

# SIAM CEMENT SCC TB

## THAILAND / CONSTRUCTION MATERIALS

# BUY

UNCHANGED

TARGET PRICE	THB200.00
CLOSE	THB170.50
UP/DOWNSIDE	+17.3%
PRIOR TP	THB200.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+11.3%

## Earnings recovery underway

- Expect 2Q25 core profit to rebound strongly, driven by improved chemical product spreads and a continued recovery at SCGP.
- CAP stake sale and revaluation to realise significant gains and reduce debt.
- Strong financial position, cost control, and 3% dividend yield.

### Potentially strong 2Q25 earnings rebound despite LSP losses

We expect 2Q25 core profit to rebound strongly to THB2.8b, +151.3% q-q, though still -19.0% y-y. The sharp projected q-q recovery is driven by improved petrochemical product spreads. Despite new supply additions, some plants were shut down, and crude oil costs continued to decline, supporting better spreads. For the LSP plant, production did not start this quarter. Therefore, we expect it to continue incurring losses comparable to 1Q25, mainly due to depreciation and interest expenses. Additionally, the cement business benefited from a THB400/ton price increase, while SCGP's earnings should continue recovering. The dividends received every 2Q and 4Q would also provide further support for the overall profit improvement.

### CAP stake sale and revaluation would unlock value

The adjustment of SCGC's investment in PT Chandra Asri Pacific Tbk (CAP), previously held at 30.6% as an associate company, involves the sale of a 10.6% stake. The remaining 20% will be reclassified as an "other investment" and revalued to fair value by an independent financial advisor. The equity-method carrying value of CAP is THB33b, versus a market value of THB344b for the 20% stake, potentially resulting in a large accounting gain. Also, proceeds from the 10.6% sale will generate cash and help reduce SCGC's debt.

### LSP restart possible amid prolonged down cycle

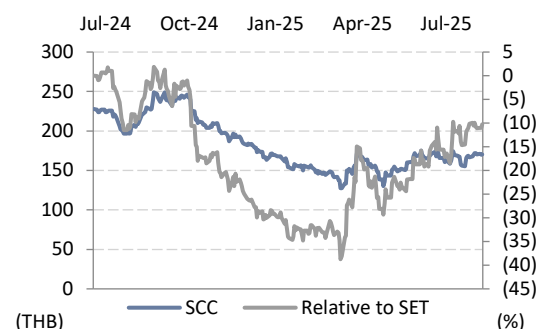
Although SCGC's business could remain in a downcycle through late 2026, and the Ethane project, a potential game changer that will lower LSP's costs and improve competitiveness, is scheduled for completion in 2027, the company may consider restarting the LSP plant as early as August 2025 if product spreads remain resilient at the current level.

### Financial resilience supports our BUY call

We believe SCC has passed its trough, despite lingering challenges in 2H25 from U.S. trade tariffs. The company's strict cost and expense controls, avoidance of additional debt, and divestment of unprofitable businesses have strengthened its financial position. This resilience should enable SCC to weather upcoming challenges while continuing to deliver a dividend yield of around 3% to shareholders. We maintain BUY.

## KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	511,172	518,410	533,522	550,028
Net profit	6,342	9,015	12,468	15,121
EPS (THB)	5.28	7.51	10.39	12.60
vs Consensus (%)	-	10.7	(1.9)	(2.4)
EBITDA	28,764	35,518	36,020	37,134
Recurring net profit	6,342	9,015	12,468	15,121
Core EPS (THB)	5.28	7.51	10.39	12.60
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	(75.5)	42.1	38.3	21.3
Core P/E (x)	32.3	22.7	16.4	13.5
Dividend yield (%)	2.9	2.9	3.2	3.7
EV/EBITDA (x)	19.3	15.5	15.5	15.3
Price/book (x)	0.6	0.6	0.6	0.6
Net debt/Equity (%)	67.7	65.9	65.9	66.1
ROE (%)	1.8	2.5	3.5	4.1



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	7.6	25.4	(25.9)
Relative to country (%)	10.0	22.9	(11.9)
Mkt cap (USD m)	6,257		
3m avg. daily turnover (USD m)	21.2		
Free float (%)	66		
Major shareholder	H.M. King Maha Vajiralongkorn (34%)		
12m high/low (THB)	255.00/124.50		
Issued shares (m)	1,200.00		

Sources: Bloomberg consensus; FSSIA estimates



Jitra Amorntum

Fundamental Investment Analyst on Securities; License no. 014530  
jitra.a@fssia.com, +66 2646 9966

Investment thesis

We maintain our BUY call on SCC, supported by signs that the company has passed its earnings trough and is positioned to recover despite headwinds from U.S. trade tariffs and a prolonged downcycle in petrochemicals.

Earnings should rebound sharply in 2Q25, aided by stronger petrochemical spreads, higher cement prices, recovering SCGP performance, and regular dividends.

The planned sale and revaluation of the CAP stake would unlock significant value and strengthen the balance sheet. Meanwhile, disciplined cost controls, reduced debt, and the potential restart of the LSP plant if market conditions hold further underpin our positive outlook.

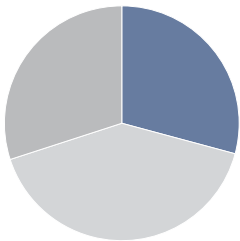
Company profile

SCC is 30% owned by the Crown Property Bureau and is the third-largest company on the Thailand Stock Exchange by market capitalisation. Established in 1913 as a cement company, SCC was a means to reduce Thailand’s reliance on cement imports and to take fuller advantage of the natural resources available in the country.

[www.scg.com](http://www.scg.com)

Principal activities (revenue, 2024)

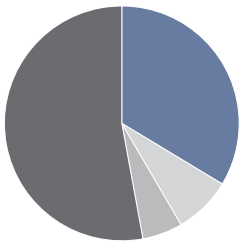
- Cement & green solutions - 29.2 %
- Chemicals - 40.8 %
- SCGP - 30.0 %



Source: Siam Cement

Major shareholders

- H.M. King Maha Vajiralongkorn - 33.6 %
- Thai NVDR - 7.9 %
- Social Security Office - 5.5 %
- Others - 52.9 %



Source: Siam Cement

Catalysts

Key potential catalysts include 1) better-than-expected economic conditions, 2) falling interest rates, 3) more new models from global automakers, and 4) government incentives to stimulate demand.

Risks to our call

Downside risks to our SOTP-based TP include 1) a lower-than-expected demand for chemicals, CBM, and packaging, 2) rising coal costs for its cement and packaging units, and 3) weaker demand from the automobile industry that could erode the demand for SCC’s chemical unit and its dividend contributions.

Event calendar

Date	Event
31 July 2025	2Q25 earnings announcement

Key assumptions

	2024A	2025E	2026E	2027E
Polyethylene sales volume (m ton)	1.5	1.8	1.9	2.0
HDPE-Naphtha spread (USD/ton)	340	358	360	370
PP-Naphtha spread (USD/ton)	324	350	353	363
Cement sales volume (m ton)	16.6	16.9	17.3	17.8
Avg. selling price (THB/ton)	2,075	2,155	2,250	2,300
Brent (USD/barrel)	80	70	68	68

Source: FSSIA estimates

Earnings sensitivity

- For every 1% change in average petrochemical spread, we project SCC’s 2025 core profit to change by 2%, all else being equal.
- For every 1% change in cement ASP, we project SCC’s 2025 core profit to change by 0.6%, all else being equal.
- For every 0.25% change in cost of funds, we project SCC’s 2025 core profit to change by 2%, all else being equal.

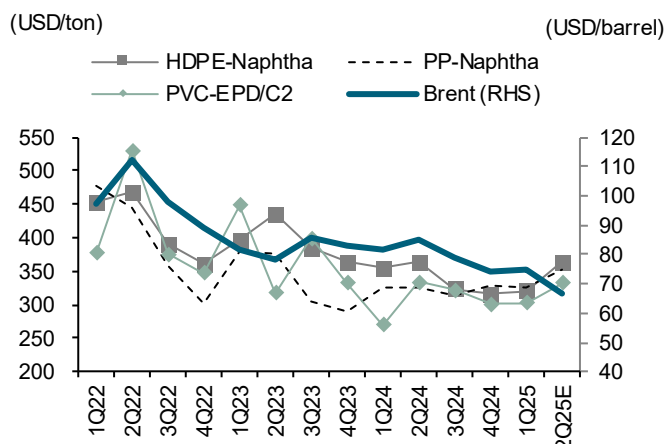
Source: FSSIA estimates

## Exhibit 1: SCC - 2Q25 earnings preview

Year to Dec 31	2Q24	3Q24	4Q24	1Q25	2Q25E	----- Change -----		1H24	1H25E	Change	% of
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	25E
Sales	128,195	128,199	130,512	124,392	127,751	2.7	(0.3)	252,461	252,143	(0.1)	48.6
Cost of sales	(109,215)	(113,747)	(115,743)	(106,098)	(108,580)	2.3	(0.6)	(214,866)	(214,679)	(0.1)	48.0
Gross profit	18,980	14,452	14,770	18,294	19,170	4.8	1.0	37,595	37,465	(0.3)	52.7
Operating costs	(17,647)	(17,794)	(17,691)	(17,147)	(17,438)	1.7	(1.2)	(34,158)	(34,585)	1.2	(49.6)
Operating profit	1,333	(3,342)	(2,922)	1,147	1,732	51.0	29.9	3,437	2,880	(16.2)	2.0
Operating EBITDA	12,576	9,542	9,638	11,751	13,478	14.7	7.2	25,085	25,229	0.6	182.5
Interest expense	(2,884)	(2,821)	(3,184)	(2,829)	(2,831)	0.1	(1.9)	(5,495)	(5,660)	3.0	47.8
Associates	2,295	1,261	1,188	1,427	1,435	0.5	(37.5)	4,081	2,862	(29.9)	35.4
Tax	(1,190)	(758)	(434)	(1,196)	(1,264)	5.7	6.2	(2,690)	(2,460)	(8.6)	190.1
Extraordinary items	(300)	(2,183)	(1,067)	0	0	nm	nm	(1,259)	0	nm	
Minority interests	599	1,210	836	237	240	1.1	(60.0)	474	477	0.7	210.5
<b>Reported net profit</b>	<b>3,708</b>	<b>721</b>	<b>(512)</b>	<b>1,099</b>	<b>2,762</b>	<b>151.3</b>	<b>(25.5)</b>	<b>6,133</b>	<b>3,861</b>	<b>(37.1)</b>	<b>42.8</b>
<b>Core profit</b>	<b>3,408</b>	<b>(1,462)</b>	<b>(1,579)</b>	<b>1,099</b>	<b>2,762</b>	<b>151.3</b>	<b>(19.0)</b>	<b>4,874</b>	<b>3,861</b>	<b>(20.8)</b>	<b>42.8</b>
Reported EPS (THB)	2.84	(1.22)	(1.32)	0.92	0.42	(54.4)	(85.2)	4	1	(67.0)	17.8
Core EPS (THB)	2.84	(1.22)	(1.32)	0.92	2.30	151.3	(19.0)	4	3	(20.8)	42.8
<b>Key Ratios</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	
Gross margin	14.8	11.3	11.3	14.7	15.0	0.3	0.2	14.9	14.9	(0.0)	
Operating margin	1.0	(2.6)	(2.2)	0.9	1.4	0.4	0.3	1.4	1.1	(0.2)	
EBITDA margin	9.8	7.4	7.4	9.4	10.6	1.1	0.7	9.9	10.0	0.1	
Core profit margin	2.9	0.6	(0.4)	0.9	2.2	1.3	(0.7)	1.9	1.5	(0.4)	
Net margin	2.7	(1.1)	(1.2)	0.9	2.2	1.3	(0.5)	2.4	1.5	(0.9)	
SG&A / Sales	13.8	13.9	13.6	13.8	13.7	(0.1)	(0.1)	13.5	13.7	0.2	
<b>Revenue breakdown</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(q-q %)</b>	<b>(y-y %)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(y-y %)</b>	
Cement & green solution	19,831	20,799	19,862	20,894	19,954	(4.5)	0.6	41,230	40,848	(0.9)	
Smart living & distribution	35,266	33,593	32,904	34,651	31,810	(8.2)	(9.8)	35,266	66,461	88.5	
SCGD	6,566	6,235	5,978	5,960	5,930	(0.5)	(9.7)	6,566	11,890	81.1	
SCGC	52,491	53,449	58,982	50,177	50,578	0.8	(3.6)	97,867	100,755	3.0	
SCGP	34,234	33,371	31,231	32,209	33,175	3.0	(3.1)	68,182	65,384	(4.1)	
<b>Product spreads per ton</b>	<b>(USD)</b>	<b>(USD)</b>	<b>(USD)</b>	<b>(USD)</b>	<b>(USD)</b>	<b>(%)</b>	<b>(%)</b>				
Brent	85	79	74	79	67	(15.0)	(21.0)				
HDPE-Naphtha	364	323	316	320	363	13.4	(0.3)				
PP-Naphtha	327	315	328	326	352	8.0	7.6				

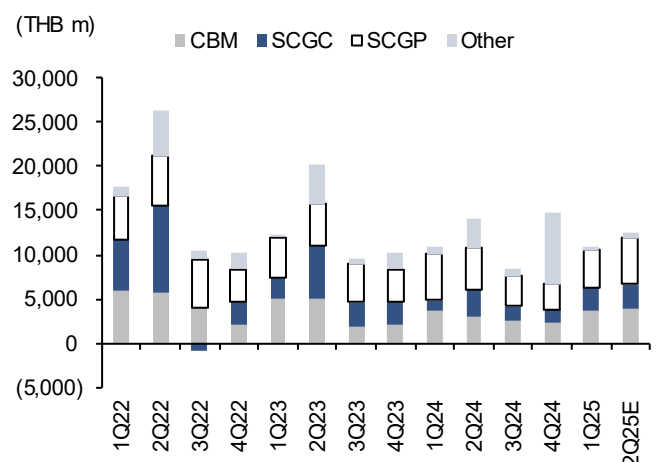
Sources: SCC, FSSIA estimates

## Exhibit 2: Petchem product spreads



Sources: SCC, FSSIA estimates

## Exhibit 3: EBITDA by business



Sources: SCC, FSSIA estimates

## Financial Statements

### Siam Cement

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	499,646	511,172	518,410	533,522	550,028
Cost of goods sold	(426,199)	(444,356)	(447,305)	(456,898)	(466,865)
<b>Gross profit</b>	<b>73,447</b>	<b>66,817</b>	<b>71,106</b>	<b>76,625</b>	<b>83,163</b>
Other operating income	-	-	-	-	-
Operating costs	(68,299)	(69,644)	(69,726)	(71,225)	(73,979)
<b>Operating EBITDA</b>	<b>34,888</b>	<b>28,764</b>	<b>35,518</b>	<b>36,020</b>	<b>37,134</b>
Depreciation	(29,740)	(31,591)	(34,138)	(30,620)	(27,950)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>5,148</b>	<b>(2,827)</b>	<b>1,379</b>	<b>5,399</b>	<b>9,184</b>
Net financing costs	(10,297)	(11,500)	(11,830)	(11,896)	(11,613)
Associates	8,419	6,530	8,091	8,359	8,416
Recurring non-operating income	37,305	22,031	20,533	23,298	23,817
Non-recurring items	0	0	0	0	0
<b>Profit before tax</b>	<b>32,155</b>	<b>7,704</b>	<b>10,082</b>	<b>16,802</b>	<b>21,388</b>
Tax	(8,045)	(3,882)	(1,294)	(2,111)	(2,594)
<b>Profit after tax</b>	<b>24,110</b>	<b>3,822</b>	<b>8,788</b>	<b>14,691</b>	<b>18,794</b>
Minority interests	1,805	2,520	227	(2,223)	(3,673)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>25,915</b>	<b>6,342</b>	<b>9,015</b>	<b>12,468</b>	<b>15,121</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>25,915</b>	<b>6,342</b>	<b>9,015</b>	<b>12,468</b>	<b>15,121</b>
<b>Per share (THB)</b>					
Recurring EPS *	21.60	5.28	7.51	10.39	12.60
Reported EPS	21.60	5.28	7.51	10.39	12.60
DPS	6.00	5.00	5.00	5.50	6.25
Diluted shares (used to calculate per share data)	1,200	1,200	1,200	1,200	1,200
<b>Growth</b>					
Revenue (%)	(12.3)	2.3	1.4	2.9	3.1
Operating EBITDA (%)	(3.0)	(17.6)	23.5	1.4	3.1
Operating EBIT (%)	(20.9)	nm	nm	291.4	70.1
Recurring EPS (%)	21.2	(75.5)	42.1	38.3	21.3
Reported EPS (%)	21.2	(75.5)	42.1	38.3	21.3
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	14.7	13.1	13.7	14.4	15.1
Gross margin exc. depreciation (%)	20.7	19.3	20.3	20.1	20.2
Operating EBITDA margin (%)	7.0	5.6	6.9	6.8	6.8
Operating EBIT margin (%)	1.0	(0.6)	0.3	1.0	1.7
Net margin (%)	5.2	1.2	1.7	2.3	2.7
Effective tax rate (%)	33.9	330.6	65.0	25.0	20.0
Dividend payout on recurring profit (%)	27.8	94.6	66.6	52.9	49.6
Interest cover (X)	4.1	1.7	1.9	2.4	2.8
Inventory days	75.4	68.1	63.3	62.4	66.4
Debtor days	53.0	50.7	50.7	51.8	54.6
Creditor days	55.0	52.1	50.8	49.1	48.2
Operating ROIC (%)	0.8	(0.5)	0.2	0.8	1.4
ROIC (%)	4.5	2.1	2.4	3.1	3.4
ROE (%)	7.0	1.8	2.5	3.5	4.1
ROA (%)	3.6	1.5	2.1	2.8	3.1

\* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2023	2024	2025E	2026E	2027E
Cement & green solutions	155,692	149,196	37,591	38,726	40,659
Chemicals	190,272	208,669	212,842	217,099	224,698
SCGP	153,682	153,307	130,864	139,853	146,273
SCGD			23,782	24,504	25,049

Sources: Siam Cement; FSSIA estimates

## Financial Statements

### Siam Cement

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	25,915	6,342	9,015	12,468	15,121
Depreciation	29,740	31,591	34,138	30,620	27,950
Associates & minorities	8,419	6,530	8,091	8,359	8,416
Other non-cash items	(19,699)	(8,260)	-	-	-
Change in working capital	(367)	(23)	1,278	(11,349)	(14,201)
<b>Cash flow from operations</b>	<b>44,008</b>	<b>36,179</b>	<b>52,522</b>	<b>40,099</b>	<b>37,286</b>
Capex - maintenance	0	0	(34,412)	(35,765)	(37,118)
Capex - new investment	(33,951)	(28,053)	(1,489)	(3,895)	(5,661)
Net acquisitions & disposals	9,108	4,440	0	0	0
Other investments (net)	35,475	16,734	1,318	(178)	(169)
<b>Cash flow from investing</b>	<b>10,631</b>	<b>(6,879)</b>	<b>(34,583)</b>	<b>(39,838)</b>	<b>(42,948)</b>
Dividends paid	(8,089)	(10,168)	(5,999)	(5,998)	(6,897)
Equity finance	0	0	0	0	0
Debt finance	(27,812)	6,660	7,000	3,000	3,500
Other financing cash flows	(10,685)	(32,677)	(6,230)	(303)	4,208
<b>Cash flow from financing</b>	<b>(46,586)</b>	<b>(36,185)</b>	<b>(5,229)</b>	<b>(3,301)</b>	<b>811</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
<b>Net other adjustments</b>	<b>(34,038)</b>	<b>(5,093)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Movement in cash</b>	<b>(25,985)</b>	<b>(11,978)</b>	<b>12,710</b>	<b>(3,039)</b>	<b>(4,851)</b>
Free cash flow to firm (FCFF)	64,936.64	40,800.17	29,769.28	12,157.12	5,951.32
Free cash flow to equity (FCFE)	(17,895.71)	(1,810.32)	18,709.08	2,958.61	2,045.86

#### Per share (THB)

FCFF per share	54.11	34.00	24.81	10.13	4.96
FCFE per share	(14.91)	(1.51)	15.59	2.47	1.70
Recurring cash flow per share	36.98	30.17	42.70	42.87	42.91

Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	869,461	899,321	933,145	966,969	1,000,793
Less: Accumulated depreciation	(445,117)	(476,708)	(510,846)	(541,466)	(569,416)
<b>Tangible fixed assets (net)</b>	<b>424,344</b>	<b>422,613</b>	<b>422,299</b>	<b>425,503</b>	<b>431,377</b>
<b>Intangible fixed assets (net)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	140,239	138,514	138,514	138,514	138,514
Cash & equivalents	63,874	51,895	64,606	61,566	56,715
A/C receivable	70,559	71,539	72,576	78,978	85,578
Inventories	80,631	73,302	69,977	75,701	83,958
Other current assets	2,151	2,432	2,453	2,525	2,603
<b>Current assets</b>	<b>217,214</b>	<b>199,167</b>	<b>209,611</b>	<b>218,770</b>	<b>228,855</b>
Other assets	111,803	101,208	100,702	101,709	102,726
<b>Total assets</b>	<b>893,601</b>	<b>861,503</b>	<b>871,126</b>	<b>884,496</b>	<b>901,472</b>
Common equity	363,962	352,887	355,902	362,370	370,594
Minorities etc.	77,635	66,893	66,666	68,889	72,562
<b>Total shareholders' equity</b>	<b>441,597</b>	<b>419,780</b>	<b>422,568</b>	<b>431,259</b>	<b>443,156</b>
Long term debt	210,506	183,786	188,786	192,786	196,786
Other long-term liabilities	39,253	40,616	41,428	42,257	43,102
<b>Long-term liabilities</b>	<b>249,759</b>	<b>224,401</b>	<b>230,214</b>	<b>235,042</b>	<b>239,887</b>
A/C payable	59,691	58,094	57,018	57,660	58,167
Short term debt	115,322	152,183	154,183	153,183	152,683
Other current liabilities	27,232	7,044	7,144	7,352	7,579
<b>Current liabilities</b>	<b>202,245</b>	<b>217,320</b>	<b>218,345</b>	<b>218,194</b>	<b>218,429</b>
<b>Total liabilities and shareholders' equity</b>	<b>893,601</b>	<b>861,502</b>	<b>871,126</b>	<b>884,496</b>	<b>901,472</b>
Net working capital	66,417	82,134	80,844	92,193	106,394
Invested capital	742,804	744,470	742,359	757,918	779,011

\* Includes convertibles and preferred stock which is being treated as debt

#### Per share (THB)

Book value per share	303.30	294.07	296.58	301.98	308.83
Tangible book value per share	303.30	294.07	296.58	301.98	308.83

#### Financial strength

Net debt/equity (%)	59.3	67.7	65.9	65.9	66.1
Net debt/total assets (%)	29.3	33.0	32.0	32.2	32.5
Current ratio (x)	1.1	0.9	1.0	1.0	1.0
CF interest cover (x)	2.6	3.3	2.7	1.6	1.7

Valuation	2023	2024	2025E	2026E	2027E
<b>Recurring P/E (x) *</b>	<b>7.9</b>	<b>32.3</b>	<b>22.7</b>	<b>16.4</b>	<b>13.5</b>
<b>Recurring P/E @ target price (x) *</b>	<b>9.3</b>	<b>37.8</b>	<b>26.6</b>	<b>19.2</b>	<b>15.9</b>
Reported P/E (x)	7.9	32.3	22.7	16.4	13.5
Dividend yield (%)	3.5	2.9	2.9	3.2	3.7
Price/book (x)	0.6	0.6	0.6	0.6	0.6
Price/tangible book (x)	0.6	0.6	0.6	0.6	0.6
EV/EBITDA (x) **	15.6	19.3	15.5	15.5	15.3
EV/EBITDA @ target price (x) **	16.6	20.5	16.5	16.5	16.3
EV/invested capital (x)	0.7	0.7	0.7	0.7	0.7

\* Pre-exceptional, pre-goodwill and fully diluted \*\* EBITDA includes associate income and recurring non-operating income

Sources: Siam Cement; FSSIA estimates

# Siam Cement PCL (SCC TB)

## FSSIA ESG rating


**64.75 /100**

### Exhibit 4: FSSIA ESG score implication

Rating	Score	Implication
★★★★★	>79-100	Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability.
★★★★★	<b>&gt;59-79</b>	<b>A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.</b>
★★★	>39-59	Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.
★★	>19-39	Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.
★	1-19	The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC.

Sources: FSSIA estimates

### Exhibit 5: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings					Bloomberg		
		DJSI	SET ESG	SET ESG Rating	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	69.20	5.34	4.40	4.40	4.76	4.65	3.84	Medium	51.76	BBB	20.87	58.72	63.91	3.72	28.17
Coverage	67.12	5.11	4.15	4.17	4.83	4.71	3.53	Medium	52.04	BB	16.97	56.85	62.09	3.40	31.94
IRPC	71.38	Y	--	--	5.00	5.00	Certified	Medium	58.24	BBB	--	78.86	72.00	5.40	79.54
PTTGC	75.53	Y	Y	AAA	5.00	5.00	Certified	Low	60.08	BBB	50.00	56.39	87.00	--	--
SCC	64.75	--	Y	AAA	5.00	5.00	Certified	Medium	64.13	A	48.00	62.46	80.00	--	--
SCCC	50.48	--	Y	AA	5.00	5.00	Certified	High	--	--	--	54.68	35.00	3.68	70.51
TPIPL	38.11	--	Y	AA	5.00	3.00	--	High	--	--	--	36.10	34.00	--	51.90

Sources: [SETTRADE.com](https://www.settrade.com); FSSIA's compilation

### Exhibit 6: ESG score by Bloomberg

FY ending Dec 31	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
<b>ESG financial materiality scores - ESG score</b>	<b>4.34</b>	<b>4.34</b>	<b>4.80</b>	<b>5.05</b>	<b>5.29</b>	<b>5.20</b>	<b>4.83</b>	<b>—</b>
BESG environmental pillar score	3.71	3.74	4.13	4.72	4.86	4.57	4.83	—
BESG social pillar score	7.07	7.04	7.96	6.91	7.89	8.19	5.37	—
BESG governance pillar score	3.80	3.76	4.09	4.45	4.48	4.50	4.48	—
<b>ESG disclosure score</b>	<b>70.60</b>	<b>71.07</b>	<b>71.92</b>	<b>73.93</b>	<b>78.29</b>	<b>78.29</b>	<b>78.46</b>	<b>—</b>
Environmental disclosure score	71.28	72.70	72.70	67.53	80.64	80.64	81.15	—
Social disclosure score	53.08	53.08	55.65	66.84	66.84	66.84	66.84	—
Governance disclosure score	87.36	87.36	87.36	87.36	87.36	87.36	87.36	—
<b>Environmental</b>								
Emissions reduction initiatives	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Climate change policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Climate change opportunities discussed	No	No	No	No	No	No	No	No
Risks of climate change discussed	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
GHG scope 1	21,510	21,150	22,100	21,904	30,995	30,344	27,236	24,329
GHG scope 2 location-based	2,340	1,250	1,270	2,474	3,388	3,323	3,106	2,935
GHG Scope 3	—	—	—	—	8,157	15,604	10,014	10,606
Carbon per unit of production	1	1	1	1	1	1	1	1
Biodiversity policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Energy efficiency policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Total energy consumption	50,250	50,969	52,600	52,453	50,989	71,511	65,953	62,531
Renewable energy use	1,528	1,417	4,294	5,192	4,989	6,900	8,881	—
Electricity used	4,057	3,985	3,988	3,958	3,856	5,328	5,183	5,003
Fuel used - natural gas	1,762,390	1,671,000	1,728,890	—	1,693,260	2,106,880	539,229	360,893

Sources: Bloomberg; FSSIA's compilation

## Exhibit 7: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Fuel used - crude oil/diesel	No	No	No	No	No	No	No	No
Waste reduction policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Hazardous waste	21	12	13	11	18	14	26	16
Total waste	1,509	1,388	1,241	1,554	1,235	1,256	555	501
Waste recycled	1,493	1,383	1,075	1,330	1,224	706	1,190	—
Waste sent to landfills	0	0	180	222	11	0	56	84
Environmental supply chain management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water consumption	—	—	—	—	—	—	120,069	—
<b>Social</b>								
Human rights policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Policy against child labor	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Quality assurance and recall policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Consumer data protection policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Equal opportunity policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Gender pay gap breakout	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Pct women in workforce	23	23	23	22	23	22	24	24
Pct disabled in workforce	0	0	0	0	0	0	0	0
Business ethics policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Health and safety policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Lost time incident rate - employees	0	0	0	0	0	0	0	0
Total recordable incident rate - employees	0	0	0	0	0	0	0	0
Training policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	No	No	No	No	No
Number of employees – CSR	53,728	53,670	52,971	54,224	49,754	58,283	57,814	55,578
Employee turnover pct	4	5	4	4	4	2	6	7
Total hours spent by firm - employee training	2,578,940	3,864,240	5,508,980	7,374,460	6,169,500	4,779,210	8,961,170	7,169,560
Social supply chain management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>Governance</b>								
Board size	12	12	12	12	12	12	15	15
No. of independent directors (ID)	7	7	6	7	6	6	8	9
No. of women on board	1	1	1	2	2	2	3	3
No. of non-executive directors on board	11	11	11	11	11	11	14	14
Company conducts board evaluations	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. of board meetings for the year	11	11	10	9	9	9	9	9
Board meeting attendance pct	98	96	97	99	99	100	100	100
Board duration (years)	3	3	3	3	3	3	3	3
Director share ownership guidelines	No	No	No	No	No	No	No	No
Age of the youngest director	53	54	55	50	46	46	47	48
Age of the oldest director	84	85	80	81	80	80	81	82
No. of executives / company managers	9	12	11	11	11	13	14	12
No. of female executives	0	0	0	0	0	0	1	1
Executive share ownership guidelines	No	No	No	No	No	No	No	No
Size of audit committee	4	4	4	4	4	3	3	3
No. of ID on audit committee	4	4	4	4	4	3	3	3
Audit committee meetings	6	6	6	6	7	6	9	8
Audit meeting attendance %	100	100	100	100	100	100	100	100
Size of compensation committee	3	3	3	3	4	4	4	4
No. of ID on compensation committee	2	2	2	3	3	3	3	3
No. of compensation committee meetings	6	6	7	6	7	7	6	6
Compensation meeting attendance %	100	89	95	100	100	100	100	100
Size of nomination committee	5	5	6	7	7	3	4	4
No. of nomination committee meetings	4	5	5	4	4	5	7	6
Nomination meeting attendance %	95	96	100	96	100	100	92	100
<b>Sustainability governance</b>								
Verification type	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Sources: Bloomberg; FSSIA's compilation



## Disclaimer for ESG scoring

ESG score	Methodology	Rating																				
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																				
SET ESG Ratings List (SETESG) by The Stock Exchange of Thailand (SET)	SET ESG quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for <b>SETESG inclusion</b> , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. <b>SETESG Index</b> is extended from the SET ESG Ratings companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																				
CG Score by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																				
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&amp;A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																				
Thai CAC By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																				
Morningstar Sustainabilitycs	The Sustainabilitycs' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality &amp; peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table><tr><th>NEGL</th><th>Low</th><th>Medium</th><th>High</th><th>Severe</th></tr><tr><td>0-10</td><td>10-20</td><td>20-30</td><td>30-40</td><td>40+</td></tr></table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+										
NEGL	Low	Medium	High	Severe																		
0-10	10-20	20-30	30-40	40+																		
ESG Book	The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.	The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.																				
MSCI	MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. <table><tr><td>AAA</td><td>8.571-10.000</td><td rowspan="3">Leader:</td><td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td></tr><tr><td>AA</td><td>7.143-8.570</td></tr><tr><td>A</td><td>5.714-7.142</td></tr><tr><td>BBB</td><td>4.286-5.713</td><td rowspan="3">Average:</td><td rowspan="3">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td></tr><tr><td>BB</td><td>2.857-4.285</td></tr><tr><td>B</td><td>1.429-2.856</td></tr><tr><td>CCC</td><td>0.000-1.428</td><td>Laggard:</td><td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr></table>		AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities	AA	7.143-8.570	A	5.714-7.142	BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	BB	2.857-4.285	B	1.429-2.856	CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks
AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities																			
AA	7.143-8.570																					
A	5.714-7.142																					
BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers																			
BB	2.857-4.285																					
B	1.429-2.856																					
CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks																			
Moody's ESG solutions	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																					
Refinitiv ESG rating	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; &gt;25 to 50 = satisfactory; &gt;50 to 75 = good; and &gt;75 to 100 = excellent.)</i>																					
S&P Global	The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.																					
Bloomberg	ESG Score	Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.																				
Bloomberg	ESG Disclosure Score	Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.																				

[Rating](#) regarding the sustainable development of Thai listed companies, both on the SET and MAI, are publicly available on the website of the Securities and Exchange Commission of Thailand (SEC). Currently, ratings available are 1) "**CG Score**"; 2) "**AGM Level**"; 3) "**Thai CAC**"; and 4) **THSI**. The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation



## GENERAL DISCLAIMER

### ANALYST(S) CERTIFICATION

Jitra Amornthum FSS International Investment Advisory Securities Co., Ltd

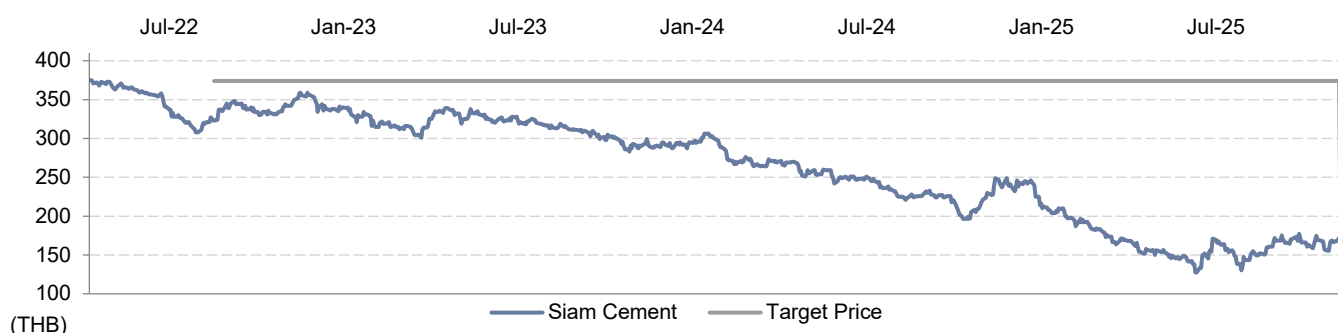
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

This report has been prepared by FSS International Investment Advisory Securities Company Limited (FSSIA). The information herein has been obtained from sources believed to be reliable and accurate; however FSSIA makes no representation as to the accuracy and completeness of such information. Information and opinions expressed herein are subject to change without notice. FSSIA has no intention to solicit investors to buy or sell any security in this report. In addition, FSSIA does not guarantee returns nor price of the securities described in the report nor accept any liability for any loss or damage of any kind arising out of the use of such information or opinions in this report. Investors should study this report carefully in making investment decisions. All rights are reserved.

This report may not be reproduced, distributed or published by any person in any manner for any purpose without permission of FSSIA. Investment in securities has risks. Investors are advised to consider carefully before making investment decisions.

### History of change in investment rating and/or target price

#### Siam Cement (SCC TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
27-Oct-2022	BUY	374.00	02-Jul-2025	BUY	200.00	-	-	-

Jitra Amornthum started covering this stock from 02-Jul-2025

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Siam Cement	SCC TB	THB 170.50	BUY	Downside risks to our SOTP based TP include 1) a lower-than-expected demand for chemicals, CBM, and packaging; 2) rising coal costs for its cement and packaging units; and 3) weaker demand from the automobile industry that could erode the demand for SCC's chemical unit and its dividend contributions.

Source: FSSIA estimates

### Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited.

All share prices are as at market close on 09-Jul-2025 unless otherwise stated.

## RECOMMENDATION STRUCTURE

### Stock ratings

Stock ratings are based on absolute upside or downside, which we define as  $(\text{target price}^* - \text{current price}) / \text{current price}$ .

**BUY (B).** The upside is 10% or more.

**HOLD (H).** The upside or downside is less than 10%.

**REDUCE (R).** The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

\* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

### Industry Recommendations

**Overweight.** The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

**Neutral.** The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

**Underweight.** The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

### Country (Strategy) Recommendations

**Overweight (O).** Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

**Neutral (N).** Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

**Underweight (U).** Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.