



14 November 2023

Sub: Explanation on the Company's performance for the quarter ended 30 September 2023

To: President  
The Stock Exchange of Thailand

Thai Rayon Public Company Limited ("the Company") would like to explain its financial statements for the quarter ended 30 September 2023 comparison with for the quarter ended 30 September 2022. The details of financial statements are set out in the attached note.

Income Statements (equity method) <i>(Unit in Million Baht)</i>	For the quarter ended 30 September			
	2023	2022	Increase/(Decrease)	
Revenue from sales of goods	2,386	2,292	94	4%
Interest income	1.9	0.3	1.6	572%
Gains on exchange rate	-	27	(27)	(100%)
Dividend income	24.5	24	0.5	2%
Other income	9	4	5	151%
Cost of sales of goods	2,340	2,059	281	14%
Distribution expenses	109	211	(102)	(49%)
Administrative expenses	50	42	8	21%
Losses on exchange rate	36	-	36	100%
Share of profit of investments in associates	510	1,142	(632)	(55%)
Finance cost	-	0.2	0.2	(100%)
Tax income	46	4	41	957%
<b>Profit for the quarter</b>	<b>443</b>	<b>1,181</b>	<b>(738)</b>	<b>(62%)</b>
<b>Earnings per share (Baht)</b>				
Basic earnings (loss) per share	2.20	5.86		
Gross profit margin	1.9%	10.2%		
Net profit margin	18.3%	50.3%		





1. Income statements (In which the equity method is applied) for the quarter ended 30 September 2023 compared with the quarter ended 30 September 2022

Net profit for the quarter ended 30 September 2023 was Baht 443 Million compared to Baht 1,181 Million in same period of last year, decrease of Baht 738 Million or 63%. The significant changes are as follows:

- 1) Revenue from sales of goods increased by 4% or Baht 94 Million mainly due to lower realization and higher sales volume of all products.
- 2) The Company has losses on Exchange rate for this quarter of Baht 36 Million compared to gains of Baht 27 Million same quarter of last year due to high fluctuation of Thai Baht against US Dollar during the period.
- 3) Other Income increased by 151% or Baht 5 Million mainly due to write back of old provisions.
- 4) Cost of sales of goods increased by 14% or Baht 281 Million mainly due to higher production partially offset by reduced input prices and better consumption ratios. Cost of sales of goods per ton decreased by 19.8%.
- 5) Distribution expenses decreased by 49% or Baht 102 Million mainly due to lower sea freight rates.
- 6) Administrative expenses increased by 21% or Baht 8 Million mainly due to increase in manpower cost due to full production this quarter as well as increased in other administrative expenses.
- 7) Share of profit of associates accounted for using equity method decreased by 55% or Baht 632 Million due to lower performance from almost all associated companies.
- 8) Finance cost decreased by 100% or Bhat 0.2 Million due to no short term borrowing during the quarter.
- 9) Tax income increased by 957% or Baht 41 Million mainly due to higher taxable losses during the period as compared to same period of last year.
- 10) Exchange differences on translating financial statements through other comprehensive income decreased by 23% or Baht 16 Million due to fluctuation of Thai Baht against foreign currencies.
- 11) Gain on investment in equity instruments designated at fair value through other comprehensive income decreased by 55% or Baht 572 Million mainly due to change in market price and exchange rate.
- 12) Share of other comprehensive income (loss) of associates accounted for using equity method increased by 298% or Baht 286 Million mainly due to exchange rate fluctuation.
- 13) Gross profit margin for the quarter ended 30 September 2023 was at 1.9% compared to 10.2% same period of last year mainly due to lower realization whereas net profit margin was 18.3% compared to 50.3% same period of last year mainly due to lower realization and lower performance of associated companies.



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As per reasons mentioned above, basic earnings per share for the quarter ended 30 September 2023 is Baht 2.20 as compared to Baht 5.86 of same period of last year.

## 2. Statements of financial position as of 30 September 2023 in comparison with as of 31 March 2023

As of 30 September 2023, total assets increased by 10% or Baht 3,153 Million, total liabilities increased by 26% or Baht 754 Million and shareholders' equity increased by 8% or Baht 2,398 Million compared to 31 March 2023. The significant changes are as below:

### A. ASSETS

- 1) Cash and cash equivalents increased by 351% or Baht 736 Million mainly due to more cash from working capital reduction.
- 2) Other non-current financial assets increased by 22% or Baht 998 Million due to market price and better exchange rate.
- 3) Right-of-use assets decreased by 23% or Baht 0.88 Million due to lease accounting.

### B. LIABILITIES AND SHAREHOLDERS' EQUITY

- 1) Trade and other current payables increased by 39% or Baht 784 Million mainly due to higher raw material purchases.
- 2) Short term loans from financial institutions decreased by 100% of Baht 150 Million due to repayment of loans.
- 3) Deferred tax liabilities increased by 26% or Baht 120 Million due to change in the market price of equity instruments.
- 4) Lease liabilities decreased by 27% or Baht 0.63 Million due to lease accounting.

Please be informed accordingly.

Yours faithfully,

Santosh Pati Tripathi

Vice President (Finance and Commercial)



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