

14 August 2024

Sub: Explanation on the Company's performance for the quarter ended 30 June 2024

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 June 2024 comparison with for the quarter ended 30 June 2023. The details of financial statements are set out in the attached note.

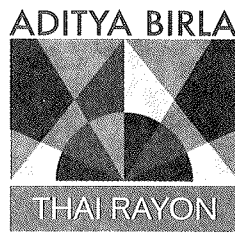
Income Statements (equity method) (Unit in Million Baht)	For the quarter ended 30 June			
	2024	2023	Increase/(Decrease)	
Revenue from sales of goods	2,504	2,367	137	6%
Interest income	0.9	0.7	0.2	34%
Gains on exchange rate	37	31	6	17%
Gain on sale of other non-current financial assets	6	-	6	100%
Other income	1.1	2.7	(1.6)	(60%)
Cost of sales of goods	2,295	2,393	(98)	(4%)
Distribution expenses	177	104	73	71%
Administrative expenses	41	60	(19)	(31%)
Share of profit of investments in associates	746	636	110	17%
Finance cost	0.6	0.4	0.2	51%
Tax income (expense)	(6)	29	(35)	(122%)
<b>Profit (loss) for the period</b>	<b>773</b>	<b>508</b>	<b>265</b>	<b>52%</b>
<b>Earnings (loss) per share (Baht)</b>				
Basic earnings (loss) per share	3.84	2.52		
Gross profit margin	8%	(1%)		
Net profit margin	30%	21%		

1. Income statements (In which the equity method is applied) for the quarter ended 30 June 2024 compared with the quarter ended 30 June 2023

Net profit for the quarter ended 30 June 2024 was Baht 773 Million compared to Baht 508 Million in same period of last year, an increase of Baht 265 Million or 52%. The significant changes are as follows:



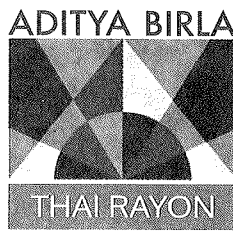
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- 1) Revenue from sales of goods increased by 6% or Baht 137 Million mainly due to higher sales volume of all products and higher realization.
- 2) Interest income increased by 34% or Baht 0.2 Million due to interest on surplus treasury invested in term deposits.
- 3) Gains on sale of other non-current financial assets increased by 100% or Baht 6 Million due to remaining surplus amount received on sale of investment during the period.
- 4) Other income decreased by 60% of Baht 1.6 Million due to income from insurance claims in previous period.
- 5) Cost of sales of goods decreased by 4% or Baht 98 Million mainly due to reduced raw material prices and energy prices offset by higher production during the period.
- 6) Distribution expenses increased by 71% or Baht 73 Million mainly due to higher sales volume and higher sea freight rates during the period.
- 7) Administrative expenses decreased by 31% or Baht 19 Million mainly due to onetime provision CSR activities expenses made in previous period.
- 8) Finance cost increased by 51% or Baht 0.2 Million due to short term working capital borrowings during the period.
- 9) Tax income (expense) decreased by 122% or Baht 35 Million mainly due to taxable profit during the period.
- 10) Exchange differences on translating financial statements through other comprehensive income decreased by 83% or Baht 225 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 increased by 121% or Baht 617 Million mainly due to change in market price and exchange rate
- 12) Share of other comprehensive income of associates accounted for using equity method increased by 355% or Baht 577 Million mainly due to exchange rate fluctuation.
- 13) Gross profit margin for the quarter ended 30 June 2024 was at 8% compared to negative at (1%) of same period of last year mainly due to higher realization and reduced raw material and energy prices whereas net profit margin was 30% compared to 21% same period of last year mainly due to higher realization, softening of raw material and energy prices and better performance of associated companies.



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As per reasons mentioned above, basic earnings per share for the quarter ended 30 June 2024 is Baht 3.84 as compared to Baht 2.52 of same period of last year.

## 2. Statements of financial position as of 30 June 2024 in comparison with as of 31 March 2024

As of 30 June 2024, total assets increased by 9% or Baht 3,175 Million, total liabilities increased by 11% or Baht 717 Million and shareholders' equity increased by 8% or Baht 2,458 Million compared to 31 March 2024. The significant changes are as below:

### A. ASSETS

- 1) Cash and cash equivalents decreased by 37% or Baht 4 Million mainly due to more cash use in working capital.
- 2) Inventories increased by 23% or Baht 489 Million mainly due to higher raw material stocks (material in transit) compared to previous period.
- 3) Other current assets increased by 32% or Baht 65 Million due to increased in VAT receivable.

### B. LIABILITIES AND SHAREHOLDERS' EQUITY

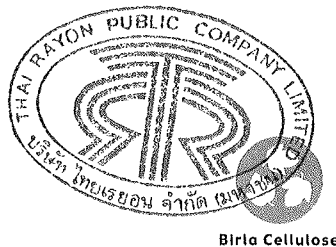
- 1) Trade and other current payables increased by 35% or Baht 772 Million mainly due to higher raw material purchases (material in transit).
- 2) Short term loans from financial institutions increased by 2063% of Baht 619 Million due to additional borrowing during the period.
- 3) Other current provision decreased by 27% or Baht 900 Million due to amount paid against in same during the period for investment in joint venture.
- 4) Deferred tax liabilities increased by 29% or Baht 231 Million due to change in the market price of Other non-current financial assets.
- 5) Lease liabilities decreased by 33% or Baht 0.3 Million due to lease accounting.

Please be informed accordingly.

Yours faithfully,

Santosh Pati Tripathi

Vice President (Finance and Commercial)



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