THE SIAM CEMENT (SCC TB)

THAILAND / SET / CONSTRUCTION MATERIALS

Globlex Securities Co., Ltd.

10 August 2026

If volume dips, margins will drive

- 2H26E chemical earnings decline will be lower than expected
- The war outcome, end or prolong, will benefit SCC more
- Maintain BUY and a SoTP of THB296

Margins upsides to surprise

After a strong 2Q26 net profit (NP) of THB10.8b (+5x q-q, +2.6x y-y) on the windfall surging margins of petrochemical products thanks to the supply disruption caused by the Middle East war, we believe the next key driver for SCC's NP growth outlook will be the still-high margins for olefins products, which have significantly rebounded in Aug after greatly plunging in Jul due to the ongoing supply disruptions.

Margin, not volume game for chemical-driven earnings upside

Contrary to market's expectation that the olefins chain margins would decline substantially in 3Q26 onwards, we think chemical margins in 2H26, particularly olefins chain, will remain higher than the loss-making levels seen in 1Q26 but slight corrections from the peaks in 2Q26 as supply losses and damaged in the Middle East are more far-reaching than previously forecasted. PE-naphtha margins are projected to stay at USD400-500/t, substantially higher than only sub-USD300/t in Jul (market's expectation) but slightly lower than USD500/t+ in 2Q26.

SCC's chemical volume and margins are "mutually exclusive"

While we could not predict the outcome of the U.S.-Iran war and hence the levels of crude oil/gas feedstock prices for petrochemical chains, we highlight that NP downside for SCC's chemical unit is limited, given under the circumstance that the U.S-Iran war ends soon, chemical margins may weaken but feedstock availability (gas, naphtha) for SCC should improve (and vice versa). This will create a mutually exclusive win-lose (not a lose-lose) outcome (higher/lower margins and decrease/increase feedstock availability), allowing SCC to either enjoy higher margins (if war continues) or more feedstock (if war ends).

3Q26/2026 net profit likely beat street's consensus forecast

On top of the "mutually exclusive" margin-volume upsides for chemical, we think SCC should also see NPs from its non-chemical units (cement and construction material, SCGP, SJWD, SCGD, dividends) in the range of THB6b-8b a quarter. In 2Q26, non-chemical NPs were THB6.8b (58% of total NP), supported by recurring NPs from (THB2-3b a quarter) for cement and smart living, packaging SCGP, for dividend (THB1-3b), and décor ceramics SCGD (THB200-300m). As a result, we estimate that SCC's NP in 2026 is highly likely to exceed the current consensus' estimate of THB20.8b (1H26 NP THB17.8b), which implies 2H26 loss making vs our THB12-14b NP forecast.

Time to reload

We maintain BUY and SoTP TP of THB296. We think SCC's share price will outperform chemical peers and market in next 2-3 months on the back of the higher-than-market's expected NPs in 3Q26/4Q26.

Analyst

Suwat Sinsadok, CFA, FRM, ERP
suwat.s@globlex.co.th,
+662 687 7026

ESG Rating : AAA

CG Rating :

BUY

Target Price 12M (THB)	**296.00**
VS. BB Consensus TP (%)	+14.7%
Share Price (THB)	259.00
Upside/Downside	+14.3%

Share Data

Market Cap (THB m)	310,800.00
Par (THB)	1.00
Free Float (%)	66.24
Issued shares (m shares)	1,200

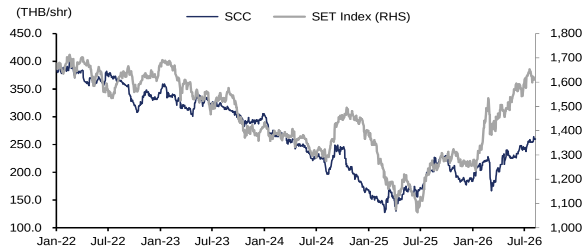
Financial forecast

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	496,925	579,484	609,344	616,055
Net profit	14,075	32,461	28,339	34,854
Core net profit	4,962	32,461	28,339	34,854
vs Consensus (%)		55.5	59.4	53.1
Net profit growth (%)	121.9	130.6	(12.7)	23.0
Core net profit growth (%)	(5.9)	554.2	(12.7)	23.0
EPS (THB)	11.73	27.05	23.62	29.05
Core EPS (THB)	4.13	27.05	23.62	29.05
Chg from previous (%)		118.56	71.76	43.31
DPS (THB)	6.00	12.17	10.63	13.07
P/E (x)	15.64	9.57	10.97	8.92
P/BV (x)	0.65	0.87	0.83	0.79
ROE (%)	1.44	9.32	7.74	9.09
Dividend yield (%)	3.27	4.70	4.10	5.05

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	7.47	10.68	18.81	41.14
Market	6.94	3.51	(0.21)	10.29
12M High/Low (THB)				264.00 / 163.00



Major Shareholders (%) as of 02 Apr 2026

Maha Vajiralongkorn	33.64

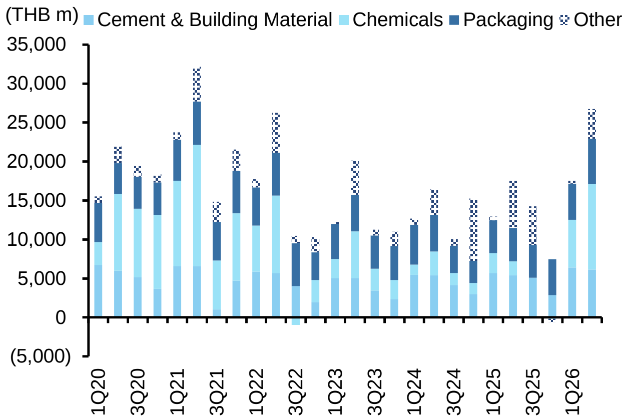
Company Profile

The Company operates as holding company engaging in the industrial supplies and construction industries. The Company operates 3 core businesses consists of investments in the Cement-Building Materials business, Chemicals business and Packaging business.

Source: SETSMART, SET

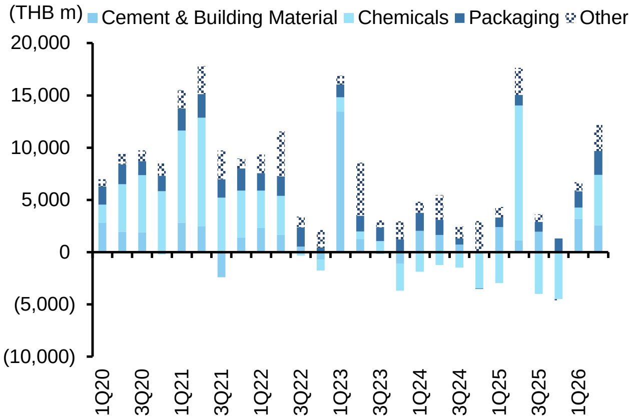
Globlex Securities Co., Ltd.

Exhibit 1: SCC's EBITDA breakdown



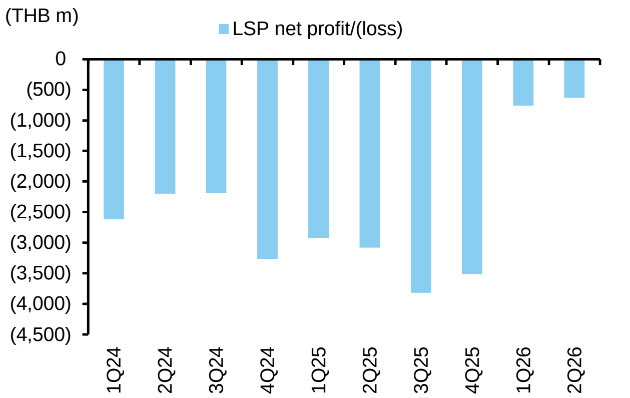
Sources: SCC, Globlex Research

Exhibit 2: SCC's Net profit breakdown



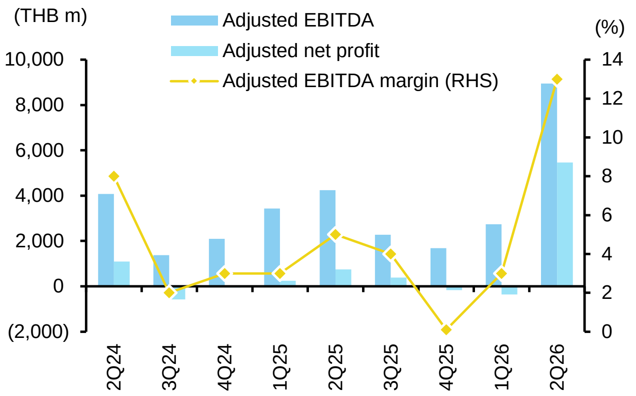
Sources: SCC, Globlex Research

Exhibit 3: LSP net profit/(loss)



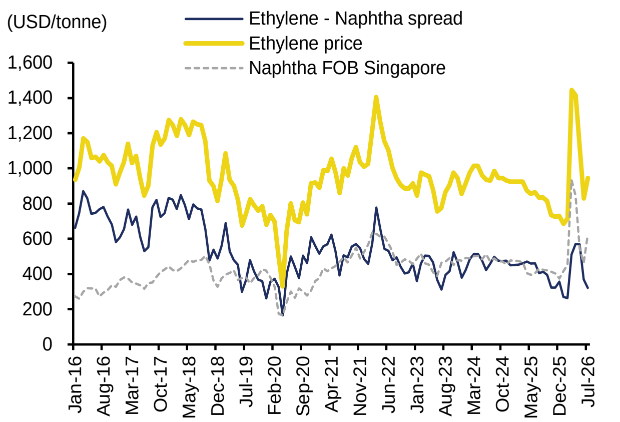
Sources: SCC, Globlex Research

Exhibit 4: Adjusted EBITDA, Adjusted Net profit, Adjusted EBITDA margin (excl LSP, Inventory, others)



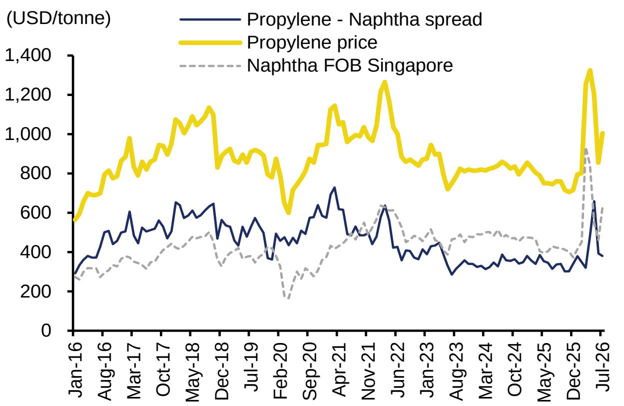
Sources: SCC, Globlex Research

Exhibit 5: Ethylene - Naphtha spread



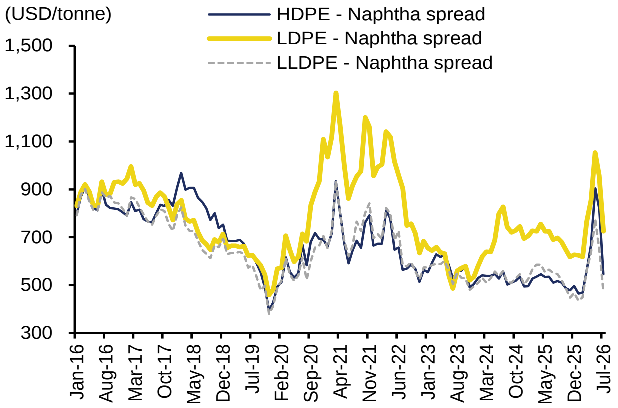
Sources: Bloomberg, Globlex Research

Exhibit 6: Propylene - Naphtha spread



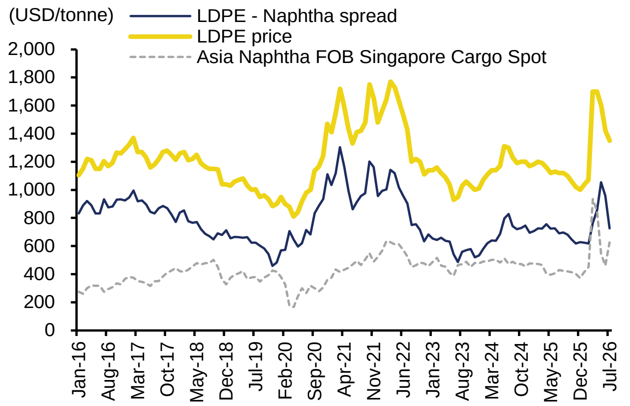
Sources: Bloomberg, Globlex Research

Exhibit 7: HDPE - Naphtha spread



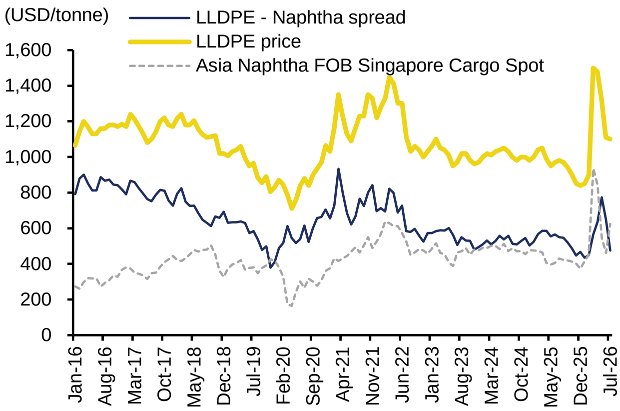
Sources: Bloomberg, Globlex Research

Exhibit 8: LDPE - Naphtha spread



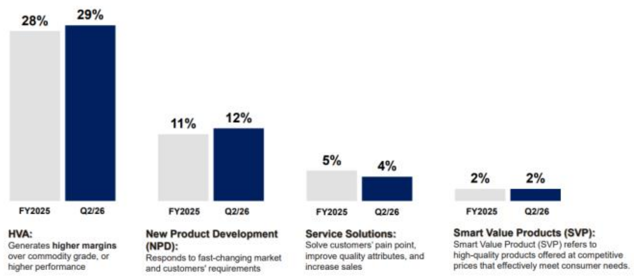
Sources: Bloomberg, Globlex Research

Exhibit 9: LLDPE - Naphtha spread



Sources: Bloomberg, Globlex Research

Exhibit 10: Competitiveness through HVA, New Products, and Service Solutions



Sources: SCC

Globlex Securities Co., Ltd.

Balance sheet (THB m) Year ending Dec	2024	2025	2026E	2027E	2028E
Current assets					
Cash & ST investment	36,492	33,679	45,214	80,138	132,798
Account receivable	71,539	66,119	71,914	78,007	84,168
Inventories	73,302	67,111	65,345	70,366	69,604
Others	17,835	36,441	8,478	8,910	9,003
Non-current assets					
Net fixed assets	422,613	398,486	407,820	403,606	398,065
Others	239,722	219,755	219,755	219,755	219,755
Total Assets	**861,502**	**821,591**	**818,526**	**860,782**	**913,393**
Current liabilities					
Account payable	58,094	56,654	55,847	60,138	59,487
ST borrowing	149,571	140,618	90,618	90,618	90,618
Others	9,656	4,764	6,547	6,884	6,960
Long-term liabilities					
Long-term debts	183,786	179,321	184,321	189,321	194,321
Others	40,616	43,392	43,392	43,392	43,392
Total liabilities	**441,722**	**424,749**	**380,724**	**390,352**	**394,777**
Pai-up capital	1,200	1,200	1,200	1,200	1,200
Retained earnings	382,495	389,836	410,794	425,452	446,088
Others	(30,808)	(53,334)	(53,334)	(53,334)	(53,334)
Minority interest	66,893	59,140	79,143	97,112	124,663
Shareholders' equity	**419,780**	**396,842**	**437,802**	**470,430**	**518,617**

Profit & loss (THB m) Year ending Dec	2024	2025	2026E	2027E	2028E
Revenue	**511,172**	**496,925**	**579,484**	**609,344**	**616,055**
Cost of goods sold	(412,765)	(398,518)	(430,344)	(463,410)	(458,393)
Gross profit	**98,407**	**98,407**	**149,140**	**145,933**	**157,662**
Operating expenses	(69,644)	(72,938)	(81,128)	(85,308)	(86,248)
Operating profit	**28,764**	**25,470**	**68,012**	**60,625**	**71,414**
EBIT	**(3,893)**	**(16,814)**	**31,955**	**23,241**	**32,703**
Depreciation	(31,591)	(33,170)	(36,058)	(37,385)	(38,711)
EBITDA	**27,697**	**16,357**	**68,012**	**60,625**	**71,414**
Non-operating income	**15,502**	**20,029**	**22,032**	**23,134**	**24,291**
Other incomes	15,502	20,029	22,032	23,134	24,291
Other non-op income	0	0	0	0	0
Non-operating expense	**(10,434)**	**(1,625)**	**(9,493)**	**(8,673)**	**(8,871)**
Interest expense	(11,500)	(10,738)	(9,493)	(8,673)	(8,871)
Other non-op expense	1,067	9,113	0	0	0
Equity income/(loss)	6,530	17,866	14,643	14,261	21,501
Pre-tax Profit	**7,704**	**19,457**	**59,138**	**51,963**	**69,624**
Extraordinary items					
Current taxation	(3,882)	(8,900)	(6,674)	(5,655)	(7,218)
Minorities	2,520	3,518	(20,003)	(17,969)	(27,551)
Net Profit	**6,342**	**14,075**	**32,461**	**28,339**	**34,854**
Core net profit	**5,275**	**4,962**	**32,461**	**28,339**	**34,854**
EPS (THB)	**5.28**	**11.73**	**27.05**	**23.62**	**29.05**
Core EPS (THB)	**4.40**	**4.13**	**27.05**	**23.62**	**29.05**

Key ratios Year ending Dec	2024	2025	2026E	2027E	2028E
Growth (%YoY)					
Sales	2.3	(2.8)	16.6	5.2	1.1
Operating profit	(17.6)	(11.5)	167.0	(10.9)	17.8
EBITDA	(20.6)	(40.9)	315.8	(10.9)	17.8
Net profit	(75.5)	121.9	130.6	(12.7)	23.0
Core net profit	(79.6)	(5.9)	554.2	(12.7)	23.0
EPS	(75.5)	121.9	130.6	(12.7)	23.0
Core EPS	(79.6)	(5.9)	554.2	(12.7)	23.0
Profitability (%)					
Gross margin	19.3	19.8	25.7	23.9	25.6
Operation margin	5.6	5.1	11.7	9.9	11.6
EBITDA margin	5.4	3.3	11.7	9.9	11.6
Net margin	1.2	2.8	5.6	4.7	5.7
ROE	1.5	1.4	9.3	7.7	9.1
ROA	1.4	2.4	5.0	4.3	4.8
Stability					
Interest bearing debt/equity (x)	0.8	0.8	0.6	0.6	0.5
Net debt/equity (x)	0.7	0.7	0.5	0.4	0.3
Interest coverage (x)	(0.3)	(1.6)	3.4	2.7	3.7
Interest & ST debt coverage (x)	(0.0)	(0.1)	0.3	0.2	0.3
Cash flow interest coverage (x)	0.1	0.2	0.2	0.2	0.2
Current ratio (x)	0.9	1.0	1.2	1.5	1.9
Quick ratio (x)	0.5	0.5	0.8	1.0	1.4
Net debt (THB m)	296,864	286,260	229,725	199,801	152,140
Activity					
Asset turnover (X)	0.6	0.6	0.7	0.7	0.7
Days receivables	50.7	50.6	43.5	44.9	48.0
Days inventory	68.1	64.3	56.2	53.4	55.7
Days payable	52.1	52.5	47.7	45.7	47.6
Cash cycle days	66.7	62.3	51.9	52.7	56.1

Cash flow (THB m) Year ending Dec	2024	2025	2026E	2026E	2027E
Operating cash flow	**49,176**	**75,331**	**78,050**	**73,061**	**88,994**
Net profit	6,342	14,075	32,461	28,339	34,854
Depre.& amortization	31,591	33,170	36,058	37,385	38,711
Change in working capital	4,714	10,219	(5,112)	(6,923)	(6,072)
Others	6,530	17,866	14,643	14,261	21,501
Investment cash flow	**(14,985)**	**15,172**	**(43,097)**	**(30,848)**	**(30,848)**
Net CAPEX	(27,750)	(6,837)	(43,097)	(30,848)	(30,848)
Change in LT investment	7,371	8,438	0	0	0
Change in other assets	5,394	13,571	0	0	0
Free cash flow	**34,190**	**90,503**	**34,952**	**42,213**	**58,146**
Financing cash flow	**(41,300)**	**(93,315)**	**(23,418)**	**(7,289)**	**(5,485)**
Change in share capital	0	0	0	0	0
Net change in debt	10,060	(13,418)	(45,000)	5,000	5,000
Dividend paid	(7,200)	(6,000)	(11,504)	(13,680)	(14,218)
Others	(44,160)	(73,898)	33,086	1,391	3,733
Net cash flow	**(7,110)**	**(2,813)**	**11,534**	**34,924**	**52,660**

Per share (THB)					
EPS	5.28	11.73	27.05	23.62	29.05
Core EPS	4.40	4.13	27.05	23.62	29.05
CFPS	29.51	36.44	73.77	69.74	84.26
BVPS	294.07	281.42	298.88	311.10	328.30
Sales/share	425.98	414.10	482.90	507.79	513.38
EBITDA/share	23.08	13.63	56.68	50.52	59.51
DPS	5.00	6.00	12.17	10.63	13.07
Valuation					
P/E (x)	31.79	15.64	9.57	10.97	8.92
P/BV (x)	0.57	0.65	0.87	0.83	0.79
Dividend yield (%)	2.98	3.27	4.70	4.10	5.05
Divdend payout ratio (%)	94.61	51.15	45.00	45.00	45.00

Globlex Securities Co., Ltd.

THE SIAM CEMENT (SCC TB) | THAILAND / SET / CONSTRUCTION MATERIALS

ESG Analysis

ESG Assessment	SET ESG	Bloomberg
Environment SCC is advancing its Inclusive Green Growth strategy by increasing the use of renewable energy, alternative fuels, recycled materials, and low-carbon cement and chemical products. The company continues to reduce greenhouse gas emissions through energy efficiency improvements, circular economy initiatives, and investments in clean technologies, while progressing toward its Net Zero 2050 target.	AAA	6.53
Social SCC prioritizes employee safety, human capital development, and respect for human rights while supporting communities through education, healthcare, vocational training, and environmental conservation. The company also promotes responsible supply chain management and stakeholder engagement to create long-term shared value.		8.33
Governance SCC maintains a robust governance framework through independent board oversight, enterprise risk management, anti-corruption measures, and transparent ESG disclosure. Sustainability is integrated into corporate strategy, investment decisions, and executive performance evaluation to strengthen long-term business resilience.		4.79
Overall | CG Score: Excellent (5-star) | CAC: Certified		**6.32**

CG rating reflects 2025 Thai IOD survey. SET ESG Rating as of 9 January 2026.
Sources: SET, Thai IOD, CAC, Bloomberg, Globlex Securities Research

SET ESG Ratings 2025 | Thai Listed Companies As of 9 January 2026

Ratings: AAA (90-100)							
AAV	ACE	ADVANC	AJ	AMATA	AMATAV	ASW	AWC
BAM	BANPU	BAY	BBGI	BBL	BDMS	BEM	BGC
BGRIM	BJC	BKIH	BPP	BTG	CENTEL	CKP	CPALL
CPF	CPAXT	CPN	CRC	DITTO	EASTW	FPI	FPT
GLOBAL	GPSC	GUNKUL	HANA	HENG	HMPRO	III	ILM
IVL	KBANK	KCG	KJL	KKP	KTB	KTC	LH
LOXLEY	MAJOR	MBK	MC	M-CHAI	MFEC	MTI	NER
NOBLE	OR	ORI	OSP	PB	PLANB	PR9	PSH
PTG	PTT	PTTEP	PTTGC	RATCH	S	S&J	SABINA
SAT	SC	SCB	**SCC**	SCG	SCGP	SIRI	SJWD
SKY	SNP	STA	STECON	STGT	SVOA	TEAMG	TEGH
TFMAMA	THCOM	TISCO	TMT	TOA	TOP	TPBI	TTA
TTB	TTW	TVO	VNG	WHA	WHAUP		
Ratings: AA (80-89)							
ADB	AKP	AOT	AP	ASK	ASP	AURA	BCH
BLA	BRI	BTS	CBG	CIVIL	CK	CMAN	COLOR
COM7	DMT	DRT	EGCO	EPG	ETC	GFPT	GULF
HTC	ICHI	ILINK	IT	ITTHI	JMART	KCE	KUMWEL
LHFG	MINT	MODERN	MOSHI	MSC	MTC	NVD	NYT
PCC	PRM	PSL	QTC	RBF	SA	SAWAD	SCCC
SCGD	SELIC	SFLEX	SHR	SMPC	SNNP	SPALI	SPI
SSP	SUTHA	SYNEX	TASCO	TCAP	TCMC	TGH	THANI
TIPH	TKS	TLI	TOG	TPAC	TPIPP	TSC	TU
UAC	UBE	VIH	WICE	XO	ZEN		
Ratings: A (65-100)							
AEONTS	ALLA	ALT	ALUCON	BA	BH	BLC	CFRESH
CHAO	CHASE	CHG	CM	CPL	CREDIT	ERW	GABLE
HARN	HUMAN	INSET	IRC	ITC	JMT	KSL	M
MALEE	MGC	MOONG	NEO	PHOL	PLUS	PM	PPS
PQS	PROUD	PRTR	PSP	Q-CON	QLT	SAK	SAPPE
SCAP	SEAFCO	SEAOIL	SENA	SENX	SGC	SICT	SITHAI
SKR	SNC	SPC	SSSC	SYMC	TAN	TBN	TGE
THANA	THIP	THREL	TPA	TPCS	TQM	TRU	TWPC
UPF	UPOIC	VIBHA	WPH				
Ratings: BBB (50-64)							
AKR	ASIMAR	CSC	J	LEO	MEGA	NL	PRIN
SE	SO	SPRC	SUN	TMILL	TSTH	WP	YUASA

The information appearing in this document aims only at providing information to investors. It is neither investment advice nor legal opinion. The Stock Exchange of Thailand (SET) shall neither be responsible for authentication of information nor other usages to serve any specific purpose. In addition, SET shall not be responsible for any damage caused by using, referring to, or publicizing some parts or all of the information in any form whatsoever. Moreover, SET reserves the rights to change, amend, adjust or add either some or all of the contents of this document, including changing the SET ESG Ratings according to SET's criteria.

Source: SET ESG Ratings, Stock Exchange of Thailand (setsustainability.com). Ratings as of 9 January 2026. Only companies scoring 50 and above are assigned a rating.

GENERAL DISCLAIMER

Analyst Certification

Suwat Sinsadok, Register No. 020799, Globlex Securities Public Company Limited

The opinions and information presented in this report are those of the Globlex Securities Co. Ltd. Research Department. No representation or warranty in any form regarding the accuracy, completeness, correctness or fairness of opinions and information of this report is offered by Globlex Securities Co. Ltd. Globlex Securities Co. Ltd. Accepts no liability whatsoever for any loss arising from the use of this report or its contents. This report (in whole or in part) may not be reproduced or published without the express permission of Globlex Securities Co. Ltd.

RECOMMENDATION STRUCTURE

Stock Recommendations

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

BUY: Expected return of 10% or more over the next 12 months.
HOLD: Expected return between -10% and 10% over the next 12 months.
REDUCE: Expected return of -10% or worse over the next 12 months.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause 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.

Sector Recommendations

Overweight:	The industry is expected to outperform the relevant primary market index over the next 12 months.
Neutral:	The industry is expected to perform in line with the relevant primary market index over the next 12 months.
Underweight:	The industry is expected to underperform the relevant primary market index over the next 12 months.

Country (Strategy) Recommendations

Overweight: 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: 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: 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.