

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

Interim financial statements
for the three-month and nine-month periods ended
30 September 2021
and
Independent auditor's report
on review of interim financial information

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 September 2021; the consolidated and separate income statement and statement of comprehensive income for the three-month and nine-month periods ended 30 September 2021, the consolidated and separate statements of changes in shareholders’ equity and cash flows for the nine-month period ended 30 September 2021 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 Standards 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”.

(Vairoj Jindamaneepitak)
Certified Public Accountant
Registration No. 3565

KPMG Phoomchai Audit Ltd.
Bangkok
8 November 2021

SCG Ceramics Public Company Limited and its Subsidiary

Statement of financial position

As at 30 September 2021

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 September	31 December	30 September	31 December
		2021	2020	2021	2020
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
Current assets					
Cash and cash equivalents		951,165	731,232	460,382	370,763
Trade and other current receivables	3, 4	1,674,251	1,103,839	1,675,948	1,103,175
Inventories		2,802,061	2,628,830	2,592,165	2,419,908
Land development for sale		429,701	486,406	429,701	486,406
Total current assets		5,857,178	4,950,307	5,158,196	4,380,252
Non-current assets					
Long-term investment in other company		16,605	16,605	16,605	16,605
Investment in subsidiary		-	-	1,333,935	1,333,935
Other non-current receivables		96,156	109,644	96,156	109,644
Investment property		401,211	401,997	398,998	399,785
Property, plant and equipment		4,885,793	5,071,246	4,435,779	4,600,062
Goodwill		25,350	25,350	-	-
Other intangible assets		84,256	101,373	83,652	101,037
Deferred tax assets		221,154	212,916	192,021	185,848
Other non-current assets		16,118	23,097	16,118	23,097
Total non-current assets		5,746,643	5,962,228	6,573,264	6,770,013
Total assets		11,603,821	10,912,535	11,731,460	11,150,265

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 September 2021

Liabilities and shareholders' equity	Note	Consolidated financial statements		Separate financial statements	
		30 September 2021 (Unaudited)	31 December 2020	30 September 2021 (Unaudited)	31 December 2020
<i>(in thousand Baht)</i>					
Current liabilities					
Trade and other current payables	3	1,597,696	1,231,937	1,603,019	1,299,515
Current portion of lease liabilities		69,422	75,029	65,199	67,723
Corporate income tax payable		38,431	46,976	31,889	38,302
Current provisions					
for employee benefits		17,879	90,370	17,026	69,192
Total current liabilities		1,723,428	1,444,312	1,717,133	1,474,732
Non-current liabilities					
Lease liabilities		95,246	64,535	88,270	49,140
Non-current provisions					
for employee benefits		604,311	578,622	522,891	501,611
Other non-current provisions		10,944	12,442	2,819	3,694
Other non-current liabilities		4,675	654	4,675	654
Total non-current liabilities		715,176	656,253	618,655	555,099
Total liabilities		2,438,604	2,100,565	2,335,788	2,029,831

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 September 2021

	Consolidated		Separate	
	financial statements		financial statements	
Liabilities and shareholders' equity	30 September	31 December	30 September	31 December
	2021	2020	2021	2020
	(Unaudited)		(Unaudited)	
	<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
Other surpluses	211,060	211,060	274,225	274,225
Retained earnings				
<i>Appropriated</i>				
Legal reserve	242,610	242,610	242,610	242,610
<i>Unappropriated</i>	1,659,189	1,305,942	1,782,622	1,507,384
Other components of shareholders' equity	(43,857)	(43,857)	-	-
Total equity attributable to owners of the parent	9,165,217	8,811,970	9,395,672	9,120,434
Total shareholders' equity	9,165,217	8,811,970	9,395,672	9,120,434
Total liabilities and shareholders' equity	11,603,821	10,912,535	11,731,460	11,150,265

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 September 2021 (Unaudited)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
Revenue from sales and rendering of services	3	2,709,743	2,714,203	2,709,912	2,714,167
Revenue from sales of land		130,680	-	130,680	-
Cost of sales and rendering of services	3	(1,988,832)	(1,879,657)	(2,076,484)	(1,968,624)
Cost of sales of land		(57,450)	-	(57,450)	-
Gross profit		794,141	834,546	706,658	745,543
Other income	3	20,467	17,325	22,814	218,163
Profit before expenses		814,608	851,871	729,472	963,706
Distribution costs		(445,797)	(440,420)	(405,436)	(400,493)
Administrative expenses		(165,252)	(196,982)	(146,017)	(179,900)
Total expenses		(611,049)	(637,402)	(551,453)	(580,393)
Profit from operations		203,559	214,469	178,019	383,313
Finance costs		(900)	(1,351)	(823)	(1,156)
Profit before income tax		202,659	213,118	177,196	382,157
Tax expense		(40,681)	(42,357)	(35,769)	(36,732)
Profit for the period		161,978	170,761	141,427	345,425
Profit attributable to					
Owners of the parent		161,978	170,761	141,427	345,425
Non-controlling interests		-	-	-	-
		161,978	170,761	141,427	345,425
Basic earnings per share (in Baht)					
Attributable to owners of the parent		0.03	0.03	0.02	0.06

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

SCG Ceramics Public Company Limited and its Subsidiary

Income statement

For the nine-month period ended 30 September 2021 (Unaudited)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
Revenue from sales and rendering of services	3	8,322,371	7,731,994	8,322,478	7,732,055
Revenue from sales of land		130,680	-	130,680	-
Cost of sales and rendering of services	3	(5,962,677)	(5,537,857)	(6,248,024)	(5,769,100)
Cost of sales of land		(57,450)	-	(57,450)	-
Gross profit		2,432,924	2,194,137	2,147,684	1,962,955
Other income	3	58,629	56,759	65,773	257,710
Profit before expenses		2,491,553	2,250,896	2,213,457	2,220,665
Distribution costs		(1,347,774)	(1,268,672)	(1,221,367)	(1,150,957)
Administrative expenses		(484,071)	(555,834)	(430,147)	(497,348)
Total expenses		(1,831,845)	(1,824,506)	(1,651,514)	(1,648,305)
Profit from operations		659,708	426,390	561,943	572,360
Finance costs		(2,551)	(6,488)	(2,264)	(5,820)
Profit before income tax		657,157	419,902	559,679	566,540
Tax expense		(130,994)	(78,809)	(111,525)	(69,913)
Profit for the period		526,163	341,093	448,154	496,627
Profit attributable to					
Owners of the parent		526,163	336,975	448,154	496,627
Non-controlling interests		-	4,118	-	-
		526,163	341,093	448,154	496,627
Basic earnings per share (in Baht)					
Attributable to owners of the parent		0.09	0.06	0.08	0.08

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 nine-month period ended 30 September 2021 (Unaudited)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Profit for the period	526,163	341,093	448,154	496,627
Other comprehensive income				
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	526,163	341,093	448,154	496,627
Total comprehensive income attributable to				
Owners of the parent	526,163	336,975	448,154	496,627
Non-controlling interests	-	4,118	-	-
	526,163	341,093	448,154	496,627

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 nine-month period ended 30 September 2021 (Unaudited)

Consolidated financial statements											
<i>Other components of shareholders' equity</i>											
	Note	Issued and paid share capital	Share premium on ordinary shares	Other surpluses	<u>Retained earnings</u>		Changes in other components from shareholders	Total other components of shareholders' equity	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 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	6	-	-	-	-	(71,552)	-	-	(71,552)	-	(71,552)
Total contributions by and distributions to owners of the parent		-	-	-	-	(71,552)	-	-	(71,552)	-	(71,552)
<i>Changes in ownership interests in subsidiary</i>											
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 subsidiary		-	-	-	-	-	(43,857)	(43,857)	(43,857)	(531,159)	(575,016)
Total transactions with owners, recorded directly in shareholders' equity		-	-	-	-	(71,552)	(43,857)	(43,857)	(115,409)	(531,159)	(646,568)
Comprehensive income for the period											
Profit or loss		-	-	-	-	336,975	-	-	336,975	4,118	341,093
Other comprehensive income		-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	336,975	-	-	336,975	4,118	341,093
Balance at 30 September 2020		5,962,621	1,133,594	211,060	214,264	1,246,030	(43,857)	(43,857)	8,723,712	-	8,723,712

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 nine-month period ended 30 September 2021 (Unaudited)

Consolidated financial statements											
<i>Other components of shareholders' equity</i>											
	Note	Issued and paid share capital	Share premium on ordinary shares	Other surpluses	<u>Retained earnings</u>		Changes in other components from shareholders	Total other components of shareholders' equity	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 2021		5,962,621	1,133,594	211,060	242,610	1,305,942	(43,857)	(43,857)	8,811,970	-	8,811,970
Transactions with owners, recorded directly in shareholders' equity											
<i>Contributions by and distributions to owners of the parent</i>											
Dividends	6	-	-	-	-	(172,916)	-	-	(172,916)	-	(172,916)
<i>Total contributions by and distributions to owners of the parent</i>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(172,916)</u>	<u>-</u>	<u>-</u>	<u>(172,916)</u>	<u>-</u>	<u>(172,916)</u>
Total transactions with owners, recorded directly in shareholders' equity		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(172,916)</u>	<u>-</u>	<u>-</u>	<u>(172,916)</u>	<u>-</u>	<u>(172,916)</u>
Comprehensive income for the period											
Profit or loss		-	-	-	-	526,163	-	-	526,163	-	526,163
Other comprehensive income		-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>526,163</u>	<u>-</u>	<u>-</u>	<u>526,163</u>	<u>-</u>	<u>526,163</u>
Balance at 30 September 2021		<u>5,962,621</u>	<u>1,133,594</u>	<u>211,060</u>	<u>242,610</u>	<u>1,659,189</u>	<u>(43,857)</u>	<u>(43,857)</u>	<u>9,165,217</u>	<u>-</u>	<u>9,165,217</u>

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 nine-month period ended 30 September 2021 (Unaudited)

	<i>Note</i>	Separate financial statements					Total shareholders' equity
		Issued and paid share capital	Share premium on ordinary shares	Other surpluses	<i>Retained earnings</i>		
					Appropriated Legal reserve	Unappropriated	
<i>(in thousand Baht)</i>							
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	6	-	-	-	-	(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		-	-	-	-	496,627	496,627
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	496,627	496,627
Balance at 30 September 2020		5,962,621	1,133,594	274,225	214,264	1,462,478	9,047,182

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 nine-month period ended 30 September 2021 (Unaudited)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the period	526,163	341,093	448,154	496,627
<i>Adjustments for</i>				
Tax expense	130,994	78,809	111,525	69,913
Depreciation and amortization	485,659	525,920	430,461	465,216
(Reversal) loss on impairment	1,150	(6,240)	1,150	(6,240)
Loss on inventories devaluation	15,593	3,925	13,250	3,925
Provisions for employee benefit expenses	31,617	35,752	27,207	30,787
Loss (gain) on foreign currency exchange	(3,983)	55	(3,983)	(3)
Dividend income	-	-	-	(200,000)
Interest income	(2,726)	(1,907)	(1,350)	(926)
Interest expense	2,553	6,486	2,261	5,817
Loss on sales of assets and others	1,734	26,757	1,276	27,314
Cash flows generated from operations				
before changes in operating assets and liabilities	1,188,754	1,010,650	1,029,951	892,430
<i>Decrease (increase) in operating assets</i>				
Trade and other current receivables	(562,211)	(82,958)	(556,187)	(79,713)
Inventories	(179,262)	101,255	(185,085)	28,963
Land development for sale	56,705	-	56,705	-
Other assets	19,397	13,567	19,396	13,566
Net decrease (increase) in operating assets	(665,371)	31,864	(665,171)	(37,184)
<i>Increase (decrease) in operating liabilities</i>				
Trade and other current payables	343,748	256,393	283,194	340,634
Provisions for employee benefits	(78,419)	(192,101)	(58,093)	(192,101)
Other liabilities	2,523	(301)	3,147	(215)
Net increase in operating liabilities	267,852	63,991	228,248	148,318
Net cash flows generated from operations	791,235	1,106,505	593,028	1,003,564
Income tax paid	(147,776)	(49,096)	(124,112)	(38,868)
Net cash flows provided by operating activities	643,459	1,057,409	468,916	964,696

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 nine-month period ended 30 September 2021 (Unaudited)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Acquisition of non-controlling interests	-	-	-	(574,860)
Proceeds from sale of property, plant and equipment	1,779	3,491	2,238	2,934
Acquisition of property, plant and equipment	(170,416)	(149,255)	(132,056)	(115,669)
Acquisition of intangible assets	(2,934)	(8,242)	(2,496)	(8,242)
Dividends received	-	-	-	200,000
Interest received	1,906	1,474	982	760
Net cash flows used in investing activities	(169,665)	(152,532)	(131,332)	(495,077)
<i>Cash flows from financing activities</i>				
Payments of changes in ownership interests in subsidiary that do not result in a loss of control	-	(574,860)	-	-
<i>Payments of borrowings</i>				
Short-term borrowings from financial institutions	-	(160,000)	-	(160,000)
Payments of finance lease liabilities	(78,383)	(79,156)	(72,780)	(70,782)
Net decrease in borrowings	(78,383)	(239,156)	(72,780)	(230,782)
<i>Dividends paid</i>				
Dividends paid	(172,916)	(71,552)	(172,916)	(71,552)
Total dividends paid	(172,916)	(71,552)	(172,916)	(71,552)
Interest paid	(2,562)	(7,291)	(2,269)	(6,624)
Net cash flows used in financing activities	(253,861)	(892,859)	(247,965)	(308,958)
Net increase in cash and cash equivalents	219,933	12,018	89,619	160,661
Cash and cash equivalents at beginning of the period	731,232	631,409	370,763	259,976
Cash and cash equivalents at end of the period	951,165	643,427	460,382	420,637
<i>Supplementary information for cash flows</i>				
<i>Non-cash transactions at end of the period</i>				
Account payables from purchase of assets	28,198	27,110	19,648	23,717

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 nine-month periods ended 30 September 2021 (Unaudited)

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SCG Ceramics Public Company Limited and its Subsidiary
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2021 (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 8 November 2021.

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 and its subsidiary, the Group's principal activities are engaged in manufacturing and sales of ceramic floor tiles and wall tiles, industrial estate development and installation service of solar equipment.

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

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim financial statements are presented in the same format as the annual financial statements and together with notes to the interim financial statements on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 "*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 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 2020.

(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.

SCG Ceramics Public Company Limited and its Subsidiary
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2021 (Unaudited)

(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 the accounting policies. 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 2020.

The COVID-19 outbreak resulted in estimation uncertainty. In 2020 the Group elected to apply accounting guidance on temporary accounting relief measures for additional accounting options in response to impact from the situation of COVID-19 in preparing the financial statements for the year ended 31 December 2020 by excluding COVID-19 situation for impairment of assets, fair value measurement and lease modifications. The accounting guidance already expired on 31 December 2020, and has no material effect on the interim financial statements for the period ended 30 September 2021.

(d) Basis of consolidation

The interim consolidated financial statements for the three-month and nine-month periods ended 30 September 2021 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 subsidiary 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, or a person or entity that are under common control or the same joint control or the significant influence as the Group.

Significant transactions with related parties for the three-month and nine-month periods ended 30 September are summarized as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<i>For the three-month period ended 30 September</i>				
<i>Ultimate parent</i>				
Service fees	31,470	21,492	27,116	20,756
Other income	10	-	10	-
<i>Parent</i>				
Service fees	5,184	9,831	5,016	9,514
Other income	1,849	2,541	1,849	2,541
<i>Subsidiary</i>				
Purchases	-	-	341,074	340,643
Service fees	-	-	472	2,236
Sale of goods and rendering of services	-	-	259	-
Dividend income	-	-	-	200,000
Other income	-	-	3,047	1,022

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	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<i>For the three-month period ended 30 September</i>				
<i>Other related parties</i>				
Purchases	447,460	192,768	438,662	182,266
Service fees	160,169	98,310	130,774	89,959
Sale of goods and rendering of services	392,064	128,800	392,064	128,800
Other income	1,306	6,276	1,306	6,276
<i>For the nine-month period ended 30 September</i>				
<i>Ultimate parent</i>				
Service fees	64,126	48,805	57,128	47,821
Sale of goods and rendering of services	-	403	-	403
Other income	10	-	10	-
<i>Parent</i>				
Service fees	21,712	35,102	20,556	31,119
Other income	5,035	7,804	5,035	7,804
<i>Subsidiary</i>				
Purchases	-	-	1,067,668	986,110
Service fees	-	-	3,154	4,712
Sale of goods and rendering of services	-	-	286	310
Dividend income	-	-	-	200,000
Other income	-	-	9,522	2,784
<i>Other related parties</i>				
Purchases	1,292,268	351,585	1,261,044	325,527
Service fees	496,093	239,796	406,693	224,975
Sale of goods and rendering of services	926,894	303,310	926,894	303,310
Other income	12,898	14,480	12,898	14,480

Balances as at 30 September 2021 and 31 December 2020 with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
	<i>(in thousand Baht)</i>			
<i>Trade receivables</i>				
Ultimate parent	-	29	-	29
Subsidiary	-	-	277	-
Other related parties	363,033	70,687	363,033	70,687
Total	363,033	70,716	363,310	70,716

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	Consolidated financial statements		Separate financial statements	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
	<i>(in thousand Baht)</i>			
<i>Other current receivables</i>				
Ultimate parent	23,911	19,933	22,675	19,933
Parent	2,469	3,034	2,469	3,034
Subsidiary	-	-	7,039	2,361
Other related parties	47,867	5,354	47,628	5,354
Total	74,247	28,321	79,811	30,682
<i>Trade payables</i>				
Subsidiary	-	-	182,234	180,801
Other related parties	222,523	171,562	206,712	163,069
Total	222,523	171,562	388,946	343,870
<i>Other current payables</i>				
Ultimate parent	33,056	17,616	29,156	16,908
Parent	3,205	9,984	3,142	9,807
Subsidiary	-	-	824	1,416
Other related parties	26,543	27,237	24,372	26,266
Total	62,804	54,837	57,494	54,397

The Board of Directors and key management compensation

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<i>For the three-month period ended 30 September</i>				
Short-term employee benefits	8,116	7,655	8,116	7,655
Post-employment benefits	794	755	794	755
Total	8,910	8,410	8,910	8,410
<i>For the nine-month period ended 30 September</i>				
Short-term employee benefits	25,682	23,751	25,682	23,751
Post-employment benefits	2,346	2,256	2,346	2,256
Total	28,028	26,007	28,028	26,007

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4 Trade and other current receivables

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
<i>(in thousand Baht)</i>					
Trade receivables					
Related parties	3	363,033	70,716	363,310	70,716
Other companies		1,167,309	951,466	1,167,309	951,466
Less allowance for expected credit loss		(206)	(105)	(206)	(105)
Net		1,167,103	951,361	1,167,103	951,361
		1,530,136	1,022,077	1,530,413	1,022,077
Other current receivables					
Related parties	3	74,247	28,321	79,811	30,682
Other companies		69,868	53,441	65,724	50,416
		144,115	81,762	145,535	81,098
Total		1,674,251	1,103,839	1,675,948	1,103,175

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<i>(in thousand Baht)</i>				
Expected credit loss				
For the nine-month period ended 30 September				
Reversal (additions)	(1,150)	6,240	(1,150)	6,240

	Consolidated financial statements		Separate financial statements	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
<i>(in thousand Baht)</i>				
Trade receivables				
Related parties				
Within credit terms	346,945	61,416	347,222	61,416
Overdue:				
Less than 1 month	215	2,146	215	2,146
1 - 3 months	15,682	2,862	15,682	2,862
Over 3 - 12 months	191	603	191	603
Over 12 months	-	3,689	-	3,689
Total	363,033	70,716	363,310	70,716

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	Consolidated financial statements		Separate financial statements	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
	<i>(in thousand Baht)</i>			
Other companies				
Within credit terms	1,127,804	893,455	1,127,804	893,455
Overdue:				
Less than 1 month	35,328	49,031	35,328	49,031
1 - 3 months	821	6,314	821	6,314
Over 3 - 12 months	3,300	2,562	3,300	2,562
Over 12 months	56	104	56	104
	<u>1,167,309</u>	<u>951,466</u>	<u>1,167,309</u>	<u>951,466</u>
<i>Less allowance for expected credit loss</i>	<u>(206)</u>	<u>(105)</u>	<u>(206)</u>	<u>(105)</u>
Net	<u>1,167,103</u>	<u>951,361</u>	<u>1,167,103</u>	<u>951,361</u>
Total	<u>1,530,136</u>	<u>1,022,077</u>	<u>1,530,413</u>	<u>1,022,077</u>

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

5 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 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.

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Information relating to business segments for the nine-month period ended 30 September was as follows:

	Manufacturing and sales of ceramic tiles		Industrial estate development, real estate and installation service of solar equipment		Total	
	1 Jan - 30 Sep		1 Jan - 30 Sep		1 Jan - 30 Sep	
	2021	2020	2021	2020	2021	2020
	<i>(in thousand Baht)</i>					
<i>Information from consolidated income statement</i>						
External revenue	7,855,802	7,550,111	466,569	181,883	8,322,371	7,731,994
Revenue from sales of land	-	-	130,680	-	130,680	-
Other income	44,761	52,912	11,142	1,940	55,903	54,852
Interest income	2,726	1,907	-	-	2,726	1,907
Finance costs	2,551	6,488	-	-	2,551	6,488
Depreciation and amortization	468,258	511,650	17,401	14,270	485,659	525,920
Profit before income tax	533,237	368,733	123,920	51,169	657,157	419,902
Tax expense	(106,206)	(71,968)	(24,788)	(6,841)	(130,994)	(78,809)
Profit for the period	<u>427,031</u>	<u>296,765</u>	<u>99,132</u>	<u>44,328</u>	<u>526,163</u>	<u>341,093</u>

	Manufacturing and sales of ceramic tiles		Industrial estate development and real estate and installation service of solar equipment		Total	
	30 Sep	31 Dec	30 Sep	31 Dec	30 Sep	31 Dec
	2021	2020	2021	2020	2021	2020
	<i>(in thousand Baht)</i>					
<i>Information from consolidated statement of financial position</i>						
Land development for sale	-	-	429,701	486,406	429,701	486,406
Segment assets	10,381,018	9,855,129	793,102	571,000	11,174,120	10,426,129

SCG Ceramics Public Company Limited and its Subsidiary
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2021 (Unaudited)

6 Dividends

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

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in thousand Baht)
<i>2021</i>				
Final dividend 2020	29 March 2021	22 April 2021	0.029	172,916
Total			0.029	172,916
<i>2020</i>				
Interim dividend 2019	19 March 2020	17 April 2020	0.012	71,552
Total			0.012	71,552

7 Financial instruments

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 for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities measured at amortized cost if the carrying amount is a reasonable approximation of fair value.

SCG Ceramics Public Company Limited and its Subsidiary

Notes to the interim financial statements

For the three-month and nine-month periods ended 30 September 2021 (Unaudited)

	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>At 30 September 2021</i>	<i>(in thousand Baht)</i>						
Financial assets							
Cash and cash equivalents	-	-	951,165	951,165			
Trade receivables	-	-	1,530,136	1,530,136			
Derivatives assets	8,475	-	-	8,475	8,475		8,475
Long-term investment in other company	-	16,605	-	16,605		16,605	16,605
Total financial assets	8,475	16,605	2,481,301	2,506,381			
Financial liabilities							
Trade payables	-	-	901,663	901,663			
Lease liabilities	-	-	164,668	164,668			
Derivatives liabilities	4,188	-	-	4,188	4,188		4,188
Total financial liabilities	4,188	-	1,066,331	1,070,519			

SCG Ceramics Public Company Limited and its Subsidiary

Notes to the interim financial statements

For the three-month and nine-month periods ended 30 September 2021 (Unaudited)

	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>At 31 December 2020</i>	<i>(in thousand Baht)</i>						
Financial assets							
Cash and cash equivalents	-	-	731,232	731,232			
Trade receivables	-	-	1,022,077	1,022,077			
Derivatives assets	1,848	-	-	1,848	1,848		1,848
Long-term investment in other company	-	16,605	-	16,605		16,605	16,605
Total financial assets	1,848	16,605	1,753,309	1,771,762			
Financial liabilities							
Trade payables	-	-	709,228	709,228			
Lease liabilities	-	-	139,564	139,564			
Derivatives liabilities	3,143	-	-	3,143	3,143		3,143
Total financial liabilities	3,143	-	848,792	851,935			

SCG Ceramics Public Company Limited and its Subsidiary

Notes to the interim financial statements

For the three-month and nine-month periods ended 30 September 2021 (Unaudited)

	Separate 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>						
At 30 September 2021							
Financial assets							
Cash and cash equivalents	-	-	460,382	460,382			
Trade receivables	-	-	1,530,413	1,530,413			
Derivatives assets	8,475	-	-	8,475	8,475		8,475
Long-term investment in other company	-	16,605	-	16,605		16,605	16,605
Total financial assets	8,475	16,605	1,990,795	2,015,875			
Financial liabilities							
Trade payables	-	-	973,839	973,839			
Lease liabilities	-	-	153,469	153,469			
Derivatives liabilities	4,188	-	-	4,188	4,188		4,188
Total financial liabilities	4,188	-	1,127,308	1,131,496			

SCG Ceramics Public Company Limited and its Subsidiary

Notes to the interim financial statements

For the three-month and nine-month periods ended 30 September 2021 (Unaudited)

	Separate financial statements				Fair value		
	Carrying amount		Amortized cost	Total	Level 2	Level 3	Total
	Fair value through profit or loss	Fair value through other comprehensive income					
<i>At 31 December 2020</i>							
Financial assets							
Cash and cash equivalents	-	-	370,763	370,763			
Trade receivables	-	-	1,022,077	1,022,077			
Derivatives assets	1,848	-	-	1,848	1,848		1,848
Long-term investment in other company	-	16,605	-	16,605		16,605	16,605
Total financial assets	1,848	16,605	1,392,840	1,411,293			
Financial liabilities							
Trade payables	-	-	817,927	817,927			
Lease liabilities	-	-	116,863	116,863			
Derivatives liabilities	3,143	-	-	3,143	3,143		3,143
Total financial liabilities	3,143	-	934,790	937,933			

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Financial instruments measured at fair value

The Group determined Level 2 fair values for forward exchange 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 Group determined Level 3 fair values for investments in equity instruments which is not actively traded in market. The fair value of the investment was determined using a valuation technique that used significantly unobservable input such as the latest reporting net assets adjusted by relevant factors. This was because the equity instruments were not listed on any stock exchange, and there were no recent observable arm's length transactions in the shares.

8 Commitments and contingent liabilities

As at 30 September 2021

- (a) The Company had letters of guarantee issued by banks to government, state enterprises, private sectors and others totaling approximately Baht 21 million (*31 December 2020: Baht 17 million*).
- (b) The Group had commitments for construction building and machinery totaling approximately Baht 67 million (*31 December 2020: Baht 13 million*).
- (c) The Group had entered into various lease agreements. The periods of these agreements are 3 years expiring in various dates up to January 2024. Under the terms of these agreements, the Group has to pay annual rental as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	30 Sep	31 Dec	30 Sep	31 Dec
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Within one year	1,191	1,334	878	1,156
After one year but within five years	701	795	582	762
Total	1,892	2,129	1,460	1,918

- (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.

9 Thai Financial Reporting Standards (TFRS) that have been issued but are not yet effective

The Federation of Accounting Professions has revised TFRS which is effective for annual accounting periods beginning on or after 1 January 2022 and has not been adopted in the preparation of these interim financial statements because it is not yet effective. The Group has assessed the potential initial impact on the financial statements of this revised TFRS and expected that there will be no material impact on the financial statements in the period of initial application.

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10 Reclassification of accounts

Certain accounts in the income statement for the three-month and nine-month periods ended 30 September 2020 have been reclassified to conform to the presentation in the 2021 interim 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 three-month period ended</i>			
<i>30 September 2020</i>			
Revenue from sales and rendering of services	2,640,130	74,073	2,714,203
Cost of sales and rendering of services	(1,839,172)	(40,485)	(1,879,657)
Other income	50,913	(33,588)	17,325
<i>Consolidated income statement</i>			
<i>for the nine-month period ended</i>			
<i>30 September 2020</i>			
Revenue from sales and rendering of services	7,532,288	199,706	7,731,994
Cost of sales and rendering of services	(5,448,379)	(89,478)	(5,537,857)
Other income	166,987	(110,228)	56,759
		Separate financial statements	
	Before reclassification	Reclassification <i>(in thousand Baht)</i>	After reclassification
<i>Income statement</i>			
<i>for the three-month period ended</i>			
<i>30 September 2020</i>			
Revenue from sales and rendering of services	2,640,095	74,072	2,714,167
Cost of sales and rendering of services	(1,928,139)	(40,485)	(1,968,624)
Other income	251,750	(33,587)	218,163
<i>Income statement</i>			
<i>for the nine-month period ended</i>			
<i>30 September 2020</i>			
Revenue from sales and rendering of services	7,532,040	200,015	7,732,055
Cost of sales and rendering of services	(5,679,622)	(89,478)	(5,769,100)
Other income	368,247	(110,537)	257,710