



15 November 2021

Sub: Explanation on the Company's performance for 3-month period ended 30 September 2021

To: President  
The Stock Exchange of Thailand

Thai Rayon Public Company Limited ("the Company") would like to explain its financial statements for 3-month period ended 30 September 2021 in comparison with for 3-month period ended 30 September 2020. The details of financial statements are set out in the attached note.

Income Statements (equity method) <i>(Unit in Million Baht)</i>	For 3-month period ended 30 September			
	2021	2020	Increase/(Decrease)	
Revenue from sales of goods	2,348	1,329	1,019	77%
Interest income	0.3	5.5	(5.2)	(94%)
Gains on exchange rate	87	16	71	452%
Dividend income	21	5	16	336%
Other income	1.5	1.0	0.5	54%
Cost of sales of goods	1,879	1,284	596	46%
Distribution expenses	317	105	212	201%
Administrative expenses	49	40	9	22%
Share of profit (loss) of investments in associates	1,053	228	824	361%
Finance cost	0.07	0.03	0.04	188%
Tax income (expense)	(28)	28	56	199%
<b>Profit (loss) for the period</b>	<b>1,236</b>	<b>183</b>	<b>1,053</b>	<b>575%</b>
<i>Earnings (loss) per share (Baht)</i>				
Basic earnings (loss) per share	6.13	0.91		
Gross profit margin	19%	3%		
Net profit margin	49%	12%		





1. Income statements (In which the equity method is applied) for the 3-month period ended 30 September 2021 in comparison with for the 3-month period ended 30 September 2020

Net profit for the 3-month period ended 30 September 2021 was Baht 1,236 Million compared to Baht 183 Million of last year same period, an increase of Baht 1,053 Million or 575%. The significant changes are as follows:

- 1) Revenue from sales of goods increased by 77% or Baht 1,019 Million mainly due to higher realization and higher sales volume.
- 2) Interest income decreased by 94% or Baht 5.2 Million mainly due to lower amount of deposits.
- 3) Gains on exchange rate increased by 452% or Baht 71 Million due to weakening of Thai Baht against US Dollar.
- 4) Dividend income increased by 336% or Baht 16 Million due to receipt of dividend on certain investments.
- 5) Cost of goods increased by 46% or Baht 596 Million mainly due to higher sales volume and higher input prices.
- 6) Distribution expenses increased by 201% or Baht 212 Million mainly due to sharp increase in sea freights due to container and shipping market imbalances.
- 7) Share of profit of associates accounted for using equity method increased by 361% or Baht 824 Million due to better performance from almost all associated companies.
- 8) Tax income (expense) increased by 199% or Baht 56 Million mainly due to higher taxable income in this quarter as compared to taxable loss in the same period of previous year.
- 9) Exchange differences on translating financial statements increased by 1105% or Baht 209 Million due to weakening of Thai Baht against foreign currencies.
- 10) Gain on investment in equity instruments designated at fair value through other comprehensive income increased by 116% or Baht 322 Million mainly due to increase in market price.
- 11) Share of other comprehensive income of associates accounted for using equity method decreased by 1267% or Baht 97 Million mainly due to exchange rate fluctuation.
- 12) Gross profit margin for this quarter was at 19% compared to 3% of last year mainly due to higher realization and higher sales volume whereas net profit margin was 49% compared to 12% in the same period of previous year mainly due to higher realization, higher sales volume and higher share of profit from associated companies.

As per reasons mentioned above, basic earnings per share for 3-month period ended 30 September 2021 is Baht 6.13 as compared to Baht 0.91 of last year.



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## 2. Statements of financial position as of 30 September 2021 in comparison with as of 31 March 2021

As of 30 September 2021, total assets increased by 13% or Baht 3,561 Million, total liabilities increased by 20% or Baht 378 Million and shareholders' equity increased by 12% or Baht 3,183 Million compared to as of 31 March 2021. The significant changes are as below:

### A. ASSETS

- 1) Cash and cash equivalents increased by 159% or Baht 350 Million mainly due to increase in working capital.
- 2) Inventories increased by 33% or Baht 366 Million due to increase in finished goods and some raw materials.
- 3) Other current assets increased by 75% or Baht 134 Million mainly due to increase in VAT receivables.

### B. LIABILITIES AND SHAREHOLDERS' EQUITY

- 1) Short-term loans from financial institution decreased by 100% or Baht 115 Million as there is no borrowing for working capital at the end of the period.
- 2) Current income tax payable increased by 100% or Baht 96 Million due to taxable income during the period as compared to taxable loss in the same period of previous year.
- 3) Other current liabilities increased by 25% or Baht 14 Million due to an increase in advances.
- 4) Deferred tax liabilities increased by 40% or Baht 118 Million due to increase in the market price of equity instruments.

Please be informed accordingly.

Yours faithfully,

Ms. Suwana Chalermwat  
Company Secretary



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