



A Global Player With World Class Standards

ISCM

ISCM INDUSTRIES (THAILAND) LTD

PRINTING PACKAGING PROFILE

ISCM Industries (Thailand) Co. Ltd.



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ISCM Industries (Thailand) Co. Ltd., is

- part of D'nonce Group which is listed in KLSE
- strategically located at Sadao, near Malaysia-Thailand border.
- offers complete printing services from graphic designing, high quality offset printing, value added processing and converting processes.
- offers wide range of packaging needs with new machineries

ISCM INDUSTRIES (THAILAND) CO., LTD.



Plant Re-Opening Plan & Status



Vision & Mission

Vision: To be a Global Player with World Class Standard.

Mission: To achieve Total Customer Satisfaction by providing quality products and excellent services.



Our Strength



Our greatest strength are :

- Experienced and trained staff in packaging industries
- Graphic design and artwork development tailored towards customer's needs.
- Quality Packaging products
- close proximity to Southern Thailand and Northern Malaysia region
- New machineries like Computer-To-Plate (CTP), OPP film lamination, Hot foil stamping and various converting machineries for all ranges of packaging needs.
- Technical advice and 1-stop packaging

Services

High Quality Printing -

We deliver high-end printing and packaging services in offset and shipping cartons through our **ISO** and ICTI certified facilities. At the heart of our printing processes are the various high-end printing, process and converting machineries including the top of the range Heidelberg 6 colors printer with double coater and extended delivery for high quality color prints and enhanced special effects.

Designing -



Our in-house graphic designers employ high-end graphic and 3D software and are well-trained to produce high quality design and artworks for your packaging. They are also proficient to handle our own design and artwork to suit customer's requirements.

■ Overview on Printing & Packaging – different types of printing



A. OFFSET



OFFSET PRINTED BOXES

- Used for industrial packaging needs for medical glove and cathethers, food, electronics industries, toys, etc.
- Used for consumer products, gift boxes including condom boxes, rigid boxes and paper bags



INDUSTRIAL BOXES



■ Overview on Printing & Packaging – different types of printing

B. FLEXOGRAPHY



PAPER BAGS



Combination of Flute

Medium



Single face board



Single wall board

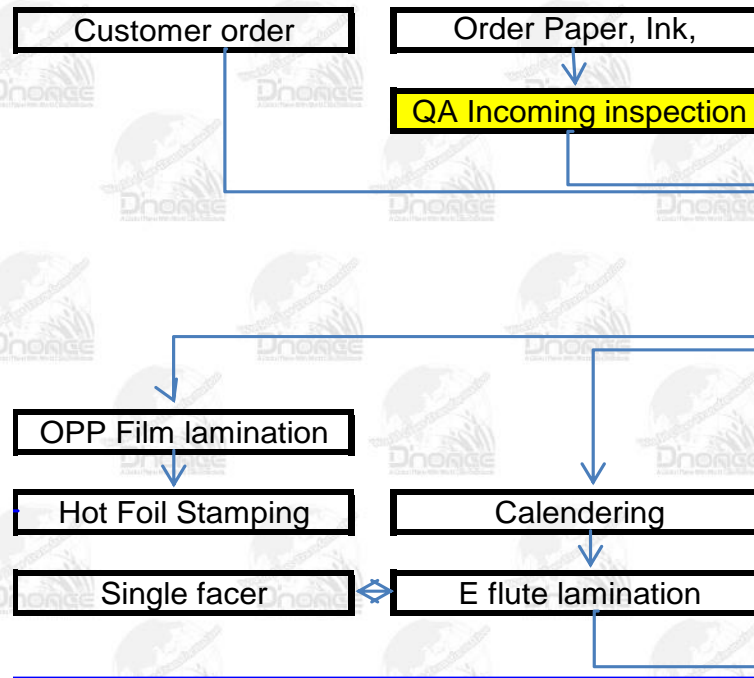


Double wall board

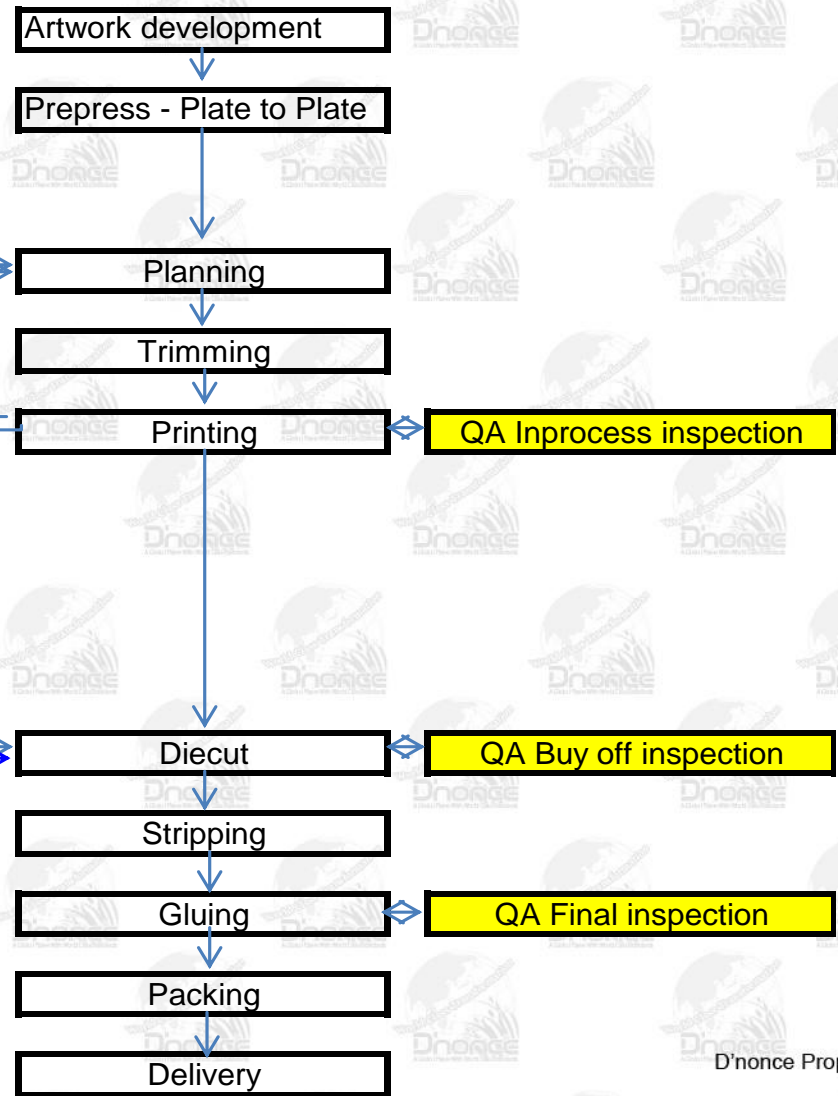


Triple wall board

Process Flow



Box Plant - Process Flow Chart



MAJOR MACHINERIES AND FACILITIES :

- Sheeter
- Prepress
- Guillotine/Cutter
- Printing
- Die cut
- Folder Gluer
- Flexo Printing
- Flexo Gluing

SHEETER

- Flexibility in buying roll form to cater new jobs and variety of printing paper size
- Flexibility in sheeting duplex board and kraft paper
- Capable of sheeting big roll size of 50"



PREPRESS

- latest computer-to-plate technology
- cost saving in eliminating film usage
- faster turn around to plate production
- high accuracy in print-to-print registration
- front runner in packaging industry
- higher productivity
13 plates/hr.



6-COLOUR OFFSET PRINTING MACHINE

- offers 6 colour in 1 pass
- supports waterbased or UV finishing
- high speed of 12-13K impression per hour
- max size of
 $28 \frac{3}{8}'' \times 40 \frac{1}{8}''$
- High quality offset printing



4-COLOUR OFFSET PRINTING MACHINE

- offers 4 colour in 1 pass
- supports waterbased finishing
- high speed of 12-13K impression per hour
- max size of
28 3/8"x40 1/8"
- High quality offset
printing



DIECUT/CREASING MACHINES

- 3 units of Die cutter
- with Auto stripping facilities
- consistent die cut pressure for perforating window, creasing lines and cutting shape
- Able to handle max size of 750mmx1050mm
- Able to achieve top speed of 6,500 impression per hour



HAND/MANUAL DIE CUT

- semi auto capability
- cater for low volumn jobs
- max 1040 x720mm



FOLDER GLUER FOR SMALL & GLOVE BOX

- supports the gluing of small box size such as condom packs and rubber band boxes
- fast gluing at top speed of 40,000 boxes/hour
- from Tianjin, China
- supports fast gluing
- supports grinding of glue flaps for OPP film laminated glue flaps

Min paper size 250 x 80mm



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FOLDER GLUER FOR BIG BOX WITH LOCK BOTTOM

- support gluing of big boxes with lock bottom design
- from Tianjin, China
- max paper size of 1060x900mm
- Top speed of 20,000 pcs/hour



FOLDER GLUER FOR CATHETERS /GLOVE BOX

- support gluing of medium boxes with side gluing
- from International, USA
- max paper size of 740x1060mm
- Top speed of 30,000 pcs/hour

Plant Re-Opening Plan & Status



OPP THERMAL FILM LAMINATOR

- to enhance the surface glossiness
- to provide a window finish
- to strengthen and beautify a product image

WINDOW PATCHING

- to provide a window finish by using a rigid film



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2 COLOUR FLEXO PRINTER SLOTTER



FLEXO GLUING



ADDITIONAL SUPPORTING MACHINERIES :

- Single Facer
- Flute Laminator
- OPP Film Laminator
- Hot Foil Stamping
- Window patching
- Wax machine

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HOT FOIL STAMPING

- value added process by using silver or gold foil to beautify the product image

CALENDERING

- to enhance the packaging surface to be most glossy
- apply heat and pressure



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SINGLE FACER

- to laminate the inner liner and medium into a single facer
- e flute capability only
- from Xia Her Long, China

FLUTE LAMINATOR

- to laminate the single facer with the duplex board
- from China



Plant Re-Opening Plan & Status

Flute Laminator



BUSINESS PLAN OF NEXT 5 YEARS

ISCM INDUSTRIES (THAILAND) CO., LTD. PROFIT FORECAST FY 2019 - FY2023

| | Assumption | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 |
|---|------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | | THB | THB | THB | THB | THB |
| Revenue | | 295,195,000 | 354,000,000 | 384,000,000 | 405,000,000 | 425,000,000 |
| Direct Material (Paper and Ink) | 64.50% | (190,400,775) | (228,330,000) | (247,680,000) | (261,225,000) | (274,125,000) |
| Direct costs(manufacturing) | 0.08% | (236,156) | (283,200) | (307,200) | (324,000) | (340,000) |
| Labour Cost | 9.92% | (29,286,849) | (30,751,191) | (32,288,751) | (33,903,189) | (35,598,348) |
| Factory Overhead | 6.37% | (18,790,370) | (22,533,549) | (24,443,172) | (25,779,908) | (27,052,990) |
| Gross profit before admin costs | | 56,480,850 | 72,102,060 | 79,280,877 | 83,767,904 | 87,883,662 |
| | | 19% | 20% | 21% | 21% | 21% |
| Administrative & General expense | | | | | | |
| Staff cost | | (14,759,750) | (15,497,738) | (16,272,624) | (17,086,256) | (17,940,568) |
| Other operating expenses | | (10,922,215) | (13,098,000) | (14,208,000) | (14,985,000) | (15,725,000) |
| Operating profit before depreciation & finance costs | | 30,798,885 | 43,506,322 | 48,800,253 | 51,696,648 | 54,218,094 |
| | | 10% | 12% | 13% | 13% | 13% |
| Depreciation | | (14,232,000) | (14,757,000) | (14,757,000) | (14,757,000) | (14,757,000) |
| Finance costs | | (11,208,149) | (12,328,964) | (13,561,860) | (14,918,046) | (16,409,851) |
| Others | | (8,761,275) | (10,620,000) | (11,520,000) | (12,150,000) | (12,750,000) |
| Non operating income | | 20,663,650 | 20,663,650 | 20,663,650 | 20,663,650 | 20,663,650 |
| Net profit after depreciation & finance costs | | 17,261,111 | 26,464,008 | 29,625,043 | 30,535,252 | 30,964,893 |

Business plan

1. Inner box is SCMI core business and currently SCMI had occupied about 29% market shares (based on existing customers) and SCMI like to aim higher to hit 35% of the Southern Thailand market shares.
2. Based on the SCMI are confident to achieve THB 295mil sales since there are machinery, capacity & manpower available by new financial year.
3. Sales Team will be more tactically & strategize to get more allocation from existing customers.

Assumptions

1. Revenue are based on marketing department sales forecast for 2019, which is then submitted as Budget 2019 and it is inflated at 10-25% per annum. Forecast Revenue for FY2019 is based on market information and demand + customer current capacity + our current share in the market.
2. All other items (materials, factory overhead & other expenses) are variable according to revenue.
3. Labour costs and staff costs increase by 5% every year for increment.

Valuation report on December 2018

nexus
innovative real estate solutions

Based on our appraisal and analysis, we have formed an opinion that the market value in existing state of the subject property locate on 188, Kachanavanich road (Highway no.4), samnakkam Subdistrict, Sadao District, Songkhla Province, with a land area of about **50 rai 3 nagn 49.7 Square Wah (81,398.8 square meters or 876,177 square feet)** and **gross built up area of some 14,098 square meters (or 151,751 square feet)** of the freehold interest were as follows:

| Detail Property | Value (Baht) |
|-------------------|-------------------------|
| | As is December 31, 2018 |
| Land | 117,010,775 |
| Building | 110,930,040 |
| Total | 227,940,815 |
| Rounded To | 227,900,000 |

This letter is invalid as an opinion of value if detached from the report, which contains the text, exhibits, and appendix.

Facilities with the Bank and Needs.

| | Out standing with CIMB | Plan to settle by our fund | Balance to re-Finance |
|--------------------------------------|------------------------|----------------------------|-----------------------|
| OD | 19,958,166 | 9,958,166 | 10,000,000 |
| PN (Buying material in Thailand) | 29,217,991 | 19,217,991 | 10,000,000 |
| LC/BA (Buying material from Oversea) | 29,528,320 | 19,528,320 | 10,000,000 |
| TOTAL | 78,704,477 | 48,704,477 | 30,000,000 |

Amount request to support.

Term loan of re-finance amount

30,000,000

OD

15,000,000

PN

25,000,000

LC

50,000,000

120,000,000

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Thank you