

SCG Packaging Pcl (SCGP TB) - BUY, Price Bt20.80, TP Bt22.00**Results Comment**

Yupapan Polpornprasert | Email: yupapan.pol@thanachartsec.co.th

4Q25 – in-line

- SCGP reported a 4Q25 net profit of Bt1.2bn, up 27% q-q and reversing from a Bt57m loss in 4Q24, in line with expectations.
- Non-recurring items totaled Bt385m, comprising a Bt1bn goodwill gain from Mypak, partially offset by Bt183m in restructuring costs and a Bt482m deferred tax asset reversal.
- Excluding these items, core profit was Bt885m, down 17% q-q but up sharply y-y, reflecting lower selling prices and baht appreciation, partly offset by higher sales volumes.
- Fibrous EBITDA fell to Bt302m (-23% q-q, -40% y-y). The q-q decline was mainly driven by weaker paper selling prices, higher wood log costs, and unfavorable Fx movements.
- Packaging paper EBITDA came in at c. Bt3.5bn in 4Q25 (-9% q-q, +23% y-y), dragged by wider losses at Fajar and lower selling prices across key markets. Volumes increased by 4% q-q, but ASP declined by 3% q-q.
- Fajar's EBITDA loss widened to Bt72m from a profit of Bt4m in 3Q25, mainly due to the booking of restructuring costs. Operationally, performance improved despite a slight decline in selling prices. Sales volume surged 17% q-q, more than offsetting a 2% q-q drop in ASP, driven by market share gains in both domestic and export markets. Capacity utilization rose sharply to 82% from 70% in 3Q25 and 76% in 4Q25. Note that selling prices began to inch up in December.
- Outlook: Looking ahead, 1Q26F earnings should remain steady higher, supported by lower RCP costs and gas price restructuring benefits at Fajar, partly offset by seasonal sales softness and scheduled pulp plant maintenance. We maintain our BUY rating.

Income Statement						Income Statement					
(consolidated)						12M as					
Yr-end Dec (Bt m)	4Q24	1Q25	2Q25	3Q25	4Q25	(Bt m)	q-q%	y-y%	% 2025F	2025A	2026F
Revenue	31,231	32,209	31,557	30,438	30,170	Revenue	(1)	(3)	99	124,374	125,077
Gross profit	4,296	5,798	5,737	5,470	5,249	Gross profit	(4)	22	100	22,254	22,278
SG&A	3,764	4,046	3,950	3,766	4,369	SG&A	16	16	103	16,131	15,635
Operating profit	533	1,752	1,787	1,704	880	Operating profit	(48)	65	94	6,123	6,643
EBITDA	2,964	4,257	4,221	4,210	3,688	EBITDA	(12)	24	94	16,376	17,947
Other income	244	275	251	296	1,154	Other income	290	372	189	1,975	1,045
Other expense	0	0	0	0	0	Other expense			na	0	
Interest expense	667	645	654	544	504	Interest expense	(7)	(24)	93	2,347	2,249
Profit before tax	110	1,381	1,384	1,456	1,530	Profit before tax	5	1,293	114	5,751	5,439
Income tax	(77)	303	283	358	430	Income tax	20	na	123	1,373	1,011
Equity & invest. income	36	15	33	33	19	Equity & invest. income	(43)	(47)	87	101	115
Minority interests	(70)	(160)	(94)	(66)	(234)	Minority interests	na	na	149	(553)	(34)
Extraordinary items	(209)	(34)	(31)	(112)	321	Extraordinary items	na	na	39	144	0
Net profit	(57)	900	1,010	953	1,207	Net profit	27	na	100	4,069	4,509
Normalized profit	152	934	1,040	1,066	885	Normalized profit	(17)	481	107	3,925	4,509
EPS (Bt)	(0.01)	0.21	0.24	0.22	0.28	EPS (Bt)	27	na	100	0.95	1.05
Normalized EPS (Bt)	0.04	0.22	0.24	0.25	0.21	Normalized EPS (Bt)	(17)	481	107	0.91	1.05

Balance Sheet						Financial Ratios					
(consolidated)						12M as					
Yr-end Dec (Bt m)	4Q24	1Q25	2Q25	3Q25	4Q25	(%)	4Q24	1Q25	2Q25	3Q25	4Q25
Cash & ST investment	12,282	12,208	10,674	10,660	10,905	Sales growth	(2.0)	(5.1)	(7.8)	(8.8)	(3.4)
A/C receivable	23,551	25,017	24,130	23,063	22,152	Operating profit growth	(70.7)	(30.1)	(10.7)	63.2	65.2
Inventory	19,027	18,562	18,504	17,848	17,356	EBITDA growth	(28.8)	(17.0)	(9.9)	18.4	24.4
Other current assets	443	420	417	370	354	Norm profit growth	(87.7)	(42.8)	(31.8)	36.7	480.9
Investment	1,193	1,206	1,290	1,311	1,330	Norm EPS growth	(87.7)	(42.8)	(31.8)	36.7	480.9
Fixed assets	91,014	89,627	87,735	85,799	85,325	Gross margin	13.8	18.0	18.2	18.0	17.4
Other assets	41,069	40,833	40,064	38,858	39,109	Operating margin	1.7	5.4	5.7	5.6	2.9
Total assets	188,580	187,872	182,815	177,908	176,531	EBITDA margin	9.5	13.2	13.4	13.8	12.2
S-T debt	35,863	34,483	32,624	25,976	30,669	Norm net margin	0.5	2.9	3.3	3.5	2.9
A/C payable	15,678	15,142	15,445	14,908	14,707	D/E (x)	0.6	0.6	0.6	0.7	0.7
Other current liabilities	5,062	7,926	2,065	1,947	2,056	Net D/E (x)	0.5	0.5	0.4	0.5	0.5
L-T debt	25,320	25,781	18,669	34,203	28,702	Interest coverage (x)	4.4	6.6	6.5	7.7	7.3
Other liabilities	11,370	11,189	21,725	10,536	10,281	Interest rate	4.4	4.3	4.7	3.9	3.4
Minority interest	18,608	18,136	15,749	15,635	15,713	Effective tax rate	(70.1)	21.9	20.5	24.6	28.1
Shareholders' equity	76,678	75,216	76,537	74,703	74,402	ROA	0.3	2.0	2.2	2.4	2.0
Working capital	26,900	28,437	27,190	26,003	24,801	ROE	0.8	4.9	5.5	5.6	4.7
Total debt	61,183	60,265	51,293	60,179	59,371						
Net debt	48,901	48,057	40,619	49,519	48,466						

Sources: Company data, Thanachart estimates

General Disclaimers And Disclosures:

This report is prepared and issued by Thanachart Securities Public Company Limited (TNS) which is owned 99.97% by TMBThanachart Bank Public Company Limited (TTB) as a resource only for clients of TNS, TMBThanachart Bank Public Company Limited (TTB) and its group companies. Copyright © Thanachart Securities Public Company Limited. All rights reserved. The report may not be reproduced in whole or in part or delivered to other persons without our written consent.

This report is prepared by analysts who are employed by the research department of TNS. While the information is from sources believed to be reliable, neither the information nor the forecasts shall be taken as a representation or warranty for which TNS or TTB or its group companies or any of their employees incur any responsibility. This report is provided to you for informational purposes only and it is not, and is not to be construed as, an offer or an invitation to make an offer to sell or buy any securities. Neither TNS, TTB nor its group companies accept any liability whatsoever for any direct or consequential loss arising from any use of this report or its contents.

The information and opinions contained herein have been compiled or arrived at from sources believed reliable. However, TNS, TTB and its group companies make no representation or warranty, express or implied, as to their accuracy or completeness. Expressions of opinion herein are subject to change without notice. The use of any information, forecasts and opinions contained in this report shall be at the sole discretion and risk of the user.

TNS, TTB and its group companies perform and seek to perform business with companies covered in this report. TNS, TTB, its group companies, their employees and directors may have positions and financial interest in securities mentioned in this report. TNS, TTB or its group companies may from time to time perform investment banking or other services for, or solicit investment banking or other business from, any entity mentioned in this report. Therefore, investors should be aware of conflict of interest that may affect the objectivity of this report.

Disclosure of Interest of Thanachart Securities**Investment Banking Relationship**

Within the preceding 12 months, Thanachart Securities has lead-managed public offerings and/or secondary offerings (excluding straight bonds) of the securities of the following companies:

Note: Thanachart Securities Public Company Limited (TNS) acts as an underwriter of “Debentures of Charoen Pokphand Food Public Co. Ltd.(CPF) No. 1/2026 (B.E. 2569) tranche 1-3”, therefore investors need to be aware that there could be conflicts of interest in this research.