

27 July 2023

Basic Materials | Building Materials

ปูนซีเมนต์ไทย (SCC TB)

“ซี้อ” (คงคำแนะนำ)

อนาคตสดใสขึ้น; คงคำแนะนำ “ซี้อ”

- คงคำแนะนำ “ซี้อ” และราคาเป้าหมายวิธี DCF ที่ 400 บาท มี upside 26% และเงินปันผลประมาณ 5% ผลประกอบการ 2Q66 ของ SCC ออกมาสูงกว่าที่เราคาดการณ์ไว้จากกำไรพิเศษ และเราคาดว่าผลงานของธุรกิจหลักจะปรับดีขึ้นใน 2H66 โดยเฉพาะธุรกิจปิโตรเคมีและธุรกิจบรรจุภัณฑ์
- ผลประกอบการ 2Q66 กำไรสุทธิ 2Q66 ของ SCC ที่ 8.1 พันล้านบาท (-19% YoY, -51% QoQ) ออกมาสูงกว่าประมาณการของเรา 32% เนื่องจากกำไรสุทธิได้รวมกำไรพิเศษ 2.87 พันล้านบาทจากการปรับมูลค่ายุติธรรมของการลงทุนในแพลตฟอร์มออนไลน์ Betterbe Market Place เมื่อหักรายการพิเศษ กำไรหลัก 2Q66 อยู่ที่ 5.22 พันล้านบาท ลดลงอย่างมาก 49% YoY สอดคล้องกับธุรกิจปิโตรเคมีที่ร่วงลง อย่างไรก็ดี กำไร 2Q66 ขยายตัว 14% QoQ ตามรายได้ปันผลจากการลงทุนในธุรกิจยานยนต์ ทั้งนี้ ทั้งสามธุรกิจหลักของ SCC มีผลประกอบการลดลง YoY ใน 2Q66
- ธุรกิจซีเมนต์และวัสดุก่อสร้างมีกำไรสุทธิ 1.25 พันล้านบาท (-35% YoY, -91% QoQ) ใน 2Q66 จากตลาดในประเทศเป็นหลัก โดยความต้องการซีเมนต์ขยายตัว 1% YoY ใน 2Q66 ขณะที่ตลาดภูมิภาคอ่อนแอลงตามกิจกรรมการก่อสร้างที่ชะลอลง ถึงแม้ว่าราคาซีเมนต์จะเพิ่มขึ้นไปที่ 2,100-2,150 บาทต่อตัน แต่รายได้หลัก 2Q66 ลดลง 12% YoY เป็น 46.4 พันล้านบาท โดยผลงานของ SCG Logistics หลังการควบรวมถูกรับรู้เป็นส่วนแบ่งกำไร
- กำไรสุทธิ 2Q66 ของธุรกิจปิโตรเคมีร่วงลงเป็น 741 ล้านบาท (-80% YoY, -45% QoQ) แม้ว่า HDPE-naphtha spread จะเพิ่มขึ้น 10% QoQ และปริมาณการขาย polyolefin จะอยู่ที่ 417,000 ตัน (-2% YoY, +7% QoQ) หลังจากโรงงานผลิตสารโพลีเอทิลีนที่ระยะของกลับมาดำเนินการตามปกติ ส่วนแบ่งกำไรจากบริษัทในเครือลดลงเหลือ 858 ล้านบาท (-40% YoY, -10% QoQ) ขณะที่การขาดทุนสินค้าคงคลังอยู่ในระดับสูงที่ 1.84 พันล้านบาท สอดคล้องกับราคา naphtha ที่ลดลง
- ธุรกิจบรรจุภัณฑ์ใกล้เคียงคาดการณ์ โดยกำไรสุทธิอยู่ที่ 1.48 พันล้านบาท (-20% YoY, +22% QoQ) ซึ่งเพิ่มขึ้น QoQ ตามคาด ถึงแม้ว่า i) ปริมาณการขายนำผิวดวงเล็กน้อยที่ลดลง QoQ จากทุกห่วงโซ่อุปทานที่ส่งผลกระทบต่อรายได้ของ 2Q66 ลดลง (-15% YoY, -4% QoQ) โดยเฉพาะในกลุ่มบรรจุภัณฑ์กระดาษและเส้นใย และ ii) แนวโน้มขาของราคาบรรจุภัณฑ์ที่เป็นไปตามคาด ทั้งนี้ ปัจจัยบวกสำคัญคือการควบคุมต้นทุนการผลิตที่ดี ตามต้นทุนพลังงานที่ลดลงและค่าขนส่งทางทะเลที่เริ่มกลับลงมาเป็นปกติ
- กำไรหลัก 1H66 (ไม่รวมกำไรพิเศษใน 1Q66) อยู่ที่ 9.8 พันล้านบาท ลดลงตามคาดจากฐานที่สูงเมื่อ 1H65 เนื่องจากธุรกิจปิโตรเคมีและธุรกิจบรรจุภัณฑ์มีผลงานอ่อนแอลงใน 1H66 เราคาดว่าผลประกอบการจะปรับดีขึ้นใน 2H66 ตาม spread ของผลิตภัณฑ์ปิโตรเคมีที่สูงขึ้นและอุปสงค์ที่สูงขึ้นในธุรกิจบรรจุภัณฑ์ตามต้นทุนพลังงานที่ลดลงต่อเนื่อง เราคงประมาณการกำไรสุทธิ FY66 ที่ 38.2 พันล้านบาท (+79% YoY)
- เราให้คะแนน ESG ของ SCC ที่ 3.7 เนื่องจาก SCC ได้มุ่งมั่นลงทุนในด้าน ESG ตลอดช่วงทศวรรษที่ผ่านมา เราให้ ESG premium 8% เพิ่มจากราคาตั้งต้นวิธี DCF ที่ 370 บาท ได้เป็นราคาเป้าหมายที่ 400 บาท

Target Price (Return): THB400 (25.8%)
 Price (Market Cap): THB318 (USD11,132m)
 ESG score: 3.7 (out of 4)
 Avg Daily Turnover (THB/USD) 597m/17.3m

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Share Performance (%)

	YTD	1m	3m	6m	12m
Absolute	(7.0)	(1.9)	5.6	(4.8)	(14.1)
Relative	1.6	(4.5)	6.9	4.0	(12.2)
52-wk Price low/high (THB)	301 – 373				

Siam Cement (SCC TB)



Source: Bloomberg

Overall ESG Score: 3.7 (out of 4)

E: ดี

SCC ใช้หลักการ Circular Economy ในห่วงโซ่คุณค่าทั้งหมด ตั้งแต่การออกแบบ การจัดซื้อจัดจ้าง การผลิต การขาย การขนส่ง และการใช้ไปจนถึงการรีไซเคิล กระบวนการเหล่านี้ดำเนินไปโดยใช้พลังงานและทรัพยากรที่จำกัดที่สุดเพื่อให้ได้ผลมากที่สุดในทุกห่วงโซ่คุณค่า รวมไปถึง การลด การรีไซเคิล การให้พลังงานทางเลือก และการลดของเสียให้ได้มากที่สุด

S: ดีเยี่ยม

SCC มุ่งมั่นที่จะผลิตผลิตภัณฑ์ และจัดหาบริการและทางแก้ปัญหาล่าสุดที่ใส่ใจทั้งสุขภาพและความปลอดภัยของทั้งพนักงานและคู่สัญญา ความร่วมมือกันของทุกฝ่าย - ประกอบด้วยทั้งภาครัฐ ภาคเอกชน และชุมชน - เป็นปัจจัยสำคัญที่ทำให้ Circular Economy มาใช้ปฏิบัติได้จริง

G: ดีเยี่ยม

SCC ยินยัดและทำให้สอดคล้องกับหลักการบรรษัทภิบาล ทั้งในระดับท้องถิ่นและระดับสากล ยกตัวอย่างเช่น หลักการกำกับดูแลกิจการที่ดี สำหรับบริษัทจดทะเบียนของ SEC และ SET, การสำรวจการกำกับดูแลกิจการบริษัทจดทะเบียนของสมาคมส่งเสริมสถาบันกรรมการบริษัทไทย, การประเมินการกำกับดูแลกิจการที่ดีของบริษัทจดทะเบียนในภูมิภาคอาเซียน (ACGS) และการประเมินความยั่งยืนทางธุรกิจของดัชนี Dow Jones (DJSI)

Forecasts and Valuation	Dec-21	Dec-22	Dec-23F	Dec-24F	Dec-25F
Total turnover (THBm)	530,112	569,609	578,496	593,856	615,852
Recurring net profit (THBm)	47,174	21,382	38,243	44,032	48,237
Recurring net profit growth (%)	38.2	(54.7)	78.9	15.1	9.6
Recurring P/E (x)	8.09	17.85	9.98	8.67	7.91
P/B (x)	1.1	1.0	1.0	0.9	0.9
P/CF (x)	37.59	9.91	6.00	6.15	5.00
Dividend Yield (%)	5.8	2.5	4.7	5.5	6.0
EV/EBITDA (x)	6.87	12.11	8.14	6.89	6.16
Return on average equity (%)	13.6	5.9	10.1	10.9	11.2
Net debt to equity (%)	52.3	60.6	62.1	58.1	51.8

Source: Company data, RHB

See important disclosures at the end of this report

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Financial Exhibits

Asia	Financial summary (THB)	Dec-21	Dec-22	Dec-23F	Dec-24F	Dec-25F
Thailand	Recurring EPS	39.31	17.82	31.87	36.69	40.20
Basic Materials	DPS	18.50	8.00	15.00	17.50	19.00
Siam Cement	BVPS	300.36	303.91	326.78	347.48	369.67
SCC TB	Return on average equity (%)	13.6	5.9	10.1	10.9	11.2
Buy						
	Valuation metrics	Dec-21	Dec-22	Dec-23F	Dec-24F	Dec-25F
Valuation basis	Recurring P/E (x)	8.09	17.85	9.98	8.67	7.91
DCF	P/B (x)	1.1	1.0	1.0	0.9	0.9
	FCF Yield (%)	(21.5)	(2.8)	1.6	(0.6)	5.0
Key drivers	Dividend Yield (%)	5.8	2.5	4.7	5.5	6.0
i. Stronger domestic demand for cement with a series of infrastructure construction projects ahead;	EV/EBITDA (x)	6.87	12.11	8.14	6.89	6.16
ii. Chemical spreads widening.	EV/EBIT (x)	10.62	30.71	13.74	10.71	9.40
	Income statement (THBm)	Dec-21	Dec-22	Dec-23F	Dec-24F	Dec-25F
Key risks	Total turnover	530,112	569,609	578,496	593,856	615,852
i. Rising cost of coal – this is mainly used in cement production;	Gross profit	109,112	78,269	102,527	115,873	124,329
ii. Naphtha costs – which normally rise in tandem with global oil prices – should squeeze petrochemical spreads in the short term.	EBITDA	81,685	48,656	73,667	87,760	97,325
	Depreciation and amortisation	(28,835)	(29,461)	(29,988)	(31,290)	(33,521)
Company Profile	Operating profit	52,851	19,195	43,679	56,469	63,804
SCC operates as a holding company that is engaged in the industrial supplies and construction industries. It operates three core businesses: Investments in cement & building materials, chemicals, and paper packaging.	Net interest	(6,757)	(7,523)	(6,946)	(7,559)	(8,145)
	Pre-tax profit	63,636	22,375	49,995	65,636	72,910
	Taxation	(8,900)	(4,650)	(6,820)	(9,702)	(11,132)
	Reported net profit	47,174	21,382	38,243	44,032	48,237
	Recurring net profit	47,174	21,382	38,243	44,032	48,237
	Cash flow (THBm)	Dec-21	Dec-22	Dec-23F	Dec-24F	Dec-25F
	Change in working capital	(41,884)	(12,245)	20,710	(6,578)	(3,530)
	Cash flow from operations	10,151	38,506	63,550	62,001	76,248
	Capex	(92,042)	(49,021)	(57,482)	(64,172)	(57,045)
	Cash flow from investing activities	(65,399)	(52,694)	(55,317)	(64,641)	(59,246)
	Dividends paid	(20,398)	(19,199)	(10,800)	(19,200)	(21,600)
	Cash flow from financing activities	26,842	35,725	(51,873)	5,833	255
	Cash at beginning of period	64,399	35,993	57,530	13,890	17,083
	Net change in cash	(28,406)	21,537	(43,640)	3,193	17,257
	Ending balance cash	35,993	57,530	13,890	17,083	34,340
	Balance sheet (THBm)	Dec-21	Dec-22	Dec-23F	Dec-24F	Dec-25F
	Total cash and equivalents	67,610	89,859	33,267	47,281	67,195
	Tangible fixed assets	410,708	425,052	460,405	476,150	490,000
	Total investments	139,808	144,352	149,330	155,623	162,638
	Total assets	861,101	906,490	907,104	951,237	1,001,807
	Short-term debt	86,067	68,018	94,297	104,321	108,648
	Total long-term debt	216,723	295,845	223,561	226,668	230,654
	Total liabilities	411,093	454,065	448,748	462,747	476,271
	Total equity	450,008	452,424	458,355	488,491	525,536
	Total liabilities & equity	861,101	906,490	907,104	951,237	1,001,807
	Key metrics	Dec-21	Dec-22	Dec-23F	Dec-24F	Dec-25F
	Revenue growth (%)	32.5	7.5	1.6	2.7	3.7
	Recurrent EPS growth (%)	38.2	(54.7)	78.9	15.1	9.6
	Gross margin (%)	20.6	13.7	17.7	19.5	20.2
	Operating EBITDA margin (%)	15.4	8.5	12.7	14.8	15.8
	Net profit margin (%)	8.9	3.8	6.6	7.4	7.8
	Dividend payout ratio (%)	47.1	44.9	47.1	47.7	47.3
	Capex/sales (%)	17.4	8.6	9.9	10.8	9.3
	Interest cover (x)	7.82	2.55	6.29	7.47	7.83

Source: Company data, RHB

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Figure 1: 2Q23 net profit exceeded our forecasts due to extra gains of THB2.9bn from fair value adjustments on investments

FYE Dec (THBm)	2Q22	3Q22	4Q22	1Q23	2Q23	QoQ (%)	YoY (%)	1H22	1H23	YoY (%)
Total turnover	152,534	142,392	122,189	128,748	124,631	-3.2	-18.3	305,028	253,379	-16.9
Gross profit	22,904	17,591	13,677	19,890	19,122	-3.9	-16.5	47,002	39,012	-17.0
Gross profit margin (%)	15.0	12.4	11.2	15.4	15.3			15.4	15.4	
EBITDA	17,158	9,122	6,004	27,026	16,804	-37.8	-2.1	33,530	43,831	30.7
EBITDA margin (%)	11.2	6.4	4.9	21.0	13.5			11.0	17.3	
EBIT	5,175	(388)	(2,901)	3,079	3,217	4.5	-37.8	11,786	6,296	-46.6
EBIT margin (%)	3.4	(0.3)	(2.4)	2.4	2.6			3.9	2.5	
Interest expense	(1,715)	(1,899)	(2,262)	(2,241)	(2,378)	6.1	38.7	(3,362)	(4,619)	37.4
Equity income	3,349	2,064	1,871	2,665	2,023	-24.1	-39.6	6,768	4,688	-30.7
Pre-tax profit	8,171	(264)	(3,830)	17,664	7,248	-59.0	-11.3	15,766	24,912	58.0
Pre-tax profit margin (%)	5.4	(0.2)	(3.1)	13.7	5.8			5.2	9.8	
Tax	(1,946)	(1,154)	75	(4,320)	(1,068)	-75.3	-45.1	(3,571)	(5,388)	50.9
Minority interest	364	1,798	2,042	517	(121)	NM	NM	(181)	396	NM
Net profit	9,938	2,444	157	16,526	8,082	-51.1	-18.7	18,781	24,608	31.0
EPS (THB)	8.3	2.0	0.1	13.8	6.7	-51.1	-18.7	15.65	20.51	31.0

Source: Company data, RHB

Figure 2: DCF valuation

THBm	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F	2032F
Operating EBIT	43,679	56,469	58,321	60,152	63,852	65,142	68,532	70,256	73,152	75,987
Operating EBIT x (1-t)	35,569	45,268	47,108	49,663	52,143	52,805	55,967	56,959	59,162	61,355
D&A	29,988	31,290	32,872	35,162	38,052	40,256	43,155	45,982	47,253	48,974
Δ Net working capital	(4,651)	(6,578)	(2,949)	(1,938)	(596)	(1,029)	(1,282)	(1,920)	(1,200)	(1,235)
FCF from operations	60,906	69,980	77,032	82,887	89,600	92,032	97,840	101,021	105,215	109,094
Capex	(45,989)	(64,172)	(52,918)	(50,988)	(50,938)	(51,010)	(53,129)	(53,365)	(52,152)	(50,000)
Net FCFF	14,917	5,808	24,114	31,899	38,662	41,022	44,711	47,655	53,062	59,094
Discounted net FCFF	13,884	5,032	19,443	23,939	27,005	26,669	27,054	26,839	27,814	28,831
Terminal value										1,009,680
PV of net FCFF	197,679									
PV of terminal value	492,606									
Implicit growth rate	1.50%									
WACC	7.4%									
Firm value	690,285									
Net debt	(288,059)									
Minority interest	(80,773)									
PV of DCF	321,453									
Investment value in associated companies (at cost)	122,990									
Equity value	444,443									
No. of share outstanding (m shares)	1,200									
Intrinsic value (THB)	370									
ESG premium/ (discount)	8%									
TP (THB)	400									
WACC assumptions										
Cost of debt	3.5%									
Weight	39%									
Cost of equity	10.0%									
Weight	61%									
Expected market return	11.3%									
Risk-free rate	2.5%									
Beta	0.85									

Source: RHB

Recommendation Chart

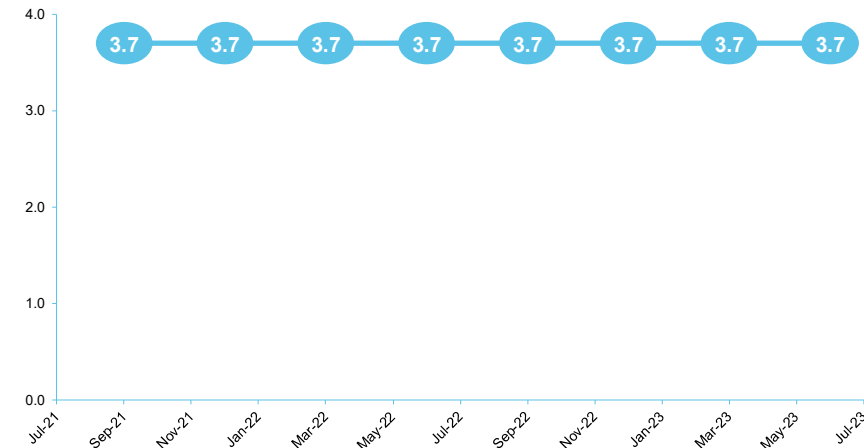


Source: RHB, Bloomberg

Date	Recommendation	Target Price	Price
2023-01-26	Buy	400	334
2023-01-11	Buy	400	359
2022-10-07	Buy	380	318
2022-06-20	Buy	430	360
2022-04-10	Buy	460	368
2022-03-22	Buy	508	381
2022-01-28	Buy	517	388
2022-01-13	Buy	517	390
2021-10-11	Buy	517	398
2021-07-30	Buy	500	414
2021-04-29	Buy	500	466
2021-01-28	Buy	440	381
2021-01-15	Buy	440	390
2020-10-30	Buy	420	338
2020-07-29	Buy	440	383

Source: RHB, Bloomberg

ESG Rating History



Source: RHB

RHB Guide to Investment Ratings

Buy:	Share price may exceed 10% over the next 12 months
Trading Buy:	Share price may exceed 15% over the next 3 months, however longer-term outlook remains uncertain
Neutral:	Share price may fall within the range of +/- 10% over the next 12 months
Take Profit:	Target price has been attained. Look to accumulate at lower levels
Sell:	Share price may fall by more than 10% over the next 12 months
Not Rated:	Stock is not within regular research coverage

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