

Company Update

Monday, June 16, 2025



I V Global Securities Public Company Limited

Siam Cement Plc (SCC)

Rating: HOLD

Fair price: Bt197.8

Close price: Bt169.5

Company Information

Ticker:	SCC TB
Sector:	Construction
Shares outstanding (m):	1,200.00
Market capitalization (Btm):	203,400.00
Trading vol/day (Btm):	647.44
Free float (%):	66.34
Beta:	1.07

Major Shareholders

HM King Maha Vajiralongkorn	33.64%
Thai NVDR	7.29%

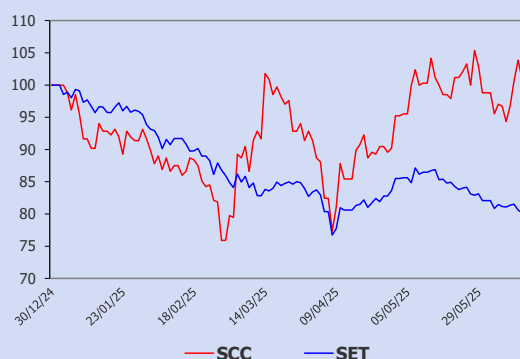
Consensus Bloomberg

2025 EPS (Bt):	6.59
Target price (Bt):	165.45

Price Performance

52 Wk high/low:	255.00 / 124.50
-----------------	-----------------

	1M	3M	1Y	YTD
Absolute (%)	-3.1	10.1	-25.0	0.9
Relative (%)	4.4	13.3	-10.6	20.7



Rating	CGR	Thai CAC	SET ESG
SCC		Certified	AAA

Analyst

Rattana Leenutaphong
rattanal@ivglobal.co.th
Tel: 662-658-5787

Plans to reduce exposure to CAP

- **Event:** Last week, SCC reported that the company's wholly owned subsidiary, SCG Chemicals Pcl, will reclassify investments in Indonesian-based PT Chandra Asri Pacific Tbk (CAP) as other investments, changing from investments in an associated company. Chandra Asri Group is Indonesia's leading chemicals company, operating the country's largest integrated petrochemical complex. CAP is a listed company on the Indonesian Stock Exchange (IDX) where SCGC currently holds a 30.57% equity stake. SCGC plans to divest a 10.57% stake and its involvement in CAP's management. The transaction is still under consideration. No divestment value or timeframe has been released.
- **Rationale.** The divestment in CAP is aligned with the group's strategy to deleverage and reallocate capital toward future business. As of end-2024, SCC's investment value in CAP amounted to Bt32.95bn in equity value and Bt28.8bn based on the cost method. The company also booked dividend income of Bt303m in 2025.
- **Financial impact.** From 2Q25, investments in CAP, which were booked under associates, will be reclassified into two categories, i.e., a 20% holding under other investments and the remaining 10% under investments for sale. The company is currently in discussions with potential buyers. We estimate the transaction to be finalized over a one-year period. The capital gain on the 10.57% stake divestment in CAP will be booked under P&L. Meanwhile, the investment in the remaining 20% equity stake will be recalculated based on the fair value, with the gain on remeasurement of investment to be booked under the OCI (Other Comprehensive Income) account.
- SCC will no longer book a share of equity loss on investment in CAP from 2Q25 following its removal from involvement in management. The participation in the board of directors is also reduced from three to one person, which allows it to reclassify the investment account.

US\$m	2021	2022	2023	2024	1Q25
Revenues	2,580.4	2,384.6	2,159.9	1,785.4	622.1
Profit (Loss)	151.9	-149.5	-33.6	-69.2	-25.6

- **Maintain HOLD.** It may take some time for the final discussions on the CAP stake sale. We prefer to maintain our earnings estimates and HOLD rating on the stock with a price target of Bt197.8, based on 0.7x end-2025F book. The uncertainties from the trade war between the US and China, in particular, have led to a global trade slowdown and rising market competition from a potential influx of Chinese exports to Asean. The loss from LSP's operational suspension will also continue to depress overall operating profits.

Investment summary

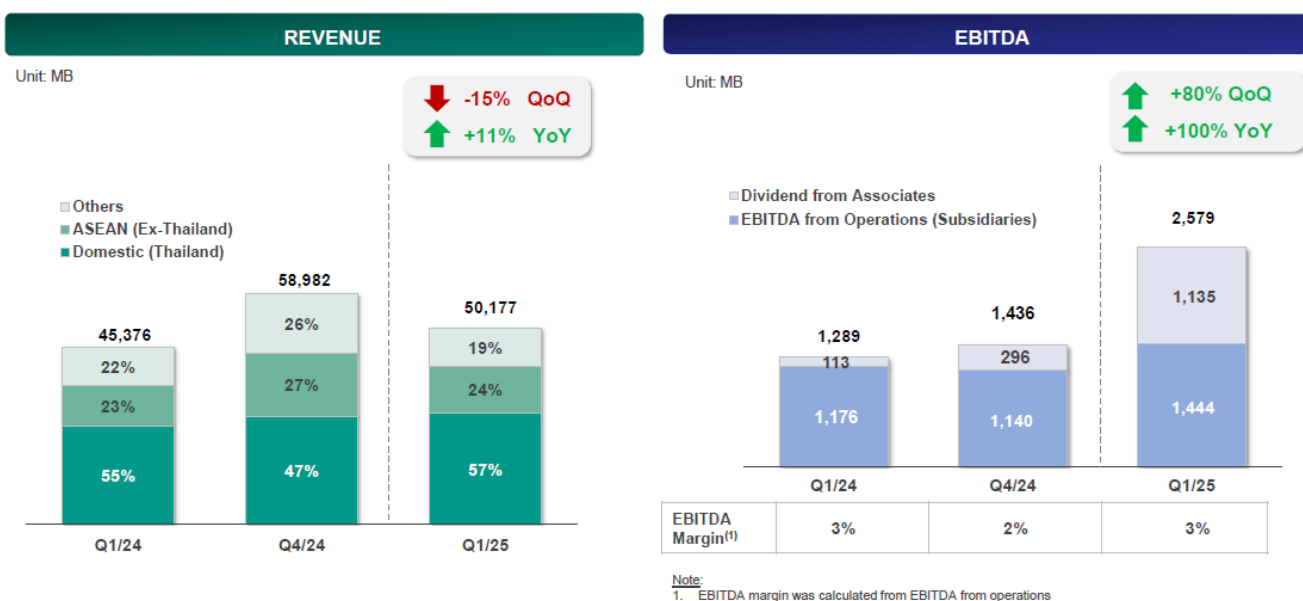
FY Dec 31	2022	2023	2024	2025F	2026F	2027F
Sales (Btm)	569,609	499,646	511,172	521,077	538,178	559,722
Change (%)	7.5	-12.3	2.3	1.9	3.3	4.0
Net profit (Btm)	21,382	25,915	6,342	6,416	8,304	11,392
Change (%)	-54.7	21.2	-75.5	1.2	29.4	37.2
Core profit	23,270	13,307	6,342	6,416	8,304	11,392
Change (%)	-50.2	-42.8	-52.3	1.2	29.4	37.2
EPS (Bt)	17.82	21.60	5.28	5.35	6.92	9.49
Change (%)	-54.7	21.2	-75.5	1.2	29.4	37.2
P/E (x)	9.5	7.8	32.1	31.7	24.5	17.9
EV/EBITDA (x)	7.7	8.8	9.3	9.4	8.1	7.5
DPS (Bt)	8.00	6.00	5.00	5.00	5.00	5.22
Yield (%)	4.7	3.5	2.9	2.9	2.9	3.1
BVPS (Bt)	311.88	303.30	294.07	282.59	284.51	289.01
P/BV (x)	0.5	0.6	0.6	0.6	0.6	0.6
ROE (%)	5.8	7.0	1.8	1.9	2.4	3.3
ROA (%)	2.4	2.9	0.7	0.8	1.0	1.4
Net D/E ratio (%)	60.6	62.0	70.6	75.4	71.5	68.6

Source: Company and IVG estimates

The opinions and information contained herein are based upon sources believed to be reliable, but their accuracy, completeness or correctness are not guaranteed. This information is not to be construed as an offer, invitation or solicitation to buy or sell the securities covered herein by this report. I V Global Securities Plc ("IVG") accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or its content.

SCGC Financials (1 of 2)

Revenue decreased q-o-q mainly from lower PE/PP sales volume, particularly in Vietnam (LSP).
EBITDA from operations improved q-o-q mainly from better gaps and more PVC sales.



SCGC Financials (2 of 2)

Net profit (non-LSP basis) was almost positive at -29 MB, despite the trough margins and global uncertainty.
This is attributed to PVC performance, cracker optimization, efficiency enhancement, cost management, and HVA portfolio.

Unit: MB

	Q1/24	Q4/24	Q1/25	QoQ	YoY
Net Profit: Non-LSP basis	749	-137	-29	+79%	N/A
Net Profit: Reported (incl. LSP)	-1,866	-3,403	-2,948	+13%	-58%
- Subsidiaries	-2,324	-3,528	-3,092	+12%	-33%
- Equity income	458	125	144	+15%	-69%
- Inventory gain (loss)	959	1,067	-88		
- LSP performance	-2,616	-3,266	-2,920		

LSP milestone

- Oct/24 - full depreciation load from Oct/24 following COD on Sep 30, then commercial shutdown since mid-Oct/24
- Apr/24 - Shutdown for inspection improvement
- Jun/23 - Started downstream with partial depreciation (downstream part)



Company Update

Monday, June 16, 2025



I V Global Securities Public Company Limited

Results

(Btm)	1Q25	1Q24	% YoY	4Q24	% QoQ	2024	2023	% YoY
Sales	124,392	124,266	0.1	130,513	(4.7)	511,172	499,646	2.3
Gross profit	18,294	18,615	(1.7)	14,770	23.9	66,817	73,447	(9.0)
EBITDA inc dividends	12,889	12,623	2.1	15,178	(15.1)	49,406	54,143	(8.7)
Associate income	1,427	1,787	(20.1)	1,188	20.2	6,530	8,419	(22.4)
Net profit	1,099	2,425	(54.7)	(512)	(314.6)	6,342	25,915	(75.5)
EPS (Bt)	0.92	2.02	(54.7)	(0.43)	(314.6)	5.28	21.60	(75.5)

Source: Company and IVG estimates

Financial ratios

%	1Q24	2Q24	3Q24	4Q24	1Q25
Sales growth YoY	(3.5)	2.9	2.0	8.2	0.1
Sales growth QoQ	3.0	3.2	0.0	1.8	(4.7)
Gross margin	15.0	14.8	11.3	11.3	14.7
EBITDA margin	10.1	9.8	7.4	7.4	9.4
Net margin	2.0	2.9	0.6	(0.4)	0.9
Net D/E ratio	0.6	0.6	0.8	0.71	0.70
Net profit growth YoY	(85.3)	(54.1)	(70.5)	(54.9)	(54.7)
Net profit growth QoQ	313.7	52.9	(80.5)	(171.0)	(314.6)

Source: Company and IVG estimates

Quarterly performance

(Btm)	1Q24	2Q24	3Q24	4Q24	1Q25
Sales	124,266	128,195	128,199	130,513	124,392
Gross profit	18,615	18,980	14,452	14,770	18,294
EBITDA inc. dividend	12,623	16,266	9,879	10,639	12,889
Associate income	1,787	2,295	1,261	1,188	1,427
Net profit	2,425	3,708	721	(512)	1,099
EPS (Bt)	2.02	3.09	0.60	(0.43)	0.92

Source: Company and IVG estimates

Financial ratios

%	2021	2022	2023	2024
Sales growth YoY	32.5	7.5	(12.3)	2.3
Sales growth QoQ	0.0	0.0	0.0	0.0
Gross margin	20.6	13.7	14.7	13.1
EBITDA margin	15.4	8.5	9.2	8.7
Net margin	8.9	3.8	5.2	1.2
Net D/E ratio	52.3	60.6	62.0	70.6
Net profit growth YoY	38.2	(54.7)	21.2	(75.5)

Source: Company and IVG estimates

SCC

E: Environmental

Climate change has brought about environmental crises and impacted business and industry. SCC remains firmly committed to its 2050 Net Zero emission goal by prioritizing clean energy sourcing to substitute fossil fuels, develop energy efficiency technology, and reduce GHG emissions while implementing a climate resilience strategy by joining the Science Based Target Initiative (SBTi) to ensure it meets the target on the principle of public-private sector collaboration for monitoring and evaluation of possible risks.

S: Social

SCC continues with its social development projects, focusing on the economy, education, and health, with the goal of nurturing a more inclusive society. The aim is to create communities where people thrive in safety, experience secure livelihoods, achieve self-sufficiency, and become role models for replication in other regions. Embedded in these projects are efforts to cultivate a shared awareness of coexistence with the environment and a transition to a decarbonized society.

G: Governance

SCC has committed to its long-standing business philosophy and believes that organizational management with responsibility, fairness, and transparency according to the principles of corporate governance constitutes the foundation of the creation of long-term returns and value, promotes competitiveness and growth, and fosters confidence among all stakeholders, with the Board of Directors serving as governance champions

Comment

SCC has been awarded a SET ESG rating of AAA, indicating a strong commitment to environmental, social, and governance (ESG) practices and clear long-term objectives in this regard. Furthermore, the company demonstrates the ability to execute short-term goals effectively.

Source: Company and IVG estimates

I V Global Investment Research – Recommendation Definitions

Sector Recommendations

OVERWEIGHT: The industry, as defined by the analyst's coverage universe, is expected to outperform the relevant primary market index by at least 10% over the next 12 months.

NEUTRAL: The industry, as defined by the analyst's coverage universe, is expected to perform in line with the relevant primary market index over the next 12 months.

UNDERWEIGHT: The industry, as defined by the analyst's coverage universe, is expected to underperform the relevant primary market index by 10% over the next 12 months.

Stock Recommendations

BUY: Expecting positive total returns of 15% or more over the next 12 months.

HOLD: Expecting total returns of not more than -10% to +10% over the next 3 months.

SELL: Expecting negative total returns of 15% or more over the next 12 months

Anti-corruption Progress Indicator Definitions

Level 5 Extended	Extension of the anti-corruption policy to business partners in the supply chain, and disclosure of any current investigations, prosecutions or closed cases
Level 4 Certified	Audit engagement by audit committee or auditors approved by the office of SEC, and receiving certification or assurance by independent external assurance providers (CAC etc.)
Level 3 Established	Carrying out preventive measures, risk assessment, communication and training for all employees, including consistent monitoring and review processes. (3A: Established by Declaration of Intent, 3B: Established by Internal Commitment and Policy)
Level 2 Declared	Public declaration statement to participate in Thailand's private sector Collective Action Coalition Against Corruption (CAC) or equivalent initiatives
Level 1 Committed	Organization's statement or board's resolution to work against corruption and to be in compliance with all relevant laws
Partially progress	Insufficient or not clearly defined policy
No progress	Data not available / no policy

Corporate Governance Report (CGR)

	Excellent
	Very good
	Good

Disclaimers

The disclosure of the survey result of corporate governance, which is surveyed by the Thai Institute of Directors Association ("IOD"), and the Anti-Corruption Progress Indicators, which is assessed by Thaipat Institute, are the disclosure of the survey or assessment result based on the information received from the listed company that was stipulated in the form for Annual Corporate Governance Report of Thai Listed Companies (CGR) and the form for the assessment of Anti-corruption that refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2) or other relevant documents or reports of such listed company (as the case may be). The survey or assessment result is based on the information of the listed company, which is disclosed to the public and can be accessed by all investors and is made in order to comply with the policy of the Office of the Stock Exchange of Thailand.

Nevertheless, the survey or assessment result is made from the perspective of the IOD or Thaipat Institute that are the third party only. It is not an assessment of operation of the listed company and is not based on any inside information."

Since this survey or assessment result is only the survey or assessment result as of the date appearing in the survey or assessment result only, it may be changed after that date or when there is any change to the relevant information. Nevertheless, I V Global Securities Plc. (IVG) does not confirm, verify, or certify the accuracy and completeness of the survey or assessment result.

