

July 25, 2023

No.: COTTO 020/2023
To: Director and Manager, the Stock Exchange of Thailand
Subject: Management's Discussion and Analysis (MD&A) for the period of Q2/23 and 6M/23, ended June 30, 2023
(Unreviewed)

SCG Ceramics Public Company ("The Company") hereby submits the unreviewed interim consolidated financial statements and management discussion and analysis (MD&A) for the period of Q2/23 and 6M/23, ended June 30, 2023. Details of the operating results are as follows:

For the period Q2/23, Profit for the period amounted 173 MB, increased 4% y-o-y and EBITDA amounted 355 MB, decreased 4% y-o-y. while consolidated revenue from sales remains stable y-o-y at 3,392 MB. In addition, there was revenue from land selling in Nong Khae industrial estate amounted 116 MB in Q2/23. Total sales volume from both domestic and export decreased 13% y-o-y. Despite the challenges, the company has maintained its ability to consistently manage expenses and enhance production efficiency.

For the period 6M/23, revenue from sales registered 6,850 MB, increased 4% y-o-y. The company also earned 141 MB from land selling in Nong Khae industrial estate. Total sales volume amounted to 35.2 million sq.m, decreased 12% y-o-y, mainly due to the decreasing export sales volume. Despite this, Profit for the period amounted to 434 MB, increased 15% y-o-y and EBITDA amounted to 812 MB, increased 3% y-o-y.

Table1: Consolidated financial Summary

Unit: Million Baht	Q2	%change	%change	Jan. - Jun.	%change
	2023	Y-o-Y	Q-o-Q	2023	Y-o-Y
Revenue from Sales	3,392	0%	-2%	6,850	4%
Profit (Loss) for the Period	173	4%	33%	434	15%
EBITDA	355	-4%	22%	812	3%
Earning (Loss) per Share (Baht)	0.03	4%	33%	0.07	15%

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

For the period of Q2/23, finance costs amounted to 1 MB, which was slightly increased y-o-y, from the interest expense on the lease contract under Thai Financial Reporting Standards no. 16 “Leases” (TFRS 16). The company had no short-term and long-term loan from financial institutions.

Table2: Debt Profile				
Unit: Million Baht	Q2	Q1	Q4	Q2
	2023	2023	2022	2022
Short-Term Loan	-	-	-	-
Baht	-	-	-	-
Foreign	-	-	-	-
%of Total Loan	n/a	n/a	n/a	n/a
Total Loan	-	-	-	-
Cash & Cash Under Management	1,256	1,427	1,212	1,546
Cash and cash equivalents	1,256	927	712	1,346
Short-term Investment	-	500	500	200
Total Net Debt (Net Cash)	(1,256)	(1,427)	(1,212)	(1,546)
Financial Ratios	Q2	Q1	Q4	Q2
	2023	2023	2022	2022
EBITDA on Assets (%)	14%	15%	3%	13%
Current Ratio (times)	3.0	2.9	3.5	3.0
Quick Ratio (times)	1.4	1.4	1.5	1.5
Interest Coverage (times)	262.4	330.4	-562.7	397.1
Net Debt to EBITDA (times)	n/a	n/a	n/a	n/a
Net Debt to Equity (times)	n/a	n/a	n/a	n/a
Debt to Equity (times)	0.3	0.3	0.3	0.3
Return on Equity (%)	10%	12%	-3%	8%
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 June 30, 2023, Total assets amounted to 11,914 MB, where current assets amounted to 6,662 MB, property, plant and equipment amounted to 4,363 MB and others non-current assets amounted to 889 MB.

Total liabilities amounted to 2,902 MB, where trade and other current payables liabilities amounted to 2,046 MB, others current liabilities amounted to 190 MB and others non-current liabilities amounted to 666 MB.

Total equity attributable to owners of the company amounted to 9,005 MB, which 99.9% of total shareholder's equity.

Table3: Statement of Financial Position			
Unit: Million Baht	June	December	June
	2023	2022	2022
Total Assets	11,914	11,310	12,259
Current Assets	6,662	6,331	6,729
Cash, cash equivalent	1,256	712	1,346
Short term investment	-	500	200
Trade and other current receivables	1,848	1,621	1,721
Inventories	3,164	3,068	3,032
Land development for sale	394	430	430
Property, plant and equipment	4,363	4,055	4,704
Others non-current Assets	889	924	826
Total Liabilities	2,902	2,493	2,910
Current Liabilities	2,236	1,831	2,222
Trade and other current payables	2,046	1,706	2,021
Others	190	125	201
Others non-current Liabilities	666	662	688
Total Shareholders' equity	9,012	8,817	9,349
Total equity attributable to owners of the company	9,005	8,810	9,349
Non-controlling interests	7	7	-

Sincerely yours,

(Numpol Malichai)

Managing Director