

Siam Cement

Siam Cement
Public Company Limited

SCC

Bloomberg SCC TB
Reuters SCC.BK



Results 1Q24: Earnings In line with INVX

Core earnings sank 67.5% YoY on lower chemical spreads but grew 47.5% QoQ on a better cement unit cost structure in from lower coal costs, a greater shift to cheaper alternative fuel and a better packaging business. We expect earnings to improve in 2Q24 on higher chemical sales volume and higher dividend income from JVs. We maintain our DCA (dollar cost averaging) strategy. Valuation is attractive, trading at only 0.7X 2024F P/BV. Our end-2024 SOTP TP is Bt325.

1Q24 core profit up QoQ. SCC reported a 1Q24 net profit of Bt2.4bn, in line with INVX estimates but 21% above consensus; net profit sank 85.3% YoY on a one-off fair value adjustment gain of Bt12bn from SCG Logistics in 1Q23. Net profit grew QoQ from a net loss of Bt1.13bn in 4Q23 on the absence of impairment expenses for the cement business in Myanmar of Bt1.64bn. SCC recorded an inventory gain of Bt959mn in 1Q24 (vs. losses of Bt51mn in 1Q23 and Bt492mn in 4Q23). Core profit was Bt1.5bn in 1Q24, down 67.5% YoY due to lower chemical spreads from a supply glut, as well as the start of depreciation and interest expenses for the LSP project (-Bt1.8bn per quarter). Core profit did grow 47.5% QoQ on better cost control in the cement & building material (CBM) unit from greater use of alternative fuel (AF), which is 25-30% cheaper than coal, and a rise in the proportion of AF usage to 47% in 1Q24 from 42% in 4Q23. These improved the cement unit's EBITDA margin to 17% in 1Q24 (vs. 14% in 1Q23 and 5% in 4Q23). Packaging (SCGP) reported QoQ net profit growth of 41.9% in 1Q24.

2024 outlook. We expect 2Q24 core earnings to improve from: 1) better sales volume after restarting the Rayong Olefins (ROC) plant in late March, which will raise earnings from HVA and byproducts (butadiene spread is +43.6% QTD and benzene spread is +19.7% QTD); 2) a continued increase in proportion of AF; c) the seasonal high dividend income from investment (Toyota & Kubota Thailand). In 2H24, core earnings are expected to grow strongly, driven by more government spending plus stimulus packages (digital wallet) and continued improvement in the packaging business on higher packaging paper demand and selling prices. We expect HDPE spreads to recover (1Q24: US\$349/ton, 2Q24QTD: US\$349/ton, 2H24F: US\$450-500/ton) on expected less new supply and improvement in overall demand in tandem with manufacturing activities. SCGC expects global ethylene supply (construction basis) to grow 2.4-2.6% per year in 2024-26 vs 5% per year in 2020-23. This aligns with the planned full commercial operation of Longson Petrochemical (adding 70% to PE/PP capacity) from Aug 2024 with potential ramp up of utilization to 70% in 4Q24 and 80-90% in 2025 (full complex depreciation and interest cost Bt1.0bn/month) and expected breakeven when PE/PP spreads widen to US\$450-500/ton. Though 1Q24 core profit accounted for only 6% of our 2024F, we expect significant improvement over the rest of the year. Note that there is downside if PE/PP spreads for 2024 are US\$50/ton below our assumption, bringing 20% downside to our 2024F.

Action & recommendation. We maintain our DCA strategy on its good long-term prospects. Valuation is attractive, trading at only 0.7X 2024F P/BV. We thus maintain our Outperform rating on expectation of better earnings in 2Q24 with a SOTP target price of Bt325, based on EV/EBITDA of 9x for chemical, 10x for CBM and 11x for packaging units.

Key risks are higher energy costs, high household debt, high interest rate and exchange rate volatility as well as oversupply in the cement and chemical businesses. Key ESG risks are energy management, sustainability products, and high greenhouse gas emissions (E).

Forecasts and valuation

Year to 31 Dec	Unit	2022	2023	2024F	2025F	2026F
Revenue	(Btmn)	569,609	499,646	581,049	619,980	638,896
EBITDA	(Btmn)	49,219	54,143	69,432	80,807	83,218
Core profit	(Btmn)	22,034	11,942	24,944	32,136	33,443
Reported profit	(Btmn)	21,382	23,797	24,944	32,136	33,443
Core EPS	(Bt)	18.36	9.95	20.79	26.78	27.87
DPS	(Bt)	8.00	6.00	9.00	12.00	13.00
P/E, core	(x)	13.6	25.1	12.0	9.3	9.0
EPS growth, core	(%)	(55.0)	(45.8)	108.9	28.8	4.1
P/BV, core	(x)	0.7	0.7	0.7	0.6	0.6
ROE	(%)	4.9	2.7	5.5	6.9	6.9
Dividend yield	(%)	3.2	2.4	3.6	4.8	5.2
EBITDA growth	(%)	(41.4)	10.0	28.2	16.4	3.0

Source: InnovestX Research

Tactical: OUTPERFORM

(3-month)

Stock data	
Last close (Apr 25) (Bt)	250.00
Target price (Bt)	325.00
Mkt cap (Btmn)	300.00
Mkt cap (US\$mn)	8,108
Beta	M
Mkt cap (%) SET	1.78
Sector % SET	3.08
Shares issued (mn)	1,200
Par value (Bt)	1.00
12-m high / low (Bt)	340 / 241
Avg. daily 6m (US\$mn)	13.56
Foreign limit / actual (%)	25 / 10
Free float (%)	66.2
Dividend policy (%)	40-50

Share performance			
(%)	1M	3M	12M
Absolute	(1.6)	(7.1)	(16.9)
Relative to SET	(0.6)	(6.8)	(6.0)

Source: SET, InnovestX Research

2023 Sustainability / 2022 ESG Score	
SET ESG Ratings	AAA

ESG Bloomberg Rank in the sector	
ESG Score Rank	1/22
Environmental Score Rank	1/22
Social Score Rank	1/22
Governance Score Rank	1/22

ESG comment

SCC has made commendable progress in integrating ESG principles into its business practices and is in the top tier in its peer group. The key ESG risk are energy management, sustainability products, and high greenhouse gas emission.

Source: Bloomberg Finance L.P.

Analyst

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Our view on ESG

SCC recognizes the importance of addressing environmental impact. It places much emphasis on the societal aspects of sustainability. The company has implemented several programs to support the communities where it operates, including initiatives focusing on education, healthcare, and community development. SCC also has well-established corporate governance framework and adheres to high ethical standards. The key ESG risk are energy management, sustainability products, and high greenhouse gas emission.

Disclosure Score

Bloomberg ESG Score	78.76 (2022)
Rank in Sector	1/22

CG Rating	DJSI	SETESG	SET ESG Ratings
SCC	5	Yes	Yes
			AAA

Source: Thai Institute of Directors (IOD), SET

Environmental Issue (E)

- By 2050, SCC targets to achieve net zero greenhouse gas emissions, with the using the best available technologies for energy efficiency, increasing renewable energy usage, scaling up carbon capture, innovating the low-carbon products, and more reforestation and rehabilitation as carbon sink. By 2030, it targets 20% greenhouse gas emissions reduction from 2020 (vs 2.7% in 2021) and 13% energy consumption reduction from 2007 (vs 7.1% in 2021).
- By 2025, it targets 8mn tons recycled and renewable material per year (vs 3.8mn tons in 2021), 23% water withdrawal reduction from 2014 (vs 22.6% in 2021), zero waste from process to landfill every year (vs 0% hazardous waste and 0.01% of non-hazardous waste in 2021), 70% waste reduction to incineration without energy per ton production from 2014 (vs 99% in 2021), 8% dust emission reduction from 2020 (vs 15% in 2021).
- We anticipate stricter corporate greenhouse gas emission regulations to be a materializing environmental factor impacting SCC's future operations. While SCC has a significant greenhouse gas emission footprint of 22.1 million tons as of 2022, its commitment to ambitious reduction targets and clear environmental policies distinguishes its ESG score from its peers.

Social Issue (S)

- By 2030, SCC targets SCG Green Choice products, services and solutions at 66.7% of total revenue from sales (vs 66.7% in 2021) and SCG Green Choice products, services and solutions which directly benefit to consumer at 33.3% of total revenue from sales (vs 5.9% in 2021).
- It targets for 100% overall customer satisfaction based on surveys via SCG contact center (vs 100% in 2021), zero human rights violation cases (vs zero in 2021), 100% employees undergoing human rights training (vs 100% in 2021), 70% employee engagement rate in Thailand (vs 70% in 2021), loss time injury frequency rate of employees and contractors at 0.025 cases/1mn hours worked (vs 0.175 cases for employees and 0.192 cases for contractors in 2021).
- SCC stands out among its peers by demonstrating leadership in safety measures, employee well-being, social responsibility and supply chain management.

Governance Issue (G)

- SCC aims to conduct business with fairness and transparency in compliance with corporate governance principles and implements systematic risk management and internal control. SCC targets 100% coverage of the Ethics e-Testing passed by employees (vs 100% in 2021).
- By 2025, it targets 27% female employees in all management positions (vs 24.8% in 2021).
- In 2021, SCC's board of directors consists of 12 directors. Of these, 11 were non-executive directors (92% of the entire board), 6 were independent directors (50% of the entire board), and 2 were female members (17% of the entire board).
- In 2021, CG rating was excellent and anti-corruption progress indicator was certified.
- SCC has published its overall corporate governance framework, we believe they should enhance the clarity of executive compensation (Incentive structure), which still below the industry average

ESG Disclosure Score

	2021	2022
ESG Disclosure Score	77.82	78.76
Environment	79.22	82.06
GHG Scope 1 ('000 metric tonnes)	30,344	27,240
GHG Scope 2 Location-Based ('000 metric tonnes)	3,323	3,106
Total Energy Consumption ('000 MWh)	71,511	65,953
Renewable Energy Use ('000 MWh)	6,900	8,881
Total Waste ('000 metric tonnes)	2,480	2,983
Waste Recycled ('000 metric tonnes)	1,255.62	1,161.35
Social	66.84	66.84
Pct Women in Management (%)	12.90	14.80
Pct Women in Workforce (%)	22.40	24.40
Lost Time Incident Rate (per 100 employees)	0.02	0.02
Number of Employees - CSR (persons)	58,283	57,814
Employee Turnover Pct (%)	2.30	6.20
Total Hours Spent for Employee Training (hours)	4,779,210	8,961,170
Governance	87.36	87.36
Size of the Board (persons)	12	15
Number of Non-Executive Directors on Board (persons)	11	14
Number of Board Meetings for the Year (times)	9	9
Board Meeting Attendance Pct (%)	100	100
Number of Female Executives (persons)	0	1
Number of Women on Board (persons)	2	3

Source: Bloomberg Finance L.P.

Disclaimer

Bloomberg ESG Disclosure Scores rate companies on their level of disclosure of ESG data. Bloomberg offers four disclosure scores, for overall ESG, as well as Environmental, Social, and Governance. To review the fully transparent methodology, calculate disclosure scores for any company, and compare a company's scores vs its peers, see [ESG Disclosure Score Model](#) in Bloomberg.

Financial statement

Profit and Loss Statement

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Total revenue	(Btmn)	437,980	399,939	530,112	569,609	499,646	581,049	619,980	638,896
Cost of goods sold	(Btmn)	355,752	309,947	421,000	490,779	426,199	488,785	514,247	528,462
Gross profit	(Btmn)	82,228	89,992	109,112	78,829	73,447	92,264	105,733	110,434
SG&A	(Btmn)	(53,212)	(53,808)	(63,170)	(71,155)	(65,190)	(73,506)	(77,632)	(80,357)
Other income	(Btmn)	8,992	7,278	9,208	12,084	11,803	11,359	12,687	12,398
Interest expense	(Btmn)	6,587	6,890	6,757	7,523	10,297	11,915	11,915	11,915
Pre-tax profit	(Btmn)	31,421	36,572	48,392	12,235	9,763	18,202	28,872	30,561
Corporate tax	(Btmn)	5,606	6,346	9,394	4,561	8,045	6,133	7,559	8,098
Equity a/c profits	(Btmn)	11,632	9,456	17,543	10,703	8,419	11,972	12,748	13,566
Minority interests	(Btmn)	(1,182)	(3,156)	(7,562)	3,658	1,805	903	(1,924)	(2,586)
Core profit	(Btmn)	36,265	36,526	48,979	22,034	11,942	24,944	32,136	33,443
Extra-ordinary items	(Btmn)	(4,250)	(2,382)	(1,805)	(652)	11,855	0	0	0
Net Profit	(Btmn)	32,014	34,144	47,174	21,382	23,797	24,944	32,136	33,443
EBITDA	(Btmn)	61,938	70,839	83,984	49,219	54,143	69,432	80,807	83,218
Core EPS	(Btmn)	30.22	30.44	40.82	18.36	9.95	20.79	26.78	27.87
Net EPS	(Bt)	26.68	28.45	39.31	17.82	19.83	20.79	26.78	27.85
DPS	(Bt)	14.00	14.00	18.50	8.00	6.00	9.00	12.00	13.00

Balance Sheet (Btmn)

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Total current assets	(Btmn)	164,386	214,017	233,016	250,049	217,214	225,202	246,888	276,228
Total fixed assets	(Btmn)	470,347	535,364	628,085	656,440	676,386	666,462	664,957	657,223
Total assets	(Btmn)	634,733	749,381	861,101	906,490	893,601	891,664	911,845	933,451
Total loans	(Btmn)	226,625	248,645	303,114	364,246	337,278	343,079	338,079	338,079
Total current liabilities	(Btmn)	127,324	153,365	161,416	128,184	174,706	115,984	115,070	210,080
Total long-term liabilities	(Btmn)	179,666	199,889	249,676	325,881	277,298	318,352	320,154	228,062
Total liabilities	(Btmn)	306,990	353,255	411,093	454,065	452,004	434,335	435,224	438,142
Paid-up capital	(Btmn)	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Total equity	(Btmn)	327,743	396,126	450,008	452,424	441,597	457,328	476,621	495,309
BVPS	(Bt)	273.12	330.11	375.01	377.02	368.00	381.11	397.18	412.41

Cash Flow Statement (Btmn)

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Core Profit	(Btmn)	36,265	36,526	48,979	22,034	11,942	24,944	32,136	33,443
Depreciation and amortization	(Btmn)	23,931	27,377	28,835	29,461	40,093	39,315	40,020	40,742
Operating cash flow	(Btmn)	59,817	70,415	38,800	29,719	92,502	32,128	67,523	71,629
Investing cash flow	(Btmn)	(45,054)	(71,185)	(65,399)	(32,947)	(60,039)	(29,391)	(38,515)	(33,008)
Financing cash flow	(Btmn)	(15,282)	37,471	(3,238)	24,399	(62,157)	(2,901)	(17,155)	(14,371)
Net cash flow	(Btmn)	(520)	36,701	(29,837)	21,171	(29,694)	(164)	11,853	24,250

Key Financial Ratios

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Gross margin	(%)	18.8	22.5	20.6	13.8	14.7	15.9	17.1	17.3
Operating margin	(%)	6.6	9.0	8.7	1.3	1.7	3.2	4.5	4.7
EBITDA margin	(%)	14.1	17.7	15.8	8.6	10.8	11.9	13.0	13.0
EBIT margin	(%)	8.7	10.9	10.4	3.5	4.0	5.2	6.6	6.6
Net profit margin	(%)	7.3	8.5	8.9	3.8	4.8	4.3	5.2	5.2
ROE	(%)	11.2	10.1	11.6	4.9	2.7	5.5	6.9	6.9
ROA	(%)	5.9	5.3	6.1	2.5	1.3	2.8	3.6	3.6
Net D/E	(x)	0.6	0.4	0.5	0.6	0.6	0.6	0.6	0.5
Interest coverage	(x)	9.4	10.3	12.4	6.5	5.3	5.8	6.8	7.0
Debt service coverage	(x)	0.8	0.7	0.9	0.6	0.4	1.0	1.3	0.5
Payout Ratio	(%)	52.5	49.2	47.1	44.9	30.3	45.0	45.0	45.0

Main Assumptions

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Local cement sales	(mn tons)	12.8	12.6	12.2	12.1	12.5	12.9	13.2	13.6
Domestic cement price	(Bt/ton)	1,775	1,775	1,744	1,938	2,075	2,106	2,138	2,138
HDPE-naphtha spread	(US\$/ton)	468	500	536	419	400	425	475	475
PP-naphtha spread	(US\$/ton)	579	616	652	396	350	375	425	425
PVC-EDC/C2 spread	(US\$/ton)	389	453	577	407	374	337	335	343
FX	(Bt/US\$1)	31.0	31.3	32.0	35.1	35.0	35.0	35.0	35.0

Financial statement

Profit and Loss Statement

FY December 31	Unit	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24
Total revenue	(Btmn)	152,534	142,392	122,189	128,748	124,631	125,649	120,618	124,266
Cost of goods sold	(Btmn)	129,630	124,800	107,953	108,859	105,508	107,108	104,724	105,650
Gross profit	(Btmn)	22,904	17,591	14,237	19,890	19,122	18,540	15,894	18,615
SG&A	(Btmn)	(18,077)	(17,723)	(17,834)	(16,811)	(16,058)	(16,123)	(16,198)	(16,247)
Other income	(Btmn)	5,307	1,747	2,343	4,870	5,602	753	578	1,548
Interest expense	(Btmn)	1,715	1,899	2,262	2,241	2,378	2,637	3,042	2,611
Pre-tax profit	(Btmn)	8,420	(284)	(3,516)	5,708	6,289	534	(2,768)	1,305
Corporate tax	(Btmn)	1,946	1,154	(164)	4,321	1,068	1,412	1,244	1,500
Equity a/c profits	(Btmn)	3,349	2,064	1,871	2,665	2,023	2,118	1,612	1,787
Minority interests	(Btmn)	364	1,798	2,042	517	(121)	624	785	(125)
Core profit	(Btmn)	10,187	2,424	560	4,516	5,216	3,019	994	1,466
Extra-ordinary items	(Btmn)	(249)	20	(403)	11,956	2,866	(578)	(2,128)	959
Net Profit	(Btmn)	9,938	2,444	157	16,526	8,082	2,441	(1,134)	2,425
EBITDA	(Btmn)	17,407	9,102	6,318	12,127	19,953	11,096	10,924	12,623
Core EPS	(Btmn)	8.49	2.02	0.47	3.76	4.35	2.52	0.83	1.22
Net EPS	(Bt)	8.28	2.04	0.13	13.77	6.73	2.03	(0.94)	2.02

FY December 31	Unit	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24
Total current assets	(Btmn)	253,657	250,438	250,049	248,741	251,908	259,125	217,214	239,820
Total fixed assets	(Btmn)	649,479	679,493	656,440	674,983	690,110	700,933	676,386	699,577
Total assets	(Btmn)	903,137	929,931	906,490	923,725	942,018	960,058	893,601	939,396
Total loans	(Btmn)	327,695	348,933	364,246	361,245	365,407	304,935	337,278	362,266
Total current liabilities	(Btmn)	175,053	148,739	132,316	140,735	173,841	198,200	174,706	227,330
Total long-term liabilities	(Btmn)	260,327	302,117	321,749	319,261	309,439	301,713	277,298	256,872
Total liabilities	(Btmn)	435,380	450,856	454,065	459,995	483,280	499,913	452,004	484,202
Paid-up capital	(Btmn)	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Total equity	(Btmn)	467,756	479,074	452,424	463,729	458,738	460,144	441,597	455,195
BVPS	(Bt)	389.80	399.23	377.02	386.44	382.28	383.45	368.00	379.33

Cash Flow Statement (Btmn)

FY December 31	Unit	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24
Core Profit	(Btmn)	9,938	2,444	157	16,009	24,212	26,029	994	2,550
Depreciation and amortization	(Btmn)	7,272	7,487	7,572	7,121	7,179	7,131	19,109	7,635
Operating cash flow	(Btmn)	4,002	(473)	18,293	11,182	21,324	32,941	44,008	2,092
Investing cash flow	(Btmn)	(6,816)	(7,576)	(19,774)	(26,600)	(20,320)	(28,123)	(10,631)	(6,212)
Financing cash flow	(Btmn)	(12,732)	6,338	16,826	(3,105)	(11,128)	(11,176)	(46,586)	15,465
Net cash flow	(Btmn)	(15,546)	(1,710)	15,344	(18,522)	(9,679)	(5,914)	(13,209)	11,344

Key Financial Ratios

FY December 31	Unit	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24
Gross margin	(%)	15.0	12.4	11.7	15.4	15.3	14.8	13.2	15.0
Operating margin	(%)	3.2	(0.1)	(2.9)	2.4	2.5	1.9	(0.3)	1.9
EBITDA margin	(%)	11.4	6.4	5.2	9.4	16.0	8.8	9.1	10.2
EBIT margin	(%)	6.6	1.1	(1.0)	6.2	7.0	2.5	0.2	3.2
Net profit margin	(%)	6.5	1.7	0.1	12.8	6.5	1.9	(0.9)	2.0
ROE	(%)	8.9	2.0	0.5	3.9	4.5	2.6	0.9	1.3
ROA	(%)	4.5	1.1	0.2	2.0	2.2	1.3	0.4	0.6
Net D/E	(x)	0.6	(0.2)	0.6	0.6	0.6	0.5	0.6	0.6
Interest coverage	(x)	10.2	4.8	2.8	5.4	8.4	4.2	3.6	4.8
Debt service coverage	(x)	0.7	0.4	0.3	0.6	0.8	0.8	0.3	0.4

Main Assumptions

FY December 31	Unit	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24
Domestic cement price (SCC)	(Bt/ton)	1,900	1,975	2,025	2,075	2,125	2,125	2,125	2,075
HDPE-naphtha spread	(US\$/ton)	468	390	360	396	435	384	363	349
PP-naphtha spread	(US\$/ton)	445	358	304	380	375	305	291	309
PVC-EDC/C2 spread	(US\$/ton)	530	375	364	449	317	400	333	293
FX	(Bt/US\$1)	34.4	36.6	36.6	34.1	34.6	35.3	35.8	35.8

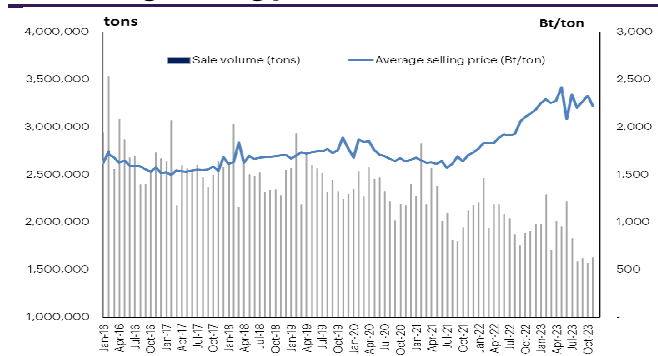
Appendix

Figure 1: 1Q24 Results: Improving core earnings QoQ

P & L (Btmn)	1Q23	2Q23	3Q23	4Q23	1Q24	% Chg YoY	% Chg QoQ
Total revenue	128,748	124,631	125,649	120,618	124,266	(3.5)	3.0
Gross profit	19,890	19,122	18,540	15,894	18,615	(6.4)	17.1
SG&A expense	(16,811)	(16,058)	(16,123)	(16,198)	(16,247)	(3.4)	0.3
Net other income/expense	4,870	5,602	753	578	1,548	(68.2)	167.7
Interest expense	(2,241)	(2,378)	(2,637)	(3,042)	(2,611)	16.5	(14.2)
Pre-tax profit	5,708	6,289	534	(2,768)	1,305	(77.1)	(147.1)
Corporate tax	(4,321)	(1,068)	(1,412)	(1,244)	(1,500)	(65.3)	20.6
Equity a/c profits	2,665	2,023	2,118	1,612	1,787	(33.0)	10.8
Core profit	4,516	5,216	3,019	994	1,466	(67.5)	47.5
Extra. Gain (Loss)	11,956	958	(578)	(2,128)	959	(92.0)	(145.1)
Net Profit	16,526	8,082	2,441	(1,134)	2,425	(85.3)	313.8
EPS	13.77	6.73	2.03	(0.94)	2.02	(85.3)	(313.8)
EBITDA	12,127	19,953	11,096	10,924	12,623	72.9	(1.6)
Financial ratio (%)							
Gross margin	15.4	15.3	14.8	13.2	15.0	(3.0)	13.7
EBITDA margin	12.8	6.5	1.9	-0.9	2.0	(84.8)	(307.6)
Net profit margin	9.4	16.0	8.8	9.1	10.2	7.8	12.2
SG&A expense/Revenue	13.1	12.9	12.8	13.4	13.1	0.1	(2.6)

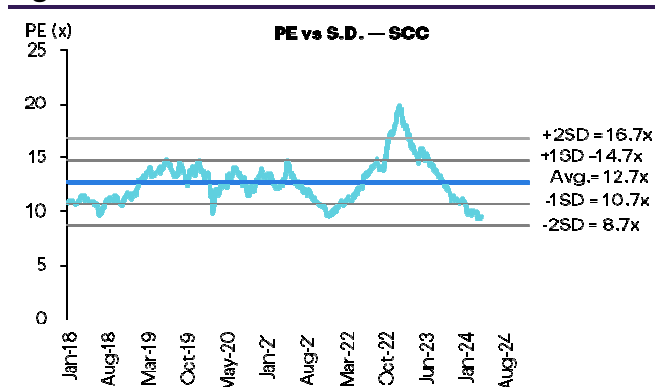
Source: SCGP and InnovestX Research

Figure 2: Thailand Cement Portland sale volume and Average selling price



Source: Company data and InnovestX Research

Figure 4: PE Band



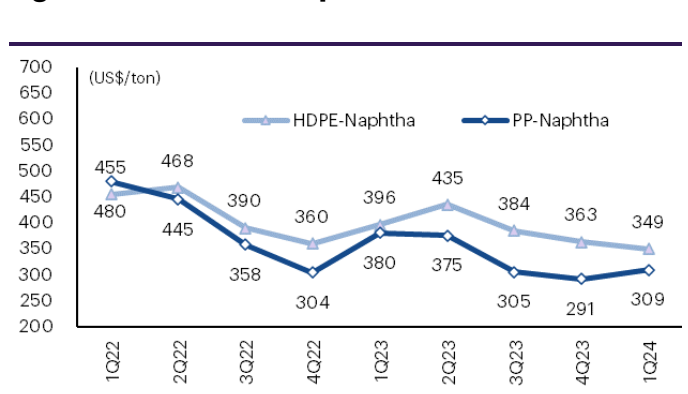
Source: Company data and InnovestX Research

Valuation summary (price as of Apr 25, 2024)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)			EV/EBITDA (x)		
					23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F
DCC	Neutral	1.70	1.8	10.8	13.1	12.0	11.2	(28)	9	8	2.3	2.2	2.0	19	19	18	5.9	4.6	4.9	8.4	7.3	6.8
SCC	Outperform	250.00	325.0	34.8	25.1	12.0	9.3	(46)	109	29	0.7	0.7	0.6	3	6	7	2.4	3.6	4.8	10.6	8.4	7.0
SCCC	Neutral	135.50	160.0	23.2	17.5	14.3	13.7	(34)	22	5	1.2	1.2	1.1	7	8	8	5.2	5.2	5.2	7.4	7.0	6.6
Average					18.6	12.8	11.4	(36)	47	14	1.4	1.3	1.2	9	11	11	4.5	4.4	5.0	8.8	7.6	6.8

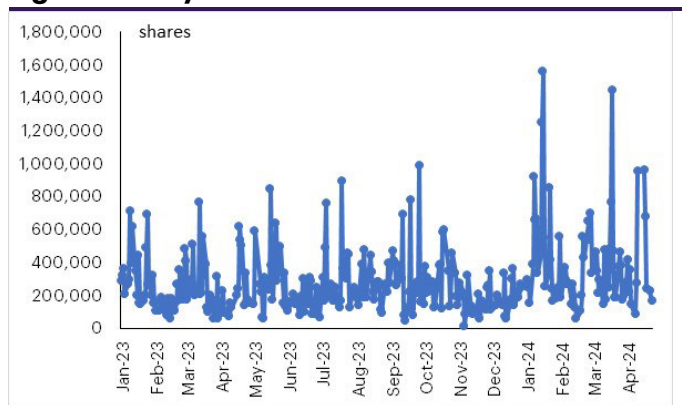
Source: InnovestX Research

Figure 3: HDPE and PP spreads



Source: Company data and InnovestX Research

Figure 5: Daily SCC & SCC-R Short Sales



Source: SETSMART and InnovestX Research

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CG Rating 2023 Companies with CG Rating

Companies with Excellent CG Scoring

7UP, AAV, ABM, ACE, ACG, ADB, ADD, ADVANC, AEONTS, AF, AGE, AH, AHC, AIRA, AIT, AJ, AKP, AKR, ALLA, ALT, AMA, AMARIN, AMATA, AMATAV, ANAN, AOT, AP, APCO, APCS, ARIP, ARROW, ASEFA, ASK, ASP, ASW, ATP30, AUCT, AWC, AYUD, B, BA, BAFS, BAM, BANPU, BAY, BGGI, BBIK, BBL, BC, BCH, BCP, BCPG, BDMS, BEC, BEM, BEYOND, BGC, BGRIM, BH, BIZ, BJC, BJCHI, BKI, BLA, BOL, BPP, BRI, BROOK, BRR, BTS, BTW, BWG, BYD, CBG, CENTEL, CFRESH, CHASE, CHEWA, CHG, CHOW, CIMBT, CIVIL, CK, CKP, CM, CNT, COLOR, COM7, COTTO, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CRD, CSC, CSS, CV, DCC, DELTA, DEMCO, DMT, DOHOME, DRT, DUSIT, EA, EASTW, ECF, ECL, EE, EGCO, EPG, ERW, ETC, ETE, FE, FLOYD, FN, FPI, FPT, FSX, FVC, GBX, GC, GCAP, GENCO, GFPT, GGC, GLAND, GLOBAL, GPSC, GRAMMY, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HPT, HTC, ICC, ICHI, ICN, III, ILINK, ILM, IMH, IND, INET, INTUCH, IP, IRC, IRPC, ITC, ITCL, IVL, JAS, JTS, KBANK, KCC, KCE, KEX, KKP, KSL, KTB, KTC, KTMS, KUMWEL, KUN, LALIN, LANNA, LH, LHFG, LIT, LOXLEY, LPN, LRH, LST, M, MAJOR, MALEE, MATCH, MBK, MC, M-CHAI, MCOT, MEGA, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NC, NCH, NCL, NDR, NER, NKI, NOBLE, NRF, NTV, NVD, NWR, NYT, OCC, OISHI¹, ONEE, OR, ORI, OSP, OTO, PAF, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PJW, PLANB, PLAT, PLUS, PM, POLY, PORT, PPP, PPS, PR9, PRG, PRINC, PRM, PRTR, PSH, PSL, PT, PTC, PTT, PTTEP, PTTGC, Q-CON, QH, QTC, RATCH, RBF, RPH, RS, RT, S, S&J, SA, SABINA, SAK, SAMART, SAMTEL, SAPPE, SAT, SBNEXT, SC, SCB, SCC, SCCC, SCG, SCGP, SCM, SDC, SEAFCO, SEAOL, SECURE, SELIC, SENA, SENX, SFP², SFT, SGC, SGF, SGP, SHR, SICT, SIRI, SIS, SITHAI, SJWD, SKR, SM, SMPC, SMT, SNC, SNNP, SNP, SO, SPALI, SPC, SPCG, SPI, SPRC, SR, SSC, SSF, SSSC, STA, STC, STEC, STGT, STI, SUC, SUN, SUSCO, SUTHA, SVI, SVT, SYMC, SYNEX, SYNTEC, TACC, TAE, TCAP, TCMC, TEAMG, TEGH, TFG, TFMAMA, TGE, TGH, THANA, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPH, TISCO, TK, TKN, TKS, TKT, TLI, TM, TMC, TMD, TMT, TNDT, TNITY, TNL, TNR, TOA, TOG, TOP, TPBI, TPCS, TPIPL, TPIPP, TPS, TQM, TQR, TRT, TRUE, TRV, TSC, TSTE, TSTH, TTA, TTB, TTCL, TTW, TURTLE, TVDH, TVH, TVO, TVT, TWPC, UAC, UBE, UBIS, UKEM, UP, UPF, UPOIC, UV, VCOM, VGI, VIBHA, VIH, VL, WACOAL, WGE, WHA, WHAUP, WICE, WINMED, WINNER, XPG, YUASA, ZEN

Companies with Very Good CG Scoring

2S, A5, AAI, AIE, ALUCON, AMR, APURE, ARIN, AS, ASIA, ASIAN, ASIMAR, ASN, AURA, BR, BSBM, BTG, CEN, CGH, CH, CHIC, CI, CIG, CMC, COMAN, CSP, DOD, DPAINT, DV8, EFORL, EKH, ESSO, ESTAR, EVER, FORTH, FSMART, FTI, GEL, GPI, HEALTH, HUMAN, IFS, INSET, IT, J, JCHK, JDF, JKN, JMART, JUBILE, K, KCAR, KGI, KIAT, KISS, KK, KTIS, KWC, KWM, LDC, LEO, LHK, MACO, METCO, MICRO, MK, MVP, NCAP, NOVA, NTSC, PACO, PIN, PQS, PREB, PRI, PRIME, PROEN, PROS, PROUD, PSTC, PTECH, PYLON, RCL, SALEE, SANKO, SCI, SCN, SE, SE-ED, SFLEX, SINGER, SKN, SONIC, SORKON, SPVI, SSP, SST, STANLY, STP, SUPER, SVOA, SWC, TCC, TEKA, TFM, TMILL, TNP, TPLAS, TPOLY, TRC, TRU, TRUBB, TSE, VRANDA, WAVE, WFX, WIJK, WIN, WP, XO

Companies with Good CG Scoring

24CS, AMANAH, AMARC, AMC, APP, ASAP, BCT, BE8, BIG, BIOTEC, BLESS, BSM, BVG, CAZ, CCET, CHARAN, CHAYO, CHOTI, CITY, CMAN, CMR, CRANE, CWT, DHOUSE, DTCENT, EASON, FNS, FTE, GIFT, GJS, GTB, GTV, GYT, HL, HTECH, HYDRO, IIG, INGRS, INSURE, IRCP, ITD, ITNS, JCK, JMT, JR, JSP, KBS, KGEN, KJL, L&E, LEE, MASTER, MBAX, MEB, MENA, META, MGT, MITSIB, MJD, MOSHI, MUD, NATION, NNCL, NPK, NSL, NV, OGC, PAF, PCC, PEACE, PICO, PK, PL, PLANET, PLE, PMTA, PPM, PRAKIT, PRAPAT, PRECHA, PRIN, PSG, RABBIT, READY, RJH, RSP, RWI, S11, SAAM, SAF, SAMCO, SAWAD, SCAP, SCP, SIAM, SKE, SKY, SMART, SMD, SMIT, SOLAR, SPA, STECH, STPI, SVR, TC, TCCC³, TEAM, TFI, TIGER, TITLE, TKC, TMI, TNH, TPA, TPAC, TRITN, UBA, UMI, UMS, UTP, VARO, VPO, W, WARRIX, WORK, WPH, YONG, ZIGA

Corporate Governance Report

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The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date. InnovestX Securities Company Limited does not conform nor certify the accuracy of such survey result.

To recognize well performers, the list of companies attaining "Good", "Very Good" and "Excellent" levels of recognition (Not including listed companies qualified in the "no announcement of the results" clause from 1 January 2022 to 31 October 2023) is publicized.

¹OISHI was voluntarily delisted from the Stock Exchange of Thailand, effectively on September 6, 2023

²SFP was voluntarily delisted from the Stock Exchange of Thailand, effectively on July 19, 2023

³TCCC was voluntarily delisted from the Stock Exchange of Thailand effectively on August 25, 2023

Anti-corruption Progress Indicator

Certified (ได้สัมฤทธิ์ผล)

2S, 7UP, AAI, ADVANC, AF, AH, AI, AIE, AIRA, AJ, AKP, AMA, AMANAH, AMATA, AMATAV, AP, APCS, AS, ASIAN, ASK, ASP, AWC, AYUD, B, BAFS, BAM, BANPU, BAY, BGGI, BBL, BCH, BCP, BCPG, BE8, BEC, BEYOND, BGC, BGRIM, BKI, BLA, BPP, BROOK, BRR, BSBM, BTS, BWG, CEN, CENTEL, CFRESH, CGH, CHEWA, CHOTI, CHOW, CIG, CIMBT, CM, CMC, COM7, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CSC, DCC, DELTA, DEMCO, DIMET, DOHOME, DRT, DUSIT, EA, EASTW, ECF, EGCO, EP, EPG, ERW, ESTAR, ETC, ETE, FNS, FPI, FPT, FSMART, FTE, GBX, GC, GCAP, GEL, GFPT, GGC, GJS, GPI, GPSC, GSTEEL, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HTC, ICC, ICHI, IFS, III, ILINK, ILM, INET, INOX, INSURE, INTUCH, IRPC, ITCL, IVL, JAS, JKN, JR, JTS, KASET, KBANK, KBS, KCAR, KCCAMC, KCE, KGEN, KGI, KKP, KSL, KTB, KTC, L&E, LANNA, LHFG, LHK, LPN, LRH, M, MAJOR, MALEE, MATCH, MBAX, MBK, MC, MCOT, META, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NATION, NCAP, NEP, NKI, NOBLE, NRF, NWR, OCC, OGC, OR, ORI, PAF, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PK, PL, PLANB, PLANET, PLAT, PM, PPP, PPPM, PPS, PR9, PREB, PRG, PRINC, PRM, PROS, PSH, PSL, PSTC, PT, PTECH, PTG, PTT, PTTEP, PTTGC, Q-CON, QH, QLT, QTC, RABBIT, RATCH, RML, RS, RWI, S&J, SAAM, SABINA, SAK, SAPPE, SAT, SC, SCC, SCCC, SCG, SCGP, SCM, SCN, SEAOL, SE-ED, SELIC, SENA, SGC, SGP, SIRI, SITHAI, SKR, SMIT, SMK, SMPC, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, STGT, STOWER, SUSCO, SVI, SYMC, SYNTEC, TAE, TAKUNI, TASCO, TCAP, TCMC, TFG, TFI, TFMAMA, TGE, TGH, THANI, THCOM, THIP, THREL, THREL, TIDLOR, TIPCO, TISCO, TKS, TKT, TMD, TMILL, TMT, TNITY, TNL, TNP, TNR, TOG, TOP, TOPP, TPA, TPCS, TRT, TRU, TSC, TSI, TSTE, TSTH, TTA, TTB, TTCL, TU, TVDH, TVO, TWPC, UBE, UBIS, UEC, UKEM, UOBKH, UV, VCOM, VGI, VIH, WACOAL, WHA, WHAUP, WICE, WIJK, XO, YUASA, ZEN, ZIGA

Declared (ประกาศเจตนา)

ACE, ADB, ALT, AMC, ASW, BLAND, BTG, BYD, CAZ, CBG, CV, DEXON, DMT, EKH, FSX, GLOBAL, GREEN, ICN, IHL, ITC, J, JMART, JMT, LEO, LH, MENA, MITSIB, MODERN, NER, NEX, OSP, PEER, PLUS, POLY, PQS, PRIME, PROEN, PRTR, RBF, RT, SA, SANKO, SCB, SENX, SFLEX, SIS, SKE, SM, SVOA, TBN, TEGH, TIPH, TKN, TPAC, TPLAS, TQM, TRUE, W, WPH, XPG

N/A

24CS, 3K-BAT, A, A5, AAV, ABM, ACAP, ACC, ACG, ADD, ADVICE, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, AKS, ALL, ALLA, ALPHAX, ALUCON, AMARC, AMARIN, AMR, ANAN, ANI, AOT, APCO, APEX, APO, APP, APURE, AQUA, ARIN, ARIP, ARROW, ASAP, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AUCT, AURA, B52, BA, BBIK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BKGI, BLC, BLESS, BLISS, BM, BOL, BPS, BR, BRI, BROCK, BSM, BSRC, BTNC, BTW, BUI, BVG, CCET, CCP, CEYE, CGD, CH, CHARAN, CHASE, CHAYO, CHG, CHIC, CHO, CI, CITY, CIVIL, CK, CKP, CMAN, CMO, CMR, CNT, COCOCO, COLOR, COMAN, CPANEL, CPH, CPR, CPT, CRANE, CRD, CREDIT, CSP, CSR, CSS, CTW, CWT, D, DCON, DDD, DHOUSE, DITTO, DOD, DPAINT, DTCENT, DTICI, DV8, EASON, ECL, EE, EFORL, EMC, ETL, EURO, EVER, F&D, FANCY, FE, FLOYD, FMT, FN, FORTH, FTI, FVC, GABLE, GENCO, GFC, GIFT, GL, GLAND, GLOCON, GLORY, GRAMMY, GRAND, GSC, GTB, GTV, GYT, HEALTH, HFT, HL, HPT, HTECH, HUMAN, HYDRO, I2, IFEC, IIG, IMH, IND, INGRS, INSET, IP, IRC, IRCP, IT, ITD, ITNS, ITTHI, JAK, JCK, JCHK, JCT, JDF, JPARK, JSP, JUBILE, K, KAMART, KC, KCG, KCM, KDH, KEX, KIAT, KISS, KJL, KK, KKC, KLINIQ, KOOL, KTIS, KTMS, KUMWEL, KUN, KWC, KWI, KWM, KYE, LALIN, LDC, LEE, LIT, LOXLEY, LPH, LST, MANRIN, MASTER, MATI, MCA, M-CHAI, MCS, MDX, MEB, MEGA, METCO, MGC, MGI, MGT, MICRO, MIDA, MJD, MK, ML, MORE, MOSHI, MTW, MUD, MVP, NAM, NAT, NC, NCH, NCL, NDR, NEO, NETBAY, NEW, NEWS, NFC, NL, NNCL, NOK, NOVA, NPK, NSL, NTSC, NTV, NUSA, NV, NVD, NYT, OHTL, ONEE, ORN, PACE, PACO, PAF, PANEL, PCC, PEACE, PERM, PF, PHG, PICO, PIN, PJC, PLE, PLT, PMTA, POLAR, PORT, POST, PPM, PRAKIT, PRAPAT, PRECHA, PRI, PRIN, PRO, PROUD, PSG, PSP, PTC, PTL, QTCC, RAM, RCL, READY, RICHY, RJH, ROCK, ROCTEC, ROH, ROJNA, RP, RPC, RPH, RSP, S, S11, SABUY, SAF, SAFARI, SAFE, SALEE, SAM, SAMART, SAMCO, SAMTEL, SAUCE, SAV, SAWAD, SAWANG, SBNEXT, SCAP, SCGD, SCI, SCL, SCP, SDC, SE, SEAFCO, SECURE, SFT, SGF, SHANG, SHR, SIAM, SICT, SIMAT, SINGER, SINO, SISB, SJWD, SK, SKN, SKY, SLM, SLP, SMART, SMD, SMT, SNNP, SO, SOLAR, SONIC, SPA, SPCG, SPG, SPVI, SQ, SR, SRS, SSC, STANLY, STARK, STC, STEC, STECH, STHAI, STI, STP, STPI, SUC, SUN, SUPER, SUTHA, SVR, SVT, SWC, SYNEX, TACC, TAN, TAPAC, TC, TCC, TCJ, TCOAT, TEAM, TEAMG, TEKA, TERA, TFM, TGPRO, TH, THAI, THANA, THE, THG, THMUJ, TIGER, TITLE, TK, TKC, TLI, TM, TMC, TMI, TNDT, TNH, TNPC, TOA, TPBI, TPCH, TPIPL, TPIPP, TPL, TPOLY, TPP, TPS, TQR, TR, TRC, TRITN, TRP, TRUBB, TRV, TSE, TTI, TTT, TTW, TURTLE, TVH, TVT, TW2, TYC, UAC, UBA, UMI, UMS, UNIQ, UP, UPF, UPOIC, UREKA, UTP, UVAN, VARO, VIBHA, VL, VNG, VPO, VRANDA, WARRIX, WAVE, WELL, WFX, WGE, WIN, WINDOW, WINMED, WINNER, WORK, WORLD, WP, YGG, YONG, ZAA

Explanations

Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of November 1, 2023) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.