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

The consolidated 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 and risk management committee, as appointed by the Board of Directors of the Company, on 16 February 2026.

1. General information

SCG Decor Public Company Limited the “Company”, is incorporated in Thailand. The Group’s registered office is at 1 Siam Cement Road, Bangsue, Bangkok 10800.

The parent and ultimate parent companies were The Siam Fibre-Cement Co., Ltd. and The Siam Cement Public Company Limited, respectively Both are incorporated in Thailand.

The principle activities of the Company and its subsidiaries, the “Group”, covers the production and distribution of ceramic tiles, sanitary ware and other related products including services and solutions. There are two main business segments, namely (1) Decor Surfaces Business and (2) Bathroom Business.

Subsidiaries which included in the consolidated financial statements of the Group are as follows;

| Company | Country of | 2025 |  | 2024 | |
| --- | --- | --- | --- | --- | --- |
|  | establishment | Direct/Indirect holding  *(%)* | | |
| The Siam Sanitary Fittings Co., Ltd. | Thailand | 99.57 |  | 99.57 |
| Siam Sanitary Ware Co., Ltd. | Thailand | 98.70 |  | 98.70 |
| Siam Sanitary Ware Industry Co., Ltd. | Thailand | 98.70 |  | 98.70 |
| Siam Sanitary Ware Industry (Nongkae) Co., Ltd. | Thailand | 98.70 |  | 98.70 |
| SCG Ceramics Public Company Limited | Thailand | 99.11 |  | 99.11 |
| Sosuco Ceramic Co., Ltd. | Thailand | 99.11 |  | 99.11 |
| SUSUNN Smart Solution Co., Ltd. | Thailand | 99.11 |  | 99.11 |
| Mariwasa-Siam Ceramics, Inc. | The Philippines | 80.07 |  | 80.07 |
| SCG Ceramics - Ly Heng Chhay(Cambodia) Co., Ltd. | Cambodia | 59.47 |  | 59.47 |
| Prime Group Joint Stock Company | Vietnam | 100 |  | 100 |
| Prime Trading, Import and Export |  |  |  |  |
| One Member Limited Liability Company | Vietnam | 100 |  | 100 |
| Prime - Tien Phong Joint Stock Company | Vietnam | 100 |  | 100 |
| Prime - Vinh Phuc Joint Stock Company | Vietnam | 100 |  | 100 |
| Ceramic research Institution | Vietnam | 100 |  | 100 |
| Prime Pho Yen Joint Stock Company | Vietnam | 99.99 |  | 99.99 |
| Prime - Yen Binh Joint Stock Company | Vietnam | 99.99 |  | 99.99 |
| Prime - Truong Xuan Joint Stock Company | Vietnam | 99.49 |  | 99.49 |
| Prime Dai An Joint Stock Company | Vietnam | 95 |  | 95 |
| Prime - Dai Viet Joint Stock Company | Vietnam | 90 |  | 90 |
| Prime Thein Phuc Joint Stock Company | Vietnam | 99.50 |  | 90 |
| Prime Phong Dien Joint Stock Company | Vietnam | 90 |  | 90 |
| Prime Dai Loc Joint Stock Company | Vietnam | 89.90 |  | 89.90 |
| Prime Hao Phu Joint Stock Company | Vietnam | 70 |  | 70 |
| Prime Dai Quang Joint Stock Company | Vietnam | 56 |  | 56 |
| V Ceramic Mekong Delta Limited Liability Company | Vietnam | 60 |  | 60 |
| PT Keramika Indonesia Assosiasi, Tbk. | Indonesia | 92.04 |  | 92.04 |
| PT KIA Keramik Mas | Indonesia | 91.31 |  | 91.31 |
| PT KIA Serpih Mas | Indonesia | 66.54 |  | 66.54 |
| SCG Cement-Building Materials Philippines  Holding, Inc. | The Philippines | 100 |  | 100 |

On 21 March 2025, the Annual General Meeting of Shareholders of SCG Ceramics Public Company Limited (“the Subsidiary”) approved to decrease in share capital registered by reducing the par value of shares from THB 1.00 per share to THB 0.25 per share. Otherwise, on 30 June 2025, the Group returned capital to its shareholders amount to Baht 39 million. The capital reduction does not affect the shareholding proportion in the subsidiary.

1. Basis of preparation of the financial statements

The consolidated financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRSs”), which are based on International Financial Reporting Standards (IFRSs) (TFRSs are effective within 1 year after the effective date of IFRSs), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The consolidated financial statements are 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 financial statements to the nearest thousand unless otherwise stated.

The preparation of consolidated financial statements in conformity with TFRSs requires management to make judgments, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions that are described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

1. Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

* 1. Basis of consolidation

The Group applies the acquisition method. The acquisition date is the date on which control is transferred to the Group, other than business combinations with entities under common control. Expenses in connection with a business combination are recognized as incurred.

* 1. Investments in subsidiaries

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intra-group balances and transactions, and any unrealized income or expenses arising from intra-group transactions, are eliminated on consolidation.

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree when there is a change in the Group’s interest in a subsidiary that does not result in a loss of control, any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid from the acquisition or consideration received from disposal is accounted for as other surplus or deficit in shareholders’ equity.

Goodwill is measured as the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree, less the fair value amount of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

* 1. Investments in associates

The Group recognized investments in associates using the equity method in the consolidated financial statements. They are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include dividend income, the Group’s share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

Unrealized gains or losses arising from transactions with and associates are eliminated against the investment to the extent of the Group’s interest in the investee.

* 1. Inventories

Inventories are measured at the lower of cost and net realizable value. Cost is calculated using the weighted average cost. In the case of manufactured inventories and work in process, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

* 1. Land development for sale

Land development for sale is stated at cost which consists of cost of land, cost of development and direct related project cost less accumulated impairment losses.

* 1. Investment property

Investment properties are measured at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful lives of each asset and recognized in profit or loss. No depreciation is charged on freehold land and construction in progress.

The estimated useful lives are as follows:

|  |  |  |
| --- | --- | --- |
| Land improvements |  | 20 - 46 years |
| Buildings and structures |  | 10 - 30 years |

* 1. Property, plant and equipment

Owned assets

Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of property, plant and equipment, or other amount substituted for cost, less its residual value.

Depreciation is calculated on a straight-line basis over the estimated useful lives of each asset and recognized in profit or loss. No depreciation is provided on freehold land and construction in progress.

The estimated useful lives are as follows:

|  |  |  |
| --- | --- | --- |
| Land improvements |  | 5 - 33 years |
| Buildings and structures |  | 5 - 47 years |
| Machinery and equipment |  | 2 - 25 years |
| Vehicles and equipment |  | 3 - 10 years |
| Furniture, fixtures and office equipment |  | 2 - 20 years |

Depreciation methods, useful lives and residual values are reviewed at each reporting period and adjusted if appropriate.

* 1. Other intangible assets

Other intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognized in profit or loss, from the date that they are available for use. No amortization is provided on development cost.

The estimated useful lives are as follows:

|  |  |  |
| --- | --- | --- |
| Software licenses copyright and patent |  | 2 - 20 years |
| Concessions and others |  | 2 - 30 years |

Amortization methods, useful lives and residual values are reviewed at each reporting period and adjusted if appropriate.

* 1. Leases

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date,   
except for leases of low-value assets and short-term leases which are recognized as expenses on   
a straight-line basis over the respective lease terms.

Right-of-use asset is measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurements of lease liability.

Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the Group will exercise a purchase option. In that case, the right-of-use asset will be depreciated over the useful lives of the underlying asset which is determined on the same basis as those of assets.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the incremental borrowing rate to discount the lease payments to the present value. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The Group presents right-of-use assets that do not meet the definition of investment property in property, plant and equipment in the statement of financial position.

* 1. Impairment of non-financial assets

The carrying amounts of the Group’s assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the Group will estimate the assets’ recoverable amounts. For goodwill and other intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

* 1. Employee benefits

Defined benefit plans

The Group’s net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their services in the current and prior periods. The defined benefit obligation is discounted to the present value which performed annually by a qualified actuary.

For remeasurements of the net defined benefit liability, actuarial gains or losses are recognized in other comprehensive income. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

Other long-term employee benefits

The Group’s net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their services in the current and prior periods. That benefit is discounted to determine its present value. Gain or loss on remeasurement is recognized in profit or loss in the period in which they arise.

* 1. Revenue from contracts with customers

1. *Revenue recognition*

Revenue is recognized 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, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

*Sale of goods and rendering of services*

Revenue from sales of goods is recognized at a point in time when the Group transfers control of the goods to customers, generally on delivery of the goods to the customers. For the sales that permit the customers to return the goods, the Group estimates the returns based on the historical return data, does not recognize revenue and cost of sale for the estimated products to be returned.

Revenue for rendering of services is recognized over time based on progress towards complete satisfaction of the performance obligation or as the serviced are provided. The progress towards complete satisfaction is assessed based on either output or input methods.

For bundled packages, the Group recognizes revenue from sales of products and rendering of services separately if a product or service is separately identifiable from other items and a customer can benefit from it or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices which are determined based on the price list at which the Group sells the products and services in separate transactions.

The Group has a timing of revenue recognition mainly from the sale of goods which is recognized at a point in time.

*Revenue from industrial estate development*

Revenue is recognized in profit or loss when the right of land has been transferred.

1. *Contract assets and liabilities*

Contract assets are recognized when the Group has recognized revenue before it has an unconditional right to receive consideration. The contract assets are measured at the amount of consideration that the Group is entitled to, less allowance for expected credit loss. The contract assets are classified as trade receivables when the Group has an unconditional right to receive consideration that usually occurs when the Group issues an invoice to the customer.

Contract liabilities are the obligation to transfer goods or services to the customer. The contract liabilities are recognized when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognizes the related revenue.

* 1. Income tax

Income tax expense for the year comprises current and deferred tax, which is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

The Group has adopted the amendments to TAS 12 Income Taxes related to International Tax Reform - Pillar Two Model Rules, which apply a temporary exception to recognize and disclose deferred taxes arising from the top-up tax legislations that apply immediately and recognize as tax expense when it is incurred.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

* 1. Foreign currencies

*Foreign currency transactions*

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currency transactions and measured in terms of historical cost are translated to the respective functional currencies of each entity in the Group at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are translated to the functional currencies at the exchange rates at the end of the reporting period.

Non-monetary assets and liabilities measured at fair value in foreign currencies are translated to the functional currency at the exchange rates at the dates that the fair value was determined.

Foreign exchange differences are generally recognized in profit or loss. However, foreign currency differences arising from the translation of an investment in equity securities designated as at fair value through other comprehensive income (FVOCI) and qualifying cash flow hedges to the extent the hedge is effective are recognized in other comprehensive income.

*Foreign operations*

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Thai Baht at the exchange rates at the end of the reporting period. The revenues and expenses of foreign operations are translated to Thai Baht at the average rates approximating the exchange rates at the dates of the transactions. Foreign exchange differences arising on translation are recognized in other comprehensive income, except to extent that the translation difference is allocated to non-controlling interest, accumulated and presented in other components of equity until disposal of the foreign operation.

* 1. Financial instruments

*Classification and measurement*

Other financial assets and financial liabilities, except trade receivables and trade payables, are initially recognized when the Group becomes a party to the contractual provisions of the instrument, and measured by taking into account for transaction costs that are directly attributable to its acquisition, except for financial assets and financial liabilities measured at fair value through profit or loss (FVTPL), which are initially and subsequently measured at fair value, and any transaction costs that are directly attributable to its acquisition are recognized in profit or loss.

On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortized cost using the effective interest method, except that the financial liabilities are held for trading or derivative are classified as measured at FVTPL. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognized in profit or loss.

Financial assets measured at amortized costs are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and gain or loss on derecognition are recognized in profit or loss.

Debt investments measured at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and expected credit loss are recognized in profit or loss. Gains and losses from changes in fair value are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Equity investments measured at FVOCI are subsequently measured at fair value. Dividend income is recognized as income in profit or loss on the date on which the Group’s right to receive the dividend is established, unless the dividend clearly represents a recovery of part of the cost of the investment. Gains and losses from changes in fair value are recognized in other comprehensive income and will not be reclassified to profit or loss.

*Derivatives*

Derivative are recognized at fair value and remeasured at fair value at the end of each reporting period. The gain or loss on remeasurement to fair value is recognized immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting.

*Hedging* *accounting*

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the risk, the economic relationship between the hedged item and the hedging instrument, including consideration of the hedge effectiveness at the inception of the hedging relationship and throughout the remaining period to determine the existence of economic relationship between the hedged item and the hedging instrument.

*Impairment of financial assets*

The Group recognizes allowances for expected credit losses (ECLs) on financial assets measured at amortized cost.

The Group recognizes ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets or trade receivables under simplified approach, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

The Group considers a financial asset to have low credit risk when its credit rating is the investment grade. The Group recognizes ECLs for low credit risk financial asset as 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in credit rating, significant deterioration in the operating results and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor’s ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when the financial asset is more than 90 days past due.

ECLs are remeasured at the end of the reporting period to reflect changes in the financial instrument’s credit risk since initial recognition. Increase in loss allowance is recognized as an impairment loss in profit or loss.

1. Related parties

Relationships with related parties that the Group had significant transactions with during the year were as follows:

| **Name of entities** | **Country of incorporation /Nationality** | **Nature of relationships** |
| --- | --- | --- |
| The Siam Cement Public Company Limited | Thailand | Ultimate parent company |
| The Siam Fibre-Cement Co., Ltd. | Thailand | Immediate parent company |
| Noritake SCG Plaster Co., Ltd. | Thailand | An associate of SCG Decor Public Company Limited |
| SCG Cement-Building Materials Co., Ltd. | Thailand | A subsidiary of The Siam Cement Public Company Limited |
| SCG Roofing Co., Ltd. | Thailand | A subsidiary of The Siam Cement Public Company Limited |
| Saraburirat Co., Ltd. | Thailand | A subsidiary of The Siam Cement Public Company Limited |
| Siam Fibre Cement Group Co., Ltd. | 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 Living and Housing Solution 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 |
| SCI Eco Services 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 |
| SCG International Corporation 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 Home Retail 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 |
| Nawaplastic Industries Co., Ltd. | Thailand | A subsidiary of The Siam Cement Public Company Limited |
| Thai Polyethylene Co., Ltd. | Thailand | A subsidiary of The Siam Cement Public Company Limited |
| SCG Cleanergy 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 |
| Prime - Ngoi Viet Joint Stock Company | Vietnam | A subsidiary of The Siam Cement Public Company Limited |
| SCG Home Vietnam Co., Ltd. | Vietnam | 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 SCG Indonesia | Indonesia | A subsidiary of The Siam Cement Public Company Limited |
| SCG Marketing Philippines Inc. | The Philippines | A subsidiary of The Siam Cement Public Company Limited |
| SCG International Hong Kong Limited | China | A subsidiary of The Siam Cement Public Company Limited |
| SCG International India Private Limited | India | A subsidiary of The Siam Cement Public Company Limited |
| SCG International China (Guangzhou) Co., Ltd. | China | A subsidiary of The Siam Cement Public Company Limited |
| PT Indocorr Packaging Cikarang | Indonesia | A subsidiary of The Siam Cement Public Company Limited |
| Siam Global House Public Company Limited | Thailand | An associate of The Siam Cement Public Company Limited |
| SCGJWD Logistics Public Company Limited | Thailand | An associate of The Siam Cement Public Company Limited |
| IT One Co., Ltd. | Thailand | An associate of The Siam Cement Public Company Limited |
| PT Catur Sentosa Adiprana Tbk | Indonesia | An associate of The Siam Cement Public Company Limited |
| Mariwasa Holdings, Inc. | The Philippines | An associate of The Siam Cement Public Company Limited |
| SCG Logistics Philippines, Inc. | The Philippines | An associate of The Siam Cement Public Company Limited |

Significant transactions with related parties for the years ended 31 December and the pricing policies were summarized as follows:

|  | 2025 |  | 2024 |  | Pricing policies |
| --- | --- | --- | --- | --- | --- |
|  | *(in thousand Baht)* | | |  |  |
| *Ultimate parent* |  |  |  |  |  | |
| Revenue from sales | 6,220 |  | 303 |  | Market price | |
| Other income | 4,391 |  | 3,746 |  | Market price | |
| Service fee and others | 134,110 |  | 199,821 |  | Market price | |
|  |  |  |  |  |  | |
| *Parent* |  |  |  |  |  | |
| Purchases | - |  | 21,911 |  | Market price | |
| Interest paid | 190,196 |  | 281,538 |  | Interest rate according to  the agreed contract | |
|  |  |  |  |  |  | |
| *Associate* |  |  |  |  |  | |
| Revenue from sales | 161 |  | 229 |  | Market price | |
| Other income | 13 |  | 50 |  | Market price | |
| Purchases | 117,721 |  | 104,370 |  | Market price | |
| Service fee and others | 4,411 |  | 1,757 |  | Market price | |
|  |  |  |  |  |  | |
| *Other related parties* |  |  |  |  |  | |
| Revenue from sales | 2,218,654 |  | 2,793,171 |  | Market price | |
| Other income | 25,292 |  | 35,658 |  | Market price | |
| Purchases | 1,266,919 |  | 1,717,969 |  | Market price | |
| Service fee and others | 694,271 |  | 773,355 |  | Market price | |

Balances as at 31 December with related parties were as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | *Note* | 2025 |  | 2024 |
|  |  | *(in thousand Baht)* | | |
| *Trade receivables* |  |  |  |  |
| Ultimate parent |  | 6,348 |  | 117 |
| Associate |  | 85 |  | - |
| Other related parties |  | 482,595 |  | 690,254 |
| **Total** | ***6*** | **489,028** |  | **690,371** |
|  |  |  |  |  |
| *Other current receivables* |  |  |  |  |
| Ultimate parent |  | 8,990 |  | 16,878 |
| Associate |  | 1 |  | 5 |
| Other related parties |  | 8,558 |  | 12,418 |
| **Total** |  | **17,549** |  | **29,301** |
|  |  |  |  |  |
| *Other non-current receivables* |  |  |  |  |
| Ultimate parent |  | 10,240 |  | 15,386 |
| Other related parties |  | 2,193 |  | 3,308 |
| **Total** |  | **12,433** |  | **18,694** |

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2025 |  | 2024 |
|  | *(in thousand Baht)* | | |
| *Trade payables* |  |  |  |
| Associates | 17,264 |  | 13,803 |
| Other related parties | 198,829 |  | 346,189 |
| **Total** | **216,093** |  | **359,992** |
|  |  |  |  |
| *Other current payables* |  |  |  |
| Ultimate parent | 44,095 |  | 64,227 |
| Parent | 2,920 |  | 5,372 |
| Other related parties | 48,043 |  | 59,575 |
| **Total** | **95,058** |  | **129,174** |
|  |  |  |  |
| *Short-term borrowings* |  |  |  |
| Parent | 3,700,000 |  | 6,703,071 |
| **Total** | **3,700,000** |  | **6,703,071** |

|  |  |  |  |
| --- | --- | --- | --- |
| *Lease liabilities* |  |  |  |
| *current and non-current portion* |  |  |  |
| Other related parties | 127,841 |  | 144,022 |
| **Total** | **127,841** |  | **144,022** |

***The Board of Directors and key management compensation***

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2025 |  | 2024 |
|  | *(in thousand Baht)* | | |
| ***For the years ended 31 December*** |  |  |  |
| Short-term employee benefits | 55,142 |  | 55,494 |
| Post-employment benefits | 4,963 |  | 4,630 |
| **Total** | **60,105** |  | **60,124** |

The Board of Directors and key management compensation comprises the remuneration paid to the directors of SCG Decor Public Company Limited and its subsidiaries under the articles of the Group and the remuneration paid to the management as staff expenses in terms of salary, bonus, special remuneration benefit, others and contribution to defined contribution plans.

1. Cash and cash equivalents

|  | 2025 |  | 2024 |
| --- | --- | --- | --- |
|  | (in thousand Baht) | | |
| Cash on hand and at banks | 2,052,115 |  | 1,869,931 |
| Highly liquid short-term investments | 1,603,528 |  | 2,333,789 |
| Total | **3,655,643** |  | **4,203,720** |

1. Trade receivables

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| ***At 31 December*** | *Note* | 2025 |  | 2024 |
|  |  | *(in thousand Baht)* | | |
| **Related parties** |  |  |  |  |
| Within credit terms |  | 484,709 |  | 646,819 |
| Overdue: |  |  |  |  |
| Less than 1 month |  | 3,087 |  | 41,188 |
| 1 - 3 months |  | 776 |  | 2,357 |
| Over 3 - 12 months |  | 456 |  | 7 |
| **Total** | ***4*** | **489,028** |  | **690,371** |
|  |  |  |  |  |
| **Other companies** |  |  |  |  |
| Within credit terms |  | 1,605,044 |  | 1,739,437 |
| Overdue: |  |  |  |  |
| Less than 1 month |  | 115,468 |  | 164,378 |
| 1 - 3 months |  | 40,202 |  | 149,396 |
| Over 3 - 12 months |  | 66,188 |  | 144,284 |
| Over 12 months |  | 77,108 |  | 77,930 |
|  |  | **1,904,010** |  | **2,275,425** |
| *Less* allowance for expected credit loss |  | (45,686) |  | (70,240) |
| **Net** |  | **1,858,324** |  | **2,205,185** |
| **Total** |  | **2,347,352** |  | **2,895,556** |

The normal credit term granted by the Group is 30 to 120 days.

|  |  |  |  |
| --- | --- | --- | --- |
| ***Allowance for expected credit loss*** | 2025 |  | 2024 |
|  | *(in thousand Baht)* | | |
| At 1 January | 70,240 |  | 49,285 |
| Addition | 2,317 |  | 27,893 |
| Reversal | (21,478) |  | (3,385) |
| Currency translation differences | (5,393) |  | (3,553) |
| **At 31 December** | **45,686** |  | **70,240** |

As at 31 December 2025, the outstanding overdue amounts of above trade receivables have credit guarantees in amount of Baht 129 million *(2024: Baht 175 million).*

1. Inventories

|  | 2025 |  | 2024 | |
| --- | --- | --- | --- | --- |
|  | (in thousand Baht) | | |
| Finished goods | 4,654,983 |  | 5,036,943 | |
| Work in progress | 295,926 |  | 370,289 | |
| Raw materials | 856,331 |  | 1,093,484 | |
| Spare parts, store supplies and others | 545,178 |  | 700,335 | |
| Raw materials in transit | 234,866 |  | 262,867 | |
| Total | **6,587,284** |  | **7,463,918** | |
| *Less* allowance for decline in value | (293,605) |  | (372,680) | |
| Net | **6,293,679** |  | **7,091,238** | |
|  |  |  |  | |
| Cost of inventories recognized as an expense in cost of sales | 16,474,394 |  | 19,111,393 | |
| Write-down to net realizable value | 126,788 |  | 119,666 | |
| Reversal of write-down | (147,327) |  | (191,522) | |
|  |  |  |  | |
| Cost of inventories recognized as an expense  in administrative expenses | (58,536) |  | (72,257) | |
|  |  |  |  | |
| Changes in finished goods and work in progress | 456,323 |  | 353,818 | |
| Raw materials and supplies used | 5,048,126 |  | 5,778,779 | |

1. Investments in associate

Movements for the years ended 31 December in investments in associate accounted for using the equity method were as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2025 |  | 2024 |
|  | *(in thousand Baht)* | | |
| At 1 January | 57,024 |  | 75,694 |
| Share of net profit of investments - equity method | 4,058 |  | 3,632 |
| Share of other comprehensive income of investment  - equity method | - |  | 8,636 |
| Dividend income | - |  | (3,240) |
| Disposals and return on capital | - |  | (28,295) |
| Others | - |  | 597 |
| **At 31 December** | **61,082** |  | **57,024** |

Investments in associate as at 31 December and dividends from these investments for the years then ended were as follows:

|  | Total direct/ indirect holding | | |  | Paid-up capital | | |  | Cost method | | | Equity method | | | |  | Dividend income | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2025 |  | 2024 |  | 2025 |  | 2024 |  | 2025 |  | 2024 |  | 2025 |  | 2024 |  | 2025 |  | 2024 |
|  | *(%)* | | |  | *(in thousand Baht)* | | | | | | | | | | | | | | |
| Noritake SCG Plater Co., Ltd. (1) | 10 |  | 10 |  | 405,000 |  | 405,000 |  | 33,616 |  | 33,616 |  | 61,082 |  | 57,024 |  | - |  | 3,240 |
| **Total** |  |  |  |  | **405,000** |  | **405,000** |  | **33,616** |  | **33,616** |  | **61,082** |  | **57,024** |  | **-** |  | **3,240** |

(1) The Group has classified this company as investment in associate in accordance with the shareholder agreement of such company.

1. Investment property

|  | Land and  land improvement |  | Buildings and structures |  | Total |
| --- | --- | --- | --- | --- | --- |
|  | *(in thousand Baht)* | | | | |
| ***Cost*** |  |  |  |  |  |
| At 1 January 2024 | 601,654 |  | 117,662 |  | 719,316 |
| Addition | 15,212 |  | - |  | 15,212 |
| Transfer in (out) | 18,412 |  | (18,412) |  | - |
| Transfer from property, plant and equipment | 18,033 |  | 11,396 |  | 29,429 |
| Currency translation differences | (7,433) |  | 5,070 |  | (2,363) |
| **At 31 December 2024** | **645,878** |  | **115,716** |  | **761,594** |
| Addition | 11,784 |  | - |  | 11,784 |
| Currency translation differences | (19,011) |  | 11,396 |  | (7,615) |
| **At 31 December 2025** | **638,651** |  | **127,112** |  | **765,763** |
|  |  |  |  |  |  |
| ***Accumulated depreciation and accumulated impairment losses*** |  |  |  |  |  |
| At 1 January 2024 | 10,853 |  | 86,076 |  | 96,929 |
| Depreciation charge for the year | 1,957 |  | 2,548 |  | 4,505 |
| Transfer in (out) | 4,522 |  | (4,522) |  | - |
| Transfer from property, plant and equipment | - |  | 6,924 |  | 6,924 |
| Currency translation differences | (50) |  | 3,705 |  | 3,655 |
| **At 31 December 2024** | **17,282** |  | **94,731** |  | **112,013** |
| Depreciation charge for the year | 2,846 |  | 2,016 |  | 4,862 |
| Currency translation differences | (748) |  | 6,044 |  | 5,296 |
| **At 31 December 2025** | **19,380** |  | **102,791** |  | **122,171** |
|  |  |  |  |  |  |
| ***Carrying amount*** |  |  |  |  |  |
| **At 31 December 2024** | **628,596** |  | **20,985** |  | **649,581** |
| **At 31 December 2025** | **619,271** |  | **24,321** |  | **643,592** |

The Group determined fair value of investment properties at open market values on an existing use basis. As at 31 December 2025, the fair value was Baht 1,643 million *(2024: Baht 1,766 million*).

The fair value measurement for investment property has been categorized as a Level 3 fair value based on the inputs to the valuation technique used, which is market approach.

1. Property, plant and equipment

|  |  |  |  |  |  |  |  |  | Furniture | |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Land and |  |  |  | Machinery |  | Vehicle |  | Fixtures | |  |  |  |  |
|  | land |  | Buildings |  | and |  | and |  | and office | |  | Construction |  |  |
|  | improvements |  | and structures |  | equipment |  | equipment |  | equipment | |  | in progress |  | Total |
|  | *(in thousand Baht)* | | | | | | | | | | | | | |
| ***Cost*** |  |  |  |  |  |  |  |  |  | |  |  |  |  |
| At 1 January 2024 | 3,521,243 |  | 9,037,690 |  | 29,650,789 |  | 690,781 |  | 689,011 | |  | 1,096,705 |  | 44,686,219 |
| Additions | 42,876 |  | 174,141 |  | 606,845 |  | 166,211 |  | 35,388 | |  | 1,243,202 |  | 2,268,663 |
| Disposals/written off | (22,546) |  | (8,699) |  | (468,154) |  | (169,509) |  | (23,424) | |  | - |  | (692,332) |
| Transfer in (out) | 16,617 |  | 17,149 |  | 116,463 |  | 1,692 |  | 11,853 | |  | (774,055) |  | (610,281) |
| Transfer to investment property | (18,033) |  | (11,396) |  | - |  | - |  | - | |  | - |  | (29,429) |
| Currency translation differences | (62,518) |  | (190,209) |  | (452,145) |  | (9,433) |  | (5,427) | |  | (17,697) |  | (737,429) |
| **At 31 December 2024** | **3,477,639** |  | **9,018,676** |  | **29,453,798** |  | **679,742** |  | **707,401** | |  | **1,548,155** |  | **44,885,411** |
| Additions | 38,627 |  | 42,800 |  | 528,037 |  | 70,766 |  | 22,219 | |  | 318,440 |  | 1,020,889 |
| Disposals/written off | (7,799) |  | (77,208) |  | (1,466,306) |  | (73,848) |  | (36,991) | |  | (1,035) |  | (1,663,187) |
| Transfer in (out)/adjustment | 783 |  | 87,297 |  | 1,061,528 |  | (2,136) |  | 4,151 | |  | (1,141,229) |  | 10,394 |
| Currency translation differences | (123,039) |  | (361,880) |  | (808,923) |  | (16,613) |  | (10,289) | |  | (81,704) |  | (1,402,448) |
| **At 31 December 2025** | **3,386,211** |  | **8,709,685** |  | **28,768,134** |  | **657,911** |  | **686,491** | |  | **642,627** |  | **42,851,059** |
|  |  |  |  |  |  |  |  |  |  | |  |  |  |  |
| ***Accumulated depreciation and*** |  |  |  |  |  |  |  |  | |  |  |  |  |  |
| ***accumulated impairment losses*** |  |  |  |  |  |  |  |  | |  |  |  |  |  |
| At 1 January 2024 | 558,171 |  | 6,143,331 |  | 25,399,921 |  | 380,711 |  | | 573,439 |  | 10,012 |  | 33,065,585 |
| Depreciation charge for the year | 43,622 |  | 337,105 |  | 973,577 |  | 147,202 |  | | 46,650 |  | - |  | 1,548,156 |
| Impairment losses (reversal) | (1,418) |  | (3,892) |  | - |  | - |  | | (799) |  | 2,858 |  | (3,251) |
| Disposals/written off | (22,478) |  | (8,574) |  | (457,609) |  | (159,705) |  | | (23,276) |  | - |  | (671,642) |
| Transfer in (out) | (10,190) |  | (145,397) |  | (479,846) |  | (648) |  | | (5,226) |  | (9,616) |  | (650,923) |
| Transfer to investment property | - |  | (6,924) |  | - |  | - |  | | - |  | - |  | (6,924) |
| Currency translation differences | (4,492) |  | (118,194) |  | (404,471) |  | (10,603) |  | | (3,990) |  | (396) |  | (542,146) |
| **At 31 December 2024** | **563,215** |  | **6,197,455** |  | **25,031,572** |  | **356,957** |  | | **586,798** |  | **2,858** |  | **32,738,855** |
| Depreciation charge for the year | 40,958 |  | 335,329 |  | 1,031,536 |  | 143,749 |  | | 43,424 |  | - |  | 1,594,996 |
| Impairment losses (reversal) | (56) |  | 199 |  | 79 |  | - |  | | - |  | - |  | 222 |
| Disposals/written off | (7,794) |  | (55,227) |  | (1,456,026) |  | (65,196) |  | | (36,522) |  | - |  | (1,620,765) |
| Transfer in (out)/adjustment | - |  | (813) |  | 26,798 |  | 4,157 |  | | (179) |  | - |  | 29,963 |
| Currency translation differences | (8,384) |  | (224,325) |  | (777,600) |  | (13,879) |  | | (9,188) |  | - |  | (1,033,376) |
| **At 31 December 2025** | **587,939** |  | **6,252,618** |  | **23,856,359** |  | **425,788** |  | | **584,333** |  | **2,858** |  | **31,709,895** |
|  |  |  |  |  |  |  |  |  | |  |  |  |  |  |
| ***Carrying amount*** |  |  |  |  |  |  |  |  | |  |  |  |  |  |
| **At 31 December 2024** |  |  |  |  |  |  |  |  | |  |  |  |  |  |
| Owned assets | 2,729,324 |  | 2,619,511 |  | 4,293,221 |  | 13,958 |  | | 113,440 |  | 1,545,297 |  | 11,314,751 |
| Right-of-use assets | 185,100 |  | 201,710 |  | 129,005 |  | 308,827 |  | | 7,163 |  | - |  | 831,805 |
|  | **2,914,424** |  | **2,821,221** |  | **4,422,226** |  | **322,785** |  | | **120,603** |  | **1,545,297** |  | **12,146,556** |
|  |  |  |  |  |  |  |  |  | |  |  |  |  |  |
| **At 31 December 2025** |  |  |  |  |  |  |  |  | |  |  |  |  |  |
| Owned assets | 2,617,040 |  | 2,311,449 |  | 4,850,902 |  | 14,309 |  | | 92,041 |  | 639,769 |  | 10,525,510 |
| Right-of-use assets | 181,232 |  | 145,618 |  | 60,873 |  | 217,814 |  | | 10,117 |  | - |  | 615,654 |
|  | **2,798,272** |  | **2,457,067** |  | **4,911,775** |  | **232,123** |  | | **102,158** |  | **639,769** |  | **11,141,164** |

In 2025, the right-of-use assets of the Group has increased amounting to Baht 117 million *(2024: Baht 312 million).*

1. Leases

The Group leases land, buildings, vehicles and equipment both in Thailand and overseas. The rental due and rate are as specified in the contract.

| ***For the years ended 31 December*** | 2025 |  | 2024 |
| --- | --- | --- | --- |
|  | *(in thousand Baht)* | | |
| ***Amounts recognized in profit or loss*** |  |  |  |
| Depreciation of right-of-use assets: |  |  |  |
| - Land and land improvements | 24,423 |  | 21,078 |
| - Buildings and structures | 56,191 |  | 62,126 |
| - Machinery and equipment | 42,994 |  | 40,701 |
| - Vehicles and equipment | 137,047 |  | 136,453 |
| - Furniture, fixtures and office equipment | 5,223 |  | 2,953 |
| Interest on lease liabilities | 42,384 |  | 45,924 |
| Expenses relating to short-term leases | 48,918 |  | 71,127 |
| Expenses relating to leases of low-value assets | 20,021 |  | 18,958 |
| Variable lease payments | - |  | 2,353 |

1. Goodwill and other intangible assets

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Goodwill |  | Other intangible assets | | | | | | |
|  |  |  | Software licenses copyright |  | Development |  | Concessions and others |  | Total other |
|  |  |  | and patent |  | cost |  | intangible assets |  | Intangible assets |
|  | *(in thousand Baht)* | | | | | | | | |
| ***Cost*** |  |  |  |  |  |  |  |  |  |
| At 1 January 2024 | 5,684,040 |  | 398,334 |  | 21,117 |  | 145,501 |  | 564,952 |
| Additions | - |  | 5,374 |  | 29,093 |  | - |  | 34,467 |
| Disposals/written off | - |  | (10,057) |  | - |  | (337) |  | (10,394) |
| Transfer in (out) | - |  | 16,537 |  | (16,537) |  | - |  | - |
| Currency translation differences | (167,200) |  | 591 |  | - |  | (2,190) |  | (1,599) |
| **At 31 December 2024** | **5,516,840** |  | **410,779** |  | **33,673** |  | **142,974** |  | **587,426** |
| Additions | - |  | 24,446 |  | 14,295 |  | - |  | 38,741 |
| Disposals/written off | - |  | (8,385) |  | - |  | - |  | (8,385) |
| Transfer in (out)/adjustment | - |  | 31,116 |  | (31,247) |  | (5,418) |  | (5,549) |
| Currency translation differences | (334,625) |  | (3,906) |  | - |  | (4,190) |  | (8,096) |
| **At 31 December 2025** | **5,182,215** |  | **454,050** |  | **16,721** |  | **133,366** |  | **604,137** |
|  |  |  |  |  |  |  |  |  |  |
| ***Accumulated amortization*** |  |  |  |  |  |  |  |  |  |
| At 1 January 2024 | - |  | 340,624 |  | - |  | 111,100 |  | 451,724 |
| Amortization charge for the year | - |  | 18,607 |  | - |  | 2,407 |  | 21,014 |
| Disposals/written off | - |  | (10,057) |  | - |  | (337) |  | (10,394) |
| Currency translation differences | - |  | (2,277) |  | - |  | (736) |  | (3,013) |
| **At 31 December 2024** | **-** |  | **346,897** |  | **-** |  | **112,434** |  | **459,331** |
| Amortization charge for the year | - |  | 16,857 |  | - |  | 2,160 |  | 19,017 |
| Disposals/written off | - |  | (8,320) |  | - |  | - |  | (8,320) |
| Transfer in (out)/adjustment | - |  | 87 |  | - |  | 1,173 |  | 1,260 |
| Currency translation differences | - |  | (3,726) |  | - |  | (1,455) |  | (5,181) |
| **At 31 December 2025** | **-** |  | **351,795** |  | **-** |  | **114,312** |  | **466,107** |
|  |  |  |  |  |  |  |  |  |  |
| ***Carrying amount*** |  |  |  |  |  |  |  |  |  |
| **At 31 December 2024** | **5,516,840** |  | **63,882** |  | **33,673** |  | **30,540** |  | **128,095** |
| **At 31 December 2025** | **5,182,215** |  | **102,255** |  | **16,721** |  | **19,054** |  | **138,030** |

*Impairment testing for CGUs containing goodwill*

For the purposes of impairment testing, goodwill has been allocated to the Group’s CGUs identified according to business segments as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2025 |  | 2024 |
|  | *(in thousand Baht)* | | |
| Decor Surfaces Business | 3,038,650 |  | 3,373,275 |
| Bathroom Business | 2,143,565 |  | 2,143,565 |
| **Total** | **5,182,215** |  | **5,516,840** |

The Group identify the recoverable amount was based on value in use, determined by discounting the future cash flows. The Group determined 5 year cash flows forecasts, terminal values thereafter and discount rates derived from the weighted average cost of capital of the Group, which were based on estimates and judgments of the management and considering historical data from both external and internal sources. The key assumptions used in the estimation of recoverable amount were discount rates, ranging from 4.93% to 6.34% *(2024: 6.40% to 7.59%)*.

1. Deferred tax assets (deferred tax liabilities)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, and are included in the consolidated statement of financial position as follows:

|  | 2025 |  | 2024 |
| --- | --- | --- | --- |
|  | *(in thousand Baht)* | | |
| Deferred tax assets | 594,508 |  | 578,899 |
| Deferred tax liabilities | (193,610) |  | (205,206) |
| **Net** | **400,898** |  | **373,693** |

Movements in total deferred tax assets and liabilities during the years were as follows:

|  |  |  | Credited (charged) to | | |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | At  1 January 2024 |  | profit or loss |  | other comprehensive  income |  | Currency translation differences |  | At  31 December 2024 |
|  | *(Note 24)* | | |
|  | *(in thousand Baht)* | | | | | | | | |
| ***Deferred tax assets*** |  |  |  |  |  |  |  |  |  |
| Loss carry forward | 23,414 |  | 100,237 |  | - |  | - |  | 123,651 |
| Trade receivables | 3,885 |  | 2,209 |  | - |  | (262) |  | 5,832 |
| Inventories | 97,293 |  | (20,160) |  | - |  | (1,323) |  | 75,810 |
| Property, plant and equipment | 165,070 |  | (18,187) |  | - |  | (5,053) |  | 141,830 |
| Provisions for employee benefits | 218,332 |  | 3,825 |  | 30,882 |  | (1,149) |  | 251,890 |
| Lease liabilities | 108,126 |  | 16,831 |  | - |  | 360 |  | 125,317 |
| Others | 66,538 |  | (1,061) |  | - |  | (5) |  | 65,472 |
| **Total** | **682,658** |  | **83,694** |  | **30,882** |  | **(7,432)** |  | **789,802** |
|  |  |  |  |  |  |  |  |  |  |
| ***Deferred tax liabilities*** |  |  |  |  |  |  |  |  |  |
| Property, plant and equipment | (309,436) |  | 5,703 |  | - |  | 1,231 |  | (302,502) |
| Right of use assets | (97,129) |  | (17,896) |  | - |  | 4,195 |  | (110,830) |
| Others | (1,282) |  | (1,506) |  | - |  | 11 |  | (2,777) |
| **Total** | **(407,847)** |  | **(13,699)** |  | **-** |  | **5,437** |  | **(416,109)** |
| **Net** | **274,811** |  | **69,995** |  | **30,882** |  | **(1,995)** |  | **373,693** |

|  |  |  | Credited (charged) to | | |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | At  1 January 2025 |  | profit or loss |  | other comprehensive  income |  | Currency translation differences |  | At  31 December 2025 |
|  | *(Note 24)* | | |
|  | *(in thousand Baht)* | | | | | | | | |
|  |  |  |  |  |  |  |  |  |  |
| ***Deferred tax assets*** |  |  |  |  |  |  |  |  |  |
| Loss carry forward | 123,651 |  | 39,672 |  | - |  | (3,150) |  | 160,173 |
| Trade receivables | 5,832 |  | (1,490) |  | - |  | (369) |  | 3,973 |
| Inventories | 75,810 |  | (16,463) |  | - |  | (473) |  | 58,874 |
| Property, plant and equipment | 141,830 |  | (7,507) |  | - |  | (9,641) |  | 124,682 |
| Provisions for employee benefits | 251,890 |  | (31,745) |  | 21,980 |  | (3,164) |  | 238,961 |
| Lease liabilities | 125,317 |  | (16,775) |  | - |  | (6,059) |  | 102,483 |
| Others | 65,472 |  | 23,485 |  | - |  | (68) |  | 88,889 |
| **Total** | **789,802** |  | **(10,823)** |  | **21,980** |  | **(22,924)** |  | **778,035** |
|  |  |  |  |  |  |  |  |  |  |
| ***Deferred tax liabilities*** |  |  |  |  |  |  |  |  |  |
| Property, plant and equipment | (302,502) |  | 11,764 |  | - |  | 2,064 |  | (288,674) |
| Right of use assets | (110,830) |  | 21,396 |  | - |  | 4,457 |  | (84,977) |
| Others | (2,777) |  | (866) |  | - |  | 157 |  | (3,486) |
| **Total** | **(416,109)** |  | **32,294** |  | **-** |  | **6,678** |  | **(377,137)** |
| **Net** | **373,693** |  | **21,471** |  | **21,980** |  | **(16,246)** |  | **400,898** |

The unused tax losses that the Group has not recognized as deferred tax assets were as the following:

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2025 |  | 2024 |
|  | (in thousand Baht) | | |
| Unused tax losses | 152,351 |  | 650,641 |

The unused tax losses on which the Group has not recognized deferred tax assets are the tax losses which have not yet expired under tax legislation and will expire within 2030.

1. Changes in liabilities arising from financing activities

Changes in significant liabilities arising from financing activities were as follows:

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Bank overdrafts and short-term borrowings |  | Lease liabilities |  | Short-term borrowings |  | Long-term borrowings from financial institutions |  | Total |
|  | *(in thousand Baht)* | | | | | | | | |
| At 1 January 2024 | 337,590 |  | 771,022 |  | 13,896,020 |  | - |  | 15,004,632 |
| Changes from financing cash flows | 6,070,119 |  | (268,649) |  | (7,192,949) |  | - |  | (1,391,479) |
| The effect of changes in foreign exchange rates | (20,725) |  | (25,395) |  | - |  | - |  | (46,120) |
| Other non-cash movement | - |  | 302,683 |  | - |  | - |  | 302,683 |
| **At 31 December 2024** | **6,386,984** |  | **779,661** |  | **6,703,071** |  | **-** |  | **13,869,716** |
| Changes from financing cash flows | (1,200,432) |  | (219,726) |  | (3,003,071) |  | 3,000,000 |  | (1,423,229) |
| The effect of changes in foreign exchange rates | (24,248) |  | (39,979) |  | - |  | - |  | (64,227) |
| Other non-cash movement | - |  | 93,260 |  | - |  | (2,827) |  | 90,433 |
| **At 31 December 2025** | **5,162,304** |  | **613,216** |  | **3,700,000** |  | **2,997,173** |  | **12,472,693** |

1. Interest-bearing liabilities

|  | *Note* | 2025 |  | 2024 |
| --- | --- | --- | --- | --- |
|  |  | Unsecured | | |
|  |  | *(in thousand Baht)* | | |
| ***Current*** |  |  |  |  |
| Bank overdrafts and short-term borrowings from   financial institutions |  | 5,162,304 |  | 6,386,984 |
| Short-term borrowings from related parties | *4* | 3,700,000 |  | 6,703,071 |
| Current portion of lease liabilities |  | 202,377 |  | 201,525 |
|  |  | **9,064,681** |  | **13,291,580** |
|  |  |  |  |  |
| ***Non-current*** |  |  |  |  |
| Long-term borrowings from financial institutions |  | 2,997,173 |  | - |
| Lease liabilities |  | 410,839 |  | 578,136 |
|  |  | **3,408,012** |  | **578,136** |
| **Total interest-bearing liabilities** |  | **12,472,693** |  | **13,869,716** |

In the year 2025, the Group entered into the short-term unsecured borrowing in term of promissory note with several local financial institutions in the amount of Baht 5,000 million *(2024 : Baht 6,000 million)* with fixed interest rate ranging from 1.29% - 1.40% per annum and will be repaid within 3 months and on call *(2024: 2.30% - 2.36% per annum)*.

As at 31 December 2025, the Group has overdraft lines with several banks in amount of approximately Baht 9,979 million *(2024 : Baht 2,495 million).*

In 2025, the average interest rates of short-term borrowings are 3.20% to 5.00% per annum *(2024: 0.84% to 6.35% per annum).*

In 2025, the Company entered into a long-term unsecured loan agreement with a local financial institution in amounting to Baht 3,000 million. Term of the loan is for 5 years with a floating interest rate (THOR+0.61) which is repayable in full in September 2030. The purpose is for repayment short-term loan. In September 2025, the Company had already fully drawn down the loan.

1. 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 the consolidated statement of financial position as at 31 December

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2025 |  | 2024 |
|  | (in thousand Baht) | | |
| Post-employment benefits |  |  |  |
| Legal severance payment plan | 1,125,298 |  | 1,120,707 |
| Other long-term employee benefits | 50,618 |  | 37,069 |
| **Non-current provisions for defined benefit plans** | **1,175,916** |  | **1,157,776** |
| Other employee benefits | 54 |  | 142 |
| **Total** | **1,175,970** |  | **1,157,918** |
| *Less* plan assets of foreign subsidiaries | (52,647) |  | (72,939) |
| **Total non-current provisions for employee benefits - net** | **1,123,323** |  | **1,084,979** |

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

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2025 |  | 2024 |
|  | (in thousand Baht) | | |
| Non-current provisions for defined benefit plans at 1 January | 1,157,776 |  | 1,089,396 |
|  |  |  |  |
| ***Included in profit or loss*** |  |  |  |
| Current service costs | 55,836 |  | 55,319 |
| Interest on obligation | 36,279 |  | 28,999 |
| Transfers from related parties | - |  | 94 |
| Actuarial losses (gain) | (58,390) |  | 9,911 |
|  | **33,725** |  | **94,323** |
| ***Included in other comprehensive income*** |  |  |  |
| Actuarial losses | 113,160 |  | 154,409 |
| Currency translation differences | (18,142) |  | (10,601) |
|  | **95,018** |  | **143,808** |
| ***Others*** |  |  |  |
| Benefits paid | (101,762) |  | (184,629) |
| Others | (8,841) |  | 14,878 |
|  | **(110,603)** |  | **(169,751)** |
|  |  |  |  |
| **Non-current provisions for defined benefit plans at 31 December** | **1,175,916** |  | **1,157,776** |

Actuarial losses (gains) recognized in other comprehensive income as of the end of the reporting period arising from:

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2025 |  | 2024 |
|  | (in thousand Baht) | | |
| ***For the years ended 31 December*** |  |  |  |
| Demographic assumptions | 25 |  | (128) |
| Financial assumptions | 48,270 |  | 63,440 |
| Experience adjustment | 64,865 |  | 91,097 |
| **Total** | **113,160** |  | **154,409** |

Actuarial assumptions

Principal actuarial assumptions as of the end of the reporting period

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2025 |  | 2024 |
|  | *(%)* | | |
| Discount rate \* |  |  |  |
| - Thailand | 1.65 - 1.95 |  | 2.34 - 2.83 |
| - Vietnam | 3.98 |  | 2.81 |
| - Indonesia | 4.90 - 7.12 |  | 6.71 - 7.24 |
| - The Philippines | 6.04 |  | 6.04 |
| Salary increase rate | 1.00 - 6.50 |  | 0.50 - 6.08 |
| Employee turnover rate \*\* | 3.00 - 22.00 |  | 3.00 - 23.00 |
| 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

As at 31 December 2025, the Group has the weighted-average duration for payment of long-term employee benefits approximately 4 to 17 years. *(2024: 6 to 19 years).*

Sensitivity analysis

Reasonably possible changes at the end of the reporting period to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the non-current provisions   
for defined benefit plan by the amounts shown below.

Effect on the non-current provisions for defined benefit plans at 31 December

|  |  |  |  |
| --- | --- | --- | --- |
|  | Increase (decrease) | | |
|  | 2025 |  | 2024 |
|  | (in thousand Baht) | | |
| Discount rate |  |  |  |
| 0.5% increase | (41,661) |  | (38,271) |
| 0.5% decrease | 44,447 |  | 40,835 |
| Salary increase rate |  |  |  |
| 1.0% increase | 89,163 |  | 82,684 |
| 1.0% decrease | (80,119) |  | (74,116) |
| Employee turnover rate |  |  |  |
| 10.0% increase | (32,716) |  | (30,555) |
| 10.0% decrease | 34,234 |  | 31,970 |

Although the analysis does not take account of the full distribution of cash flows expected under   
the plan, it does provide an approximation of the sensitivity of the assumptions shown.

1. Share premium

Share premium represents share subscription monies or consideration received in excess of the par value of the shares issued. Share premium is not available for dividend distribution.

1. Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorized capital. The legal reserve is not available for dividend distribution.

1. Business segment information

Segment information is presented in respect of the Group’s business segments, based on the Group’s management and internal financial 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.

***Business segments***

The Group comprises the following main business segments:

|  |  |
| --- | --- |
| *Decor Surfaces Business* | Decor Surfaces Business consists of production and distribution of quality ceramic floor and wall tiles, and other surfaces in domestic and international market. The Company has OEM products and source ceramic tiles from external manufacturers to serves the demand including other business related to decor surfaces such as adhesive and grout products. |
|  |  |
| *Bathroom Business* | Bathroom Business consists of production and distribution of sanitary ware and fittings in Thailand, and export sanitary ware to international market. The company has OEM products and source sanitary ware from external manufacturers to serves the demand. |
|  |  |
| *Others* | Consists of (1) Industrial Estate Business Saraburi Province and  (2) Holding Company. *(2024 : consists of (1) Industrial Estate Business Saraburi Province (2) Solar Energy Equipment and Installation Business (3) Holding Company.)* |

The business segment information is used by management to evaluate the performance of segments and to allocate resources. The group evaluates operating performance based on gross profit of each business segment, in which management has been assigned the authority to operate. The Board of Directors believes that the gross profit is an appropriate indicator to measure financial performance of each business segments, and also is consistent with other business in the same industry.

Information relating to business segments for years ended 31 December was as follows:





***Geographical segment***

The Group has expanded its investment and operation in foreign countries. All significant revenue from sales and non-current assets on the basis of geography is presented in this information. Segment revenue is based on the geographical location of customers and segment non-current assets are based on the geographical location of the assets.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***Geographical segment information*** | | | | | | | |
|  | Revenue from sales | | |  | Non-current assets | | |
|  | 2025 |  | 2024 |  | 2025 |  | 2024 |
|  | *(in thousand Baht)* | | | | | | |
| Thailand | 15,041,545 |  | 16,628,622 |  | 9,784,054 |  | 10,561,672 |
| Vietnam | 4,455,804 |  | 5,426,251 |  | 5,272,509 |  | 5,383,079 |
| Others | 3,178,237 |  | 3,508,442 |  | 2,048,438 |  | 2,496,321 |
| **Total** | **22,675,586** |  | **25,563,315** |  | **17,105,001** |  | **18,441,072** |

***Major customer***

The Group has no revenue from one customer for the amount over 10% of the Group’s total revenue from sales.

1. Other income

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2025 |  | 2024 |
|  | *(in thousand Baht)* | | |
| Interest income from financial institutions | 296,837 |  | 340,994 |
| Gain on sales of fixed assets and scrap | 57,493 |  | 77,473 |
| Service income | 27,855 |  | 25,438 |
| Gain on exchange rate | 17,723 |  | 53,232 |
| Management fee income | 12,307 |  | 12,095 |
| Others | 42,101 |  | 68,358 |
| **Total** | **454,316** |  | **577,590** |

1. Distribution costs

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2025 |  | 2024 |
|  | (in thousand Baht) | | |
| Salary, welfare, employee expenses | 1,045,904 |  | 1,059,518 |
| Freight expenses | 936,971 |  | 987,702 |
| Sales promotion and advertising expenses | 604,943 |  | 740,950 |
| Depreciation and amortization expenses | 239,688 |  | 236,775 |
| Packing expenses | 94,907 |  | 109,538 |
| Others | 312,588 |  | 327,531 |
| **Total** | **3,235,001** |  | **3,462,014** |

1. Administrative expenses

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2025 |  | 2024 |
|  | (in thousand Baht) | | |
| Salary, welfare, employee expenses | 1,122,192 |  | 1,173,507 |
| IT fees and outside wages | 199,192 |  | 229,177 |
| Professional fees and other fees | 129,561 |  | 216,818 |
| Depreciation and amortization expenses | 90,102 |  | 92,754 |
| Others | 259,542 |  | 370,209 |
| **Total** | **1,800,589** |  | **2,082,465** |

1. Employee benefit expenses

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2025 |  | 2024 |
|  | (in thousand Baht) | | |
| Salaries and wages | 3,341,906 |  | 3,714,871 |
| Welfare and others | 686,928 |  | 739,093 |
| Contribution to defined contribution plans | 141,510 |  | 159,831 |
| Contribution to defined benefit plans | 33,725 |  | 94,323 |
| Mutual separation plan expenses | 189,790 |  | 117,162 |
| **Total** | **4,393,859** |  | **4,825,280** |

The Group has a provident fund plan to provide retirement and gratuity benefits to the employeesupon resignation at 5% to 10% of employees’ salaries, depending on the length of employment.

1. Income tax

|  | *Note* | 2025 |  | 2024 |
| --- | --- | --- | --- | --- |
|  |  | (in thousand Baht) | | |
| ***Income tax recognized in profit or loss*** |  |  |  |  |
| **Current tax** |  |  |  |  |
| Current year |  | 355,138 |  | 312,541 |
| Under (over) provided in prior years |  | (1,394) |  | 6,859 |
|  |  | **353,744** |  | **319,400** |
|  |  |  |  |  |
| **Deferred tax** |  |  |  |  |
| Movements in temporary differences | *13* | (21,471) |  | (69,995) |
| **Total** |  | **332,273** |  | **249,405** |
|  |  |  |  |  |
| ***Income tax recognized in*** |  |  |  |  |
| ***other comprehensive income*** |  |  |  |  |
| Remeasurement of defined benefit plans |  | (17,474) |  | (30,882) |
| **Total** |  | **(17,474)** |  | **(30,882)** |

Reconciliation of effective tax rate

|  | 2025 | | |  | 2024 | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Rate  *(%)* |  | *(in thousand Baht)* |  | Rate  *(%)* |  | *(in thousand Baht)* |
| Profit before income tax expense |  |  | 1,260,451 |  |  |  | 1,067,783 |
| Share of profit of associate accounted for |  |  |  |  |  |  |  |
| using equity method |  |  | (4,058) |  |  |  | (3,632) |
|  |  |  | 1,256,393 |  |  |  | 1,064,151 |
| Income tax using the Thai corporation tax rate | 20 |  | 251,278 |  | 20 |  | 212,830 |
| Effect of different tax rates in foreign  jurisdictions |  |  | (6,818) |  |  |  | 48 |
| Revenues that are granted income tax exemption |  |  | (491) |  |  |  | - |
| Tax privileges |  |  | (2,770) |  |  |  | (2,772) |
| Expenses deductible at a greater amount |  |  | (1,126) |  |  |  | (39,257) |
| Expenses not deductible for tax purposes  and others |  |  | 134,115 |  |  |  | 33,047 |
| Loss carry forward (utilized loss carry forward) |  |  | (19,050) |  |  |  | 108,645 |
| **Current tax** |  |  | **355,138** |  |  |  | **312,541** |
| Under (over) provided in prior years |  |  | (1,394) |  |  |  | 6,859 |
| Movements in temporary differences |  |  | (21,471) |  |  |  | (69,995) |
| **Income tax expense** | **26** |  | **332,273** |  | **23** |  | **249,405** |

The Group operates in several jurisdictions which have enacted top-up tax legislations as part of the international tax reform under the Pillar Two Model Rules to impose a global minimum tax at an effective tax rate of no less than 15% in each jurisdiction. This will impact the consolidated financial statements of the Group for the year starting from 1 January 2024, onwards. The Group also operates in other several jurisdictions which the legislations will affect the consolidated financial statements of the Group for the reporting period starting from 1 January 2025, onwards.

The ultimate parent company is responsible for the impact assessment of these legislations. Based on the impact assessment from financial information for the year ended 31 December 2025, there was no material impact to the Group’s consolidated financial statements.

1. Dividends

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Approval date | Payment schedule | Dividend rate  per share |  | Amount |
|  |  |  | *(Baht)* |  | *(in million Baht)* |
| ***2025*** |  |  |  |  |  |
| Annual dividend 2024 | 24 March 2025 | 23 April 2025 | 0.10 |  | 165 |
| 1st Interim dividend 2025 | 29 July 2025 | 27 August 2025 | 0.15 |  | 248 |
| **Total** |  |  | **0.25** |  | **413** |
|  |  |  |  |  |  |
| ***2024*** |  |  |  |  |  |
| Annual dividend 2023 | 25 March 2024 | 22 April 2024 | 0.15 |  | 248 |
| 1st Interim dividend 2024 | 23 July 2024 | 22 August 2024 | 0.10 |  | 165 |
| **Total** |  |  | **0.25** |  | **413** |

1. Financial instruments
2. ***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. It does not include fair value information for financial assets and financial liabilities measured at amortized costif the carrying amount is   
a reasonable approximation of fair value.

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Carrying amount** | | | | | | | **Fair value** | | | | | |
|  | Fair value through  profit or loss |  | Fair value through other comprehensive income |  | Amortized cost |  | Total |  | Level 2 |  | Level 3 |  | Total |
| ***At 31 December 2024*** | *(in thousand Baht)* | | | | | | | | | | | | |
| ***Financial assets*** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Cash and cash equivalents | - |  | - |  | 4,203,720 |  | 4,203,720 |  | - |  | - |  | - |
| Short-term investment  - Deposit with financial  institutions | - |  | - |  | 4,970,565 |  | 4,970,565 |  | - |  | - |  | - |
| Trade receivables | - |  | - |  | 2,895,556 |  | 2,895,556 |  | - |  | - |  | - |
| Derivatives assets | 2,181 |  | - |  | - |  | 2,181 |  | 2,181 |  | - |  | 2,181 |
| Investment in debt instruments | - |  | - |  | 51,743 |  | 51,743 |  | 51,743 |  | - |  | 51,743 |
| Investment in equity instruments | - |  | 24,642 |  | - |  | 24,642 |  | - |  | 24,642 |  | 24,642 |
| **Total financial assets** | **2,181** |  | **24,642** |  | **12,121,584** |  | **12,148,407** |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ***Financial liabilities*** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Bank overdrafts and  Short-term borrowings | - |  | - |  | 13,090,055 |  | 13,090,055 |  | - |  | - |  | - |
| Trade payables | - |  | - |  | 1,870,091 |  | 1,870,091 |  | - |  | - |  | - |
| Dividend payables | - |  | - |  | 2,444 |  | 2,444 |  | - |  | - |  | - |
| Lease liabilities | - |  | - |  | 779,661 |  | 779,661 |  | - |  | - |  | - |
| Derivatives liabilities | 6,769 |  | - |  | - |  | 6,769 |  | 6,769 |  | - |  | 6,769 |
| **Total financial liabilities** | **6,769** |  | **-** |  | **15,742,251** |  | **15,749,020** |  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***At 31 December 2025*** |  | | | | | | | | | | | | |
| ***Financial assets*** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Cash and cash equivalents | - |  | - |  | 3,655,643 |  | 3,655,643 |  | - |  | - |  | - |
| Short-term investment  - Deposit with financial  institutions | - |  | - |  | 5,293,002 |  | 5,293,002 |  | - |  | - |  | - |
| Trade receivables | - |  | - |  | 2,347,352 |  | 2,347,352 |  | - |  | - |  | - |
| Derivatives assets | 1,266 |  | - |  | - |  | 1,266 |  | 1,266 |  | - |  | 1,266 |
| Investment in debt instruments | - |  | - |  | 36,111 |  | 36,111 |  | 36,111 |  | - |  | 36,111 |
| Investment in equity instruments | - |  | 23,839 |  | - |  | 23,839 |  | - |  | 23,839 |  | 23,839 |
| **Total financial assets** | **1,266** |  | **23,839** |  | **11,332,108** |  | **11,357,213** |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ***Financial liabilities*** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Bank overdrafts and  Short-term borrowings | - |  | - |  | 8,862,304 |  | 8,862,304 |  | - |  | - |  | - |
| Trade payables | - |  | - |  | 1,493,374 |  | 1,493,374 |  | - |  | - |  | - |
| Dividend payables | - |  | - |  | 2,404 |  | 2,404 |  | - |  | - |  | - |
| Long-term borrowings   from financial | - |  | - |  | 2,997,173 |  | 2,997,173 |  | - |  | - |  | - |
| Lease liabilities | - |  | - |  | 613,216 |  | 613,216 |  | - |  | - |  | - |
| Derivatives liabilities | 9,086 |  | - |  | - |  | 9,086 |  | 9,086 |  | - |  | 9,086 |
| **Total financial liabilities** | **9,086** |  | **-** |  | **13,968,471** |  | **13,977,557** |  |  |  |  |  |  |

**Financial instruments measured at fair value**

​

The Group determined Level 2 fair values for financial assets and financial liabilities using valuation techniques as follows:

* Investment in debt instruments which are simple over-the-counter securities were based on broker quotes. Those quotes are tested for reasonableness by discounting expected future cash flows using market interest rate for a similar financial instrument at the measurement date. Fair values reflect the credit risk of the financial instrument and include adjustments to take account of the credit risk of the Group and counterparty when appropriate.
* Derivatives assets and liabilities such as forward exchange contracts and commodity 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 fair value of interest rate swap is calculated from the difference between the present value of future cash flows based on the yield curve of the contractual interest rate and the expected interest rate based on observable market for similar financial instruments.

The Group determined Level 3 fair values for financial assets using valuation techniques as follows:

* Investments in equity instruments which are not actively traded in market were calculated using valuation techniques based on the latest reporting net assets adjusted by relevant factors.   
  This was because the equity instruments were not listed on any stock exchanges and there were no recent observable arm’s length transactions in the instruments.

1. ***Financial risk management policies***

***Risk management framework***

The Group’s management has responsibility for the establishment of financial risk management policies and guidelines including foreign currency risk related to capital expenditures, investment, borrowing, deposit and international trade transaction. This also includes establishing policies and overseeing the process of financial derivatives and cash management for efficiency of the Group’s financial operation under risk appetite and consistent practice. The policies are appropriately reviewed to the changing situation. The Group’s management monitors financial status and reports regularly to Management Committee.

1. ***Credit risk***

Credit risk is the risk of the Group’s financial loss if a customer or a financial counterparty fails to meet its contractual obligations.

1. Cash and cash equivalent and derivatives

The Group’s credit risk arising from cash and cash equivalents and derivatives is limited because the counterparties are banks and financial institutions which the Group considers having low credit risk.

1. Investment in debt instruments

The Group’s credit risk is limited by investing only in high liquidity and credibility debt instruments.

1. Trade receivables

The Group’s credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The Group has established a credit policy under which each new customer is analyzed individually for creditworthiness before credit limit, credit term and trade terms are offered. In case of sales exceeding the limits, it must be approval by authorized person.

The Group limits its exposure to credit risk from trade receivables by establishing a maximum payment period. Outstanding trade receivables are regularly monitored by the Group.   
An impairment analysis is performed by the Group at the end of each reporting period. The provision rates of expected credit loss are based on days past due to reflect differences between economic conditions in the past, current conditions and the Group’s view of economic conditions over the expected lives of the receivables.

Information relevant to trade receivables is disclosed in note 6.

1. ***Liquidity risk***

The Group oversees its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management for the Group’s operations and to mitigate the risk from the lack of future liquidity.

The following table shows the remaining contractual maturities of interest-bearing financial liabilities at the end of the reporting period. The amounts are gross and undiscounted.

|  | Contractual cash flows | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***As at 31 December*** | Carrying  amount |  | 1 year  or less |  | More than  1 years but less than 5 years |  | More than  5 years |  | Total |
|  | *(in thousand Baht)* | | | | | | | | |
| ***2025*** |  |  |  |  |  |  |  |  |  |
| Bank overdrafts and  Short-term borrowings from financial institutions | 5,162,304 |  | 5,162,304 |  | - |  | - |  | 5,162,304 |
| Short-term borrowings | 3,700,000 |  | 3,700,000 |  | - |  | - |  | 3,700,000 |
| Long-term borrowings  from financial institutions | 2,997,173 |  | - |  | 3,000,000 |  | - |  | 3,000,000 |
| Lease liabilities | 613,216 |  | 233,248 |  | 338,200 |  | 267,540 |  | 838,988 |
|  | **12,472,693** |  | **9,095,552** |  | **3,338,200** |  | **267,540** |  | **12,701,292** |
|  |  |  |  |  |  |  |  |  |  |
| ***2024*** |  |  |  |  |  |  |  |  |  |
| Bank overdrafts and  Short-term borrowings from financial institutions | 6,386,984 |  | 6,386,984 |  | - |  | - |  | 6,386,984 |
| Short-term borrowings | 6,703,071 |  | 6,703,071 |  | - |  | - |  | 6,703,071 |
| Lease liabilities | 779,661 |  | 236,853 |  | 492,129 |  | 311,091 |  | 1,040,073 |
|  | **13,869,716** |  | **13,326,908** |  | **492,129** |  | **311,091** |  | **14,130,128** |

1. ***Market risk***

The Group has the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows:

1. Foreign currency risk

Foreign exchange risk arises from the fluctuation of foreign exchange rate.

The Group has foreign exchange risk arisen from the fluctuation of foreign exchange rate from purchases, sales, payment of machines and equipment and other receipt and payment which are denominated in foreign currencies. The Group manage that risk by entering forward exchange contracts to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the end of the reporting period also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

As at 31 December, the Group has significant foreign currency risk from foreign currency assets and liabilities were as follows:

|  | Consolidated Financial Statement | | | | |
| --- | --- | --- | --- | --- | --- |
|  | US Dollars |  | Others |  | Total |
|  | *(in thousand Baht)* | | | | |
| ***2025*** |  |  |  |  |  |
| Trade and other receivables | 259,948 |  | 15,770 |  | 275,718 |
| Trade and other payables | (278,721) |  | (122,580) |  | (401,301) |
| **Net statement of financial position exposure** | **(18,773)** |  | **(106,810)** |  | **(125,583)** |
| Forward exchange purchase contracts | (55,481) |  | (5,092) |  | (60,573) |
| Forward exchange selling contracts | 372,926 |  | 198,627 |  | 571,553 |
| **Net exposure** | **298,672** |  | **86,725** |  | **385,397** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| ***2024*** |  |  |  |  |  |
| Trade and other receivables | 308,235 |  | 6,418 |  | 314,653 |
| Trade and other payables | (356,707) |  | (149,626) |  | (506,333) |
| **Net statement of financial position exposure** | **(48,472)** |  | **(143,208)** |  | **(191,680)** |
| Forward exchange purchase contracts | (141,247) |  | (6,093) |  | (147,340) |
| Forward exchange selling contracts | 313,715 |  | 107,215 |  | 420,930 |
| **Net exposure** | **123,996** |  | **(42,086)** |  | **81,910** |

*Sensitivity analysis*

A reasonably possible strengthening and weakening of functional currency against foreign currencies at 31 December would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

| ***Impact to profit or loss*** | Movement | Strengthening |  | Weakening |
| --- | --- | --- | --- | --- |
|  | *(%)* | *(in thousand Baht)* | | |
| ***2025*** |  |  |  |  |
| US Dollars | 1 | (2,987) |  | 2,987 |
| Others | 1 | 194 |  | (194) |
|  |  |  |  |  |
| ***2024*** |  |  |  |  |
| US Dollars | 1 | (1,358) |  | 1,358 |
| Others | 1 | (429) |  | 429 |
|  |  |  |  |  |

1. Interest rate risk

The risk of interest rate is a risk that arises from changes in the future market interest rate, which affects the operation and certainty of the cash flow of the Group. This is due to borrowing.

| ***Exposure to interest rate risk at 31 December*** | 2025 |  | 2024 |
| --- | --- | --- | --- |
|  | *(in thousand Baht)* | | |
| ***Financial instruments with variable interest rates*** |  |  |  |
| Financial liabilities | 11,197,173 |  | 10,203,071 |
| **Net exposure** | **11,197,173** |  | **10,203,071** |

*Cash flow sensitivity analysis for variable-rate financial instruments*

A reasonable possible change of 1% in interest rates at 31 December would have affected profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

|  |  |  |  |
| --- | --- | --- | --- |
| ***Impact to profit or loss*** | 1% increase  in interest rate |  | 1% decrease  in interest rate |
|  | *(in thousand Baht)* | | |
| ***2025*** |  | | |
| Financial instruments with variable interest rate | (111,972) |  | 111,972 |
|  |  |  |  |
| ***2024*** |  |  |  |
| Financial instruments with variable interest rate | (102,031) |  | 102,031 |

1. Commitments and contingent liabilities

As at 31 December, the Group had:

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2025 |  | 2024 |
|  | *(in thousand Baht)* | | |
| * 1. Bank guarantees issued by banks to government,   state enterprises and private sectors | 117,826 |  | 99,934 |
| * 1. Unused letters of credit | 333 |  | 17,314 |
| * 1. Commitments |  |  |  |
| - for rental and service agreements | 19,659 |  | 21,089 |
| - for construction, installation of machinery  contracts and others | 13,503 |  | 106,543 |
| - for raw material | 40,928 |  | 12,696 |
|  |  |  |  |

1. Capital Management

The management of the Group has a capital management policy with the objective to maintain a strong capital base by emphasizing on planning and determining operating strategies that will ensure a sustainable business performance and cash flow management. In addition, the Group considers to have a strong financial foundation. Therefore, the Group focuses on investing in projects that have good rates of return, maintaining appropriate working capital and having sufficient cash reserves and an appropriate investment structure to have a firm operating business in the future and to maintain the confidence of shareholders, investors, creditors and other stakeholders.

1. Others
2. At late 2022, PT Keramika Indonesia Assosiasi, Tbk. (“KIA”), a subsidiary company which listed in the Indonesia Stock Exchange, received a notification from Indonesian government authorities that KIA and its subsidiary, PT KIA Serpih MAS (“KSM”), had a liability towards a government agency totaling approximately Baht 3,000 million. This liability was referred to the debts and obligations of a minority shareholders which is founder of KIA (the “KIA Founder”), who have no connection with the Company and SCC. The KIA Founder received financial aid from the Indonesian government for the bank which the KIA Founder owned during 1998. The government agency claimed that the KIA Founder had placed the shares of KIA and its subsidiaries, as collateral for debt repayment to the Indonesian government. The Indonesian government agency has taken over the banking business and ordered to close the bank's business subsequently.

As a result of the incident, the government authority in Indonesia temporarily blocked to access on legal entity administration system of KIA, KSM and “PT KIA Keramik Mas” (“KKM”) with the Ministry of Law (“MOL”, formerly known as Ministry of Law and Human Rights), which is a registration system for use in submitting changes or additions to regulations and other registration information of companies in Indonesia. Currently, there is uncertainty regarding whether KIA and KSM will be held responsible for the liabilities claimed by the Indonesian government agencies and to what extent it might impact them, given the available evidence still cannot indicate that KIA and KSM are liable to the Indonesian government agencies.

In the past, KIA had entered into loan agreements with number of banks, including the bank owned by the KIA Founder (the loan value from such bank is approximately Baht 740 million). When the Indonesian government agency took control and ordered the closure of the bank owned by the KIA Founder, the government agency transferred the loan debt between KIA and the bank to third party. This loan was subsequently transferred multiple times until they were finally converted into equity in 2008 by issuing new shares (Series B) which were different from the existing shares (Series A) which the KIA Founder held and were not claimed as collateral for debt repayment to the Indonesian government. In 2011, the Company acquired shares in KIA (Series B) arising from the aforementioned conversion of loans into equity through the Indonesian Stock Exchange. Before acquiring the shares, the Company engaged a reputable local legal advisor to conduct due diligence and did not find that KIA had any liability towards Indonesian government agencies nor that KIA's shares were encumbered or pledged to any government agencies.

To protect the rights of KIA and KKM and their shareholders. In late 2023, KIA and KKM filed lawsuits against the relevant Indonesian government agencies, requesting the alleged liability to be declared invalid and revoked and requesting KIA’s and KKM’s access to the MOL system be unblocked.

Subsequently, both the Jakarta State Administrative Court, the State Administrative High Court of Jakarta (at the appeal level), and recently, in late 2025, the Supreme Court (at the cassation level) dismissed the cases. Therefore, KIA and KKM proceeded with the case review, for the Supreme Court to reconsider the decisions. Simultaneously, coordination has been established with the Indonesian ministries overseeing economic and investment affairs to expedite the resolution of these issues.

1. On 20 June 2023, the Company has signed Conditional Purchase and Sale Agreement (“Purchase and Sale Agreement”) with PT Kokoh Inti Arebama Tbk. (“KOKOH”), which is related party, to purchase ordinary shares of PT Karya Makmur Kreasi Prima (“KMKP”) in the amount of 10.025 million shares (representing 99.99 percent of total number of issued shares of KMKP) and/or assets related to Belanja store at the fair value appraised by an independent financial advisor with significant conditions precedent as stipulated in Sale and Purchase Agreement, e.g. demands from Indonesian's government related to PT Keramika Indonesia Assosiasi, Tbk. (“KIA”), PT KIA Keramik Mas (“KKM”) and PT KIA Serpih Mas (“KSM”) are terminated, and the shareholders' meeting of the related companies has approved the said transaction, etc.
2. On 25 March 2024, the Annual General Meeting of Shareholders approved the issuance and offering of the Company's debentures in total amount of Baht 15,000 million. To support business expansion, acquisitions and mergers, improving the efficiency of machinery including asset maintenance, working capital for business operations, or restructuring the Company's capital including repayment of loans to parent company and/or financial institutions.
3. Events after the reporting period

On 26 January 2026, the Board of Directors' meeting of the Company approved to submit for approval at the Annual General Meeting of Shareholders, the payment of a dividend for 2025 at the rate of Baht 0.34 per share, totaling approximately Baht 561 million. An interim dividend of Baht 0.15 per share was paid on 27 August 2025, as disclosed in note 25. The final dividend will be at the rate of Baht 0.19 per share, payable to shareholders entitled to receive dividends totaling approximately Baht 313.50 million and is scheduled for payment on 20 April 2026. This dividend is subject to the approval of the Shareholders at the Annual General Meeting to be held on 23 March 2026.

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

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The Federation of Accounting Professions has revised TFRSs which are effective for accounting periods beginning on or after 1 January 2026 and have not been adopted in the preparation of these consolidated financial statements because they are not yet effective. The Group has assessed the potential initial impact on the consolidated financial statements of these revised TFRSs and expected that there will be no material impact on the consolidated financial statements in the year of initial application.