

March 19, 2021

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AGC to Integrate and Reorganize the 3 Chlor-Alkali Companies in Thailand and CLMV Markets

AGC (AGC Inc.; Headquarters: Tokyo; President: Yoshinori Hirai) announces that its Board of Directors, at a meeting held on March 18, 2021, passed a resolution to integrate and reorganize its 3 consolidated subsidiary companies, AGC Chemicals (Thailand) Co., Ltd (hereinafter "ACTH"), Vinythai Public Company Limited (hereinafter "VNT"), and AGC Chemicals Vietnam Co., Ltd (hereinafter "ACVN"), and to form a new company which will promote the business development of chlor-alkali products and services in Thailand and Cambodia, Laos, Myanmar, and Vietnam (hereinafter "CLMV") markets, with a target completion by first half of 2022 (hereinafter "Decision").

1. Purpose of this Decision

The AGC Group aims to expand its chlor-alkali chemicals business in Southeast Asia as one of the priority businesses of the **AGC plus 2.0** management policy.

Caustic soda and polyvinyl chloride resin (PVC) markets in Southeast Asia are expected to grow approximately 4% per year. AGC has expanded its chlor-alkali business in Southeast Asia with the aim of steadily capturing growing demand in the region and has consolidated its leading position by enhancing the production capacity of its existing bases in Indonesia and has acquired ACVN and VNT.

Through this Decision, we will further strengthen our chlor-alkali business base in Thailand and CLMV markets and aim for further growth by deepening our partnership with PTT Global Chemical Public Company Limited (hereinafter "GC"), a shareholder in the newly integrated company and a leading petrochemical manufacturer in Thailand.

2. Procedures related to this Decision

The procedures for this Decision are scheduled to be as follows.

- 1) VNT to obtain an approval from its shareholders meeting for the delisting of securities of VNT from the Stock Exchange of Thailand. The tender offer for the delisting (hereinafter the "Tender Offer") will be conducted by

GC. AGC will not tender its shares in the Tender Offer, and will remain as a majority shareholder of VNT after the Tender Offer. AGC agrees on the delisting of VNT and will support GC in conducting the Tender Offer.

- 2) In parallel with the above, AGC will implement procedures to make ACVN a subsidiary of ACTH.
- 3) After completion of the procedures in 1) and 2), VNT and ACTH will merge to form a new company. (hereinafter "Reorganization")
- 4) GC has the right to increase its stake in the new company up to 35% and will carry this out through a third-party allotment of new shares to GC.

The above mentioned 3) and 4) will be subject to the fulfillment of all the merger conditions such as delisting of securities of VNT from the Stock Exchange of Thailand.

3. About the Tender Offer

The detailed information on the terms and conditions of the Tender Offer is disclosed by GC and VNT in Thailand in accordance with the laws and regulations of Thailand and the rules of the Stock Exchange of Thailand.

4. About the Reorganization

1) Outline of the new company to be established

Name	Yet-to-be-determined
Location	Yet-to-be determined
The title and name of the representative	Yet-to-be determined
Business profile	Manufacture and sales of chemicals
Paid-in capital	Yet-to-be determined
Time of establishment	Scheduled for first half of 2022
Major shareholders and shareholding ratio	AGC Inc.: Planned to be 65% or more PTT Global Chemical Public Company Limited: Planned to be 35-a% or less Others: Planned to be a%

*The outline of the new company to be established will be disclosed when determined.

2) Outline of the subsidiaries to be dissolved

i) VNT (as of March 19, 2021)

Name	Vinythai Public Company Limited
Location	No. 2, Map Ta Phut Industrial Estate, I-3 Road, Tambon Map Ta Phut, Amphoe Mueang Rayong, Rayong 21150, Thailand
The title and name of the representative	Hiroaki Sano
Business profile	Manufacture and sale of vinyl chloride, vinyl chloride raw materials, and caustic soda

Paid-in capital	7,111,160,664 (THB)
Date of establishment	December 27, 1988
Major shareholders and shareholding ratio	AGC Inc.: 58.78% PTT Global Chemical Public Company Limited: 24.98% Others: 16.24%

ii) ACTH

Name	AGC Chemicals (Thailand) Co., Ltd.
Location	944 Mitrtown Office Tower, 14th Floor, Rama 4 Road, Wangmai Sub-District, Pathumwan District, Bangkok 10330, Thailand
The title and name of the representative	Masahiko Fukamachi
Business profile:	Manufacture and sale of caustic soda, hydrochloric acid, liquid chlorine, caustic potassium, potassium carbonate, etc.
Paid-in capital	1,400,000,000 (THB)
Time of establishment	July 15, 1964
Major shareholders and shareholding ratio	AGC Inc.:100%

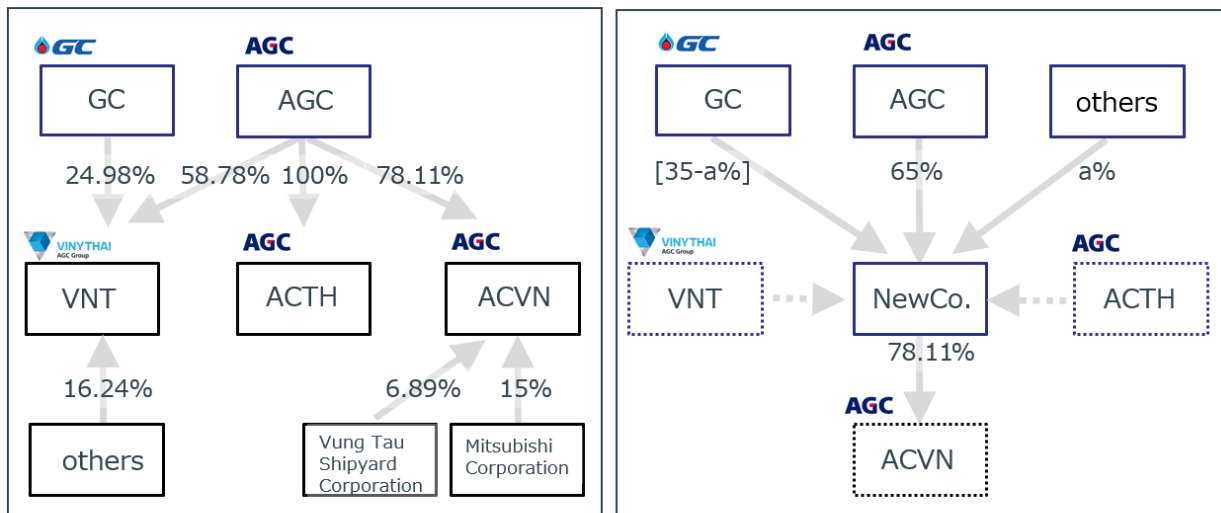
5. Impact on earnings:

Based on the fact that this Reorganization is taking place among AGC's consolidated subsidiaries, AGC believes that the impact on its consolidated business results will be minimal.

REFERENCE

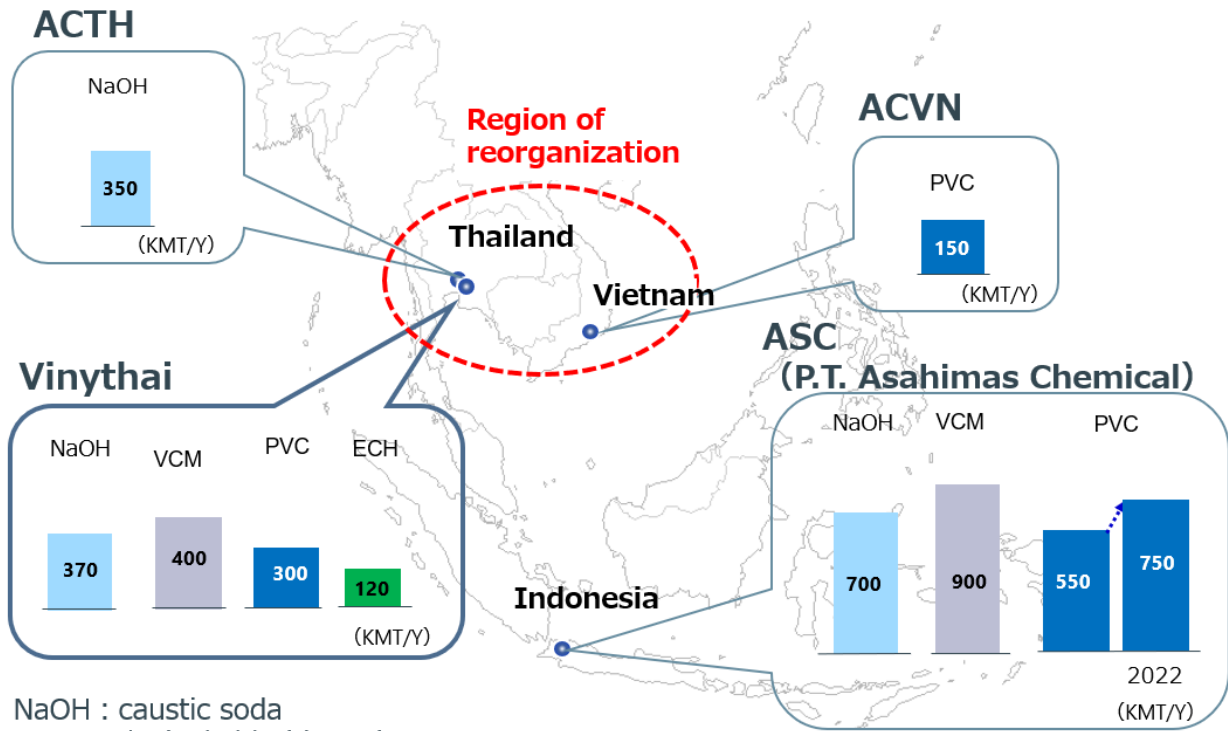
■ Reorganization

【Before merger】 → 【After merger】



- 1) VNT to obtain an approval from its shareholders meeting for the delisting of securities of VNT from the Stock Exchange of Thailand. The tender offer for the delisting will be conducted by GC.
- 2) In parallel with the above, AGC will implement procedures to make ACVN a subsidiary of ACTH.
- 3) After completion of the procedures in 1) and 2), VNT and ACTH will merge to form a new company.(NewCo.)
- 4) Capital increase through third-party allotment to GC by NewCo. (GC's equity stake will be [35-a]%)

■ AGC's Chlor-alkali business in Southeast Asia



NaOH : caustic soda

PVC : polyvinyl chloride resin

VCM : vinyl chloride monomer (intermediate material to produce PVC)

ECH : epichlorohydrin