

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

Financial statements
for the year ended 31 December 2022
and
Independent auditor's report

Independent auditor's report

To the Board of Directors of SCG Ceramics Public Company Limited

Opinion

I have audited the consolidated financial statements of SCG Ceramics Public Company Limited and its subsidiary (the "Group") and separate financial statements of SCG Ceramics Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2022; the consolidated and separate income statement and statement of comprehensive income; the consolidated and separate statements of changes in shareholders' equity and cash flows for the year then ended and condensed notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, as at 31 December 2022, their consolidated financial performance and cash flows and the separate financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and the Company in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matter

Key audit matter is the matter that, in my professional judgment, was of most significance in my audit of the consolidated and separate financial statements of the current period. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Valuation of inventories	
Refer to Notes 3 and 7 to the financial statements.	
The key audit matter	How the matter was addressed in the audit
I focused on this area because inventories account is a significant balance and the Group's and the Company's market is high price competition and there are some long-outstanding finished goods which may not be sold at the expected selling price. The Group's and the Company's accounting policy is to set-up allowance for decline in value of inventories at the lower of their cost and net realizable value and review the allowance for decline in value of inventories. Such reviews require high judgment of management level.	My audit procedures included inquiring the management who is responsible for this to obtain the Group's and the Company's policy in relation to provisioning of inventory. I review the compliance with the Group's and the Company's policy and randomly test provision of inventories whether it is in accordance with the Group's and the Company's policy. In addition, my procedures included testing calculation of allowance for decline in value of inventory by comparing the cost of inventories against expected net realizable value from the selling price less selling expense.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon.

My opinion on the consolidated and separate financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, action taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(Vairoj Jindamaneepitak)
Certified Public Accountant
Registration No. 3565

KPMG Phoomchai Audit Ltd.
Bangkok
14 February 2023

SCG Ceramics Public Company Limited and its Subsidiaries

Statement of financial position

As at 31 December 2022

	Note	Consolidated		Separate	
		financial statements		financial statements	
Assets		2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
Current assets					
Cash and cash equivalents	5	712,549	1,323,902	500,621	826,460
Short-term investment		500,000	-	350,000	-
Trade and other current receivables	4, 6	1,620,930	1,348,127	1,409,182	1,348,198
Short-term loans	4	-	-	130,000	-
Inventories	7	3,068,229	2,770,613	2,766,223	2,545,596
Land development for sale		429,701	429,701	429,701	429,701
Total current assets		6,331,409	5,872,343	5,585,727	5,149,955
Non-current assets					
Long-term investment in other company		16,605	16,605	16,605	16,605
Investment in subsidiaries	8	-	-	1,433,935	1,333,935
Other non-current receivables		60,121	91,960	60,121	91,960
Investment property	9	401,442	400,945	399,266	398,732
Property, plant and equipment	10	4,055,007	4,825,227	3,573,408	4,392,608
Goodwill		25,350	25,350	-	-
Other intangible assets	12	60,770	83,990	58,687	82,891
Deferred tax assets	13	347,422	189,195	322,543	165,300
Other non-current assets		11,903	15,763	11,903	15,763
Total non-current assets		4,978,620	5,649,035	5,876,468	6,497,794
Total assets		11,310,029	11,521,378	11,462,195	11,647,749

The accompanying notes are an integral part of these financial statements.

SCG Ceramics Public Company Limited and its Subsidiaries

Statement of financial position

As at 31 December 2022

Liabilities and shareholders' equity	Note	Consolidated		Separate	
		financial statements	financial statements	financial statements	financial statements
		2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
Current liabilities					
Trade and other current payables	4, 16	1,705,593	1,487,241	1,650,702	1,498,267
Current portion of lease liabilities	15	75,066	57,820	69,667	56,635
Corporate income tax payable		2,210	25,076	-	17,963
Current provisions					
for employee benefits		48,257	27,443	45,722	23,996
Total current liabilities		1,831,126	1,597,580	1,766,091	1,596,861
Non-current liabilities					
Lease liabilities	15	147,452	91,142	130,386	89,539
Non-current provisions					
for employee benefits	17	493,108	566,232	424,439	496,212
Other non-current provisions		10,319	10,640	2,820	2,820
Other non-current liabilities		10,930	5,227	8,574	5,227
Total non-current liabilities		661,809	673,241	566,219	593,798
Total liabilities		2,492,935	2,270,821	2,332,310	2,190,659

The accompanying notes are an integral part of these financial statements.

SCG Ceramics Public Company Limited and its Subsidiaries

Statement of financial position

As at 31 December 2022

Liabilities and shareholders' equity	Note	Consolidated		Separate	
		financial statements	financial statements	financial statements	financial statements
		2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
Shareholders' equity					
Share capital					
<i>Authorized share capital</i>					
		<i>(5,962,621 thousand ordinary shares, par value at Baht 1 per share)</i>			
		5,962,621	5,962,621	5,962,621	5,962,621
<i>Issued and paid share capital</i>					
		<i>(5,962,621 thousand ordinary shares, 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	18	1,133,594	1,133,594	1,133,594	1,133,594
Other surpluses	18	211,060	211,060	274,225	274,225
Retained earnings					
<i>Appropriated</i>					
Legal reserve	18	267,056	267,056	267,056	267,056
<i>Unappropriated</i>					
		1,279,391	1,720,083	1,492,389	1,819,594
Other components of shareholders' equity		(44,139)	(43,857)	-	-
Total equity attributable to owners of the company		8,809,583	9,250,557	9,129,885	9,457,090
Non-controlling interests		7,511	-	-	-
Total shareholders' equity		8,817,094	9,250,557	9,129,885	9,457,090
Total liabilities and shareholders' equity		11,310,029	11,521,378	11,462,195	11,647,749

The accompanying notes are an integral part of these financial statements.

SCG Ceramics Public Company Limited and its Subsidiaries

Income statement

For the year ended 31 December 2022

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
Revenue from sales and rendering of services	4, 30	13,157,068	11,142,500	12,836,980	11,142,554
Revenue from sales of land		-	130,680	-	130,680
Cost of sales and rendering of services	4, 7, 30	(9,985,245)	(8,103,969)	(10,012,333)	(8,458,307)
Cost of sales of land		-	(57,450)	-	(57,450)
Gross profit		3,171,823	3,111,761	2,824,647	2,757,477
Other income	4, 30	66,869	71,354	266,222	81,471
Profit before expenses		3,238,692	3,183,115	3,090,869	2,838,948
Distribution costs	20	(2,052,325)	(1,831,800)	(1,857,982)	(1,661,668)
Administrative expenses	21, 30	(1,459,876)	(617,422)	(1,401,152)	(561,903)
Total expenses		(3,512,201)	(2,449,222)	(3,259,134)	(2,223,571)
Profit (loss) from operations		(273,509)	733,893	(168,265)	615,377
Finance costs		(4,275)	(3,513)	(4,076)	(3,174)
Profit (loss) before income tax		(277,784)	730,380	(172,341)	612,203
Tax income (expense)	23	49,897	(146,776)	63,370	(123,277)
Profit (loss) for the year		(227,887)	583,604	(108,971)	488,926
Profit (loss) attributable to					
Owners of the Company		(227,793)	583,604	(108,971)	488,926
Non-controlling interests		(94)	-	-	-
		(227,887)	583,604	(108,971)	488,926
Basic earnings (loss) per share (in Baht)					
Attributable to owners of the Company		(0.04)	0.10	(0.02)	0.08

The accompanying notes are an integral part of these financial statements.

SCG Ceramics Public Company Limited and its Subsidiaries

Statement of comprehensive income

For the year ended 31 December 2022

	Note	Consolidated		Separate	
		financial statements	financial statements	financial statements	financial statements
		2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
Profit (loss) for the year		(227,887)	583,604	(108,971)	488,926
Other comprehensive income					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating financial statement		(470)	-	-	-
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Gain on remeasurements of defined benefit plans	17	84,180	34,874	77,511	25,807
Income tax relating to items that will not be reclassified subsequently to profit or loss	23	(16,836)	(6,975)	(15,502)	(5,161)
Total items that will not be reclassified subsequently to profit or loss		67,344	27,899	62,009	20,646
Other comprehensive income for the year, net of tax		66,874	27,899	62,009	20,646
Total comprehensive income for the year		(161,013)	611,503	(46,962)	509,572
Total comprehensive income attributable to					
Owners of the Company		(160,731)	611,503	(46,962)	509,572
Non-controlling interests		(282)	-	-	-
		(161,013)	611,503	(46,962)	509,572

The accompanying notes are an integral part of these financial statements.

SCG Ceramics Public Company Limited and its Subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2022

Consolidated financial statements							
						<i>Other components of shareholders' equity</i>	
						Changes in	
						other	
						components	
						from	
						shareholders	
						Total	
						shareholders'	
						equity	
<i>Note</i>	Issued and paid share capital	Share premium on ordinary shares	Other surpluses	<u>Retained earnings</u>			
				Appropriated Legal reserve	Unappropriated		
<i>(in thousand Baht)</i>							
Balance at 1 January 2021	5,962,621	1,133,594	211,060	242,610	1,305,942	(43,857)	8,811,970
Transactions with owners,							
recorded directly in shareholders' equity							
<i>Contributions by and distributions to</i>							
<i>owners</i>							
Dividends	25	-	-	-	(172,916)	-	(172,916)
<i>Total contributions by and distributions to</i>							
<i>owners</i>							
		-	-	-	(172,916)	-	(172,916)
Total transactions with owners,							
recorded directly in shareholders' equity							
		-	-	-	(172,916)	-	(172,916)
Comprehensive income for the year							
Profit or loss		-	-	-	583,604	-	583,604
Other comprehensive income		-	-	-	27,899	-	27,899
Total comprehensive income for the year							
		-	-	-	611,503	-	611,503
Transfer to legal reserve	18	-	-	24,446	(24,446)	-	-
Balance at 31 December 2021		5,962,621	1,133,594	211,060	267,056	1,720,083	(43,857)
							9,250,557

The accompanying notes are an integral part of these financial statements.

SCG Ceramics Public Company Limited and its Subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2022

Consolidated financial statements

	Note	Other components of shareholders' equity										
		Issued and paid share capital	Share premium on ordinary shares	Other surpluses	Retained earnings		Exchange differences on translating financial statement	Changes in other components from shareholders	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Non-controlling interests	Total shareholders' equity
					Appropriated Legal reserve	Unappropriated						
<i>(in thousand Baht)</i>												
Balance at 1 January 2022		5,962,621	1,133,594	211,060	267,056	1,720,083	-	(43,857)	(43,857)	9,250,557	-	9,250,557
Transactions with owners, recorded directly in shareholders' equity												
<i>Contributions by and distributions to owners</i>												
<i>owners</i>												
Dividends	25	-	-	-	-	(280,243)	-	-	-	(280,243)	-	(280,243)
Total contributions by and distributions to owners		-	-	-	-	(280,243)	-	-	-	(280,243)	-	(280,243)
<i>Changes in ownership interests in subsidiaries</i>												
Changes that do not result in a loss of control		-	-	-	-	-	-	-	-	-	7,793	7,793
Total changes in ownership interests in subsidiaries		-	-	-	-	-	-	-	-	-	7,793	7,793
Total transactions with owners, recorded directly in shareholders' equity		-	-	-	-	(280,243)	-	-	-	(280,243)	7,793	(272,450)
Comprehensive income for the year												
Profit or loss		-	-	-	-	(227,793)	-	-	-	(227,793)	(94)	(227,887)
Other comprehensive income		-	-	-	-	67,344	(282)	-	(282)	67,062	(188)	66,874
Total comprehensive income for the year		-	-	-	-	(160,449)	(282)	-	(282)	(160,731)	(282)	(161,013)
Transfer to legal reserve		-	-	-	-	-	-	-	-	-	-	-
Balance at 31 December 2022		5,962,621	1,133,594	211,060	267,056	1,279,391	(282)	(43,857)	(44,139)	8,809,583	7,511	8,817,094

The accompanying notes are an integral part of these financial statements.

SCG Ceramics Public Company Limited and its Subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2022

	Note	Separate financial statements					Total shareholders' equity
		Issued and paid share capital	Share premium on ordinary shares	Other surpluses	Retained earnings		
					Appropriated Legal reserve	Unappropriated	
<i>(in thousand Baht)</i>							
Balance at 1 January 2021		5,962,621	1,133,594	274,225	242,610	1,507,384	9,120,434
Transactions with owners, recorded directly in shareholders' equity							
<i>Contributions by and distributions to owners</i>							
<i>Contributions by and distributions to owners</i>							
Dividends	25	-	-	-	-	(172,916)	(172,916)
Total contributions by and distributions to owners		-	-	-	-	(172,916)	(172,916)
Total transactions with owners, recorded directly in shareholders' equity		-	-	-	-	(172,916)	(172,916)
Comprehensive income for the year							
Profit or loss		-	-	-	-	488,926	488,926
Other comprehensive income		-	-	-	-	20,646	20,646
Total comprehensive income for the year		-	-	-	-	509,572	509,572
Transfer to legal reserve	18	-	-	-	24,446	(24,446)	-
Balance at 31 December 2021		5,962,621	1,133,594	274,225	267,056	1,819,594	9,457,090

The accompanying notes are an integral part of these financial statements.

SCG Ceramics Public Company Limited and its Subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2022

	Note	Separate financial statements					Total shareholders' equity
		Issued and paid share capital	Share premium on ordinary shares	Other surpluses	Retained earnings		
					Appropriated Legal reserve	Unappropriated	
<i>(in thousand Baht)</i>							
Balance at 1 January 2022		5,962,621	1,133,594	274,225	267,056	1,819,594	9,457,090
Transactions with owners, recorded directly in shareholders' equity							
<i>Contributions by and distributions to owners</i>							
Dividends	25	-	-	-	-	(280,243)	(280,243)
Total contributions by and distributions to owners		-	-	-	-	(280,243)	(280,243)
Total transactions with owners, recorded directly in shareholders' equity		-	-	-	-	(280,243)	(280,243)
Comprehensive income for the year							
Profit or loss		-	-	-	-	(108,971)	(108,971)
Other comprehensive income		-	-	-	-	62,009	62,009
Total comprehensive income for the year		-	-	-	-	(46,962)	(46,962)
Transfer to legal reserve		-	-	-	-	-	-
Balance at 31 December 2022		5,962,621	1,133,594	274,225	267,056	1,492,389	9,129,885

The accompanying notes are an integral part of these financial statements.

SCG Ceramics Public Company Limited and its Subsidiaries

Statement of cash flows

For the year ended 31 December 2022

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit (loss) for the year	(227,887)	583,604	(108,971)	488,926
<i>Adjustments for</i>				
Tax (income) expense	(49,897)	146,776	(63,370)	123,277
Depreciation and amortization	610,217	644,594	538,408	571,806
Loss on impairment of account receivables	30	1,118	30	1,118
Loss on inventories devaluation	140,399	8,821	141,662	7,160
Provisions for employee benefit expenses	51,101	43,066	42,666	37,181
Loss (gain) on foreign currency exchange	28,402	(3,065)	24,997	(2,947)
Dividend income	-	-	(150,000)	-
Interest income	(7,023)	(3,733)	(5,476)	(1,896)
Finance costs	4,275	3,509	4,076	3,174
Loss on sales of assets and others	712,969	1,329	713,675	887
Cash flows generated from operations				
before changes in operating assets and liabilities	1,262,586	1,426,019	1,137,697	1,228,686
<i>Decrease (increase) in operating assets</i>				
Trade and other current receivables	(233,691)	(250,667)	(22,119)	(242,520)
Inventories	(438,013)	(138,438)	(362,288)	(129,499)
Land development for sale	-	56,705	-	56,705
Other assets	29,878	23,593	31,839	23,593
Net increase in operating assets	(641,826)	(308,807)	(352,568)	(291,721)
<i>Increase (decrease) in operating liabilities</i>				
Trade and other current payables	174,118	240,928	110,058	182,164
Provisions for employee benefits	(40,045)	(83,509)	(36,928)	(61,968)
Other liabilities	29,796	2,771	28,673	3,699
Net increase in operating liabilities	163,869	160,190	101,803	123,895
Net cash flows generated from operations	784,629	1,277,402	886,932	1,060,860
Income tax paid	(148,895)	(151,929)	(127,992)	(128,230)
Net cash flows provided by operating activities	635,734	1,125,473	758,940	932,630

The accompanying notes are an integral part of these financial statements.

SCG Ceramics Public Company Limited and its Subsidiaries

Statement of cash flows

For the year ended 31 December 2022

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Short-term investment	(500,000)	-	(350,000)	-
Acquisition of subsidiaries	-	-	(100,000)	-
Proceeds from sale of property, plant and equipment	6,459	2,578	4,905	3,028
Acquisition of property, plant and equipment	(381,688)	(252,345)	(285,609)	(202,731)
Acquisition of intangible assets	(11,550)	(7,757)	(11,252)	(6,774)
Dividends received	-	-	150,000	-
Interest received	6,743	3,733	5,223	1,896
Net cash flows used in investing activities	(880,036)	(253,791)	(586,733)	(204,581)
<i>Cash flows from financing activities</i>				
Proceeds of changes in ownership interests in subsidiary that do not result in a loss of control	7,793	-	-	-
<i>Payments of borrowings</i>				
Payment from loans from related party	-	-	(130,000)	-
Payments of lease liabilities	(89,866)	(102,563)	(83,737)	(96,262)
Net decrease in borrowings	(89,866)	(102,563)	(213,737)	(96,262)
Dividends paid				
Dividends paid to owners of the Company	(280,245)	(172,916)	(280,245)	(172,916)
Total dividends paid	(280,245)	(172,916)	(280,245)	(172,916)
Interest and other finance cost paid	(4,261)	(3,533)	(4,064)	(3,174)
Net cash flows used in financing activities	(366,579)	(279,012)	(498,046)	(272,352)
Net increase (decrease) in cash and cash equivalents	(610,881)	592,670	(325,839)	455,697
Effect of exchange rate changes on cash and cash equivalents	(472)	-	-	-
Cash and cash equivalents at beginning of the year	1,323,902	731,232	826,460	370,763
Cash and cash equivalents at end of the year	712,549	1,323,902	500,621	826,460
<i>Supplementary information for cash flows</i>				
Non-cash from investing transactions at end of the year				
Account payables from purchase of assets	54,666	34,580	50,080	30,313

The accompanying notes are an integral part of these financial statements.

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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai and English languages and were approved and authorized for issue by the audit committee, as appointed by the Board of Directors of the Company, on 14 February 2023.

1 General information

SCG Ceramics Public Company Limited, (the "Company"), is incorporated in Thailand. The Company's registered office were at:

- Head office - 1 Siam Cement Road, Bangsue, Bangkok 10800, Thailand
- Factory - 61 Moo 1 Nong Khae Industrial Estate, Tambon Kokyae, Amphur Nongkhae, Saraburi 18230, Thailand
- 33/1 Moo 2, Suvannasorn road, Tambon Kokyae, Amphur Nongkhae, Saraburi 18230, Thailand
- 40 Moo 2, Rim Klong Rapeepat road, Tambon Nong Pling, Amphur Nongkhae, Saraburi 18140, Thailand
- 33/2 Moo 2, Rim Klong Rapeepat road, Tambon Nong Pling, Amphur Nongkhae, Saraburi 18140, Thailand

The Company and its subsidiary (the "Group") principal activities are engaged in manufacturing and sales of ceramic floor tiles and wall tiles and industrial estate development and installation service of solar equipment.

On 1 November 2022, Cementhai Ceramics Co., Ltd. ("CCCL") (the major shareholder of SCG Ceramics Public Company Limited) transferred all of its shares in the Company, representing 82.75% of the authorized share capital to SCG Building Materials Co., Ltd. ("SCG Mat") which both CCCL and SCG Mat are subsidiaries of The Siam Cement Public Company Limited ("SCC"), in which SCC directly and indirectly holds 100% of the share capital. In this regard, this transfer of shares is part of business restructuring within the SCC group, and will not cause any change of control, or have any effect on the business policy or the structure of the Board of Directors and executives of the Company in any respect.

As at 31 December 2022, the immediate and ultimate parent companies were SCG Building Material Co., Ltd. and The Siam Cement Public Company Limited, respectively. Both were incorporated in Thailand.

2 Basis of preparation of the financial statements

The consolidated financial statements are prepared in accordance with Thai Financial Reporting Standards ("TFRSs"); guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The consolidated financial statements are presented in Thai Baht, which is the Company's functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest million unless otherwise stated.

The preparation of consolidated financial statements in conformity with TFRSs requires management to make judgments, estimates and assumptions that affect the application of the Group's accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions that are described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

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From 1 January 2022, the Group has adopted the amendments in accordance with TFRS 9 *Financial Instruments* and TFRS 7 *Disclosure of Financial Instruments*, which the Group has not affected by interest rate benchmark reform (IBOR).

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiary (together referred to as the “Group”).

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income or expenses arising from intra-group transactions, are eliminated but only to the extent that there is no evidence of impairment.

Subsidiaries

Subsidiaries is entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group’s interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity of the subsidiary. Any resulting gain or loss of control in the subsidiary is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(b) Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows comprise cash on hand, saving deposits, current deposits and highly liquid short-term investments which have maturities of three months or less from the date of acquisition and are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(c) Trade and other receivables

The Group estimates lifetime expected credit losses (ECLs), using a provision matrix to find the ECLs rates. This method groups the debtors based on shared credit risk characteristics and past due status by taking into account historical credit loss data, adjusted for factors that are specific to the debtors and

SCG Ceramics Public Company Limited and its Subsidiaries
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an assessment of both current economic conditions and forward-looking general economic conditions at the end of the reporting period.

(d) Inventories

Inventories are measured at the lower of cost or net realizable value.

Cost is calculated using the following formula:

Finished goods	-	at standard cost which approximates actual production cost
Merchandise	-	at average cost
Work in progress	-	at standard cost
Raw materials, spare parts, stores supplies and others	-	at average cost

Cost comprises costs of purchase, costs of conversion or relevant direct costs incurred in acquiring the inventories. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realizable value is the estimated selling price in the ordinary course of business less the costs to complete and to make the sale.

(e) Land development for sale

Land development for sale is stated at cost which consists of cost of land, cost of development and direct related project cost less accumulated impairment losses.

(f) Investments

Investment in subsidiaries

Investment in subsidiaries in the separate financial statements of the Company is accounted for using the cost method.

(g) Investment property

Investment properties are properties which properties that are held as right-of-use assets, as well as properties that are owned by the Group. Investment properties are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment properties includes the cost of materials, direct labor, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalized borrowing costs of a qualifying asset.

Depreciation is calculated on a straight-line basis over the estimated useful lives of each asset and recognized in profit or loss. No depreciation is charged on freehold land.

The estimated useful lives are as follows:

Buildings and structures	10 - 30	years
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Any gains and losses arising from differences between the proceeds from disposal and the carrying amount of investment property are recognized in profit or loss.

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Notes to the financial statements
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Reclassification to property, plant and equipment

When the use of an investment property changes that it is reclassified as property, plant and equipment, its carrying amount at the date of reclassification becomes its cost for subsequent accounting.

(h) Property, plant and equipment

Owned assets

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalized borrowing costs of a qualifying asset. Licensed software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

Any gains and losses arising from differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognized in profit or loss.

Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, its carrying amount is recognized and reclassified as investment property.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment, including major inspections, is recognized in the carrying amount of the item when the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of property, plant and equipment, or other amount substituted for cost, less its residual value.

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognized in profit or loss. No depreciation is provided on freehold assets and construction in progress.

The estimated useful lives are as follows:

Land improvements	5 - 20	years
Buildings and structures	3 - 40	years
Machinery and equipment	2 - 20	years
Furniture, fixtures and office equipment	2 - 20	years
Vehicles and equipment	4 - 10	years

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Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(i) *Deferred mining costs*

Deferred mining costs are stated at cost less accumulated amortization and accumulated impairment losses. It is amortized according to quantity of reimbursement.

(j) *Other intangible assets*

Other intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses.

Subsequent expenditure is capitalized only when it increases the future economic benefits.

Amortization is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognized in profit or loss, from the date that they are available for use. No amortization is provided on development cost.

The estimated useful lives are as follows:

Software licenses	2 - 10	years
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Amortization methods, useful lives and residual values are reviewed at each reporting period and adjusted if appropriate.

(k) *Leases*

At inception of a contract, the Group assesses that a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement or on modification of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Group has elected not to separate non-lease components and accounted for the lease and non-lease components as a single lease component.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which is recognized as expenses on a straight-line basis over the respective lease terms.

Right-of-use asset is measured at cost, less any accumulated depreciation and accumulated impairment loss, and adjusted for any remeasurements of lease liability.

The cost of right-of-use asset includes the initial amount of the lease liability, any lease payments made at or before the commencement date, adjusted for any prepaid lease payments, plus any initial direct costs and an estimate of restoration costs, less any lease incentives received.

Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful lives of the underlying asset which is determined on the same basis as those of property and equipment.

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The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the Group's incremental borrowing rate to discount the lease payments to the present value. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a lease modification, or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in property, plant and equipment in the statement of financial position.

(l) *Impairment of non-financial assets*

The carrying amounts of the Group's assets are reviewed at each reporting period to determine whether there is any indication of impairment. If any such indication exists, the Group will estimate the assets' recoverable amounts. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognized in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

The recoverable amount is the greater of the asset's value in use or fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss of asset recognized in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of accumulated depreciation or accumulated amortization, if no impairment loss had been recognized.

(m) *Trade and other payables*

Trade and other payables are stated at amortized cost.

(n) *Employee benefits*

Defined contribution plans

Obligations for contributions to provident fund for the Group's employee are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods.

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The define benefit obligations is discounted to the present value which performed annually by a qualified actuary.

For remeasurements of the net defined benefit liability, which mainly comprise actuarial gains or losses are recognized in other comprehensive income. The Company determine the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Gain or loss on remeasurements are recognized in profit or loss in the period in which they arise.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits or when the Group recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(o) Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

(p) Revenue from contracts with customers

(1) Revenue recognition

Revenue is recognized when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

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Sale of goods and rendering of services

Revenue from sales of goods is recognized at a point in time when the Group transfers control of the goods to customers, generally on delivery of the goods to the customers. For the sales that permit the customers to return the goods, the Group estimates the returns based on the historical return data, does not recognize revenue and cost of sale for this transaction and remains recognition of inventory for the estimated products to be returned.

Revenue for rendering of services is recognized over time based on progress towards complete satisfaction of performance obligation.

For bundled packages, the Group recognizes revenue from sales of products and rendering of services separately if a product or service is separately identifiable from other items and a customer can benefit from it or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices which are determined based on the price list at which the Group sells the products and services in separate transactions.

The Group has a timing of revenue recognition mainly from sales of goods which is recognized at a point in time.

Revenue from industrial estate development

Revenue is recognized in profit or loss when the right of land has been transferred.

Other income

Other income comprises dividend income, interest income and others that recognized on accrual basis except dividend income is recognized in profit or loss on the date that the Group's right to receive the dividend is established.

(2) Contract assets and liabilities

Contract assets are recognized when the Group has recognized revenue before it has an unconditional right to receive consideration. The contract assets are measured at the amount of consideration that the Group is entitled to, less allowance for expected credit loss. The contract assets are classified as trade receivables when the Group has an unconditional right to receive consideration that usually occurs when the Group issues an invoice to the customer.

Contract liabilities are the obligation to transfer goods or services to the customer. The contract liabilities are recognized when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognizes the related revenue.

(q) Expenses

Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method.

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Early retirement expense

The Group offers certain qualifiable employees the option to take early retirement from the Group. Eligible employees who accept the offer are paid a lump sum amount which is calculated based on a formula using their final month's pay, number of years of service or the number of remaining months before normal retirement as variables. The Group records expenses on early retirement upon mutual acceptance.

(r) Income tax

Income tax expense for the year comprises current and deferred tax, which is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

Current tax is recognized in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries, joint ventures and associate to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(s) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currency transactions and measured in terms of historical cost are translated to the respective functional currencies of each entity in the Group at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated to the functional currencies at the exchange rates at the end of the reporting period.

Non-monetary assets and liabilities measured at fair value in foreign currencies are translated to the functional currency at the exchange rates at the dates that the fair value was determined.

Foreign currency differences are generally recognized in profit or loss.

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Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Thai Baht at the exchange rates at the end of the reporting period. The revenues and expenses of foreign operations are translated to Thai Baht at the average rates approximating the exchange rates at the dates of the transactions. Foreign exchange differences arising on translation are recognized in other comprehensive income, except to extent that the translation difference is allocated to non-controlling interest, accumulated and presented in other components of equity until disposal of the foreign operation.

(t) Financial instruments

Classification and measurement

Debt securities issued by the Group are initially recognized when they are originated. Other financial assets and financial liabilities, except trade receivables and trade payables are initially recognized when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value by taking into account for transaction costs that are directly attributable to its acquisition or issue of the securities, except for financial assets and financial liabilities measured at FVTPL, which are initially and subsequently measured at fair value, and any transaction costs that are directly attributable to its acquisition or issue of the securities are recognized in profit or loss.

On initial recognition, a financial asset is classified as measured at: amortized cost; fair value to other comprehensive income (FVOCI); or fair value to profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortized cost using the effective interest method, except that the financial liabilities are held for trading or derivative are classified as measured at FVTPL. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognized in profit or loss.

Financial assets measured at amortized costs are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and gain or loss on derecognition are recognized in profit or loss.

Debt investments measured at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and expected credit loss are recognized in profit or loss. Gains and losses from changes in fair value are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments measured at FVOCI are subsequently measured at fair value. Dividend income is recognized as income in profit or loss on the date that the Group's right to receive the dividend is established, unless the dividend clearly represents a recovery of part of the cost of the investment. Gains and losses from changes in fair value are recognized in OCI and never reclassified to profit or loss.

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Derecognition and offset

The Group derecognizes a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount extinguished and the consideration paid is recognized in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position only when the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Derivatives

Derivatives are recognized at fair value and remeasured at fair value at each reporting date. The gain or loss on remeasurement to fair value is recognized immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting.

Hedge accounting

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the risk, the economic relationship between the hedged item and the hedging instrument, including consideration of the hedge effectiveness at the inception of the hedging relationship and throughout the remaining period to determine the existence of economic relationship between the hedged item and the hedging instrument.

Impairment of financial assets

The Group recognizes allowances for expected credit losses (ECLs) on financial assets measured at amortized cost, debt investments measured at FVOCI and lease receivables.

The Group recognizes ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets or trade receivables under simplified approach, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

The Group considers a financial asset to have low credit risk when its credit rating is the investment grade. The Group recognizes ECLs for low credit risk financial asset as 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in credit rating, significant deterioration in the operating results and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

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The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group takes action such as realizing security (if any is held); or
- the financial asset is more than 90 days past due.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Increase in loss allowance is recognized as an impairment loss in profit or loss.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognized as a reversal of impairment in profit or loss in the period in which the recovery occurs.

Interest

Interest income and expense are recognized using the effective interest method.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to carrying amount of the financial assets after impairment losses. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(u) Fair value measurement

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Group use observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs are unobservable inputs for the asset or liability.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received.

(v) Business segment reporting

Segment results that are reported to the Group's Chief Operating Decision Maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

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(w) Related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa.

4 Related parties

Relationships with related parties were as follows:

Name of entities	Country of incorporation	Nature of relationships
The Siam Cement Public Company Limited	Thailand	Ultimate parent company
SCG Building Materials Co., Ltd.	Thailand	Immediate parent company
Sosuco Ceramic Co., Ltd.	Thailand	A subsidiary of SCG Ceramics Public Company Limited
SUSUNN Smart Solution Co., Ltd.	Thailand	A subsidiary of SCG Ceramics Public Company Limited
SCG Ceramics - Ly Heng Chhay (Cambodia) Co., Ltd.	Cambodia	A subsidiary of SCG Ceramics Public Company Limited
SCG Roofing Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
The Siam Fibre-Cement Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
Siam Fiberglass Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
SCG Landscape Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
Siam Sanitary Ware Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
The Siam Sanitary Fittings Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
Siam Sanitary Ware Industry Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
Siam Sanitary Ware Industry (Nongkhae) Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
Saraburirat Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
Siam Fibre Cement Group Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
SCG-Sekisui Sales Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
Quality Construction Products Public Company Limited	Thailand	A subsidiary of The Siam Cement Public Company Limited
Nexter Living Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
SCG Cement Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
The Siam Cement (Ta Luang) Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
The Siam Cement (Kaeng Khoi) Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited

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Name of entities	Country of incorporation	Nature of relationships
The Siam Cement (Lampang) Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
ECO Plant Services Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
The Concrete Products and Aggregate Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
The Siam Refractory Industry Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
CPAC Construction Solution Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
SCI Eco Services Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
SCG Chemicals Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
Thai Polyethylene Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
SCG Learning Excellence Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
Bangsue Industry Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
SCG Legal Counsel Limited	Thailand	A subsidiary of The Siam Cement Public Company Limited
SCG Distribution Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
SCG Cement-Building Materials Company Limited	Thailand	A subsidiary of The Siam Cement Public Company Limited
SCG Home Retail Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
SCG Experience Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
SCG International Corporation Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
SCG International Middle East Dmcc	United Arab Emirates	A subsidiary of The Siam Cement Public Company Limited
SCG International India Private Limited	India	A subsidiary of The Siam Cement Public Company Limited
SCG International Hong Kong Limited	China	A subsidiary of The Siam Cement Public Company Limited
SCG International China (Guangzhou) Co., Ltd.	China	A subsidiary of The Siam Cement Public Company Limited
PT Keramika Indonesia Assosiasi, Tbk.	Indonesia	A subsidiary of The Siam Cement Public Company Limited
PT KIA Keramik Mas	Indonesia	A subsidiary of The Siam Cement Public Company Limited
PT Kokoh Inti Arebama Tbk.	Indonesia	A subsidiary of The Siam Cement Public Company Limited
Myanmar CBM Services Co., Ltd.	Myanmar	A subsidiary of The Siam Cement Public Company Limited
Mariwasa-Siam Ceramics, Inc.	Philippines	A subsidiary of The Siam Cement Public Company Limited

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Name of entities	Country of incorporation	Nature of relationships
SCG-Boonthavorn (Cambodia) Co., Ltd.	Cambodia	A subsidiary of The Siam Cement Public Company Limited
Kampot Cement Co., Ltd.	Cambodia	A subsidiary of The Siam Cement Public Company Limited
Prime Trading, Import and Export One Member Limited Liability Company	Vietnam	A subsidiary of The Siam Cement Public Company Limited
Prime International Import - Export and Service Trading Company Limited	Vietnam	A subsidiary of The Siam Cement Public Company Limited
Prime Group Joint Stock Company	Vietnam	A subsidiary of The Siam Cement Public Company Limited
Prime Dai Viet Joint Stock Company	Vietnam	A subsidiary of The Siam Cement Public Company Limited
Prime - Vinh Phuc Joint Stock Company	Vietnam	A subsidiary of The Siam Cement Public Company Limited
Prime Dai Loc Joint Stock Company	Vietnam	A subsidiary of The Siam Cement Public Company Limited
SCG Logistics Management Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
SCG Skills Development Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
SCG Express Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
Thai Containers Group Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
Invenique Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
SCG Packaging Public Company Limited	Thailand	A subsidiary of The Siam Cement Public Company Limited
Siam Kraft Industry Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
Thai Paper Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
SCG Paper Energy Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
Cementhai Gypsum Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
Sekisui-SCG Industry Co., Ltd.	Thailand	An associate of The Siam Cement Public Company Limited
Noritake SCG Plaster Co., Ltd.	Thailand	An associate of The Siam Cement Public Company Limited
IT One Co., Ltd.	Thailand	An associate of The Siam Cement Public Company Limited
Siam Global House Public Company Limited	Thailand	An associate of The Siam Cement Public Company Limited
Siam Kubota Corporation Co., Ltd.	Thailand	An associate of The Siam Cement Public Company Limited
Siam Yamato Steel Co., Ltd.	Thailand	Other related parties of The Siam Cement Public Company Limited

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The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Purchases	Market price
Service fee	Market price
Revenue from sales and rendering of services	Market price
Other income	Market price
Dividend income	Upon declaration

Significant transactions with related parties for the years ended 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Ultimate parent</i>				
Service fees	74,236	83,170	63,925	73,649
Revenue from sales and rendering of services	109	-	109	-
Other income	-	10	-	10
<i>Parent^(*)</i>				
Service fees	25,517	26,584	24,802	25,112
Other income	6,216	6,642	5,417	6,642
<i>Subsidiaries</i>				
Purchases	-	-	1,672,479	1,412,851
Service fees	-	-	1,436	4,216
Dividend income	-	-	150,000	-
Revenue from sales and rendering of services	-	-	5,733	286
Other income	-	-	50,159	15,620
<i>Other related parties</i>				
Purchases	2,304,463	1,660,772	2,264,081	1,618,142
Service fees, lease - related expense and others	757,884	672,981	626,657	555,033
Revenue from sales and rendering of services	1,227,246	1,152,251	1,005,241	1,152,251
Other income	25,201	17,044	25,201	17,044

() SCG Building Materials Co., Ltd. ("SCG Mat") be a major shareholder of the parent company since 1 November 2022*

Balances as at 31 December with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Trade receivables</i>				
Ultimate parent	-	1,061	-	1,061
Other related parties	275,140	201,258	188,984	201,258
Total	275,140	202,319	188,984	202,319

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	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Other current receivables</i>				
Ultimate parent	19,081	19,662	19,047	19,620
Parent ^(*)	1,821	234	1,810	234
Subsidiaries	-	-	4,969	4,241
Other related parties	9,777	41,539	9,557	41,437
Total	30,679	61,435	35,383	65,532
<i>Short-term loans</i>				
Subsidiary	-	-	130,000	-
Total	-	-	130,000	-
<i>Trade payables</i>				
Subsidiaries	-	-	202,926	174,899
Other related parties	214,521	171,068	197,322	154,591
Total	214,521	171,068	400,248	329,490
<i>Other current payables</i>				
Ultimate parent	16,266	12,482	15,160	12,086
Parent ^(*)	3,627	4,363	3,396	4,122
Subsidiaries	-	-	296	1,222
Other related parties	28,656	31,005	26,973	28,579
Total	48,549	47,850	45,825	46,009
<i>Advance payment from software license fee shown under non-current assets</i>				
Ultimate parent	36,367	54,539	36,367	54,539
Other related parties	1,387	2,238	1,387	2,238
Total	37,754	56,777	37,754	56,777

(*) SCG Building Materials Co., Ltd. (“SCG Mat”) be a major shareholder of the parent company since 1 November 2022

The Board of Directors and key management compensation

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>For the years ended 31 December</i>				
Short-term employee benefits	43,715	38,358	43,715	38,358
Post-employment benefits	3,371	3,140	3,371	3,140
Total	47,086	41,498	47,086	41,498

The Board of Directors and key management compensation comprises the remuneration paid to the directors of SCG Ceramics Public Company Limited under the articles of the Company and the remuneration paid to the management as staff expenses in terms of salary, bonus, others and contribution to defined contribution plans.

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5 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Cash at banks - savings accounts	599,671	1,286,624	413,350	789,334
Cash at banks - current accounts	55,391	30,986	29,883	30,933
Cash on hand and others	57,487	6,292	57,388	6,193
Total	<u>712,549</u>	<u>1,323,902</u>	<u>500,621</u>	<u>826,460</u>

6 Trade receivables

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
As at 31 December					
Trade receivables					
Related parties					
Within credit terms		266,363	199,370	183,966	199,370
Overdue:					
Less than 1 month		5,742	293	1,983	293
1 - 3 months		3,035	2,656	3,035	2,656
Total	4	<u>275,140</u>	<u>202,319</u>	<u>188,984</u>	<u>202,319</u>
Other companies					
Within credit terms		1,155,119	987,650	1,067,023	987,650
Overdue:					
Less than 1 month		43,696	45,905	39,562	45,905
1 - 3 months		4,436	1,926	4,404	1,926
Over 12 months		37	1,022	37	1,022
		<u>1,203,288</u>	<u>1,036,503</u>	<u>1,111,026</u>	<u>1,036,503</u>
Less allowance for expected credit loss		(37)	(172)	(37)	(172)
Net		<u>1,203,251</u>	<u>1,036,331</u>	<u>1,110,989</u>	<u>1,036,331</u>
Total		<u>1,478,391</u>	<u>1,238,650</u>	<u>1,299,973</u>	<u>1,238,650</u>

The normal credit term granted by the Group is 30 - 120 days.

	Consolidated and Separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Allowance for expected credit loss		
At 1 January	172	105
Addition	-	122
Reversal	(13)	(55)
Write-off	(122)	-
At 31 December	<u>37</u>	<u>172</u>

As at 31 December 2022, the outstanding overdue amounts of above accounts receivable have credit guarantees amounting to Baht 49 million (2021: Baht 62 million).

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7 Inventories

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Finished goods	2,597,523	2,313,230	2,400,598	2,152,331
Work in progress	120,040	83,300	80,111	71,266
Raw materials	308,442	269,070	274,782	243,199
Spare parts, stores, supplies and others	229,493	224,841	195,725	194,562
Finish goods, raw materials and spare parts in transit	225,940	164,434	223,698	162,718
Total	3,481,438	3,054,875	3,174,914	2,824,076
<i>Less</i> allowance for decline in value	(413,209)	(284,262)	(408,691)	(278,480)
Net	3,068,229	2,770,613	2,766,223	2,545,596
Cost of inventories recognized as an expense in cost of sales	9,945,659	8,120,210	9,972,474	8,473,249
Write-down to net realizable value	228,674	132,540	223,336	130,755
Reversal of write-down	(189,088)	(148,781)	(183,477)	(145,697)
Changes in inventories of finished goods and work in progress	(321,033)	(70,307)	(257,112)	(65,406)
Raw materials and supplies used	(2,721,043)	(2,280,803)	(2,220,291)	(1,862,642)

8 Investment in subsidiaries

	Ownership interest		Paid-up capital		Cost method		Dividend income	
	2022	2021	2022	2021	2022	2021	2022	2021
	(%)		<i>(in thousand Baht)</i>					
Sosuco Ceramic Co., Ltd.	100	100	800,000	800,000	1,333,935	1,333,935	150,000	-
SUSUNN Smart Solution Co., Ltd.	100	-	100,000	-	100,000	-	-	-
			900,000	800,000	1,433,935	1,333,935	150,000	-

On 1 March 2022, the Company established SUSUNN Smart Solution Co., Ltd. (SUSUNN), a juristic person registered in Thailand. SUSUNN's main business is to provide engineering design services, supply of machinery, equipment, construction related to the production of electricity from solar energy and management utilities. The Company already paid for share capital totaling Baht 100 million, in investment proportion of 100% shareholding.

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9 Investment properties

	Consolidated financial statements		
	Land	Buildings and structures (in thousand Baht)	Total
Cost			
At 1 January and 31 December 2021	409,815	75,298	485,113
Additions	-	1,133	1,133
Written off	(77)	-	(77)
At 31 December 2022	409,738	76,431	486,169
Accumulated depreciation and accumulated impairment losses			
At 1 January 2021	9,599	73,517	83,116
Depreciation charge for the year	-	1,052	1,052
At 31 December 2021	9,599	74,569	84,168
Depreciation charge for the year	-	599	599
Written off	(40)	-	(40)
At 31 December 2022	9,559	75,168	84,727
Carrying amount			
At 31 December 2021	400,216	729	400,945
At 31 December 2022	400,179	1,263	401,442
	Separate financial statements		
	Land	Buildings and structures (in thousand Baht)	Total
Cost			
At 1 January and 31 December 2021	398,004	74,002	472,006
Additions	-	1,133	1,133
At 31 December 2022	398,004	75,135	473,139
Accumulated depreciation and accumulated impairment losses			
At 1 January 2021	-	72,221	72,221
Depreciation charge for the year	-	1,053	1,053
At 31 December 2021	-	73,274	73,274
Depreciation charge for the year	-	599	599
At 31 December 2022	-	73,873	73,873
Carrying amount			
At 31 December 2021	398,004	728	398,732
At 31 December 2022	398,004	1,262	399,266

The Group determined fair value of investment properties in consolidated and separate financial statements as at 31 December 2022 at open market values on an existing use basis. The fair value was Baht 1,082 million (2021: Baht 1,049 million) and Baht 1,063 million (2021: Baht 1,032 million), respectively.

The fair value measurement for investment properties has been categorized as a Level 3 fair value based on the inputs to the valuation technique used, which is market and income approach.

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10 Property, plant and equipment

	Consolidated financial statements						
	Land and land improvements	Buildings and structures	Machinery and equipment	Furniture fixtures and office equipment <i>(in thousand Baht)</i>	Transportation and equipment	Construction in progress	Total
Cost							
At 1 January 2021	1,537,970	3,387,333	15,026,018	372,773	184,091	181,692	20,689,877
Additions	24,794	14,886	110,111	15,875	62,668	166,690	395,024
Disposals/written off	(9,207)	(15,117)	(56,532)	(9,507)	(33,104)	-	(123,467)
Transfer in (out)	-	1,495	125,759	15,143	-	(142,397)	-
Transfer to other non-current assets	-	(338)	(40,523)	(486)	-	-	(41,347)
At 31 December 2021	1,553,557	3,388,259	15,164,833	393,798	213,655	205,985	20,920,087
Additions	12,956	19,807	69,216	13,564	141,289	276,202	533,034
Disposals/written off	(8,307)	(36,713)	(143,830)	(12,656)	(48,689)	-	(250,195)
Transfer in (out)	3,359	11,185	64,914	3,652	-	(83,282)	(172)
Transfer to other non-current assets	-	(107)	(31,510)	-	-	-	(31,617)
At 31 December 2022	1,561,565	3,382,431	15,123,623	398,358	306,255	398,905	21,171,137

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	Consolidated financial statements						
	Land and land improvements	Buildings and structures	Machinery and equipment	Furniture fixtures and office equipment <i>(in thousand Baht)</i>	Transportation and equipment	Construction in progress	Total
<i>Accumulated depreciation and accumulated impairment losses</i>							
At 1 January 2021	308,146	2,260,998	12,652,947	302,046	94,494	-	15,618,631
Depreciation charge for the year	32,884	105,271	384,123	35,517	58,990	-	616,785
Impairment losses	-	15	2,948	-	-	-	2,963
Disposals/written off	(9,207)	(11,740)	(43,589)	(9,468)	(28,170)	-	(102,174)
Transfer to other non-current assets	-	(338)	(40,521)	(486)	-	-	(41,345)
At 31 December 2021	331,823	2,354,206	12,955,908	327,609	125,314	-	16,094,860
Depreciation charge for the year	35,485	96,271	358,892	35,521	57,766	-	583,935
Impairment losses	8,266	133,419	562,533	3,979	338	-	708,535
Disposals/written off	(7,495)	(35,174)	(142,240)	(12,142)	(43,679)	-	(240,730)
Transfer to other non-current assets	-	(104)	(30,366)	-	-	-	(30,470)
At 31 December 2022	368,079	2,548,618	13,704,727	354,967	139,739	-	17,116,130
<i>Carrying amount</i>							
At 31 December 2021							
Owned assets	1,201,101	1,024,784	2,171,348	64,830	1,104	205,985	4,669,152
Right-of-use assets	20,633	9,269	37,577	1,359	87,237	-	156,075
	1,221,734	1,034,053	2,208,925	66,189	88,341	205,985	4,825,227
At 31 December 2022							
Owned assets	1,173,429	825,444	1,385,659	40,493	475	398,905	3,824,405
Right-of-use assets	20,057	8,369	33,237	2,898	166,041	-	230,602
	1,193,486	833,813	1,418,896	43,391	166,516	398,905	4,055,007

In 2022, the right-of-use assets of the Group has increased amounting to Baht 168 million (2021: Baht 142 million).

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	Separate financial statements						Total
	Land and Land improvements	Buildings and structures	Machinery and equipment	Furniture fixtures and office equipment <i>(in thousand Baht)</i>	Transportation and equipment	Construction in progress	
Cost							
At 1 January 2021	1,399,100	2,767,481	12,305,509	309,885	181,890	170,519	17,134,384
Additions	25,798	10,823	89,294	15,738	61,419	145,306	348,378
Disposals/written off	(9,207)	(15,117)	(28,840)	(9,507)	(32,135)	-	(94,806)
Transfer in (out)	-	1,495	117,982	15,143	-	(134,620)	-
Transfer to other non-current assets	-	(338)	(40,523)	(486)	-	-	(41,347)
At 31 December 2021	1,415,691	2,764,344	12,443,422	330,773	211,174	181,205	17,346,609
Additions	11,792	16,480	51,280	11,332	120,780	198,719	410,383
Disposals/written off	(6,893)	(32,204)	(97,492)	(12,569)	(47,682)	-	(196,840)
Transfer in (out)	3,359	11,185	40,911	3,652	-	(59,107)	-
Transfer to other non-current assets	-	(107)	(31,510)	-	-	-	(31,617)
At 31 December 2022	1,423,949	2,759,698	12,406,611	333,188	284,272	320,817	17,528,535

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	Separate financial statements						
	Land and Land improvements	Buildings and structures	Machinery and equipment	Furniture fixtures and office equipment <i>(in thousand Baht)</i>	Transportation and equipment	Construction in progress	Total
<i>Accumulated depreciation and accumulated impairment losses</i>							
At 1 January 2021	308,146	1,727,853	10,160,160	244,584	93,579	-	12,534,322
Depreciation charge for the year	33,218	94,270	324,494	34,102	58,339	-	544,423
Impairment losses	-	15	2,948	-	-	-	2,963
Disposals/written off	(9,207)	(11,740)	(28,472)	(9,468)	(27,475)	-	(86,362)
Transfer to other non-current assets	-	(338)	(40,521)	(486)	-	-	(41,345)
At 31 December 2021	332,157	1,810,060	10,418,609	268,732	124,443	-	12,954,001
Depreciation charge for the year	34,768	85,140	301,772	34,054	56,013	-	511,747
Impairment losses	8,266	133,419	562,533	3,979	338	-	708,535
Disposals/written off	(6,193)	(30,666)	(96,732)	(12,055)	(43,040)	-	(188,686)
Transfer to other non-current assets	-	(104)	(30,366)	-	-	-	(30,470)
At 31 December 2022	368,998	1,997,849	11,155,816	294,710	137,754	-	13,955,127
<i>Carrying amount</i>							
At 31 December 2021							
Owned assets	1,062,231	945,015	1,988,840	60,682	1,104	181,205	4,239,077
Right-of-use assets	21,303	9,269	35,973	1,359	85,627	-	153,531
	1,083,534	954,284	2,024,813	62,041	86,731	181,205	4,392,608
At 31 December 2022							
Owned assets	1,034,558	753,480	1,218,645	37,400	475	320,817	3,365,375
Right-of-use assets	20,393	8,369	32,150	1,078	146,043	-	208,033
	1,054,951	761,849	1,250,795	38,478	146,518	320,817	3,573,408

In 2022, the right-of-use assets of the Company has increased Baht 142 million (2021: Baht 132 million).

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11 Leases

The Group leases land, building, vehicles and equipment. The rental due and rate are as specified in the contract.

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>For the year ended 31 December</i>				
<i>Amounts recognized in profit or loss</i>				
Depreciation of right-of-use assets:				
- Buildings and land improvements	22,143	28,727	22,478	29,062
- Equipment	7,923	8,033	3,823	2,290
- Vehicles	56,810	57,848	55,057	57,198
- Others	1,554	3,180	1,211	3,180
Interest on lease liabilities	4,273	3,511	4,020	3,171
Expenses relating to short-term leases	2,083	3,447	1,873	3,286
Expenses relating to lease of low-value-assets	10,960	14,394	9,437	12,918

12 Other intangible assets

	Software licenses	Consolidated financial statements Other intangible assets		Development cost	Total
		<i>(in thousand Baht)</i>			
<i>Cost</i>					
At 1 January 2021	228,506	56,585	7,849		292,940
Additions	429	930	7,757		9,116
Disposals/written off	(635)	-	-		(635)
Transfer in (out)	4,500	-	(4,580)		(80)
Transfer to other non-current assets	-	(37)	-		(37)
At 31 December 2021	232,800	57,478	11,026		301,304
Additions	1,293	280	9,803		11,376
Disposals/written off	(49)	(263)	-		(312)
Transfer in (out)	6,738	300	(6,866)		172
At 31 December 2022	240,782	57,795	13,963		312,540
<i>Accumulated amortization</i>					
At 1 January 2021	164,825	26,742	-		191,567
Amortization charge for the year	17,628	8,774	-		26,402
Impairment losses	-	16	-		16
Disposals/written off	(634)	-	-		(634)
Transfer to other non-current assets	-	(37)	-		(37)
At 31 December 2021	181,819	35,495	-		217,314
Amortization charge for the year	17,962	8,188	-		26,150
Impairment losses	472	7,993	-		8,465
Disposals/written off	(49)	(110)	-		(159)
At 31 December 2022	200,204	51,566	-		251,770
<i>Carrying amount</i>					
At 31 December 2021	50,981	21,983	11,026		83,990
At 31 December 2022	40,578	6,229	13,963		60,770

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	Software licenses	Separate financial statements		Total
		Other intangible assets	Development cost	
<i>(in thousand Baht)</i>				
Cost				
At 1 January 2021	224,075	56,585	7,849	288,509
Additions	429	930	6,774	8,133
Disposals/written off	(635)	-	-	(635)
Transfers in (out)	4,500	-	(4,580)	(80)
Transfer to other non-current assets	-	(37)	-	(37)
At 31 December 2021	228,369	57,478	10,043	295,890
Additions	1,293	280	9,679	11,252
Disposals/written off	(1,239)	(263)	-	(1,502)
Transfers in (out)	5,583	300	(5,883)	-
At 31 December 2022	234,006	57,795	13,839	305,640
Accumulated amortization				
At 1 January 2021	160,730	26,742	-	187,472
Amortization charge for the year	17,408	8,774	-	26,182
Impairment losses	-	16	-	16
Disposals/written off	(634)	-	-	(634)
Transfer to other non-current assets	-	(37)	-	(37)
At 31 December 2021	177,504	35,495	-	212,999
Amortization charge for the year	17,491	8,188	-	25,679
Impairment losses	472	7,993	-	8,465
Disposals/written off	(80)	(110)	-	(190)
At 31 December 2022	195,387	51,566	-	246,953
Carrying amount				
At 31 December 2021	50,865	21,983	10,043	82,891
At 31 December 2022	38,619	6,229	13,839	58,687

Amortization expenses of other intangible assets are included in cost of sales, distribution costs and administrative expenses in the income statement.

13 Deferred tax assets (deferred tax liabilities)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, and are included in the consolidated statement of financial position as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<i>(in thousand Baht)</i>				
Deferred tax assets	418,136	257,292	393,257	233,397
Deferred tax liabilities	(70,714)	(68,097)	(70,714)	(68,097)
Net	347,422	189,195	322,543	165,300

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Movements in total deferred tax assets and liabilities during the years were as follows:

	At 1 January 2021	Consolidated financial statements Credited (charged) to		At 31 December 2021
		profit or loss	other comprehensive income	
		<i>(note 23)</i> <i>(in thousand Baht)</i>		
<i>Deferred tax assets</i>				
Inventories	60,978	521	-	61,499
Investment property	41,032	(100)	-	40,932
Property, plant and equipment	21,065	(3,237)	-	17,828
Provisions for employee benefits	133,530	(7,986)	(6,975)	118,569
Others	20,684	(2,220)	-	18,464
Total	277,289	(13,022)	(6,975)	257,292
<i>Deferred tax liabilities</i>				
Property, plant and equipment	(64,373)	(3,724)	-	(68,097)
Net	212,916	(16,746)	(6,975)	189,195
		<i>(note 23)</i> <i>(in thousand Baht)</i>		
	At 1 January 2022	profit or loss	other comprehensive income	At 31 December 2022
<i>Deferred tax assets</i>				
Inventories	61,499	27,023	-	88,522
Investment property	40,932	(108)	-	40,824
Property, plant and equipment	17,828	137,258	-	155,086
Provisions for employee benefits	118,569	6,440	(16,836)	108,173
Others	18,464	7,067	-	25,531
Total	257,292	177,680	(16,836)	418,136
<i>Deferred tax liabilities</i>				
Property, plant and equipment	(68,097)	(2,617)	-	(70,714)
Net	189,195	175,063	(16,836)	347,422

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	At 1 January 2021	Separate financial statements Credited (charged) to		At 31 December 2021
		profit or loss	other comprehensive income	
		(note 23)		
		(in thousand Baht)		
Deferred tax assets				
Inventories	57,252	(1,556)	-	55,696
Investment property	39,069	(100)	-	38,969
Property, plant and equipment	21,065	(3,237)	-	17,828
Provisions for employee benefits	113,892	(4,707)	(5,161)	104,024
Others	18,943	(2,063)	-	16,880
Total	250,221	(11,663)	(5,161)	233,397
Deferred tax liabilities				
Property, plant and equipment	(64,373)	(3,724)	-	(68,097)
Net	185,848	(15,387)	(5,161)	165,300
		Separate financial statements Credited (charged) to		
		profit or loss	other comprehensive income	
		(note 23)		
		(in thousand Baht)		
Deferred tax assets				
Inventories	55,696	26,042	-	81,738
Investment property	38,969	(99)	-	38,870
Property, plant and equipment	17,828	137,225	-	155,053
Provisions for employee benefits	104,024	5,410	(15,502)	93,932
Others	16,880	6,784	-	23,664
Total	233,397	175,362	(15,502)	393,257
Deferred tax liabilities				
Property, plant and equipment	(68,097)	(2,617)	-	(70,714)
Net	165,300	172,745	(15,502)	322,543

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14 Changes in liabilities arising from financing activities

Changes in significant liabilities arising from financing activities were as follows:

	Consolidated financial statements Lease liabilities <i>(in thousand Baht)</i>	Separate financial statements Lease liabilities
At 1 January 2021	139,564	116,863
Changes from financing cash flows	(102,563)	(96,262)
Other non-cash movement	111,961	125,573
At 31 December 2021	148,962	146,174
Changes from financing cash flows	(89,866)	(83,737)
Other non-cash movement	163,422	137,616
At 31 December 2022	222,518	200,053

15 Interest-bearing liabilities

	Consolidated financial statements					
	Secured	2022		Secured	2021	
		Unsecured	Total		Unsecured	Total
	<i>(in thousand Baht)</i>					
Current						
Current portion of lease liabilities	-	75,066	75,066	-	57,820	57,820
Non-current						
Lease liabilities	-	147,452	147,452	-	91,142	91,142
Total interest-bearing liabilities	-	222,518	222,518	-	148,962	148,962
	Separate financial statements					
	Secured	2022		Secured	2021	
		Unsecured	Total		Unsecured	Total
	<i>(in thousand Baht)</i>					
Current						
Current portion of lease liabilities	-	69,667	69,667	-	56,635	56,635
Non-current						
Lease liabilities	-	130,386	130,386	-	89,539	89,539
Total interest-bearing liabilities	-	200,053	200,053	-	146,174	146,174

All of interest-bearing liabilities are in Thai Baht.

As at 31 December 2022, the Group has overdraft lines with several banks amounting to approximately Baht 100 million (2021: Baht 100 million).

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16 Trade and other current payables

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<i>(in thousand Baht)</i>					
Trade payables					
Other parties		720,827	689,433	596,714	593,096
Related parties	4	214,521	171,068	400,248	329,490
		<u>935,348</u>	<u>860,501</u>	<u>996,962</u>	<u>922,586</u>
Other current payables					
Related parties	4	48,549	47,850	45,825	46,009
Other parties					
Accrued expenses		525,960	438,529	433,568	403,360
Construction payables		50,869	32,453	46,283	28,187
Suspense value added tax and withholding tax		39,200	40,358	32,393	36,919
Employee payables		15,156	9,638	12,904	9,630
Others		90,511	57,912	82,767	51,576
		<u>770,245</u>	<u>626,740</u>	<u>653,740</u>	<u>575,681</u>
Total		<u>1,705,593</u>	<u>1,487,241</u>	<u>1,650,702</u>	<u>1,498,267</u>

17 Non-current provisions for employee benefits

The Group operates defined benefit plans based on the requirement of the Thai Labor Protection Act B.E. 2541 to provide retirement benefits and other long-term benefits to employees based on pensionable remuneration and length of service.

The defined benefit plans expose the Group to actuarial risks, such as longevity risk and interest rate risk.

Non-current provisions for employee benefits in statements of financial position as at 31 December

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<i>(in thousand Baht)</i>				
Post-employment benefits				
Legal severance payments plan	470,338	543,518	401,952	473,555
Other long-term employee benefits	22,172	21,986	21,889	21,929
Total non-current provisions for defined benefit plans	<u>492,510</u>	<u>565,504</u>	<u>423,841</u>	<u>495,484</u>
Other employee benefits	598	728	598	728
Total	<u>493,108</u>	<u>566,232</u>	<u>424,439</u>	<u>496,212</u>

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Movements in the present value of non-current provisions for defined benefit plans

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Non-current provisions for defined benefit plans at 1 January	565,504	577,661	495,484	500,650
<i>Included in profit or loss</i>				
Current service costs	31,052	33,967	26,976	29,129
Interest on obligation	10,789	8,190	9,519	7,147
Transfer of non-current provisions for employee benefits to related parties	-	-	(2,704)	-
Actuarial (gains) losses	(118)	910	(162)	904
	41,723	43,067	33,629	37,180
<i>Included in other comprehensive income</i>				
Actuarial gains	(84,180)	(34,874)	(77,511)	(25,807)
<i>Others</i>				
Benefits paid	(22,601)	(17,929)	(19,972)	(14,862)
Transfer to current provisions	(7,936)	(2,421)	(7,789)	(1,677)
	(114,717)	(55,224)	(105,272)	(42,346)
Non-current provisions for defined benefit plans at 31 December	492,510	565,504	423,841	495,484

Actuarial losses (gains) recognized in other comprehensive income as of the end of the reporting period arising from:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>For the years ended 31 December</i>				
Demographic assumptions	3,233	8	411	8
Financial assumptions	(81,650)	(43,339)	(74,218)	(38,689)
Experience adjustment	(5,763)	8,457	(3,704)	12,874
Total	(84,180)	(34,874)	(77,511)	(25,807)

Actuarial assumptions

Principal actuarial assumptions as of the end of the reporting period

	2022	2021
	(%)	
Discount rate *	2.46 - 3.31	1.95 - 2.07
Salary increase rate	0.50 - 8.50	0.50 - 8.50
Employee turnover rate **	4.00 - 15.00	4.00 - 17.00
Mortality rate ***	50.00 of TMO2017	50.00 of TMO2017

* Market yields on government's bonds for legal severance payments plan

** Upon the length of service

*** Reference from TMO2017: Thai Mortality Ordinary Table 2017

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At 31 December 2022, the weighted-average duration for payment of long-term employee benefits was approximately 10 - 16 years. (2021 : 12 - 13 years)

Sensitivity analysis

Reasonably possible changes at the end of the reporting period to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the non-current provisions for defined benefit plans by the amounts shown below.

Effect on the non-current provisions for defined benefit plans at 31 December

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
		Increase (decrease)		
		<i>(in thousand Baht)</i>		
Discount rate				
0.5% increase	(20,714)	(26,506)	(17,887)	(23,445)
0.5% decrease	22,123	28,470	19,104	25,193
Salary increase rate				
1.0% increase	43,646	53,968	37,764	47,864
1.0% decrease	(39,059)	(47,960)	(33,802)	(42,507)
Employee turnover rate				
10.0% increase	(17,369)	(22,047)	(15,289)	(19,540)
10.0% decrease	18,238	23,266	16,066	20,626

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it provides an approximation of the sensitivity of the assumptions shown.

18 Legal reserves and premiums

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account (“share premium”). Share premium is not available for dividend distribution.

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorized capital. The legal reserve is not available for dividend distribution.

Premium on amalgamation under common control

Premium on amalgamation under common control recorded in shareholders’ equity is the difference between the carrying amounts of net assets of subsidiaries on the amalgamation date and amounts of consideration paid, and the difference between the carrying amounts of subsidiaries in consolidated financial statement and separate financial statements before the amalgamation and the carrying amounts of each subsidiary.

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19 Business segment information

Segment information is presented in respect of the Group's business segments. The primary format, business segments, is based on the Group's management and internal reporting structure.

Segment assets, revenues and results of operations include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The Group comprises the following main business segments:

- Manufacturing and sales of ceramic tiles business
- Industrial estate development, real estate business and installation service of solar equipment

Information regarding the results of each reportable segment use to evaluate performance and allocate resources for management. The Group measured performance based on segment profit before income tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before income tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Information relating to business segments for the years ended 31 December was as follows:

	Manufacturing and sales of ceramic tiles		Industrial estate development, real estate and installation service of solar equipment		Total	
	2022	2021	2022	2021	2022	2021
	<i>(in thousand Baht)</i>					
<i>Information from consolidated income statement</i>						
Revenue from sales and rendering of services	12,421,394	10,418,793	735,674	723,707	13,157,068	11,142,500
Revenue from land sales	-	-	-	130,680	-	130,680
Other income	56,343	62,729	3,503	4,892	59,846	67,621
Interest income	7,023	3,733	-	-	7,023	3,733
Finance cost	4,046	3,513	229	-	4,275	3,513
Depreciation and amortization	587,887	621,441	22,330	23,153	610,217	644,594
Profit (loss) before income tax	(374,299)	592,565	96,515	137,815	(277,784)	730,380
Tax income (expense)	68,921	(119,203)	(19,024)	(27,573)	49,897	(146,776)
Profit (loss) for the year	<u>(305,378)</u>	<u>473,362</u>	<u>77,491</u>	<u>110,242</u>	<u>(227,887)</u>	<u>583,604</u>

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	Manufacturing and sales of ceramic tiles		Industrial estate development, real estate and installation service of solar equipment		Total	
	2022	2021	2022	2021	2022	2021
	<i>(in thousand Baht)</i>					
Information from consolidated statement of financial position						
Land development for sale	-	-	429,701	429,701	429,701	429,701
Segment assets	9,830,648	10,363,082	1,049,680	728,595	10,880,328	11,091,677

Geographical segment

The Group has presented information on the basis of geographical information, revenue information is based on the geographical location of customers.

Geographical segment information

	2022	2021
	<i>(in thousand Baht)</i>	
Revenue from sales and rendering of services		
Thailand	10,714,957	9,392,675
Other countries	2,442,111	1,880,505
Total	13,157,068	11,273,180

Major customer

Revenues from one major customer of the Group's manufacturing and sales of ceramic tiles segment represents approximately Baht 1,082 million for the year 2022 (2021: Baht 1,292 million) of the Group's total revenues.

20 Distribution costs

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Freight	904,665	804,584	744,553	663,932
Salary, welfare and personnel expenses	540,056	493,065	522,032	476,142
Sales promotion and advertising expenses	300,152	244,479	296,088	243,491
Depreciation and amortization expenses	149,355	145,251	139,764	135,723
Outside wages	16,302	14,156	15,597	13,894
Communication expenses	4,037	3,535	4,024	3,518
Rental expenses	3,875	9,690	3,816	9,535
Others	133,883	117,040	132,108	115,433
Total	2,052,325	1,831,800	1,857,982	1,661,668

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21 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Impairment loss on assets and loss for decline in value of inventories	817,934	11,780	820,083	10,120
Salary, welfare and personnel expenses	287,279	297,837	261,457	275,823
IT fees	111,900	110,027	97,399	95,499
Professional and other fees	98,067	85,049	86,274	75,810
Depreciation and amortization expenses	39,227	43,117	37,721	41,785
Mutual separation plan expenses	23,343	9,812	21,907	8,488
Rental expenses	8,894	5,680	9,253	6,147
Maintenance and supplies	3,798	3,919	3,196	3,386
Outside wages	3,421	2,553	3,027	1,872
Others	66,013	47,648	60,835	42,973
Total	<u>1,459,876</u>	<u>617,422</u>	<u>1,401,152</u>	<u>561,903</u>

22 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Salaries and wages	1,704,725	1,679,002	1,478,403	1,464,768
Welfares and others	173,740	143,207	159,247	128,633
Contribution to defined contribution plans	108,484	111,626	98,107	101,371
Contribution to defined benefit plans	41,723	43,067	36,334	37,180
Mutual separation plan expenses	23,343	9,812	21,908	8,488
Total	<u>2,052,015</u>	<u>1,986,714</u>	<u>1,793,999</u>	<u>1,740,440</u>

The Group has provident fund plans to provide retirement and gratuity benefits to employees upon resignation at 5% to 10% of the employees' salaries, depending on the length of employment.

The defined contribution plans comprise provident funds established by the Group for its employees in addition to the above provident fund. The provident funds were registered with the Ministry of Finance under the Provident Fund Act B. E. 2530. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at 2% to 15% of their basic salaries and by the Company at 5% to 13% of the members' basic salaries, depending on the length of employment.

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23 Income tax

Income tax recognized in profit or loss

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
Current tax					
Current tax		125,049	130,142	109,237	108,340
Under (over) provided in prior years		117	(112)	138	(450)
		<u>125,166</u>	<u>130,030</u>	<u>109,375</u>	<u>107,890</u>
Deferred tax					
Movement in temporary differences	13	<u>(175,063)</u>	<u>16,746</u>	<u>(172,745)</u>	<u>15,387</u>
Total		<u>(49,897)</u>	<u>146,776</u>	<u>(63,370)</u>	<u>123,277</u>

Income tax recognized in other comprehensive income

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
Losses on remeasurement of defined benefit plans	13	<u>(16,836)</u>	<u>(6,975)</u>	<u>(15,502)</u>	<u>(5,161)</u>

Reconciliation of effective tax rate

		Consolidated financial statements			
		2022		2021	
	Rate (%)	<i>(in thousand Baht)</i>		<i>(in thousand Baht)</i>	
Profit (loss) before income tax expenses		<u>(277,784)</u>		<u>730,380</u>	
Income tax using the Thai corporation tax rate	20	(55,557)		146,076	
Expenses deductible at a greater amount		(3,370)		(4,299)	
Expenses not deductible for tax purposes and others		<u>183,976</u>		<u>(11,635)</u>	
Current tax		<u>125,049</u>		<u>130,142</u>	
Under (over) provided in prior year		117		(112)	
Movements in temporary differences		<u>(175,063)</u>		<u>16,746</u>	
Income tax expenses (benefit)	18	<u>(49,897)</u>		<u>146,776</u>	

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	Separate financial statements			
		2022		2021
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit (loss) before income tax expenses		(172,340)		612,203
Income tax using the Thai corporation tax rate	20	(34,468)	20	122,441
Income not subject to tax		(29,993)		-
Expenses deductible at a greater amount		(2,753)		(3,565)
Expenses not deductible for tax purposes and others		176,451		(10,536)
Current tax		109,237		108,340
Under (over) provided in prior year		138		(450)
Movements in temporary differences		(172,745)		15,387
Income tax expenses (benefit)	37	(63,370)	20	123,277

24 Promotional privileges

By virtue of the provision of the Investment Promotion Act B.E. 2520, referred to the promotional certificates dated 7 July 2014, the Company were granted certain promotion privileges in the manufacturing and sales of ceramic tiles business include, among others, exemption from payment of corporate income tax on the net profit derived from the promoted activity for a period of seven (7) years from the start of commercial operations, and exemption of fifty percent from payment of import duty on imported machinery, etc.

As a promoted company, the Company must comply with certain terms and conditions prescribed in the promotional certificate.

The Company's sales classified under promoted and non-promoted businesses for the years ended 31 December are as follows:

	Consolidated financial statements					
	2022		Total (in thousand Baht)	2021		Total
	Promoted business	Non-promoted business		Promoted business	Non-promoted business	
Local	34,469	10,680,488	10,714,957	31,651	9,365,255	9,396,906
Export	24,945	2,417,166	2,442,111	39,455	1,836,819	1,876,274
Total	59,414	13,097,654	13,157,068	71,106	11,202,074	11,273,180

	Separate financial statements					
	2022		Total (in thousand Baht)	2021		Total
	Promoted business	Non-promoted business		Promoted business	Non-promoted business	
Local	34,469	10,360,400	10,394,869	31,651	9,365,309	9,396,960
Export	24,945	2,417,166	2,442,111	39,455	1,836,819	1,876,274
Total	59,414	12,777,566	12,836,980	71,106	11,202,128	11,273,234

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25 Dividends

The dividends paid by the Company to the shareholders were as follows:

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in thousand Baht)
<i>2022</i>				
Final dividend 2021	25 March 2022	22 April 2022	0.047	280,243
Total			0.047	280,243
<i>2021</i>				
Final dividend 2020	29 March 2021	22 April 2021	0.029	172,916
Total			0.029	172,916

26 Financial instruments

(a) Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at amortized cost if the carrying amount is a reasonable approximation of fair value.

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<i>At 31 December 2022</i>	Consolidated financial statements				Fair value		
	Carrying amount				Level 2	Level 3	Total
	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total <i>(in thousand Baht)</i>			
<i>Financial assets</i>							
Cash and cash equivalents	-	-	712,549	712,549			
Trade receivables	-	-	1,478,391	1,478,391			
Derivatives assets	2,450	-	-	2,450	2,450		2,450
Long-term investment in other company	-	16,605	-	16,605		16,605	16,605
Total financial assets	2,450	16,605	2,190,940	2,209,995			
<i>Financial liabilities</i>							
Trade payables	-	-	935,348	935,348			
Lease liabilities	-	-	222,518	222,518			
Derivatives liabilities	28,910	-	-	28,910	28,910		28,910
Total financial liabilities	28,910	-	1,157,866	1,186,776			

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<i>At 31 December 2021</i>	Consolidated financial statements				Fair value		
	Carrying amount				Level 2	Level 3	Total
	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total			
				Total			
				<i>(in thousand Baht)</i>			
<i>Financial assets</i>							
Cash and cash equivalents	-	-	1,323,902	1,323,902			
Trade receivables	-	-	1,238,650	1,238,650			
Derivatives assets	3,204	-	-	3,204	3,204		3,204
Long-term investment in other company	-	16,605	-	16,605		16,605	16,605
Total financial assets	<u>3,204</u>	<u>16,605</u>	<u>2,562,552</u>	<u>2,582,361</u>			
<i>Financial liabilities</i>							
Trade payables	-	-	860,501	860,501			
Lease liabilities	-	-	148,962	148,962			
Derivatives liabilities	1,734	-	-	1,734	1,734		1,734
Total financial liabilities	<u>1,734</u>	<u>-</u>	<u>1,009,463</u>	<u>1,011,197</u>			

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	Separate financial statements				Fair value		Total
	Fair value through profit or loss	Carrying amount Fair value through other comprehensive income	Amortized cost	Total	Level 2	Level 3	
<i>At 31 December 2022</i>							
				(in thousand Baht)			
Financial assets							
Cash and cash equivalents	-	-	500,621	500,621			
Trade receivables	-	-	1,299,973	1,299,973			
Derivatives assets	2,450	-	-	2,450	2,450		2,450
Long-term investment in other company	-	16,605	-	16,605		16,605	16,605
Total financial assets	2,450	16,605	1,800,594	1,819,649			
Financial liabilities							
Trade payables	-	-	996,962	996,962			
Lease liabilities	-	-	200,053	200,053			
Derivatives liabilities	27,358	-	-	27,358	27,358		27,358
Total financial liabilities	27,358	-	1,197,015	1,224,373			

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	Separate financial statements				Fair value		
	Carrying amount			Total	Level 2	Level 3	Total
	Fair value through profit or loss	Fair value through other comprehensive income	Amortized cost				
<i>At 31 December 2021</i>							
				(in thousand Baht)			
Financial assets							
Cash and cash equivalents	-	-	826,460	826,460			
Trade receivables	-	-	1,238,650	1,238,650			
Derivatives assets	3,204	-	-	3,204	3,204		3,204
Long-term investment in other company	-	16,605	-	16,605		16,605	16,605
Total financial assets	<u>3,204</u>	<u>16,605</u>	<u>2,065,110</u>	<u>2,084,919</u>			
Financial liabilities							
Trade payables	-	-	922,586	922,586			
Lease liabilities	-	-	146,174	146,174			
Derivatives liabilities	1,734	-	-	1,734	1,734		1,734
Total financial liabilities	<u>1,734</u>	<u>-</u>	<u>1,068,760</u>	<u>1,070,494</u>			

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Financial instruments measured at fair value

The Group determined Level 2 fair values for financial assets and financial liabilities using valuation techniques as follows:

- Investment in debt instruments and share which are simple over-the-counter securities are based on broker quotes. Those quotes are tested for reasonableness by discounting expected future cash flows using market interest rate for a similar financial instrument at the measurement date. Fair values reflect the credit risk of the financial instrument and include adjustments to take account of the credit risk of the Group and counterparty when appropriate.
- Derivatives assets and liabilities such as forward exchange contracts and commodity contracts were calculated using the rates initially quoted by the Group's bankers which were based on market conditions existing at the end of the reporting period to reflect current fair values of the contracts. The fair value of interest rate swap is calculated from the difference between the present value of future cash flows based on the yield curve of the contractual interest rate and the expected interest rate based on observable market for similar financial instruments.

The Group determined Level 3 fair values for financial assets and financial liabilities using valuation techniques as follows:

- Investments in equity instruments which is not actively traded in market were calculated using valuation techniques such as the latest reporting net assets adjusted by relevant factors. This was because the equity instruments were not listed on any stock exchanges and there were no recent observable arm's length transactions in the instruments.
- Contingent consideration using the discounted cash flow technique: significant unobservable inputs such as expected cash flows and risk-adjusted discount rate.

(b) Financial risk management policies

Risk management framework

The Group's Finance Committee has responsibility for the establishment of financial risk management policies and guidelines including foreign currency risk related to capital expenditures, investment borrowing, deposit and international trade transaction. This also includes establishing policies and overseeing the process of financial derivatives and cash management for efficiency of the Group's financial operation under risk appetite and consistent practice. The policies are appropriately reviewed to the changing situation. The Group's Finance Committee monitors financial status and reports regularly to the Group's Management Committee.

(b.1) Credit risk

Credit risk is the risk of Group's financial loss if a customer or a financial counterparty fails to meet its contractual obligations.

(b.1.1) Cash and cash equivalent and derivatives

The Group's credit risk arising from cash and cash equivalents and derivatives is limited because the counterparties are banks and financial institutions which the Group considers having low credit risk.

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(b.1.2) Trade receivables

The Group's credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The Group has established a credit policy under which each new customer is analyzed individually for creditworthiness before credit limit, credit term and trade terms are offered. In case of sales exceeding the limits, it must be approval by authorized person.

The Group limits its exposure to credit risk from trade receivables by establishing a maximum payment period. Outstanding trade receivables are regularly monitored by the Group. An impairment analysis is performed by the Group at each reporting date. The provision rates of expected credit loss are based on days past due to reflect differences between economic conditions in the past, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Information relevant to trade receivables are disclosed in note 6.

(b.2) Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management for the Group's operations including payment of liabilities that are due and to mitigate the risk from the lack of future liquidity.

The effective interest rates of interest-bearing financial liabilities as at 31 December and the periods in which those liabilities mature were as follows:

	Effective interest rates (% p.a.)	Consolidated financial statements		Total
		Within 1 year	After 1 year but within 5 years (in thousand Baht)	
Year 2022				
Current				
Lease liabilities	1.21 - 3.19	79,737	-	79,737
Non-current				
Lease liabilities	1.21 - 3.19	-	153,960	153,960
Total		79,737	153,960	233,697
Less deferred interest-lease liabilities				(11,179)
Net				222,518
Year 2021				
Current				
Lease liabilities	1.38 - 3.19	60,724	-	60,724
Non-current				
Lease liabilities	1.38 - 3.19	-	93,734	93,734
Total		60,724	93,734	154,458
Less deferred interest-lease liabilities				(5,496)
Net				148,962

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	Effective interest rates (% p.a.)	Separate financial statements Within 1 year	After 1 year but within 5 years (in thousand Baht)	Total
Year 2022				
Current				
Lease liabilities	1.21 - 3.19	73,843	-	73,843
Non-current				
Lease liabilities	1.21 - 3.19	-	136,241	136,241
Total		73,843	136,241	210,084
Less deferred interest-lease liabilities				(10,031)
Net				200,053
Year 2021				
Current				
Lease liabilities	1.38 - 3.19	59,486	-	59,486
Non-current				
Lease liabilities	1.38 - 3.19	-	93,625	93,625
Total		59,486	93,625	153,111
Less deferred interest-lease liabilities				(6,937)
Net				146,174

(b.3) Market risk

The Group has the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follow:

(b.3.1) Foreign currency risk

Foreign exchange risk arises from the fluctuation of foreign exchange rate.

The Group has foreign exchange risk arisen from the fluctuation of foreign exchange rate from purchase, sale, payment of machines and equipment and other receipt and payment which are denominated in foreign currencies. The Group manage that risk by entering forward exchange contracts to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the end of the reporting period also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

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As at 31 December, the Group has foreign currency risk from foreign currency assets and liabilities are as follows:

	Consolidated financial statements		
	US Dollar	Others	Total
<i>(in thousand Baht)</i>			
Currency risk			
As at 31 December 2022			
Trade receivables	103,393	7,766	111,159
Trade payables	(198,888)	(90,996)	(289,884)
Net statement of financial position exposure	(95,495)	(83,230)	(178,725)
Forward exchange selling contracts	(77,615)	(7,726)	(85,341)
Forward exchange purchase contracts	618,180	70,571	688,751
Net exposure	445,070	(20,385)	424,685
As at 31 December 2021			
Trade receivables	147,787	11,266	159,053
Trade payables	(148,414)	(76,119)	(224,533)
Net statement of financial position exposure	(627)	(64,853)	(65,480)
Forward exchange selling contracts	(149,987)	(11,214)	(161,201)
Forward exchange purchase contracts	431,041	24,824	455,865
Net exposure	280,427	(51,243)	229,184
Separate financial statements			
	US Dollar	Others	Total
<i>(in thousand Baht)</i>			
Currency risk			
As at 31 December 2022			
Trade receivables	103,393	7,766	111,159
Trade payables	(197,029)	(88,300)	(285,329)
Net statement of financial position exposure	(93,636)	(80,534)	(174,170)
Forward exchange selling contracts	(77,615)	(7,726)	(85,341)
Forward exchange purchase contracts	569,300	70,571	639,871
Net exposure	398,049	(17,689)	380,360
As at 31 December 2021			
Trade receivables	147,787	11,266	159,053
Trade payables	(144,636)	(74,336)	(218,972)
Net statement of financial position exposure	3,151	(63,070)	(59,919)
Forward exchange selling contracts	(149,987)	(11,214)	(161,201)
Forward exchange purchase contracts	431,041	24,824	455,865
Net exposure	284,205	(49,460)	234,745

Sensitivity analysis

A reasonably possible strengthening and weakening of functional currency against foreign currencies at 31 December would not have affected the measurement of financial instruments denominated in a foreign currency and not affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

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(b.3.2) Interest rate risk

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities, at FVTPL, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

A change of 1% in interest rates would not have significantly increased or decreased in equity. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

27 Commitments and contingent liabilities

As at 31 December 2022

- (a) The Company had letters of guarantee issued by banks to government, state enterprises, private sectors and others totaling approximately Baht 39 million (2021: Baht 22 million).
- (b) The Group had commitments for construction building and machinery totaling approximately Baht 77 million (2021: Baht 50 million).
- (c) The Group had entered into various lease agreements. The periods of these agreements are 5 years expiring in various dates up to September 2027. Under the terms of these agreements, the Group has to pay annual rental as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Within one year	8,796	10,574	7,735	9,275
After one year but within five years	11,150	10,058	9,656	8,748
Total	19,946	20,632	17,391	18,023

- (d) The Company has entered into a purchase agreement with a local company to purchase electricity and heat energy with a price which is calculated under the conditions as indicated in the agreement. This agreement shall be in effect for the period of fifteen (15) years commencing on June 2012.

28 Capital management

The management of the Group has a capital management policy with the objective to maintain a strong capital base by emphasizing on planning and determining operating strategies that will ensure a sustainable business performance and cash flow management. In addition, the Group considers to have a strong financial foundation. Therefore, the Group focuses on investing in projects that have good rates of return, maintaining appropriate working capital and having sufficient cash reserves and an appropriate investment structure to have a firm operating business in the future and to maintain the confidence of shareholders, investors, creditors and other stakeholders.

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29 Events after the reporting period

At the Board of Directors' Meeting of the Company held on 24 January 2023, the directors approved to submit for approval at the Annual General Meeting of Shareholders, the payment of a dividend for 2022 at the rate of Baht 0.04 per share, totaling approximately Baht 239 million is scheduled for payment on 21 April 2023.

30 Thai Financial Reporting Standards (TFRSs) that have been issued but are not yet effective

The Federation of Accounting Professions issued and revised TFRSs which are effective for annual accounting periods beginning on or after 1 January 2023 and have not been adopted in the preparation of these consolidated financial statements because they are not yet effective. The Group has assessed the potential initial impact on the consolidated and separate financial statements of these issued and revised TFRSs and expected that there will be no material impact on the consolidated and separate financial statements in the year of initial application.

31 Reclassification of accounts

Certain accounts in the income statement for year ended 31 December 2021 have been reclassified to conform to the presentation in the 2022 financial statements were as follows:

	Consolidated financial statements		
	Before reclassification	Reclassification <i>(in thousand Baht)</i>	After reclassification
<i>Consolidated income statement</i>			
<i>For the year ended 31 December 2021</i>			
Revenue from sales and rendering of services	11,063,430	79,070	11,142,500
Cost of sales and rendering of services	(8,019,632)	(84,337)	(8,103,969)
Other income	82,032	(10,678)	71,354
Administrative expenses	(633,367)	15,945	(617,422)
	Separate financial statements		
	Before reclassification	Reclassification <i>(in thousand Baht)</i>	After reclassification
<i>Income statement</i>			
<i>For the year ended 31 December 2021</i>			
Revenue from sales and rendering of services	11,063,484	79,070	11,142,554
Cost of sales and rendering of services	(8,389,915)	(68,392)	(8,458,307)
Other income	92,149	(10,678)	81,471