

SCG CHEMICALS CO., LTD.

Crafting the Biochemical Future

Founded in 1995 as Cementhai Chemicals Co., Ltd and renamed to SCG Chemicals Co., Ltd in 2006, SCG Chemicals is one of the largest integrated petrochemical companies in Asia, and a key industry leader. They manufacture and supply a full range of both upstream and downstream petrochemical products, with numerous production plants together having the capacity to produce more than 4 million tons of product per year. One of the three major business units of parent conglomerate company SCG, in 2016, they contributed approximately half of the company's total earnings, with revenues of ฿188.2 billion (US\$ 5.38 billion), and a profit of ฿42.1 billion (US\$ 1.2 billion).

According to Mr. Cholanat Yanaranop, President of SCG Chemicals, in recent years the ASEAN market has shown very promising opportunities, with growth rates ranging from 6 to 10 percent annually. He is very confident that the potential for future growth remains very high. With a strong belief in the quality of SCG's workforce, Mr. Cholanat referenced the company's human resource development as a key factor for its success, with its strong emphasis on developing and enriching the competencies and promoting the internal growth of SCG's own staff.

According to KPMG, over the next decade, the Asia-Pacific is expected to drive two-thirds of global petrochemical demand due to the rapid modernization taking place in the region and the region's robust economic growth, which together with increasing domestic consumption offers tremendous investment opportunities. Over the past decade, SCG Chemicals' product portfolio has successfully transitioned towards high value-added products, starting from less than 10 percent of total combined revenues, to over 50 percent today. In the near future, the company plans to further improve its high value-added products. This transition will enable Thailand to become a center for petrochemical research and development for the region. In addition, SCG

Chemicals also has joint ventures with a number of the world's leading chemical companies, including The Dow Chemical Company, Mitsui Chemicals and Mitsubishi Rayon.

“The quality of our workforce dictates the country’s competitive advantages.”

Cholanat Yanaranop
President of SCG Chemicals

Supporting Policies from the Government

To promote Thailand as a regional biochemical industry hub, the government is providing continuous support to strengthen human resources, as well as supporting research and development by creating a strong collaborative network among educational institutions, research centers, and the private sector. Its major ongoing infrastructure expansion projects will further improve manufacturing companies ability to import raw materials as well as export finished products.

Attractive BOI Incentives

The Thailand Board of Investment (BOI) offers a wide range of tax and non-tax incentives for projects that meet national development objectives.

Tax-based incentives include an exemption or reduction of import duties on machinery and raw materials, as well as corporate income tax exemptions of up to eight years. Non-tax incentives include permission to bring in expatriates, own land and take or remit foreign currency abroad.

Additional information about specific activities relating to the biochemical industries can be found by clicking [here](#) or contacting the BOI’s Investment Promotion Bureau
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