***Press Release***

**SCG Announces Strong Operating Results in 2021 Despite Inflation and COVID-19   
as a Result of Business Transformation to Address 3 Global Megatrends**

**Bangkok: 27 January 2022 – SCG announced strong operating performance in FY2021 despite inflationary pressures, rising energy, and raw materials costs, as well as the COVID-19 pandemic by driving business transformation to address three megatrends: incorporating ESG into business operations, leveraging digital transformation to meet customer demands that help lower production cost and grow   
e-commerce, developing new solutions to meet wellness trend and improve quality of life. SCG is prepared to look after the society to reduce inequality and increase income for communities in Thailand and ASEAN.**

**Mr. Roongrote Rangsiyopash, President and CEO of SCG,** disclosed, "The Company's unaudited Operating Results for FY2021 registered the Revenue from Sales of 530,112 MB, an increase of 33% y-o-y, owing primarily to improved performance of all businesses, particularly the prices and sales volume of chemical products. Profit for the year totaled 47,174 MB, an increase of 38% y-o-y, thanks to better performance of Chemicals Business. Normalized profit stood at 48,979 MB, up 35% y-o-y.

SCG's Revenue from Sales of High Value-Added Products & Services (HVA)in 2021 was   
182,510 MB or 34% of total Revenue from Sales. Additionally, New Product Development (NPD) and Service Solutions accounted for 15% and 5% of total Revenue from Sales, respectively.

Revenue from Sales totaled 142,666 MB in Q4/21, an increase of 8% q-o-q due to improved performance of all businesses. Profit for the period stood at 8,307 MB, up 22% q-o-q, with normalized profit at 7,813 MB, down 14% q-o-q mainly due to lower equity income from associates.

**SCG's Revenue from operations outside of Thailand, including export sales from Thailand,** registered 242,886 MB in FY2021, or 46% of total Revenue from Sales, 44% higher than the previous year.

**SCG's total assets as of December 31, 2021 amounted to 861,101 MB, of which 45% represented assets in ASEAN.**

**The 2021 operating results by business units are as follows:**

**Chemicals Business** Revenue from Sales increased by62% y-o-y to 238,390 MB in FY2021, owing to higher product prices, increasing sales volume, and Baht depreciation. Profit for the period increased 64% y-o-y to 28,931 MB. Meanwhile, Q4/2021's Revenue from Sales was 65,983 MB, increased 10% q-o-q and 83% y-o-y due to increased product prices and sales volume. Profit for the period was 4,500 MB, decreased 14% q-o-q and 23% y-o-y, owing primarily to higher feedstock costs, lower inventory gain, and lower equity income from associates.

**Cement – Building Materials Business** recorded FY2021 Revenue from Sales of 182,529 MB, increased 6% y-o-y. However, Profit for the Year totaled 4,262 MB, decreased 34% y-o-y. Meanwhile, Q4/2021's Revenue from Sales was 45,869 MB, increased 14% y-o-y, due to higher export volume to markets outside the ASEAN region and rising demands for domestic building materials for renovation and repair works. Profit for the Period was 1,385 MB, increased 3,785 MB q-o-q and increased 1,579 MB y-o-y.

**SCGP** reported FY2021 Revenue from Sales of 124,223 MB, increased 34% y-o-y. Profit for the Year also increased 28% y-o-y to 8,294 MB. This was attributed to the growth of Integrated Packaging Chain in the consumer goods segment, an increase in revenue from the food service packaging in Thailand, Malaysia, and the United Kingdom, and continuous business expansion through organic growth and Merger and Partnership (M&P). SCGP has manufacturing facilities in several countries to supply products to   
a diverse range of industries. This enables a diversification of risks from uncertainties caused by external variables.

**Meanwhile, SCGP's Revenue from Sales for Q4/2021 was 35,145 MB,** increased **49% y-o-y and 10% q-o-q, owing mainly to the government's relaxation of pandemic control measures in ASEAN, which allows people to engage in more economic activities, as well as the preparation of consumer goods and frozen foods to cater to new year's holiday purchases, as well as financial consolidation of Go-Pak, a food service packaging solution provider in the United Kingdom, Europe, and North America; Duy Tan, a rigid plastic packaging manufacturer in Vietnam; Intan Group, a corrugated carton producer in Indonesia; and Deltalab, a manufacturer and distributor of high quality medical supplies and labware in Spain. Profit for the Period stood at 2,115 MB,** increased **42% y-o-y and 19% q-o-q.**

Mr. Roongrote said, "During the year 2021, economies around the world had been impacted by rising energy and raw material costs, inflation, and COVID-19, but SCG has steadily been accelerating business transformation. As a result, it has maintained satisfactory growth over the past year by aligning the business with three megatrends: **incorporating ESG into business operations, leveraging digital transformation to meet customer needs, and developing innovative solutions to meet wellness trends improve the quality of life.**

**Incorporating ESG (Environmental, Social, and Governance) into the business operations**. **SCG has adopted ESG 4 Plus, which includes four approaches: Set Net-Zero, Go Green, Reduce Inequality, and Embrace Collaboration with fairness and transparency as a standard developmental framework for its global business practices in line with the United Nations' Sustainable Development Goals (SDGs) and   
the government's BCG Economy. SCG has committed an initial investment of 70 billion baht by 2030   
to improve the production process and develop low-carbon businesses** to achieve net-zero greenhouse gas emission within 2050. **In 2021, greenhouse gas emissions were lowered** by 1.3 million tons of carbon dioxide (a reduction of 4.1% over the same period in 2020)and increase the proportion of SCG Green Choice product sales from 33% in 2020 to 41% in 2021.

**Leveraging digital transformation to address new customer needs and add value to minimize cost and time while increasing performance.** Examples include **Digital Twin technology**, a virtual agent that aids in the evaluation and efficient modification of production patterns; **CPAC Green Solution** that adopts digital technology to optimize construction efficiency; **the development of digital platforms to manage the largest distribution network, including 'Prompt Plus,'** a building material e-commerce platform for over 9,000 retail stores nationwide and "**Rak Mao,"** a building material e-procurement platform for over 50,000 customers including developers and small and medium-sized contractors across Thailand.

The approaches also include **developing innovative solutions to meet wellness trends and improve the quality of life, such as medical-grade plastic innovation Isolation Capsule for Air Transportation ; soluble laundry bags** to reduce the risk of infection patient's clothing**; Smart Building Solution,** an innovative building system management solution that uses IoT technology to improve air quality and save energy; **Ultra Clean Wall Solution**, a smart board innovation that keeps the room clean and germ-free;   
**SCG Bi-Ionization Air Purifier,** thateliminates bacteria and viruses in homes and buildings;  **SCG Solar Roof Solutions,** which can generate electricity from the roof and garage roof to help reduce electricity costs and utilize electricity with electric vehicles.

Businesses should be prepared for the increased energy and raw material prices due to inflation.   
As purchasing power begins to recover, market forces drive up the prices of goods and services.   
Thus, business strategies in each industry must be appropriately optimized, has the financial discipline to cope with rising interest rates, create innovation to meet the ever-changing customer demands, on top of the business's adoption of digital technology. **SCG has devised business strategies to address the inflation and build long-term growth in each of its business in line with three megatrends," said Roongrote.**

**Additionally, SCG is committed to contribution to society following ESG principles aimed at reducing inequality. To assist unemployed individuals affected by COVID-19, the company has established   
in-demand skill development programs with over 3,000 participants and intends to reach 20,000 participants by 2025.** Several examples include upskilling truck drivers through the SCG Skills Development School, providing handymen's renovation job opportunities through the Q-Chang application, developing careers in product processing and online/offline e-commerce through the Community Power Project, and developing assistant nurses, assistant dentists, and elderly caretakers through the “SCG Foundation's Learn to Earn project”.Furthermore, SCG provides educational scholarships to needy students throughout ASEAN to help them pursue careers such as doctors, nurses, engineers, and teachers. SCG also educates   
communities about water management to ensure an adequate water supply for consumption and farming, which will increase productivity to maintain their stable incomes. Additionally, SCG delivered COVID-19 innovations worth 470 MB to Thailand and ASEAN countries.

The Board of Directors of SCC approved to submit for approval at the Annual General Meeting of Shareholders a full year 2021 dividend payment of 18.50 Baht per share for a total amount of 22,200 MB, or 47% of profit for the year on consolidated financial statements, of which 8.50 Baht per share had been paid as an interim dividend on August 27, 2021. The final payment of dividend will be 10.00 Baht per share.

The above dividend distribution shall be paid to the shareholders entitled to receive the dividend according to the Company’s Articles of Association and who are listed in the record date on April 8, 2022. (The XD, or the date on which a purchaser will not be entitled to receive the dividend, will be on  
 April 7, 2022) The dividend will be paid on April 26, 2022. The receipt of such dividends shall be made within 10 years.

In addition, the Board of Directors approved plans to increase the capital of SCG Chemicals (SCGC) and offer shares to the general public in an amount not to exceed 25.2% of SCG Chemicals' paid-up capital. The IPO is expected to be allocated to shareholders of the Company (Pre-emptive Right) in an amount not to exceed 15% of all IPO shares. The offering aims to raise funds to expand the high-potential business and build sustainable growth in ASEAN while also addressing the global market demand.

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