

January 25, 2022

No.: KT/PB (COTTO) 002/2022  
To: Director and Manager, the Stock Exchange of Thailand  
Subject: Management's Discussion and Analysis (MD&A) for the period of Q4/21 and FY2021, ended December 31, 2021  
(Unaudited)

SCG Ceramics Public Company ("The Company") hereby submits the unaudited consolidated financial statements and management discussion and analysis (MD&A) for the period of Q4/21 and FY2021, ended December 31, 2021. Details of the operating results are as follows:

For the period of Q4/21, consolidated revenue from sales amounted to 2,741 MB, increased 11 % y-o-y due to demand recovery which affected sales volume, increased by 6% y-o-y in both domestic and export. Profit for the period amounted to 57 MB, decreased 31% y-o-y and EBITDA amounted to 233 MB, decreased 14% y-o-y, due to continuously increase in natural gas price which affected total manufacturing cost. However, the company closely control cost management and production efficiency in order to mitigate the impact.

For the period FY2021, revenue from sales registered to 11,194 MB, increased 10% y-o-y due to increasing in sales volume. Domestic and Export sales volume amounted to 63.7 million sq.m, increased 5% y-o-y, due to increasing demand. There was non-recurring item which was revenue from land selling in Nong Khae industrial estate for 131 MB. Profit for the period amounted to 584 MB, increased 39% y-o-y and EBITDA amounted to 1,378 MB, increased 13% y-o-y.

The Board of Directors of SCG Ceramics proposes to get approval for the dividend payment for 2021 at the rate of 0.047 Bt/sh at the 2022 Annual General Meeting of Shareholders. The dividend shall be payable on April 22, 2022 to the shareholders entitled to receive dividend in accordance with the Company's Articles of association, of record as of April 4, 2022 (The Stock Exchange of Thailand shall post the "XD" sign on the date on which the buyers of securities shall have no rights to receive dividend on April 1, 2022)

**Table1: Consolidated financial Summary**

Unit: Million Baht	Q4	%change	%change	Jan.-Dec.	%change
	2021	Y-o-Y	Q-o-Q	2021	Y-o-Y
Revenue from Sales	2,741	11%	-3%	11,194	10%
Profit for the Period	57	-31%	-65%	584	39%
EBITDA	233	-14%	-36%	1,378	13%
Earning per Share (Baht)	0.01	-31%	-65%	0.10	39%

Note: EBITDA = Earnings before interest, tax, depre.& amortization  
Profit for the Period = Profit for the Period attributable to owners of the parent

For the period of FY2021, finance costs amounted to 4 MB, whereas FY2020 amounted 7 MB, from the interest expense on the lease contract under Thai Financial Reporting Standards no. 16 "Leases" (TFRS 16). The company had no short-term and long-term loan from financial institute.

**Table2: Debt Profile**

Unit: Million Baht	Q4 2021	Q3 2021	Q4 2020
Short-Term Loan	-	-	-
Baht	-	-	-
Foreign	-	-	-
%of Total Loan	n/a	n/a	n/a
Total Loan	-	-	-
Cash and cash equivalents	1,324	951	731
Total Net Debt (Net Cash)	(1,324)	(951)	(731)
<b><u>Financial Ratios</u></b>	<b>Q4</b>	<b>Q3</b>	<b>Q4</b>
	<b>2021</b>	<b>2021</b>	<b>2020</b>
EBITDA on Assets (%)	12%	13%	11%
Current Ratio (times)	3.7	3.4	3.4
Quick Ratio (times)	1.7	1.5	1.3
Interest Coverage (times)	242.3	405.1	294.9
Net Debt to EBITDA (times)	n/a	n/a	n/a
Net Debt to Equity (times)	n/a	n/a	n/a
Debt to Equity (times)	0.2	0.3	0.2
Return on Equity (%)	6%	8%	5%

Note:

Net Debt	= Total debt (interest bearing exclude lease liabilities ), less cash and cash equivalents
EBITDA	= Earnings before interest, tax, depre.&amortization
EBITDA on Assets	= Annualized EBITDA, to Total Consolidated Assets
Current Ratio	= Curerent Assets, to current liabilities
Quick Ratio	= Cash+short term investments+receivable, to current liabilities
Interest Coverage	= EBITDA, to interest expense
Net Debt to EBITDA	= Net debt, to annualized EBITDA
Net Debt to Equity	= Net debt, to equity & non-controlling interest
Debt to Equity	= Total Liabilities, to equity & non-controlling interest
Return on Equity	= Annualized Net profit, to average total shareholder's equity (not including non-controlling interest)

As of December 31, 2021, Total assets amounted to 11,521 MB, where current assets amounted to 5,872 MB, property, plant and equipment amounted to 4,825 MB and others non-current assets amounted to 824 MB.

Total liabilities amounted to 2,271 MB, where trade and other current payables liabilities amounted to 1,487 MB, others current liabilities amounted to 110 MB and others non-current liabilities amounted to 674 MB.

Total equity attributable to owners of the parent amounted to 9,250 MB, which 100% of total shareholder's equity.

<b>Table3: Statement of Financial Position</b>			
Unit: Million Baht	December 2021	December 2020	September 2021
<b>Total Assets</b>	<b>11,521</b>	<b>10,913</b>	<b>11,604</b>
Current Assets	5,872	4,950	5,857
Cash, cash equivalent and short term investment	1,324	731	951
Trade and other current receivables	1,348	1,104	1,674
Inventories	2,770	2,629	2,802
Land development for sale	430	486	430
Property, plant and equipment	4,825	5,071	4,886
Others non-current Assets	824	892	861
<b>Total Liabilities</b>	<b>2,271</b>	<b>2,101</b>	<b>2,439</b>
Current Liabilities	1,597	1,444	1,724
Trade and other current payables	1,487	1,232	1,598
Loans	-	-	-
Others	110	212	126
Others non-current Liabilities	674	657	715
<b>Total Shareholders' equity</b>	<b>9,250</b>	<b>8,812</b>	<b>9,165</b>
Total equity attributable to owners of the parent	9,250	8,812	9,165
Non-controlling interests	-	-	-

Sincerely yours,

(Numpol Malichai)

Managing Director