

(UNREVIEWED)

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

Interim financial statements

for the three-month periods ended 31 March 2020

SCG Ceramics Public Company Limited and its Subsidiary

Statement of financial position

As at 31 March 2020

Assets	Consolidated		Separate	
	financial statement		financial statement	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Current assets				
Cash and cash equivalents	844,543	631,409	476,548	259,976
Trade and other current receivables	1,175,392	1,163,240	1,173,400	1,162,944
Inventories	2,903,783	2,844,358	2,583,282	2,535,182
Land development for sale	486,406	486,406	486,406	486,406
Total current assets	5,410,124	5,125,413	4,719,636	4,444,508
Non-current assets				
Long-term investment in other company	16,605	16,605	16,605	16,605
Investment in subsidiary	-	-	1,333,935	758,919
Other non-current receivables	123,399	128,066	123,399	128,066
Investment property	401,957	402,123	399,745	399,911
Property, plant and equipment	5,453,464	5,322,614	4,942,815	4,844,309
Goodwill	25,350	25,350	-	-
Other intangible assets other than goodwill	111,332	118,112	110,812	117,489
Deferred tax assets	214,516	231,555	189,191	205,537
Other non-current assets	25,162	25,521	25,162	25,521
Total non-current assets	6,371,785	6,269,946	7,141,664	6,496,357
Total assets	11,781,909	11,395,359	11,861,300	10,940,865

SCG Ceramics Public Company Limited and its Subsidiary

Statement of financial position

As at 31 March 2020

	Consolidated		Separate	
	financial statement		financial statement	
Liabilities and shareholders' equity	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	<i>(in thousand Baht)</i>			
<i>Current liabilities</i>				
Short-term borrowings				
from financial institutions	950,000	160,000	950,000	160,000
Trade and other current payables	1,426,808	1,416,853	1,492,471	1,470,998
Current portion of lease liabilities	113,149	-	103,460	-
Current income tax payable	30,148	19,622	22,221	13,630
Current provisions				
for employee benefits	42,925	166,365	42,218	165,658
Total current liabilities	2,563,030	1,762,840	2,610,370	1,810,286
<i>Non-current liabilities</i>				
Lease liabilities	95,803	-	70,283	-
Non-current provisions				
for employee benefits	597,785	586,630	510,707	501,208
Other non-current provisions	13,427	13,427	3,989	3,989
Other non-current liabilities	312	278	312	278
Total non-current liabilities	707,327	600,335	585,291	505,475
Total liabilities	3,270,357	2,363,175	3,195,661	2,315,761

SCG Ceramics Public Company Limited and its Subsidiary

Statement of financial position

As at 31 March 2020

	Consolidated		Separate	
	financial statement		financial statement	
Liabilities and shareholders' equity	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	<i>(in thousand Baht)</i>			
Shareholders' equity				
Share capital				
<i>Authorized share capital</i>				
<i>(5,962,621 thousand ordinary shares</i>				
<i>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</i>				
<i>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	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	214,264	214,264	214,264	214,264
<i>Unappropriated</i>	1,033,870	983,604	1,080,935	1,040,400
Other components of shareholders' equity	(43,857)	-	-	-
Total equity attributable to owners of the parent	8,511,552	8,505,143	8,665,639	8,625,104
Non-controlling interests	-	527,041	-	-
Total shareholders' equity	8,511,552	9,032,184	8,665,639	8,625,104
Total liabilities and shareholders' equity	11,781,909	11,395,359	11,861,300	10,940,865

SCG Ceramics Public Company Limited and its Subsidiary

Income statement

For the three-month period ended 31 March 2020

	Consolidated		Separate	
	financial statement	financial statement	financial statement	financial statement
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Revenue from sales of goods	2,523,040	2,808,678	2,522,952	2,808,592
Revenue from sales of land	-	202,930	-	202,930
Cost of sales of goods	(1,821,986)	(2,106,355)	(1,900,361)	(2,198,589)
Cost of sales of land	-	(96,439)	-	(96,439)
Gross profit	701,054	808,814	622,591	716,494
Other income	73,159	51,610	73,562	48,883
Profit before expenses	774,213	860,424	696,153	765,377
Distribution costs	(436,361)	(468,371)	(396,061)	(419,765)
Administrative expenses	(177,754)	(212,355)	(156,748)	(193,189)
Total expenses	(614,115)	(680,726)	(552,809)	(612,954)
Profit from operations	160,098	179,698	143,344	152,423
Finance costs	(2,148)	(2,655)	(1,901)	(2,655)
Profit before income tax	157,950	177,043	141,443	149,768
Tax expense	(29,017)	(36,834)	(26,359)	(31,995)
Profit for the period	128,933	140,209	115,084	117,773
Profit attributable to				
Owners of the parent	124,815	129,830	115,084	117,773
Non-controlling interests	4,118	10,379	-	-
	<u>128,933</u>	<u>140,209</u>	<u>115,084</u>	<u>117,773</u>
Basic earnings per share (in Baht)				
Attributable to owners of the parent	<u>0.02</u>	<u>0.02</u>	<u>0.02</u>	<u>0.02</u>

SCG Ceramics Public Company Limited and its Subsidiary

Statement of comprehensive income

For the three-month period ended 31 March 2020

	Consolidated		Separate	
	financial statement	financial statement	financial statement	financial statement
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Profit for the period	128,933	140,209	115,084	117,773
Other comprehensive income				
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	128,933	140,209	115,084	117,773
Total comprehensive income attributable to				
Owners of the parent	124,815	129,830	115,084	117,773
Non-controlling interests	4,118	10,379	-	-
	128,933	140,209	115,084	117,773

SCG Ceramics Public Company Limited and its Subsidiary

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2020

Consolidated financial statement

	Share combinations	Surplus on business combinations	<i>Retained earnings</i>		Total equity	Non-controlling interests	Total shareholders' equity	
	Issued and paid share capital	premium on ordinary shares	under common control	Appropriated Legal reserve	Unappropriated	attributable to owners of the parent		
				<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 2020

Consolidated financial statement

	Issued and paid share capital		Share premium on ordinary shares	Surplus on business combinations under common control	Retained earnings		Other components of shareholders' equity		Total equity attributable to owners of the parent	Non-controlling interests	Total shareholders' equity
					Appropriated Legal reserve	Unappropriated	Changes in other components from shareholders	Total other components of shareholders' equity			
<i>(in thousand Baht)</i>											
Balance at 31 December 2019 - as reported	5,962,621	1,133,594	211,060	214,264	983,604	-	-	8,505,143	527,041	9,032,184	
Impact of changes in accounting policies	-	-	-	-	(2,997)	-	-	(2,997)	-	(2,997)	
Balance at 1 January 2020	5,962,621	1,133,594	211,060	214,264	980,607	-	-	8,502,146	527,041	9,029,187	
Transactions with owners, recorded directly in shareholders' equity											
<i>Contributions by and distributions to owners of the parent</i>											
Dividends	-	-	-	-	(71,552)	-	-	(71,552)	-	(71,552)	
Total contributions by and distributions to owners of the parent	-	-	-	-	(71,552)	-	-	(71,552)	-	(71,552)	
Changes in ownership interests in subsidiaries											
Changes that do not result in a loss of control	-	-	-	-	-	(43,857)	(43,857)	(43,857)	(531,159)	(575,016)	
Total changes in ownership interests in subsidiaries	-	-	-	-	-	(43,857)	(43,857)	(43,857)	(531,159)	(575,016)	
Total transactions with owners, recorded directly in shareholders' equity											
Comprehensive income for the period	-	-	-	-	124,815	-	-	124,815	4,118	128,933	
Profit or loss	-	-	-	-	124,815	-	-	124,815	4,118	128,933	
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	-	124,815	-	-	124,815	4,118	128,933	
Balance at 31 March 2020	5,962,621	1,133,594	211,060	214,264	1,033,870	(43,857)	(43,857)	8,511,552	-	8,511,552	

SCG Ceramics Public Company Limited and its Subsidiary

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2020

	Separate financial statement					Total shareholders' equity
	Issued and paid share capital	Share premium on ordinary shares	Surplus on business combinations under common control	Retained earnings		
				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 changes in shareholders' equity
For the three-month period ended 31 March 2020

	Separate financial statement					Total shareholders' equity
	Issued and paid share capital	Share premium on ordinary shares	Surplus on business combinations under common control	<i>Retained earnings</i>		
Appropriated Legal reserve				Unappropriated		
						<i>(in thousand Baht)</i>
Balance at 31 December 2019 - as reported	5,962,621	1,133,594	274,225	214,264	1,040,400	8,625,104
Impact of changes in accounting policies	-	-	-	-	(2,997)	(2,997)
Balance at 1 January 2020	5,962,621	1,133,594	274,225	214,264	1,037,403	8,622,107
Transactions with owners, recorded directly in shareholders' equity						
<i>Contributions by and distributions to owners of the parent</i>						
Dividends	-	-	-	-	(71,552)	(71,552)
<i>Total contributions by and distributions to owners of the parent</i>	-	-	-	-	(71,552)	(71,552)
Total transactions with owners, recorded directly in shareholders' equity	-	-	-	-	(71,552)	(71,552)
Comprehensive income for the period						
Profit or loss	-	-	-	-	115,084	115,084
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	115,084	115,084
Balance at 31 March 2020	5,962,621	1,133,594	274,225	214,264	1,080,935	8,665,639

SCG Ceramics Public Company Limited and its Subsidiary

Statement of cash flows

For the three-month period ended 31 March 2020

	Consolidated		Separate	
	financial statement		financial statement	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the period	128,933	140,209	115,084	117,773
<i>Adjustments for</i>				
Tax expense	29,017	36,834	26,359	31,995
Depreciation and amortization	178,895	145,736	158,854	128,383
Reversal of impairment loss	(3,397)	(2,748)	(3,397)	(2,748)
Reversal on inventories devaluation	(8,489)	(568)	(8,489)	(568)
Employee benefit expense	11,918	12,450	10,262	10,694
Unrealized gain on foreign currency exchange	(3,706)	(3,460)	(3,902)	(3,449)
Interest income	(597)	(379)	(225)	(81)
Interest expense	2,143	2,655	1,896	2,655
Loss on sales of assets and others	46	543	457	857
Cash flows generated from operations				
before changes in operating assets and liabilities	334,763	331,272	296,899	285,511
<i>Decrease (increase) in operating assets</i>				
Trade and other current receivables	633	(20,084)	1,957	(15,899)
Inventories	(52,354)	(3,918)	(41,030)	(5,538)
Land development for sale	-	95,176	-	95,176
Other assets	4,667	9,187	4,667	9,187
Net decrease (increase) in operating assets	(47,054)	80,361	(34,406)	82,926
<i>Increase (decrease) in operating liabilities</i>				
Trade and other current payables	(36,998)	208,182	(24,913)	236,991
Provisions for employee benefits	(150,733)	(54,948)	(150,732)	(54,948)
Other liabilities	34	(4,540)	34	(4,457)
Net increase (decrease) in operating liabilities	(187,697)	148,694	(175,611)	177,586
Net cash flows generated from operations	100,012	560,327	86,882	546,023
Income tax paid	(1,452)	(4,050)	(1,423)	(4,009)
Net cash flows provided by operating activities	98,560	556,277	85,459	542,014

SCG Ceramics Public Company Limited and its Subsidiary

Statement of cash flows

For the three-month period ended 31 March 2020

	Consolidated		Separate	
	financial statement		financial statement	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Acquisition of non-controlling interests	-	-	(574,860)	-
Proceeds from sales of property, plant and equipment	740	667	329	280
Acquisition of property, plant and equipment	(68,558)	(73,932)	(52,780)	(62,720)
Acquisition of intangible assets	(230)	(3,928)	(230)	(3,928)
Interest received	262	-	262	-
Net cash flows used in investing activities	(67,786)	(77,193)	(627,279)	(66,368)
<i>Cash flows from financing activities</i>				
Payments of changes in ownership interests in subsidiaries that do not result in a loss of control	(574,860)	-	-	-
Proceeds from (payments of) borrowings				
Short-term borrowings from financial institutions	790,000	(525,000)	790,000	(525,000)
Payments of finance lease liabilities	(31,827)	-	(30,655)	-
Net increase (decrease) in borrowings	758,173	(525,000)	759,345	(525,000)
Interest paid	(953)	(3,390)	(953)	(3,390)
Net cash flows from (used in) financing activities	182,360	(528,390)	758,392	(528,390)
Net increase (decrease) in cash and cash equivalents	213,134	(49,306)	216,572	(52,744)
Cash and cash equivalents at beginning of the period	631,409	424,433	259,976	119,857
Cash and cash equivalents at end of the period	844,543	375,127	476,548	67,113
<i>Supplementary information for cash flows</i>				
Non-cash transactions				
Account payables from purchase of assets	16,806	30,762	12,776	22,273
Dividend payables	71,552	-	71,552	-