	(65,102)	10,966
Interest income	(307,995)	(174,290)
Finance costs	1,133,912	1,007,295
Loss on fair value adjustments and others	104,493	50,543
Cash flows generated from operations before changes in operating assets and liabilities	9,826,288	8,381,177
<i>Decrease (increase) in operating assets</i>		
Trade and other receivables	(2,742,300)	(60,625)
Inventories	(1,325,664)	2,238,829
Other assets	(54,992)	(43,324)
Net decrease (increase) in operating assets	(4,122,956)	2,134,880

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 2024 (Unaudited)

	<i>Note</i>	2024	2023
		<i>(in thousand Baht)</i>	
<i>Increase (decrease) in operating liabilities</i>			
Trade and other payables		1,958,879	120,858
Non-current provisions for employee benefits		(84,795)	(54,804)
Other liabilities		25,335	(38,296)
Net increase in operating liabilities		1,899,419	27,758
Net cash flows generated from operations		7,602,751	10,543,815
Income tax paid		(1,095,779)	(624,082)
Net cash flows provided by operating activities		6,506,972	9,919,733
<i>Cash flows from investing activities</i>			
Acquisition of subsidiaries, net of cash acquired	3	(185,786)	-
Proceeds from sale of short-term investments		5,512,674	42,981
Acquisition of short-term investments		(1,356,930)	(5,778,053)
Proceeds from sale of property, plant and equipment		19,001	25,543
Acquisition of property, plant and equipment		(2,826,244)	(3,079,040)
Acquisition of other intangible assets		(82,317)	(127,239)
Dividends received		950	3,339
Interest received		183,782	170,740
Net cash flows provided by (used in) investing activities		1,265,130	(8,741,729)

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 2024 (Unaudited)

	2024	2023
	<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	-	1,253
<i>Proceeds from (payments of) borrowings</i>		
Payments of bank overdrafts and short-term borrowings - net	(363,160)	(1,995,584)
Proceeds from long-term borrowings	2,500,268	-
Payments of long-term borrowings	(790,829)	(820,001)
Payments of lease liabilities	(384,266)	(357,498)
Proceeds from issuance of debentures	5,000,000	-
Net increase (decrease) in borrowings	5,962,013	(3,173,083)
<i>Dividends paid</i>		
Dividends paid to owners of the Company	(1,287,714)	(1,502,389)
Dividends paid to non-controlling interests	(641,267)	(710,893)
Total dividends paid	(1,928,981)	(2,213,282)
Interest and other finance costs paid	(1,121,256)	(1,018,335)
Net cash flows provided by (used in) financing activities	2,911,776	(6,403,447)
Net increase (decrease) in cash and cash equivalents	10,683,878	(5,225,443)
Effect of exchange rate changes on cash and cash equivalents	214,781	590,788
Cash and cash equivalents at beginning of the period	9,888,587	9,965,933
Cash and cash equivalents at end of the period	20,787,246	5,331,278
<i>Supplementary information for cash flows</i>		
Non-cash from investing and financing transactions		
at end of the period		
Account payables from purchase of assets	302,517	377,907
Accrued investments	529,509	491,168
Dividend payables	325,963	-
Liabilities related to put options	24,138,448	23,203,660

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 2024 (Unaudited)

Note	Contents
1	General information
2	Basis of preparation of the interim financial statements
3	Acquisition of business
4	Related parties
5	Trade receivables
6	Business segment information
7	Dividends
8	Financial instruments
9	Commitments and contingent liabilities
10	Events after the reporting period

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 2024 (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 6 August 2024.

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 which is incorporated in Thailand.

The Company and its subsidiaries, the “Group”, is a comprehensive packaging solutions provider comprising of three main operating businesses (1) Integrated Packaging Business (2) Fibrous Business and (3) Recycling 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 2023.

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 consolidated financial statements for the year ended 31 December 2023 unless otherwise stated.

(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 2024 (Unaudited)

3 Acquisition of business

On 29 June 2024, SCGP Solutions (Singapore) Pte. Ltd., which is a wholly owned subsidiary of the Group, acquired 90% stake in VEM (Thailand) Co., Ltd. (“VEM-TH”), a manufacturer of high-performance polymer injection molding parts, registered in Thailand. This investment has a total consideration of US Dollars 5.2 million or equivalent to Baht 193 million. The payment was divided by the first payment of US Dollars 2.8 million or equivalent to Baht 103 million and the remaining payment will be considered when the conditions are met within 4 years from the acquisition date; and contingent consideration which is based on the incremental financial performance of 2025 to 2027. At the acquisition date, the net assets acquired were recognized at a fair value of Baht 83 million and goodwill from the business acquisition of Baht 110 million.

The acquisition in VEM-TH is part of the Group’s strategy to expand its healthcare packaging and supplies business. VEM-TH has plastic injection mold production lines that comply with the global standard for medical device quality management system including certified cleanrooms. VEM-TH currently serves clients in the medical, aircraft, electrical parts and automotive industries, with a market coverage including Thailand and overseas. Additionally, this will enhance and add production capabilities of Deltalab, S.L. and Bicappa Lab S.r.L., while fulfilling surging demands in Southeast Asia in the future.

According to the above acquisition, the Group has engaged independent appraisers to determine the fair values of net assets and liabilities acquired. As at 30 June 2024, the determination of the fair values has not been completed. Therefore, they have been recorded at provisional fair value amounts in the consolidated statement of financial position as at 30 June 2024. The fair values of assets acquired and liabilities assumed and goodwill may be adjusted when the fair values are finally determined.

Besides, in the second quarter of 2024, the determination of the fair values of assets acquired and liabilities assumed from acquisition of Law Print & Packaging Management Limited, the United Kingdom, Bicappa Lab S.r.L., Italy and Starprint Vietnam JSC, Vietnam, in the fourth quarter of 2023 has been completed. The Group recorded the fair value of the assets acquired and liabilities assumed accordingly, mainly from an increase in property, plant and equipment of Baht 199 million, an increase in intangible assets of Baht 54 million, and recognized a decrease in goodwill of Baht 139 million. This adjustment is in accordance with the accounting adjustment condition for business acquisition.

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 2024 (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	
	2024	2023	2024	2023
	<i>(in thousand Baht)</i>			
<i>Parent</i>				
Revenue from sales	413	207	989	739
Service fee	224,619	217,690	444,437	428,565
<i>Associates</i>				
Revenue from sales	141,877	115,102	307,975	252,850
Dividends income	-	-	950	3,339
Purchases	109,024	59,056	180,889	126,010
<i>Other related parties</i>				
Revenue from sales	1,834,965	1,766,063	3,586,727	3,419,351
Purchases	1,777,914	1,784,633	3,734,278	3,585,600
Service fee	503,402	667,690	1,059,958	1,293,020

Balances as at 30 June 2024 and 31 December 2023 with related parties were as follows:

	30 June	31 December
	2024	2023
	<i>(in thousand Baht)</i>	
<i>Trade receivables</i>		
Parent	307	206
Associates	84,122	69,599
Other related parties	1,252,239	924,744
Total	<u>1,336,668</u>	<u>994,549</u>
<i>Other current receivables</i>		
Parent	66,503	55,293
Associates	56,382	59,341
Other related parties	14,729	17,089
Total	<u>137,614</u>	<u>131,723</u>
<i>Other non-current receivables</i>		
Parent	42,970	68,100
Associates	102,740	105,312
Total	<u>145,710</u>	<u>173,412</u>

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 2024 (Unaudited)

	30 June 2024	31 December 2023
	<i>(in thousand Baht)</i>	
<i>Trade payables</i>		
Associates	34,418	35,096
Other related parties	1,356,282	1,099,259
Total	<u>1,390,700</u>	<u>1,134,355</u>
<i>Other current payables</i>		
Parent	135,194	93,042
Associates	4,761	1,426
Other related parties	100,826	126,276
Total	<u>240,781</u>	<u>220,744</u>
<i>Dividend payables</i>		
Other related parties	<u>324,428</u>	<u>-</u>
<i>Lease liabilities</i>		
<i>Current and non-current portion</i>		
Parent	29,180	56,787
Associates	101,146	99,506
Other related parties	180,269	197,690
Total	<u>310,595</u>	<u>353,983</u>

The Board of Directors and key management compensation

	Three-month periods		Six-month periods	
	2024	2023	2024	2023
	<i>(in thousand Baht)</i>			
<i>For the periods ended 30 June</i>				
Short-term employee benefits	39,845	36,944	72,640	68,142
Post-employment benefits	2,988	2,435	5,833	4,859
Total	<u>42,833</u>	<u>39,379</u>	<u>78,473</u>	<u>73,001</u>

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 2024 (Unaudited)

5 Trade receivables

	<i>Note</i>	30 June 2024	31 December 2023
		<i>(in thousand Baht)</i>	
Related parties			
Within credit terms		1,283,986	957,319
Overdue:			
Less than 1 month		52,570	36,182
1 - 3 months		112	1,048
Total	4	<u>1,336,668</u>	<u>994,549</u>
Other companies			
Within credit terms		18,666,566	16,863,995
Overdue:			
Less than 1 month		2,315,003	1,545,808
1 - 3 months		535,372	416,875
Over 3 - 12 months		166,707	164,902
Over 12 months		189,126	180,433
		<u>21,872,774</u>	<u>19,172,013</u>
<i>Less allowance for expected credit loss</i>		<i>(182,357)</i>	<i>(184,531)</i>
Net		<u>21,690,417</u>	<u>18,987,482</u>
Total		<u><u>23,027,085</u></u>	<u><u>19,982,031</u></u>

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 2024 (Unaudited)

6 Business segment information

Segment information is presented in respect of the Group's business segments, 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:

Integrated Packaging Business Comprises fiber packaging, packaging paper, and consumer and performance packaging. Fiber packaging comprises corrugated containers and retail display packaging. Packaging paper comprises containerboard, coated duplex board, sack kraft, and plasterboard liner. Consumer and performance packaging comprises flexible packaging products, rigid packaging products, and medical supplies and labware.

Fibrous Business Comprises foodservice products and pulp and paper products

Recycling Business and Corporate Comprises packaging materials recycling and investment

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.

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 2024 (Unaudited)

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

	Integrated Packaging		Fibrous Business		Recycling Business and Corporate		Intersegment Elimination		Consolidated	
	30 Jun	31 Dec	30 Jun	31 Dec	30 Jun	31 Dec	30 Jun	31 Dec	30 Jun	31 Dec
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	<i>(in thousand Baht)</i>									
Information from statement of financial position										
Current assets	44,828,867	42,549,002	11,058,663	10,274,087	51,011,852	43,798,508	(35,196,567)	(36,349,664)	71,702,815	60,271,933
Investments in associates	92,327	97,985	472,611	436,491	562,315	528,254	-	-	1,127,253	1,062,730
Investments in equity instrument	12,524	11,375	-	-	49,415,280	49,415,280	(49,415,280)	(49,415,280)	12,524	11,375
Property, plant and equipment	77,372,380	75,665,077	16,699,033	16,861,486	2,263,409	2,071,325	(481,201)	(318,693)	95,853,621	94,279,195
Others non-current assets	32,967,077	33,398,085	6,338,100	5,992,539	4,026,922	3,816,478	(274,574)	(271,661)	43,057,525	42,935,441
Total assets	155,273,175	151,721,524	34,568,407	33,564,603	107,279,778	99,629,845	(85,367,622)	(86,355,298)	211,753,738	198,560,674
Short-term borrowings	49,832,578	51,477,877	716,796	803,026	16,925,947	11,132,217	(34,287,481)	(35,416,827)	33,187,840	27,996,293
Other current liabilities	38,751,809	34,765,204	3,146,341	2,618,526	2,142,814	1,935,700	(910,096)	(925,330)	43,130,868	38,394,100
Long-term borrowings	5,996,122	4,223,685	1,451,967	1,233,281	16,465,779	16,304,971	(812,703)	(645,366)	23,101,165	21,116,571
Other non-current liabilities	6,561,010	6,605,702	1,121,129	1,096,799	937,985	901,864	-	-	8,620,124	8,604,365
Total liabilities	101,141,519	97,072,468	6,436,233	5,751,632	36,472,525	30,274,752	(36,010,280)	(36,987,523)	108,039,997	96,111,329
Shareholders' equity	54,131,656	54,649,056	28,132,174	27,812,971	70,807,253	69,355,093	(49,357,342)	(49,367,775)	103,713,741	102,449,345
Total liabilities and shareholders' equity	155,273,175	151,721,524	34,568,407	33,564,603	107,279,778	99,629,845	(85,367,622)	(86,355,298)	211,753,738	198,560,674

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 2024 (Unaudited)

	Integrated Packaging Business		Fibrous Business		Recycling Business and Corporate		Intersegment Elimination		Consolidated	
	1 Jan - 30 Jun		1 Jan - 30 Jun		1 Jan - 30 Jun		1 Jan - 30 Jun		1 Jan - 30 Jun	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	<i>(in thousand Baht)</i>									
Information from income statement										
Revenue from sales										
External customers	50,944,077	49,520,362	13,174,776	12,590,794	4,063,427	3,833,458	-	-	68,182,280	65,944,614
Intersegment	190,690	144,408	909,878	1,060,985	454,727	642,927	(1,555,295)	(1,848,320)	-	-
Total revenue from sales	51,134,767	49,664,770	14,084,654	13,651,779	4,518,154	4,476,385	(1,555,295)	(1,848,320)	68,182,280	65,944,614
Cost of sales	(41,949,668)	(41,298,129)	(11,403,368)	(11,592,210)	(3,610,596)	(3,226,102)	1,703,551	1,986,019	(55,260,081)	(54,130,422)
Gross profit	9,185,099	8,366,641	2,681,286	2,059,569	907,558	1,250,283	148,256	137,699	12,922,199	11,814,192
Other income	595,499	554,955	184,071	122,069	4,694,203	4,330,929	(4,854,373)	(4,346,781)	619,400	661,172
Profit before expenses	9,780,598	8,921,596	2,865,357	2,181,638	5,601,761	5,581,212	(4,706,117)	(4,209,082)	13,541,599	12,475,364
Operating expenses	(5,641,096)	(5,133,820)	(1,551,588)	(1,256,035)	(2,646,087)	(2,555,925)	1,424,398	972,126	(8,414,373)	(7,973,654)
Profit from operations	4,139,502	3,787,776	1,313,769	925,603	2,955,674	3,025,287	(3,281,719)	(3,236,956)	5,127,226	4,501,710
Finance cost	(991,992)	(1,006,110)	(126,311)	(119,764)	(507,452)	(414,687)	491,843	533,266	(1,133,912)	(1,007,295)
Share of profit (loss) of associates accounted for using equity method	(5,658)	(2,672)	37,070	(12,214)	33,690	3,920	-	-	65,102	(10,966)
Profit before income tax	3,141,852	2,778,994	1,224,528	793,625	2,481,912	2,614,520	(2,789,876)	(2,703,690)	4,058,416	3,483,449
Tax benefit (expense)	(697,368)	(481,857)	(231,884)	(153,351)	95,215	41,530	(3,049)	(6,748)	(837,086)	(600,426)
Profit for the period	2,444,484	2,297,137	992,644	640,274	2,577,127	2,656,050	(2,792,925)	(2,710,438)	3,221,330	2,883,023

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 2024 (Unaudited)

	Integrated Packaging Business		Fibrous Business		Recycling Business and Corporate		Intersegment Elimination		Consolidated	
	1 Jan - 30 Jun		1 Jan - 30 Jun		1 Jan - 30 Jun		1 Jan - 30 Jun		1 Jan - 30 Jun	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	<i>(in thousand Baht)</i>									
Profit (loss) attributable to:										
Owners of the Company	2,844,083	2,490,487	989,413	640,909	2,578,042	2,655,938	(3,233,220)	(3,082,064)	3,178,318	2,705,270
Non-controlling interests	(399,599)	(193,350)	3,231	(635)	(915)	112	440,295	371,626	43,012	177,753
	<u>2,444,484</u>	<u>2,297,137</u>	<u>992,644</u>	<u>640,274</u>	<u>2,577,127</u>	<u>2,656,050</u>	<u>(2,792,925)</u>	<u>(2,710,438)</u>	<u>3,221,330</u>	<u>2,883,023</u>
Interest income	113,294	155,953	14,105	7,660	655,430	528,874	(474,834)	(518,197)	307,995	174,290
Depreciation and amortization	3,432,922	3,492,949	1,054,453	1,029,898	182,404	141,842	(11,358)	(15,080)	4,658,421	4,649,609
Other non-monetary items:										
- Loss on inventories devaluation (reversal)	(41,983)	(134,894)	(20,344)	16,984	-	-	-	-	(62,327)	(117,910)
- Loss on impairment of assets	-	533	-	-	-	-	-	-	-	533

Revenue from sales of Integrated Packaging Business's proportion is 75% of the total revenue from sales including Packaging Paper 38%, Fiber Packaging 24%, and Consumer and Performance Packaging 13%.

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 2024 (Unaudited)

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)
2024				
Annual dividend 2023	26 March 2024	22 April 2024	0.30	1,288
Total			0.30	1,288
2023				
Annual dividend 2022	28 March 2023	24 April 2023	0.35	1,502
Interim dividend 2023	25 July 2023	22 August 2023	0.25	1,073
Total			0.60	2,575

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 2024 (Unaudited)

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. 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				Total
	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total	Level 1	Level 2	Level 3	
<i>Balance at 30 June 2024</i>								
<i>Financial assets</i>								
Cash and cash equivalents	-	-	20,787,246	20,787,246				
Short-term investments								
- Deposit at financial institutions	-	-	3,313,891	3,313,891				
- Investments in equity instruments	1,971	-	-	1,971	1,971	-	-	1,971
Trade receivables	-	-	23,027,085	23,027,085				
Long-term investments								
- Deposit at financial institutions	-	-	1,053	1,053				
- Investments in equity instruments	-	12,524	-	12,524	-	-	12,524	12,524
Derivatives assets	246,420	-	-	246,420	-	246,420	-	246,420
Total financial assets	248,391	12,524	47,129,275	47,390,190				
<i>Financial liabilities</i>								
Bank overdrafts and short-term borrowings	-	-	15,448,278	15,448,278				
Trade payables	-	-	13,006,431	13,006,431				
Dividend payables	-	-	325,963	325,963				
Liabilities related to put options	-	-	24,138,448	24,138,448				
Long-term borrowings	-	-	16,535,909	16,535,909				
Lease liabilities	-	-	3,817,782	3,817,782				
Debentures	-	-	20,487,036	20,487,036	-	20,472,868	-	20,472,868
Derivatives liabilities	190,908	-	-	190,908	-	190,908	-	190,908
Total financial liabilities	190,908	-	93,759,847	93,950,755				

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 2024 (Unaudited)

	Carrying amount			Fair value				Total
	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total	Level 1	Level 2	Level 3	
<i>Balance at 31 December 2023</i>								
Financial assets								
Cash and cash equivalents	-	-	9,888,587	9,888,587				
Short-term investments								
- Deposit at financial institutions	-	-	2,238,221	2,238,221				
- Funds	5,051,900	-	-	5,051,900	-	5,051,900	-	5,051,900
- Investments in equity instruments	2,130	-	-	2,130	2,130	-	-	2,130
Trade receivables	-	-	19,982,031	19,982,031				
Long-term investments								
- Deposit at financial institutions	-	-	1,022	1,022				
- Investments in equity instruments	-	11,375	-	11,375	-	-	11,375	11,375
Derivatives assets	224,752	-	-	224,752	-	224,752	-	224,752
Total financial assets	5,278,782	11,375	32,109,861	37,400,018				
Financial liabilities								
Bank overdrafts								
and short-term borrowings	-	-	15,336,715	15,336,715				
Trade payables	-	-	11,324,954	11,324,954				
Liabilities related to put options	-	-	22,313,049	22,313,049				
Long-term borrowings	-	-	14,527,869	14,527,869				
Lease liabilities	-	-	3,757,586	3,757,586				
Debentures	-	-	15,490,694	15,490,694	-	15,557,927	-	15,557,927
Derivatives liabilities	24,136	-	-	24,136	-	24,136	-	24,136
Total financial liabilities	24,136	-	82,750,867	82,775,003				

In the first quarter of 2024, the Company received the proceeds amounting to Baht 5,084 million from selling back its investment in a mutual fund with an asset management company.

Additionally, a subsidiary in Indonesia has signed a long-term loan agreement with a financial institution amounting to Rupiah 2,250 billion or equivalent to Baht 5,000 million. Term of the loan is for 7 years with a floating interest rate. As at 30 June 2024, the loan amounting to Rupiah 1,000 billion or equivalent to Baht 2,299 million was drawn down for repayment of short-term loan and working capital for business operations.

On 1 April 2024, the Company issued debenture No. 1/2024 amounting to Baht 5,000 million. Term of the debenture is 3 years and 8 months with fixed interest rate at 3.40% per annum, and due for redemption on 1 December 2027. The objective is for investment and/or working capital for business operations.

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 2024 (Unaudited)

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 mutual fund which is 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.

The Group determined Level 3 fair values for investments in equity which are not actively traded in market were calculated using valuation techniques based on the latest reporting net assets adjusted by relevant factors. This was because the equity instruments were not listed on any stock exchanges and there were no recent observable arm's length transactions in the instruments.

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.

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 2024 (Unaudited)

9 Commitments and contingent liabilities

As at 30 June 2024, the Group had:

- (a) Commitments for lease and purchase of property, plant and equipment of Baht 1,962 million (*31 December 2023: Baht 1,956 million*).
- (b) Commitments for purchase of inventories, raw materials and others of Baht 3,640 million (*31 December 2023: Baht 4,333 million*).
- (c) 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.
- (d) 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.

10 Events after the reporting period

At the Board of Directors' Meeting of the Company held on 23 July 2024, the directors approved the following matters:

- (a) The 2024 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 21 August 2024.
- (b) The purchase of the ordinary shares of a subsidiary, PT Fajar Surya Wisesa Tbk., at the remaining 44.48% from existing shareholders who has exercised the put option. This transaction is expected to be completed in the third quarter of 2024.