

(UNREVIEWED)

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

Interim consolidated financial statements

For the three-month period ended 31 March 2019

SCG Ceramics Public Company Limited and its Subsidiary

Statement of financial position

As at 31 March 2019

	Consolidated		Separated	
	financial statement		financial statement	
Assets	31 March	31 December	31 March	31 December
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<i>Current assets</i>				
Cash and cash equivalents	375,127	424,433	67,113	119,857
Trade and other current receivables	1,395,548	1,370,557	1,387,726	1,367,143
Inventories	2,902,844	2,898,357	2,550,152	2,544,046
Land development for sale	486,406	581,582	486,406	581,582
Other current assets	-	4,596	-	4,596
Total current assets	5,159,925	5,279,525	4,491,397	4,617,224
<i>Non-current assets</i>				
Other long-term investment	16,605	16,605	16,605	16,605
Investments in subsidiary	-	-	758,919	758,919
Other non-current receivables	134,666	144,088	134,666	144,088
Investment property	402,665	402,830	400,415	400,580
Property, plant and equipment	5,497,585	5,570,222	5,044,673	5,113,986
Goodwill	25,350	25,350	-	-
Other intangible assets	116,536	114,627	115,615	113,562
Deferred tax assets	143,128	138,964	124,539	119,681
Other non-current assets	36,278	33,230	36,278	33,230
Total non-current assets	6,372,813	6,445,916	6,631,710	6,700,651
Total assets	11,532,738	11,725,441	11,123,107	11,317,875

SCG Ceramics Public Company Limited and its Subsidiary

Statement of financial position

As at 31 March 2019

	Consolidated		Separated	
	financial statement		financial statement	
Liabilities and shareholders' equity	31 March	31 December	31 March	31 December
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Current liabilities				
Short-term borrowings				
from financial institutions	340,000	865,000	340,000	865,000
Trade and other current payables	1,667,361	1,505,898	1,731,349	1,543,740
Current income tax payable	40,393	3,445	32,845	-
Current provisions for employee benefits	14,951	23,010	14,449	22,508
Total current liabilities	2,062,705	2,397,353	2,118,643	2,431,248
Non-current liabilities				
Non-current provisions				
for employee benefits	406,233	399,957	348,040	343,519
Other non-current provisions	14,060	16,430	3,989	6,276
Other non-current liabilities	216	2,386	216	2,386
Total non-current liabilities	420,509	418,773	352,245	352,181
Total liabilities	2,483,214	2,816,126	2,470,888	2,783,429

SCG Ceramics Public Company Limited and its Subsidiary

Statement of financial position

As at 31 March 2019

	Consolidated		Separated	
	financial statement		financial statement	
Liabilities and shareholders' equity	31 March	31 December	31 March	31 December
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<i>Shareholders' equity</i>				
Share capital				
<i>Authorized share capital</i>				
- Ordinary share	5,962,621	5,962,621	5,962,621	5,962,621
<i>Issued and paid share capital</i>				
- Ordinary share	5,962,621	5,962,621	5,962,621	5,962,621
Share premium on ordinary shares	1,133,594	1,133,594	1,133,594	1,133,594
Surplus on business combinations				
under common control	211,060	211,060	274,225	274,225
Retained earnings				
<i>Appropriated</i>				
Legal reserve	206,907	206,907	206,907	206,907
<i>Unappropriated</i>				
	1,013,118	883,288	1,074,872	957,099
Total equity attributable to owners of the parent	8,527,300	8,397,470	8,652,219	8,534,446
Non-controlling interests	522,224	511,845	-	-
Total shareholders' equity	9,049,524	8,909,315	8,652,219	8,534,446
Total liabilities and shareholders' equity	11,532,738	11,725,441	11,123,107	11,317,875

SCG Ceramics Public Company Limited and its Subsidiary

Income statement

For the three-month period ended 31 March 2019

	Consolidated		Separated
	financial statement		financial
	2019	2018	statement
	2019		
	<i>(in thousand Baht)</i>		
Revenue from sales of goods	2,808,678	3,074,711	2,808,592
Revenue from sales of land	202,930	23,862	202,930
Cost of sales of goods	(2,106,355)	(2,241,799)	(2,198,589)
Cost of sales of land	(96,439)	(12,440)	(96,439)
Gross profit	808,814	844,334	716,494
Other income	51,610	46,555	48,883
Profit before expenses	860,424	890,889	765,377
Distribution costs	(468,371)	(559,060)	(419,765)
Administrative expenses	(212,355)	(278,147)	(193,189)
Total expenses	(680,726)	(837,207)	(612,954)
Profit from operations	179,698	53,682	152,423
Finance costs	(2,655)	(5,647)	(2,655)
Profit before income tax	177,043	48,035	149,768
Tax expense	(36,834)	(11,234)	(31,995)
Profit for the period	140,209	36,801	117,773
Profit attributable to			
Owners of the parent	129,830	31,693	117,773
Company in the Group before business restructuring	-	2,753	-
Non-controlling interests	10,379	2,355	-
	140,209	36,801	117,773
<i>Basic earnings per share (in Baht)</i>			
Attributable to owners of the parent	0.02	0.01	0.02

SCG Ceramics Public Company Limited and its Subsidiary

Statement of comprehensive income

For the three-month period ended 31 March 2019

	Consolidated financial statement		Separated financial statement
	2019	2018	2019
	<i>(in thousand Baht)</i>		
Profit for the period	140,209	36,801	117,773
Other comprehensive income			
<i>Components of other comprehensive income that will not be reclassified to profit or loss</i>			
Defined benefit plan actuarial losses	-	(2,894)	-
Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss	-	579	-
Total components of other comprehensive income that will not be reclassified to profit or loss	-	(2,315)	-
Other comprehensive income for the period, net of tax	-	(2,315)	-
Total comprehensive income for the period	140,209	34,486	117,773
Total comprehensive income attributable to			
Owners of the parent	129,830	29,378	117,773
Company in the Group before business restructuring	-	2,753	-
Non-controlling interests	10,379	2,355	-
	140,209	34,486	117,773

SCG Ceramics Public Company Limited and its Subsidiary

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2019

	Consolidated financial statement										
	<i>Other components of shareholders' equity</i>										
						<i>Other comprehensive income</i>					
	Issued and paid share capital	Ordinary shares held before amalgamation	Share premium on ordinary shares	Retained earnings Appropriated Legal reserve	Unappropriated	Investments held as available for sale	Total other components of shareholders' equity	Total equity attributable to owners of the parent	Shareholders' equity before amalgamation	Non-controlling interests	Total shareholders' equity
<i>(in thousand Baht)</i>											
Balance at 1 January 2018	5,962,621	(51,744)	1,133,594	200,150	1,356,571	90	90	8,601,282	776,668	522,973	9,900,923
Transactions with owners, recorded directly in shareholders' equity											
<i>Contributions by and distributions to owners of the parent</i>											
Dividends	-	-	-	-	(477,664)	-	-	(477,664)	-	-	(477,664)
<i>Total contributions by and distributions to owners of the parent</i>											
	-	-	-	-	(477,664)	-	-	(477,664)	-	-	(477,664)
Total transactions with owners, recorded directly in shareholders' equity	-	-	-	-	(477,664)	-	-	(477,664)	-	-	(477,664)
Comprehensive income for the period											
Profit or loss	-	-	-	-	31,693	-	-	31,693	2,753	2,355	36,801
Other comprehensive income	-	-	-	-	(2,315)	-	-	(2,315)	-	-	(2,315)
Total comprehensive income for the period	-	-	-	-	29,378	-	-	29,378	2,753	2,355	34,486
Transfer to legal reserve	-	-	-	376	(376)	-	-	-	-	-	-
Balance at 31 March 2018	5,962,621	(51,744)	1,133,594	200,526	907,909	90	90	8,152,996	779,421	525,328	9,457,745

SCG Ceramics Public Company Limited and its Subsidiary

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2019

	Consolidated financial statement							
	Issued and paid share capital	Share premium on ordinary shares	Surplus on business combinations under common control	<i>Retained earnings</i>		Total equity attributable to owners of the parent	Non- controlling interests	Total shareholders' equity
				Appropriated Legal reserve	Unappropriated			
				<i>(in thousand Baht)</i>				
Balance at 1 January 2019	5,962,621	1,133,594	211,060	206,907	883,288	8,397,470	511,845	8,909,315
Comprehensive income for the period								
Profit or loss	-	-	-	-	129,830	129,830	10,379	140,209
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	129,830	129,830	10,379	140,209
Balance at 31 March 2019	5,962,621	1,133,594	211,060	206,907	1,013,118	8,527,300	522,224	9,049,524

SCG Ceramics Public Company Limited and its Subsidiary

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2019

	Separated financial statement					Total shareholders' equity
	Issued and paid share capital	Share premium on ordinary shares	Surplus on business combinations under common control	<u>Retained earnings</u> Appropriated Legal reserve	Unappropriated	
	<i>(in thousand Baht)</i>					
Balance at 1 January 2019	5,962,621	1,133,594	274,225	206,907	957,099	8,534,446
Comprehensive income for the period						
Profit or loss	-	-	-	-	117,773	117,773
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	117,773	117,773
Balance at 31 March 2019	5,962,621	1,133,594	274,225	206,907	1,074,872	8,652,219

SCG Ceramics Public Company Limited and its Subsidiary

Statement of cash flows

For the three-month period ended 31 March 2019

	Consolidated		Separated
	financial statement		financial
	2019	2018	statement
	(in thousand Baht)		2019
<i>Cash flows from operating activities</i>			
Profit for the period	140,209	36,801	117,773
<i>Adjustments for</i>			
Tax expense	36,834	11,234	31,995
Depreciation and amortization	145,736	154,868	128,383
Loss on inventories devaluation (reversal)	(568)	9,646	(568)
Employee benefit expense	12,450	9,073	10,694
Unrealized gain on foreign currency exchange	(3,460)	(912)	(3,449)
Interest income	(379)	(1,863)	(81)
Interest expense	2,655	5,560	2,655
Loss on impairment of assets	-	1,837	-
Loss (gain) on sales of assets and others	543	(671)	857
Cash flows generated from operations			
before changes in operating assets and liabilities	334,020	225,573	288,259
<i>Decrease (increase) in operating assets</i>			
Trade and other current receivables	(22,832)	(195,756)	(18,647)
Inventories	(3,918)	179,124	(5,538)
Land development for sale	95,176	11,180	95,176
Other assets	9,187	5,388	9,187
Net decrease (increase) in operating assets	77,613	(64)	80,178
<i>Increase (decrease) in operating liabilities</i>			
Trade and other current payables	208,182	175,447	236,991
Provisions for employee benefits	(54,948)	(50,010)	(54,948)
Other liabilities	(4,540)	(174)	(4,457)
Net increase in operating liabilities	148,694	125,263	177,586

SCG Ceramics Public Company Limited and its Subsidiary

Statement of cash flows

For the three-month period ended 31 March 2019

	Consolidated		Separated
	financial statement		financial statement
	2019	2018	2019
	<i>(in thousand Baht)</i>		
Net cash flows generated from operations	560,327	350,772	546,023
Income tax paid	(4,050)	(2,071)	(4,009)
Net cash flows provided by operating activities	556,277	348,701	542,014
<i>Cash flows from investing activities</i>			
Proceeds from sales of property, plant and equipment	667	672	280
Acquisition of property, plant and equipment	(73,932)	(124,143)	(62,720)
Acquisition of intangible assets	(3,928)	(246)	(3,928)
Payments of short-term loans	-	(37,410)	-
Interest received	-	273	-
Net cash flows used in investing activities	(77,193)	(160,854)	(66,368)
<i>Cash flows from financing activities</i>			
Proceeds from (payments of) borrowings			
Proceeds from bank overdrafts	-	2,904	-
Payments of short-term borrowings	(525,000)	(168,820)	(525,000)
Net decrease in borrowings	(525,000)	(165,916)	(525,000)
Interest paid	(3,390)	(6,793)	(3,390)
Net cash flows used in financing activities	(528,390)	(172,709)	(528,390)
Net increase (decrease) in cash and cash equivalents	(49,306)	15,138	(52,744)
Cash and cash equivalents at beginning of the period	424,433	911,722	119,857
Cash and cash equivalents at end of the period	375,127	926,860	67,113
<i>Supplementary information for cash flows</i>			
Non-cash transactions			
Account payables from purchase of assets	30,762	38,090	22,273
Dividend payables	-	477,664	-