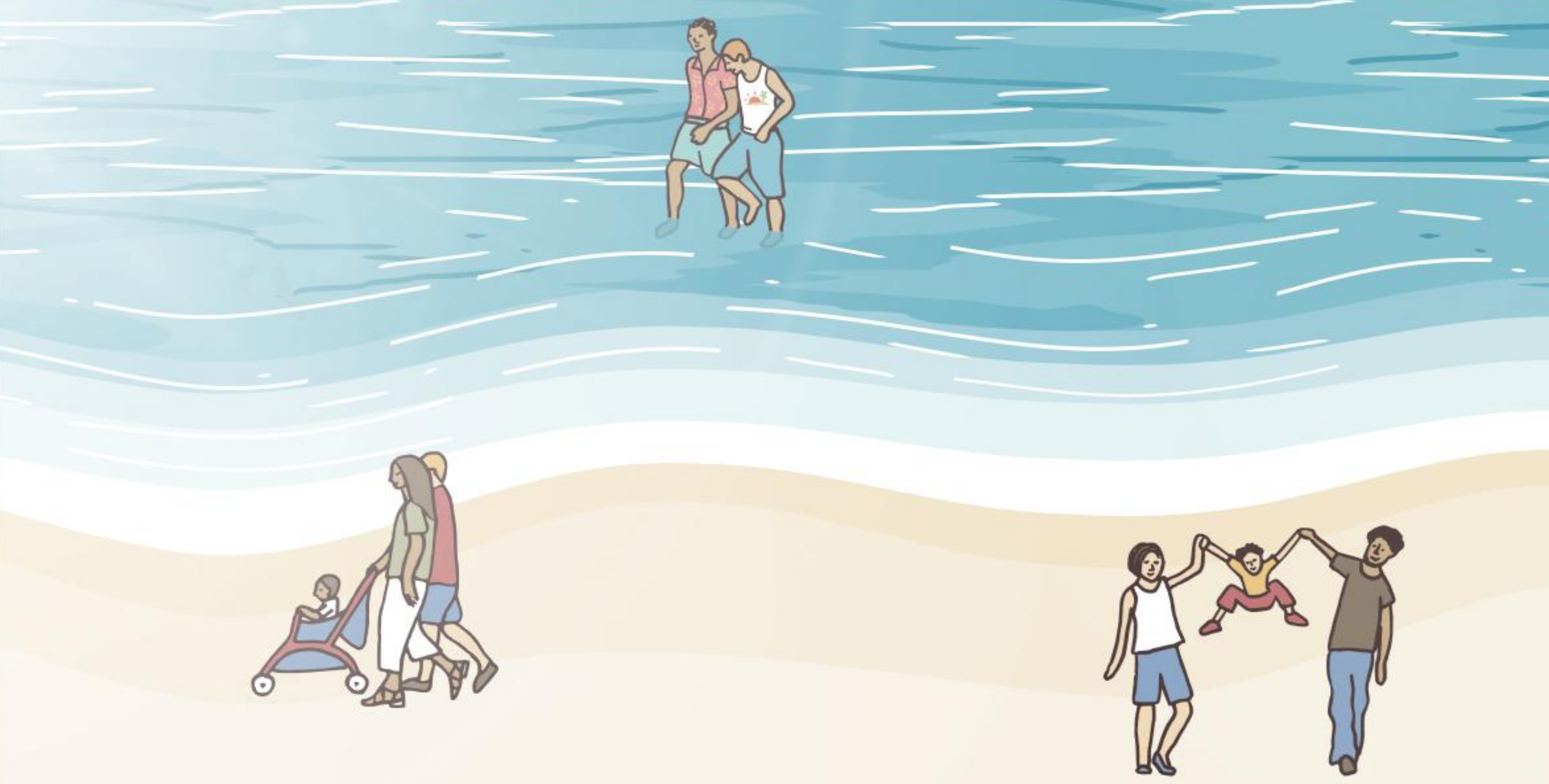


Management Discussion and Analysis Q2/2026 (Unreviewed)

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

During H1/2026, packaging demand experienced a temporary slowdown due to public holiday in Q1/2026 but subsequently recovered in Q2, progressing to a firmer recovery across both domestic and export markets. Spending on consumer goods remained resilient, while cost impacts related to the geopolitical tension continued to be managed and optimized.

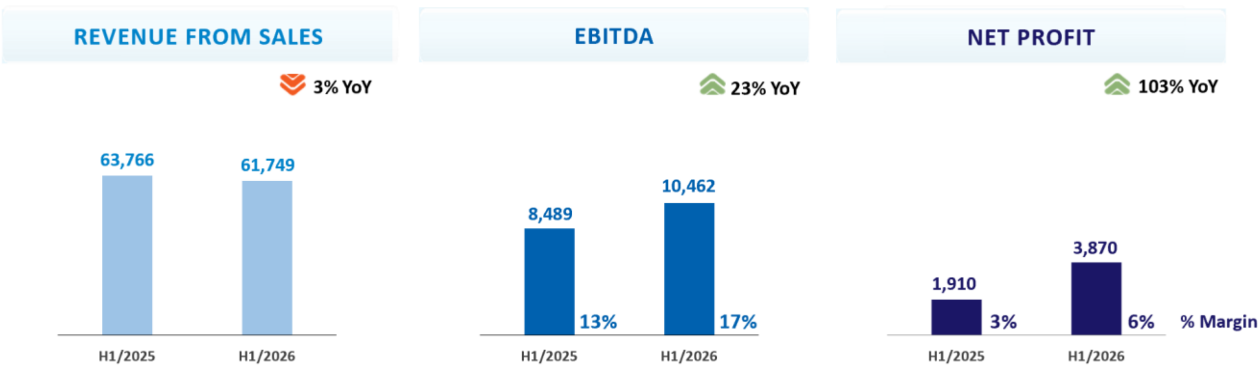
In Q2/2026, packaging demand strengthened sequentially, supported by domestic demand recovery following the holiday period in Indonesia and Vietnam, high agricultural season, and inventory buildup amidst supply concerns. Export demand also improved from shipments of frozen food, pet products, home appliances, apparel, and footwear, although spending on non-essential goods remained cautious. Additionally, demand for food packaging was favorable, supported by promotional campaigns related to the FIFA World Cup and government stimulus measures. For pulp market, dissolving pulp prices increased, supported by viscose staple fiber demand amidst rising cotton and polyester prices.

On the cost side, raw material, energy, and freight costs surged, due to disruptions from the Middle East conflict. Despite these pressures, SCGP sustained the operational excellence initiatives to reduce costs and ensure customers' business continuity, while strengthening competitive position through the regional production network and integrated business model, enabling the company to respond effectively to evolving customer requirements.

Performance Highlights

SCGP's H1/2026 performance highlights

Unit: MB



Total revenue from sales was 61,749 MB (-3% YoY).

- YoY decreased due to slightly softer volumes, particularly in late Q1/2026.

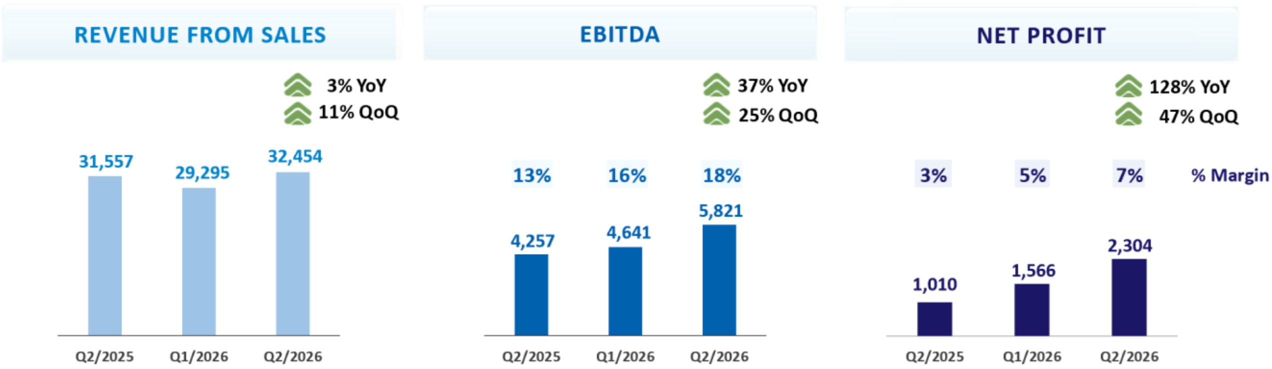
EBITDA reported at 10,462 MB (+23% YoY) with EBITDA margin of 17%.

Profit for the period was 3,870 MB (+103% YoY) with net profit margin of 6%.

- YoY profitability increased, led by significant improvement in Indonesia operation and robust growth in Vietnam.

SCGP's Q2/2026 performance highlights

Unit: MB



Total revenue from sales was 32,454 MB (+3% YoY and +11% QoQ).

- YoY and QoQ increased, supported by higher sales volumes amidst favorable domestic consumption and selling price adjustments following raw material costs.

EBITDA reported at 5,821 MB (+37% YoY and +25% QoQ) with EBITDA margin of 18%.

Profit for the period was 2,304 MB (+128% YoY and +47% QoQ) with net profit margin of 7%.

- YoY and QoQ profitability improved in line with revenue growth, led by the turnaround in packaging paper operation in Indonesia, improved performance in fibrous business, and continued cost optimization.

Interim dividend payment

On 21 July 2026, the Board of Directors of SCGP has approved a H1/2026 interim dividend payment of 0.40 Baht/Share (1,717 MB), which is payable on 19 August 2026 (XD-date on 4 August 2026 and record date on 5 August 2026).

Table 1 - SCGP's Consolidated Financial Statements

Unit: MB

	Q2				Jan - Jun		
	2026	2025	%y-o-y	%q-o-q	2026	2025	%y-o-y
Operating Results from Consolidated Financial Statements							
Revenue from sales	32,454	31,557	3%	11%	61,749	63,766	-3%
Cost of sales	24,750	25,820	-4%	7%	47,881	52,231	-8%
Gross profit	7,704	5,737	34%	25%	13,868	11,535	20%
Gross profit margin (%)	*24%*	*18%*			*22%*	*18%*	
SG&A	4,263	3,949	8%	7%	8,249	7,996	3%
EBITDA	5,821	4,257	37%	25%	10,462	8,489	23%
EBITDA margin (%)	*18%*	*13%*			*17%*	*13%*	
Profit for the period	2,304	1,010	128%	47%	3,870	1,910	103%
Net profit margin (%)	*7%*	*3%*			*6%*	*3%*	
Earnings per share (Baht)	0.54	0.24			0.90	0.44	
Core Financials							
Core EBITDA	5,856	4,221	39%	27%	10,472	8,478	24%
Core profit	2,335	993	135%	51%	3,877	1,909	103%

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	
	Q2		Q2	
	2026	2025	2026	2025
Profit for the period and EBITDA	2,304	1,010	5,821	4,257
Less Adjustment	(31)	17	(35)	36
Core profit and Core EBITDA	2,335	993	5,856	4,221

Key analysis on Core profit and Core EBITDA

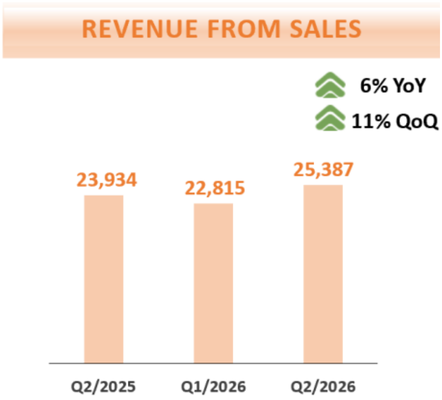
In Q2/2026, SCGP's Core EBITDA amounted to 5,856 MB (+39% YoY and +27% QoQ), and Core profit was 2,335 MB (+135% YoY and +51% QoQ). Key-items in Q2/2026 were mainly attributed to asset impairment and net realizable value (NRV) adjustment.

Operating Results by Key Business Segments

Integrated Packaging Business (IPB)

Q2/2026 performance (before inter-segment elimination)

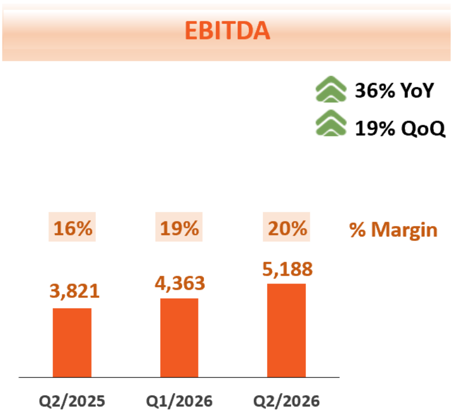
Unit: MB



Revenue from sales recorded at 25,387 MB.

- YoY, revenue increased by 6%, as higher raw material costs led to selling price adjustments across all product categories amidst shifting market dynamics.
- QoQ revenue increased by 11%. Polymer packaging revenue rose mainly due to Vietnam operations' selling price adjustments amidst surging raw materials costs. Revenue from medical supplies and labware improved, supported by resilient demand. Fiber packaging revenue increased as customers secured packaging supply for business continuity, and export demand continued across food, home appliance, garment, and footwear sectors. Packaging paper revenue increased, benefiting from post-holiday restocking in Indonesia and Vietnam. Average selling prices were adjusted to align with market conditions.

Unit: MB



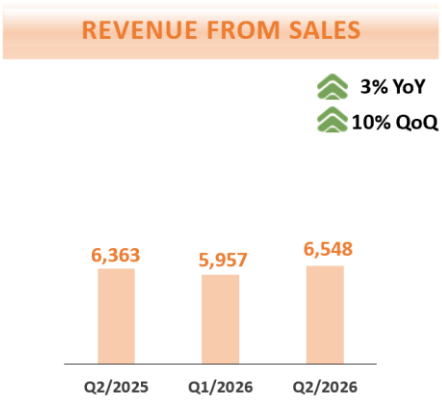
EBITDA recorded at 5,188 MB with EBITDA margin of 20%. Profit for the period amounted to 2,497 MB.

- YoY, EBITDA and profit for the period increased by 36% and 119%, respectively, attributed to the turnaround of packaging paper operation in Indonesia, sustained growth across all businesses in Vietnam, and ongoing raw material cost optimization.
- QoQ, EBITDA and profit for the period increased by 19% and 35%, respectively, in line with revenue growth and further supported by improved performance at Fajar in Indonesia.

Fibrous Business (FB)

Q2/2026 performance (before inter-segment elimination)

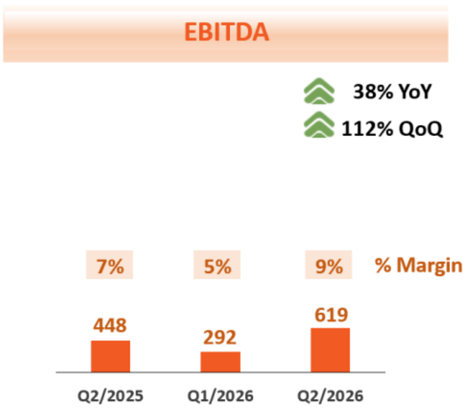
Unit: MB



Revenue from sales recorded at 6,548 MB.

- YoY, revenue increased by 3% primarily due to higher sales volumes across all product categories.
- QoQ, revenue increased by 10%. Foodservice packaging revenue increased, supported by domestic demand following government stimulus initiatives and higher sales in overseas markets. Revenue from fine and specialty paper was maintained through selling price adjustments following higher costs, offsetting softer sales volume as customers managed inventories amidst uncertainty. Specialty paper sales also increased, supported by exports. Pulp revenue rebounded, driven by higher market pulp prices, alongside increases in polyester staple fiber and cotton prices.

Unit: MB



EBITDA recorded at 619 MB with EBITDA margin of 9%. Profit for the period was 47 MB.

- YoY, EBITDA and profit for the period increased by 38% and 146%, respectively, in line with revenue growth and effective cost management.
- QoQ, EBITDA and profit for the period rose by 112% and 123%, respectively, primarily supported by selling prices and favorable foreign exchange impact from Thai Baht depreciation.

Table 3 - Operating Results by Business Segment

Unit: MB

Revenue from sales	Q2 2026	Q2 2025	%y-o-y	%q-o-q	Jan - Jun 2026	Jan - Jun 2025	%y-o-y
Consolidated SCGP	32,454	31,557	3%	11%	61,749	63,766	-3%
Integrated Packaging Business	25,387	23,934	6%	11%	48,202	48,157	0%
Fibrous Business	6,548	6,363	3%	10%	12,505	13,287	-6%
Recycling Business	2,073	2,091	-1%	21%	3,793	4,103	-8%
Intersegment Elimination	(1,554)	(831)	-87%	-30%	(2,751)	(1,781)	-54%

EBITDA	Q2 2026	Q2 2025	%y-o-y	%q-o-q	Jan - Jun 2026	Jan - Jun 2025	%y-o-y
Consolidated SCGP	5,821	4,257	37%	25%	10,462	8,489	23%
Integrated Packaging Business	5,188	3,821	36%	19%	9,551	7,331	30%
Fibrous Business	619	448	38%	112%	911	1,181	-23%
Recycling Business and Corporate	2,275	2,408	-6%	122%	3,299	3,954	-17%
Intersegment Elimination	(2,261)	(2,420)	7%	-118%	(3,299)	(3,977)	17%

EBITDA margin (%)	Q2 2026	Q2 2025	Jan - Jun 2026	Jan - Jun 2025
Consolidated SCGP	18%	13%	17%	13%
Integrated Packaging Business	20%	16%	20%	15%
Fibrous Business	9%	7%	7%	9%

Profit (loss) for the period	Q2 2026	Q2 2025	%y-o-y	%q-o-q	Jan - Jun 2026	Jan - Jun 2025	%y-o-y
Consolidated SCGP	2,304	1,010	128%	47%	3,870	1,910	103%
Integrated Packaging Business	2,497	1,142	119%	35%	4,351	2,018	116%
Fibrous Business	47	(102)	146%	123%	(161)	28	-675%
Recycling Business and Corporate	1,844	2,017	-9%	174%	2,518	3,162	-20%
Intersegment Elimination	(2,084)	(2,047)	-2%	-176%	(2,838)	(3,298)	14%

Cost of Sales

In H1/2026, SCGP's cost of sales was 47,881 MB (-8% YoY): integrated packaging business (IPB) accounted for 36,790 MB, fibrous business (FB) accounted for 11,235 MB, and recycling business (RB) accounted for 2,781 MB, with the details as follows:

Table 4 - Cost of Sales by Business Segment

Unit: MB

	Q2				Jan - Jun		
	2026	%	%y-o-y	%q-o-q	2026	%	%y-o-y
Integrated Packaging Business	19,124	77%	-1%	8%	36,790	77%	-6%
Fibrous Business	5,742	23%	0%	5%	11,235	23%	-4%
Recycling Business	1,509	6%	-11%	19%	2,781	6%	-15%
Intersegment Elimination	(1,625)	-6%	-70%	-25%	(2,925)	-6%	-46%
Consolidated SCGP	24,750	100%	-4%	7%	47,881	100%	-8%

Raw material management: SCGP ensures a consistent supply of quality recovered paper (RCP) and other key raw materials through a globally diversified sourcing strategy. This approach helps mitigate impact of disruptions arising from uncertain situations, such as conflict in the Middle East. Across ASEAN, SCGP operates 187 recycling stations and partner facilities, reinforcing the security of upstream supply base. By sourcing from both local and international markets, including Europe, US, Japan, and Oceania, SCGP is able to balance local and imported volumes in accordance with prevailing market conditions, thereby strengthening the ability to manage input costs while maintaining supply reliability and product quality standards. To further enhance 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 leveraged artificial intelligence (AI) technologies to enhance procurement decision-making and effectively optimize coal cost management through the strategic integration of data analytics and index-linked pricing mechanisms. This approach has allowed SCGP to achieve optimal sourcing volumes and competitive cost structures, while delivering measurable improvements in overall energy efficiency. Consistent with the environmental commitment, SCGP continues to advance sustainable innovation and resource efficiency in line with circular economy principles. The company has diversified energy mix by incorporating biomass and other alternative fuel sources, progressively reducing greenhouse gas emissions across the operations. In H1/2026, alternative fuels accounted for approximately 36% of total energy consumption.

Summary of Financial Positions as of 30 June 2026

Total assets were equal to 181,007 MB or an increase of 4,476 MB (+3% from December 2025). The change was attributable to foreign exchange translation of 1,815 MB due to the depreciation of Thai Baht, mainly against Vietnamese Dong (VND). Furthermore, the increase in total assets was primarily due to higher trade receivables of 1,670 MB, inventories of 1,535 MB, and a net increase in cash and short-term investments of 633 MB, while property, plant and equipment decreased by 1,441 MB.

Total liabilities were equal to 87,338 MB or an increase of 923 MB (+1% from December 2025). This was primarily due to a 470 MB increase from foreign exchange translation resulting from Thai Baht depreciation, an increase in trade and other current payables of 1,197 MB, while a net decrease in loans of 913 MB.

Total shareholders' equity reported at 93,669 MB or an increase of 3,553 MB (+4% from December 2025). The change was mainly attributable to foreign exchange translation of 1,345 MB from Thai Baht depreciation, combined with profit for the period of 4,178 MB, while dividend payment amounted to 1,950 MB.

Capital Structure

In H1/2026, total debt to equity ratio was at 0.9 times, which was comparable to H1/2025. Net debt to EBITDA was at 2.6 times, representing a decrease from 3.7 times in H1/2025, attributable to higher EBITDA.

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

Unit: MB

	June	December	Change	
	2026	2025	MB	%
Total Assets	**181,007**	**176,531**	**4,476**	**3%**
Current Assets	56,030	50,766	5,264	10%
Cash and cash equivalents	6,243	6,464	(221)	-3%
Short-term investments	5,695	4,441	1,254	28%
Trade and other current receivables	24,589	22,151	2,438	11%
Inventories	19,071	17,356	1,715	10%
Investments in associates	1,379	1,330	49	4%
Property, plant and equipment	84,284	85,325	(1,041)	-1%
Goodwill	26,734	26,434	300	1%
Other intangible assets	8,271	8,325	(54)	-1%
Total Liabilities	**87,338**	**86,415**	**923**	**1%**
Trade and other current payables	16,069	14,707	1,362	9%
Loans	62,230	62,904	(674)	-1%
Total Shareholders' Equity	**93,669**	**90,116**	**3,553**	**4%**
Total equity attributable to owners of the Company	77,871	74,402	3,469	5%
Non-controlling interests	15,798	15,714	84	1%

Table 6 - SCGP's Net Debt

Unit: MB

	June 2026	December 2025
Short-term Loans	24,432	24,387
Foreign	10,982	7,683
Baht	13,450	16,704
% of Total Loans	39%	39%
Long-term Loans	37,798	38,517
Foreign	8,168	8,750
Baht	29,630	29,767
% of Total Loans	61%	61%
Total Loans	62,230	62,904
Average cost of debt (%)	**3.2%**	**3.7%**
Cash and Cash Under Management	11,938	10,905
Cash and cash equivalents	6,243	6,464
Investments in debt instruments	5,695	4,441
Net Debt	50,292	51,999

Table 7 - Key Financial Ratio

			Jan - Jun	
			2026	2025
Profitability Ratio				
1	Gross Profit Margin	(%)	22.5	18.1
2	EBITDA Margin	(%)	16.9	13.3
3	Net Profit Margin	(%)	6.3	3.0
4	Core EBITDA Margin	(%)	17.0	13.3
5	Core Profit Margin	(%)	6.3	3.0
6	Return on Assets	(%)	3.6	1.4
7	Return on Equity	(%)	7.8	3.1
8	Return on Invested Capital	(%)	5.9	3.6
Liquidity Ratio				
9	Current Ratio	(times)	1.2	1.1
10	Quick Ratio	(times)	0.7	0.6
Activity Ratio				
11	Account Receivable Turnover	(times)	5.7	5.8
12	Account Payable Turnover	(times)	8.2	8.6
13	Cash Cycle	(days)	89	88
14	Total Asset Turnover	(times)	0.7	0.7
15	Inventory Turnover	(times)	5.2	5.4
Leverage Ratio				
16	Net Debt to EBITDA	(times)	2.6	3.7
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 30 June 2026

In H1/2026, SCGP's net cash flows provided by operating activities amounted to 7,162 MB, mainly from the operating cash flows of 8,040 MB and tax payment of 878 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 3,192 MB, mainly from capital expenditure of 2,384 MB and short-term investments amounted to 1,014 MB.

Net cash flows used in financing activities amounted to 4,352 MB, primarily due to dividend payment of 1,950 MB, a net decrease in borrowings totaling 1,404 MB, and interest payments of 998 MB.

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

Unit: MB

	Jan - Jun		
	2026	2025	Change
Cash flows from operating activities	7,162	7,180	(18)
Cash flows from investing activities	(3,192)	(3,630)	438
Cash flows from financing activities	(4,352)	(5,927)	1,575
Net decrease in cash and cash equivalents	(382)	(2,377)	1,995
Free cash flows	4,778	4,809	(31)

Major Business Update

SCGP has expanded fiber packaging business in southern Vietnam at Vina Kraft Paper Co., Ltd. (VKPC)'s existing packaging paper facility in Ho Chi Minh City, with a total investment of 604 Bn.VND, equivalent to approximately 748 MB. This investment is aligned with SCGP's strategy to expand consumer packaging business in ASEAN, with Vietnam representing a strategically important market supported by strong economic growth. This investment will strengthen SCGP's market position by capturing fiber packaging demand growth of approximately 7% per annum, enhancing operational synergies with VKPC, improving supply chain competitiveness, and expanding capacity to address land constraints at existing box plants, supported by advanced automation. This first phase of investment focuses on expanding converting capacity by 26,800 tons per year of high-quality corrugated containers. The commercial operation is expected to commence in September 2027.

Sustainability Development

SCGP, in collaboration with Kao Industrial (Thailand) Co., Ltd. (Kao), SCG Chemicals Public Company Limited (SCGC), and Dow Thailand Group (Dow), jointly developed a new mono-material refill bag for Magiclean floor cleaner natural essence 700 ml, converting the packaging from a multi-layer structure to a single-material solution that is 100% recyclable and compatible with Thailand's polyethylene mechanical recycling streams. Commercially available since June 2026, the innovation is expected to enhance recyclability by combining Kao's sustainability commitment, SCGP's expertise in structure design, SCGC's integrated solutions, and Dow's expertise in high-performance materials to support transition toward a circular economy. This collaboration further advances Kao's goals of achieving fully recyclable packaging by 2027 and net-zero plastic packaging waste by 2040, while providing potential to scale the solution across other products.

SCGP hosted Business Partner Day 2026 under the theme "Growing Together for Sustainable Growth," engaging more than 99 business partners to strengthen alignment on ESG, supply chain management, and safety standards. The event featured a sharing success story session, showcasing best practices in technology and AI-driven efficiency to enhance operational excellence, safety, and sustainability management through continuous collaboration.

valid through **June 2027**

SCGP received a Platinum rating awarded by EcoVadis in 2026, with a score of 93 out of 100, in the Manufacture of Corrugated Paper and Paperboard and of Containers of Paper and Paperboard category. This rating places the Company among the top 1% of companies assessed globally by EcoVadis, reflecting high quality of the company's sustainability management systems and continued commitment to transparency across the value chain.

Key Factors that May Affect Future Operations and Growth

Looking ahead to H2/2026, despite unresolved geopolitical tensions in the Middle East, the global economy is expected to experience a gradual recovery, supported by accommodative monetary environment. Supply chain diversification and re-globalization trends continue to support investment, consumption, and cost stability. Asia is expected to remain the fastest-growing region, driven by government stimulus measures and resilient domestic demand. India continues to benefit from strong manufacturing growth and infrastructure investment. In ASEAN, domestic consumption remains resilient, albeit increasingly selective, particularly for daily consumption products. Vietnam, Indonesia, and Thailand continue to benefit from supply chain diversification, foreign direct investment, and regional trade integration, collectively supporting economic growth.

For the packaging industry, demand is expected to normalize in Q3/2026, supported by government stimulus measures and inventory preparation toward the end of the quarter for year-end demand. Despite seasonal headwinds in certain markets, demand for consumer goods is expected to remain resilient, supported by ASEAN's domestic consumption base and continued spending amidst moderating inflationary pressure with more accommodative monetary environment.

Cost conditions are expected to remain manageable, with lower volatility in raw material and energy costs compared with earlier periods. This is expected to support operating cost management and margin resilience. Prices remain subject to input costs, while the company continues to expand value proposition to customers.

SCGP expects business performance to be supported by ongoing capability building and operational enhancement aligned with business transformation. Continued investment in reinforcing people's skills and mindset, automation, and machine modification is expected to enhance productivity and support growth. Earnings contribution from Fajar is expected to sustain, while margin resilience will be further reinforced through disciplined cost management and the application of AI. Since 2016, SCGP has filed a total of 367 patent applications, including 15 related to AI technology, underscoring a deepening innovation pipeline that supports the company's long-term competitiveness. In parallel, SCGP continues to integrate ESG into business strategy to support sustainable growth and long-term value creation. The company reached 36% in the use of alternative fuels in H1/2026 and continues to advance circular economy solutions, progressing toward the target of 100% recyclable, reusable, or compostable packaging by 2030. These efforts support SCGP's commitment to reducing greenhouse gas emissions by 25% by 2030 and achieving Net Zero by 2050.

SCGP IR Contact
☎ 02-586-2939
✉ SCGP_invest@scg.com