Management Discussion and Analysis

Q1/2026

"Resilient Q1/26: Net profit +35% YoY, supported by strong cash flow and solid balance sheet amid heightened uncertainty"

Management Discussion and Analysis of Q1/2026

A detailed discussion and analysis of the operating results of Siam City Cement Public Company Limited (SCCC) and its subsidiaries for the three-month period ended 31 March 2026, compared with the corresponding period in 2025 and the preceding quarter, is presented below.

Group SCCC:

- **EBITDA** increased 11% YoY, driven by strong performance in Thailand from robust domestic demand in bulk cement and ready-mix concrete (RMX). EBITDA margin improved to 25%, underpinned by pricing gains and cost optimization, including a lower clinker factor. Net Profit after minority interest increased 40% YoY.

Group LANNA:

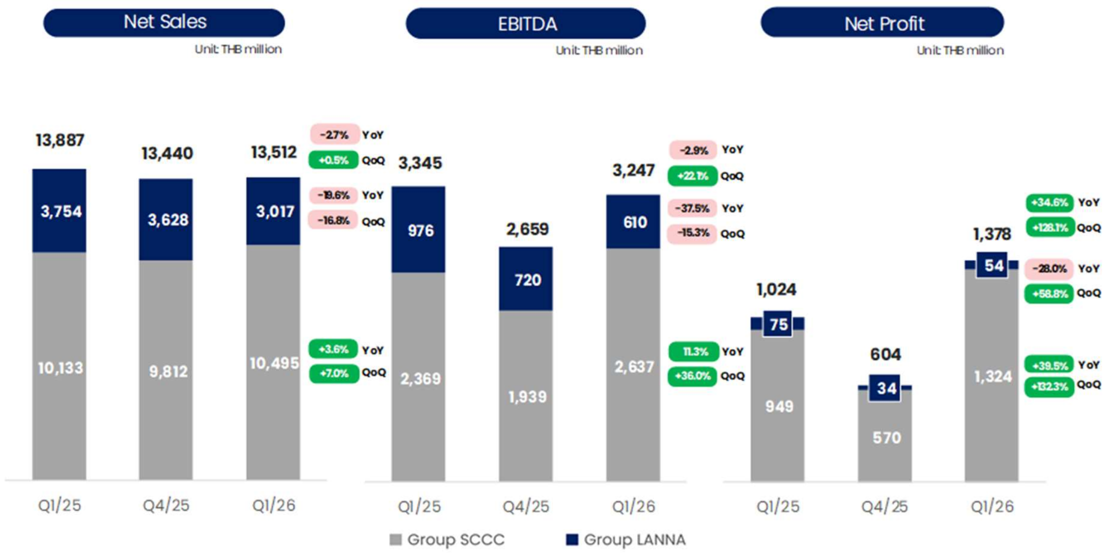
- **EBITDA** declined 38% YoY, driven by a 20% decline in net sales from lower volumes and unfavourable coal mix, while coal prices began to recover during Q1 2026. Accordingly, Net Profit after minority interest decreased 28% YoY. Thai Agro Energy PLC (TAE) delivered a strong YoY performance, driven by improved ethanol sales volumes, only partially compensating for the lower financial performance of the coal business.

SCCC Consolidated:

- **Consolidated EBITDA** declined 3% YoY, primarily due to lower contribution from LANNA. The YoY financial performance of Vietnam was impacted by the timing difference of the planned kiln shutdown in March 2026 vs April in the previous year, while Sri Lanka's performance was temporarily affected by additional cost burdens related to Cyclone Ditwah. These effects were fully offset by strong performance in Thailand and improvements in operational efficiencies across the Group.
- **Consolidated Net Profit** after minority interest increased 35% YoY, driven by higher operating performance of Group SCCC and lower amortization expenses from Group LANNA.
- **Cash Position:** Remained strong at THB 5.0 billion (excluding LANNA's short-term investments of THB 1.1 billion, invested in bank time deposits longer than 3 months), reflecting strong operating cash flows, supporting dividend payments and ongoing capital expenditure projects.
- **Gearing:** Remained low at 34.8%, with net debt to EBITDA of 1.3x reflecting a strong balance sheet and financial flexibility to support ongoing capex and growth initiatives.
- **FIT++ Program:** Continued to enhance operational efficiency, delivering sustained reductions in both variable and fixed costs while strengthening market competitiveness and margins across the Group.
- **Technology and Digitalization:** Remains a key pillar of SCCC's growth strategy, supporting sustainable construction and the transition towards a low-carbon, high-efficiency build environment. Investments in digital transformation, energy optimization, and improved business processes enhancing productivity, cost efficiency, and overall competitiveness.

- **People and Capabilities:** Continued to invest in commercial, manufacturing, functional and AI capabilities to drive business transformation and performance, as well as ensuring succession planning management.

1. RESILIENT Q1/26: NET PROFIT +35% AMID HEIGHTENED UNCERTAINTY



mTHB	Q1/25	Q4/25	Q1/26
EBITDA margin	24.1%	19.8%	**24.0%**
EPS	3.44	2.03	**4.62**

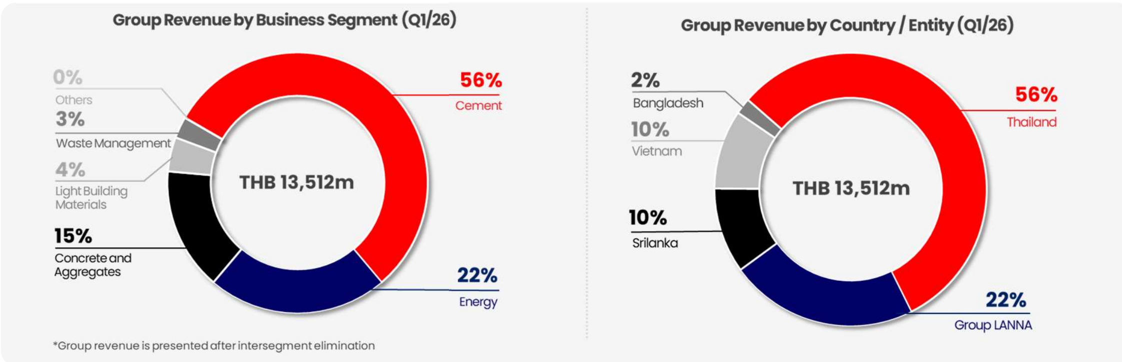
Remark: SCCC's consolidated financial performance has been presented at the Group SCCC and Group LANNA levels for better understanding. All figures are after intersegment elimination, except Group LANNA's net profit, which is shown for comparison.

2. OPERATIONAL HIGHLIGHTS AND ACHIEVEMENTS

- **Clinker Factor:** Reduced to 68.0% (Q1/25: 69.4%), reflecting ongoing optimization across core markets. This was supported by a higher share of hydraulic cement (94.1% of total volume) and improved process efficiency, contributing to lower carbon intensity. The share of low-carbon cement in Thailand increased to 89.0% (Q1/25: 83.7%).
- **Thermal Substitution Rate (TSR):** Maintained at 27.2% in Q1/26, reflecting continued focus on replacing coal with alternative fuels, supporting cost efficiency and margin resilience across the cement business.
- **Renewable Energy (Solar):** The 84-MWp captive renewable solar power plant in Saraburi achieved full commercial operation in Q1/26, supporting energy cost efficiency.
- **INSEE Chonburi Project:** A new granite quarry remains on track for commercialization in mid-2026. The project is expected to strengthen the Group's ability to meet rising demand for high-performance aggregates in the Eastern Seaboard.

3. SEGMENTAL PERFORMANCE

Cement remained the largest contributor to SCCC's revenue in Q1/26 (56%), while the Energy segment continued to serve as a key secondary earnings pillar, reflecting a good diversification beyond core building materials. Thailand remained the primary revenue base (56%), supported by resilient infrastructure and EEC-related demand, while international markets, particularly Vietnam, continue to grow faster and we remain optimistic of higher contributions in the future.



3.1 Cement

mTHB	Q1/26	Q4/25	QoQ	Q1/25	YoY
Net Sales	**8,424**	7,847	7.4%	8,118	3.8%
EBITDA	**2,288**	1,638	39.7%	1,982	15.4%
EBITDA margin	**27.2%**	20.9%	30.1%	24.4%	11.2%

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

In Q1/26, SCCC's cement business delivered solid performance, with net sales increasing **3.8% YoY**, driven by strong domestic demand in Thailand, alongside continued cost efficiencies, supporting EBITDA growth of **15.4%** YoY.

- **Thailand:** In Q1/26, net sales increased 3.9% YoY, reflecting resilient domestic demand supported by infrastructure projects and EEC-related activity, alongside contractor pre-buying ahead of the April 2026 festive season. Bulk cement continued to outperform on project-driven demand, while bag cement volumes declined due to softer retail demand, outweighed short-term stocking by retailers and small contractors. Border sales weakened, reflecting softer demand in Laos and Myanmar and border tensions with Cambodia. EBITDA increased 26.7% YoY, driven by continued cost optimization. These included improved production efficiency, lower clinker factor, and disciplined control of operating costs, reflecting a shift toward margin-driven growth under the FIT++ program.
- **Vietnam:** Cement performance remained resilient in Q1/26, with net sales growing 7.8% YoY, supported by stronger-than-expected recovery in construction activity, government infrastructure, and industrial expansion. The timing difference of the planned kiln shutdown in March 2026 (vs April 2025) resulted in a 14.8% YoY decline in EBITDA.
- **Sri Lanka:** In Q1/26, cement showed a gradual recovery from prior disruptions, particularly Cyclone Ditwah and weak demand conditions in late 2025, supported by higher sales volumes, with net sales increasing 4.9% YoY. Despite improving underlying demand, EBITDA declined YoY due to higher imported clinker consumption and increased limestone transportation costs (road-based) during the railway bridge reconstruction period following cyclone damage.

- **Bangladesh:** In Q1/26, net sales declined 18.5% YoY, driven by lower sales volume and lower selling prices amid softer demand. New market entrants further pressured price competition, and higher distribution costs due to road construction disruptions at the plant gate that required delivery rerouting during Q1/26. As a result, EBITDA turned negative, reflecting the combined pressure on volumes, pricing, and costs.

3.2 Concrete and Aggregates

mTHB	Q1/26	Q4/25	QoQ	Q1/25	YoY
Net Sales	**2,154**	2,008	7.3%	1,824	18.1%
EBITDA	**144**	140	2.9%	135	6.7%
EBITDA margin	**6.7%**	7.0%	-4.1%	7.4%	-9.7%

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

In Q1/26, net sales and EBITDA increased 18.1% and 6.7% YoY, respectively, driven by higher sales volumes in ready-mixed concrete, supported by ongoing construction activity and infrastructure projects. EBITDA growth was more modest, as margins were impacted by production costs, particularly raw materials, as well as pricing pressure from product mix and competitive intensity. Nevertheless, continued focus on operational efficiency and cost discipline helped partially mitigate these cost headwinds.

3.3 Waste Management and Industrial Services

mTHB	Q1/26	Q4/25	QoQ	Q1/25	YoY
Net Sales	**477**	397	20.2%	501	-4.8%
EBITDA	**100**	131	-23.7%	133	-24.8%
EBITDA margin	**21.0%**	33.0%	-36.5%	26.5%	-21.0%

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

Performance weakened in Q1/26, with net sales and EBITDA declining by 4.8% and 24.8% YoY, respectively. The Waste Management segment was impacted by lower feeding volumes of non-hazardous and RDF materials, driven by short-term changes in kiln consumption specifications. In contrast, Industrial Services improved, supported by additional projects, better execution, and provision reversals.

3.4 Light Building Materials

mTHB	Q1/26	Q4/25	QoQ	Q1/25	YoY
Net Sales	**577**	559	3.2%	640	-9.8%
EBITDA	**36**	48	-25.0%	72	-50.0%
EBITDA margin	**6.2%**	8.6%	-27.3%	11.3%	-44.5%

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

In Q1/26, net sales and EBITDA declined 9.8% and 50.0% YoY, respectively, primarily due to softer demand in private construction and finishing activities, as well as continued pricing pressure. This was partly offset by cost control measures, including lower production costs and reduced SG&A expenses.

3.5 Energy

mTHB	Q1/26	Q4/25	QoQ	Q1/25	YoY
Net Sales	**3,199**	3,746	-14.6%	3,887	-17.7%
EBITDA	**605**	724	-16.4%	976	-38.0%
EBITDA margin	**18.9%**	19.3%	-2.1%	25.1%	-24.7%

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

LANNA's net sales and EBITDA decreased by 17.7% and 38.0% YoY, respectively. The weaker results were primarily driven by the coal business, reflecting lower sales volumes and reduced selling prices due to an unfavourable coal mix. While the ethanol business delivered a strong financial performance, this was insufficient to offset the margin pressure from coal operations. LANNA remains focused on maintaining operational stability and profitability, supported by improving coal prices and ongoing strategic initiatives.

3.6 Others (IT Services and Trading)

mTHB	Q1/26	Q4/25	QoQ	Q1/25	YoY
Net Sales	**198**	129	53.5%	214	-7.5%
EBITDA	**79**	-6	1416.7%	84	-6.0%
EBITDA margin	**39.9%**	-4.7%	957.8%	39.3%	1.6%

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

Net sales and EBITDA decreased 7.5% and 6.0% YoY, respectively, due to lower IT service expenditure, which reduced standalone segment profitability while supporting overall Group performance.

4. OUTLOOK

The global outlook remains highly uncertain, as ongoing geopolitical tensions in the Middle East are driving volatility across energy, logistics, and financial markets, thereby increasing downside risks to stagflation, trade flows, and supply chains. The Group remains focused on evolving uncertainties, with mitigation actions in place to address war-related risks, including cost pass-through to protect margins, proactive raw material security planning, disciplined prioritization of capital expenditure and maintaining a healthy balance sheet.

In Thailand, economic growth is expected to remain modest, supported by continued public infrastructure spending, particularly transport and logistics, Foreign Direct Investment (FDI), and ongoing investment under the Eastern Economic Corridor (EEC). However, residential construction remains subdued, constrained by tight credit conditions, elevated household debt, and weak consumer purchasing power.

Vietnam's growth is set to moderate due to trade softness, oil price volatility, and weaker household demand. The primary impact is on the cost side, given its exposure to imported energy. Cement demand is expected to contract, with volumes largely supported by public investment and accommodative financial conditions.

Sri Lanka's recovery trajectory slows amid external shocks from the Middle East conflict, including disruptions to key input supplies and costs, impacting broader construction activity. Post-cyclone reconstruction provides a partial offset, supporting cement volumes.

SCCC remains committed to strengthening organizational agility and capabilities to navigate an evolving and uncertain environment. While maintaining a cautious stance, the Group continues to drive sustainable growth through value-added products, solution-based offerings, and selective market expansion, supported by disciplined cost management and operational efficiency. Ongoing progress in energy optimization, digital transformation, and execution under the FIT++ program will support margin resilience and long-term competitiveness.

Yours sincerely,

On behalf of Siam City Cement Public Company Limited

Mr. Ranjan Sachdeva

Group Chief Executive Officer and Group Chief Financial Officer

INSEE

Key Financial Information

in THB million	Mar-26	% of total assets	Dec-25	% of total assets	% Change	Mar-25	% of total assets
Statements of financial position							
Current assets	19,119	24.3	18,704	24.2	2.2	20,509	25.3
Non-current assets	59,624	75.7	58,567	75.8	1.8	60,654	74.7
Total assets	**78,743**	**100.0**	**77,271**	**100.0**	**1.9**	**81,163**	**100.0**
Current liabilities	17,534	22.3	18,430	23.8	-4.9	17,082	21.0
Non-current liabilities	19,024	24.1	19,082	24.7	-0.3	20,541	25.4
Total liabilities	**36,558**	**46.4**	**37,512**	**48.5**	**-2.5**	**37,623**	**46.4**
Equity attributable to owners of the Company	34,371	43.6	32,199	41.7	6.7	35,472	43.7
Non-controlling interests of the subsidiaries	7,814	10.0	7,559	9.8	3.4	8,068	9.9
Total shareholders' equity	**42,185**	**53.6**	**39,758**	**51.5**	**6.1**	**43,540**	**53.6**
Debt profile							
Short-term loans	6,595	8.4	6,974	9.0	-5.4	6,066	7.5
Long-term loans	13,083	16.6	13,096	16.9	-0.1	12,767	15.7
Total loans	**19,678**	**25.0**	**20,070**	**25.9**	**-2.0**	**18,833**	**23.2**
Cash & cash equivalents	4,984	6.3	5,638	7.2	-11.6	5,162	6.4
Total net debt	**14,694**	**18.7**	**14,432**	**18.7**	**1.8**	**13,671**	**16.8**
Key ratio							
RONOA (%)	14.7		14.2			16.9	
ROE (%)	11.6		10.4			15.0	
Total net debt/EBITDA (times)	1.25		1.21			1.28	
Total net debt/shareholders' equity (times)	0.35		0.36			0.31	

Remarks:

1. Total Net Debt/EBITDA (times) is calculated based on 12-month rolling EBITDA (annualized).
2. The comparative RONOA figures for March and December 2025 have been updated to reflect the revised calculation methodology and alignment across reporting periods, with no impact on the Group's consolidated financial statements.