

14 November 2024

Sub: Explanation on the Company's performance for the quarter ended 30 September 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 September 2024 comparison with for the quarter ended 30 September 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 September | | | |
|--|------------------------------------|------------|---------------------|---------------|
| | 2024 | 2023 | Increase/(Decrease) | |
| Revenue from sales of goods | 2,529 | 2,386 | 143 | 6% |
| Interest income | 0.4 | 1.9 | (1.5) | (80%) |
| Gains (loss) on exchange rate | 280 | (36) | 315 | 888% |
| Dividend income | 26 | 25 | 1 | 5% |
| Other income | 3 | 9 | (6) | (74%) |
| Cost of sales of goods | 2,376 | 2,340 | 36 | 2% |
| Distribution expenses | 220 | 109 | 111 | 102% |
| Administrative expenses | 49 | 50 | (1) | (3%) |
| Other provision expense | 33 | - | 33 | 100% |
| Finance cost | 4 | - | 4 | 100% |
| Share of profit (loss) of associates accounted for using equity method | (1,540) | 510 | (2,050) | (402%) |
| Tax income | 8 | 46 | (38) | (83%) |
| Profit (loss) for the period | (1,377) | 443 | (1,820) | (411%) |
| Earnings (loss) per share (Baht) | | | | |
| Basic earnings (loss) per share | (6.83) | 2.20 | | |
| Gross profit margin | 6% | 2% | | |
| Net profit margin | (49%) | 18% | | |

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

Net loss for the quarter ended 30 September 2024 was Baht (1,377) Million compared to net profit of Baht 433 Million in same period of last year, a decrease of Baht 1,820 Million or 411%. The significant changes are as follows:



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- 1) Revenue from sales of goods increased by 6% or Baht 143 Million mainly due to higher realization.
- 2) Interest income decreased by 80% or Baht 1.5 Million due to reduced treasury investment.
- 3) Gains (loss) on exchange rate increased by 888% or Baht 315 Million due to forex gain on provision for Investment in Joint Venture (AV Terrace Bay Inc.) for future obligations.
- 4) Other income decreased by 74% of Baht 6 Million due to excess provision written back in last period.
- 5) Cost of sales of goods increased by 2% or Baht 36 Million mainly due to increased in raw material prices and higher production during the period offset by lower energy prices.
- 6) Distribution expenses increased by 102% or Baht 111 Million mainly due to higher sea freight rates during the period.
- 7) Other provision expense increased by 100% or Baht 33 Million mainly due to additional provision made for Investment in Joint Venture (AV Terrace Bay Inc.)
- 8) Finance cost increased by 100% or Baht 4 Million due to short term working capital borrowings during the period.
- 9) Share of profit (loss) of associates accounted for using equity method decreased by 402% or Baht 2,050 Million mainly due to exchange fluctuation coupled with lower performance.
- 10) Tax income decreased by 83% or Baht 38 Million mainly due to taxable profit during the period.
- 11) Exchange differences on translating financial statements through other comprehensive income decreased by 1751% or Baht 966 Million due to fluctuation of Thai Baht against foreign currencies.
- 12) Gain (loss) on investment in equity instruments designated at fair value through other comprehensive income decreased by 242% or Baht 1,125 Million mainly due to change in market price and exchange rate.
- 13) Share of other comprehensive income of associates accounted for using equity method decreased by 731% or Baht 1,390 Million mainly due to exchange rate fluctuation.
- 14) Gross profit margin for the quarter ended 30 September 2024 was at 6% compared to 2% of same period of last year mainly due to higher realization, lower energy prices offset by increased raw material prices whereas net profit margin was negative at (49%) compared to 18% in same period of last year mainly due to increased raw material prices, lower performance of associated companies offset by higher realization, lower energy prices and gains on exchange rate



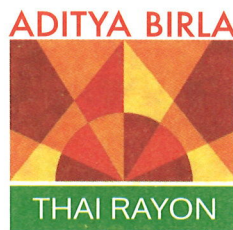
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As per reasons mentioned above, loss per share for the quarter ended 30 September 2024 is Baht (6.83) as compared to earnings per share of Baht 2.20 in same period of last year.

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

As of 30 September 2024, total assets decreased by 5% or Baht 1,658 Million, total liabilities decreased by 1.4% or Baht 89 Million and shareholders' equity decreased by 5% or Baht 1,568 Million compared to 31 March 2024. The significant changes are as below:

A. ASSETS

- 1) Cash and cash equivalents decreased by 70% or Baht 8 Million mainly due to more cash use in working capital and investments.
- 2) Other current assets increased by 97% or Baht 194 Million due to increase in VAT receivable, higher advances to raw material suppliers and prepaid insurance.

B. LIABILITIES AND SHAREHOLDERS' EQUITY

- 1) Short term loans from financial institutions increased by 2040% of Baht 612 Million due to additional borrowing during the period.
- 2) Other current provision decreased by 34% or Baht 1,129 Million due to amount transfer for acquisition of investments in joint venture

Please be informed accordingly.

Yours faithfully,

Mr. Rajesh Jha

Vice President (Finance and Commercial)



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