

AGC to Expand Capacity of Chlor-Alkali Business in Thailand

Tokyo, May 6, 2022-AGC (AGC Inc., Headquarters: Tokyo, President: Yoshinori Hirai), a world-leading manufacturer of glass, chemicals and high-tech materials, has decided to increase the production capacity of AGC Vinythai Public Company Limited ([to be established in July 2022](#)), a new company to integrate AGC's chlor-alkali business in the Indochina Peninsula. The capacity increase is planned at two manufacturing sites* in Thailand, and the start of operation is scheduled for 1Q 2025. The total investment is expected to exceed 100 billion yen, making it the largest investment ever made by the AGC Group.

With this expansion, AGC's annual production capacity of chlor-alkali products in Southeast Asia will increase to 1.64 million tons of caustic soda (currently 1.42 million tons), 1.7 million tons of vinyl chloride monomer (VCM) (currently 1.3 million tons), and 1.6 million tons of polyvinyl chloride (PVC) (currently 1.2 million tons).



Manufacturing plant of chlor-alkali products
(Vinythai Public Company Limited)

Caustic soda and PVC are indispensable materials for the development of urban infrastructure such as water and sewage systems and for a wide variety of industrial products, and the Southeast Asian market for both products is expected to grow at about 4% per year on the back of continued expansion in manufacturing and infrastructure projects in line with economic growth. In order to respond to this robust demand, AGC has been studying this expansion and has obtained approval for the environmental impact assessment by the Thai environmental regulatory authority and has now decided to make the investment. In addition, this capacity expansion will introduce the latest technologies that will improve energy efficiency and production efficiency to reduce environmental impact.

The AGC Group aims to expand its chlor-alkali chemicals business in Southeast Asia as one of the priority businesses of the **AGC plus-2023** medium-term management plan. With the aim of steadily capturing the growing demand in the region and strengthening the Group's competitiveness, AGC has increased production capacity at its existing base in Indonesia and acquired AGC Chemicals Vietnam Co., Ltd. and Vinythai Public Company Limited to solidify its

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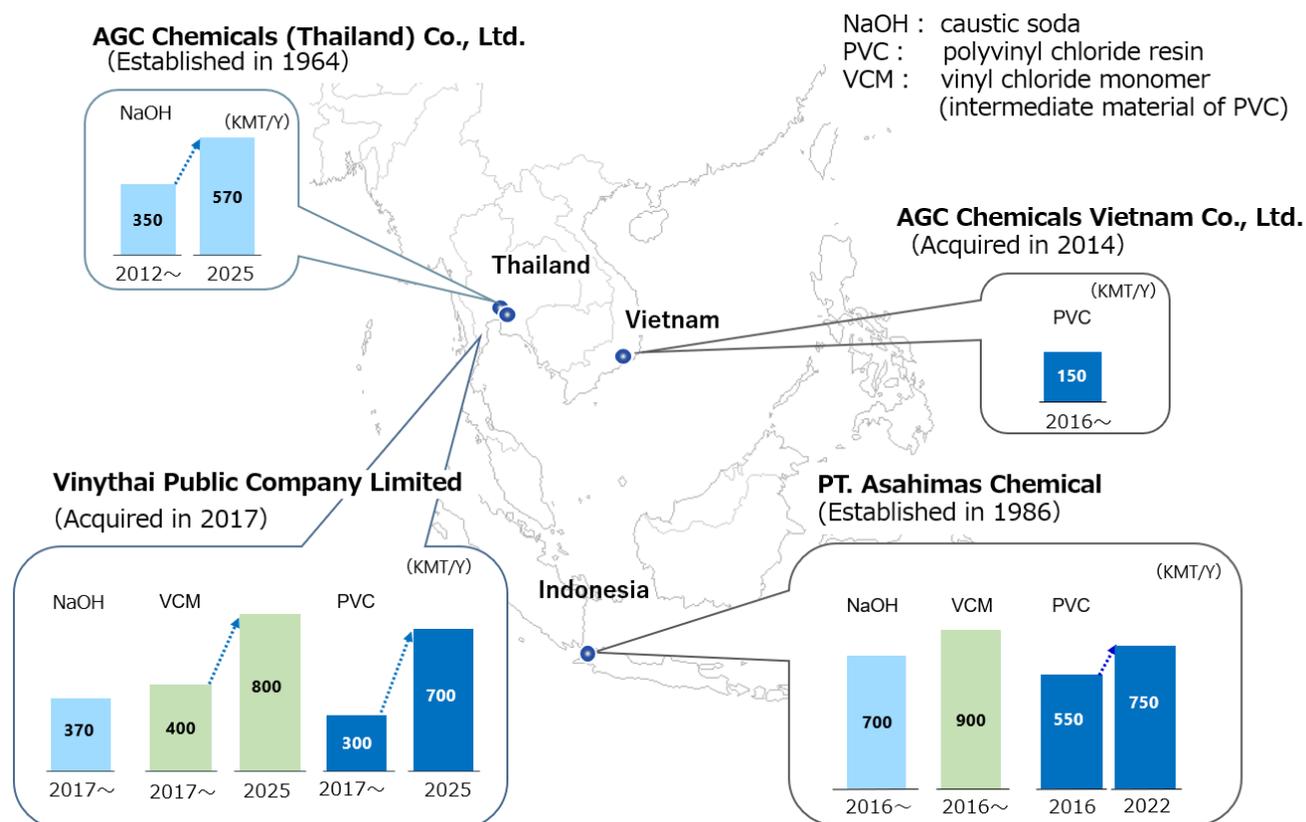
leading position in the chlor-alkali business in Southeast Asia. In July 2022, AGC plans to establish a new company to consolidate and reorganize its three chlor-alkali businesses in the Indochina Peninsula, aiming to strengthen its foundation in the region and achieve further growth. The AGC Group will continue to make every effort to reduce the environmental impact as part of the Company's sustainability activities and contribute to the realization of safe, secure, and healthy living in the region, as well as the sustainable development of Southeast Asian society.

< Notes >

* Two manufacturing sites in Thailand: Current Vinythai Public Company Limited and current AGC Chemicals (Thailand) Co., Ltd.

< Reference >

- Annual production capacity of the AGC Group's chlor-alkali business in Southeast Asia



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