



*Earnings grew QoQ  
H1/25 Interim Dividend of 2.5 Baht/share  
and preparation for H2/25*

# **Management Discussion and Analysis**

Q2/2025 & H1/2025



## The Siam Cement Public Company Limited

Management Discussion and Analysis (MD&A)

Consolidated Financial Results: Q2/25 and H1/25

### Q2/25 Consolidated Financial Performance

The key commentaries for SCG's performance in Q2/25 and H1/25 are as follows

- Q2/25 Healthy Cash Flow with EBITDA of 17,431 MB, thanks to seasonal dividend from SCG Investment, better earnings QoQ at Cement and Green Solutions Business and Packaging business.
- H1/25 EBITDA stood at 30,320 MB and EBITDA from Operations reached 23,111 MB increased +20% HoH driven by internal efficiency improvement. *(Further detail of H1/25 performance is provided in SCG Table 1)*
- **Q2/25 dividend received was strong at 8,086 MB which contributed to solid Cash Flow.**
- Q2/25 earnings after tax as reported was 17,337 MB which included Extra Items<sup>1</sup> of 15,170 MB. *(Further detail of Q2/25 Extra Items is shown below)*
- As a result, Q2/25 earnings after tax without Extra Items amounted to 2,167 MB representing an increase of +97% from Q1/25. This was attributed by seasonal dividend from SCG Investment, better earnings at Cement and Green Solutions Business, as well as improved performance at Packaging Business.
- Earnings after tax without Extra Items on a non-LSP (Long Son Petrochemicals Complex in Vietnam)'s basis and without SCG Chemicals (SCGC)'s inventory loss of 913 MB, SCG reported earnings after tax of 6,147 MB.

Q2/25 Extra Items amounted to +15,170 MB are as follows:

1. **Restructuring Profit related to PT Chandra Asri Pacific Tbk. (CAP), totaling of +16,712 MB;**
  - 1.1 Gain from the business acquisition that the purchase price below the fair value of net identifiable assets (Gain on a bargain purchase) from CAP's investment in Aster Chemicals and Energy Pte. Ltd. (Aster) following SCGC's 30.57% portion of CAP's investment in Aster which completed in April 1, 2025. Also, Aster's performance which realized in April - May 2025.
  - 1.2 Fair value adjustment of investment of 30.57% stake, as appraised by 3<sup>rd</sup> party, following the change in status from Associate to Other Investment, effective June 2025.

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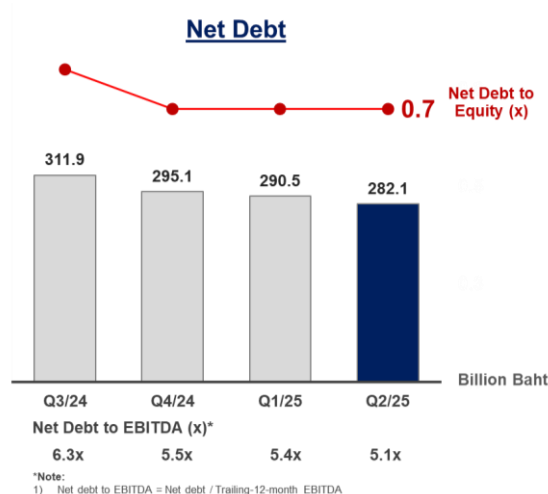
<sup>1</sup> The extra items are non-recurring items of business which are non-cash.

## 2. Restructuring Expenses for efficiency and cost reduction, totaling of -1,542 MB;

- 2.1 SCG Smart Living and SCG Distribution and Retail: change in management involvement at PT Siam-Indo Gypsum Industry (SIGI) and PT Siam-Indo Concrete Products (SICP) resulted in change in status of investment from subsidiaries to joint ventures, totaling -577 MB.
- 2.2 SCG Chemicals (SCGC): Restructuring expense of recycling business in Europe of -569 MB.
- 2.3 Other restructuring expenses at Business Related to Cement and Construction Materials of -396 MB.

Action Plan: SCG committed and delivered, resulted in savings and efficiencies as follows;

- **Restructured operations and businesses** to enhance efficiency expected benefits in FY2025.
- **Net Working Capital Reduction** in Q2/25 reduced 7,164 MB from the previous quarter.
- **Deleveraging** resulted in Net Debt reduced to 282,139 MB in Q2/25, a decline of 8,365 MB from Q1/25. Net finance and interest cost in Q2/25 amounted to 2,676 MB, decreased 153 MB from the previous quarter.



### **Q2/2025 (QoQ)**

**Working Capital**

decreased **7,164**  
MB

**Net Debt**

decreased **8,365**  
MB

**Interest Expense**

decreased **153**  
MB



## The Siam Cement Public Company Limited

Management Discussion and Analysis (MD&A)

Consolidated Financial Results: Q2/25 and H1/25

### **Factors to the consolidated performance in Q2/25:**

On a global basis, lower oil price led to improving chemical spread. Nonetheless, SCG has prepared operational plans to be readiness for US tariff measures in H2/25. In Thailand, Business Related to Cement and Construction Materials was in low-season while cement industry in Thailand has mandated Low Carbon Cement to comply with the specified standards (TIS 2594-2567) which helped accelerate Low Carbon Cement penetration, and facilitate cement industry in Thailand.

### **SCG preparations and strategy for H2/25**

1. **Optimization across ASEAN: Leverage operations across ASEAN in all business units.**
2. **Chemicals:** To restart Long Son Petrochemicals Complex (LSP) in Vietnam which requires approx. 1-1.5 months for preparation.
3. **Business Related to Cement and Construction Materials:** Accelerate Low Carbon Cement penetration (Gen 2 and Gen 3) and expand Low Carbon cement in ASEAN.
4. **Financials:** Prioritize restructuring for efficiency improvements and deleveraging. FY2025 CAPEX and investment to be approx. 30,000 MB and with flexibility to decrease compared with 55,305 MB in FY2024. At the same time, FY2025 EBITDA is expected to remain elevated driven by internal efficiency improvements.
5. **Operations:** Emphasize products and services with HVA (High Value-Added product) and expand new segment with high-quality products at affordable price (Smart Value Product).

**H1/25 Interim dividend:** With the healthy EBITDA in H1/25, The Board of Directors of SCC has approved a H1/25 interim dividend payment of 2.5 Bt./sh (3,000 MB) or 92% of H1/25 Profit for the Period without Extra Items, which is payable on August 28, 2025 (XD-date on August 13, 2025 and record date on August 14, 2025).



## The Siam Cement Public Company Limited

Management Discussion and Analysis (MD&A)

Consolidated Financial Results: Q2/25 and H1/25

### Summarizing Q2/25 Performance

#### SCG Consolidated Financials

##### SCG specific factors in Q2/25

- Extra Items, totaling of +15,170 MB.
- Dividend received reached 8,086 MB mainly from investment in the agricultural machinery business and automotive business.
- Long Son Petrochemicals Complex in Vietnam (LSP)'s depreciation and interest of approx. 2,100 MB.

##### Consolidated Financials Q2/25

On a QoQ basis, SCG reported strong EBITDA at 17,431 MB, or +35% thanks to seasonal dividend from SCG Investment, better performance at SCG Cement and Green Solutions and SCGP. EBITDA from Operations reported at 11,359 MB, dropped -3% mainly due to restructuring expenses for efficiency and cost reduction at SCG Chemicals (SCGC) and Business Related to Cement and Construction Materials.

Profit for the Period reached 17,337 MB which included Extra Items amounted to +15,170 MB from restructuring items related to PT Chandra Asri Pacific Tbk. (CAP) which total +16,712 MB and restructuring expenses for efficiency and cost reduction of -1,542 MB. Profit for the Period without Extra Items was 2,167 MB, rose +97% largely attributed by seasonal dividend from SCG Investment, better earnings at SCG Cement and Green Solutions driven by internal efficiency improvements and cement price adjustment in Thailand, as well as improved performance at SCGP.

Revenue from Sales reached 124,685 MB, on par QoQ.

On a YoY basis, EBITDA grew +7% thanks to increasing seasonal dividend from SCG Investment and better earnings at SCG Cement and Green Solutions majorly led by improving sales volume, internal efficiency improvements, and cement price adjustment in Thailand.

Profit for the Period rose 13,629 MB or +368% which included Extra Items. Profit for the Period without Extra Items dropped 1,541 MB or -42% mainly due to increased Long Son Petrochemicals Complex (LSP)'s started up expenses (depreciation and interest), SCG Chemicals (SCGC)'s inventory loss of 913 MB in Q2/25 while there was inventory loss of 363 MB in Q2/24, THB appreciated, as well as lower earnings at SCGP and SCG Smart Living and SCG Distribution and Retail.



# The Siam Cement Public Company Limited

## Management Discussion and Analysis (MD&A)

### Consolidated Financial Results: Q2/25 and H1/25

Revenue from Sales declined -3% from all businesses except improving sales at SCG Cement and Green Solutions which attributed by increased sale volume, as well as cement price adjustment in Thailand.

In H1/25, EBITDA registered 30,320 MB, or +5% YoY thanks to increasing seasonal dividend from SCG Investment and better earnings at SCG Cement and Green Solutions led by improving sales volume, internal efficiency improvements, and cement price adjustment in Thailand.

Profit for the Period reached 18,436 MB, rose 12,303 MB or +201% YoY which included Extra Items. Profit for the Period without Extra Items was 3,266 MB, dropped 2,867 MB or -47% YoY mainly from increased Long Son Petrochemicals Complex (LSP)'s started up expenses (depreciation and interest), SCG Chemicals (SCGC)'s inventory loss of 1,001 MB in H1/25 while there was inventory gain of 597 MB in H1/24, as well as THB appreciated.

Revenue from Sales reported at 249,077 MB, declined -1% YoY from lower sales at SCG Smart Living and SCG Distribution and Retail, SCGP, and SCG Decor (SCGD).

**SCG Table 1 - Consolidated financial summary**

**Unit : Million Baht**

	Q2/25	% YoY	% QoQ	H1/25	% YoY
<b>Revenue from Sales</b>	<b>124,685</b>	-3%	0.2%	<b>249,077</b>	-1%
<b>Profit for the Period</b>	<b>17,337</b>	368%	N/A	<b>18,436</b>	201%
<b>Profit excluding extra items</b>	<b>2,167</b>	-42%	97%	<b>3,266</b>	-47%
<b>EBITDA</b>	<b>17,431</b>	7%	35%	<b>30,320</b>	5%
<b>EBITDA from Operations</b>	<b>11,359</b>	-10%	-3%	<b>23,111</b>	-8%
<b>Earnings per Share (Baht)</b>	<b>14.4</b>	368%	N/A	<b>15.4</b>	201%
<b>Dividend Summary</b>					
	H1/25	H1/24	FY2024		
<b>Baht Per Share</b>	<b>2.5</b>	<b>2.5</b>	<b>5.0</b>		
<b>Payout Ratio (% of Profit excluding extra items)</b>	<b>92%</b>	<b>49%</b>	<b>95%</b>		
<b>Payout Ratio (% of Profit for the period)</b>	<b>16%</b>	<b>49%</b>	<b>95%</b>		

Note :	EBITDA	=	Profit before finance costs, income tax expense, depreciation and amortization including dividends from associates, thus, EBITDA for the first half of 2025 is excluding gain from fair value adjustment of investments.
	EBITDA from Operations	=	Profit before finance costs, income tax expense, depreciation and amortization, thus, EBITDA for the first half of 2025 is excluding gain from fair value adjustment of investments.
	Profit for the Period	=	Profit for the period attributable to owners of the Company.
	Profit excluding extra items	=	Profit for the period exclude non-recurring items of business which are non-cash.

*Segmented details are provided in appendix (SCG Table 2).*



## The Siam Cement Public Company Limited

Management Discussion and Analysis (MD&A)

Consolidated Financial Results: Q2/25 and H1/25

### Listed Subsidiaries

#### SCGP

SCGP (72% stake) reported Q2/25 Revenue from Sales of 31,557 MB, declined -8% YoY. EBITDA reached 4,257 MB, dropped -8% YoY and Profit for the Period registered at 1,010 MB, or -30% YoY.

#### SCG Decor (SCGD)

SCGD (73% stake) reported Q2/25 Revenue from Sales of 5,770 MB or -12% YoY. EBITDA registered at 803 MB or -12% YoY and Profit for the Period reported at 222 MB or -22% YoY.

*Segmented details are provided in appendix (SCG Table 2).*



## The Siam Cement Public Company Limited

Management Discussion and Analysis (MD&A)

Consolidated Financial Results: Q2/25 and H1/25

### **Non-Listed Subsidiaries**

#### **SCG Cement and Green Solutions**

##### **Industry setting in Q2/25**

- Thailand's grey cement demand grew by +3% YoY. The infrastructure segment continued high growth of +5-10% supported by on-going government projects.
- The average grey cement price in Q2/25 averaging between 2,050 - 2,100 baht/ton which slightly increased from the previous quarter.
- Regional cement markets also experienced strong YoY growth: Vietnam +17%, Cambodia +13%, and Indonesia +7%.

##### **SCG Cement and Green Solutions specific factors in Q2/25**

- Supported by ongoing restructuring efforts aimed at cost reduction, increased domestic and export volumes, and cement price adjustment in Thailand.
- SCG Low-Carbon Cement became the first in Thailand to receive certification under the new TIS Standard No. 2594-2567.

##### **Q2/25**

**On a QoQ basis**, EBITDA reached 3,757 MB, an increase of +1% and Profit for the Period rose to 1,595 MB, marking +11% increase driven by internal efficiency improvements, cement price adjustment in Thailand, despite ongoing restructuring costs and seasonal effects. Profit for the Period without restructuring expenses for efficiency and cost reduction was 1,732 MB, grew +20%.

Revenue from Sales reached 21,121 MB, up +1%, supported by improved performance in the infrastructure and commercial sectors, although the residential segment remained sluggish.

**On a YoY basis**, EBITDA increased by +25%, and Profit for the Period surged by +106%, reflecting a low base in Q2/24 due to delayed government budget disbursement. Profit for the Period without restructuring expenses for efficiency and cost reduction increased 958 MB, or +124%.

Revenue from Sales rose +7%, primarily fueled by higher export volumes.

**In H1/25**, EBITDA was 7,460 MB, increasing +13% YoY, and Profit for the Period registered 3,038 MB, increasing +55% YoY attributed to efforts to cost management and low base from delayed budget disbursement. Profit for the Period without restructuring expenses for efficiency and cost reduction was 3,175 MB, rose +62% YoY.

Revenue from Sales registered 42,015 MB, increasing +2% YoY driven by improving sales volume and cement price adjustment.





## The Siam Cement Public Company Limited

Management Discussion and Analysis (MD&A)

Consolidated Financial Results: Q2/25 and H1/25

Action plans of SCG Cement and Green Solutions in Q2/25 are;

- **Gen 3 Low Carbon Cement (soft-launch):** Targeting ~40% carbon emission reduction, reinforcing SCG's leadership in low-carbon cement across ASEAN.
- **Accelerated Low Carbon Concrete (downstream from Cement) adoption for developers:** Initiate with major property developers and allows developers access to carbon reduction.
- **Green product expansion:** Focus on high-growth markets through exports to Australia and Oceania, while optimizing logistics for U.S.-bound shipments from Vietnam.
- **Targeted Investment in cost reduction strategies:** Prioritizing optimization of alternative fuel and renewable energy integration for efficiency and sustainability. FY2025 alternative fuel used expected to be approx. 45-50%.

*Segmented details are provided in appendix (SCG Table 2).*



## The Siam Cement Public Company Limited

### Management Discussion and Analysis (MD&A)

#### Consolidated Financial Results: Q2/25 and H1/25

#### SCG Smart Living and SCG Distribution and Retail

##### Industry setting in Q2/25

- Thailand's domestic building materials market remained soft, in Q2/25 contracting by -5% YoY and in H1/25 declined -6% YoY. Government project segment maintained positive, while the residential segment continued to show weak demand. The non-residential segment continued to grow particularly in the industrial estate segment.
- Regionally, Vietnam's market recovered and continued to grow due to provincial restructuring expansion by the government. Cambodia had growth potential in the cement market while Indonesia experienced subdued demand.

##### SCG Smart Living and SCG Distribution and Retail specific factors in Q2/25

- Continued to enhance operational efficiency through cost-saving initiatives and lean automation, and raw material utilization.

##### Q2/25

On a QoQ basis, EBITDA reached 841 MB, -27%. Loss for the Period was 681 MB, reversing from the Profit for the Period of 751 MB in the previous quarter due to a restructuring expense for efficiency and cost reduction in Q2/25. Profit for the Period without restructuring expense was 155 MB, declined -79%.

Revenue from Sales amounted to 34,056 MB, down -2% primarily driven by soft residential segment.

On a YoY basis, EBITDA decreased by -42%. Loss for the Period was 681 MB, while there was Profit for the Period in the previous year of 576 MB, Loss for the Period in Q2/25 reflected internal restructuring expense to improve cost efficiency. Profit for the Period without restructuring expense was 155 MB, declined -73%.

Revenue from Sales declined -3%, mainly due to continued weakness in the residential market.

In H1/25, EBITDA was 1,992 MB, declined -20% YoY, and Profit for the Period registered 70 MB, decreased -94% YoY due to a restructuring expense for efficiency and cost reduction in Q2/25. Profit for the Period without restructuring expense was 906 MB, dropped -22% YoY.

Revenue from Sales was 68,707 MB, decreasing -7% YoY primarily driven by soft residential segment.

Action plans of SCG Smart Living and SCG Distribution and Retail in Q2/25 are;

- **AI & Automation for Operational Efficiency:** Continued investment in digital technologies to streamline operations and improve energy efficiency and reduce costs.
- **High potential market in SAMEA region:** Actively exploring opportunities in SAMEA region (South Asia, Middle East, and Africa), which demonstrates strong growth potential, particularly in products associated with cement and construction.
- **Smart Value Product (SVP) development:** Offering products and solutions to enhance consumer options and broaden customer accessibility, such as concrete roof and SCG Smartboard.

*Segmented details are provided in appendix (SCG Table 2).*



## The Siam Cement Public Company Limited

### Management Discussion and Analysis (MD&A)

#### Consolidated Financial Results: Q2/25 and H1/25

#### **SCG Chemicals (SCGC)**

##### **Industry setting in Q2/25**

- Industry margins improved following lower feedstock cost, amidst soft demand and new capacity additions.
- Global cracker operating rates remained low, while the Asian rates were at approx. 70-75%. Some of the crackers in the region have been mothballed, experienced turnaround, or commercial shutdown.
- Olefins chain: improved PE-N spread was supported by less supply due to maintenance shutdown of regional and Middle Eastern producers, while PP market faced pressure from new startups and Chinese exports.
- Vinyl chain: spreads increased, supported by lower EDC cost, while demand was still soft.

##### **SCG Chemicals (SCGC) specific factors in Q2/25**

- Olefins chain: SCGC operated higher than industry with the healthy run rate of approx. 90% thanks to efforts on sales optimization and High-Value Added Products (HVA) portfolio.
- Vinyl chain: Sales improved QoQ mainly on better operating rate from optimization.
- All in all, spreads improved in Q2/25, amidst new capacity additions. SCGC was able to maintain its operating rate at 85-90%, which was higher than other players in the region. In addition, the High-Value Added Products (HVA) and SCGC Green Polymer development are the key elements to accelerate margins and competitiveness in the medium to long term.
- Amidst the challenging situation, SCGC has continued on action plans, including regional optimization, market rationalization to grow sales volume, optimize efficiency, minimize working capital, and accelerate HVA and Green polymers development.
- LSP to restart at end-August 2025, while benefiting from Vietnam's 2% import duty on HDPE and LLDPE, effective 8 July 2025.

##### **Q2/25**

**On a QoQ basis**, EBITDA reported at 1,790 MB or decreased -31%. EBITDA from Operations was 263 MB, decreased -82% mainly due to restructuring expense for efficiency and cost reduction. **EBITDA without restructuring expense, LSP performance, and inventory gain (loss) was 4,241 MB, improved +24%**, attributed to better sales volume and spreads, as well as SCGC's efforts on cost and efficiency management.

Profit for the Period reached 12,908 MB, an increase of +15,856 MB mainly due to restructuring items related to PT Chandra Asri Pacific Tbk. (CAP). Profit for the Period without restructuring items, LSP performance, and inventory loss, was 745 MB, which mainly excluded key items such as:

1. Restructuring profit related to PT Chandra Asri Pacific Tbk. (CAP) amounting +16,712 MB, including:
  - 1.1 Gain from the business acquisition that the purchase price below the fair value of net identifiable assets (Gain on a bargain purchase) from CAP's investment in Aster Chemicals and Energy Pte. Ltd. (Aster) following SCGC's 30.57% portion of CAP's investment in Aster which completed in April 1, 2025. Also, Aster's performance which realized in April - May 2025.
  - 1.2 Fair value adjustment of investment of 30.57% stake, as appraised by 3<sup>rd</sup> party, following the change in status from Associate to Other Investment, effective June 2025.
2. Restructuring expense of recycling business in Europe, amounting -569 MB.
3. Net loss of LSP in Vietnam in Q2/25, amounting -3,080 MB.
4. Inventory loss in Q2/25, amounting -913 MB.

Revenue from Sales was 51,088 MB, an increase of +2% due to increased sales volume and sales optimization.

**On a YoY basis,** EBITDA decreased -42% and EBITDA from Operations declined -80% as a result of restructuring expense for efficiency and cost reduction. EBITDA without restructuring expense, LSP performance, and inventory gain (loss) improved +4% attributed to better sales volume and spreads, as well as SCGC's efforts on cost and efficiency management.

Profit for the Period rose 14,149 MB, mainly due to restructuring items related to PT Chandra Asri Pacific Tbk. (CAP).

Revenue from Sales dropped -3% mainly due to lower product prices.

**In H1/25,** EBITDA was 4,369 MB, on par from the previous year. EBITDA without restructuring expense, LSP performance, and inventory gain (loss) was 7,662 MB, rose +28% YoY from increased Revenue from Sales and dividend from associates.

Profit for the Period registered 9,960 MB, rose 13,067 MB YoY, mainly attributed to restructuring items related to PT Chandra Asri Pacific Tbk. (CAP). Profit for the Period without restructuring items, LSP performance, and inventory gain (loss) was 987 MB, increased +13% YoY following an increase in EBITDA.

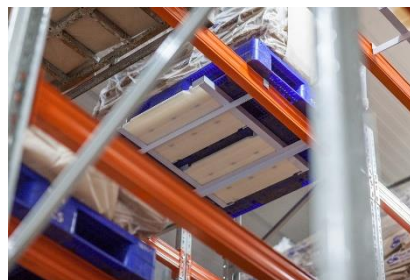
Revenue from Sales reached 101,265 MB, improved +3% YoY from increased sales volume despite lower product prices.

#### SCG Chemicals (SCGC)'s Going forward

- LSP to restart at end-August/2025. This is to utilize assets, making equipment, machines, and staff ready for the full operation once LSPE complete.
- LSP (Vietnam)'s ethane project (LSPE) to start up by end of 2027, while SCGC already completed the key contracts regarding ethane gas, shipping, and storages.
- HVA Highlights:
  - **Digital Reliability Service Solution (DRS) by REPCO NEX** is the fully integrated smart digital solution for the industrial sector. The solution delivers end-to-end asset performance management, offering Asset Performance Management, Predictive Model for Critical Machine, and Overall Equipment Effectiveness (OEE) Boost.



- **CHILLOX** is the energy-saving solution, featuring technology that maintain stable temperatures. This solution can be utilized in temperature-sensitive applications such as cold-chain transportation, district cooling and buildings, and logistics.



*Segmented details are provided in appendix (SCG Table 2).*

**Additional information**
**SCGC Table 1: Key indicators**

	Q2/25	Q1/25	Change QoQ	% Change QoQ
Brent crude oil (\$/bbl)	67	75	(8)	-11%
Naphtha price (\$/ton)	576	658	(82)	-12%
HDPE price (\$/ton)	939	978	(39)	-4%
HDPE-Naphtha (\$/ton)	363	320	43	13%
PP price (\$/ton)	929	984	(55)	-6%
PP-Naphtha (\$/ton)	353	326	27	8%
PVC price (\$/ton)	688	723	(35)	-5%
PVC-EDC/C2 (\$/ton)	332	302	30	10%

*Note: All prices are quarterly average*

**SCGC Table 2: Sales Volume (unit: K.Ton)**

	Q2/25	Q1/25	Change QoQ	% Change QoQ
PE (Thailand)	240	224	16	7%
PP (Thailand)	201	177	24	14%
LSP (Vietnam)	1	8	(7)	-88%
PVC	192	178	14	8%



## The Siam Cement Public Company Limited

### Management Discussion and Analysis (MD&A)

### Consolidated Financial Results: Q2/25 and H1/25

#### Additional Financials Details for Q2/25 and H1/25

##### Equity Income

Equity income in Q2/25 registered 14,510 MB, an increase of 12,215 MB YoY or +532% YoY mainly due to restructuring profit related to PT Chandra Asri Pacific Tbk. (CAP). The chemicals portion accounted for 92% of the total equity income at 13,419 MB, rose 12,690 MB YoY, while the non-chemicals portion accounted for the remaining of 1,091 MB, representing a decrease of -30% YoY.

##### Dividend Income

Total dividends received in Q2/25 amounted to 8,086 MB, increased 6,865 MB or +562% QoQ and increased +45% YoY, with details as follows: a) 6,072 MB from “Associated” companies (20% - 50% stake), and b) 2,014 MB from “Other” companies (less than 20% stake).

##### Cash & Cash Under Management

Cash under management of 45,542 MB, compared to 43,119 MB in Q1/25.

Net Working Capital registered at 80,506 MB, reduced 7,164 MB, or -8% from the previous quarter, while inventory turnover period was 65 days, compared with 63 days in Q1/25.

##### Net Debt and Net finance and interest cost

Net debt registered at 282,139 MB in Q2/25, decreased 8,365 MB from the previous quarter. Net Debt/Equity ratio was 0.7 times (x) in Q2/25, which was the same as Q1/25.

Net finance and interest cost in H1/25 amounted to 5,505 MB compared to 5,495 MB in H1/24. The average cost of interest in H1/25 was 3.3%, which was lower than H1/24 at 3.4%. Approximately 4/5 of SCG's long-term loan remains fixed rates.

##### CAPEX & Investment

CAPEX & Investment in H1/25 amounted to 15,427 MB, of which, 40% was from SCGP, 32% was from Business Related to Cement and Construction Materials, 20% was from SCG Chemicals (SCGC), and 8% was from Others.

The H1/25 EBITDA generation of 30,320 MB compared to cash outflow of 27,545 MB (CAPEX & Investments of 15,427 MB, interest payment of 5,577 MB, dividend payment of 4,855 MB, and corporate tax of 1,686 MB).

*Additional details are provided in appendix (SCG Table 3 and SCG Table 4).*

### **Outlook**

- Oil price trend is currently bearish to steady.
- Cement demand in Thailand expected growth driven by continued Government projects. Regional continues high growth at approx. 5-10%.
- SCG continued to improve leverage through;
  - FY2025 CAPEX and investment to be approx. 30,000 MB and with flexibility to decrease.
  - Improving FY2025 EBITDA from FY2024 as a result of internal efficiency improvement.
  - Asset Divestment opportunities.
- FY2025 debenture redemption of 55,200 MB. Average SCG's debenture re-subscription rate in H1/25 was approx. 90%.
- SCG prepares for H2/25 emphasize on asset optimization across ASEAN operations and continue internal efforts on cost efficiency measures, increase High-Value Added Products (HVA), enhance customer choice through high-quality products at affordable price (Smart Value Product), Low Carbon Cement Gen 2, Gen 3, and Low Carbon Cement expansion in ASEAN.

### **ESG Performance Highlights in H1/25**

**Net Zero:** SCG's absolute GHG emissions (scope 1+2) was 13.81 million-ton CO<sub>2</sub>, compared to 34.24 million-ton CO<sub>2</sub> in 2020.

**Go Green:** Revenue from Sales of Green Choice products was 131,035 MB, accounting for 53% of total Revenue from Sales.

**Reduce Inequality:** SCG actively contributed to reducing inequality in society for a total of 5,755 individuals compared with target of 5,600 individuals, including promoting employment and income generation, supporting access to educational opportunities and Enhancing public health and well-being.

**Collaborations:** SCG engaged with key sectors to move forward 'Saraburi Sandbox' and executions in areas such as energy sector, industrial processes and product use, waste management, agricultural sector, and Land Use and Forestry.

*Full details of ESG performance are in appendix (ESG Performance).*



## **Appendix**

### **ESG Performance**

#### **Net Zero**

In H1/25, SCG absolute Greenhouse Gas Emissions (Scope 1 and Scope 2) was 13.81 million tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e). This result reflects the company's effective implementation of its operational plan. SCG anticipates by 2025 will achieve its annual greenhouse gas emissions reduction target in alignment with the recommendations of the Science Based Targets initiative (SBTi), which advises organizations to reduce greenhouse gas emissions by an average of 2.5% per year in support of the global goal to limit the rise in temperature to within 2 degrees Celsius.

SCG continues to refine its business strategies to foster growth and seize new opportunities arising from the energy transition. The company prioritizes alternative fuels such as biomass, agricultural waste, and refuse-derived fuel (RDF), and renewable energy. This achievement underscores SCG's commitment to reducing reliance on fossil fuels. These efforts contribute to reducing environmental impacts and reinforce SCG's dedication to operating sustainably and responsibly. In FY2025, SCG expected to use alternative fuels approximately at 45-50% of its cement operations in Thailand.

#### **Go Green**

SCG continues to develop low-carbon products under the Green Choice label, focusing on environmental friendliness and reducing greenhouse gas emissions. This initiative provides consumers with the opportunity to choose products that align with eco-conscious lifestyles while ensuring that these products not only benefit the environment but also enhance quality of life.

SCG targets revenue from Green Choice products to account for 2/3 of total sales revenue by 2030. In H1/25, Revenue from Sales of Green Choice products was 131,035 MB, accounting for 53% of total Revenue from Sales. SCG is prioritizing the development of a wide range of SCG Green Choice products to meet the diverse needs of customers seeking environmentally friendly products. Examples include Green Carton, Low Carbon Cement and Concrete and SCGC Green Polymer.

#### **Reduce Inequality**

SCG conducts business in parallel with driving social development, adhering to a sustainable growth approach within the ESG framework. The company undertakes various initiatives aimed at improving the quality of life for people in the areas where it operates. These initiatives focus on three key dimensions: Promoting employment and income generation, supporting access to educational opportunities and Enhancing public health and well-being.

SCG began proactively implementing these programs in 2022, setting a target to support at least 50,000 people by 2030. In H1/25, SCG has reached 5,755 people compared with the target of 5,600 individuals in 2025.

**Key Achievements in Q2/25**

**1. Promoting Livelihoods and Access to Finance (626 beneficiaries)** by focusing on economic empowerment and financial inclusion for individuals and businesses through the following initiatives:

- Promoting Income Generation for independent workers: supported 60 skilled workers in accessing job through the “Q-Chang” platform. This initiative not only boosted their work opportunities but also generated over 3.8 million Baht in income for those who secured jobs this quarter.
- Expanding Financial Options for SMEs: assisted 37 SCG partner SMEs (both suppliers and dealers) in gaining broader access to funding. Through “Siam Validus” crowdfunding, these businesses have improved liquidity and increased their working capital, enabling smoother operations.
- Developing Life and Vocational Skills in Communities: conducted practical training workshops for 329 community leaders across 16 provinces nationwide under “The 'Prayote Sook' (Wellbeing for All) Initiative”. These workshops emphasized hands-on learning in both life and vocational skills tailored to each community's context, such as organic farming, handicrafts, local product processing, and the establishment of model learning centers. The project also fostered group collaboration, knowledge exchange, and the creation of strong community networks.

**2. Supporting Educational Opportunities (60 beneficiaries)** by inspiring and sharing knowledge with the next generation of changemakers:

- Packaging Speak Out 2025 – Vietnam Project: The Packaging Business organized this program to share creativity and innovation in the packaging industry with 60 Vietnamese university students. This project provided students with opportunities to learn from experts and participate in workshops, preparing them for a competition to design eco-friendly packaging based on circular economy principles.

**3. Improving Community Health and Well-being (178 beneficiaries)** by enhancing the quality of life and promote sustainable health standards in communities:

- Training Village Health Volunteers (VHVs): The Chemicals Business organized a training program for 178 VHVs from four communities in the Map Ta Phut municipality. The initiative enhanced their knowledge and capabilities in effectively caring for the health of community members, contributing to a more robust local health network in the area and a sustainable improvement in community health standards over the long-term.

**Collaborations****Energy Sector:**

- The Khlong Phriao area originally designated as a blue zone for environmental or public use only. The new proposal approved by the Saraburi City Planning Committee, permits the operation of Type 88 (1) factories or continued public benefit uses. This amendment also allows for the installation of solar floating systems in the area.
- The Saraburi Provincial Energy Office is driving the proposal of Saraburi Sandbox's Green Pilot Projects toward scaling up electricity sales through the Third-Party Access (TPA) model, with a capacity of 8 MW, using a policy push approach.



## The Siam Cement Public Company Limited

Management Discussion and Analysis (MD&A)

Consolidated Financial Results: Q2/25 and H1/25

### **Industrial Processes and Product Use:**

- Conducted a feasibility study and conceptual design of Mobile Carbon Capture Unit (MCCU) for selected cement plant in Thailand, supported by funding from the Canadian government through UNIDO.

### **Waste Management:**

- Collaborate with the Saraburi Provincial Local Administration Office and the Saraburi Provincial Education Office to select 13 pilot schools join the Zero Waste School project covering medium to large-sized across educational levels and all 13 districts. A project kick-off event is scheduled for August 8, 2025. The project aims to reduce waste generation at source, promote waste segregation for maximizing value and utilization of waste materials.

### **Agricultural Sector:**

- Successfully expanded the Saraburi Eco-friendly Rice Market to various networks such as OTOP and Saraburi Tourism Association.

### **Land Use and Forestry:**

- Funding support approval from the Environmental Fund amount 4.16 MB.
- Organized "Forest Bathing" activities on June 24-25, 2025 to enhance knowledge and foster a love for community forests among local communities. The initiative also aims to generate additional economic value and promote long-term environmental conservation awareness.

### **For additional information**

#### **SCG Sustainability**

<http://www.scgsustainability.com/en/>

#### **Corporate governance**

<https://scc.listedcompany.com/cg.html>

#### **Link to ESG Profile (New)**

<https://bit.ly/3dLEVVV>



# The Siam Cement Public Company Limited

## Management Discussion and Analysis (MD&A)

### Consolidated Financial Results: Q2/25 and H1/25

SCG Table 2 - Segments

Unit : Million Baht

Revenue from Sales	Q2/25	% YoY	% QoQ	H1/25	% YoY
Consolidated SCG	124,685	-3%	0.2%	249,077	-1%
SCG Cement and Green Solutions	21,121	7%	1%	42,015	2%
SCG Smart Living and SCG Distribution and Retail	34,056	-3%	-2%	68,707	-7%
SCG Decor (SCGD)	5,770	-12%	-3%	11,730	-12%
SCG Chemicals (SCGC)	51,088	-3%	2%	101,265	3%
SCGP	31,557	-8%	-2%	63,766	-6%
Others	466	10%	11%	884	8%
EBITDA	Q2/25	% YoY	% QoQ	H1/25	% YoY
Consolidated SCG	17,431	7%	35%	30,320	5%
SCG Cement and Green Solutions	3,757	25%	1%	7,460	13%
SCG Smart Living and SCG Distribution and Retail	841	-42%	-27%	1,992	-20%
SCG Decor (SCGD)	803	-12%	-1%	1,611	-9%
SCG Chemicals (SCGC)	1,790	-42%	-31%	4,369	-0.4%
SCGP	4,257	-8%	1%	8,491	-13%
Others	6,040	83%	N/A	6,508	60%
EBITDA from Operations	Q2/25	% YoY	% QoQ	H1/25	% YoY
Consolidated SCG	11,359	-10%	-3%	23,111	-8%
SCG Cement and Green Solutions	3,746	26%	1%	7,449	13%
SCG Smart Living and SCG Distribution and Retail	241	-74%	-79%	1,392	-28%
SCG Decor (SCGD)	803	-12%	-1%	1,611	-9%
SCG Chemicals (SCGC)	263	-80%	-82%	1,707	-32%
SCGP	4,257	-8%	1%	8,489	-13%
Others	2,106	9%	350%	2,574	-5%
EBITDA Margins (%)	Q2/25	Q2/24	Q1/25	H1/25	H1/24
Consolidated SCG	9%	10%	9%	9%	10%
SCG Cement and Green Solutions	18%	15%	18%	18%	16%
SCG Smart Living and SCG Distribution and Retail	1%	3%	3%	2%	3%
SCG Decor (SCGD)	14%	14%	14%	14%	13%
SCG Chemicals (SCGC)	1%	3%	3%	2%	3%
SCGP	13%	14%	13%	13%	14%
Profit (loss) for the Period	Q2/25	% YoY	% QoQ	H1/25	% YoY
Consolidated SCG	17,337	368%	N/A	18,436	201%
SCG Cement and Green Solutions	1,595	106%	11%	3,038	55%
SCG Smart Living and SCG Distribution and Retail	(681)	N/A	N/A	70	-94%
SCG Decor (SCGD)	222	-22%	2%	439	-19%
SCG Chemicals (SCGC)	12,908	N/A	N/A	9,960	N/A
SCGP	1,010	-30%	12%	1,910	-40%
Others	2,593	8%	159%	3,596	4%

Note: EBITDA

= Profit before finance costs, income tax expense, depreciation and amortization including dividends from associates, thus, EBITDA for the first half of 2025 is excluding gain from fair value adjustment of investments.

EBITDA from Operations

= Profit before finance costs, income tax expense, depreciation and amortization, thus, EBITDA for the first half of 2025 is excluding gain from fair value adjustment of investments.

EBITDA Margins

= EBITDA from Operations divided by Revenue from Sales.

Profit (loss) for the Period

= Profit (loss) for the period attributable to owners of the Company.

Consolidated SCG's financial statement is presented after the intersegment elimination.



# The Siam Cement Public Company Limited

## Management Discussion and Analysis (MD&A)

### Consolidated Financial Results: Q2/25 and H1/25

**SCG Table 3 - SCG's Debt Profile**

**Unit : Million Baht**

	Q2/25	Q1/25	Q2//24	Q2/24
<b>Loan</b>	<b>327,681</b>	<b>333,623</b>	<b>348,435</b>	<b>368,100</b>
Short Term	67,372	71,116	85,465	61,459
Long Term	260,309	262,507	262,970	306,641
<b>Cash &amp; Cash Under Management</b>	<b>45,542</b>	<b>43,119</b>	<b>53,331</b>	<b>78,907</b>
Cash and cash equivalents	31,942	29,082	36,492	57,215
Investment in short-term debt securities	13,232	13,665	15,403	18,329
Investment in debt securities (Private funds) and fixed deposit more than 12 months	368	372	1,436	3,363
<b>Total Net Debt</b>	<b>282,139</b>	<b>290,504</b>	<b>295,104</b>	<b>289,193</b>
<b>SCG's Financial Ratios</b>	<b>Q2/25</b>	<b>Q1/25</b>	<b>Q4/24</b>	<b>Q2/24</b>
EBITDA on Assets (%)	6%	6%	6%	5%
Current Ratio (times)	1.0	0.9	0.9	1.1
Quick Ratio (times)	0.5	0.5	0.5	0.6
Interest Coverage (times)	6.5	4.6	4.8	5.6
Net Debt to EBITDA (times)	5.1	5.4	5.5	5.7
Net Debt to Equity (times)	0.7	0.7	0.7	0.6
Debt to Equity (times)	1.0	1.0	1.1	1.1
Return on Equity (%)	5%	1%	2%	2%

Note:	Net Debt	= Total debt (interest bearing), less cash and cash under management
	EBITDA	= Profit before finance costs, income tax expense, depreciation and amortization including dividends from associates.
	EBITDA on Assets	= Trailing-12-month EBITDA, to average Total Consolidated Assets
	Current Ratio	= Current assets, to current liabilities
	Quick Ratio	= Cash + short term investments + receivable, to current liabilities
	Interest Coverage	= EBITDA, to finance costs
	Net Debt to EBITDA	= Net debt, to Trailing-12-month EBITDA
	Net Debt to Equity	= Net Debt, to equity & non-controlling interest
	Debt to Equity	= Total Liabilities, to equity & non-controlling interest
	Return on Equity	= Trailing-12-month Net profit, to average total shareholders' equity (not including non-controlling interest)

**SCG Table 4 - Statement of Financial Position**
**Unit : Million Baht**

	<b>Jun/25</b>	<b>Dec/24</b>	<b>Jun/24</b>
<b>Total Assets</b>	<b>846,701</b>	<b>861,502</b>	<b>949,478</b>
Current assets			
Cash, cash equivalent and			
Investments in short-term debt securities	45,174	51,895	75,544
Trade and other current receivables	74,147	71,539	85,464
Inventory	66,693	73,302	89,663
Long-term investment	152,082	156,206	165,235
Property, plant and equipment	407,108	422,613	441,333
<b>Total Liabilities</b>	<b>425,894</b>	<b>441,722</b>	<b>494,061</b>
Trade and other current payables	61,929	58,094	69,167
Loans	327,681	348,435	368,100
<b>Total Shareholders' Equity</b>	<b>420,807</b>	<b>419,780</b>	<b>455,417</b>
Total equity attributable to owners of the Company	359,223	352,887	379,677
Non-controlling interests	61,584	66,893	75,740