**SCGC Reaffirms Confidence of the Regional Petrochemical Growth, and invests $700 Million**

**towards the Ethane Feedstock Enhancement Project at LSP Complex, Vietnam,**

**to Drive Long-Term Strategy**

***November 8, 2024*** – SCG Chemicals (SCGC), a leading integrated polymer business for sustainability, is making a strategic move to reinforce its petrochemical business amidst the petrochemical trough, showing confidence in the region’s petrochemical industry growth. SCGC is moving ahead with an ethene feedstock enhancement project investment at Long Son Petrochemicals Company Limited (LSP) in Vietnam. This investment, with a budget of 700 million USD (approximately 23,000 million Baht), will upgrade facilities to use imported ethene from the United States as an additional raw material. With this strategic move, LSP can significantly enhance its competitiveness through lower feedstock costs, higher operational flexibility, and reduced carbon emission. The project is expected to be completed by the end of 2027.

Mr. Sakchai Patiparnpreechavud, CEO and President of SCGC, revealed, "LSP’s olefins process is designed for as feedstock flexibility, allowing for increased utilization of gaseous feedstocks. As such, the majority of the investment for the project will be allocated to constructing ethane handling and storage systems, which requires temperature as low as -90°C, as well as supporting facilities. Once completed, LSP will be able to utilize ethene up to two thirds of the total feedstock, in addition to propane and naphtha."

LSP began its commercial started-up (COD) on September 30, 2024, producing and supplying high-quality polymers to the Vietnamese market and for export. The products from LSP are widely recognized for their quality and compliance with international standards.

"Despite the downturn in the petrochemical industry, SCGC is focused on optimizing production across its three plants: Rayong Olefins (ROC), Map Ta Phut Olefins (MOC), and LSP, to align with raw material prices, product demand, and the global economic situation, maximizing overall competitiveness. Currently, LSP has temporarily suspended operations to manage overall business costs, with plan to resume operations when market conditions are more favorable. During this period, LSP will focus on operational excellence and equipment maintenance to ensure readiness to restart production as the global market recovers," Mr. Sakchai concluded.