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

The interim financial statements issued for Thai 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 Board of Directors on 14 August 2024.

**1 Basis of preparation of the interim financial statements**

The condensed interim financial statements are presented in the same format as the annual financial statements together with notes to the interim financial statements on a condensed basis (“interim financial statements”) in accordance with Thai Accounting Standard (TAS) No. 34 *Interim Financial Reporting,* guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The interim financial statements focus on new activities, events and circumstances to avoid repetition of information previously reported in annual financial statements. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company for the year ended 31 March 2024.

In preparing these interim financial statements, judgements and estimates are made by management in applying the Company’s accounting policies. Actual results may differ from these estimates.   
The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that described in the financial statements for the year ended 31 March 2024.

**2 Related parties**

Relationships with associates and joint venture are described in note 4.

Related parties relationships and pricing policy have no material changes the three-month period ended 30 June 2024.

Significant transactions for the three-month period ended 30 June with related parties were as follows:

|  | **Financial statements in which the equity method is applied/ Separate financial statements** | | |
| --- | --- | --- | --- |
| ***Three-month period ended 30 June*** | 2024 |  | 2023 |
|  | *(in million Baht)* | | |
| **Associates** |  |  |  |
| Sales of goods | 180 |  | 123 |
| Dividend income | 1 |  | 1 |
| Other income | 1 |  | 1 |
| Purchase of raw materials | 659 |  | 718 |
| Other expenses | 3 |  | - |
|  |  |  |  |
| **Other related parties** |  |  |  |
| Sales of goods | 65 |  | 86 |
| Purchase of raw materials | 3 |  | 12 |
| Other expenses | - |  | 1 |
|  |  |  |  |
| **Key management personnel** |  |  |  |
| Key management personnel compensation |  |  |  |
| Short-term management benefits | 5 |  | 6 |

Balances as at 30 June 2024 and 31 March 2024 with related parties were as follows:

|  | **Financial statements in which the equity method is applied/ Separate financial statements** | | |
| --- | --- | --- | --- |
|  | 30 June |  | 31 March |
|  | 2024 |  | 2024 |
|  | *(in thousand Baht)* | | |
| ***Trade and other current receivables*** |  | | |
| Associates | 195,003 |  | 44,036 |
| Other related parties | 77,457 |  | 84,499 |
| **Total** | **272,460** |  | **128,535** |
|  |  |  |  |
| ***Trade and other current payables*** |  |  |  |
| Associates | 681,185 |  | 387,339 |
| Other related parties | 21 |  | 431 |
| **Total** | **681,206** |  | **387,770** |

*Significant agreements with related parties*

The Company has entered into pulp purchase agreements with a related overseas company for the procurement of pulp at quantities and prices to be determined in accordance the provisions of the agreements which is effective until 30 June 2027.

The investments in the Company’s associates and a joint venture, namely AV Group NB Inc.,   
AV Terrace Bay Inc., Birla Jingwei Fibres Co., Ltd., and Aditya Group AB are subject to maintenance of specified interest holding by the Company until the credit facilities provided by certain lenders to the respective associates and a joint venture is outstanding. Without guaranteeing the repayments to the lenders, the Company has also agreed that the affairs of these associates and a joint venture will be managed in a manner that they are able to meet their respective financial obligations. In addition,   
the declaration of dividend by AV Group NB Inc. and AV Terrace Bay Inc. must be consented by lenders.

**3 Other non-current financial assets**

|  | Financial statements in which  the equity method is applied/ Separate financial statements | | |
| --- | --- | --- | --- |
|  | 30 June |  | 31 March |
|  | 2024 |  | 2024 |
|  | *(in thousand Baht)* | | |
| **Equity instruments** |  |  |  |
| *Global Depository Receipts - (GDRs) - related parties* |  |  |  |
| Grasim Industries Limited | 1,123,859 |  | 1,123,859 |
| UltraTech Cement Limited | 71,832 |  | 71,832 |
| Aditya Birla Capital Limited | 6,448 |  | 6,448 |
|  |  |  |  |
| *Ordinary shares - related parties* |  |  |  |
| Indo-Thai Synthetics Co., Ltd. | 42,174 |  | 42,174 |
| Alexandria Fiber Co., S.A.E. | 266,794 |  | 266,794 |
| **Total** | **1,511,107** |  | **1,511,107** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| *Add:* Unrealised gain from changes in fair value |  |  |  |
| through other comprehensive income | 5,776,639 |  | 4,651,967 |
| *Less:* Allowance for impairment loss | (266,794) |  | (266,794) |
| **Fair value** | **5,509,845** |  | **4,385,173** |
|  |  |  |  |
| **Debt instruments** |  |  |  |
| *Preference shares - related parties* |  |  |  |
| AV Group NB Inc. | 75,602 |  | 75,727 |
| Aditya Group AB | 292,810 |  | 289,596 |
| **Total** | **368,412** |  | **365,323** |
|  |  |  |  |
| **Total other non-current financial assets** | **7,389,364** |  | **6,261,603** |

The preference shares of Aditya Group AB are non-cumulative, participating, redeemable with maturity and voting preference shares, that entitle the Company to receive dividend at a rate of 1 percent per annum, in years in which dividend is declared.

The preference shares of AV Group NB Inc. are non-cumulative, participating, redeemable at any time and non-voting preference shares, that entitle the Company to receive dividend at a rate of 6 percent per annum, in years in which dividend is declared.

A meeting of the shareholders of Alexandria Fiber Co., S.A.E., the shareholders has passed a resolution to dissolve its operation. The deregistration of Alexandria Fiber Co., S.A.E. was effective from 31 August 2014, and it is currently in the process of liquidation. As a result, all shares held have been fully impaired.

During the three-month period ended 30 June 2024 and 2023, the Company did not receive dividend income from its other non-current financial assets.

**4 Investments in associates and joint venture**

Investments in associates and joint venture as at 30 June 2024 and 31 March 2024, and dividend income from those investments for the three-month period ended  
30 June 2024 and 2023 were as follows:

|  | **Financial statements in which the equity method is applied** | | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Type of business | Country | Ownership  interest | | |  | Paid-up capital | | |  | Equity | | |
|  |  |  | 30  June |  | 31  March |  | 30  June |  | 31  March |  | 30  June |  | 31  March |
|  |  |  | 2024 |  | 2024 |  | 2024 |  | 2024 |  | 2024 |  | 2024 |
|  |  |  | *(%)* | | |  | *(in million Baht)* | | | | | | |
| ***Associates*** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| PT Indo Liberty Textiles | Manufacture of synthetic spun yarn | Indonesia | 40.00 |  | 40.00 |  | USD 20 million |  | USD 20 million |  | 122 |  | 146 |
| Aditya Birla Chemicals (Thailand) Limited | Manufacture of chemical product | Thailand | 29.98 |  | 29.98 |  | 1,700 |  | 1,700 |  | 7,713 |  | 6,998 |
| Thai Acrylic Fibre Co., Ltd. | Manufacture of acrylic fibre | Thailand | 30.00 |  | 30.00 |  | 713 |  | 713 |  | 245 |  | 264 |
| Birla Carbon (Thailand) Public Company Limited | Manufacture of carbon black | Thailand | 24.98 |  | 24.98 |  | 300 |  | 300 |  | 8,688 |  | 8,262 |
| Thai Polyphosphate & Chemicals Company Limited | Investment holding company | Thailand | 49.00 |  | 49.00 |  | 125 |  | 125 |  | 6,131 |  | 5,654 |
| Birla Jingwei Fibres Co., Ltd. | Manufacture of viscose staple fibre | China | 42.53 |  | 42.53 |  | RMB  655 million |  | RMB  655 million |  | 236 |  | 224 |
| Aditya Group AB | Investment holding company | Sweden | 33.33 |  | 33.33 |  | SEK 0.05 million |  | SEK 0.05 million |  | 922 |  | 888 |
| Aditya Birla Elyaf Sanayi Ve Ticaret Anonim Sirketi | Manufacture of viscose staple fibre | Turkey | 33.33 |  | 33.33 |  | TRY 0.50 million |  | TRY 0.50 million |  | 2 |  | 2 |
| AV Group NB Inc. | Manufacture of pulp and fibre | Canada | 49.00 |  | 49.00 |  | CAD 80 million |  | CAD 80 million |  | 1,747 |  | 1,838 |
| **Total** |  |  |  |  |  |  |  |  |  |  | **25,806** |  | **24,276** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ***Joint venture*** |  |  |  |  |  |  |  |  |  |  |  |  |  |
| AV Terrace Bay Inc. | Manufacture of pulp | Canada | 60.00 |  | 60.00 |  | CAD 150 million |  | CAD 95 million |  | **-** |  | **-** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |

|  |  | **Separate financial statements** | | | | | | | | | | | | | | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Type of business | | Country | Ownership  interest | | |  | Paid-up capital | | |  | Cost | | |  | Impairment | | |  | At cost - net | | |  | Dividend income  for the year | | |
|  |  | |  | 30  June |  | 31  March |  | 30  June |  | 31  March |  | 30  June |  | 31  March |  | 30  June |  | 31  March |  | 30  June |  | 31  March |  | 30  June |  | 30  June |
|  |  | |  | 2024 |  | 2024 |  | 2024 |  | 2024 |  | 2024 |  | 2024 |  | 2024 |  | 2024 |  | 2024 |  | 2024 |  | 2024 |  | 2023 |
|  |  | |  | *(%)* | | |  | *(in million Baht)* | | | | | | | | | | | | | | | | | | |
| ***Associates*** |  | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| PT Indo Liberty Textiles | Manufacture of synthetic spun yarn | | Indonesia | 40.00 |  | 40.00 |  | USD 20 million |  | USD 20 million |  | 198 |  | 198 |  | - |  | - |  | 198 |  | 198 |  | - |  | - |
| Aditya Birla Chemicals (Thailand) Limited | Manufacture of chemical product | | Thailand | 29.98 |  | 29.98 |  | 1,700 |  | 1,700 |  | 510 |  | 510 |  | - |  | - |  | 510 |  | 510 |  | - |  | - |
| Thai Acrylic Fibre Co., Ltd. | Manufacture of acrylic fibre | | Thailand | 30.00 |  | 30.00 |  | 713 |  | 713 |  | 407 |  | 407 |  | - |  | - |  | 407 |  | 407 |  | - |  | - |
| Birla Carbon (Thailand) Public Company Limited | Manufacture of carbon black | | Thailand | 24.98 |  | 24.98 |  | 300 |  | 300 |  | 236 |  | 236 |  | - |  | - |  | 236 |  | 236 |  | - |  | - |
| Thai Polyphosphate & Chemicals Company Limited | Investment holding company | | Thailand | 49.00 |  | 49.00 |  | 125 |  | 125 |  | 64 |  | 64 |  | - |  | - |  | 64 |  | 64 |  | 1 |  | 1 |
| Birla Jingwei Fibres Co., Ltd. | Manufacture of viscose staple fibre | | China | 42.53 |  | 42.53 |  | RMB  655 million |  | RMB  655 million |  | 1,388 |  | 1,388 |  | - |  | - |  | 1,388 |  | 1,388 |  | - |  | - |
| Aditya Group AB | Investment holding company | | Sweden | 33.33 |  | 33.33 |  | SEK 0.05 million |  | SEK 0.05 million |  | 1,824 |  | 1,824 |  | - |  | - |  | 1,824 |  | 1,824 |  | - |  | - |
| Aditya Birla Elyaf Sanayi Ve Ticaret Anonim Sirketi | Manufacture of viscose staple fibre | | Turkey | 33.33 |  | 33.33 |  | TRY 0.50 million |  | TRY 0.50 million |  | 3 |  | 3 |  | - |  | - |  | 3 |  | 3 |  | - |  | - |
| AV Group NB Inc. | Manufacture of pulp and fibre | | Canada | 49.00 |  | 49.00 |  | CAD 80 million |  | CAD 80 million |  | 3,155 |  | 3,155 |  | - |  | - |  | 3,155 |  | 3,155 |  | - |  | - |
| **Total** |  | |  |  |  |  |  |  |  |  |  | **7,785** |  | **7,785** |  | **-** |  | **-** |  | **7,785** |  | **7,785** |  | **1** |  | **1** |
|  |  | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ***Joint venture*** |  | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| AV Terrace Bay Inc. | Manufacture of pulp | | Canada | 60.00 |  | 60.00 |  | CAD 150 million |  | CAD 95 million |  | **2,573** |  | **1,684** |  | **(2,573)** |  | **(1,684)** |  | **-** |  | **-** |  | **-** |  | **-** |
|  |  | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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The Company holds 60 percent interest in AV Terrace Bay Inc. (“AVTB”). Management has considered whether the Company controls AVTB and concluded that the Company has only joint control. The Company therefore classifies the investment in AVTB as investment in a joint venture and accounts for it under the equity method in the financial statements in which the equity method is applied and does not prepare consolidated financial statements.

*Additional investment in joint venture*

On 17 January 2024, the Company additionally invested in AVTB, a joint venture of the Company in Canada, in proportion to their existing shareholding amounting to CAD 15 million, equivalent to Baht 396 million, in accordance with the resolutions of the Board of Directors' Meeting of the Company on 15 January 2024. The total cost of investment in AVTB after the additional investment is Baht 1,684 million.

In June 2024, the Company made an additional investment in AVTB in proportion to its existing shareholding, amounting to CAD 33 million, equivalent to Baht 889 million. The total cost of investment in AVTB after the additional investment is Baht 2,573 million.

*Impairment of investment in joint venture and related provision*

As at 31 March 2024, as a result of the ceased of all business operation in AVTB, the carrying value of equity investment in AVTB in the separate financial statement of Baht 1,684 million is fully impaired. Furthermore, an estimated probable obligation of Baht 3,303 million, equivalent to CAD 122 million has been recorded as other current provision as a result of AVTB’s inability to meet its outstanding liabilities which exposed the Company to payment on behalf of AVTB’s outstanding liabilities.

During the period, the Company paid a probable obligation resulting from AVTB’s inability to meet its outstanding liabilities from its idled business operation. This exposed the Company to the payment on behalf of AVTB by additionally investing in AVTB in proportion to their existing shareholding, amounting to Baht 889 million, equivalent to CAD 33 million. The remaining provision amounting to Baht 2,404 million, equivalent to CAD 89 million as at 30 June 2024.

The fair value of investments in associates that is listed on the Stock Exchange of Thailand is as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| **Associate** | **Fair value as at** | | |
|  | 30 June 2024 |  | 31 March 2024 |
|  | *(in thousand Baht/share)* | | |
| Number of shares held | 74,937,500 |  | 74,937,500 |
| Price per share *(Baht)* | 74.00 |  | 63.25 |
| Birla Carbon (Thailand) Public Company Limited fair value | 5,545,375 |  | 4,739,797 |

**Share of comprehensive income and dividend received**

During the period, the Company has recognised its share of profit (loss) of investment in associates in the financial statements in which the equity method is applied as follows:

|  | Financial statements in which the equity method is applied | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Share of profit (loss) of  associates accounted for using equity method | | |  | Exchange differences on translating financial statements | | |  | Share of other comprehensive income (expense) of associates | | |
| ***Three-month period ended 30 June*** | 2024 |  | 2023 |  | 2024 |  | 2023 |  | 2024 |  | 2023 |
|  | *(in thousand Baht)* | | | | | | | | | | |
| ***Associates*** |  |  |  |  |  |  |  |  |  |  |  |
| PT. Indo Liberty Textiles | (22,313) |  | (46,597) |  | 2,486 |  | 10,680 |  | (4,057) |  | (273) |
| Aditya Birla Chemicals (Thailand) Limited | 103,227 |  | 200,866 |  | 22,660 |  | 22,613 |  | 588,610 |  | 120,277 |
| Thai Acrylic Fibre Co., Ltd. | (18,266) |  | 1,250 |  | - |  | - |  | - |  | - |
| Birla Carbon (Thailand) Public Company Limited | 294,908 |  | 313,635 |  | (15,441) |  | 63,994 |  | 146,089 |  | 9,225 |
| Thai Polyphosphate & Chemicals Company Limited | 463,184 |  | 215,755 |  | 13,975 |  | 13,946 |  | - |  | - |
| Birla Jingwei Fibres Co., Ltd. | 8,301 |  | 13,314 |  | 3,253 |  | 4,904 |  | - |  | - |
| Aditya Group AB | (6,659) |  | (50,776) |  | 20,504 |  | 5,185 |  | 20,288 |  | (56,768) |
| Aditya Birla Elyaf Sanayi Ve  Ticaret Anonim Sirketi | 183 |  | (56) |  | (9) |  | (538) |  | - |  | - |
| AV Group NB Inc. | (76,904) |  | (11,779) |  | (1,612) |  | 150,518 |  | (11,995) |  | 89,967 |
| **Total** | **745,661** |  | **635,612** |  | **45,816** |  | **271,302** |  | **738,935** |  | **162,428** |
|  |  |  |  |  |  |  |  |  |  |  |  |
| ***Joint venture*** |  |  |  |  |  |  |  |  |  |  |  |
| AV Terrace Bay Inc. | - |  | - |  | - |  | - |  | - |  | - |
| **Total** | **745,661** |  | **635,612** |  | **45,816** |  | **271,302** |  | **738,935** |  | **162,428** |

The Company has not recognised losses relating to joint venture accounted for using the equity method where its share of losses exceeds the carrying amount of those investments. As at 30 June 2024, the Company’s cumulative share of unrecognised losses was Baht 2,689 million *(31 March 2024: Baht 3,534 million)*, of which Baht 111 million *(30 June 2023: of Baht 273 million)* were the Company’s share of loss for the three-month period ended 30 June 2024, respectively and Baht 2 million   
(*30 June 2023:* other comprehensive income of Baht 83 million) were the Company’s other comprehensive expense for the three-month period ended 30 June 2024.

Shares of profit (loss) of investment in PT. Indo Liberty Textiles, Thai Acrylic Fibre Co., Ltd, AV Group NB Inc, Aditya Group AB, and Aditya Birla Elyaf Sanayi Ve Ticaret Anonim Sirketi for the periods ended 30 June 2024 were determined based on the financial statements prepared by the management of those companies and not reviewed by their auditors. However, the Company’s management believed that the financial statements would not be materially different if they were reviewed by the auditors of the associates.

**5 Property, plant and equipment**

Acquisitions, disposals and transfers of property, plant and equipment during the three-month period ended 30 June 2024 were as follows:

|  | **Financial statements in which the equity method is applied/ Separate financial statements** | | |
| --- | --- | --- | --- |
|  | Acquisitions and transfers in - at cost |  | Disposals and transfers out - net book value |
|  | *(in thousand Baht)* | | |
| Machinery and equipment | 23,462 |  | 9,500 |
| Furniture, fixtures and office equipment | 225 |  | 171 |
| Factory building and other structure | 79 |  | - |
| Assets under construction and installation | 9,280 |  | 19,334 |
| **Total** | 33,046 |  | 29,005 |

**6 Interest-bearing liabilities**

|  |  | **Financial statements in which the equity method is applied/ Separate financial statements** | | |
| --- | --- | --- | --- | --- |
|  |  | 30 June 2024 |  | 31 March 2024 |
|  |  | Unsecured | | |
|  |  | *(in thousand Baht)* | | |
| Short-term loans from financial institution |  | 649,000 |  | 30,000 |
| **Total interest-bearing liabilities** |  | **649,000** |  | **30,000** |

As at 30 June 2024, short-term loans from financial institution of Baht 649 million bears interest rate at 2.80% - 2.88% and is repayable in August 2024 *(31 March 2024 : Baht 30 million bears interest rate at 2.88% is repaid in April 2024)*.

As at 30 June 2024, the Company had unutilised credit facilities covering bank overdrafts and short-term loans from financial institutions totaling Baht 1,642 million *(31 March 2024: Baht 2,254 million).*

**7 Disaggregation of revenue**

The operating unit of the Company are located in Thailand. The majority of the production is exported overseas directly to external customers and related parties. Timing of revenue recognition is at a point in time.

In presenting information on the basis of geographical information, revenue is based on the geographical location of customers.

|  | **Financial statements in which the equity method is applied/ Separate financial statements** | | |
| --- | --- | --- | --- |
| ***Three-month period ended 30 June*** | 2024 |  | 2023 |
|  | *(in thousand Baht)* | | |
| **Geographic information** |  |  |  |
| Overseas | 2,357,496 |  | 2,219,219 |
| Thailand | 146,179 |  | 147,825 |
| **Total** | 2,503,675 |  | 2,367,044 |

**8 Financial instruments**

***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, but 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** | | | | | | |
| ***At 30 June 2024*** | Financial instruments measured at FVTPL |  | Financial instruments measured at FVOCI |  | Financial instruments measured at amortised cost |  | Total |  | Level 1 |  | Level 2 |  | Level 3 |  | Total |
|  |  |  | *(in million Baht)* | | | | | | | | | | | | |
| ***Financial assets*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Current financial assets | - |  | - |  | 51 |  | 51 |  | - |  | 51 |  | - |  | 51 |
| Other financial assets: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Investment in equity instruments | - |  | 7,021 |  | - |  | 7,021 |  | 7,002 |  | - |  | 19 |  | 7,021 |
| Investment in debt instruments | - |  | - |  | 368 |  | 368 |  | - |  | - |  | 368 |  | 368 |
| **Total financial assets** | **-** |  | **7,021** |  | **419** |  | **7,440** |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ***Financial liabilities*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Short-term loans from  financial institutions | - |  | - |  | (649) |  | (649) |  | - |  | (649) |  | - |  | (649) |
| Forward exchange  contract | (2) |  | - |  | - |  | (2) |  | - |  | (2) |  | - |  | (2) |
| **Total financial liabilities** | **(2)** |  | **-** |  | **(649)** |  | **(651)** |  |  |  |  |  |  |  |  |

|  |  |  | **Financial statements in which the equity method is applied/ Separate financial statements** | | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Carrying amount** | | | | | | |  | **Fair value** | | | | | | |
| ***At 31 March 2024*** | Financial instruments measured at FVTPL |  | Financial instruments measured at FVOCI |  | Financial instruments measured at amortised cost |  | Total |  | Level 1 |  | Level 2 |  | Level 3 |  | Total |
|  |  |  | *(in million Baht)* | | | | | | | | | | | | |
| ***Financial assets*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Current financial assets | - |  | - |  | 51 |  | 51 |  | - |  | 51 |  | - |  | 51 |
| Other financial assets: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Investment in equity instruments | - |  | 5,896 |  | - |  | 5,896 |  | 5,872 |  | - |  | 24 |  | 5,896 |
| Investment in debt instruments | - |  | - |  | 365 |  | 365 |  | - |  | - |  | 365 |  | 365 |
| **Total financial assets** | **-** |  | **5,896** |  | **416** |  | **6,312** |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ***Financial liabilities*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Short-term loans from  financial institutions | - |  | - |  | (30) |  | (30) |  | - |  | (30) |  | - |  | (30) |
| Forward exchange  contract | (9) |  | - |  | - |  | (9) |  | - |  | (9) |  | - |  | (9) |
| **Total financial liabilities** | **(9)** |  | **-** |  | **(30)** |  | **(39)** |  |  |  |  |  |  |  |  |

***Financial instruments measured at fair value***

| **Type** |  | **Valuation technique** |
| --- | --- | --- |
| Investment in non-marketable  equity instruments |  | Net assets valued at the most recent report and consider the reliability and appropriateness on valuation factors. |
| Marketable equity instruments |  | Quoted price on active market. |
| Forward exchange contracts |  | *Forward pricing:* 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. |
| Investments in government bonds guaranteed by the government, classified as financial assets measured at amortised cost |  | Derived by using Thai Bond Market Association Government Bond Yield Curve as of the reporting date. |

**9 Litigations**

In 2014, the Company was involved in lawsuit filed by a 118 people in Ang Thong Province on the grounds that the Company committed the tort of nuisance and the offence of releasing Carbon Disulfide (“CS2”) and Hydrogen Sulfide (“H2S”), causing damage to these people. A court found that the Company had installed caustic scrubbers and an activated carbon adsorption system for CS2, which would be beneficial for the environment in the long-term.

In 2018, Ang Thong Provincial Court awarded Baht 17.70 million to the plaintiffs in compensation, which was also upheld by Appeal Court. The court referred to the term “Health” under the National Health Act, under which “Health” also means mental and spiritual health. The court ruled that even though the plaintiffs could not prove the amount of damages they claimed, the court has the discretion to determine the damages for the plaintiff based on the circumstances and gravity of the wrongful act. In October 2019, the Company filed an appeal in the Supreme Court to the lawsuit filed by the first Group of people. Decision of Supreme Court is awaited on this case.

The Company recorded provision for losses as a result of the aforesaid lawsuit amounting to Baht 17.70 million in the 2018 financial statements. The Company’s management believes that the amount of such provision as at 30 June 2024 is adequate for the losses that may be incurred as a result of the litigation.

A second group of people filed a class action case in Ang Thong provincial court in August 2018, which claimed suffering damages from odors of CS2, H2S and sulfuric acid from the manufacturing process of the Company’s plant which caused them nuisance and health impact. After the process of class certification at lower court and upholding of class certification with some adjustment in scope of class by Appeals Court, the case has been settled and concluded through court mediation process in July 2023.

The court endorsed the settlement agreement dated 7 June 2023, which states that the Company must conduct CSR activities at a total amount of Baht 17.90 million over the next 10 years. The minimum spends for the first year in the settlement agreement was Baht 1.40 million from the date of the settlement. The remaining Baht 16.50 million would be spent from year 2 to year 10 at a minimum of Baht 1.65 million per year. The Company has recorded the provision of Baht 17.90 million in the financial statements as at 31 March 2024. Up to June 2024, the Company has expended Baht 1.73 million against this provision, resulting in a remaining provision of Baht 16.17 million as at 30 June 2024.

In January 2020, the third group of people and another person separately sued the Company for damages arising from a tort of nuisance due to release of chemicals causing detriment to these people. Under the lawsuits, damages of Baht 0.20 million per person for harm to health and welfare and of Baht 0.10 million per person for nuisance caused by CS2 and H2S gases have been claimed amounting to total claim of Baht 18 million. The Company has submitted number of petitions under section 222/18 of The Civil Procedure Code requesting the court to dispose of this case as the plaintiffs did not opt out of another class action lawsuit with similar grievances which was settled in July 2023. On 24 July 2024, the Civil Court of Bangkok dismissed plaintiffs’ case on the basis of aforesaid petition filed by the Company. The plaintiff has right to appeal against court verdict within 30 days of verdict date.

**10 Commitments with non-related parties**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **Financial statements in which the equity method is applied/  Separate financial statements** | | |
|  |  | 30 June 2024 |  | 31 March 2024 |
|  |  | *(in million Baht)* | | |
| ***Capital commitments*** |  |  |  |  |
| Machinery and equipment |  | 40 |  | 14 |
| **Total** |  | **40** |  | **14** |

***Guarantees***

As at 30 June 2024, there were outstanding bank guarantees of approximately Baht 76 million   
*(31 March 2024: Baht 76 million)* issued by the banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business.

***Letter of credits***

As at 30 June 2024, there were no outstanding letter of credits *(31 March 2024: Baht 1 million)* issued by the banks on behalf of the Company in respect of certain performance bonds as required for purchase of raw material and supplies.

***Long-term purchase of goods and service agreements***

As at 30 June 2024, the Company has commitments in respect of long-term purchase of goods and service agreements as follows:

A caustic soda purchase agreement with a non-related local company at the quantities and prices as stipulated in the agreement. The agreement was for a period of 3 years and will expire on 31 December 2024.

An electricity purchase agreement with Gulf JP NK2 Co., Ltd. for the procurement of 1.1 MW of electricity per hour, at prices to be determined in accordance with the provisions of the agreement.   
The agreement is for a period of 15 years commencing from September 2013.

A royalty agreement with an unrelated overseas company, who agreed to provide, among other things, technical know-how and assistance relating to the manufacture of rayon staple fiber and allied products to the Company for a fee calculated at a percentage of product sales. The agreement is for a period of   
5 years which expires on 31 March 2024. Currently, the agreement is under renewal process.

The Company has entered into the Natural Gas purchase agreement with a local company for a period of 10 years from 1 July 2021 to 30 June 2031. The Company agrees to purchase natural gas based on terms and conditions as stipulated in the agreement.

The Company has entered into pulp purchase agreements with an unrelated overseas company, for the procurement of pulp at quantities and prices to be determined in accordance the provisions of the agreements which is effective until 31 December 2025.

**11 Events after the reporting period**

At the Annual General Meeting of Shareholders held on 26 July 2024, the shareholders approved   
the annual dividend for the year ended 31 March 2024 of Baht 0.05 per share, amounting to a total of Baht 10.08 million. The dividend will be paid to shareholders on 23 August 2024.