



Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	51670.1	(0.3)	0.3	(1.7)	7.5
S&P 500	7805.5	(0.0)	(0.2)	1.9	14.0
FTSE 100	10650.3	(0.1)	1.0	(0.0)	7.2
AS30	8921.5	(0.2)	0.2	(0.0)	(1.1)
CSI 300	4275.7	(0.3)	(1.6)	(4.6)	(7.7)
FSSTI	5430.5	0.3	(4.8)	(5.0)	16.9
HSCEI	8174.7	0.1	0.6	(1.3)	(8.3)
HSI	24345.2	0.3	0.3	(1.9)	(5.0)
JCI	5926.0	(0.2)	(4.3)	(9.3)	(31.5)
KLCI	1623.4	0.3	(0.6)	(4.4)	(3.4)
KOSPI	6035.4	(5.5)	(13.8)	(9.7)	43.2
Nikkei 225	67777.5	(1.8)	(3.1)	6.7	34.6
SET	1571.7	(0.4)	(0.3)	(1.2)	24.8
TWSE	48341.3	(1.9)	(2.8)	5.4	66.9
BDI	2801	(1.8)	(6.7)	(20.1)	49.2
CPO (RM/mt)	4420	(1.2)	1.2	(3.8)	12.4
Brent Crude (US\$/bbl)	106	(0.9)	5.1	1.0	73.7

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
Virtual Sharing Session on Global Vegetable Oil Markets with S&P Global Energy	Singapore	19 Oct	19 Oct
Small & Mid-Caps Corporate Day	Singapore	21 Oct	21 Oct

Corporate and Macro Calendar

Economic Indicator/Event		Date
Sep. Customs Trade Balance (Export-Import)	Thailand	21-26 Oct

Top Stories

Sector Update | Retail Page 2 →

- We expect the home improvement retail segment's 3Q26 earnings to rise 7% yoy, driven by an increase in its store count and a strong gross margin expansion due to higher contributions from private brands. GLOBAL is expected to outperform its peers on the back of better SG&A control, lower interest expenses and higher equity income. Maintain OVERWEIGHT on the home improvement retail segment (top pick: GLOBAL) and MARKET WEIGHT on the retail sector.

Company Update | Siam Cement (SCC TB/HOLD/Bt268.00/Target: Bt278.00) Page 5 →

- We expect 3Q26 net profit to decline 72% qoq, with weaker earnings across all business segments. SCGC is forecast to be the key drag, as earnings are pressured by narrower petrochemical spreads and lower stock gains. Meanwhile, the LSPE project is projected to be completed ahead of schedule. SCGC is preparing for the early start-up by importing spot ethane starting from mid-3Q26, ahead of the long-term ethane supply contract commencing in late-27. Maintain HOLD. Target price: Bt278.00.

Retail

Private Brands To Drive Home Improvement Retail Earnings In 3Q26

Highlights

- We expect the home improvement retail segment's 3Q26 earnings to rise 7% yoy, driven by an increase in its store count and strong gross margin expansion on the back of higher contribution from private brands.
- GLOBAL is expected to outperform its peers due to better SG&A control, lower interest expenses and higher equity income.
- Maintain OVERWEIGHT on the home improvement retail segment and MARKET WEIGHT on the retail sector, with GLOBAL as our top pick in the home improvement retail segment.

Home Improvement Retail Earnings Forecast

Year to 31 Dec (Btm)	3Q25	2Q26	3Q26F	yoy	qoq	2025	2026F	yoy
Net profit								
DOHOME	102	305	112	9.5%	-63.4%	601	798	32.8%
GLOBAL	392	955	500	27.5%	-47.7%	1,964	2,639	34.4%
HMPRO	1,304	1,594	1,317	1.0%	-17.4%	6,011	5,898	-1.9%
Sector	1,798	2,855	1,928	7.3%	-32.5%	8,576	9,335	8.8%
SSSG								
DOHOME	-11.0	1.8	5.0	16.0	3.2	-7.5	1.5	9.0
GLOBAL	-0.9	-4.0	-5.7	-4.8	-1.7	-6.0	-1.5	4.5
HMPRO	-4.5	-0.6	-2.2	2.4	-1.5	-5.6	-3.4	2.3
Sector	-5.5	-0.9	-1.0	4.52	0.0	-6.4	-1.1	5.3
Gross margin (%)								
DOHOME	17.7	19.8	17.1	-0.6	-2.7	17.4	17.8	0.4
GLOBAL	26.5	31.6	27.8	1.3	-3.8	25.8	27.9	2.1
HMPRO	27.7	28.5	28.0	0.3	-0.5	27.6	28.4	0.8
Sector	25.0	27.2	25.3	0.38	-1.9	24.8	25.8	0.9
SG&A-to-sales (%)								
DOHOME	15.6	14.8	15.3	-0.4	0.4	-14.5	14.5	29.0
GLOBAL	22.1	20.7	22.5	0.4	1.8	20.5	20.5	0.0
HMPRO	20.5	20.0	20.8	0.3	0.8	19.6	20.8	1.2
Sector	19.8	19.0	19.9	0.1	0.9	18.7	19.3	0.6

Source: Respective companies, UOB Kay Hian

Analysis

- 3Q26 earnings forecasts.** We expect the home improvement retail segment to report 3Q26 earnings of Bt1.9b (+7% yoy, -33% qoq), driven by: a) 2.4% sales growth from an increase in its store count, despite a 1% yoy decline in SSSG; b) 40bp gross margin expansion to 24.8%; and c) a 10bp increase in SG&A-to-sales to 19.9%. Earnings growth is expected to moderate from 2Q26 as the benefits from low-cost inventory will start to fade from 3Q26 onwards. However, gross margin expansion will remain the key earnings driver in 3Q26, with all stocks under our coverage increasing their private-label sales mix.

Peer Comparison

Ticker	Rec	Price 9 Oct 26 (Bt)	Target Price (Bt)	Upside To TP (%)	Net Profit 2026F (Btm)	2027F (Btm)	PE 2026F (x)	2027F (x)	Net EPS Growth 2026F (%)	Yield 2026F (%)	ROE 2026F (%)	Market Cap. (US\$m)	Price/ NAV ps (x)
DOHOME TB	BUY	3.50	4.50	28.6	774	783	15.3	15.1	28.7	0.2	5.6	355	0.8
GLOBAL TB	BUY	5.55	9.00	37.4	2,639	2,647	13.4	13.4	34.4	3.7	9.9	1,059	1.3
HMPRO TB	BUY	6.40	8.00	25.0	5,898	6,197	14.3	13.6	(1.9)	5.8	22.2	2,520	3.1
Avg					9,311	9,627	14.1	13.6	8.6	4.8	17.4	3,934	2.4

Source: Bloomberg, UOB Kay Hian

Analyst(s)

Tanapon Cholkadidamrongkul

Tanapon.c@uobkh.co.th

662 090 3599

MARKET WEIGHT (Maintained)

Segmental Rating

Segment	Rating
Grocery Retail	MARKETWEIGHT (Maintained)
Home Improvement Retail	OVERWEIGHT (Maintained)
Lifestyle Retail	OVERWEIGHT (Maintained)

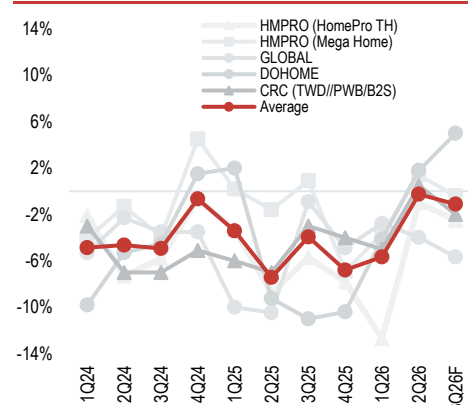
Source: Bloomberg, UOB Kay Hian

Sector Picks

Company	Ticker	Rec	Share Price (Bt)	Target Price (Bt)
Siam Global House	GLOBAL TB	BUY	5.55	9.00

Source: Bloomberg, UOB Kay Hian

Same-store Sales Growth



Source: Respective Companies, UOB Kay Hian

Same-store Sales Growth

Year to 31 Dec (Btm)	4Q25	1Q26	2Q26	3Q26F
HMPRO (HomePro TH)	-7.8%	-12.7%	-1.0%	-2.5%
HMPRO (Mega Home)	-6.9%	-3.7%	1.4%	-0.4%
GLOBAL	-4.9%	-2.8%	-4.0%	-5.7%
DOHOME	-10.4%	-4.1%	1.8%	5.0%
CRC (TWD//PWB/B2S)	-4.0%	-5.0%	0.5%	-2.0%
Average	-6.8%	-5.7%	-0.3%	-1.1%

Source: Respective Companies, UOB Kay Hian

- **GLOBAL has the strongest earnings among its peers.** We expect Siam Global House's (GLOBAL) 3Q26 earnings to increase 27% yoy. GLOBAL is expected to outperform its peers for three key reasons: a) better SG&A control than peers through fewer promotions and improved distribution cost management; b) lower interest expenses following debt repayment and a stronger balance sheet; and c) higher equity income, supported by strong operating performance in Myanmar.
- **4Q26 earnings are expected to improve.** We expect earnings to improve, driven by gross margin expansion from a higher private-label product mix and a recovery in post-flood demand, with SSSG improving significantly in early-Oct 26. Lower interest expenses should provide additional support, as GLOBAL and Do home (DOHOME) are expected to reduce net D/E, while Home Product Center (HMPRO) focuses on debt reduction and enhancing shareholder returns through a higher dividend payout and share repurchases.

Valuation/Recommendation

- **Maintain OVERWEIGHT on the home improvement retail segment and MARKET WEIGHT on the retail sector.** We maintain our OVERWEIGHT rating on the home improvement retail segment. We expect earnings to continue growing yoy in 2H26, supported by gross margin expansion and lower interest expenses, which should more than offset weaker SSSG.
- **GLOBAL remains our top pick in the home improvement retail segment.** We continue to prefer GLOBAL due to: a) its improving capital management, with net D/E declining to 0.26x, b) effective cost control, and c) a higher private-brand contribution, supporting margin expansion.

Sector Catalyst/Risk

- **Catalysts:** a) gross margin expansion, and b) lower interest expenses.

Essential

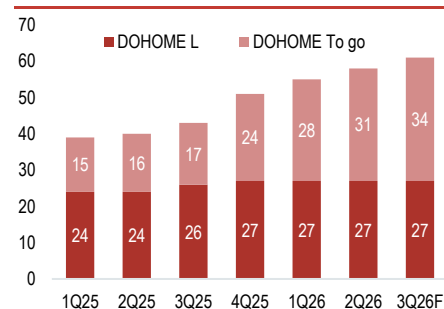
DOHOME Earnings Forecast

Year to 31 Dec (Btm)	3Q25	2Q26	3Q26F	yoy (%)	qoq (%)	2025	2026F	yoy (%)
Sales and services	6,753	7,794	7,394	9.5	(5.1)	29,110	29,998	3.0
Gross profit	1,194	1,541	1,264	5.9	(17.9)	5,056	5,340	5.6
SG&A	(1,056)	(1,154)	(1,128)	6.8	(2.3)	(4,214)	(4,347)	3.1
EBIT	219	442	207	(5.6)	(53.2)	1,140	1,297	13.8
Interest expense	(101)	(76)	(76)	(24.5)	0.0	(431)	(340)	(21.0)
Net profit	102	305	112	9.5	(63.4)	601	798	32.8
Percent	3Q25	2Q26	3Q26F	(ppt)	(ppts)	2025	2026F	(ppts)
SSSG	(11.0)	1.8	5.0	16.0	3.2	(7.5)	1.5	9.0
Gross margin	17.7	19.8	17.1	(0.6)	(2.7)	17.4	17.8	0.4
SG&A to sales	15.6	14.8	15.3	(0.4)	0.4	(14.5)	14.5	29.0
Net profit margin	1.5	3.9	1.5	0.0	(2.4)	2.1	2.7	0.6

Source: Dohome, UOB Kay Hian

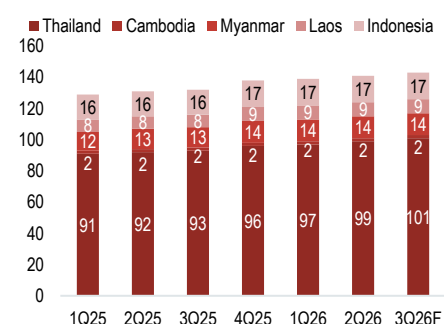
- **DOHOME.** We expect 3Q26 earnings of Bt112m, up 10% yoy but down 63% qoq. Key drivers include: a) 5% yoy SSSG growth, supported by a low base due to steel shortages in 3Q25; b) lower SG&A-to-sales; and c) lower interest expenses yoy. These factors will be partly offset by a weaker gross margin due to a higher wholesale sales mix and softer steel margins. 9M26 earnings accounted for 84% of our 2026 forecast, compared with 84% in 9M25. We expect earnings to improve yoy in 4Q26, driven by strong gross margin expansion from a higher private-label product mix and a low base in 4Q25.

DOHOME Stores



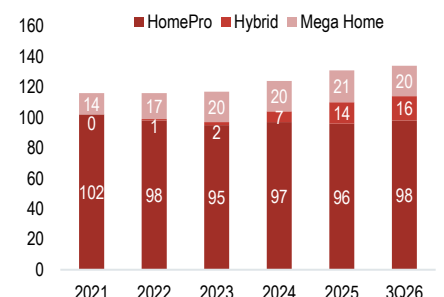
Source: Do home, UOB Kay Hian

GLOBAL Stores



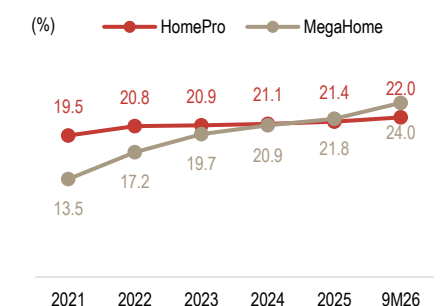
Source: Siam Global House, UOB Kay Hian

HMPRO Stores



Source: Home Product Center, UOB Kay Hian

HMPRO Direct Sourcing Sales Mix



Source: Home Product Center, UOB Kay Hian

GLOBAL Earnings Forecast

Year to 31 Dec (Btm)	3Q25	2Q26	3Q26F	yoy (%)	qoq (%)	2025	2026F	yoy (%)
Sales and services	7,416	8,171	7,342	(1.0)	(10.1)	31,601	31,737	0.4
Gross profit	1,965	2,581	2,041	3.9	(20.9)	8,159	8,851	8.5
SG&A	(1,637)	(1,688)	(1,652)	0.9	(2.1)	(6,479)	(6,506)	0.4
EBIT	473	1,026	531	12.1	(48.3)	2,324	2,932	26.2
Interest expense	(59)	(30)	(32)	(46.1)	6.7	(236)	(131)	(44.5)
Equity income	29	105	64	120.0	(39.0)	154	248	61.0
Net profit	392	955	500	27.5	(47.7)	1,964	2,639	34.4
Assumptions (%)	3Q25	2Q26	3Q26F	(ppt)	(ppts)	2025	2026F	(ppts)
SSSG	(0.9)	(4.0)	(5.7)	(4.8)	(1.7)	(6.0)	(2.0)	4.0
Gross margin	26.5	31.6	27.8	1.30	(3.8)	25.8	27.9	2.1
SG&A to sales	22.1	20.7	22.5	0.43	1.8	(20.5)	(20.5)	0.0
Net profit margin	5.3	11.7	6.8	1.5	(4.9)	6.2	8.3	2.1

Source: Siam Global House, UOB Kay Hian

- GLOBAL.** We forecast 3Q26 net profit of Bt500m (+27% yoy, -48% qoq), driven by: a) a slight decline in revenue, with SSSG of -6% yoy; b) the addition of three new branches in 3Q26; c) strong gross margin expansion of 130bp yoy to 27.8%, supported by a higher sales mix and gross margin of house-brand products; d) a 40bp yoy increase in SG&A-to-sales to 22.5%, reflecting fewer promotions and tighter control of distribution expenses; e) low and stable interest expenses qoq, down 46% yoy; and f) higher equity income from business expansion in Myanmar. Our 9M26 earnings estimate accounts for 86% of our 2026 forecast, compared with 78% in 9M25, suggesting 4-5% upside to our full-year earnings forecast. With the contribution from house-brand products continuing to increase, we expect strong gross margins to remain a key driver of earnings growth in 4Q26. The stock currently trades at only 13.4x PE.

HMPRO Earnings Forecast

Year to 31 Dec (Btm)	3Q25	2Q26	3Q26F	yoy (%)	qoq (%)	2025	2026F	yoy (%)
Sales and services	16,100	17,403	16,261	1.0	(6.6)	67,888	67,311	(0.8)
Gross profit	4,459	4,964	4,550	2.0	(8.3)	18,736	19,083	1.9
SG&A	(3,293)	(3,487)	(3,382)	2.7	(3.0)	(13,318)	(14,001)	5.1
EBIT	1,782	2,129	1,784	0.1	(16.2)	8,100	7,891	(2.6)
Interest expense	(182)	(164)	(167)	(8.2)	2.0	(711)	(639)	(10.1)
Net profit	1,304	1,594	1,317	1.0	(17.4)	6,011	5,898	(1.9)
Assumptions (%)	3Q25	2Q26	3Q26F	(ppts)	(ppts)	2025	2026	(ppts)
SSSG	(4.5)	(0.6)	(2.2)	2.4	(1.5)	(5.6)	(3.4)	2.3
Gross margin	27.7	28.5	28.0	0.3	(0.5)	27.6	28.4	0.8
SG&A to sales	20.5	20.0	20.8	0.3	0.8	19.6	20.8	1.2
Net profit margin	8.1	9.2	8.1	0.0	(1.1)	8.9	8.8	(0.1)

Source: Home Product Center, UOB Kay Hian

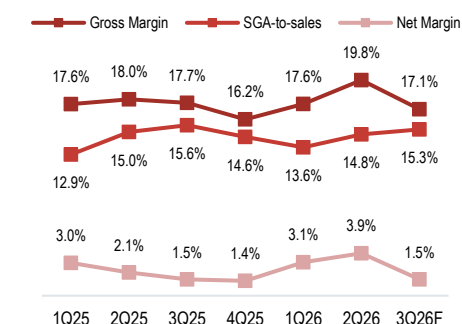
- HMPRO.** We forecast HMPRO's 3Q26 net profit at Bt1.3b (+1% yoy, -17% qoq), supported by: a) a 1% yoy increase in sales, with SSSG of -2.5% for HomePro, flat for Mega Home, and -5% for Malaysia; b) a 30bp yoy expansion in gross margin to 28.0%, driven by a higher contribution from private-label products at both HomePro and Mega Home; c) a 30bp yoy increase in SG&A-to-sales to 20.8%, due to slower sales growth and higher fixed costs from new stores; and d) a slight 2% qoq increase in interest expenses. Our 9M26 earnings forecast accounts for 73% of our 2026 estimate, compared with 73% in 9M25. We expect operating performance to improve in 4Q26. SSSG recovered in the first week of September, supported by stronger demand following the floods. In addition, the low base in 4Q25 (SSSG: -9% yoy) should support growth. We preliminarily expect earnings to grow both yoy and qoq in 4Q26. At the current share price, the stock trades at 14.3x 2026F PE, with a 6% dividend yield.

Same-store Sales Growth

Year to 31 Dec (Btm)	4Q25	1Q26	2Q26	3Q26F
HMPRO (HomePro TH)	-7.8%	-12.7%	-1.0%	-2.5%
HMPRO (Mega Home)	-6.9%	-3.7%	1.4%	-0.4%
GLOBAL	-4.9%	-2.8%	-4.0%	-5.7%
DOHOME	-10.4%	-4.1%	1.8%	5.0%
CRC (TWD//PWB/B2S)	-4.0%	-5.0%	0.5%	-2.0%
Average	-6.8%	-5.7%	-0.3%	-1.1%

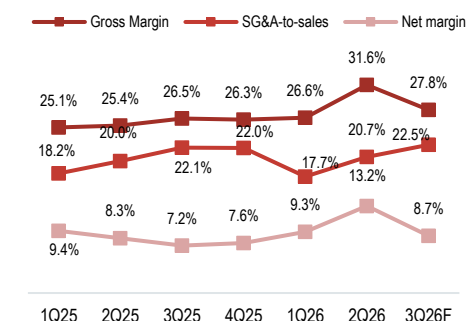
Source: Respective Companies, UOB Kay Hian

DOHOME Profitability



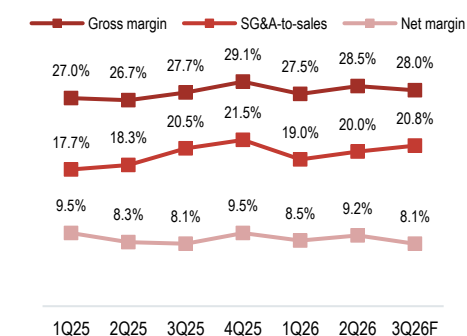
Source: Do home., UOB Kay Hian

GLOBAL Profitability



Source: Siam Global House, UOB Kay Hian

HMPRO Profitability



Source: Home Product Center, UOB Kay Hian

Siam Cement (SCC TB)

3Q26 Net Profit Expected To Decline qoq

Highlights

- We expect 3Q26 net profit to come in at Bt3.25b, down 72% qoq, with earnings declining across all business segments. SCGC is expected to be the main drag, due to narrower petrochemical spreads and lower stock gains.
- The LSPE project is expected to be completed ahead of schedule. SCGC is preparing for an early start-up by importing spot ethane starting from mid-3Q26, ahead of the long-term ethane supply contract commencing in late-27.
- Maintain HOLD. Target price: Bt278.00.

3Q26 Earnings Preview

Year to 31 Dec	3Q25	2Q26	3Q26F	%Chg. yoy	%Chg. qoq	9M25	9M26F	%Chg. yoy
Revenue	121,793	136,243	123,522	1%	-9%	370,870	383,092	3%
Gross profit	15,289	28,423	19,444	27%	-32%	52,800	69,232	31%
EBITDA	8,261	19,132	12,349	49%	-35%	27,946	46,200	65%
Gain (Loss) from affiliate	1,181	2,191	1,150	-3%	-48%	2,471	4,746	92%
Core Profit	774	10,833	2,702	249%	-75%	5,302	15,351	190%
Extraordinary item	-1,443	1,080	550	n.a.	-49%	12,726	5,802	-54%
Net Profit	-669	11,535	3,252	n.a.	-72%	17,767	21,010	18%
- Cement (CBM)	1,948	2,570	1,150	-41%	-55%	5,495	6,907	26%
- Chemical (SCGC)	-3,999	4,820	450	n.a.	-91%	5,961	6,348	6%
- Packaging (SCGP)	953	2,304	2,097	120%	-9%	2,863	5,967	108%
EPS	-0.56	9.61	2.71	n.a.	-72%	14.81	17.51	18%
Inventory gain (loss)	-1,348	1,080	550	n.a.	-49%	-2,349	5,802	n.a.
Financial ratio (%)								
Gross Profit Margin	12.6%	20.9%	15.7%			14.2%	18.1%	
EBITDA Margin	6.8%	14.0%	10.0%			7.5%	12.1%	
Net profit margin	-0.5%	8.5%	2.6%			4.8%	5.5%	

Source: SCC, Bloomberg, UOB Kay Hian

Analysis

- 3Q26 net profit to decline qoq.** We expect Siam Cement (SCC) to report a 3Q26 net profit of Bt3.25b, down 72% qoq but recovering from a net loss of Bt669m in 3Q25. The qoq decline reflects seasonal weakness in the cement and packaging businesses, alongside lower chemical earnings due to narrower petrochemical spreads and a decrease in stock gains to Bt550m (vs Bt1.08b in 2Q26).
- Cement sales to weaken seasonally.** We expect the cement building material (CBM) segment's 3Q26 net profit to reach Bt1.15b, down 55% qoq and 41% yoy. The decline is partly attributable to lower cement sales during the rainy season and higher energy costs, with the Indonesian Coal Index 3 (ICI3) coal price rising to US\$96.00/tonne, up 6% qoq and 66% yoy.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	511,172	496,925	725,124	723,157	732,885
EBITDA	41,721	36,386	61,286	48,742	55,203
Operating profit	-1,475	-9,785	18,273	8,088	16,046
Net profit (rep./act.)	6,342	14,075	27,184	13,298	17,573
Net profit (adj.)	3,798	4,962	22,392	13,298	17,573
EPS (x)	5.28	11.73	22.65	11.08	14.64
PE (x)	47.31	21.31	11.04	22.56	17.07
P/B (x)	0.85	0.89	0.84	0.82	0.79
EV/EBITDA (x)	24.63	30.99	13.92	17.86	15.42
Dividend yield (%)	2.00	2.00	2.40	2.00	2.00
Net margin (%)	0.74	1.00	3.09	1.84	2.40
Net debt/(cash) to equity (%)	58.21	55.32	35.12	26.67	18.33
Consensus net profit	n.a.	n.a.	20,521	17,005	21,848
UOBKH/Consensus (x)	n.a.	n.a.	1.32	0.78	0.80

Source: SCC, Bloomberg, UOB Kay Hian

Analyst(s)

Benjaphol Suthwanish

benjaphol@uobkh.co.th

662 0903361

HOLD (Maintained)

Share Price	Bt268.00
Target Price	Bt278.00
Upside	+3.73%

Stock Data

Sector	Property & Construction / Construction Materials
Bloomberg ticker	SCC TB
Shares issued (m)	1,200
Market cap (Btm)	300,000
Market cap (US\$m)	8,955
3-mth avg daily t'over (US\$m)	24.1

Price Performance (%)

52-week high/low		Bt272.00 / Bt163.00		
1mth	3mth	6mth	1yr	YTD
-4.2	3.7	-3.8	12.1	36.2

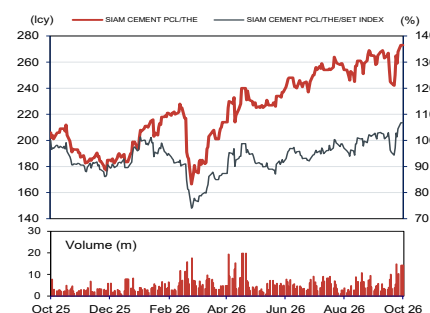
Major Shareholders (%)

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

Balance Sheet Metrics

FY26 NAV/Share (Bt)	Bt299.07
FY26 Net Debt/Share (Bt)	Bt209.87

Price Chart



Source: Bloomberg

Company Description

The company operates as holding company operating core businesses consists of investments in 1) SCG Cement and Green Solutions, 2) SCG Smart Living, 3) SCG Distribution and Retail, 4) SCG Decor (SCGD), 5) SCG Chemicals (SCGC) and 6) SCG Packaging (SCGP)

- **Chemical earnings pressured by narrower petrochemical spreads.** We expect SCG Chemicals (SCGC) to report a 3Q26 net profit of Bt450m, down 91%qoq, due to: a) narrower high-density polyethylene (HDPE), polypropylene (PP) and polyvinyl chloride (PVC) spreads, which declined 26.9%, 13.7%, and 21.4% qoq, respectively, reflecting lower ASPs as regional feedstock supply conditions eased; and b) an expected 25% qoq decline in total production volume. Although the rayong olefins complex (ROC) resumed operations on 17 September, the production recovery is insufficient to offset the loss of Long Son Petrochemicals (LSP) output following its shutdown in mid-May.
- **Higher RCP costs to weigh on packaging earnings.** We expect SCG Packaging (SCGP) to report a 3Q26 net profit of Bt2.1b, down 9% qoq due to higher recycled paper (RCP) costs. Nevertheless, earnings should remain strong, supported by successive increases in selling prices since 2Q26, with 3Q26 net profit expected to rise 120% yoy.
- **LSPE project update.** Based on our channel checks with SCGC, the Long Son Petrochemicals Expansion Project (LSPE) is expected to be completed approximately one quarter ahead of schedule, with operations originally expected to commence in 4Q26. As a result, SCGC plans to restart the LSP plant from mid-3Q26. During the initial operating phase, SCGC will use spot ethane imports as feedstock before the long-term ethane supply contract commences in late-27. We have not yet incorporated this development into our earnings forecasts.
- **Details of new polyolefins JV expected on 29 October.** According to SCC management, the new polyolefins JV between SCGC and PTT Global Chemical (PTTGC) is scheduled to be officially announced on 29 Oct 26. Key details are expected to include the shareholding structure, transaction process, accounting treatment, and estimated synergies. Initially, PTTGC is expected to be the majority shareholder. The transaction will subsequently require internal approvals from the relevant companies, including the boards of SCGC and PTTGC and shareholders of the JV, as well as approval from the Trade Competition Commission of Thailand (TCCT). We expect the new JV to be fully established by 2H27.

Valuation/Recommendation

- **Maintain HOLD with an SOTP-based 2027 target price of Bt278.00.** We value the chemical business based on forward P/B at -1.0SD of 0.47x, the cement business at 12x forward PE, and SCGP at 24.3x forward PE. We remain cautious about the petrochemical outlook, given the expected decline in petrochemical spreads in 2H26 and 2027 amid continued oversupplies.
- **We maintain MARKET WEIGHT on the oil and gas sector.** We prefer Thai Oil (TOP TB/BUY/Target: Bt88.00) and SCG Packaging (SCGP TB/BUY/Target: Bt43.00).

Earnings Revision/Risk

- **Earnings revision:** None.

Environment, Social, Governance (ESG) Updates

Environmental

- **a) Carbon reduction:** Committed to reducing greenhouse gas emissions through energy efficiency, renewable energy, and carbon capture technologies; and **b) renewable energy:** expanding renewable energy portfolio, including solar and biomass projects.

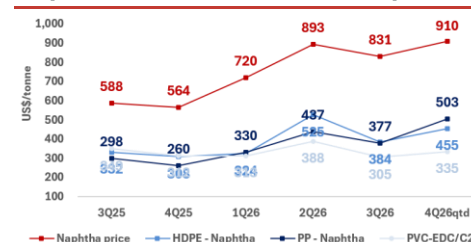
Social

- **a) Community engagement:** Investing in education, health, and infrastructure programmes for local communities; and **b) employee welfare:** focusing on training, safe working conditions, and promoting diversity and inclusion.

Governance

- **a) Corporate governance:** Maintaining transparent reporting and adhering to ethical business practices, and **b) risk management:** integrating ESG considerations into risk management processes.

Naphtha and Petrochemical Spread



Source: SCC

SCGC Olefins Crackers

	2026				2027			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
ROC Thailand	Warm Shutdown				Restart with non-M.E. feedstock			
MOC Thailand				Planned TIA	Restart with non-M.E. feedstock			
LSP Vietnam		Shutdown						US Ethane feed arrives

Source: SCC

LSPE (Ethane Project) In Summary

Ethane Gas Agreement U.S. Feedstock Contract signed Jan/25	15-yr with Enterprise Products Partners L.P. - Up to 1 MTA by FOB basis - Market price basis (Mont Belvieu)	
Shipping Agreement 5 VLECs Contract signed Jan/Mar/25	15-yr time charter agreement 5 VLECs with Mitsui O.S.K. Lines (MOL) - Fixed rental fee plus operating cost - Require transportation at -90 degree Celsius	
Ethane Storage Tanks EPC Contract signed Feb/25	- Consortium EPC contract signed with China Tianchen Engineering Corporation (TCC) and PetroVietnam Technical Service Corporation (PTSC) 2 cryogenic tanks (55,000 tons each) - Require storage at -90 degree Celsius	
Olefins Plant Modification Start construction Mar/26	Modify some critical equipment to consume 1 MTA Ethane with competitive cost	

Source: SCC

LSPE Project Update

	1. Ethane storage tanks Construct two cryogenic Ethane storage tanks, each with a capacity of approximately 55,000 tons, at a temperature of around -90°C, to support large-scale Ethane imports. As of September 2026, construction progress exceeds 60%.
	2. Raw material procurement and transport Enter into a long-term (15-year) contract for 1 million tons/year of Ethane from the USA and charter 5 VLEC vessels to enhance supply chain reliability.
	3. Olefins plant modifications Modify the production processes and feedstock systems to handle up to approximately 70% Ethane in the Feedstock mix, while maintaining the flexibility to optimize the use of Naphtha and Propane based on market prices and margins.

Source: SCC

SOTP Valuation

	Equity Value	Bt/share	Methodology
Chemical	130,561	109	0.47x PBV
Cement	211,375	176	12.0x PE
Packaging (SCGP)	182,861	152	24.3x PE
Décor (SCGD)	15,778	13	10.0x PE
Others	18,150	15	10.0x PE
Net Debt	-225,125	-188	
Total	333,600	278	

Source: UOB Kay Hian

Profit & loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	496,925	725,124	723,157	732,885
EBITDA	27,273	56,494	48,742	55,203
Deprec. & amort.	33,170	32,136	31,976	31,828
EBIT	(5,897)	24,358	16,766	23,375
Associate contributions	17,866	4,500	4,500	4,500
Net interest income/(expense)	(10,738)	(10,105)	(9,038)	(9,659)
Pre-tax profit	19,457	28,337	12,228	18,216
Tax	(8,900)	(5,667)	(2,446)	(3,643)
Minorities	3,518	4,515	3,515	3,000
Net profit	14,075	27,184	13,298	17,573
Net profit (adj.)	4,962	22,392	13,298	17,573

Cash flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	42,664	81,615	28,029	17,997
Pre-tax profit	19,457	28,337	12,228	18,216
Tax	(8,900)	(5,667)	(2,446)	(3,643)
Deprec. & amort.	33,170	32,136	31,976	31,828
Working capital changes	4,399	26,809	(13,729)	(28,404)
Other operating cashflows	(5,462)	0	0	0
Investing	(8,852)	15,139	(30,000)	(30,000)
Investments	(37,913)	(30,000)	(30,000)	(30,000)
Others	29,061	45,139	0	0
Financing	(35,233)	(79,757)	6,750	16,750
Dividend payments	(8,637)	(6,000)	(6,000)	(6,000)
Issue of shares				
Proceeds from borrowings	(26,595)	(73,757)	12,750	22,750
Net cash inflow (outflow)	(1,420)	16,997	4,779	4,747
Beginning cash & cash equiv.	36,492	33,679	50,676	55,455
Changes due to forex impact	(1,393)	0	0	0
Ending cash & cash equiv.	33,679	50,676	55,455	60,202

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	398,486	396,350	394,374	392,546
Other LT assets	76,009	7,251	7,232	7,329
Cash/ST investment	99,798	111,103	107,109	106,007
Other current assets	36,441	43,958	43,889	44,230
Total assets	821,591	815,165	832,855	863,906
ST debt	52,462	27,250	27,250	27,250
Other current liabilities	11,625	7,251	7,232	7,329
LT debt	191,842	164,592	137,342	110,092
Other LT liabilities	222,713	171,844	144,574	117,421
Shareholders' equity	380,760	401,945	409,242	420,815
Total liabilities & equity	821,591	815,165	832,855	863,906

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	8.16	7.32	8.45	6.74
Pre-tax margin	1.51	3.92	3.91	1.69
Net margin	1.24	2.83	3.75	1.84
ROA	1.71	3.33	1.60	2.03
ROE	3.70	6.76	3.25	4.18
Growth (% yoy)				
Turnover	(2.79)	45.92	(0.27)	1.35
EBITDA	(30.39)	107.14	(13.72)	13.26
Pre-tax profit	152.56	45.64	(56.85)	48.97
Net profit	121.95	93.14	(51.08)	32.15
Net profit (adj.)	30.66	351.28	(40.62)	32.15
EPS	121.95	93.14	(51.08)	32.15
Leverage				
Debt to total capital	61.56	46.39	39.44	32.25
Debt to equity	64.16	47.73	40.22	32.64
Net debt/(cash) to equity	55.32	35.12	26.67	18.33
Interest cover (x)	3.39	6.06	5.39	5.72

IMPORTANT NOTICE - DISCLOSURES AND DISCLAIMERS

This report is provided subject to various disclosures and disclaimers (the "Disclosures / Disclaimers") which form an integral part of this report and are available at [this link](#) or by scanning the QR code below:



The Disclosures / Disclaimers contain important information, including without limitation, (a) exclusions of liability, (b) confidentiality obligations, (c) restrictions on publication, circulation, reproduction, distribution and use of the report, (d) potential conflicts of interest, and (e) disclosures and requirements specific to recipients in the United States and other applicable jurisdictions.

Specifically, this report is intended for general circulation and informational purposes only and does not take into account the specific investment objectives, financial situation, or particular needs of any individual person. It is not intended to constitute personal investment advice or a recommendation to buy or sell any investment product or security. You should independently evaluate the information and, where necessary, seek advice from a qualified financial adviser regarding the suitability of any investment, taking into account your specific objectives, financial situation and needs, before making any investment decision. Analyst certifications required under applicable regulations, including SEC Regulation AC (where relevant), are included in this report.

Recipients of this report must carefully read, review and understand the full Disclosures / Disclaimers before using or relying on any information in this report. By accessing, receiving or using this report, you acknowledge and confirm that you have read, understood, accepted and agreed to be bound by the Disclosures / Disclaimers (as may be amended or updated from time to time) in full."