

Summary of Q&A – Q1/18 SCC Analyst Conference

Cement – Building Materials

1) What is the outlook for the Thai cement business?

The outlook has improved since the past three months, as we see greater visibility the government's infrastructure projects which usually lasts 3-4 years from start to completion. Furthermore, in the residential sector, we are seeing positive signs from new construction starts by the developers. **However, EBITDA margin in ASEAN market is slightly decreased by high competition in Indonesia.**

2) The margins for the cement – building materials business has improved. What is this attributed to?

In light of the higher coal costs, producers raised domestic cement prices to compensate. In addition, margins benefited from SCC's investments in efficiency projects, such as solar farms, vertical mills and pre-grinder. These energy savings investments are expected to continue in 2018.

Chemicals

3) What is the status of the LSP project in Vietnam?

On LSP, we continue to work on the outstanding issues, and expect things to be wrapped up by the third quarter of 2018. We continue to factor the LSP investment into SCC's 2018 total CAPEX and investment of 60,000 MB.

4) Which chemicals associate company had the shutdown that contributed to the underperformance in equity income?

As a private JV company, we will not disclose the name. However, it was a scheduled turn around, and that company is now up and running.

5) What is your view on the outlook of ethylene?

We expect the outlook for ethylene to remain healthy, despite the increase in +7MT globally. Furthermore, demand outlook is still positive for both the end products such as PE and PP, especially in the automotive industry. The obvious disclaimer is if we have a full blown trade war between the major economies.