



Innovation by Chemistry

TORAY TEXTILES (THAILAND) PUBLIC COMPANY LIMITED



Annual Registration Statement / Annual Report 2021

1 April 2021 - 31 March 2022

(Form 56-1 One Report)



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FINANCIAL SUMMARY

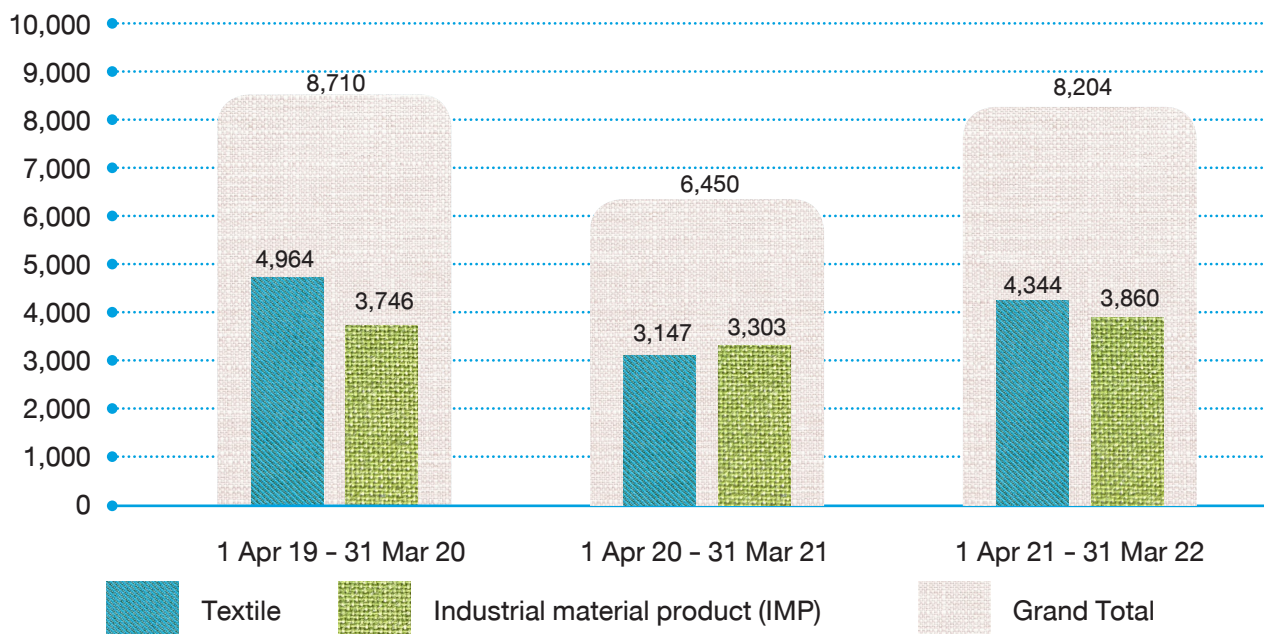
Equity method (Million Baht)	12 Months		
Financial Year as of	2019 1 Apr 19 – 31 Mar 20	2020 1 Apr 20 – 31 Mar 21	2021 1 Apr 21 – 31 Mar 22
TOTAL ASSETS	10,269	8,557	8,458
TOTAL LIABILITIES	2,614	1,610	1,548
SHAREHOLDERS' EQUITY	7,655	6,947	6,910
NET SALES	8,710	6,450	8,204
TOTAL REVENUES	8,896	6,562	8,406
COST OF GOODS SOLD	8,038	6,623	7,869
TOTAL COST AND EXPENSES	8,667	7,130	8,400
GROSS PROFIT	672	(173)	335
NET PROFIT (LOSS)	229	(568)	6

Financial ratio

NET PROFIT (LOSS) MARGIN (%)	2.63	(8.80)	0.07
RETURN ON EQUITIES (%)	2.99	(7.77)	0.08
RETURN ON TOTAL ASSETS(%)	2.24	(6.03)	0.07
EARNINGS (LOSS) PER SHARE (Baht)	3.96	(9.81)	0.10
DIVIDEND PER SHARE (Baht)	3.40	2.20	1.00
BOOK VALUE PER SHARE (Baht)	132.35	120.10	119.47

Sales Amount Separated by Business Segment

Sales amount (Unit : Million Baht)



**Mr. Akihiro Maekawa**

The Chairman of the Board of Director

**Messages from the Managing Director****<Business conditions / FY2021 results>**

In FY2021, the coronavirus pandemic continued to stagnate the production and the consumption activities in each country. The restriction on the movement of people and goods disrupted the international supply chain. On the other hand, although there are differences depending on the region and market, overall, the recovery trend was gradual in anticipation of the corona coexistence era. In our business field, demand was sluggish due to the spread of infections in Thailand, lockdowns in each country and the impact of political changes in Myanmar, but the volume gradually recovered from the second half of the year. By the way, raw material and transportation costs increased and we cannot increase our selling price causing a deterioration in profits.

Under these situations, our revenue in 2021 increased 27% to 8,204 million Baht when comparing with the previous year. In addition, net loss on the equity method basis was recovered from -568 million Baht in the previous year to be surplus of 6 million Baht. Moreover, sales receivables and inventories increased due to sales recovery. As a result of management of fixed costs control, cash flows from operating activities increased 127 million Baht which presented that the finance of the company is still stable.

<Business policy>

The coronavirus has caused the major changes in the world, but on the other hand, it is important to accurately grasp changes in the market structure such as consumer tastes, behaviors and supply chains to lead to future business expansion.

Among our businesses, it is expected that in the apparel market for business uniform of spun fabrics, filament fabrics, knitted fabrics and denim spun yarns will decrease while the fabrics for sports and casual wear will expand. In addition, due to the increased awareness of sustainability, customer requirements for recycled products and international environmental certification are becoming stronger than before. It is becoming more important to develop and propose new products that meet these requirements. Furthermore, in terms of supply, as the movement to review local production for local consumption is progressing. Our key of growth and survival is whether we can expand our business toward markets which have the potential to grow such as ASEAN countries and India by taking advantage of our location in Thailand or not.

On the other hand, in the market for industrial material products as airbag fabrics and cord yarns, mainly for automobiles, demand is expected to increase steadily over the medium to long term. We will continue to maintain a system that enables efficient use of production equipment, while continuing to strengthen cost competitiveness, which is the source of profits for manufacturers, stabilize quality and build a strong business structure.

Our company, which has both apparel and industrial material products, will continue to strengthen our product development capabilities and expand our material lineup, aiming to contribute to society by creating new value as a comprehensive textile manufacturer.

In 2022, the coexistence with the coronavirus is expected to progress and the world economy is estimated to gradually recover continuously in the future. By the way, the uncertainties such as the impact of China's Zero-COVID policy, the situation in Ukraine and increasing of energy prices are expected to continue. Although the difficult business environment will continue in 2022, we will intend continuously to promote business expansion and strengthen our constitution for recovering and expanding our business performance. All employees will work together as one, so please support us.

Finally, on behalf of the management, I would like to express my sincere gratitude to the Thai government, shareholders, customers and employees for their great support.

BOARD OF DIRECTORS

Executive Director

1. Name : Mr. Akihiro Maekawa Position : Chairman and Managing Director Education : Bachelor Degree of Textile Engineering Shares : 277 shares Experience : Chairman and Managing Director Luckytex (Thailand) Public Company Limited Director Toray Industries (Thailand) Co., Ltd.	2. Name : Mr. Masahide Matsumura Position : Chairman of Executive Director and Director Education : Bachelor Degree of Chemical Engineering Shares : None Experience : Senior Director, Corporate Auditor Japan Vilene Company, Ltd. (Japan)
3. Name : Mr. Chiaki Kojima Position : Director and General Manager, Sales Division Education : Bachelor Degree of Literature Shares : None Experience : Executive Director, Sales Division Thai Toray Textile Mills Public Company Limited	4. Name : Mr. Yoshihiro Hamaguchi Position : Director and General Manager, Production Division Education : Master Degree of Mechanical Engineering for Industrial Machinery and Systems Shares : None Experience : Director and General Manager, Production Division Luckytex (Thailand) Public Company Limited
5. Name : Mr. Ken Nakajima Position : Director and General Manager, Administration Division Education : Bachelor Degree of Economics Shares : None Experience : Director and General Manager, Administration Division Luckytex (Thailand) Public Company Limited Director of Accounting and Finance Division Thai Toray Textile Mills Public Company Limited	4. Name : Mr. Yoshinobu Gamo Position : Director and Deputy General Manager, Sales Division Education : Bachelor Degree of Commerce Shares : None Experience : Associate Director and General Manager, Sales Division Toray Textiles (Thailand) Public Company Limited
7. Name : Mr. Kriangsak Kongsiri Position : Director and Mill Manager, Mill 3 Education : Bachelor Degree of Political Science Shares : None Experience : Director and Mill Manager, Mill 2 and 3 Luckytex (Thailand) Public Company Limited	8. Name : Mr. Pichai Amranun Position : Director and Mill Manager, Nakhonpathom Factory Education : Bachelor Degree of Mechanical Engineer Shares : None Experience : Director, Production Division and Factory Manager Thai Toray Textile Mills Public Company Limited

Audit Committee

1. Name : Mr. Prakit Pradipasen Position : Independent Director and Chairman of Audit Committee Education : Master Degree of Business Administration Shares : None Experience : Independent Director and Chairman of Audit Committee Luckytex (Thailand) Public Company Limited	2. Name : Mr. Ekchai Chansue Position : Independent Director and Audit Committee Education : Master Degree of ARTS Teaching (Government) Shares : 92 shares Experience : Independent Director and Audit Committee Luckytex (Thailand) Public Company Limited
3. Name : Mr. Yanchai Tantiratapong Position : Independent Director and Audit Committee Education : Master Degree of International Affairs Shares : None Experience : Independent Director and Chairman of Audit Committee Thai Toray Textile Mills Public Company Limited	4. Name : Mrs. Kwunjai Kiatgungwalgri Position : Independent Director and Audit Committee Education : Master Degree of Professional Accounting Shares : None Experience : Executive Director ASV & Associates Limited

Director information as of March 31, 2022

No. of shares as of June 24, 2022



The company received continuous awards which reflected our employees' cooperation and achievement as they were determined to work efficiently. Moreover, the company's administration and management enhanced good labour welfare system and promoted the good corporate governance practice and environmental preservation, therefore, we proudly received awards as follows.



1. Good Outstanding Establishment of Labour Relation and Labour Welfare: National Level of 2021 from Department of Labour Protection and Welfare, Ministry of Labour (Every factory)

Department of Labour Protection and Welfare set the establishment contest of labour relation and labour welfare for the following purposes.

- 1) To enhance good labour relation in the establishment.
- 2) To push forward the establishment to have system of cooperation, communication, problem solution, and finishing of negotiation about status and condition of employment by bilateralness system. To urge the employers and entrepreneurs to recognize about the important of bilateralness system improvement.
- 3) To promote the establishment to have labour welfare in the workplace for better working life of employees which will lead to cooperative working by good relation of each other.
- 4) To announce prestige for the establishment who can manage good system of labour relation and labour welfare to the employees.

2. Corporate Social Responsibility Award (CSR-DIW) for industrial entrepreneur of 2021, continuous level from Department of Industrial Works, Ministry of Industry (Nakorn Phathom Factory)

Industrial factory improvement project for corporate social responsibility or CSR-DIW is an important project of Department of Industrial Works and a part of Flagship Projects of Ministry of Industry. Department of Industrial Works has set this project since the year 2008. The purposes are to promote the operating in Corporate Social Responsibility and Sustainable Development for industrial entrepreneur and to promote industrial factory to know and understand the green industrial principle. The factory received the award on 27 October 2021 continuously as the seventh year.





Business and Operation Results

1. Structure and operation of the company group

1.1 Business policies and overview

Toray Textiles (Thailand) Public Company Limited (“the Company”) is a company arising from the amalgamation under the Public Limited Companies Act B.E. 2565 and as amendment between Thai Toray Textile Mills Public Company Limited (TTTM) and Luckytex (Thai) Public Company Limited (LTX), registered as a juristic person on July 1, 2019, has a registered and paid-up capital amounted 578,400,000.00 Baht, consisting of 57,840,000 ordinary shares with a par value of 10 Baht per share. The Company started trading on the Stock Exchange of Thailand on July 3, 2019.

The Company operates in textile industry such as spinning, weaving, knitting, dyeing and finishing. The products are divided into 2 parts, textile products for apparels and industrial material products.

1.1.1 Corporate Philosophy, Corporate Missions, Guiding Principles

CORPORATE PHILOSOPHY

To contribute to society through the creation of new value by innovative ideas, technologies and products

CORPORATE MISSIONS

For our customers	To provide new value to our customers through high-quality products and superior services
For our employees	To provide our employees with opportunities for self-development in a challenging environment
For our shareholders	To provide our shareholders with dependable and trustworthy management
For the local community	To act as a responsible corporate citizen to build a long-lasting, beneficial partnership with the local communities in which we do business

Corporate Guiding Principles

Safety and Environment

Placing top priority on safety, accident prevention and environmental preservation, ensuring the safety and health of our employees, our customers and local communities, and actively promoting environmental preservation.

Ethics and Fairness

Obtaining the trust of society and meeting expectations by acting fairly while maintaining high ethical standards and a strong sense of responsibility and maintaining transparency in management.

Customer-focus

Providing customers with new values and solutions and achieving sustainable growth together.

Innovation

Achieving continuous innovation in all corporate activities and aiming for dynamic evolution and growth.

Fieldwork and Initiative

Strengthening fieldwork abilities and initiative, the foundations of our corporate activities, through consistently learning from one another and constant self-driven efforts.

Global Competitiveness

Pursuing competitiveness through global highest quality standards and cost management and achieving growth and expansion in the global marketplace.

Global Coalition

Developing a global coalition through integrated internal linkages and strategic alliances with external parties.

Emphasis on Human Resources

Providing an environment where employees find value in their work, and building positive, energetic relationships between people and the organization.

Regulation of Anti-Corruption

Toray Industries (Thailand) Co., Ltd. issued the regulation of Anti-Corruption and Anti-Bribery for to the employees and management of Toray group companies in Thailand. Accordingly, Toray group companies in Thailand will not request nor receive any privileges for their improper benefits.

Regulation of Competition Law

Toray Industries (Thailand) Co., Ltd. issued the regulation of Anti-Corruption and Anti-Bribery for to the employees and management of Toray group companies in Thailand. Accordingly, Toray group companies in Thailand will not request nor receive any privileges for their improper benefits.

1.1.2 Major changes and developments

Amalgamation

Thai Toray Textile Mills Public Company Limited (TTTM) and Luckytex (Thai) Public Company Limited (LTX) were amalgamated according to the resolution of the shareholders meeting of the two companies on June 28, 2019 and on July 1, 2019, the company was registered as a juristic person with the Ministry of Commerce and began trading on the stock exchange on July 3, 2019.

New Products

In 2021, the company released new products as follows.

- Filament fabric made from polyester fiber blended with recycled fiber, has stretch properties and it is suitable for sport jacket cause of comfortable to wear and more mobility.
- TR fabric for the artificial leather production with a texture and aesthetics similar to the real leather is suitable for making furniture, car-seat fabric or other car accessories in place of using leather.

1.1.3 Fundraising

The Company has not offered securities for sale in the past year.

1.1.4 The commitments that the Company has made in the registration statement for the offering of securities or the conditions of the SEC's licensing

The Company does not have any of the above obligations.

1.1.5 Company General Information

Company name of securities issuing	Toray Textiles (Thailand) Public Company Limited
Location	
• Head Office	5 th Floor, Bubbajit Building, 20 North Sathorn Road, Silom, Bangrak, Bangkok 10500 Tel : 0-2266-6600 Fax : 0-2238-3957-9
• Factory	
▶ Mill No. 1	38 Suksawad Road, Tambon Bangphueng, Amphur Phrapradaeng, Samutprakan 10130 Tel : 0-2462-6310-2 Fax : 0-2464-3437
▶ Mill No. 2	99 Sukhumvit Road K.M.38, Tambon Bangpoomai, Amphur Muang Samutprakan, Samutprakan 10280 Tel : 0-2323-9050-2 Fax : 0-2323-9055
▶ Mill No. 3	305 Sukhumvit Road K.M.39, Tambon Bangpoomai, Amphur Muang Samutprakan, Samutprakan 10280 Tel : 0-2323-9020-2 Fax : 0-2323-9330
Nakhonpathom Factory	33/3 Moo 3, Sukhaphibarn Road, Nakhonchaisi, Nakhonpathom 73120 Tel : 0-3433-1788-90 Fax : 0-3433-1915
Nature of Business	Textile Industry
Company Registration No.	0107562000289
Website	http://www.toray.co.th/en/ttt
Registered Capital	578,400,000 Baht (fully paid)
Number of share sold	57,840,000 shares
Per value	10 Baht

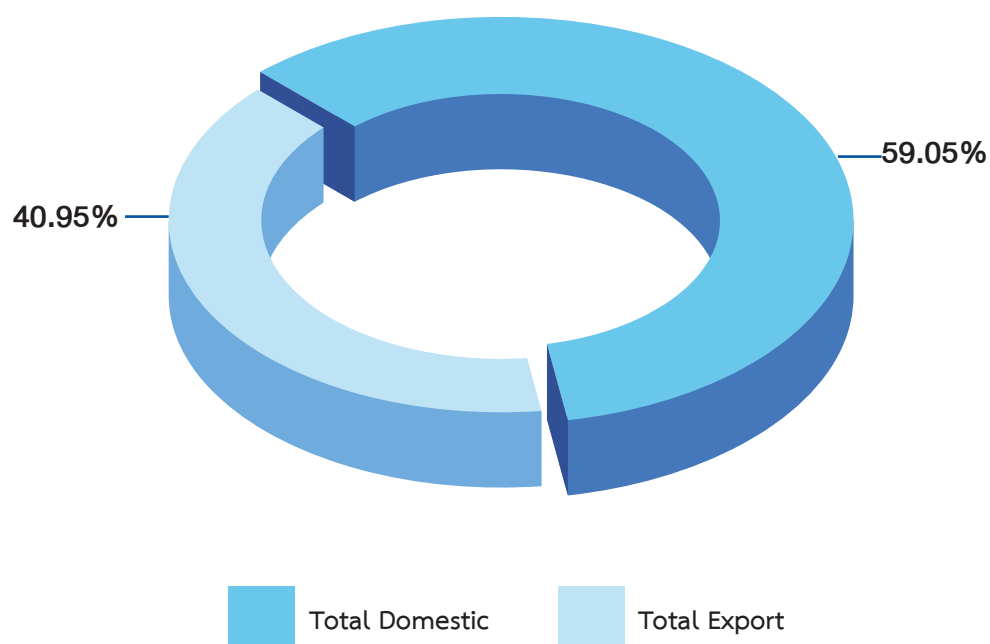
1.2 Business Operation

1.2.1 Revenue Structure

Categories	2021 (1 Apr 21– 31 Mar 22)		2020 (1 Apr 20– 31 Mar 21)		2019 (1 Apr 19– 31 Mar 20)	
	Amount	%	Amount	%	Amount	%
	(million Baht)		(million Baht)		(million Baht)	
Textiles						
Domestic	1,356	31.22	1,075	34.17	1,902	38.32
Export	2,988	68.78	2,072	65.83	3,062	61.68
Total	4,344	100.00	3,147	100.00	4,964	100.00
Industrial Material Products						
Domestic	3,488	90.36	2,885	87.36	3,160	84.36
Export	372	9.64	418	12.64	586	15.64
Total	3,860	100.00	3,303	100.00	3,746	100.00
Total Domestic	4,844	59.05	3,960	61.40	5,062	58.12
Total Export	3,360	40.95	2,490	38.60	3,648	41.88
Grand Total	8,204	100.00	6,450	100.00	8,710	100.00

*Revenue from accounting by equity method

Proportion of Local and Export Sales Year 2021 (1 Apr 21 – 31 Mar 22)



1.2.2 Product Information

(1) Characteristics of products or services and business innovation development

1) Textile products

- 1.1) TR Fabric is a fabric used for sewing various uniforms made from 65% polyester and 35% rayon blend, winter wool, two-ways fabric, thread-dyed fabric, rayon rich fabric for sewing uniforms for employees, casual wear, etc.
- 1.2) Spun TC Fabric: Polyester fabric, Polyester Cotton Blend and pure cotton for shirt, school uniform, National costumes of the Middle East, etc.
- 1.3) Filament Fabric, which is pure polyester filament fabric for lining and outer wear, tweed, satin and nylon for jackets, etc.
- 1.4) Knitted fabric made of polyester, rayon and acrylic. It is used for sportswear, casual wear and various uniforms.
- 1.5) Yarn for Denim: pure cotton yarn or cotton blended Lycra yarn for jeans or stretch jeans

2) Industrial material products

- 2.1) Airbag Fabric
- 2.2) Cord

Rights related to doing business

1. Promotion of investment from the Board of Investment in accordance with the rules and procedures prescribed in the Investment Promotion Act on 1 July 2019 in the business of the spinning industry, textile industry, bleaching, dyeing, etc. with the following benefits:
 - 1.1 The right to bring foreigners into the Kingdom and obtain approval for a skilled worker position so that they can perform work, transfer knowledge and technology to Thai, as well as extend their stay in the Kingdom.
 - 1.2 Being allowed to own the land in the amount considered by the Board
2. Privileges from the Thailand-Japan Economic Partnership Agreement (JTEPA) to reduce the import duty on chemicals, yarn, greige, machinery and spare parts used in the textile industry.
3. Benefits from the ASEAN-China Free Trade Agreement (ACFTA) in reducing import duty on yarn and greige.
4. Benefits from the ASEAN Trade in Goods Agreement (ATIGA) to reduce import duties on yarn, greige and chemicals.
5. Benefits from the ASEAN-Japan Economic Partnership Agreement (AJCEP) in reducing import duties on chemicals and yarn and to reduce the export duty rate for finished fabrics

Trademark

Trademark	Owner's Name	Product Type	Registration No. / Registered Country	Protection Period
	Toray Textiles (Thailand) Public Company Limited	• Polyester fabric • Cotton and polyester blended fabric • Cotton fabric • Polyester filament fabric • Demin fabric	TM112991 / Thailand	Renew every 10 years
	Toray Textiles (Thailand) Public Company Limited	• Fabric made from synthetic fiber • Fabric made from natural fiber	TM221316/ Thailand	Renew every 10 years
	Toray Textiles (Thailand) Public Company Limited	• Polyester fabric • Cotton and polyester blended fabric • Cotton fabric • Polyester filament fabric • Demin fabric	TM104485/ Thailand	Renew every 10 years
	Toray Industries, Inc.	• Woven fabric, Knitted fabric, Cutting and folded fabric • Product from textile: curtain, furniture cover fabric, handkerchief, hat lining fabric, makeup wipe fabric, saucer fabric, wall hanging fabric, towel	TM349055/ Thailand	Renew every 10 years
	Toray Textiles (Thailand) Public Company Limited	• Woven fabric • Knitted fabric made from synthetic fiber • Piece of fabric • Folded fabric	171100724/ Thailand	Renew every 10 years
	Toray Textiles (Thailand) Public Company Limited	shirt, long coat, sport shirt, shirt and skirt set, suits, undershirts, underwear, trousers, underpants, sports pants, skirt, uniform, pajamas, swimsuit, scarf, shawl, necktie, gloves used as apparel, wristband is used as an apparel.	171100725 / Thailand	Renew every 10 years

(2) Marketing and Competition

(n) Marketing Policy

The company has been in the business for more than 50 years. It is well known and has a strong customer base. Maintaining the quality of products and service standards is therefore an important policy with the ability to control the product quality and service promptly. Because many types of fabrics are used for specific periods of time, the production and delivery must be fast to meet the needs of customers. In addition, the company has a policy to develop products to meet the needs of more diverse customers market expansion.

Pricing: The Company will consider the market price and economic conditions as criteria. The Company does not have any dumping policy. Pricing policy is a general policy which determines prices based on cost, market characteristics, supply, demand, production capacity and output. However, the price must be competitive in both domestic and international markets.

Characteristics of customers and target customers

Domestic customers

For woven fabric customers, most of the customers of uniform fabrics are wholesale shops in Sampeng area, which have been trading for a long time since the beginning, government and private customers, student uniforms for both government and private schools, customers for casual wear and sportswear who want general fabrics and fabrics with special functions. There are also fashion customers who sew bags, travel accessories such as sleeping bags, etc. For the yarn for denim, it has all domestic customers. For industrial material products, the automotive equipment manufacturers are our main customer.

Foreign customers

The major customers for fabrics are countries in the Middle East, Europe, Asia such as Japan and Southeast Asia. It is a group of customers who want fabrics that meet specific legal standards and have special functions such as thermal insulation, anti-bacteria. The customers are uniforms, casual wear and sportswear customer group.

For industrial material products, the automotive equipment manufacturers are our main customer such as China, Indonesia, India, Vietnam.

Distribution and distribution channels

The distribution of products consists of approximately 59% domestic sales and 41% foreign sales. Distribution channels include direct sales and through agents both domestically and internationally.

Market conditions and competition conditions within the industry in the past year

In 2021, there are market conditions and competition in the industry classified by product as follows:

1. Textile Product

1.1) TR Fabrics

The main market in the country had slowed due to the impact of the protracted coronavirus situation. The school uniform market, which is the main market, is recovering. Although export markets tend to recover, especially in the Middle East and South Africa, it was difficult to maintain orders. In addition, the cost of raw materials and utilities increased in the second half of the year.

1.2) Spun TC Fabrics

Due to the shortage of electronic equipment in China, Chinese spunTC fabric customers gradually found manufacturers from other countries to replace them. The market for school uniforms made from recycled fibers in the UK had greatly recovered from school reopening. Demand for menswear in Europe soared as the coronavirus situation eased, so in the second half, the market for spun fabrics and fabrics made from recycled fibers in Europe and America had greatly recovered. While the domestic market still had price competition and had problems with the cost of raw materials increasing.

1.3) Spun Polyester Fabrics

Middle East market affected by COVID-19 pandemic and it had made consumers less likely to use clothes when leaving the house. But in the second half of the year, the situation had eased and people were preparing for the Ramadan festival, which had increased sales. Asian markets also recovered in the second half of the year.

1.4) Filament Fabrics

Market for sportswear and outdoor clothing in US, Europe and Japan were recovered rapidly. Lining fabrics, although recovered as well, but demands for formal wear such as suits had declined and market prices were also pressured by Chinese products, making it difficult to meet the budget.

1.5) Knit Fabrics

Due to the Covid situation and the changing lifestyles of consumers, sales of knitted fabrics had increased, especially casual wear for indoors and outdoors. After the covid situation subsided, fabrics for sportswear and uniforms also revived. But when the conflict between Russia and Ukraine happened, the cost of raw materials and transportation increased. Knitted fabrics were sold in domestic market 30% and 70% were exported.

1.6) Yarn for Denim

The yarn market for denim fabrication was competitive from local and Vietnamese manufacturers. In addition, the price of cotton, which was a raw material for production, was highly volatile. However, due to the company having relatively regular orders from customers, it was still able to achieve sales as expected.

2. Industrial Material Product

2.1) Airbag Fabrics

There were both domestic and international markets such as China, America and Japan. The market was not fiercely competitive due to the continual increase in demand. There are few competitors and each produces a different type of product. But in the second half of the year, the orders were halted due to the shortage of electronic equipment that affects the production of automobiles. But after that demand had recovered.

2.2) Cord for rubber material reinforcement

The situation of cords was similar to that of airbag fabric. But overall sales had increased significantly from the last year due to increased demand and new customers.

Industry trends and future competition

Overseas markets are expected to recover slowly in the second half of the year as the overall economy begins to be recovered. The business operations and people's daily lives return to normal resulting to high textile demands and sewing factories need more fabric stocks. However, there are situations that influence the overall economy and need to be closely monitored, such as the prolonged and widespread conflict between Ukraine and Russia leads to higher global inflation. The European economy which is recovering from the pandemic and one of the main textile customers, has slowed again. Moreover, the Commission of the European Union proposed a new requirement for 'Ecodesign' to cover more environmental aspects of products in several dimensions. Thus, the competitive trend in this region will be the competition for Green textile manufacturers

As for the Regional Comprehensive Economic Partnership (RCEP), it has both positive and negative impacts on the textile industry because although more sewing factories are gradually opening up in Southeast Asia, but for Thailand there are still many raw materials items that are not immediately able to take advantage of this Agreement. It is expected that the intensity of competition among ASEAN textile countries, especially Vietnam and Cambodia, may also be higher.

Markets in the Middle East are likely recovered from higher crude oil prices, a positive result of the conflict between Russia and Ukraine. But there is still intense price competition from Chinese products.

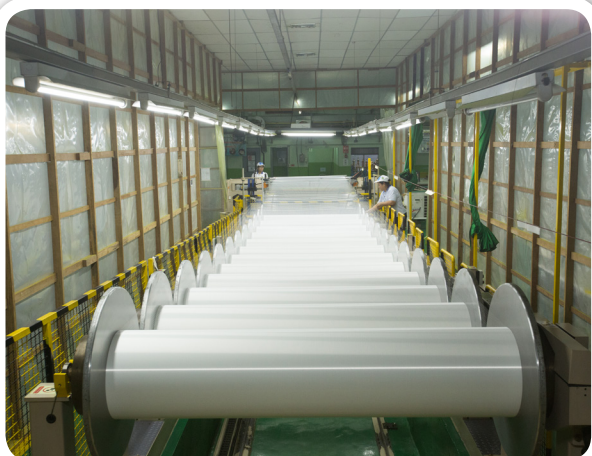
The demand of fabrics for school uniforms and work cloths has increased due to regular school starts and a return to work at the office. Pushing the COVID-19 to become endemic for stimulating the domestic economy through tourism is a good sign as many businesses will fully resume. On the other hand, the domestic household debt rate remains high as the result of the economic stagnation during the past year, so it is expected that consumer purchasing power will remain low in the first half of the year. If Thailand succeeds in opening the country and the COVID-19 pandemic decreases in the second half of the year, it is expected that the Thai economy will be more recovered and consumers have more purchasing power, which will be the benefit for selling of the textiles industrial. By the way, price competition in the domestic market will continue to be intense caused of production costs such as energy and synthetic fiber prices increase.

(3) Procurement of products or services**Production**

The Company has total 4 factories, which are located in Samutprakan and Nakhonpathom, with made-to-order manufacturing as follows.

Mill No. 1	Located in Phrapradaeng, Samutprakan		
Mill's Area	102 Rais		
Production Process	Spinning and weaving of spun fabric: polyester fabrics, poly-cotton fabrics and 100 percent cotton fabrics		
Machines	Ring Spinning	75,456	spindles
	Weaving Looms (AJL)	379	sets
Production Capacity	Yarn	13.6	million lbs/year
	Fabric	47.0	million yds/year

Mill No. 2	Located in Bangpoo, Muang, Samutprakan		
Mill's Area	104 Rais		
Production Process	Bleaching, Dyeing and Finishing for Spun and Filament Fabrics		
Machines	comprehensive Dyeing and Finishing machines		
Production Capacity	Spun Fabrics	62.4	million yds/year
	Filament Fabrics	33.6	million yds/year



Mill No. 3 Mill's Area Production Process Machines Production Capacity	Located in Bangpoo, Muang, Samutprakan 116 Rais Spinning and weaving of fabrics for denim yarn, filament fabrics and Industrial Material Products <table border="0"> <tr> <td>Ring Spinning</td> <td>6,480 spindles</td> </tr> <tr> <td>WJL for Filament</td> <td>384 sets</td> </tr> <tr> <td>WJL for Airbag</td> <td>299 sets</td> </tr> </table> Weaving looms <table border="0"> <tr> <td>Yarn for Denim</td> <td>4.8 million lbs/year</td> </tr> <tr> <td>Filament Fabrics</td> <td>24.0 million yds/year</td> </tr> </table> Industrial Material Products <table border="0"> <tr> <td>Cord</td> <td>1,140 ton/year</td> </tr> <tr> <td>Fabric for Airbag</td> <td>42.0 million m./year</td> </tr> </table>	Ring Spinning	6,480 spindles	WJL for Filament	384 sets	WJL for Airbag	299 sets	Yarn for Denim	4.8 million lbs/year	Filament Fabrics	24.0 million yds/year	Cord	1,140 ton/year	Fabric for Airbag	42.0 million m./year
Ring Spinning	6,480 spindles														
WJL for Filament	384 sets														
WJL for Airbag	299 sets														
Yarn for Denim	4.8 million lbs/year														
Filament Fabrics	24.0 million yds/year														
Cord	1,140 ton/year														
Fabric for Airbag	42.0 million m./year														

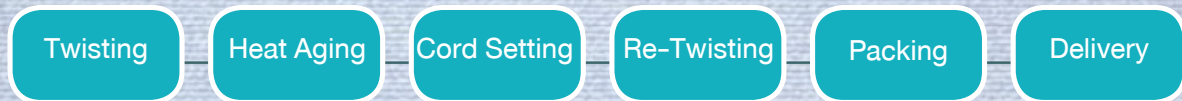
Nakhonpathom Mill's Area Production Process Machines Production Capacity	Located in Nakhonchaisi, Nakhonpathom 136.9 Rais Spinning, Weaving, Knitting, Dyeing and Finishing 560 sets <table border="0"> <tr> <td>Spinning Dept.</td> <td>11.6 million lbs/year</td> </tr> <tr> <td>Weaving Dept.</td> <td>12.0 million yds/year</td> </tr> <tr> <td>Knitting Dept.</td> <td>4.2 million yds/year</td> </tr> <tr> <td>Dyeing Dept.</td> <td>20.4 million yds/year</td> </tr> </table>	Spinning Dept.	11.6 million lbs/year	Weaving Dept.	12.0 million yds/year	Knitting Dept.	4.2 million yds/year	Dyeing Dept.	20.4 million yds/year
Spinning Dept.	11.6 million lbs/year								
Weaving Dept.	12.0 million yds/year								
Knitting Dept.	4.2 million yds/year								
Dyeing Dept.	20.4 million yds/year								



Fabric Production Process



Cord Production Process



Raw material procurement Suppliers and purchase proportion of raw materials

- Yarns are ordered both from domestic affiliates and from foreign countries such as Indonesia, China and Japan.
- Polyester fibers are ordered both from domestic and foreign manufacturers. such as Indonesia and Malaysia.
- Rayon is mainly purchased from local manufacturers.
- Paints and chemicals used in the production process. Mostly buy from importing companies.
- Raw cotton ordered from foreign countries such as Africa, America and Australia.

(4) Assets used in business operations

Land, buildings and equipment

As at 31 March 2022, the Company has main fixed assets used in business operations such as land, buildings, machinery and equipment, etc., which the company owns all of those assets and has no collateral obligations on the assets. The details of the assets are as follows.

Property Type / Characteristics	proprietary nature	Net book value (in thousand Baht)	
		Amount	Obligation
Land	Company Owned	63,706	No Obligation
Buildings, factories and improvements	Company Owned	576,182	No Obligation
Machines and equipment	Company Owned	1,731,061	No Obligation
Furnishings, fixtures and office equipment	Company Owned	16,049	No Obligation
Vehicles	Company Owned	1	No Obligation
Assets under construction and installation	Company Owned	74,698	No Obligation
Total		2,461,697	

Intangible assets

Intangible assets include software licensing fees. It is measured at cost less accumulated amortization and accumulated impairment losses.

1.3 Shareholding Structure of the Group

1.3.1 Shareholding Structure of the Group

(1) Policy on dividing operations of the companies in the group and the shareholding structure diagram of the group companies

Toray Group in Thailand has divided its operations according to the nature of products and services with the shareholding structure of the group as follows:

OUTLINE OF TORAY GROUP COMPANIES IN THAILAND

COMPANY	Toray Industries (Thailand) Co., Ltd. TTH	Toray Textiles (Thailand) Public Company Limited TTT	Thai Toray Synthetics Co., Ltd. TTS	Toray International Trading (Thailand) Ltd. TITH	Cellulosic Biomass Technology Co., Ltd CBT
PARTICULARS					
HEAD OFFICE	Bangkok	Bangkok	Bangkok	Bangkok	Bangkok
FACTORY	-	Bangkok, Samutprakarn, Nakorn Pathom	Bangkok, Ayuthaya, Nakorn Pathom	-	Udonthani
ESTABLISHMENT	MAY 2002	JUL 2019	APR 1991	SEP 2014	JAN 2017
PRODUCTS	Management consulting and IT service for group companies	Polyester/ rayon / cotton fabrics Polyester / Tricot knitted fabrics Cotton fabrics Polyester filament yarn fabrics Polyester spun fabrics	Nylon filament yarn Polyester filament yarn Engineering plastic resin Cast polypropylene film (CPP) Metallized film	Trading of : Fiber, Textile, Garment, Hybrid code, Film, Plastic, Chemical, Water Treatment	Cellulosic Sugar Oligosaccharide Poly Phenol
SHAREHOLDERS (ratio : %)	Toray Industries Inc. 100.0%	Toray Industries Inc. 69.3% Toyota Tsusho Corp. 2.3% Bangkok Bank 0.9% Others 27.5%	Toray Industries Inc. 70.8% TTT 19.1% Mitsiam 8.4% Others 1.7%	Toray Industries Inc. 30.0% Toray International Inc. 69.5% Toray International Singapore 0.5%	Toray Industries, Inc 66.99% Mitsui Sugar Co., Ltd 33.00% TTH 0.0001%

COMPANY	Toray Plastics Precision (Thailand) Co., Ltd. TPPT	Carbon Magic (Thailand) Co., Ltd. CMTH	Toray Hybrid Cord(Thailand) Co., Ltd. THCT	Soda Namsiang Aromatic (Thailand) Co., Ltd. SNA
PARTICULARS				
HEAD OFFICE	Bangkok	Chonburi	Samutprakarn	Bangkok
FACTORY	Bangkok	Chonburi	Samutprakarn	Bangkok
ESTABLISHMENT	DEC 2013	SEP 2005	JUN 2016	MAY 2016
PRODUCTS	Manufacturing of Plastic Injection Molded parts for Automobile and Printer	Manufacture Carbon Fiber Reinforced Plastic (CFRP) products	Tire cord Hose cord for automobile Carpet pile yarn Mono filament cord	Flavor for foods and Beverages
SHAREHOLDERS (ratio : %)	Toray Plastics Precision 74.0% Thai Toray Synthetics 25.0% Toray Industries Inc. 1.0%	Toray Carbon Magic Co., Ltd. 41.7% Toray Industries, Inc. 33.3% Saha group companies 25.0%	Toray Hybrid Cord 90.0% TTT 9.0% TTH 0.5% TITH 0.5%	Soda Aromatic Co., Ltd. 65.0% Soda Act Co., Ltd. 5.0% Namsiang Co., Ltd. 30.0%

(2) A juristic person in which the company holds shares of 10% or more of all sold shares.

1) Thai Toray Synthetics Co., Ltd.

Type of business: Manufacture and sale of synthetic fibers,
Plastic resin and transparent film

Head Office Location: No. 20 Bubbajit Building, 6th Floor, North Sathorn Road, Silom, Bangkok, Bangkok 10500

Telephone 02-266-6596-8 02-233-5444 Fax 02-236-4020 02-236-1748

Total number of outstanding shares 30,781,413 shares (common shares)

Investment proportion 19.06 %

2) CMT Dying Co., Ltd.

Type of business: yarn dyeing

Head Office Location: 33/3 Moo 3 Sukhaphiban Road,
Nakhon Chaisri Subdistrict Nakhon

Chai Si District Nakhon Pathom Province 73120

Telephone 034-339-601-7 Fax 034-339-605

Total number of outstanding shares 180,000 shares (common stocks)

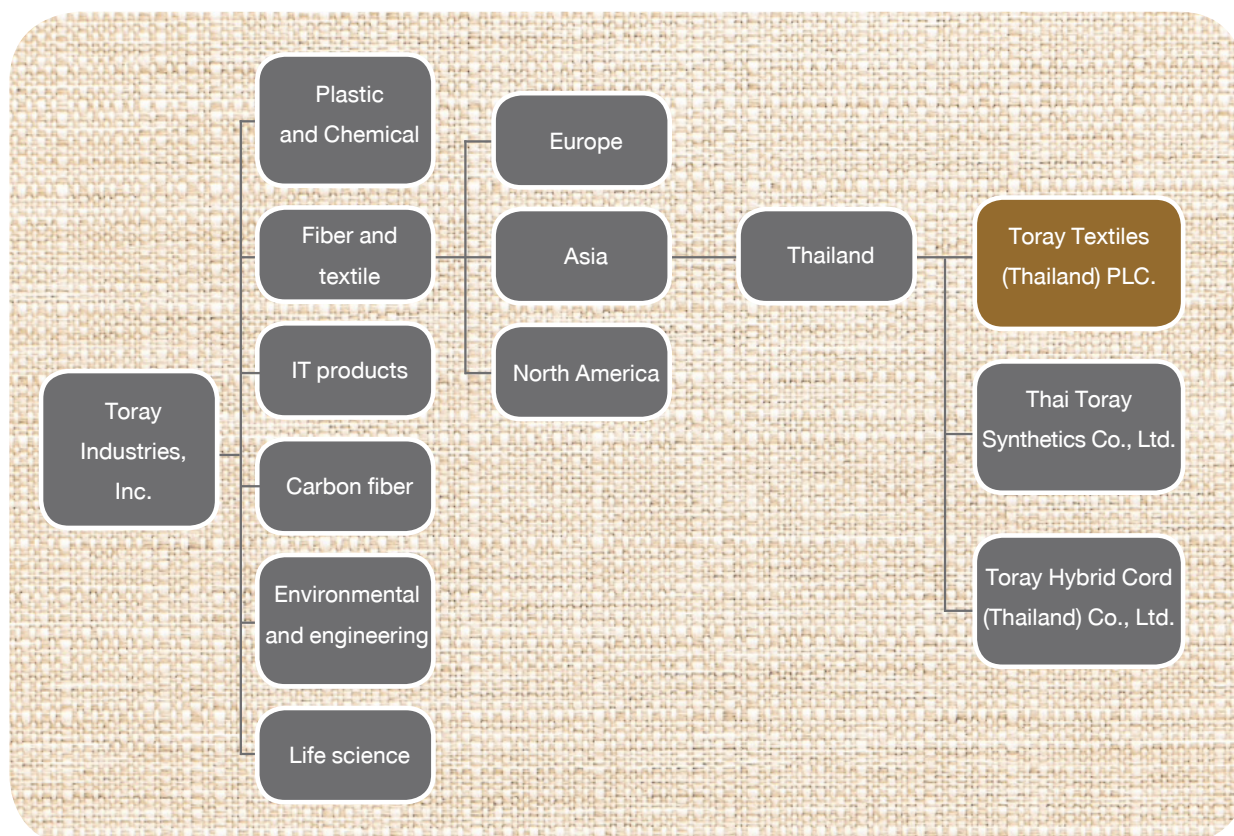
Investment proportion 19.00 %

1.3.2 Persons who may have conflicts of interest hold shares in subsidiaries or associates more than 10% of the number of shares with voting rights

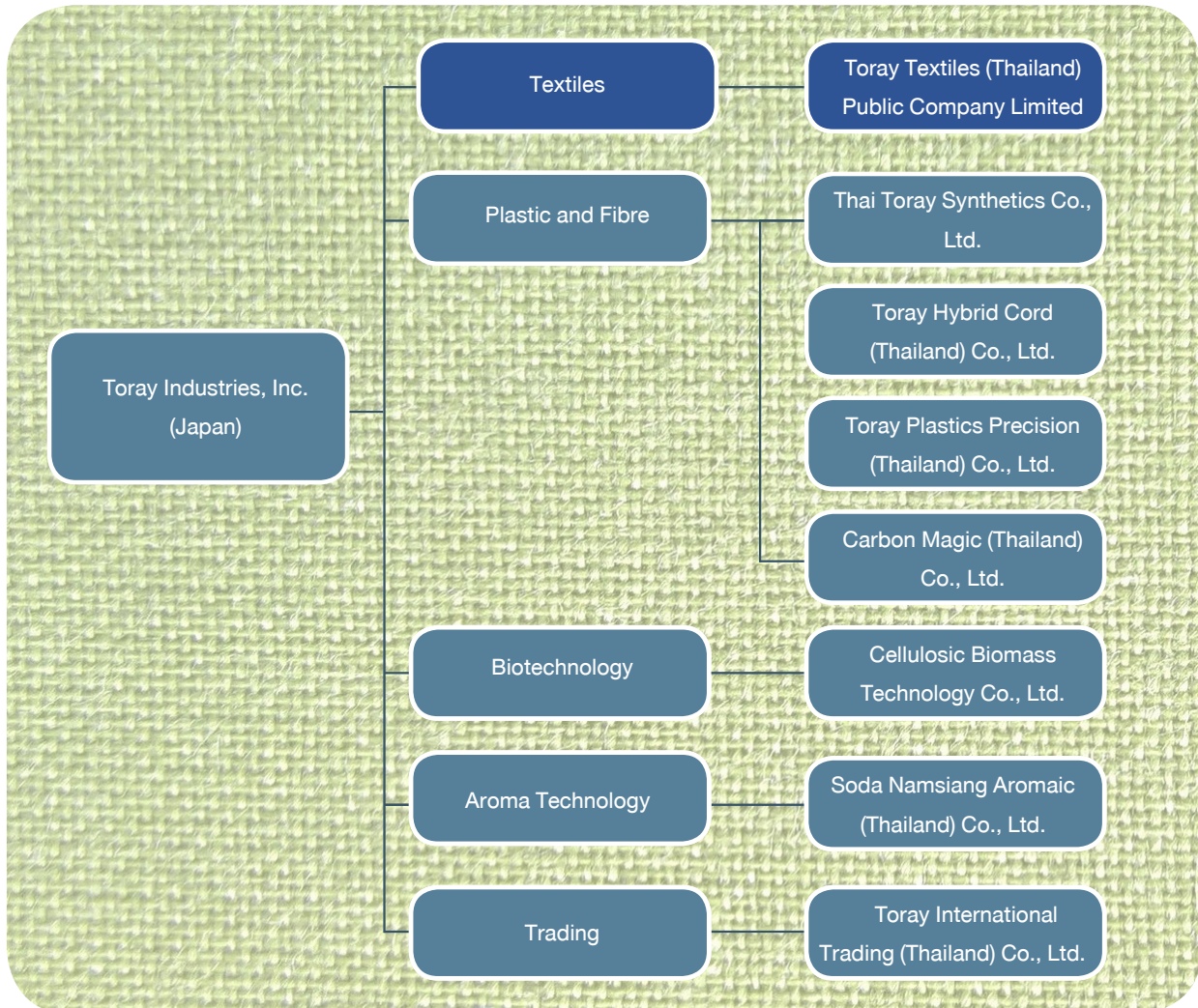
Non

1.3.3 Relationship with the business group of major shareholders

Toray Industries, Inc., which is a major shareholder and parent company, is listed on the Stock Exchange of Japan. Toray Industries, Inc. is a leading manufacturer of artificial fibers and textiles, having subsidiaries, associated companies and branches all over the world. Toray Industries, Inc. comprises businesses in Textile, Fiber, Plastic, Biotechnology, aromatic chemical and trading. Business structure of Toray Industries, Inc. is as follows:



Company's business structure in Thailand of Toray Industries, Inc.



Because the company is a subsidiary of Toray Industries, Inc., Japan, which holds 69.34 percent of the company's shares, the company has to rely on the parent company in certain aspects such as setting the overall management policy, supporting personnel with specialized expertise in the textile industry, using of trademarks, etc.



1.3.4 Shareholders

(1) Major Shareholders

(a) The first 10 major shareholders as of the book closing date on June 24, 2022 as follows:

No.	List of major shareholders	The number of held shares	Shareholding Proportion (%)
1	Toray Industries, Inc.	40,109,015	69.34
2	Estate of Mr. Weeraphan Theepsuwan	1,359,216	2.35
3	Toyota Tsusho Corporation	1,341,549	2.32
4	Mr. Pravith Chansrichavala	1,116,812	1.93
5	Mrs. Chantima Theepsuwan	1,101,520	1.90
6	Mr. Kitti Boonphoapichat	817,058	1.41
7	Mr. Phadet Asai	703,133	1.22
8	Mr. Pitak Nopprapun	686,081	1.19
9	Mr. Kamolphat Theepsuwan	511,602	0.89
10	Bangkok Bank Public Company Limited	506,651	0.88
	รวม	48,252,637	83.42

b) Group of major shareholders who have influence on policy making management or operations of the company significantly

Toray Industries, Inc. (Japan), holding 69.34% shares, is the parent company and has sent a Japanese person to be an authorized director of the company.

Toray Industries, Inc. operates business such as fibers, textiles, plastics, chemicals, IT-related products, carbon fiber, environment and engineering etc. The top 5 major shareholders as at 31 March 2021 are:

No.	Major Shareholders	Number of Shares	% of paid shares
1	The Master Trust Bank of Japan, Ltd. (Trust Account)	154,224,000	9.63
2	Custody Bank of Japan, Ltd. (Trust Account)	113,317,100	7.08
3	Nippon Life Insurance Co. Ltd.	71,212,250	4.45
4	Taiju Life Insurance Co., Ltd.	35,961,000	2.25
5	Custody Bank of Japan, Ltd. (Trust 7 Account)	26,932,100	1.68

(2) The Company does not operate business by holding shares in other companies (Holding company).

(3) Agreement between major shareholders

The Company does not have any agreements with major shareholders in matters affecting the issuance and offering of securities or the management of the company.

1.4 Amount of registered and paid-up capital

The company has all registered and paid-up capital. 578,400,000.00 baht, consisting of 57,840,000 ordinary shares, with a par value of 10 baht per share.

The Company does not have any other types of shares.

1.5 Issuance of other securities

Non

1.6 Dividend Policy

The company's dividend payment policy is based on the company's performance, financial structure, future investments and other relevant external factors such as economic and industrial situation. However, the company intends to increase its operating results and will consider appropriately allocating dividends every year and proposed for approval by the shareholders' meeting.

	2021
	Apr 2021 – Mar 2022
Earning per share (Baht)	0.10
Dividend per share (Baht)	1.00

note

The Board of Directors Meeting No. 1 / 2022, held on 9 June 2022, resolved to approve the dividend payment for the second half of the year 2021 performance (1 October 2021 – 31 March 2022) at the rate of 0.50 Baht per share to shareholders as payment from retained earnings that are taxed at the rate of 25 %.

In this regard, the company has already paid interim dividends on January 21, 2022 at the rate of 0.50 Baht per share, so the dividend for the year 2021 at the rate of 1.00 Baht per share.

However, the dividend payment for the second half of the year's performance remains uncertain because it has to wait for approval from the 2022 Annual General Meeting of Shareholders on July 26, 2022.

2. Risk Management

2.1 Policy and risk management plan

Risk Management is important to the company, so the company has established a risk management structure through various committees. There is an Audit Committee to oversee the adequacy of the risk management system and the Board of Directors regularly reviews the effectiveness of risk management.

2.2 Risk Factors for the Company's Business Operations

2.2.1 The Company's Business Risk

The risk of relying on a major shareholder

The company is a subsidiary of Toray Industries, Inc., Japan, which holds 69.34 percent of the company's shares. The company has to rely on the parent company in certain aspects such as setting the overall management policy, supporting personnel with specialized expertise in the textile industry, etc.

To prevent the risk of lack of support for personnel with expertise in such fields, the company conducts its own recruitment of personnel with specific expertise in certain production processes.

In addition to the mentioned risks, the company has no other risks related to its dependence on major shareholders.

Risk from the impact of the COVID-19 pandemic

In 2021, COVID-19 had mutated into a more invasive strain of Omicron. As a result, the number of employees, who were infected or close contacts, were at high risk of requiring treatment or quarantine continuously. Factories faced shortages of employees at sometimes and required the remaining workers to work overtime to compensate for sick or quarantined workers.

In addition to the company had measures to prevent the spread and encouraged employees to take care of their hygiene more according to the standards of the Ministry of Public Health, the company also provided some dormitories as a quarantine facility within the factory for green-infected employees or those who were at high risk but unable to self-treat or self-isolate at home.

Risks from economic and financial conditions

In the past 2021, the epidemic of Covid-19 had increased and Thailand faced problems with rising prices of food ingredients. In early 2022, conflicts between Russia and Ukraine and economic sanctions policy were implemented. It has led to rising prices of many agricultural raw materials and energy such as gas and oil. These affected the industrial and household costs. These conditions driven the inflation, high price of consumer goods and negatively affects the sales of textiles due to the decrease in consumer purchasing power.

Foreign Exchange Rate Risk

The company exports 41% of the products to foreign countries and purchases raw materials for production from abroad. This makes the company more vulnerable to currency fluctuations. Therefore, the company has entered into forward foreign exchange contracts in order to mitigate the risk of foreign exchange losses.

2.2.2 Investment risk of securities holders

Risk from having a major shareholder holding shares more than 25%

Toray Industries, Inc. is a major shareholder of the company, holding 40,109,015 shares in the company or 69.34% of the total number of sold shares. That matter may allow the mentioned shareholder to control almost all the resolutions of the shareholders' meeting, whether it is the appointment of directors, or requesting resolutions on other matters requiring the majority of the shareholders' meeting, except for the company's Articles of Association or related laws requiring votes of not less than three-fourths of the total number of votes of shareholders. Therefore, other shareholders of the company are at risk of collecting votes to counterbalance and examine matters proposed by the major shareholders in the shareholders' meeting.

However, the company has established a management structure by people with knowledge, abilities and experiences, including setting the scope of operations. The duties and responsibilities of directors and executives are clear and transparent. In addition, the company has also appointed 4 Audit Committee members to perform audits, balance decisions and participate in considering and approving various items before presenting them to the shareholders' meeting for transparency and ensuring shareholders' confidence.

2.2.3 Risk of investing in foreign securities

The company does not invest in foreign securities.

3. Driving business for sustainability

3.1 Sustainability management policies and goals

Toray Group Sustainability Vision, formulated in July 2018, clarifies the four perspectives of the world in 2050 that Toray Group aims to achieve, as well as the initiatives that must be taken in order to realize them. More specifically, Toray Group's mission is to provide through innovative technologies and advanced materials the necessary solutions to the challenges facing the world in terms of both development and sustainability, including the issues of an ever-increasing global population, aging populations, climate change, water shortages, and resource depletion. "We are convinced that Toray Group can continue to grow without negatively impacting global sustainability. We will do our utmost to address global issues, including the goals of the Paris Agreement and the United Nations Sustainable Development Goals (SDGs), while working closely with our business partners worldwide."

Four Perspectives of the World as Envisioned in 2050

- A net zero emissions world, where greenhouse gas emissions are completely offset by absorption
- A world where resources are sustainably managed
- A world with a restored natural environment, with clean water and air for everyone
- A world where everyone enjoys good health and hygiene

Long-term strategies to achieve "sound, sustainable growth"

1. Global expansion in growth business fields

- Promote Green Innovation (GR) businesses that help solve global environmental issues as well as resource and energy issues
- Promote Life Innovation (LI) businesses that contribute to better medical care and longevity, foster public health, and support personal safety

2. Strengthening competitiveness

- Create new value through business advancement and high added-value creation, thereby providing solutions with a materials-oriented approach to customers and society
- Pursue dramatic cost reductions by setting challenging targets as well as strive to reduce environmental impact

3. Strengthening the management foundation

- Improve cash flow and capital efficiency, and balance financial soundness and growth investment
- Conduct business structure and organizational structure reforms of low-growth and low-profitability

3.2 Managing impact on stakeholders in the business value chain

3.2.1 Business value chain

Primary Activity

1) Procurement of production factor

The company's textile production factors include fibers, chemicals, dyes, packaging, electricity, fuel, water.

The company has selected more than one supplier of quality raw materials and ready to deliver in order to have the raw materials in production regularly. The company has entered into an energy supply contract with a company in Thailand to ensure that the company will receive sufficient electricity and steam for production. The company also holds fuel tenders to ensure that vendors are selected transparently at reasonable prices, the quality of fuels is as the requirements and exact deliveries as required. For the water used in the production, the company has received permission from the government agencies to use groundwater in the factory as a reserve water source for production.

2) Production

Our comprehensive production for the textiles of apparel and air bag is started from spinning, weaving, knitting, dyeing, finishing and packing to deliver our products to garment factories of customers.

For cords production, the company has processes starting from yarn twisting, heat aging, coating and packing for delivery to customers.

3) Products distribution

The company has customers both inside and outside country. For customers located in Bangkok and Vicinity, the company will deliver the goods by our box truck and a private company truck service with annual contract to ensure safe and timely goods delivery. For customers in other provinces, the company will use the truck service of a large private company that have been using the service for a long time because of confidence in taking responsibility.

In the case of shipping to foreign countries, the company will use most of the shipping by sea due to the heavy and bulky cargo. But in case of urgency or there is a maritime crisis, the company may deliver goods by plane or truck if the customer is in a Southeast Asian country.

4) After sales service

To strengthen good relationship with customers, the company regularly visits or communicates with customers in various channels to inquire about their satisfaction and develop products to better meet their needs.

Support Activity

The company has always developed communication technology and work to be up-to-date to support a variety of customer work systems and increase the speed of communication within the organization. There is a fast and transparent procurement system and employees will be encouraged to develop themselves continuously.

3.2.2 Stakeholder analysis in the business value chain

The stakeholders in the business value chain are as follows:

Stakeholders	Business expectations	Company operation
1) Shareholders and Investors	• Good performance, profit, dividend, good share price • Transparency and good corporate governance • New innovation • Having equal access to information useful for decision-making	• Expanding continuously the business in both of customer groups and new products • Good internal control system • Regularly reviewing the assessment and risk management system • Providing accurate business information in a way that is accessible to everyone.
2) Customers	• Products that meet the needs of various customers. • Reasonable price • Delivering quality products on time • Solving customer problems quickly • Convenient way to contact	• Always developing new products and production technology. • Controlling production costs and reducing losses • Effectively coordinating internally and externally • Listening to the opinions of customers in order to develop products and services
3) Government agencies and related agencies	• Strict compliance with relevant laws, rules and regulations • Cooperation and support for government activities	• Strict compliance with relevant laws, rules and regulations • Cooperation and support for government activities
4) Employees	• Good remuneration and benefits • Advancement in the field • Developing knowledge and ability to work • Equal and fair treatment for employees • Good working environment and atmosphere	• Strictly compliance with the laws, rules and regulations related to employees • Paying attention to the opinions of employees at all levels. • Always considering human rights and equal treatment • Safety and occupational health at work

Stakeholders	Business expectations	Company operation
5) Business partners and agencies	• Fair and transparent procurement policies and systems • Equal treatment all trade partners and dealers • Payments on time • Content and conditions in the contract are fair, not taking advantage of each other	• Determining fair and transparent procurement policies and systems with regular check • Clear determination of disbursement and payment procedures and communicating them to all parties involved • Having good communication between each other • Listening to ideas for improvement and development.
6) Community and society	• Not causing problems of environment, society and accidents, both directly and indirectly • Supporting community activities • Promoting careers for the community	• Strict compliance with relevant laws, regulations and regulations • Regular review the assessment and risk management system. • Communicating with surrounding communities • Convenient and fast channels to receive complaints

3.3 Sustainability Management in Environmental Dimensions

3.3.1 Environmental policies and practices

The company is part of the Toray group companies that are committed to solve global environment including resource and energy problems. Therefore, we have a common goal in the 'Challenge 30 project', which is a long-term project until 2030. We have policies to reduce greenhouse gas emissions and reduce the amount of water used in production.

3.3.2 Environmental performance

The company has set goals for the year 2022 as follows:

1. 1. Reduce greenhouse gas (CO₂) to 17,200 tons by the following methods
 - (1) Using high efficiency compressed air blowers for wastewater treatment.
 - (2) Installation of preheaters in the boiler
 - (3) Simultaneous use of one-time dyeing technology
- 1.2 Reduce water consumption by 81,000 tons by the following methods
 - (1) Increasing Jet Dyeing usage
 - (2) Using automatic reverse water softener system
 - (3) Simultaneous use of one-time dyeing technology

We will handle the raw materials that are left over from the production process by type as follows.

1. Scraps of yarn, scraps of cloth, scraps of cotton and scraps of paper will be sold.
2. Industrial waste: The company has hired a company that is licensed for industrial waste disposal to be the recipient of industrial waste disposal of the company to destroy in accordance with the environmental conservation process in order to comply with the relevant laws.
3. Wastewater from the dyeing process: There will be a wastewater treatment process to ensure that the water quality is within the standard before releasing to natural water sources, which will have water quality control processes as follows:
 - 1) Factory engineer preliminarily analyses the water quality.
 - 2) Sending water samples to private companies that have registered laboratories with the Department of Industrial Works for analysis and testing, and then submit the results of the analysis to the Environment Division.
 - 3) The Environment Division, Department of Industrial Works, Ministry of Industry controls and inspects the installation of wastewater treatment machines and large ponds, enabling wastewater to be re-circulated.

However, the company has never had any dispute or litigation regarding the environment in the past 3 years.

3.4 Sustainability Management in Social Dimensions

3.4.1 Social policies and practices

Toray Group in Thailand is committed to conduct the business while consider the surrounding stakeholders by managing to balance 3 factors as follows:

1. Economic factors: Creating added economic value for organizations and society
2. Social factors: Maintaining the understanding and promoting local culture around the organization
3. Environmental factors: Conducting business with consideration for environmental protection and contributing to the conservation of the global environment

In October 2016, Toray Industries (Thailand) Co., Ltd. announced the revised corporate social responsibility policy for conforming to the current situation as the following.

1. Corporate Governance and Management Transparency

We will pursue CSR activities to support society by strengthening our Corporate Philosophy, Corporate Missions, and Corporate Guiding Principles and retain trustworthy organization by striving to enhance corporate governance with transparency.

2. Corporate Ethics and Legal Compliance

We will operate business with sense of responsibility under ethics, legal compliance, virtue, honesty and fairness.

3. Safety, Accident Prevention and Environmental Preservation

Safety at work, accident prevention and sanitation for both employees and workplace are first priority management issues as well as environment protection in business operation including raw material, production, waste disposal and promotion of recycle activities by using and developing environmental friendly technology and being a part to improve world environment.

4. Product Safety and Quality

We will provide products and services with higher value, ensure quality and safety of all products, inspect safety standard of raw material, chemical, production process and quality assurance as well as provide product information appropriately.

5. Risk Management

We will anticipate, seek, assess the situation in order to set preventive measures and reduce risk in business operation, develop system and procedure for prompt response and exchange of accurate information including efficient prevention of unexpected events and information announcement system to all employees.

6. Communication

Promote communication, discussion, explanation for accurate understanding as well as doing activities together to build good relationship, network of concerned persons, build trustworthiness and acceptance from stakeholders including government units, customers, consumers, investors, society, local communities, employees, and labor union, for smooth and appropriate business operation.

7. Contributing Solutions to Social Issues through Business Activities

Provide solutions to solve problems on global environment, e.g., climate change, cooperate to solve social problems, improve qualities of medical care, lighten the burden of medical personnel, to promote healthcare and longevity.

8. Human Rights Promotion and Human Resources Development

Support personnel by offering them the opportunity to learn, develop themselves, fully utilize their potential and offer promotion in accordance with ability and performance as well as job security. Rules and regulations are for peace and fairness of every party as well as respect for human rights, gender, nationality, religion, tradition and local custom.

9. Facilitating CSR Initiatives throughout the Supply Chain

Promote CSR activities throughout the entire supply chain by working closely with suppliers, processing vendors, customers, and distributor companies.

10. Social Contribution Activities

As a member of society, we will support social contribution activities of local community and public, promote education, research in science and technology, art and cultures, social welfare and sport occasionally and appropriately.

3.4.2 Social Contribution Performance

According to the above guidelines, the company had activities in 2021 as followed.

Management System Integration Training (Quality & Environment)

As we continuously develop our employees for their increasing potential and advancement, TTT, Mill 1 by the management has integrated the existing two standard systems of Mill 1, Quality Management System (QMS) and Environment Management System (EMS) with the aiming of personnel administration improvement and the system certification time reduction. Accordingly, as PTCC Department is in charge to these systems, we set the training for their preparation and comprehension before the system inspection in January 2022. The four days of online training was arranged on 22 October, 5, 12 and 20 September 2021 respectively, trained by a narrator from the institute of accredited standard system, British Standards Institution (BSI).

Social Contribution on National Mother's Day

As being a member of society, we always support social contribution activities of local community and general public. On 12 August 2021 as known as National Mother's Day, TTT, Mill 2 by the Union Committees have arranged the donation activities for Ramathibodi hospital, located at Bangphi district, Samut Prakan and field hospital nearby, Rajabhat Thonburi university which reserved one area during end of semester for Covid-19 infected treatment. We provided pack of drinking water, surgical masks as well as necessary consumer goods to support their treatment resources sufficiently.

Textile knowledge for university students

To build good relationship with society and promote education is one of our major social contribution. TTT, Mill 3 has arranged the training activity to support textile knowledge for students in Textile Science, Faculty of Agro Industry, Kasetsart University, whom studying in 3rd and 4th year. The training together with questions and answers has held via online by Microsoft Teams on 29 January 2022. In addition, we provided knowledge about automotive textile for students of Srinakharinwirot University on 16 March 2022. The online lecturer who has been invited from the university, led by Mr. Kiatkong Chaiwongkhot, General Manager of Quality Assurance Department and Administration Department.

Alleviate employees undergo flood

We give top priority on safety and healthy for employees. Nakhon Pathom Mill has helped employees who live in the area of Nakhon Chaisri district, Nakhon Pathom, which its road and residences had been flooded from overflowing river. It caused trouble of transportation both living and working. By these results, we supported by providing necessary stuffs during 9-12 November 2021 to ensure the employees safety and give confidence and encouragement during tough situation.



4. Management Discussion and Analysis; MD&A

4.1 Analysis of the company's operations and financial position

According to the financial statements in which the equity method for the year ended 31 March 2022, the company obtained the gain of 6 million Baht, increased by 574 million Baht or 101% compared with loss in the same period of previous year amount - 568 million Baht. Basic gain per share was 0.10 Baht, increased by 9.91 Baht per share compared with basic loss per share in the same period of previous year of 9.81 Baht.

Description	For the year ended		Increase (Decrease)	
	31 March		amount	%
	2022	2021		
	(In million Baht)			
Revenue from sale of goods	8,204	6,450	1,754	27.19
Cost of sale of goods	(7,869)	(6,623)	1,246	18.80
Gross (loss) profit	335	(173)	508	293.30
Dividend income	2	2	-	-
Interest income	1	2	(1)	(73.63)
Other income	64	24	40	161.07
Net foreign exchange gain	48	36	12	33.92
Distribution costs	(327)	(245)	82	33.35
Administrative expenses	(206)	(375)	(169)	(45.07)
Finance costs	(19)	(40)	(21)	(51.72)
Share of profit of associate accounted for using equity method	88	47	41	88.00
Loss before income tax	(14)	(722)	(708)	(97.99)
Income Tax income	20	154	(134)	(86.81)
Profit (Loss) for the year	6	(568)	574	101.01
Basic earnings (loss) per share (in Baht)	0.10	(9.81)	9.91	101.01

Gain increased was mainly from significant transactions as follows:

For the year ended 31 March 2022, the Company had revenue from sale of goods was 8,204 million Baht or increased 27% from previous year.

- Revenue from the sales of Textile increased by 1,197 million Baht or 38% compared with the same period of the previous year. It was 4,344 million Baht or 53% of total sales income.
- Revenue from the sales of Industrial Material Product increased by 557 million Baht or 17% compared with the same period of the previous year. It was 3,860 million Baht or 47% of total sales income.
- Cost of sales of goods was 7,869 million Baht, increased by 1,246 million Baht or 19% in the same way of increased of revenue from sales. However, the increased ratio of cost of sales of goods less than the increased ratio of revenue from sales because the company's efforts to raise product prices in response to increased raw material prices has a resulted to increase revenue and the company tries to manage the cost of goods sold decreased. In addition, in the last year, the company had a shortfall surcharge for purchase of goods of 107 million Baht resulting the higher gross profit.

Gross profit (loss) margin for the year ended 31 March 2022 compared with 2021

Gross profit Margin	Year 2022 %	Year 2021 %	Change %
Textile	4.60	(8.36)	12.96
Industrial Material Product	3.51	2.72	0.79

- Other incomes were 64 million Baht, increased 40 million Baht or 161% compared with the same period in the previous year because gain on sale of fixed asset increased by 38 million Baht.
- Net foreign exchange gain was 48 million Baht, increased 12 million Baht or 34% because gain from forward contract compared with the same period in the previous year, which increased the unrealized gain from foreign exchange rates.
- Distribution costs were 327 million Baht, increased 82 million Baht or 33% compared with the same period in the previous year. It increased in the same way of increasing of revenue from sales.
- Administrative expenses were 206 million Baht, decreased 169 million Baht or 45% compared with the same period in the previous year due to the company has impairment loss on machinery and equipment of 121 million Baht in the last year.
- Finance costs were 19 million Baht, decreased 21 million Baht or 52% compared the same period of previous year because short-term loans during the year decreased by 934 million Baht from last year.
- Income tax income was 20 million Baht, while in the same period of previous year was 154 million Baht, decreasing 134 million Baht. This was incurred from adjustment of differences in income and tax expenses during the period..
- The share of profit from investments under the equity method increased by 41 million Baht due to the associated company's higher operating performance, so this year, the company recognized the share of profit from investment in the associate equal to 88 million Baht.

Financial position for the financial statements in which the equity method

Analysis representing the change of Assets

Assets	As at		Increase (Decrease)	
	31 March 2022 (Million)	31 March 2021 (Million)	Amount	%
Cash and cash equivalents	416	447	(31)	(6.86)
Trade accounts receivable	1,640	1,520	120	7.90
Other current receivables	125	232	(107)	(46.04)
Inventories	1,502	1,170	332	28.30
Total current assets	3,683	3,369	314	9.31
Other non-current financial assets	104	100	4	4.24
Investment in associate	1,580	1,513	67	4.41
Investment properties	2	3	(1)	(27.89)
Property, plant and equipment	2,462	2,917	(455)	(15.61)
Right of use assets	297	331	(34)	(10.36)
Intangible assets	57	68	(11)	(16.28)
Deferred tax assets	269	251	18	6.97
Other non-current assets	4	5	(1)	0.19
Total non-current assets	4,775	5,188	(413)	(7.96)
Total assets	8,458	8,557	(99)	(1.16)

As at 31 March 2022, total assets of the company amounted 8,458 million Baht, decreasing 99 million Baht or 1% compared with the previous year.

The current assets were 3,683 million Baht, increasing 314 million Baht or 9% as a result of:

- Cash and cash equivalents decreased 31 million Baht or 7%.
- Trade accounts receivable increased 120 million Baht or 8%. They increased in the same way sales increased before the year end period. However, The company has considered credit limit and aging of each trade account and found it is not necessary to set allowances for doubtful accounts.
- Other current receivables decreased 107 million Baht or 46% because refundable value added tax decreased 115 million Baht. However, receivables from disposals machinery and equipment increased 9 million Baht.
- Inventories increased 332 million Baht or 28% because work in process and finished goods increased for the incompleteness of orders pending delivery to customers. In addition, the company has considered the value of the inventories and already devalued them to the net expected receiving value. The inventories consist of as follows:

Description	As at		Increase (Decrease)	
	31 March 2022 (Million)	31 March 2021 (Million)	Amount	%
Finished goods	444	249	195	78.11
Work in progress	651	587	64	10.99
Raw materials	236	157	79	49.89
Spare parts and supplies	187	181	6	3.15
Raw materials and spare parts in transit	32	32	-	-
Total Inventories	1,550	1,206	344	28.45
Less allowance for losses on decline in value of inventories	(48)	(36)	12	33.42
Net	1,502	1,170	332	28.30

The non-current assets amounted to 4,775 million Baht, decreased 413 million Baht or 8% due to:

- Land, plant and equipment decreased 455 million Baht or 16%. The company had depreciation during the year amounted 612 million Baht. However, during the year, the company had investment in new machineries amounted 157 million Baht.
- Deferred tax assets increased 18 million Baht or 7% because loss carry forward increased 34 million Baht and the provision for decline in value of inventories increased 2 million Baht. However, the provision for impairment of machinery and equipment decreased 20 million Baht.

Analysis representing the change of liabilities

Liabilities	As at		Increase (Decrease)	
	31 March 2022 (Million)	31 March 2021 (Million)	Amount	%
Trade accounts payable	611	577	34	5.82
Other current payables	251	314	(63)	(20.21)
Current portion of lease liabilities	31	31	-	-
Total current liabilities	893	922	(29)	(3.12)
Non-current deferred income	22	27	(5)	(18.26)
Lease liabilities	302	329	(27)	(8.18)
Non-current provisions for employee benefits	330	332	(2)	(0.60)
Total non-current liabilities	654	688	(34)	(4.91)
Total liabilities	1,548	1,610	(63)	(3.89)

As at 31 March 2022, total liabilities of the company amounted 1,547 million Baht, a decrease of 63 million Baht or 4% due to:

Overall, the company has current assets of more than current liabilities, so the company still has liquidity to pay the company's liabilities.

Shareholder's equity at the end of year amounted 6,910 million Baht, decreasing 37 million Baht or 1% due to

- Net loss before share of profit of associate accounted for using equity method and comprehensive income for the year was 82 million Baht
- Share of profit of associate accounted for using equity method was recognized in Statement of income 88 million Baht and Statement of Comprehensive Income 4 million Baht
- Gain on remeasurement of defined benefit plan in Statement of Comprehensive Income increased 7 million Baht
- Gain on investments in equity instruments designated in Statement of Comprehensive Income decreased 4 million Baht
- Appropriated for dividend paid during the year was 58 million Baht

From the above transactions, the company's accounting values as of the end of year are as follows:

- The book value per share of the company for this year was 119.47 Baht per share, decreasing 0.63 Baht per share or 1 %
- Debt to equity ratio decreased from 0.01 in the previous period to 0.22 in this year or 3%.

Cash flows for the financial statements in which the equity method

Cash Flow	Year 2022 (Million)	Year 2021 (Million)	Increase (Decrease) amount	Increase (Decrease) %
Net cash from operating activities	127	447	(320)	(71.59)
Net cash used in investing activities	(52)	(15)	37	242.97
Net cash used in financing activities	(109)	(1,254)	(1,145)	(91.31)
Effect of exchange rate	3	4	(1)	(19.71)
Net (decrease) increase in cash and cash equivalents	(31)	(818)	(787)	(96.25)
Cash at the beginning of period	447	1,265	(818)	(64.67)
Cash at the ending of period	416	447	(31)	(6.86)

This year, the company had net cash from operating activities 127 million Baht, decreasing 320 million Baht or 72% compared with the previous period.

Net cash in investment activities in this year amounted 52 million Baht as follows:

- The company net invested in machineries and equipment amounted 79 million Baht in both of the textile business, industrial material product business. The company invested in intangible assets 1 million Baht.
- Dividend received from associated company was 27 million Baht.
- Interest received was 1 million Baht.

The net cash flows used in financing activities as working capital in the business was 109 million Baht as the following details.

- Dividend payment 58 million Baht.
- Return the liabilities under the lease agreement 51 million Baht.

From the above reasons, the company has cash and cash equivalents at the ended of year amounted 416 million Baht, decreasing 31 million Baht or 7% compared with the previous year. The company has cash in Baht amounted 363 million Baht and cash in US dollar amounted 53 million Baht as at year end for operations expenses in the next period.

Liabilities obligation

As at 31 March 2022, the company had commitments to purchase raw materials in the amount of 106 million Baht. Most of them were contracts to purchase cotton in the futures market, which is one of the main raw materials of the textile business, in order to reduce the risk of future raw material shortages. Entering into such contracts can help the company to manage costs so that they do not fluctuate much and to know the costs in advance for the benefit of further revenue planning. However, such forward contracts do not guarantee that the company will be able to manage cotton costs at below market prices which cannot be predicted with precision at the time of the forward contracts. The company does not aim to focus on profit from fluctuations in cotton prices.

Summary of Liabilities obligation

1. Liabilities obligation within 1 year-term is 200 million Baht
 - Raw materials purchasing obligation amounted 106 million Baht.
 - Letter of credit for raw materials and factory supplies 33 million Baht.
 - Electricity and natural gas guarantee letter from the bank amounted 94 million Baht.
2. Capital commitments for machinery and equipment 712 million Baht.

4.2 Factors or events that may significantly affect the financial position or operations

External factors

1) COVID-19 Pandemic

As the epidemic continues to affect the growth of the domestic economy and the rising inflation rate decreases the purchasing power of consumers. In addition, the multi-year epidemic has also shifted consumer behavior, such as working more from home and traveling less. As a result, the demand for certain types of textiles has also decreased.

2) Market Competition

Besides the same products shall severe compete in price, quality and delivery both in domestic and international markets in volatile economic conditions, textile manufacturers also have to compete with each other to produce products to meet new customer requirements quickly and must accelerate adaptation of production processes and products to be environmentally friendly to meet the Green Product customers who tend to increase in many regions

3) Exchange rate fluctuations

The fluctuation of the currency exchange rate, especially the Baht against the US dollar, causes the company's export revenue to be uncertain.

Internal factor

1) Production cost

The prices of energy and raw materials for production continue to increase and affect the cost of goods. As the cost of living in the country soars, the minimum wage may be adjusted in the future.

4.3 Information from financial statements and key financial ratios

Statement of financial position

		Financial statements in which the equity method is applied		Separate financial statements	
		31 March		31 March	
Assets	Note	2022	2021	2022	2021
(in Baht)					
Current assets					
Cash and cash equivalents	6	416,366,863	447,021,978	416,366,863	447,021,978
Trade accounts receivable	5, 7, 23	1,639,937,888	1,519,909,712	1,639,937,888	1,519,909,712
Other current receivables	5, 8	125,266,214	232,157,305	125,266,214	232,157,305
Inventories	9	1,501,483,185	1,170,282,717	1,501,483,185	1,170,282,717
Total current assets		3,683,054,150	3,369,371,712	3,683,054,150	3,369,371,712
Non-current assets					
Other non-current financial assets		104,177,870	99,936,870	104,177,870	99,936,870
Investment in associate	10	1,579,851,637	1,513,114,870	503,989,845	503,989,845
Investment properties		2,277,288	3,158,257	2,277,288	3,158,257
Property, plant and equipment	11	2,461,696,643	2,917,023,680	2,461,696,643	2,917,023,680
Right-of-use assets	12	296,920,460	331,220,160	296,920,460	331,220,160
Intangible assets		56,491,885	67,475,284	56,491,885	67,475,284
Deferred tax assets	20	268,777,143	251,263,542	268,777,143	251,263,542
Other non-current assets		4,252,273	4,244,273	4,252,273	4,244,273
Total non-current assets		4,774,445,199	5,187,436,936	3,698,583,407	4,178,311,911
Total assets		8,457,499,349	8,556,808,648	7,381,637,557	7,547,683,623

Statement of financial position

		Financial statements in which the equity method is applied		Separate financial statements	
		31 March		31 March	
Liabilities and equity	Note	2022	2021	2022	2021
(in Baht)					
Current liabilities					
Trade accounts payable	5	610,753,295	577,138,524	610,753,295	577,138,524
Other current payables	5, 13	250,605,667	314,086,669	250,605,667	314,086,669
Current portion of lease liabilities	12, 14	31,581,786	30,450,276	31,581,786	30,450,276
Total current liabilities		892,940,748	921,675,469	892,940,748	921,675,469
Non-current liabilities					
Non-current deferred income	5	22,090,391	27,023,950	22,090,391	27,023,950
Lease liabilities	12, 14	302,147,244	329,050,421	302,147,244	329,050,421
Non-current provisions for employee benefits	15	330,375,877	332,372,973	330,375,877	332,372,973
Total non-current liabilities		654,613,512	688,447,344	654,613,512	688,447,344
Total liabilities		1,547,554,260	1,610,122,813	1,547,554,260	1,610,122,813

Statement of financial position

		Financial statements in which the equity method is applied		Separate financial statements	
		31 March		31 March	
Liabilities and equity	Note	2022	2021	2022	2021
(in Baht)					
Equity					
Share capital					
Authorised share capital (57,840,000 ordinary shares, par value at Baht 10 per share)		578,400,000	578,400,000	578,400,000	578,400,000
Issued and paid-up share capital (57,840,000 ordinary shares, par value at Baht 10 per share)		578,400,000	578,400,000	578,400,000	578,400,000
Share premium	16	333,489,160	333,489,160	333,489,160	333,489,160
Retained earnings:					
Appropriated					
Legal reserve	16	72,840,000	72,840,000	72,840,000	72,840,000
General reserve	16	825,000,000	825,000,000	825,000,000	825,000,000
Unappropriated		5,102,809,026	5,143,086,254	4,027,090,652	4,133,960,965
Other components of equity	16	(2,593,097)	(6,129,579)	(2,736,515)	(6,129,315)
Total equity		6,909,945,089	6,946,685,835	5,834,083,297	5,937,560,810
Total liabilities and equity		8,457,499,349	8,556,808,648	7,381,637,557	7,547,683,623

Statement of income

	Financial statements in which the equity method is applied			Separate financial statements	
	Note	Year ended 31 March		Year ended 31 March	
		2022	2021	2022	2021
		(in Baht)			
Revenues					
Revenue from sale of goods	5	8,203,683,891	6,449,977,706	8,203,683,891	6,449,977,706
Dividend income	5	1,580,466	2,057,935	27,162,325	64,076,342
Interest income		631,589	2,395,299	631,589	2,395,299
Other income	5	63,814,526	24,443,540	63,814,526	24,443,540
Net foreign exchange gain		48,292,548	36,060,180	48,292,548	36,060,180
Total revenues		8,318,003,020	6,514,934,660	8,343,584,879	6,576,953,067
Expenses					
Cost of sale of goods	5, 9, 19	7,868,722,508	6,623,262,463	7,868,722,508	6,623,262,463
Distribution costs	5, 19	326,642,463	244,949,555	326,642,463	244,949,555
Administrative expenses	5, 19	205,775,464	374,589,703	205,775,464	374,589,703
Total expenses		8,401,140,435	7,242,801,721	8,401,140,435	7,242,801,721
Loss from operating activities		(83,137,415)	(727,867,061)	(57,555,556)	(665,848,654)
Finance costs		(19,448,228)	(40,283,384)	(19,448,228)	(40,283,384)
Share of profit of associate accounted for using equity method	10	88,051,821	46,836,239	-	-
Loss before income tax		(14,533,822)	(721,314,206)	(77,003,784)	(706,132,038)
Income tax income	20	(20,284,135)	(153,759,269)	(20,284,135)	(153,759,269)
Profit (loss) for the year		5,750,313	(567,554,937)	(56,719,649)	(552,372,769)
Basic earnings (loss) per share (in Baht)	21	0.10	(9.81)	(0.98)	(9.55)

Statement of comprehensive income

		Financial statements in which the equity method is applied		Separate financial statements	
		Year ended 31 March		Year ended 31 March	
	Note	2022	2021	2022	2021
		(in Baht)			
Profit (loss) for the year		5,750,313	(567,554,937)	(56,719,649)	(552,372,769)
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss					
Exchange differences on translating financial statements	10	143,682	(62,663)	-	-
Total items that will be reclassified subsequently to profit or loss		143,682	(62,663)	-	-
Items that will not be reclassified subsequently to profit or loss					
Gain (loss) on investments in equity instruments designated at FVOCI		4,241,000	(17,157,550)	4,241,000	(17,157,550)
Gain on remeasurement of defined benefit plan	15	9,611,670	-	9,611,670	-
Income tax relating to item that will not be reclassified	20	(2,770,534)	3,431,510	(2,770,534)	3,431,510
Share of other comprehensive income of associate accounted for using equity method, net of tax	10	4,123,123	-	-	-
Total items that will not be reclassified subsequently to profit or loss		15,205,259	(13,726,040)	11,082,136	(13,726,040)
Other comprehensive income (expense) for the year, net of income tax		15,348,941	(13,788,703)	11,082,136	(13,726,040)
Total comprehensive income (expense) for the year		21,099,254	(581,343,640)	(45,637,513)	(566,098,809)

Statement of cash flows

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		Year ended 31 March		Year ended 31 March	
		2022	2021	2022	2021
		(in Baht)			
Cash flows from operating activities					
Loss before income tax for the year		(14,533,822)	(721,314,206)	(77,003,784)	(706,132,038)
<i>Adjustments to reconcile loss to cash receipts (payments)</i>					
Finance costs		19,448,228	40,283,384	19,448,228	40,283,384
Depreciation and amortisation		612,327,866	698,469,519	612,327,866	698,469,519
Impairment loss on machinery and equipment	11	300,000	120,560,151	300,000	120,560,151
Shortfall surcharge for purchase of raw materials	19	-	106,681,593	-	106,681,593
Provision for claim		-	5,363,263	-	5,363,263
Provision for employee benefits	15	27,823,203	27,097,115	27,823,203	27,097,115
Unrealised gain on foreign exchange rate		(15,151,357)	(37,953,129)	(15,151,357)	(37,953,129)
Loss (reversal of) on inventories devaluation	9	12,064,921	(30,340,005)	12,064,921	(30,340,005)
(Gain) loss on disposals of plant and equipment, right-of-use assets and intangible assets		(40,661,458)	42,909,387	(40,661,458)	42,909,387
Loss on disposals of other non-current financial assets		-	180,000	-	180,000
Recognised of deferred income		(4,933,559)	(4,933,559)	(4,933,559)	(4,933,559)
Share of profit of associate accounted for using equity method	10	(88,051,821)	(46,836,239)	-	-
Dividends income		(1,580,466)	(2,057,935)	(27,162,325)	(64,076,342)
Interest income		(631,589)	(2,395,299)	(631,589)	(2,395,299)
		506,420,146	195,714,040	506,420,146	195,714,040
<i>Change in operating assets and liabilities</i>					
Trade accounts receivable		(116,717,531)	124,087,421	(116,717,531)	124,087,421
Other current receivables		115,435,828	(107,663,398)	115,435,828	(107,663,398)
Inventories		(343,265,389)	295,097,240	(343,265,389)	295,097,240
Other non-current assets		(8,000)	(69,257)	(8,000)	(69,257)
Trade accounts payable		42,689,694	17,591,834	42,689,694	17,591,834
Other current payables		(57,337,920)	(24,032,090)	(57,337,920)	(24,032,090)
Net cash generated from operating activities		147,216,828	500,725,790	147,216,828	500,725,790
Employee benefits paid	15	(20,208,629)	(23,714,807)	(20,208,629)	(23,714,807)
Income tax paid		-	(29,889,469)	-	(29,889,469)
Net cash from operating activities		127,008,199	447,121,514	127,008,199	447,121,514

Statement of cash flows

		Financial statements in which the equity method is applied		Separate financial statements	
		Year ended 31 March		Year ended 31 March	
	Note	2022	2021	2022	2021
		(in Baht)			
Cash flows from investing activities					
Proceed from disposals of other non-current financial assets		-	600,000	-	600,000
Acquisition of plant and equipment		(110,953,669)	(82,104,454)	(110,953,669)	(82,104,454)
Proceed from disposals of plant and equipment and intangible assets		32,077,669	5,838,742	32,077,669	5,838,742
Acquisition of intangible assets		(599,635)	(6,635,395)	(599,635)	(6,635,395)
Dividends received		27,162,325	64,076,342	27,162,325	64,076,342
Interest received		631,589	3,155,792	631,589	3,155,792
Net cash used in investing activities		(51,681,721)	(15,068,973)	(51,681,721)	(15,068,973)
Cash flows from financing activities					
Repayment of long-term borrowings from financial institution		-	(1,056,600,000)	-	(1,056,600,000)
Payment of lease liabilities		(51,076,464)	(49,474,866)	(51,076,464)	(49,474,866)
Dividends paid to owners of the Company	22	(57,840,000)	(127,248,000)	(57,840,000)	(127,248,000)
Finance costs paid		-	(20,724,182)	-	(20,724,182)
Net cash used in financing activities		(108,916,464)	(1,254,047,048)	(108,916,464)	(1,254,047,048)
Net decrease in cash and cash equivalents, before effect of exchange rates		(33,589,986)	(821,994,507)	(33,589,986)	(821,994,507)
Effect of exchange rate changes on cash and cash equivalents		2,934,871	3,655,473	2,934,871	3,655,473
Net decrease in cash and cash equivalents		(30,655,115)	(818,339,034)	(30,655,115)	(818,339,034)
Cash and cash equivalents at beginning of year		447,021,978	1,265,361,012	447,021,978	1,265,361,012
Cash and cash equivalents at ending of year	6	416,366,863	447,021,978	416,366,863	447,021,978
Supplemental disclosures of cash flows information:					
Property, plant and equipment purchased during the year are detailed as follows:					
Increase in property, plant and equipment during the year	11	104,846,117	68,420,175	104,846,117	68,420,175
Changes in payables for purchase of machinery and equipment		6,107,552	13,684,279	6,107,552	13,684,279
Purchase of property, plant and equipment paid by cash		110,953,669	82,104,454	110,953,669	82,104,454
Non-cash transaction					
Receivables from disposal of machinery and equipment		8,634,786	-	8,634,786	-
Right-of-use assets acquire by way of lease liabilities		5,742,006	45,493,226	5,742,006	45,493,226

Key financial ratios

Liquidity ratio	Unit	2022	2021	2020
Current Ratio	Time	4.12	3.66	2.31
Quick Ratio	Time	2.3	2.13	1.5
Operating Cash flow ratio	Time	0.14	0.31	0.52
Accounts Receivable Turnover	Time	5	4.24	5.34
Days Receivable Outstanding	Days	73	86.08	68.35
Inventory Turnover	Time	5.24	5.66	5.6
Days Inventory Outstanding	Days	69.66	64.49	65.18
Accounts Payable Turnover	Time	12.88	11.48	14.01
Days Payable Outstanding	Days	28.34	31.79	26.05
Cash cycle	Days	114.32	118.78	107.48
Profitability Ratio				
Gross Profit Margin	%	4.08	-2.69	7.71
Net Profit Margin	%	0.07	-8.8	2.63
Return on Equity	%	0.08	-7.77	2.99
Return on Operating Cash flow	%	2,208.72	-78.78	321.46
Efficiency Ratio				
Return on Total Assets	%	0.07	-6.03	2.24
Asset Turnover	Time	0.96	0.69	0.85
Financial Policy Ratio				
Debt to equity	Time	0.22	0.23	0.34
Dividend	%	1,005.86	-22.42	85.86
Information per share				
Book Value per Share	Baht	119.47	120.1	132.35
Earning (Loss) per Share	Baht	0.1	-9.81	3.96
Dividend per Share	Baht	1	2.2	3.4
Business Growth Rate				
Total Assets	%	-1.16	-16.68	0.57
Total Liabilities	%	-3.89	-38.41	2.55
Sales Revenues	%	27.19	-25.95	-8.65
Cost of Goods Sold	%	18.8	-17.6	-6.33
Gross Profit	%	293.3	-125.8	-29.58
Net Profit	%	101.01	-347.78	-49.85

Analysis of financial ratios with significant status and change

From the financial ratio in 2021 above, although the account receivable turnover ratio increased, the payable turnover ratio also increased, resulting in a decrease in the liquidity rate of cash flow.

Terms of profitability, the company's gross profit margin and net profit margin increased from the previous year. Due to this year's operating profit, the return on equity and cash to profitability ratio increased in the same direction.

The efficiency ratio of the company's operations increased from the previous year. Due to the company's operating profit in this year, the rate of return on total assets has increased.

In terms of monetary policy

The dividend payout ratio increased from the previous year due to the company's operating profit of this year.

Overall, the financial position and operating results of the company are still in good and normal condition. The company is confident that if it passes through the Covid-19 situation, everything will improve.

5. General and Key Information

5.1 General information

Company name of securities issuing	Toray Textiles (Thailand) Public Company Limited
Location	
1) Head Office	5th Floor, Bubhagit Building, 20 North Sathorn Road, Silom, Bangrak, Bangkok 10500 Tel : 0-2266-6600 Fax : 0-2238-3957-9
2) Factory	
Mill No. 1	38 Suksawad Road, Tambon Bangphueng, Amphur Phrapradaeng, Samutprakan 10130 Tel : 0-2462-6310-2 Fax : 0-2464-3437
Mill No. 2	99 Sukhumvit Road K.M.38, Tambon Bangpoomai, Amphur Muang Samutprakan, Samutprakan 10280 Tel : 0-2323-9050-2 Fax : 0-2323-9055
Mill No. 3	305 Sukhumvit Road K.M.39, Tambon Bangpoomai, Amphur Muang Samutprakan, Samutprakan 10280 Tel : 0-2323-9020-2 Fax : 0-2323-9330
Nakhonpathom Factory	33/3 Moo 3, Sukhaphibarn Road, Nakhonchaisi, Nakhonpathom 73120 Tel : 0-3433-1788-90 Fax : 0-3433-1915
Nature of Business	Textile Industry
Company Registration No.	0107562000289
Website	http://www.toray.co.th/en/ttt
Registered Capital	578,400,000 Baht (fully paid)

Number of share sold	57,840,000 shares
Per value	10 Baht
Other Reference	
Securities Registrar	Thailand Securities Depository Co., Ltd. No.93 The Stock Exchange of Thailand Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400 Tel : 0-2009-9999 Fax : 0-2009-9991
Auditor	Mrs. Munchupa Singsuksawat Ms. Sujitra Masena Mrs. Siripen Sukcharoenyingyong KPMG Phoomchai Audit Ltd. 48th-50th Floor, Empire Tower, No.195 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120 Tel : 0-2677-2000 Fax : 0-2677-2222

5.2 Other importance information

Non

5.3 Legal Disputes

The company does not have any legal disputes in which the company is a party or a party, whether it is a lawsuit that may have a negative impact on the company's assets, cases that affect the company's business operations, cases that are not caused by the normal business of the company or any lawsuit or dispute that the company is sued after the end of the accounting period but before submitting the 56-1 form.

5.4 Secondary market

The company does not register the securities in other countries.





Corporate Governance

6. Corporate Governance Policy

The company recognizes the importance of good corporate governance as the major factor in enhancing the efficiency of the organization. The company therefore conducts its business in line with the principle of good corporate governance namely, the rights of shareholders, the equitable treatment of shareholders, the role of stakeholders, disclosure and transparency and responsibilities of the board.

6.1 Overall of policy and practice of corporate governance

The Board of Directors, executives and officers have complied with 2017 principle of good corporate governance which suited to the business environment of the company as follows.

Principle 1: Establish clear leadership role and responsibilities of the board

The board understands its leadership role, assumes its responsibilities in overseeing the company and strengthens good governance with good performance and good corporate citizenship.

The board is in charge of ensuring that all directors and executives perform their responsibilities in compliance with their fiduciary duties and that the company operates in accordance with applicable laws, regulations and resolution of shareholders.

Moreover, the board clearly understands the roles and responsibilities.

Principle 2: Define objectives that promote sustainable value creation

The Board of Directors has determined the objectives and main goals of the company in accordance with the creation of value for the business, customers, stakeholders and society by applying innovation and technology appropriately and safely.

Principle 3: Strengthen board effectiveness

The Board of Directors has selected a suitable person to be the chairman of the board. There is a transparent and clear process of nomination and selection of directors in order to obtain directors whose qualifications are in accordance with the requirements.

The board proposes the remuneration of sub-committee that is suitable and conforming to their responsibilities to shareholders for approval.

The Board ensures that each director has knowledge, understanding of the roles, duties, nature of business and laws related to business operations. The company encourages all directors to receive skills and knowledge for being a director on a regular basis, with a policy to encourage them to attend training courses related to their assigned roles and responsibilities, both as directors and Audit Committee. Especially the Audit Committee has passed the training course of the Thai Institute of Directors Association (IOD) such as Director Accreditation Program (DAP) Advanced Audit Committee Program (AACP).

The board ensures that it can perform its duties effectively and access to the accurate, relevant and timely information and having a company secretary with necessary qualifications, knowledge, skills and experience to support the board.

Principle 4: Ensure Effective CEO and People Management

The board ensures that managing director and senior executives are nominated and developed with the knowledge, skills, experience and attributes necessary for the operation of the business to achieve its goals. The board understands the structure and relationship of shareholders that may affect the management and operations of the business.

Principle 5: Nurture innovation and responsible business

The board prioritizes and promotes innovation that creates value for the company together with benefits for customers, stakeholders with social responsibility. The board ensures that the management manages resources efficiently including ensuring that information technology is used to increase business opportunities and develop operations to achieve goals.

Principle 6: Strengthen effective risk management and internal control

The Board is confident that the Company has an efficient risk management and internal control system and is in accordance with relevant laws and standards. An audit committee has been established that can function effectively and independently, monitor and manage potential conflicts of interest between the company and management, board of directors or shareholders. Inappropriate use of the assets, company's data and opportunities and improper transactions are prevented. In addition, the company has established clear anti-corruption regulations and whistleblowing guidelines.

Principle 7: Ensure disclosure and financial integrity

The board has ensured that financial reports and important information disclosures are accurate, adequate, timely and in accordance with relevant laws and standards. Moreover, the board always monitors the company's financial liquidity and solvency.

Principle 8: Ensure engagement and communication with shareholders

The board ensured that shareholders have the opportunity to participate effectively in decision making involving significant corporate matters. There is a prohibition of any action that could be considered as a violation to shareholder's rights such as the rights to sell, to buy and to transfer securities, the rights to attend shareholder meeting or to use a proxy and the rights to vote.

The board ensures that the shareholder meetings are held with transparency and efficiency and ensures inclusive and equitable treatment of all shareholders and their ability to exercise their rights. The board ensures accurate, timely and complete disclosure of shareholder resolution and preparation of shareholder meeting minutes.

Before the shareholder meeting, the company sends each shareholder an invitation to the shareholder meeting which states the date, time, venue, agenda and the relevant information at least seven days prior to the date of the meeting to allow the shareholders sufficient time for review the information relevant to the meeting. The meeting location and room are appropriate and sufficient for shareholders.

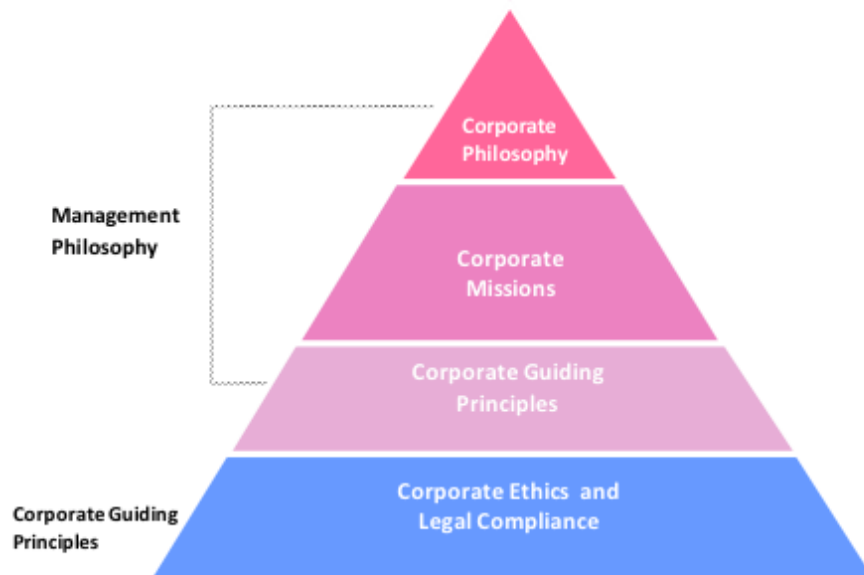
In the shareholder meeting, the company use barcode system to ease registration and voting which explains the instructions by chairman of the meeting and report the results when voting is finished. Allocating appropriate time for shareholders to inquire and express their opinion about the company's operation equally. The board of directors attends and responses for any questions. After the shareholder meeting, the company discloses resolution and minutes of the meeting within fourteen days.

Corporate Governance for Subsidiaries and Associated Companies

- No any subsidiaries and associated companies.

6.2 Corporate Ethics

Toray Group Companies in Thailand has defined the Corporate Ethics and Legal Compliance as follows.



Corporate Ethics and Legal Compliance Code of Conduct

8 Principles

1. Contributing to Society

As a company aiming for new value creation, we will provide products and services that satisfy and win the trust of our customers.

2. Communicating with Society

We will promote communication with customers, shareholders, local communities, and other persons and organizations around the company, and will disclose appropriate information on the company in a fair and active manner.

3. Acting as a Good Corporate Citizen

As a good corporate citizen, we will observe the law, respect human rights, and pursue social contribution activities.

4. Playing an Active Role globally in Environmental Preservation

We regard playing an active role globally in environmental preservation as a key management issue, and will work for peaceful coexistence with the global environment in every area of our corporate activities, through the promotion of energy saving, waste reduction, and recycling.

5. Putting Fairness and Trust First in our Corporate Activities

As a member of the Toray Group and good citizen of society, we will operate properly traded under a free market mechanism that is fair and transparent, ethical and regulatory compliance as a guide to our day-to-day duties with responsibility and goodwill. Toray Group values corporate ethics and compliance with the same level of safety, accident prevention and environmental protection, adhering to fundamentals, aiming for what it should be, doing what it should and operates with organizational ethics and compliance which leads to the trust of society as a partner of society.

6. Observing National Laws

We will implement management reforms from a global perspective, ensure that our overseas branches observe local laws and regulations, and exert self-discipline based on a strong sense of ethicality. We will also strive to ensure that our corporate activities in each country respect local culture and customs and contribute to the development of local communities.

7. Creating a Motivating Corporate Climate that Allows Employees to Exercise Their Abilities

We will strive to establish a corporate climate that motivates employees, allowing them to exercise their abilities, and will strive to maximize the creativity and special skills of each employee while respecting their human rights, character and individuality.

8. Cutting off Relations with Anti-Social Forces

We will cut off all relations with anti-social forces that threaten the order and safety of civil society.

Relationships with Business Partners

1. Supply and Safety of Outstanding Products and Services

- Improving production technical efficiency, developing new products, improving quality of product and service to be excellent and safe
- Following market trends and knowing the needs of customers. For the production of goods, we must comply with safety rules, considering product safety at every process of production from design, distribution, as well as use and disposal.
- Establishment of and compliance with voluntary standards on safety, and implementation of products safety screenings
- Creating easily comprehensible user manuals and supplying appropriate displays of information
- In the event of a defect in the product, it must be corrected to prevent widespread damage such as report a defect in the product. If necessary, recall the product.
- Collecting data, recording the root cause of problems that have occurred and providing relevant information to prevent the recurrence of problems.

2. Building Sound and Good Relationships with Business Partners and Affiliates

Sales agents

- To prohibit unfair trade practices
- Entertainment of and giving of gifts to sales agents must be kept within social norms.
- The granting of advantages such as rebates (discounts, etc.), commission, etc. must kept be within the formal approval rules

Affiliates and business partners

- Transaction conditions are to be compared with conditions that would allow for fair and transparent competition with third parties
- Entertainment and exchange of gifts must also be kept within social norms.

Suppliers

- The selection of suppliers must be based not only on fair and rational criteria
- Entertainment by and receipt of gifts from suppliers must be within social norms and must, at all times be reported to a superior

Government agencies, local governments

- When dealing with officials of government agencies, local governments, etc., improper benefits, etc. must not be offered to officials in relation to the performance of their duties, with a view to securing unjust business gains or in return for the granting of business advantage.

3. Maintenance and Promotion of Fair and Free Competition

Compliance with the Antimonopoly Act and Anti-Bribery Regulations, prohibiting the use of a dominant bargaining position and misleading representations, prohibiting any premiums or prize offerings over normal trade practices

4. Protection of Intellectual Property Rights

Protecting the intellectual property rights of the company, no infringement about the intellectual property rights of other companies, maintain the company's trade secrets and not to use company information for other purposes. Clear consideration about distinguishing which information is a trade secret (if in doubt, consult a supervisor) and maintaining trade secrets of other companies as if keeping trade secrets of the company itself.

Relationship with Society

1. Observing the Law as a Member of Society

- Compliance with the Foreign Exchange and Foreign Trade Control Law: to cultivate sensitivity to the international situation.
- Ensuring security export control: the goods or technology to be exported will not be used in the development, manufacture, etc. of weapons of mass destruction or other military applications
- Compliance with the Financial Instruments and Exchange Act: Executive officers and employees must not engage in insider dealing ;the sale or purchase of shares
- Compliance with the Regulation of Money for Political Activities Law: to ensure that its political activities as a company are honorable and fair
- Compliance with the Act on the Protection of Personal Information

2. Respecting the human rights of all stakeholders

To respect of human rights, eliminate discrimination, and improve workplace environments; prohibit forced labor, slave labor, child labor, and unfair low-wage labor.

3. Principles for Disclosure

Fair, timely and appropriate disclosure excluding any information that is considered by social convention to be a company secret and matters that are held in confidence under the terms of a contract.

4. Preserving the Global Environment

To minimize the burden that its corporate activities, Promotion of the 10 Environmental Principles, A drive for energy savings, waste reduction, and recycling at each branch/office, Development of environmental technology and environmentally-friendly products, Disclosure of environmental information

5. Contributing to Local Communities

To work closely and maintain harmonious and friendly relations with local communities

6. Cutting off Relations with Anti-Social Forces

Relationships between Company and Employees

Company provides for Employees

1. Respect for the Character and Individuality of Employees, Evaluations and Development and implementing measures for employees to achieve work-life balance
2. Respect for Privacy and strive to manage such information in an appropriate manner.
3. Respect for Human Rights and Prohibition of All Forms of Discrimination to create a happy and healthy workplace environment in which employees are not subject to spiteful treatment or discrimination on grounds of race, creed, color, gender*, religion, nationality, language, physical characteristics, economic status, place of origin, etc.
 - human rights initiative
 - Prevention of sexual harassment
 - Prevention of power harassment
4. Compliance with labor-related legislation and the establishment of working conditions
5. Ensuring Health and Safety, Environmental Protection, Disaster Prevention and Management of Chemical Substances

Employees do for Company

1. Compliance with Employment Regulations
2. Appropriate Accounting Practices entries must be made accurately
3. Appropriate Use of Company Assets with sincerity
4. Appropriate Use of Information Systems User ID codes and passwords must be managed rigorously
5. Behavior Leading to Conflict of Interests
6. Appropriate use of social media

6.3 Significant changes and developments in policies, practices and systems of corporate governance in the past year

6.3.1 Significant changes and developments related to the review of corporate governance policies, practices and systems

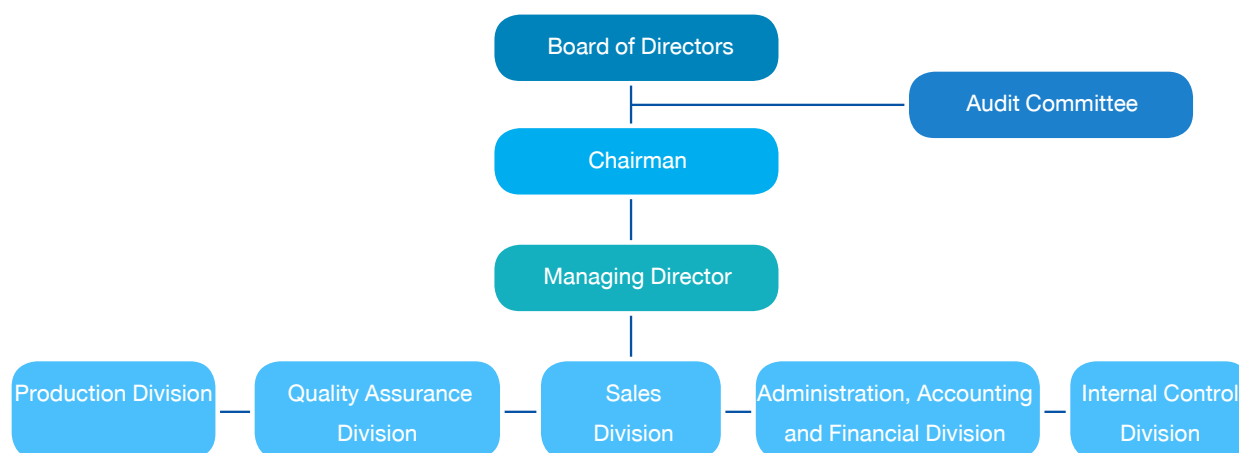
In 2021, the company has reviewed policies such as anti-corruption and corruption, privacy policy and organized training for executives on respecting human rights.

6.3.2 Implementing Good Corporate Governance Principles for Listed Companies in 2017

The company has applied the CG Code practice to be consistent with the company's business.

7. Corporate Governance Structure and Key Information about the Board of Directors, Subcommittee Management, Employees and Others

7.1 Structure of corporate governance



7.2 Information about committee

7.2.1 Component of the committee

The committee of the company consists of 3 groups as the follows.

- 1) Executive directors 13 persons
- 2) Non executive directors 4 persons consists of Independent director 4 persons
- 3) Audit committee 4 persons

7.2.2 Information about committee and individual persons with authority to control the company

Board of Directors

According to the article of association, The Board of Directors comprises of members minimum of seven and maximum of fifteen. Not less than half of the total number of directors must reside in the Kingdom. The company's directors must have qualifications as required by law. As at 31 March 2022, the Board of Directors was as follows:

1. Mr. Masahide	Matsumura	Chairman of the Executive Director
2. Mr. Akihiro	Maekawa	Chairman of the Board and Managing Director
3. Mr. Chiaki	Kojima	Executive Director
4. Mr. Yoshinobu	Gamo	Executive Director
5. Mr. Yoshihiro	Hamaguchi	Executive Director
6. Mr. Ken	Nakajima	Executive Director
7. Mr. Kriangsak	Kongsiri	Executive Director
8. Mr. Pichai	Amranan	Executive Director
9. Mr. Prakit	Pradipasen	Independent Director and Chairman of Audit committee
10. Mr. Ekchai	Chansue	Independent Director and Audit committee member
11. Mr. Yanchai	Tantiratapong	Independent Director and Audit committee member
12. Mrs. Kwunjai	Kiatgungwalgri	Independent Director and Audit committee member

Because the person holding the position of chairman and manager is the same person, the company has a measure to balance power between the Board of Directors and the management by appointing an independent director to participate in determining the agenda for the Board of Directors' meeting.

Signatory Directors

Two from the following six directors are jointly authorized to countersign documents in conjunction with the company seal.

1. Mr. Masahide Matsumura
2. Mr. Akihiro Maekawa
3. Mr. Chiaki Kojima
4. Mr. Yoshinobu Gamo
5. Mr. Yoshihiro Hamaguchi
6. Mr. Ken Nakajima

Executive Directors

Executive directors are 13 persons as follows;

- | | | |
|------------------|--------------------|---------------------------------|
| 1. Mr. Masahide | Matsumura | Chairman of executive directors |
| 2. Mr. Akihiro | Maekawa | Executive Director |
| 3. Mr. Chiaki | Kojima | Executive Director |
| 4. Mr. Yoshinobu | Gamo | Executive Director |
| 5. Mr. Yoshihiro | Hamaguchi | Executive Director |
| 6. Mr. Ken | Nakajima | Executive Director |
| 7. Mr. Kriangsak | Kongsiri | Executive Director |
| 8. Mr. Pichai | Amranan | Executive Director |
| 9. Mr. Thaworn | Rattanaphornpradit | Executive Director |
| 10. Mr. Phanom | Saengphomma | Executive Director |
| 11. Mr. Kamchai | Paisarnpayuk | Executive Director |
| 12. Mr. Arcom | Skuntantimeta | Executive Director |
| 13. Ms. Supamit | Buranasomphop | Executive Director |

Independent directors

The company has 4 independent directors as follows;

1. Mr. Prakit Pradipasen
2. Mr. Ekchai Chansue
3. Mr. Yanchai Tantiratapong
4. Mrs. Kwunjai Kiatgungwalgri

7.2.3 Roles and duties of the Board

The Board

Qualifications of directors

- (1) Not be a debtor by judgment, a bankrupt, an incompetent person or a quasi- incompetent person.
- (2) Not being blacklisted by the Stock Exchange of Thailand as inappropriate to become an executive management according to the regulations of the Stock Exchange of Thailand.
- (3) Not being accused or indicted in a criminal case by agencies with legal authority in an offence relating to unfair securities trading or futures contracts or management fraud or corruption.
- (4) Not be currently subjected to a period under the order of an agency with authorities according to foreign laws prohibiting one from being company's executive management.
- (5) Not being sentenced by a final court judgment of guilty as charged under Clause (3) or being fined for the offence described in Clause (3).
- (6) Must not undertake any business of the same nature as and competing with that of the company.
- (7) Not be a partner in an ordinary partnership or a partner with unlimited liability in a limited partnership or become a director of a private company or any other company undertaking any business of the same nature as and competing with that of the company, unless such fact has been notified to the meeting of shareholders prior to the resolution electing such director.

Duties and responsibilities of the Board of Directors

1. Supervises and operates the company's business accordance with the law, objective and resolution of the shareholder meeting for the benefits of company and shareholders.
2. Regulates the vision and operates company's business including approves of strategy and policy.
3. Efficient controls of the operation of policy and business planning.
4. Assigns the audit committee to review, audit account and check the financial report including internal control and internal audit.
5. Oversees and solves problems in business operation.
6. The Board of Directors requires its directors to have a duty to report on their trading or holding of shares to the Board of Director meeting.
7. The Board of Directors requires its directors to have a duty to report on their personal interests to the Board of Director meeting.
8. The Board of Directors assigns a director to organize an orientation session for new directors for their understanding in the company's business and operations.
9. Focus on operating the business ethically. Directors, management and employees shall follow the company's ethics handbooks which are distributed to everyone.

The role of the Board of Directors

1. The Board of Directors may appoint a number of people as it deems appropriate to perform the roles of Executive Director. Executive Directors shall manage the company under supervision of the President, the Vice-President and the Board of Directors and under the supervision of any of the mentioned directors.
2. Each director has one vote. In the event that equal votes are given between approval and disapproval, Chairman of the meeting shall have the casting vote on the issue for arbitration.
3. Any Directors with conflicted interest in any matter being considered shall not have the rights to vote for that issue.
4. In the event that two Directors or more call for the Board meeting, the Chairman shall determine the meeting date within 14 days following the receipt of such meeting request.
5. Two of the authorized directors may sign on behalf of the Company provided the company seal is affixed to their signatures. The Board of Directors may authorize other directors to sign for the company for any business that it deems to fit to such authority.

Appointment of the Chairman and Managing Director

The Board of Directors will appoint one of directors to be a Chairman, the other one to be a Managing Director and other positions as the Board consideration.

Duties and responsibilities of Chairman of the Board and Managing Director

In operating the business, the Chairman, Managing Director and Directors shall perform his duties in accordance with the laws, the Company's objectives and Articles of Association, as well as resolutions of shareholders meetings.

Under the force of any amendments or changes which the Board of Directors are authorized to proceed occasionally the Chairman shall be the Company's operating person.

The Board of Director may be empowered to appoint a committee as it deems appropriate to act as an executive committee to administrate the business under the care and control of the Chairman and the Board of Directors or under the care of a director.

Executive Directors

Duties and responsibilities

1. Manage and operate the company's business to be in line with the policies and plans prescribed by the Board of Directors.
2. Set out the business strategies, directions, operational guidelines as well as budget of the company to propose the Board of Directors to consider approving.
3. Monitor, examine and follow up the implementation of management policies and business plans to ensure that they are effectively in compliance with the assignment of the Board of Directors.
4. Have authority to consider approving some cases or operations regarded as regular business of the company under financial limit or annual budget approved or approved in principle by the Board of Directors. The Executive Committee shall have authority to approve expenses or procurement or lease or hire purchase that are relevant to the company's operation and investment for both core business and supporting units.

5. Arrange the Executive Committee meeting as necessary and appropriate. Each director can convene the special meeting aside from the normal meeting. Nevertheless, the notification of meeting agenda(s) shall be presented to other directors prior to the meeting as appropriate, allowing other directors to have sufficient time to consider the said agenda(s).

Independent Directors

The qualifications of independent director of the company are

1. Hold shares not exceeding 1% of the total shares with voting rights of the company, its parent company, subsidiaries, associates, major shareholder or controlling parties, including shares held by related persons of such independent director.
2. Is not or has never been an executive director, employee, staff, advisor who receives fixed salary, nor controlling parties of the company, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders or controlling parties unless the foregoing status ended at least 2 years prior to the date of submitting the application to the Securities and Exchange Commission Office. The above prohibited characters shall not include the case that the independent director who has ever been a government official or advisor of the government sector that is the major shareholder or controlling party of the company.
3. Is not the person who has relationship by means of descent or legal registration under the status of father, mother, spouse, siblings and children including spouse of daughters and sons of management, major shareholder, controlling party or the person who is in the process of nomination to be the management or controlling party of the company or its subsidiary.
4. Never or used to have business relationship with the company, its parent company, subsidiaries, associates, major shareholders or controlling parties of the company in respect of holding the power which may cause the obstacle of the independent decision, including not being or never been the significant shareholder or controlling parties of any person having business relationship with the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the company unless the foregoing status ended at least 2 years.
5. Never or used to be an auditor of the company its parent company, subsidiaries, associates, major shareholders, or controlling parties of the company and not the significant shareholder, controlling parties, or partner of the auditing firm which employs such auditor of the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant unless the foregoing status ended at least 2 years.
6. Never or used to be a professional service provider including legal service or financial advisor with received service fee more than 2 million Baht per year from the company, its parent company, subsidiaries, associates, major shareholders, or controlling parties and not the significant shareholder, controlling parties, or partner of the professional service provider, except for the exempt from the above characters for at least 2 years.
7. Not a director who is nominated to be the representative of directors of the company major shareholders, or any other shareholder related to the major shareholders.
8. Do not operate the same business and a significant competitive business with the company or subsidiaries or not a significant partner in partnership or an executive director, employee, staff, advisor who receives fixed salary or holds shares more than 1% of the total shares with voting right of other company which operates same business and be a significant competitor with the company or subsidiaries.
9. No other characters preventing the independent opinion regarding the business operation of the company.

7.3 Information of sub- committee

The Audit Committee

The company has 4 audit committee members as follows;

- | | | |
|-----------------|----------------|-----------------------------|
| 1. Mr. Prakit | Pradipasen | Chairman of Audit Committee |
| 2. Mr. Ekchai | Chansue | Audit Committee Member |
| 3. Mr. Yanchai | Tantiratapong | Audit Committee Member |
| 4. Mrs. Kwunjai | Kiatgungwalgri | Audit Committee Member |

Mr. Prakit Pradipasen, Mr. Ekchai Chansue and Mr. Yanchai Tantiratapong are well qualified and experienced in accounting and finance. In addition, Mrs. Kwunjai Kiatgungwalgri is well qualified and experienced in financial auditing.

In addition, all 4 members of the Audit Committee also hold positions as independent directors of the company.

Objectives

The Audit Committee is established to assist Board of Directors in overseeing complete business practices following responsibilities prescribed in Audit Committee regulations.

Audit Committee Composition

Members of Audit Committee is nominated by Board of Directors and will be the Board members. In addition, Audit Committee composition is required to have three company's independent directors ("Audit Committee") in minimum, one of them shall act in his/her capacity as Chairman of Audit Committee.

Members of Audit Committee are required to be equipped with qualifications promulgated by Stock Exchange Commission and a minimum of one of the three members shall be competent on accounting and finance. Each Audit Committee member is subject to three-year tenure. Any Audit Committee member whose membership expires by statutory requirement may be re-elected for another office term. In the event that any Audit Committee member desires to resign before statutory expiration of office term, a notification shall be submitted in advance to the Company for a minimum of three months prior actual resignation. Audit Committee members shall meet four times, or more, on an annual basis, as Chairman of Audit Committee deems appropriate. Complete quorum in any Audit Committee meeting shall require a minimum attendance of half of the total number of audit committee members. The Audit Committee may seek professional advice from independent advisor as deemed appropriate and on the Company's expenses.

In addition, the Audit Committee, as it determines necessary, is authorized to retrieve data, or have access thereto, or request attendance of any Company's personnel or outsiders in any meeting, provided that they are connected persons or are in connection with any agenda in consideration.

Authority and Responsibility of Audit Committee

The Audit Committee has authority and responsibility as set forth below:

1. To review the Company's financial reporting process to ensure that it is accurate and adequate.
2. To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or other unit in charge of an internal audit.
3. To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business.

4. To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year.
5. To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company.
6. To prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:
 - a. An opinion on the accuracy, completeness and creditability of the Company's financial report
 - b. An opinion on the adequacy of the Company's internal control system
 - c. An opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business
 - d. An opinion on the suitability of an auditor
 - e. An opinion on the transactions that may lead to conflicts of interests
 - f. The number of the audit committee meetings, and the attendance of such meetings by each committee member
 - g. An opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter
 - h. Other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors
7. To perform any other act as assigned by the Company's board of directors, with the approval of the audit committee.

In its performance of duties under the first paragraph, the audit committee must be directly responsible to the Company's board of directors, while the Company's board of directors shall remain responsible to third parties for the operations of the Company.

In the case that the audit committee's duties are changed, the Company shall report on a resolution to change its duties, and shall prepare a list and scope of work of the audit committee according to such change in the form as prescribed by the Exchange. Such list and scope of work must be submitted to the Exchange within 3(three) business days from the date on which the change is made in accordance with the procedures under the Exchange's regulations relating to reporting via an electronic media.

8. In its performance of duties, if it is found or suspected that there is a transaction or any of the following acts which may materially affect the Company's financial condition and operating results, the audit committee shall report it to the board of directors for rectification within the period of time that the audit committee thinks fit:

- (1) A transaction which causes a conflict of interest
- (2) Any fraud, irregularity, or material defect in an internal control system
- (3) An infringement of the law on securities and exchange, the Exchange's regulations or any law relating to the Company's business

If the Company's board of directors or management fails to make a rectification within the period of time under the first paragraph, any audit committee member may report on the transaction or act under the first paragraph to the Office of the Securities and Exchange Commission or the Exchange.

7.4 The Internal Management Organization



7.4.1 As at 31 March 2022, the management*1 as the definition of Securities and Exchange Commission is as follows:

(1) Mr. Masahide	Matsumura	Chairman of executive director
(2) (4) Mr. Akihiro	Maekawa	Managing Director and General Manager of Quality Assurance Division
(3) Mr. Yoshihiro	Hamaguchi	General Manager of Production Division
(5) Mr. Chiaki	Kojima	General Manager of Sales Division
(6) Mr. Ken	Nakajima	General Manager of Administration, Accounting and Finance Division
(7) Mr. Thaworn	Rattanaphornpradit	Factory Manager, Mill 1
(8) Mr. Phanom	Saengpromma	Factory Manager, Mill 2
(9) Mr. Kriangsak	Kongsiri	Factory Manager, Mill 3
(10) Mr. Pichai	Amranun	Factory Manager, Nakorn Phathom
(11) Mrs. Wantana	Mangkhalasawat	General Manager of Accounting and Finance Department

Note:

*1 means directors, managers or someone who holds the first four positions lower than the managers (holding the highest position of the company), someone who holds the position equivalent to the management in accounting or financial field whose position is department manager or equivalent onwards.

7.4.2 The remuneration policy for directors and executives

The company determines the remuneration for sub-committee but no any remuneration for executive directors except the remuneration in the position of the management. However, the Board of directors agrees for this policy.

7.4.3 The remuneration of directors and executives

(1) Money remuneration

Remuneration for directors

In 2021, the company set the remuneration for 4 members of the Audit Committee by paying in the form of meeting allowances totaling 600,000 Baht. The other 8 directors of the company were not paid.

Remuneration for executive management (1 April 2021 – 31 March 2022)

In 2021, the company paid the remuneration consisting of salary and bonus to 10 executives amounted to 46.9 million Baht.

(2) Other remuneration for directors and executive management (1 April 2021 – 31 Mar 2022)

Other remuneration for directors

Non

Other remuneration for executive management

- Golf course membership fee in 2021 amounted to 650,583.46 million Baht
- Provident fund: In 2021, the company paid for the provident fund contribution for executive management: 5 persons, amount 537,795.00 Baht

7.5 Information of employee

The number of employees as at 31 March 2022 totally 1,977 person separated by work field as the following.

Head Office

- Sales 43 persons
- Accounting and Administration 49 persons

Mill 1 Samutprakan

- Production 404 persons
- Production support 129 persons

Mill 2 Samutprakan

- Production 416 persons
- Production support 54 persons

Mill 3 Samutprakan

- Production 386 persons
- Production support 131 persons

Nakornphathom

- Production 307 persons
- Production support 58 persons

Significant change of employee

In 2021, overall of the economy was recovered while the Covid-19 was spreading continuously. Moreover, there was the conflict of Russian and Ukraine in the early of 2022 caused the higher inflation. The company also needed to control expenses strictly by using many measurements such as rotating staffs to other section which the manpower was not enough, employing sub-contractors and recruiting staffs for only needed sections for conforming our manpower to the production.

Labor dispute

Since the establishment of the company on 1 July 2019, the company has never had a labor dispute and there has never been any protest or strike.

The remuneration of employees

The remunerations of employees are salary, overtime, living allowance, bonus, compensation for provident fund and medical allowance. In 2021 (1 April 2021-31 March 2022), the company paid for the remuneration as the following categories.

Types of remuneration	Amount (Thousand Baht)
Salary and wage	617,012
Bonus and other benefits	150,855
Defined benefit plans	25,946
Defined contribution plans	15,715
Other long-term employee benefits	1,878
Total	811,406

Employee Development Policy

The company has a policy to promote human resource development by providing activities as follows:

- Organize an orientation for new employees to create knowledge and understanding of working together
- Supervisors and executives in each field will be trained so that they can transfer their knowledge, skills and experience to their employees.
- Organizes an annual seminar for middle-level executives every year covering areas such as Root Cause Analysis, Work improvements to increase work efficiency, Internal Communication in order to develop knowledge, competence continuously.
- Organizing trainings and seminars for employees in the factory where the executives in each line will give detailed lectures including problems and solutions in various matters together.
- To support training and seminars to increase knowledge and competence in the relevant work for employees in all departments for effective work.

7.6 Other important information

7.6.1 Assigned name list

- 1) The person who is assigned to responsible for account reporting directly is Mrs. Wantana Mangkhalasawat
- 2) Company Secretary is Ms. Chintana Temphuwapat.
- 3) Internal audit is Toray Industries., Inc., Auditing Department.
- 4) Corporate Governance Controller is Toray Industries (Thailand) Co., Ltd., Legal & Compliance Department.

7.6.2 Head of Investor Relation Department

-Non-

7.6.3 The remuneration of auditors

(1) Audit fee

The company paid for the audit fee to KPMG Phoomchai Audit Ltd. as the following.

Year 2019 (July 2019 - March 2020)	= Baht 2,200,000.00
Year 2020 (April 2020 - March 2021)	= Baht 2,300,000.00
Year 2021 (April 2021 - March 2022)	= Baht 2,300,000.00

The auditor was Ms. Munchupa Singsuksawat, our appointed auditor since 2019.

(2) Non-audit fee

The company paid for non-audit fee to KPMG Phoomchai Audit Ltd. as the internal control inspection fee according to Japan standard and financial statement review fee for Toray group according to the international standard as the following.

Year 2019 (July 2019 - March 2020)	= Baht 2,490,000.00
Year 2020 (April 2020 - March 2021)	= Baht 1,287,400.00
Year 2021 (April 2021 - March 2022)	= Baht 580,000.00

The company did not have any pending service fee to pay in the future.

8. Report of Key Corporate Governance Implementation

8.1 Performance summary of the board in the past year

In 2021, the Board of Directors has jointly formulated policies and business directions in order to comply with the principles of good corporate governance including transparency and accountability.

8.1.1 Nomination, Development and Evaluation

(1) Independent directors The qualifications for nomination are

1. Hold shares not exceeding 1% of the total shares with voting rights of the company, its parent company, subsidiaries, associates, major shareholder or controlling parties, including shares held by related persons of such independent director.
2. Is not or has never been an executive director, employee, staff, advisor who receives fixed salary, nor controlling parties of the company, its parent company, subsidiaries, associates, same-level subsidiaries, major shareholders or controlling parties unless the foregoing status ended at least 2 years prior to the date of submitting the application to the Securities and Exchange Commission Office. The above prohibited characters shall not include the case that the independent director who has ever been a government official or advisor of the government sector that is the major shareholder or controlling party of the company;
3. Is not the person who has relationship by means of descent or legal registration under the status of father, mother, spouse, siblings and children including spouse of daughters and sons of management, major shareholder, controlling party or the person who is in the process of nomination to be the management or controlling party of the company or the subsidiary.
4. Never or used to have business relationship with the company, its parent company, subsidiaries, associates, major shareholders or controlling parties of the company in respect of holding the power which may cause the obstacle of the independent decision, including not being or never been the significant shareholder or controlling parties of any person having business relationship with the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the company unless the foregoing status ended at least 2 years.
5. Never or used to be an auditor of the company its parent company, subsidiaries, associates, major shareholders, or controlling parties of the company and not the significant shareholder, controlling parties, or partner of the auditing firm which employs such auditor of the applicant, its parent company, subsidiaries, associates, major shareholders, or controlling parties of the applicant unless the foregoing status ended at least 2 years.
6. Never or used to be a professional service provider including legal service or financial advisor with received service fee more than 2 million Baht per year from the company, its parent company, subsidiaries, associates, major shareholders, or controlling parties and not the significant shareholder, controlling parties, or partner of the professional service provider, except for the exempt from the above characters for at least 2 years.
7. Not a director who is nominated to be the representative of directors of the company major shareholders, or any other shareholder related to the major shareholders.
8. Do not operate the same business and a significant competitive business with the company or subsidiaries or not a significant partner in partnership or an executive director, employee, staff, advisor who receives fixed salary or holds shares more than 1% of the total shares with voting right of other company which operates same business and be a significant competitor with the company or subsidiaries.
9. No other characters preventing the independent opinion regarding the business operation of the company.

(2) The nomination of the directors and executive management

The Nominating Committee, which is to be responsible for the nomination of new directors for the Board's approval has not yet been established. However, the board of directors of the Company shall efficiently and be responsible for nominating the qualified person to be directors. In case of independent directors, the board of directors will consider the number and qualification of independent director compliance with the regulation of the Stock Exchange of Thailand.

To propose with the shareholder meeting, the principle of one-share one-vote is applied to each shareholder. The director to be appointed shall be received not less than one half of number of shares held by shareholders present and qualified to vote. At the Annual General Meeting of Shareholders, one-third of the board members shall retire and can be re-elected.

Furthermore, according to the Articles of Association no. 21, in the event that a position of director becomes vacant for any reason other than the end of his office term, the board of directors on the next board meeting shall appoint a qualified person not having unacceptable qualifications under Section 68 of the Public Limited Company Act B.E. 2535, to be a substitute director in the following meeting. If such office term remaining is less than two months, the substitute director shall hold office only for the remainder of the term of office of the director whom he substitutes.

The resolution of the committee under paragraph one must consist of votes of not less than three-fourths of the number of the remaining members.

8.1.2 Meeting Attendance and the remuneration for the individual committee

Meeting Attendance of the board

In 2022, The Board of Directors meetings and The Audit Committee Meetings were held with the advance notification. Directors who had some urgent business issues and could not attend the meeting would give their absence notice to the secretary and the Chairman of the meeting would inform the meeting of their absence before the meeting began. Moreover, all meetings were held with sufficient quorum as follows.

No	Name of Director	Position	Board Meeting Total 5 times	Shareholders Meeting Total 1 time
1	Mr. Masahide Matsumura	Chairman of executive director	5	1
2	Mr. Akihiro Maekawa	Chairman of the Board, Managing Director	5	1
3	Mr. Chiaki Kojima	Executive Director	5	1
4	Mr. Yoshinobu Gamo	Executive Director	5	1
5	Mr. Yoshihiro Hamaguchi	Executive Director	5	1
6	Mr. Ken Nakajima *1	Executive Director	5	-
7	Mr. Kriangsak Kongsiri	Executive Director	5	1
8	Mr. Pichai Amranun	Executive Director	5	1
9	Mr. Prakrit Pradipasen	Independent Director	5	1
10	Mr. Ekchai Chansue	Independent Director	5	1

No	Name of Director		Position	Board Meeting	Shareholders Meeting
				Total 5 times	Total 1 time
11	Mr. Yanchai	Tantiratapong	Independent Director	5	1
12	Mrs. Kwunjai	Kiatgungwalgri	Independent Director	5	1

*1 Absent because of sickness

The company had changed the directors after the end of the period and before submitting the 56-1 form, namely: Mr. Akinori Iwakura, positioned executive director in place of resigned Mr. Ken Nakajima. The effective was 1 April 2022.

The individual remuneration of Audit Committee

In 2021, the company paid for the remuneration to 4 audit committee members totally 600,000 Baht as the following,

1. Mr. Prakit Pradipasen 150,000 Baht
2. Mr. Ekchai Chansue 150,000 Baht
3. Mr. Yanchai Tantiratapong 150,000 Baht
4. Mrs. Kwunjai Kiatgungwalgri 150,000 Baht

The company did not have any remuneration to the board.

8.1.3 Controlling of Subsidiaries and Associated Companies

The company does not have any subsidiaries and associated companies.

8.1.4 Monitoring to ensure compliance with corporate governance policies and guidelines

(1) Conflicts of Interest Prevention

The company has a policy to prevent conflicts of interest which defines the measurement to avoid any conflicts of interest for personal benefits. The procedure for directors, management and employees: prohibit directors, management and employees from bringing inside information of company to use for their personal stock trading or use inside information to operate business which compete with the company or related business.

In addition, as for related transactions, if anyone who may have conflict of interest with the transaction, he will not be involved and will be prohibited from considering and approving that transaction. Then the board of directors will proceed according to the Securities and Exchange law and regulations, notifications, orders, or requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand. Furthermore, the board of directors will comply with the regulations about disclosure of related transaction, acquisition or disposal of assets and accounting standard by Federation of Accounting Professions strictly.

Moreover, the company will manage the audit committee to consider the price reasonableness, appropriateness of each occurrence and disclose the related transactions which will be in the notes to the financial statements audited by the company's auditor on the annual disclosure report / the annual report (56-1 form One Report).

(2) Using Inside Information for Exploitation

The company has policy to prevent the using of internal information. It is prohibited to use internal information for one's own benefit and to disclose any important information to the outsider such as operation process, future plan and internal information related to business or stakeholder or financial statements or other inside information which may influence the share price. Moreover, the directors and executives must not trade the company's shares one month before the company announces its financial statements to public. In 2017, from April 2017 to March 2018, the directors and executives have complied with this policy strictly and there was no violation of using internal information.

The company issued the policy named "Corporate ethics and Legal compliance" to be use as a practical guideline for the internal information.

Executive directors are responsible to report his securities holding, spouse and minor child (form 59-1), certified personal data (form 24-2) and form 35-E1 to SEC. which will encourage the use of internal information.

Furthermore, in the board of director meeting, any agendas related to the benefits of shareholder must not be disclosed to executives and employees.

Penalty

Violator would be subject to disciplinary punishment by verbal warning, written warning, suspension and dismissal.

(3) Anti-Corruption

Regulation of Anti-Corruption

Toray Industries (Thailand) Co., Ltd. issued the regulation of Anti-Corruption and Anti-Bribery for to the employees and management of Toray group companies in Thailand. Accordingly, Toray group companies in Thailand will not request nor receive any privileges for their improper benefits

Regulation of Competition Law

Toray group companies recognized the importance of following the Competition Law and Anti-Trust Law because we have domestic and international business. Therefore, Toray Industries (Thailand) Co., Ltd. issued regulation guidelines for Toray group companies in Thailand that they will not misuse of market power and will not commit monopoly business.

(4) Whistleblowing

Toray group companies have set out the guidelines about whistle blowing as a tool to help the company to be acknowledged of violation of laws, ethics or the company's rules. The purpose is to build strong culture for the company, prevent losses and encourage everyone in the company to do their job illegally, transparently, accountably in accordance with the good corporate governance. Furthermore, it is a way for everyone to report any misconduct or ask for help to the support channel provided by the company. After that the reported issued will be investigated and it has also the measure to protect the whistle blower and to prevent their right violation.

Whistleblowing channels

1. By letter to the company secretary

Toray Textiles (Thailand) Public Company Limited

No. 20 Bubhagit Building, 5th Floor, North Sathorn Road, Silom, Bangrak, Bnagkok 10500

2. Informing the company secretary by yourselfe

Toray Textiles (Thailand) Public Company Limited) Tel. 02-266-6600

3. Informing CSR and Corporate Governance Department, Toray Industries (Thailand) Co., Ltd.

Email: TTH_Compliance@toray.co.th or Tel. 02-266-6595

In the past year, there was no whistleblowing or complaints.

8.2 Performance report of Audit Committee in the past year

8.2.1 Meeting attendance of Audit Committee

No	Name of Director		Position	Audit Committee Meeting Total 4 times
1	Mr. Prakit	Pradipasen	Chairman of Audit Committee	4
2	Mr. Ekchai	Chansue	Audit Committee	4
3	Mr. Yanchai	Tantiratapong	Audit Committee	4
4	Mrs. Kwunjai	Kiatgungwalgri	Audit Committee	4

8.2.2 Performance report of Audit Committee are as follows:

Audit Committee's Report

The Audit Committee of Toray Textiles (Thailand) Public Company Limited, comprising of 4 independent directors with the qualifications of good knowledge, expertise and experience in Accountancy, Finance, Economics, Law, and Management plus knowledge of Textile Business, there are Mr. Prakit Pradipasen; Chairman of Audit Committee, Mr. Ekchai Chansue, Mr. Yanchai Tantiratapong and Mrs. Kwunjai Kiatgungwalgri as Audit Committee Members. The Audit Committee is neither the executive nor employees of the Company.

The Audit Committee has performed their duties according to the scope of responsibility as stipulated by Audit Committee Charter and assigned by the Company's Board of Directors. These duties are reviewing the accuracy and sufficiency of disclosures of the Company's financial statements, ensuring that internal control be sufficient, having good business policies with best performance, protecting company's assets, no conflict of interest, operations be efficient and appropriate in line with the relevant laws and regulations, and recommending the appointment of external auditor who is able and independent with reasonable remuneration.

In 2021 (April 1, 2021 - 31 March 2022), the Audit Committee held four meetings plus five Board Meetings in quarterly, yearly and on special occasion for consideration of the operation results and take resolution for operation problems. There are totally nine meetings held in the year.

The performance of Audit Committee can be summarized as follows:

1. Reviews of Financial Statements

Audit Committee has co-reviewed the current quarterly and year-end financial statements with the Management and has held four meetings with external auditors for discussion of audit plan and year-end auditing result for making sure that the financial statements were made up accurately and properly in line with Thai Financial Report Standard (TFRS) with sufficient and reliable disclosure

2. Reviews of Internal Control

Audit Committee has reviewed the measurement of sufficiency and propriety of internal control, by discussion with Management and external audit reports and found that both audit reports reveal the fact of non-existence of material errors in 2021.

3. Reviews of relevant Laws and Regulation

Audit Committee has reviewed all the performance methods handled by each department and found that all the performance worked in line with the relevant laws and regulation as confirmed by the Management.

4. Reviews of Related Company Transactions and Conflict of Interest

Audit Committee has reviewed the revealed information of related company transactions and found that all related company transactions are handled correctly in line with business practices and relevant laws and regulations of the Thai SEC.

5. External Auditor Appointment

Audit Committee has considered the external auditors' performance (KPMG Phoomchai Audit Ltd.) including independent, expertise in work, and proper experience in business line. After comparing with the others, Audit Committee found that their audit performance is uprightly good. Therefore we propose KPMG Phoomchai Audit Ltd. to be the Company's external auditors for one more year together with reasonable remuneration in 2022 (April 1, 2022 - March 31, 2023) to the Board of Directors for further approval by the Ordinary General Shareholders Meeting.

6. Overall Suggestion or observation of Audit Committee

For more confidence of the audit committee that the company has an enough suitable and effective internal control, the audit committee requests the company to consider about the report about internal auditing by the department of agency who is in charge of this matter every quarter.

The Audit Committee has discussed and exchanged opinion with the external and internal auditors for their audit plans and audit year-end results, and reports the Company's business operation status as assessed to the Board of Directors. The Audit Committee believes that the internal control system is sufficient, the business operation complies with the relevant laws and regulations, the operations are transparent, and overall financial reports are accurate and properly disclosed. The performance of business monitoring by the Audit Committee has been done independently, honestly, prudently and systematically.

Mr. Prakrit Pradipasen
Chairman of Audit Committee
May 20, 2022

8.3 Summary report of other sub-committee performance

The company does not have the other sub-committee

9. Internal Control and Related Transactions

9.1 Internal Control

The board of directors meeting no. 1/2022 held on 9 June 2022 which the audit committee attended the meeting, the board of directors considered, assessed the internal control of company in 2021 and commented that the internal control of the company was sufficient and appropriate with the business operations with no significant issues or irregularities. Moreover, after assessing the condition of internal control, the company had set the ethical practice guidelines for working, financial statements and operating of management. The company also assessed the risks which may occur and prepare the ways to control them clearly and had the effectively thorough communication to ensure that the company will be able to achieve the goals.

The company had appointed Toray Industries, Inc., Auditing Department as the Internal Audit Department through the line of command directly responsible for the Audit Committee and the Audit Committee participated in the evaluation of the Internal Audit Department.

9.2 Related Transactions

Any person or business that is associated with the company by being shareholder or holding joint shareholder or holding joint director. The transactions with related persons or businesses were imposed by market price or agreed contract price in case of no market price.

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

Transactions	Pricing policies
Sales and purchase of goods	Market price or where no market price exists, at contractually agreed prices
Dividend income	Upon declaration
Other income and deferred income	Contractually agreed price
Purchases of machinery and equipment	Contractually agreed price
Commission expense	Contractually agreed price
Management service fee and other expenses	Contractually agreed price

Relationships that the Company has with related parties that have control or joint control of the company, or those businesses that are jointly controlled or controlled by the company, or are persons or businesses that have accounting transactions with the company in 2021, were as the follows.

* Accounted for using the equity method

Company Name	Types of transaction	Value (in thousand Baht) *		
		March 31, 2022	March 31, 2021	March 31, 2020
Related through shareholding				
Toray Industries,Inc.	Sales	57,534	27,852	189,989
	commission expense	55,853	50,450	51,310
	Other income	7,397	7,088	7,501
	Purchases	-	49	3,272
	Other expenses	6,416	114,492	9,028
Thai Toray Synthetics Co.,Ltd	Sales	32	42	35
	Other income	3,926	4,685	4,694
	Purchases	2,312,691	1,785,856	2,168,305
Related through subsidiary of Toray Industries Inc.				
Toray Industries (Thailand) Co.,Ltd.	Service	24,742	25,697	32,669
	Machines&Tools	15	-	-
	Other expenses	19,278	17,972	18,318
Toray International, Inc.	Sales	718,631	611,561	824,628
	Other income	311	375	162
	Purchases	1,126,648	856,430	955,115
	Machines&Tools	32,412	-	1,062
	commission expense	122	-	-
	Other expenses	1,338	20,221	617
P.T. Indonesia Toray Synthetics	Purchases	62,274	42,865	97,098
Toray International Europe GmbH	Sales	3,554	935	10,290
	Other income	312	395	113
	commission expense	10,209	8,471	8,820
Penfibre Sdn.Berhad	Purchases	66,980	37,957	53,107
Thai Chori	Sales	6,023	4,442	87,345
	Purchases	50,316	59,825	77,043
	commission expense	8,082	4,224	12,049
	Other income	-	-	12
	Other expenses	-	511	-
Toray International America Inc.	Sales	-	1,365	8,599
	Purchases	-	4,245	-
Chori Co., Ltd.	Sales	17,095	13,983	12,439
	Purchases	84,265	253,684	344,478
	Other income	-	531	-

Company Name	Types of transaction	Value (in thousand Baht) *		
		March 31, 2022	March 31, 2021	March 31, 2020
Toray Textiles Central	Sales	-	-	1,168
Penfabric Sdn.Berhad	Sales	49,409	12	49
	Other income	87	-	-
	Purchases	-	91	-
Toray International Trading (Hongkong) Co., Ltd.	Sales	60,715	21,558	17,845
	Other income	77	175	-
	commission expense	2,306	420	2,895
	Other expenses	2,837	-	178
Toray Sakai Weaving & Dyeing (Nantong)	Sales	18,488	5,544	56
	Purchases	53,485	1,597	34,286
Toray Fibers (Nantong) Co.,Ltd.	Purchases	50,242	4,236	16,260
P.T.Easterntex	Purchases	208,990	19,238	48,951
	Other income	29,751	487	-
Toray International Trading (Thailand) Ltd.	Sales	596,977	543,676	551,954
	Other income	48	44	-
	Purchases	8,254	4,541	19,420
	Other expenses	-	696	114
Toray Hybrid Cord (Thailand) Ltd.	Sales	272,730	186,541	199,688
	Other income	2,983	3,396	2,688
	Purchases	145,713	91,802	44
Toray Advanced Textile Mexico, S.A.de C.V.	Other income	-	22	42
Toray Internatinal Italy S.r.l.	commission expense	197	203	193
Toray International (China) Co., Ltd.	Other income	-	-	84
	Purchases	30	33	-
	Other expenses	-	-	2,801
Chori Middle East FZE	Sales	2,621	-	-
Ichimura Sangyo Co.,Ltd.	Sales	18,267	6,361	10,848
	Other income	-	-	9
	Other expenses	20	-	-
Penovate Sdn. Berhad	Sales	4,062	4,619	5,945
	Purchases	8,324	-	-
PT.Indonesia Synthetic Textile Mills	Sales	-	-	204
	Purchases	-	-	16,655
So-Wa Textile Co.,Ltd.	Sales	33,809	19,490	7,525
PT.Chori Indonesia	Sales	65,143	28,671	7,351
PT.Toray International Indonesia	commission expense	285	93	46
Toray Industries(H.K.) Ltd.	Sales	434,581	714,698	341,521
	commission expense	-	-	8
	Other expenses	6,084	7,062	-

Company Name	Types of transaction	Value (in thousand Baht) *		
		March 31, 2022	March 31, 2021	March 31, 2020
Chori Vietnam Co.,Ltd.	Sales	1,332	62	-
	Purchases	36,281	-	-
Toray International Taipei, Inc.	Purchases	716	-	-
Toray Advanced Materials Korea Inc.	Purchases	7	-	-
P.T Century Textile Industry.	Other income	7,723	-	-
Total	Sales	2,361,005	2,191,412	2,281,041
	Other income	52,615	17,198	20,627
	Purchases	4,206,894	3,162,449	3,848,154
	Machines&Tools	40,752	-	1,062
	commission expense	77,054	63,861	75,321
	Service	24,742	25,697	32,669
	Other expenses	35,973	160,954	30,981

Policy or trend of related transactions in the future

In the future, the company considered the necessity in related transactions with above related parties and the transactions are necessary for business operating. However, the company has policy of conditions to be general trading or market price. Moreover, the company has the Audit Committee or Auditor consider the necessity and appropriateness of related transactions.

In addition, the Board of Directors will not approve any related transactions which directors or the other individuals may have some conflict of interest with the company and will disclose related transactions according to the Securities and Exchange law and regulations, notifications, orders, or requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand.

The Audit Committee will report to the Board of Directors for further improvement by the suitable time if found any transactions or actions that may cause the conflict of interest.





Financial Statements

See in Financial Statements for the year ended 31 March 2022

Toray Textiles (Thailand) Public Company Limited



Attachments

Attachment 1

1. Details of Directors, Management, Person having control the company. Person assigned the highest responsibility in accounting and finance, Persons assigned to be directly responsible for bookkeeping supervision, Company secretary and The Representative in case of foreign company

As of March 31, 2022

No.	Name-Surname/ Position/ The appointment date	Age (year)	Educational qualifications/ Training record	Shareholding proportion in company (%)	Family relationship between directors and executives	Work experiences in the past 5 years		
						Time period	Position	Organization/Company/Business type
1	Mr. Akihiro Maekawa Chairman of the Board of Director Managing Director Authorized Director July 1, 2019	54	Bachelor Degree of Textile Engineering Kyoto Institute of Technology	0.00% or 277 shares	None	2018 - 2019	Chairman and Managing Director Director	Luckytex (Thailand) Public Company Limited operates the business of manufacturing and distributing textiles Toray Industries (Thailand) Co., Ltd. operates the business of providing information services, consultation and supervision of affiliated companies Penfabric Sdn. Berhad (Malaysia) operates the operates the business of manufacturing and distributing textiles Toray Industries, Inc. operates business of manufacturing and distributing fibers, textiles, plastics, chemicals, IT related products, carbon fiber, environment and engineering products
* Holding position in another entity in the past year that has had a significant impact on the dedication of time - None -								
2	Mr. Masahide Matsumura Chairman of Executive Director Authorized Director October 28, 2020	64	Bachelor Degree of Chemical Engineering Faculty of Engineering Yokohama National University	None	None	2020 - present	President Executive Director Director Director Director	Toray Industries (Thailand) Co., Ltd. operates the business of providing information services, consultation and supervision of affiliated companies Toray Hybrid Cord (Thailand) Co., Ltd. operate the business of manufacturing fiber Toray International Trading (Thailand) Co., Ltd. operate the business of trading Thai Toray Synthetics Co., Ltd. operate the business of manufacturing and distributing plastic and synthetic fiber products Carbon Magic (Thailand) Co., Ltd. operate the business of carbon fiber Japan Vlene Co., Ltd. operate the business of manufactur- ing and distributing nonwoven fabric for apparel, medical supplies, electrical equipment, automotive materials and other industrial equipment"
* Holding position in another entity in the past year that has had a significant impact on the dedication of time - Have- As the main occupation is President of Toray Industries (Thailand) Co., Ltd								

* Holding position in another entity in the past year that has had a significant impact on the dedication of time - Have. As the main occupation is President of Toray Industries (Thailand) Co., Ltd.

No.	Name-Surname/ Position/ The appointment date	Age (year)	Educational qualifications/ Training record	Shareholding proportion in company (%)	Family relationship between directors and executives	Work experiences in the past 5 years		
						Time period	Position	Organization/Company/Business type
3	Mr. Chiaki Kojima Executive Director Authorized Director July 1, 2019	52	Bachelor Degree of Literature Faculty of Education Waseda University	None	None	2017 - 2019 2016 - 2017 2013 - 2016	Executive Director, Sales Division Sales Division Manager (Knittes Fabric) General Manager	Thai Toray Textile Mills Public Company Limited operates the business of manufacturing and distributing textiles Garment Production Department 2, Toray Industries (H.K) Limited operate the business of trading
* Holding position in another entity in the past yaer that has had a significant impact on the dedication of time - None -								
4	Mr. Yoshihiro Hamaguchi Executive Director Authorized Director July 1, 2019	51	Master degree of Mechanical Engineering Osaka University	None	None	2018 - 2019 2017 - 2018 2016	Director and General Manager, Production Division Director and Deputy General Manager, Production Division Assistant General Manager, Textiles Technical Dept.	Luckytex (Thailand) Public Company Limited operates the business of manufacturing and distributing textiles Toray Industries, Inc. operates business of manufacturing and distributing fibers, textiles, plastics, chemicals, IT related products, carbon fiber, environment and engineering products
* Holding position in another entity in the past yaer that has had a significant impact on the dedication of time - None -								
5	Mr. Ken Nakajima Executive Director Authorized Director The person taking the highest responsibility in finance and accounting July 1 , 2019	48	Bachelor Degree of Economics Faculty of Economics The University of Tokyo e-Learning CFO Refresh (English version)	None	None	2016 - present 2018 - 2019 2016 - 2019	Executive Director Executive Director Executive Director and General Manager, Administration Division	Toray Hybrid Cord (Thailand) Co., Ltd. operate the business of manufacturing fiber Thai Toray Textile Mills Public Company Limited operates the business of manufacturing and distributing textiles Luckytex (Thailand) Public Company Limited operates the business of manufacturing and distributing textiles
* Holding position in another entity in the past vaer that has had a significant impact on the dedication of time - None -								

Information on directors, executives, controlling person, the person assigned to take the highest responsibility in Accounting and Finance

No.	Name-Surname/ Position/ The appointment date	Age (year)	Educational qualifications/ Training record	Shareholding proportion in company (%)	Family relationship between directors and executives	Work experiences in the past 5 years		
						Time period	Position	Organization/Company/Business type
9	Mr. Prakit Pradipasen Independent Director Audit Committee July 1, 2019	78	Master degree of Business Administration Wayne State University United States of America	None	None	2004 - present 2004 - present 1990 - 2019	Audit Committee Chairman Independent Director and Chairman of Audit Committee	Susco Public Company Limited operates the business of energy and utilities business Diamond Building Products PLC. Operates the business of manufacturing and ditributing roof tiles Luckytex (Thailand) Public Company Limited operates the business of manufacturing and distributing textiles
	* Holding position in another entity in the past yaer that has had a significant impact on the dedication of time - Have. As the main occupation is Chairman of Diamond Building Products PLC.							
10	Mr. Ekchai Chansue Independent Director Audit Committee July 1, 2019	58	Master degree of ARTS Teaching (Government) Tarleton State University	0.00% or 92 shares	None	2018 - present 2018 - present	Director Director	Thai Bridgestone Company Limited operates the business of distribution of automobile tires Denso (Thailand) Company Limited operates the business of manufacturing and distributing parts of electrical equipment and air conditioning equipment
	* Holding position in another entity in the past yaer that has had a significant impact on the dedication of time - Have. As the main occupation are Director of Thai Bridgestone Company Limited and Denso (Thailand) Company Limited							
11	Mr. Yanchai Tantiratapong Independent Director Audit Committee July 1, 2019	58	Master degree of International Affairs Columbia University, USA Training by IOD ● Certificate of ACP /2009 ● Certificate of DCP /2009	None	None	2007 - present 2017 - 2019 2008 - 2017	Senior Vice President and Investment Department Manager Independent Director and Chairman of Audit Committee Independent Director and Audit Committee	Investment Department Bangkok Bank Public Company Limited operates the business of financial Thai Toray Textile Mills Public Company Limited operates the business of manufacturing and distributing textiles
	* Holding position in another entity in the past yaer that has had a significant impact on the dedication of time - Have. As the main occupation is Senior Vice President of Bangkok Bank Public Company Limited							

Information on directors, executives, controlling person, the person assigned to take the highest responsibility in Accounting and Finance

No.	Name-Surname/ Position/ The appointment date	Age (year)	Educational qualifications/ Training record	Shareholding proportion in company (%)	Family relationship between directors and executives	Work experiences in the past 5 years	
						Time period	Position Organization/Company/Business type
12	Mrs. Kwanjai Kiatkungwalgr Independent Director Audit Committee July 1, 2019	43	Master degree of Professional Accounting University of Texas at Austin ● Certificate of DCP /2019 ● Certificate of AACCP /2020	None	None	2008 - present	Certified Public Account and company partners ASV & Associates Limited operates the business of auditing services and provide tax advice

* Holding position in another entity in the past year that has had a significant impact on the dedication of time - Have. As the main occupation is Certified Public Account and company partners of ASV & Associates Limited

The person assigned to take direct responsibility for accounting supervision

No.	Name-Surname/ Position/ The appointment date	Age (year)	Educational qualifications/ Training record	Shareholding proportion in company (%)	Family relationship between directors and executives	Work experiences in the past 5 years	
						Time period	Position Organization/Company/Business type
1	Mrs. Wantana Mangkhalasawat The person supervising accounting April 1, 2020	52	Master degree of Business Administration (MBA) in Accounting Siam University ● Recognition problems of assets, liabilities and equity to comply with financial reporting standards (Accounting) 7 hours ● Accounting and key issues based on NPAEs (Accounting) 6.5 hours	None	None	2019 - present 2017 - 2019	General Manager of Accounting Dept. General Manager of Accounting Dept. Luckytex (Thailand) Public Company Limited operates the business of manufacturing and distributing textiles Thai Toray Textile Mills Public Company Limited operates the business of manufacturing and distributing textiles

Company Secretary

No.	Name-Surname/ Position/ The appointment date	Age (year)	Educational qualifications/ Training record	Shareholding proportion in company (%)	Family relationship between directors and executives	Work experiences in the past 5 years		
						Time period	Position	Organization/Company/Business type
1	Ms. Chintana Temphuwapat Company Secretary July 1, 2019	51	Graduate Diploma in Human Resources Management Sasin Graduate Institute of Business Administration of Chulalongkorn University ● Fundamentals Practice for Corporate Secretaries 2019	None	None	2015 - 2019	General Manager of Human Resources and General Affairs Dept.	Luckytex (Thailand) Public Company Limited operates the business of manufacturing and distributing textiles

Composition and Qualification of Company Secretary

1. Must have basic knowledge of the principles of law and regulations of regulatory institution relating to the law on Public Limited Companies and the law on Securities and Exchange
2. Must have knowledge and understanding of good corporate governance principles and good practice on corporate governance
3. Must have knowledge of the company's business and good communication skills

Scope of Duties and Responsibilities of the Company Secretary

1. To prepare and gather important documents as follows:
 - (A) Directors registration
 - (B) Invitation letters of the Company's Board of Directors, minutes of Board of Director's meeting and the Company's annual reports.
 - (C) Invitation letters of the shareholders' meeting and minutes of the shareholders' meeting.
2. To prepare and collect reports on financial interests as reported by the Company's Board of Directors and Executive Directors.
3. To carry out other activities as stated by the Capital Market Supervisory Board.
4. To provide preliminary advice and recommendations pertaining to legal, regulatory, and governance issues and practices related to the Board of Directors and monitor to ensure the compliance with the said rules and regulations on the accurate and regular basis as well as report changes which are deemed significant to the directors.
5. To prepare important reports/information and/or summarize the resolutions of the meeting of the Company's Board of Directors to report to the Stock Exchange of Thailand both in Thai and English version.
6. To inform the resolutions and policies of the Company's Board of Directors and shareholders to related Executive Directors and closely monitor the implementations according the said resolutions and policies.
7. To contact and cooperate with supervisory agencies such as the Stock Exchange of Thailand, the Securities and Exchange Commission Office and the Commerce Ministry.
8. To contact and communicate with the shareholders and take care of the shareholders deemed as appropriate about the rights of the shareholders and the Company's information.
9. To ensure the Company and the Board of Directors complies with the laws and regulations of the Securities and Exchange Commission, the Stock Exchange of Thailand and relevant laws.
10. To manage the secretary office to serve as the center for corporate records such as the juristic person register, the Memorandum of Associations and Articles of Associations, business licenses.
11. To take care of the Board of Directors' activities.

2. Position holding of director, executive and controlling person of subsidiaries, associated companies or related companies

Director and Executive	TTT	Subsidiar- ies	Associated Companies	Related Companies									
		-None-	-None-	TTH	THCT	TITH	TTS	CMTH	SUSCO	DBP	Bridge stone	Denso	ASV
1. Mr. Masahide Matsumura													
2. Mr. Akihiro Maekawa	X												
3. Mr. Chiaki Kojima	//												
4. Mr. Yoshihiro Hamaguchi	//												
5. Mr. Ken Nakajima	//				//								
6. Mr. Yoshinobu Gamo	//												
7. Mr. Kriangsak Kongsiri	//												
8. Mr. Pichai Amranun	//												
9. Mr. Prakit Pradipasen	/								X	X			
10. Mr. Ekchai Chansue	/										/	/	
11. Mr. Yanchai Tantiratapong	/												
12. Mrs. Kwunjai Kiatgungwalgri	/												//

หมายเหตุ

X = Chairman // = Executive Director / = Director

List of related companies of the Company

TTT	Toray Textiles (Thailand) Public Company Limited
TTH	Toray Industries (Thailand) Company Limited
THCT	Toray Hybrid Cord (Thailand) Company Limited
TITH	Toray International Trading (Thailand) Company Limited
TTS	Thai Toray Synthetics Company Limited
CMTH	Carbon Magic (Thailand) Company Limited
SUSCO	Susco Public Company Limited
DBP	Daimond Building Products Public Company Limited
BRIDGESTONE	Thai Bridgestone Company Limited
DENSO	Denso (Thailand) Company Limited
ASV	ASV and Associated Company Limited

3. Disciplinary records of directors, executives and controlling persons

All directors, executives and controlling persons if the Company have no record of being punished in the past 5 years on account of wrongful acts under the SEA B.E. 2535 (1992) or the Derivatives Act B.E. 2546 (2003)

Attachment 2

Details of Directors of Subsidiary

None

Attachment 3

Details of the Chief of Internal Audit and Chief of the Compliance Control

Chief of Internal Audit

The Company has appointed Toray Industries, Inc., Auditing Department, to be internal audit. The chain of command directly reports to the Audit Committee and the Audit Committee participates in the evaluation of the internal audit.

Chief of the Compliance Control

None

Attachment 4

Operating Assets and Report of Assets Evaluation

Operating Assets

Details are reported on page 19

Report of Assets Evaluation

None

Attachment 5

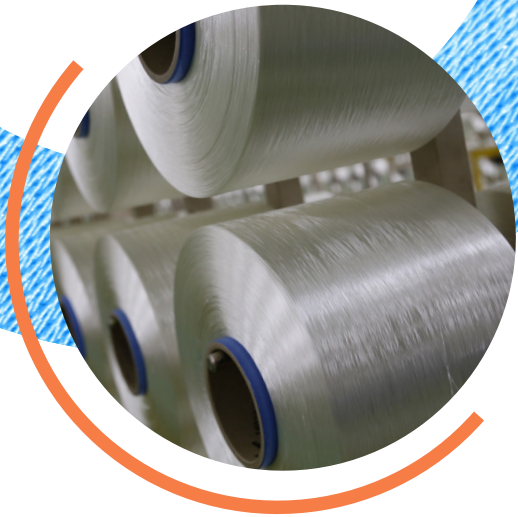
Full Version and Guideline of the Corporate Governance Policy and Corporate Ethics

Details are reported on page 49-57

Attachment 6

Report of the Audit Committee

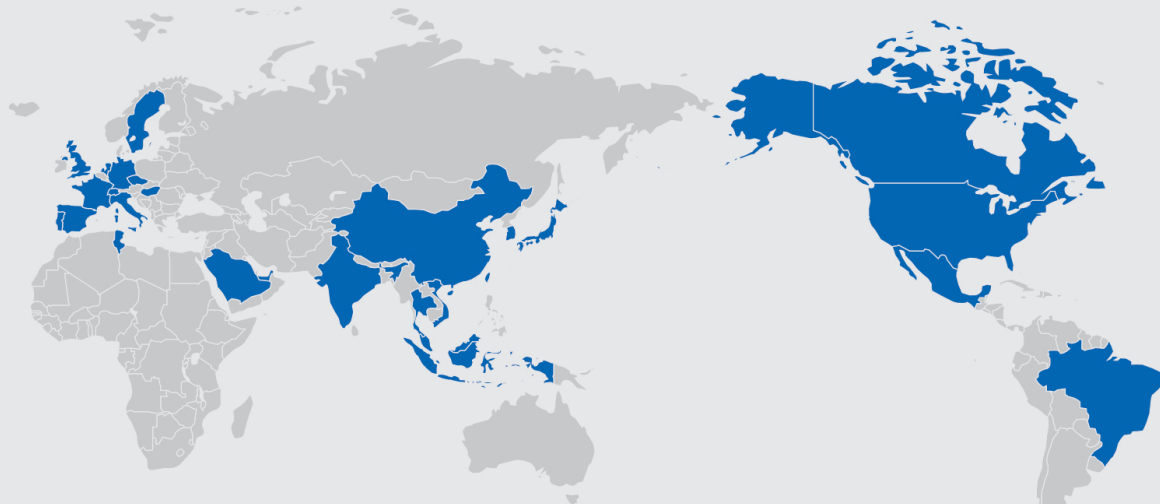
Details are reported on page 73-74



Toray Group Worldwide Network

Toray Group operates businesses in 29 countries and regions including Japan.

308 subsidiaries and affiliates (267 subsidiaries and 41 affiliates, etc.)



Japan

Consolidated Subsidiaries

- Ichimura Sangyo, Co., Ltd.
- Toray Plastics Precision Co., Ltd.
- Toray Fine Chemicals Co., Ltd.
- Soda Aromatic Co., Ltd.
- Toray Advanced Film Co., Ltd.
- Suido Kiko Kaisha, Ltd.
- Toray Construction Co., Ltd.
- Toray Engineering Co., Ltd.
- Toray Medical Co., Ltd.
- Toray Systems Center, Inc.
- Toray Enterprise Corp.
- Toray International, Inc.
- Chori Co., Ltd.

Affiliates Accounted for by Equity Method

- Du Pont-Toray Co., Ltd.
- Toray Opelontex Co., Ltd.
- Japan Vilene Company, Ltd.
- Dow Toray Co., Ltd.
- Sanyo Chemical Industries, Ltd.

United Kingdom

Consolidated Subsidiaries

- Toray Textiles Europe Ltd.

Italy

Consolidated Subsidiaries

- Alcantara S.p.A.

France

Consolidated Subsidiaries

- Toray Films Europe S.A.S.
- Toray Carbon Fibers Europe S.A.

China

Consolidated Subsidiaries

- ● Toray Fibers (Nantong) Co., Ltd.
- Toray Sakai Weaving & Dyeing (Nantong) Co., Ltd.
- Toray Polytech (Nantong) Co., Ltd.
- Toray Industries (H.K.) Ltd.
- Toray Plastics (China) Co., Ltd.
- Toray Industries (China) Co., Ltd.

Affiliates Accounted for by Equity Method

- Pacific Textiles Holdings Ltd.

Republic of Korea

Consolidated Subsidiaries

- ■ ■ Toray Advanced Materials Korea Inc.
- Toray Battery Separator Film Korea Limited
- STEMCO, Ltd.

Affiliates Accounted for by Equity Method

- STECO, Ltd.

Malaysia

Consolidated Subsidiaries

- Penfabric Sdn. Berhad
- ■ Penfibre Sdn. Berhad
- Toray Plastics (Malaysia) Sdn. Berhad

Indonesia

Consolidated Subsidiaries

- ■ P.T. Indonesia Toray Synthetics
- P.T. Toray Polytech Jakarta

Thailand

Consolidated Subsidiaries

- Toray Textiles (Thailand) Public Company Limited
- ■ Thai Toray Synthetics Co., Ltd.

U.S.A.

Consolidated Subsidiaries

- Toray Plastics (America), Inc.
- Toray Resin Co.
- Toray Composite Materials America, Inc.
- Zoltek Companies, Inc.
- Toray Advanced Composites USA Inc.

Others

- Fibers & Textiles
- Performance Chemicals
- Carbon Fiber Composite Materials
- Environment & Engineering
- Life Science
- Others
- Trading

Major Offices and Plants in Japan

Osaka Head Office

Branches

Nagoya, Hokuriku, Kyushu, Tohoku, Chugoku & Shikoku

Plants

Shiga, Seta, Ehime, Nagoya, Tokai, Aichi, Okazaki, Mishima, Chiba, Tsuchiura, Gifu, Ishikawa, Nasu

Overseas Offices

U.S.A.

Toray Industries (America), Inc.

Germany

Toray Industries Europe GmbH

China

Toray Industries, Inc., Beijing Office

Republic of Korea

Toray Industries Korea Inc.

India

Toray Industries (India) Private Limited

Brazil

Toray do Brasil Ltda.



'TORAY'

Innovation by Chemistry

TORAY TEXTILES (THAILAND) PUBLIC COMPANY LIMITED

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Website : <http://www.toray.co.th>



Innovation by Chemistry

TORAY TEXTILES (THAILAND) PUBLIC COMPANY LIMITED



FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022





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Website home.kpmg/th

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Independent Auditor's Report

To the Shareholders of Toray Textiles (Thailand) Public Company Limited

Opinion

I have audited the financial statements in which the equity method is applied and separate financial statements of Toray Textiles (Thailand) Public Company Limited (the "Company"), which comprise the statement of financial position in which the equity method is applied and separate statement of financial position as at 31 March 2022, the related statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements in which the equity method is applied and separate financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2022 and its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRSs").

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing ("TSAs"). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements in which the Equity Method is Applied and Separate Financial Statements* section of my report. I am independent of the Company in accordance with Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that are relevant to my audit of the financial statements in which the equity method is applied and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements in which the equity method is applied and separate financial statements of the current period. These matters were addressed in the context of my audit of the financial statements in which the equity method is applied and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Valuation of inventories	
Refer to Note 3 (f) and 9 to the financial statements	
The key audit matter	How the matter was addressed in the audit
The Company operates in a highly competitive market, which is impacting the fluctuation of selling price in relevance to market price. The Company is required to measure its inventories at the lower of cost and net realisable value. In this regard, the Company considers its slow-moving inventories and declining in value of inventories. The estimation of net realisable value of inventories involves management's judgement, and the Company's ending balance of inventories are significant. Therefore, this was an area of focus in my audit.	My audit procedures included the following: - inquired of the management to obtain an understanding of the management's judgments and assumptions used to estimate net realisable value of inventories, including the design and implementation of the related internal controls; - verified the accuracy of the inventory aging report on a sample basis with supporting documents; - evaluated the management's assumptions used to identify slow-moving inventories with supporting documents; - sampling items to test the estimated net realisable value of inventories and related selling expenses with supporting documents; and - evaluated the adequacy of the disclosures in accordance with the relevant Thai Financial Reporting Standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements in which the equity method is applied and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements in which the equity method is applied and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements in which the equity method is applied and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements in which the equity method is applied and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.





Responsibilities of Management and Those Charged with Governance for the Financial Statements in which the Equity Method is Applied and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in which the equity method is applied and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements in which the equity method is applied and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements in which the equity method is applied and separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements in which the Equity Method is Applied and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements in which the equity method is applied and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements in which the equity method is applied and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements in which the equity method is applied and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements in which the equity method is applied and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements in which the equity method is applied and separate financial statements, including the disclosures, and whether the financial statements in which the equity method is applied and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of equity-accounted investees of the Company to express an opinion on the financial statements in which the equity method is applied. I am responsible for the direction, supervision and performance of the financial statements in which the equity method is applied. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements in which the equity method is applied and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(Munchupa Singsuksawat)
Certified Public Accountant
Registration No. 6112

KPMG Phoomchai Audit Ltd.
Bangkok
20 May 2022

Toray Textiles (Thailand) Public Company Limited

Statement of financial position

		Financial statements in which the equity method is applied		Separate financial statements	
		31 March		31 March	
Assets	Note	2022	2021	2022	2021
		(in Baht)			
Current assets					
Cash and cash equivalents	6	416,366,863	447,021,978	416,366,863	447,021,978
Trade accounts receivable	5, 7, 23	1,639,937,888	1,519,909,712	1,639,937,888	1,519,909,712
Other current receivables	5, 8	125,266,214	232,157,305	125,266,214	232,157,305
Inventories	9	1,501,483,185	1,170,282,717	1,501,483,185	1,170,282,717
Total current assets		3,683,054,150	3,369,371,712	3,683,054,150	3,369,371,712
Non-current assets					
Other non-current financial assets		104,177,870	99,936,870	104,177,870	99,936,870
Investment in associate	10	1,579,851,637	1,513,114,870	503,989,845	503,989,845
Investment properties		2,277,288	3,158,257	2,277,288	3,158,257
Property, plant and equipment	11	2,461,696,643	2,917,023,680	2,461,696,643	2,917,023,680
Right-of-use assets	12	296,920,460	331,220,160	296,920,460	331,220,160
Intangible assets		56,491,885	67,475,284	56,491,885	67,475,284
Deferred tax assets	20	268,777,143	251,263,542	268,777,143	251,263,542
Other non-current assets		4,252,273	4,244,273	4,252,273	4,244,273
Total non-current assets		4,774,445,199	5,187,436,936	3,698,583,407	4,178,311,911
Total assets		8,457,499,349	8,556,808,648	7,381,637,557	7,547,683,623

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

Toray Textiles (Thailand) Public Company Limited

Statement of financial position

		Financial statements in which the equity method is applied 31 March		Separate financial statements 31 March	
Liabilities and equity	Note	2022	2021	2022	2021
		(in Baht)			
Current liabilities					
Trade accounts payable	5	610,753,295	577,138,524	610,753,295	577,138,524
Other current payables	5, 13	250,605,667	314,086,669	250,605,667	314,086,669
Current portion of lease liabilities	12, 14	31,581,786	30,450,276	31,581,786	30,450,276
Total current liabilities		892,940,748	921,675,469	892,940,748	921,675,469
Non-current liabilities					
Non-current deferred income	5	22,090,391	27,023,950	22,090,391	27,023,950
Lease liabilities	12, 14	302,147,244	329,050,421	302,147,244	329,050,421
Non-current provisions for employee benefits	15	330,375,877	332,372,973	330,375,877	332,372,973
Total non-current liabilities		654,613,512	688,447,344	654,613,512	688,447,344
Total liabilities		1,547,554,260	1,610,122,813	1,547,554,260	1,610,122,813
Equity					
Share capital					
Authorised share capital (57,840,000 ordinary shares, par value at Baht 10 per share)		578,400,000	578,400,000	578,400,000	578,400,000
Issued and paid-up share capital (57,840,000 ordinary shares, par value at Baht 10 per share)		578,400,000	578,400,000	578,400,000	578,400,000
Share premium	16	333,489,160	333,489,160	333,489,160	333,489,160
Retained earnings:					
Appropriated					
Legal reserve	16	72,840,000	72,840,000	72,840,000	72,840,000
General reserve	16	825,000,000	825,000,000	825,000,000	825,000,000
Unappropriated		5,102,809,026	5,143,086,254	4,027,090,652	4,133,960,965
Other components of equity	16	(2,593,097)	(6,129,579)	(2,736,515)	(6,129,315)
Total equity		6,909,945,089	6,946,685,835	5,834,083,297	5,937,560,810
Total liabilities and equity		8,457,499,349	8,556,808,648	7,381,637,557	7,547,683,623

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

Toray Textiles (Thailand) Public Company Limited
Statement of income

		Financial statements in which the equity method is applied Year ended 31 March		Separate financial statements Year ended 31 March	
	Note	2022	2021	2022	2021
		(in Baht)			
Revenues					
Revenue from sale of goods	5	8,203,683,891	6,449,977,706	8,203,683,891	6,449,977,706
Dividend income	5	1,580,466	2,057,935	27,162,325	64,076,342
Interest income		631,589	2,395,299	631,589	2,395,299
Other income	5	63,814,526	24,443,540	63,814,526	24,443,540
Net foreign exchange gain		48,292,548	36,060,180	48,292,548	36,060,180
Total revenues		8,318,003,020	6,514,934,660	8,343,584,879	6,576,953,067
Expenses					
Cost of sale of goods	5, 9, 19	7,868,722,508	6,623,262,463	7,868,722,508	6,623,262,463
Distribution costs	5, 19	326,642,463	244,949,555	326,642,463	244,949,555
Administrative expenses	5, 19	205,775,464	374,589,703	205,775,464	374,589,703
Total expenses		8,401,140,435	7,242,801,721	8,401,140,435	7,242,801,721
Loss from operating activities		(83,137,415)	(727,867,061)	(57,555,556)	(665,848,654)
Finance costs		(19,448,228)	(40,283,384)	(19,448,228)	(40,283,384)
Share of profit of associate accounted for using equity method	10	88,051,821	46,836,239	-	-
Loss before income tax		(14,533,822)	(721,314,206)	(77,003,784)	(706,132,038)
Income tax income	20	(20,284,135)	(153,759,269)	(20,284,135)	(153,759,269)
Profit (loss) for the year		5,750,313	(567,554,937)	(56,719,649)	(552,372,769)
Basic earnings (loss) per share (in Baht)	21	0.10	(9.81)	(0.98)	(9.55)

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

Toray Textiles (Thailand) Public Company Limited
Statement of comprehensive income

	Note	Financial statements in which the equity method is applied Year ended 31 March		Separate financial statements Year ended 31 March	
		2022	2021	2022	2021
		(in Baht)			
Profit (loss) for the year		5,750,313	(567,554,937)	(56,719,649)	(552,372,769)
Other comprehensive income					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating financial statements	10	143,682	(62,663)	-	-
Total items that will be reclassified subsequently to profit or loss		143,682	(62,663)	-	-
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Gain (loss) on investments in equity instruments designated at FVOCI		4,241,000	(17,157,550)	4,241,000	(17,157,550)
Gain on remeasurement of defined benefit plan	15	9,611,670	-	9,611,670	-
Income tax relating to item that will not be reclassified	20	(2,770,534)	3,431,510	(2,770,534)	3,431,510
Share of other comprehensive income of associate accounted for using equity method, net of tax	10	4,123,123	-	-	-
Total items that will not be reclassified subsequently to profit or loss		15,205,259	(13,726,040)	11,082,136	(13,726,040)
Other comprehensive income (expense) for the year, net of income tax		15,348,941	(13,788,703)	11,082,136	(13,726,040)
Total comprehensive income (expense) for the year		21,099,254	(581,343,640)	(45,637,513)	(566,098,809)

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

Toray Textiles (Thailand) Public Company Limited
Statement of changes in equity

Financial statements in which the equity method is applied

	Note	Retained earnings							Other components of equity		
		Appropriated							Total other components of equity		
		Issued and paid-up share capital	Share premium	Legal reserve	General reserve	Unappropriated (in Baht)	Translation reserve	Fair value reserve	Total other components of equity	Total equity	
Year ended 31 March 2021											
Balance at 1 April 2020		578,400,000	333,489,160	72,840,000	825,000,000	5,837,889,191	62,399	7,596,725	7,659,124	7,655,277,475	
Transactions with owners, recorded directly in equity											
Dividends	22	-	-	-	-	(127,248,000)	-	-	-	(127,248,000)	
Total transactions with owners, recorded directly in equity		-	-	-	-	(127,248,000)	-	-	-	(127,248,000)	
Comprehensive expense for the year											
Loss		-	-	-	-	(567,554,937)	-	-	-	(567,554,937)	
Other comprehensive expense		-	-	-	-	-	(62,663)	(13,726,040)	(13,788,703)	(13,788,703)	
Total comprehensive expense for the year		-	-	-	-	(567,554,937)	(62,663)	(13,726,040)	(13,788,703)	(581,343,640)	
Balance at 31 March 2021		578,400,000	333,489,160	72,840,000	825,000,000	5,143,086,254	(264)	(6,129,315)	(6,129,579)	6,946,685,835	
Year ended 31 March 2022											
Balance at 1 April 2021		578,400,000	333,489,160	72,840,000	825,000,000	5,143,086,254	(264)	(6,129,315)	(6,129,579)	6,946,685,835	
Transactions with owners, recorded directly in equity											
Dividends	22	-	-	-	-	(57,840,000)	-	-	-	(57,840,000)	
Total transactions with owners, recorded directly in equity		-	-	-	-	(57,840,000)	-	-	-	(57,840,000)	
Comprehensive income for the year											
Profit		-	-	-	-	5,750,313	-	-	-	5,750,313	
Other comprehensive income		-	-	-	-	11,812,459	143,682	3,392,800	3,536,482	15,348,941	
Total comprehensive income for the year		-	-	-	-	17,562,772	143,682	3,392,800	3,536,482	21,099,254	
Balance at 31 March 2022		578,400,000	333,489,160	72,840,000	825,000,000	5,102,809,026	143,418	(2,736,515)	(2,593,097)	6,909,945,089	

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

Toray Textiles (Thailand) Public Company Limited
Statement of changes in equity

		Separate financial statements					
Note	Issued and paid-up share capital	Share premium	Retained earnings			Other components of equity	
			Appropriated		Unappropriated (in Baht)	Fair value reserve	Total other components of equity
			Legal reserve	General reserve			
	578,400,000	333,489,160	72,840,000	825,000,000	4,813,581,734	7,596,725	6,630,907,619
Year ended 31 March 2021							
Balance at 1 April 2020							
Transactions with owners, recorded directly in equity							
Dividends	-	-	-	-	(127,248,000)	-	(127,248,000)
Total transactions with owners, recorded directly in equity	-	-	-	-	(127,248,000)	-	(127,248,000)
Comprehensive expense for the year							
Loss	-	-	-	-	(552,372,769)	-	(552,372,769)
Other comprehensive expense	-	-	-	-	-	(13,726,040)	(13,726,040)
Total comprehensive expense for the year	-	-	-	-	(552,372,769)	(13,726,040)	(566,098,809)
Balance at 31 March 2021	578,400,000	333,489,160	72,840,000	825,000,000	4,133,960,965	(6,129,315)	5,937,560,810
Year ended 31 March 2022							
Balance at 1 April 2021	578,400,000	333,489,160	72,840,000	825,000,000	4,133,960,965	(6,129,315)	5,937,560,810
Transactions with owners, recorded directly in equity							
Dividends	-	-	-	-	(57,840,000)	-	(57,840,000)
Total transactions with owners, recorded directly in equity	-	-	-	-	(57,840,000)	-	(57,840,000)
Comprehensive expense for the year							
Loss	-	-	-	-	(56,719,649)	-	(56,719,649)
Other comprehensive income	-	-	-	-	7,689,336	3,392,800	11,082,136
Total comprehensive expense for the year	-	-	-	-	(49,030,313)	3,392,800	(45,637,513)
Balance at 31 March 2022	578,400,000	333,489,160	72,840,000	825,000,000	4,027,090,652	(2,736,515)	5,834,083,297

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

Toray Textiles (Thailand) Public Company Limited
Statement of cash flows

		Financial statements		Separate	
		in which the equity		financial statements	
		method is applied			
		Year ended 31 March		Year ended 31 March	
	Note	2022	2021	2022	2021
		(in Baht)			
Cash flows from operating activities					
Loss before income tax for the year		(14,533,822)	(721,314,206)	(77,003,784)	(706,132,038)
Adjustments to reconcile loss to cash receipts (payments)					
Finance costs		19,448,228	40,283,384	19,448,228	40,283,384
Depreciation and amortisation		612,327,866	698,469,519	612,327,866	698,469,519
Impairment loss on machinery and equipment	11	300,000	120,560,151	300,000	120,560,151
Shortfall surcharge for purchase of raw materials	19	-	106,681,593	-	106,681,593
Provision for claim		-	5,363,263	-	5,363,263
Provision for employee benefits	15	27,823,203	27,097,115	27,823,203	27,097,115
Unrealised gain on foreign exchange rate		(15,151,357)	(37,953,129)	(15,151,357)	(37,953,129)
Loss (reversal of) on inventories devaluation	9	12,064,921	(30,340,005)	12,064,921	(30,340,005)
(Gain) loss on disposals of plant and equipment, right-of-use assets and intangible assets		(40,661,458)	42,909,387	(40,661,458)	42,909,387
Loss on disposals of other non-current financial assets		-	180,000	-	180,000
Recognised of deferred income		(4,933,559)	(4,933,559)	(4,933,559)	(4,933,559)
Share of profit of associate accounted for using equity method	10	(88,051,821)	(46,836,239)	-	-
Dividends income		(1,580,466)	(2,057,935)	(27,162,325)	(64,076,342)
Interest income		(631,589)	(2,395,299)	(631,589)	(2,395,299)
		506,420,146	195,714,040	506,420,146	195,714,040
Change in operating assets and liabilities					
Trade accounts receivable		(116,717,531)	124,087,421	(116,717,531)	124,087,421
Other current receivables		115,435,828	(107,663,398)	115,435,828	(107,663,398)
Inventories		(343,265,389)	295,097,240	(343,265,389)	295,097,240
Other non-current assets		(8,000)	(69,257)	(8,000)	(69,257)
Trade accounts payable		42,689,694	17,591,834	42,689,694	17,591,834
Other current payables		(57,337,920)	(24,032,090)	(57,337,920)	(24,032,090)
Net cash generated from operating activities		147,216,828	500,725,790	147,216,828	500,725,790
Employee benefits paid	15	(20,208,629)	(23,714,807)	(20,208,629)	(23,714,807)
Income tax paid		-	(29,889,469)	-	(29,889,469)
Net cash from operating activities		127,008,199	447,121,514	127,008,199	447,121,514
Cash flows from investing activities					
Proceed from disposals of other non-current financial assets		-	600,000	-	600,000
Acquisition of plant and equipment		(110,953,669)	(82,104,454)	(110,953,669)	(82,104,454)
Proceed from disposals of plant and equipment and intangible assets		32,077,669	5,838,742	32,077,669	5,838,742
Acquisition of intangible assets		(599,635)	(6,635,395)	(599,635)	(6,635,395)
Dividends received		27,162,325	64,076,342	27,162,325	64,076,342
Interest received		631,589	3,155,792	631,589	3,155,792
Net cash used in investing activities		(51,681,721)	(15,068,973)	(51,681,721)	(15,068,973)

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

Toray Textiles (Thailand) Public Company Limited
Statement of cash flows

		Financial statements in which the equity method is applied Year ended 31 March		Separate financial statements Year ended 31 March	
	Note	2022	2021	2022	2021
		(in Baht)			
Cash flows from financing activities					
Repayment of long-term borrowings from financial institution		-	(1,056,600,000)	-	(1,056,600,000)
Payment of lease liabilities		(51,076,464)	(49,474,866)	(51,076,464)	(49,474,866)
Dividends paid to owners of the Company	22	(57,840,000)	(127,248,000)	(57,840,000)	(127,248,000)
Finance costs paid		-	(20,724,182)	-	(20,724,182)
Net cash used in financing activities		(108,916,464)	(1,254,047,048)	(108,916,464)	(1,254,047,048)
Net decrease in cash and cash equivalents,					
before effect of exchange rates		(33,589,986)	(821,994,507)	(33,589,986)	(821,994,507)
Effect of exchange rate changes on cash and cash equivalents		2,934,871	3,655,473	2,934,871	3,655,473
Net decrease in cash and cash equivalents		(30,655,115)	(818,339,034)	(30,655,115)	(818,339,034)
Cash and cash equivalents at beginning of year		447,021,978	1,265,361,012	447,021,978	1,265,361,012
Cash and cash equivalents at ending of year	6	416,366,863	447,021,978	416,366,863	447,021,978
Supplemental disclosures of cash flows information:					
Property, plant and equipment purchased during the year are detailed as follows:					
Increase in property, plant and equipment during the year	11	104,846,117	68,420,175	104,846,117	68,420,175
Changes in payables for purchase of machinery and equipment		6,107,552	13,684,279	6,107,552	13,684,279
Purchase of property, plant and equipment paid by cash		110,953,669	82,104,454	110,953,669	82,104,454
Non-cash transaction					
Receivables from disposal of machinery and equipment		8,634,786	-	8,634,786	-
Right-of-use assets acquire by way of lease liabilities		5,742,006	45,493,226	5,742,006	45,493,226

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

Toray Textiles (Thailand) Public Company Limited
Notes to the financial statements
For the year ended 31 March 2022

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Toray Textiles (Thailand) Public Company Limited
Notes to the financial statements
For the year ended 31 March 2022

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Directors on 20 May 2022.

1 General information

Toray Textiles (Thailand) Public Company Limited, the “Company”, is incorporated in Thailand which established from the amalgamation between Luckytex (Thailand) Public Company Limited and Thai Toray Textile Mills Public Company Limited. The Company was registered in Thailand and was listed on the Stock Exchange of Thailand on 1 July 2019 (the date of amalgamation).

The ultimate parent company during the financial year was Toray Industries, Inc. which was incorporated in Japan.

The principal activities of the Company are the manufacturing of textile consisting of spun fabric, filament fabric, woven fabric, knitted fabric and denim yarn; and industrial material product consisting of cord for rubber material reinforcement, fabric for airbags, canvas and car seat fabric.

2 Basis of preparation of the financial statements

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies are described in note 3 to the financial statements have been applied consistently to all periods presented in these financial statements.

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Company’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3 Significant accounting policies

(a) Investment in associate

Investment in associate in the separate financial statements is measured at cost less allowance for impairment losses. Investment in associate in the financial statements in which the equity method is applied is accounted for using the equity method. Dividend income is recognised in profit or loss on the date on which the Company’s right to receive payment is established. If the Company disposes of part of its investment, the deemed cost of the part sold is determined using the weighted average method. Gains and losses on disposal of the investments are recognised in profit or loss.

(b) Foreign currencies

Transactions in foreign currencies including non-money assets and liabilities denominated in foreign currencies are translated to the functional currencies at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date.

Foreign currency differences are generally recognised in profit or loss.

Toray Textiles (Thailand) Public Company Limited
Notes to the financial statements
For the year ended 31 March 2022

(c) Financial instruments

(c.1) Classification and measurement

Financial assets and financial liabilities (except trade accounts receivable (see note 3(e) to the financial statements)) are initially recognised when the Company becomes a party to the contractual provisions of the instrument, and measured at fair value, taking into account for transaction costs that are directly attributable to its acquisition, except for financial assets and financial liabilities measured at FVTPL, which are initially and subsequently measured at fair value, and any transaction costs that are directly attributable to its acquisition are recognised in profit or loss.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or fair value through profit or loss (FVTPL). Financial assets are not reclassified subsequent to their initial recognition unless the Company 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 amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

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

Equity investments measured at FVOCI are subsequently measured at fair value. Dividend income is recognised as income in profit or loss on the date on which the Company's right to receive payment is established, unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income ("OCI") and are never reclassified to profit or loss.

(c.2) Derecognition and offsetting

The Company derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and the Company intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Toray Textiles (Thailand) Public Company Limited
Notes to the financial statements
For the year ended 31 March 2022

(c.3) Derivatives

Derivative are recognised at fair value and remeasured at fair value at each reporting date. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

(c.4) Impairment of financial assets other than trade accounts receivable

The Company recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

The Company recognises 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, 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 Company 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 of the debtor 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 Company.

The Company considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

(c.5) Write-offs

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(c.5) Interest

The gross carrying amount of a financial asset is written off when the Company has no reasonable Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments which has a maturity of three months or less from the date of acquisition.

Toray Textiles (Thailand) Public Company Limited

Notes to the financial statements

For the year ended 31 March 2022

(e) Trade accounts receivable

A trade receivable is recognised when the Company has an unconditional right to receive consideration. A trade receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Company estimates lifetime expected credit losses (ECLs), using a provision matrix to find ECLs rate. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle. Cost includes direct costs incurred in acquiring the inventories. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

(g) Investment properties

Investment properties are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the investment properties. The cost of self-constructed assets includes capitalised borrowing costs.

Depreciation is calculated on a straight-line basis over the estimated useful lives of each property and recognised in profit or loss. The Company does not charge depreciation on freehold land.

The estimated useful lives are as follows:

Buildings and improvements	10, 12 and 20 years
----------------------------	---------------------

Differences between the proceeds from disposal and the carrying amount of investment properties are recognised in profit or loss.

(h) Property, plant and equipment

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

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss.

Toray Textiles (Thailand) Public Company Limited
Notes to the financial statements
For the year ended 31 March 2022

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item when the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land and assets under construction and installation.

The estimated useful lives are as follows:

Buildings and improvements	5 - 30	years
Machinery and equipment	5 - 20	years
Furniture, fixtures and office equipment	3 - 15	years
Vehicles	5 and 10	years

(i) Intangible assets

Intangible assets that are acquired by the Company are software licences, and have finite useful lives are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it will generate the future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss.

The estimated useful lives are as follows:

Software licences	3 - 10	years
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(j) Lease

At inception of a contract, the Company assesses that a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement or on modification of a contract, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases, the Company has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

The Company recognises 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 is recognised as an expense on a straight-line basis over the lease term.

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Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. 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 Company by the end of the lease term or the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Company uses the Company's incremental borrowing rate to discount the lease payments to the present value. The Company 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 lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification, or a change in lease term, change in lease payments or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(k) *Impairment of non-financial assets*

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount are estimated.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount, unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses of assets recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(l) *Deferred income*

Deferred income represents a cash received from parent company as an unconditional subsidy in respect of the cost of purchase of new machines for increasing the efficiency in production and reducing air pollution from production. The deferred income will be recognised as income in profit or loss on the straight-line basis over the estimated useful life of the machines of 10 years from the date that they are ready for use.

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(m) Employee benefits

Defined contribution plans

Obligations for contributions to the Company's provident funds are expensed as the related service is provided.

Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed by qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Company 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 recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(n) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(o) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

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When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable inputs.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received.

(p) Revenue

(1) Revenue recognition

Revenue is recognised when a customer obtains control of the goods in an amount that reflects the consideration to which the Company 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

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers. For the sales that permit the customers to return the goods, the Company estimates the returns based on the historical return data, does not recognise revenue for this transaction and remains recognition of inventory for the estimated products to be returned.

Advances received from customers

Advances received from customers are recognised as revenue when the Company transferred control over the goods to the customers.

(2) Contract balances

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

(q) Other income

Other income is recognised in profit or loss based on accrual basis.

Toray Textiles (Thailand) Public Company Limited
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(r) Income tax

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

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company 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 reporting date. Current deferred tax assets and liabilities are offset in the separate financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(s) Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

4 Impact of COVID-19 pandemic

Due to COVID-19 pandemic, Thailand and many other countries have enacted several protective measures against the pandemic, e.g. the order to temporarily shut down operating facilities or reduce operating hours, social distancing, etc. This has significantly affected world economy, production, supply chain of goods and business operation of many entities in wide areas. The management is closely monitoring the situation to ensure the safety of the Company's staff and to manage the negative impact on the business as much as possible.

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Notes to the financial statements

For the year ended 31 March 2022

5 Related parties

A related party is a person or entity that has direct or indirect control or has significant influence over the financial and managerial decision-making of the Company; a person or entity that are under common control or under the same significant influence as the Company; or the Company has direct or indirect control or has significant influence over the financial and managerial decision-making of a person or entity.

Relationships with associate are described in note 10 to the financial statements. Other related parties that the Company had significant transactions with during the year were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Toray Industries, Inc.	Japan	Parent company and/or common directorship
Thai Toray Synthetics Co., Ltd.	Thailand	Associate and/or common directorship
CMT Dyeing Company Limited	Thailand	Shareholding and common directorship
Chori Co., Ltd.	Japan	Subsidiary of the parent company
Ichimura Sangyo Co., Ltd.	Japan	Subsidiary of the parent company
Penfabric Sdn. Berhad	Malaysia	Subsidiary of the parent company
Penfibre Sdn. Berhad	Malaysia	Subsidiary of the parent company
P.T. Century Textile Industry Tbk	Indonesia	Subsidiary of the parent company
P.T. Easterntex	Indonesia	Subsidiary of the parent company
P.T. Indonesia Synthetics Textile Mills	Indonesia	Subsidiary of the parent company
P.T. Indonesia Toray Synthetics	Indonesia	Subsidiary of the parent company
P.T. Toray International Indonesia	Indonesia	Subsidiary of the parent company
Toray Advanced Textile Mexico, S.A. de C.V.	Mexico	Subsidiary of the parent company
Toray Fibers (Nantong) Co., Ltd.	China	Subsidiary of the parent company
Toray Fibers & Textiles Research Laboratories (China) Co., Ltd.	China	Subsidiary of the parent company
Toray Industries (H.K.) Ltd.	Hong Kong	Subsidiary of the parent company
Toray International Europe GmbH	Germany	Subsidiary of the parent company
Toray International Italy S.r.l	Italy	Subsidiary of the parent company
Toray International Vietnam Co., Ltd.	Vietnam	Subsidiary of the parent company
Toray International (America) Inc.	United states of America	Subsidiary of the parent company
Toray International (China) Co., Ltd.	China	Subsidiary of the parent company
Toray International, Inc.	Japan	Subsidiary of the parent company

Toray Textiles (Thailand) Public Company Limited
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For the year ended 31 March 2022

Name of entities	Country of incorporation/ nationality	Nature of relationships
Toray Kusumgar Advanced Textile Private Limited	India	Subsidiary of the parent company
Toray Monofilament Ltd.	Japan	Subsidiary of the parent company
Toray Sakai Weaving & Dyeing (Nantong) Co., Ltd.	China	Subsidiary of the parent company
Toray Textiles Central Europe s.r.o.	Czech Republic	Subsidiary of the parent company
Toray Industries (Thailand) Co., Ltd.	Thailand	Subsidiary of the parent company and/or common directorship
Chori Middle East FZE	United Arab Emirates	Indirect subsidiary of the parent company
Chori Vietnam Co., Ltd.	Vietnam	Indirect subsidiary of the parent company
Penovate Sdn. Berhad	Malaysia	Indirect subsidiary of the parent company
P.T. Chori Indonesia	Indonesia	Indirect subsidiary of the parent company
So-wa Textile Co., Ltd.	Japan	Indirect subsidiary of the parent company
Thai Chori Co., Ltd.	Thailand	Indirect subsidiary of the parent company
Toray Hybrid Cord (Thailand) Co., Ltd.	Thailand	Indirect subsidiary of the parent company and/or common directorship
Toray International Trading (Hong Kong) Co., Ltd.	Hong Kong	Indirect subsidiary of the parent company
Toray International Trading (Thailand) Co., Ltd.	Thailand	Associate of the parent company and/or common directorship
Key management personnel	Thailand/ Japan	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Toray Textiles (Thailand) Public Company Limited

Notes to the financial statements

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Significant transactions with related parties	Financial statements in which the equity method is applied		Separate financial statements	
	2022	2021 (in thousand Baht)	2022	2021
Parent				
Sale of goods	57,534	27,852	57,534	27,852
Other income and deferred income	7,397	7,088	7,397	7,088
Purchase of goods	-	49	-	49
Shortfall surcharge for purchase of raw materials	-	106,682	-	106,682
Commission expense	55,853	50,450	55,853	50,450
Other expense	6,416	7,810	6,416	7,810
Associate				
Sale of goods	32	42	32	42
Dividend income	-	-	25,582	62,018
Other income	3,926	4,685	3,926	4,685
Purchase of goods	2,312,691	1,785,856	2,312,691	1,785,856
Other related parties				
Sale of goods	2,306,695	2,166,515	2,306,695	2,166,515
Sale of machinery and equipment	37,475	-	37,475	-
Other income	7,984	9,789	7,984	9,789
Purchase of goods	1,910,615	1,387,784	1,910,615	1,387,784
Purchase of machinery and equipment	40,752	-	40,752	-
Commission expense	21,201	13,410	21,201	13,410
Management service fee	24,742	25,697	24,742	25,697
Other expense	29,557	45,931	29,557	45,931
Audit committee's remuneration	600	600	600	600
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	51,122	48,293	51,122	48,293
Post-employment benefits	268	263	268	263
Total key management personnel compensation	51,390	48,556	51,390	48,556

Toray Textiles (Thailand) Public Company Limited
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Balances as at 31 March with related parties were as follows:

	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
<i>Trade accounts receivable</i>		
Parent	7,207	2,699
Other related parties	497,812	559,087
	505,019	561,786
Less allowance for expected credit loss	-	-
Net	505,019	561,786
<i>Other current receivables</i>		
Parent	328	458
Associate	4,941	4,738
Other related parties	10,822	30,346
Total	16,091	35,542
<i>Trade accounts payable</i>		
Parent	3	-
Associate	244,151	182,526
Other related parties	165,543	200,772
Total	409,697	383,298
<i>Other current payables</i>		
Parent	32,973	134,169
Associate	-	316
Other related parties	10,463	29,247
Total	43,436	163,732
<i>Deferred income</i>		
Parent		
- Current (recorded in the account "other current payables")	4,934	4,934
- Non-current	22,090	27,024
Total	27,024	31,958

Significant agreements with related parties

Trademark license agreement

The Company has a trademark license agreement with the ultimate parent company, Toray Industries, Inc., whereby the latter agrees to grant the Company the right to use of the corporate name and brand of "Thai Toray with Golden Eagle" with respect to the sales in Thailand. In consideration thereof, the Company is committed to pay a trademark license fee to the ultimate parent company at the rate of USD 0.01 per yard for the articles sold under the trademark. The trademark license agreement is available to use for Thailand, Bahrain, Cyprus, Japan, Kuwait, Singapore, Syria, Saudi Arabia and United Arab Emirates. In the case that the Company requires to use the trademark license in other countries not stipulated herein, the Company is required to obtain the written approval from the ultimate parent company in advance. This agreement shall be effective unless either party thereto gives written notice to the other of its intention to terminate this agreement 3 months in advance.

Toray Textiles (Thailand) Public Company Limited
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Management service agreement

The Company entered into a management service agreement with a related company, Toray Industries (Thailand) Co., Ltd., whereby the related company agrees to provide certain services as agreed in the agreement to the Company. In this regard, the Company is committed to pay the monthly service fee at the rate specified in the agreement. This agreement shall be effective unless either party thereto gives written notice to the other of its intention to terminate this agreement 30 days in advance.

Rental, utilities and service agreements

The Company has rental, utilities and service agreements with three related companies, Thai Toray Synthetics Co., Ltd., CMT Dyeing Company Limited and Toray Hybrid Cord (Thailand) Co., Ltd., whereby the Company agrees to grant the rental factory and/or land, utilities and service to the related companies. Under the terms of the agreements, the related companies are committed to pay the rental, utilities and service fees to the Company at a certain amount as stipulated in the agreements. These agreements shall be effective unless either party thereto gives written notice to the other of its intention to terminate these agreements 2, 3 and 6 months in advance.

Technical service agreement

The Company has a technical service agreement with the ultimate parent company, Toray Industries, Inc. whereby the latter agrees to provide the Company certain technical service support and assistance with respect to business of the Company. In consideration thereof, the Company is committed to pay a service fee to the ultimate parent company at the rate as specified in the agreement. This agreement shall be effective unless either party thereto gives written notice to the other of its intention to terminate this agreement 60 days in advance.

License memorandum

The Company has a license memorandum with the ultimate parent company, Toray Industries, Inc. whereby the latter agrees to grant the Company the right of production and distribution of products. In consideration thereof, the Company is committed to pay license fee for to the ultimate parent company at the agreed prices as specified in the agreement.

Commitments

As at 31 March, the Company had the following commitments with related parties.

	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
<i>Other commitments</i>		
Contracted commitment for purchase of raw materials and factory supplies	105,734	14,775

Sale commission expenses

The Company had commitments to pay a sales commission to Toray Industries, Inc., the ultimate parent company, and certain related companies at the specific amount which calculated based on the quantity of sales, or at the specific rates as specified in the sale invoice that ordered by its intermediary for customers in certain areas.

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6 Cash and cash equivalents

	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Cash on hand	347	667
Cash at bank	416,018	446,353
Highly liquid short-term investments	2	2
Total	416,367	447,022

7 Trade accounts receivable

		Financial statements in which the equity method is applied/ Separate financial statements	
	<i>Note</i>	2022	2021
		<i>(in thousand Baht)</i>	
Related parties			
Within credit terms		480,782	509,720
Overdue:			
Less than 3 months		24,237	52,054
3 - 6 months		-	12
Total	5	505,019	561,786
Other parties			
Within credit terms		1,125,502	946,664
Overdue:			
Less than 3 months		9,417	11,460
Total		1,134,919	958,124
Grand total		1,639,938	1,519,910
Less allowance for expected credit loss		-	-
Net		1,639,938	1,519,910

8 Other current receivables

		Financial statements in which the equity method is applied/ Separate financial statements	
	<i>Note</i>	2022	2021
		<i>(in thousand Baht)</i>	
Refundable value added tax		64,506	179,602
Advance to suppliers	5	10,945	31,161
Deferred insurance expenses		17,242	-
Prepaid expenses	5	9,640	7,085
Receivables from disposals machinery and equipment	5	8,635	-
Others	5	14,298	14,309
Total		125,266	232,157

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9 Inventories

	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Finished goods	444,114	249,355
Work in progress	651,254	586,791
Raw materials	236,021	157,462
Spare parts and supplies	186,642	180,937
Raw materials and spare parts in transit	31,620	31,841
	<u>1,549,651</u>	<u>1,206,386</u>
Less allowance for losses on decline in value of inventories	<u>(48,168)</u>	<u>(36,103)</u>
Net	<u>1,501,483</u>	<u>1,170,283</u>

	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Inventories recognised in 'cost of sale of goods':		
- Cost	7,856,658	6,653,602
- Write-down to net realisable value (reversal of)	<u>12,065</u>	<u>(30,340)</u>
Net	<u>7,868,723</u>	<u>6,623,262</u>

10 Investment in associate

	Financial statements in which the equity method is applied		Separate financial statements	
	Year ended 31 March		Year ended 31 March	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Beginning balance	1,513,115	1,528,360	503,990	503,990
Share of profit of associate	88,052	46,836	-	-
Share of other comprehensive income of associate, net of tax	4,123	-	-	-
Dividend income	(25,582)	(62,018)	-	-
Exchange differences on translating financial statements	144	(63)	-	-
Ending balance	<u>1,579,852</u>	<u>1,513,115</u>	<u>503,990</u>	<u>503,990</u>

During the years ended 31 March 2022 and 2021, there were no acquisitions and disposals of investment in associate.

Toray Textiles (Thailand) Public Company Limited

Notes to the financial statements

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Investment in associate accounted for using the equity method as at 31 March 2022 and 2021 were as follows:

	Type of business	Relationship	Ownership interest (%)	Paid-up capital	Investment	
					Cost method	Equity method
					<i>(in thousand Baht)</i>	
Thai Toray Synthetics Co., Ltd.	Manufacture of yarn	Shareholding				
- 31 March 2022			<u>19.06</u>	<u>3,078,141</u>	<u>503,990</u>	<u>1,579,852</u>
- 31 March 2021			<u>19.06</u>	<u>3,078,141</u>	<u>503,990</u>	<u>1,513,115</u>

The Company's associate was incorporated in Thailand.

None of the Company's associate is publicly listed and consequently do not have published price quotations.

The following table summarises the financial information of the associate as included in their own financial statements, adjusted for differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Company's interest in this company.

	Financial statements in which the equity method is applied	
	2022	2021
	<i>(in thousand Baht)</i>	
Revenue	10,578,340	7,354,253
Profit	454,470	245,614
Other comprehensive income (expense)	22,386	(329)
Total comprehensive income (100%)	476,856	245,285
Total comprehensive income of the Company's interest	90,889	46,751
Elimination of unrealised loss on upstream sales (Sales inventories to the Company)	1,430	22
Company's share of total comprehensive income	92,319	46,773

	Financial statements in which the equity method is applied	
	2022	2021
	<i>(in thousand Baht)</i>	
Current assets	5,270,077	4,788,066
Non-current assets	4,445,989	4,778,549
Current liabilities	(1,236,938)	(1,404,819)
Non-current liabilities	(163,124)	(188,441)
Net assets (100%)	8,316,004	7,973,355
Company's share of net assets	1,585,495	1,520,188
Elimination of unrealised profit on upstream sales (Sales inventories to the Company)	(5,643)	(7,073)
Carrying amount of interest in associate	1,579,852	1,513,115

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11 Property, plant and equipment

	Financial statements in which the equity method is applied/ Separate financial statements					
	Land	Buildings and improvements	Machinery and equipment	Furniture, fixtures and office equipment (in thousand Baht)	Vehicles	Assets under construction and installation
						Total
<i>Cost</i>						
At 1 April 2020	63,706	2,602,829	14,002,745	259,069	9,716	17,024,525
Additions	-	60	2,303	4,153	-	61,904
Transfers	-	10,729	95,370	1,858	-	(107,957)
Disposals	-	-	(503,350)	(5,727)	(820)	(509,897)
At 31 March 2021 and 1 April 2021	63,706	2,613,618	13,597,068	259,353	8,896	16,583,048
Additions	-	454	5,957	7,790	-	90,645
Transfers	-	13,939	41,853	562	-	(56,354)
Disposals	-	-	(432,612)	(879)	-	(433,491)
At 31 March 2022	63,706	2,628,011	13,212,266	266,826	8,896	16,254,403
<i>Depreciation and impairment loss</i>						
At 1 April 2020	-	1,906,359	11,203,067	240,947	9,507	13,359,880
Depreciation charge for the year	-	73,057	565,235	8,231	208	646,731
Impairment loss	-	-	120,560	-	-	120,560
Disposals	-	-	(454,600)	(5,727)	(820)	(461,147)
At 31 March 2021 and 1 April 2021	-	1,979,416	11,434,262	243,451	8,895	13,666,024
Depreciation charge for the year	-	72,413	479,205	8,205	-	559,823
Reversal of impairment loss, net	-	-	(83,163)	-	-	(83,163)
Disposals	-	-	(349,099)	(879)	-	(349,978)
At 31 March 2022	-	2,051,829	11,481,205	250,777	8,895	13,792,706
<i>Net book value</i>						
At 31 March 2021	63,706	634,202	2,162,806	15,902	1	2,917,024
At 31 March 2022	63,706	576,182	1,731,061	16,049	1	2,461,697

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For the year ended 31 March 2022

The gross amount of the Company's fully depreciated plant and equipment that was still in use as at 31 March 2022 amounted to Baht 9,744.2 million (2021: Baht 9,083.3 million).

12 Leases

	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
<i>Right-of-use assets at 31 March</i>	<i>(in thousand Baht)</i>	
Buildings and improvements	4,254	7,657
Machinery and equipment	277,183	305,857
Vehicles	15,483	17,706
Total	296,920	331,220

During the year ended 31 March 2022, additions to the right-of-use assets of the Company were Baht 5.7 million (2021: Baht 23.7 million).

The Company leases a number of buildings and improvements, machinery and equipment and vehicles for period between 2 to 30 years expiring in 2022 to 2031. The rental is payable monthly as specified in the contract. Detail of significant lease agreement is as below.

Lease of power generator not in the legal form of a lease

The Company entered into an Energy Supply Agreement with a local company. The Company will receive electric power and steam from the latter to be used for the operation in the factory located in Samutprakarn. The agreement is for a period of 15 years commencing on 1 December 2016. In consideration thereof, the Company is committed to pay the fee as defined in the agreement. Under the terms of the agreement, the Company must comply with certain conditions as stated in the agreement such as lease of the business site and termination etc.

Due to the unusual nature of the asset, it is remote that one or more parties other than the Company will take more than insignificant amount of utility that will be generated by the asset during the term of arrangement. The power generator is located at the Company's factory in Samutprakarn which the Company has ability or right to control physical access to the asset. Accordingly, although the arrangement is not in the legal form of a lease, the Company concluded that the arrangement contains a lease of the power generator. The lease was classified as a finance lease. At inception of the arrangement, payments were split into lease payments and payments related to the other elements based on their relative fair values. The imputed finance costs on the liability were determined based on the Company's incremental borrowing rate.

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<i>For the year ended 31 March</i>	Financial statements in which the equity method is applied/ Separate	
	Financial statements in	
	2022	2021
	<i>(in thousand Baht)</i>	
<i>Amounts recognised in profit or loss</i>		
Depreciation of right-of-use assets:		
- Buildings and improvements	3,403	3,403
- Machinery and equipment	28,674	27,432
- Vehicles	7,965	8,216
Interest on lease liabilities	19,448	20,197
Expenses relating to short-term leases	436	882

During the year ended 31 March 2022, total cash outflow for leases of the Company were Baht 51.5 million (2021: Baht 50.4 million).

13 Other current payables

	<i>Note</i>	Financial statements in which the equity method is applied/ Separate	
		financial statements	
		2022	2021
		<i>(in thousand Baht)</i>	
Accrued shortfall surcharge for purchase of raw materials	5	-	103,951
Accrued utilities expense		77,414	54,133
Accrued operating expense	5	73,560	53,105
Contract liabilities	17	49,307	29,498
Accrued commission	5	31,951	27,530
Provision for claim	5	-	17,678
Derivative liability from forward exchange contracts	23	7,847	13,221
Others	5	10,527	14,971
Total		250,606	314,087

14 Interest-bearing liabilities

	Financial statements in which the equity method is applied/ Separate	
	financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Current portion of lease liabilities	31,582	30,450
Lease liabilities	302,147	329,050
Total	333,729	359,500

As at 31 March 2022, the Company had unutilised credit facilities totalling USD 43 million and Baht 5,325 million (2021: USD 43 million and Baht 5,325 million).

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15 Non-current provisions for employee benefits

	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Defined benefit plan	314,345	315,932
Other long-term employee benefits	16,031	16,441
Total	330,376	332,373

Defined benefit plan

The Company operates a defined benefit plan based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plan exposes the Company to actuarial risks, such as interest rate risk.

Present value of the defined benefit obligations

	Financial statements in which the equity method is applied/ Separate financial statements	
	Year ended 31 March	
	2022	2021
	<i>(in thousand Baht)</i>	
Beginning balance	315,932	312,467
<i>Recognised in profit or loss:</i>		
Current service cost	21,345	21,204
Interest on obligation	4,601	4,378
	<u>25,946</u>	<u>25,582</u>
<i>Recognised in other comprehensive income:</i>		
Actuarial (gain) loss		
- Demographic assumptions	713	-
- Financial assumptions	(16,832)	-
- Experience adjustment	6,507	-
	<u>(9,612)</u>	<u>-</u>
Benefit paid	<u>(17,921)</u>	<u>(22,117)</u>
Ending balance	314,345	315,932

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Other long-term employee benefits

Obligation in respect of other long-term employee benefits was based on pensionable remuneration and the Company's policy.

Present value of other long-term employee benefits

	Financial statements in which the equity method is applied/ Separate financial statements	
	Year ended 31 March	
	2022	2021
	<i>(in thousand Baht)</i>	
Beginning balance	16,441	16,524
<i>Recognised in profit or loss:</i>		
Current service cost	1,702	1,340
Interest on obligation	176	175
	<u>1,878</u>	<u>1,515</u>
Benefit paid	<u>(2,288)</u>	<u>(1,598)</u>
Ending balance	<u>16,031</u>	<u>16,441</u>

Principal actuarial assumptions

	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
	<i>(%)</i>	
Discount rate	2.28 - 2.38	1.64 - 1.73
Future salary growth	4.5 - 5.5	4.5 - 5.5
Employee turnover	0 - 22	0 - 22
Retirement age (years old)	55 and 60	55 and 60

Assumptions regarding future mortality are based on published statistics and mortality tables.

At 31 March 2022, the weighted-average duration of the defined benefit obligations and other long-term employee benefits was 13.1 and 13.8 years (2021: 11.7 and 12.3 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations and other long-term employee benefits by the amount shown below.

	Financial statements in which the equity method is applied/ Separate financial statements			
	Increased in assumption		Decreased in assumption	
<i>At 31 March</i>	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Discount rate (1% movement)	(23,841)	(25,354)	26,603	28,632
Future salary growth (1% movement)	28,784	34,081	(25,743)	(30,134)
Employee turnover (20% movement)	(10,458)	(14,097)	11,746	16,148

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16 Share premium and reserves

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

Appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a public 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 authorised capital. The legal reserve is not available for dividend distribution.

General reserve

This represents general reserve for the Company's operations in the future.

Other components of equity

Translation reserve

The currency translation changes recognised in equity relate to foreign exchange differences arising on translation of the financial statements of foreign operations to Thai Baht to record investment in accounted for using equity method in financial statements in which the equity method is applied.

Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of equity securities designated at FVOCI.

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17 Segment information and disaggregation of revenue

Management considers that the Company has two reportable segments, as described below, which are the Company's strategic divisions for different products, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Company's reportable segments.

- *Segment 1* Textile
- *Segment 2* Industrial material product

Each segment's performance is measured based on segment gross profit, as included in the internal management reports that are reviewed by the Company's Chief Operating Decision Maker. Segment gross profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

	Financial statements in which the equity method is applied					
	Segment 1		Segment 2		Total	
For the year ended 31 March	2022	2021	2022	2021	2022	2021
	(in thousand Baht)					
Information about reportable segments						
External revenues	4,344,239	3,147,328	3,859,445	3,302,650	8,203,684	6,449,978
Cost of sales	(4,144,571)	(3,410,405)	(3,724,152)	(3,212,857)	(7,868,723)	(6,623,262)
Gross profit (loss)	<u>199,668</u>	<u>(263,077)</u>	<u>135,293</u>	<u>89,793</u>	<u>334,961</u>	<u>(173,284)</u>
Distribution costs					(326,642)	(244,950)
Administrative expenses					(205,775)	(374,590)
Other income					114,318	64,957
Loss from operating activities					<u>(83,138)</u>	<u>(727,867)</u>
Finance costs					(19,448)	(40,283)
Share of profit of associate					88,052	46,836
Loss before income tax					<u>(14,534)</u>	<u>(721,314)</u>
Income tax income					20,284	153,759
Profit (loss) for the year					<u>5,750</u>	<u>(567,555)</u>

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For the year ended 31 March	Financial statements in which the equity method is applied					
	Segment 1		Segment 2		Total	
	2022	2021	2022	2021	2022	2021
	(in thousand Baht)					
Reportable segment financial position						
Trade accounts receivable	553,504	487,032	1,086,434	1,032,878	1,639,938	1,519,910
Inventories, net						
- Allocated items	873,992	732,686	438,183	248,412	1,312,175	981,098
- Unallocated items	-	-	-	-	189,308	189,185
Total					<u>1,501,483</u>	<u>1,170,283</u>
Property, plant and equipment, net						
- Allocated items	1,716,570	2,056,723	497,141	578,074	2,213,711	2,634,797
- Unallocated items	-	-	-	-	247,986	282,227
Total					<u>2,461,697</u>	<u>2,917,024</u>
Right-of-use assets						
- Allocated items	278,008	307,872	2,149	691	280,157	308,563
- Unallocated items	-	-	-	-	16,763	22,657
Total					<u>296,920</u>	<u>331,220</u>
Unallocated other assets					<u>2,557,461</u>	<u>2,618,372</u>
Total assets					<u>8,457,499</u>	<u>8,556,809</u>

For the year ended 31 March	Financial statements in which the equity method is applied					
	Segment 1		Segment 2		Total	
	2022	2021	2022	2021	2022	2021
	(in thousand Baht)					
Disaggregation of revenues						
Primary geographical markets						
Asia	4,079,866	2,950,457	3,855,891	3,300,350	7,935,757	6,250,807
Europe	110,355	59,343	3,554	935	113,909	60,278
Africa	102,471	71,119	-	-	102,471	71,119
America	39,748	60,260	-	1,365	39,748	61,625
Oceania	11,799	6,149	-	-	11,799	6,149
Total revenues	<u>4,344,239</u>	<u>3,147,328</u>	<u>3,859,445</u>	<u>3,302,650</u>	<u>8,203,684</u>	<u>6,449,978</u>
Major products						
Fabric for airbags	-	-	3,523,507	3,101,612	3,523,507	3,101,612
Fabric for apparel	4,078,289	3,084,737	-	-	4,078,289	3,084,737
Others	265,950	62,591	335,938	201,038	601,888	263,629
Total revenues	<u>4,344,239</u>	<u>3,147,328</u>	<u>3,859,445</u>	<u>3,302,650</u>	<u>8,203,684</u>	<u>6,449,978</u>
Timing of revenue recognition						
At a point in time	4,344,239	3,147,328	3,859,445	3,302,650	8,203,684	6,449,978
Total revenues	<u>4,344,239</u>	<u>3,147,328</u>	<u>3,859,445</u>	<u>3,302,650</u>	<u>8,203,684</u>	<u>6,449,978</u>

(a) Geographical segments

The Company is managed on a worldwide basis but operates manufacturing facilities and sales offices solely in Thailand.

In presenting information on the basis of geographical segments, segment revenue is based on the geographic location of customers. All segment assets of the Company are located in Thailand.

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(b) Major customer

Revenues from one customer of the Company's 1 and 2 segments for the year ended 31 March 2022 represent approximately Baht 1,193 million (2021: Baht 1,082 million) of the Company's total revenues.

(c) Contract liabilities

The contract liabilities primarily relate to the advance consideration received from customers for sale of goods. The Company recognises such contract liabilities as revenue when the goods are delivered to customers.

Material movement in the contract liabilities balances during the year are as follows:

	Financial statements in which the equity method is applied/ Separate financial statements	
	Year ended 31 March	
	2022	2021
	<i>(in thousand Baht)</i>	
At 1 April	29,498	13,918
Recognised as revenue from sale of goods during the year	(27,539)	(12,884)
Advance received during the year	47,348	28,464
At 31 March	49,307	29,498

18 Employee benefit expenses

		Financial statements in which the equity method is applied/ Separate financial statements	
		Year ended 31 March	
	<i>Note</i>	2022	2021
		<i>(in thousand Baht)</i>	
Wages and salaries		617,012	597,374
Bonus and other benefits		150,855	131,415
Defined benefit plan	15	25,946	25,582
Defined contribution plans		15,715	16,718
Other long-term employee benefits	15	1,878	1,515
Total		811,406	772,604

Defined contribution plans

The defined contribution plans comprise provident fund established by the Company for its employees. Membership to the fund is on a voluntary basis. Contributions are made monthly by the Company and the employees each at the fixed rates followed by the Company's announcement of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as juristic entity and is managed by a licensed Fund Manager.

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19 Expenses by nature

The statements of income include an analysis of expenses by function. Expenses by nature were as follows:

	Note	Financial statements in which the equity method is applied/ Separate financial statements	
		2022	2021
		(in thousand Baht)	
Changes in inventories of finished goods and work in progress		(259,222)	236,968
Raw materials and consumables used		5,707,390	4,155,610
Employee benefit expenses	18	811,406	772,604
Depreciation and amortisation		610,897	697,039
Utilities expenses		666,232	493,351
Impairment loss on machinery and equipment	11	300	120,560
Maintenance and technical fee		124,626	111,568
Fuel and natural gas expenses		196,976	109,077
Shortfall surcharge for purchase of raw materials	5	-	106,682
Freight charges and shipping expenses		147,497	81,251
Commission expenses		101,324	74,943
Outsourcing fee		53,604	54,982
Insurance expenses		26,580	27,883
Claim expenses		10,258	26,132
Management service fee	5	24,742	25,697
Transportation expenses		25,034	21,009
Write-down to net realisable value (reversal of)	9	12,065	(30,340)
Others		141,431	157,786
Total cost of sale of goods, distribution costs and administrative expenses		8,401,140	7,242,802

20 Income tax

Income tax recognised in profit or loss

	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
	(in thousand Baht)	
Current tax expense		
Current year	-	-
Deferred tax income		
Movements in temporary differences	(20,284)	(153,759)
Total	(20,284)	(153,759)

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Income tax recognised in other comprehensive income

	Financial statements in which the equity method is applied/ Separate financial statement					
	Before tax	2022 Tax benefit	Net of tax (in thousand Baht)	Before tax	2021 Tax benefit	Net of tax
Gain (loss) on investments in equity instruments designed at FVOCI	4,241	(848)	3,393	(17,158)	3,432	(13,726)
Gain on remeasurement of defined benefit plan	9,612	(1,923)	7,689	-	-	-
Total	13,853	(2,771)	11,082	(17,158)	3,432	(13,726)

Reconciliation of effective tax rate

	Financial statements in which the equity method is applied			
	Rate (%)	2022 (in thousand Baht)	Rate (%)	2021 (in thousand Baht)
Loss before income tax		(14,534)		(721,314)
Income tax using the Thai corporation tax rate	20	(2,907)	20	(144,263)
Share of profit from associate		(17,610)		(9,367)
Income not subject to tax		(316)		(411)
Expenses not deductible for tax purposes		1,283		1,222
Expenses deductible at a greater amount		(754)		(909)
Others		20		(31)
Total	-	(20,284)	-	(153,759)

	Separate financial statements			
	Rate (%)	2022 (in thousand Baht)	Rate (%)	2021 (in thousand Baht)
Loss before income tax		(77,004)		(706,132)
Income tax using the Thai corporation tax rate	20	(15,401)	20	(141,226)
Income not subject to tax		(5,432)		(12,815)
Expenses not deductible for tax purposes		1,283		1,222
Expenses deductible at a greater amount		(754)		(909)
Others		20		(31)
Total	-	(20,284)	-	(153,759)

Deferred tax assets and liabilities as at 31 March were as follows:

	Financial statements in which the equity method is applied/ Separate financial statements			
	Assets		Liabilities	
	2022	2021	2022	2021
	(in thousand Baht)			
Total	281,014	270,313	(12,237)	(19,049)
Set off of tax	(12,237)	(19,049)	12,237	19,049
Net deferred tax assets	268,777	251,264	-	-

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

	Financial statements in which the equity method is applied/ Separate financial statements (Charged) / Credited to:			
	At 1 April 2021	Profit or loss (in thousand Baht)	Other comprehensive income	At 31 March 2022
<i>Deferred tax assets (liabilities)</i>				
Inventories	7,221	2,413	-	9,634
Financial assets measured at FVTPL	567	(12)	-	555
Provision for impairment of machinery and equipment	28,195	(19,976)	-	8,219
Unrealised loss from derivatives	2,644	(1,075)	-	1,569
Provisions for employee benefits	66,474	1,524	(1,923)	66,075
Loss carry forward	143,244	34,093	-	177,337
Financial assets measured at FVOCI	1,533	-	(848)	685
Property, plant and equipment	(19,049)	6,812	-	(12,237)
Others	20,435	(3,495)	-	16,940
Net	251,264	20,284	(2,771)	268,777

	Financial statements in which the equity method is applied/ Separate financial statements (Charged) / Credited to:			
	At 1 April 2020	Profit or loss (in thousand Baht)	Other comprehensive income	At 31 March 2021
<i>Deferred tax assets (liabilities)</i>				
Inventories	13,289	(6,068)	-	7,221
Financial assets measured at FVTPL	555	12	-	567
Provision for impairment of machinery and equipment	4,083	24,112	-	28,195
Unrealised loss from derivatives	20,811	(18,167)	-	2,644
Provisions for employee benefits	65,798	676	-	66,474
Loss carry forward	-	143,244	-	143,244
Financial assets measured at FVOCI	(1,899)	-	3,432	1,533
Property, plant and equipment	(28,124)	9,075	-	(19,049)
Others	19,560	875	-	20,435
Net	94,073	153,759	3,432	251,264

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21 Basic earnings (loss) per share

The calculations of basic earnings (loss) per share for the years ended 31 March 2022 and 2021 were based on the profit for the year attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the year as follows:

<i>For the year ended 31 March</i>	Financial statements in which the equity method is applied		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht / thousand shares)</i>			
Profit (loss) for the year	<u>5,750</u>	<u>(567,555)</u>	<u>(56,720)</u>	<u>(552,373)</u>
Number of ordinary shares outstanding during the year	<u>57,840</u>	<u>57,840</u>	<u>57,840</u>	<u>57,840</u>
Basic earnings (loss) per share (in Baht)	<u>0.10</u>	<u>(9.81)</u>	<u>(0.98)</u>	<u>(9.55)</u>

22 Dividends

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

Financial statements in which the equity method is applied/ Separate financial statements					
		Payment from retained earning subjects to corporate income tax		Dividend rate	Amount
	Approval date	Payment schedule	(%)	(in Baht/share)	(in million Baht)
<i>For the year ended 31 March 2022</i>					
2021 Interim dividend	23 December 2021	January 2022	30	0.50	28.92
2020 Annual dividend	29 July 2021	August 2021	30	0.50	28.92
Total				1.00	57.84
<i>For the year ended 31 March 2021</i>					
2020 Interim dividend	23 December 2020	January 2021	30	0.50	28.92
2019 Annual dividend	30 July 2020	August 2020	30	1.70	98.33
Total				2.20	127.25

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23 Financial instruments

(a) 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 amortised cost if the carrying amount is a reasonable approximation of fair value.

	Financial statements in which the equity method is applied/			Separate financial statements				
	Carrying amount			Fair value				
	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Financial instruments measured at amortised cost - net	Total	Level 1	Level 2	Level 3	Total
<i>At 31 March</i>				<i>(in thousand Baht)</i>				
2022								
Financial assets								
Other non-current financial assets:								
Investment in								
- Marketable equity securities	14,610	63,511	-	78,121	78,121	-	-	78,121
- Non-marketable equity securities	-	26,057	-	26,057	-	-	26,057	26,057
Financial liabilities								
Forward exchange contracts	(7,847)	-	-	(7,847)	-	(7,847)	-	(7,847)
2021								
Financial assets								
Other non-current financial assets:								
Investment in								
- Marketable equity securities	14,610	59,270	-	73,880	73,880	-	-	73,880
- Non-marketable equity securities	-	26,057	-	26,057	-	-	26,057	26,057
Financial liabilities								
Forward exchange contracts	(13,221)	-	-	(13,221)	-	(13,221)	-	(13,221)

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The following tables present valuation technique of financial instruments measured at fair value in the statements of financial position:

Financial instruments measured at level 3 fair value

Type	Valuation technique
Equity securities	The adjusted net asset value as of the reporting date.

Financial instruments measured at level 2 fair value

Type	Valuation technique
Forward exchange contracts	<i>Forward pricing:</i> The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.

(b) Financial risk management policies

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

(b.1) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

(b.1.1) Trade accounts receivable

The Company's exposure to 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 management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's commercial terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the management.

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The Company limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 120 days. Outstanding trade receivables are regularly monitored by the Company. An impairment analysis is performed by the Company at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables/groupings of various customer segments with similar credit risks to reflect differences between economic conditions in the past, current conditions and the Company's view of economic conditions over the expected lives of the receivables.

Information relevant to credit risk and expected credit loss of trade accounts receivable are disclosed in note 7 to the financial statements.

(b.1.2) Cash and cash equivalent

The Company's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions which the Company considers to have low credit risk.

(b.2) Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

Financial statements in which the equity method is applied/ Separate financial statements					
		Contractual cash flows			
	Carrying amount	1 year or less	More than 1 year but less than 5 years	More than 5 years	Total
<i>At 31 March</i>			<i>(in thousand Baht)</i>		
2022					
Non-derivative financial liabilities					
Trade accounts payable	610,753	610,753	-	-	610,753
Other current payables	242,759	242,759	-	-	242,759
Lease liabilities	333,729	49,634	180,589	203,613	433,836
	<u>1,187,241</u>	<u>903,146</u>	<u>180,589</u>	<u>203,613</u>	<u>1,287,348</u>
Derivative financial liabilities					
Forward exchange contracts	7,847	9,044	-	-	9,044
	<u>7,847</u>	<u>9,044</u>	<u>-</u>	<u>-</u>	<u>9,044</u>

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At 31 March	Financial statements in which the equity method is applied/ Separate financial statements				
	Carrying amount	1 year or less	Contractual cash flows		Total
			More than 1 year but less than 5 years (in thousand Baht)	More than 5 years	
2021					
Non-derivative financial liabilities					
Trade accounts payable	577,139	577,139	-	-	577,139
Other current payables	300,866	300,866	-	-	300,866
Lease liabilities	359,500	49,986	182,610	246,479	479,075
	1,237,505	927,991	182,610	246,479	1,357,080
Derivative financial liabilities					
Forward exchange contracts	13,221	9,846	-	-	9,846
	13,221	9,846	-	-	9,846

The cash outflow disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

(b.3) Market risk

The Company is exposed to 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:

(b.3.1) Foreign currency risk

The Company is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Company primarily utilizes forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

Exposure to foreign currency at 31 March	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
	(in thousand Baht)	
United States Dollar (USD)		
Financial assets	680,278	473,677
Financial liabilities	(92,313)	(94,783)
Net statement of financial position exposure	587,965	378,894
Currency forwards purchase contracts	(395,644)	(348,450)
Net exposure	192,321	30,444

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<i>Exposure to foreign currency at 31 March</i>	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
<i>Japanese Yen (JPY)</i>		
Financial assets	9,447	7,886
Financial liabilities	(101,479)	(254,021)
Net statement of financial position exposure	(92,032)	(246,135)
Currency forwards sale contracts	99,955	114,580
Net exposure	7,923	(131,555)
<i>Euro (EUR)</i>		
Financial assets	757	149
Financial liabilities	(70)	-
Net statement of financial position exposure	687	149
Total exposure, net	200,931	(100,962)

Sensitivity analysis

A reasonably possible strengthening (weakening) of Thai Baht against all other foreign currencies at the reporting date would have affected the measurement of financial instruments denominated in a foreign currency. This analysis assumes that all other variables, in particular interest rates, remain constant.

<i>Impact to profit or loss</i>	<i>Movement (%)</i>	Financial statements in which the equity method is applied/ Separate financial statements	
		<i>Strengthening</i>	<i>Weakening</i>
		<i>(in thousand Baht)</i>	
<i>At 31 March 2022</i>			
USD	1	5,880	(5,880)
JPY	1	(920)	920
<i>At 31 March 2021</i>			
USD	1	3,789	(3,789)
JPY	1	(2,461)	2,461

(b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Company's operations and its cash flows. However, the Company has no borrowing so the Company has no material interest rate risk in the financial statement.

24 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital, by evaluating result from operating activities divided by total shareholders' equity, and also monitors the level of dividends to ordinary shareholders.

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25 Commitments with non-related parties

	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
<i>Capital Commitments</i>		
Machinery and equipment	<u>712</u>	<u>739</u>
<i>Other commitments</i>		
Letter of credit for raw materials and factory supplies	32,847	-
Contracted commitments for:		
- Purchase of raw materials and factory supplies	-	166
Letter of guarantees from financial institutions for:		
- Electricity used	88,857	88,857
- Natural gas used	4,641	4,641
Total	<u>126,345</u>	<u>93,664</u>



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