

November 8, 2021

No.: KT/PB (COTTO) 021/2021
To: Director and Manager, the Stock Exchange of Thailand
Subject: Management's Discussion and Analysis (MD&A) for the period of Q3/21 and 9M/21, ended September 30, 2021
(Reviewed)

SCG Ceramics Public Company ("The Company") hereby submits the reviewed interim consolidated financial statements and management discussion and analysis (MD&A) for the period of Q3/21 and 9M/21, ended September 30, 2021. Details of the operating results are as follows:

The Company reported Q3/21 Consolidated revenue from sales amounted to 2,840 MB, increased 5% y-o-y. Due to pandemic of COVID-19, average selling price has been slightly improved while sales volume decreased. Moreover, the company recognized Revenue from land selling in Nong Khae industrial estate about 131 MB. Profit for the period amounted to 162 MB, decreased 5% y-o-y and EBITDA amounted to 365 MB, decreased 6% y-o-y. However, improving cost management and production efficiency were continuously conducted in order to mitigate the impact of the increase in natural gas price.

For the period 9M/21, Revenue from sales registered to 8,453 MB, increased 9% y-o-y thanks to increasing in both Domestic and Export sales volume, amounted to 50.5 million sq.m, increased 5% y-o-y mainly from higher market demand. There was non-recurring item which was revenue from land selling in Nong Khae industrial estate for 131 MB. Profit for the period amounted to 526 MB, increased 56% y-o-y and EBITDA amounted to 1,145 MB, increased 20% y-o-y.

Table1: Consolidated financial Summary

Unit: Million Baht	Q3	%change	%change	Jan.-Sep.	%change
	2021	Y-o-Y	Q-o-Q	2021	Y-o-Y
Revenue from Sales	2,840	5%	1%	8,453	9%
Profit for the Period	162	-5%	-9%	526	56%
EBITDA	365	-6%	-5%	1,145	20%
Earning per Share (Baht)	0.03	-5%	-9%	0.09	56%

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 Q3/21, 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” (TFRS 16). The company had no short-term and long-term loan from financial institute.

Table2: Debt Profile

Unit: Million Baht	Q3 2021	Q2 2021	Q4 2020	Q3 2020
Short-Term Loan	-	-	-	-
Baht	-	-	-	-
Foreign	-	-	-	-
%of Total Loan	n/a	n/a	n/a	n/a
Total Loan	-	-	-	-
Cash and cash equivalents	951	1,056	731	644
Total Net Debt (Net Cash)	(951)	(1,056)	(731)	(644)
Financial Ratios	Q3 2021	Q2 2021	Q4 2020	Q3 2020
EBITDA on Assets (%)	13%	13%	11%	11%
Current Ratio (times)	3.4	3.1	3.4	2.8
Quick Ratio (times)	1.5	1.3	1.3	1.0
Interest Coverage (times)	405.1	469.6	294.9	285.6
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	0.2	0.3
Return on Equity (%)	8%	8%	5%	5%

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 September 30, 2021, Total assets amounted to 11,604 MB, where current assets amounted to 5,857 MB, property, plant and equipment amounted to 4,885 MB and others non-current assets amounted to 861 MB.

Total Liabilities amounted to 2,439 MB, where Trade and other current payables liabilities amounted to 1,598 MB, others liabilities amounted to 126 MB and non-current liabilities amounted to 715 MB.

Total equity attributable to owners of the parent amounted to 9,165 MB, which 100% of total shareholder's equity.

Table3: Statement of Financial Position			
Unit: Million Baht	September	December	September
	2021	2020	2020
Total Assets	11,604	10,913	11,243
Current Assets	5,857	4,950	5,129
Cash, cash equivalent and short term investment	951	731	644
Trade and other current receivables	1,674	1,104	1,260
Inventories	2,802	2,629	2,739
Land development for sale	430	486	486
Property, plant and equipment	4,886	5,071	5,192
Others non-current Assets	861	892	922
Total Liabilities	2,439	2,101	2,519
Current Liabilities	1,724	1,444	1,814
Trade and other current payables	1,598	1,232	1,665
Loans	-	-	-
Others	126	212	149
Others non-current Liabilities	715	657	705
Total Shareholders' equity	9,165	8,812	8,724
Total equity attributable to owners of the parent	9,165	8,812	8,724
Non-controlling interests	-	-	-

Sincerely yours,

(Numpol Malichai)

Managing Director