



Overview of business operations, economic factors, and industry conditions that affect performance

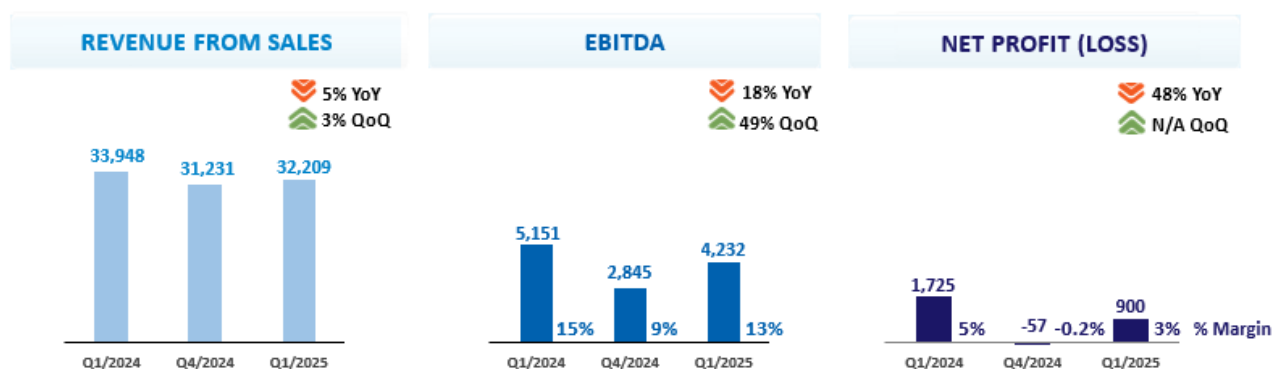
In Q1/2025, ASEAN packaging industry continued growing compared to the previous quarter, primarily driven by increased domestic consumption particularly in food, beverage and fast-moving consumer goods (FMCG) sectors. This positive trajectory was supported by government stimulus policies, pre-holiday inventory preparation in Thailand and Indonesia, tourism recovery, exporting in certain sectors, such as frozen food, canned food, and footwear. Despite these favorable conditions, the packaging industry experienced seasonal constraints due to Lunar New Year in China and Vietnam, subdued demand for non-essential products resulting from declining purchasing power, and uncertainties from the recently announced reciprocal tariff policies by the U.S.

On cost side, Q1/2025 presented favorable conditions with declining recovered paper (RCP) prices, reduced energy costs, and lower freight rates. Throughout these market dynamics, SCGP maintained its operational excellence and strategic adaptability, effectively leveraging opportunities while ensuring the continuity of supply chain networks to meet customer demand.

Performance highlights

SCGP's Q1/2025 performance highlights

Unit: MB



Total revenue from sales was 32,209 MB (-5% YoY and +3% QoQ).

- YoY, revenue decreased due to lower selling prices of integrated packaging business (IPB) and fibrous business (FB), along with reduced packaging paper export sales volume.
- QoQ, revenue increased from improved sales volume of IPB and FB, especially in domestic markets.

EBITDA reported at 4,232 MB (-18% YoY and +49% QoQ) with EBITDA margin of 13%.

Profit for the period was 900 MB, down 48% YoY, and compared with loss of 57 MB in Q4/2024 with net profit margin of 3%.

- YoY, profitability declined, aligned with the revenue and higher RCP costs.
- QoQ, profitability improved due to higher sales volume and lower costs of RCP, energy, and freight.

Table 1 - SCGP's Consolidated Financial Statements

Unit: MB

	Q1			
	2025	2024	%y-o-y	%q-o-q
Operating Results from Consolidated Financial Statements				
Revenue from sales	32,209	33,948	-5%	3%
Integrated packaging business	24,131	25,450	-5%	0%
Fibrous business	6,441	6,569	-2%	18%
Recycling business	1,637	1,929	-15%	0%
Cost of sales	26,411	27,146	-3%	-2%
Gross profit	5,798	6,802	-15%	35%
<i>Gross profit margin (%)</i>	<i>18%</i>	<i>20%</i>		
Distribution cost & administrative expense	4,047	4,295	-6%	8%
EBITDA	4,232	5,151	-18%	49%
<i>EBITDA margin (%)</i>	<i>13%</i>	<i>15%</i>		
Profit for the period	900	1,725	-48%	n/a
<i>Net profit margin (%)</i>	<i>3%</i>	<i>5%</i>		
Earnings per share (Baht)	0.21	0.40		
Core Financials				
Core EBITDA	4,257	5,129	-17%	44%
Core profit	916	1,686	-46%	n/a

Note:

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

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

In Q1/2025 and Q1/2024, dividend from associates were 2 MB and 1 MB, respectively.

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

Table 2 - Non-operating Items Adjustment for Core profit and Core EBITDA

Unit: MB

	Core profit		Core EBITDA	
	Q1		Q1	
	2025	2024	2025	2024
	916	1,686	4,257	5,129
Key Items				
1) FX gain/(loss) from loans, derivatives and investments	13	48	15	33
2) Company restructurings	-	-	-	-
3) Changes to local regulations	-	-	-	-
4) Expenses related to M&Ps transactions	(1)	(2)	(1)	(2)
5) Others	(28)	(7)	(39)	(9)
Total	(16)	39	(25)	22
Profit for the period and EBITDA	900	1,725	4,232	5,151

Key analysis on Core profit and Core EBITDA

In Q1/2025, SCGP's Core EBITDA was at 4,257 MB (-17% YoY and +44% QoQ), and Core profit was 916 MB, compared to 1,686 MB from Q1/2024 and 34 MB from the previous quarter. Key non-operating items for Q1/2025 came mainly from loss on impairment of assets.

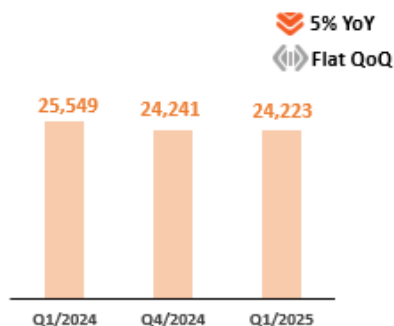


Operating Results by Key Business Segments

Integrated Packaging Business (IPB)

Q1/2025 performance (before inter-segment elimination)

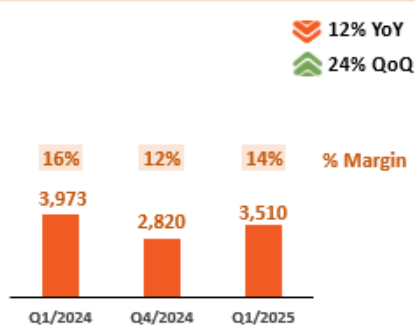
REVENUE FROM SALES (MB)



Revenue from sales recorded at 24,223 MB.

- YoY, revenue decreased by 5% from lower selling price and reduction in packaging paper sales volume.
- QoQ, revenue was flat. Polymer packaging declined due to soft demand in Vietnam during Tet holiday, while food, beverage, personal care, and pet food portfolios in Thailand remained stable. Medical supplies and labware sales volume improved due to resilient demand. Fiber packaging revenue slightly decreased from limited price adjustment and declining sales volume amidst soft demand in durable goods segment, whereas demand for essential goods remained stable, supported by domestic consumption. Furthermore, packaging paper sales volume increased due to domestic and strategic export markets in South Asia with utilization rate improvement, while selling prices remained steady amidst softened regional market prices.

EBITDA (MB)

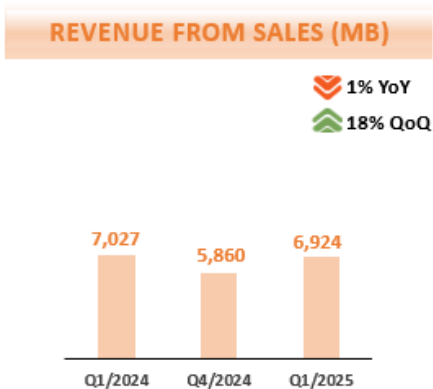


EBITDA recorded at 3,510 MB with EBITDA margin of 14%. Profit for the period amounted to 876 MB.

- YoY, EBITDA decreased by 12%, and profit for the period dropped by 42% from higher raw material costs and lower selling prices in the region.
- QoQ, EBITDA and profit for the period increased by 24% and 149%, respectively, due to enhanced sales volume in packaging paper and continued cost improvement in RCP, energy, and freight.

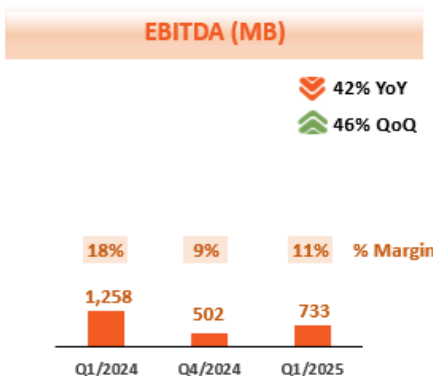
Fibrous Business (FB)

Q1/2025 performance (before inter-segment elimination)



Revenue from sales recorded at 6,924 MB.

- YoY, revenue slightly decreased by 1% due to lower selling price and sales volume of fine paper.
- QoQ, revenue improved by 18%, from increased sales volumes of foodservice packaging driven by tourism and promotional campaigns for quick service restaurants (QSR), along with continued healthy demand in Europe and the UK. Fine paper and specialty paper sales increased through export expansion to new customers in South Asia. Moreover, both short fiber pulp and dissolving pulp sales volumes rose, and pulp selling prices increased despite the downward trend in dissolving pulp prices.



EBITDA recorded at 733 MB with EBITDA margin of 11%. Profit for the period was 130 MB.

- YoY, EBITDA and profit for the period decreased by 42% and 77%, respectively, due to lower selling prices across all categories.
- QoQ, EBITDA and profit for the period rose by 46% and 306%, respectively, in line with revenue growth and without annual maintenance of dissolving pulp operation, which occurred in Q4/2024.

Table 3 - Operating Results by Business Segment

Unit: MB

	Q1			
Revenue from sales	2025	2024	%y-o-y	%q-o-q
Consolidated SCGP	32,209	33,948	-5%	3%
Integrated Packaging Business	24,223	25,549	-5%	0%
Fibrous Business	6,924	7,027	-1%	18%
Recycling Business	2,012	2,191	-8%	2%
Intersegment Elimination	(950)	(819)	-16%	-13%

	Q1			
EBITDA	2025	2024	%y-o-y	%q-o-q
Consolidated SCGP	4,232	5,151	-18%	49%
Integrated Packaging Business	3,510	3,973	-12%	24%
Fibrous Business	733	1,258	-42%	46%
Recycling Business and Corporate	1,546	1,302	19%	n/a
Intersegment Elimination	(1,557)	(1,382)	-13%	-271%

	Q1			
EBITDA margin (%)	2025	2024		
Consolidated SCGP	13%	15%		
Integrated Packaging Business	14%	16%		
Fibrous Business	11%	18%		

	Q1			
Profit for the period	2025	2024	%y-o-y	%q-o-q
Consolidated SCGP	900	1,725	-48%	n/a
Integrated Packaging Business	876	1,523	-42%	149%
Fibrous Business	130	555	-77%	306%
Recycling Business and Corporate	1,145	1,041	10%	437%
Intersegment Elimination	(1,251)	(1,394)	10%	n/a

Note:

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

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

Cost of Sales

In Q1/2025, SCGP's cost of sales was 26,411 MB (-3% YoY): integrated packaging business (IPB) accounted for 19,872 MB, fibrous business (FB) accounted for 6,004 MB, and recycling business (RB) accounted for 1,586 MB, with the details as follows:

Table 4 - Cost of Sales by Business Segment

Unit: MB

	Q1				%y-o-y	%q-o-q
	2025	%	2024	%		
Integrated Packaging Business	19,872	75%	20,790	77%	-4%	-4%
Fibrous Business	6,004	23%	5,600	21%	7%	12%
Recycling Business	1,586	6%	1,669	6%	-5%	-16%
Intersegment Elimination	(1,051)	-4%	(913)	-4%	15%	14%
Consolidated SCGP	26,411	100%	27,146	100%	-3%	-2%

Raw material management: SCGP is optimizing raw material management by leveraging best practices across operations and diversifying recovered paper (RCP) sourcing. Domestically, the company secures 64% of RCP through 176 recycling stations and direct collection points, with the remainder sourced from local suppliers. Internationally, 36% of RCP consumption is sourced from the EU, U.S., Japan, and Oceania. Additionally, SCGP has further strengthened its international raw material supply chain through strategic sourcing arms, including Peute (Netherlands) and Jordan Trading (U.S.), enabling its RCP import capabilities.

Energy management: SCGP strategically manages coal procurement, primarily sourcing from Indonesia, through index-linked pricing and data analytics to optimize volume and cost. To improve competitiveness, the company increasingly uses biomass as an alternative fuel and deploys artificial intelligence (AI) to enhance energy efficiency, reducing both production costs and greenhouse gas emissions. This strategy increased alternative fuel portion to 42% of total energy sources in Q1/2025, up from 38.3% at the end of 2024.

Summary of Financial Positions as of 31 March 2025

Total assets were equal to 187,872 MB or a decrease of 708 MB from December 2024. The change was mainly attributed to foreign exchange translation of 807 MB from Thai Baht appreciation.

Total liabilities were equal to 94,521 MB or an increase of 1,228 MB (+1% from December 2024). This was primarily due to an increase in accrued dividends of SCGP and subsidiaries amounting to 1,863 MB, while there was a net decrease in loans of 464 MB and a decrease from foreign exchange translation of 315 MB due to Thai Baht appreciation.

Total shareholders' equity reported at 93,351 MB or a decrease of 1,936 MB (-2% from December 2024). The changes were mainly due to a decrease from foreign exchange translation of 492 MB from Thai Baht appreciation, and a decrease from dividend payments of 1,863 MB, while there was an increase from profit for the period of 1,059 MB.

Capital Structure

In Q1/2025, total debt to equity ratio was at 1.0 times, which was unchanged from Q1/2024. Net debt to EBITDA was at 3.4 times, which was higher than 1.7 times in Q1/2024 due to increased borrowings to fund additional share acquisition in Fajar in Q3/2024. Interest-bearing debt to equity ratio was at 0.7 times, which was higher than 0.5 times in Q1/2024.

Table 5 - Summary of SCGP's Consolidated Statement of Financial Position

Unit: MB

	March	December	Change	
	2025	2024	MB	%
Total Assets	187,872	188,580	(708)	-0.4%
Current Assets	56,207	55,304	903	2%
Cash and cash equivalents	8,228	9,849	(1,621)	-16%
Short-term investments	3,980	2,434	1,546	64%
Trade and other current receivables	25,017	23,551	1,466	6%
Inventories	18,562	19,027	(465)	-2%
Investments in associates	1,206	1,193	13	1%
Property, plant and equipment	89,627	91,014	(1,387)	-2%
Goodwill	28,051	28,242	(191)	-1%
Other intangible assets	9,030	9,098	(68)	-1%
Total Liabilities	94,521	93,293	1,228	1%
Trade and other current payables	17,006	15,678	1,328	8%
Loans	64,110	64,877	(767)	-1%
Liabilities related to put options	4,127	3,487	640	18%
Total Shareholders' Equity	93,351	95,287	(1,936)	-2%
Total equity attributable to owners of the Company	75,216	76,679	(1,463)	-2%
Non-controlling interests	18,135	18,608	(473)	-3%

Table 6 - SCGP's Net Debt

Unit: MB

	March 2025	December 2024
Short-term Loans	23,117	24,493
Foreign	16,367	15,657
Baht	6,750	8,836
% of Total Loans	36%	38%
Long-term Loans	40,993	40,384
Foreign	8,534	8,085
Baht	32,459	32,299
% of Total Loans	64%	62%
Total Loans	64,110	64,877
Average cost of debt (%)	4.0%	4.3%
Cash and Cash Under Management	12,211	12,283
Cash and cash equivalents	8,228	9,849
Investments in debt instruments	3,983	2,434
Net Debt	51,899	52,594



Table 7 - Key Financial Ratio

			Q1	
			2025	2024
Profitability Ratio				
1	Gross Profit Margin	(%)	18.0	20.0
2	EBITDA Margin	(%)	13.1	15.2
3	Net Profit Margin	(%)	2.8	5.1
4	Core EBITDA Margin	(%)	13.2	15.1
5	Core Profit Margin	(%)	2.8	5.0
6	Return on Assets	(%)	1.5	2.9
7	Return on Equity	(%)	3.7	6.5
8	Return on Invested Capital	(%)	3.8	5.4
Liquidity Ratio				
9	Current Ratio	(times)	1.0	0.9
10	Quick Ratio	(times)	0.6	0.6
Activity Ratio				
11	Account Receivable Turnover	(times)	5.9	6.0
12	Account Payable Turnover	(times)	9.2	9.2
13	Cash Cycle	(days)	85	94
14	Total Asset Turnover	(times)	0.7	0.6
15	Inventory Turnover	(times)	5.7	5.0
Leverage Ratio				
16	Net Debt to EBITDA	(times)	3.4	1.7
17	Net Debt to Equity	(times)	0.6	0.3
18	Debt to Equity	(times)	1.0	1.0
19	Interest-bearing Debt to Equity	(times)	0.7	0.5

Note:

- 1) Gross profit margin is calculated by gross profit divided by revenue from sales
- 2) EBITDA margin is calculated by EBITDA divided by revenue from sales
- 3) Net profit margin is calculated by profit for the period attributable to owners of the company divided by revenue from sales
- 4) Core EBITDA margin is calculated by core EBITDA divided by revenue from sales
- 5) Core profit margin is calculated by core profit divided by revenue from sales
- 6) Return on assets is calculated by profit for the period (LTM) divided by average total assets
- 7) Return on equity is calculated by profit for the period attributable to owners of the company (LTM) divided by average shareholders' equity attributable to owners of the company
- 8) Return on invested capital is calculated by profit from operations minus tax expense, divided by the sum of net debt and shareholders' equity
Net debt is calculated by total interest-bearing debt less cash and cash under management
- 9) Current ratio is calculated by current assets divided by current liabilities.
- 10) Quick ratio is calculated by sum of cash and cash equivalents plus short-term investment and trade and other receivables, divided by current liabilities
- 11) Account receivable turnover is calculated by revenue from sales divided by average trade receivables
- 12) Account payable turnover is calculated by cost of sales divided by average trade payables
- 13) Cash cycle is calculated by adding collection period and inventory turnover period minus payment period
- 14) Total asset turnover is calculated by revenue from sales divided by average total assets
- 15) Inventory turnover is calculated by cost of sales divided by average inventory
- 16) Net debt to EBITDA is calculated by net debt divided by EBITDA (LTM)
- 17) Net debt to equity is calculated by net debt divided by total equity
- 18) Debt to equity is calculated by total debt divided by total equity
- 19) Interest-bearing debt to equity is calculated by interest-bearing debt divided by total equity



Summary of Cash Flows Statement Ended 31 March 2025

In Q1/2025, SCGP's net cash flows provided by operating activities amounted to 2,457 MB, including the operating cash flows of 2,824 MB and tax payment of 367 MB. Cash flows generated from operations were comprised of profit for the period 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 2,627 MB, primarily due to a net increase in short-term investments amounted to 1,566 MB and capital expenditure of 1,136 MB.

Net cash flows used in financing activities amounted to 1,461 MB from a net decrease in borrowings amounted to 804 MB with interest payment and other finance costs of 657 MB.

Table 8 - Summary of SCGP's Consolidated Statement of Cash Flows

Unit: MB

	Q1		Change
	2025	2024	
Cash flows from operating activities	2,457	3,053	(596)
Cash flows from investing activities	(2,627)	2,547	(5,174)
Cash flows from financing activities	(1,461)	(507)	(954)
Net increase (decrease) in cash and cash equivalents	(1,631)	5,093	(6,724)
Free cash flows	1,321	1,562	(241)

Major business update



SCGP collaborated with Once Medical Co., Ltd. to expand medical supplies business. The Company's Board of Directors approved an investment to establish production capacity of syringes for 180 million pieces/year and needles for 100 million pieces/year at VEM (Thailand) Co., Ltd.. Commercialization is expected to start up in January 2026. Establishing a manufacturing base in Thailand will enable the company to efficiently respond to customer demand and support the domestic healthcare products market.



SCGP joined 25% stake in a joint venture with Howa Sangyo Co., Ltd. (HOWA), a company specializing in manufacturing of high-functional or laminated flexible packaging and trading flexible packaging for wet pet food.

This strategic investment will enable SCGP to expand its presence in flexible wet pet food packaging and other products, leverage network for operational synergies and cross-selling opportunities, and access new manufacturing capabilities with advanced technology. Commercial operations are scheduled to commence in June 2025, with an annual production capacity of 6,000 tons.

ESG and sustainability developments



Alternative fuel portion increased to 42% in Q1/2025 through the installation of 2 new biomass boilers to enhance biomass consumption capabilities in existing power plants.



SCGP received the “World Corrugated Award 2025” in the following categories

- Supply Chain Management Excellence of the Year for the “Development of Carbon Footprint Calculation”
- Best ESG Demonstration of the Year for the “Renewable Energy System Installation in Paper Packaging Factory”



SCGP is recognized as “Thailand's Top Corporate Brand 2024” in the **Packaging Category**, achieving the highest brand valuation of 100,594 MB. This award program was organized by Chulalongkorn Business School's Master in Branding and Marketing Program in collaboration with the Stock Exchange of Thailand and Manager Online.



SCGP has been included in the MSCI Global Small Cap Index, further enhancing investor confidence in its long-term value proposition and commitment to sustainable business practices.

Key factors that may affect future operations and growth

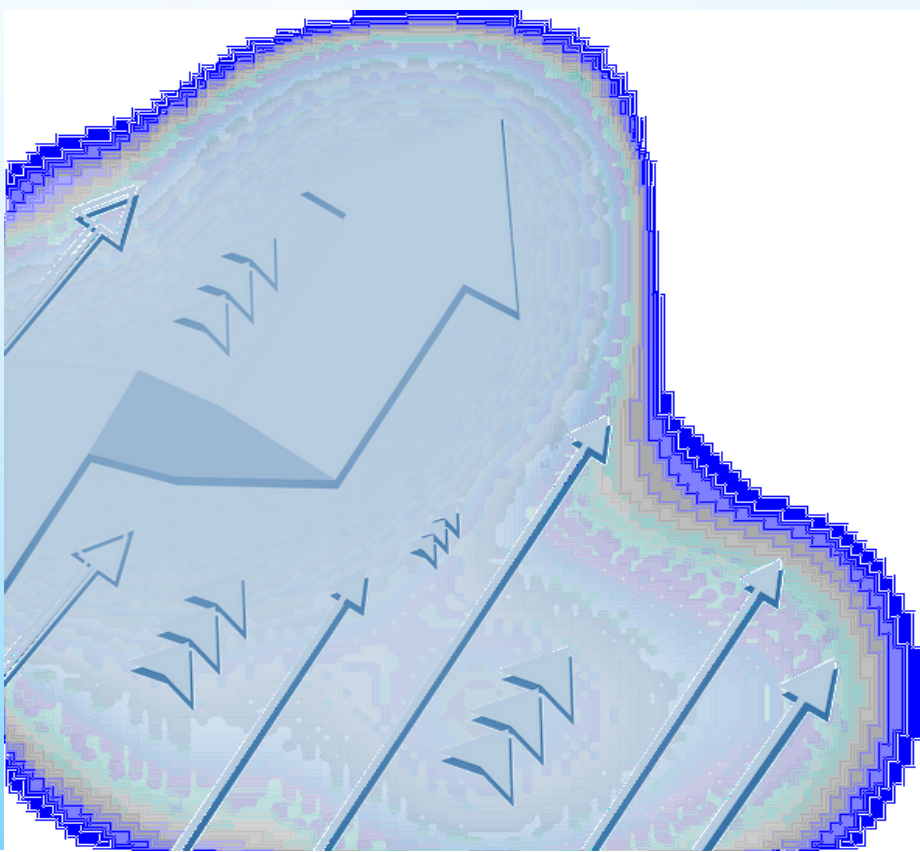
Looking toward 2025, global economy is projected to grow at a slower pace due to uncertainties and mixed impact from U.S. reciprocal tariffs, which have led to trade tensions and disruptions in global supply chain. Despite these challenges, ASEAN remains a relatively outperforming region, driven by domestic demand and most competitive manufacturing capabilities. Nonetheless, external challenges persist, especially in export sector.

For packaging industry, demand in daily consumption sectors such as food, beverages, and consumer goods is expected to continue growing. Conversely, demand in durable goods sectors is anticipated to slow down due to limited purchasing power. Raw material costs, particularly for recovered paper (RCP) and freight are projected to trend slightly upward, influenced by regional demand. Energy costs are expected to remain stable, although geopolitical tensions and currency volatility pose risks.

SCGP's growth strategy focuses on capturing domestic growth in ASEAN, expanding consumer packaging business, exploring new growth areas such as healthcare supplies and consumables, and enhancing competitiveness for Indonesia operation. On the operational front, SCGP has been managing costs by increasing alternative fuel usage and implementing AI for energy and production optimization. The company has expanded local RCP sourcing network across ASEAN and strengthened relationships with subsidiaries in Europe and the U.S.

SCGP is transitioning from product-centric activities to customer-focused initiatives, significantly accelerating innovation through customer collaboration, with R&D team contributing solutions and services to 39% of Q1/2025 sales revenue, up from 37% in 2024. Additionally, SCGP is advancing ESG commitments with targets for 25% reduction in greenhouse gas emissions by 2030 and achieving Net Zero by 2050. In Q1/2025, alternative fuel usage reached 42%, up from 38.3% in 2024, and the company is working toward 100% recyclable, reusable, or compostable packaging by 2030.

EVOLVING SUSTAINABLE PACKAGING SOLUTIONS



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