**SCGC Strengthens Competitiveness, Showcases Innovation and Digital Technologies, Leverages Expertise to Tap into New Business Areas,   
and Prepares to Commence Operations at the LSP Plant in Vietnam**

**i2P Center, SCGC, Rayong – 15 July 2025: SCG Chemicals, or SCGC, a leading integrated polymer and solutions provider for sustainability, led by Sakchai Patiparnpreechavud, Chief Executive Officer and President of SCG Chemicals Public Company Limited, together with Dr. Suracha Udomsak, Chief Operations and Innovation Officer, and Chatri Eamsobhana, Chief Commercial Officer, revealed the company’s strategy to strengthen its competitive edge despite continued volatility and intense competition in the petrochemical industry.** The executives expressed confidence in SCGC’s readiness and capability to drive business growth and seize opportunities as the regional petrochemical market begins to recover. SCGC continues to leverage its **global-standard research and development** strengths to create High Value Added Products & Services (HVA), as well as green polymers. The company is also adopting **digital technologies** to enhance efficiency across the entire supply chain, while **expanding and building new businesses, and creating business opportunities from by-products of its production processes.** In addition, the executives shared an update on the Long Son Petrochemicals (LSP) plant in Vietnam, saying that preparations are currently underway for the resumption of commercial operations, expected around the end of August or early September 2025. The company will continue to closely monitor the situation.

**Sakchai Patiparnpreechavud, Chief Executive Officer and President of SCGC,** said,   
“The petrochemical market in the second half of the year continues to face volatility and intense competition, driven by several factors, such as geopolitical conflicts, uncertainty surrounding the United States tariff policy, fluctuations in oil prices, and increased oil production capacity from OPEC+. These factors reflect the slowing demand, while supply continues to rise. However, there was capacity shutdown from producers who are not competitive and high operating costs, which will offset the supply additions. As a result, we expect that the petrochemicals spread are already at rock-bottom level and will remain stable. As can be seen, the product spread has increased compared to the first quarter of 2025.”

“Although the current petrochemical trough has been more severe and prolonged than usual, SCGC is prepared to handle the challenges and volatility. The company has implemented **short-term strategies** including: 1) Reducing raw material costs, optimizing working capital, and lowering expenses by leveraging Digital and AI technologies.; 2) Accelerating the development of High Value Added Products & Services (HVA), including green polymers; 3) Expanding its integrated service solutions business; and 4) Growing the PVC fabrication (finished PVC products) business. For **long-term strategy**, SCGC is increasing the use of ethane gas feedstock at the LSP plant in Vietnam (LSPE Project),” **said the Chief Executive Officer and President of SCGC**.

SCGC continues to enhance its competitive capabilities and reinforce its core strengths across multiple areas, such as:

**1) Global-standard innovation management processes** that drive the development High Value Added Products & Services (HVA), including green polymers, to meet the demands of global markets. Furthermore, SCGC has established the **“i2P Center” (Ideas to Products)**, an integrated innovation center, supported by a global network of innovation partners. The center is designed to assist clients, brand owners, agencies, organizations, and business partners in exploring new ideas and trends, conducting research and development, product design, prototype testing, and more. This enables faster development of products and solutions that meet market needs. SCGC is currently engaged in over 100 innovation projects in the research and development phase.

**2) Improved plant operations through the application of digital technologies** such as Artificial Intelligence (AI) and Robotics & Automation systems, aimed at improving productivity and elevating safety standards within manufacturing facilities. These technologies also enable precise forecasting of machine performance in production processes. Each technology is tailored to align with the specific machinery and production processes of individual plants. A notable example is the **Robotics & Automation system implemented at Nawaplastic Industries**, which manufactures PVC pipes, fittings, and finished PVC products. The factory’s robot density ranks as best-in-class on a global scale.

In addition, SCGC has extended its expertise into the **Industrial Service Solutions** business through the development of “**DRS by REPCO NEX**” (Digital Reliability Service Solutions), a solution designed to enhance machinery maintenance and improve productivity. This service supports customers across various industries, including power generation, food and beverage, and petrochemicals.

3) SCGC also **creates new business opportunities by utilizing** **by-products** from production processes. For example, acetylene, a by-product from the olefins production plant, is used as a raw material to produce acetylene black—a conductive material used in lithium-ion battery electrodes for electric vehicles (EVs). Another example includes the use of by-products from the polyolefins plant to produce Phase Change Materials, which are developed into temperature control and energy-saving solutions for cold chain warehousing, logistics, office buildings, and data centers under the “CHILLOX” brand.

“Regarding the progress of the Long Son Petrochemicals (LSP) plant in Vietnam, preparations are currently underway for the resumption of commercial operations, which is expected around late August or early September 2025. The company will continue to closely monitor the situation,” **concluded the Chief Executive Officer and President of SCGC.**