**Press release SCGP 10 May, 2021**

**SCGP tops up its success in Indonesia, expands investment portfolio in downstream packaging in Intan Group as demands in ASEAN grow**

**SCGP continues to grow its packaging investment in Indonesia as it’s poised to purchase 75% of the Intan Group, a major producer of corrugated containers with established bases in four strategic locations. The deal extends the Company’s earlier success in packaging paper investment, boosting its potential and firming up its integrated packaging business operations.**

**Mr. Wichan Jitpukdee, Chief Executive Officer, SCG Packaging Public Company Limited, SCGP**, reveals that the Company’s strategy is to expand in the ASEAN region to boost its integrated packaging business by increasing regional market coverage. He says the expansion in the corrugated containers will be beneficial to SCGP’s integrated packaging businesses encompassing both the operations as well as its aim to expand customer base in the region.

With a population of more than 270 million, Indonesia is brimming with potentials. Since 2013 SCGP has launched a sustained growth strategy in Indonesia through five companies, including Fajar, DAP (a Fajar subsidiary), PTPM, INDOCORR and INDORIS. The assets include two corrugated containers manufacturing plants, a printing house for corrugated containers, and two packaging paper manufacturing plants. In 2020 the five firms generated 17,577 million Baht in sales in Indonesia, equivalent to 18.94% of SCGP’s total sales.

Having invested in the five Indonesian companies, SCGP has become their partners in expanding businesses, exchanging expertise, and engaging in mutually beneficial activities, such as reducing financial costs, and increasing production efficiency. In April 2021, SCGP has started up in a new production facility to increase packaging paper capacity of Fajar.

Furthermore, SCGP has worked closely with PTPM, INDOCORR and INDORIS, packaging subsidiaries, leading to technological exchanges, increases in production capacity, cost reduction, waste minimization, IT system improvements, and introduction of SCGP’s innovative Lightweight G Technology in the packaging production system.

**The SCGP CEO** adds that the Company recently has expanded its investment portfolio in Indonesia. It has signed a share purchase agreement on May 10, 2021, to acquire 75% stake of PT Indonesia Dirtajaya Aneka Industri Box, PT Bahana Buana Box and PT Rapipack Asritama, collectively called the Intan Group. The deal was undertaken through TCG Solutions Pte. Ltd. in SCGP. The acquisition is expected to be completed by the middle of 2021.

Intan Group is one of Indonesia’s manufacturers of corrugated containers. It operates in four strategically important areas, namely, Surabaya, Semarang, Bekasi, and Minahasa. Its customer base encompasses both multinational and domestic producers of food and beverages and consumer goods. In 2020 Intan Group generated revenues of 1,329 billion rupiahs (approximately 92 million US dollars or 3,057 million Baht).

This round of investment in Indonesia is aimed at responding to anticipated growth in the ASEAN region as well as strengthen the Company’s ability to provide a larger variety of products. It will promote a symbiotic relationship between SCGP and the companies in which it has invested.

Moreover, the Company will be able to offer a diverse variety of products as well as integrated packaging solutions that can fulfill the different needs of individual customers. At the same time, it will be able to develop innovative products to add values and enhance the Company’s position as the leading provider of integrated packaging solutions in ASEAN.

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**Additional information:**

SCG Packaging Public Company Limited or SCGP is the leading provider of integrated packaging solutions in ASEAN. The Company offers paper-based packaging, polymer-base packaging, and various other packaging solutions. Its revenue in 2020 is THB 92,786 million with more than 40 production bases in Vietnam, Indonesia, Malaysia, England and Thailand.

Fajar is one of the largest producer of packaging paper in Indonesia, listed in the Indonesia Stock Exchange. As at Dec. 31, 2020, it employs 3,000 people and has assets valued at 9.5 trillion rupiahs or about 20,700 million Baht (based on an exchange rate of 2.17315 Baht per 1,000 rupiahs).

Intan Group is a producer of corrugated containers in Indonesia, operating in strategically important areas of Surabaya, Bekasi and Minahasa. Its customers include both multinational and domestic companies in the food and beverages and consumer goods industries.

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