

The Siam Cement Public Company Limited

Annual Report 2023 | Highlights

Embracing Challenges to Build
**Low Carbon
Society**



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Annual Report 2023
From 56-1 One Report



Sustainability Report 2023

- *Based on the Financial Statements 2023.
- The Annual Report Highlights have been prepared for convenience of shareholders requiring a quick look at the business summary. The document match those on the Annual Report.



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SCG'S BUSINESS PURPOSE

ESG 4 Plus

The global boiling, unpredictable weather patterns, frequent natural disasters, and resource scarcity severely impact the environmental, social, and economic dimensions worldwide. Every sector across the globe is urgently collaborating to address this crisis. **SCG**, a leading conglomerate in ASEAN and entering its 111th year of stable growth, recognizes the importance of responsible business practices. It is elevating its operations by integrating sustainable development strategies in line with the United Nations' Sustainable Development Goals (SDGs) through the “**ESG 4 Plus**” approach, emphasizing **Net Zero – Go Green – Reduce Inequality – Enhance Collaboration Plus Trust through Transparency**.

Towards Net Zero Society via Low Carbon Products, Energy Transition and Green Innovations

SCG is committed to achieving Net Zero greenhouse gas emissions (Scope 1 and 2) by 2050. Each business unit, including SCG Cement and Green Solutions, SCG Smart Living, SCG Decor (SCGD), SCG Distribution and Retail Business, SCGP, SCG Chemicals (SCGC), and SCG Cleanergy, along with other investment ventures, is increasing the use of low-carbon energy and strategically implementing this approach to facilitate the transition to a Net Zero

Society. Leveraging innovations and collaborations with Open Innovation and utilizing expertise from business operations, SCG aims to develop low-carbon solutions (Decarbonization) to meet the demands of the ASEAN market and the world.

World Class Recognition

SCG has been recognized by leading global institutions as a leader in sustainability, **achieving the position of a company assessed within the top 1% with the highest scores in the construction materials industry group, according to the Corporate Sustainability Assessment (CSA) by S&P Global**. It has also earned the **ESG Industry Top Rated status, ranking first out of 125 companies worldwide in the industrial conglomerates' category from Morningstar Sustainalytics, and the AA (Leader) level in construction materials by Morgan Stanley Capital International (MSCI)**. This success reflects the dedication of SCG and its business partners, who share the common goal of accelerating the development of cost-competitive, low-carbon innovations into reality. This initiative aims to improve the quality of life for people on the shared planet without leaving anyone behind, leading to robust, sustainable business growth as promised in SCG's pledge, “Passion for Better.”



MESSAGE FROM THE BOARD OF DIRECTORS

Air Chief Marshal



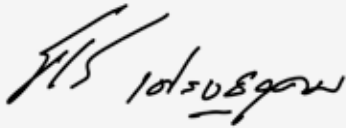
Satitpong Sukvimol
Chairman



In 2023, the global economy faced significant volatility from the Russia-Ukraine conflict, Middle East tensions, rising interest rates, high inflation, fluctuating energy prices, a petrochemical trough, and the slow recovery of China and ASEAN. Likewise, Thailand's increasing risks from surging energy and electricity costs affecting all sectors.

SCG restructured to boost agility and resilience amid economic volatility, focusing on robust financial health, efficient cost control, and a shift towards greener energy by using more clean and renewable sources. This approach aims to reduce costs, seize opportunities in crisis, invest in high-growth businesses, and move towards a low-carbon society. SCG is ready to harness global market opportunities in clean energy, green innovation, healthcare, smart living, and digital logistics, ensuring customers enjoy a lifestyle that is “valuable, convenient, safe, and green.”

SCG has restructured to enhance agility and resilience amidst economic volatility, focusing on a stable financial position with prudent management. It also aims to seek opportunities in crisis to offer customers a lifestyle that is “**valuable, convenient, safe, and green.**”



Mr. Thammasak Sethaudom
President & CEO of SCG



Restructuring Business Groups for Enhanced Agility in Creating Innovation and Fast Responsiveness

SCG restructured its business groups with an Agile Organization model, fostering new businesses with high growth potential aligning with global trends and business conditions. This adjustment enables SCG to quickly adapt to ever-changing customer demands.

- **SCG Cement and Green Solutions** has elevated the ASEAN construction industry by promoting construction innovations and green technologies, responding to the surge in green construction practices. This includes the production of **Low Carbon Cement**, which has quickly gained popularity. **SCG Cement and Green Solutions** has accelerated the replacement of Low Carbon Cement with Portland Cement. In 2023, the production of Low Carbon

Cement in place of Portland Cement increased to 63% from 41% in the previous year. Furthermore, adopting new, efficient, and green technologies, such as the **CPAC Ultra Bridge Solution for ultra-thin high-performance concrete bridges** and the **CPAC 3D Printing Solution** for flexible design, has reduced construction time, labor costs, material use, and waste. Additionally, SCG has grown its **Green Circularity Business** by creating value from waste materials and utilizing them to their fullest potential. This approach helps reduce production costs and lower greenhouse gas emissions.



2023 Operating Results
Press Conference

Scan to watch video >



Agile Organization



- **SCG Smart Living** continues to innovate in building materials, elevating living environment standards by developing energy-saving solutions, enhancing environmental hygiene, and increasing safety at home and building through smart technologies. Examples of these innovations include “**SCG Bi-ion,**” an ion-based air disinfection system that eliminates airborne pathogens, including dust particles; the energy-saving and improving indoor air quality “**SCG Air Scrubber,**” which can reduce air conditioning energy consumption by 20 - 30% in non-residential building such as convention centers, shopping malls, hotels, and hospitals, which over 240 locations have installed these systems. “**SCG Solar Roof Solutions**” features the unique ‘Solar Fix’ installation system by SCG, preventing roof leaks from solar panel installations on roof tiles. “**SCG Active Air Quality**” ensures clean air inside homes by preventing pollution and pathogens from entering, filtering out PM2.5 particles by up to 99%, thus protecting indoor air from dust and pathogens. Furthermore, SCG has launched various new building material innovations that meet functional and design needs. The “**SCG Metal Roof**” with NoiseTECH technology cuts rain noise by up to 12 decibels compared to standard metal sheets. Using digital printing technology, the “**SCG EXCELLA Cresta**” ceramic roof offers distinctive natural stone patterns. Exterior fiber cement walls, “**SCG WOOD-D,**” mimic the pattern and colors of natural wood through digital printing technology, offering a durable alternative to real wood.

- **SCG Decor (SCGD),** SCG has restructured COTTO to SCGD, and it has been listed on the Stock Exchange since December 20, 2023, to synergize its domestic and international operation; for instance, leveraging the cost competitiveness of its plant in Vietnam for an export base and doing sourcing activities across operations. SCGD aims to be No.1 in ASEAN market supported by our position as

No.1 market share in ceramic tile and sanitary ware and fittings in Thailand and No.1 market share of ceramic tile in Vietnam and the Philippines, serving the four strategic markets which are Thailand, Vietnam, the Philippines, and Indonesia of over 560 million people with a market worth over 180 billion baht. The goal is to bolster its strengths by enhancing production efficiency in high-demand products, such as large tiles and SPC vinyl tiles. Efforts are underway to boost brand visibility across the region with brands such as COTTO in Thailand, PRIME in Vietnam, MARIWASA in the Philippines, and KIA in Indonesia and to broaden distribution networks for comprehensive regional coverage.

- **SCG Distribution and Retail** achieved the country’s strongest construction material distribution network, becoming a leader in ASEAN’s wholesale and retail sectors through digital technologies tailored to diverse customer needs to enable swift and precise business expansion. The business also offers end-to-end supply chain solutions, with a network across over 50 countries catering to both upstream and downstream demands. The goal is to improve the quality of life for business partners and customers worldwide. To actively expand into the retail market for construction and home decorative materials, **the business increased its investment in PT Catur Sentosa Adiprana Tbk (CSA),** Indonesia’s largest retail construction material business for “**Mitra10**” store expansion, aiming for 100 stores by 2030. **It also invested in Caturkarda Depo Bangunan Tbk (CKDB),** another leading retail store for construction materials, home decorative items, and garden supplies in Indonesia under **Depo Bangunan brand** to target sustained growth in the Modern Trade market. Additionally, **SCG International is expanding its high-growth construction business in Saudi Arabia and India** with an office in Saudi Arabia

to become a “global leading trading partner”, forging connections with trading partners worldwide.

- **SCGP** a subsidiary of Siam Cement Group (SCG), has been listed on the Stock Exchange since 2020 as a part of a strategy to restructure and increase agility, leading to sustainable growth. Sales climbed from 89,070 million baht in 2019 to 129,398 million baht in 2023. Amid challenges, **SCGP has continuously grown through merger and partnership. In 2023, it invested in Bicappa Lab S.r.L.**, a major European medical supplies and labware manufacturer in Europe, to gain technological expertise and broaden its customer base in the medical supplies and labware market. Other investments include **Law Print & Packaging Management Limited**, a prominent packaging solution provider based in the UK specializing in the high-growth pet food industry, and **Starprint Vietnam Joint Stock Company (SPV)**, a leading premium offset folding carton manufacturer in Vietnam. These investments have bolstered SCGP’s integrated packaging solutions, meeting the increasing demands of the customer base in ASEAN.

- **SCG Chemicals (SCGC)**, an ASEAN chemical industry leader, offers a comprehensive range of products from upstream to downstream. The vinyl business has further expanded into finished products, including pipes and fittings, enhancing the business’s strength. Despite the regular petrochemical trough every 7-10 years, SCGC has fortified its position by developing High Value Added Products & Services (HVA) to address megatrends like **SCGC GREEN POLYMER™**. In 2023, sales reached 218,000 tons, on track for the 1 million tons per annum target by 2030. **SCGC invested with Braskem** in bio-based ethylene production from ethanol derived from agricultural produce-derived ethanol as an alternative to fossil-based ethylene with a 200,000-ton annual capacity. This bio-ethylene is used to produce bio-based polyethylene resins with a negative carbon footprint and are recyclable like conventional polyethylene to serve the high-demand markets in Asia and Europe. **Partnering with Sirplaste in Portugal**, SCGC expanded its high-quality recycled plastic resin production to 45,000 tons annually, focusing on odorless high-quality HDPE PCR resins for Europe. **LSP, Vietnam’s first integrated petrochemical complex**, despite the COVID-19 situation at the start of its construction, has proceeded as planned in terms of timeline and budget. It has begun downstream production since June 2023, with a total downstream production capacity of 1.4 million tons annually. It successfully commenced upstream

operations in December 2023, aiming for full commercial production in early 2024. SCGC will strengthen its production bases in three markets: Thailand, Vietnam, and Indonesia, to create synergy from sourcing materials and production to sales.

- **SCG Cleanergy** offers end-to-end clean energy services to the public sector, businesses, and industries, showing continuous growth. By Q4/2023, it has prepared and implemented ongoing projects with capacity totaling 451 megawatts. A notable achievement is implementing a **smart grid system**, already in use at Saha-Union Bangpakong and set to expand to the Phyathai-Paolo Hospital Group and Centara Hotels & Resorts. In partnership with the Provincial Electricity Authority, it has explored the feasibility of business models and the development of an energy trading platform for electricity trading within and outside industrial estates. Concurrently, **it has invested in Rondo Energy**, a U.S.-based clean energy startup, focusing on decarbonizing industrial use of fossil fuels through **heat battery technology**. This innovative technology converts electricity from clean sources into **Green Thermal Energy** to meet the industrial sector’s Net Zero ambitions. SCG, as a supplier, produces thermal media that stores heat at temperatures over 1,000 degrees Celsius, a key component of the Rondo Heat Battery.

- **The integrated logistics business has merged with JWD to form SCGJWD**, synergizing strengths to create ASEAN’s largest integrated transportation and supply chain network. This venture offers comprehensive services across all industrial sectors, encompassing diverse transportation modes such as land, sea, rail, air, and cold storage. It also specializes in handling products like vaccines, pharmaceuticals, high-value artworks, automobiles, and hazardous materials, with a network extending across ASEAN and China. The business reported a gain of 11,956 million baht from the fair value adjustment of SCG’s investment in SCG Logistics following the merger with SCGJWD.

- **Other investment includes Addventures by SCG, a corporate venture focusing on investing in deep technology** to tap into emerging science-based technologies worldwide. These advancements are leveraged to create innovative solutions for the ASEAN market, with investments targeting areas such as clean energy and decarbonization, industrial AI & automation to enhance production efficiency, and biotech, including biomaterials and bioactive substances. These efforts include **investments in high-potential startups globally.**

Additionally, SCG has invested in the agricultural machinery business, automobiles, and automotive parts, among others.

Accelerating to Leverage Cost Advantage

SCG has improved energy efficiency in its production by boosting clean energy use, substituting fossil fuels to reduce greenhouse gas emissions, and lessen energy price volatility risks. It has embraced Renewable Energy (RE) sources, such as Waste Heat Power Generation (WHG), solar power energy, and Alternative Fuels (AF), to replace fossil fuels, with alternatives including biomass from agricultural waste, energy plants, and Refuse-Derived Fuel (RDF). Additionally, SCG uses supplementary cementitious materials as substitutes for clinker in the cement production process.

Adjusting raw material cost structures, SCGC has optimized low-cost material sourcing and adjusted its production processes to align with market conditions (Feed and Operation Optimization), increasing LPG, propane, and ethane use, especially from domestic sources, and finding lower-cost naphtha sources. SCGP has reduced paper pulp costs by optimizing recycled pulp ratios and has effectively managed paper pulp material costs by tailoring pulp formulas to different manufacturing needs.

SCG is employing robotics and automation to reduce costs and administrative expenses. For example, the “CiBot” robot is employed to inspect material properties in coils within reactors, enabling safe, precise, and quick pipe condition assessments, reducing production costs and waste, benefiting both communities and the environment. Robotic systems are used to enhance automated manufacturing, automated material handling, automated packing, and stacking, transforming production into a Smart Factory, boosting planning efficiency at its maximum benefits, improving global competitiveness, and centralizing procurement through a Common Procurement Platform for cost savings.

Maintaining Financial Stability with a Robust Cash Flow of 68,064 Million Baht

To counteract uncertainty, SCG prioritizes risk management, liquidity, financial discipline, and agile inventory management aligning with market demand, and carefully considers investment based on strategic potential for high returns and quick payback, including delaying non-urgent projects. As a result, SCG maintained a robust

financial position at the end of 2023. The total revenue from sales was 499,646 million baht, a decrease of 12% from the previous year, while profit increased 21% to 25,915 million baht, mainly from a 14,822 million baht gain from investment value adjustments in the first half of 2023. In 2023, SCG’s sales of High Value Added Products & Services (HVA) amounted to 167,691 million baht, accounting for 34% of total sales. The net debt to equity ratio was 0.6 times, with stable cash flows of 68,064 million baht. As a result, the Board of Directors resolved to propose at the 2024 Annual General Meeting of Shareholders the approval of a full-year dividend payment of 7,200 million baht, or 6.0 baht per share, representing a payout rate of 54% of the profit excluding extra items. This comprised an interim dividend of 2.5 baht per share and a final dividend of 3.5 baht per share.

Transforming the Business Landscape: Turning Crisis into Opportunity with Emphasis on ESG to Unite all Sectors in Accelerating Thailand’s Transition Towards a Low-carbon Society

SCG is advancing with its **ESG 4 Plus**: Net Zero, Go Green, Reduce Inequality, Enhance Collaboration, Plus Trust through Transparency in all business operations. The goal is to achieve **Net Zero greenhouse gas emissions (Scope 1 and 2) by 2050**. In 2023, SCG cut its emissions (Scope 1 and 2) to 27.08 million tons of CO₂, a 20.9% decrease from the base year of 2020, by adopting alternative energy, developing low-carbon products under SCG Green Choice.

Elevating ESG as a National Agenda through the ESG Symposium 2023: Accelerating Changes Towards a Low-carbon Society, a proposal was presented to the Prime Minister, focusing on creating the Saraburi Sandbox as Thailand’s first low-carbon city model. Given Saraburi’s complex economic system encompassing heavy industries, agriculture, and tourism, it poses a complex and challenging transition into a low-carbon city. This initiative involves direct collaboration with relevant government sectors, real industry players, and affected communities to study success factors and limitations. If successful, this will motivate other provinces to follow suit. Initiatives include adopting Low Carbon Cement for construction projects in Saraburi starting from 2024, practicing alternate wetting and drying in paddy fields to lower water usage, planting energy crops like Napier grass, converting agricultural waste to alternative fuel, generating community incomes, and establishing

38 community forest networks. These efforts help restore community forests and boost eco-tourism. These actions complement efforts to drive a circular economy as a national agenda for sustainable economic growth, with initiatives already underway in the packaging, automotive, and construction industries.

Expanding the ESG Symposium's collaboration to ASEAN, focusing on achieving Net Zero aligning with Nationally Determined Contribution (NDC) targets of Vietnam by 2050 and Indonesia by 2060, where SCG actively operates. In Vietnam, SCG partnered with the Thai business community and Vietnam's Ministry of Natural Resources and Environment for the **"Vietnam Circular Economy Forum 2023."** This forum, involving public, private, non-profit, academia, and circular economy experts, supports Vietnam's circular economy roadmap to address economic, social, and environmental challenges. Meanwhile, the **"ESG Symposium 2023 Indonesia"** was held under the theme "Collaboration for Sustainable Indonesia," aimed at achieving **Net Zero** emissions and reducing inequality, bringing together government, private sector, civil society, and youth to present visions, policies, and technological innovations.

In addition to this efforts are made to **reduce social inequality by creating opportunities for education access, developing professional skills, and promoting good health.** The development of professional skills has enabled the creation of a workforce that matches the market's demands, benefiting 8,934 individuals. This includes initiatives like the **Q-Chang platform**, a hub for home service handymen, and the **Thaksa Phiphat School** for truck driver career development. Furthermore, the **"Learn to Earn" project** has been developed to foster careers for assistant nursing, dental assistants, and elderly caregivers.

The Board of Directors would like to express its gratitude to all shareholders, debenture holders, joint-venture partners, suppliers, both domestic and international financial institutions, customers, and all stakeholders for their continued trust and support in SCG. This gratitude also extends to all SCG employees who have continuously adapted, dedicated themselves to creating innovations that satisfy customer needs, and collaborated with all sectors in taking care of society and the environment, adhering to transparent principles in line with the ESG approach moving forward.

Bangkok, January 24, 2024.

SCG will navigate through economic volatility, **focusing on maintaining financial stability, increasing renewable energy use, striving for a low-carbon society,** and seizing opportunities as the global market recovers with clean energy, green innovation, health, smart living, and digital logistics.



The proportion of Low Carbon Cement production:

63%
(41% in 2022)

Sales of Green Polymers
SCGC GREEN POLYMER™

218,000 tons
(with a target of 1 million tons per year by 2030)

The Long Son Petrochemicals (LSP) in Vietnam has a total downstream production with capacity of

1.4 million tons per year

SCGP, after being listed on the Stock Exchange, saw its sales increase from 89,070 million baht in 2019 to

129,398 million baht in 2023

Adapting Organization and Preparing People for Challenges in Volatile World Shifting Business Towards Low-carbon Society to Foster Sustainable Growth



The world is marked by volatility and complexity, as evidenced by ongoing Russia-Ukraine conflicts, Middle East turmoil, global boiling issues, and natural disasters, while groundbreaking technologies and innovations are transforming business. These factors and emerging trends reshape consumer behaviors have caused impacts, posing challenges for business operations. In this context, organizations must swiftly adapt, learn, and explore new approaches to prepare for future challenges and opportunities.





➤ Logistics and supply chain service provider



➤ Surface decoration materials and sanitary ware innovation

Restructuring Organization Structure for Increased Agility and Strengthening Operations

SCG has adapted to maintain agility, emphasizing speed, simplicity, and flexibility while being proactive. Continuously seeking opportunities in new markets, SCG offers future-oriented solutions that deliver convenient, cost-effective, safe, and green lifestyles for customers, alongside social responsibility and building confidence among all stakeholders to overcome challenges and achieve sustainable growth.

SCG has accelerated its adaptation by spinning off SCG Packaging Public Company Limited, or SCGP, a total packaging solutions provider, which was listed on the Stock Exchange in 2018. This strategic move aims to bolster the Company's financial position for increased investment opportunities and substantial business growth.

SCG has enhanced its business flexibility and competitiveness through a series of restructuring. SCG Logistics Management (SCGL) and JWD Company Limited

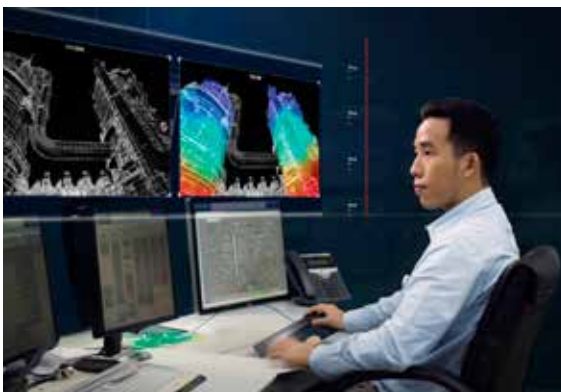
have merged to form SCG JWD Logistics Public Company Limited (SCGJWD), making it Southeast Asia's largest integrated logistics and supply chain service provider. Concurrently, SCG Decor Company Limited (SCGD), underwent a restructuring and consolidation, expanding its product range to include all surface decoration materials and sanitary ware, along with the business expansion into high-potential ASEAN markets. SCGD has been listed on the Stock Exchange of Thailand since December 2023. Furthermore, BetterBe Marketplace, under "NocNoc", co-managed by Thai Beverage and Frasers Property through Must Be Company, was bolstered, aiming to reach 5,000 million baht in ASEAN and Thailand by 2023. SCG also decentralized the Cement-Building Materials Business into three entities: SCG Cement and Green Solution Business, SCG Smart Living Business, and SCG Distribution and Retail Business.



- An automated robotic spray painting system to enhance production efficiency swiftly



- Robots for production roof cover



- Digital twin and advanced process control



- Improve e-commerce by online buying and selling platforms

Accelerating Innovations in Manufacturing, Digital Technologies, and Robotics for Ever-changing World

SCG is committed to advancing digital technology by incorporating AI and automation to boost production efficiency and competitiveness. Examples include smart factories using “digital twin” and advanced process control technologies, AI, robotics, and automated machinery. This includes producing smartboard, smartwood, roof tiles, and concrete covers. The use of “digital twin” in the design phase minimizes errors and prevents unnecessary material usage. Advanced Process Control is used in the production of concrete roof tiles to automate and optimize production ratios and predict product performance before actual production begins. Image processing and 3D scan sensors are employed for quality analysis of smartboard, ceramic roof tiles, paving blocks, and sanitary ware products, replacing manual labor and speeding up the inspection process. The design of SCG HOME’s National Distribution Center in Rangsit district leverages a system connecting regional distribution centers for faster, more accurate deliveries to SCG HOME stores nationwide. This includes developing online buying and selling platforms like scghome.com, Q-Chang and Prompt Plus, the digital platform for managing building material distribution for small retailers. Additionally, Big Data Analytics is used to analyze consumer insights for product and service development. The business expansion of AI Technology, a leader in designing industrial robots in Thailand, addresses labor market shortages and enhances production efficiency by increasing the use of robots in manufacturing processes. Examples are integrating production lines for roof tiles and concrete covers, automatic packing for smartboard production, and using robots and automated machinery for smartboard raw material preparation. These efforts aim to expand into external industrial customer markets.



➤ Offering talented individuals opportunities to create innovation on project “ZERO TO ONE”



Igniting Passion and Engaging People of All Ages to Create “Organization of Possibilities”

SCG prioritizes developing the capabilities of its people by upskilling and reskilling, preparing them for changing challenges. By offering dedicated and talented individuals opportunities to create innovations, products, and solutions that address diverse needs, SCG is advancing to be an “organization of possibilities.” Employees are encouraged to work on challenging projects and be part of organizational transformation. The ZERO TO ONE project invites employees to pitch startup ideas. SCG also embraces open innovations through collaborations with agencies and research institutes and expands its investments in startups and global business models to integrate external knowledge. SCG also promotes a corporate culture that encourages employees to be creatively bold, open-minded, and “to fail fast and learn fast.” SCG is ready to cultivate future leaders with four key skills: 1. Customer Centric: Gaining a deep understanding of customers to deliver innovative and customer-centric solutions; 2. Hands-on: Employing hands-on approaches in execution and close team management; 3. Open and Challenge: Being open to listening and building upon ideas for innovations; and 4. Execution and Adjustment: Focusing on execution and the ability to make adjustments. These future leaders must also possess an ESG mindset, understanding the ESG concept to shape innovations for a healthy society and a sustainable world, in line with the business direction of ESG 4 Plus (Net Zero - Go Green - Reduce Inequality - Embrace Collaboration Plus Trust through Transparency).

Proactively Adjusting Business to Foster Low-carbon Society and Increasing Use of Clean Energy

Global warming and rising energy costs are critical issues for all. SCG is conducting business with environmental care, especially in reducing carbon emissions. SCG has collaborated across sectors to promote a “low-carbon society” by increasing the use of clean energy, such as solar energy, currently utilized at 220 megawatts, and biomass fuel in Thai cement plants, which accounts for 40% of energy consumption. SCG also explores other clean energy sources, such as planting Napier grass, a high-energy crop, on 1,000 rai of land in Saraburi Sandbox, Thailand’s first low-carbon city model, aiming for 30,000 rai by 2028. The goal is to control costs and cut energy expenses by replacing volatile fossil fuels with clean energy.



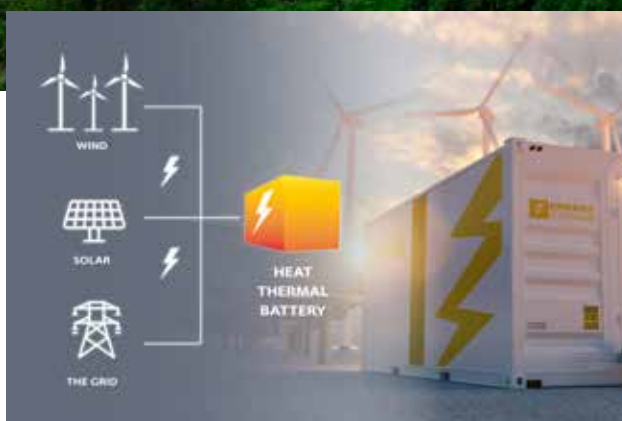
➤ Solar farm at Kaeng Khoi factory



➤ Napier grass, a high-energy crop



➤ Biomass



➤ Heat battery storage from clean energy innovation



➤ Low carbon cement that is environmentally friendly yet retains its strong and durable properties with a particularly smooth surface

Advancing Green Innovation in Response to Global Megatrends

SCG is responding to global megatrends by advancing green innovations for high-demand green products. SCG Green Choice aims to account for two-thirds of total sales by 2030 with products such as low carbon cement, SCG Solar Roof Solutions, and SCG Cleanergy, an end-to-end

➤ Vietnam's first fully integrated petrochemical complex produce high-quality polymers for the global market with an annual production capacity of 1.35 million tons of olefin units and 1.4 million tons of polyolefin units

clean energy business, which now provides smart grid systems to Centara Hotels & Resorts for developing smart hotels. There has also been a surge in exporting low carbon cement, which has rapidly gained popularity, with usage in Thailand soaring to 63%. SCG is expediting production adjustments, expanding exports, and promoting green innovations, such as green polymer and recycling businesses. SCG has collaborated with global experts to develop low-carbon innovations and share ideas, fostering collective progress. Key partnerships with a focus on transitioning to clean energy include Rondo Energy to develop Heat Battery storage and CubicPV to develop silicon wafers and high-efficiency solar panel innovations. Collaborations extend to electric vehicle batteries with Denka and biopolymers with Braskem. Most recently, SCG signed an MOU with Charoen Pokphand Group (CP Group), True Leasing, Toyota, and Commercial Japan Partnership Technologies Corporation (CJPT) to expedite collaboration across industries to achieve carbon neutrality in Thailand. SCG is bolstering its ASEAN presence with the launch of Vietnam's first fully integrated petrochemical complex, Long Son Petrochemicals Company Limited (LSP). The facility has begun machinery operation and performance test runs, preparing to produce high-quality polymers for the global market with an annual production capacity of 1.35 million tons of olefin units and 1.4 million tons of polyolefin units.



Collaborating to Create “Saraburi Sandbox” as Model for Expanding Cooperative Efforts

SCG has collaborated across sectors to transition Thailand towards clean energy and a circular economy, supporting groups needing knowledge, technology, and funding. This has led to Thailand’s first low-carbon city model, “PPP-Saraburi Sandbox: A Low Carbon City,” which involves 23 public and private organizations, including the Thai Cement Manufacturers Association (TCMA), the Federation of Thai Industries of Saraburi Province, and the support of seven ministries. The aim is to pilot this province as a model, accelerating Thailand’s sustainable shift to a low-carbon society through expansion and acceleration. Ongoing efforts include the mandate to use low carbon cement in all construction works in Saraburi Province starting from 2024, practicing alternate wetting and drying in paddy fields to reduce water use, planting energy crops Napier grass, converting agricultural waste into alternative

energy to increase community income, and establishing 38 community forest networks. These efforts help restore community forests and boost eco-tourism.

Uniting Efforts to Transition to Low-carbon Society through ESG Symposium

SCG values the importance of raising awareness and understanding to transition to a low-carbon society. Hosting the ESG Symposium for the 11th year, the ESG Symposium 2023, themed “Accelerating Changes Towards Low Carbon Society,” attracted over 500 participants from public, private, and civil society sectors. They gathered to brainstorm ways to shape behavioral change and cultivate an environmentally responsible culture. SCG believes that aligning all sectors with these proposals can foster low-carbon, environmentally balanced growth in the Thai economy, aligning with the Sufficiency Economy Philosophy and the BCG (Bio-Circular-Green) economic model. SCG expanded the ESG Symposium’s success to ASEAN, hosting similar events in Indonesia and Vietnam in November 2023. On a global scale, SCG joined the 28th UN Climate Change Conference (Conference of the Parties, or COP28), in Dubai, United Arab Emirates, from November 30 to December 12, 2023. There, SCG exchanged views with international organizational leaders and top executives to build a collaborative network to accelerate innovative solutions to address the global boiling crisis, in line with the ESG 4 Plus approach.

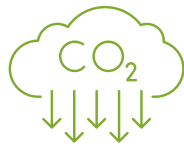


ESG Symposium 2023, accelerating changes towards low carbon society environmentally balanced growth in the Thai economy, aligning with the Sufficiency Economy Philosophy and the BCG economic model

Sustainability Performance in 2023



Environment



GHG Scope 1 & 2 Emissions Reduction

(compared with the base year of 2020)

7.16 million tons carbon dioxide

20.91%

2023 Target



Alternative Fuels

24.46%



Dust Emission Reduction*

(compared with BAU at the base year of 2020)

7.70%



Use of Recycled and Renewable Materials*

8.55 million tons



SCGP Products are Recyclable, Reusable, or Compostable

99.70%



Social



Number of Fatality Work-Related Injury from Workplace, Travelling and Transportation

employee/contractor

1/6 case

2023 Target



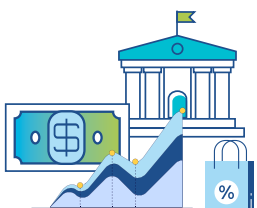
Lost Time Injury Frequency Rate

employee/contractor

0.276/0.231

cases/1,000,000 hours worked

2023 Target



Governance & Economic



"SCG Green Choice" Products and Services

54.10%

of revenue from sales

2023 Target



Circular Economy Products

32.86%

of revenue from sales



High Value Added Products and Services HVA

33.6%

of revenue from sales



Sales volume

218,000 tons





Water Withdrawal Reduction

(compared with BAU at the base year of 2014)

38.75

million cubic meter

24.09%



Recycled Water

13.14%



Achieve 2023 Target



Not Achieve 2023 Target

* For Thailand Operations



Hazardous Waste to Landfill*

0 ton

2023 Target



0 ton



Non-Hazardous Waste to Landfill*

0 ton

2023 Target



0 ton



Environmental Expense and Investment*

3,928

million baht

0.78%

of revenue from sales



Tree Plantation

11,832 rai



Occupational Illness Frequency Rate

employee

0.000

cases/1,000,000 hours worked

2023 Target



0 case



Logistics Drivers Trained from "SCG Skills Development School"

15,355

persons



Social Contribution

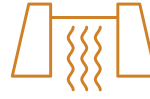
397

million baht



Females in all Management Positions

30.6%



Number of Check Dam

120,000

units



Human Rights Violation

1 case



0 case



Promoting Water Management for Community

2,382

households



Reduce Social Inequalities

20,997

persons

2023 Target



5,000 persons



Carbon Label Certified

575

items



Research and Innovation Spending

6,701 million baht

1.3%

of revenue from sales



2023 Target



100 %

Suppliers Processed through ESG Risk Assessments

100%

of suppliers with procurement spend over million baht



Green Procurement Purchased

9,726

million baht



ESG Investment

5,295

million baht



Contributions to Organizations

27.81

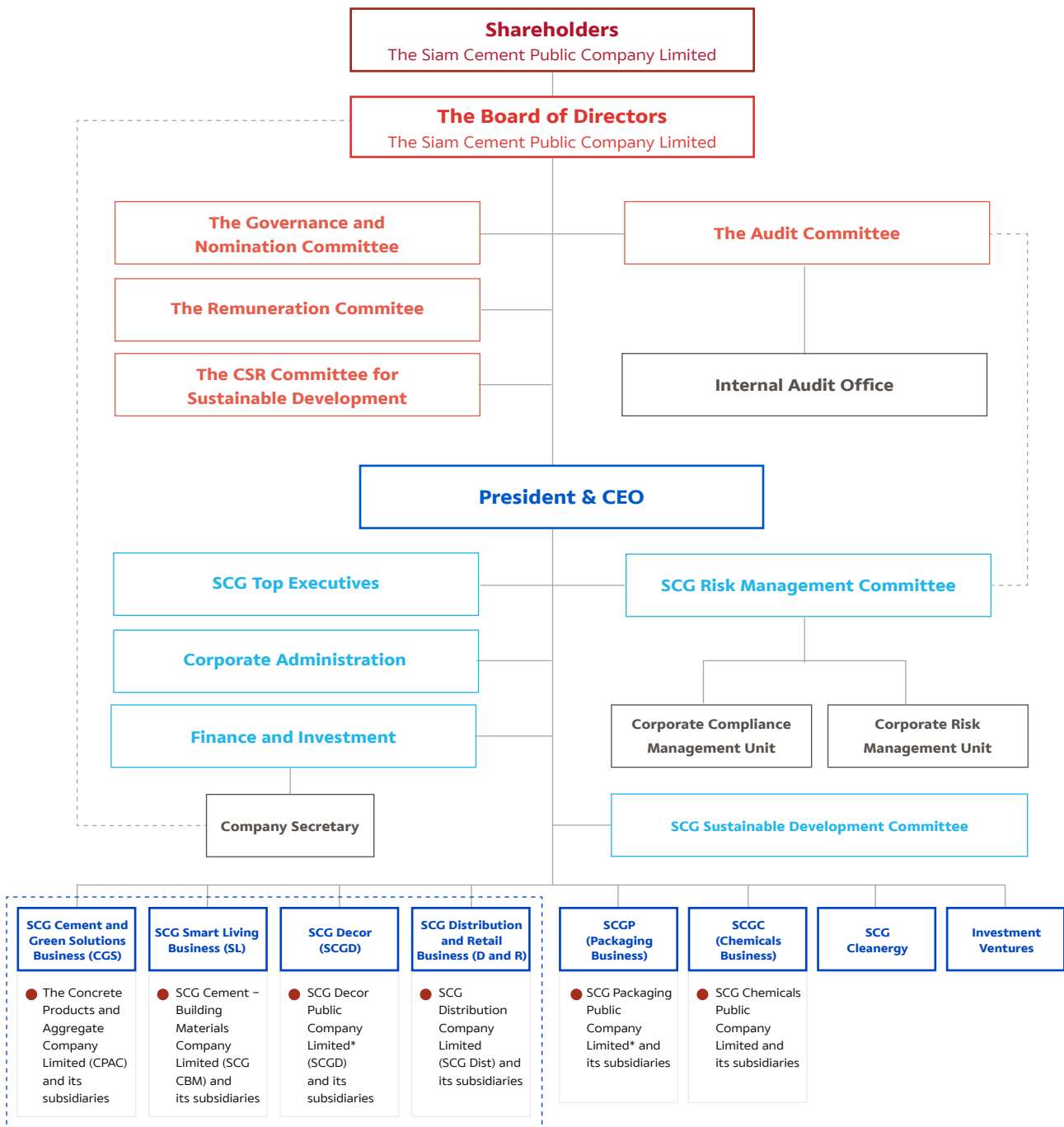
million baht



Employees Learned and Passed Ethics e-Testing

100%

CORPORATE GOVERNANCE STRUCTURE



As of January 1, 2024

● Companies that operate core businesses and oversee the management of subsidiaries and affiliate companies within their business units

* A Listed Company on The Stock Exchange of Thailand

LIST OF BOARD OF DIRECTORS

Information of the Board of Directors (As of January 1, 2024)

No.	Name-Surname	Position
1.	Air Chief Marshal Satitpong Sukvimol	Chairman, Member of the CSR Committee for Sustainable Development
2.	Mr. Chumpol NaLamlieng	Vice Chairman and Independent Director, Chairman of the Governance and Nomination Committee
3.	Mr. Kasem Watanachai	Director, Chairman of the CSR Committee for Sustainable Development
4.	Lieutenant Colonel Somchai Kanchanamanee	Director, Member of the CSR Committee for Sustainable Development
5.	Police Colonel Thumnithi Wanichthanom	Director, Member of the CSR Committee for Sustainable Development
6.	Mr. Prasarn Trairatvorakul	Independent Director, Chairman of the Remuneration Committee
7.	Mr. Pasu Decharin	Independent Director, Chairman of the Audit Committee, Member of the Governance and Nomination Committee
8.	Mrs. Parnsiree Amatayakul	Independent Director, Member of the Audit Committee, Member of the Remuneration Committee
9.	Mr. Cholanat Yanaranop	Independent Director, Member of the Remuneration Committee
10.	Mr. Thapana Sirivadhanabhakdi	Independent Director, Member of the Remuneration Committee
11.	Mr. Suphachai Chearavanont	Independent Director
12.	Mrs. Nuntawan Sakuntanaga	Independent Director, Member of the Audit Committee
13.	Ms. Jareeporn Jarukornsakul	Independent Director, Member of the Governance and Nomination Committee
14.	Mr. Roongrote Rangsiyopash	Director, Member of the Governance and Nomination Committee, Member of the CSR Committee for Sustainable Development
15.	Mr. Thammasak Sethaudom	President & CEO of SCG

Remark:

Directors No. 15 Mr. Thammasak Sethaudom was appointed as Director, effective March 29, 2023, replacing Mr. Kan Trakulhoon who retired by rotation at the 2023 Annual General Meeting of Shareholders. Moreover, as of January 1, 2024, Mr. Thammasak Sethaudom has assumed the position of President & CEO, succeeding Mr. Roongrote Rangsiyopash.

FINANCIAL OVERVIEW

The Siam Cement Public Company Limited and Its Subsidiaries

	2023	2022	2021	2020	2019
Consolidated income statement (Million baht)					
Revenue from sales	499,646	569,609	530,112	399,939	437,980
Costs and expenses	504,796	570,620	494,613	373,564	419,241
Profit before finance costs, income tax expense, depreciation and amortization and including dividends from associates (EBITDA) ¹	54,143	61,912	91,867	74,600	75,105
Profit for the year ²	25,915	21,382	47,174	34,144	32,014
Consolidated statement of financial position (Million baht)					
Assets	893,601	906,490	861,101	749,381	634,733
Liabilities	452,004	454,066	411,093	353,255	306,990
Shareholders' equity	441,597	452,424	450,008	396,126	327,743
Equity attributable to owners of the Company	363,962	374,255	365,691	320,972	280,215
Financial ratio					
Total number of shares issued (Million shares)	1,200	1,200	1,200	1,200	1,200
Book value per share (Baht)	303.3	311.9	304.7	267.5	233.5
Earnings per share (Baht)	21.6	17.8	39.3	28.5	26.7
Dividends per share (Baht)	6.0	8.0	18.5	14.0	14.0
Dividends payout ratio on profit for the year (%) ³	27.8	44.9	47.1	49.2	52.5
Return on revenue from sales (%)	5.2	3.8	8.9	8.5	7.3
Return on equity (%)	7.0	5.8	13.7	11.4	11.5
Return on assets (%)	2.9	2.4	5.9	4.9	5.2
EBITDA on total assets (%)	6.0	7.0	11.4	10.8	12.2
Net debt to equity ratio (Times)	0.6	0.6	0.5	0.4	0.6
Price earnings ratio (Times)	14.2	19.2	9.8	13.3	14.7

¹ For the year 2023, EBITDA exclude gain from fair value adjustment of investments.

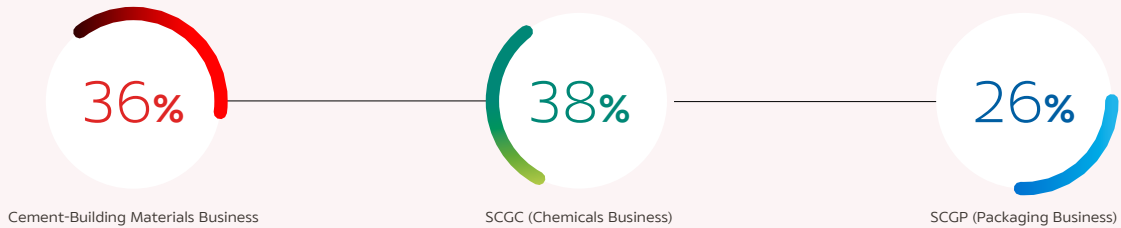
² Profit for the year attributable to owners of the Company, and in the year 2023 profit excluding extra items (non-recurring items of business which are non-cash) amounted to 13,307 million baht.

³ Proportion of dividends for 2023 is 54.1% on profit excluding extra items.

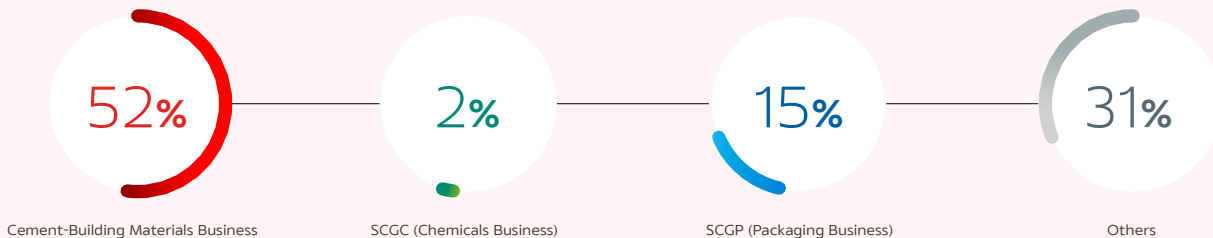
OPERATING RESULTS

The Siam Cement Public Company Limited and Its Subsidiaries

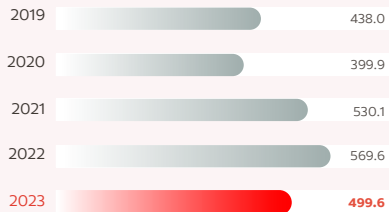
Revenue from sales breakdown 2023



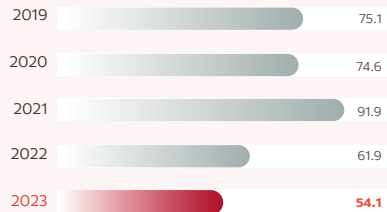
Profit for the year* breakdown 2023



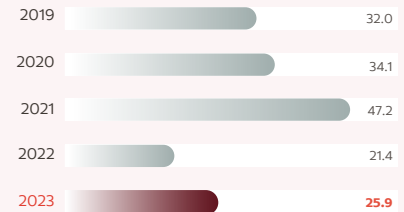
Revenue from sales (Billion baht)



EBITDA (Billion baht)



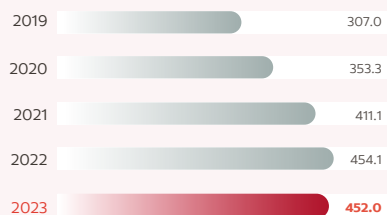
Profit for the year* (Billion baht)



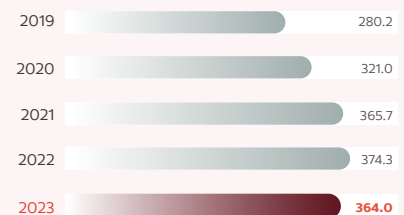
Assets (Billion baht)



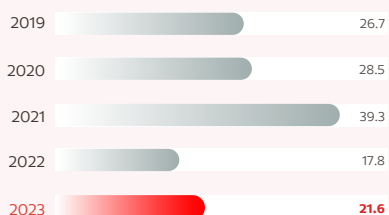
Liabilities (Billion baht)



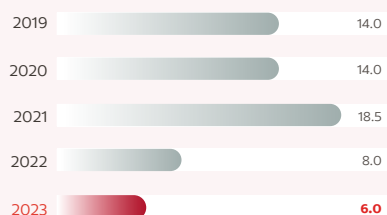
Equity attributable to owners of the Company (Billion baht)



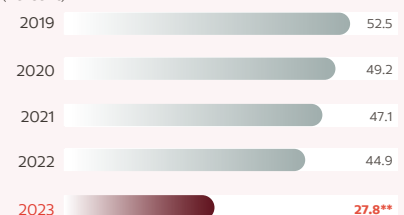
Earnings per share (Baht/share)



Dividends per share (Baht/share)



Dividends payout ratio on profit for the year** (Percent)

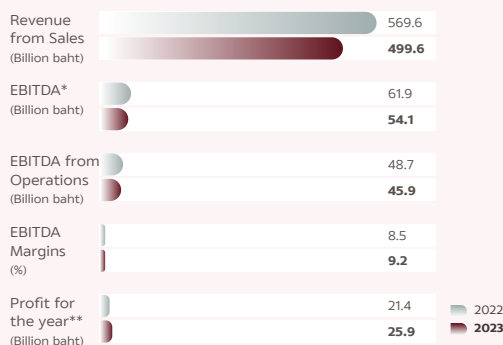


* Profit for the year attributable to owners of the Company.

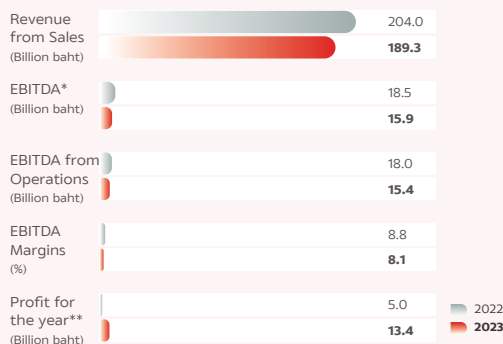
** Proportion of dividends for 2023 is 54.1% on profit excluding extra items.

BUSINESS HIGHLIGHTS

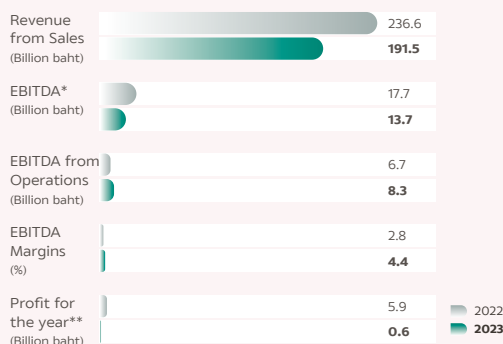
SCG



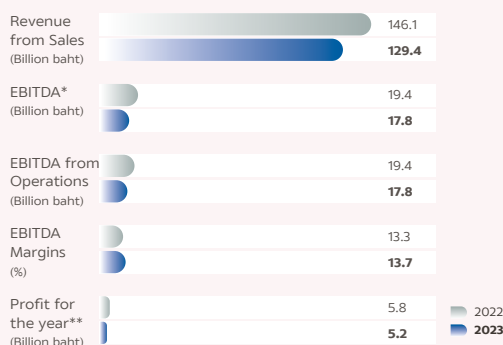
Cement-Building Materials Business



SCGC (Chemicals Business)



SCGP (Packaging Business)



SCG

Consolidated revenue from sales registered at 499,646 million baht, a decrease of 12% from decrease in product prices in Chemicals Business and the deconsolidation of SCG Logistics from subsidiaries to investment in associate in Cement-Building Materials Business. Consolidated EBITDA dropped 13% from the previous year to 54,143 million baht. Correspondingly, profit for the year registered at 25,915 million baht, increasing 21% from the previous year, largely resulted from the gains from the fair value adjustments in H1/23 totaling 14,822 million baht. Profit excluding extra items in 2023 would have been 13,307 million baht, declining 40% from the previous year.

Cement-Building Materials Business

Revenue from sales registered at 189,348 million baht, decreasing 7% from the previous year. EBITDA registered at 15,878 million baht, decreasing 14% from the previous year. Profit for the year registered 13,410 million baht or increased 170% from the previous year. Profit excluding extra items would have been 3,668 million baht, or decreased 34% from the previous year. Cement-Building Materials Business has adapted to cope with the challenges focusing on developing technology and green innovation solutions, offering construction and living solutions that are more environmentally friendly in response to customer needs. In addition, the business has aimed to reduce costs through the use of alternative energy sources and fuels in order to enhance sustainable business operations.

SCGC (Chemicals Business)

Revenue from sales was 191,482 million baht, decreasing 19% from the previous year from lower product prices. EBITDA decreased 23% from the previous year to 13,696 million baht and EBITDA from operation was 8,332 million baht or increased 24% from the previous year. Profit for the year was 589 million baht or decreased 90% from the previous year due to lower product spread and equity income from associates. SCGC continues to maintain its leadership in ASEAN through the commercial startup of Vietnam's first fully-integrated petrochemicals complex (LSP project), advancing the development and sales of SCGC Green Polymer™, and expanding into the recycling business, which will create business growth opportunities to enhance SCGC's competency in the future.

SCGP (Packaging Business)

Revenue from sales recorded at 129,398 million baht, decreasing 11% from the previous year. EBITDA reported at 17,778 million baht or decreased by 8% from the previous year and Profit for the year was 5,248 million baht or decreased by 10% from the previous year. The overall packaging industry in ASEAN showed signs of recovery despite challenges such as slugging purchasing power due to high interest rates and the slow recovery of Chinese economy. SCGP has tackled the challenges by implementing strategies to generate growth through Merger & Partnership (M&P) and expanding packaging-related businesses. Besides, SCGP aims to explore opportunities in other high-potential businesses while continuously developing packaging innovations and solutions.

Others

EBITDA registered at 7,275 million baht or decreased 10% from the previous year. Profit for the year was 8,337 million baht or increased 9% from the previous year. This was attributed to the operating results of Investment Business that recorded EBITDA inclusive of dividend from associated companies of 6,070 million baht and profit for the year of 9,916 million baht after deducting general and administrative expenses.

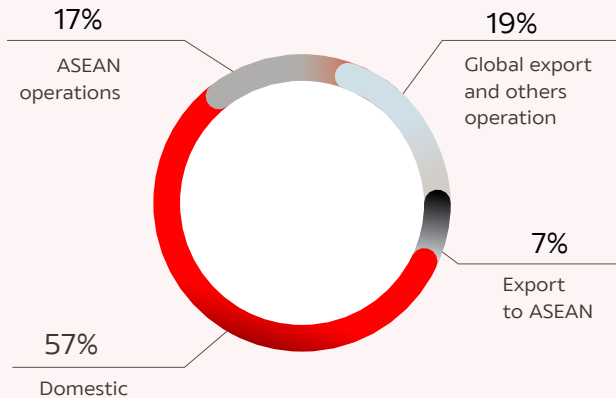
* Includes dividends from associates.

** Profit for the year attributable to owners of the Company.

Remarks:

EBITDA	= Earnings and dividends, before interest, tax, depreciation & amortization exclude gain from fair value adjustment of investments.
EBITDA from Operations	= Earnings before interest, tax, depreciation & amortization exclude gain from fair value adjustment of investments.
EBITDA Margins	= Operating EBITDA, to Revenue from Sales.
Profit for the year	= Profit for the year attributable to owners of the Company.

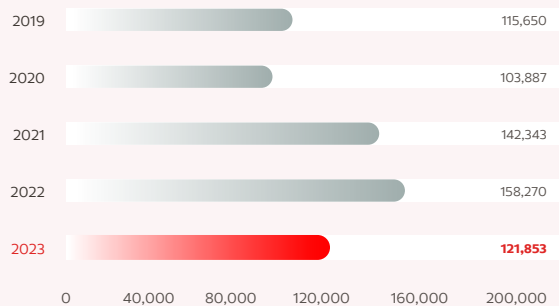
Revenue from sales



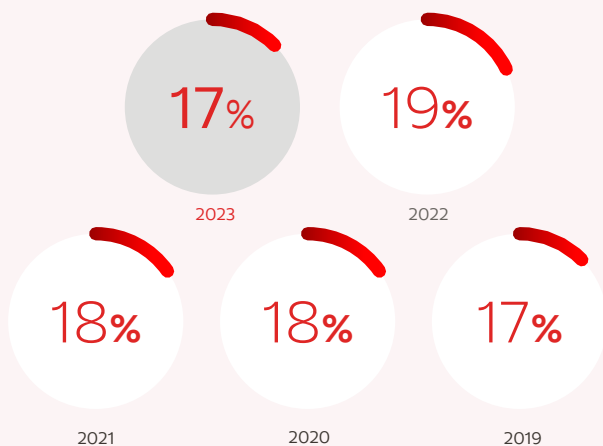
ASEAN operations ➤ Subsidiaries in ASEAN (excluding Thailand)

Export destinations ➤ From Thai subsidiaries

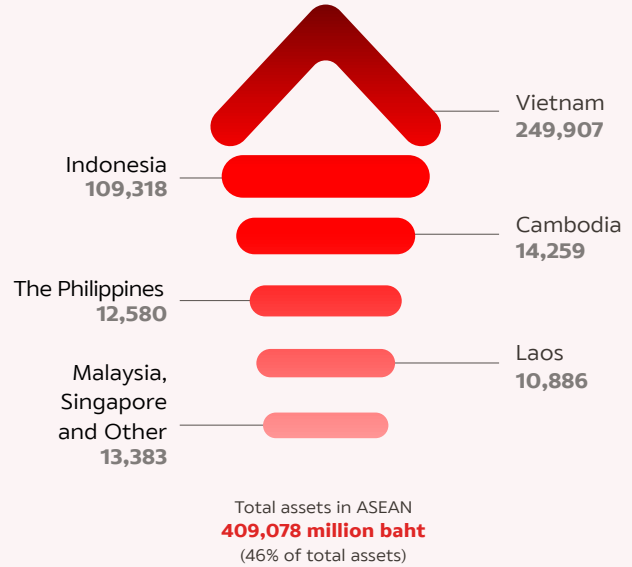
SCG's Revenue from export to ASEAN and ASEAN operations (Million baht)



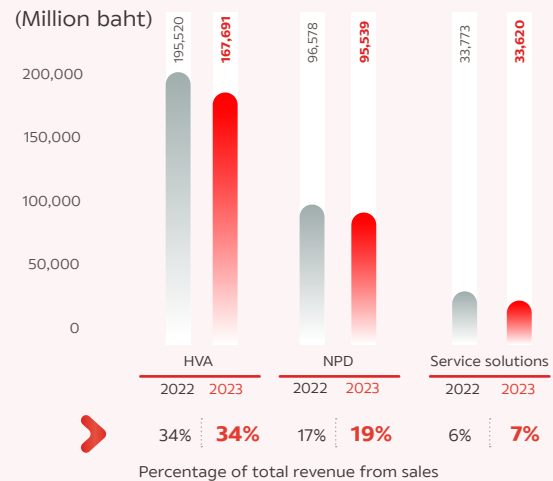
Percentage of revenue from sales from ASEAN operations



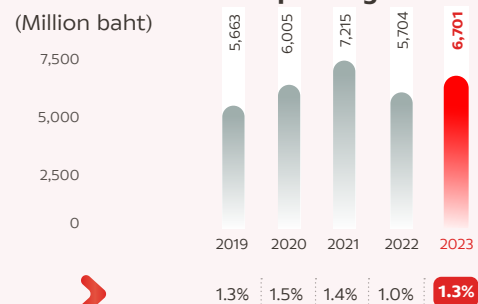
Total assets in ASEAN (Million baht)



Revenue from sales of HVA, New Product Development (NPD) and service solutions (Million baht)

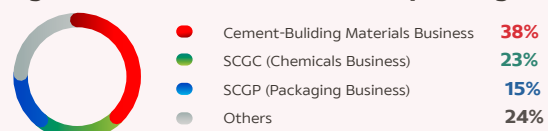


R&D and innovation spending (Million baht)



R&D and innovation spending as a percentage of revenue from sales

Segmented R&D and innovation spending in 2023



10

FINANCIAL STATEMENTS OF
THE SIAM CEMENT PUBLIC
COMPANY LIMITED (HIGHLIGHTS)



Consolidated statement of financial position

As at 31 December 2023

The Siam Cement Public Company Limited and its Subsidiaries

Assets	Note	2023	2022
<i>(in thousand Baht)</i>			
Current assets			
Cash and cash equivalents	6, 26	43,601,784	57,529,745
Investments in short-term debt instruments	26	20,272,343	32,329,136
Trade and other current receivables	5, 7, 26	70,558,763	74,458,988
Short-term loans	5, 26	130,181	161,139
Inventories	8	80,631,029	83,162,051
Other current assets		2,004,395	2,373,260
Non-current assets classified as held for sale		15,993	35,177
Total current assets		217,214,488	250,049,496
Non-current assets			
Investments in debt instruments	26	6,034,465	6,371,541
Investments in equity instruments	26	15,341,808	16,569,218
Investments in joint ventures and associates	9	140,239,498	118,974,491
Other non-current receivables		3,328,037	2,216,685
Long-term loans	5, 26	1,296,754	141,633
Investment property	10	2,554,138	2,294,637
Property, plant and equipment	11	424,343,789	425,051,529
Goodwill	13	47,327,262	47,368,134
Other intangible assets	13	22,345,377	22,692,661
Deferred tax assets	14	4,716,491	5,205,704
Other non-current assets		8,858,525	9,554,065
Total non-current assets		676,386,144	656,440,298
Total assets		893,600,632	906,489,794

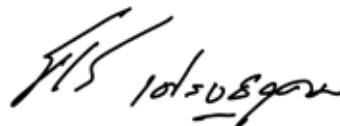
On behalf of the Board of Directors

Air Chief Marshal



Satitpong Sukvimol

Chairman



Mr. Thammasak Sethaudom

President & CEO of SCG

The accompanying notes are an integral part of these financial statements.

Consolidated statement of financial position

As at 31 December 2023

The Siam Cement Public Company Limited and its Subsidiaries

Liabilities and shareholders' equity	Note	2023	2022
		<i>(in thousand Baht)</i>	
Current liabilities			
Bank overdrafts and short-term borrowings			
from financial institutions	15, 16, 26	35,414,096	36,251,866
Trade and other current payables	5	59,690,894	59,783,047
Current portion of long-term borrowings	5, 15, 16, 26	11,979,840	4,508,041
Current portion of lease liabilities	5, 15, 16, 26	2,224,400	2,342,436
Current portion of debentures	15, 16, 26	65,396,427	24,915,176
Short-term borrowings	5, 15, 16, 26	306,906	383,409
Corporate income tax payable		2,630,454	2,197,132
Other current liabilities	26	24,601,822	1,935,304
Total current liabilities		202,244,839	132,316,411
Non-current liabilities			
Long-term borrowings	5, 15, 16, 26	60,898,581	94,607,266
Lease liabilities	5, 15, 16, 26	11,757,513	11,183,975
Debentures	15, 16, 26	149,607,643	190,053,882
Deferred tax liabilities	14	11,245,926	8,764,963
Non-current provisions for employee benefits	17	12,697,475	13,262,248
Other non-current liabilities		3,552,015	3,876,612
Total non-current liabilities		249,759,153	321,748,946
Total liabilities		452,003,992	454,065,357

The accompanying notes are an integral part of these financial statements.

Consolidated statement of financial position

As at 31 December 2023

The Siam Cement Public Company Limited and its Subsidiaries

Liabilities and shareholders' equity	Note	2023	2022
<i>(in thousand Baht)</i>			
Shareholders' equity			
Share capital			
<i>Authorized share capital</i>			
<i>(1,600 million ordinary shares, par value at Baht 1 per share)</i>		1,600,000	1,600,000
<i>Issued and paid share capital</i>			
<i>(1,200 million ordinary shares, par value at Baht 1 per share)</i>		1,200,000	1,200,000
Other surpluses	4	1,704,627	3,179,178
Retained earnings			
<i>Appropriated</i>			
Legal reserve	18	160,000	160,000
General reserve		10,516,000	10,516,000
<i>Unappropriated</i>		373,595,302	352,819,995
Other equity interest	26	(23,203,660)	-
Other components of shareholders' equity		(10,510)	6,379,789
Total equity attributable to owners of the Company		363,961,759	374,254,962
Non-controlling interests		77,634,881	78,169,475
Total shareholders' equity		441,596,640	452,424,437
Total liabilities and shareholders' equity		893,600,632	906,489,794

The accompanying notes are an integral part of these financial statements.

Consolidated income statement

For the year ended 31 December 2023

The Siam Cement Public Company Limited and its Subsidiaries

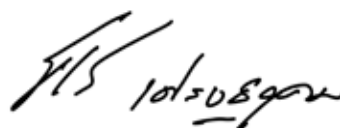
	Note	2023	2022
		<i>(in thousand Baht)</i>	
Revenue from sales	5	499,645,707	569,608,696
Cost of sales	5	(426,198,793)	(491,339,272)
Gross profit		73,446,914	78,269,424
Other income	4, 5, 20	28,885,709	12,683,515
Profit before expenses		102,332,623	90,952,939
Distribution costs	21	(31,880,163)	(36,212,914)
Administrative expenses	22	(33,310,177)	(33,560,001)
Other expenses	11	(3,108,847)	(1,985,157)
Total expenses		(68,299,187)	(71,758,072)
Profit from operations		34,033,436	19,194,867
Finance costs		(10,297,408)	(7,523,074)
Share of profit of joint ventures and associates accounted for using equity method	9	8,418,817	10,703,091
Profit before income tax		32,154,845	22,374,884
Tax expense	24	(8,044,668)	(4,650,349)
Profit for the year		24,110,177	17,724,535
Profit (loss) attributable to			
Owners of the Company		25,914,983	21,382,351
Non-controlling interests		(1,804,806)	(3,657,816)
		24,110,177	17,724,535
Basic earnings per share (in Baht)			
Attributable to owners of the Company		21.60	17.82

On behalf of the Board of Directors

Air Chief Marshal



Satitpong Sukvimol
Chairman



Mr. Thammasak Sethaudom
President & CEO of SCG

The accompanying notes are an integral part of these financial statements.

Consolidated statement of comprehensive income

For the year ended 31 December 2023

The Siam Cement Public Company Limited and its Subsidiaries

	Note	2023	2022
		<i>(in thousand Baht)</i>	
Profit for the year		24,110,177	17,724,535
Other comprehensive income			
<i>Items that will be reclassified subsequently to profit or loss</i>			
Exchange differences on translating financial statements		(3,838,506)	(1,006,753)
Gain (loss) on cash flow hedges	26	(997,872)	4,248,006
Loss on measurement of financial assets		(11,771)	(3,528)
Share of other comprehensive income of joint ventures and associates accounted for using equity method	9	(476,566)	1,495,694
Income tax relating to items that will be reclassified subsequently to profit or loss	24	2,355	3,613
Total items that will be reclassified subsequently to profit or loss		(5,322,360)	4,737,032
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Loss on investments in equity instruments measured at fair value		(1,444,727)	(388,863)
Gain on remeasurements of defined benefit plans	17	193,469	1,458,570
Share of other comprehensive income of joint ventures and associates accounted for using equity method	9	(114,954)	(204,484)
Income tax relating to items that will not be reclassified subsequently to profit or loss	24	241,014	(212,762)
Total items that will not be reclassified subsequently to profit or loss		(1,125,198)	652,461
Other comprehensive income for the year, net of tax		(6,447,558)	5,389,493
Total comprehensive income for the year		17,662,619	23,114,028
Total comprehensive income attributable to			
Owners of the Company		19,784,618	28,051,404
Non-controlling interests		(2,121,999)	(4,937,376)
		17,662,619	23,114,028

The accompanying notes are an integral part of these financial statements.

Consolidated statement of changes in shareholders' equity

For the year ended 31 December 2023

The Siam Cement Public Company Limited and its Subsidiaries

	Retained earnings			Other components of shareholders' equity										
	Appropriated	Unappropriated		Exchange differences on translating financial statements	Gain (loss) on cash flow hedges (in thousand Baht)	Gain (loss) on measuring financial assets	Gain (loss) on equity instruments measured at fair value	Share of other comprehensive income of joint ventures and associates accounted for using equity method	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Non-controlling interests	Total shareholders' equity		
<i>Note</i>	Issued and paid share capital	Other surpluses (deficits)	Legal reserve	General reserve										
Balance at 1 January 2022	1,200,000	3,467,105	160,000	10,516,000	348,557,913	(6,567,974)	(131,172)	(1,483)	7,825,979	664,366	1,789,716	365,690,734	84,317,613	450,008,347
Transactions with owners, recorded directly in shareholders' equity														
Contributions by and distributions to owners														
Dividends	-	-	-	-	(19,199,249)	-	-	-	-	-	-	(19,199,249)	(2,720,546)	(21,919,795)
Total contributions by and distributions to owners	-	-	-	-	(19,199,249)	-	-	-	-	-	-	(19,199,249)	(2,720,546)	(21,919,795)
Changes in ownership interests in subsidiaries														
Changes that do not result in a loss of control	-	(287,927)	-	-	-	-	-	-	-	-	-	(287,927)	815,318	527,391
Changes that result in an acquisition or a loss of control	-	-	-	-	-	-	-	-	-	-	-	-	694,466	694,466
Total changes in ownership interests in subsidiaries	-	(287,927)	-	-	-	-	-	-	-	-	-	(287,927)	1,509,784	1,221,857
Total transactions with owners, recorded directly in shareholders' equity	-	(287,927)	-	-	(19,199,249)	-	-	-	-	-	-	(19,487,176)	(1,210,762)	(20,697,938)
Comprehensive income for the year														
Profit or loss	-	-	-	-	21,382,351	-	-	-	-	-	-	21,382,351	(3,657,816)	17,724,535
Other comprehensive income	-	-	-	-	2,078,980	433,565	4,248,006	86	(1,296,339)	1,204,755	4,590,073	6,669,053	(1,279,560)	5,389,493
Total comprehensive income for the year	-	-	-	-	23,461,331	433,565	4,248,006	86	(1,296,339)	1,204,755	4,590,073	28,051,404	(4,937,376)	23,114,028
Balance at 31 December 2022	1,200,000	3,179,178	160,000	10,516,000	352,819,995	(6,134,409)	4,116,834	(1,397)	6,529,640	1,869,121	6,379,789	374,254,962	78,169,475	452,424,437

The accompanying notes are an integral part of these financial statements.

Consolidated statement of changes in shareholders' equity

For the year ended 31 December 2023

The Siam Cement Public Company Limited and Its Subsidiaries

	Retained earnings				Other components of shareholders' equity										
	Appropriated		Unappropriated		Exchange differences on translating financial statements	Gain (loss) on cash flow hedges	Loss on measuring financial assets	Gain (loss) on equity instruments measured at fair value	Share of other comprehensive income of joint ventures and associates accounted for using equity method	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Non-controlling interests	Total shareholders' equity		
	Issued and paid share capital	Other surpluses (deficits)	Legal reserve	General reserve											
<i>Note</i>															
Balance at 1 January 2023	1,200,000	3,179,178	160,000	10,516,000	352,819,995	-	(6,134,409)	4,116,834	(1,397)	6,529,640	1,869,121	6,379,789	374,254,962	78,169,475	452,424,437
Transactions with owners, recorded directly in shareholders' equity															
Contributions by and distributions to owners															
Dividends	-	-	-	-	(5,399,610)	-	-	-	-	-	-	-	(5,399,610)	(2,663,341)	(8,062,951)
Total contributions by and distributions to owners	-	-	-	-	(5,399,610)	-	-	-	-	-	-	-	(5,399,610)	(2,663,341)	(8,062,951)
Changes in ownership interests in subsidiaries															
Changes that do not result in a loss of control	-	(1,491,592)	-	-	-	-	-	-	-	-	-	-	(1,491,592)	4,123,862	2,632,270
Changes that result in an acquisition or a loss of control	-	17,041	-	-	-	-	-	-	-	-	-	-	17,041	126,884	143,925
Total changes in ownership interests in subsidiaries	-	(1,474,551)	-	-	-	-	-	-	-	-	-	-	(1,474,551)	4,250,746	2,776,195
Total transactions with owners, recorded directly in shareholders' equity	-	(1,474,551)	-	-	(5,399,610)	-	-	-	-	-	-	-	(6,874,161)	1,587,405	(5,286,756)
Put options	-	-	-	-	-	(23,203,660)	-	-	-	-	-	-	(23,203,660)	-	(23,203,660)
Comprehensive income for the year															
Profit or loss	-	-	-	-	25,914,983	-	-	-	-	-	-	-	25,914,983	(1,804,806)	24,110,177
Other comprehensive income	-	-	-	-	259,934	-	(3,484,555)	(997,872)	(9,417)	(1,295,617)	(602,838)	(6,390,299)	(6,130,365)	(317,193)	(6,447,558)
Total comprehensive income for the year	-	-	-	-	26,174,917	-	(3,484,555)	(997,872)	(9,417)	(1,295,617)	(602,838)	(6,390,299)	19,784,618	(2,121,999)	17,662,619
Balance at 31 December 2023	1,200,000	1,704,627	160,000	10,516,000	373,595,302	(23,203,660)	(9,618,964)	3,118,962	(10,814)	5,234,023	1,266,283	(10,510)	363,961,759	77,634,881	441,596,640

The accompanying notes are an integral part of these financial statements.

Consolidated statement of cash flows

For the year ended 31 December 2023

The Siam Cement Public Company Limited and its Subsidiaries

	<i>Note</i>	2023	2022
		<i>(in thousand Baht)</i>	
<i>Cash flows from operating activities</i>			
Profit for the year		24,110,177	17,724,535
<i>Adjustments for</i>			
Tax expense		8,044,668	4,650,349
Depreciation and amortization		29,740,095	29,461,123
Loss on inventories devaluation		1,607,594	1,012,941
Non-current provisions for employee benefit expense		1,079,116	1,076,800
Loss on foreign currency exchange		38,438	377,547
Share of profit of joint ventures and associates accounted for using equity method		(8,418,817)	(10,703,091)
Dividend income		(3,332,464)	(4,563,475)
Interest income		(2,150,766)	(1,223,693)
Finance costs		10,297,408	7,523,074
Loss on impairment of assets		1,597,536	654,259
Gain on fair value adjustment and others	4	(18,237,286)	(286,747)
Cash flows generated from operations			
before changes in operating assets and liabilities		44,375,699	45,703,622
<i>Decrease (increase) in operating assets</i>			
Trade and other current receivables		189,905	5,778,038
Inventories		731,460	(1,389,147)
Other assets		(1,158,235)	(62,274)
Net decrease (increase) in operating assets		(236,870)	4,326,617

The accompanying notes are an integral part of these financial statements.

Consolidated statement of cash flows

For the year ended 31 December 2023

The Siam Cement Public Company Limited and its Subsidiaries

	Note	2023	2022
		<i>(in thousand Baht)</i>	
<i>Increase (decrease) in operating liabilities</i>			
Trade and other current payables		5,713,942	(12,433,524)
Non-current provisions for employee benefits		(1,192,380)	(918,273)
Other liabilities		(189,890)	1,143,086
Net increase (decrease) in operating liabilities		4,331,672	(12,208,711)
Net cash flows generated from operations		48,470,501	37,821,528
Income tax paid		(4,462,061)	(8,102,597)
Net cash flows provided by operating activities		44,008,440	29,718,931
<i>Cash flows from investing activities</i>			
Cash divested from sale of subsidiaries		(439,864)	-
Acquisition of subsidiaries, net of cash acquired	4	(1,352,431)	(9,569,828)
Proceeds from sale of interests in joint ventures and associates		513,108	1,707,228
Acquisition of interests in joint ventures and associates		(1,542,380)	(1,680,768)
Proceeds from sale of equity and debt instruments of other entities		79,898,368	29,362,211
Acquisition of equity and debt instruments of other entities		(67,968,741)	(33,528,751)
Proceeds from sale of property, plant and equipment		829,495	764,819
Acquisition of property, plant and equipment		(32,022,957)	(38,065,147)
Acquisition of intangible assets		(1,928,461)	(1,865,869)
Proceeds from repayment of loans (payment for loans), net		281,327	(1,096)
Dividends received		11,597,317	18,836,464
Interest received		2,134,395	1,093,809
Income tax paid from sale of investments		(630,333)	-
Net cash flows used in investing activities		(10,631,157)	(32,946,928)

The accompanying notes are an integral part of these financial statements.

Consolidated statement of cash flows

For the year ended 31 December 2023

The Siam Cement Public Company Limited and its Subsidiaries

	Note	2023	2022
		<i>(in thousand Baht)</i>	
<i>Cash flows from financing activities</i>			
Proceeds from changes in ownership interests			
in subsidiaries that do not result in a loss of control	4	2,669,123	849,505
Payments of changes in ownership interests in subsidiaries			
that do not result in a loss of control		(48,764)	(36,715)
<i>Proceeds from (payments of) borrowings</i>			
Payments of bank overdrafts and			
short-term borrowings, net		(578,162)	(2,467,118)
Proceeds from long-term borrowings		25,487,843	21,419,431
Payments of long-term borrowings	15	(49,924,336)	(5,851,695)
Payments of lease liabilities		(2,812,912)	(2,961,319)
Proceeds from issuance of debentures		24,896,993	84,949,167
Redemption of debentures		(24,881,176)	(39,987,504)
Net increase (decrease) in borrowings		(27,811,750)	55,100,962
Dividends paid			
Dividends paid to owners of the Company		(5,399,610)	(19,199,249)
Dividends paid to non-controlling interests		(2,689,067)	(2,855,465)
Total dividends paid		(8,088,677)	(22,054,714)
Interest and other finance costs paid		(13,305,944)	(9,459,583)
Net cash flows provided by (used in) financing activities		(46,586,012)	24,399,455
Net increase (decrease) in cash and cash equivalents		(13,208,729)	21,171,458
Effect of exchange rate changes on cash and cash equivalents		(719,232)	365,446
Cash and cash equivalents at beginning of the year		57,529,745	35,992,841
Cash and cash equivalents at end of the year		43,601,784	57,529,745
<i>Supplementary information for cash flows</i>			
Income tax paid for the year		(5,092,394)	(8,102,597)
Non-cash from investing and financing transactions at end of the year			
Account payables from purchase of assets		4,114,835	7,575,946
Accrued investments		554,765	567,804
Liabilities related to put options		22,313,049	-

The accompanying notes are an integral part of these financial statements.

Statement of financial position

As at 31 December 2023

The Siam Cement Public Company Limited

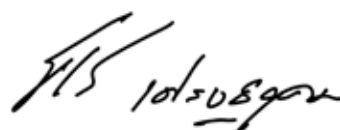
Assets	Note	2023	2022
<i>(in thousand Baht)</i>			
Current assets			
Cash and cash equivalents	5, 19	10,878,668	22,211,969
Investments in short-term debt instruments	19	3,619,466	19,279,307
Other current receivables	4	1,996,237	1,811,907
Short-term loans	4, 19	100,201,364	72,833,880
Other current assets		105,092	224
Total current assets		116,800,827	116,137,287
Non-current assets			
Investments in debt instruments	19	3,988,669	5,228,737
Investments in equity instruments	19	10,599,999	10,347,227
Investments in subsidiaries and associates	6	209,046,194	206,849,363
Investment property	7	1,844,603	1,875,149
Property, plant and equipment	8	2,142,152	2,224,623
Intangible assets	10	1,092,967	1,302,255
Other non-current assets		764,630	751,173
Total non-current assets		229,479,214	228,578,527
Total assets		346,280,041	344,715,814

On behalf of the Board of Directors

Air Chief Marshal



Satitpong Sukvimol
Chairman



Mr. Thammasak Sethaudom
President & CEO of SCG

The accompanying notes are an integral part of these financial statements.

Statement of financial position

As at 31 December 2023

The Siam Cement Public Company Limited

Liabilities and shareholders' equity	Note	2023	2022
		<i>(in thousand Baht)</i>	
Current liabilities			
Other current payables	4	805,539	821,499
Accrued interest expense		964,888	951,179
Current portion of lease liabilities	19	29,922	41,126
Current portion of debentures	19	59,993,198	25,000,000
Short-term borrowings	4, 19	3,936,110	6,517,260
Corporate income tax payable		-	133,135
Other current liabilities		82,794	77,683
Total current liabilities		65,812,451	33,541,882
Non-current liabilities			
Lease liabilities	19	62,871	37,271
Debentures	19	79,943,196	114,937,290
Deferred tax liabilities	11	1,262,392	1,229,485
Non-current provisions for employee benefits	13	1,186,738	1,158,886
Other non-current liabilities	4	554,965	663,557
Total non-current liabilities		83,010,162	118,026,489
Total liabilities		148,822,613	151,568,371

The accompanying notes are an integral part of these financial statements.

Statement of financial position

As at 31 December 2023

The Siam Cement Public Company Limited

Liabilities and shareholders' equity	Note	2023	2022
<i>(in thousand Baht)</i>			
Shareholders' equity			
Share capital			
<i>Authorized share capital</i>			
<i>(1,600 million ordinary shares, par value at Baht 1 per share)</i>		1,600,000	1,600,000
<i>Issued and paid share capital</i>			
<i>(1,200 million ordinary shares, par value at Baht 1 per share)</i>		1,200,000	1,200,000
Retained earnings			
<i>Appropriated</i>			
Legal reserve	14	160,000	160,000
General reserve		10,516,000	10,516,000
<i>Unappropriated</i>		179,584,130	175,466,946
Other components of shareholders' equity		5,997,298	5,804,497
Total shareholders' equity		197,457,428	193,147,443
Total liabilities and shareholders' equity		346,280,041	344,715,814

The accompanying notes are an integral part of these financial statements.

Income statement

For the year ended 31 December 2023

The Siam Cement Public Company Limited

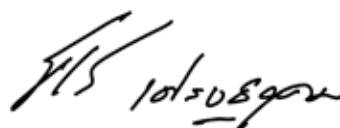
	Note	2023	2022
<i>(in thousand Baht)</i>			
Income			
Dividend income	4	9,224,634	29,070,048
Intellectual property income, management fees for administration, and service income	4	7,121,643	7,265,569
Interest income	4	3,173,558	2,534,718
Other income	4	1,253,053	1,768,869
Total income		20,772,888	40,639,204
Expenses			
Administrative expenses	15	(7,005,054)	(5,871,357)
Finance costs	4	(4,136,140)	(4,158,589)
Total expenses		(11,141,194)	(10,029,946)
Profit before income tax		9,631,694	30,609,258
Tax expense	17	(113,678)	(354,507)
Profit for the year		9,518,016	30,254,751
Basic earnings per share (in Baht)		7.93	25.21

On behalf of the Board of Directors

Air Chief Marshal



Satitpong Sukvimol
Chairman



Mr. Thammasak Sethaudom
President & CEO of SCG

The accompanying notes are an integral part of these financial statements.

Statement of comprehensive income

For the year ended 31 December 2023

The Siam Cement Public Company Limited

	Note	2023	2022
		<i>(in thousand Baht)</i>	
Profit for the year		9,518,016	30,254,751
Other comprehensive income			
<i>Items that will be reclassified subsequently to profit or loss</i>			
Loss on measurement of financial assets		(11,771)	(3,528)
Income tax relating to items that will be reclassified subsequently to profit or loss	17	<u>2,354</u>	<u>706</u>
Total items that will be reclassified subsequently to profit or loss		(9,417)	(2,822)
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gain (loss) on investments in equity instruments measured at fair value		252,773	(788,544)
Gain (loss) on remeasurements of defined benefit plans	13	(1,528)	39,734
Income tax relating to items that will not be reclassified subsequently to profit or loss	17	<u>(50,249)</u>	<u>149,762</u>
Total items that will not be reclassified subsequently to profit or loss		200,996	(599,048)
Other comprehensive income for the year, net of tax		<u>191,579</u>	<u>(601,870)</u>
Total comprehensive income for the year		<u><u>9,709,595</u></u>	<u><u>29,652,881</u></u>

The accompanying notes are an integral part of these financial statements.

Statement of changes in shareholders' equity

For the year ended 31 December 2023

The Siam Cement Public Company Limited

	Note	Retained earnings			Other components of shareholders' equity			
		Appropriated		Unappropriated	Gain (loss) on measuring financial assets	Gain (loss) on investments in equity instruments measured at fair value	Total other components of shareholders' equity	Total shareholders' equity
		Legal reserve	General reserve		(in thousand Baht)			
Balance at 1 January 2022		160,000	10,516,000	163,635,012	1,425	7,181,374	7,182,799	182,693,811
Transactions with owners, recorded directly in shareholders' equity								
<i>Contributions by and distributions to owners</i>								
Dividends	18	-	-	(19,199,249)	-	-	-	(19,199,249)
Total contributions by and distributions to owners		-	-	(19,199,249)	-	-	-	(19,199,249)
Comprehensive income for the year								
Profit or loss		-	-	30,254,751	-	-	-	30,254,751
Other comprehensive income		-	-	776,432	(2,822)	(1,375,480)	(1,378,302)	(601,870)
Total comprehensive income for the year		-	-	31,031,183	(2,822)	(1,375,480)	(1,378,302)	29,652,881
Balance at 31 December 2022		160,000	10,516,000	175,466,946	(1,397)	5,805,894	5,804,497	193,147,443
Balance at 1 January 2023		160,000	10,516,000	175,466,946	(1,397)	5,805,894	5,804,497	193,147,443
Transactions with owners, recorded directly in shareholders' equity								
<i>Contributions by and distributions to owners</i>								
Dividends	18	-	-	(5,399,610)	-	-	-	(5,399,610)
Total contributions by and distributions to owners		-	-	(5,399,610)	-	-	-	(5,399,610)
Comprehensive income for the year								
Profit or loss		-	-	9,518,016	-	-	-	9,518,016
Other comprehensive income		-	-	(1,222)	(9,417)	202,218	192,801	191,579
Total comprehensive income for the year		-	-	9,516,794	(9,417)	202,218	192,801	9,709,595
Balance at 31 December 2023		160,000	10,516,000	179,584,130	(10,814)	6,008,112	5,997,298	197,457,428

The accompanying notes are an integral part of these financial statements.

Statement of cash flows

For the year ended 31 December 2023

The Siam Cement Public Company Limited

	2023	2022
	<i>(in thousand Baht)</i>	
<i>Cash flows from operating activities</i>		
Profit for the year	9,518,016	30,254,751
<i>Adjustments for</i>		
Tax expense	113,678	354,507
Depreciation and amortization	552,494	609,400
Non-current provisions for employee benefit expense	171,155	102,743
Loss (gain) on foreign currency exchange	(297)	364
Dividend income	(9,224,634)	(29,070,048)
Interest income	(3,173,558)	(2,534,718)
Finance costs	4,136,140	4,158,589
Gain on sale of investments, sales of assets, fair value adjustment and others	(755,607)	(1,527,812)
Cash flows generated from operations		
before changes in operating assets and liabilities	1,337,387	2,347,776
<i>Decrease (increase) in operating assets</i>		
Other current receivables	(173,713)	980,998
Other assets	(13,235)	740
Net decrease (increase) in operating assets	(186,948)	981,738
<i>Increase (decrease) in operating liabilities</i>		
Other current payables	116,437	(79,337)
Non-current provisions for employee benefits	(142,277)	(60,100)
Other liabilities	(113,811)	(185,656)
Net decrease in operating liabilities	(139,651)	(325,093)
Net cash flows generated from operations	1,010,788	3,004,421
Income tax received (paid)	105,605	(323,932)
Net cash flows provided by operating activities	1,116,393	2,680,489

The accompanying notes are an integral part of these financial statements.

Statement of cash flows

For the year ended 31 December 2023

The Siam Cement Public Company Limited

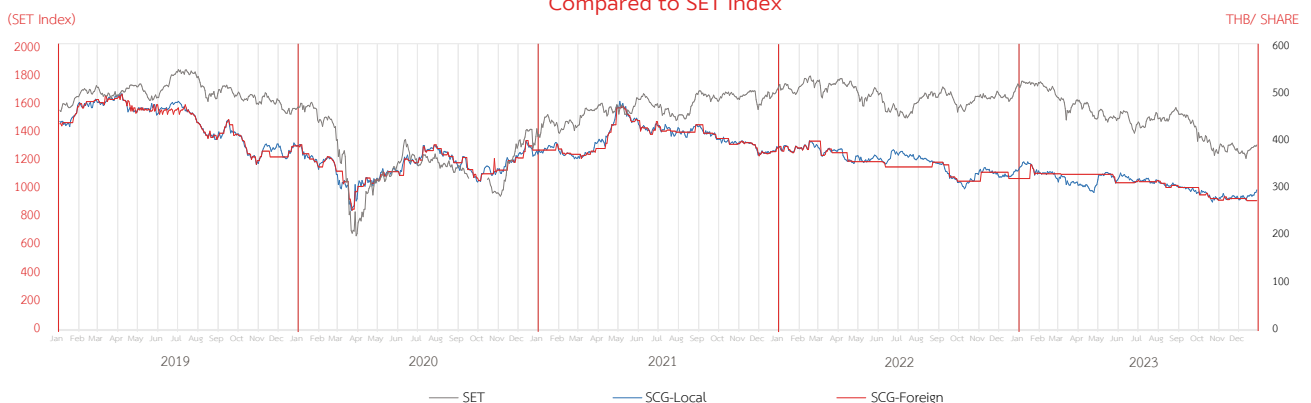
	Note	2023	2022
		(in thousand Baht)	
Cash flows from investing activities			
Proceeds from sale of a subsidiary and associates	6	311,001	1,270,793
Proceeds from capital return of a subsidiary	6	-	9,367,867
Payments of investments in subsidiaries	6	(2,196,831)	(4,813,838)
Proceeds from sale of equity and debt instruments of other entities		79,346,048	16,418,810
Acquisition of debt instruments of other entities		(62,494,537)	(38,274,145)
Proceeds from sale of investment property		525,000	-
Acquisition of property, plant and equipment, and intangible assets		(312,154)	(130,776)
Proceeds from repayment of loans (payments for loans) to related parties, net	4	(27,367,484)	46,766,497
Dividends received		9,234,315	29,740,616
Interest received		3,120,833	2,511,896
Income tax paid from sale of investments		(464,463)	-
Net cash flows provided by (used in) investing activities		(298,272)	62,857,720
Cash flows from financing activities			
Proceeds from (payments of) borrowings			
Payments of short-term borrowings from related parties, net	4	(2,581,150)	(64,035)
Payments of lease liabilities		(45,348)	(67,346)
Proceeds from issuance of debentures		25,000,000	15,000,000
Redemption of debentures		(25,000,000)	(40,000,000)
Net decrease in borrowings		(2,626,498)	(25,131,381)
Dividends paid to owners of the Company		(5,399,610)	(19,199,249)
Interest and other finance costs paid		(4,125,314)	(4,338,587)
Net cash flows used in financing activities		(12,151,422)	(48,669,217)
Net increase (decrease) in cash and cash equivalents		(11,333,301)	16,868,992
Cash and cash equivalents at beginning of the year		22,211,969	5,342,977
Cash and cash equivalents at end of the year		10,878,668	22,211,969
Supplementary information for cash flows			
Income tax paid for the year		(358,858)	(323,932)

The accompanying notes are an integral part of these financial statements.

INVESTOR INFORMATION

Name	The Siam Cement Public Company Limited	Contacts
Stock Code	SCC (Listed on the Stock Exchange of Thailand - SET)	Corporate Headquarters
Registration No.	0107537000114	Tel. 66-2586-3333, 66-2586-4444
Type of Business	Holding Company	Fax 66-2586-2974
Website	www.scg.com	e-mail: info@scg.com
Year of Establishment	1913	Corporate Secretary Office
First Trade Date	April 30, 1975	Tel. 66-2586-6098
Headquarter Address	1 Siam Cement Road, Bangsue, Bangkok, 10800	Fax 66-2586-3007
Registered Capital	1,600 million baht	e-mail: corporatesecretary@scg.com
Paid-up Capital	1,200 million baht Comprised of 1,200 million ordinary shares	Investor Relations Department
Par value	1 baht par value	Tel. 66-2586-4299
Preferred Share	None	e-mail: invest@scg.com
Fiscal Year	January 1-December 31 of each year	Enterprise Brand Management Office
Shareholders	His Majesty King Maha Vajiralongkorn Phra Vajiraklaochaoyuhua and CPB Equity Co., Ltd. hold 33.8% of shares while the remaining shares are held by other institutional and individual shareholders.	Tel. 66-2586-3777
		Fax 66-2586-2974
		e-mail: ebmo@scg.com
		Independent Directors as Minority Shareholders' Representative
		Fax 66-2586-3007
		e-mail: ind_dir@scg.com

5 Years Share Prices (2019-2023)
Compared to SET Index





NOTE

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NOTE

[illegible]

passion for better



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