



SCGP Announces 2024 Results with Revenue Up 3%, Dividend Declared at 0.55 Baht per Share, Driving Expansion in Packaging for Consumer-Linked Products

SCGP announced the operating results for 2024, achieving total revenue from sales of Baht 132,784 million and profit for the year of Baht 3,699 million, along with a dividend payment of 0.55 Baht per share, representing 63.8% of profit. Over the past year, SCGP successfully navigated challenging circumstances by strengthening the consumer-linked product portfolio, such as food & beverage packaging as well as consumer packaging, expanding packaging and medical and supplies business, and focusing on boosting sale volume in domestic markets, e.g. Thailand, Indonesia, Vietnam, and the Philippines. These efforts solidified SCGP's position as a leader in the ASEAN packaging market share. Looking ahead, SCGP is confident in achieving business growth in 2025, driven by the recovery of the packaging market. SCGP has set an EBITDA target of Baht 18,000 million and outlined four key strategies: 1) Expanding domestic markets and downstream products, 2) Enhancing operational excellence through data analytics and Artificial Intelligence (AI) to increase business opportunities and cost saving by up to Baht 600 million, 3) Developing innovations, solutions, and low-carbon products to meet customer demands, and 4) Advancing ESG initiatives by increasing the use of alternative fuel to reach 39%.

Wichan Jitpukdee, Chief Executive Officer of SCG Packaging Public Company Limited or SCGP, said that the overall packaging industry in 2024 saw improving domestic market demand in ASEAN. This growth was driven by domestic consumption, the recovery of tourism, and export activities. However, in the second half of the year, factors such as exchange rates of the Thai Baht and other ASEAN currencies, coupled with a slower-than-expected economic recovery in China, impacted to lower export volumes and the regional pricing of packaging paper. In the fourth quarter of 2024, ASEAN domestic market demand increased compared to the third quarter, particularly in the food & beverage and fast-moving consumer goods (FMCG) segments. Meanwhile, demand for packaging paper from China showed signs of recovery, with import volumes trending upward especially in December due to increased consumption and continued implementation of economic stimulus policies.

Last year, SCGP handled the dynamic changes in the business environment by adjusting its marketing strategies to focus on domestic market within ASEAN to cater to the increasing demand for packaging. This approach enabled SCGP to boost sale volume for packaging paper, fiber packaging, and polymer packaging, further reinforcing SCGP's leadership position in the ASEAN packaging market share. SCGP also diversified its portfolio by increasing investments in consumer-linked product categories such as food & beverages, fast-moving consumer goods (FMCG), and high-potential segments like healthcare supplies. SCGP broadened its export reach to new markets in South Asia, including India and Bangladesh, and adopted technology to enhance efficiency and reduce production costs. In terms of recovered paper management (RCP), SCGP established partnerships to increase the sourcing and use of locally recovered paper. Furthermore, the company is undergoing capital restructuring to reduce financial costs in Indonesia.



In 2024, SCGP achieved revenue from sales of Baht 132,784 million, a 3% increase compared to the previous year. EBITDA stood at Baht 16,127 million, representing a 9% decline from the previous year, while profit for the year was Baht 3,699 million, a decrease of 30% from the previous year. For the fourth quarter of 2024, SCGP reported a revenue from sales of Baht 31,231 million, a 2% decrease YoY. EBITDA for the quarter was Baht 2,845 million, down 35% YoY, and loss for the period was Baht 57 million, a decrease of 105% YoY. This decline was primarily due to higher recovered paper costs, lower selling prices of packaging paper, and reduced contributions from operations in Indonesia and the recycling business.

In consideration of the FY2024 financial performance, the Board of Directors has proposed for shareholder approval at the Annual General Meeting (AGM), a full year 2024 annual dividend payment of 0.55 Baht per share, of which 0.25 Baht per share was previously paid as an interim dividend on 21 August 2024. The final dividend payment of 0.30 Baht per share will be on 21 April 2025, record date of 2 April 2025, and XD-date of 1 April 2025.

Wichan added that the packaging industry is expected to see a positive outlook in the first quarter of 2025, driven by increased consumption in ASEAN markets, supported by government measures to stimulate spending and rising demand for packaging paper in China. Meanwhile, the European economy is anticipated to grow gradually due to declining inflation rates and easing interest rates. However, close monitoring is required for potential impacts from trade tariff measures on imported goods, which may affect global supply chains. Meanwhile, energy prices and logistics costs are expected to remain stable.

In 2025, SCGP has allocated a total investment budget of Baht 13,000 million and aims to increase EBITDA to Baht 18,000 million. The company implements four core strategies to achieve quality growth: **1) Profitability Enhancement in ASEAN:** SCGP will focus on markets in Thailand, Indonesia, Vietnam, and the Philippines and expanding its portfolio of consumer-linked products, while also exploring new high-potential markets, including healthcare supplies. **2) Operational and Supply Chain Excellence:** SCGP will improve production costs and energy efficiency through the adoption of advanced technologies such as data analytics and artificial intelligence (AI). These measures are expected to enhance business opportunities and cost saving by approximately Baht 600 million in 2025; **3) Innovation, Solutions, and Customer Experience:** SCGP continues to focus on developing innovations, processes, and services that enhance customer experience and create differentiation to drive value creation and profitability. SCGP has allocated a budget for research and development of packaging innovations, equivalent to 1% of its annual revenue. For 2025, SCGP aims for 37% of its total revenue to come from its innovation and solutions-based product categories; and **4) ESG & Circular Economy:** SCGP is committed to developing certified carbon footprint products and targets increasing the use of alternative fuel to 39% of its total energy consumption by 2025.

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