

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

Interim financial statements
for the three-month and six-month periods ended
30 June 2019
and
Independent auditor's report
on review of interim financial information



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Independent auditor's report on review of interim financial information

To the Board of Directors of SCG Ceramics Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of SCG Ceramics Public Company Limited and its subsidiary (the“Group”) and SCG Ceramics Public Company Limited (the“Company”) as at 30 June 2019; the consolidated and separate income statement and statement of comprehensive income for the three-month and six-month periods ended 30 June 2019; the consolidated and separate statements of changes in shareholders' equity and cash flows for the six-month period ended 30 June 2019 and condensed notes (“interim financial information”). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, “Interim Financial Reporting”. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with the Thai Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.



Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

Emphasis of matter

I draw attention to Note 1 to the consolidated and separate financial statements, the Company was established in accordance with the amalgamation resolution of five subsidiaries under The Siam Cement Public Company Limited. The amalgamation is considered as amalgamation under common control, accordingly, the consolidated income statement and statement of comprehensive income for the three-month and six-month ended 30 June 2018; the consolidated statements of changes in shareholders' equity and cash flows for the six-month period ended 30 June 2018 are presented as if the amalgamation had been taken place since 1 January 2017. My conclusion is not modified in respect of this matter.

(Vairoj Jindamaneepitak)
Certified Public Accountant
Registration No. 3565

KPMG Phoomchai Audit Ltd.
Bangkok
14 August 2019

SCG Ceramics Public Company Limited and its Subsidiary

Statement of financial position

As at 30 June 2019

Assets	Note	Consolidated		Separate	
		financial statement		financial statement	
		30 June	31 December	30 June	31 December
		2019	2018	2019	2018
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
Current assets					
Cash and cash equivalents		379,427	424,433	42,492	119,857
Trade and other current receivables	3, 4	1,440,043	1,370,557	1,431,840	1,367,143
Inventories		3,049,504	2,898,357	2,712,519	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		5,355,380	5,279,525	4,673,257	4,617,224
Non-current assets					
Other long-term investment	5	16,605	16,605	16,605	16,605
Investment in subsidiary	6	-	-	758,919	758,919
Other non-current receivables		125,255	144,088	125,255	144,088
Investment property		402,499	402,830	400,248	400,580
Property, plant and equipment		5,464,371	5,570,222	5,009,100	5,113,986
Goodwill		25,350	25,350	-	-
Other intangible assets		118,055	114,627	117,222	113,562
Deferred tax assets		190,007	138,964	166,268	119,681
Other non-current assets		32,164	33,230	32,164	33,230
Total non-current assets		6,374,306	6,445,916	6,625,781	6,700,651
Total assets		11,729,686	11,725,441	11,299,038	11,317,875

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

SCG Ceramics Public Company Limited and its Subsidiary

Statement of financial position

As at 30 June 2019

	Consolidated		Separate	
	financial statement		financial statement	
Liabilities and shareholders' equity <i>Note</i>	30 June	31 December	30 June	31 December
	2019	2018	2019	2018
	(Unaudited)		(Unaudited)	
	<i>(in thousand Baht)</i>			
<i>Current liabilities</i>				
Short-term borrowings				
from financial institutions	370,000	865,000	370,000	865,000
Trade and other current payables	3 1,639,153	1,505,898	1,687,909	1,543,740
Current income tax payable	83,282	3,445	77,692	-
Current provisions				
for employee benefits	14,951	23,010	14,449	22,508
Total current liabilities	2,107,386	2,397,353	2,150,050	2,431,248
<i>Non-current liabilities</i>				
Non-current provisions				
for employee benefits	8 542,690	399,957	465,260	343,519
Other non-current provisions	13,958	16,430	3,989	6,276
Other non-current liabilities	184	2,386	184	2,386
Total non-current liabilities	556,832	418,773	469,433	352,181
Total liabilities	2,664,218	2,816,126	2,619,483	2,783,429

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

SCG Ceramics Public Company Limited and its Subsidiary

Statement of financial position

As at 30 June 2019

	Consolidated		Separate	
	financial statement		financial statement	
Liabilities and shareholders' equity	30 June	31 December	30 June	31 December
	2019	2018	2019	2018
	(Unaudited)		(Unaudited)	
	<i>(in thousand Baht)</i>			
Shareholders' equity				
Share capital				
<i>Authorized share capital</i>				
- Ordinary share	<u>5,962,621</u>	<u>5,962,621</u>	<u>5,962,621</u>	<u>5,962,621</u>
<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>	<u>1,034,315</u>	<u>883,288</u>	<u>1,102,208</u>	<u>957,099</u>
Total equity attributable to owners of the parent	8,548,497	8,397,470	8,679,555	8,534,446
Non-controlling interests	<u>516,971</u>	<u>511,845</u>	-	-
Total shareholders' equity	9,065,468	8,909,315	8,679,555	8,534,446
Total liabilities and shareholders' equity	11,729,686	11,725,441	11,299,038	11,317,875

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

SCG Ceramics Public Company Limited and its Subsidiary

Income statement

For the three-month period ended 30 June 2019 (Unaudited)

		Consolidated financial statement		Separate financial statement
	Note	2019	2018	2019
<i>(in thousand Baht)</i>				
Revenue from sales of goods	3	2,790,182	2,948,631	2,789,954
Revenue from sales of land		-	-	-
Cost of sales of goods	3	(2,015,014)	(2,170,040)	(2,087,015)
Cost of sales of land		-	-	-
Gross profit		775,168	778,591	702,939
Other income	3	51,307	71,722	51,046
Profit before expenses		826,475	850,313	753,985
Distribution costs		(490,753)	(524,625)	(442,511)
Administrative expenses		(306,291)	(225,236)	(267,025)
Total expenses		(797,044)	(749,861)	(709,536)
Profit from operations		29,431	100,452	44,449
Finance costs		(1,894)	(8,748)	(1,894)
Profit before income tax		27,537	91,704	42,555
Tax expense		(11,593)	(66,327)	(15,219)
Profit for the period		15,944	25,377	27,336
Profit (loss) attributable to				
Owners of the parent		21,197	11,723	27,336
Company in the Group				
before business restructuring		-	7,358	-
Non-controlling interests		(5,253)	6,296	-
		15,944	25,377	27,336
Basic earnings per share (in Baht)				
Attributable to owners of the parent	10	0.00	0.00	0.00

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

SCG Ceramics Public Company Limited and its Subsidiary

Statement of comprehensive income

For the three-month period ended 30 June 2019 (Unaudited)

	Consolidated financial statement		Separate financial statement
	2019	2018	2019
	<i>(in thousand Baht)</i>		
Profit for the period	15,944	25,377	27,336
Other comprehensive income			
<i>Components of other comprehensive income that will not be reclassified to profit or loss</i>			
Defined benefit plan actuarial losses	-	-	-
Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-
Total components of other comprehensive income that will not be reclassified to profit or loss	-	-	-
Other comprehensive income for the period, net of tax	-	-	-
Total comprehensive income for the period	15,944	25,377	27,336
Total comprehensive income attributable to			
Owners of the parent	21,197	11,723	27,336
Company in the Group before business restructuring	-	7,358	-
Non-controlling interests	(5,253)	6,296	-
	15,944	25,377	27,336

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

SCG Ceramics Public Company Limited and its Subsidiary

Income statement

For the six-month period ended 30 June 2019 (Unaudited)

	Note	Consolidated financial statement		Separate financial statement
		2019	2018	2019
<i>(in thousand Baht)</i>				
Revenue from sales of goods	3	5,598,860	6,023,342	5,598,546
Revenue from sales of land		202,930	23,862	202,930
Cost of sales of goods	3	(4,121,369)	(4,411,839)	(4,285,604)
Cost of sales of land		(96,439)	(12,440)	(96,439)
Gross profit		1,583,982	1,622,925	1,419,433
Other income	3	102,917	118,277	99,929
Profit before expenses		1,686,899	1,741,202	1,519,362
Distribution costs		(959,124)	(1,083,685)	(862,276)
Administrative expenses		(518,646)	(503,383)	(460,214)
Total expenses		(1,477,770)	(1,587,068)	(1,322,490)
Profit from operations		209,129	154,134	196,872
Finance costs		(4,549)	(14,395)	(4,549)
Profit before income tax		204,580	139,739	192,323
Tax expense		(48,427)	(77,561)	(47,214)
Profit for the period		156,153	62,178	145,109
Profit attributable to				
Owners of the parent		151,027	43,416	145,109
Company in the Group				
before business restructuring		-	10,111	-
Non-controlling interests		5,126	8,651	-
		<u>156,153</u>	<u>62,178</u>	<u>145,109</u>
Basic earnings per share (in Baht)				
Attributable to owners of the parent	10	<u>0.03</u>	<u>0.01</u>	<u>0.02</u>

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

SCG Ceramics Public Company Limited and its Subsidiary

Statement of comprehensive income

For the six-month period ended 30 June 2019 (Unaudited)

	Consolidated financial statement		Separate financial statement
	2019	2018	2019
	<i>(in thousand Baht)</i>		
Profit for the period	156,153	62,178	145,109
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	156,153	59,863	145,109
Total comprehensive income attributable to			
Owners of the parent	151,027	41,101	145,109
Company in the Group before business restructuring	-	10,111	-
Non-controlling interests	5,126	8,651	-
	156,153	59,863	145,109

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

SCG Ceramics Public Company Limited and its Subsidiary

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2019 (Unaudited)

	Consolidated financial statement											
	Other components of shareholders' equity											
	Issued and paid share capital	Ordinary shares held before amalgamation	Share premium on ordinary shares	Surplus on business combinations under common control	Retained Earnings	Unappropriated Legal reserve	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
Balance at 1 January 2018	5,962,621	(51,744)	1,133,594	-	200,150	1,356,571	90	8,601,282	776,668	522,973	9,900,923	
Transactions with owners, recorded directly in shareholders' equity												
Contributions by and distributions to owners of the parent												
Dividends	-	-	-	-	-	(477,664)	-	(477,664)	(32,332)	(27,668)	(537,664)	
Total contributions by and distributions to owners of the parent	-	-	-	-	-	(477,664)	-	(477,664)	(32,332)	(27,668)	(537,664)	
Changes in ownership interests in subsidiaries												
Amalgamation	-	51,744	-	211,060	-	5,577	-	268,381	(754,447)	-	(486,066)	
Total changes in ownership interests in subsidiaries	-	51,744	-	211,060	-	5,577	-	268,381	(754,447)	-	(486,066)	
Total transactions with owners, recorded directly in shareholders' equity	-	51,744	-	211,060	-	(472,087)	-	(209,283)	(786,779)	(27,668)	(1,023,730)	
Comprehensive income for the period												
Profit or loss	-	-	-	-	-	43,416	-	43,416	10,111	8,651	62,178	
Other comprehensive income	-	-	-	-	-	(2,315)	-	(2,315)	-	-	(2,315)	
Total comprehensive income for the period	-	-	-	-	-	41,101	-	41,101	10,111	8,651	59,863	
Transfer to legal reserve	-	-	-	-	376	(376)	-	-	-	-	-	
Balance at 30 June 2018	5,962,621	-	1,133,594	211,060	200,526	925,209	90	8,433,100	-	503,956	8,937,056	

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

SCG Ceramics Public Company Limited and its Subsidiary

Statement of cash flows

For the six-month period ended 30 June 2019 (Unaudited)

	Consolidated financial statement		Separate financial statement
	2019	2018	2019
	<i>(in thousand Baht)</i>		
<i>Cash flows from operating activities</i>			
Profit for the period	156,153	62,178	145,109
<i>Adjustments for</i>			
Tax expense	48,427	77,561	47,214
Depreciation and amortization	293,565	309,120	259,122
Allowance for doubtful accounts (reversal)	(2,779)	20	(2,779)
Employee benefit expense	162,591	21,500	141,599
Unrealized loss (gain) on foreign currency exchange	2,276	(7,139)	2,509
Interest income	(829)	(3,626)	(211)
Interest expense	3,876	14,015	3,876
Loss on impairment of assets	3,404	2,716	3,404
Loss (gain) on sales of assets and others	(2,303)	(641)	(1,924)
Cash flows generated from operations			
before changes in operating assets and liabilities	664,381	475,704	597,919
<i>Decrease (increase) in operating assets</i>			
Trade and other current receivables	(62,728)	(208,825)	(64,537)
Inventories	(148,021)	95,940	(165,346)
Land development for sale	95,176	11,180	95,176
Other assets	17,249	13,952	17,249
Net increase in operating assets	(98,324)	(87,753)	(117,458)
<i>Increase (decrease) in operating liabilities</i>			
Trade and other current payables	147,418	212,709	165,093
Provisions for employee benefits	(56,144)	(52,023)	(56,144)
Other liabilities	(4,674)	(311)	(4,489)
Net increase in operating liabilities	86,600	160,375	104,460
Net cash flows generated from operations	652,657	548,326	584,921
Income tax paid	(17,168)	(39,297)	(13,645)
Net cash flows provided by operating activities	635,489	509,029	571,276

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

SCG Ceramics Public Company Limited and its Subsidiary

Statement of cash flows

For the six-month period ended 30 June 2019 (Unaudited)

	Consolidated		Separate
	financial statement		financial
	2019	2018	statement
	2019		
	<i>(in thousand Baht)</i>		
<i>Cash flows from investing activities</i>			
Proceeds from sales of investment	-	240,491	-
Acquisition of investment	-	(758,919)	-
Proceeds from sales of property, plant and equipment	1,751	784	1,372
Acquisition of property, plant and equipment	(173,014)	(196,548)	(140,180)
Acquisition of intangible assets	(9,916)	(17,377)	(9,898)
Proceeds from repayment of short-term loans	-	119,136	-
Dividends received from shareholders before amalgamation	-	32,332	-
Interest received	826	3,644	208
Net cash flows used in investing activities	(180,353)	(576,457)	(148,498)
<i>Cash flows from financing activities</i>			
Proceeds from (payments of) borrowings			
Payments of bank overdrafts and short-term borrowings	(495,000)	(2,531)	(495,000)
Proceeds from short-term borrowings from related party	-	462,545	-
Net increase (decrease) in borrowings	(495,000)	460,014	(495,000)
Dividends paid			
Dividends paid to owners of the parent	-	(477,664)	-
Dividends paid to shareholders before amalgamation	-	(32,332)	-
Dividends paid to non-controlling interests	-	(27,668)	-
Total dividends paid	-	(537,664)	-
Interest paid	(5,142)	(16,160)	(5,143)
Net cash flows used in financing activities	(500,142)	(93,810)	(500,143)
Net decrease in cash and cash equivalents	(45,006)	(161,238)	(77,365)
Cash and cash equivalents at beginning of the period	424,433	911,722	119,857
Cash and cash equivalents at end of the period	379,427	750,484	42,492
<i>Supplementary information for cash flows</i>			
Non-cash transactions			
Account payables from purchase of assets	48,486	64,816	35,943

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

SCG Ceramics Public Company Limited and its Subsidiary
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2019 (Unaudited)

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SCG Ceramics Public Company Limited and its Subsidiary
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2019 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim 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 August 2019.

1 General information

SCG Ceramics Public Company Limited, (the "Company"), is incorporated in Thailand and has its registered offices 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 was listed on the Stock Exchange of Thailand on 1 August 2018 (amalgamation date).

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.

The immediate and ultimate parent companies were Cementhai Ceramic Co., Ltd. and The Siam Cement Public Company Limited, respectively. Both were incorporated in Thailand.

The Company has established from amalgamation of 5 subsidiaries under The Siam Cement Public Company Limited which manufacture and sales of ceramic tiles in order to restructure for synergy and efficiency. The amalgamation is expected to serve an expansion of ceramic industry both domestic and export.

The amalgamated companies are as follows;

Name of the entity	Country of incorporation	Type of business
Thai-German Ceramic Industry Public Company Limited	Thailand	Manufacturing and sales of ceramic floor tiles and wall tiles and industrial estate development.
Thai Ceramic Co., Ltd.	Thailand	Manufacturing and sales of ceramic tiles
The Siam Ceramic Group Industries Co., Ltd.	Thailand	Manufacturing and sales of ceramic tiles
Sosuco and Group (2008) Co., Ltd.	Thailand	Trading of ceramic floor tiles and wall tiles both domestic and export
Gemago Co., Ltd.	Thailand	Retails and whole-sales of ceramic floor tiles and wall tiles and tiles' related products

SCG Ceramics Public Company Limited and its Subsidiary
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2019 (Unaudited)

Details of the Company's subsidiary as at 30 June were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest	
			2019	2018
Sosuco Ceramic Co., Ltd.	manufacturing and sales of ceramic tiles	Thailand	53.89	53.89

The amalgamation was considered to be an amalgamation under common control of subsidiaries under The Siam Cement Public Company Limited. The consolidated financial statements are prepared on a basis in accordance with the pooling of interest method and the amalgamation is considered as amalgamation under common control. Under the accounting standards, the consolidated financial statements was presented as if the amalgamation had been taken place since 1 January 2017, even though, the relationship between the Company and its subsidiary is legally official afterwards, for the benefits of comparison. The Group has recognized assets and liabilities of the amalgamated companies at the book values presented in ultimate parent's consolidation financial statement of each company before the amalgamation including goodwill.

In the second quarter of 2018, The Group had significant transactions related to the restructure and amalgamation are as follows;

On 11 May 2018, Thai Ceramic Co., Ltd. acquired 53.9% of ordinary shares of Sosuco Ceramic Co., Ltd. from Cementshai Ceramic Co., Ltd. amounting to Baht 759 million resulting in discount on business combinations under common control in the consolidated financial statements amounting to Baht 140 million.

On 27 June 2018, Thai Ceramic Co., Ltd. divested all of its 9.8% stake in The Siam Ceramic Group Industries Co., Ltd. to Cementshai Ceramic Co., Ltd. which was ordinary shares held before the amalgamation amounting to Baht 52 million (presented as deducted transaction in the equity of consolidated financial statement for the year ended 31 December 2017), amounting to Baht 241 million resulting in surplus on business combinations under common control in the consolidated financial statements and separate financial statements amounting to Baht 189 million.

SCG Ceramics Public Company Limited and its Subsidiary
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2019 (Unaudited)

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2018) “*Interim Financial Reporting*”; guidelines promulgated by the Federation of Accounting Professions; and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2018. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Group for the year ended 31 December 2018.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2018 except that the Group has adopted all the new and revised TFRSs that are effective for annual periods beginning on or after 1 January 2019. The adoption of these new and revised TFRSs did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Group.

The Group has initially applied TFRS 15 Revenue from Contracts with Customers (“TFRS 15”) from 1 January 2019. TFRS 15 establishes a comprehensive framework for determining how much and when revenue is recognized. It replaced TAS 18 Revenue (“TAS 18”), TAS 11 Construction Contracts (“TAS 11”) and related interpretations.

Under TFRS 15, the Group recognizes revenue 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 to. In addition, judgment is required in determining the timing of the transfer of control for revenue recognition - at a point in time or over time. The Group has a timing of revenue recognition mainly from sales of goods which is recognized at a point in time.

In addition to the above new and revised TFRSs, the Federation of Accounting Professions has issued a number of new and revised TFRSs which are effective for annual accounting periods beginning on or after 1 January 2020 and have not been adopted in the preparation of these interim financial statements because they are not yet effective. The new and revised TFRSs are disclosed in note 13.

(b) Functional and presentation currency

The interim financial statements are prepared and 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 interim financial statements to the nearest thousand unless otherwise stated.

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(c) Use of estimates and judgments

The preparation of interim financial statements in conformity with TFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant assumptions in applying the Group's accounting policies and the key sources of estimation were the same as those that applied to the financial statements for the year ended 31 December 2018 and included in the following notes:

Note 4, 5 and 6	Measurement of the recoverable amounts of each asset and cash-generating units;
Note 8	Measurement of non-current provisions for defined benefit plans: - key actuarial assumptions; and
Note 12	Recognition and measurement of provisions and contingent liabilities.

(d) Basis of consolidation

The interim consolidated financial statements for the three-month and six-month periods ended 30 June 2019 include the accounts of SCG Ceramics Public Company Limited and its subsidiary. Subsidiary included in the interim consolidated financial statements is Sosuco Ceramic Co., Ltd.

All significant intercompany transactions with subsidiaries included in the interim financial statements have been eliminated.

3 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.

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
Cementhai Ceramic Co., Ltd.	Thailand	Immediate parent company
Sosuco Ceramic Co., Ltd.	Thailand	A subsidiary of SCG Ceramics Public Company Limited
SCG Building Materials Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
Thai Ceramic Roof Tile 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
SCG Cement-Building Materials 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
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

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Name of entities	Country of incorporation	Nature of relationships
The Siam Cement (Kaeng Khoi) 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
The Siam Sanitary Fittings 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
SCG-Sekisui Sales Co., Ltd.	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 Experience Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
Nexter Retail Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
SCG Logistics Management Co., Ltd.	Thailand	A subsidiary of The Siam Cement Public Company Limited
Mariwasa-Siam Ceramics, Inc.	Philippines	A subsidiary of The Siam Cement Public Company Limited
PT Kokoh Inti Arebama Tbk	Indonesia	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 Serpilh Mas	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 Surya Siam Keramik	Indonesia	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
Texplore 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
SCG Legal Counsel Limited	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
Siam Global House Public Company Limited	Thailand	An associate of The Siam Cement Public Company Limited
Global House (Cambodia) Company Limited	Cambodia	An associate of The Siam Cement Public Company Limited
IT One Co., Ltd.	Thailand	An associate of The Siam Cement Public Company Limited

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

Transaction	Pricing policies
Sales of goods	Market price
Other income	Market price
Purchases	Market price
Service fee	Market price and contractual price
Dividend income	Upon declaration

Significant transactions with related parties for the three-month and six-month periods ended 30 June were as follows:

	Consolidated financial statement		Separate financial statement
	2019	2018	2019
	<i>(in thousand Baht)</i>		
<i>For the three-month period ended 30 June</i>			
<i>Ultimate parent</i>			
Service fee	12,635	39,308	13,206
<i>Parent</i>			
Service fee	11,113	74,709	9,379
Other income	2,907	6,506	2,907
<i>Subsidiary</i>			
Purchases	-	-	359,879
Service fee	-	-	907
Other income	-	-	793
<i>Other related parties</i>			
Purchases	110,600	116,793	100,690
Service fee	80,748	150,135	78,152
Sale of goods	188,652	360,400	188,652
Other income	15,784	5,690	15,784

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	Consolidated financial statement		Separate financial statement
	2019	2018	2019
<i>(in thousand Baht)</i>			
<i>For the six-month period ended 30 June</i>			
<i>Ultimate parent</i>			
Service fee	33,335	69,178	32,753
<i>Parent</i>			
Service fee	20,808	82,501	16,362
Other income	5,871	10,661	5,871
<i>Subsidiary</i>			
Purchases	-	-	724,963
Service fee	-	-	1,980
Other income	-	-	1,194
<i>Other related parties</i>			
Purchases	236,274	229,045	214,409
Service fee	159,680	251,399	156,654
Sale of goods	350,202	530,278	350,202
Other income	22,696	13,432	22,695

Balances as at 30 June 2019 and 31 December 2018 with related parties were as follows:

Trade receivables

	Consolidated financial statement		Separate financial statement	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
<i>(in thousand Baht)</i>				
<i>Other related parties</i>				
Siam Global House Public Company Limited	53,858	46,370	53,858	46,370
Mariwasa-Siam Ceramics, Inc.	6,739	5,124	6,739	5,124
Nexter Retail Co., Ltd.	2,593	-	2,593	-
Sekisui-SCG Industry Co., Ltd.	2,251	489	2,251	489
SCG Distribution Co., Ltd.	2,163	-	2,163	-
SCG Cement-Building Materials Co., Ltd.	1,618	903	1,618	903
PT Kokoh Inti Arebama Tbk	936	645	936	645
SCG-Sekisui Sales Co., Ltd.	747	560	747	560
SCG Experience Co., Ltd.	82	9,206	82	9,206
Global House (Cambodia) Company Limited	-	6,446	-	6,446
Others	988	2,770	988	2,770
Total	71,975	72,513	71,975	72,513

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Other current receivables

	Consolidated financial statement		Separate financial statement	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	<i>(in thousand Baht)</i>			
<i>Ultimate parent</i>				
The Siam Cement Public Company Limited	21,976	19,334	21,976	19,334
<i>Parent</i>				
Cementhai Ceramic Co., Ltd.	3,015	5,157	3,015	5,157
<i>Subsidiary</i>				
Sosuco Ceramic Co., Ltd.	-	-	2,868	1,380
<i>Other related parties</i>				
Mariwasa-Siam Ceramics, Inc.	28,024	440	28,024	440
Siam Sanitary Ware Industry Co., Ltd.	5,617	12,649	5,617	12,649
Thai Containers Group Co., Ltd.	4,580	-	4,580	-
SCG Cement-Building Materials Co., Ltd.	874	648	874	648
The Siam Fibre-Cement Co., Ltd.	802	413	802	413
SCG-Sekisui Sales Co., Ltd.	263	1,623	263	1,623
SCG Cement Co., Ltd.	227	64	227	64
The Siam Sanitary Fittings Co., Ltd.	225	667	225	667
Quality Construction Products Public Company Limited	214	185	214	185
Thai Ceramic Roof Tile Co., Ltd.	147	257	147	247
PT KIA Keramik Mas	128	215	128	215
The Concrete Products and Aggregate Co., Ltd.	89	523	89	523
Others	1,166	1,000	1,165	1,000
Total	67,347	43,175	70,214	44,545

Short-term loans

Movements for the six-month period ended 30 June on loans to related parties were as follows:

	Consolidated financial statement	
	2019	2018
	<i>(in thousand Baht)</i>	
At 1 January	-	119,136
Decrease	-	(119,136)
At 30 June	-	-

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Trade payables

	Consolidated financial statement		Separate financial statement	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	<i>(in thousand Baht)</i>			
<i>Subsidiary</i>				
Sosuco Ceramic Co., Ltd.	-	-	210,616	174,156
<i>Other related parties</i>				
SCG Logistics Management Co., Ltd.	38,480	38,532	38,373	38,157
Prime International Import - Export and Service Trading Company Limited	21,483	-	21,483	-
Thai Containers Group Co., Ltd.	16,050	11,572	10,966	6,467
SCG Cement Co., Ltd.	3,648	3,266	3,648	3,266
Noritake SCG Plaster Co., Ltd.	3,318	4,209	3,318	4,209
The Siam Cement (Kaeng Khoi) Co., Ltd.	3,010	3,339	3,010	3,339
PT Keramika Indonesia Assosiasi, Tbk.	2,714	2,134	2,714	2,134
PT KIA Serpilh Mas	2,533	2,708	2,533	2,708
Prime Trading, Import and Export One Member Limited Liability Company	-	22,793	-	22,793
Others	1,365	1,163	1,365	1,164
Total	92,601	89,716	298,026	258,393

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Other current payables

	Consolidated financial statement		Separate financial statement	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	<i>(in thousand Baht)</i>			
<i>Ultimate parent</i>				
The Siam Cement Public Company Limited	27,886	19,330	25,389	15,601
<i>Parent</i>				
Cementhai Ceramic Co., Ltd.	6,532	14,537	5,873	12,257
<i>Subsidiary</i>				
Sosuco Ceramic Co., Ltd.	-	-	641	639
<i>Other related parties</i>				
SCG Cement-Building Materials Co., Ltd.	10,959	8,509	9,495	7,854
SCG Experience Co., Ltd.	3,725	1,189	3,725	1,189
The Siam Cement (Ta Luang) Co., Ltd.	2,160	2,132	2,160	2,132
IT One Co., Ltd.	1,752	5,568	1,520	5,366
Siam Sanitary Ware Industry Co., Ltd.	776	76	776	76
SCG Legal Counsel Limited	724	435	724	434
SCG Building Materials Co., Ltd.	555	474	555	474
SCG Cement Co., Ltd.	15	2,385	15	2,003
Texplore Co., Ltd.	-	9,004	-	9,004
Others	3,108	2,973	3,021	2,965
Total	58,192	66,612	53,894	59,994

Short-term borrowings

Movements during the six-month period ended 30 June on short-term borrowings from related parties were as follows:

	Consolidated financial statement	
	2019	2018
	<i>(in thousand Baht)</i>	
At 1 January	-	844,394
Increase	-	462,545
At 30 June	-	1,306,939

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The Board of Directors and key management compensation

	Consolidated financial statement		Separate financial statement
	2019	2018	2019
	<i>(in thousand Baht)</i>		
<i>For the three-month period ended 30 June</i>			
Short-term employee benefits	8,049	10,561	8,049
Post-employment benefits	2,520	1,700	2,520
Total	10,569	12,261	10,569
<i>For the six-month period ended 30 June</i>			
Short-term employee benefits	15,517	19,687	15,517
Post-employment benefits	3,050	3,397	3,050
Total	18,567	23,084	18,567

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4 Trade and other current receivables

	Note	Consolidated financial statement		Separate financial statement	
		30 June 2019	31 December 2018	30 June 2019	31 December 2018
<i>(in thousand Baht)</i>					
Trade receivables					
Related parties	3	71,975	72,513	71,975	72,513
Other companies		1,205,489	1,170,233	1,205,364	1,170,103
Less allowance for doubtful accounts		(4,004)	(6,786)	(4,004)	(6,786)
Net		1,201,485	1,163,447	1,201,360	1,163,317
		1,273,460	1,235,960	1,273,335	1,235,830
Other current receivables					
Related parties	3	67,347	43,175	70,214	44,545
Other companies					
Prepaid expenses		57,657	52,612	47,078	48,688
Other and utility receivables		22,975	19,889	22,942	19,823
Revenue department receivables		28	5,824	28	5,824
Others		18,576	13,097	18,243	12,433
		99,236	91,422	88,291	86,768
		166,583	134,597	158,505	131,313
Total		1,440,043	1,370,557	1,431,840	1,367,143

	Consolidated financial statement		Separate financial statement
	2019	2018	2019
<i>(in thousand Baht)</i>			
For the six-month period ended 30 June			
Bad debts recovery	2,782		2,782

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Aging analyses for trade receivables were as follows:

	Consolidated financial statement		Separate financial statement	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Trade receivables				
Related parties				
Within credit terms	70,099	68,548	70,099	68,548
Overdue:				
Less than 3 months	1,876	3,965	1,876	3,965
Total	71,975	72,513	71,975	72,513
Other companies				
Within credit terms	1,147,920	1,096,842	1,147,920	1,096,842
Overdue:				
Less than 3 months	24,548	46,116	24,548	46,116
3 - 6 months	3,989	18,255	3,989	18,125
Over 6 - 12 months	21,534	5,475	21,534	5,475
Over 12 months	7,498	3,545	7,373	3,545
	1,205,489	1,170,233	1,205,364	1,170,103
Less allowance for doubtful accounts	(4,004)	(6,786)	(4,004)	(6,786)
Net	1,201,485	1,163,447	1,201,360	1,163,317
Total	1,273,460	1,235,960	1,273,335	1,235,830

The normal credit terms granted by the Group range from 30 days to 120 days.

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5 Other long-term investment

Other long-term investment as at 30 June 2019 and 31 December 2018 and dividends from these investment for the six-month period ended 30 June, were as follows:

	Ownership interest		Paid-up capital		Cost method		Accumulated impairment losses		Net		Dividend income	
	30 Jun 2019	31 Dec 2018	30 Jun 2019	31 Dec 2018	30 Jun 2019	31 Dec 2018	30 Jun 2019	31 Dec 2018	30 Jun 2019	31 Dec 2018	30 Jun 2019	30 Jun 2018
Pattaya Grand Village Co., Ltd.	4.91	4.91	990,000	990,000	48,600	48,600	31,995	31,995	<u>16,605</u>	<u>16,605</u>	-	-
		(%)					(in thousand Baht)					

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6 Investment in subsidiary

Investment in subsidiary as at 30 June 2019 and 31 December 2018, and dividend income for the six-month period ended 30 June 2019 were as follows:

	Ownership interest		Paid-up capital		Cost method		Dividend
	30 Jun 2019	31 Dec 2018	30 Jun 2019	31 Dec 2018	30 Jun 2019	31 Dec 2018	30 Jun 2019
	(%)		<i>(in thousand Baht)</i>				
Sosuco Ceramic Co., Ltd.	53.89	53.89	800,000	800,000	<u>758,919</u>	<u>758,919</u>	-

7 Changes in liabilities arising from financing activities

	Consolidated and Separate financial statement		Consolidated financial statement	
	Short-term borrowings from financial institutions		Short-term borrowings from related party	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Balance at 1 January	865,000	-	-	844,394
Changes from financing cash flows	<u>(495,000)</u>	-	-	<u>462,545</u>
Balance at 30 June	<u>370,000</u>	-	-	<u>1,306,939</u>

As at 30 June 2019, the Company had promissory notes with two local banks amounted to Baht 370 million (31 December 2018: Baht 865 million) with interest rate from 1.85% to 1.95% per annum (31 December 2018: from 1.60% to 1.95% per annum).

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8 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

	Consolidated financial statement		Separate financial statement	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Post-employment benefits				
Legal severance payments plan	532,740	389,028	455,380	332,660
Other long-term employee benefits	8,118	7,823	8,048	7,753
Total non-current provisions for defined benefit plans	540,858	396,851	463,428	340,413
Other employee benefits	1,832	3,106	1,832	3,106
Total	542,690	399,957	465,260	343,519

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

	Consolidated financial statement		Separate financial statement
	2019	2018	2019
	<i>(in thousand Baht)</i>		
For the six-month period ended 30 June			
Non-current provisions for defined benefit plans at 1 January		396,851	428,103
			340,413
Included in profit or loss			
Current service costs		17,059	13,741
Interest on obligation		7,841	7,223
Past service cost from the amended severance pay of the Labor Law		124,083	-
		148,983	20,964
			127,991
Included in other comprehensive income			
Actuarial losses		-	2,894
			-
Others			
Benefits paid		(4,976)	(2,894)
			(4,976)
Non-current provisions for defined benefit plans at 30 June		540,858	449,067
			463,428

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Actuarial assumptions

Principal actuarial assumptions as of the end of the reporting period

	30 June 2019	31 December 2018
		(%)
Discount rate *	2.92 - 3.14	2.92 - 3.14
Salary increase rate	3.00 - 7.00	3.00 - 7.00
Employee turnover rate **	4.00 - 33.00	4.00 - 33.00
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

On 5 April 2019, the Labor Protection Act has already been announced in Royal Gazette that become effective on 5 May 2019 to include a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate, which is increased from the current maximum rate of 300 days. The Group and the Company recognized the effect of this change as the expense for employee benefits amounted to Baht 124 and 107 million respectively, resulting in the decrease in net profit amounted to Baht 99 and 85 million, respectively.

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9 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 and real estate business

Information regarding the results of each reportable segment is included below. Performance is measured 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 six-month period ended 30 June was as follows:

	Manufacturing and sales of ceramic tiles		Industrial estate development and real estate		Total	
	1 Jan - 30 Jun		1 Jan - 30 Jun		1 Jan - 30 Jun	
	2019	2018	2019	2018	2019	2018
	<i>(in thousand Baht)</i>					
Information from consolidated income statement						
External revenue	5,598,860	6,023,342	202,930	23,862	5,801,790	6,047,204
Other income	30,911	46,286	72,006	71,991	102,917	118,277
Interest income	829	3,131	-	-	829	3,131
Finance cost	4,549	14,395	-	-	4,549	14,395
Depreciation and amortization	282,292	295,978	11,273	13,142	293,565	309,120
Profit before income tax	81,165	88,663	123,415	51,076	204,580	139,739
Tax expense	(21,174)	(67,347)	(27,253)	(10,214)	(48,427)	(77,561)
Profit for the period	59,991	21,316	96,162	40,862	156,153	62,178

	Manufacturing and sales of ceramic tiles		Industrial estate development and real estate		Total	
	30 Jun	31 Dec	30 Jun	31 Dec	30 Jun	31 Dec
	2019	2018	2019	2018	2019	2018
	<i>(in thousand Baht)</i>					
Information from consolidated statement of financial position						
Land development for sale	-	-	486,406	581,582	486,406	581,582
Segment assets	10,686,004	10,576,090	557,276	567,769	11,243,280	11,143,859

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10 Basic earnings per share

The calculation of basic earnings per share for the three-month and six-month periods ended 30 June was based on the profit for the period attributable to owners of the parent and the weighted average number of ordinary shares outstanding during the period as follows:

	Consolidated financial statement		Separate financial statement
	2019	2018	2019
	<i>(in thousand Baht / thousand shares)</i>		
<i>For the three-month period ended 30 June</i>			
Profit for the period attributable to owners of the parent	21,197	11,723	27,336
Weighted average number of ordinary shares outstanding	5,962,621	5,962,621	5,962,621
Basic earnings per share (in Baht)	0.00	0.00	0.00
<i>For the six-month period ended 30 June</i>			
Profit for the period attributable to owners of the parent	151,027	43,416	145,109
Weighted average number of ordinary shares outstanding	5,962,621	5,962,621	5,962,621
Basic earnings per share (in Baht)	0.03	0.01	0.02

11 Dividends

At the Annual General Meeting of the Shareholders of Sosuco and Group (2008) Co., Ltd. held on 26 March 2018, the shareholders approved the appropriation of dividends of Baht 18 per share, amounting to Baht 18 million which was paid on 19 April 2018.

At the Annual General Meeting of the Shareholders of Thai-German Ceramic Industry Public Company Limited held on 26 March 2018, the shareholders approved the appropriation of dividends of Baht 0.08 per share, amounting to Baht 136 million which was paid on 25 April 2018.

At the Annual General Meeting of the Shareholders of The Siam Ceramic Group Industries Co., Ltd. held on 26 March 2018, the shareholders approved the appropriation of dividends of Baht 3.74 per share, amounting to Baht 359 million which was paid on 25 April 2018.

At the Annual General Meeting of the Shareholders of Sosuco Ceramic Co., Ltd. held on 11 May 2018, the shareholders approved the appropriation of dividends of Baht 7,500 per share, amounting to Baht 60 million which was paid on 28 May 2018.

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12 Commitments and contingent liabilities

As at 30 June 2019

- (a) The Company had letters of guarantee issued by banks to government, state enterprises, private sectors and others totaling approximately Baht 15 million (31 December 2018: Baht 22 million).
- (b) The Group had commitments for construction building and machinery totaling approximately Baht 37 million (31 December 2018: Baht 64 million).
- (c) The Company had forward contracts with local banks in order to manage risk of foreign exchange rate details as follow:

	Contract amount Forward receivable		Equivalent to Baht	
	Currency			
	30 Jun 2019 (in thousand)	31 Dec 2018	30 Jun 2019 (in thousand Baht)	31 Dec 2018
US Dollars	2,042	2,497	62,445	82,001
Euro	449	307	15,540	11,460
Great Britain Pounds	-	17	-	706
Total			77,985	94,167

	Contract amount Forward payable		Equivalent to Baht	
	Currency			
	30 Jun 2019 (in thousand)	31 Dec 2018	30 Jun 2019 (in thousand Baht)	31 Dec 2018
US Dollars	4,437	7,121	137,169	233,560
Euro	1,780	549	62,859	20,781
Chinese Yuan	8,403	-	38,025	-
Yen	4,094	-	1,184	-
Total			239,237	254,341

The above contracts will be gradually due within November 2019 (31 December 2018: due within April 2019).

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- (d) The Group had entered into various building and car lease agreements. The periods of these agreements are 3 to 5 years expiring in various dates up to May 2024. Under the terms of these agreements, the Group has to pay annual rental as follows:

	Consolidated financial statement		Separate financial statement	
	30 Jun 2019	31 Dec 2018	30 Jun 2019	31 Dec 2018
	<i>(in thousand Baht)</i>			
Within one year	95,938	107,671	84,539	95,423
After one year but within five years	91,129	88,679	81,965	75,057
Total	187,067	196,350	166,504	170,480

- (e) 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.

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

The new and revised TFRSs have been issued but are not yet effective and have not been applied in preparing these interim financial statements. The new and revised TFRSs that may be relevant to the Group's operations, which become effective for annual financial periods beginning on or after 1 January 2020. The Group does not plan to early adopt these TFRSs.

The new TFRSs are set out below:

TFRS	Topic	Effective
TFRS 7 *	Financial Instruments: Disclosures	2020
TFRS 9 *	Financial Instruments	2020
TFRS 16	Leases	2020
TAS 32 *	Financial Instruments: Presentation	2020
TFRIC 16 *	Hedges of a Net Investment in a Foreign Operation	2020
TFRIC 19 *	Extinguishing Financial Liabilities with Equity Instruments	2020

* TFRS - Financial instruments standards

(a) TFRS - Financial instruments standards

These TFRS establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting.

The Group is presently considering the potential impact of adopting and initially applying TFRS - Financial instruments standards on the financial statements.

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(b) TFRS 16 Leases

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognizes a right to use and asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard.

The Group is presently considering the potential impact of adopting and initially applying TFRS 16 Leases on the financial statements.

14 Reclassification

Certain accounts in the financial statements as at 31 December 2018 and the income statement for the three-month and six-month periods ended 30 June 2018 have been reclassified to conform to the presentation in the 2019 interim financial statements were as follows:

	Consolidated financial statement		
	Before reclassification	Reclassification <i>(in thousand Baht)</i>	After reclassification
<i>Consolidated statement of financial position</i>			
<i>As at 31 December 2018</i>			
Trade and other current receivables	1,352,138	18,419	1,370,557
Other non-current receivables	162,507	(18,419)	144,088
Assets not used in operations	13,891	(13,891)	-
Other non-current assets	19,339	13,891	33,230
<i>Consolidated income statement</i>			
<i>For the three-month period ended 30 June 2018</i>			
Cost of sales of goods	(2,167,931)	(2,109)	(2,170,040)
Distribution costs	(467,968)	(56,657)	(524,625)
Administrative expenses	(284,002)	58,766	(225,236)
<i>For the six-month period ended 30 June 2018</i>			
Cost of sales of goods	(4,407,399)	(4,440)	(4,411,839)
Distribution costs	(969,343)	(114,342)	(1,083,685)
Administrative expenses	(622,165)	118,782	(503,383)
	Separate financial statement		
	Before reclassification	Reclassification <i>(in thousand Baht)</i>	After reclassification
<i>Statement of financial position</i>			
<i>As at 31 December 2018</i>			
Trade and other current receivables	1,348,724	18,419	1,367,143
Other non-current receivables	162,507	(18,419)	144,088
Assets not used in operations	13,891	(13,891)	-
Other non-current assets	19,339	13,891	33,230