



14 February 2024

Sub: Explanation on the Company's performance for the quarter ended 31 December 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 31 December 2023 comparison with for the quarter ended 31 December 2022. The details of financial statements are set out in the attached note.

Income Statements (equity method) (Unit in Million Baht)	For the quarter ended 31 December			
	2023	2022	Increase/(Decrease)	
Revenue from sales of goods	2,316	1,193	1,123	94%
Interest income	3.6	0.1	3.5	2439%
Gains (losses) on exchange rate	21	(43)	64	149%
Dividend income	0.3	0.15	0.15	92%
Gain on sale of other non-current financial assets	185	-	185	100%
Other income	2.4	1.1	1.3	115%
Cost of sales of goods	2,319	1,401	918	66%
Distribution expenses	96	74	22	30%
Administrative expenses	46.7	46	0.7	2%
Share of profit of investments in associates	285	(1,219)	1,504	123%
Finance cost	-	0.1	(0.1)	(100%)
Tax income (expense)	(50)	48	(98)	(204%)
Profit for the quarter	302	(1,541)	1,843	120%
Earnings per share (Baht)				
Basic earnings (loss) per share	1.50	(7.64)		
Gross profit margin	(0.1%)	(17%)		
Net profit margin	12%	(129%)		

1. Income statements (In which the equity method is applied) for the quarter ended 31 December 2023 compared with the quarter ended 31 December 2022

Net profit for the quarter ended 31 December 2023 was Baht 302 Million compared to net loss of Baht 1,541 Million in same period of last year, increase of Baht 1,843 Million or 120%. The significant changes are as follows:

- 1) Revenue from sales of goods increased by 94% or Baht 1,123 Million mainly due to higher sales volume of all products.



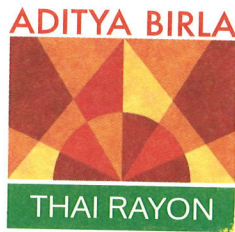
Thai Rayon Public Company Limited

Office : 16th Floor, Mahatun Plaza Building, 888/160-1 Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330 Thailand.

T: +66 2 2536745-54 | F: +66 2 2543181

Factory : 36 Moo 2, Ayuthaya-Angthong Highway, Tambol Posa, Amphur Muang Anghthong, Anghthong 14000 Thailand.

T: +66 35 611227-9 | F: +66 35 611908 | W: www.thairayon.com



- 2) Interest income increased by 2439% or Baht 3.5 Million mainly due to interest on surplus fund invested in short term deposits.
- 3) This quarter has gain on exchange rate of Baht 21 Million compared to loss of Baht 43 Million in same period of last year due to high fluctuation of Thai Baht against US Dollar during the period.
- 4) Dividend income increased by 92% for Baht 0.15 Million due to receipt of dividend on investment.
- 5) Gain on sale of other non-current financial assets increased by 100% or Baht 185 Million due to sale of investment during the quarter.
- 6) Other Income increased by 115% or Baht 1.3 Million mainly due to write back of old provisions and higher export incentive income.
- 7) Cost of sales of goods increased by 66% or Baht 918 Million mainly due to higher production partially offset by reduced input prices and better consumption ratios. Cost of goods sold per ton of finished goods decreased by 31% over same quarter of last year.
- 8) Distribution expenses increased by 30% or Baht 22 Million mainly due to higher sales volume.
- 9) Share of profit of associates accounted for using equity method increased by 123% or Baht 1,504 Million due to better performance from associated companies.
- 10) Finance cost decreased by 100% or Baht 0.1 Million due to no short term borrowing during the quarter.
- 11) Tax income (expenses) decreased by 204% or Baht 98 Million mainly due to higher taxable losses during the current period as compared to same period of last year.
- 12) Exchange differences on translating financial statements through other comprehensive income decreased by 43% or Baht 164 Million due to fluctuation of Thai Baht against foreign currencies.
- 13) Gain on investment in equity instruments designated at fair value through other comprehensive income increased by 177% or Baht 483 Million mainly due to change in market price and exchange rate.
- 14) Share of other comprehensive income (loss) of associates accounted for using equity method increased by 1342% or Baht 683 Million mainly due to exchange rate fluctuation.
- 15) Gross profit margin for the quarter ended 31 December 2023 was at (0.1%) compared to (17%) in same period of last year mainly due to higher volume, better consumption norms and reduced input rates whereas net profit margin was 12% compared to (129%) in same period of last year mainly due to higher volume, better consumption norms, reduced input rates and better performance of associated companies.

As per reasons mentioned above, basic earnings per share for the quarter ended 31 December 2023 is Baht 1.50 as compared to Baht (7.64) in same period of last year.



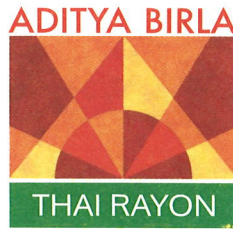
Thai Rayon Public Company Limited

Office : 16th Floor, Mahatun Plaza Building, 888/160-1 Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330 Thailand.

T: +66 2 2536745-54 | F: +66 2 2543181

Factory : 36 Moo 2, Ayuthaya-Angthong Highway, Tambol Posa, Amphur Muang Angthong, Angthong 14000 Thailand.

T: +66 35 611227-9 | F: +66 35 611908 | W: www.thairayon.com



2. Statements of financial position as of 31 December 2023 in comparison with as of 31 March 2023

As of 31 December 2023, total assets increased by 11% or Baht 3,432 Million, total liabilities increased by 5% or Baht 146 Million and shareholders' equity increased by 11% or Baht 3,286 Million compared to 31 March 2023. The significant changes are as below:

A. ASSETS

- 1) Cash and cash equivalents increased by 210% or Baht 441 Million mainly due to more cash from working capital reduction.
- 2) Other current assets decreased by 27% or Baht 84 Million due to VAT refund.
- 3) Other non-current financial assets increased by 26% or Baht 1,180 Million due to market price and better exchange rate.
- 4) Right-of-use assets decreased by 31% or Baht 1 Million due to lease accounting.

B. LIABILITIES AND SHAREHODLERS' EQUITY

- 1) Short term loans from financial institutions decreased by 100% of Baht 150 Million due to repayment of loans.
- 2) Other current liabilities decreased by 23% or Baht 19 Million mainly due to lower customer advances and no forward contract liabilities.
- 3) Deferred tax liabilities increased by 46% or Baht 212 Million mainly due to change in the market price of equity instruments.
- 4) Lease liabilities decreased by 41% or Baht 0.9 Million due to lease accounting.

Please be informed accordingly.

Yours faithfully,

x

Santosh Pati Tripathi

Vice President (Finance and Commercial)



Birla Cellulose
Fibres From Nature

Thai Rayon Public Company Limited

Office : 16th Floor, Mahatun Plaza Building, 888/160-1 Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330 Thailand.

T: +66 2 2536745-54 | F: +66 2 2543181

Factory : 36 Moo 2, Ayuthaya-Angthong Highway, Tambol Posa, Amphur Muang Angthong, Angthong 14000 Thailand.

T: +66 35 611227-9 | F: +66 35 611908 | W: www.thairayon.com