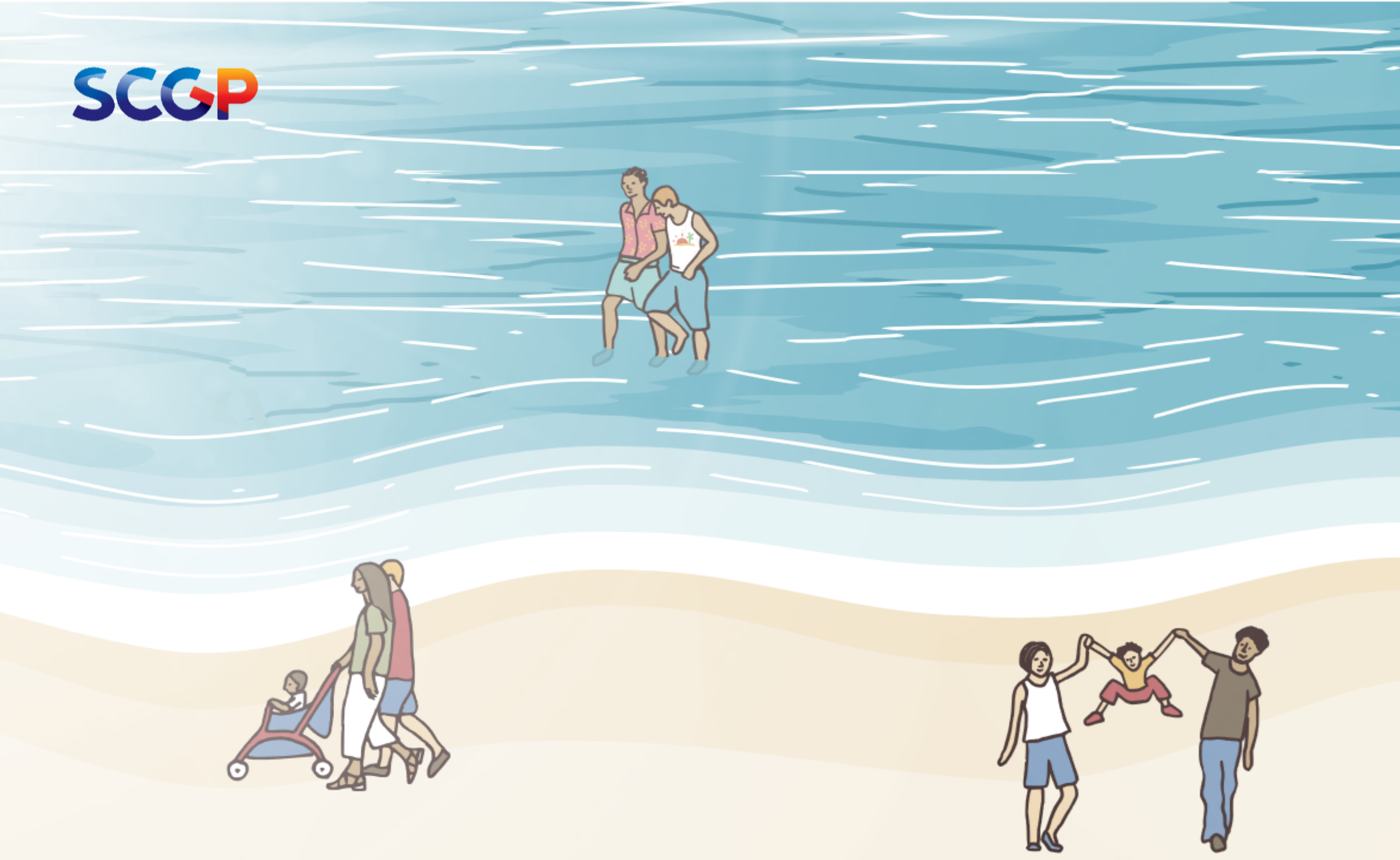


Management Discussion and Analysis
Q1/2026 (Reviewed)

Overview of Business Operations, Economic Factors, and Industry Conditions that Affect Performance

In Q1/2026, global economic growth remained challenged amidst elevated geopolitical tensions, which continued to pose downside risks to the outlook. Against this uncertainty, financial policymakers maintained accommodative stances while adopting a cautious approach to policy decisions. China's economy experienced limited domestic demand during the Lunar New Year, while export performance partially offset slow internal consumption. Across ASEAN, economic growth continued, supported by domestic markets. Meanwhile, tensions in the Middle East affected economic activity primarily through supply-side factors and higher energy costs, with more meaningful impacts expected in subsequent periods.

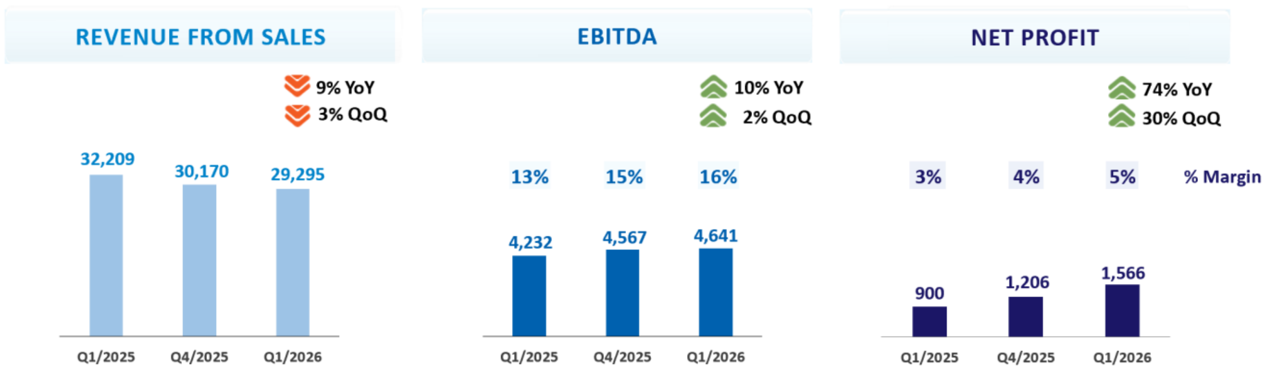
For the packaging industry, demand was supported by domestic consumption in ASEAN, particularly in essential categories such as food, beverages, and consumer goods. Export segments, including frozen food, canned food, and electronic components, also provided positive momentum. Growth was further reinforced by benefits from the relocation of Chinese producers and favorable quick-service restaurant (QSR) demand, supported by promotional activities. Nonetheless, demand for durable goods remained subdued, constrained by elevated household debt levels and pressure from high energy costs.

On the cost side, Q1/2026 presented favorable conditions, supported by sustained recovered paper (RCP) prices and energy costs from business continuity management and optimization. These factors collectively enhanced cost efficiency and improved overall operational performance for SCGP. The company also continued to advance AI-driven initiatives to effectively capture opportunities while ensuring supply-chain continuity to meet customer demand.

Performance Highlights

SCGP's Q1/2026 performance highlights

Unit: MB



Total revenue from sales was 29,295 MB (-9% YoY and -3% QoQ).

- YoY decreased due to reduced sales volume and average selling prices.
- QoQ slightly declined as seasonal demand softened during holiday periods in Vietnam and Indonesia.

EBITDA reported at 4,641 MB (+10% YoY and +2% QoQ) with EBITDA margin of 16%.

Profit for the period was 1,566 MB (+74% YoY and +30% QoQ) with net profit margin of 5%.

- YoY and QoQ, profitability enhanced by improved performance of packaging paper operation in Indonesia, disciplined cost management in energy mix, and productivity improvement.

Table 1 - SCGP's Consolidated Financial Statements

Unit: MB

	Q1			
	2026	2025	%y-o-y	%q-o-q
Operating Results from Consolidated Financial Statements				
Revenue from sales	29,295	32,209	-9%	-3%
Cost of sales	23,131	26,411	-12%	-7%
Gross profit	6,164	5,798	6%	17%
Gross profit margin (%)	*21%*	*18%*		
Distribution cost & administrative expense	3,986	4,047	-2%	-9%
EBITDA	4,641	4,232	10%	2%
EBITDA margin (%)	*16%*	*13%*		
Profit for the period	1,566	900	74%	30%
Net profit margin (%)	*5%*	*3%*		
Earnings per share (Baht)	0.36	0.21		
Core Financials				
Core EBITDA	4,616	4,257	8%	25%
Core profit	1,542	916	68%	88%

Note:

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

EBITDA = Earnings before finance cost, tax, depreciation and amortization included dividend from associates

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

Table 2 – Key-Items Adjustment for Core profit and Core EBITDA

Unit: MB

	Core profit		Core EBITDA	
	Q1		Q1	
	2026	2025	2026	2025
Profit for the period and EBITDA	1,566	900	4,641	4,232
Less Adjustment	24	(16)	25	(25)
Core profit and Core EBITDA	1,542	916	4,616	4,257

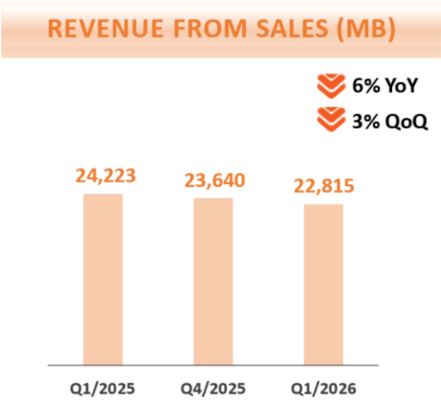
Key analysis on Core profit and Core EBITDA

In Q1/2026, SCGP's Core EBITDA amounted to 4,616 MB (+8% YoY and +25% QoQ), and Core profit was 1,542 MB (+68% YoY and +88% QoQ). Key-items in Q1/2026 were mainly attributed to net realizable value (NRV) adjustment.

Operating Results by Key Business Segments

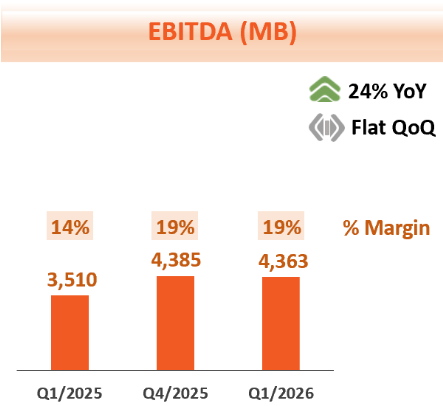
Integrated Packaging Business (IPB)

Q1/2026 performance (before inter-segment elimination)



Revenue from sales recorded at 22,815 MB.

- YoY, revenue decreased by 6% due to lower sales volumes of packaging paper, while consumer packaging volumes remained resilient.
- QoQ, revenue declined by 3%. Polymer packaging remained stable, supported by demand growth in Thailand, particularly for essential goods. Medical supplies and labware sales volume improved, driven by resilient demand. Fiber packaging was maintained, supported by pre-holiday inventory buildup, steady demand for daily-consumption goods in Thailand, and the full-quarter consolidation of PT Prokemas Adhikari Kreasi (MYPAK) in Indonesia. Demand for durable goods softened amidst cautious consumer sentiment. For packaging paper, sales volume declined from subdued domestic demand during holiday periods in Vietnam and Indonesia, along with lower export volumes. In contrast, selling prices increased, most significantly from the operation in Indonesia.

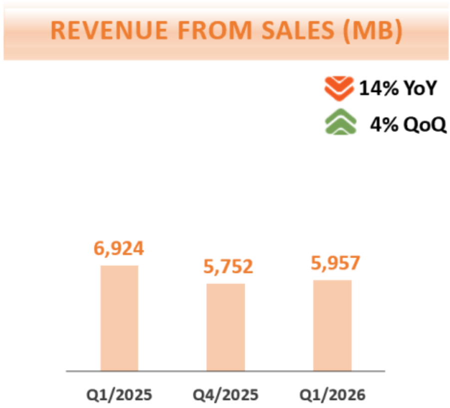


EBITDA recorded at 4,363 MB with EBITDA margin of 19%. Profit for the period amounted to 1,854 MB.

- YoY, EBITDA and profit for the period increased by 24% and 112%, respectively, attributed to improved packaging paper operation in Indonesia, together with cost efficiencies in energy and recovered paper (RCP).
- QoQ, EBITDA remained flat due to a non-recurring gain from MYPAK acquisition recorded in the prior quarter. Nonetheless, operational resilience was sustained through ongoing cost discipline and AI-driven savings. Profit for the period increased by 9% due to tax expense from deferred tax reversals in the previous quarter.

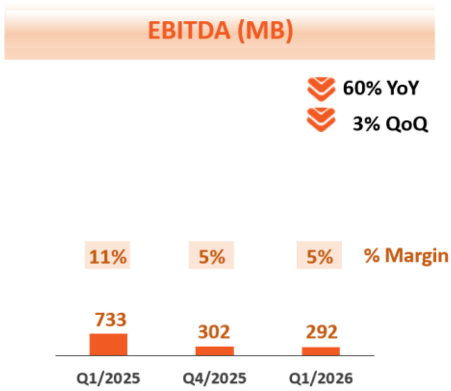
Fibrous Business (FB)

Q1/2026 performance (before inter-segment elimination)



Revenue from sales recorded at 5,957 MB.

- YoY, revenue decreased by 14% from lower selling prices across all product categories and reduced sales volume of dissolving pulp.
- QoQ, revenue increased by 4%. Foodservice packaging revenue declined due to slower tourism activity in Thailand, along with intensified price competition from Chinese and Indian suppliers in non-US markets. In contrast, revenue from fine and specialty paper improved, supported by higher sales volumes driven by demand related to general election and book fair events in Thailand, despite limited pricing upside. Pulp revenue declined, mainly due to lower dissolving pulp sales following scheduled maintenance.



EBITDA recorded at 292 MB with EBITDA margin of 5%. Loss for the period was 208 MB.

- YoY, EBITDA and profit for the period decreased by 60% and 260%, respectively, mainly due to lower revenue and the impact of THB appreciation.
- QoQ, EBITDA and profit for the period declined by 3% and 66%, respectively, due to weaker selling prices and unfavorable foreign exchange movements.

Table 3 - Operating Results by Business Segment

Unit: MB

Revenue from sales	Q1 2026	Q1 2025	%y-o-y	%q-o-q
Consolidated SCGP	**29,295**	**32,209**	**-9%**	**-3%**
Integrated Packaging Business	22,815	24,223	-6%	-3%
Fibrous Business	5,957	6,924	-14%	4%
Recycling Business	1,720	2,012	-15%	-19%
Intersegment Elimination	(1,197)	(950)	-26%	11%

EBITDA	Q1 2026	Q1 2025	%y-o-y	%q-o-q
Consolidated SCGP	**4,641**	**4,232**	**10%**	**2%**
Integrated Packaging Business	4,363	3,510	24%	0%
Fibrous Business	292	733	-60%	-3%
Recycling Business and Corporate	1,024	1,546	-34%	N/A
Intersegment Elimination	(1,038)	(1,557)	33%	-592%

EBITDA margin (%)	Q1 2026	Q1 2025
Consolidated SCGP	**16%**	**13%**
Integrated Packaging Business	19%	14%
Fibrous Business	5%	11%

Profit (loss) for the period	Q1 2026	Q1 2025	%y-o-y	%q-o-q
Consolidated SCGP	**1,566**	**900**	**74%**	**30%**
Integrated Packaging Business	1,854	876	112%	9%
Fibrous Business	(208)	130	-260%	-66%
Recycling Business and Corporate	674	1,145	-41%	392%
Intersegment Elimination	(754)	(1,251)	40%	-427%

Note:

EBITDA = Earnings before finance cost, tax, depreciation and amortization included dividend from associates

EBITDA margin = EBITDA / Revenue from sales

Profit (loss) for the period = Profit (loss) for the period attributable to owners of the Company

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

Cost of Sales

In Q1/2026, SCGP's cost of sales was 23,131 MB (-12% YoY and -7% QoQ): integrated packaging business (IPB) accounted for 17,666 MB, fibrous business (FB) accounted for 5,493 MB, and recycling business (RB) accounted for 1,272 MB, with the details as follows:

Table 4 - Cost of Sales by Business Segment

Unit: MB

	Q1					
	2026	%	2025	%	%y-o-y	%q-o-q
Integrated Packaging Business	17,666	76%	19,872	75%	-11%	-9%
Fibrous Business	5,493	24%	6,004	23%	-9%	4%
Recycling Business	1,272	5%	1,586	6%	-20%	-25%
Intersegment Elimination	(1,300)	-5%	(1,051)	-4%	24%	-11%
Consolidated SCGP	**23,131**	**100%**	**26,411**	**100%**	**-12%**	**-7%**

Raw material management: SCGP ensures the stability and quality of recovered paper (RCP) and other key raw materials through a globally diversified sourcing strategy. Disciplined supply-network management further supports SCGP's competitive positioning. Across ASEAN, SCGP operates 179 recycling stations and partner facilities, reinforcing the security of upstream supply base. The company preserves operational flexibility through procurement from both domestic and international markets, including Europe, US, Japan, and Oceania. This approach enables SCGP to effectively balance domestic and imported volumes in response to prevailing market conditions, strengthening the ability to manage input costs while maintaining supply reliability and product quality standards. To further strengthen supply chain resilience and expand import capabilities, SCGP leverages strategic sourcing entities, including Peute Recycling in the Netherlands and Jordan Trading in US, which prioritize direct and primary source collection to secure a reliable and traceable supply base.

Energy management: SCGP has effectively optimized coal cost management through the strategic integration of data analytics and index-linked pricing mechanisms. By leveraging AI to enhance procurement decision making, SCGP has achieved optimal sourcing volumes and competitive cost structures, while realizing measurable improvements in overall energy efficiency. In line with our environmental commitments, the company continues to advance sustainable innovation and resource efficiency under circular economy principles. SCGP has diversified its energy mix by incorporating biomass and other alternative fuel sources to progressively reduce greenhouse gas emissions across its operations. In Q1/2026, alternative fuels accounted for approximately 35% of total energy consumption.

Summary of Financial Positions as of 31 March 2026

Total assets were equal to 179,129 MB or an increase of 2,598 MB (+1% from December 2025). The change was attributed to foreign exchange translation of 2,740 MB following Thai Baht depreciation against ASEAN currencies, particularly Indonesian rupiah (IDR) and Vietnamese dong (VND). The increase in total assets was mainly reflected in property, plant, and equipment of 1,118 MB and goodwill of 620 MB.

Total liabilities were equal to 87,084 MB or an increase of 669 MB (+1% from December 2025). This was primarily due to a 782 MB increase from foreign exchange translation resulting from Thai Baht depreciation and accrued dividends amounting to 1,662 MB, while a net decrease in borrowings of 1,293 MB and a reduction in trade and other current payables of 641 MB.

Total shareholders' equity reported at 92,045 MB or an increase of 1,929 MB (+2% from December 2025). The change was mainly due to foreign exchange translation of 1,958 MB from Thai Baht depreciation, combined with profit for the period of 1,641 MB, while dividend payment amounted to 1,662 MB.

Capital Structure

In Q1/2026, total debt to equity ratio was at 0.9 times, which was comparable to Q1/2025. Net debt to EBITDA was at 2.9 times, representing a decrease from 3.4 times in Q1/2025, attributable to higher EBITDA.

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

Unit: MB

	March	December	Change	
	2026	2025	MB	%
Total Assets	**179,129**	**176,531**	**2,598**	**1%**
Current Assets	52,337	50,766	1,571	3%
Cash and cash equivalents	7,142	6,464	678	10%
Short-term investments	4,451	4,441	10	0%
Trade and other current receivables	22,721	22,151	570	3%
Inventories	17,530	17,356	174	1%
Investments in associates	1,350	1,330	20	2%
Property, plant and equipment	85,675	85,325	350	0%
Goodwill	27,054	26,434	620	2%
Other intangible assets	8,334	8,325	9	0%
Total Liabilities	**87,084**	**86,415**	**669**	**1%**
Trade and other current payables	15,935	14,707	1,228	8%
Loans	62,068	62,904	(836)	-1%
Total Shareholders' Equity	**92,045**	**90,116**	**1,929**	**2%**
Total equity attributable to owners of the Company	76,207	74,402	1,805	2%
Non-controlling interests	15,838	15,714	124	1%

Table 6 - SCGP’s Net Debt

Unit: MB

	March 2026	December 2025
Short-term Loans	23,541	24,387
Foreign	8,812	7,683
Baht	14,729	16,704
% of Total Loans	38%	39%
Long-term Loans	38,527	38,517
Foreign	8,832	8,750
Baht	29,695	29,767
% of Total Loans	62%	61%
Total Loans	62,068	62,904
Average cost of debt (%)	**3.1%**	**3.7%**
Cash and Cash Under Management	11,594	10,905
Cash and cash equivalents	7,142	6,464
Investments in debt instruments	4,452	4,441
Net Debt	50,474	51,999

Table 7 - Key Financial Ratio

			Q1	
			2026	2025
Profitability Ratio				
1	Gross Profit Margin	(%)	21.0	18.0
2	EBITDA Margin	(%)	15.8	13.1
3	Net Profit Margin	(%)	5.3	2.8
4	Core EBITDA Margin	(%)	15.8	13.2
5	Core Profit Margin	(%)	5.3	2.8
6	Return on Assets	(%)	2.8	1.5
7	Return on Equity	(%)	6.3	3.7
8	Return on Invested Capital	(%)	5.1	3.8
Liquidity Ratio				
9	Current Ratio	(times)	1.1	1.0
10	Quick Ratio	(times)	0.7	0.6
Activity Ratio				
11	Account Receivable Turnover	(times)	5.9	5.9
12	Account Payable Turnover	(times)	8.7	9.2
13	Cash Cycle	(days)	87	85
14	Total Asset Turnover	(times)	0.7	0.7
15	Inventory Turnover	(times)	5.5	5.7
Leverage Ratio				
16	Net Debt to EBITDA	(times)	2.9	3.4
17	Net Debt to Equity	(times)	0.5	0.6
18	Debt to Equity	(times)	0.9	1.0
19	Interest-bearing Debt to Equity	(times)	0.7	0.7

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 parent 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 (LTM) divided by average shareholders' equity attributable to owners of the parent
8) Return on invested capital (%) is calculated by profit from operations minus tax expense, divided by the sum of interest-bearing debt minus cash and shareholders' equity
9) Current ratio (times) is calculated by current assets divided by current liabilities.
10) Quick ratio (times) 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 (times) is calculated by revenue from sales divided by average trade receivables
12) Account payable turnover (times) is calculated by cost of sales divided by average trade payables
13) Cash cycle (days) is calculated by sum of average collection period plus inventory days minus accounts payable day
14) Total asset turnover (times) is calculated by revenue from sales divided by average total assets
15) Inventory turnover (times) is calculated by cost of sales divided by average inventory
    Net debt is calculated by total debt (interest bearing), less cash and cash under management
16) Net debt to EBITDA (times) is calculated by net debt divided by EBITDA (LTM)
17) Net debt to equity (times) is calculated by net debt divided by equity
18) Debt to equity (times) is calculated by total debt divided by total equity
19) Interest-bearing debt to equity (times) is calculated by interest-bearing debt divided by total equity

Summary of Cash Flows Statement Ended 31 March 2026

In Q1/2026, SCGP's net cash flows provided by operating activities amounted to 3,583 MB, mainly from the operating cash flows of 3,959 MB and tax payment of 376 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 1,015 MB, mainly due to capital expenditure of 1,236 MB, partially offset by net proceeds from short-term investments of 132 MB.

Net cash flows used in financing activities amounted to 2,017 MB, primarily due to a net decrease in of borrowings totaling 1,543 MB and interest payments of 474 MB.

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

Unit: MB

	Q1		
	2026	2025	Change
Cash flows from operating activities	3,583	2,457	1,126
Cash flows from investing activities	(1,015)	(2,627)	1,612
Cash flows from financing activities	(2,017)	(1,461)	(556)
Net increase (decrease) in cash and cash equivalents	551	(1,631)	2,182
Free cash flows	2,347	1,321	1,026

Major Business Update

MYPAK, a subsidiary in the fiber packaging business in Indonesia, has implemented a multi-pronged value enhancement strategy across three key areas: sales synergies, operational improvement, and manpower optimization. On the commercial side, the company has shifted portfolio toward customers that contribute to improved returns, strengthened cross-selling across box plants, and expanded into consumer goods segments. The company has also leveraged its network to engage customers, with deeper relationship-building through the Inspired Solutions Studio. Operationally, MYPAK has driven improvements through waste reduction initiatives, a new boiler project, and pooled material sourcing to manage input costs. To optimize manpower, the company has consolidated administrative functions across FAJAR and MYPAK, streamlined overhead allocation, and increased automation, aiming to support sustainable growth and long-term value creation.

SCGP has established Go-Pak International, a subsidiary in Vietnam, to strengthen growth strategy in foodservice packaging by expanding international marketing and export capabilities for foodservice packaging and related consumer products, while leveraging cross-selling potential of SCGP. This initiative aims to enhance product portfolio diversity and improve responsiveness to evolving customer needs, thereby driving long-term growth and value creation.

Sustainability Development

SCGP has received the prestigious Gallup Exceptional Workplace Award (GEWA) 2026 in the Engagement Winner category, recognizing the company's strong employee engagement and commitment to continuous growth and development.

SCGP maintained an MSCI (Morgan Stanley Capital International) ESG Rating of "A" in the Containers & Packaging category, reflecting its continued commitment to sustainable operations and alignment with global environmental standards.

Key Factors that May Affect Future Operations and Growth

Looking toward 2026, global economic growth is expected to soften amidst persistent geopolitical tensions and ongoing uncertainty surrounding trade policies. Risks remain from geopolitical conflicts, supply chain reconfigurations, and volatile energy markets. However, ASEAN is expected to remain resilient, supported by resilient domestic consumption and its role as a competitive manufacturing base amidst global supply chain diversification.

For the packaging industry, demand in daily consumption categories, such as food, beverages, and household products, is expected to remain resilient. In contrast, demand for packaging related to durable goods is likely to recover at a slow pace, constrained by cautious consumer spending and elevated household debt levels. Competitive intensity is expected to remain high, particularly from regional players, necessitating continued focus on value-added solutions, cost efficiency, and understanding of evolving customer concerns.

Raw material costs, particularly recovered paper (RCP), are expected to trend upward, driven by demand recovery and tightening supply conditions. China's regulatory stance on recycled pulp imports is expected to continue, potentially supporting demand for packaging paper exports from ASEAN. Energy costs are projected to remain at a level that the company can sustain operational continuity, although subject to volatility from geopolitical developments. Freight rates remain sensitive to global logistics disruptions.

SCGP remains committed to strengthening its leadership position through customer centricity and focused portfolio management. The Company continues to enhance packaging solutions, deepen long-term customer partnerships, expand into new markets, and allocate capital toward high-growth opportunities. At the same time, SCGP has built a people-driven and agile organization by strengthening governance, developing capabilities, and promoting continuous learning, while empowering leaders and employees to enable faster decision-making and effective execution. The company also continues to advance organizational effectiveness, operational excellence, and ESG performance by streamlining processes through automation, data, and AI, improving efficiency, optimizing costs and supply-chain reliability, and reinforcing ESG integration to support sustainable growth and long-term value creation. In Q1/2026, alternative fuel usage reached 35%. The company continues to advance toward the goal of 100% recyclable, reusable, or compostable packaging by 2030, supporting progress toward a 25% reduction in greenhouse gas emissions by 2030 and Net Zero by 2050.

SCGP IR Contact

☎ 02-586-2939

✉ SCGP_invest@scg.com