

SCCC 03/2025

27 February 2025

Subject: Management discussion and analysis yearly ending 31 December 2024

Attention: Managing Director,
The Stock Exchange of Thailand

Attachment: A copy of the financial statements of SCCC for the year ended 31 December 2024

We hereby submit to you the separate financial statements and consolidated financial statements of Siam City Cement Public Company Limited (SCCC) and its subsidiaries for the year ended 31 December 2024 compared to the same period of 2023 with a summary of our operating results as follows:

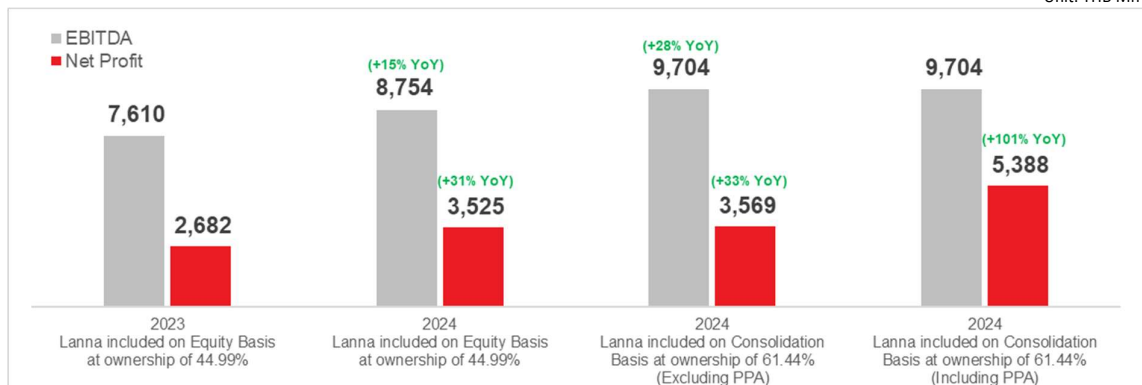
In Q4/2024, after completing the Mandatory Tender Offer, SCCC fully integrated Lanna Resources Public Company Limited (LANNA). The recognition of LANNA's financial performance changed from the equity method at 44.99% shareholding to full consolidation as a subsidiary at 61.44% shareholding. As a result, SCCC's 2024 consolidated financial statements now include LANNA's performance, along with a one-time gain (including amortization) of THB 1,819 million from the Purchase Price Allocation (PPA) as required by the accounting standards.

1. Key Highlights

- Like-for-like EBITDA and net profit (LANNA at 44.99%) rose 15% and 31% YoY, driven by SCCC's strong performance and efficiency gains from the FIT+ program.
- With LANNA fully consolidated at 61.44%, EBITDA grew 28% YoY, while net profit rose 33% YoY to THB 3,569 million, driven by SCCC's strong performance of THB 3,382 million and THB 187 million from LANNA's consolidation.
- With a one-time PPA gain of THB 1,819 million from recognizing LANNA's net assets in Q4/2024, net profit surged 101% YoY to THB 5,388 million.

SCCC's EBITDA and NET Profit Calculated on an Equity Basis (44.99% Ownership) and Consolidation Basis (61.44% ownership) of LANNA

Unit: THB Mn

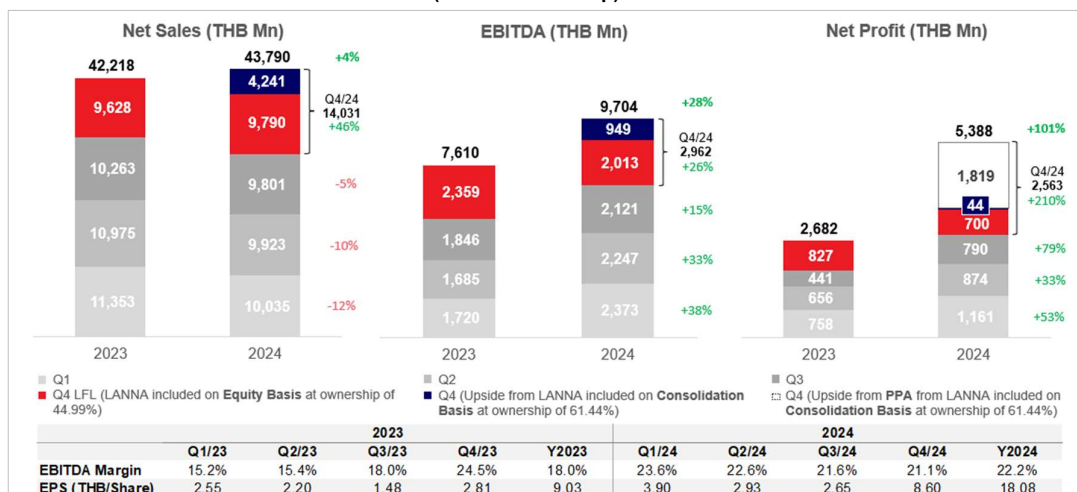


Remark: The PPA (Purchase Price Allocation) is due to the gain from the recognition of net assets upon the consolidation of LANNA.

- Strong cash generation, ending 2024 with THB 3,342 million after dividend payments totaling THB 11 per share of THB 3,278 million, debenture redemptions of THB 4,500 million, and capital expenditures of THB 2,177 million for land, plant upgrades, and infrastructure.
- The 2024 interim dividend of THB 4 per share and the proposed final dividend of THB 7 per share will result in a total dividend of THB 11 per share, reflecting a payout ratio of 61% (93% excluding the one-time LANNA gain) and a dividend yield of 6.73%.

2. SCCC Q4/2024 Group Performance Overview

SCCC's Net Sales, EBITDA, and Net Profit Calculated on an Equity Basis (44.99% Ownership) and Consolidation Basis (61.44% ownership) of LANNA



Remark: Excluding one-off items and FX gain/loss, normalized Q1/24, Q2/24, Q3/24, and Q4/24 net profit was THB 1,049 Mn, THB 949 Mn, THB 886 Mn, and THB 946 Mn, respectively. The PPA (Purchase Price Allocation) is due to the gain from the recognition of net assets upon the consolidation of LANNA in Q4/24.

2.1. Q4/2024 Like-for-Like Performance (LANNA at 44.99% Equity Basis)

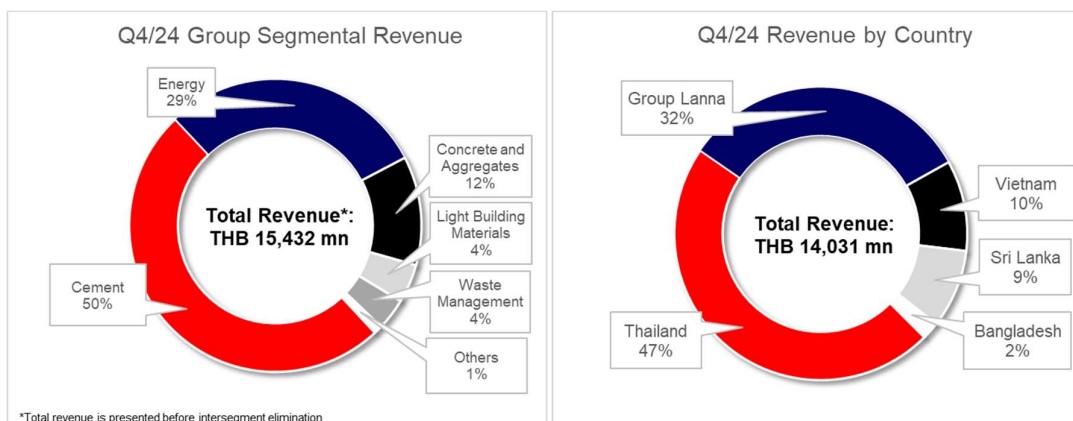
Net sales grew 2% YoY, driven by higher cement sales in Thailand, Vietnam, and Sri Lanka. Thailand saw stronger public and industrial demand, while Vietnam and Sri Lanka benefited from public investment, though pricing remained weak. Bangladesh faced challenges due to political upheaval and competition. EBITDA declined 15% YoY due to one-off mandatory tender offer expenses, reducing net profit by 15% to THB 700 million. Joint venture income improved YoY from lower production costs, while associated company income increased YoY due to a fire damage claim.

2.2. Q4/2024 Performance (LANNA at 61.44% Consolidation Basis)

With LANNA fully consolidated, net sales rose 46% YoY, EBITDA grew 26% YoY, and net profit surged 210% YoY to THB 2,563 million, driven by higher net sales and a THB 1,819 million PPA gain from LANNA. Excluding one-time items such as LANNA's PPA, tender offer expenses, and exchange rate impacts, like-for-like net profit was THB 946 million.

2.3. Q4/2024 Group Segmental Revenue Breakdown

Cement sales accounted for 50% of SCCC's total revenue, while the newly added Energy segment accounted for 29%. Thailand remained the largest revenue contributor, generating 47% of the Group's overall revenue in Q4/2024.



3. Segmental Performance

3.1. Cement - Total

Cement (THB Mn)	QTD (3 Months)					YTD (12 Months)		
	Q3/24	Q4/24	%QoQ	Q4/23	%YoY	2024	2023	%YoY
Net Sales	7,736	7,704	-0.4%	7,551	2.0%	31,257	33,116	-5.6%
EBITDA	1,656	1,645	-0.7%	1,910	-13.9%	6,962	5,830	19.4%
EBITDA margin	21.4%	21.4%	-0.3%	25.3%	-15.6%	22.3%	17.6%	26.5%

Remark: Net sales and EBITDA by segment are presented before intersegment elimination

The 2024 performance improved over the previous year, with EBITDA increasing by 19%, driven by cost reductions across all segments. In Q4/2024, Thailand's performance YoY slowdown was partially offset by strong results in overseas markets, particularly in Sri Lanka and Vietnam.

Thailand: Q4/2024 net sales grew with strong bulk cement demand from construction projects, government spending, and clinker exports. Bag cement sales declined due to weather, economic challenges, and reduced purchasing power. EBITDA fell 24% YoY due to one-off mandatory tender offer expenses, while TSR rose to 25% from 16% in 2023, and low-carbon cement sales reached 81% from 69% in 2023.

Southern Vietnam: EBITDA rose 6% YoY in Q4/2024, driven by construction market recovery, higher sales volumes from go-to-market initiatives, and cost-saving measures. Bulk and retail segments grew with public investment and the conclusion of the rainy low-sales season despite price competition. TSR improved to 44% from 38% in 2023, and all cement sales in Vietnam have been low-carbon since 2020.

Sri Lanka: Q4/2024 EBITDA surged 180% YoY, driven by strong retail and industrial sales, election stability, and macroeconomic recovery. Lower energy costs, reduced electricity tariffs, and favorable exchange rates offset weaker prices. 100% low-carbon cement sales achieved since 2020.

Bangladesh: Q4/2024 EBITDA rose 67% YoY, benefiting from lower clinker and raw material costs, reduced fixed costs, and an improved clinker factor of 61.9% from 62.8% in 2023. These gains offset political and market challenges. 100% of sales are now low-carbon cement.

3.2. Concrete and Aggregates

Concrete and Aggregates (THB Mn)	QTD (3 Months)					YTD (12 Months)		
	Q3/24	Q4/24	%QoQ	Q4/23	%YoY	2024	2023	%YoY
Net Sales	1,867	1,858	-0.5%	1,777	4.6%	7,298	7,621	-4.2%
EBITDA	172	127	-26.2%	148	-14.2%	595	481	23.7%
EBITDA margin	9.2%	6.8%	-25.8%	8.3%	-17.9%	8.2%	6.3%	29.2%

Remark: Net sales and EBITDA by segment are presented before intersegment elimination

In Q4/2024, ready-mixed concrete demand grew, driven by Chinese industrial investment and post-flood construction. Aggregate sales rose with infrastructure projects, boosting crushed stone, sand, and gravel consumption. Net sales increased 5% YoY despite weak residential demand. EBITDA fell 14% YoY due to higher raw material costs from reduced rebates and increased distribution expenses from higher diesel prices.

3.3. Waste Management and Industrial Services

Waste management and industrial services (THB Mn)	QTD (3 Months)					YTD (12 Months)		
	Q3/24	Q4/24	%QoQ	Q4/23	%YoY	2024	2023	%YoY
Net Sales	515	543	5.4%	480	13.1%	2,085	1,673	24.6%
EBITDA	134	187	39.6%	145	29.0%	607	577	5.2%
EBITDA margin	26.0%	34.4%	32.4%	30.2%	14.0%	29.1%	34.5%	-15.6%

Remark: Net sales and EBITDA by segment are presented before intersegment elimination

EBITDA rose 29% YoY in Q4/2024, driven by a 13% increase in net sales from new and cleaning projects. Lower truck rental, driver service costs, and subcontractor fees further boosted performance.

3.4. Light Building Materials

Light Building Materials (THB Mn)	QTD (3 Months)					YTD (12 Months)		
	Q3/24	Q4/24	%QoQ	Q4/23	%YoY	2024	2023	%YoY
Net Sales	693	657	-5.2%	775	-15.2%	2,798	3,226	-13.3%
EBITDA	92	76	-17.4%	101	-24.8%	423	377	12.2%
EBITDA margin	13.3%	11.6%	-12.9%	13.0%	-11.2%	15.1%	11.7%	29.4%

Remark: Net sales and EBITDA by segment are presented before intersegment elimination

The property market slowed due to ongoing high household debt, contractor cash flow issues, excess inventory, and slow demand in Indonesia due to regional elections, resulting in a 15% YoY drop in Q4/2024 net sales. Lower fixed costs from the 2023 restructuring, reduced raw material expenses, and energy efficiency gains helped mitigate the impact.

3.5. Energy

Energy (THB Mn)	QTD (3 Months)					YTD (12 Months)		
	Q3/24	Q4/24	%QoQ	Q4/23	%YoY	2024	2023	%YoY
Net Sales	-	4,528	-	-	-	4,528	-	-
EBITDA	-	1,094	-	-	-	1,094	-	-
EBITDA margin	-	24.2%	-	-	-	24.2%	-	-

Remark: Net sales and EBITDA by segment are presented before intersegment elimination

Q4/2024 is the first quarter of LANNA's consolidation following SCCC's increased shareholding from 44.99% to 61.44%, enhancing profitability, thermal material security, and financial strength. The segment achieved a good EBITDA margin of 24.2%, supported by a favorable cost position.

3.6. Others

Others (THB Mn)	QTD (3 Months)					YTD (12 Months)		
	Q3/24	Q4/24	%QoQ	Q4/23	%YoY	2024	2023	%YoY
Net Sales	165	142	-13.9%	275	-48.4%	710	5,075	-86.0%
EBITDA	71	50	-29.6%	56	-10.7%	261	382	-31.7%
EBITDA margin	43.0%	35.2%	-18.2%	20.4%	72.9%	36.8%	7.5%	388.4%

Remark: Net sales and EBITDA by segment are presented before intersegment elimination

EBITDA in the Others segment (IT Services and Trading) declined 11% YoY as Trading operations transferred to the cement business at the beginning of 2024. IT services, solely supporting the SCCC Group, underwent cost optimizations, lowering standalone profitability but improving overall Group performance.

4. Outlook

Despite global geopolitical uncertainties, we remain cautiously optimistic, leveraging strategic opportunities across our operating countries. Thailand's construction market is supported by government infrastructure, residential stimulus measures, and manufacturers relocating to Thailand, highlighting its resilience despite high household debt and restricted financing from banks. Vietnam's strong macroeconomic momentum, supported by new land and real estate laws, lower mortgage rates, FDI, and government investments, present long-term growth opportunities despite competitive pricing pressures. Improving sales in retail and industrial segments in Sri Lanka reflects stronger macroeconomic fundamentals and favorable election outcomes. The integration of LANNA into SCCC's portfolio is expected to further strengthen profitability, diversify our business, mitigate industry cyclicality, and expand our energy sector footprint. Our FIT+ initiative continues to drive efficiency, cost reductions, and market share expansion.

Yours sincerely,
On behalf of Siam City Cement Public Company Limited

Mr. Ranjan Sachdeva
Group Chief Executive Officer and Group Chief Financial Officer

Key Financial Information

in THB million	Dec-24	% of total assets	Dec-23	% of total assets	% Change	Sep-24	% of total assets
Statements of financial position							
Current assets	20,530	25.2	15,184	21.8	35.2	11,323	17.8
Non-current assets	61,035	74.8	54,515	78.2	12.0	52,337	82.2
Total assets	81,565	100.0	69,699	100.0	17.0	63,660	100.0
Current liabilities	18,341	22.5	16,177	23.2	13.4	11,768	18.5
Non-current liabilities	20,455	25.1	19,674	28.2	4.0	19,675	30.9
Total liabilities	38,796	47.6	35,851	51.4	8.2	31,443	49.4
Equity attributable to owners of the Company	34,698	42.5	32,981	47.3	5.2	31,393	49.3
Non-controlling interests of the subsidiaries	8,071	9.9	867	1.3	830.9	824	1.3
Total shareholders' equity	42,769	52.4	33,848	48.6	26.4	32,217	50.6
Debt profile							
Short-term loans	7,095	8.7	7,674	11.0	-7.5	3,208	5.0
Long-term loans	12,736	15.6	14,509	20.8	-12.2	14,526	22.8
Total loans	19,831	24.3	22,183	31.8	-10.6	17,734	27.9
Cash & cash equivalents	5,415	6.6	6,027	8.6	-10.2	3,056	4.8
Total net debt	14,416	17.7	16,156	23.2	-10.8	14,678	23.1
Key ratio							
RONOA (%)	16.4		8.1			14.8	
ROE (%)	15.9		8.1			11.3	
Total net debt/EBITDA (times)	1.49		2.12			1.61	
Total net debt/shareholders' equity (times)	0.34		0.48			0.46	