

SIAM CEMENT

SCC TB

THAILAND / CONSTRUCTION MATERIALS

HOLD

UNCHANGED

TARGET PRICE	THB220.00
CLOSE	THB199.00
UP/DOWNSIDE	+10.6%
PRIOR TP	THB220.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+5.6%

4Q25E trough amid weak spreads

- Earnings bottoming out after a prolonged petrochemical downcycle, with a gradual recovery expected from 2H26.
- Expect a core loss of THB2m in 4Q25 and a net loss of THB2.1b due to an impairment charge.
- Limited near-term upside, but improving supply dynamics underpin a defensive HOLD.

Weak spreads and impairment drive 4Q25 net loss

Petrochemical spreads in 4Q25 continued to weaken due to seasonal factors and soft demand. The HDPE–naphtha spread is expected to decline to USD307/tonne (-7.5% q-q), while the PP–naphtha spread is projected to drop to USD259/tonne (-13.1% q-q). Despite margin pressure, strong cost control and financial discipline should limit the core operating loss to a marginal THB1.8m, compared with core profit of THB773.9m in 3Q25. However, an investment impairment of THB1.8b related to the NocNoc business exit is expected to drive a net loss of THB2.1b in 4Q25.

Spreads weaken; cost discipline limits downside in 4Q25

Although petrochemical product spreads in 4Q25 have declined to levels below those seen when the LSP plant commenced operations in September 2025, and remain well below the company's breakeven level of USD400/tonne, SCC continues to operate the LSP plant at a utilization rate of 90%. We believe that LSP's losses in 4Q25 will narrow from 3Q25, as there are no start-up costs and no significant inventory losses as seen in the previous quarter. At the same time, operating efficiency has improved following a period of trial operations.

Earnings cut; recovery hinges on supply normalisation

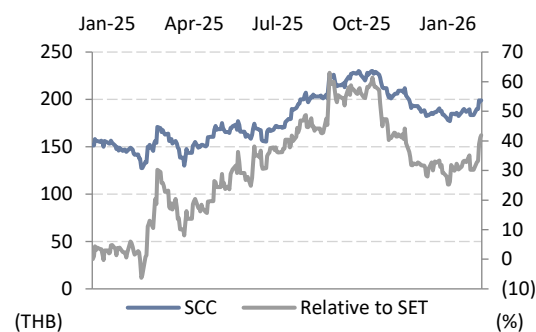
We have cut our 2025 core profit forecast to THB5.0b from THB10.1b due to weaker-than-expected 4Q25 spreads, implying a 20.5% y-y decline. Earnings are expected to improve in 2026 as oversupply eases, with new capacity slowing from ~20m tonnes in 2025 to ~14m tonnes in 2026. However, amid a slow global demand recovery, we have revised down our 2026–27 forecasts by 10.5% and 8.5%, respectively, while still expecting strong 2025 growth from a low base and cost reductions.

Low spreads persist, but financial strength supports dividends

We expect petrochemical product spreads to remain at low levels in 1H26 before gradually recovering in 2H26. Meanwhile, multiple business restructuring efforts, together with downsizing capex, debt reduction, and tight cost control, lead us to expect SCC to pay a DPS of THB5.00 in both 2025 and 2026, implying a dividend yield of around 3% p.a. We maintain our TP of THB220 (SOTP) and reiterate our HOLD rating, believing that the worst is behind. Given the company's strong balance sheet, it is well positioned to benefit when global conditions improve.

KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	511,172	496,208	511,091	535,343
Net profit	6,342	26,291	11,479	15,087
EPS (THB)	5.28	21.91	9.57	12.57
vs Consensus (%)	-	56.2	(0.8)	(4.1)
EBITDA	28,764	30,771	33,074	36,250
Recurring net profit	6,342	15,665	11,479	15,087
Core EPS (THB)	5.28	13.05	9.57	12.57
Chg. In EPS est. (%)	-	55.6	(10.5)	(8.5)
EPS growth (%)	(52.3)	147.0	(26.7)	31.4
Core P/E (x)	37.7	15.2	20.8	15.8
Dividend yield (%)	2.5	2.5	2.5	2.8
EV/EBITDA (x)	20.5	19.0	17.7	16.0
Price/book (x)	0.7	0.7	0.7	0.7
Net debt/Equity (%)	67.7	67.5	67.7	65.8
ROE (%)	1.8	4.4	3.2	4.2



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	11.8	(6.6)	29.2
Relative to country (%)	13.2	(2.1)	40.4
Mkt cap (USD m)	7,599		
3m avg. daily turnover (USD m)	18.7		
Free float (%)	66		
Major shareholder	H.M. King Maha Vajiralongkorn (34%)		
12m high/low (THB)	231.00/124.50		
Issued shares (m)	1,200.00		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

SCC is navigating a prolonged petrochemical downcycle, with product spreads remaining weak in the near term and only a gradual recovery expected from 2H26. Although 2025 earnings have been downgraded due to margin pressure, the worst of the downturn appears to have passed. Strong cost discipline, business restructuring, and balance sheet strengthening have helped contain losses and support stable dividends.

Oversupply is expected to ease in 2026, providing a foundation for earnings recovery despite a slow rebound in global demand. With limited near-term upside but improving fundamentals, the stock offers a defensive hold with dividend support.

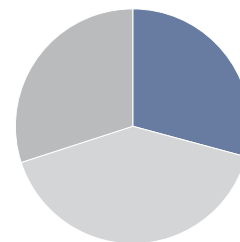
Company profile

SCC is 33% 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)

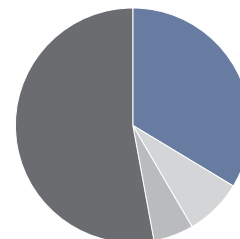
- Cement & green solutions - 29.2 %
- Chemicals - 40.8 %
- SCGP - 30.0 %



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. Upside risks include 1) petrochemical product spreads recover faster than expected; 2) feedstock naphtha costs continue to decline; 3) large-scale government infrastructure projects resume following the formation of a new government; and 4) packaging demand in ASEAN recovers faster than expected, while recovered paper costs decrease.

Event calendar

Date	Event
28 January 2026	4Q25/2025 earnings announcement

Key assumptions

	2025E	2026E	2027E
Polyethylene sales volume (m ton)	1.8	1.9	2.0
HDPE-Naphtha spread (USD/ton)	331	340	360
PP-Naphtha spread (USD/ton)	309	320	340
Cement sales volume (m ton)	16.9	17.2	17.7
Avg. cement selling price (THB/ton)	2,155	2,250	2,300
Brent (USD/barrel)	67	62	62
SG&A to sales (%)	14.1	13.8	13.7

Source: FSSIA estimates

Earnings sensitivity

- For every 1% change in average petrochemical spread, we project SCC's 2026 core profit to change by 2%, all else being equal.
- For every 1% change in cement ASP, we project SCC's 2026 core profit to change by 0.6%, all else being equal.
- For every 0.25% change in cost of funds, we project SCC's 2026 core profit to change by 2%, all else being equal.

Source: FSSIA estimates

Weak spreads offset by strong cost discipline

Petrochemical product spreads in 4Q25 continued to deteriorate from 3Q25, partly due to seasonal weakness and still-soft demand. Although naphtha, the key feedstock, declined 4.1% q-q, selling prices of HDPE and PP fell more sharply by 5–7% q-q, resulting in narrower spreads. We expect the HDPE–naphtha spread to decline 7.5% q-q to USD307/tonne, while the PP–naphtha spread to drop 13.1% q-q to USD259/tonne.

That said, SCC's key strength in 2025 has been its excellent cost control and strong financial discipline, leading us to expect only a marginal core operating loss of THB1.8m, compared with core profit of THB773.9m in 3Q25.

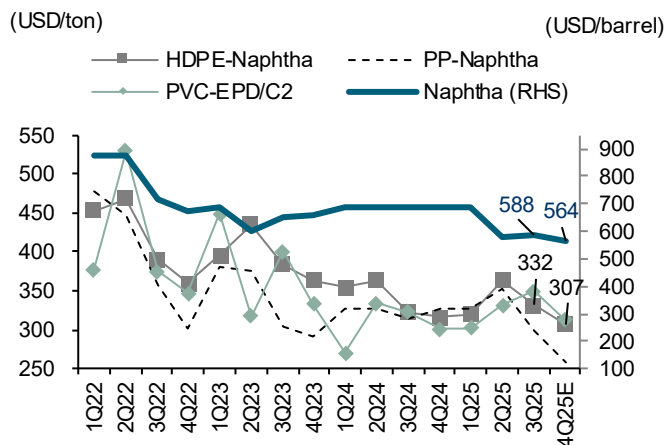
In addition, 4Q25 will include an investment impairment of THB1.8b related to the NocNoc business, as the company and its JV have decided to terminate the business following persistent losses. As a result, we expect a net loss of THB2.1b in 4Q25.

Exhibit 1: SCC – 4Q25 earnings preview

Year to Dec 31	4Q24	1Q25	2Q25	3Q25	4Q25E	----- Change -----		2024	2025E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Sales	130,512	124,392	124,684	121,793	125,338	2.9	(4.0)	511,172	496,208	(2.9)
Cost of sales	(115,743)	(106,098)	(105,468)	(106,504)	(111,111)	4.3	(4.0)	(444,356)	(429,181)	(3.4)
Gross profit	14,770	18,294	19,216	15,289	14,227	(6.9)	(3.7)	66,817	67,027	0.3
Dividend & other income	4,004	2,312	10,455	2,028	4,083	101.3	2.0	15,502	18,878	21.8
Operating costs	(17,691)	(17,147)	(20,047)	(16,421)	(16,103)	(1.9)	(9.0)	(69,644)	(69,717)	0.1
Operating profit	1,082	3,460	9,625	896	2,207	146.3	104.0	12,675	16,188	27.7
Operating EBITDA	15,178	12,889	17,431	14,191	12,324	(13.2)	(18.8)	53,946	56,835	5.4
Interest expense	(3,184)	(2,829)	(2,676)	(2,619)	(2,735)	4.4	(14.1)	(11,500)	(10,860)	(5.6)
Associates	1,188	1,427	15,032	1,181	1,165	(1.4)	(1.9)	6,530	18,806	188.0
Extraordinary items	(1,067)	(88)	14,257	(1,443)	(2,100)	<i>nm</i>	<i>nm</i>	(4,509)	10,626	<i>nm</i>
Minority interests	836	237	873	1,034	507	(50.9)	(39.3)	2,520	2,652	5.2
Reported net profit	(512)	1,099	17,337	(669)	(2,102)	<i>nm</i>	<i>nm</i>	6,342	15,665	147.0
Core profit	(1,579)	1,187	3,080	774	(2)	<i>nm</i>	<i>nm</i>	1,833	5,039	175.0
Reported EPS (THB)	(0.43)	0.92	14.45	(0.56)	(1.75)	<i>nm</i>	<i>nm</i>	5.28	13.05	147.0
Core EPS (THB)	(1.32)	0.99	2.57	0.64	(0.001)	<i>nm</i>	<i>nm</i>	1.53	4.20	175.0
Key Ratios	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)
Gross margin	11.3	14.7	15.4	12.6	11.4	(1.2)	0.0	13.1	13.5	0.4
Operating margin	(2.2)	0.9	(0.7)	(0.9)	(1.5)	(0.6)	0.7	2.5	3.3	0.8
EBITDA margin	11.6	10.4	14.0	11.7	9.8	(1.8)	(1.8)	10.6	11.5	0.9
Core profit margin	(0.4)	0.9	13.9	(0.5)	(1.7)	(1.1)	(1.3)	0.4	1.0	0.7
Net margin	(1.2)	1.0	2.5	0.6	(0.0)	(0.6)	1.2	1.2	3.2	1.9
SG&A / Sales	13.6	13.8	16.1	13.5	12.8	(0.6)	(0.7)	13.6	14.1	0.4
Revenue breakdown	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Cement & green solution	19,862	20,894	21,121	20,624	21,036	2.0	5.9	81,891	83,675	2.2
Smart living & distribution	32,904	34,651	34,056	31,895	32,214	1.0	(2.1)	101,763	132,816	30.5
SCGD	5,978	5,960	5,770	5,638	5,706	1.2	(4.6)	18,779	23,074	22.9
SCGC	58,982	50,177	51,088	51,169	51,988	1.6	(11.9)	210,298	204,422	(2.8)
SCGP	31,231	32,209	31,557	30,438	31,180	2.4	(0.2)	132,784	125,384	(5.6)
Key assumptions						(q-q %)	(y-y %)			(y-y %)
Brent (USD/bbl)	74	79	67	68	63	(7.4)	(14.9)	80	69	(13.4)
Naphtha (USD/ton)	652	658	576	588	564	(4.1)	(13.5)	675	597	(11.6)
HDPE-Naphtha (USD/ton)	316	320	363	332	307	(7.5)	(2.8)	340	331	(2.7)
PP-Naphtha (USD/ton)	328	326	353	298	259	(13.1)	(21.0)	324	309	(4.6)

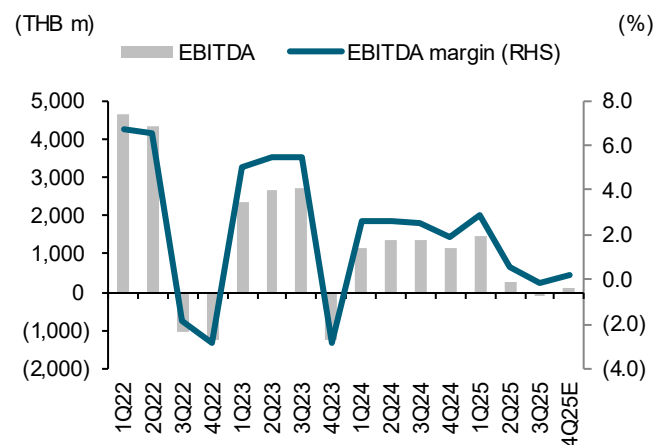
Sources: SCC, FSSIA's compilation

Exhibit 2: Petrochemical product spreads



Sources: SCC, FSSIA's compilation

Exhibit 3: EBITDA and EBITDA margin



Sources: SCC, FSSIA's compilation

Earnings cut; recovery hinges on supply normalisation

Due to weaker-than-expected product spreads in 4Q25, we have revised down our full-year 2025 core profit forecast to THB5.0b from THB10.1b, representing a 20.5% decline from 2024.

We expect earnings to improve in 2026 as oversupply conditions ease, following an estimated 20m tonnes of new capacity added in 2025, with new supply should slow to around 14m tonnes in 2026. However, given the slow recovery in global demand, we have cut our 2026–27 core profit forecasts by 10.5% and 8.5%, respectively.

We continue to expect strong core profit growth of 127.8% y-y in 2025, driven by a low base effect and lower costs following multiple business restructuring efforts in 2025.

Exhibit 4: Key changes in assumptions

	Current			Previous			Change		
	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E
Brent (USD/barrel)	67	62	62	70	68	68	(4.3)	(8.8)	(8.8)
HDPE-Naphtha spread (USD/ton)	331	340	360	358	370	390	(7.7)	(8.1)	(7.7)
PP-Naphtha spread (USD/ton)	309	320	340	340	360	380	(9.1)	(11.1)	(10.5)
Cement sales volume (m ton)	17	17	18	17	17	18	(0.4)	(0.4)	(0.4)
Cement - ASP (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	496,208	511,091	535,343	520,497	540,594	560,038	(4.7)	(5.5)	(4.4)
SG&A	69,717	70,684	73,503	72,870	72,169	74,205	(4.3)	(2.1)	(0.9)
EBITDA	49,650	50,962	54,987	49,777	53,796	58,251	(0.3)	(5.3)	(5.6)
Other income	18,878	17,888	18,737	16,978	15,137	16,801	11.2	18.2	11.5
Core profit	5,039	11,479	15,087	10,068	12,824	16,488	(49.9)	(10.5)	(8.5)
Extra items	10,626	0	0	14,169	0	0	nm	0.0	0.0
Net profit	15,665	11,479	15,087	24,237	12,824	16,488	(35.4)	(10.5)	(8.5)
Key ratios	(%)	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(ppt)
Gross margin	13.5	13.6	14.0	13.7	14.1	14.4	(0.2)	(0.4)	(0.5)
EBITDA margin	10.0	10.0	10.3	9.6	10.0	10.4	0.4	0.0	(0.1)
Core profit margin	3.2	2.2	2.8	1.9	2.4	2.9	1.2	(0.1)	(0.1)

Source: FSSIA estimates

We expect petrochemical product spreads to remain at low levels in 1H26 before gradually recovering in 2H26. Meanwhile, multiple business restructuring efforts, together with downsizing capital expenditure, debt reduction, and tight cost control, lead us to expect SCC to pay a dividend of THB5.00 per share in both 2025 and 2026, implying a dividend yield of around 3% per annum.

We maintain our TP of THB220 (SOTP) and reiterate our HOLD rating, believing that the worst is behind. While the recovery is likely to be gradual due to a slow rebound in global demand, the company's strong balance sheet positions it well to benefit when global conditions improve.

Exhibit 5: SOTP valuation

	2026E	Valuation basis	
	(THB m)	(THB/share)	
Cement & green solutions	94,298	79	13x 2026E EV/EBITDA
SCGC	65,039	54	7x 2026E EV/EBITDA
SCGD	21,180	18	10x 2026E EV/EBITDA
SCGP	162,920	136	13x 2026E EV/EBITDA
Distribution	42,385	35	13x 2026E EV/EBITDA
Total core	385,822	322	
Investment (P/B)	207,771	173	1.5x 2026E P/BV
Gross SOTP	593,593	495	
Net debt	(268,358)	(224)	Net debt at end-2026E
Minority	(61,850)	(52)	
Net SOTP value	263,385	220	

Source: FSSIA estimates

Financial Statements

Siam Cement

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	499,646	511,172	496,208	511,091	535,343
Cost of goods sold	(426,199)	(444,356)	(429,181)	(441,500)	(460,463)
Gross profit	73,447	66,817	67,027	69,591	74,880
Other operating income	-	-	-	-	-
Operating costs	(68,299)	(69,644)	(69,717)	(70,684)	(73,503)
Operating EBITDA	34,888	28,764	30,771	33,074	36,250
Depreciation	(29,740)	(31,591)	(33,462)	(34,167)	(34,872)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	5,148	(2,827)	(2,690)	(1,093)	1,378
Net financing costs	(10,297)	(11,500)	(10,860)	(11,538)	(11,640)
Associates	8,419	6,530	16,740	6,459	6,716
Recurring non-operating income	24,697	22,031	35,618	24,348	25,453
Non-recurring items	12,608	0	10,626	0	0
Profit before tax	32,155	7,704	32,695	11,716	15,191
Tax	(8,045)	(3,882)	(9,055)	(2,628)	(2,627)
Profit after tax	24,110	3,822	23,640	9,088	12,564
Minority interests	1,805	2,520	2,652	2,391	2,523
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	25,915	6,342	26,291	11,479	15,087
Non-recurring items & goodwill (net)	(12,608)	0	(10,626)	0	0
Recurring net profit	13,307	6,342	15,665	11,479	15,087
Per share (THB)					
Recurring EPS *	11.09	5.28	13.05	9.57	12.57
Reported EPS	21.60	5.28	21.91	9.57	12.57
DPS	6.00	5.00	5.00	5.00	5.50
Diluted shares (used to calculate per share data)	1,200	1,200	1,200	1,200	1,200
Growth					
Revenue (%)	(12.3)	2.3	(2.9)	3.0	4.7
Operating EBITDA (%)	(3.0)	(17.6)	7.0	7.5	9.6
Operating EBIT (%)	(20.9)	nm	nm	nm	nm
Recurring EPS (%)	(37.8)	(52.3)	147.0	(26.7)	31.4
Reported EPS (%)	21.2	(75.5)	314.6	(56.3)	31.4
Operating performance					
Gross margin inc. depreciation (%)	14.7	13.1	13.5	13.6	14.0
Gross margin exc. depreciation (%)	20.7	19.3	20.3	20.3	20.5
Operating EBITDA margin (%)	7.0	5.6	6.2	6.5	6.8
Operating EBIT margin (%)	1.0	(0.6)	(0.5)	(0.2)	0.3
Net margin (%)	2.7	1.2	3.2	2.2	2.8
Effective tax rate (%)	33.9	330.6	65.0	50.0	31.0
Dividend payout on recurring profit (%)	54.1	94.6	38.3	52.3	43.7
Interest cover (X)	2.9	1.7	3.0	2.0	2.3
Inventory days	75.4	68.1	65.7	64.4	67.9
Debtor days	53.0	50.7	52.6	51.1	48.8
Creditor days	55.0	52.1	54.5	54.1	52.7
Operating ROIC (%)	0.8	(0.5)	(0.4)	(0.2)	0.2
ROIC (%)	3.2	2.1	3.6	2.5	2.9
ROE (%)	3.6	1.8	4.4	3.2	4.2
ROA (%)	2.2	1.5	2.5	2.1	2.5
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Cement & green solutions	155,692	149,196	37,430	38,560	40,484
Chemicals	190,272	208,669	203,422	206,473	217,829
SCGP	153,682	153,307	126,109	131,899	139,057
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	15,665	11,479	15,087
Depreciation	29,740	31,591	33,462	34,167	34,872
Associates & minorities	8,419	6,530	16,740	6,459	6,716
Other non-cash items	(19,699)	(8,260)	(44,320)	3,879	3,918
Change in working capital	(367)	(23)	6,868	(4,570)	(7,353)
Cash flow from operations	31,400	36,179	28,415	51,415	53,240
Capex - maintenance	0	0	(10,000)	(35,499)	(36,708)
Capex - new investment	(33,951)	(28,053)	(6,252)	(6,944)	(7,177)
Net acquisitions & disposals	9,108	4,440	0	0	0
Other investments (net)	35,475	16,734	6,438	(6,171)	548
Cash flow from investing	10,631	(6,879)	(9,814)	(48,614)	(43,337)
Dividends paid	(8,089)	(10,168)	(6,000)	(6,000)	(6,000)
Equity finance	0	0	0	0	0
Debt finance	(27,812)	6,660	(10,000)	3,000	3,500
Other financing cash flows	(10,685)	(32,677)	-	-	-
Cash flow from financing	(46,586)	(36,185)	(16,000)	(3,000)	(2,500)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	(21,430)	(5,093)	(9,298)	0	0
Movement in cash	(25,985)	(11,978)	(6,696)	(199)	7,403
Free cash flow to firm (FCFF)	52,328.64	40,800.17	29,461.20	14,338.80	21,543.37
Free cash flow to equity (FCFE)	(17,895.71)	(1,810.32)	(696.34)	5,800.65	13,403.10

Per share (THB)

FCFF per share	43.61	34.00	24.55	11.95	17.95
FCFE per share	(14.91)	(1.51)	(0.58)	4.83	11.17
Recurring cash flow per share	26.47	30.17	17.96	46.65	50.49

Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	869,461	899,321	928,545	958,269	988,993
Less: Accumulated depreciation	(445,117)	(476,708)	(510,169)	(544,337)	(579,209)
Tangible fixed assets (net)	424,344	422,613	418,376	413,933	409,785
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	45,199	45,000	52,404
A/C receivable	70,559	71,539	71,539	71,539	71,539
Inventories	80,631	73,302	69,190	74,569	83,741
Other current assets	2,151	2,432	2,360	2,418	2,534
Current assets	217,214	199,167	188,289	193,526	210,217
Other assets	111,803	101,208	106,208	113,208	113,508
Total assets	893,601	861,503	851,387	859,181	872,024
Common equity	363,962	352,887	351,927	357,406	366,496
Minorities etc.	77,635	66,893	64,241	61,850	59,327
Total shareholders' equity	441,597	419,780	416,168	419,256	425,822
Long term debt	210,506	183,786	177,786	181,786	185,786
Other long-term liabilities	39,253	40,616	41,428	42,257	43,102
Long-term liabilities	249,759	224,401	219,214	224,042	228,887
A/C payable	59,691	58,094	60,031	60,677	62,231
Short term debt	115,322	152,183	148,183	147,183	146,683
Other current liabilities	27,232	7,044	7,792	8,026	8,407
Current liabilities	202,245	217,320	216,006	215,886	217,320
Total liabilities and shareholders' equity	893,601	861,502	851,388	859,184	872,030
Net working capital	66,417	82,134	75,266	79,823	87,176
Invested capital	742,804	744,470	738,364	745,478	748,983

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

Per share (THB)

Book value per share	303.30	294.07	293.27	297.84	305.41
Tangible book value per share	303.30	294.07	293.27	297.84	305.41

Financial strength

Net debt/equity (%)	59.3	67.7	67.5	67.7	65.8
Net debt/total assets (%)	29.3	33.0	33.0	33.1	32.1
Current ratio (x)	1.1	0.9	0.9	0.9	1.0
CF interest cover (x)	2.6	3.3	1.5	2.1	2.8

Valuation	2023	2024	2025E	2026E	2027E
Recurring P/E (x) *	17.9	37.7	15.2	20.8	15.8
Recurring P/E @ target price (x) *	19.8	41.6	16.9	23.0	17.5
Reported P/E (x)	9.2	37.7	9.1	20.8	15.8
Dividend yield (%)	3.0	2.5	2.5	2.5	2.8
Price/book (x)	0.7	0.7	0.7	0.7	0.7
Price/tangible book (x)	0.7	0.7	0.7	0.7	0.7
EV/EBITDA (x) **	16.6	20.5	19.0	17.7	16.0
EV/EBITDA @ target price (x) **	17.3	21.4	19.8	18.4	16.6
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 1: 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 2: 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 3: 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 4: 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 border="1" data-bbox="877 1137 1500 1198"> <thead> <tr> <th>NEGL</th> <th>Low</th> <th>Medium</th> <th>High</th> <th>Severe</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>10-20</td> <td>20-30</td> <td>30-40</td> <td>40+</td> </tr> </tbody> </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 border="1" data-bbox="239 1388 1500 1601"> <tbody> <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> </tbody> </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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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) "**SETESG**". 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

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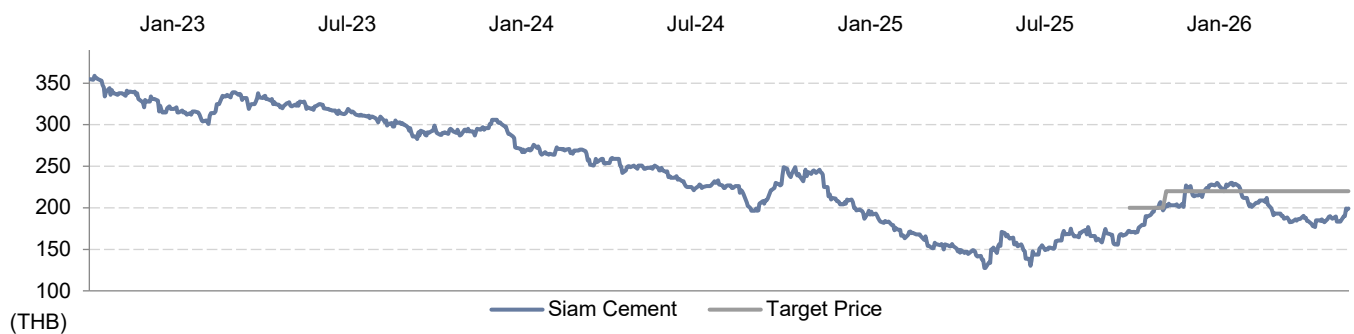
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History of change in investment rating and/or target price

Siam Cement (SCC TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
02-Jul-2025	BUY	200.00	01-Aug-2025	BUY	220.00	08-Oct-2025	HOLD	220.00

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 199.00	HOLD	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. Upside risks include 1) petrochemical product spreads recover faster than expected; 2) feedstock naphtha costs continue to decline; 3) large-scale government infrastructure projects resume following the formation of a new government; and 4) packaging demand in ASEAN recovers faster than expected, while recovered paper costs decrease.

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-Jan-2026 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.