

(UNAUDITED)

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

Financial statements

for the year ended 31 December 2019

SCG Ceramics Public Company Limited and its Subsidiary**Statement of financial position**

As at 31 December 2019

Assets	Consolidated		Separate	
	financial statement		financial statement	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Current assets				
Cash and cash equivalents	631,409	424,433	259,976	119,857
Trade and other current receivables	1,163,240	1,370,557	1,162,944	1,367,143
Inventories	2,844,358	2,898,357	2,535,182	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	5,125,413	5,279,525	4,444,508	4,617,224
Non-current assets				
Other long-term investment	16,605	16,605	16,605	16,605
Investment in subsidiary	-	-	758,919	758,919
Other non-current receivables	126,820	144,088	126,820	144,088
Investment property	402,123	402,830	399,911	400,580
Property, plant and equipment	5,322,614	5,570,222	4,844,309	5,113,986
Goodwill	25,350	25,350	-	-
Other intangible assets	119,358	114,627	118,735	113,562
Deferred tax assets	231,555	138,964	205,537	119,681
Other non-current assets	25,521	33,230	25,521	33,230
Total non-current assets	6,269,946	6,445,916	6,496,357	6,700,651
Total assets	11,395,359	11,725,441	10,940,865	11,317,875

SCG Ceramics Public Company Limited and its Subsidiary**Statement of financial position**

As at 31 December 2019

	Consolidated		Separate	
	financial statement		financial statement	
Liabilities and shareholders' equity	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<i>Current liabilities</i>				
Short-term borrowings				
from financial institutions	160,000	865,000	160,000	865,000
Trade and other current payables	1,416,853	1,505,898	1,470,998	1,543,740
Current income tax payable	19,622	3,445	13,630	-
Current provisions				
for employee benefits	166,365	23,010	165,658	22,508
Total current liabilities	1,762,840	2,397,353	1,810,286	2,431,248
<i>Non-current liabilities</i>				
Non-current provisions				
for employee benefits	586,630	399,957	501,208	343,519
Other non-current provisions	13,427	16,430	3,989	6,276
Other non-current liabilities	278	2,386	278	2,386
Total non-current liabilities	600,335	418,773	505,475	352,181
Total liabilities	2,363,175	2,816,126	2,315,761	2,783,429

SCG Ceramics Public Company Limited and its Subsidiary**Statement of financial position**

As at 31 December 2019

	Consolidated		Separate	
	financial statement		financial statement	
Liabilities and shareholders' equity	2019	2018	2019	2018
	<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	214,264	206,907	214,264	206,907
<i>Unappropriated</i>	<u>983,604</u>	<u>883,288</u>	<u>1,040,400</u>	<u>957,099</u>
Total equity attributable to owners of the parent	8,505,143	8,397,470	8,625,104	8,534,446
Non-controlling interests	527,041	511,845	-	-
Total shareholders' equity	9,032,184	8,909,315	8,625,104	8,534,446
Total liabilities and shareholders' equity	11,395,359	11,725,441	10,940,865	11,317,875

SCG Ceramics Public Company Limited and its Subsidiary

Income statement

For the year ended 31 December 2019

	Consolidated		Separate	
	financial statement		financial statement	
	2019	2018	2019	For the period 1 August 2018 to 31 December 2018
	<i>(in thousand Baht)</i>			
Revenue from sales of goods	10,871,226	11,513,150	10,870,198	4,486,255
Revenue from sales of land	202,930	43,362	202,930	19,500
Cost of sales of goods	(8,045,891)	(8,414,187)	(8,360,225)	(3,358,333)
Cost of sales of land	(96,439)	(17,282)	(96,439)	(4,842)
Gross profit	2,931,826	3,125,043	2,616,464	1,142,580
Other income	217,661	233,273	215,554	90,786
Profit before expenses	3,149,487	3,358,316	2,832,018	1,233,366
Distribution costs	(1,887,048)	(2,046,946)	(1,712,734)	(738,239)
Administrative expenses	(1,024,332)	(1,177,925)	(927,699)	(338,997)
Total expenses	(2,911,380)	(3,224,871)	(2,640,433)	(1,077,236)
Profit from operations	238,107	133,445	191,585	156,130
Finance costs	(5,173)	(25,201)	(5,173)	(7,214)
Profit before income tax	232,934	108,244	186,412	148,916
Tax expense	(46,128)	(82,750)	(39,271)	(21,289)
Profit for the year	186,806	25,494	147,141	127,627
Profit (loss) attributable to				
Owners of the parent	168,173	(3,583)	147,141	127,627
Company in the Group				
before business restructuring	-	13,540	-	-
Non-controlling interests	18,633	15,537	-	-
	186,806	25,494	147,141	127,627
Basic earnings (loss) per share (in Baht)				
Attributable to owners of the parent	0.03	(0.001)	0.02	0.02

SCG Ceramics Public Company Limited and its Subsidiary

Statement of comprehensive income

For the year ended 31 December 2019

	Consolidated		Separate	
	financial statement		financial statement	
	2019	2018	2019	For the period 1 August 2018 to 31 December 2018
	<i>(in thousand Baht)</i>			
Profit for the year	186,806	25,494	147,141	127,627
Other comprehensive income				
<i>Components of other comprehensive income that will be reclassified to profit or loss</i>				
Reversal of remeasuring investments held as available for sale	-	(90)	-	-
Total components of other comprehensive income that will be reclassified to profit or loss	-	(90)	-	-
<i>Components of other comprehensive income that will not be reclassified to profit or loss</i>				
Defined benefit plan actuarial gain (losses)	(79,921)	8,405	(70,604)	8,579
Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss	15,984	(1,681)	14,121	(1,715)
Total components of other comprehensive income that will not be reclassified to profit or loss	(63,937)	6,724	(56,483)	6,864
Other comprehensive income for the year, net of tax	(63,937)	6,634	(56,483)	6,864
Total comprehensive income for the year	122,869	32,128	90,658	134,491
Total comprehensive income attributable to				
Owners of the parent	107,673	2,048	90,658	134,491
Company in the Group before business restructuring	-	13,540	-	-
Non-controlling interests	15,196	16,540	-	-
	122,869	32,128	90,658	134,491

SCG Ceramics Public Company Limited and its Subsidiary

Statement of changes in shareholders' equity

For the year ended 31 December 2019

	Consolidated financial statement												
	<i>Other components of shareholders' equity</i>											Total shareholders' equity	
	Issued and paid share capital	Ordinary shares held before amalgamation	Share premium on ordinary shares	Surplus on business combinations under common control	<i>Retained earnings</i>		<i>Other comprehensive income</i>		Total other components of shareholders' equity	Total equity attributable to owners of the parent	Shareholders' equity before amalgamation		Non- controlling interests
					Appropriated	Unappropriated	Investments	Total					
Legal reserve					held as available for sale	held as available for sale	of shareholders' equity						
<i>(in thousand Baht)</i>													
Balance at 1 January 2018	5,962,621	(51,744)	1,133,594	-	200,150	1,356,571	90	90	8,601,282	776,668	522,973	9,900,923	
Transactions with owners, recorded directly in shareholders' equity													
<i>Contributions by and distributions to owners of the parent</i>													
Dividends	-	-	-	-	-	(477,664)	-	-	(477,664)	(32,332)	(27,668)	(537,664)	
<i>Total contributions by and distributions to owners of the parent</i>	-	-	-	-	-	(477,664)	-	-	(477,664)	(32,332)	(27,668)	(537,664)	
<i>Changes in ownership interests in subsidiaries</i>													
Amalgamation	-	51,744	-	211,060	-	9,000	-	-	271,804	(757,876)	-	(486,072)	
<i>Total changes in ownership interests in subsidiaries</i>	-	51,744	-	211,060	-	9,000	-	-	271,804	(757,876)	-	(486,072)	
Total transactions with owners, recorded directly in shareholders' equity	-	51,744	-	211,060	-	(468,664)	-	-	(205,860)	(790,208)	(27,668)	(1,023,736)	
Comprehensive income for the year													
Profit or loss	-	-	-	-	-	(3,583)	-	-	(3,583)	13,540	15,537	25,494	
Other comprehensive income	-	-	-	-	-	5,721	(90)	(90)	5,631	-	1,003	6,634	
Total comprehensive income for the year	-	-	-	-	-	2,138	(90)	(90)	2,048	13,540	16,540	32,128	
Transfer to legal reserve	-	-	-	-	6,757	(6,757)	-	-	-	-	-	-	
Balance at 31 December 2018	5,962,621	-	1,133,594	211,060	206,907	883,288	-	-	8,397,470	-	511,845	8,909,315	

SCG Ceramics Public Company Limited and its Subsidiary

Statement of changes in shareholders' equity

For the year ended 31 December 2019

	Consolidated financial statement							
	Issued and paid share capital	Share premium on ordinary shares	Surplus on business combinations under common control	<i>Retained earnings</i>		Total equity attributable to owners of the parent	Non- controlling interests	Total shareholders' equity
				Appropriated Legal reserve	Unappropriated			
				<i>(in thousand Baht)</i>				
Balance at 1 January 2019	5,962,621	1,133,594	211,060	206,907	883,288	8,397,470	511,845	8,909,315
Comprehensive income for the year								
Profit or loss	-	-	-	-	168,173	168,173	18,633	186,806
Other comprehensive income	-	-	-	-	(60,500)	(60,500)	(3,437)	(63,937)
Total comprehensive income for the year	-	-	-	-	107,673	107,673	15,196	122,869
Transfer to legal reserve	-	-	-	7,357	(7,357)	-	-	-
Balance at 31 December 2019	5,962,621	1,133,594	211,060	214,264	983,604	8,505,143	527,041	9,032,184

SCG Ceramics Public Company Limited and its Subsidiary

Statement of changes in shareholders' equity

For the year ended 31 December 2019

	Separate financial statement					Total shareholders' equity
	Issued and paid share capital	Share premium on ordinary shares	Surplus on business combinations under common control	<i>Retained earnings</i>		
			Appropriated Legal reserve	Unappropriated		
			<i>(in thousand Baht)</i>			
Balance at 1 January 2018	-	-	-	-	-	-
Transactions with owners,						
recorded directly in shareholders' equity						
<i>Contributions by and distributions to owners of the parent</i>						
Amalgamation	5,962,621	1,133,594	274,225	200,526	828,989	8,399,955
Total transactions with owners,						
recorded directly in shareholders' equity	5,962,621	1,133,594	274,225	200,526	828,989	8,399,955
Comprehensive income for the year						
Profit or loss	-	-	-	-	127,627	127,627
Other comprehensive income	-	-	-	-	6,864	6,864
Total comprehensive income for the year	-	-	-	-	134,491	134,491
Transfer to legal reserve	-	-	-	6,381	(6,381)	-
Balance at 31 December 2018	5,962,621	1,133,594	274,225	206,907	957,099	8,534,446

SCG Ceramics Public Company Limited and its Subsidiary

Statement of changes in shareholders' equity

For the year ended 31 December 2019

	Separate financial statement					Total shareholders' equity
	Issued and paid share capital	Share premium on ordinary shares	Surplus on business combinations under common control	<i>Retained earnings</i>		
				Appropriated Legal reserve	Unappropriated	
	<i>(in thousand Baht)</i>					
Balance at 1 January 2019	5,962,621	1,133,594	274,225	206,907	957,099	8,534,446
Comprehensive income for the year						
Profit or loss	-	-	-	-	147,141	147,141
Other comprehensive income	-	-	-	-	(56,483)	(56,483)
Total comprehensive income for the year	-	-	-	-	90,658	90,658
Transfer to legal reserve	-	-	-	7,357	(7,357)	-
Balance at 31 December 2019	5,962,621	1,133,594	274,225	214,264	1,040,400	8,625,104

SCG Ceramics Public Company Limited and its Subsidiary

Statement of cash flows

For the year ended 31 December 2019

	Consolidated		Separate	
	financial statement		financial statement	
	2019	2018	2019	For the period 1 August 2018 to 31 December 2018
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the year	186,806	25,494	147,141	127,627
<i>Adjustments for</i>				
Tax expense	46,128	82,750	39,271	21,289
Depreciation and amortization	592,410	596,062	523,575	215,703
Allowance for doubtful accounts	8,527	21	8,527	-
Loss for decline in value of inventories	15,378	22,927	15,954	3,247
Employee mutual separation plan expenses	105,873	204,490	105,873	-
Employee benefit expense	205,446	64,086	180,704	30,734
Unrealized loss (gain) on foreign currency exchange	(1,488)	(1,933)	(1,483)	3,520
Interest income	(1,779)	(4,352)	(497)	(228)
Interest expense	4,559	25,200	4,559	7,214
Loss on impairment of assets	29,887	23,635	29,887	-
Loss on sales of assets and others	497	4,521	1,688	14,912
Cash flows generated from operations				
before changes in operating assets and liabilities	1,192,244	1,042,901	1,055,199	424,018
<i>Decrease (increase) in operating assets</i>				
Trade and other current receivables	199,198	221,092	196,081	352,431
Inventories	36,172	39,844	(9,539)	15,057
Land development for sale	95,176	15,455	95,176	4,275
Other assets	17,082	(4,256)	17,082	(22,001)
Net increase in operating assets	347,628	272,135	298,800	349,762
<i>Increase (decrease) in operating liabilities</i>				
Trade and other current payables	(81,827)	11,695	(62,278)	(62,329)
Provisions for employee benefits	(61,269)	(302,312)	(61,268)	(274,908)
Other liabilities	(5,111)	64	(4,396)	2,099
Net increase (decrease) in operating liabilities	(148,207)	(290,553)	(127,942)	(335,138)
Net cash flows generated from operations	1,391,665	1,024,483	1,226,057	438,642
Income tax paid	(102,541)	(87,862)	(93,361)	(45,122)
Net cash flows provided by operating activities	1,289,124	936,621	1,132,696	393,520

SCG Ceramics Public Company Limited and its Subsidiary

Statement of cash flows

For the year ended 31 December 2019

	Consolidated financial statement		Separate financial statement	
	2019	2018	2019	For the period 1 August 2018 to 31 December 2018
	<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	3,600	5,413	2,408	2,172
Acquisition of property, plant and equipment	(362,186)	(485,032)	(270,159)	(117,983)
Acquisition of intangible assets	(13,387)	(35,279)	(13,369)	(9,390)
Proceeds from repayment of short-term loans	-	119,136	-	-
Dividends received from shareholders before amalgamation	-	32,332	-	-
Interest received	1,692	4,355	410	228
Net cash flows used in investing activities	(370,281)	(877,503)	(280,710)	(124,973)
<i>Cash flows from financing activities</i>				
Proceeds from (payments of) borrowings				
Payments of bank overdrafts and short-term borrowings	(705,000)	862,092	(705,000)	(757,000)
Proceeds from short-term borrowings from related party	-	(844,394)	-	-
Net increase (decrease) in borrowings	(705,000)	17,698	(705,000)	(757,000)
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	(6,867)	(26,441)	(6,867)	(7,001)
Net cash flows used in financing activities	(711,867)	(546,407)	(711,867)	(764,001)
Net increase (decrease) in cash and cash equivalents	206,976	(487,289)	140,119	(495,454)
Cash and cash equivalents at beginning of the year	424,433	911,722	119,857	615,311
Cash and cash equivalents at end of the year	631,409	424,433	259,976	119,857
<i>Supplementary information for cash flows</i>				
Non-cash transactions				
Account payables from purchase of assets	28,972	33,807	24,018	28,157