

SCGC Acquires Kras, Major Dutch Recycling Business

With Fully Integrated Recycling Business Chain, Penetrates EU Market with Green Polymer



SCG Chemicals Public Company Limited (SCGC) has signed a deal to acquire Recycling Holding Company Volendam BV, also known as "Kras" a leading waste management company in the Netherlands, to accelerate its business and penetrate Europe's expanding recycled polymer market. Kras also operates in other businesses spanning the entire recycling business chain, from upstream to downstream. The acquisition is consistent with SCGC's business direction, which focuses on being a leader in the integrated chemicals business for sustainability by developing environmentally friendly plastic innovations. It is prepared to strengthen its position by introducing green polymer products to penetrate the recycled polymer market in Europe.

This acquisition agreement was jointly signed by Mr. Tanawong Areeratchakul, CEO and President of SCG Chemicals or SCGC, and Mr. Ben Kras, Chief Executive Officer of Recycling Holding Volendam BV. SCGC will acquire a 60% stake in Recycling Holding Volendam BV through SCG Chemicals Trading (Singapore) Pte. Ltd.



Mr. Tanawong Areeratchakul, CEO and President of SCG Chemicals or SCGC, said, "SCGC aims to grow the sales of SCGC GREEN POLYMER™ portfolio to one million tonnes per year by 2030. SCGC previously invested in Sirplaste, a leading polymer recycling company based in Portugal. We have expanded our investment in the upstream business, which entails the collecting and sorting of plastic waste, a crucial aspect of the recycled polymer manufacturing business that is directly related to the growth of the green polymer products. The investment in Kars will result in a fully integrated recycling business chain that encompasses plastic waste collection, recycling, processing, and reaching European brand customers, in line with SCGC's strategy to encourage continued growth into Chemicals Business for Sustainability."

Kras Netherlands is primarily engaged in collecting and sorting used plastic and paper from households and industrial sectors. In 2021, Kras recorded a total revenue of EUR 92.7 million, or approximately THB 3,475 million. It has the capacity to source and collect 160,000 tonnes of plastic waste per year, and a production capacity of 9,000 tonnes of recycled plastic resin and will expand to another 9,000 tonnes. It also holds a stake in companies engaged in polymer recycling, transportation solutions, and packaging for sustainability.



Ben Kras, Chief Executive Officer of Recycling Holding Volendam BV said, "Kras operates a fully integrated waste materials management business for hundreds of companies in Europe. With more than 70 years of expertise, Kras can source and manage waste materials and invest in recycling-related businesses. One such investment is a stake in REKS LLC, a manufacturer of PCR in Kosovo with a production capacity of 9,000 tonnes per year and is likely to double in growth by 2023. It also holds a stake in Circular Plastics BV, a Dutch company that provides sustainable transportation and packaging solutions. With SCGC's expertise in manufacturing eco-friendly plastics, the company will be able to increase its presence in European markets and generate long-term returns."



The investment in Recycling Holding Volendam BV or "Kras" will strengthen SCGC's GREEN POLYMER™ portfolio, encompassing four areas: (1) REDUCE – reducing resource consumption and maximizing resource efficiency; (2) RECYCLABLE – design for recyclability; (3) RECYCLE – recycling; and (4) RENEWABLE – developing environmentally friendly bio compostable plastics and plastics made from renewable resources. Particularly, the RECYCLE category is anticipated to experience exponential growth. In Europe, the demand for green plastics continues to rise. Currently, SCGC has invested in recycling-related businesses in Europe through two companies: Sirplaste in Portugal and Recycling Holding Volendam BV (Kras) in the Netherlands.

About SCGC

SCG Chemicals, or SCGC, is a leading integrated chemical player in ASEAN with strategic bases in Vietnam, Indonesia, and Thailand, offering a full range of petrochemical products ranging from upstream production of olefins to downstream production of 3 main plastics resins: polyethylene, polypropylene, and polyvinyl chloride.

SCGC focuses on inventing "Innovation That's Real" to drive the ASEAN economy and elevate the quality of life in accordance with ESG and circular economy. SCGC develops technology and innovation toward HVAs in infrastructure, consumable packaging, automotive, health and well-being, and energy solutions, together with sustainable environmental stewardship.

For more information: www.scgchemicals.com

About Kras

Recycling Holding Volendam BV or "Kras" is an international undertaking established for over 70 years, headquartered in Volendam, Netherlands. The company is engaged in the business of the commercial collection, sorting, processing, and transit trade in paper, cardboard, foils, and plastics waste flows. The waste collected is made suitable for reuse or processed into raw materials for new end products. It also emphasizes doing business in a socially and environmentally responsible way with an efficient waste material handling process.

For more information: www.kras-recycling.com/en/