

Management Discussion and Analysis
Q3/2023 (Reviewed)

SCGP

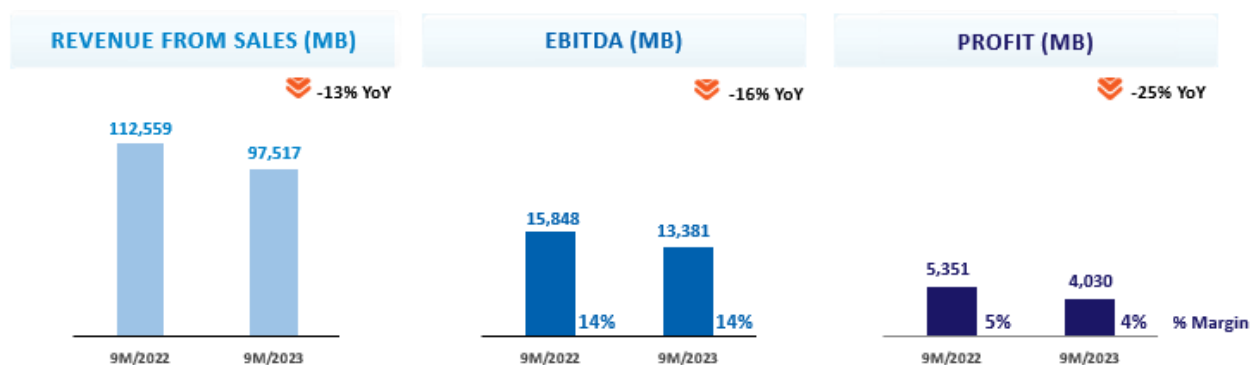


Executive Summary

During the first 9 months of 2023, packaging demand sequentially recovered from H2/2022 particularly in consumer-related segments including food, beverages, and household products, stimulated by domestic consumption and rise in tourist arrivals in ASEAN. Concurrently, economic recovery in China has been slower than expected since its reopening at the beginning of the year. ASEAN exports market continued to face the challenges from soft international trade market with stagnated consumer spending, especially in non-essential goods such as E&E, apparel, and footwear, mainly in Europe, which is one of the key export destinations for ASEAN. For packaging paper, pressure on export prices still remained while most major cost components have improved, including shipping costs with higher freight container availability and a decline in raw material and energy costs amidst subdued demand in various regions.

For packaging industry in Q3/2023, demand improved QoQ primarily from domestic consumption, a rise in tourism-related spending especially on food, non-alcoholic beverages, and consumer goods. ASEAN exports of certain products also picked up including frozen and processed food as part of festive season preparations, Fresh fruits export to China, and rice with favorable factor from India’s ban on rice export. Moreover, foodservice packaging demand in the US market improved from consumers’ summer activities. Nonetheless, the extended high inflation and interest rates particularly in Europe remained the key factors that limited purchasing power and hindered ASEAN durable goods exports, notably E&E, automotive parts, furniture, garments and footwear. Product price pressure still persisted led to a stiff competition, especially in Indonesia’s packaging paper market while regional pulp prices hit the lowest point in the year before a slight recovery at quarter end.

SCGP’s 9M/2023 performance highlights



Total revenue from sales was 97,517 MB (-13% YoY).

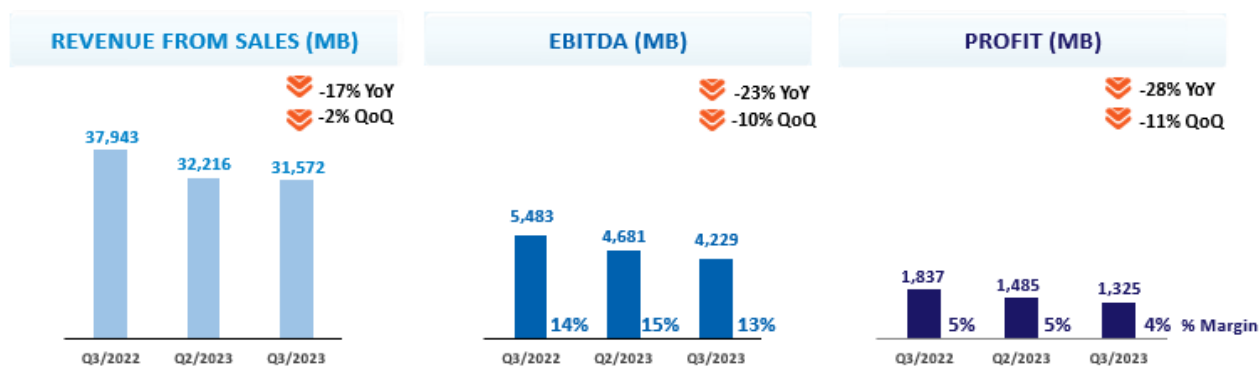
- YoY decreased from lower sales volume and product prices, especially packaging paper and pulp amidst slow global and regional economic recovery.

EBITDA recorded at 13,381 MB (-16% YoY) with EBITDA margin of 14%.

Profit for the period was 4,030 MB (-25% YoY) with net profit margin of 4%.

- YoY decline was due mainly to a decrease in sales volume and selling prices particularly for packaging paper and pulp in alignment with revenue.

SCGP's Q3/2023 performance highlights



Total revenue from sales was 31,572 MB (-17% YoY and -2% QoQ).

- YoY drop was mainly from lower market price of packaging paper in the middle of slow economic recovery in China and Europe. Meanwhile, overall exports of non-essential goods in ASEAN were still under pressure.
- QoQ declined mainly from packaging paper revenue in Indonesia with decreased export volume to China and high price competition in domestic market along with the reduction in pulp sales volume and selling price during slow season of regional garment and textile industry. Annual major maintenance activities in pulp production were carried out in Q3/2023.

EBITDA reported at 4,229 MB (-23% YoY and -10% QoQ) with EBITDA margin of 13%.

Profit for the period was 1,325 MB (-28% YoY and -11% QoQ) with net profit margin of 4%.

- YoY and QoQ profitability decreased mainly as a result of lower sales volume and price of pulp along with the impact from major maintenance expenses.
- IPB profitability were resilient YoY and QoQ with the expedition to serve consumer packaging for growing customer segment in F&B while cost reduction and operational excellent efforts were emphasized at all levels.

Table 1 - SCGP's Consolidated Financial Statements

Unit: MB

	Q3				Jan - Sep		
	2023	2022	%y-o-y	% q-o-q	2023	2022	%y-o-y
Operating Results from Consolidated Financial Statements							
Revenue from sales	31,572	37,943	-17%	-2%	97,517	112,559	-13%
Integrated Packaging Business	23,573	29,221	-19%	-2%	73,093	91,966	-21%
Fibrous Business	6,184	6,162	0%	-3%	18,775	18,033	4%
Recycling Business	1,815	2,560	-29%	6%	5,649	2,560	121%
Cost of sales	25,964	31,518	-18%	-1%	80,095	93,166	-14%
Gross profit	5,608	6,425	-13%	-4%	17,422	19,393	-10%
<i>Gross profit margin (%)</i>	18%	17%			18%	17%	
Distribution costs and administrative expenses	3,824	4,078	-6%	2%	11,797	12,269	-4%
EBITDA	4,229	5,483	-23%	-10%	13,381	15,848	-16%
<i>EBITDA Margin (%)</i>	13%	14%			14%	14%	
Profit for the period	1,325	1,837	-28%	-11%	4,030	5,351	-25%
<i>Net profit margin (%)</i>	4%	5%			4%	5%	
Earnings per Share (Baht)	0.31	0.43			0.94	1.25	
Core Financials							
Core EBITDA	4,208	5,085	-17%	-9%	13,264	15,574	-15%
Core Profit	1,310	1,512	-13%	-9%	3,931	5,140	-24%

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 9M/2023 and 9M/2022, Dividend from associates were 9 MB and 11 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	
	Q3		Q3	
	2023	2022	2023	2022
	1,310	1,512	4,208	5,085
Key Items				
1) FX Gain/Loss from Loan, Derivatives and Investment	50	244	45	276
2) Company restructurings	-	-	-	-
3) Changes to local regulations	-	-	-	-
4) Expenses related to M&Ps transactions	(11)	(18)	(11)	(18)
5) Others	(24)	99	(13)	140
Total	15	325	21	398
Profit for the period and EBITDA	1,325	1,837	4,229	5,483

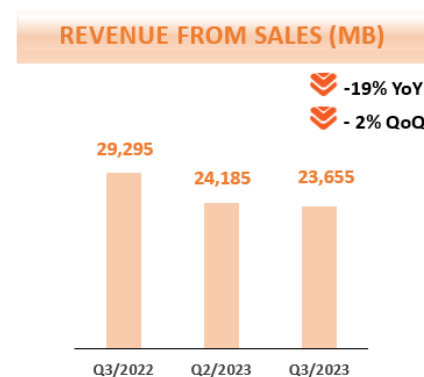
Key analysis on Core profit and Core EBITDA

In Q3/2023, SCGP's Core EBITDA was recorded at 4,208 MB (-17% YoY and -9% QoQ), and Core Profit was 1,310 MB (-13% YoY and -9% QoQ). The above adjustment shows key non-operating items that affected SCGP's EBITDA and profit for the period. Key item for Q3/2023 came mainly from FX gain from loan.

Operating Results by Key Business Segments

Integrated Packaging Business (IPB)

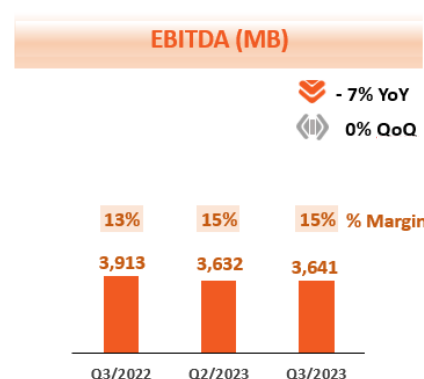
Q3/2023 performance (before inter-segment elimination)



Revenue from sales recorded at 23,655 MB

- YoY, IPB revenue decreased by 19% as a result of weaker regional price of packaging paper and soft demand for packaging for export of non-essential products.
- QoQ, IPB revenue declined 2% mainly from packaging paper operation in Indonesia with the impact from excess supply and stiff domestic competition as producers reduced their export portion amid lower export price. On the other hand, consumer packaging which includes Fiber packaging and polymer packaging were more resilient thanks to solid growth in F&B and FMCG segments such as rice, frozen & processed foods and fresh fruits exports. ASEAN domestic consumptions were supported by tourism rebound and festive season preparation. Nevertheless, demand for packaging that linked with durable goods export (apparel, footwear & furniture) to Europe continued to be weak.

EBITDA recorded at 3,641 MB with EBITDA margin of 15%. Profit for the period was 1,422 MB.



- YoY, EBITDA decreased by 7% but profit for the period increased 8%. EBITDA and profit of consumer packaging slightly improved YoY mainly from F&B packaging segment. In addition, margin of packaging paper in Thailand and Vietnam picked up significantly from lower costs while Indonesia still faced challenges as mentioned above. On a side note, profit for Q3/2022 was inclusive of a non-recurring adjustment related to Intan Group's earn-out provision.

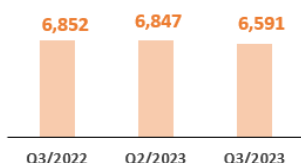
- QoQ, EBITDA remained flat and profit for the period improved 11% mainly from incremental sales volume of consumer packaging although there was contraction of EBITDA and profit from Indonesia packaging paper. Meanwhile, positive cost factors (RCP & energy) also continued to support profitability.

Fibrous Business (FB)

Q3/2023 performance (before inter-segment elimination)

REVENUE FROM SALES (MB)

- 4% YoY
 - 4% QoQ



Revenue from sales recorded at 6,591 MB

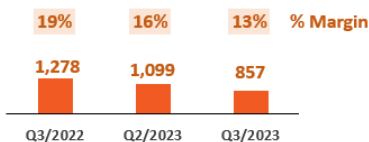
- YoY, decreased by 4% from weaker pulp prices and sales volumes.
- QoQ, decreased also by 4% mainly from lower sales volume of dissolving pulp during slow season of regional textile and garment industry along with lower production during the major annual maintenance. Meanwhile, sales volume of foodservice packaging improved in alignment with rising outdoor activities

during summer season in USA & Europe and pick-up in tourism.

EBITDA recorded at 857 MB with EBITDA margin of 13%. Profit for the period was 228 MB.

EBITDA (MB)

-33% YoY
 -22% QoQ



- YoY, EBITDA and profit for the period were down 33% and 60% respectively mainly due to lower regional pulp market price.
- QoQ, EBITDA and profit for the period declined by 22% and 46% respectively with same factors as movement in revenue along with maintenance expenses.

Table 3 - Operating Results by Business Segment (Before inter-segment elimination)

Unit: MB

Revenue from Sales	Q3				Jan - Sep		
	2023	2022	%y-o-y	%q-o-q	2023	2022	%y-o-y
	Consolidated SCGP	31,572	37,943	-17%	-2%	97,517	112,559
Integrated Packaging Business	23,655	29,295	-19%	-2%	73,320	92,179	-20%
Fibrous Business	6,591	6,852	-4%	-4%	20,243	20,076	1%
Recycling Business and Others	2,059	2,560	-20%	1%	6,535	2,560	155%
Intersegment Elimination	(733)	(764)	4%	15%	(2,581)	(2,256)	-14%

EBITDA	Q3				Jan - Sep		
	2023	2022	%y-o-y	%q-o-q	2023	2022	%y-o-y
	Consolidated SCGP	4,229	5,483	-23%	-10%	13,381	15,848
Integrated Packaging Business	3,641	3,913	-7%	0%	10,922	12,061	-9%
Fibrous Business	857	1,278	-33%	-22%	2,812	3,161	-11%
Recycling Business and Others	(8)	520	-102%	-101%	3,159	4,138	-24%
Intersegment Elimination	(261)	(228)	-14%	83%	(3,512)	(3,512)	0%

EBITDA Margin (%)	Q3		Jan - Sep	
	2023	2022	2023	2022
	Consolidated SCGP	13%	14%	14%
Integrated Packaging Business	15%	13%	15%	13%
Fibrous Business	13%	19%	14%	16%

Profit for the period	Q3				Jan - Sep		
	2023	2022	%y-o-y	%q-o-q	2023	2022	%y-o-y
	Consolidated SCGP	1,325	1,837	-28%	-11%	4,030	5,351
Integrated Packaging Business	1,422	1,314	8%	11%	3,912	3,993	-2%
Fibrous Business	228	568	-60%	-46%	869	1,138	-24%
Recycling Business and Others	(204)	208	-198%	-117%	2,452	3,658	-33%
Intersegment Elimination	(121)	(253)	52%	92%	(3,203)	(3,438)	7%

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 9M/2023, SCGP's cost of sales was 80,095 MB (-14% YoY) comprising of integrated packaging business (IPB) of 60,686 MB, fibrous business (FB) of 17,209 MB and recycling business of 4,976 MB. The decrease in cost of sales was attributed to the continued efforts on cost reduction, operational excellence, and improvements in key cost components including raw material prices, freight, and energy costs.

Supply chain: SCGP has continued to focus on synergy and optimization with cross-selling, pool-purchasing, and portfolio sales & production rationalization across its regional operations to increase cost efficiency. For example, SCGP has proactively managed its operation by establishing a new warehouse for foodservice packaging in Ireland which could shorten delivery times while also improve overall operational efficiency in response to the change in border regulation after BREXIT.

Raw materials: Recovered paper (RCP) is our key raw materials which supports the major portion of business. To enhance stability of RCP in term of volume, price, and quality, SCGP has expedited the development of sourcing model for both domestic and international streams. One of our strategy is to secure the volume closer to primary sources, which allow us to access good quality RCP at competitive prices.

- **Domestic stream:** SCGP has been expanding the well-established models which involve setting up recycling stations & connecting with recycling partners (total of 154 locations across ASEAN) and collaborations with direct sources. These approaches enable us to efficiently manage the collection of RCP in the region.
- **International stream:** SCGP has been working with diversified imported sources from multiple regions including USA, Europe, Japan and Oceania. The Company also entered into international packaging material recycling business as part of backward integration through merger and partnership (M&P) with notable recycling players in Europe and USA. This strategy allows us to secure RCP volume and enhance long-term sourcing capability, while also fulfil a fast-growing global demand of recycled materials for external clients.

Table 4 - Cost of Sales by Business Segment

Unit: MB

	Q3		% y-o-y	% q-o-q	Jan - Sep		
	2023	%			2023	%	%y-o-y
Integrated Packaging Business	19,388	75%	-21%	-3%	60,686	76%	-21%
Fibrous Business	5,616	22%	1%	-1%	17,209	21%	2%
Recycling Business	1,750	7%	-15%	13%	4,976	6%	140%
Intersegment Elimination	(790)	-4%	-4%	-14%	(2,776)	-3%	15%
Consolidated SCGP	25,964	100%	-18%	-1%	80,095	100%	-14%

Summary of Financial Positions as of 30 September 2023

Total assets were equal to 200,608 MB or an increase of 3,328 MB (+2% from December 2022) with details as follows;

1. The increase in property, plant and equipment, goodwill and other assets of 5,574 MB, mainly due to foreign exchange translation.
2. Net increase in cash, cash equivalents and short-term investments of 3,199 MB, mainly attribute to cash from operation.
3. Decrease in inventory of 3,364 MB, both in raw materials and finished goods, and net decrease in Property, Plant and Equipment of 1,115 MB.

Total liabilities were equal to 96,870 MB or an increase of 22,557 MB (+30% from December 2022) which was primarily due to preparation for potential additional share acquisition (the put option) of 44.48% shares, valued at 23,835 MB, in PT Fajar Surya Wisesa Tbk. (Fajar) from SCGP's partner with possible transaction in the middle of 2024. Meanwhile, the decrease in net borrowing was in amount of 2,031 MB.

Total shareholders' equity reported at 103,738 MB or a decrease of 19,229 MB from December 2022. The change was mainly from other equity interest of 23,204 MB as a result of the record of liabilities related to Fajar's put option (above) and dividend payment of 3,286 MB while the increase was from profit for the period of 4,193 MB, along with 3,063 of foreign exchange differences from Thai baht depreciation.

Capital Structure

In 9M/2023, total debt to equity ratio was at 0.9 times which was higher than 0.6 times in 2022 due to the recording of liabilities related to put options in Fajar in Q2/2023. Net debt to EBITDA was at 1.9 times with no change from 2022. Interest-bearing debt to equity ratio was at 0.5 times which was higher than 0.4 times in 2022.

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

Unit: MB

	September	December	Change	
	2023	2022	MB	%
Total Assets	200,608	197,280	3,328	2%
Current Assets	60,017	60,154	(137)	0%
Cash and cash equivalents	7,424	9,966	(2,542)	-26%
Short-term investments	8,119	2,378	5,741	241%
Trade and other current receivables	23,402	23,254	148	1%
Inventories	19,917	23,281	(3,364)	-14%
Investments in associates	1,028	1,034	(6)	-1%
Property, plant and equipment	95,976	94,585	1,391	1%
Goodwill	29,635	28,233	1,402	5%
Other intangible assets	10,519	10,574	(55)	-1%
Total Liabilities	96,870	74,313	22,557	30%
Trade and other current payables	14,566	14,282	284	2%
Loans	48,138	50,169	(2,031)	-4%
Liabilities related to put options	23,835	-	23,835	n.a.
Total Shareholders' Equity	103,738	122,967	(19,229)	-16%
Total equity attributable to owners of the company	77,738	97,201	(19,463)	-20%
Non-controlling interests	26,000	25,766	234	1%

Table 6 - SCGP's Net Debt

	Unit: MB	
	September 2023	December 2022
Short-term Loans	14,833	16,155
Foreign	14,599	12,988
Baht	234	3,167
% of Total Loans	31%	32%
Long-term Loans	33,305	34,014
Foreign	6,439	7,407
Baht	26,866	26,607
% of Total Loans	69%	68%
Total Loans	48,138	50,169
Average cost of debt (%)¹	4.1%	2.7%
Cash and Cash Under Management	15,542	12,347
Cash and cash equivalents	7,424	9,966
Short-term investments	8,118	2,381
Net Debt	32,596	37,822

Note:

1. Average cost of debt is for the period of Jan – Sep 2023 and Jan – Dec 2022



Table 7 - Key Financial Ratio

			September 2023	December 2022
Profitability Ratio				
1	Gross Profit Margin	(%)	17.9	16.6
2	EBITDA Margin	(%)	13.7	13.3
3	Net Profit Margin	(%)	4.1	4.0
4	Core EBITDA Margin	(%)	13.6	13.2
5	Core Profit Margin	(%)	4.0	3.9
6	Return on Assets	(%)	2.2	3.3
7	Return on Equity	(%)	5.0	6.0
8	Return on Invested Capital	(%)	4.2	5.1
Liquidity Ratio				
9	Current Ratio	(times)	1.0	1.8
10	Quick Ratio	(times)	0.6	1.0
Activity Ratio				
11	Account Receivable Turnover	(times)	5.9	6.8
12	Account Payable Turnover	(times)	9.9	10.9
13	Cash Cycle	(days)	101	90
14	Total Asset Turnover	(times)	0.6	0.7
15	Inventory Turnover	(times)	4.8	5.2
Leverage Ratio				
16	Net Debt to EBITDA	(times)	1.9	1.9
17	Net Debt to Equity	(times)	0.3	0.3
18	Debt to Equity	(times)	0.9	0.6
19	Interest-bearing Debt to Equity	(times)	0.5	0.4

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 30 September 2023

In 9M/2023, SCGP's net cash flows provided by operating activities amounted to 16,348 MB including the operating cash flows of 17,618 MB and tax payment of 1,270 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 10,343 MB with main contributions from short-term investments of 5,329 MB and regular capital expenditure of 5,196 MB.

Net cash flows used in financing activities amounted to 8,708 MB from a decrease in net borrowings of 3,842 MB, dividend payment 3,286 MB while interest & other finance costs payment amounted to 1,581 MB.

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

	Unit: MB		
	Jan - Sep		
	2023	2022	Change
Cash flows from operating activities	16,348	12,414	3,934
Cash flows from investing activities	(10,343)	324	(10,667)
Cash flows from financing activities	(8,708)	(11,716)	3,008
Net increase (decrease) in cash and cash equivalents	(2,703)	1,022	(3,725)
Free cash flows	11,152	7,254	3,898

Business expansion to capture growing consumer demand

At the end of Q3/2023, SCGP's 3 ongoing organic expansion projects proceeded as plan with details as follows;

1. Thailand (Flexible packaging, Samutsakorn) - Capacity expansion of flexible packaging to serve fast-growing segments (e.g. pet food, health supplement). This project leads to approximately 26 million square meters per year of incremental capacity (or +6% over existing capacity). The new plant was already commercialized in late Q3/2023

2. Thailand (Fiber packaging, Samutprakan and Samutsakorn) - Expansion of corrugated cartons operation to serve Thailand's growing demand with the latest production and printing technologies. The project will add production capacity of 75,000 tons per year (or +9% of total capacity in Thailand). The expected commercial start-up will be in Q1/2024.

3. Netherland (Packaging materials recycling, Alblasserdam) - A facility expansion and relocation project from Dordrecht to Alblasserdam nearby Rotterdam port. The project would help improve transportation efficiency while double the sourcing/ processing capacity of recovered paper to

2 million tons per year and recovered plastic to 0.2 million tons per year. Commercial start-up is expected in November 2023.

SCGP proceeds on building strong growth with merger and partnership (M&P) which focus on synergy with business partners to strengthen business and expand customer base, with an update on the progress of ongoing M&P in Vietnam as follows;

Vietnam (Fiber packaging, Dong Nai) - Ongoing M&P project for 70% stake in ordinary shares of Starprint Vietnam JSC (SPV), an eminent folding cartons and rigid box packaging manufacturer in Vietnam with a total enterprise value of not exceeding 1,050 billion Dong or approximately 1,534 million Baht. This M&P will be carried out through strategic partnership with Starflex Public Company Limited (Starflex), a leading flexible packaging producer in Thailand, who plan to hold a 25% stake in SPV. This transaction is expected to be completed in Q4/2023.

ESG and sustainable development as the core of SCGP’s operation



SCGP’s GHG emission reduction is ahead of plan in 2023 with expected year-end reduction result of 15% from base year 2020. In order to expedite GHG reduction and scale up sustainable project initiatives toward Net zero target, our Science-Based Target (SBTi) was committed to 25% in year 2030. The reduction efforts will be supported by AI technology to improve operational excellency.



FTSE4Good

In addition, SCGP has managed to improve the rating score in the FTSE4Good Index Series to be 4.1/5.0 (2022 = 3.7) which demonstrated an organization-wide application of committed Environmental, Social, and Governance (ESG) practices.

With continuous effort and dedication of all SCGP employees towards business excellence and sustainable development, SCGP received notable awards and recognition in both international and national levels.



- September 29th, 2023, SCGP was honored with 2 prizes from the Netherlands Thai Chamber of Commerce (NTCC) for Outstanding in Corporate Governance Award and Appreciation Award: Thai investor in the Netherlands.



- August 8th, 2023, SCGP received 3 IAA Awards for Listed Companies 2022, including Outstanding CEO, Outstanding CFO, and Outstanding Investor Relations in the Industrial category, fostering trust with Thai analysts and investors.

Management Outlook

Looking forward to the rest of 2023 and into 2024, ASEAN economy is expected to continue growing with domestic consumptions as a key driver. Demand of essential goods which related to daily consumption such as food & beverage are heading toward sequential improvement.

One of the supports for Thai economy will be from the recovery of foreign tourist arrival. Although the surge of incoming Chinese tourists is temporarily halted in early Q4/2023, the number is expected to resume during year-end onward. Likewise, private consumptions are proceeding toward expansion amid economic stimulus from new government policies. Meanwhile, export sector & global trade are also expected to start recovering after the interest rate hike cycle and inflation have stabilized and subsided. For regional packaging paper industry, excess supply situation has been improving slower than expected after countries' reopening (especially in Indonesia). However, industry's utilization rate would continue to rise regionally in alignment with improving demand.

As a preparation and response to the fast-growing F&B segment in the region, SCGP strategically continues with value accretive merger & partnership (M&P) and organic expansion to strengthen service level of packaging solutions along with fulfilling the evolving and emerging customers' requirements through collaboration in Research, Development & Innovation (RD&I). With respect to cost factors, SCGP proactively manages raw material, freight and energy costs via diversified and competitive global sources to ensure long term sustainable security of supply. The endeavor would also help extend competitive advantage position as the leading integrated packaging solutions provider in ASEAN.

SCGP continues to emphasize on margin optimization through operational excellence and expedition of synergies across operations. In addition, commercialization of new production capacity of Fiber Packaging & Flexible Packaging in Thailand will enhance the Company's capability to offer high-quality packaging solutions to a rapidly growing F&B clients. A completion of facility relocation project for international recycling business, from Dordrecht to nearby Rotterdam port in the Netherlands under Peute, would also improve transportation efficiency & double the sourcing capacity of recovered paper and recovered plastic while also enables SCGP to significantly improve the fulfillment of recycling materials to global customers.

Lastly, as part of the utmost commitment in ESG, SCGP is, and will continue to be, pioneer in circular economy, with development towards sustainability throughout the organization. Efforts on energy transitions toward renewable and alternative fuels are progressing well under the long-term Net Zero GHG emission target by 2050.

The logo for SCGP is prominently displayed in the center of the image. The letters 'S', 'C', and 'G' are in a dark blue color, while the 'P' is in a vibrant orange-to-red gradient. The background is a stylized, futuristic cityscape with white wireframe buildings against a clear blue sky. In the foreground, a group of diverse people is walking on a grey, textured ground. From left to right, there is a person riding a bicycle, a woman carrying a box, a woman walking a dog, a man in a suit talking on a phone, a man in a white shirt holding a tablet, and a family with a child and a shopping cart. The overall scene conveys a sense of modern, active living.

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