

***News Release***

**SCG accelerates growth of its Packaging Business with IPO**

**and listing of SCG Packaging Public Company Limited (SCGP) on the SET**

**October 28, 2019 – Bangkok: SCG announces its growth strategy to accelerate the increase in the capabilities of its Packaging Business with an up to 30% equity raising, through an initial public offering (IPO) and listing on the Stock Exchange of Thailand (SET) of SCGP. This initiative is to increase SCGPs growth across ASEAN and other regions, while offering innovative products and solutions through its integrated business model.**

**Mr. Roongrote Rangsiyopash, President & CEO, SCG** stated “as SCG foresees a significant potential growth in its Packaging Business; particularly in ASEAN where the consumption rate and purchasing power for consumer goods, food & beverage, and E-Commerce products have been and are expected to continue rising. Countries such as Thailand, Indonesia, the Philippines and Vietnam are high growth markets and have potential to grow further. In 2018, the packaging business in ASEAN was estimated to be valued at approximately US$ 50,000 million.

In order to capture market opportunities and strengthen the growth potentials of our Packaging Business, SCG approves of SCGP’s plans to list its newly issued ordinary shares on the SET. The portion of the shares to be offered for sale in the IPO will not exceed 30% of SCGP's paid-up capital after its capital increase, whereby the proceeds from the contemplated offering will be primarily used by SCGP for investment in business expansions domestically and internationally, as well as for capital structure improvements. Following the IPO, SCG will remain the major and controlling shareholder of SCGP, holding not less than 70% of SCGP's paid-up capital, after its capital increase, while SCGP will remain SCG's subsidiary. This transformative transaction for SCGP is also expected to generate benefits and maximize value for SCG in the long run.

SCGP will continue to develop and improve its strengths and create opportunities for itself by developing packaging with multi-materials (both fiber-base and polymer-base), along with the offering of integrated packaging solutions, efficiency improvement through the use of digital technology and collaborating with world class business partners. SCGP has recently been expanding its operations through acquisitions with high growth potential in ASEAN; such acquisitions included the acquisitions of Visy Packaging in Thailand and PT Fajar Surya Wisesa Tbk. in Indonesia. SCGP’s aim is to rapidly enhance overall production efficiency and expand its market coverage and increase its range of expertise in Thailand, Vietnam, the Philippines, Malaysia, Indonesia and other countries within and outside of ASEAN within the framework of sustainable business operations in accordance with the principles of the Circular Economy. SCGP’s expansion of its production base in various geographies and of its customer networks will enable it to maintain its position as the leading integrated packaging solutions provider that can address our world-class customers’ needs at all levels of operations, from upstream to downstream.”

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