



# Morgan Stanley Virtual ASEAN Conference 2024

17 May 2024

***“PASSION FOR INCLUSIVE GREEN GROWTH”***

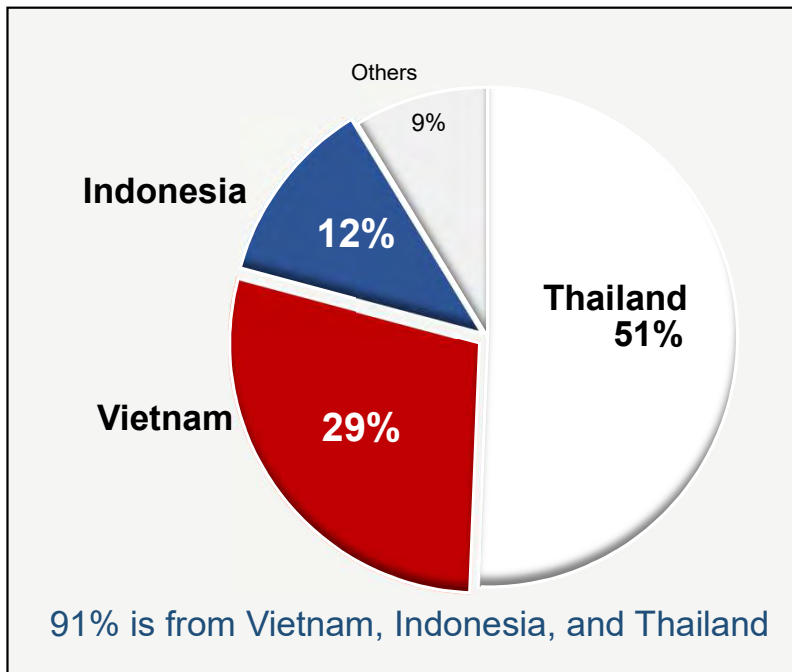
*Low carbon cement | Sustainable Packaging | Green Polymers*

*Download presentation*



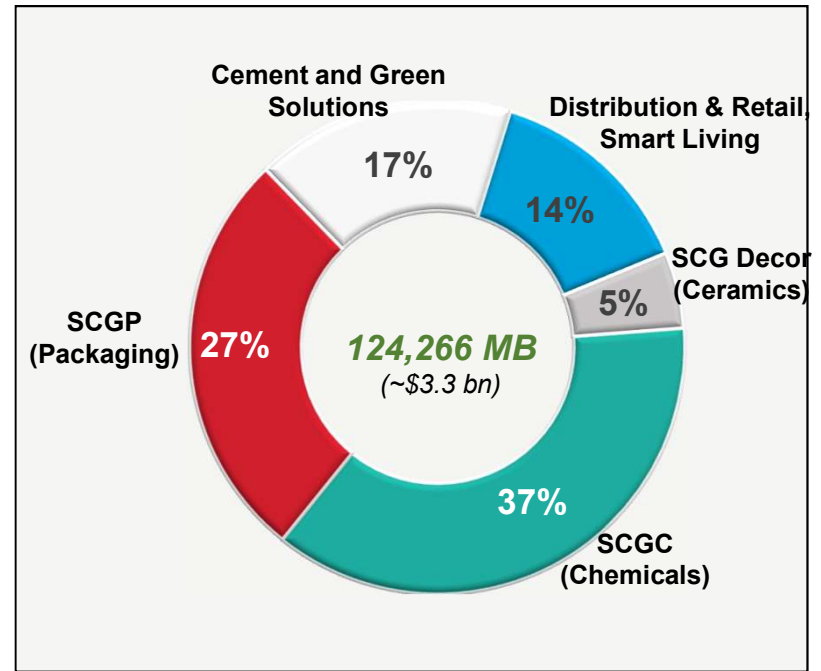
# Introduction: SCG's Segments (Q1/2024)

## Asset



Total assets 939,396 MB (~\$25 bn)

## Revenue



FY2023 revenue 499,646 MB (~\$14 bn)

## Fire damage to tank storage in Rayong, Thailand

- 10.45 am May 9, 2024 fire at the tank storage for C9+ related products at the Thai facility.
- 16.35 hrs. May 9, fire was put out the temperature control.
- Provided swift and focused attention to local community and stakeholders.
- There were five staffs injured one casualty.
- Continuous disclosures to the Stock Exchange of Thailand (May 9/24, May 10/24, May 15/24).
- Insurance coverage of Map Ta Phut Tank Terminal Company Limited (MTT):
  1. Industrial All Risks Insurance and Business Interruption Insurance
  2. Public Liability Insurance
  3. Legal Liability Insurance for liabilities arising from Category 3 of the Fuel Oils Control Act regarding the control of liquefied petroleum gas and the control of oil

**Note:** C9+ is a liquid by-product of the naphtha cracker.  
It is sold as raw materials for paint thinner, and solvent.

## Discussion Highlights...

### Key note:

- Listing of subsidiaries...new equity at BU levels for growth and agility
- LSP (Vietnam) is completed below budget and adds massive 1.7x chemicals capacity.
  - Restart is in Q3-2024.
  - Depreciation on olefins portion begins Q3-2024.
- Enhanced margins with HVA and Green products
- Solid finances (leverage, funding cost, cash on hands)
- Trading at 0.8x P/BV (vs. 5 yrs. historical avg. 1.3x)

### Details:

- 2024 global chemicals supply growth of ~2.5% (vs. 4yr avg. of 5%)
- Normalizing economic activity (FDI at 15 yr. high, rebound in tourism, low inflation)
- SCG Cleanergy, as a sizeable business unit via heat storage (RONDO), and green tech
- On track to achieve 2030 target of -25% emission reduction (Scope 1+2 and science based)

# SCG's Initiatives and Emphasis



*Kan Trakunhoon*  
CEO 2007 - 2015



*Roongrote Rangsiyopash*  
CEO 2016 - 2023



*Thammasak Sethaudom*  
CEO 2024 onwards

## Organization

- Go Regional

- HVA expansion & LSP
- Speed & Execution
- Business transformation

- Green Growth
- Agile Organization

## Technology & Innovation

- R&D

- Innovation

- Deep-tech and digitization

## Sustainability

- Sustainable development

- ESG 4 Plus

- Achieve Net Zero Society, driving sustainable growth and creating inclusive prosperity define SCG's passion for better

# Passion for Inclusive Green Growth

## Strategic Direction towards Green Growth

### SCG Highlights



#### ***“Sustainable Packaging Innovations”***

- Customer-centric development of sustainable packaging and solution
- Achieved 99.7% total sales volume of recyclable, reusable & compostable products (target 100% by 2030)



#### ***“HVA and Green Polymers, Margin & Revenue Maximization”***

- SCGC Green Polymer progresses and new grade offerings, towards at least 1 MTA by 2030
- LSP expects to restart in July-Aug



#### ***“Green and Cost Competitiveness”***

- Reached 85% penetration of Low Carbon Cement
- Strengthened cost competitiveness from alternative fuel (AF) used to 47%
- Enhanced EBITDA margin



#### ***“To be the ASEAN leader in Decor Surfaces and Bathroom business”***

- On-track to unveil competitive sales growth target of 2x by 2030



#### ***“To be a Sizable Business Unit”***

- Achieved 511 MW, and 3,000 MW by 2030
- Includes investment in breakthrough innovations (e.g., RONDO heat battery)

# Agile Organization From thought process into action...and Key deliverables



SCG's Shareholding (%)



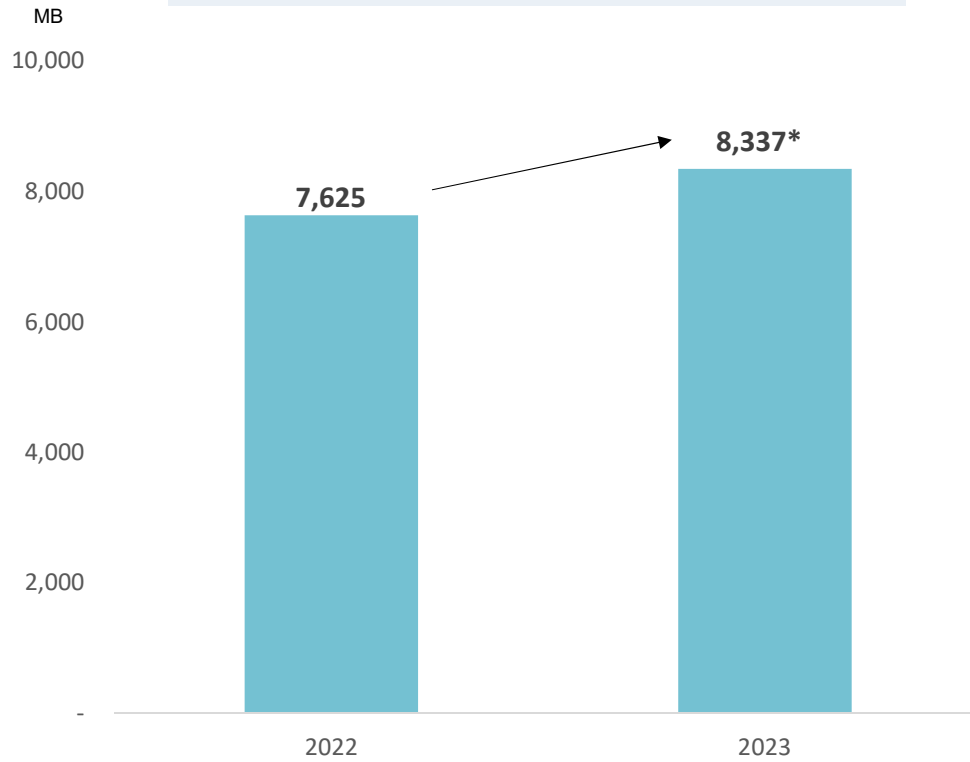
FY2023 Revenue from Sales (before elimination)

\*SCG through its subsidiaries holds 42.9% stake in SCGJWD



# Investments & Others: Contributing earnings resilience

*Profit from Investments & Others  
(Equity income & Dividend received)*



\*Included fair value adjustment in Investment business of 2,866 MB

## Examples of SCC's investment (equity stake)

**Agricultural machinery**  
i.e., **Siam Kubota Corporation (40%)**  
FY22 Sale: 59bn, Asset: 55bn



**Automotive**  
i.e., **Toyota Motors Thailand (10%)**  
FY22 Sale: 405bn, Asset: 172bn



**Structural steel**  
i.e., **Siam Yamato Steel (10%)**  
FY22 Sale: 26bn, Asset: 23bn



## Subsidiaries – What do we get from Agility?

Ultimately accelerating growth



Growth  
agile and  
structural

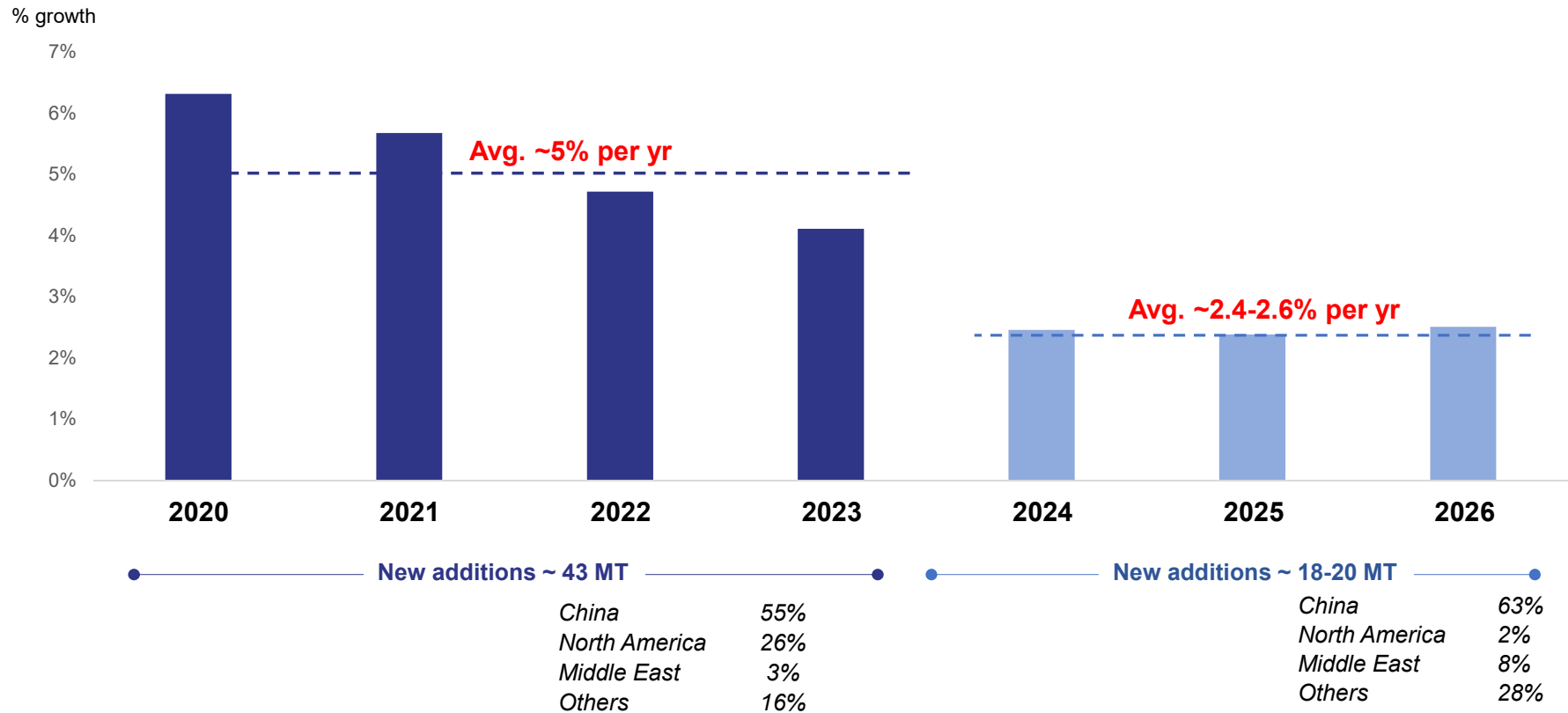


Financials  
equity raised at  
BU level



Board  
dedicated and  
focused

## Global Ethylene supply growth is expected to decline, while demand is consistently 2-4%



Capacity loss\* 2023 is approx. ~17 MT (20% of Asia capacity)

Source: SCGC

Note: \*Capacity loss = mothball, economic shutdown, turnaround, and unplanned outage

Example of C2 Mothball 2024 onwards: Asia ~0.6 MT, Europe ~1 MT



# Global capacity shutdown announcements



## Sabco closes Olefins-3 cracker Geleen after maintenance shutdown

10/04/2024 Monique Harmsen 2094

Sabco will start a turnaround at its Chemelot site at the end of this week. The Olefins 3 naphtha cracker and five other installations of the cracker complex will be taken out of operation during this. Sabco announces that it will not restart the cracker thereafter.

This maintenance project involves an investment of several million euros. Naphtha cracker Olefins 4 will continue to operate normally. Sabco indicates that one of the key components of its strategy for the Geleen site is the development of the Sabco Plastic Energy Advanced Recycling plant. This plant where it plans to chemically recycle plastics is nearing completion.

The changes at the site mark an important step in increasing sustainability and adapting to changing market conditions, said John Bruijooze, General Manager at Sabco in Geleen.

Two years ago, there was already talk of a possible closure of one of Sabco's two squatters at Chemelot. The company stated then that it was engaged in a strategic reorientation in which closing a cracker was a possible option. The Olefins-3 cracker is more than 50 years old.

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Home | News | ExxonMobil to close Gravenchon, France cracker and related derivative units in 2024

## ExxonMobil to close Gravenchon, France cracker and related derivative units in 2024

Nel Weddle  
11-Apr-2024

LONDON (ICIS)—ExxonMobil Chemical France has announced plans to close its chemical production at Gravenchon, in Normandy in France in 2024, subject to the relevant government approvals.

According to a press release, the steamcracker and related derivatives units and logistics facilities will be shut down. The company said the site has lost more than €500 million since 2018 and despite efforts to improve the site's economics, it remains uncompetitive.

According to the ICIS Supply & Demand database, the cracker has the capacity to produce 425,000 tonnes/year of ethylene and 290,000 tonnes/year of propylene and was started up in 1967.

A butadiene (BD) unit is also at the site and associated derivatives include polyethylene (PE), polypropylene (PP).

ExxonMobil's nearby Port Jerome refinery will continue to operate supplying fuels, lubricants, basestocks and asphalt.

The closure will impact 677 jobs through 2025.

ExxonMobil said this planned closure is entirely separate from the Esso S.A.F. announcement regarding its proposed sale of the Esso Fos-sur-Mer refinery and South France logistics assets.

Charles Amyot, president of ExxonMobil companies in France said: "It has been a very difficult decision for us to take, but we cannot continue to operate at such a loss."

# China Aims for High-Quality Growth

China

## China vows to 'transform' economy, sets ambitious growth target

By Antoni Slodkowski, Andrew Hayley and Eduardo Baptista

March 5, 2024 4:09 PM CMT+7 · Updated 23 days ago



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## China unveils 2024 growth targets with focus on high-quality development

Updated: March 6, 2024 10:21 Xinhua

BELJING, March 5 -- China seeks to achieve a GDP growth rate of around 5 percent for 2024, the latest signal that the world's second-largest economy is committed to high-quality development despite uncertainties at home and abroad.

The projected goal, which remains unchanged from the previous year's growth target, is one of the key development objectives unveiled in the government work report delivered by Premier Li Qiang to the national legislature, which began its annual session Tuesday.

\* Featured Contributors

## IMF head: China's high-quality growth depends on pro-market reforms

chinadaily.com.cn | Updated: 2024-03-24 19:44



App | March 28 2024

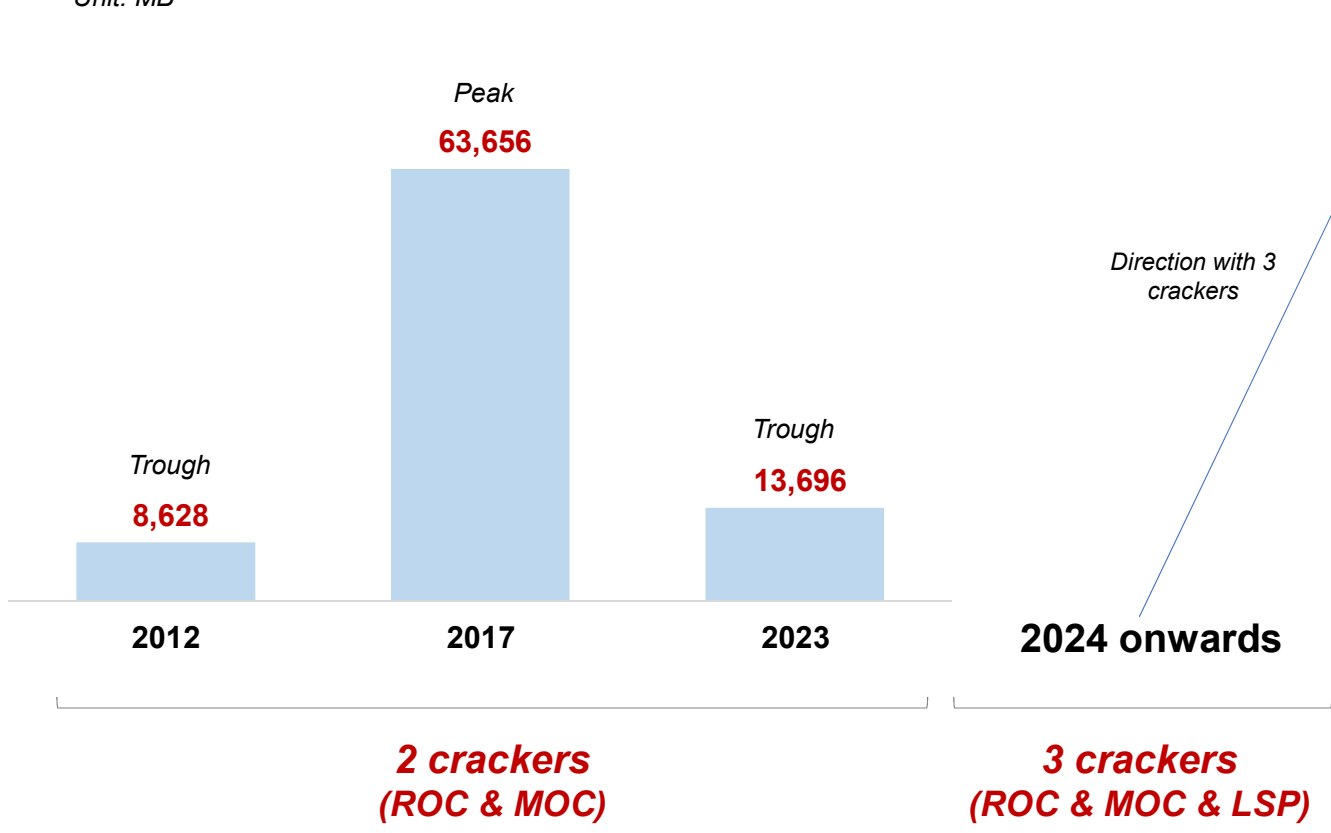
中国发展高层论坛 2024 China Development Forum 2024

IMF Director Kristalina Georgieva delivers a speech at China Development Forum 2024 (provided to China Daily)

...cessor transition from high rates to high quality of growth, ...zes that high quality development ultimately depends on ...etary Fund Managing Director Kristalina Georgieva said ...turn 2024 in Beijing on March 24. In her speech, she ...a new era of high-quality growth and will continue to be ...economic growth. She emphasized that international ...solve the challenges the world is facing

# SCG Chemicals: EBITDA analysis

Unit: MB



## 2024 onwards

### Volume

- LSP adds 1.7x PE PP capacity
- Green polymer and HVA

### Value

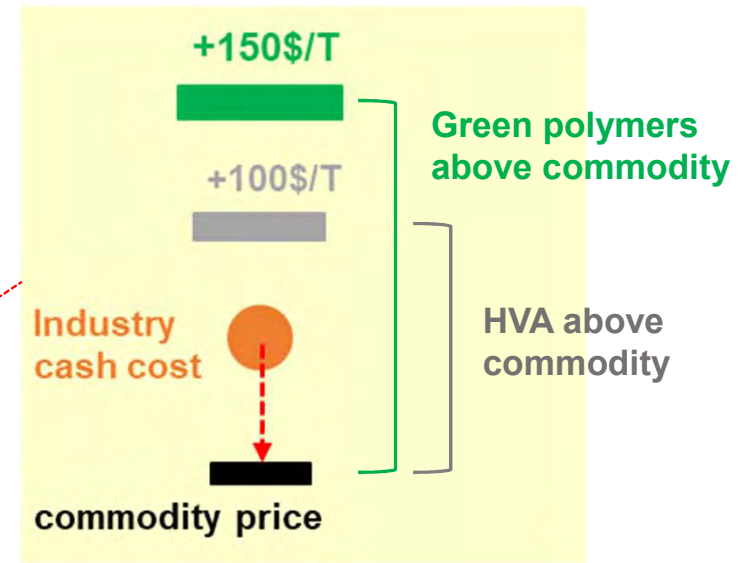
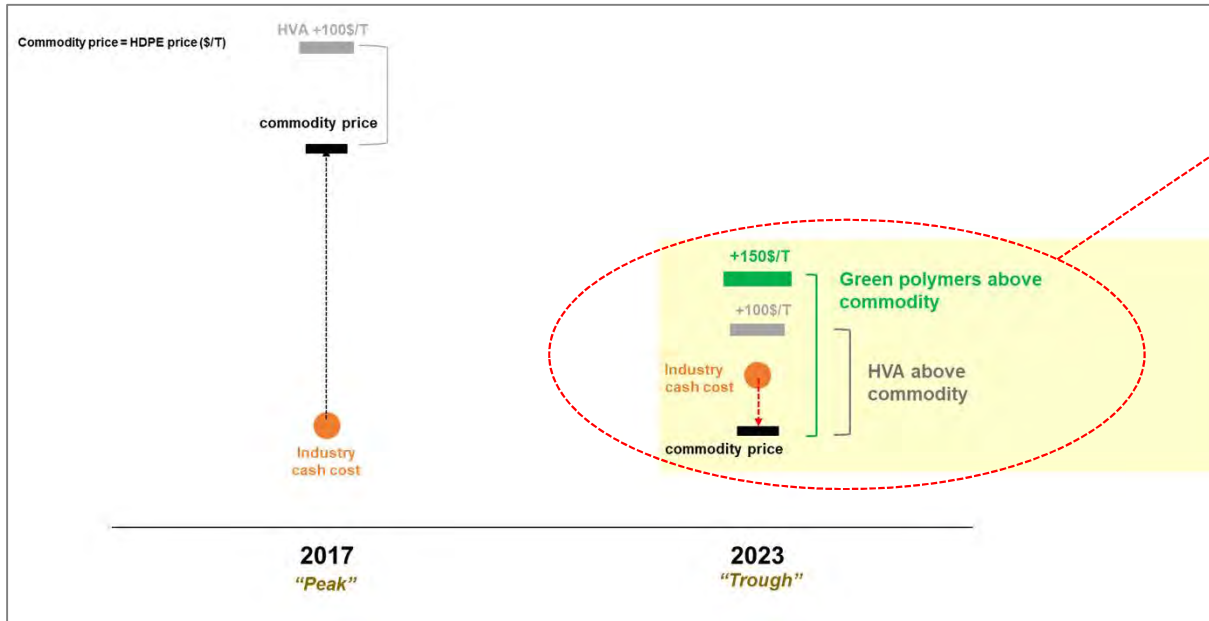
- Green polymer premium +150 \$/T
- HVA premium +100 \$/T
- LSP's gas feed of 70%



# SCG Chemicals: Examples of Chemicals HVA and Green Polymer premium (for illustration only)

## 2023 industry background:

- Deep trough cycle from global supply growth (2020-2023)
- Commodity prices were lower than industry cash costs



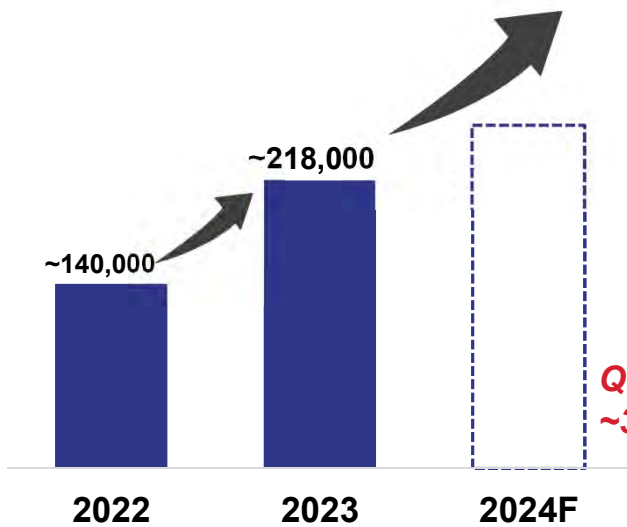
# SCGC Green Polymer our growth acceleration



## Global demand growth

Recycled Polymer (PCR) 7%-8%  
Commodity Polymer 2%-3%

2030 target at 1 MTA



Unit: tons



## RENEWABLE

- **Braskem JV:** Grow bio-based to 200 KT of Green Ethylene production, with expected FID in Q4/2024
- **Avantium (Netherlands):** 3% equity stake, with the proven renewable chemicals technology



## RECYCLE

### Mechanical Recycled

- Increase sales volume through Odorless PCR HDPE
- Expand customer base across EU
- Partnership to accelerate the circular plastic ecosystem in Asia



### Advanced Recycled

- Commercialized with consumer brand owners



## RECYCLABLE



## REDUCE

Utilizing SMX™ technology



# SCGC Green Polymer our growth acceleration

*JV with Braskem (Brazil)*  
*Bio-Ethylene towards Bio-PE of 200 KTA*  
*SCGC 49% and Braskem 51% stake*



Ethanol from sugarcane, cassava

**Low Carbon**



Bio-based Feedstock

*Green Polymer Solutions*



Bio-ethylene



Circular naphtha

Post-Consumer Resin (PCR)

Advanced Recycling/  
Chemicals Recycling/  
Pyrolysis



Video QR Code



**Low Waste**

Mechanical Recycling



European expansion





## SCGC and DOW signed MOU to accelerate the circular plastic ecosystem in Asia

- **First in Asia Pacific market** to seek a holistic value chain solution for circular plastic
- **Technology development** in waste sorting, mechanical recycling, and advanced recycling
- **Recycling a wide range of plastic waste into high-value applications**
- Transforming **more than 200 KTA** of plastic waste by 2030.



SCGC Green polymer™



Dow's PCR product



# SCGC Green Polymer solutions – Reduce Enhancing material for Eco-efficiency

## Global Brand Owner Collaboration

Up to 20% Less Plastic Use

Ensure Zero Crack with 10% Better Gas Retention



8% Lightweight



**LION** 12% Lightweight

## 30% Film Thickness Reduction



รองรับน้ำหนัก 10 กิโลกรัม  
Contained 10 kg weight **BETAGRO**

## LSP (Vietnam): project executed and remains below budget

*Ensure safety process and smooth commissioning*



### Achievement

- Jan-Feb 2024: the whole complex safely and successfully started up and achieved first test run scenario

### Start-up and efforts

- Due to equipment technical difficulty, the complex has shutdown during Mar-Jun
- Conduct maintenance and modification, as well as strengthen operating standard and practice
- Expect to **restart in July, final test run and COD in Aug**

## Vietnam market

### Influx of Investment

- Vietnam recorded a decade-high in new business establishments during Q1/2024.
- FDI expansion was driven by growth of middle class, increasing GDP per capita, and rapid urbanization.
- Economic activity growth was led by the manufacturing and services sector (electronics, consumer appliance, and steel)

### Demand growth


- Demand driven by dual track, domestic economy and exports
- Vietnam's GDP at 5.7% YoY, with an average of 6% growth for PE and PP
  - Domestic PE/PP market (2023), with total market size was approximately 3.5 MTA
  - Existing peers (PP) downstream production was less than 1 MTA

## **SCG Plastics entered into settlement with OFAC**

- **As proposed by the United States Office of Foreign Assets Control (or “OFAC”), SCG Plastics has entered into a settlement agreement and would pay a settlement amount of USD 20 million to the United States Treasury Department.**
- **The settlement is regarding utilization of U.S. dollars to sell Iranian-made products during 2017 – 2018 and causing U.S. financial institutions to process wire transfer for the payments.**
- **In 2018, as a result of the uncertainty of the situation between The United States of America to Iran, SCG Plastics forever ceased the sales of PE from the Iranian JV, following the divestment of the JV.**
- **The settlement payment would not impact on SCG’s operating results in 2024, as provisions have already been made in the financial statements for 2023.**

# Segments of cement demand in Thailand


## Commercial

Boosted by tourism 

Hotels Shopping malls





## Non-residential

Supported by FDI approval (15-yr high) 

Factories Concrete



## Residential

Positive in medium-to-high,   
...challenging in low segment 

Condominium Houses



## Infrastructure (Government)

To accelerate in H2/24

Infrastructure e.g., road, highway



% of demand

2023: 42%

2015: 51%

% of demand

2023: 42%

2015: 32%

## News update: Thai property stimulus measures

### 1. Reduced transaction fees for home sales

- Worth up to THB 7 million, with ownership transfer fees and mortgage registration fees cut to 0.01%, from 2% and 1%

### 2. Tax credit for personal deductibles

- Up to THB 100,000 for people who want to build their houses

### 3. Access to home loans

- Worth THB 30 billion from state banks

### 4. Board of Investment (BoI) incentives

- Promote residential projects for low-income

## Economic booster

- **GDP impact of 1.7-1.8%**
- Estimated new investment of THB 400-500 billion
- Estimated to stimulate spending of THB 120 billion from tax reduction
- Expect the total property transaction value of about THB 800 billion

Source: <https://www.bangkokpost.com>

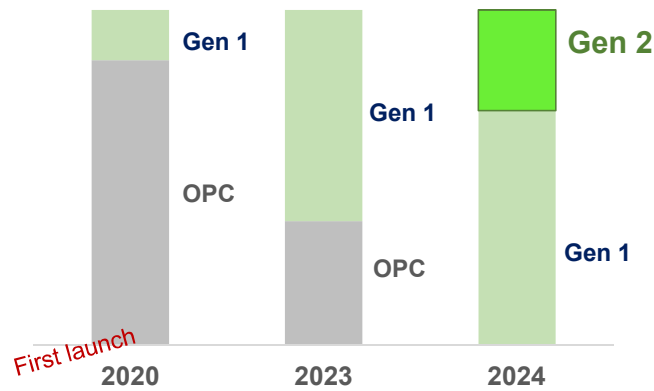
# Cement and Green Solutions: Low carbon technology with execution

## Low Carbon Cement: Penetration rate of 85% in Q1/24

- **Formulation and Alternative fuel (mainly agricultural waste)**
- **Retain high strength and less energy**
- **First mover advantage with strong branding**
- **Certified by Environmental Product Declaration (EPD), and accepted by US clients**



Low carbon cement penetration (Thailand)



**CO<sub>2</sub> reduction (vs OPC)**  
 Gen 1 : 10-15% lower  
 Gen 2 : 15-20% lower  
 Gen 3 : to be launched

### 2024 Action Plan

- Boost **alternative fuel use from 40% to 50%**
- Towards **Low Carbon Cement Gen 2**
- Roll out to **ASEAN**
- Accelerate **Low Carbon Concrete**



Note: SCG Cement and Green Solution sales accounts for approx. 45% of FY 2023 revenue from sales of CBM of 189,348 MB. Approx. 80% is cement sales in Thailand.



# Cement and Green Solutions: Road to Decarbonization

Investments in decarbonization technologies to sustainably utilize green fuels. These initiatives play important roles in the green roadmap and cost reduction simultaneously.

## Green Process



AF burner



Chloride bypass



External combustor

## Renewable Energy



Solar energy



Waste heat generator

Examples of renewable energy in production process

## Alternative Fuels



Various kinds of alternative fuels used in cement production process

## Green Products



## Green Construction



Developing Green Solutions and integrating digital technology for constructions

## Green Society

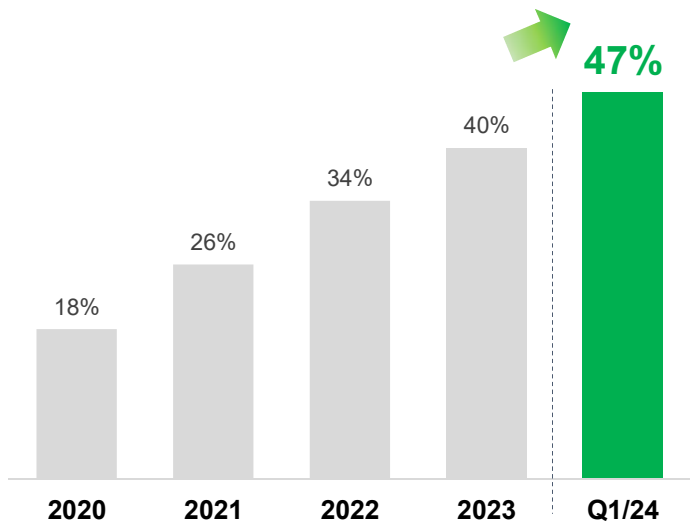
Collaborative partnership for sustainability



# SCG Cement and Green Solutions:

Increased AF through 1) Machine modification, 2) Logistics backhauling, and 3) Pelletization

## Alternative Fuel Use (domestic %) (mainly agricultural biomass)



### Biomass

(rice husk, straw, sugarcane waste, etc.)



### Energy pellets



## Distribution and Retail Businesses – ASEAN expansion

Investment in distribution and retail in ASEAN through strategic partnerships with leading retailers

### Retail platform expansion in ASEAN

<p><b>Thai</b></p>  <p>84 branches</p>	<p><b>Cambodia</b></p>  <p>1 branches</p>	 <p>Listed in Stock Exchange Thailand (SET)</p>	<p><b>SCG's stakes</b> 32.94%</p>	<p><b>Market cap*</b> 2,358 Million USD</p>
<p><b>Indonesia</b></p>  <p>13 branches</p>		 <p>Listed in Indonesia Stock Exchange</p>	<p><b>SCG's stakes</b> 30.89%</p>	<p><b>Market cap*</b> 217 Million USD</p>
<p><b>Indonesia</b></p>  <p>13 branches</p>		 <p>Listed in Indonesia Stock Exchange</p>	<p><b>SCG's stakes**</b> 15%</p>	<p><b>Market cap*</b> 209 Million USD</p>
<p><b>Laos</b></p> 			<p><b>SCG's stakes**</b> 22%*</p>	<p>Non-listed company</p>



\*Source: Bloomberg as of April 2023

\*\*SCG's stakes through associates as of December 2021

Video QR Code



**SCG**

# SCG Cleanergy...as a sizable business unit

To be a trusted renewable energy service provider across the value chain through green and innovative technologies

Green Power Generation

Heat Energy Storage

Future of Green Energy



**Decarbonization in electricity power sector**

Private PPA / Government PPA (towards 3,000 MW)

**Decarbonization through heat energy**

On demand heat with RONDO, replacing needs for boilers

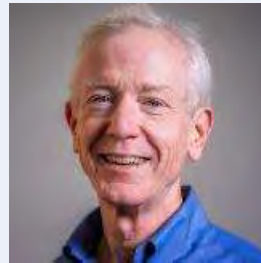
**Grid modernization for green energy accessibility**

P2P (Peer-to-peer) power sharing through Open Grid

# RONDO Heat Storage Battery...early equity investment by SCG's technology scouting team



- Deliver **on-demand heat supply**
- **Status: Commercialized** in California, U.S. (Mar 2023)
- RONDO targets 90 GWh/year
- **SCG's roles are**
  - **Thermal media supplier**
  - **Commercial partner (ASEAN)**

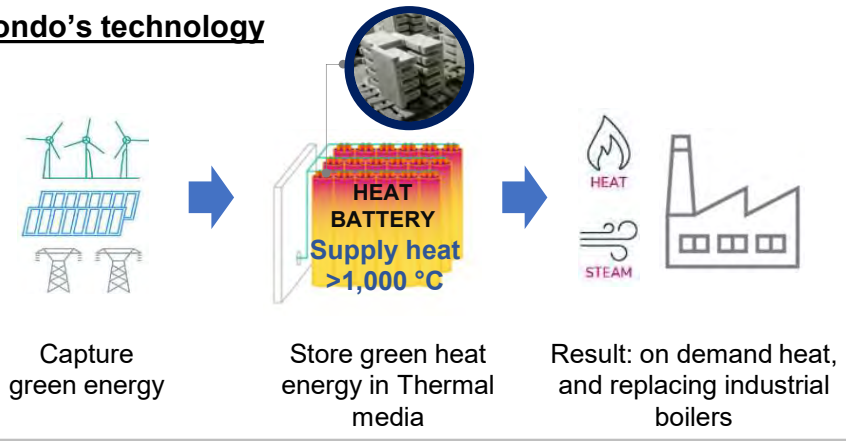


John O'Donnell  
Founder and CEO

Video QR Code

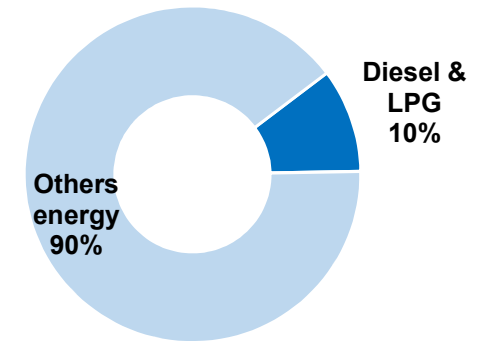


## Rondo's technology



## High-Potential Customers:

**“Industries Consuming High-Energy-Priced Fuels such as LPG and Diesel”**



**Over 20 customers in progress**

# Execution to Implement First Industrial Scale Heat Battery Unit in Thailand



*Specializing in engineering design, project management, and material development.*



*Proficiency in heat battery technology*



**Commercialize in early 2025**



*Actual Production at SCG cement plant*

**Generating green steam with heat battery and solar power for cement plant**

**SCG x Rondo co-develop in the design & engineering throughout the commissioning process**

**Reference case to accelerate market adoption with the first heat battery in ASEAN**

Briefing | The burning question

## First electric cars. Next, electric factories?

They could be a major new way to slow global warming



IMAGE: RICARDO TOMÁS

Feb 15th 2024 | FORT COLLINS

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Share

Give

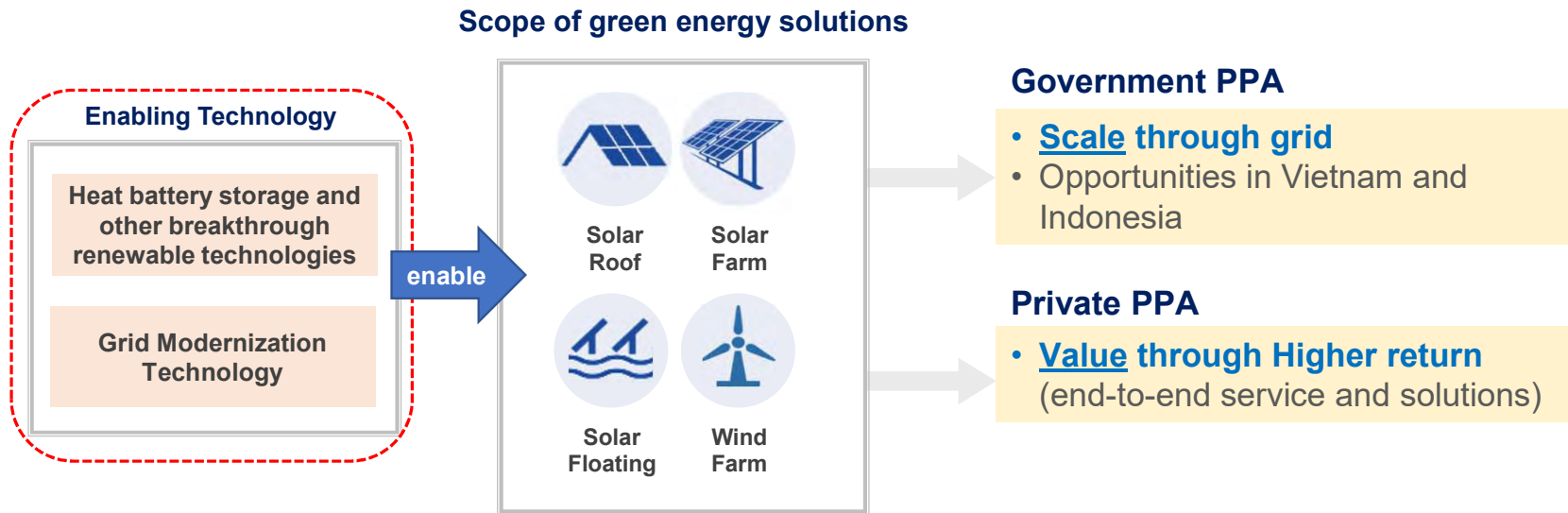
**Rondo's thermal batteries** are cheaper to manufacture than electric ones that require cobalt or lithium...

... Mr O'Donnell is planning a big global expansion. With the help of Thailand's **Siam Cement Group...**

# Green Electricity Generation: Expand green MW to increase users' accessibility to renewable power supply



Where does RONDO fit in?



• **Differentiators:**

- **Grid modernization platform** (Open Grid with service and solutions) for P2P (Peer-to-Peer) power plant
- **Strong network and ecosystem**
- Higher investment return vs typical solar power business model



# ESG credentials at global level

## DJSI



As of 7 February 2024, SCG achieved the highest score (Top 1%) in the Construction Materials Industry in the S&P Global Corporate Sustainability Assessment. It is also the first organization in ASEAN to have been included as member since 2004.

The world's No.1 ranking for 10 years and Top 3 leader for 14 consecutive years since 2008

## CDP



SCG has been rated at Level A in water security, Level A- in forest management, and Level B in climate change in the chemicals sector by the Carbon Disclosure Project (CDP).

## MSCI



SCG received the AA rating on the MSCI ESG Ratings in the Construction Materials Industry for the sixth consecutive year by Morgan Stanley Capital International (MSCI), the world's leading stock index provider.

## Sustainalytics



SCG has been recognized as an "ESG Industry Top Rated 2023" company in the Industrial Conglomerates by Morningstar Sustainalytics, a leading ESG research, ratings, and data firm that supports investors around the world.



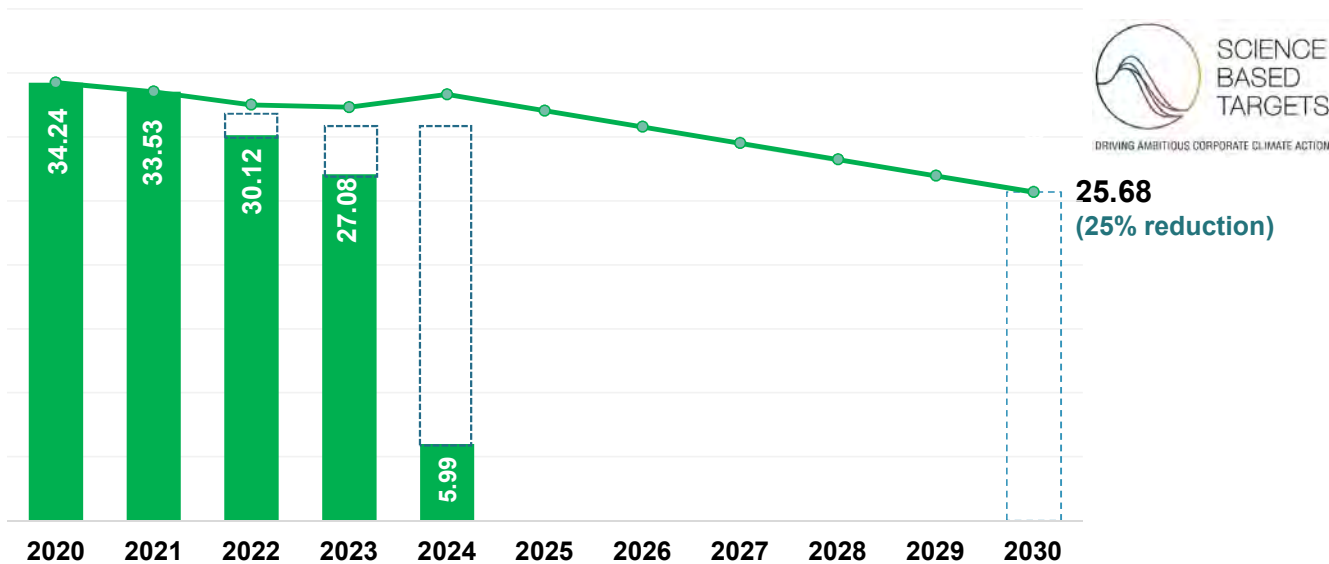
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# SCG 2050 Net Zero Roadmap and Progress

In 2023, SCG total GHG reduction of 20%, on track with SBTi **targeting 25% reduction** from 2020 base year

## GHG Emissions (Scope 1+2)

Unit: MT CO<sub>2</sub>



### Energy Efficiency

By using the best available technologies with energy efficiency



### Renewable Energy

By increasing the share of biomass, renewable energy



### Low Carbon Products

By innovating the products with circular economy principle and low carbon in value chain



### CCUS

By networking with national and international to scale up carbon capture, utilization and storage (CCUS) technologies



### Natural Climate Solution

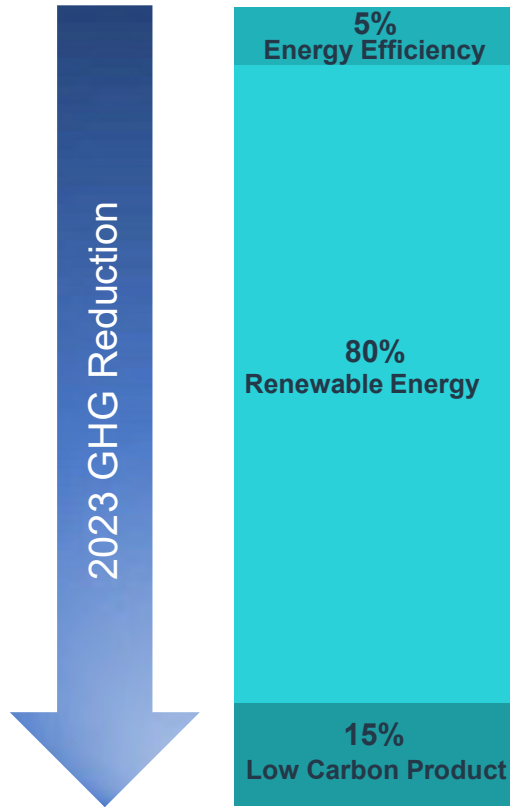
By collaborating with communities and authorities to forestation and rehabilitation as carbon sink

**Note:**

- 1) Normalized full capacity utilization of 2022 (31.12 MT CO<sub>2</sub>), and 2023 (30.67 MT CO<sub>2</sub>)
- 2) 2023 is the actual of Jan-Dec, which is under 3<sup>rd</sup> party assurance process and the final data will be disclosed in Sustainability Report 2023

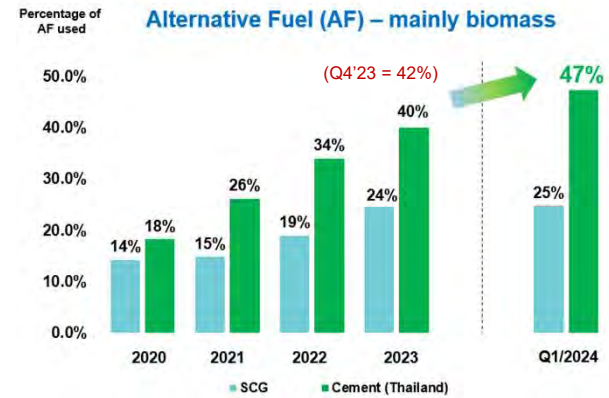
# SCG 2050 Net Zero Roadmap: Energy Transition

## Energy Transition



## Renewable Energy

### Alternative Fuel

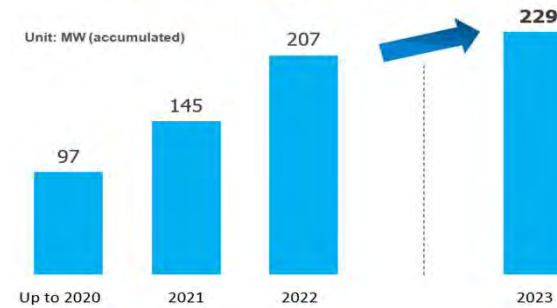


### Renewable Power

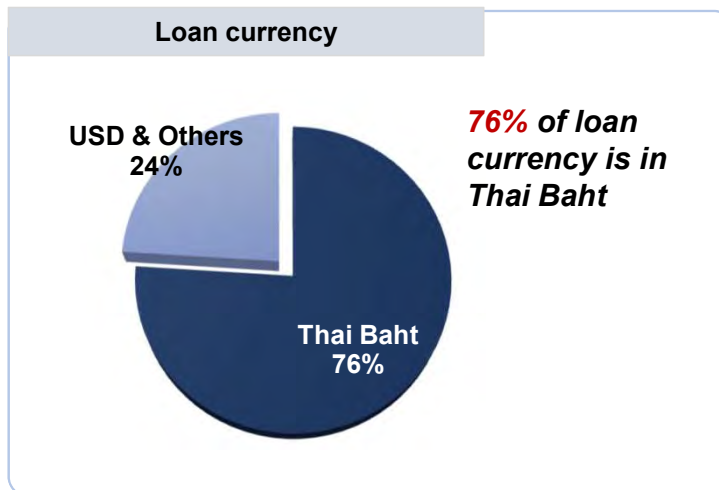
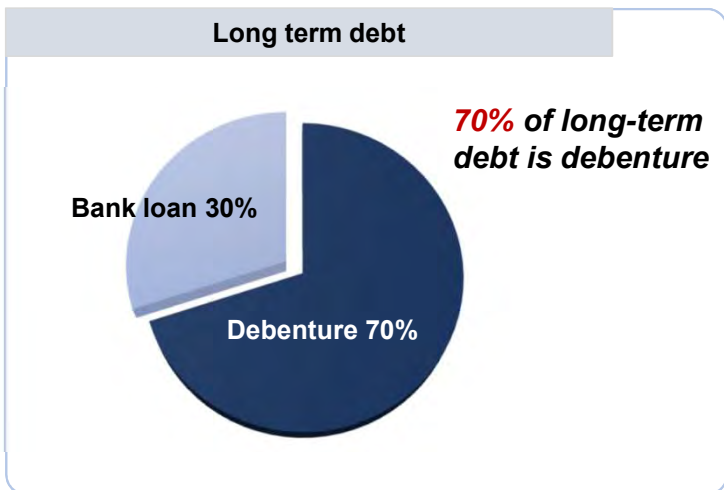
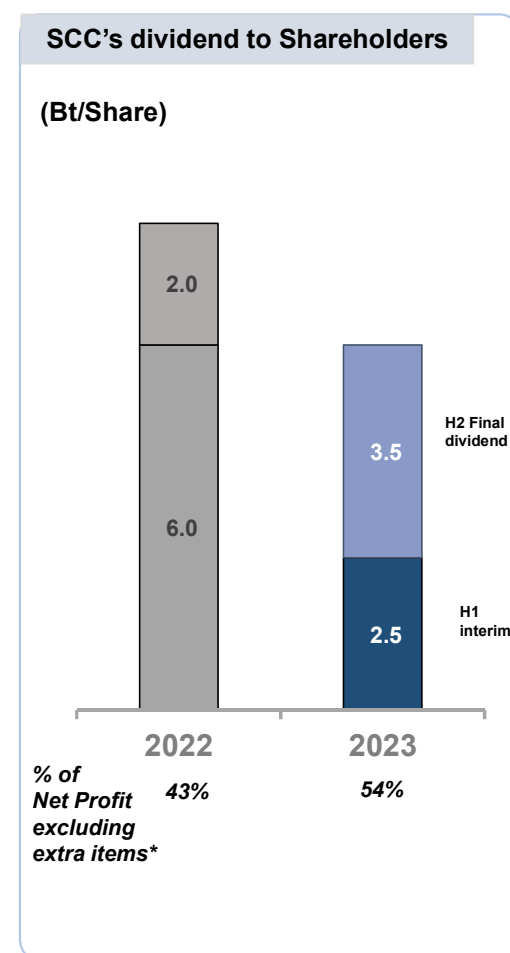
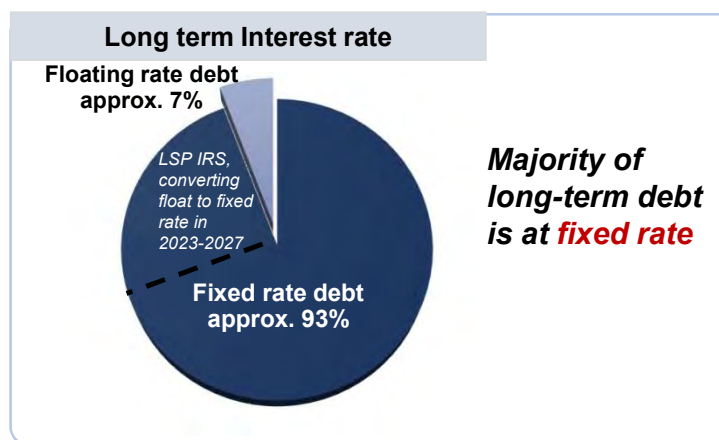
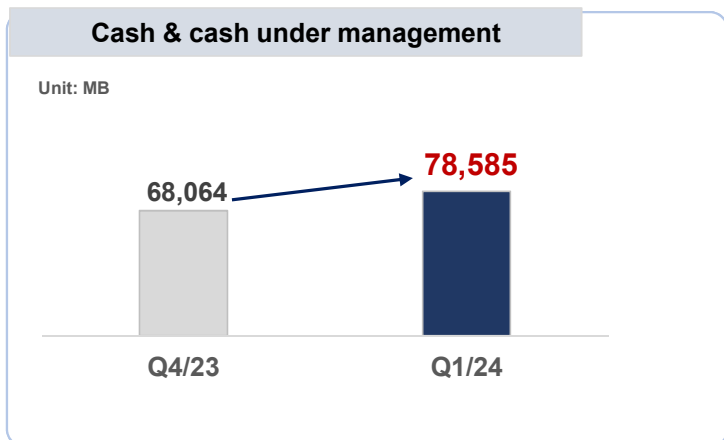


### Low Carbon Cement

### Internal MW Capacity (Solar)

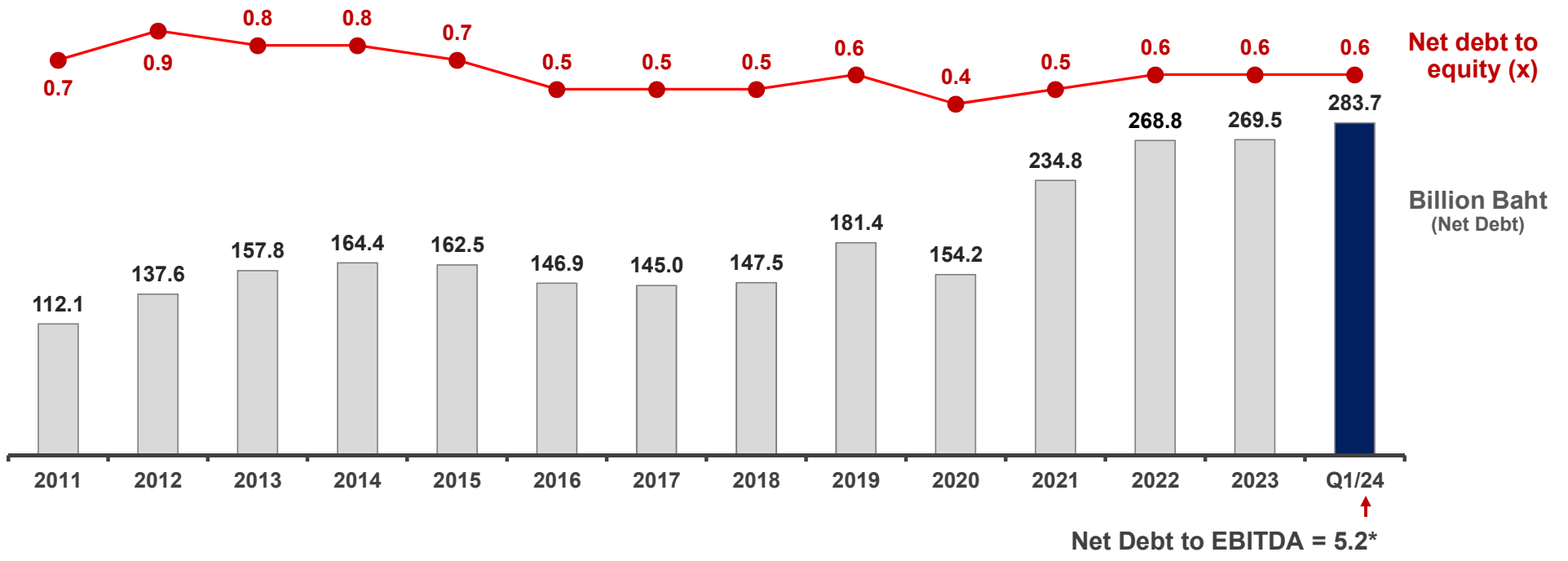


# Financials – Solid balance sheet with Cash & cash under management increased to 78,585 MB in Q1/24.



**\*Note:** Dividend policy established in 2008 with the payout ratio of 40-50% of net profit as specified on the consolidated financial statements. The company may consider changing the dividend distribution in case of necessity or extraordinary circumstances

# Q1/2024 Net Debt – Net Debt to Equity was 0.6x

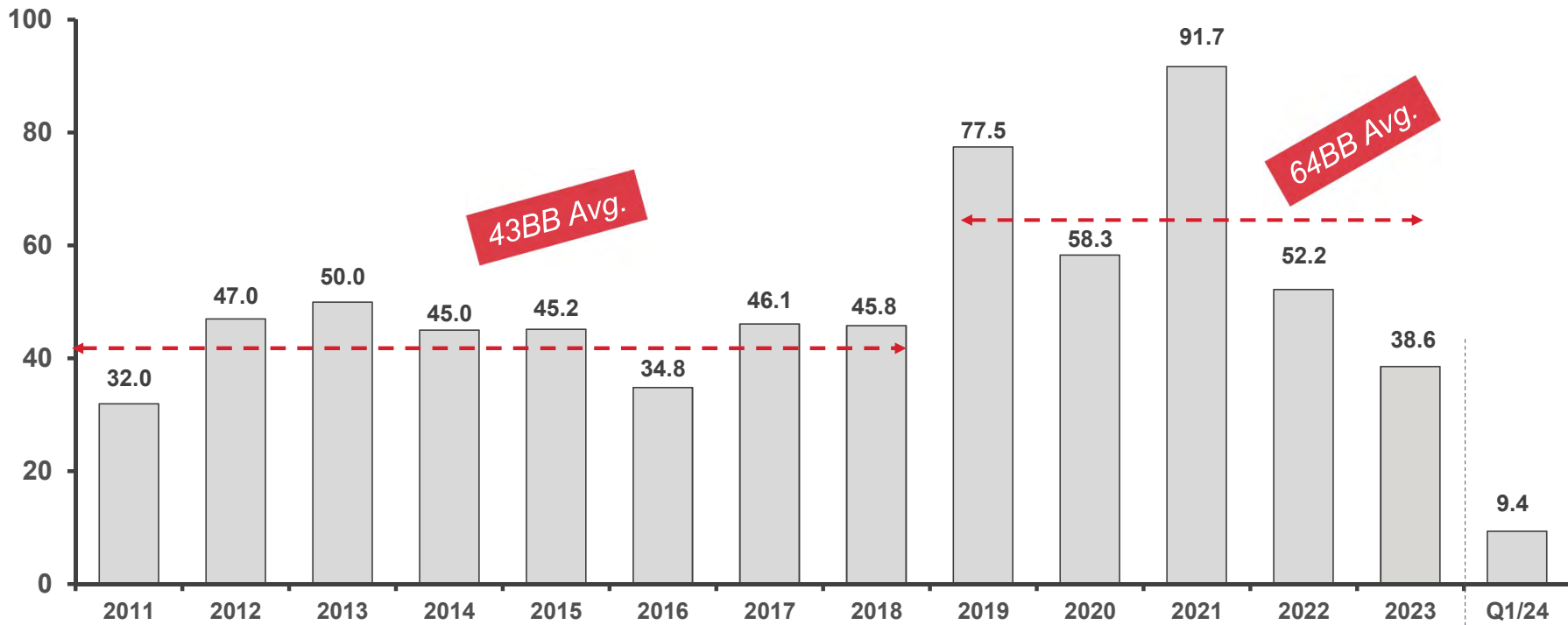


**\*Note:**

- 1) Net debt to EBITDA = Net debt / Trailing-12-month EBITDA
- 2) Net debt to EBITDA (Excluding project under construction) = 1.8

# CAPEX & Investments – to be normalized at a lower level

Billion Baht (BB)



Note:  
 - CAPEX includes debottlenecking, expansion projects, and major turnaround.  
 - Investments are acquisitions and purchase of shares (EV basis).

# Appendix

# “With an Emphasis on Efforts and Executions”

## Industry Macro

- **Thailand: Gradually improving** economic fundamentals, higher FDI, tourist inflow, and upcoming government stimulus policies
- **Regional: Cautious growth** with sign of gradual recovery in consumer segment, construction segment needs time
- **Global: Geopolitics** and recovering global economy
- **Chemicals: Maintained with expected recovery trend for H2/24** with stabilized supply, and steady demand growth. Uncertainty of feedstock cost.

## SCG Highlights

- **SCG’s progresses with internal efforts and ‘Green and Cost Competitiveness’**
  - **Low Carbon Cement penetration rate reached 85%** in Thailand (81% in Q4/23)
  - **Strengthening cost position from Alternative Fuel used to 47%** (38% in Q1/23 and 42% in Q4/23)
  - **SCGC is poised for recovery with QoQ improvement.** LSP expects to restart in July, final test run and COD in Aug
  - **SCGC Green Polymers progresses and new grade offerings**
  - **SCGP Solid improvement YoY and QoQ.** Boost in profitability driven by effective management of raw material sourcing and continuous endeavor towards energy efficiency
  - **SCGD is on-track to unveil competitive sales growth target of 2X by 2030**
- **SCG’s Strong Financial position with cash on hand of 78,585 MB** (68,064 MB in Q4/23)
  - **Average cost of interest lower to 3.3%** (3.6% in Q4/23 and 3.4% in Q1/23)

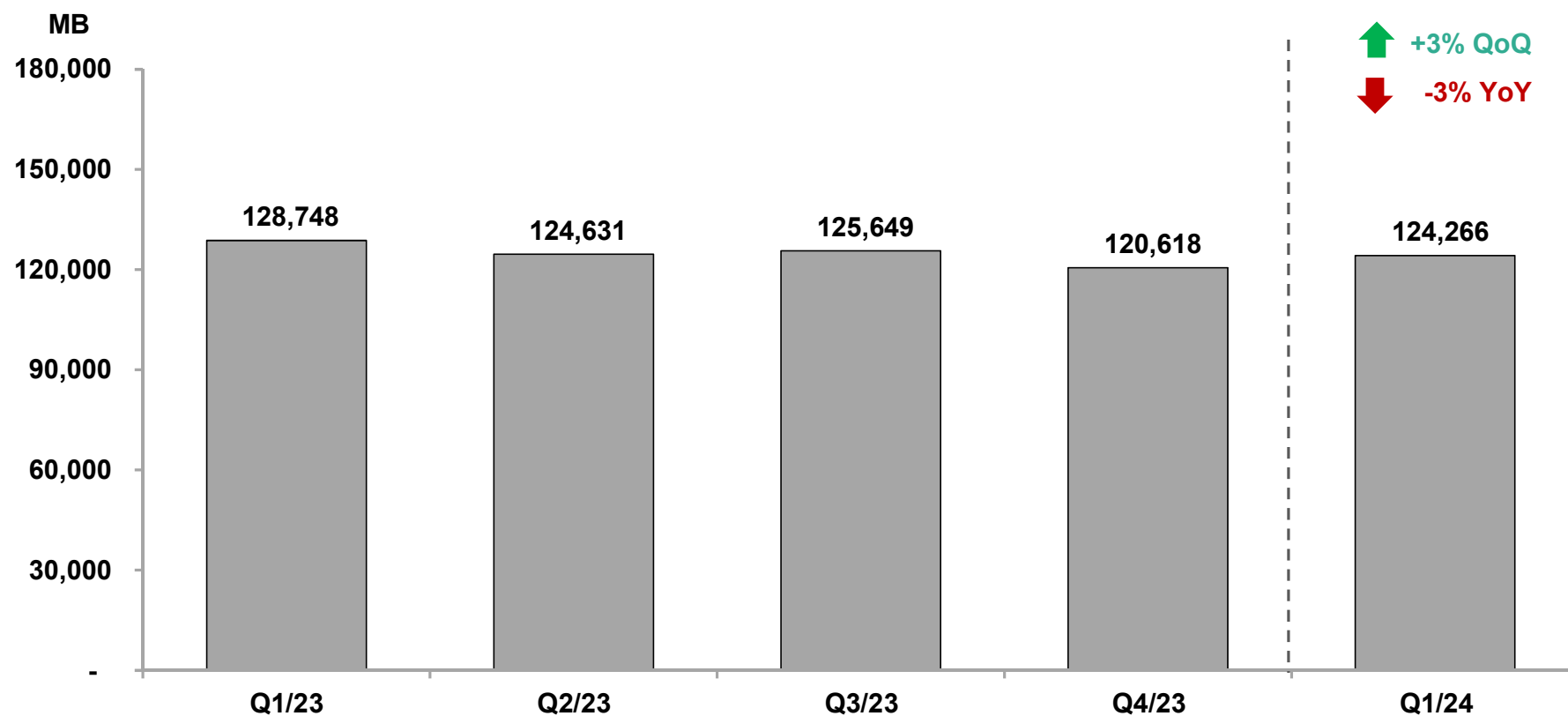
# Q1/2024

*Inclusive  
Green Growth*



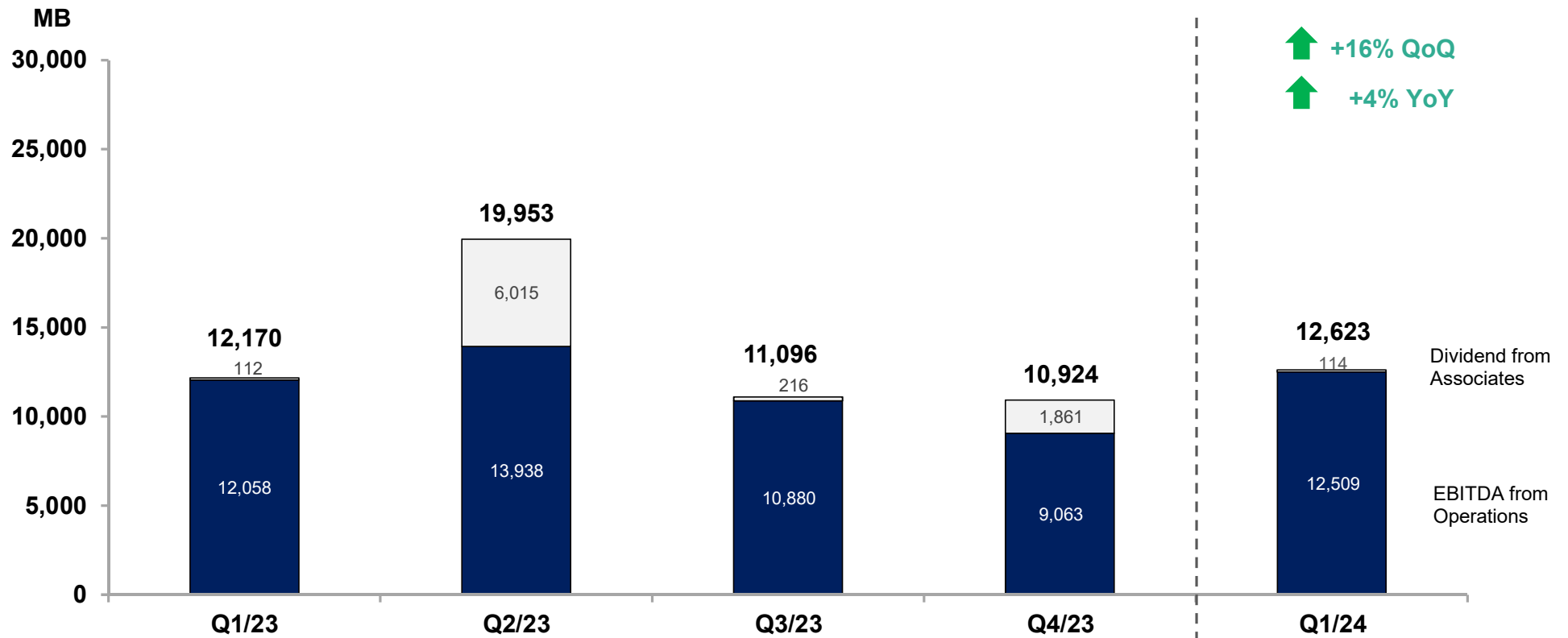
## Q1/2024 Revenue from Sales

Revenue from sales increased +3% QoQ from most businesses. YoY dropped -3% mainly from businesses related to cement and construction and lower sales volume at the Chemicals business.



## Q1/2024 EBITDA

EBITDA grew +16% QoQ and +4% YoY thanks to better performance in the cement and construction businesses, which benefited from the green product offering and efficiency initiatives.



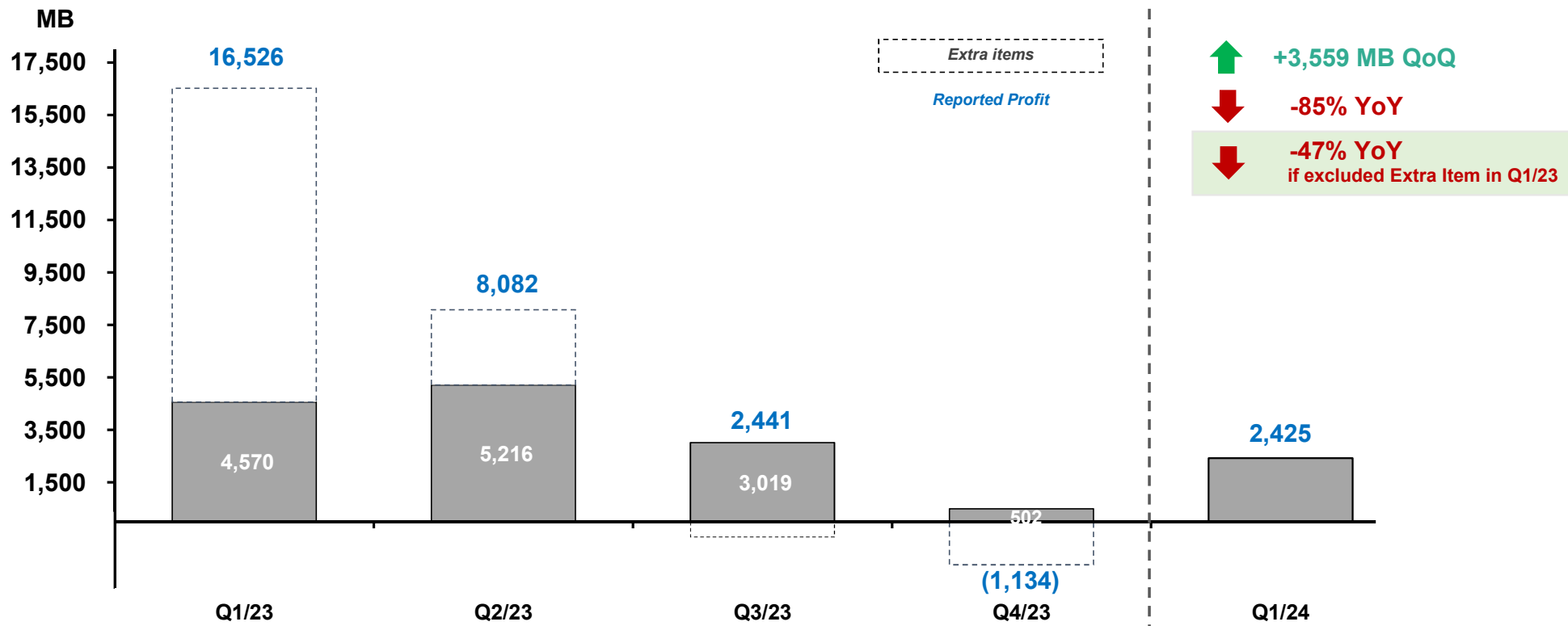
Note:

1) EBITDA = EBITDA from Operations + Dividend from Associates

2) EBITDA includes FX gain/loss from loans

## Q1/2024 Profit for the Period

Profit for the Period of 2,425 MB, rose +3,559 MB QoQ due to improved profitability in most businesses.



Extra Items:	Q1/23	Q2/23	Q3/23	Q4/23	Q1/24
(Non-recurring items that are non-cash)	11,956 <sup>(1)</sup>	2,866 <sup>(2)</sup>	(578) <sup>(3)</sup>	(1,636) <sup>(4)</sup>	-

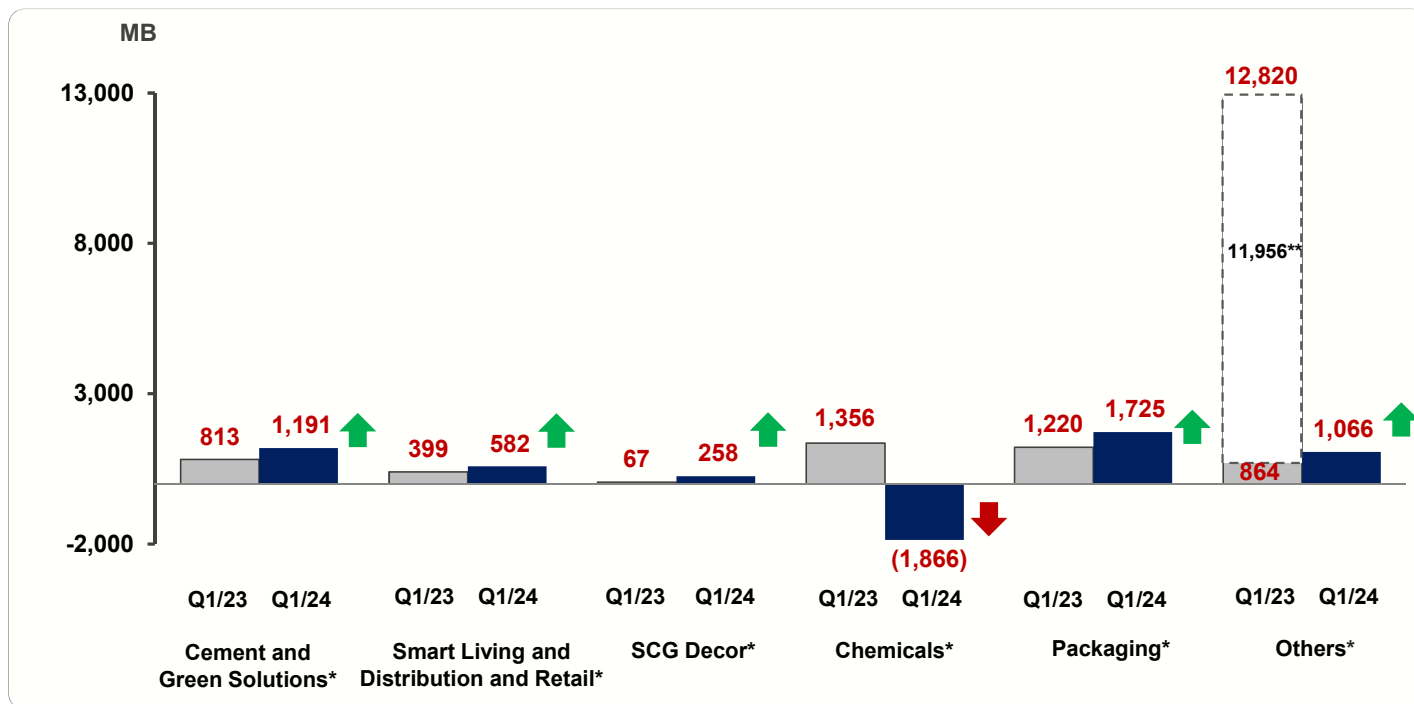
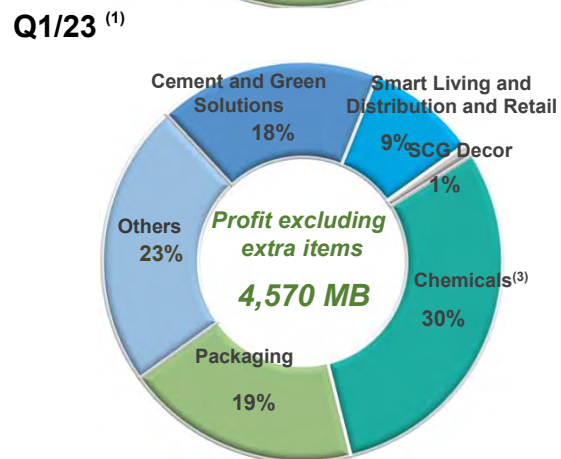
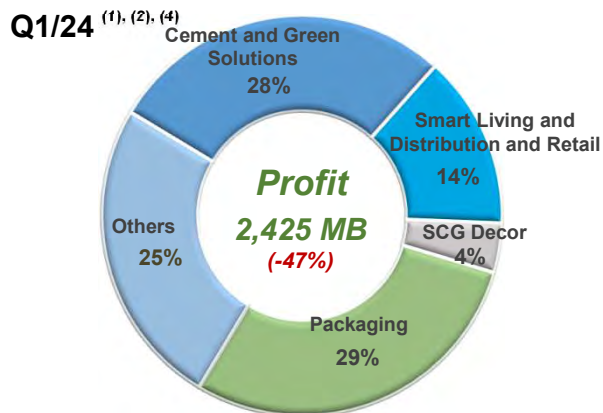
Notes: <sup>(1)</sup> 11,956 MB of fair value adjustment of Investment in SCG Logistics

<sup>(3-4)</sup> Regional cement asset Impairment

<sup>(2)</sup> 2,866 MB of fair value adjustment gain in Investment business

## Q1/2024 Segmented Profit (excluding extra items)

Businesses related to cement and construction, along with Packaging proportion of Profit rose YoY while Chemicals decreased.



Note:

\*Figures are before elimination of intersegment transactions.

\*\*Fair value adjustment in SCG Logistics of 11,956 MB, reclassified from Cement-Building Materials to Others

(1) Reported Profit: Q1/24 = 2,425 MB, Q1/23 = 16,526 MB

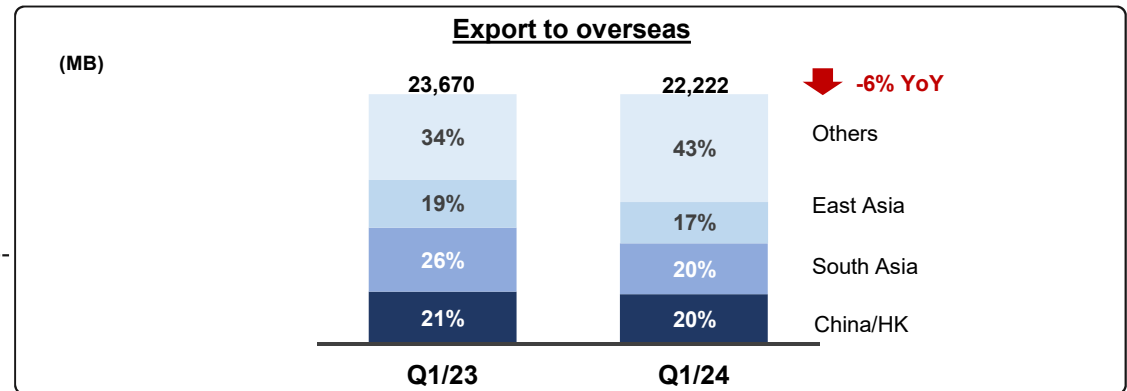
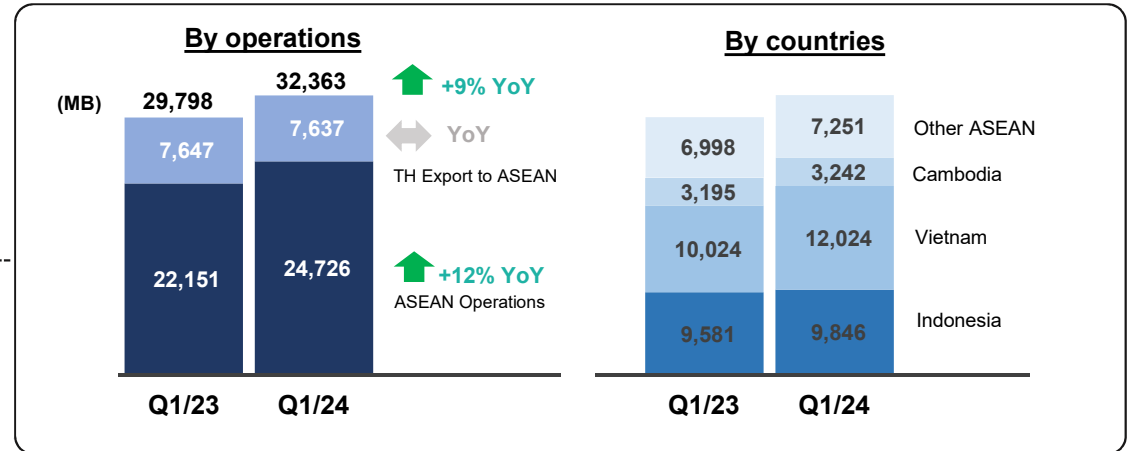
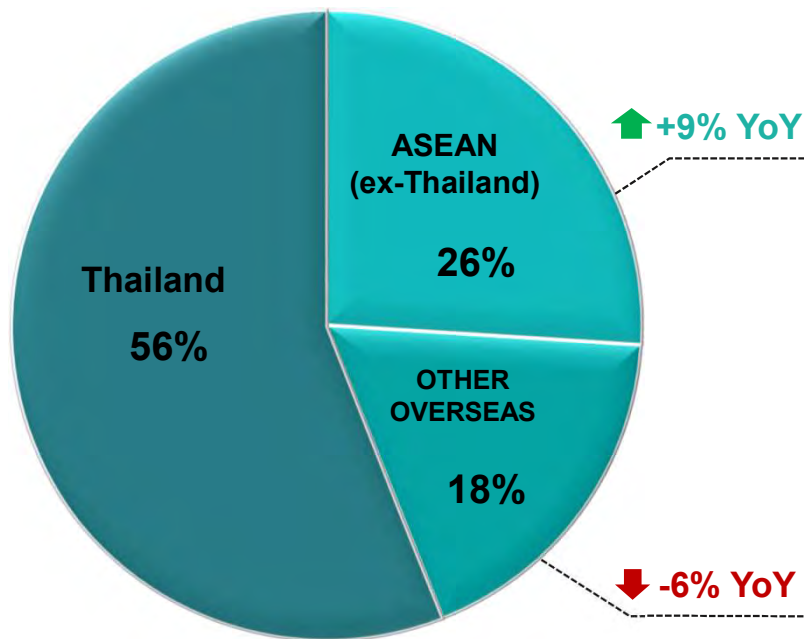
(2) Q1/24 Chemicals loss of -1,866 MB, consisting of Chemicals subsidiaries -2,324 MB and Chemicals equity income 458 MB

(3) Q1/23 Chemicals profit of 1,356 MB, consisting of Chemicals subsidiaries 401 MB and Chemicals equity income 955 MB

(4) Proportion of segmented Profit for the Period excluded Q1/24 Chemicals loss of -1,866 MB.

## Q1/2024 Sales destination: Regional and international footprint

ASEAN operations raised +9% YoY from improving market in regional operations mainly in Vietnam.



## Segmented Financials: Revenues & assets

<b>Revenue (MB)</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Consolidated</b>	<b>407,601</b>	<b>434,251</b>	<b>487,545</b>	<b>439,614</b>	<b>423,442</b>	<b>450,921</b>	<b>478,438</b>	<b>437,980</b>	<b>399,939</b>	<b>530,112</b>	<b>569,609</b>	<b>499,646</b>
Cement-Building materials	154,537	174,642	185,423	178,988	170,944	175,255	182,952	184,690	171,720	182,529	204,594	189,348
Chemicals	203,539	209,997	248,118	200,433	188,163	206,280	221,538	177,634	146,870	238,390	236,587	191,482
Packaging	57,430	59,135	64,614	70,907	74,542	81,455	87,255	89,070	92,786	124,223	146,068	129,398

<b>Assets (MB)</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Consolidated</b>	<b>395,573</b>	<b>440,633</b>	<b>465,823</b>	<b>509,981</b>	<b>539,688</b>	<b>573,412</b>	<b>589,787</b>	<b>634,733</b>	<b>749,381</b>	<b>861,101</b>	<b>906,490</b>	<b>893,601</b>
Cement-Building materials	129,818	155,458	168,662	187,976	203,068	213,134	218,316	211,573	212,615	224,226	228,277	234,602
Chemicals	176,837	192,063	183,884	185,583	193,465	193,183	213,263	230,543	283,614	377,174	387,154	389,603
Packaging	58,439	65,169	73,987	83,218	85,369	91,312	93,246	139,513	172,429	206,824	197,280	198,561

Note: Consolidated SCG's financial statement is presented after the intersegment elimination.

## Segmented Financials: EBITDA & Profit for the year

<b>EBITDA (MB)</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Consolidated</b>	<b>45,716</b>	<b>61,265</b>	<b>66,493</b>	<b>82,690</b>	<b>97,816</b>	<b>102,080</b>	<b>86,641</b>	<b>75,105</b>	<b>74,600</b>	<b>91,867</b>	<b>61,912</b>	<b>54,143</b>
Cement-Building materials	23,009	26,274	26,683	24,395	23,639	21,450	21,244	21,009	21,591	18,877	17,540	15,878
Chemicals	8,628	20,342	26,142	42,900	60,713	63,656	46,117	32,262	30,965	41,465	17,745	13,696
Packaging	8,844	9,473	9,718	10,831	10,884	12,431	14,866	15,159	16,884	21,164	19,413	17,778

<b>Profit for the Period (MB)</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022*</b>	<b>2023</b>
<b>Consolidated</b>	<b>23,580</b>	<b>36,522</b>	<b>33,615</b>	<b>45,400</b>	<b>56,084</b>	<b>55,041</b>	<b>44,748</b>	<b>32,014</b>	<b>34,144</b>	<b>47,174</b>	<b>21,382</b>	<b>25,915</b>
Cement-Building materials	13,129	16,092	13,180	10,250	8,492	6,457	5,984	5,455	6,422	4,262	4,960	13,410
Chemicals	2,690	11,292	12,461	28,488	42,084	41,273	29,166	15,480	17,667	28,931	5,901	589
Packaging	3,560	3,587	3,448	3,463	3,565	4,719	6,319	5,268	6,457	8,294	5,801	5,248
Investment & others	4,481	5,797	4,829	3,457	2,195	1,485	3,431	5,861	3,862	8,110	7,625	8,337

Note: Consolidated SCG's financial statement is presented after the intersegment elimination.

\*FY2022 figures are after restatement of New S-curve businesses from Cement-Building Materials to Others.

## Passion for Inclusive Green Growth

SCG is driving towards a **Net Zero Societies** through the ESG 4 Plus strategy.

This strategy focuses on **Environmental, Social, and Governance factors** to ensure sustainable practices.

Additionally, SCG aims to be an **Agile Organization** capable of quickly adapting and responding to changing circumstances.

This commitment allows SCG to **effectively navigate through dynamic situations and contribute to a more sustainable future.**



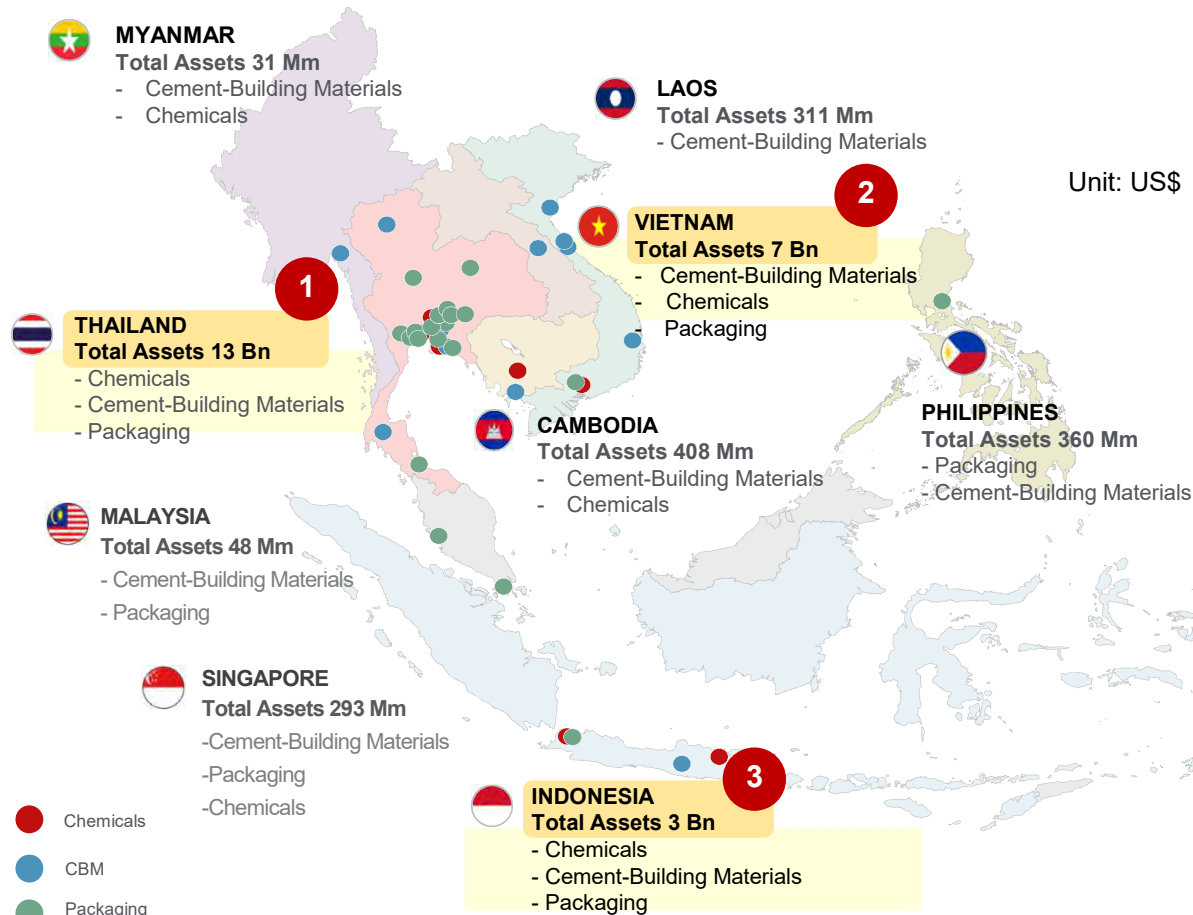


# SCG's Snapshot



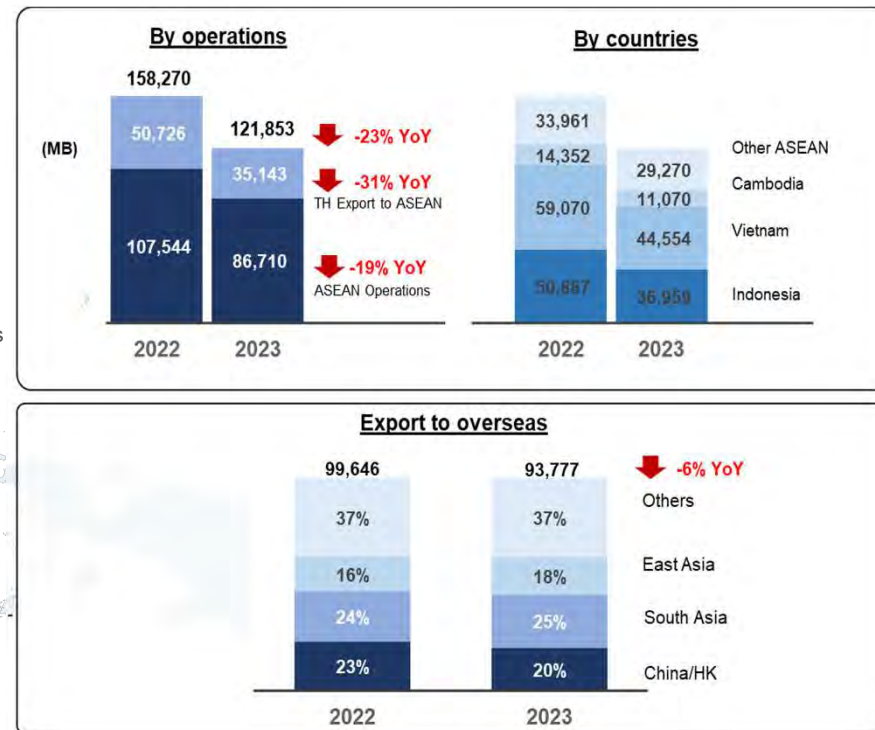
Figures as of FY2023 consolidated basis

# Where We Are in ASEAN (FY2023)

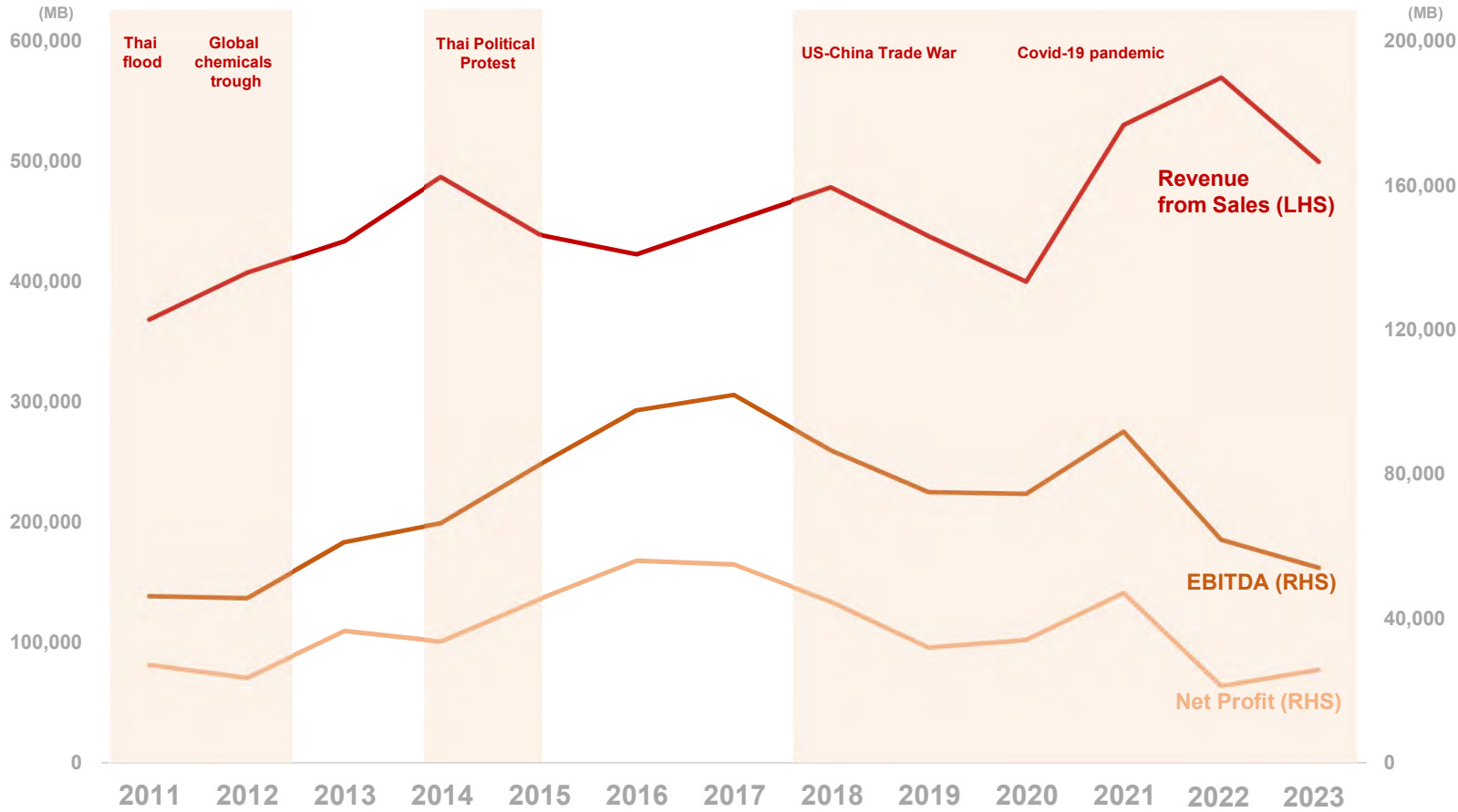


Note: as of FY2023

## FY2023 Sales Segments



# SCG's Financials data



## FY2023 YoY Performance

- Revenue from sales dropped from overall softness in general.
- EBITDA decreased from lower sales in response to the soft market.
- Profit for the year of 25,915 MB includes the non-cash extra items of 12,608 MB, majority in fair value adjustment of Investment in SCG Logistics of 11,956 MB offsetting with Myanmar cement asset impairment of -2,214 MB in Q3-Q4/23.



# SCG Smart Living: Examples of solutions

## Smart Home Living

### Home Energy Management

#### SCG Solar Roof Solutions

Deliver energy need



Solar Hybrid Solutions



Solar FIX

### Safety and Security

#### DoCare

Health and Safety monitoring & 24 hrs care center



### Living Comfort

#### SCG Active AIRflow™ System

Enhance Ventilation efficiency



### Health and wellness

#### SCG Active Air Quality

Fill up homes with fresh & clean air



### Smart Living Platform

Control devices via mobile phone

24 hours after sales service



## Smart Building

**enVerid**  
Energy savings. Air quality.

➤ **Energy management by SCG Air Scrubber**

➤ **Indoor air quality by SCG Bi-ion** Deactivates indoor pathogen & pollutant

**PlasmaAir**  
A WellAir Brand

**Current customers:**

**ZiFiSense**

➤ **Wireless monitoring sensor for building**

➤ **Smart Facility Management**  
Building Audit & Consult, Visualization, Enhancement, and Engineering services

Notes: Smart Home Living QR Code

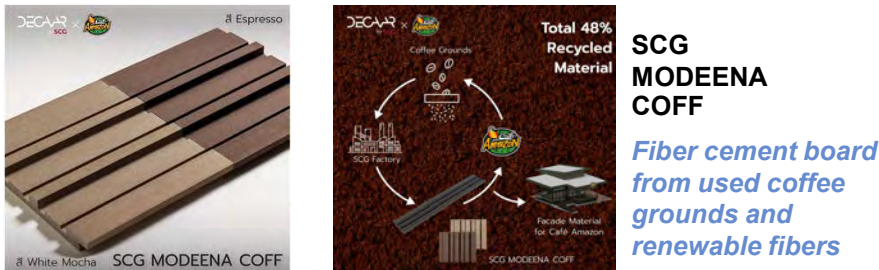
Smart Building QR Code

# Smart Living: Highlights Q1/2024

Achieving inclusive green growth through strategic development of green innovation and operation

## Smart building materials & system

Collaborate with Café Amazon to transform waste to value:



The image shows a stack of brown fiber cement boards on the left. On the right is a circular diagram illustrating the recycling process: coffee grounds from a café are sent to a factory, where they are combined with renewable fibers to create a recyclable material for use in coffee capsules and fiber cement boards. Text labels include 'Total 48% Recycled Material', 'SCG MODEENA COFF', and 'Fiber cement board from used coffee grounds and renewable fibers'.

Received an award for 2023-2024 Thailand's Most Admired Company and Brand from BrandAge:



Continued enhancing cost competitiveness through solar energy: 35.6 MW (19% of energy use) as of Mar 2024.

## Smart solutions

Moving forward to solutions for sustainable society through ONNEX Energy, ONNEX Air, ONNEX Safety, and ONNEX Control:



Grew energy solutions with 99% YoY increase in solar sales and integrated solutions for residential and commercial & industrial:

### Integrated solar technologies

 <p>utility-scale projects High power (40-150Wp higher) High efficiency (0.4-1.3% higher)</p>		
<p><b>Heterojunction Solar Panel (HJT)</b> <i>The first HJT solar roof in Thailand &amp; more efficiency</i></p>	<p><b>Micro Inverter, Rapid Shutdown, &amp; Optimizer</b> <i>More safety</i></p>	<p><b>Energy Storage System (ESS)</b> <i>Better energy management</i></p>

## Distribution and Retail: Highlights Q1/2024

Urbanice and Living OS merged to become No. 1 in property and community management platform



Parcel management and communication platform for residents in condominium and housing village

B2C



+



property management system for juristic management of condominium and housing village

B2B



SCG International towards expanding Green business through collaboration with CP FOTON



The cooperation aims at driving 'Smart Clean Mobility' by providing EB trucks for customers: 4 wheels(TM iBlue45) and 6 wheels(Aumark iBlue85)

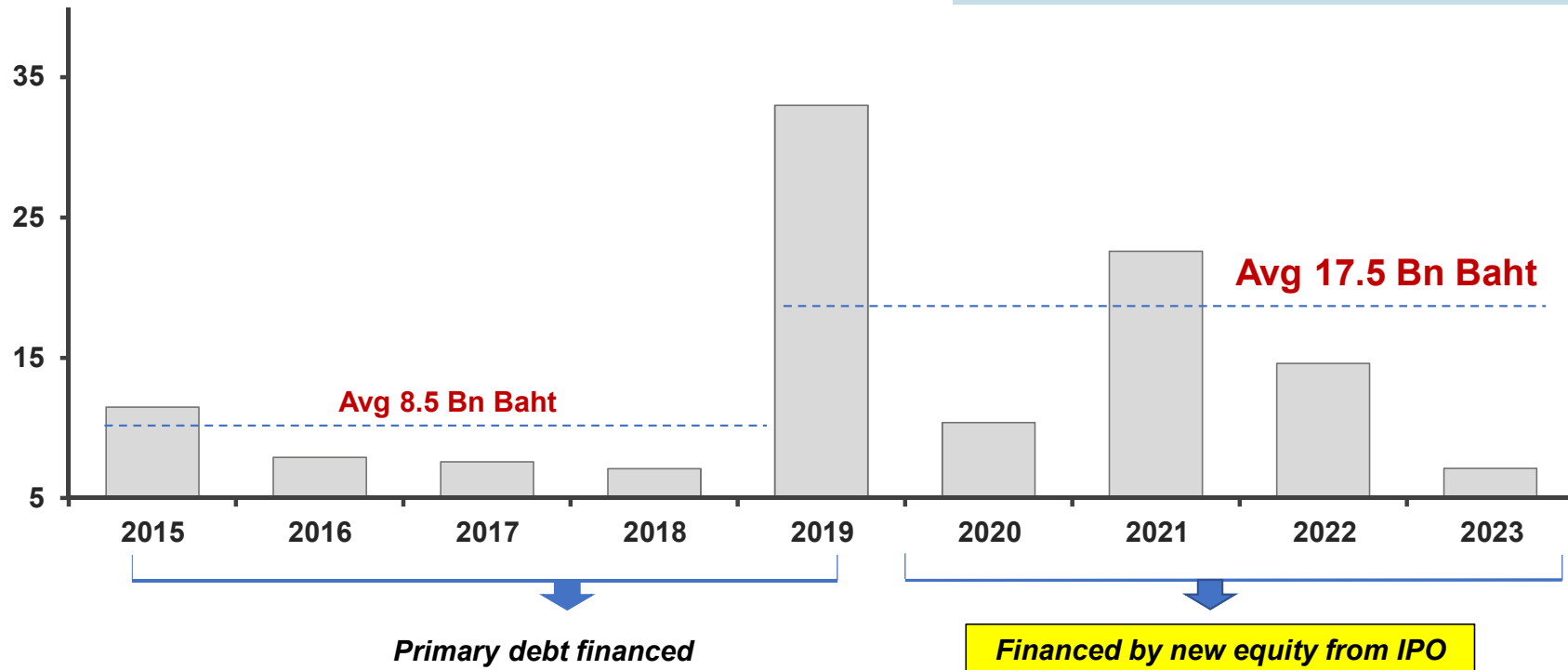
**Example of SCGP: raised new equity to accelerate growth** SCG diluted to 72% from 100%

**SCGP CAPEX & Investment**

Billion Baht

**Strategic execution: new equity from IPO**

- 20 transactions (10 M&Ps)
- In 10 countries (ASEAN, Europe, US)



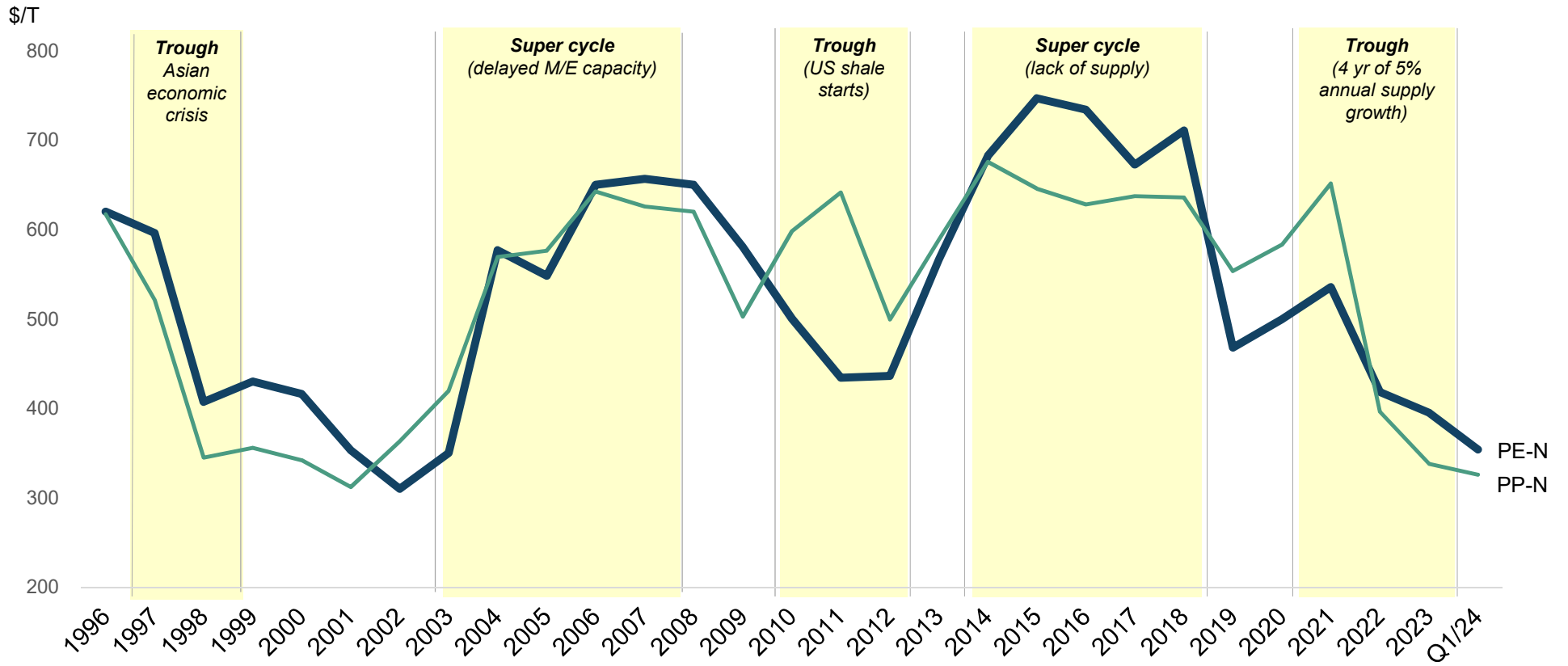
## Within the deep chemicals trough globally, SCGC is able to..

1. *Elevate **margins** through high performance products and downstream business*
2. *Accelerate the **Green Polymer** growth strategy*
3. *Operational Excellence in both manufacturing and market networks*
4. *Product and process development capabilities with **own engineering pilot plant, catalyst production and innovation center***
5. *High talent staffs providing speed and flexibility to serve customers and optimize sales strategy during market volatility*



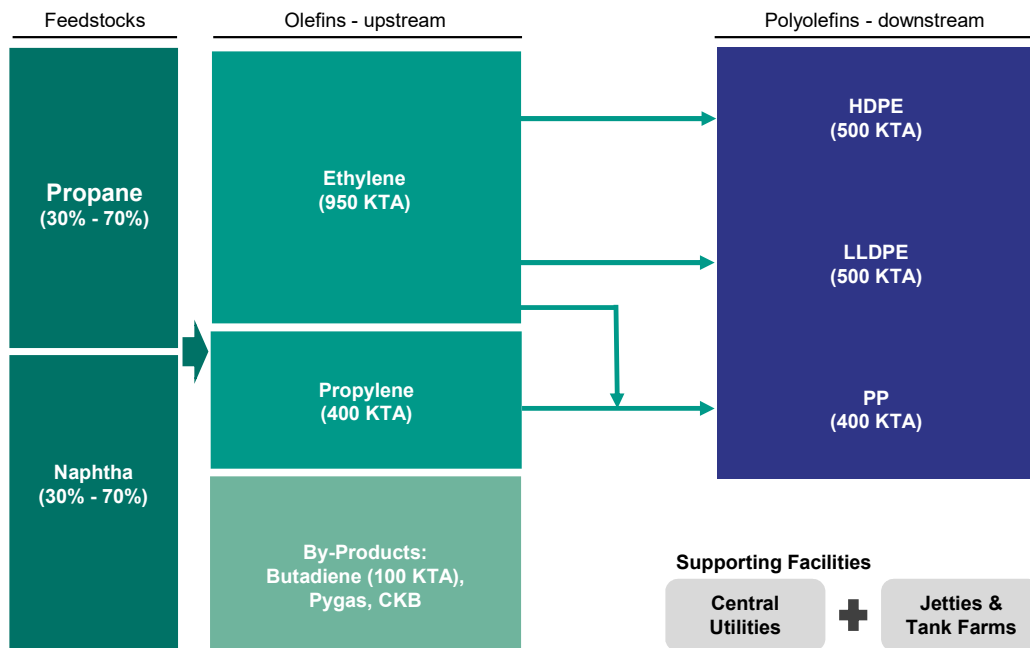


# Chemical Cycle: historical PE & PP gaps (1996-Q1/2024)



# LSP details

## Scope and design



### 1. Feedstock flexibility

Propane usage is max at 70%.  
Secured long term volume from Middle East.

### 2. Favorable Corporate tax benefits<sup>(1)</sup>

### 3. Depreciation & Loan<sup>(2)</sup>

- i) Depre is 30 years (property, plant, and equipment)
- ii) Loan value of USD ~2.6 Bn<sup>(3)</sup>, 100% of credit facility drawdown  
50% interest rate locked through interest rate swap.
- iii) 2024 Depreciation and Interest expense of USD 160-200 millions  
(~600 MB per month)

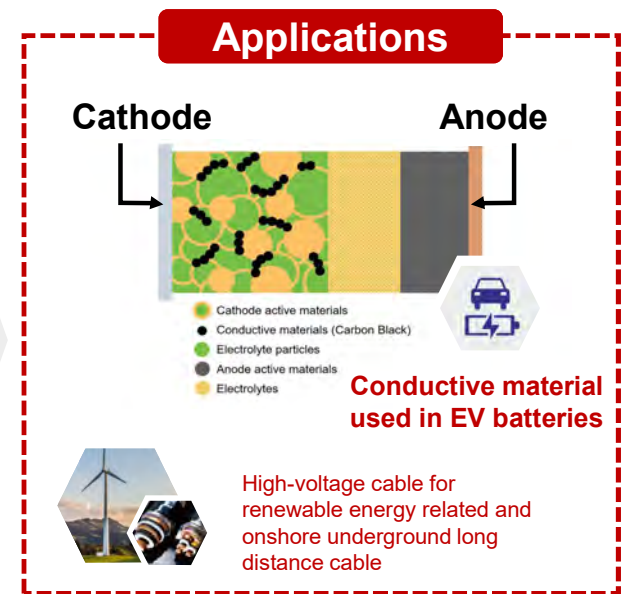
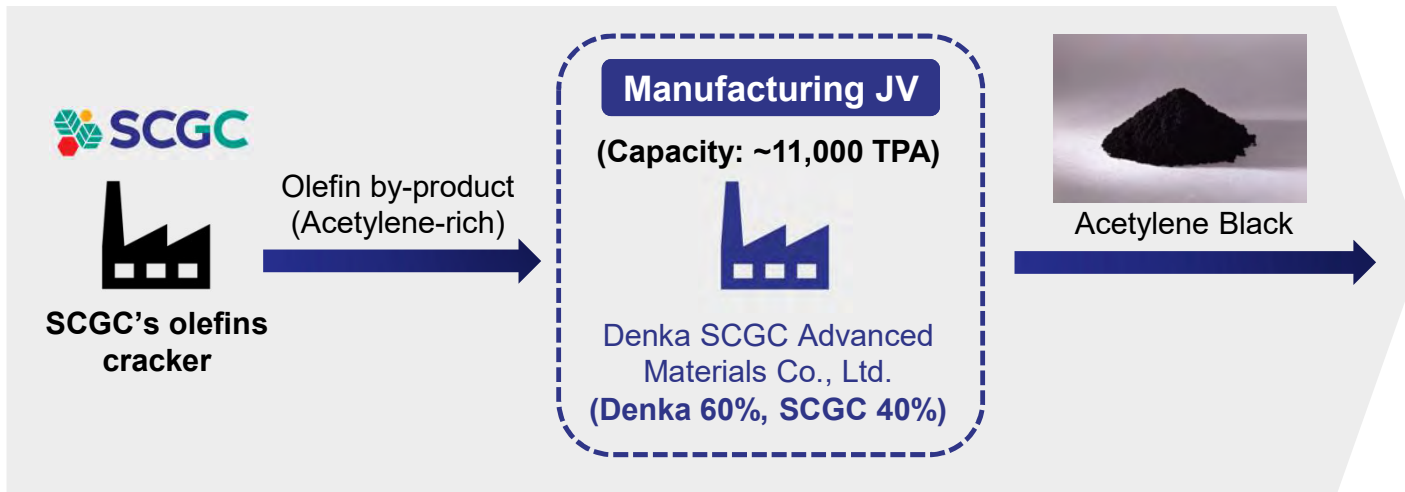
Source: SCGC Information

**Notes:**

1. SCGC's interpretation of CIT benefits as per filing – "Under LSP's Investment Registration Certificate, including, among others, exemption from import tax for imported goods to create fixed assets for the project, and corporate income tax at the rate of 10% applied for 30 years as from the time of generating revenue, tax exemption for 4 years and a reduction of 50% of the tax payable for the following 9 years as from the time of generating taxable income from business operation. Although calculated based on assumptions SCGC considers reasonable, actual tax benefits could differ from those expressed herein.
2. Depreciation and interest expenses are calculated using the planned startups for polyolefin, and supporting infrastructures as the key variables while olefins plant's depreciation and interest expenses will start once commercialized.
3. LSP has outstanding loan with three leading financial institutions for amount of approximately USD 1.3 billion and outstanding shareholder loan for amount of approximately USD 1.3 billion

## Joint Venture in the EV battery value chain

*JV with Denka (Japan) to investment in manufacturing of Acetylene black (carbon black)*



## JV with Denka (Japan), a global leader in Acetylene Black

### Acetylene Black of Denka

- A conductive material, used in EV lithium-ion batteries and high-voltage power transmission cables of offshore wind farms
- Essential component to EV due to its high purity and excellent electrical conductivity



### Investment Update

- EPC award completed
- Investment at \$400 mm
- Expected completion within 1H/2026
- Located in Rayong, Thailand

Sources: SCGC information, Denka's company website (<https://www.denka.co.jp/eng/>)

## SCGC: Market prices

Unit: \$/T	Q1/23	Q2/23	Q3/23	Q4/23	Q2-to-date as of 10-May-2024
Brent	82	78	86	83	83
Naphtha	689	601	648	659	676
Ethylene	923	874	822	937	975
HDPE	1,085	1,036	1,032	1,023	1,055
Propylene	959	844	822	807	825
PP	1,069	976	952	950	1,060
EDC	269	366	284	298	255
VCM	729	657	667	646	628
PVC	882	818	822	793	780
MMA	1,530	1,576	1,585	1,555	2,050
BD	1,077	843	822	992	1,375
Benzene	916	835	880	865	1,028
Toluene	908	865	957	853	906
C2 – N	234	273	175	278	299
C3 – N	270	243	174	148	149
HD-N	396	435	384	363	379
PP-N	380	375	305	291	334
PVC-EDC/C2	449	317	400	333	347
MMA-N	841	974	937	896	1,374
BD-N	388	242	174	333	699
BZ-N	197	233	232	206	352
TL-N	188	264	309	194	230

# Deep-tech & Digital Technologies

Effort towards deep-tech and digital has yielded showcase examples of **Rondo, Cubic PV, and EnVerid**



Corporate venture to **engage with innovative tech and digital startup** worldwide through partnerships and investment activities

**Investment key theme**



Packaging industry



B.Mat / construction industry



Chemicals industry



Logistics industry



EV industry



New energy industry

And more...

**Examples**



- **Heat storage to deliver on-demand heat supply** and carbon reduction
- To scale up with SCG as a **thermal media supplier**



- **Ultra high efficiency solar panel**
- Potential scaling up scenario includes manufacturing of panels



- Adapted **enVerid system from the U.S. to SCG Air Scrubber**, an air quality and energy management system

# Deep-tech & Digital Technologies

**ZERO TO ONE:** Startup → Incubation → Functional companies



SCG's internal startup studio **helping early-stage startups turn ideas into real business**

Internal startup stage



**Examples**



- Home & Living focused **online marketplace platform**
- **50% stake own by an external partner** to help accelerate growth in ASEAN



- **B2B e-distribution platform**
- Increase speed and efficiency by streamlining processes and data shared between SCG, dealers and sub-dealers



- **Condominium management application** with a private social network platform
- Used by over 600 communities throughout Thailand

# Deep-tech & Digital Technologies

**REPCO group:** Capturing external opportunity through Industrial Service Solutions

## 1) Industrial Service and Solution

- Digital transformation leader in ASEAN with strategic partners & customers
- One-stop inspection & integrity solution
- Total cleaning solution; both chemical and mechanical



## 2) Engineering and Construction

- Set up **end to end capability** for Solar EPC & Scout new opportunity for energy storage / management system / smart grid platform

## 3) Material Provider

- Focus on sourcing for Renewable business & Piping products

**A.I. Tech:** One-Stop Solutions for factory automation & system integration for smart Factory

SCG enters into **automation business**, aiming at elevating & transforming Industrial plants to smart Factory 4.0  
(51% stake in A.I Tech)

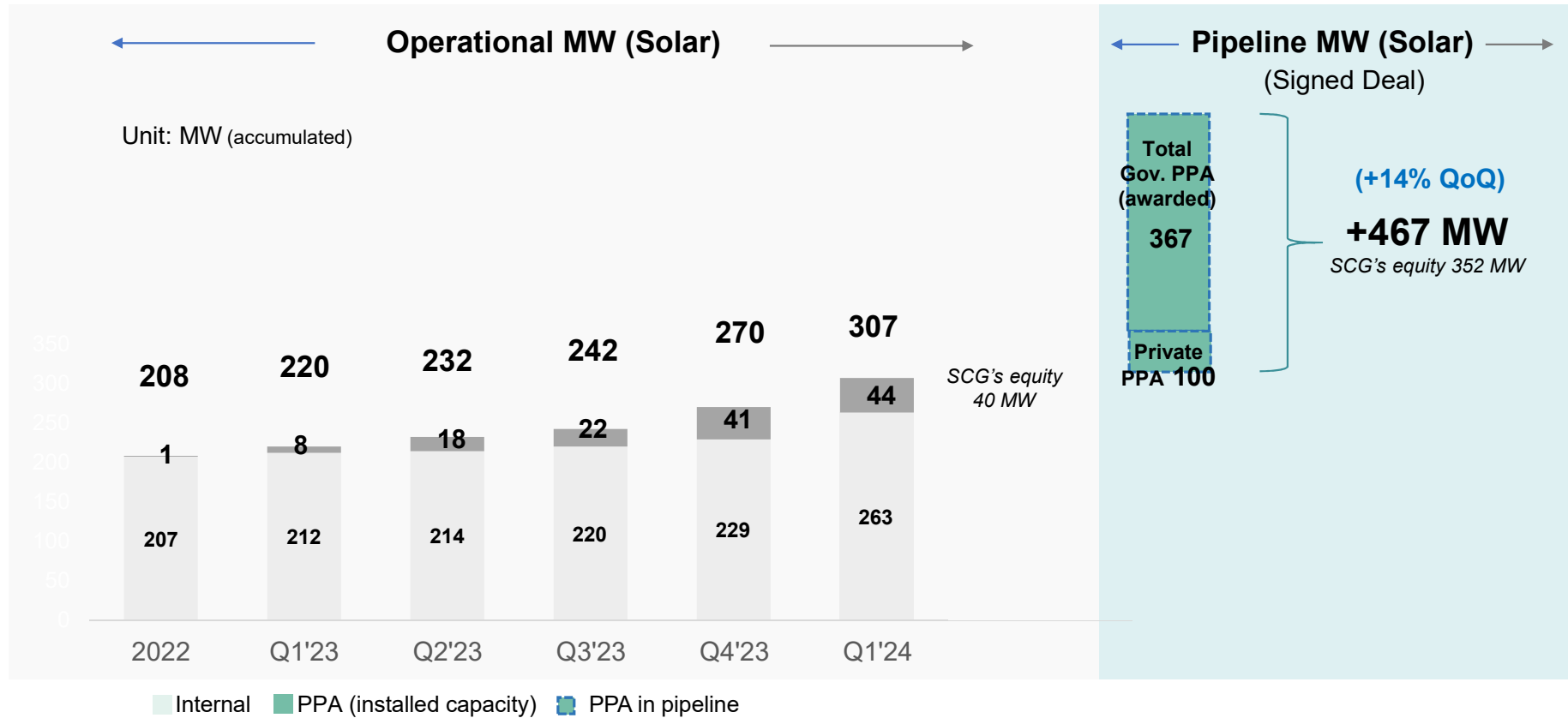


Service Work & Solution Provider

- Survey on site
- Proof of Concept (POC)
- Concept Design
- Fabrication
- Assembly
- Installation & Commissioning
- After Sales Service

# Scaling Green Power Generation (MW)

Achieved 307 operation MW in Q1/24 (+40% yoy, with approx. 467 MW in the pipeline)



Note: Operational MW of PPA shows the installed capacity from the projects that have begun operation



## SCG's nameplate capacity

Chemicals - Naphtha Cracker (consolidated)		Chemicals - Associates (equity accounting)	
Ethylene	3,050,000 tons	<b>Dow Chemicals JV (50%)</b>	
Propylene	1,700,000 tons	- LLDPE	650,000 tons
<b>Chemicals - Downstream (consolidated)</b>		- Specialty Elastomer	220,000 tons
HDPE	1,480,000 tons	- PS	122,000 tons
LDPE + LLDPE	790,000 tons	- SM	200,000 tons
PP	1,260,000 tons	- Synthetic Latex	22,000 tons
PVC (Thai, Indo, Viet)	886,000 tons	<b>Mitsui Chemicals JV (20% - 46%)</b>	
<b>Cement - Building Materials (consolidated)</b>		- PP Compound (46%)	190,000 tons
Grey Cement (Thai, Cam, Myan, Indo, Laos, Viet)	23.5 million tons	- LLDPE Cast Film (45%)	15,000 tons
Ready-Mixed Concrete	789 batching plants	<b>Mitsubishi Rayon JV (47%)</b>	
Roofing Tiles (Thai, Cam, Phil, Viet)	62.7 M sqm	- MMA	190,000 tons
Ceiling, board, wood substitution Products	108 M sqm	- Cast Sheets	20,000 tons
Ceramic Tiles (Thai, Indo, Phil, Viet)	187.2 M sqm	<b>Chandra Asri JV (31%)</b>	
Sanitary ware	2.3 M sqm	- Ethylene	900,000 tons
Fitting	1.7 M sqm	- Propylene	490,000 tons
<b>Packaging (consolidated)</b>		- HDPE / LLDPE	736,000 tons
Packaging Paper (Thai, Indo, Phil, Viet)	4,600,000 tons	- PP	590,000 tons
Fiber Packaging (Corrugated container)	1,380,000 tons	- SM	340,000 tons
Fiber Packaging (Offset folding carton)	41,200 tons	<b>Bangkok Synthetic (54%)</b>	
Fiber Packaging (Rigid box)	8 M boxes	- Butadiene	220,000 tons
Flexible Packaging (Thai, Viet)	1,006 M sqm	- SSBK	100,000 tons
Rigid Packaging	143,000 tons		
Medical supplies & labware	850 M. pieces		
Printing & Writing Paper & others	490,000 tons		

## Multimedia QR codes for more details

SCG Hybrid Cement



CPAC BIM



SCG Smart Living



SCG Smart Building



SCG Air Scrubber



SCG Home



SCG Decor



SCGJWD



SCGC Green Polymer



Sirplaste  
(Recycling business)



SCG Cleanergy



Rondo  
(Heat batter technology)



CubicPV



ESG 4 Plus





# Thank you

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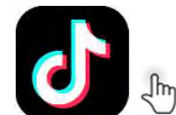
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