

SIAM CEMENT

SCC TB

THAILAND / CONSTRUCTION MATERIALS

BUY

UNCHANGED

พร้อมสำหรับการฟื้นตัว

- ปรับเพิ่มกำไรปกติสะท้อนกำไรที่ดีกว่าคาดใน 2Q25 ซึ่งอาจเป็นกำไรที่ดีที่สุดของปี
- โรงงาน LSP เดินหน้ากลับมาเปิด แม้ spread ยังต่ำกว่าจุดคุ้มทุนเล็กน้อย แผนใช้ Ethane เสริมความสามารถแข่งขันระยะยาวยังคืบหน้าตามแผน
- Valuation น่าสนใจ สัดส่วนการถือหุ้นของต่างชาติเริ่มขยับขึ้น.

TARGET PRICE	THB220.00
CLOSE	THB201.00
UP/DOWNSIDE	+9.5%
PRIOR TP	THB200.00
CHANGE IN TP	+10.0%
TP vs CONSENSUS	+15.6%

KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	511,172	520,497	540,594	560,038
Net profit	6,342	24,237	12,824	16,488
EPS (THB)	5.28	20.20	10.69	13.74
vs Consensus (%)	-	189.1	1.0	1.7
EBITDA	28,764	32,798	38,660	41,450
Recurring net profit	6,342	10,068	12,824	16,488
Core EPS (THB)	5.28	8.39	10.69	13.74
Chg. In EPS est. (%)	-	11.7	2.8	9.0
EPS growth (%)	(52.3)	58.8	27.4	28.6
Core P/E (x)	38.0	24.0	18.8	14.6
Dividend yield (%)	2.5	2.5	2.7	3.1
EV/EBITDA (x)	20.6	17.4	14.9	14.0
Price/book (x)	0.7	0.6	0.6	0.6
Net debt/Equity (%)	67.7	60.3	59.9	59.0
ROE (%)	1.8	2.8	3.4	4.3

แนวโน้มเป็นบวกแม้จะมีความท้าทายข้างหน้า

โทนการประชุมเป็นบวก แม้ว่า 2H25 จะมีความท้าทายจากภาษีการค้าของสหรัฐที่ทั่วโลกต้องเผชิญ ผู้บริหารยังคงใช้กลยุทธ์เพิ่มพอร์ตสินค้า HVA (Green products) ลดต้นทุน รักษากระแสเงินสด ปรับโครงสร้างธุรกิจ (นอกจากการปรับโครงสร้าง CAP, ธุรกิจรีไซเคิลในโคโซโว และธุรกิจไนยิปซัมและคอนกรีตใน 2Q25 จะยังมีต่อเนื่องใน 2H25) พร้อมกลับมาเปิดดำเนินการผลิตโรงงาน LSP ในเวียดนามปลายเดือน ส.ค. นี้

มีความพร้อมรับมือความเสี่ยงจากธุรกิจปิโตรเคมี

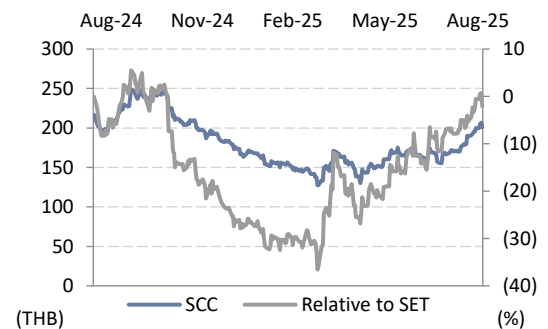
ในช่วง 21 วันแรกของเดือน ก.ค. ส่วนต่างผลิตภัณฑ์ปิโตรเคมีหลายชนิดขยับลงจาก 2Q25 จากระดับน้ำมันดิบโลกที่ปรับขึ้นต่อเนื่องจากปลาย มิ.ย. เราคาดว่าราคาน้ำมันจะอ่อนตัวในระยะถัดไปและต่อเนื่องถึงปี 2026 จากภาวะอุปทานส่วนเกิน ณ ระดับ Spread ปัจจุบันที่ USD360-380/ตัน (ต่ำกว่าระดับคุ้มทุนที่ประมาณ USD400/ตัน) เป็นความเสี่ยงที่บริษัทยอมรับได้ที่จะกลับมาเปิดโรงงาน LSP และจะประเมินอีกครั้งหลังผ่านไป 3 เดือน เราเห็นด้วยเพราะเป็นการใช้สินทรัพย์ที่มีความพร้อม ให้เกิดประโยชน์ในส่วนของการขยายระยะยาว การลงทุนเพิ่มเติมเพื่อรองรับการใช้ก๊าซอีเทน เดินหน้าตามแผน คาดแล้วเสร็จปี 2027 ทำให้ LSP แข่งขันได้และธุรกิจปิโตรเคมีกลับมาฟื้นตัวพอดี

กำไรที่ดีกว่าคาดใน 2Q25 นำไปสู่การปรับเพิ่มประมาณการ

จากผลประกอบการงวด 1H25 ที่ SCC มีรายได้จากการขายรวม 249,077 ล้านบาท (-1.8% y-y) EBITDA 29,654 ล้านบาท (+18.2% y-y) และกำไรปกติ 4,267 ล้านบาท (-12.4% y-y) ดีกว่าที่เราคาดจากเงินปันผลรับที่มากกว่าคาด แนวโน้มกำไร 3Q25 ลดลง q-q แต่โตจาก 3Q24 ที่ขาดทุนจากการดำเนินงาน 1,462 ล้านบาท เราปรับประมาณการกำไรปกติปี 2025 ขึ้น 11.7% เป็น 10,068 ล้านบาท +58.8% y-y และปรับกำไรสุทธิขึ้นเป็น 24,237 ล้านบาท สะท้อนรายการพิเศษใน 2Q25 ทั้งนี้ ยังไม่รวมกำไรจากการขาย CAP 10.7% นอกจากนี้ เราปรับเพิ่มกำไรปกติปี 2026-27 ขึ้น 3% และ 9% ตามลำดับ โดยหลักมาจากการปรับเพิ่ม Product spread

ปรับเพิ่มราคาเป้าหมาย Valuations ยังถูก

เราปรับราคาเป้าหมายขึ้นเป็น 220 บาทอิง SOTP โดยใช้ EV/EBITDA 7-13 เท่า (เพิ่ม Target EV/EBITDA ของ SCGC เป็น 7x จากเดิม 6x) เป้าดังกล่าวคิดเป็น Implied P/BV ปีนี้อยู่ที่ 0.7x แม้จะมีความท้าทายข้างหน้า แต่ SCC มีกลยุทธ์รับมือที่ชัดเจนและเหมาะสมสำหรับการเติบโตในระยะยาว ราคาหุ้นที่ปรับขึ้น 23% ในเวลาเพียง 1 เดือน สะท้อนผลประกอบการที่ดีใน 2Q25 และน่าจะเป็นไตรมาสที่ดีที่สุดของปีแล้ว เราเชื่อว่า SCC เป็นหนึ่งในทางเลือกที่ดีโดยเฉพาะนักลงทุนต่างชาติที่ลดสัดส่วนการถือครอง SCC มาตลอดกว่า 7 ปี จนเหลือต่ำสุด 9.1% ในช่วง 2 เดือนที่ผ่านมา เราเริ่มเห็นการถือครองหุ้นของต่างชาติขยับขึ้นเป็น 10% เป็นสัญญาณบวกหากต่างชาติเพิ่มน้ำหนักการลงทุนในไทย เราคงคำแนะนำซื้อ



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	19.6	25.6	(9.0)
Relative to country (%)	4.9	21.1	(3.3)
Mkt cap (USD m)	7,373		
3m avg. daily turnover (USD m)	24.4		
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



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Investment thesis

SCC's 1H25 results beat expectations, driven by strong dividend income and one-off gains. Management maintains clear strategies for long-term growth, including HVA expansion, cost control, and business restructuring.

The LSP plant is set to restart operations even though petrochemical spreads remain 5%-10% below breakeven levels, as utilising the asset is deemed more beneficial than keeping it idle. A long-term plan to shift toward ethane-based feedstock by 2027 is underway.

Earnings forecasts for 2025-27 have been revised up. Valuation remains undemanding at 0.7x P/BV, while foreign ownership is showing early signs of recovery. We maintain a BUY rating with a new TP of THB220.

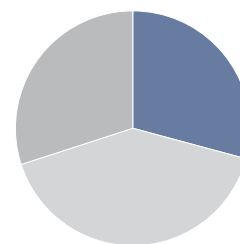
Company profile

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

Principal activities (revenue, 2024)

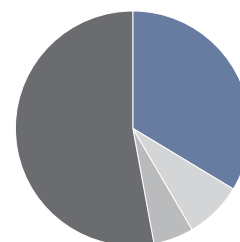
- Cement & green solutions - 29.2 %
- Chemicals - 40.8 %
- SCGP - 30.0 %



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
13 August 2025	Ex-dividend date
28 August 2025	Dividend payment date

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	370	390
PP-Naphtha spread (USD/ton)	324	340	360	380
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

Positive outlook despite external challenges

The tone of yesterday's analyst meeting was positive. Although 2H25 may pose challenges due to global exposure to U.S. trade tariffs, management remains focused on key strategies: expanding the High Value-Added (HVA) and green product portfolio, reducing costs, preserving cash flow, and continuing business restructuring efforts. In addition to the restructuring of CAP, the recycling business in Kosovo, and the gypsum and concrete operations in 2Q25, further restructuring activities are expected to continue into 2H25. Meanwhile, SCC plans to restart operations at its LSP plant in Vietnam by the end of August.

In the first 21 days of July, spreads of several petrochemical products declined from 2Q25 levels, due to the continued rise in global crude oil prices since late June. We expect oil prices to soften going forward and remain under pressure through 2026 due to oversupply.

At the current spread level of USD360–380/ton (below the estimated breakeven level of around USD400/ton), restarting the LSP plant carries some risk. However, it is a risk the company is willing to take. SCC plans to reassess the situation after three months. We agree with this approach, as it makes productive use of a ready asset. For the long term, the company would press on with its investment plan to accommodate ethane-based feedstock, which is expected to be completed by 2027. This should enhance LSP's competitiveness and coincide with a cyclical recovery in the petrochemical industry.

Earnings upgraded on stronger outlook and 2Q25 one-off

Based on SCC's 1H25 performance, the company reported total sales of THB249.1b (-1.8% y-y), EBITDA of THB29.7b (+18.2% y-y), and core profit of THB4.3b (-12.4% y-y), which came in above our expectations due to higher-than-expected dividend income.

While we estimate 3Q25 profit will decline q-q, it should improve significantly y-y from the operating loss of THB1.5b in 3Q24. We revise up our 2025 core profit forecast by 11.7% to THB10.1 (+58.8% y-y), and raise our net profit forecast to THB24.2b to reflect the one-time gains booked in 2Q25. This revision does not include potential gains from the sale of the remaining 10.7% stake in CAP.

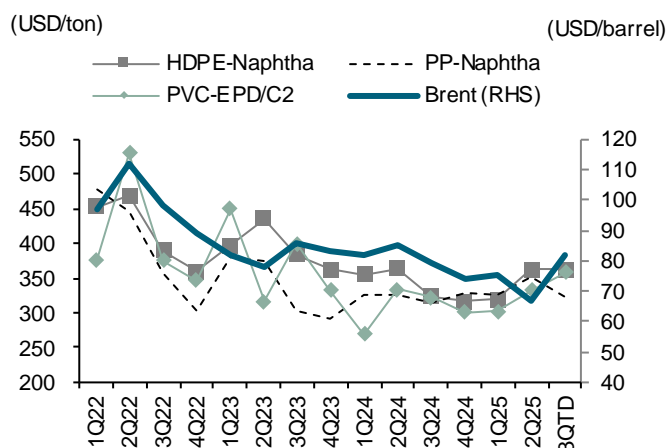
In addition, we revise up our 2026-27 core profit forecasts by 3% and 9%, respectively, primarily on the back of improved product spread assumptions.

Exhibit 1: Key changes in assumptions

	Current			Previous			Change		
	2025E	2026E	2027E	2025E	2026E	2027E	2025E (%)	2026E (%)	2027E (%)
Brent (USD/barrel)	70	68	68	70	68	68	0.0	0.0	0.0
HDPE-Naphtha spread (USD/ton)	358	370	390	358	360	370	0.0	2.8	5.4
PP-Naphtha spread (USD/ton)	340	360	380	350	353	363	(2.9)	2.0	4.7
Cement sales volume (m ton)	17	17	18	17	17	18	0.0	0.0	0.0
Avg. selling price (THB/ton)	2,155	2,250	2,300	2,155	2,250	2,300	0.0	0.0	0.0
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)	(%)
Total revenue	520,497	540,594	560,038	518,410	533,522	550,028	0.4	1.3	1.8
SG&A	72,870	72,169	74,205	69,726	71,225	73,979	4.5	1.3	0.3
EBITDA	49,777	53,796	58,251	47,960	50,958	52,535	3.8	5.6	10.9
Other income	16,978	15,137	16,801	12,442	14,939	15,401	36.5	1.3	9.1
Core profit	10,068	12,824	16,488	9,015	12,468	15,121	11.7	2.8	9.0
Extra items	14,169	0	0	0	0	0	nm	0.0	0.0
Net profit	24,237	12,824	16,488	9,015	12,468	15,121	168.9	2.8	9.0
Key ratios	(%)	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(ppt)
Gross margin	13.7	14.1	14.4	13.7	14.4	15.1	0.0	(0.3)	(0.7)
EBITDA margin	9.6	10.0	10.4	9.3	9.6	9.6	0.3	0.4	0.8
Core profit margin	1.9	2.4	2.9	1.7	2.3	2.7	0.2	0.0	0.2

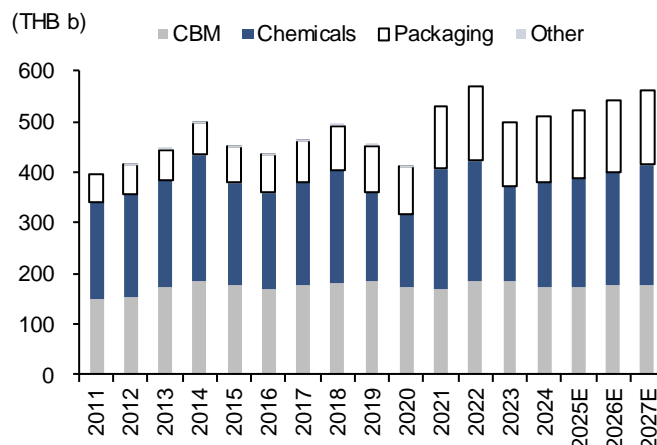
Sources: FSSIA estimates

Exhibit 2: Chemical product spreads



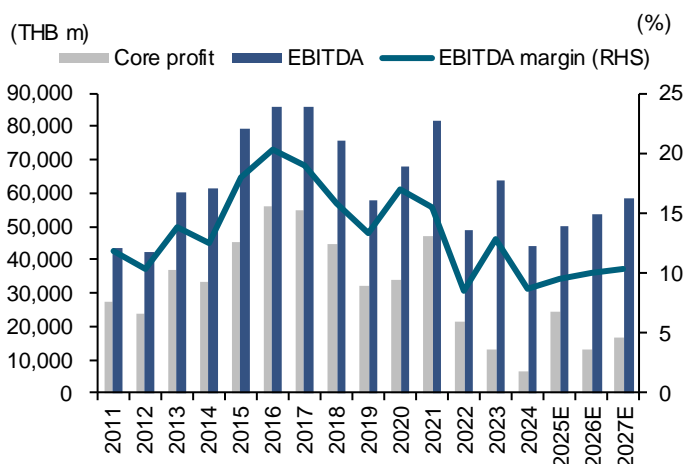
Note: Process are as of 21 July 2025
Sources: SCC, Bloomberg

Exhibit 3: Revenue structure



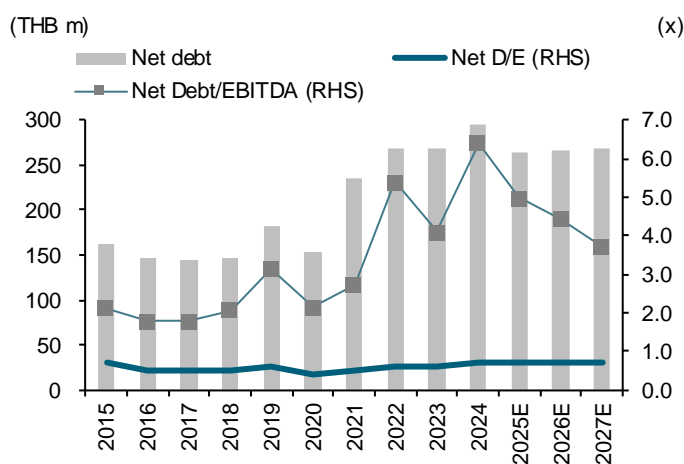
Sources: SCC, FSSIA estimates

Exhibit 4: EBITDA, EBITDA margin, and core profit



Sources: SCC, FSSIA estimates

Exhibit 5: Solid financial position



Sources: SCC, FSSIA estimates

Valuation remains attractive; BUY maintained

We raise our target price to THB220, based on the SOTP method using EV/EBITDA multiples of 7x-13x (with SCGC's target EV/EBITDA revised up to 7x from 6x). It implies a 2025 P/BV of just 0.7x.

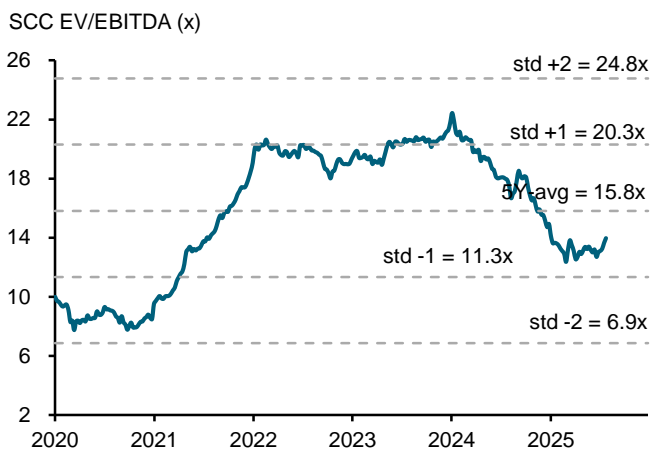
Despite upcoming challenges, SCC has clear and appropriate strategies in place to support long-term growth, backed by a strong financial position. The share price has already risen 23% in just one month, reflecting the strong 2Q25 performance, which is likely to be the best quarter of the year. However, we continue to view SCC as an attractive investment, especially for foreign investors. Over the past seven years, foreign ownership in SCC has steadily declined to a record low of 9.1% in the past two months. Recently, however, it has rebounded to 10%, which we see as a positive sign. If foreign investors begin to increase their exposure to Thai equities, SCC stands out as a prime candidate. We maintain our BUY rating.

Exhibit 6: Sum-of-the-parts valuation

SOTP valuation	2025E (THB m)	(THB/share)	Valuation basis
Cement & green solutions	94,415	79	13x 2025E EV/EBITDA
SCGC	56,419	47	7x 2025E EV/EBITDA
SCGD	21,180	18	10x 2025E EV/EBITDA
SCGP	174,489	145	13x 2025F EV/EBITDA
Distribution	45,508	38	13x 2025F EV/EBITDA
Total core	392,011	327	
Investment	207,771	173	1.5x 2025E P/BV
Gross SOTP	599,782	500	
Net debt	(269,246)	(224)	Net debt at end-2025E
Minority	(66,249)	(55)	
Net SOTP value	264,288	220	

Source: FSSIA estimates

Exhibit 7: One-year rolling forward EV/EBITDA band



Sources: Bloomberg, FSSIA estimates

Exhibit 8: One-year rolling forward P/BV band



Sources: Bloomberg, FSSIA estimates

Exhibit 9: Peer comparison as of 31 July 2025

Company	BBG	Rec	Share price			Market Cap	PE		ROE		PBV		EV/EBITDA	
			Current	Target	Upside		25E	26E	25E	26E	25E	26E	25E	26E
			(LCY)	(LCY)	(%)	(USD m)	(x)	(x)	(%)	(%)	(x)	(x)	(x)	(x)
Cement and Concrete														
Siam Cement	SCC TB	BUY	201.00	220.00	9	7,373	24.0	18.8	2.8	3.4	0.6	0.6	17.4	14.9
Siam City Cement	SCCC TB	n/a	150.50	n/a	n/a	1,369	11.0	10.3	11.0	12.4	1.3	1.2	6.6	6.8
PT Indocement Tunggal Prakarsa	INTP IJ	n/a	5,250.0	n/a	n/a	1,124	9.6	9.0	8.4	8.4	0.8	0.8	4.4	4.2
ACC	ACC IN	n/a	1,788.4	n/a	n/a	3,836	18.6	17.3	9.7	10.1	1.9	1.7	11.6	9.4
Ambuja Cements	ACEM IN	n/a	592.70	n/a	n/a	16,674	45.6	38.7	7.1	7.0	2.8	2.5	27.2	18.5
BBMG	2009 HK	n/a	0.81	n/a	n/a	2,095	75.2	75.2	n/a	n/a	n/a	n/a	20.1	19.1
Asia Cement	1102 TT	n/a	40.50	n/a	n/a	4,748	13.1	11.7	6.1	6.2	0.8	0.8	11.5	11.2
Tangshan Jidong Cement	000401 CH	n/a	4.86	n/a	n/a	1,791	24.9	14.5	0.7	2.0	0.5	0.4	6.5	6.1
Ultratech Cement	UTCEN IN	n/a	12,249.0	n/a	n/a	41,225	54.7	39.0	10.1	12.1	5.4	4.6	30.5	21.5
India Cement	ICEM IN	n/a	369.10	n/a	n/a	1,306	n/a	42.9	(9.0)	n/a	n/a	1.1	n/a	25.4
Asia Cement (China) Holdings	743 HK	n/a	2.62	n/a	n/a	535	8.8	7.9	2.6	2.8	0.2	0.2	n/a	n/a
Semen Indonesia (Persero)	SMGR IJ	n/a	2,460.0	n/a	n/a	1,019	18.6	14.7	2.1	2.5	0.4	0.4	4.8	4.6
Average						83,094	27.6	25.0	4.7	6.7	1.5	1.3	14.1	12.9

Sources: Bloomberg, *FSSIA estimates

Financial Statements

Siam Cement

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	499,646	511,172	520,497	540,594	560,038
Cost of goods sold	(426,199)	(444,356)	(448,968)	(464,636)	(479,180)
Gross profit	73,447	66,817	71,529	75,958	80,857
Other operating income	-	-	-	-	-
Operating costs	(68,299)	(69,644)	(72,870)	(72,169)	(74,205)
Operating EBITDA	34,888	28,764	32,798	38,660	41,450
Depreciation	(29,740)	(31,591)	(34,138)	(34,870)	(34,798)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	5,148	(2,827)	(1,340)	3,789	6,652
Net financing costs	(10,297)	(11,500)	(11,830)	(11,896)	(11,275)
Associates	8,419	6,530	8,091	8,359	8,416
Recurring non-operating income	24,697	22,031	25,069	23,496	25,217
Non-recurring items	12,608	0	14,169	0	0
Profit before tax	32,155	7,704	26,068	15,389	20,595
Tax	(8,045)	(3,882)	(2,475)	(1,758)	(2,436)
Profit after tax	24,110	3,822	23,593	13,632	18,159
Minority interests	1,805	2,520	644	(808)	(1,671)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	25,915	6,342	24,237	12,824	16,488
Non-recurring items & goodwill (net)	(12,608)	0	(14,169)	0	0
Recurring net profit	13,307	6,342	10,068	12,824	16,488
Per share (THB)					
Recurring EPS *	11.09	5.28	8.39	10.69	13.74
Reported EPS	21.60	5.28	20.20	10.69	13.74
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
Growth					
Revenue (%)	(12.3)	2.3	1.8	3.9	3.6
Operating EBITDA (%)	(3.0)	(17.6)	14.0	17.9	7.2
Operating EBIT (%)	(20.9)	nm	nm	nm	75.6
Recurring EPS (%)	(37.8)	(52.3)	58.8	27.4	28.6
Reported EPS (%)	21.2	(75.5)	282.2	(47.1)	28.6
Operating performance					
Gross margin inc. depreciation (%)	14.7	13.1	13.7	14.1	14.4
Gross margin exc. depreciation (%)	20.7	19.3	20.3	20.5	20.7
Operating EBITDA margin (%)	7.0	5.6	6.3	7.2	7.4
Operating EBIT margin (%)	1.0	(0.6)	(0.3)	0.7	1.2
Net margin (%)	2.7	1.2	1.9	2.4	2.9
Effective tax rate (%)	33.9	330.6	65.0	25.0	20.0
Dividend payout on recurring profit (%)	54.1	94.6	59.6	51.5	45.5
Interest cover (X)	2.9	1.7	2.0	2.3	2.8
Inventory days	75.4	68.1	63.2	62.2	66.3
Debtor days	53.0	50.7	50.5	51.2	53.7
Creditor days	55.0	52.1	50.7	49.0	48.1
Operating ROIC (%)	0.8	(0.5)	(0.2)	0.6	1.0
ROIC (%)	3.2	2.1	2.6	2.9	3.3
ROE (%)	3.6	1.8	2.8	3.4	4.3
ROA (%)	2.2	1.5	2.2	2.6	3.0

* 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	214,929	224,171	234,707
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	13,307	6,342	10,068	12,824	16,488
Depreciation	29,740	31,591	34,138	34,870	34,798
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)	1,240	(11,484)	(14,469)
Cash flow from operations	31,400	36,179	53,537	44,569	45,234
Capex - maintenance	0	0	(34,412)	(35,765)	(37,118)
Capex - new investment	(33,951)	(28,053)	(1,489)	(3,895)	(5,999)
Net acquisitions & disposals	9,108	4,440	0	0	0
Other investments (net)	35,475	16,734	15,487	(178)	(169)
Cash flow from investing	10,631	(6,879)	(20,414)	(39,838)	(43,286)
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)	(6,647)	(1,718)	2,544
Cash flow from financing	(46,586)	(36,185)	(5,646)	(4,716)	(853)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	(21,430)	(5,093)	0	0	0
Movement in cash	(25,985)	(11,978)	27,478	16	1,095
Free cash flow to firm (FCFF)	52,328.64	40,800.17	44,954.01	16,627.03	13,222.67
Free cash flow to equity (FCFE)	(17,895.71)	(1,810.32)	33,476.80	6,013.52	7,991.81
Per share (THB)					
FCFF per share	43.61	34.00	37.46	13.86	11.02
FCFE per share	(14.91)	(1.51)	27.90	5.01	6.66
Recurring cash flow per share	26.47	30.17	43.58	46.71	49.75
Balance Sheet (THB m) Year Ending Dec					
Tangible fixed assets (gross)	869,461	899,321	933,145	966,969	1,000,793
Less: Accumulated depreciation	(445,117)	(476,708)	(510,846)	(545,717)	(580,514)
Tangible fixed assets (net)	424,344	422,613	422,299	421,253	420,279
Intangible fixed assets (net)	0	0	0	0	0
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	140,239	138,514	138,514	138,514	138,514
Cash & equivalents	63,874	51,895	79,373	79,389	80,484
A/C receivable	70,559	71,539	72,580	79,067	85,787
Inventories	80,631	73,302	70,259	76,321	85,004
Other current assets	2,151	2,432	2,463	2,559	2,651
Current assets	217,214	199,167	224,675	237,335	253,927
Other assets	111,803	101,208	100,702	101,709	102,726
Total assets	893,601	861,503	886,189	898,811	915,446
Common equity	363,962	352,887	371,124	377,948	387,539
Minorities etc.	77,635	66,893	66,249	67,057	68,728
Total shareholders' equity	441,597	419,780	437,373	445,005	456,267
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
Long-term liabilities	249,759	224,401	230,214	235,042	239,887
A/C payable	59,691	58,094	57,248	58,131	58,891
Short term debt	115,322	152,183	154,183	153,183	152,683
Other current liabilities	27,232	7,044	7,172	7,449	7,717
Current liabilities	202,245	217,320	218,603	218,764	219,291
Total liabilities and shareholders' equity	893,601	861,502	886,190	898,811	915,446
Net working capital	66,417	82,134	80,881	92,365	106,834
Invested capital	742,804	744,470	742,396	753,841	768,353
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	303.30	294.07	309.27	314.96	322.95
Tangible book value per share	303.30	294.07	309.27	314.96	322.95
Financial strength					
Net debt/equity (%)	59.3	67.7	60.3	59.9	59.0
Net debt/total assets (%)	29.3	33.0	29.7	29.7	29.4
Current ratio (x)	1.1	0.9	1.0	1.1	1.2
CF interest cover (x)	2.6	3.3	4.0	1.8	2.2
Valuation					
Recurring P/E (x) *	18.1	38.0	24.0	18.8	14.6
Recurring P/E @ target price (x) *	19.8	41.6	26.2	20.6	16.0
Reported P/E (x)	9.3	38.0	10.0	18.8	14.6
Dividend yield (%)	3.0	2.5	2.5	2.7	3.1
Price/book (x)	0.7	0.7	0.6	0.6	0.6
Price/tangible book (x)	0.7	0.7	0.6	0.6	0.6
EV/EBITDA (x) **	16.6	20.6	17.4	14.9	14.0
EV/EBITDA @ target price (x) **	17.3	21.4	18.1	15.5	14.5
EV/invested capital (x)	0.8	0.8	0.8	0.8	0.8
* 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 10: 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.
★★★★★	>59-79	A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.
★★★	>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 11: 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 12: ESG score by Bloomberg

FY ending Dec 31	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
ESG financial materiality scores - ESG score	4.34	4.34	4.80	5.05	5.29	5.20	4.83	—
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	—
ESG disclosure score	70.60	71.07	71.92	73.93	78.29	78.29	78.46	—
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	—
Environmental								
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 13: 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	—
Social								
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
Governance								
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
Sustainability governance								
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 SETESG inclusion , 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. SETESG Index 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&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 Sustainalytics	The Sustainalytics' 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 & 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	
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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; >25 to 50 = satisfactory; >50 to 75 = good; and >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

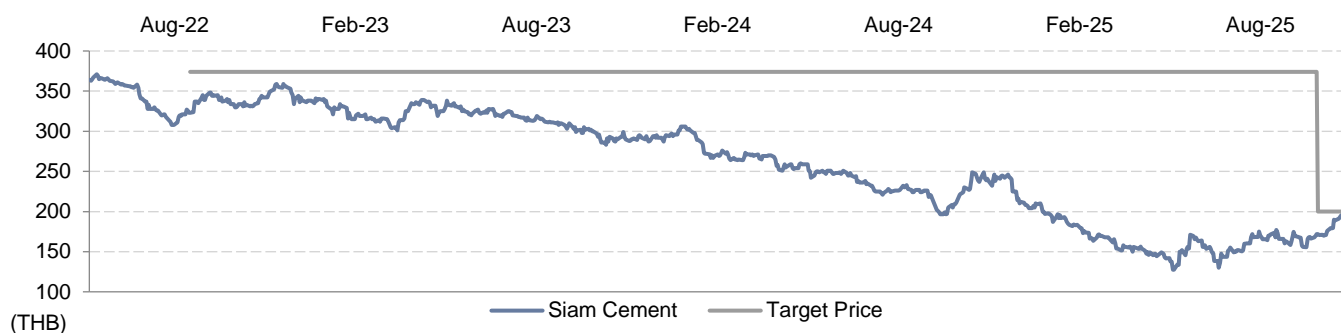
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

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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 201.00	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 31-Jul-2025 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / 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.