

May 12, 2023

No.: COTTO 016/2023
To: Director and Manager, the Stock Exchange of Thailand
Subject: Management's Discussion and Analysis (MD&A) of Q1/23 (Reviewed)

SCG Ceramics Public Company ("The Company") would like to provide operating results information of the company and its subsidiary for the period Q1/23 ending March 31, 2023, as follows:

The Company reported Q1/23, consolidated revenue from sales amounted to 3,458 MB, increased 7% y-o-y due to average selling price increased 13% y-o-y and also affected by revenue from land selling in Nong Khae industrial estate for 25 MB while total sales volume amounted to 17.9 M.Sqm, decreased 10% y-o-y from both domestic and export. Profit for the period amounted 260 MB, increased 23% y-o-y and EBITDA amounted 457 MB, increased 9% y-o-y, due to (1) Price adjustment to reflect cost increase and (2) Efficiency increasing in management and operation in order to mitigate the impact of the increase in raw material and energy cost.

Table1: Consolidated financial Summary

Unit: Million Baht	Q1	%change	%change	Jan.- Dec.
	2023	Y-o-Y	Q-o-Q	2022
Revenue from Sales	3,458	7%	10%	13,157
Profit (Loss) for the Period	260	23%	135%	(228)
EBITDA	457	9%	159%	337
Earning (Loss) per Share (Baht)	0.04	23%	135%	(0.04)

Note: EBITDA = Earnings before interest, tax, depre.& amortization
Profit for the Period = Profit for the Period attributable to owners of the parent

For the period of Q1/23, finance costs amounted to 1 MB, which was stable y-o-y, from the interest expense on the lease contract under Thai Financial Reporting Standards no. 16 “Leases” (IFRS 16). The company had no short-term and long-term loan from financial institute.

Table2: Debt Profile

Unit: Million Baht	Q1 2023	Q4 2022	Q1 2022
Short-Term Loan	-	-	-
Baht	-	-	-
Foreign	-	-	-
%of Total Loan	n/a	n/a	n/a
Total Loan	-	-	-
Cash & Cash Under Management	1,427	1,212	1,692
Cash and cash equivalents	927	712	1,692
Short-term Investment	500	500	-
Total Net Debt (Net Cash)	(1,427)	(1,212)	(1,692)
<u>Financial Ratios</u>	Q1 2023	Q4 2022	Q1 2022
EBITDA on Assets (%)	15%	3%	14%
Current Ratio (times)	2.9	3.5	2.9
Quick Ratio (times)	1.4	1.5	1.5
Interest Coverage (times)	330.4	-562.7	471.2
Net Debt to EBITDA (times)	n/a	n/a	n/a
Net Debt to Equity (times)	n/a	n/a	n/a
Debt to Equity (times)	0.3	0.3	0.3
Return on Equity (%)	12%	-3%	9%

Note:

Net Debt	= Total debt (interest bearing exclude lease liabilities), less cash and cash equivalents
EBITDA	= Earnings before interest, tax, depre.&amortization
EBITDA on Assets	= Annualized EBITDA, to Total Consolidated Assets
Current Ratio	= Current Assets, to current liabilities
Quick Ratio	= Cash+short term investments+receivable, to current liabilities
Interest Coverage	= EBITDA, to interest expense
Net Debt to EBITDA	= Net debt, to annualized EBITDA
Net Debt to Equity	= Net debt, to equity & non-controlling interest
Debt to Equity	= Total Liabilities, to equity & non-controlling interest
Return on Equity	= Annualized Net profit, to average total shareholder's equity (not including non-controlling interest)

As of March 31, 2023, Total assets amounted to 11,816 MB, where current assets amounted to 6,722 MB, property, plant and equipment amounted to 4,190 MB and others non-current assets amounted to 904 MB.

Total liabilities amounted to 2,978 MB, where trade and other current payables liabilities amounted to 2,167 MB, others current liabilities amounted to 150 MB and others non-current liabilities amounted to 661 MB.

Total equity attributable to owners of the parent amounted to 8,831 MB, which 99.9% of total shareholder's equity.

Table3: Statement of Financial Position			
Unit: Million Baht	March	December	March
	2023	2022	2022
Total Assets	11,816	11,310	12,068
Current Assets	6,722	6,331	6,488
Cash, cash equivalent	927	712	1,692
Short term investment	500	500	-
Trade and other current receivables	1,811	1,621	1,599
Inventories	3,061	3,068	2,767
Land development for sale	423	430	430
Property, plant and equipment	4,190	4,055	4,755
Others non-current Assets	904	924	825
Total Liabilities	2,978	2,493	2,886
Current Liabilities	2,317	1,831	2,213
Trade and other current payables	2,167	1,706	2,027
Others	150	125	186
Others non-current Liabilities	661	662	673
Total Shareholders' equity	8,838	8,817	9,182
Total equity attributable to owners of the parent	8,831	8,810	9,182
Non-controlling interests	7	7	-

Sincerely yours,

(Numpol Malichai)

Managing Director