UOBKayHian

Country Daily Thailand

Thursday, 16 April 2026

Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	48185.8	0.6	3.5	0.9	0.3
S&P 500	6824.7	0.6	3.8	0.4	(0.3)
FTSE 100	10603.5	(0.1)	4.2	3.5	6.8
AS30	9168.9	0.0	5.6	2.7	1.7
CSI 300	4566.2	(0.6)	0.9	(2.3)	(1.4)
FSSTI	4977.1	(0.4)	0.0	2.4	7.1
HSCEI	8611.8	(0.8)	2.5	(1.1)	(3.4)
HSI	25752.4	(0.5)	4.0	1.4	0.5
JCI	7307.6	0.4	1.7	(1.8)	(15.5)
KLCI	1686.2	(0.6)	(0.7)	(0.9)	0.4
KOSPI	5778.0	(1.6)	10.4	4.4	37.1
Nikkei 225	55895.3	(0.7)	6.5	3.0	11.0
SET	1489.7	0.3	1.3	6.0	18.3
TWSE	34861.2	0.3	9.9	6.4	20.4
BDI	2161	1.0	8.3	4.6	15.1
CPO (RM/mt)	4578	(4.2)	(3.4)	9.2	16.4
Brent Crude (US$/bbl)	96	1.2	(5.2)	(3.1)	57.6

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
Hybrid Small & Mid-Caps Corporate Day	Singapore	16 Apr	16 Apr
Virtual Meeting with Karrie International (1050 HK)	Hong Kong	23 Apr	23 Apr
Analyst Marketing on Greater China AI Sector	Singapore	16 May	16 May

Corporate and Macro Calendar

Economic Indicator/Event	Country/Region	Date
Mar. Consumer Confidence	Thailand	7-16 Apr
Mar. Customs Trade Balance (Export-Import)	Thailand	21-26 Apr
BoT Benchmark Interest Rate	Thailand	29 Apr

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Company Update | Siam Cement (SCC TB/**HOLD**/Bt214.00/Target: Bt234.00) Page 2

We expect SCC to report a net profit of Bt5.7b in 1Q26, rebounding from a loss in 4Q25, driven by substantial stock gains and a recovery in the cement business. The petrochemical segment outlook is improving, with olefins spreads recovering strongly due to significant supply disruptions, supporting overall earnings in 2Q26. SCC has secured sufficient feedstock for production through the end of 2Q26; however, naphtha feedstock supply for 2H26 remains uncertain. Upgrade to HOLD. Target price: Bt234.00 (previously Bt180.00).

Siam Cement (SCC TB)

1Q26 Net Profit Is Expected To Stage A Solid Rebound, Rising Both qoq And yoy

Highlights

- SCC's 1Q26 net profit is expected to increase both qoq and yoy, supported by significant stock gains and a recovery in the cement business.
- Olefins spreads are rebounding on the back of substantial supply disruptions, providing support to overall earnings in 2Q26, with sufficient feedstock secured through end-2Q26.
- Naphtha feedstock supply for 2H26 remains uncertain. Upgrade to HOLD. Target price: Bt234.00 (previously Bt180.00).

1Q26 Results Preview

Year to 31 Dec (Btm)	1Q24	4Q25	1Q26F	% Chg. yoy	% Chg. qoq	2025	2026F	% Chg. yoy
Revenue	124,266	126,056	140,122	13%	11%	496,925	708,881	43%
Gross profit	10,722	-25,849	16,286	52%	n.a.	26,951	32,537	21%
EBITDA	10,003	8,806	10,650	6%	21%	36,386	45,448	25%
Core Profit	1,466	-78	1,388	-5%	n.a.	4,962	8,800	77%
Extraordinary item	959	-3,613	4,326	351%	n.a.	9,113	4,326	-53%
Net Profit	2,425	-3,692	5,714	136%	n.a.	14,075	13,126	-7%
EPS	2.02	-3.08	4.76	136%	n.a.	11.73	10.94	-7%
Inventory gain (loss)	959	-1,128	4,326	351%	n.a.	-3,477	4,326	n.a.
Financial ratio (%)								
Gross Profit Margin	8.6%	-20.5%	11.6%			5.4%	4.6%	
EBITDA Margin	8.0%	7.0%	7.6%			7.3%	6.4%	
Net profit margin	2.0%	-2.9%	4.1%			2.8%	1.9%	

Source: SCC, UOB Kay Hian

Analysis

- **1Q26 earnings to rebound sharply.** 1Q26 net profit for Siam Cement (SCC) is expected to rebound to Bt5.71b, up both qoq and yoy. The turnaround is primarily driven by a sizeable stock gain of Bt4.33b and the absence of heavy one-off losses seen in 4Q25, which included a Bt3.6b impairment related to the discontinuation of the digital platform and SCG Distribution and Retail.
- **Core profit will recover in 1Q26.** Core profits are projected to hit Bt1.39b, a sharp turnaround from the Bt78m loss in 4Q25. This recovery is underpinned by a seasonal uptick in domestic cement demand in the cement building material business. While the force majeure at the Rayong Olefins (ROC) plant since 10 March caused a 5% dip in sales volume, the impact was neutralised by stronger petrochemical margins, with polyethylene (PE) and polypropylene (PP) spreads rising 6% and 9% qoq respectively.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	511,172	496,925	708,881	706,504	605,398
EBITDA	41,721	36,386	45,448	42,626	42,616
Operating profit	-1,475	-9,785	2,679	2,172	4,734
Net profit (rep./act.)	6,342	14,075	13,126	8,390	9,003
Net profit (adj.)	3,798	4,962	8,800	8,390	9,003
EPS	5.28	11.73	10.94	6.99	7.50
PE	40.49	18.25	19.56	30.61	28.52
P/B	0.73	0.76	0.74	0.74	0.73
EV/EBITDA	23.19	29.14	18.90	19.62	18.33
Dividend yield	2.34	2.34	2.34	2.34	2.34
Net margin	0.74	1.00	1.24	1.19	1.49
Net debt/(cash) to equity	58.21	55.32	39.30	32.15	22.50
Interest cover	3.63	3.39	4.50	4.72	4.41
Consensus net profit	n.a.	n.a.	11,156	13,727	24,657
UOBKH/Consensus (x)	n.a.	n.a.	1.18	0.61	0.37

Source: SCC, Bloomberg, UOB Kay Hian

HOLD (Upgraded)	
Share Price	Bt214.00
Target Price	Bt234.00
Upside	+9.35%
Previous	Bt180.00

Analyst(s)
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Stock Data

GICS Sector	Property & Construction / Construction Materials
Bloomberg ticker	SCC TB
Shares issued (m)	1,200.0
Market cap (Btm)	273,600.0
Market cap (US$m)	8,606.8
3-mth avg daily t'over (US$m)	24.1

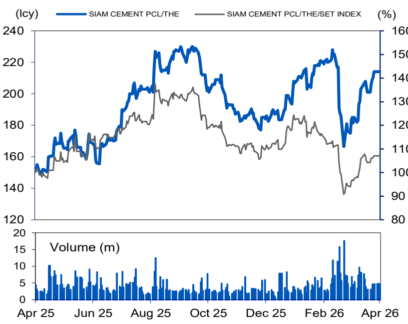
Price Performance (%)

52-week high/low				Bt231.00/Bt124.50
1mth	3mth	6mth	1yr	YTD
11.2	36.1	37.8	(4.6)	35.7

Major Shareholders

Maha Vajiralongkorn	33.64
Thai NVDR Company Limited	7.85
SOCIAL SECURITY OFFICE	5.54

Price Chart



Source: Bloomberg

Company Description

SCC operates as a holding company which is engaged in the industrial supplies and construction industries. The company operates six core businesses - chemical, paper, cement, building materials, distribution and investment.

Key Assumption

	------------------ 2026F ------------------		
	Old	New	%Diff

- **Packaging business remains resilient.** SCG Packaging's (SCGP) 1Q26 net profit is expected at Bt1.20b, flat qoq despite fewer extra gains, but up 34% yoy. The solid performance is driven by: a) higher selling prices; and b) lower production costs, particularly in Indonesia, which offset rising energy costs in line with coal prices.
- **2Q26 outlook: Continued earnings recovery.** Core earnings are expected to increase qoq, supported by a return to profitability in the petrochemical business as PE and PP spreads rise above US$400/tonne. Global olefins supply has tightened significantly, with around 40m tonnes per year (13% of global capacity) offline due to force majeure events, feedstock shortages (including SCG Chemical's ROC plant), and disruptions from Middle East conflicts. These positive factors are expected to offset a projected 27% qoq decline in petrochemical sales due to the ROC shutdown, as well as seasonal weakness in the cement business.

Eethylene Capacity Has Been Affected By The Unrest In The Middle East

Facility / Company	*Location*	*Capacity (Ethylene) million tonne per year*	*Status & Impact*
Asaluyeh Hub	Iran	~7.0	Total Shutdown.
Mahshahr Hub	Iran	~25.8	Total Shutdown.
Jubail Industrial City	Saudi Arabia	~8.0	Partial Shutdown.
YNCC (Yeochun NCC)	South Korea	2.3	Force Majeure.
Rayong Olefins (ROC)	Thailand	0.9	Force Majeure.
CSPC (CNOOC/Shell)	China	2.2	Force Majeure.
Bapco Energies	Bahrain	~0.25	Force Majeure.
PCS (Singapore)	Singapore	1.9	Force Majeure.
Chandra Asr (CAP)	Indonesia	0.9	Force Majeure.

Source: SCGC, CAP, ICIS, industrialinfo.com

- **Feedstock secured through 2Q26, while 2H26 remains uncertain.** SCC has secured sufficient naphtha feedstock for Map Ta Phut Olefins and Long-son Petrochemical (LSP) operations through end-June, supported by increased sourcing from non-Hormuz routes. Prior to the conflict, 70% of naphtha imports transited the Strait of Hormuz (with 30% from domestic supply), but the company has since diversified, raising non-Hormuz sourcing to 50%. However, feedstock availability for 2H26 is still being arranged, leaving uncertainty that warrants close monitoring.

Valuation/Recommendation

- **Upgrade to HOLD with a higher SOTP-based 2026 target price of Bt234.00 (previously Bt180.00),** with the chemical business valued at 0.45x P/B of -1.0SD (previously 0.38x P/B of -2SD), the cement business at 12x forward PE, and SCGP at 23.1x forward PE.

Earnings Revision/Risk

- **Revised up 2026 earnings.** 2026 core profit and net profit forecasts are raised by 12% and 67%, respectively, to reflect higher assumptions for PE and PP spreads (up 9% and 13%), as well as the stock gain recognised in 1Q26. As a result, core profit is projected at Bt8.8b, up 77% yoy, while net profit is expected to reach Bt13.13b, down 7% yoy.

Environment, Social, Governance (ESG) Updates

Environmental

- Carbon reduction: Committed to reducing greenhouse gas emissions through energy efficiency, renewable energy and carbon capture technologies.

Social

- Community engagement: Investing in education, health, and infrastructure programmes for local communities.

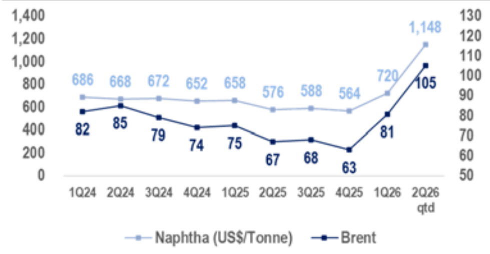
Governance

- Corporate governance: Maintaining transparent reporting and adhering to ethical business practices.

Average Domestic cement price (Bt/Tonne)	2,400	2,400	0%
Petrochemical spread (US$/tonne)			
HDPE Spread	340	370	9%
PP Spread	320	360	13%
PVC Spread	320	320	0%
Earnings revision (Btm)			
Core profit	7,848	8,800	12%
Net Profit	7,848	13,126	67%

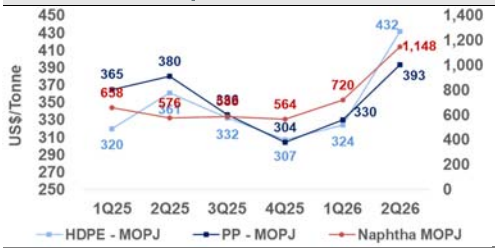
Source: UOB Kay Hian

Naphtha And Crude Oil Prices



Source: SCC

Petrochemical Spread



Source: SCC, PTTGC

LSPE Summary

Source: SCC, UOB Kay Hian

SOTP Valuation

	Equity Value	Bt/share	Methodology
Chemical	118,927	99	0.45x PBV
Cement	199,375	166	12.0x PE
SCGP	157,639	131	23.1x PE
SCGD	11,833	10	11.0x PE
Others	18,150	15	12.0x PE
Net Debt	-225,125	-188	
Total	280,800	234	

Source: UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	496,925	708,881	706,504	605,398
EBITDA	27,273	41,122	42,626	42,616
Deprec. & amort.	33,170	32,136	31,976	31,828
EBIT	(5,897)	8,985	10,650	10,788
Associate contributions	17,866	4,500	4,500	4,500
Net interest income/(expense)	(10,738)	(10,105)	(9,038)	(9,659)
Pre-tax profit	19,457	12,033	6,112	5,629
Tax	(8,900)	(2,407)	(1,222)	(1,126)
Minorities	3,518	3,500	3,500	4,500
Net profit	14,075	13,126	8,390	9,003
Net profit (adj.)	4,962	8,800	8,390	9,003

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	398,486	396,350	394,374	392,546
Other LT assets	76,009	7,089	7,065	6,054
Cash/ST investment	99,798	98,459	89,590	86,679
Other current assets	36,441	43,390	43,306	39,768
Total assets	821,591	801,758	812,589	811,391
ST debt	52,462	27,250	27,250	27,250
Other current liabilities	11,625	7,089	7,065	6,054
LT debt	191,842	164,592	137,342	110,092
Other LT liabilities	222,713	171,681	144,407	116,146
Shareholders' equity	380,760	387,887	390,277	393,280
Total liabilities & equity	821,591	801,758	812,589	811,391

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	42,664	70,325	22,990	22,966
Pre-tax profit	19,457	12,033	6,112	5,629
Tax	(8,900)	(2,407)	(1,222)	(1,126)
Deprec. & amort.	33,170	32,136	31,976	31,828
Working capital changes	4,399	28,562	(13,877)	(13,365)
Other operating cashflows	(5,462)	0	0	0
Investing	(8,852)	15,139	(30,000)	(30,000)
Investments	(37,913)	(30,000)	(30,000)	(30,000)
Others	29,061	45,139	0	0
Financing	(35,233)	(79,757)	6,750	16,750
Dividend payments	(8,637)	(6,000)	(6,000)	(6,000)
Issue of shares				
Proceeds from borrowings	(26,595)	(73,757)	12,750	22,750
Net cash inflow (outflow)	(1,420)	5,707	(260)	9,716
Beginning cash & cash equivalent	36,492	33,679	39,386	39,126
Changes due to forex impact	(1,393)	0	0	0
Ending cash & cash equivalent	33,679	39,386	39,126	48,842

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	8.16	7.32	6.41	6.03
Pre-tax margin	1.51	3.92	1.70	0.87
Net margin	1.24	2.83	1.85	1.19
ROA	1.71	1.64	1.03	1.11
ROE	3.70	3.38	2.15	2.29
Growth				
Turnover	(2.79)	42.65	(0.34)	(14.31)
EBITDA	(30.39)	50.78	3.66	(0.02)
Pre-tax profit	152.56	(38.16)	(49.20)	(7.91)
Net profit	121.95	(6.74)	(36.08)	7.31
Net profit (adj.)	30.66	77.35	(4.66)	7.31
EPS	121.95	(6.74)	(36.08)	7.31
Leverage				
Debt to total capital	61.56	47.90	41.21	34.52
Debt to equity	64.16	49.46	42.17	34.92
Net debt/(cash) to equity	55.32	39.30	32.15	22.50
Interest cover (x)	3.39	4.50	4.72	4.41