**SCGP Press release February 9, 2021**

**SCGP joins hands with partners to expand packaging businesses**

**To cope with growing demands in Vietnam**

**SCGP is confident in the growth potential of the consumer market, joins hands with partners in Vietnam, with plans to invest over 10 billion baht for business expansion and development of integrated packaging solutions as a response to customer demands in various Vietnamese industries.**

**Mr. Wichan Jitpukdee, Chief Executive Officer, SCG Packaging Public Company Limited, SCGP**, reveals that the company has laid down policies aiming at being the leading provider of integrated packaging in ASEAN. With its experience and expertise, SCGP has joined hands with business operators in various countries to expand businesses, develop packaging solutions, develop human resources, and add value to products in response to the growing consumer markets. During the past decade, SCGP has continuously increased investment in Vietnam, which has yielded a revenue growth of more than 10% annually. In 2009 the company established Vina Kraft Paper Co., Ltd.in Binh Duong for manufacturing the packaging paper achieving the total production capacity of 500,000 tons per year to support the increasing demand of corrugated packaging and growing industries in Vietnam.In 2015 the company has invested in Tin Thanh Packing Joint Stock Company (BATICO), one of five largest flexible packaging producers in Vietnam. The partnership has resulted in successful development of products and expansion of domestic as well as export markets, leading to additional investment to increase production capacity of 17% or 84million square meters per year to satisfy ever increasing demands for packaging for consumer goods.

SCGP has committed more investment in Vietnam that is Bien Hoa Packaging Joint Stock Company (or SOVI), a leading producer of corrugated paper and offset laminated packaging with an annual total capacity of 100,000 tons, which the company has acquired 94.11%. SOVI’s annual earning is more than 1,600 million dongs (over 2,200 million baht).

Furthermore, on February 9, 2021, SCGP has signed a contract in Duy Tan Plastics Manufacturing Corporation (Duy Tan), Vietnam’s leading producer of rigid plastic packaging with a customer base comprising multinational corporations and domestic consumer goods producers of leading brand names. Duy Tan also manufactures household plastic containers under the brand name “Duy Tan” with a capacity of 116,000 tons per year.It is expected that SCGP’s acquisition of Duy Tan’s 70% stakes will be completed in the first half of 2021.

The company’s increased investment in Vietnam is in line with its strategic plan, which foresees an increase in the diversity of products, including plastic and paper packaging, as well as the development of domestic design teams. The plan aims at enhancing the company’s ability to provide integrated packaging solutions to satisfy customers’ specific needs. At the same time, SCGP is fully prepared to work cooperatively with all partners, to share experience and knowledge in the development of integrated packaging solutions as well as to manage existing resources in the most effective manner and increase production efficiency to support the growing demand for diverse types of packaging of customers in ASEAN.

“All three projects to expand our production base for downstream products in Vietnam are expected to contribute to SCGP’s increased sales of about 8,500 million baht per year. Moreover, we are looking into expanding our paper production capacity in northern Vietnam. This is to satisfy domestic demands and expansion of export markets, which will be a boon to Vietnam’s economic growth as well.”, The SCGP CEO says.

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**Additional information:**

SCG Packaging Public Company Limited or SCGP is the leading provider of integrated packaging solutions in ASEAN. The company offers services in pulp and paper packaging, packaging made of high-efficiency materials and polymer, and various other packaging solutions. Its earnings of 2020 is THB 92,786 million with more than 43 production bases in Vietnam, Indonesia, Malaysia and Thailand.

Vina Kraft Paper Co., Ltd.is located in Binh Duong for manufacturing the packaging paper achieving the total production capacity of 500,000 tons per year to support the increasing demand of corrugated packaging and growing industries in Vietnam.

Batico is a major Vietnamese producer of flexible packaging products with an annual capacity of 509 million square meters to fulfill the rapidly growing needs of customers in various industries in Vietnam and the region.

Bien Hoa Packaging Joint Stock Company (SOVI) is a leading producer of packaging in Vietnam with an annual capacity of 90,000 tons for corrugated paper and 10,000 tons for offset laminated packaging.

Duy Tan Plastics Manufacturing Corporation (Duy Tan) is the leading producer of rigid plastic packaging in Vietnam. The company also produces household plastic containers and utensils under the “Duy Tan” brand. It has a production capacity of 116,000 tons per year.

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