

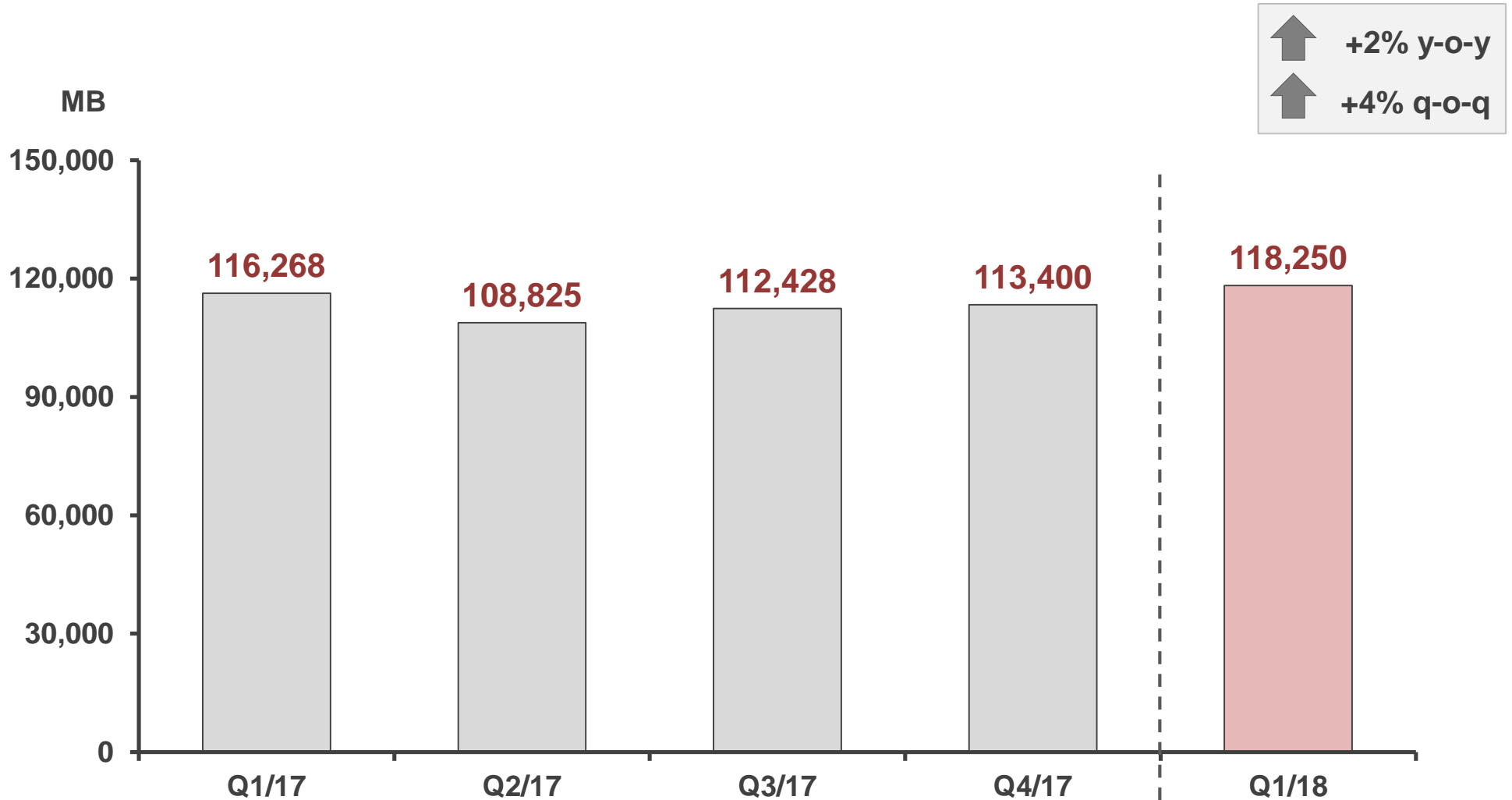


Analyst Conference Q1/18
Wednesday, April 25, 2018

- I. Consolidated Results
 - Q1/18 Consolidated Results
 - Financial Updates
- II. Cement - Building Materials Business
- III. Chemical Business
- IV. Packaging Business
- V. Summary

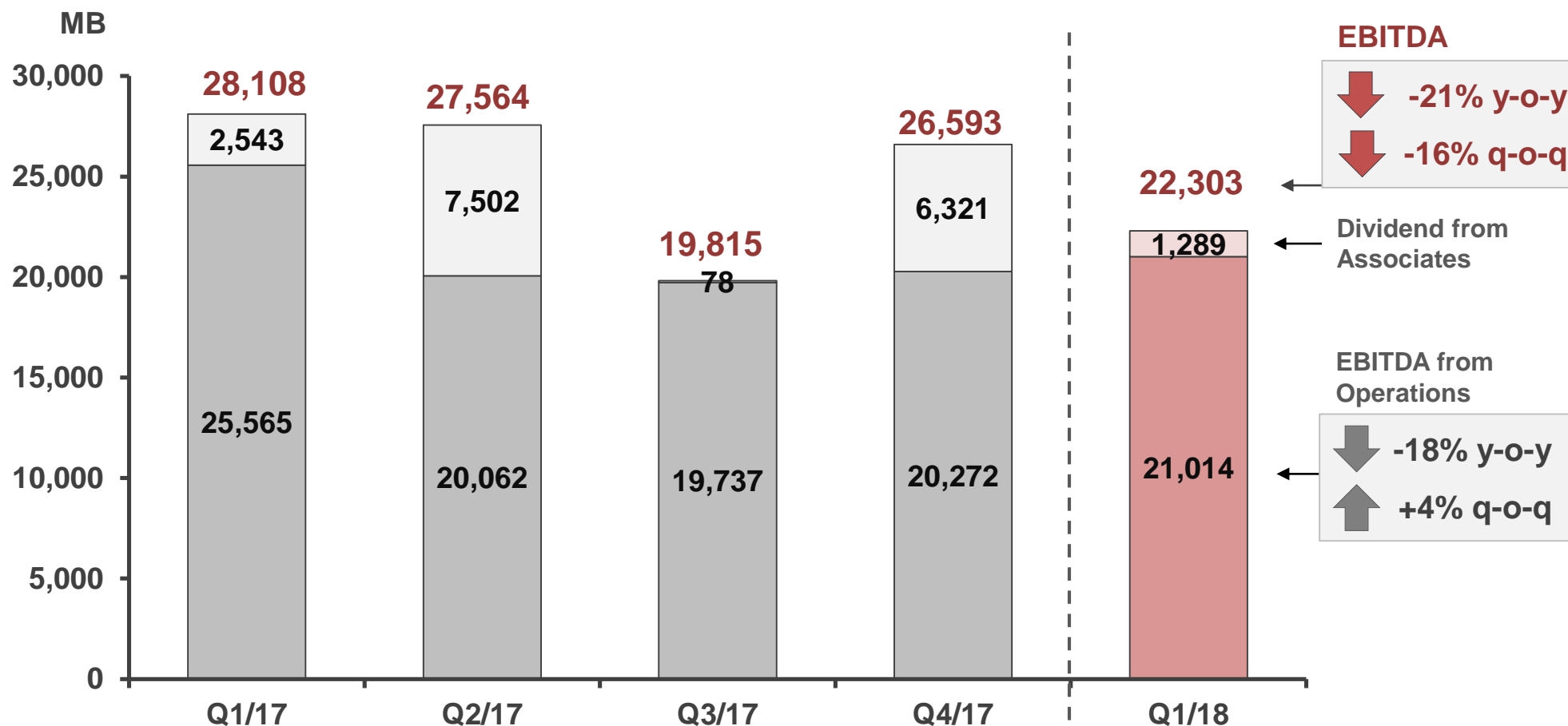
Q1/18 Revenue from Sales

Revenue increased +2% y-o-y from the non-Chemical business, while gaining +4% q-o-q from all business segments.



Q1/18 EBITDA

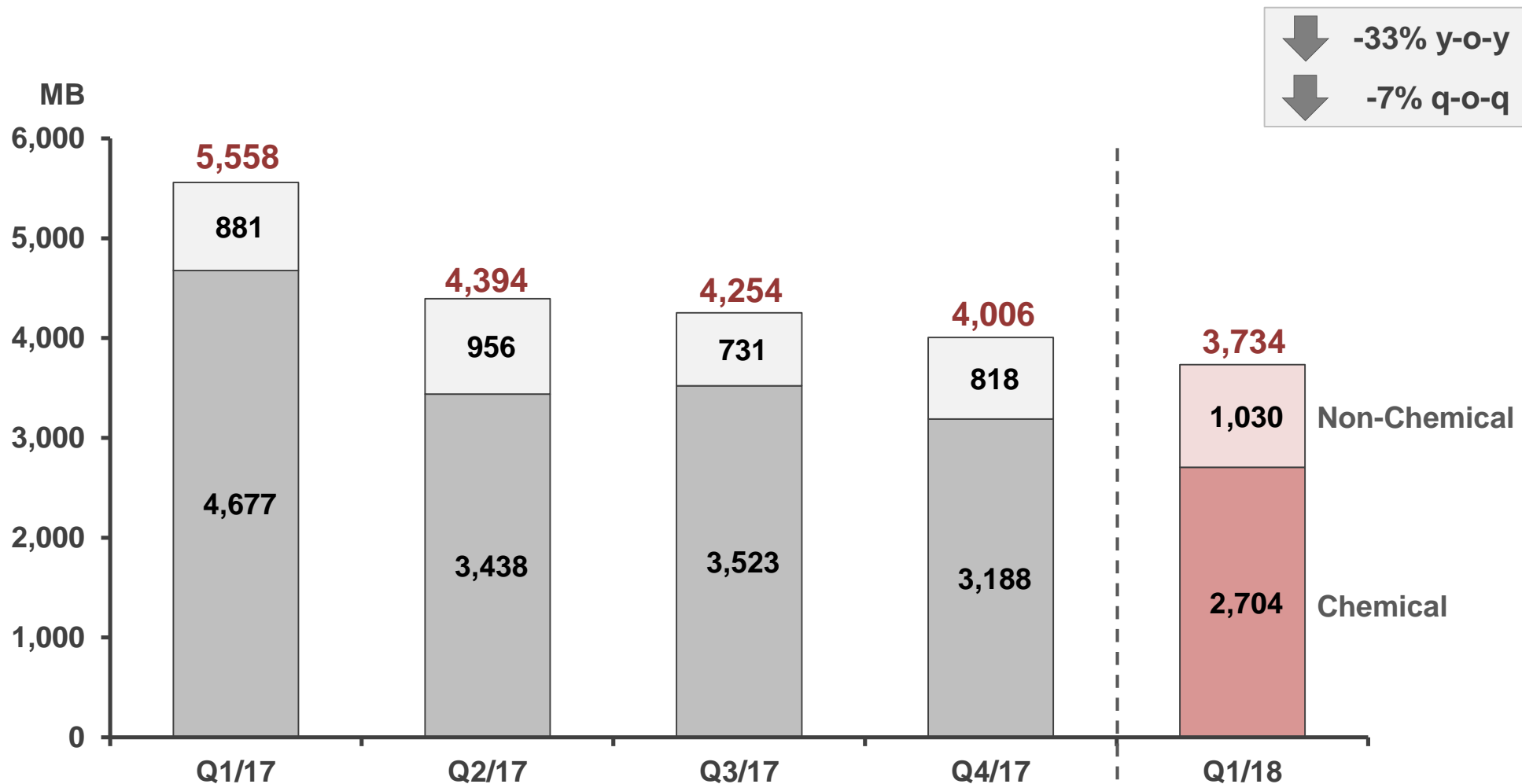
EBITDA dropped -21% y-o-y from higher costs in the Chemical business, and the non-recurring gain last year in Q1/17, while the -16% q-o-q decrease was from lower dividend from Associates.



Note: $EBITDA = EBITDA \text{ from Operations} + \text{Dividend from Associates}$

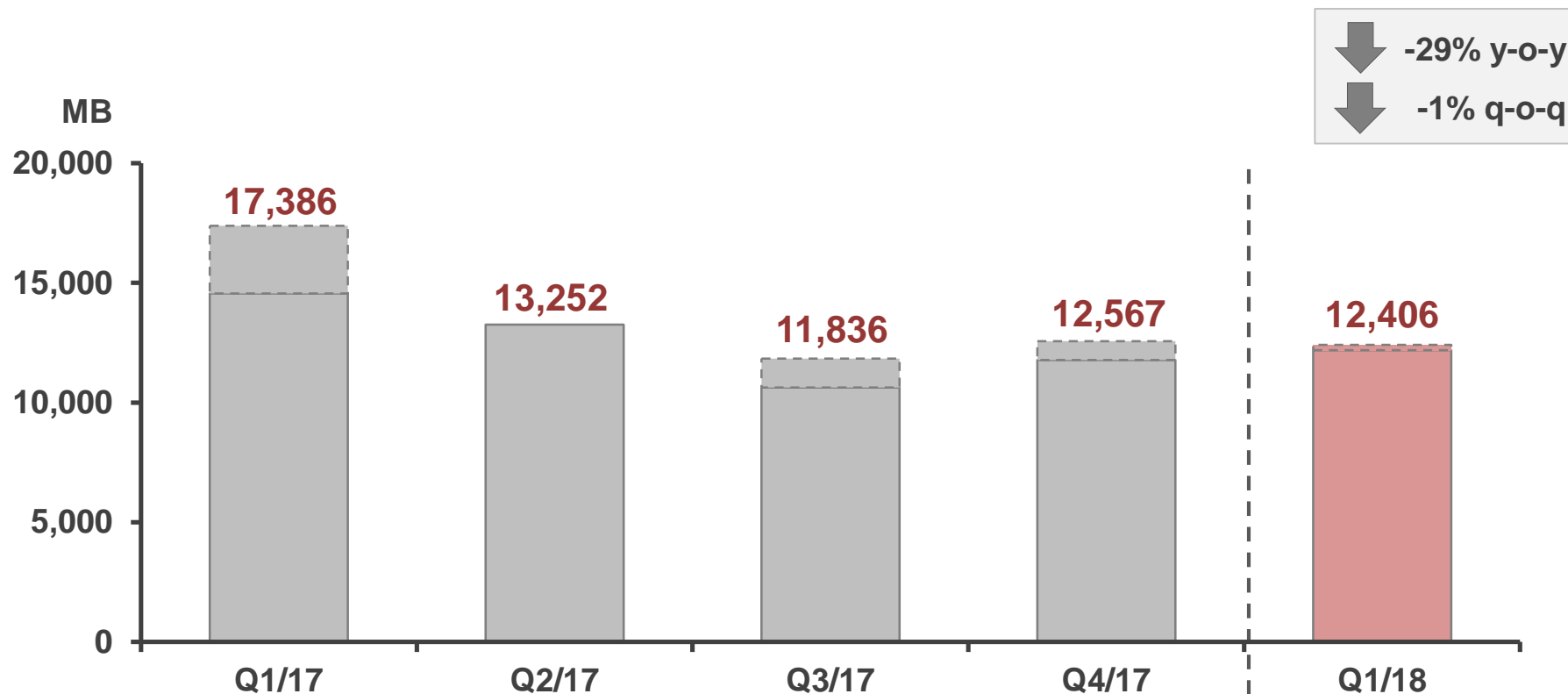
Q1/18 Equity Income

Associates contribution dropped -33% y-o-y and -7% q-o-q, on lower Chemical contribution (lower margins and volume).



Q1/18 Profit for the Period

Solid q-o-q earnings of 12,406 MB, while the -29% y-o-y decline was due to strong Thai Baht, decreased equity income, and non-recurring gains in Q1/17.



	Q1/17	Q2/17	Q3/17	Q4/17	Q1/18
Key Non-recurring	2,830	(1,810)	1,210	870	220
1) Inventory Gain (Loss)*	930	(1,860)	900	140	220
2) Sale of Investment and assets	1,900	50	310	730	0

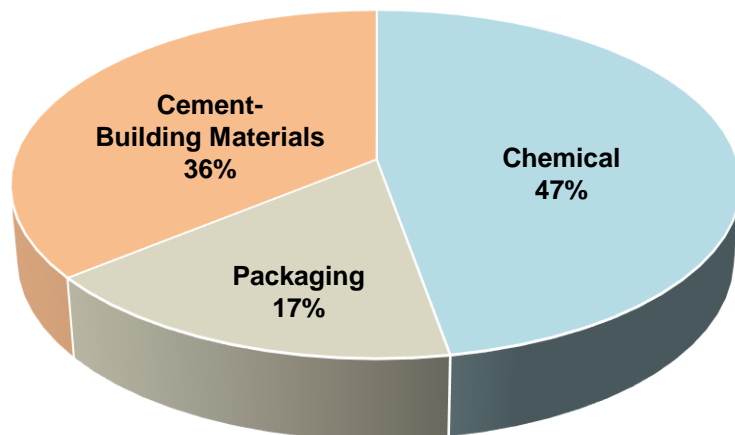
Note: *SCG Chemicals (Sub + Asso.)

**Gain on Revaluation of Investment for Binh Minh Plastics Joint Stock Company in Q1/18 was 538 MB (no tax effect)

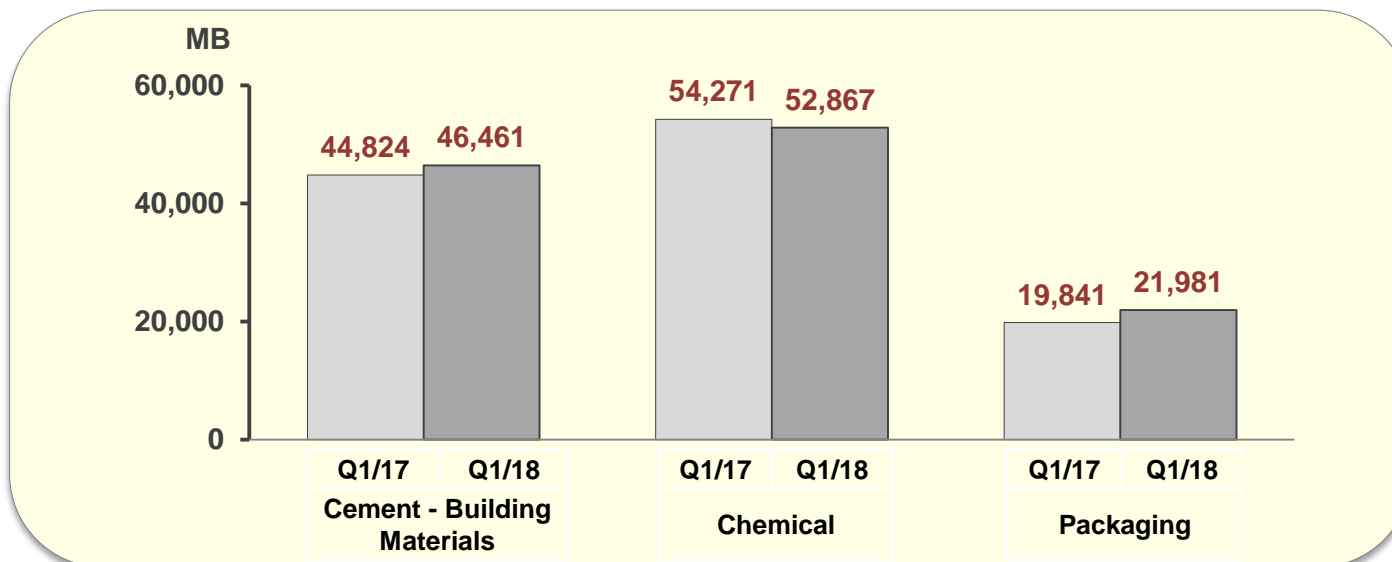
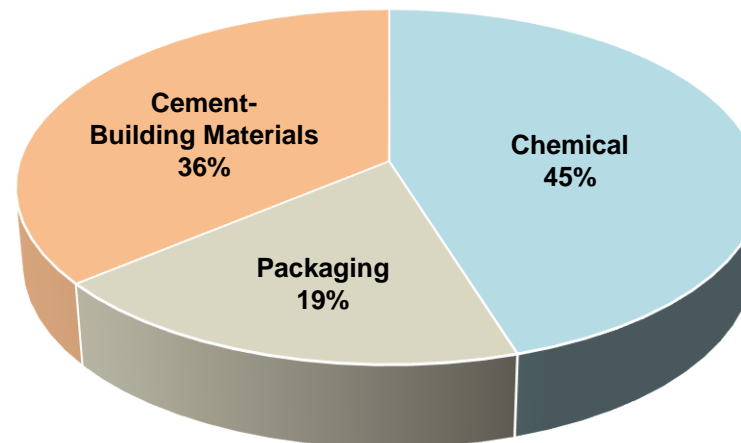
Q1/18 Segmented Revenue from Sales

Chemical and non-Chemical sales were 45% and 55%, respectively.

Q1/17
116,268 MB

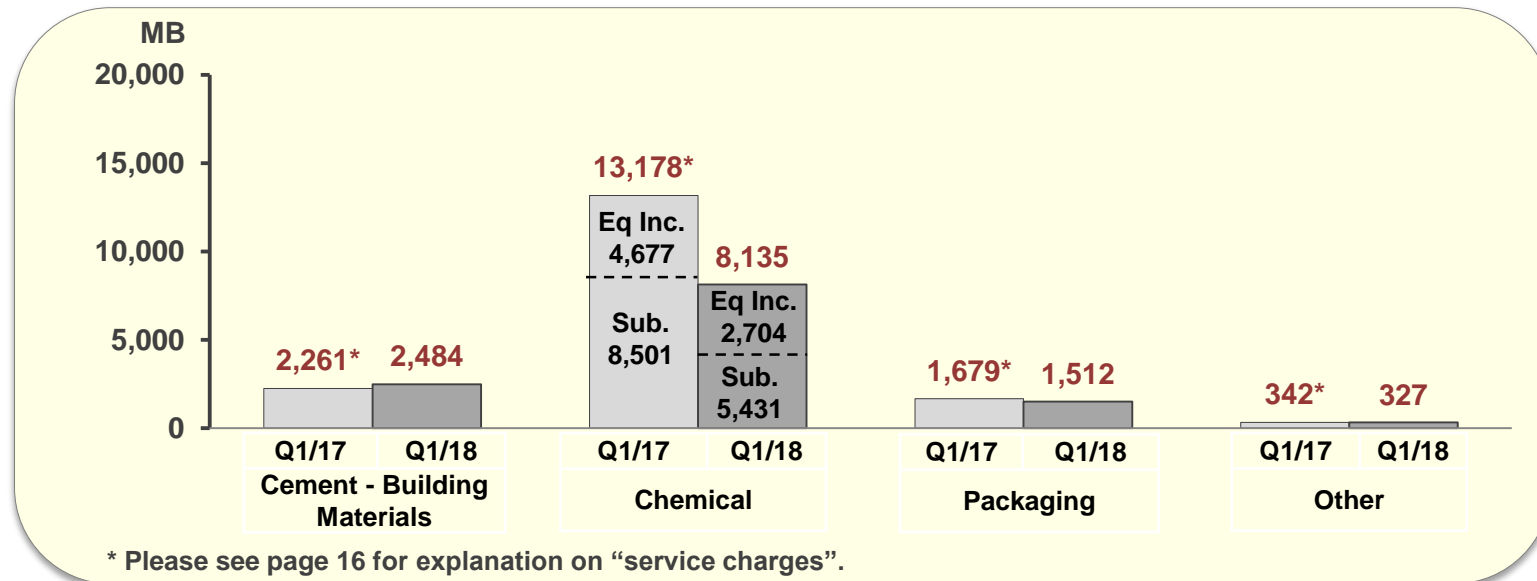
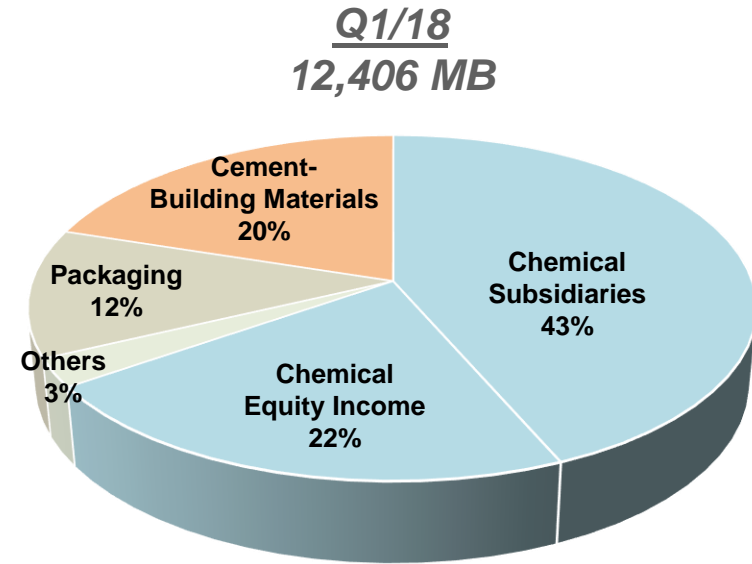
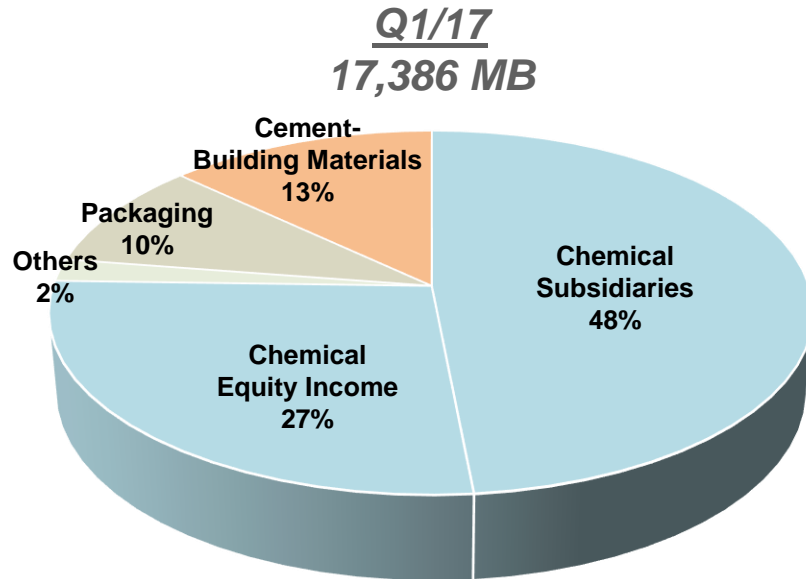


Q1/18
118,250 MB



Q1/18 Segmented Profit for the Period

Chemical profits accounted for 65% of earnings, compared to 75% a year earlier.

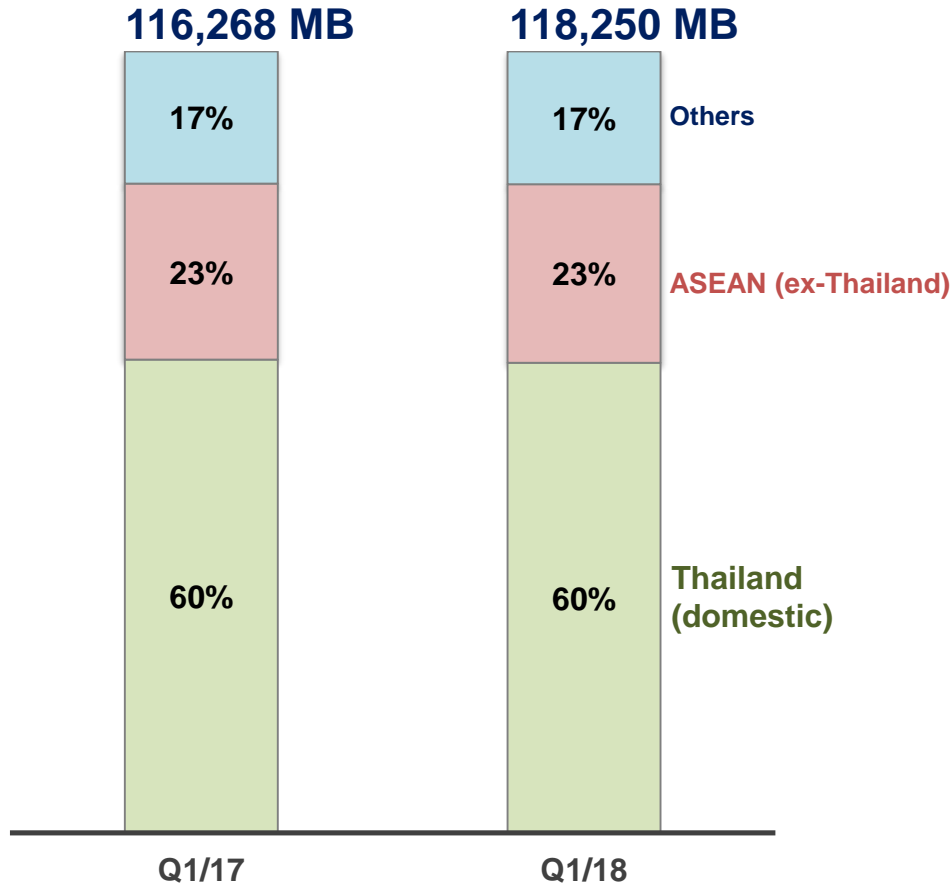


Q1/18 Segments: Export Sales and ASEAN Operations

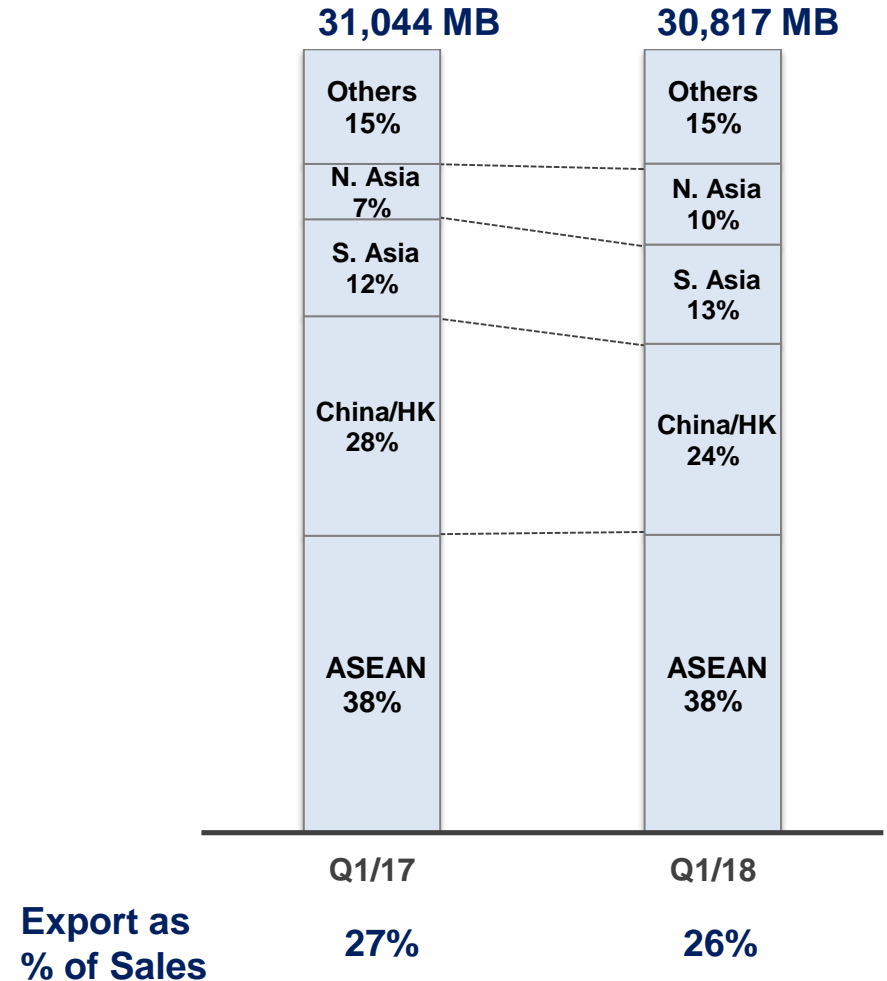


ASEAN exports and operations were 23% of total sales.

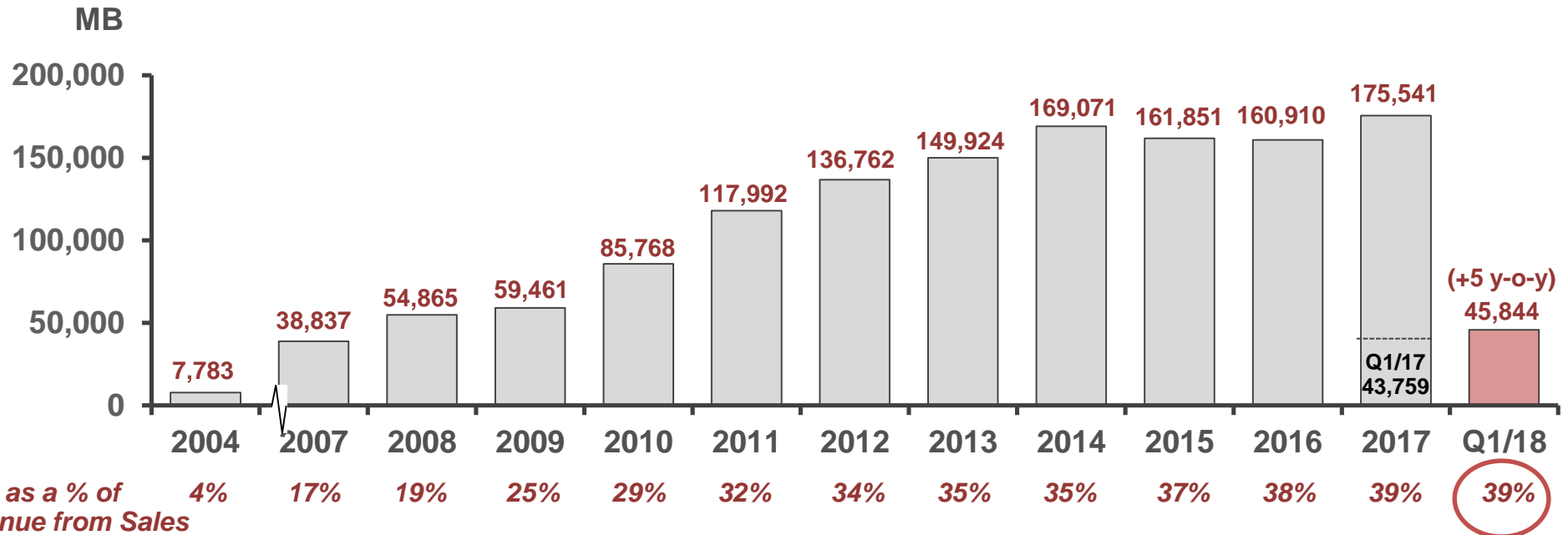
Sales Segments (by markets)



Export Segments (by markets)



Q1/18 HVA's Revenue from Sales

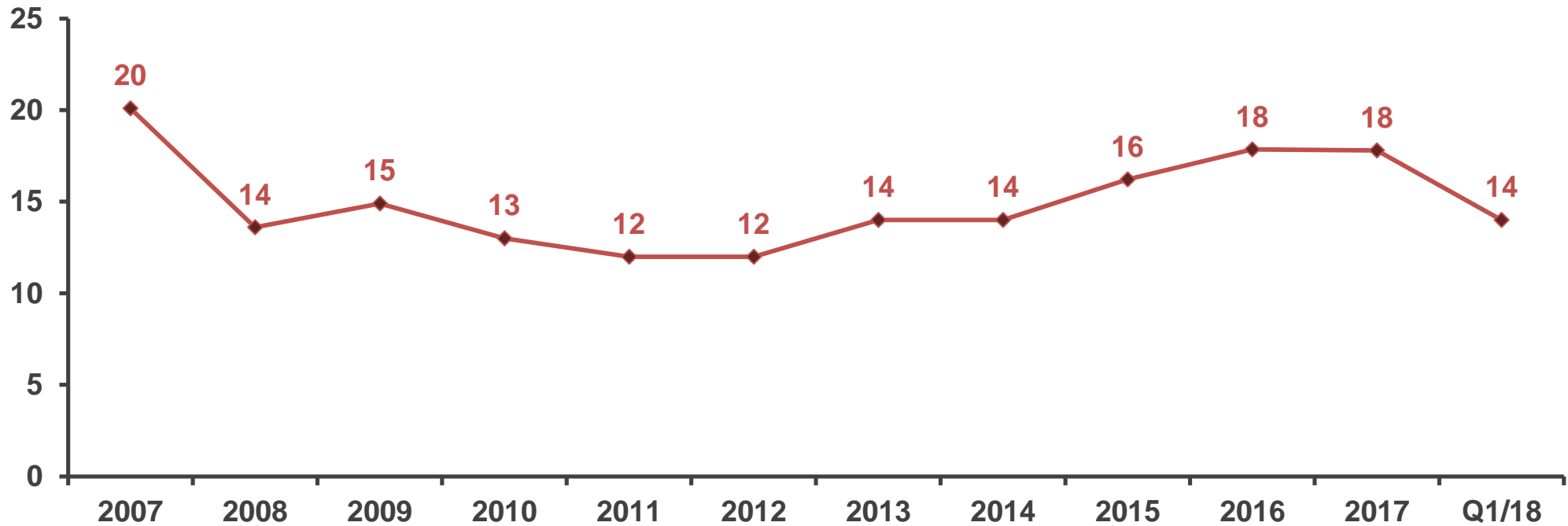


Business	2013	2014	2015	2016	2017	Q1/18
Cement-Building Materials	41%	42%	41%	41%	43%	42%
Chemical	27%	27%	31%	31%	30%	31%
Chemical (Includes associates)	50%	50%	53%	54%	54%	53%
Packaging	38%	39%	39%	43%	47%	47%

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EBITDA on Assets

Percent (%)



EBITDA Margin (%):

16	14	18	14	11	10	13	13	18	21	19	18
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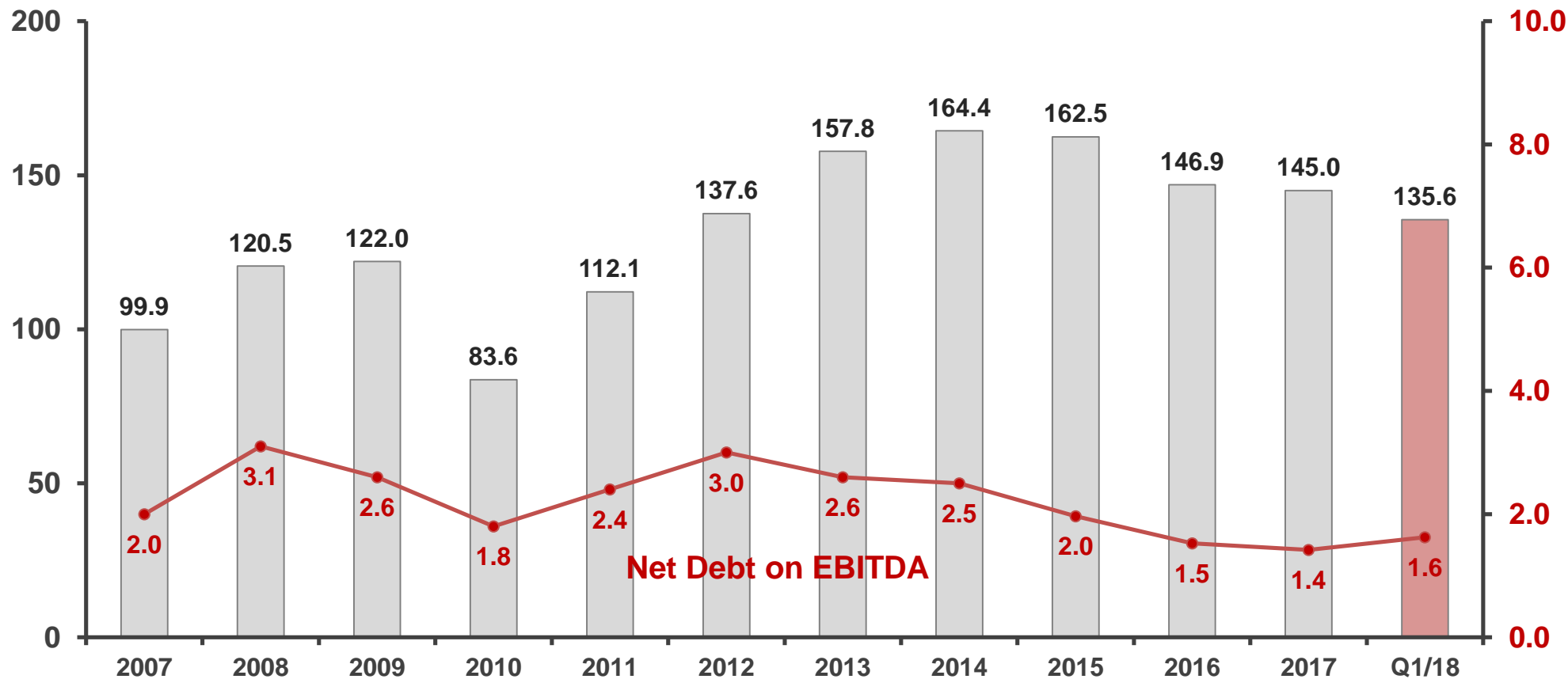
Note: *EBITDA on Assets* = $EBITDA / Consolidated Assets$
EBITDA margin = $EBITDA from Operations / Consolidated Sales$

Q1/18 Net Debt

Leverage rose slightly to 1.6 times (x).

Billion Baht
(Net Debt)

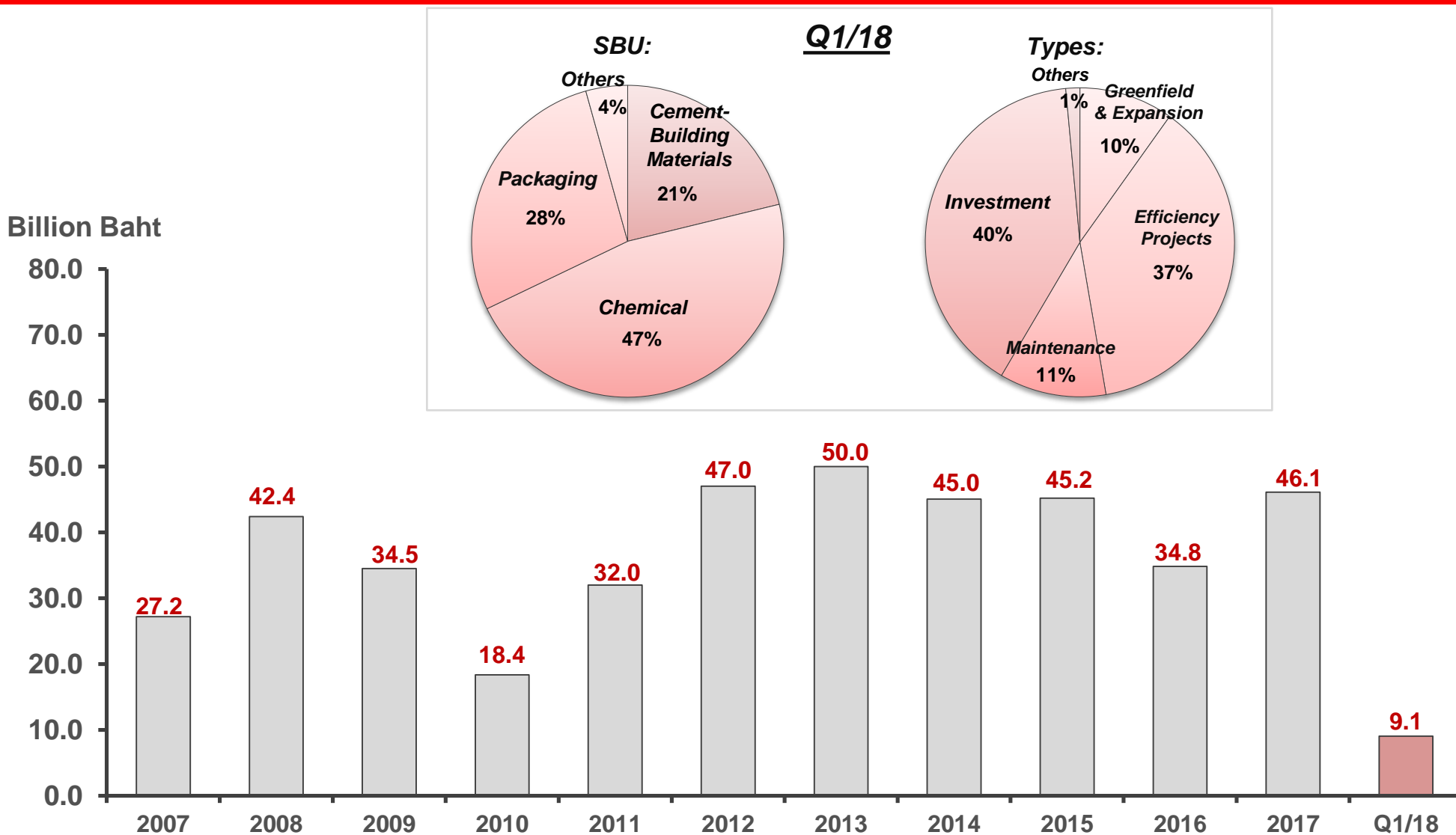
Times (x)
(Leverage)



↑
Net Debt to Equity = 0.4x

Q1/18 CAPEX & Investments

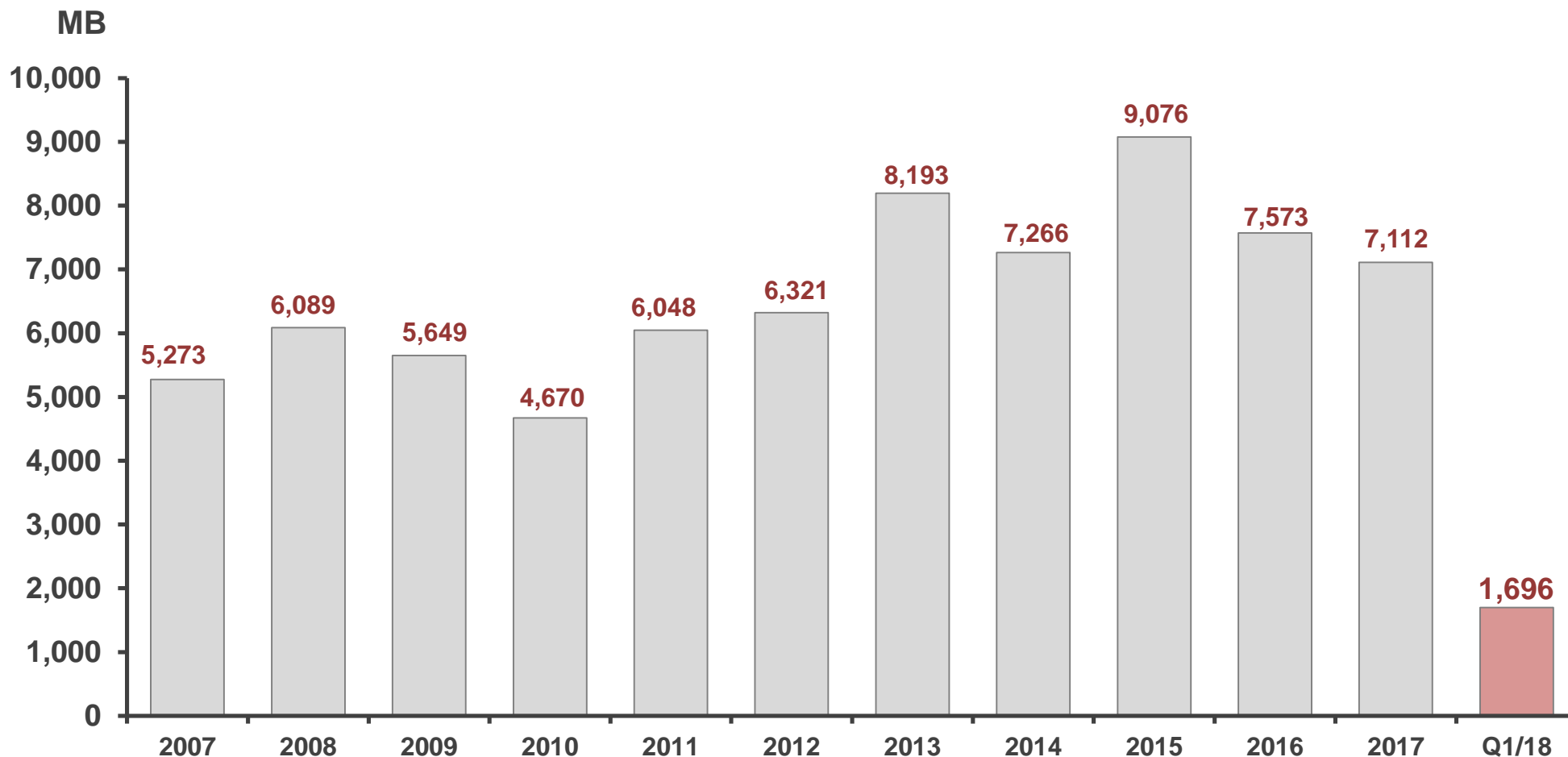
Amounted to 9,066 MB in Q1/18, as investments accounted for 40%.



- CAPEX includes debottlenecking, expansion projects, and major turnaround.
 - Investments are acquisitions and purchase of shares (EV basis).

Q1/18 Interest and Finance Costs

Amounted to a total of 1,696 MB, while interest cost was 3.3%.



Highlights:

- Cash & cash under management of 68,299 MB at the end of Q1/18.
- Starting from Q1/18, management has chosen to reflect ‘all service charges’ in reporting business unit’s performance. Previously, only ‘direct service charges’ (e.g., accounting services) had been included while ‘indirect service charges’ (e.g., corporate IT, safety, etc.) had not. All the business units’ EBITDA and Profit numbers for 2017 in this presentation are also adjusted to the same basis.

Outlook:

- FY2018 CAPEX & Investments of approx. 60,000 MB, which includes the LSP chemicals project in Vietnam.
- Full subscription to the Apr 2/18 debenture issuance of 30 Billion Baht (4-yr, 3.0%) which replaced the 30 Billion Baht matured debenture (15 Billion Baht at 4.0% and 15 Billion Baht at 3.75%).

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- V. Summary

Before 2018

I. Structural Products

- Grey cement,
- RMC,
- Others (mortar, white cement, and **lightweight concrete blocks**)

II. Housing Products

- Roofing products,
- Board & Wood sub
- **Home improvement.**

III. Ceramics

IV. Logistic & Others

2018 Onwards

I. Cement and Construction Solution

- Grey cement,
- RMC
- Others (mortar, white cement)

II. Building Products (Other Housing)

- Roofing products,
- Board & Wood sub
- **Lightweight concrete blocks**

III. Ceramics

IV. Distribution and Retail (Other Domestic)

- Incl. **Home improvement**

ASEAN (ex-Thailand) markets in Q1/18:

- The demand of grey cement in ASEAN was positive. (details in page 20).

Thailand market in Q1/18:

- Grey cement demand was flat y-o-y in Q1/18 with sign of slight improvement.
- Ready-mixed concrete (RMC) demand increased +1% y-o-y in Q1/18 while the average prices remained in the range of 1,600 – 1,650 Baht per cubic meter.
- Housing products demand (roof ceiling & wall) decreased -3% y-o-y in Q1/18.
- Ceramic tiles demand dropped -6% y-o-y in Q1/18.

Grey Cement Demand Growth (y-o-y)

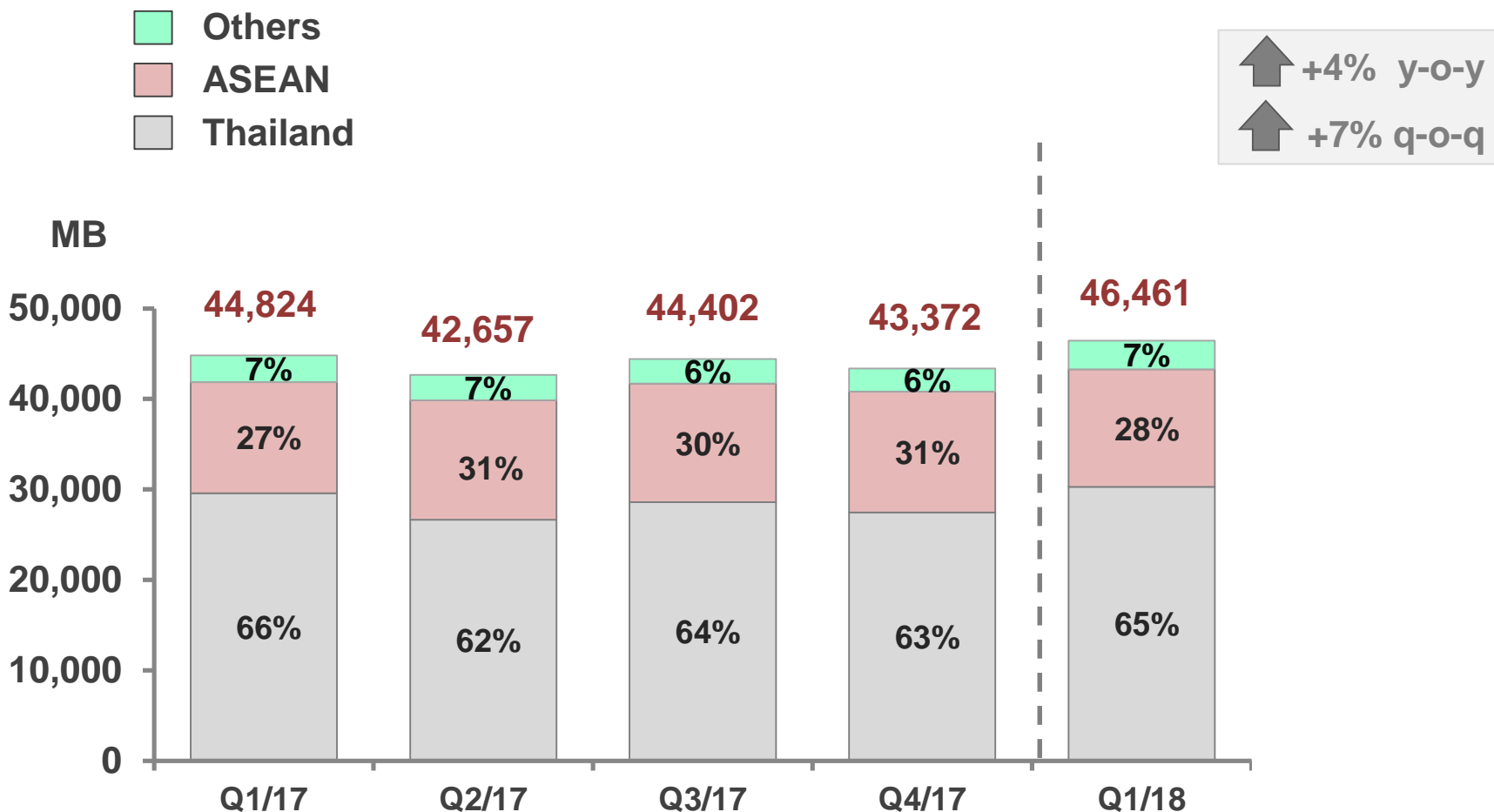
	Q1/17	Q2/17	Q3/17	Q4/17	2017	Q1/18
Cambodia	+5%	+5%	+7%	+16%	+8%	+14%
Indonesia	+1%	-3%	+22%	+10%	+8%	+6%
Myanmar	0%	+1%	-6%	-6%	-3%	+1%
Vietnam	+4%	-4%	-6%	-2%	-1%	+6%*
Thailand	-7%	-7%	-2%	-3%	-5%	0%

Note: Indonesia's grey cement demand is based on the data from Indonesian cement association (ASI).

* Vietnam's grey cement demand in Q1/18 included only Jan-Feb

Revenue from Sales

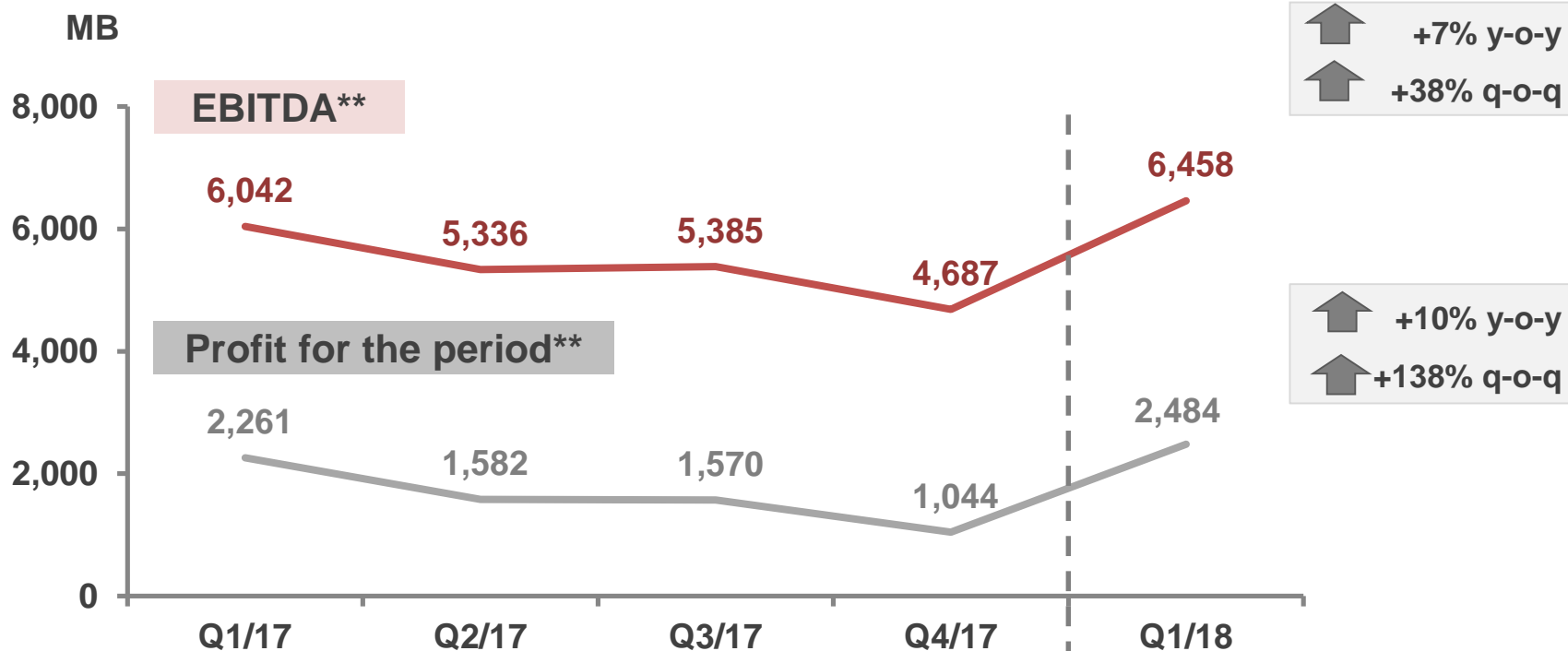
Sales in Q1/18 increased +4% y-o-y, due to the expansion of ASEAN operation and increasing in domestic selling prices.



Note: Thailand : Revenue from sales in Thailand market
ASEAN : Revenue from sales in ASEAN market (ex Thailand)
Others : Revenue from sales in Non-ASEAN market

EBITDA and Profit for the Period

EBITDA increased +7% y-o-y in Q1/18 from price increased and cost reduction, profitability increased +10% y-o-y.



EBITDA Margin*

	Q1/17	Q2/17	Q3/17	Q4/17	Q1/18
Total	13%	12%	12%	11%	13%
ASEAN and Others	13%	14%	12%	11%	11%
Thailand only	12%	12%	12%	11%	14%
<i>Thai Structural Prod.</i>	18%	16%	17%	16%	22%

EBITDA Portion

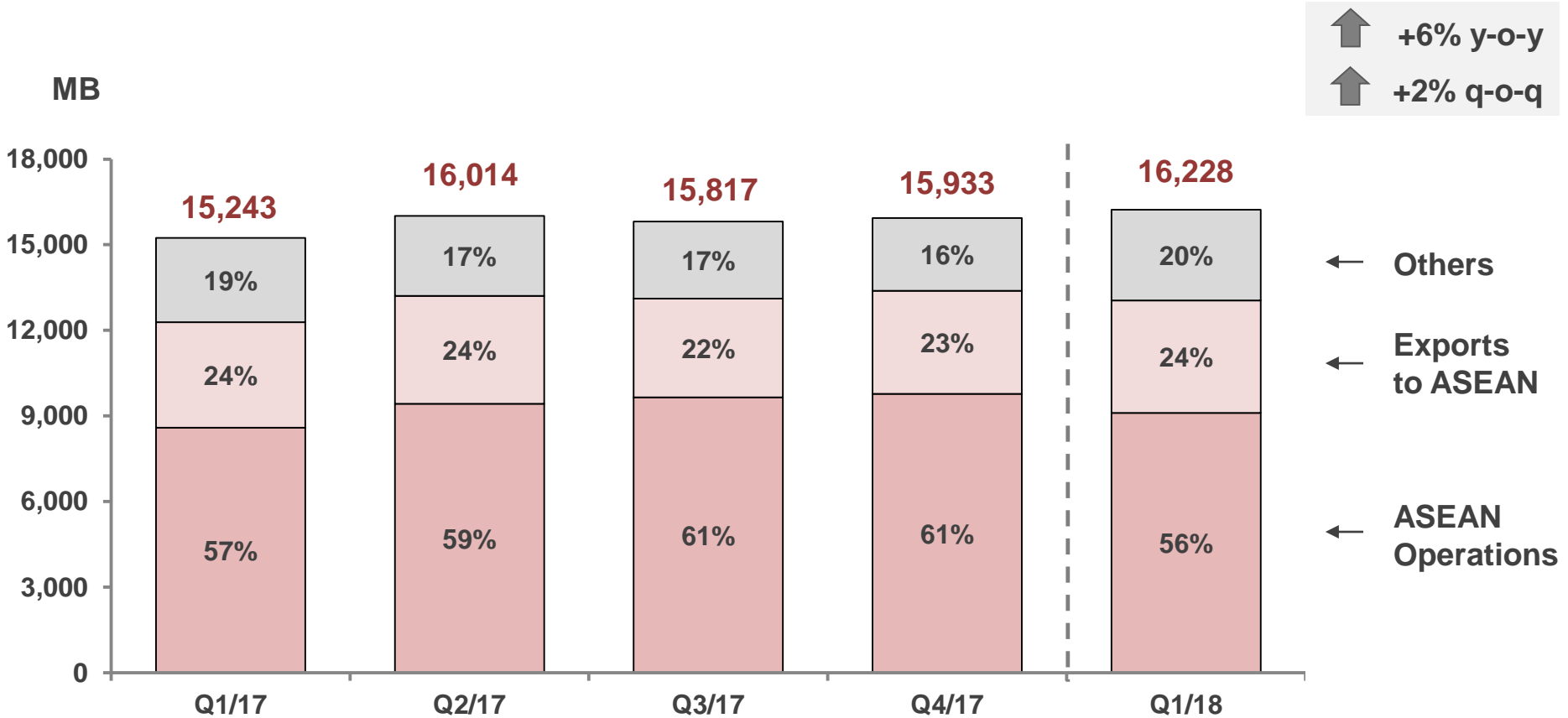
	Q1/17	Q2/17	Q3/17	Q4/17	Q1/18
ASEAN and Others	35%	41%	37%	37%	29%

Note: * EBITDA margin = EBITDA from Operations, excludes divided from associates.

** Please see page 16 for explanation on “service charges”.

ASEAN and others sales segmentation

Q1/18 sales in ASEAN and others increased +6% y-o-y, attributed to Exports, ASEAN and Non-ASEAN operation.

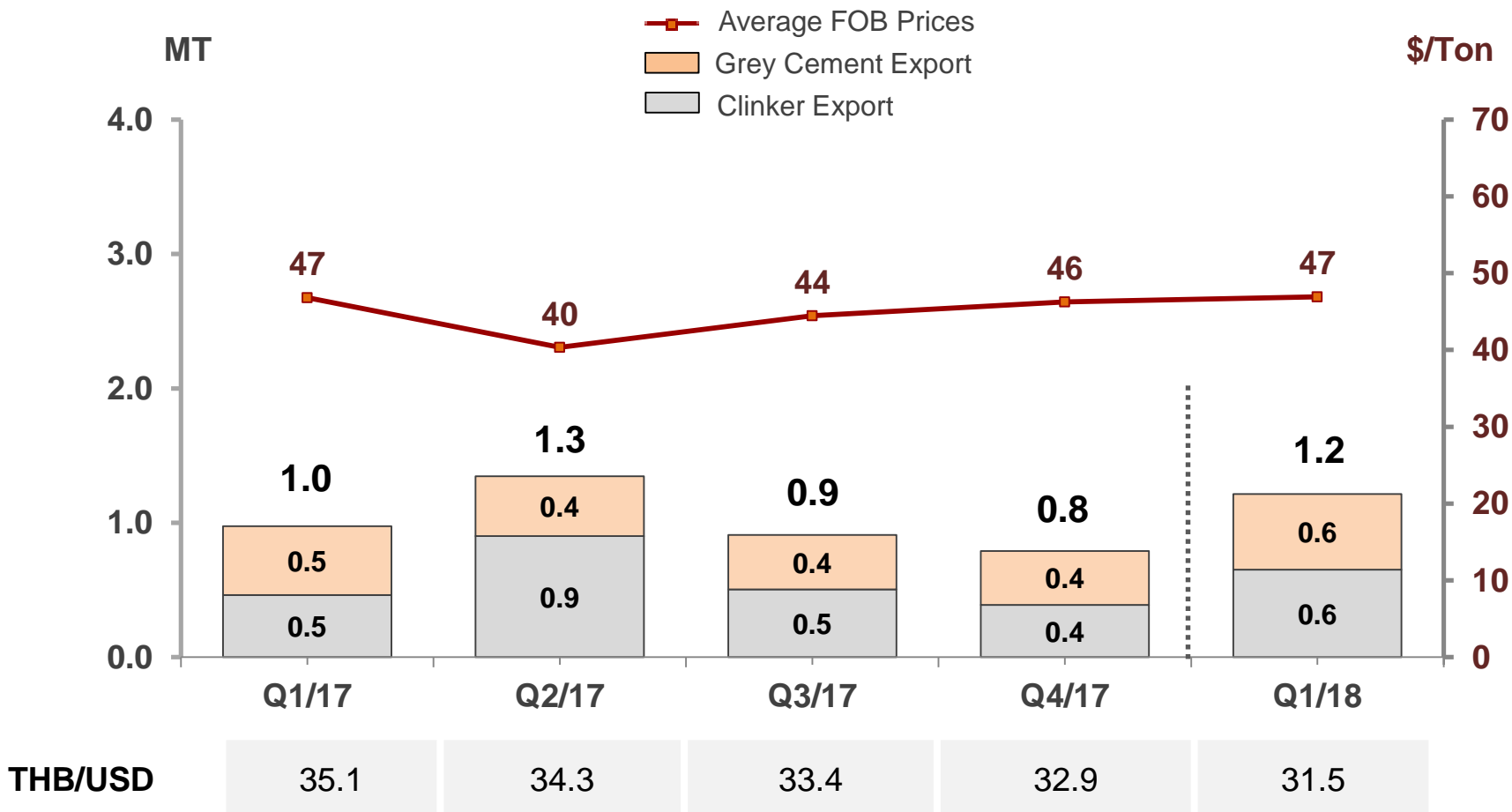


Note: ASEAN = ASEAN Operations, exports from Thailand to ASEAN, and Trading business in ASEAN market
Others = Exports from Thailand to Non-ASEAN, and Trading business in Non-ASEAN market

Grey cement exports

Exports volume from the Thai operations slightly increased to 1.2 MT in Q1/18, while the average prices remain unchanged y-o-y as there were more clinker in portion.

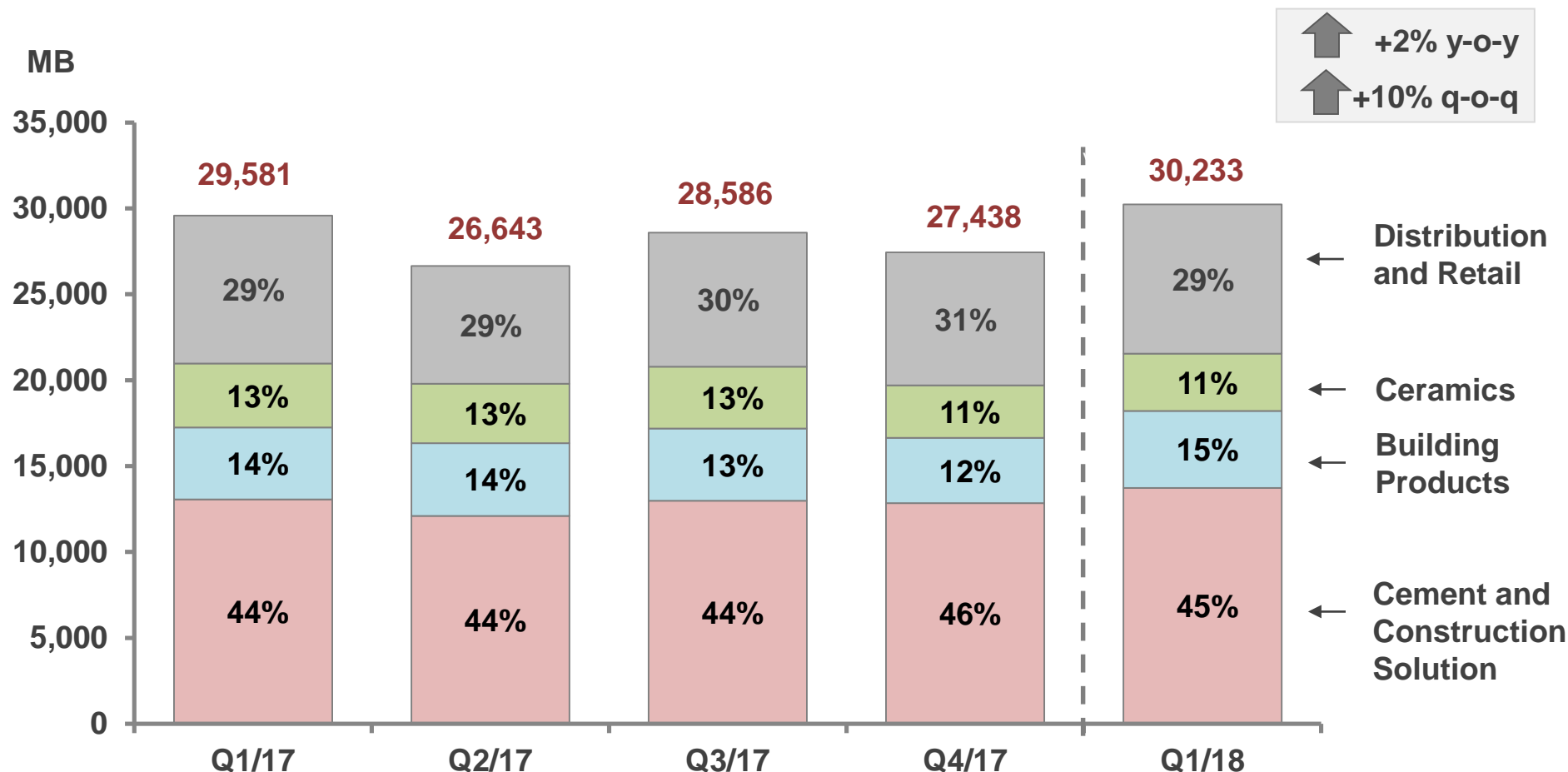
Sales volume and Average prices (FOB)



Note: FOB price does not include handling charges and discount.

Thailand sales segmentation

Q1/18 sales in Thailand improved +2% y-o-y, mainly due to improvement of cement prices.



Note: *Cement and Construction Solution: Grey cement, RMC and Others (mortar and white cement).
 Building Products: Roofing products, Board & Wood sub and **Lightweight concrete blocks**.
 Ceramics: includes Sanitary ware and Fittings.
 Distribution and Retail: **including Home improvement**.*

Thailand grey cement segment

Grey cement demand flat y-o-y in Q1/18.

% Growth (y-o-y)

	Q1/17	Q2/17	Q3/17	Q4/17	2017	Q1/18
Total Market* (100%)	-7%	-7%	-2%	-3%	-5%	0%
Commercial (Approximately 15%)	-7%	-9%	-3%	-6%	-6%	-3%
Gov't (Approximately 35%)	-4%	-3%	+6%	+1%	0%	6%
Residential (Approximately 50%)	-9%	-9%	-8%	-5%	-8%	-3%

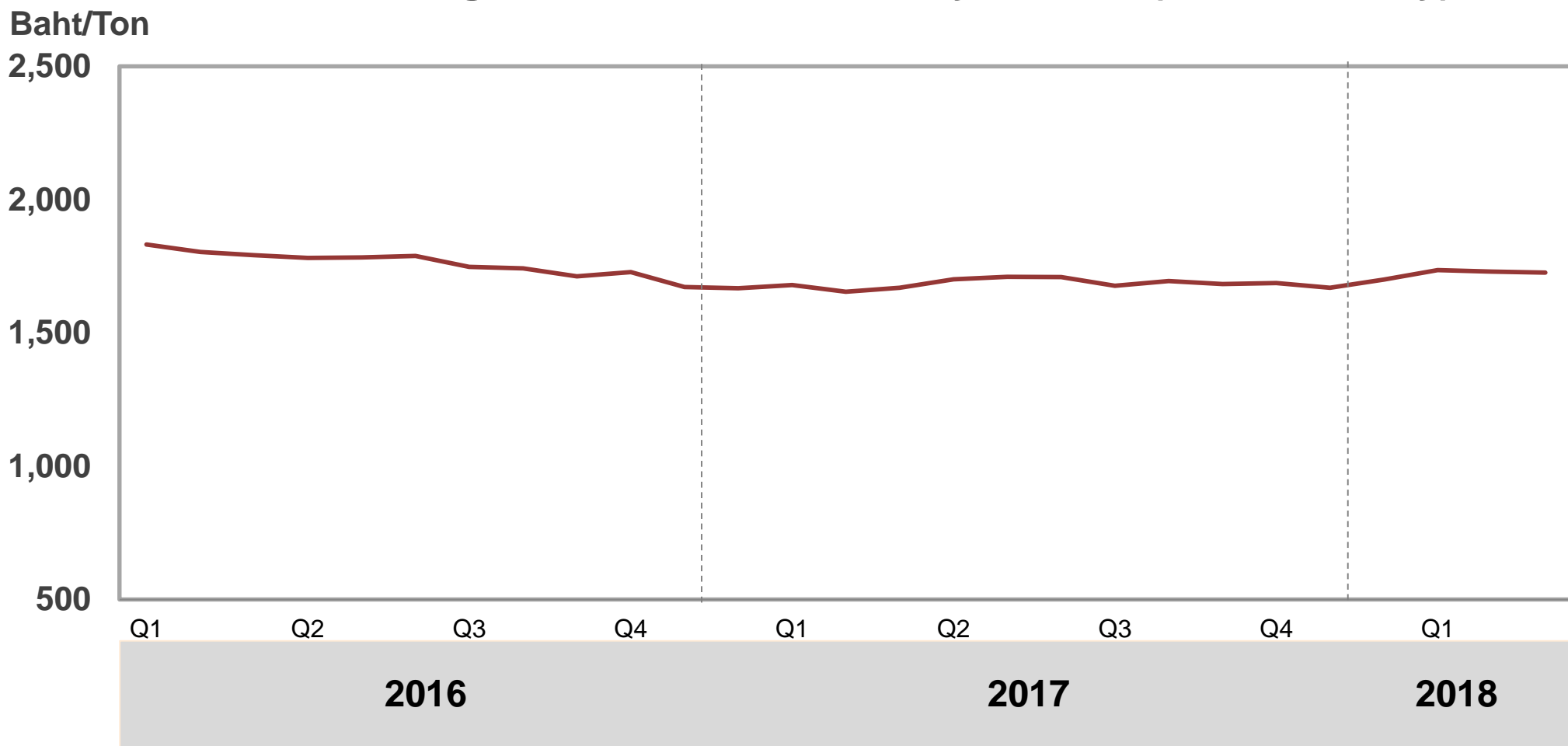
Note: * Estimated volume market distribution

Thailand grey cement price



The average price in Q1/18 was improved y-o-y in the range of 1,700-1,750 Baht/ton.

Average Domestic Price of Grey Cement (Net ex-factory)

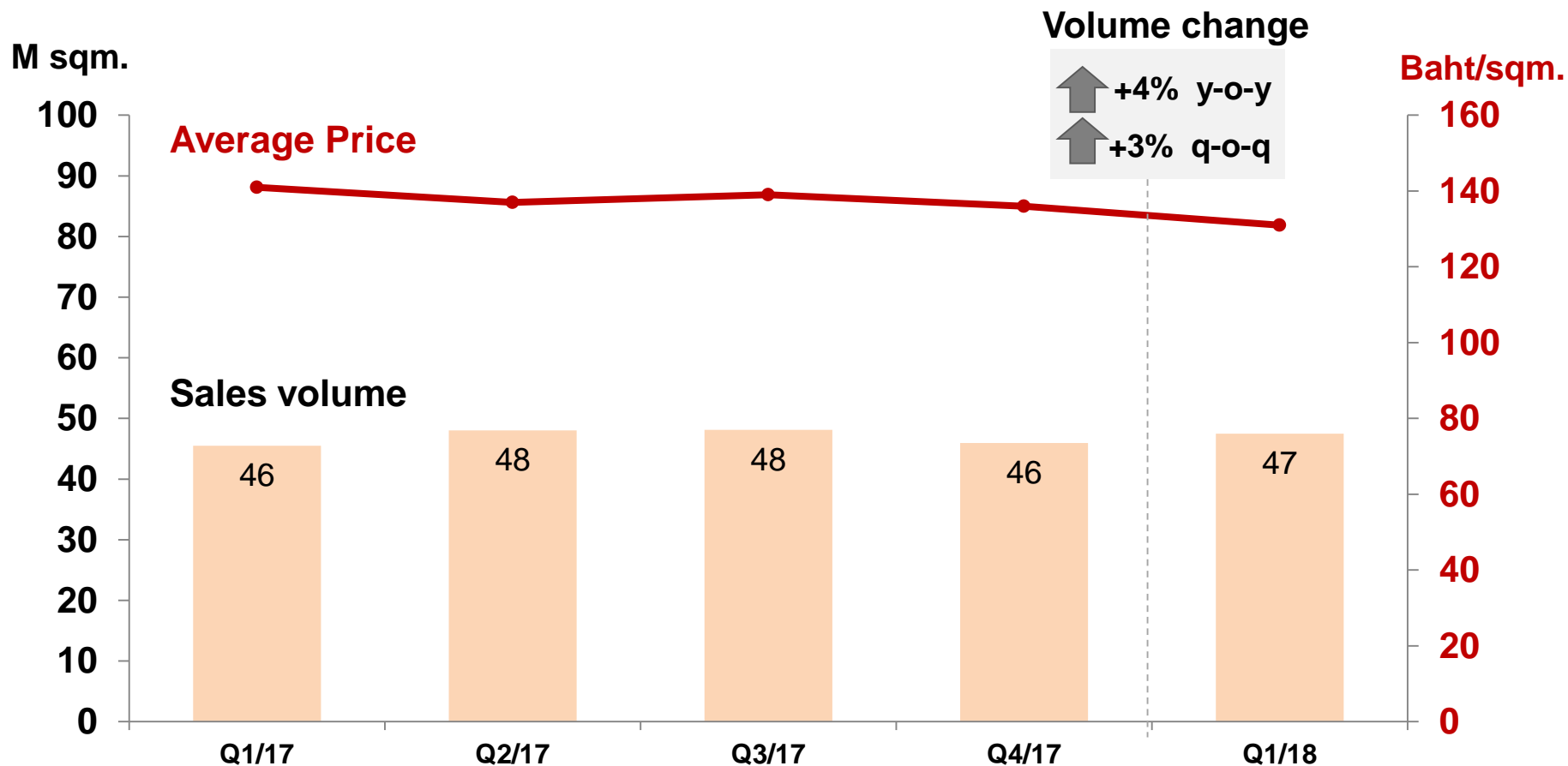


Bulk cement portion in Q1/18 was in the range of 65 - 70%

Ceramic Tiles

Sales volume slightly increased y-o-y, mainly growth from regional market

Sales volume & prices for all ASEAN subsidiaries



Outlook:

- ASEAN (ex-Thailand) demand for grey cement and building materials products are forecasted to see continued growths.
- Thai grey cement demand in FY 2018 are forecasted to be slightly positive, which emphasizes on the government's infrastructure projects.
- Demand for housing products and ceramic tiles in Thailand are projected to remain soft for H1/18.

The restructuring update:

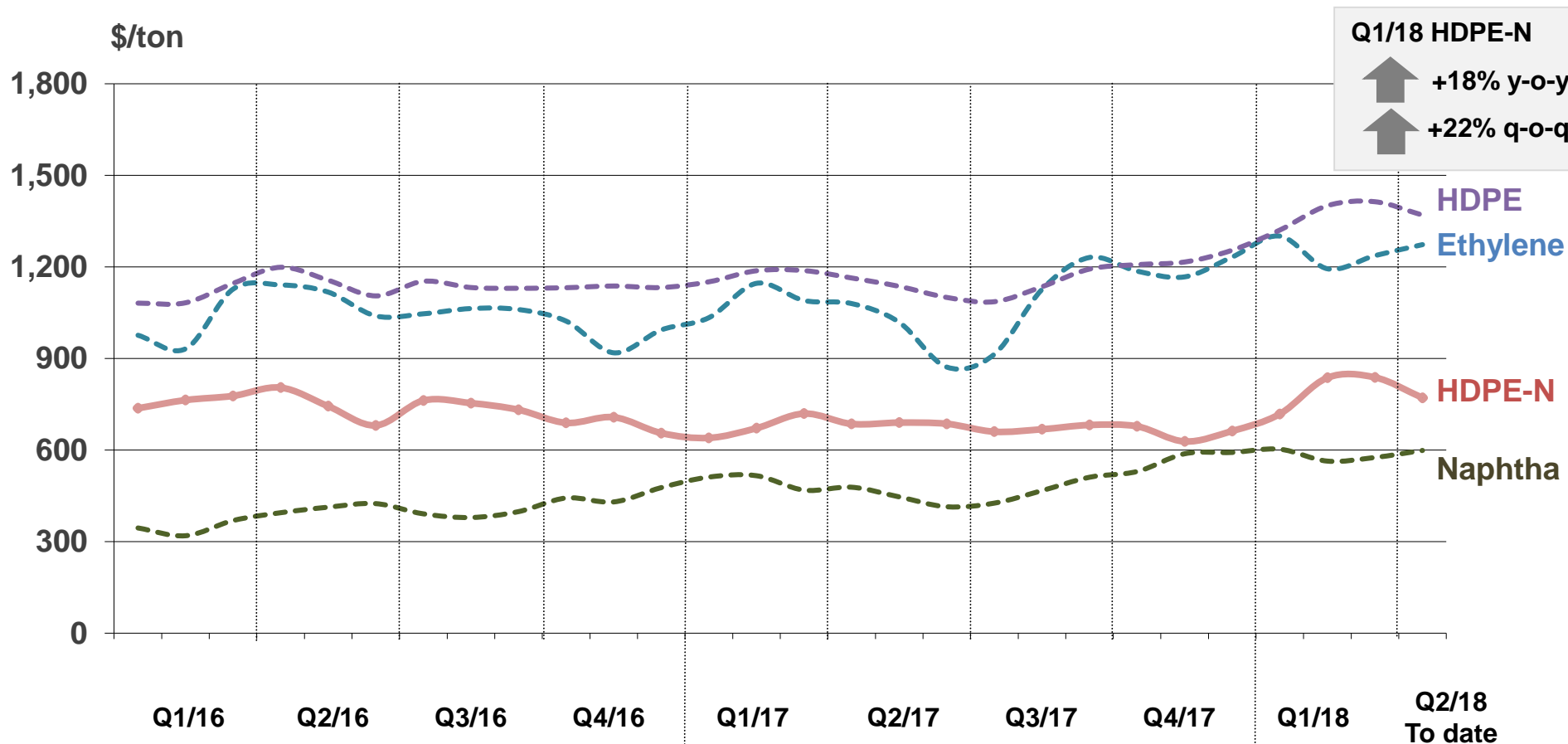
- **Update:** TGCI's shareholders approved on March 26th, 2018
- Expected relisting of the "ceramics new company" subsidiary in early Aug/18.

- I. Consolidated Results
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 - Financial Updates
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- V. Summary

	Q1/18	Q-o-Q Change	Notes
Crude (Brent)	\$67/bbl	+\$5/bbl (+8%)	Brent price escalated on geopolitical tension in the Middle East and weak U.S. dollar.
Naphtha	\$581/ton	+\$11/ton (+2%)	Naphtha prices rose following crude prices, but upside was capped by limited demand in Asia from more LPG replacement at crackers.
Ethylene	\$1,244/ton	+\$49/ton (+4%)	Ethylene prices positively supported by non-PE derivative demand and limited supply ahead of cracker maintenance season.
Propylene	\$987/ton	+\$159/ton (+19%)	Propylene prices surged on tight supply from several unplanned PDH outages and planned refinery turnarounds.
HDPE	\$1,379/ton	+\$153/ton (+12%)	HDPE film prices increased strongly from reduced supply due to China's coal to gas policy and harsh winter.
PP	\$1,271/ton	+\$76/ton (+6%)	PP prices rose following decreased supply from emergency shutdown due to harsh winter and forced shutdowns of Coal-to-Propylene units in China.
EDC	\$203/ton	\$0/ton (0%)	EDC prices unchanged from Q4 as an emergency shutdown from a Brazilian producer was offset by ample supply in Asia due to high caustic soda prices.
PVC	\$905/ton	+\$28/ton (3%)	PVC prices rose slightly from agricultural demand in India, together with limited PVC supply in NEA from planned maintenance and China's environmental policy.
PVC-EDC/C2	\$453/ton	+\$17/ton (+4%)	PVC-EDC/C2 gap bettered from higher PVC prices while EDC cost remained unmoved.
MMA-Naphtha	\$1,913/ton	+\$31/ton (+2%)	Gap remained strong due to a series of plant turnarounds in Asia.
BD-Naphtha	\$769/ton	+\$247/ton (+47%)	BD spread sharply increased from rising natural rubber prices and a Chinese SBR plant restart from previous unplanned shutdown.
PTA-PX	\$115/ton	+\$22/ton (+23%)	Gap widen from higher PTA prices from more PTA demand due to China's ban of scrap imports.

HDPE-Naphtha Price Gap

HDPE-N gap increased q-o-q on significantly higher HDPE prices from reduced supply and harsh winter, while Naphtha prices were relatively flat.

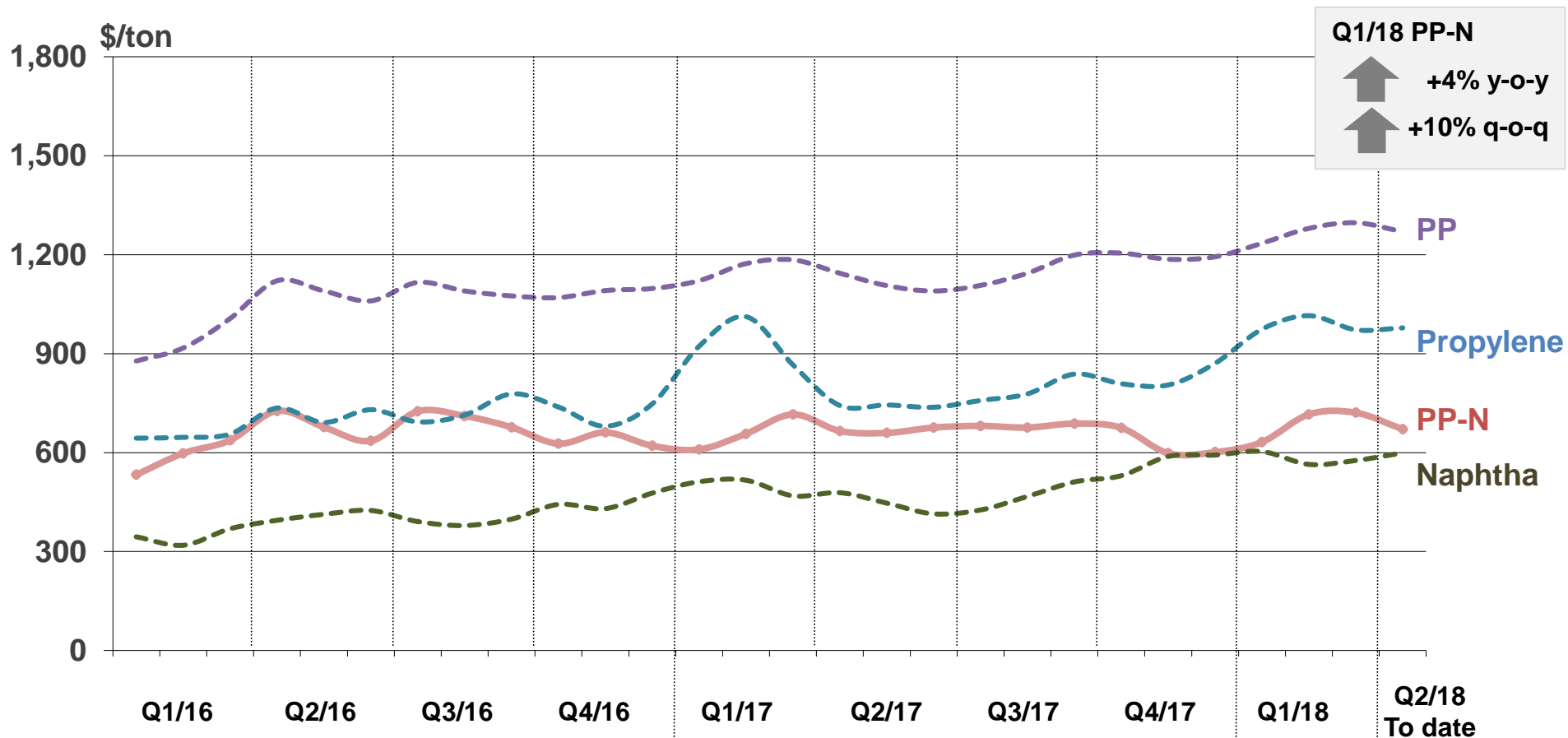


HDPE-Naphtha	759	743	749	684	677	687	670	656	798	771
Spread (\$/ton)	← 734 →		← 673 →							
HDPE-C2	91	54	82	156	86	143	48	31	135	97
C2-Naphtha	668	689	668	528	591	544	622	625	663	675

Note: Prices refer to SEA regional prices

PP-Naphtha Price Gap

PP-N gap also improved q-o-q from limited supply caused by harsh winter and forced shutdowns of Coal-to-Propylene unit in China.



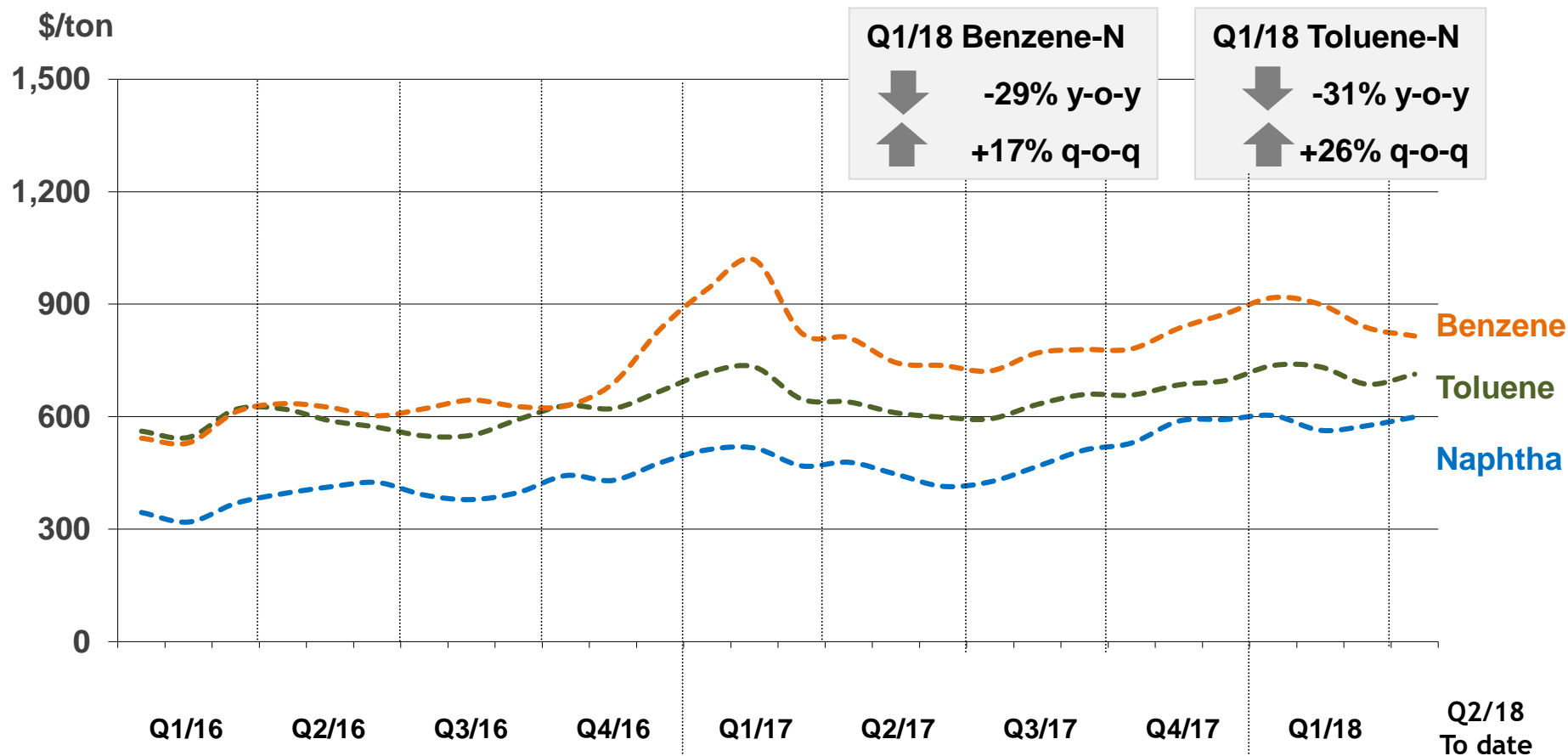
PP-Naphtha	589	680	704	636	661	667	682	625	690	671
Spread (\$/ton)	← 652 →		← 659 →							
PP-C3	285	372	365	364	226	372	359	367	284	293
C3-Naphtha	305	308	339	272	435	295	323	258	405	379

Note: Prices refer to SEA regional prices

Benzene & Toluene

BZ-N: Gap increased following SM prices escalation and tight supply, due to aromatic unit turnaround.

TL-N: Gap rose from improved demand from BZ conversion unit amidst lower supply due to aromatic unit turnaround.

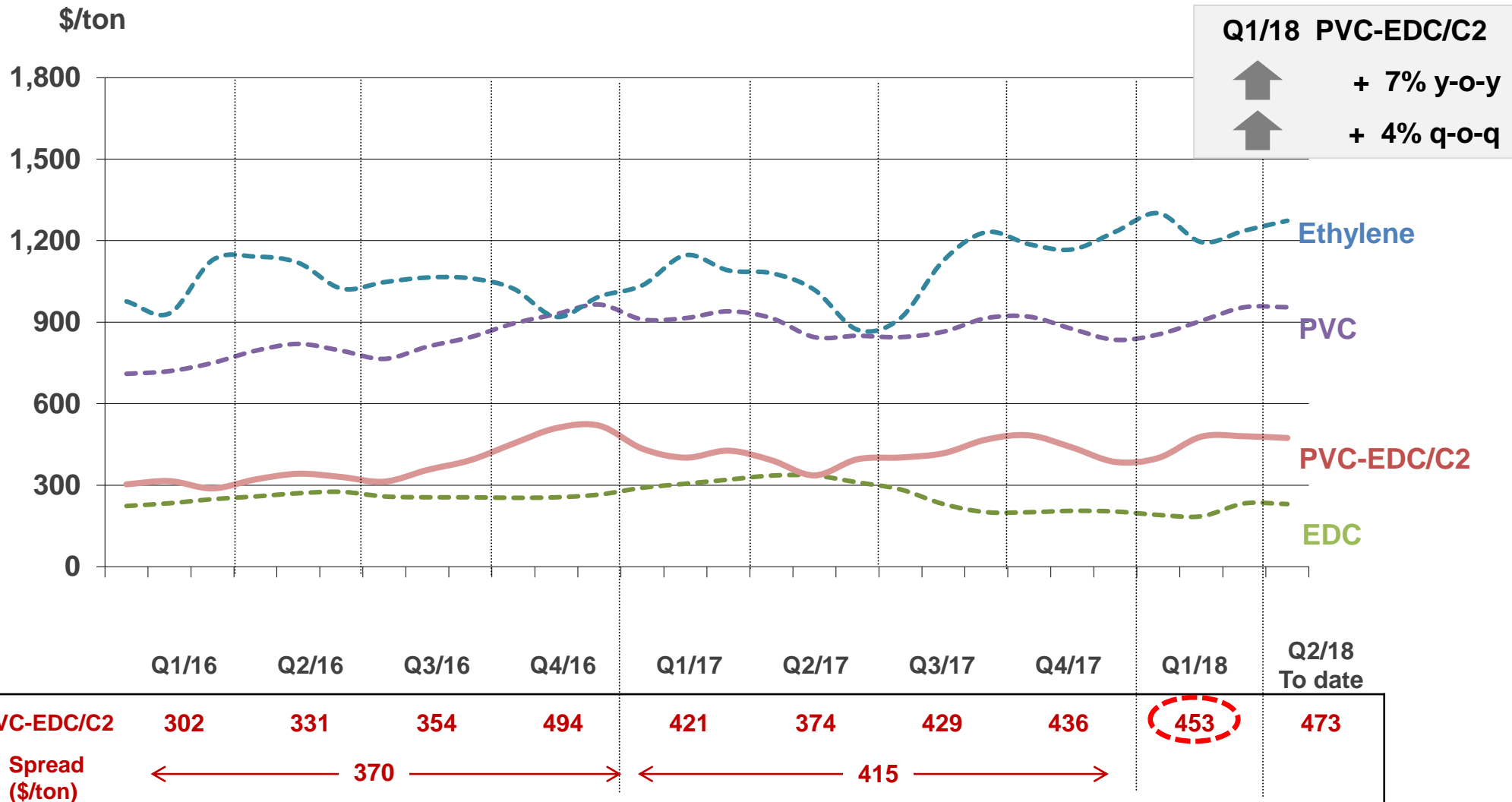


	Q1/16	Q2/16	Q3/16	Q4/16	Q1/17	Q2/17	Q3/17	Q4/17	Q1/18	Q2/18 To date
BZ-Naphtha	218	210	241	267	428	317	289	260	304	216
TL-Naphtha	231	183	175	190	200	170	160	109	137	115
BZ-Spread	← 234 →		← 324 →							
TL-Spread	← 195 →		← 160 →							

Note: Prices refer to SEA regional prices

PVC

PVC-EDC/C2 gap widened due to rising PVC prices from strong agricultural demand in India, while EDC prices were stable.



Note: Prices refer to FE regional prices

Price Gaps of Associates

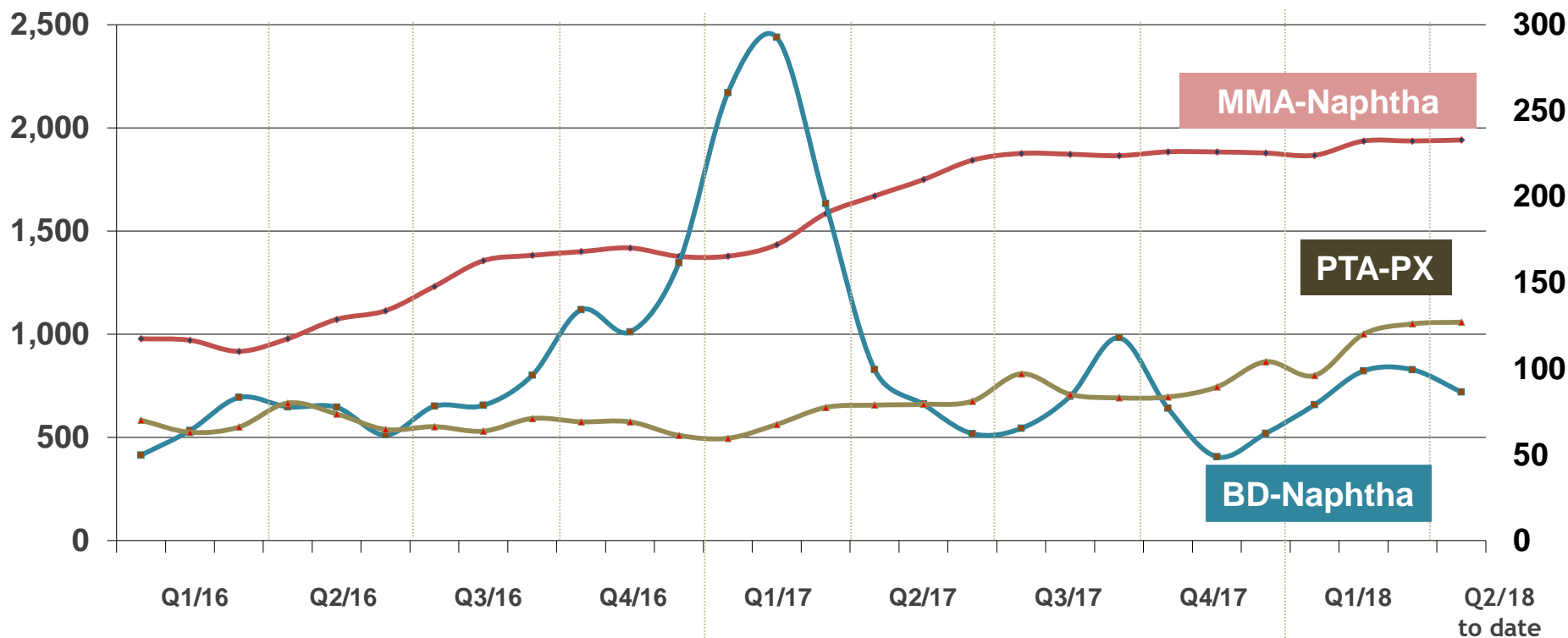
MMA-N: Strong gap, due to the series of plant turnaround in Asia.

PTA-PX: Widen gap from higher PTA prices from more PTA demand due to China's ban of scrap imports.

BD-N: Gap rebounded on the rise in rubber prices and a restart of Chinese SBR plant after outage.

MMA-Naphtha \$/ton, BD-Naphtha \$/ton

PTA-PX \$/ton

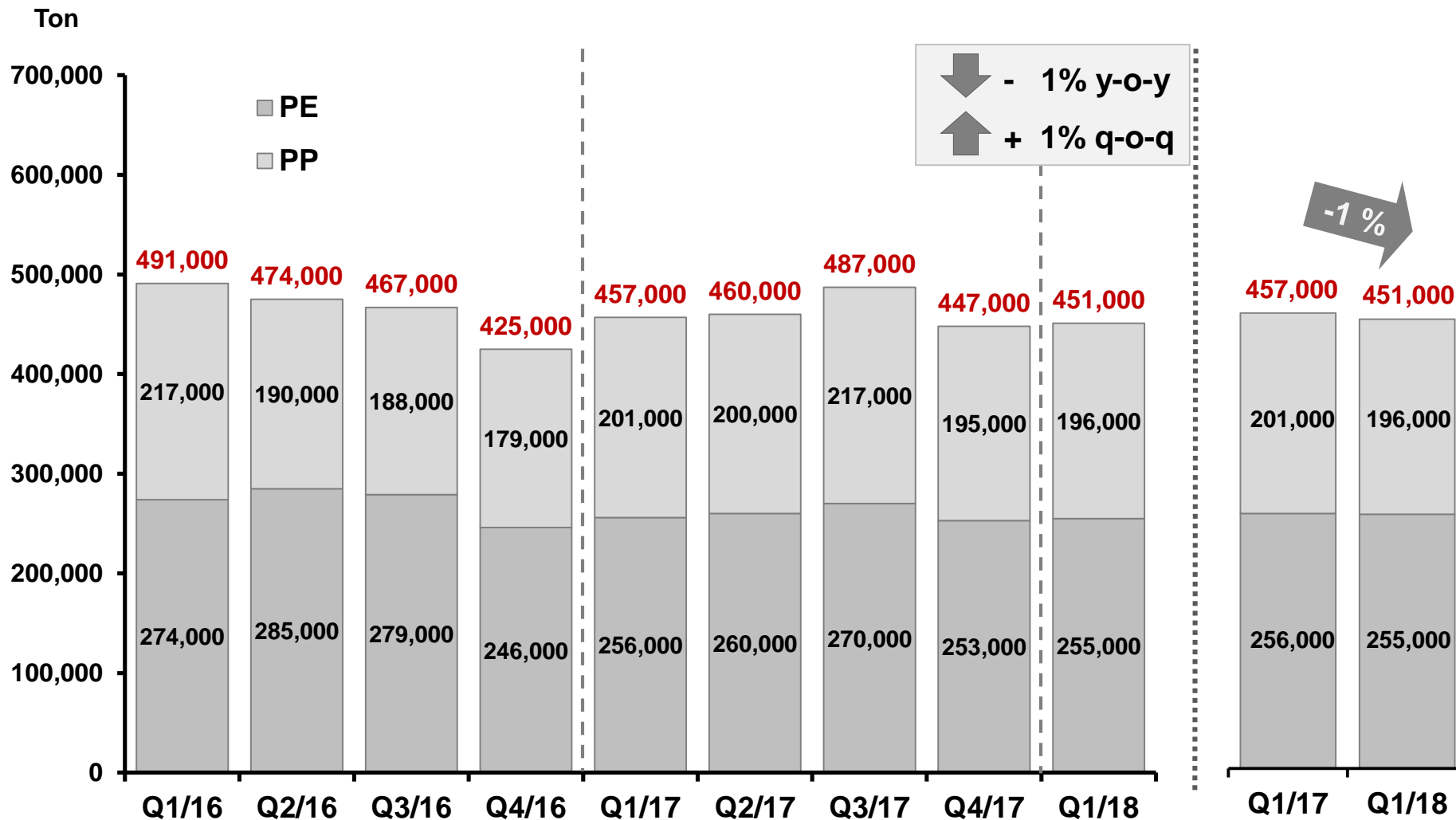


MMA-N	955	1,055	1,323	1,398	1,465	1,754	1,871	1,882	1,913	1,941
PTA-PX	66	73	67	66	68	80	88	93	115	127
BD-N	546	602	702	1,158	2,127	669	742	522	769	720

Note: MMA price refers to SEA regional prices, PTA and BD prices refer to Asian regional prices

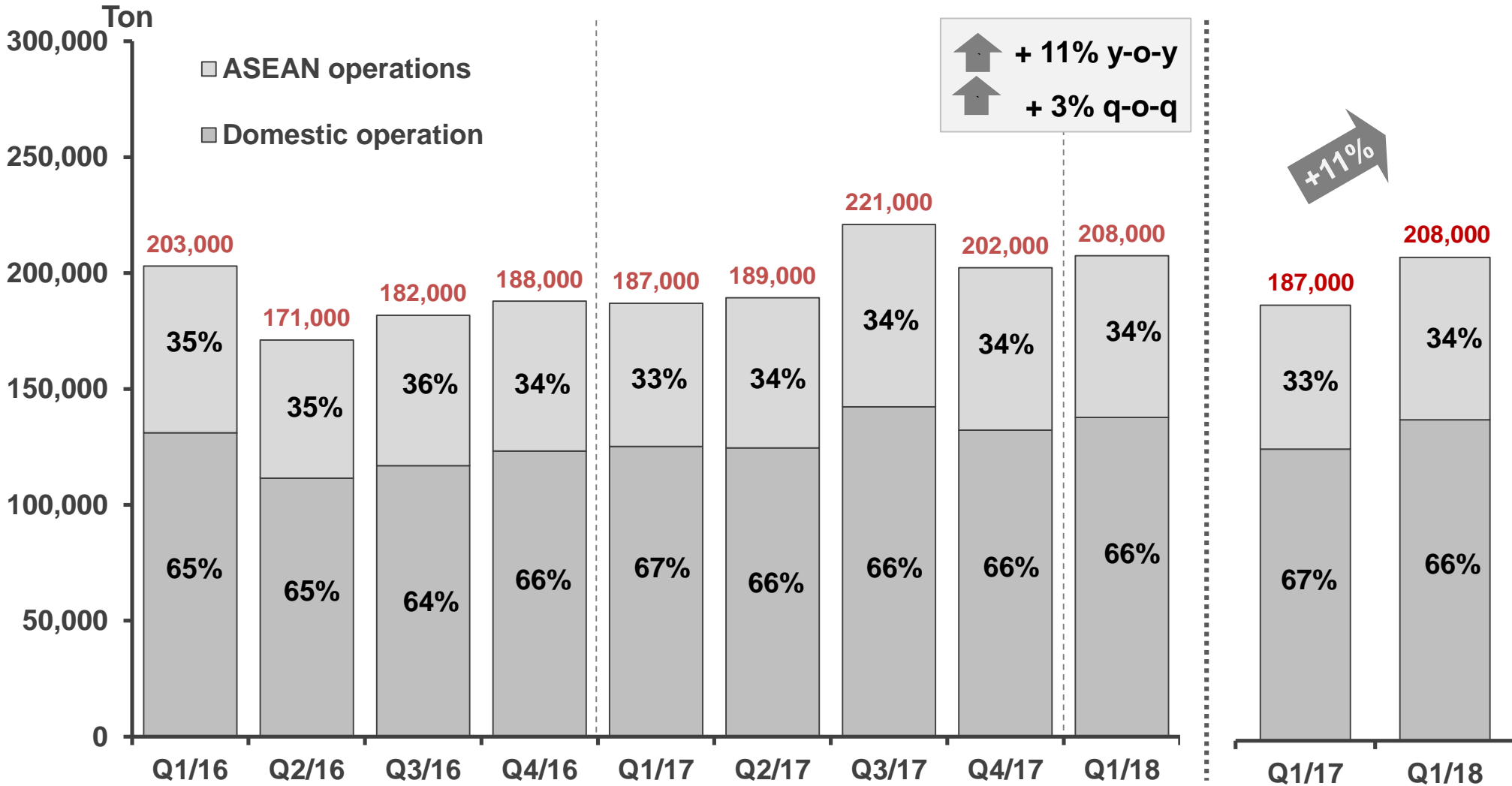
Polyolefin Sales Volume

Sales volume slightly increased q-o-q, due to strong demand of HDPE and PP, caused by China's environmental policy and limited supply from harsh winter.



PVC Sales Volume

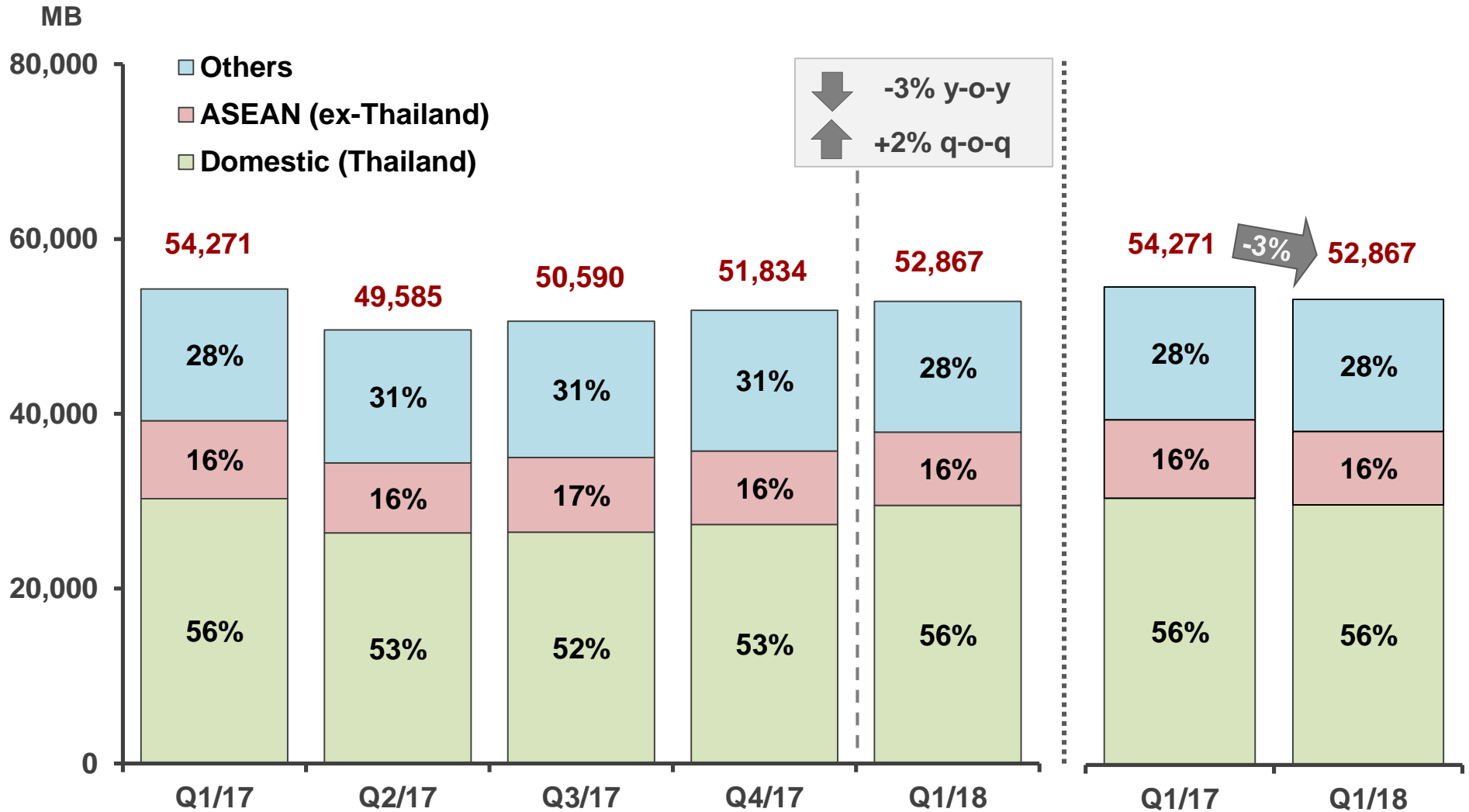
Sales volume increased 3% q-o-q supported by demand recovery in Thailand and healthy agricultural demand in India.



Note: *ASEAN Operations = Sales volume from PVC operations in Vietnam and Indonesia

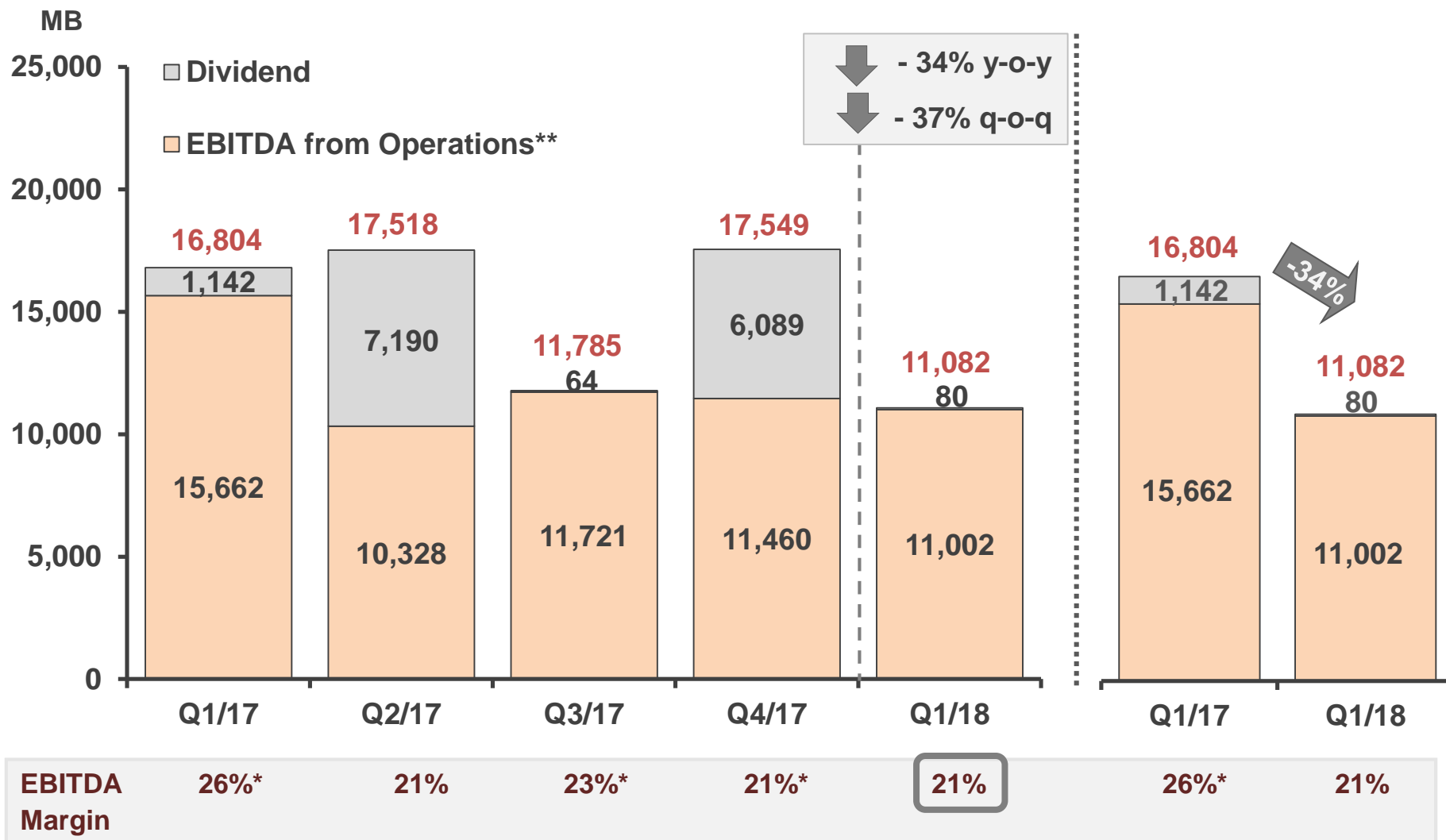
Revenue from Sales

Q1/18 revenue increased 1,033 MB or +2% q-o-q to 52,867 MB mainly from higher product prices.



EBITDA

EBITDA in Q1/18 dropped due to lower dividend from Associates.

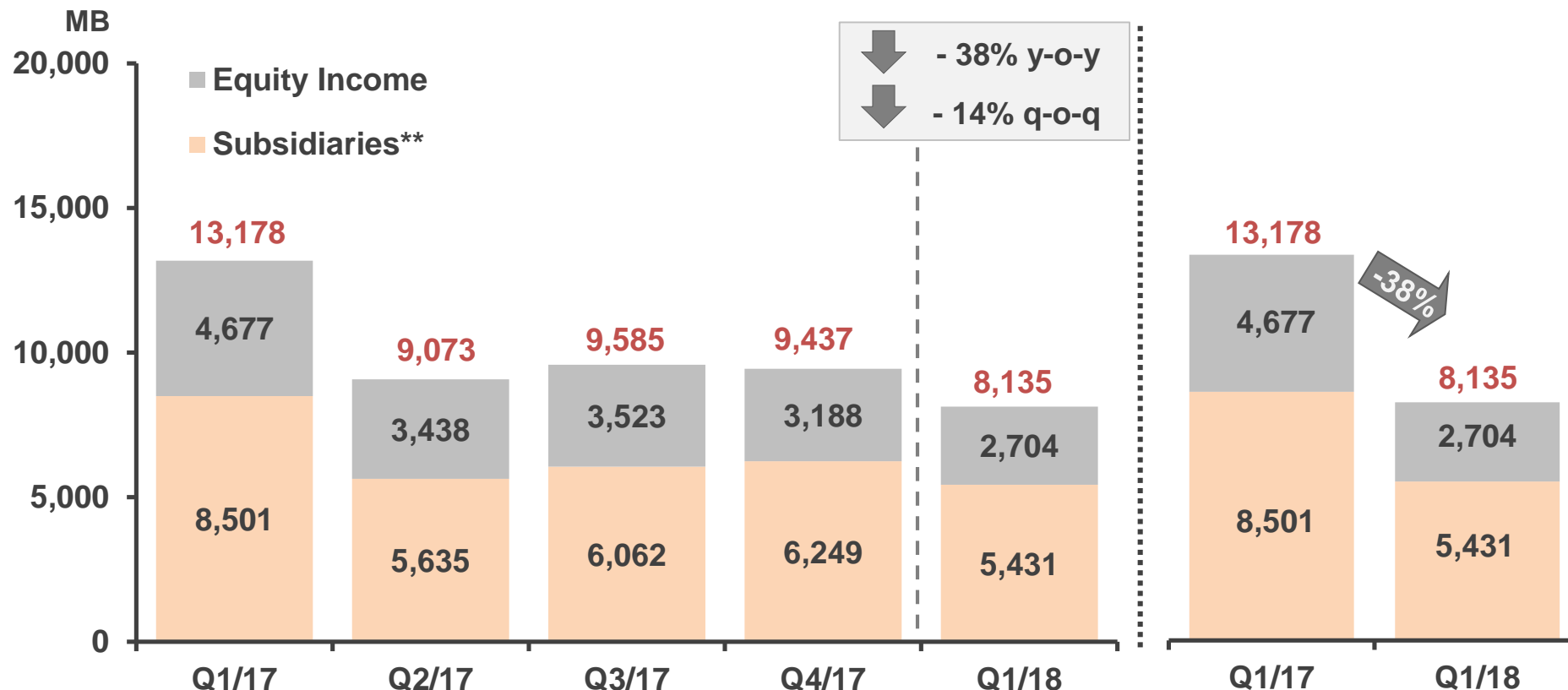


Note: *EBITDA margin excluded sale of investment.

**Please see page 16 for explanation on "service charges".

Profit for the Period

Q1/18 earnings decreased q-o-q, attributed to lower equity income and the Q4/17 gain on investment.



	Q1/17	Q2/17	Q3/17	Q4/17	Q1/18	Q1/17	Q1/18
NCI (Non controlling interest)	(3,700)	(2,600)	(2,700)	(2,400)	(2,500)	(3,700)	(2,500)
Inventory Gain (Loss)*	930	(1,860)	900	140	220	930	220
Sale of investment and asset	1,430	-	310	650	-	1,430	-

Note: *Sub/Asso: 58% / 42%

**Please see page 16 for details explanation on "service charges"

- **Crude** – Price sets to increase from escalating tension in Middle East and improved demand after end of refinery turnaround.
- **Naphtha** – Naphtha price is expected to rise following crude price.
- **Polyolefin** – PE and PP prices should soften from limited demand during Ramadan and increased supply as plants are returning to normal operations after harsh winter. Although soften demand for polyolefin products, chemical spread still remains healthy.
- **PVC** – Expect price to peak at the end of construction season before soften down by weak Indian market from credit tightening policies.

Investment Highlights:




- **PT Nusantara Polymer Solutions (NPS):** SCG invested in 50% shares in NPS, a newly established plastics trading company for High Value Added (HVA) products in Indonesia.
- **Binh Minh Plastics Joint Stock Company (BMP):** SCG acquired the additional 30.5% shares in BMP, Vietnam. Currently, total stake increased to 50.9%.

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- III. Chemical Business
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Q1/18 Market Situation

Overall demand increased q-o-q thanks to an improvement in domestic market.

Domestic market

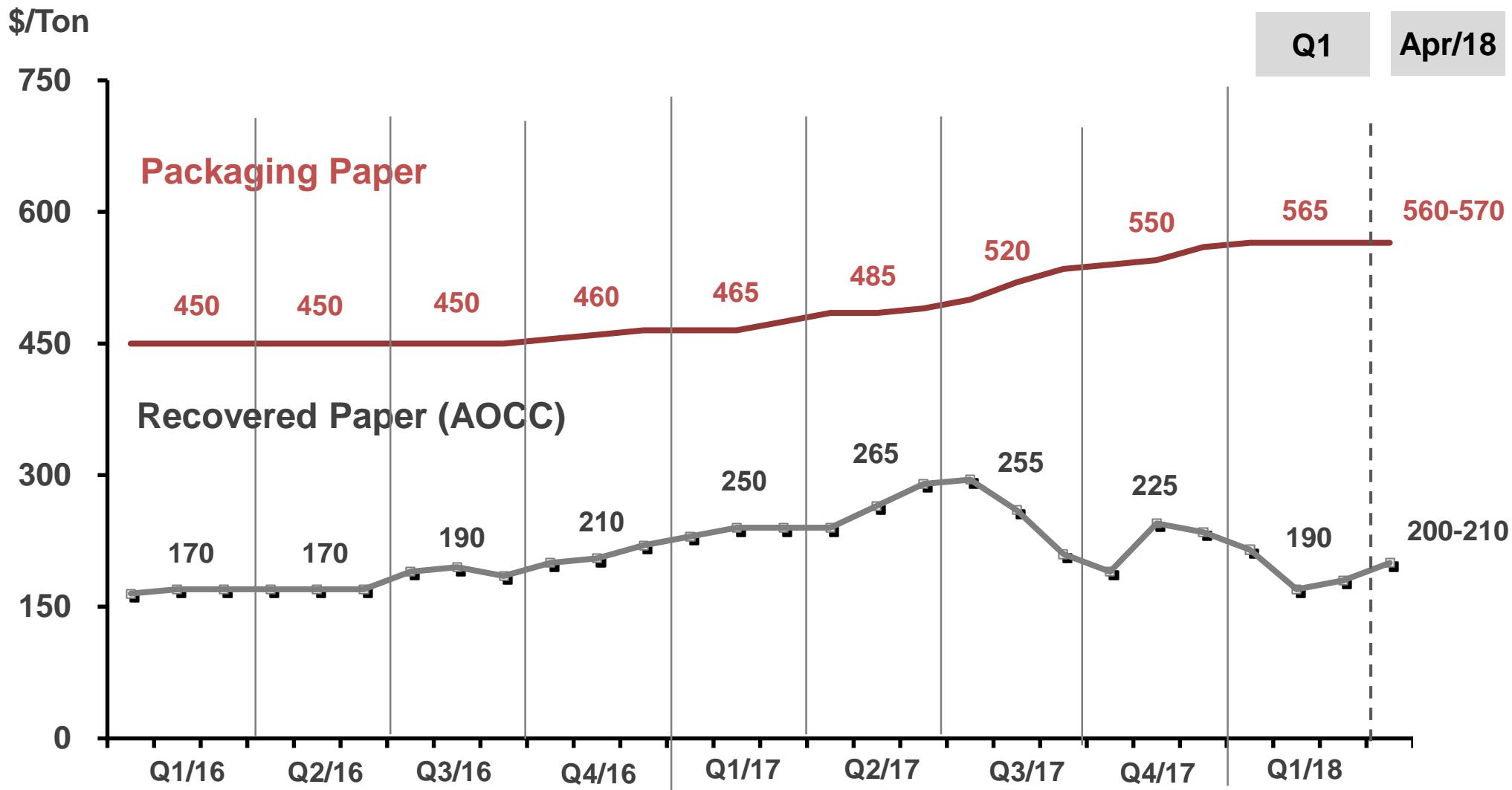
Market Segment	Situation (Q-o-Q)	Market situation
Food & Beverage		<ul style="list-style-type: none">Demand grew moderately from high production of milk, cooking oil and beverage.
Consumer		<ul style="list-style-type: none">Overall demand increased from sales promotions and new products launched.
E & E		<ul style="list-style-type: none">Seasonal demand for refrigerator and air conditioner for the up-coming summer.

ASEAN market

Country	Situation (Q-o-Q)	Market situation
Vietnam		<ul style="list-style-type: none">Demand decreased as a result of Vietnamese New Year (Tet Holiday).
Philippines		<ul style="list-style-type: none">Overall demand increased from higher production of beverage segment and promotional campaign for consumer products.

Packaging Chain

Packaging paper prices slightly increased owing to strong demand while AOCC price declined from limited demand in China due to new import rules.



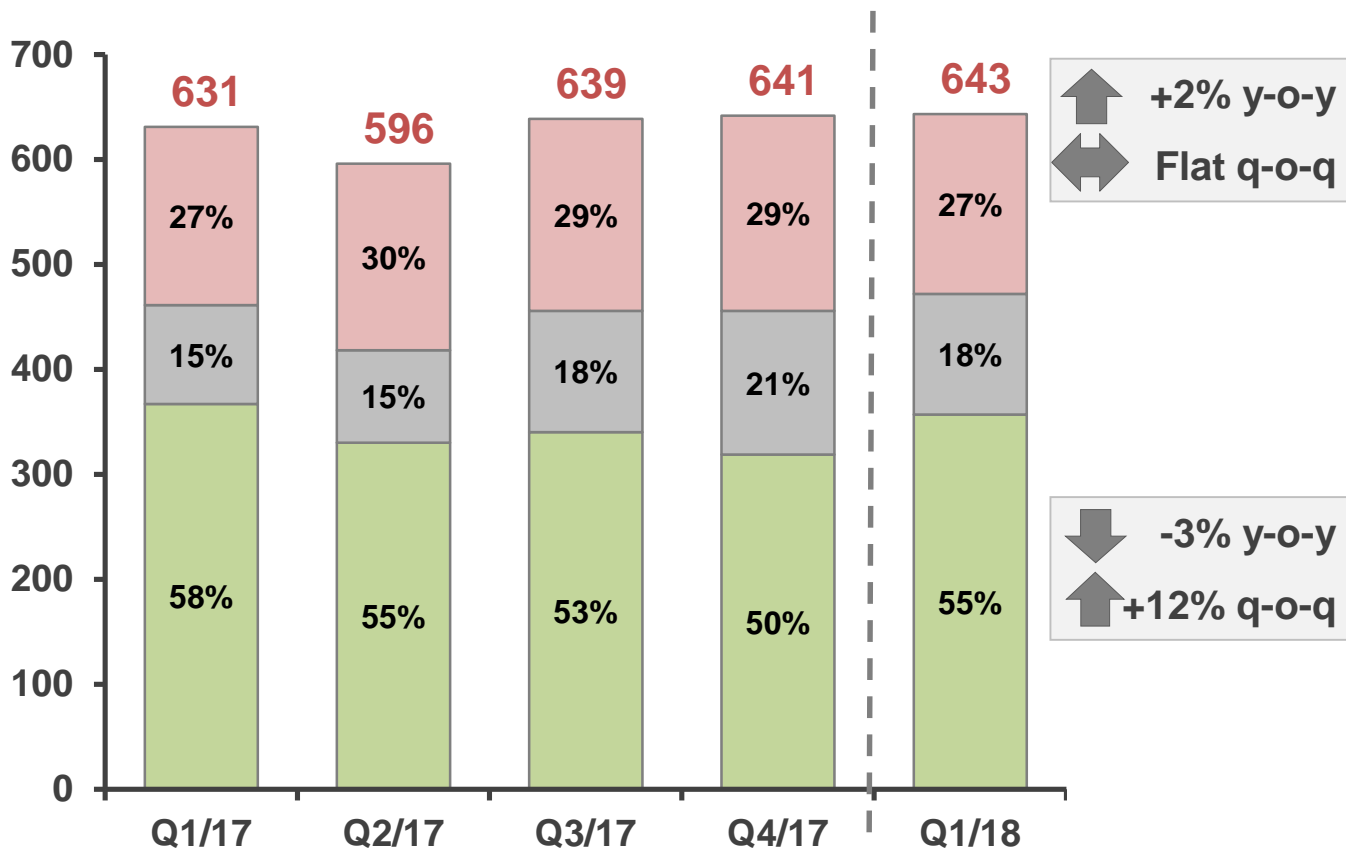
Note: Based on published regional prices

Packaging Chain

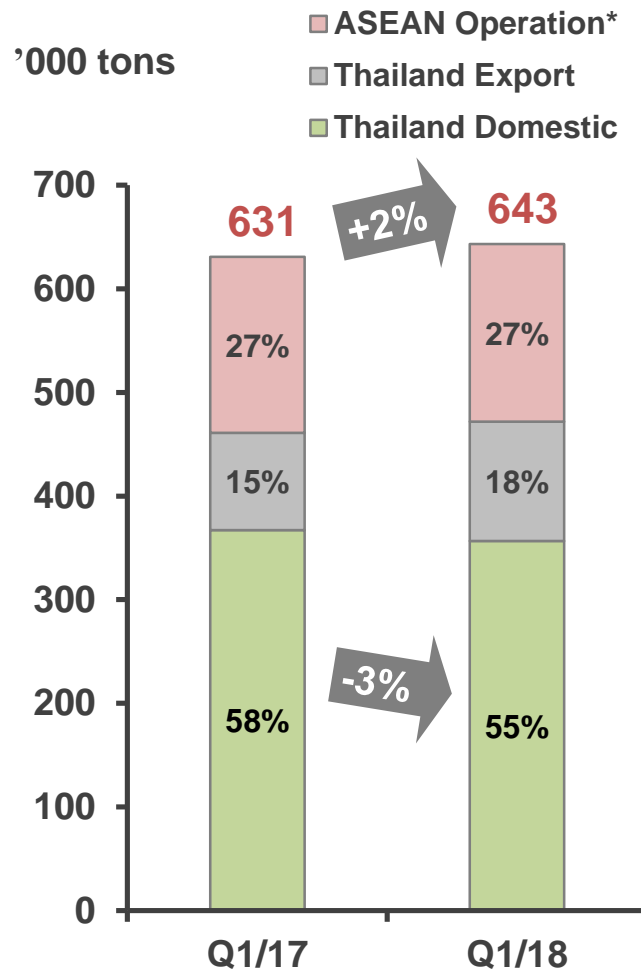
Total sales volume was flat q-o-q while improved +2% y-o-y owing to the higher export volume. Domestic sales increased +12% q-o-q mainly from overall demand increased.

Packaging Paper Volume

'000 tons



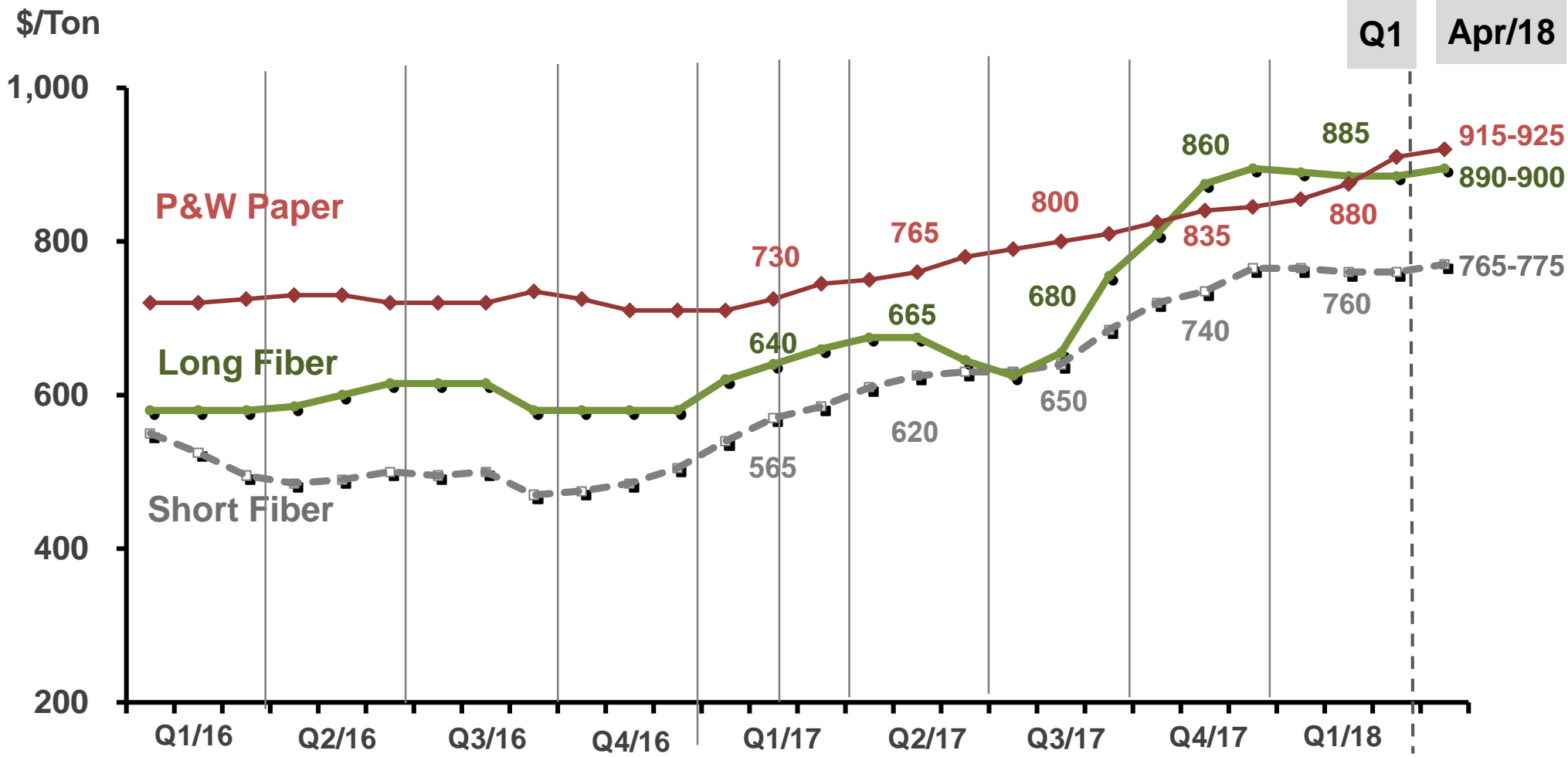
'000 tons



Note: *Sales Volume from Philippines and Vietnam

Fibrous Chain

P&W Paper prices continued to increase as a result of higher pulp prices which continued to increase due to strong demand and tightened supply.

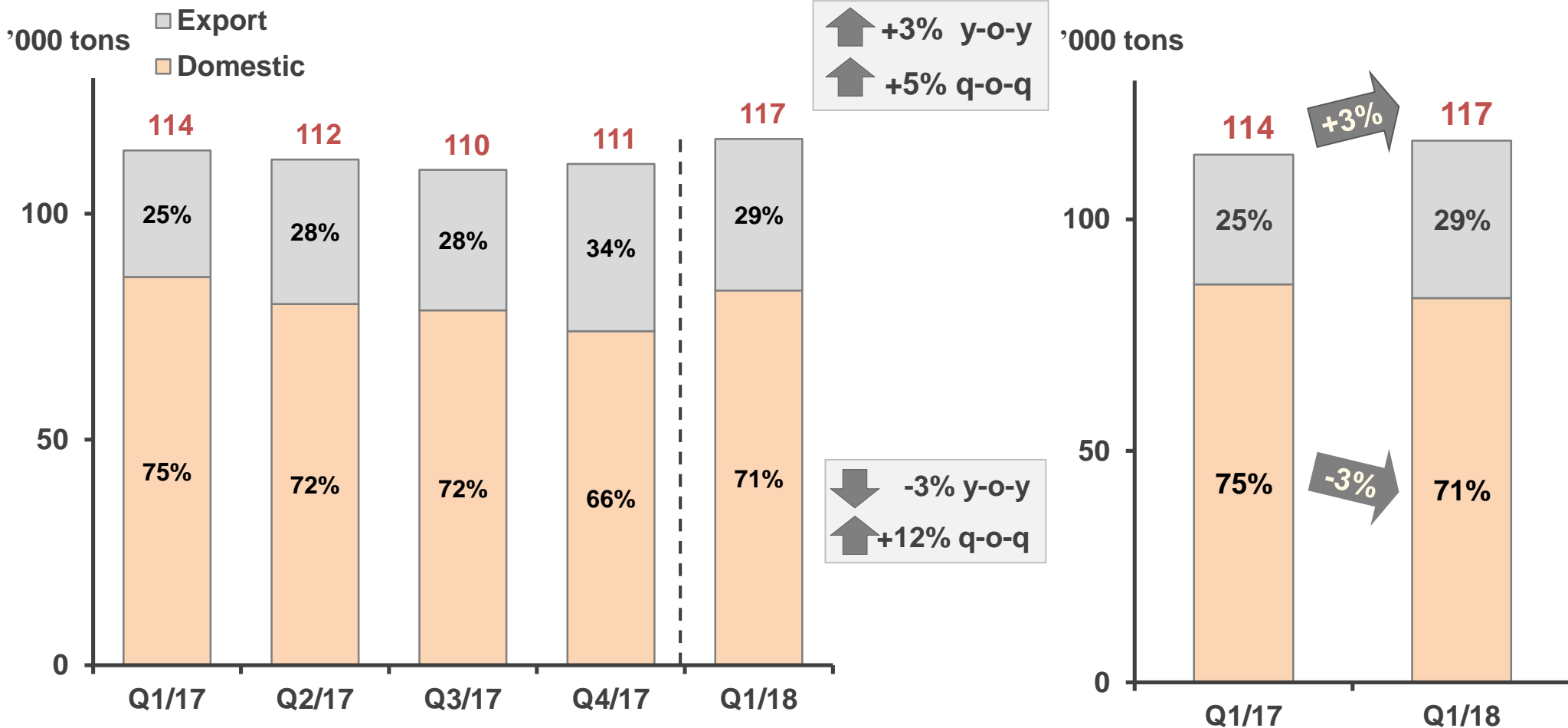


Note: Based on published regional prices

Fibrous Chain

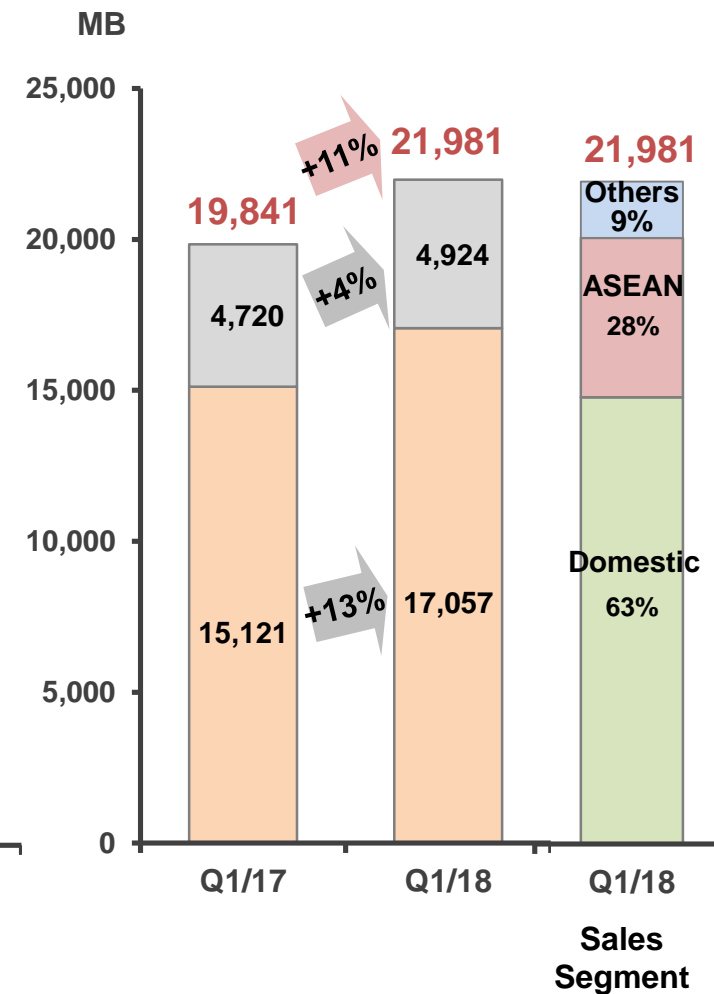
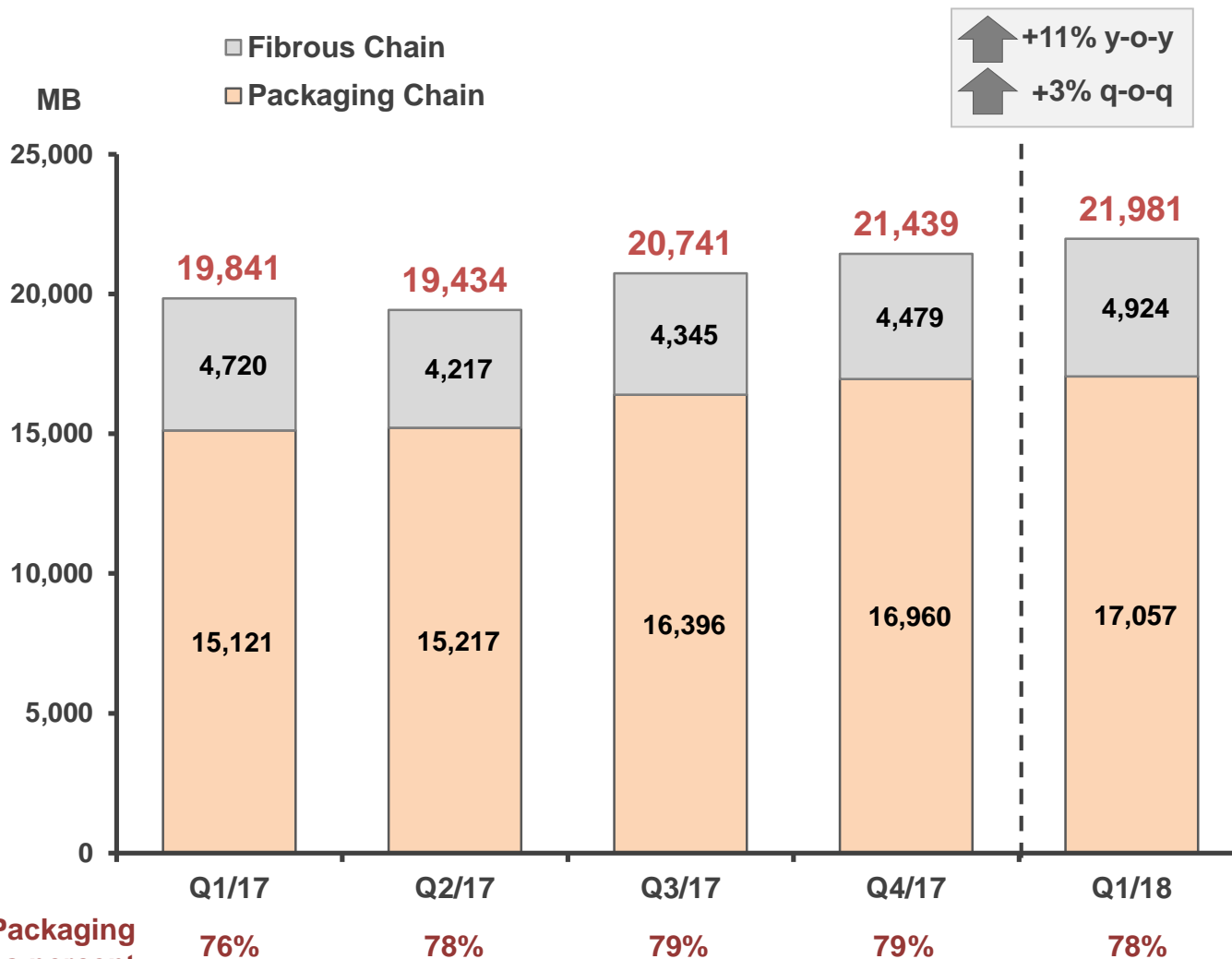
Total sales volume increased +5% q-o-q supported by domestic demand in textbook and notebook segment and +3% y-o-y

Printing & Writing Paper volume



Revenue from Sales by Business chain

Revenue from sales in Q1/18 improved +3% q-o-q and +11% y-o-y mainly from higher selling prices of Packaging Chain.



Packaging as percent of total

76%

78%

79%

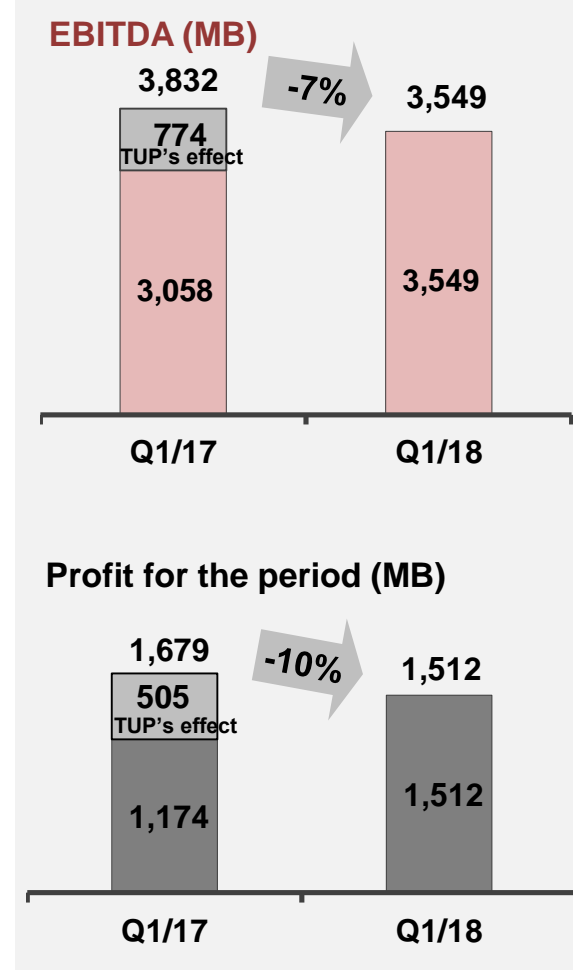
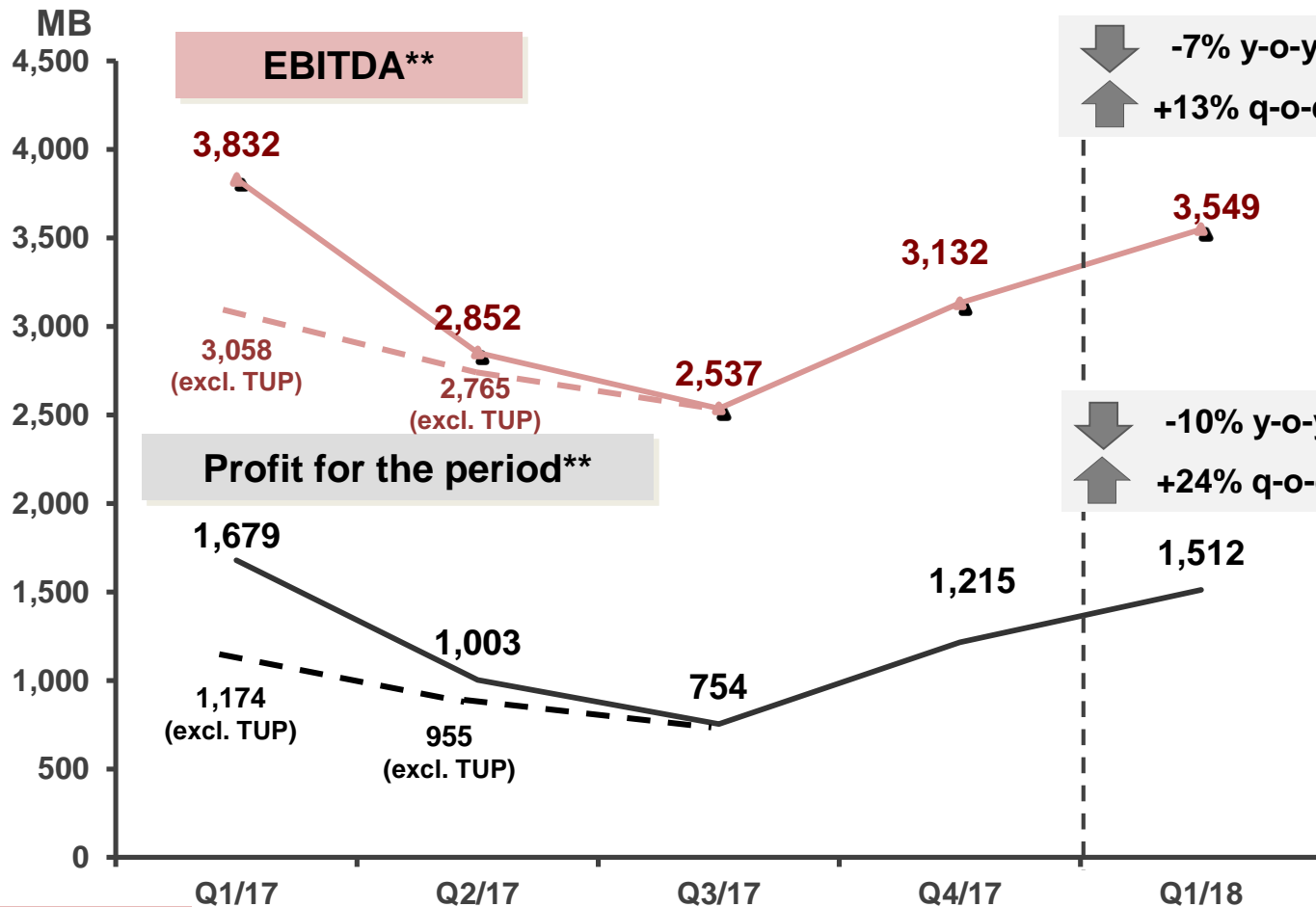
79%

78%

Sales Segment

EBITDA and Profit for the Period

EBITDA and Profit increased +13% and +24% q-o-q from higher margin but decreased -7% and -10% y-o-y due to the effect from the closure of TUP in the previous year.



EBITDA Margin

	Q1/17	Q2/17	Q3/17	Q4/17	Q1/18
Total	15%*	14%*	12%*	15%	16%
Packaging	16%	14%	14%	16%	18%
Fibrous	15%*	15%*	8%*	12%*	9%

EBITDA Margin
15%* 16%

Note: *EBITDA margin excluded effect from the cease of TUP's operation.

**Please see page 16 for explanation on "service charges".

Outlook:

- Domestic packaging demand is expected to slightly soften, especially in food and beverage segment, due to long holiday
- Regional packaging demand is expected to maintain due to demand improvement in Vietnam from long holiday in Q1 while Indonesia is expected to slowdown during Ramadhan.
- Price of packaging paper is expected to maintain due to strong demand from China, while recovered paper price (AOCC) is expected to rebound slightly after new batch of import license release and higher freight rates for RCP containers.

Investment Highlight:

- Acquired additional stakes from existing shareholders from 75% to 100% in 2 packaging companies namely Dyna Packs Company Limited and Orient Containers Company Limited. The total combined proceed is approximately 263 MB. [SET announcement dated 31 Jan 2018]

- I. Consolidated Results
 - Q1/18 Consolidated Results
 - Financial Updates
- II. Cement - Building Materials Business
- III. Chemical Business
- IV. Packaging Business
- V. Summary

Thank You

For further details, please contact invest@scg.com