

(UNAUDITED)

**SCG Ceramics Public Company Limited
and its Subsidiary**

Financial statements

for the year ended 31 December 2020

(UNAUDITED)

SCG Ceramics Public Company Limited and its Subsidiary

Statement of financial position

As at 31 December 2020

Assets	Consolidated		Separate	
	financial statement	financial statement	financial statement	financial statement
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Current assets				
Cash and cash equivalents	731,232	631,409	370,763	259,976
Trade and other current receivables	1,103,839	1,154,020	1,103,175	1,153,724
Inventories	2,628,830	2,853,578	2,419,908	2,544,402
Land development for sale	486,406	486,406	486,406	486,406
Total current assets	4,950,307	5,125,413	4,380,252	4,444,508
Non-current assets				
Long-term investment in other company	16,605	16,605	16,605	16,605
Investment in subsidiary	-	-	1,333,935	758,919
Other non-current receivables	109,644	128,066	109,644	128,066
Investment property	401,997	402,123	399,785	399,911
Property, plant and equipment	5,071,246	5,322,614	4,600,062	4,844,309
Goodwill	25,350	25,350	-	-
Other intangible assets	101,373	118,112	101,037	117,489
Deferred tax assets	212,916	231,555	185,848	205,537
Other non-current assets	23,097	25,521	23,097	25,521
Total non-current assets	5,962,228	6,269,946	6,770,013	6,496,357
Total assets	10,912,535	11,395,359	11,150,265	10,940,865

(UNAUDITED)

SCG Ceramics Public Company Limited and its Subsidiary

Statement of financial position

As at 31 December 2020

	Consolidated		Separate	
	financial statement		financial statement	
Liabilities and shareholders' equity	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Current liabilities				
Short-term borrowings				
from financial institutions	-	160,000	-	160,000
Trade and other current payables	1,231,937	1,416,853	1,299,515	1,470,998
Current portion of lease liabilities	75,029	-	67,723	-
Corporate income tax payable	46,976	19,622	38,302	13,630
Current provisions				
for employee benefits	90,370	166,365	69,192	165,658
Total current liabilities	1,444,312	1,762,840	1,474,732	1,810,286
Non-current liabilities				
Lease liabilities	64,535	-	49,140	-
Non-current provisions				
for employee benefits	578,622	586,630	501,611	501,208
Other non-current provisions	12,442	13,427	3,694	3,989
Other non-current liabilities	654	278	654	278
Total non-current liabilities	656,253	600,335	555,099	505,475
Total liabilities	2,100,565	2,363,175	2,029,831	2,315,761

(UNAUDITED)

SCG Ceramics Public Company Limited and its Subsidiary

Statement of financial position

As at 31 December 2020

Liabilities and shareholders' equity	Consolidated		Separate	
	financial statement	financial statement	financial statement	financial statement
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Shareholders' equity				
Share capital				
<i>Authorized share capital</i>				
<i>(5,962,621 thousand ordinary shares,</i>				
<i>par value at Baht 1 per share)</i>	<u>5,962,621</u>	<u>5,962,621</u>	<u>5,962,621</u>	<u>5,962,621</u>
<i>Issued and paid share capital</i>				
<i>(5,962,621 thousand ordinary shares,</i>				
<i>par value at Baht 1 per share)</i>	5,962,621	5,962,621	5,962,621	5,962,621
Share premium on ordinary shares	1,133,594	1,133,594	1,133,594	1,133,594
Surplus on business combinations				
under common control	211,060	211,060	274,225	274,225
Retained earnings				
<i>Appropriated</i>				
Legal reserve	242,610	214,264	242,610	214,264
<i>Unappropriated</i>	1,305,942	983,604	1,507,384	1,040,400
Other components of shareholders' equity	<u>(43,857)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total equity attributable to				
owners of the parent	8,811,970	8,505,143	9,120,434	8,625,104
Non-controlling interests	<u>-</u>	<u>527,041</u>	<u>-</u>	<u>-</u>
Total shareholders' equity	8,811,970	9,032,184	9,120,434	8,625,104
Total liabilities and shareholders' equity	10,912,535	11,395,359	11,150,265	10,940,865

(UNAUDITED)

SCG Ceramics Public Company Limited and its Subsidiary

Income statement

For the year ended 31 December 2020

	Consolidated		Separate	
	financial statement		financial statement	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Revenue from sales of goods	9,950,976	10,871,226	9,950,466	10,870,198
Revenue from sales of land	-	202,930	-	202,930
Cost of sales of goods	(7,164,577)	(8,045,891)	(7,482,557)	(8,360,225)
Cost of sales of land	-	(96,439)	-	(96,439)
Gross profit	2,786,399	2,931,826	2,467,909	2,616,464
Other income	213,855	217,661	417,892	215,554
Profit before expenses	3,000,254	3,149,487	2,885,801	2,832,018
Distribution costs	(1,688,467)	(1,887,048)	(1,533,647)	(1,712,734)
Administrative expenses	(784,433)	(1,024,332)	(694,468)	(927,699)
Total expenses	(2,472,900)	(2,911,380)	(2,228,115)	(2,640,433)
Profit from operations	527,354	238,107	657,686	191,585
Finance costs	(7,403)	(5,173)	(6,567)	(5,173)
Profit before income tax	519,951	232,934	651,119	186,412
Tax expense	(95,643)	(46,128)	(84,206)	(39,271)
Profit for the year	424,308	186,806	566,913	147,141
Profit attributable to				
Owners of the parent	420,190	168,173	566,913	147,141
Non-controlling interests	4,118	18,633	-	-
	<u>424,308</u>	<u>186,806</u>	<u>566,913</u>	<u>147,141</u>
Basic earnings per share (in Baht)				
Attributable to owners of the parent	<u>0.07</u>	<u>0.03</u>	<u>0.10</u>	<u>0.02</u>

(UNAUDITED)

SCG Ceramics Public Company Limited and its Subsidiary

Statement of comprehensive income

For the year ended 31 December 2020

	Consolidated		Separate	
	financial statement	financial statement	financial statement	financial statement
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Profit for the year	424,308	186,806	566,913	147,141
Other comprehensive income				
<i>Components of other comprehensive income that will not be reclassified to profit or loss</i>				
Defined benefit plan actuarial gain (losses)	6,304	(79,921)	3,707	(70,604)
Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss	(1,261)	15,984	(741)	14,121
Total components of other comprehensive income that will not be reclassified to profit or loss	5,043	(63,937)	2,966	(56,483)
Other comprehensive income for the year, net of tax	5,043	(63,937)	2,966	(56,483)
Total comprehensive income for the year	429,351	122,869	569,879	90,658
Total comprehensive income attributable to				
Owners of the parent	425,233	107,673	569,879	90,658
Non-controlling interests	4,118	15,196	-	-
	<u>429,351</u>	<u>122,869</u>	<u>569,879</u>	<u>90,658</u>

SCG Ceramics Public Company Limited and its Subsidiary

Statement of changes in shareholders' equity

For the year ended 31 December 2020

	Consolidated financial statement							
	Issued and paid share capital	Share premium on ordinary shares	Surplus on business combinations under common control	<u>Retained earnings</u>		Total equity attributable to owners of the parent	Non- controlling interests	Total shareholders' equity
			Appropriated	Unappropriated				
			Legal reserve					
			<i>(in thousand Baht)</i>					
Balance at 1 January 2019	5,962,621	1,133,594	211,060	206,907	883,288	8,397,470	511,845	8,909,315
Comprehensive income for the year								
Profit or loss	-	-	-	-	168,173	168,173	18,633	186,806
Other comprehensive income	-	-	-	-	(60,500)	(60,500)	(3,437)	(63,937)
Total comprehensive income for the year	-	-	-	-	107,673	107,673	15,196	122,869
Transfer to legal reserve	-	-	-	7,357	(7,357)	-	-	-
Balance at 31 December 2019	5,962,621	1,133,594	211,060	214,264	983,604	8,505,143	527,041	9,032,184

SCG Ceramics Public Company Limited and its Subsidiary

Statement of changes in shareholders' equity

For the year ended 31 December 2020

	Separate financial statement					Total shareholders' equity
	Issued and paid share capital	Share premium on ordinary shares	Surplus on business combinations under common control	<i>Retained earnings</i>		
Appropriated Legal reserve				Unappropriated		
Balance at 1 January 2019	5,962,621	1,133,594	274,225	206,907	957,099	8,534,446
Comprehensive income for the year						
Profit or loss	-	-	-	-	147,141	147,141
Other comprehensive income	-	-	-	-	(56,483)	(56,483)
Total comprehensive income for the year	-	-	-	-	90,658	90,658
Transfer to legal reserve	-	-	-	7,357	(7,357)	-
Balance at 31 December 2019	5,962,621	1,133,594	274,225	214,264	1,040,400	8,625,104

SCG Ceramics Public Company Limited and its Subsidiary

Statement of changes in shareholders' equity

For the year ended 31 December 2020

	Separate financial statement					Total shareholders' equity
	Issued and paid share capital	Share premium on ordinary shares	Surplus on business combinations under common control	Retained earnings		
				Appropriated Legal reserve	Unappropriated	
						(in thousand Baht)
Balance at 31 December 2019 - as reported	5,962,621	1,133,594	274,225	214,264	1,040,400	8,625,104
Impact of changes in accounting policies	-	-	-	-	(2,997)	(2,997)
Balance at 1 January 2020	5,962,621	1,133,594	274,225	214,264	1,037,403	8,622,107
Transactions with owners, recorded directly in shareholders' equity						
<i>Contributions by and distributions to owners of the parent</i>						
Dividends	-	-	-	-	(71,552)	(71,552)
<i>Total contributions by and distributions to owners of the parent</i>	-	-	-	-	(71,552)	(71,552)
Total transactions with owners, recorded directly in shareholders' equity	-	-	-	-	(71,552)	(71,552)
Comprehensive income for the year						
Profit or loss	-	-	-	-	566,913	566,913
Other comprehensive income	-	-	-	-	2,966	2,966
Total comprehensive income for the year	-	-	-	-	569,879	569,879
Transfer to legal reserve	-	-	-	28,346	(28,346)	-
Balance at 31 December 2020	5,962,621	1,133,594	274,225	242,610	1,507,384	9,120,434

SCG Ceramics Public Company Limited and its Subsidiary

Statement of cash flows

For the year ended 31 December 2020

	Consolidated		Separate	
	financial statement		financial statement	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the year	424,308	186,806	566,913	147,141
<i>Adjustments for</i>				
Tax expense	95,643	46,128	84,206	39,271
Depreciation and amortization	694,631	592,410	614,455	523,575
(Reversal) loss on impairment of trade receivables	(6,258)	8,527	(6,258)	8,527
Loss on inventories devaluation	1,045	15,378	3,179	15,954
Provisions for employee benefit expenses	52,883	186,791	46,276	162,252
Loss (gain) on foreign currency exchange	3,684	(1,488)	3,683	(1,483)
Dividend income	-	-	(200,000)	-
Interest income	(2,592)	(1,779)	(1,312)	(497)
Interest expense	7,398	4,559	6,562	4,559
Loss on impairment of assets	25,443	29,887	25,443	29,887
Loss on sales of assets	2,485	497	3,044	1,688
Cash flows generated from operations				
before changes in operating assets and liabilities	1,298,670	1,067,716	1,146,191	930,874
<i>Decrease (increase) in operating assets</i>				
Trade and other current receivables	52,516	199,198	52,819	196,081
Inventories	223,354	36,172	120,966	(9,539)
Land development for sale	-	95,176	-	95,176
Other assets	22,692	15,836	22,692	15,836
Net decrease in operating assets	298,562	346,382	196,477	297,554
<i>Increase (decrease) in operating liabilities</i>				
Trade and other current payables	(181,271)	(80,637)	(167,626)	(65,958)
Provisions for employee benefits	(130,582)	63,315	(138,632)	67,983
Other liabilities	(609)	(5,111)	81	(4,396)
Net decrease in operating liabilities	(312,462)	(22,433)	(306,177)	(2,371)
Net cash flows generated from operations	1,284,770	1,391,665	1,036,491	1,226,057
Income tax paid	(50,943)	(102,541)	(40,619)	(93,361)
Net cash flows provided by operating activities	1,233,827	1,289,124	995,872	1,132,696

SCG Ceramics Public Company Limited and its Subsidiary

Statement of cash flows

For the year ended 31 December 2020

	Consolidated		Separate	
	financial statement		financial statement	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Acquisition of non-controlling interests	-	-	(574,860)	-
Proceeds from sales of property, plant and equipment	6,139	3,600	5,580	2,408
Acquisition of property, plant and equipment	(202,518)	(362,186)	(161,486)	(270,159)
Acquisition of intangible assets	(9,446)	(13,387)	(9,446)	(13,369)
Dividend received	-	-	200,000	-
Interest received	2,675	1,692	1,395	410
Net cash flows used in investing activities	(203,150)	(370,281)	(538,817)	(280,710)
<i>Cash flows from financing activities</i>				
Payments of changes in ownership interests in subsidiaries that do not result in a loss of control	(574,860)	-	-	-
Payments of borrowings				
Short-term borrowings from financial institutions	(160,000)	(705,000)	(160,000)	(705,000)
Payments of lease liabilities	(116,223)	-	(107,329)	-
Net decrease in borrowings	(276,223)	(705,000)	(267,329)	(705,000)
Dividends paid				
Dividends paid	(71,552)	-	(71,552)	-
Total dividends paid	(71,552)	-	(71,552)	-
Interest paid	(8,219)	(6,867)	(7,387)	(6,867)
Net cash flows used in financing activities	(930,854)	(711,867)	(346,268)	(711,867)
Net increase in cash and cash equivalents	99,823	206,976	110,787	140,119
Cash and cash equivalents at beginning of the year	631,409	424,433	259,976	119,857
Cash and cash equivalents at end of the year	731,232	631,409	370,763	259,976
<i>Supplementary information for cash flows</i>				
Non-cash transactions				
Account payables from purchase of assets	19,459	28,972	13,634	24,018