



Innovation by Chemistry

Toray Textiles (Thailand) Public Company Limited

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023





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Independent Auditor's Report

To the Shareholders of Toray Textiles (Thailand) Public Company Limited

Opinion

I have audited the financial statements in which the equity method is applied and separate financial statements of Toray Textiles (Thailand) Public Company Limited (the "Company"), which comprise the statement of financial position in which the equity method is applied and separate statement of financial position as at 31 March 2023, the related statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements in which the equity method is applied and separate financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2023 and its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRSs").

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing ("TSAs"). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements in which the Equity Method is Applied and Separate Financial Statements* section of my report. I am independent of the Company in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements in which the equity method is applied and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements in which the equity method is applied and separate financial statements of the current period. These matters were addressed in the context of my audit of the financial statements in which the equity method is applied and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Valuation of inventories	
Refer to Note 3 (f) and 8 to the financial statements	
The key audit matter	How the matter was addressed in the audit
The Company operates in a highly competitive market, which is impacting the fluctuation of selling price in relevance to market price. The Company is required to measure its inventories at the lower of cost and net realisable value. In this regard, the Company considers its slow-moving inventories and declining in value of inventories. The estimation of net realisable value of inventories involves management's judgement, and the Company's ending balance of inventories are significant. Therefore, this was an area of focus in my audit.	My audit procedures included the following: <ul style="list-style-type: none"> - inquired of the management to obtain an understanding of the management's judgments and assumptions used to estimate net realisable value of inventories, including the design and implementation of the related internal controls; - verified the accuracy of the inventory aging report on a sample basis with supporting documents; - evaluated the management's assumptions used to identify slow-moving inventories with supporting documents; - sampling items to test the estimated net realisable value of inventories and related selling expenses with supporting documents; and - evaluated the adequacy of the disclosures in accordance with the relevant Thai Financial Reporting Standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements in which the equity method is applied and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements in which the equity method is applied and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements in which the equity method is applied and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements in which the equity method is applied and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.



Responsibilities of Management and Those Charged with Governance for the Financial Statements in which the Equity Method is Applied and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in which the equity method is applied and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements in which the equity method is applied and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements in which the equity method is applied and separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements in which the Equity Method is Applied and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements in which the equity method is applied and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements in which the equity method is applied and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements in which the equity method is applied and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

A handwritten signature in black ink, appearing to be 'Ruy', located in the bottom right corner of the page.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements in which the equity method is applied and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements in which the equity method is applied and separate financial statements, including the disclosures, and whether the financial statements in which the equity method is applied and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of equity-accounted investees of the Company to express an opinion on the financial statements in which the equity method is applied. I am responsible for the direction, supervision and performance of the financial statements in which the equity method is applied. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements in which the equity method is applied and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

A handwritten signature in black ink, appearing to read 'Munchupa S.'.

(Munchupa Singuksawat)
Certified Public Accountant
Registration No. 6112

KPMG Phoomchai Audit Ltd.
Bangkok
23 May 2023

Toray Textiles (Thailand) Public Company Limited
Statement of financial position

Assets	Note	Financial statements in which the equity method is applied		Separate financial statements	
		31 March		31 March	
		2023	2022	2023	2022
		<i>(in Baht)</i>			
Current assets					
Cash and cash equivalents	5	615,993,578	416,366,863	615,993,578	416,366,863
Trade accounts receivable	4, 6, 21	1,814,187,186	1,639,937,888	1,814,187,186	1,639,937,888
Other current receivables	4, 7	79,909,923	125,266,214	79,909,923	125,266,214
Inventories	8	1,696,482,814	1,501,483,185	1,696,482,814	1,501,483,185
Total current assets		4,206,573,501	3,683,054,150	4,206,573,501	3,683,054,150
Non-current assets					
Other non-current financial assets		94,666,210	104,177,870	94,666,210	104,177,870
Investment in associate	9	1,610,997,443	1,579,851,637	503,989,845	503,989,845
Investment properties		1,396,319	2,277,288	1,396,319	2,277,288
Property, plant and equipment	10	2,062,674,968	2,441,564,223	2,062,674,968	2,441,564,223
Right-of-use assets	11	268,688,089	296,920,460	268,688,089	296,920,460
Intangible assets		110,348,962	76,624,305	110,348,962	76,624,305
Deferred tax assets	18	270,226,817	268,777,143	270,226,817	268,777,143
Other non-current assets		3,628,273	4,252,273	3,628,273	4,252,273
Total non-current assets		4,422,627,081	4,774,445,199	3,315,619,483	3,698,583,407
Total assets		8,629,200,582	8,457,499,349	7,522,192,984	7,381,637,557

The accompanying notes are an integral part of these financial statements.

Toray Textiles (Thailand) Public Company Limited
Statement of financial position

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		31 March		31 March	
		2023	2022	2023	2022
		<i>(in Baht)</i>			
Liabilities and equity					
Current liabilities					
Trade accounts payable	4	775,659,598	610,753,295	775,659,598	610,753,295
Other current payables	4	254,843,680	250,605,667	254,843,680	250,605,667
Current portion of lease liabilities	11, 12	33,929,762	31,581,786	33,929,762	31,581,786
Total current liabilities		1,064,433,040	892,940,748	1,064,433,040	892,940,748
Non-current liabilities					
Non-current deferred income	4	17,156,832	22,090,391	17,156,832	22,090,391
Lease liabilities	11, 12	278,693,546	302,147,244	278,693,546	302,147,244
Non-current provisions for employee benefits	13	338,018,962	330,375,877	338,018,962	330,375,877
Total non-current liabilities		633,869,340	654,613,512	633,869,340	654,613,512
Total liabilities		1,698,302,380	1,547,554,260	1,698,302,380	1,547,554,260
Equity					
Share capital					
Authorised share capital (57,840,000 ordinary shares, par value at Baht 10 per share)		578,400,000	578,400,000	578,400,000	578,400,000
Issued and paid-up share capital (57,840,000 ordinary shares, par value at Baht 10 per share)		578,400,000	578,400,000	578,400,000	578,400,000
Share premium	14	333,489,160	333,489,160	333,489,160	333,489,160
Retained earnings:					
Appropriated					
Legal reserve	14	72,840,000	72,840,000	72,840,000	72,840,000
General reserve	14	825,000,000	825,000,000	825,000,000	825,000,000
Unappropriated		5,131,331,499	5,102,809,026	4,024,507,287	4,027,090,652
Other components of equity	14	(10,162,457)	(2,593,097)	(10,345,843)	(2,736,515)
Total equity		6,930,898,202	6,909,945,089	5,823,890,604	5,834,083,297
Total liabilities and equity		8,629,200,582	8,457,499,349	7,522,192,984	7,381,637,557

The accompanying notes are an integral part of these financial statements.

Toray Textiles (Thailand) Public Company Limited
Statement of income

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		Year ended 31 March		Year ended 31 March	
		2023	2022	2023	2022
<i>(in Baht)</i>					
Revenues					
Revenue from sale of goods	4	9,874,626,116	8,203,683,891	9,874,626,116	8,203,683,891
Dividend income	4	1,726,732	1,580,466	60,811,440	27,162,325
Interest income		2,003,008	631,589	2,003,008	631,589
Other income	4	36,740,955	63,814,526	36,740,955	63,814,526
Net foreign exchange gain		25,507,227	48,292,548	25,507,227	48,292,548
Total revenues		9,940,604,038	8,318,003,020	9,999,688,746	8,343,584,879
Expenses					
Cost of sale of goods	4, 8, 17	9,337,499,436	7,868,722,508	9,337,499,436	7,868,722,508
Distribution costs	4, 17	382,474,656	326,642,463	382,474,656	326,642,463
Administrative expenses	4, 17	205,942,657	205,775,464	205,942,657	205,775,464
Total expenses		9,925,916,749	8,401,140,435	9,925,916,749	8,401,140,435
Profit (loss) from operating activities		14,687,289	(83,137,415)	73,771,997	(57,555,556)
Finance costs		(18,062,704)	(19,448,228)	(18,062,704)	(19,448,228)
Share of profit of associate accounted for using equity method	9	90,190,546	88,051,821	-	-
Profit (loss) before income tax		86,815,131	(14,533,822)	55,709,293	(77,003,784)
Income tax expense (income)	18	452,658	(20,284,135)	452,658	(20,284,135)
Profit (loss) for the year		86,362,473	5,750,313	55,256,635	(56,719,649)
Basic earnings (loss) per share (in Baht)	19	1.49	0.10	0.96	(0.98)

The accompanying notes are an integral part of these financial statements.

Toray Textiles (Thailand) Public Company Limited
Statement of comprehensive income

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		Year ended 31 March		Year ended 31 March	
		2023	2022	2023	2022
		<i>(in Baht)</i>			
Profit (loss) for the year		86,362,473	5,750,313	55,256,635	(56,719,649)
Other comprehensive income					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating financial statements	9	39,968	143,682	-	-
Total items that will be reclassified subsequently to profit or loss		39,968	143,682	-	-
<i>Items that will not be reclassified subsequently to profit or loss</i>					
(Loss) gain on investments in equity instruments designated at FVOCI		(9,511,660)	4,241,000	(9,511,660)	4,241,000
Gain on remeasurement of defined benefit plan	13	-	9,611,670	-	9,611,670
Income tax relating to item that will not be reclassified	18	1,902,332	(2,770,534)	1,902,332	(2,770,534)
Share of other comprehensive income of associate accounted for using equity method, net of tax	9	-	4,123,123	-	-
Total items that will not be reclassified subsequently to profit or loss		(7,609,328)	15,205,259	(7,609,328)	11,082,136
Other comprehensive (expense) income for the year, net of income tax		(7,569,360)	15,348,941	(7,609,328)	11,082,136
Total comprehensive income (expense) for the year		78,793,113	21,099,254	47,647,307	(45,637,513)

The accompanying notes are an integral part of these financial statements.

Toray Textiles (Thailand) Public Company Limited
Statement of changes in equity

Financial statements in which the equity method is applied

	Note	Issued and paid-up share capital	Share premium	Retained earnings					Other components of equity			Total equity	
				Appropriated		Unappropriated			Translation reserve	Fair value reserve	Total other components of equity		
				Legal reserve	General reserve	(in Baht)							
Year ended 31 March 2022													
Balance at 1 April 2021		578,400,000	333,489,160	72,840,000	825,000,000	5,143,086,254	(264)	(6,129,315)	(6,129,579)		6,946,685,835		
Transactions with owners, recorded directly in equity													
Dividends	20	-	-	-	-	(57,840,000)	-	-	-	-	(57,840,000)		
Total transactions with owners, recorded directly in equity						(57,840,000)	-	-	-	-	(57,840,000)		
Comprehensive income for the year													
Profit		-	-	-	-	5,750,313	-	-	-	-	5,750,313		
Other comprehensive income		-	-	-	-	11,812,459	143,682	3,392,800	3,536,482		15,348,941		
Total comprehensive income for the year						17,562,772	143,682	3,392,800	3,536,482		21,099,254		
Balance at 31 March 2022		578,400,000	333,489,160	72,840,000	825,000,000	5,102,809,026	143,418	(2,736,515)	(2,593,097)		6,909,945,089		
Year ended 31 March 2023													
Balance at 1 April 2022		578,400,000	333,489,160	72,840,000	825,000,000	5,102,809,026	143,418	(2,736,515)	(2,593,097)		6,909,945,089		
Transactions with owners, recorded directly in equity													
Dividends	20	-	-	-	-	(57,840,000)	-	-	-	-	(57,840,000)		
Total transactions with owners, recorded directly in equity						(57,840,000)	-	-	-	-	(57,840,000)		
Comprehensive income for the year													
Profit		-	-	-	-	86,362,473	-	-	-	-	86,362,473		
Other comprehensive expense		-	-	-	-	-	39,968	(7,609,328)	(7,569,360)		(7,569,360)		
Total comprehensive income for the year						86,362,473	39,968	(7,609,328)	(7,569,360)		78,793,113		
Balance at 31 March 2023		578,400,000	333,489,160	72,840,000	825,000,000	5,131,331,499	183,386	(10,345,843)	(10,162,457)		6,930,898,202		

The accompanying notes are an integral part of these financial statements.

Toray Textiles (Thailand) Public Company Limited
Statement of changes in equity

	Separate financial statements							Total equity
	Retained earnings			Other components of equity				
	Issued and paid-up share capital	Share premium	Legal reserve	General reserve	Unappropriated reserve	Fair value reserve	Total other components of equity	
Year ended 31 March 2022								
Balance at 1 April 2021	578,400,000	333,489,160	72,840,000	825,000,000	4,133,960,965	(6,129,315)	(6,129,315)	5,937,560,810
Transactions with owners, recorded directly in equity								
Dividends	-	-	-	(57,840,000)	-	-	-	(57,840,000)
Total transactions with owners, recorded directly in equity	-	-	-	(57,840,000)	-	-	-	(57,840,000)
Comprehensive expense for the year								
Loss	-	-	-	-	(56,719,649)	-	-	(56,719,649)
Other comprehensive income	-	-	-	-	7,689,336	3,392,800	3,392,800	11,082,136
Total comprehensive expense for the year	-	-	-	-	(49,030,313)	3,392,800	3,392,800	(45,637,513)
Balance at 31 March 2022	578,400,000	333,489,160	72,840,000	825,000,000	4,027,090,652	(2,736,515)	(2,736,515)	5,834,083,297
Year ended 31 March 2023								
Balance at 1 April 2022	578,400,000	333,489,160	72,840,000	825,000,000	4,027,090,652	(2,736,515)	(2,736,515)	5,834,083,297
Transactions with owners, recorded directly in equity								
Dividends	-	-	-	(57,840,000)	-	-	-	(57,840,000)
Total transactions with owners, recorded directly in equity	-	-	-	(57,840,000)	-	-	-	(57,840,000)
Comprehensive income for the year								
Profit	-	-	-	-	55,256,635	-	-	55,256,635
Other comprehensive expense	-	-	-	-	-	(7,609,328)	(7,609,328)	(7,609,328)
Total comprehensive income for the year	-	-	-	-	55,256,635	(7,609,328)	(7,609,328)	47,647,307
Balance at 31 March 2023	578,400,000	333,489,160	72,840,000	825,000,000	4,024,507,287	(10,345,843)	(10,345,843)	5,823,890,604

The accompanying notes are an integral part of these financial statements.

Toray Textiles (Thailand) Public Company Limited
Statement of cash flows

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		Year ended 31 March		Year ended 31 March	
		2023	2022	2023	2022
		<i>(in Baht)</i>			
Cash flows from operating activities					
Profit (loss) before income tax for the year		86,815,131	(14,533,822)	55,709,293	(77,003,784)
<i>Adjustments to reconcile loss to cash receipts (payments)</i>					
Finance costs		18,062,704	19,448,228	18,062,704	19,448,228
Depreciation and amortisation		549,774,471	612,327,866	549,774,471	612,327,866
Impairment loss on machinery and equipment	10	-	300,000	-	300,000
Provision for claim		8,282,223	-	8,282,223	-
Provision for employee benefits	13	26,918,176	27,823,203	26,918,176	27,823,203
Unrealised gain on foreign exchange rate		(5,005,415)	(15,151,357)	(5,005,415)	(15,151,357)
Loss on inventories devaluation	8	6,922,735	12,064,921	6,922,735	12,064,921
Gain on disposals of plant and equipment, right-of-use assets and intangible assets		(10,148,066)	(40,661,458)	(10,148,066)	(40,661,458)
Recognised of deferred income		(4,933,559)	(4,933,559)	(4,933,559)	(4,933,559)
Share of profit of associate accounted for using equity method	9	(90,190,546)	(88,051,821)	-	-
Dividends income		(1,726,732)	(1,580,466)	(60,811,440)	(27,162,325)
Interest income		(2,003,008)	(631,589)	(2,003,008)	(631,589)
		582,768,114	506,420,146	582,768,114	506,420,146
<i>Change in operating assets and liabilities</i>					
Trade accounts receivable		(175,780,428)	(116,717,531)	(175,780,428)	(116,717,531)
Other current receivables		55,579,432	116,276,100	55,579,432	116,276,100
Inventories		(201,922,364)	(343,265,389)	(201,922,364)	(343,265,389)
Other non-current assets		624,000	(8,000)	624,000	(8,000)
Trade accounts payable		142,415,152	42,689,694	142,415,152	42,689,694
Other current payables		2,085,465	(57,337,920)	2,085,465	(57,337,920)
Net cash generated from operations		405,769,371	148,057,100	405,769,371	148,057,100
Employee benefits paid	13	(19,275,091)	(20,208,629)	(19,275,091)	(20,208,629)
Income tax paid		(1,592,429)	(840,272)	(1,592,429)	(840,272)
Net cash from operating activities		384,901,851	127,008,199	384,901,851	127,008,199
Cash flows from investing activities					
Acquisition of plant and equipment		(135,659,045)	(110,953,669)	(135,659,045)	(110,953,669)
Proceed from disposals of plant and equipment and intangible assets		11,450,732	32,077,669	11,450,732	32,077,669
Acquisition of intangible assets		(14,346,688)	(599,635)	(14,346,688)	(599,635)
Dividends received		60,811,440	27,162,325	60,811,440	27,162,325
Interest received		2,003,008	631,589	2,003,008	631,589
Net cash used in investing activities		(75,740,553)	(51,681,721)	(75,740,553)	(51,681,721)

The accompanying notes are an integral part of these financial statements.

Toray Textiles (Thailand) Public Company Limited

Statement of cash flows

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		Year ended 31 March		Year ended 31 March	
		2023	2022	2023	2022
<i>(in Baht)</i>					
<i>Cash flows from financing activities</i>					
Payment of lease liabilities		(51,523,806)	(51,076,464)	(51,523,806)	(51,076,464)
Dividends paid to owners of the Company	20	(57,840,000)	(57,840,000)	(57,840,000)	(57,840,000)
Finance costs paid		(175)	-	(175)	-
Net cash used in financing activities		(109,363,981)	(108,916,464)	(109,363,981)	(108,916,464)
Net increase (decrease) in cash and cash equivalents,					
before effect of exchange rates		199,797,317	(33,589,986)	199,797,317	(33,589,986)
Effect of exchange rate changes on cash and cash equivalents		(170,602)	2,934,871	(170,602)	2,934,871
Net increase (decrease) in cash and cash equivalents		199,626,715	(30,655,115)	199,626,715	(30,655,115)
Cash and cash equivalents at beginning of year		416,366,863	447,021,978	416,366,863	447,021,978
Cash and cash equivalents at ending of year	5	615,993,578	416,366,863	615,993,578	416,366,863
<i>Non-cash transaction</i>					
Receivables from disposal of machinery and equipment		-	8,634,786	-	8,634,786
Right-of-use assets acquire by way of lease liabilities		12,233,808	5,742,006	12,233,808	5,742,006
Payables for purchase of machinery and equipment		38,601,944	15,407,809	38,601,944	15,407,809

Toray Textiles (Thailand) Public Company Limited
Notes to the financial statements
For the year ended 31 March 2023

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Toray Textiles (Thailand) Public Company Limited

Notes to the financial statements

For the year ended 31 March 2023

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and 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 Directors on 23 May 2023.

1 General information

Toray Textiles (Thailand) Public Company Limited, the “Company”, is incorporated in Thailand which established from the amalgamation between Luckytex (Thailand) Public Company Limited and Thai Toray Textile Mills Public Company Limited. The Company was registered in Thailand and was listed on the Stock Exchange of Thailand on 1 July 2019 (the date of amalgamation).

The ultimate parent company during the financial year was Toray Industries, Inc. which was incorporated in Japan.

The principal activities of the Company are the manufacturing of textile consisting of spun fabric, filament fabric, woven fabric, knitted fabric and denim yarn; and industrial material product consisting of cord for rubber material reinforcement, fabric for airbags, canvas and car seat fabric.

2 Basis of preparation of the financial statements

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies, described in note 3 to the financial statements, have been applied consistently to all periods presented in these financial statements.

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Company’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3 Significant accounting policies

(a) Investment in associate

Investment in associate in the separate financial statements is measured at cost less allowance for impairment losses. Investment in associate in the financial statements in which the equity method is applied is accounted for using the equity method. Dividend income is recognised in profit or loss on the date on which the Company’s right to receive payment is established. If the Company disposes of part of its investment, the deemed cost of the part sold is determined using the weighted average method. Gains and losses on disposal of the investments are recognised in profit or loss.

(b) Foreign currencies

Transactions in foreign currencies including non-money assets and liabilities denominated in foreign currencies are translated to the functional currencies at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date.

Foreign currency differences are generally recognised in profit or loss.

Toray Textiles (Thailand) Public Company Limited
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(c) Financial instruments

(c.1) Classification and measurement

Financial assets and financial liabilities (except trade accounts receivable (see note 3(e) to the financial statements)) are initially recognised when the Company becomes a party to the contractual provisions of the instrument, and measured at fair value plus or minus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit losses, and any gain or loss on derecognition are recognised in profit or loss.

Equity investments measured at FVOCI are subsequently measured at fair value. Dividend income is recognised as income in profit or loss on the date on which the Company's right to receive payment is established, unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income ("OCI") and are never reclassified to profit or loss.

(c.2) Derecognition and offsetting

The Company derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and the Company intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Toray Textiles (Thailand) Public Company Limited
Notes to the financial statements
For the year ended 31 March 2023

(c.3) Derivatives

Derivative are recognised at fair value and remeasured at fair value at each reporting date. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

(c.4) Impairment of financial assets other than trade accounts receivable

The Company recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

The Company recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Company.

The Company considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company takes action such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

(c.5) Write-offs

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(c.5) Interest

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments which have maturities of three months or less from the date of acquisition.

Toray Textiles (Thailand) Public Company Limited
Notes to the financial statements
For the year ended 31 March 2023

(e) Trade accounts receivable

A trade receivable is recognised when the Company has an unconditional right to receive consideration. A trade receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Company estimates lifetime expected credit losses (ECLs), using a provision matrix to find the ECLs rates. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle. Cost includes direct costs incurred in acquiring the inventories. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

(g) Investment properties

Investment properties are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the investment properties. The cost of self-constructed assets includes capitalised borrowing costs.

Depreciation is calculated on a straight-line basis over the estimated useful lives of each property and recognised in profit or loss. The Company does not charge depreciation on freehold land.

The estimated useful lives are as follows:

Buildings and improvements	10, 12 and 20	years
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Differences between the proceeds from disposal and the carrying amount of investment properties are recognised in profit or loss.

(h) Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss.

Toray Textiles (Thailand) Public Company Limited
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For the year ended 31 March 2023

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item when the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land and assets under construction and installation.

The estimated useful lives are as follows:

Buildings and improvements	5 - 30	years
Machinery and equipment	5 - 20	years
Furniture, fixtures and office equipment	3 - 15	years
Vehicles	5 and 10	years

(i) Intangible assets

Intangible assets that are acquired by the Company are software licences, and have finite useful lives are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it will generate future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss. No amortisation is provided on computer software under development.

The estimated useful lives are as follows:

Computer software	3 - 10	years
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(j) Lease

At inception of a contract, the Company assesses that a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement or on modification of a contract, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases, the Company has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which are recognised as expenses on a straight-line basis over the respective lease terms.

Toray Textiles (Thailand) Public Company Limited
Notes to the financial statements
For the year ended 31 March 2023

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Company uses the Company's incremental borrowing rate to discount the lease payments to the present value. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification, or a change in lease term, change in lease payments or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(k) Impairment of non-financial assets

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amount are estimated.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount, unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss of asset recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(l) Deferred income

Deferred income represents a cash received from parent company as an unconditional subsidy in respect of the cost of purchase of new machines for increasing the efficiency in production and reducing air pollution from production. The deferred income will be recognised as income in profit or loss on the straight-line basis over the estimated useful life of the machines of 10 years from the date that they are ready for use.

Toray Textiles (Thailand) Public Company Limited
Notes to the financial statements
For the year ended 31 March 2023

(m) Employee benefits

Defined contribution plans

Obligations for contributions to the Company's provident funds are expensed as the related service is provided.

Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed by qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Company determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(n) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(o) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

Toray Textiles (Thailand) Public Company Limited**Notes to the financial statements****For the year ended 31 March 2023**

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable inputs.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received.

(p) Revenue**(1) Revenue recognition**

Revenue is recognised when a customer obtains control of the goods in an amount that reflects the consideration to which the Company expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Sale of goods

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers. For the sales that permit the customers to return the goods, the Company estimates the returns based on the historical return data, does not recognise revenue and cost of sale for the estimated products to be returned.

(2) Contract balances

Contract liabilities including advances received from customers are the obligation to transfer goods to the customer. The contract liabilities are recognised when the Company receives or has an unconditional right to receive non-refundable consideration from the customer before the Company recognises the related revenue.

(q) Other income

Other income is recognised in profit or loss based on accrual basis.

Toray Textiles (Thailand) Public Company Limited
Notes to the financial statements
For the year ended 31 March 2023

(r) Income tax

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the separate financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(s) Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Toray Textiles (Thailand) Public Company Limited
Notes to the financial statements
For the year ended 31 March 2023

4 Related parties

A related party is a person or entity that has direct or indirect control or has significant influence over the financial and managerial decision-making of the Company; a person or entity that is under common control or under the same significant influence as the Company; or a person or entity over which the Company has direct or indirect control or has significant influence over the financial and managerial decision-making.

Relationships with associate are described in note 9 to the financial statements. Other related parties which the Company had significant transactions with during the year were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Toray Industries, Inc.	Japan	Ultimate parent company/parent company and/or common directorship
Thai Toray Synthetics Co., Ltd.	Thailand	Associate and/or common directorship
CMT Dyeing Company Limited	Thailand	Shareholding and common directorship
Chori Co., Ltd.	Japan	Subsidiary of the parent company
Ichimura Sangyo Co., Ltd.	Japan	Subsidiary of the parent company
Penfabric Sdn. Berhad	Malaysia	Subsidiary of the parent company
Penfibre Sdn. Berhad	Malaysia	Subsidiary of the parent company
P.T. Century Textile Industry Tbk	Indonesia	Subsidiary of the parent company
P.T. Easterntex	Indonesia	Subsidiary of the parent company
P.T. Indonesia Synthetics Textile Mills	Indonesia	Subsidiary of the parent company
P.T. Indonesia Toray Synthetics	Indonesia	Subsidiary of the parent company
P.T. Toray International Indonesia	Indonesia	Subsidiary of the parent company
Toray Advanced Materials Korea Inc.	South Korea	Subsidiary of the parent company
Toray Advanced Textile Mexico, S.A. de C.V.	Mexico	Subsidiary of the parent company
Toray Fibers (Nantong) Co., Ltd.	China	Subsidiary of the parent company
Toray Fibers & Textiles Research Laboratories (China) Co., Ltd.	China	Subsidiary of the parent company
Toray Industries (H.K.) Ltd.	Hong Kong	Subsidiary of the parent company
Toray International Europe GmbH	Germany	Subsidiary of the parent company
Toray International Italy S.r.l	Italy	Subsidiary of the parent company
Toray International Vietnam Co., Ltd.	Vietnam	Subsidiary of the parent company
Toray International (America) Inc.	United states of America	Subsidiary of the parent company
Toray International (China) Co., Ltd.	China	Subsidiary of the parent company
Toray International, Inc.	Japan	Subsidiary of the parent company

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For the year ended 31 March 2023

Name of entities	Country of incorporation/ nationality	Nature of relationships
Toray Kusumgar Advanced Textile Private Limited	India	Subsidiary of the parent company
Toray Monofilament Ltd.	Japan	Subsidiary of the parent company
Toray Sakai Weaving & Dyeing (Nantong) Co., Ltd.	China	Subsidiary of the parent company
Toray Textiles Central Europe s.r.o.	Czech Republic	Subsidiary of the parent company
Toray Industries (Thailand) Co., Ltd.	Thailand	Subsidiary of the parent company and/or common directorship
Chori (Hongkong) Co., Ltd.	Hong Kong	Indirect subsidiary of the parent company
Chori Middle East FZE	United Arab Emirates	Indirect subsidiary of the parent company
Chori Vietnam Co., Ltd.	Vietnam	Indirect subsidiary of the parent company
Penovate Sdn. Berhad	Malaysia	Indirect subsidiary of the parent company
P.T. Chori Indonesia	Indonesia	Indirect subsidiary of the parent company
So-wa Textile Co., Ltd.	Japan	Indirect subsidiary of the parent company
Thai Chori Co., Ltd.	Thailand	Indirect subsidiary of the parent company
Toray International U.K. Ltd.	United Kingdom	Indirect subsidiary of the parent company
Toray International Taipei, Inc.	Taiwan	Indirect subsidiary of the parent company
Toray Hybrid Cord (Thailand) Co., Ltd.	Thailand	Indirect subsidiary of the parent company and/or common directorship
Toray International Trading (Hong Kong) Co., Ltd.	Hong Kong	Indirect subsidiary of the parent company
Toray International Trading (Thailand) Co., Ltd.	Thailand	Associate of the parent company and/or common directorship
Key management personnel	Thailand/ Japan	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Toray Textiles (Thailand) Public Company Limited
Notes to the financial statements
For the year ended 31 March 2023

<i>Significant transactions with related parties Year ended 31 March</i>	Financial statements in which the equity method is applied		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Parent				
Sale of goods	75,332	57,534	75,332	57,534
Other income and deferred income	7,544	7,397	7,544	7,397
Purchase of goods	58,486	-	58,486	-
Commission expense	55,851	55,853	55,851	55,853
Brand fee	11,215	-	11,215	-
Other expense	9,305	6,416	9,305	6,416
Associate				
Sale of goods	67	32	67	32
Dividend income	-	-	59,086	25,582
Other income	3,707	3,926	3,707	3,926
Purchase of goods	2,391,249	2,312,691	2,391,249	2,312,691
Other related parties				
Sale of goods	2,789,563	2,306,695	2,789,563	2,306,695
Sale of machinery and equipment	24,000	37,475	24,000	37,475
Other income	10,435	7,984	10,435	7,984
Purchase of goods	2,717,529	1,910,615	2,717,529	1,910,615
Purchase of machinery and equipment	-	40,752	-	40,752
Commission expense	26,172	21,201	26,172	21,201
Management service fee	26,719	24,742	26,719	24,742
Other expense	43,048	29,557	43,048	29,557
Audit committee's remuneration	600	600	600	600
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	48,084	51,122	48,084	51,122
Post-employment benefits	257	268	257	268
Total key management personnel compensation	48,341	51,390	48,341	51,390

Toray Textiles (Thailand) Public Company Limited
Notes to the financial statements
For the year ended 31 March 2023

<i>Balances with related parties</i> <i>At 31 March</i>	Financial statements in which the equity method is applied/ Separate financial statements	
	2023	2022
	<i>(in thousand Baht)</i>	
<i>Trade accounts receivable</i>		
Parent	12,132	7,207
Associate	3	-
Other related parties	521,350	497,812
	533,485	505,019
<i>Less allowance for expected credit loss</i>	-	-
Net	533,485	505,019
<i>Other current receivables</i>		
Parent	1,975	328
Associate	6,463	4,941
Other related parties	3,163	10,822
Total	11,601	16,091
<i>Trade accounts payable</i>		
Parent	368	3
Associate	248,624	244,151
Other related parties	291,200	165,543
Total	540,192	409,697
<i>Other current payables</i>		
Parent	43,952	32,973
Other related parties	7,031	10,463
Total	50,983	43,436
<i>Deferred income</i>		
Parent		
- Current (recorded in the account “other current payables”)	4,934	4,934
- Non-current	17,157	22,090
Total	22,091	27,024

Significant agreements with related parties

Trademark license agreement

The Company has a trademark license agreement with the ultimate parent company, Toray Industries, Inc., whereby the latter agrees to grant the Company the right to use of the corporate name and brand of “Thai Toray with Golden Eagle” with respect to the sales in Thailand. In consideration thereof, the Company is committed to pay a trademark license fee to the ultimate parent company at the rate of USD 0.01 per yard for the articles sold under the trademark. The trademark license agreement is available to use for Thailand, Bahrain, Cyprus, Japan, Kuwait, Singapore, Syria, Saudi Arabia and United Arab Emirates. In the case that the Company requires to use the trademark license in other countries not stipulated herein, the Company is required to obtain the written approval from the ultimate parent company in advance. This agreement shall be effective unless either party thereto gives written notice to the other of its intention to terminate this agreement 3 months in advance.

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Management service agreement

The Company entered into a management service agreement with a related company, Toray Industries (Thailand) Co., Ltd., whereby the related company agrees to provide certain services as agreed in the agreement to the Company. In this regard, the Company is committed to pay the monthly service fee at the rate specified in the agreement. This agreement shall be effective unless either party thereto gives written notice to the other of its intention to terminate this agreement 30 days in advance.

Rental, utilities and service agreements

The Company has rental, utilities and service agreements with three related companies, Thai Toray Synthetics Co., Ltd., CMT Dyeing Company Limited and Toray Hybrid Cord (Thailand) Co., Ltd., whereby the Company agrees to grant the rental factory and/or land, utilities and service to the related companies. Under the terms of the agreements, the related companies are committed to pay the rental, utilities and service fees to the Company at a certain amount as stipulated in the agreements. These agreements shall be effective unless either party thereto gives written notice to the other of its intention to terminate these agreements 2, 3 and 6 months in advance.

Technical service agreement

The Company has a technical service agreement with the ultimate parent company, Toray Industries, Inc. whereby the latter agrees to provide the Company certain technical service support and assistance with respect to business of the Company. In consideration thereof, the Company is committed to pay a service fee to the ultimate parent company at the rate as specified in the agreement. This agreement shall be effective unless either party thereto gives written notice to the other of its intention to terminate this agreement 60 days in advance.

License memorandum

The Company has a license memorandum with the ultimate parent company, Toray Industries, Inc. whereby the latter agrees to grant the Company the right of production and distribution of products. In consideration thereof, the Company is committed to pay license fee for to the ultimate parent company at the agreed prices as specified in the agreement.

Corporate brand agreement

The Company has a corporate brand agreement (“Brand fee”) with the ultimate parent company, Toray Industries, Inc., whereby the latter agrees to grant the Company the right to use of the corporate trademarks and corporate domain name with respect to the sales. In consideration thereof, the Company is committed to pay brand fee to the ultimate parent company at the rate of 0.5% of the revenue from sale of goods deducted by the purchases within Toray group in the current fiscal period since the effective date of the agreement. This agreement shall be effective unless either party thereto gives written notice to the other of its intention to terminate this agreement at least 3 months in advance.

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Commitments

As at 31 March, the Company had the following commitments with related parties.

	Financial statements in which the equity method is applied/ Separate financial statements	
	2023	2022
	<i>(in thousand Baht)</i>	
Other commitments		
Contracted commitment for purchase of raw materials and factory supplies	<u>21,958</u>	<u>105,734</u>

Sale commission expenses

The Company had commitments to pay a sales commission to Toray Industries, Inc., the ultimate parent company, and certain related companies at the specific amount which calculated based on the quantity of sales, or at the specific rates as specified in the sale invoice that ordered by its intermediary for customers in certain areas.

5 Cash and cash equivalents

	Financial statements in which the equity method is applied/ Separate financial statements	
	2023	2022
	<i>(in thousand Baht)</i>	
Cash on hand	497	347
Cash at bank	615,495	416,018
Highly liquid short-term investments	2	2
Total	<u>615,994</u>	<u>416,367</u>

6 Trade accounts receivable

	<i>Note</i>	Financial statements in which the equity method is applied/ Separate financial statements	
		2023	2022
		<i>(in thousand Baht)</i>	
Related parties			
Within credit terms		490,057	480,782
Overdue:			
Less than 3 months		43,428	24,237
Total	4	<u>533,485</u>	<u>505,019</u>
Other parties			
Within credit terms		1,275,051	1,125,502
Overdue:			
Less than 3 months		5,651	9,417
Total		<u>1,280,702</u>	<u>1,134,919</u>
Grand total		<u>1,814,187</u>	<u>1,639,938</u>
<i>Less allowance for expected credit loss</i>		-	-
Net		<u>1,814,187</u>	<u>1,639,938</u>

Toray Textiles (Thailand) Public Company Limited
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7 Other current receivables

	Note	Financial statements in which the equity method is applied/ Separate financial statements	
		2023	2022
		<i>(in thousand Baht)</i>	
Refundable value added tax		38,489	64,506
Advance to suppliers	4	14,217	10,945
Prepaid expenses	4	9,705	9,640
Deferred insurance expenses		-	17,242
Receivables from disposals machinery and equipment	4	-	8,635
Others	4	17,499	14,298
Total		79,910	125,266

8 Inventories

	Financial statements in which the equity method is applied/ Separate financial statements	
	2023	2022
	<i>(in thousand Baht)</i>	
Finished goods	417,839	444,114
Work in progress	755,326	651,254
Raw materials	386,056	236,021
Spare parts and supplies	181,469	186,642
Raw materials and spare parts in transit	10,884	31,620
	1,751,574	1,549,651
Less allowance for losses on decline in value of inventories	(55,091)	(48,168)
Net	1,696,483	1,501,483

	Financial statements in which the equity method is applied/ Separate financial statements	
	2023	2022
	<i>(in thousand Baht)</i>	
Inventories recognised in 'cost of sale of goods':		
- Cost	9,330,576	7,856,658
- Write-down to net realisable value	6,923	12,065
Net	9,337,499	7,868,723

Toray Textiles (Thailand) Public Company Limited
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9 Investment in associate

	Financial statements in which the equity method is applied		Separate financial statements	
	Year ended 31 March		Year ended 31 March	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Beginning balance	1,579,852	1,513,115	503,990	503,990
Share of profit of associate	90,191	88,052	-	-
Share of other comprehensive income of associate, net of tax	-	4,123	-	-
Dividend income	(59,086)	(25,582)	-	-
Exchange differences on translating financial statements	40	144	-	-
Ending balance	<u>1,610,997</u>	<u>1,579,852</u>	<u>503,990</u>	<u>503,990</u>

During the years ended 31 March 2023 and 2022, there were no acquisitions and disposals of investment in associate.

Investment in associate accounted for using the equity method as at 31 March 2023 and 2022 were as follows:

	Type of business	Relationship	Ownership interest (%)	Paid-up capital	Investment	
					Cost method	Equity method
	<i>(in thousand Baht)</i>					
Thai Toray Synthetics Co., Ltd.	Manufacture of yarn	Shareholding				
- 31 March 2023			<u>19.06</u>	<u>3,078,141</u>	<u>503,990</u>	<u>1,610,997</u>
- 31 March 2022			<u>19.06</u>	<u>3,078,141</u>	<u>503,990</u>	<u>1,579,852</u>

The Company's associate was incorporated in Thailand.

None of the Company's associate is publicly listed and consequently do not have published price quotations.

The following table summarises the financial information of the associate as included in their own financial statements, adjusted for differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Company's interest in this company.

	Financial statements in which the equity method is applied	
	2023	2022
	<i>(in thousand Baht)</i>	
Revenue	<u>11,609,117</u>	<u>10,578,340</u>
Profit	<u>472,247</u>	<u>454,470</u>
Other comprehensive income	<u>209</u>	<u>22,386</u>
Total comprehensive income (100%)	<u>472,456</u>	<u>476,856</u>
Total comprehensive income of the Company's interest	<u>90,050</u>	<u>90,889</u>
Elimination of unrealised loss on upstream sales (Sales inventories to the Company)	<u>181</u>	<u>1,430</u>
Company's share of total comprehensive income	<u>90,231</u>	<u>92,319</u>

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	Financial statements in which the equity method is applied	
	2023	2022
	<i>(in thousand Baht)</i>	
Current assets	5,043,778	5,270,077
Non-current assets	4,254,477	4,445,989
Current liabilities	(660,235)	(1,236,938)
Non-current liabilities	<u>(159,528)</u>	<u>(163,124)</u>
Net assets (100%)	<u>8,478,492</u>	<u>8,316,004</u>
Company's share of net assets	1,616,459	1,585,495
Elimination of unrealised profit on upstream sales (Sales inventories to the Company)	<u>(5,462)</u>	<u>(5,643)</u>
Carrying amount of interest in associate	<u>1,610,997</u>	<u>1,579,852</u>

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10 Property, plant and equipment

<i>Cost</i>	Financial statements in which the equity method is applied/ Separate financial statements						
	Land	Buildings and improvements	Machinery and equipment	Furniture, fixtures and office equipment <i>(in thousand Baht)</i>	Vehicles	Assets under construction and installation	Total
At 1 April 2021	63,706	2,613,618	13,595,833	259,353	10,131	38,457	16,581,098
Additions	-	454	5,957	7,790	-	72,463	86,664
Transfers	-	13,939	41,853	562	-	(56,354)	-
Disposals	-	-	(432,612)	(879)	-	-	(433,491)
At 31 March 2022 and 1 April 2022	63,706	2,628,011	13,211,031	266,826	10,131	54,566	16,234,271
Additions	-	-	7,364	8,154	-	113,220	128,738
Transfers	-	24,806	109,588	1,463	-	(135,857)	-
Disposals	-	-	(230,566)	(1,542)	(43)	-	(232,151)
At 31 March 2023	63,706	2,652,817	13,097,417	274,901	10,088	31,929	16,130,858
<i>Depreciation and impairment loss</i>							
At 1 April 2021	-	1,979,416	11,433,028	243,451	10,130	-	13,666,025
Depreciation charge for the year	-	72,413	479,205	8,205	-	-	559,823
Reversal of impairment loss, net	-	-	(83,163)	-	-	-	(83,163)
Disposals	-	-	(349,099)	(879)	-	-	(349,978)
At 31 March 2022 and 1 April 2022	-	2,051,829	11,479,971	250,777	10,130	-	13,792,707
Depreciation charge for the year	-	70,172	420,080	7,438	-	-	497,690
Reversal of impairment loss, net	-	-	(37,397)	-	-	-	(37,397)
Disposals	-	-	(183,232)	(1,542)	(43)	-	(184,817)
At 31 March 2023	-	2,122,001	11,679,422	256,673	10,087	-	14,068,183
<i>Net book value</i>							
At 31 March 2022	63,706	576,182	1,731,060	16,049	1	54,566	2,441,564
At 31 March 2023	63,706	530,816	1,417,995	18,228	1	31,929	2,062,675

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The gross amount of the Company's fully depreciated plant and equipment that was still in use as at 31 March 2023 amounted to Baht 10,543.0 million (2022: Baht 9,744.2 million).

11 Leases

<i>Right-of-use assets</i> <i>At 31 March</i>	Financial statements in which the equity method is applied/ Separate financial statements	
	2023	2022
	<i>(in thousand Baht)</i>	
Buildings and improvements	851	4,254
Machinery and equipment	248,509	277,183
Vehicles	19,328	15,483
Total	268,688	296,920

During the year ended 31 March 2023, additions to the right-of-use assets of the Company were Baht 12.2 million (2022: Baht 5.7 million).

The Company leases a number of buildings and improvements, machinery and equipment and vehicles for period between 2 to 30 years expiring in 2023 to 2031. The rental is payable monthly as specified in the contract. Detail of significant lease agreement is as below.

Lease of power generator not in the legal form of a lease

The Company entered into an Energy Supply Agreement with a local company. The Company will receive electric power and steam from the latter to be used for the operation in the factory located in Samutprakarn. The agreement is for a period of 15 years commencing on 1 December 2016. In consideration thereof, the Company is committed to pay the fee as defined in the agreement. Under the terms of the agreement, the Company must comply with certain conditions as stated in the agreement such as lease of the business site and termination etc.

Due to the unusual nature of the asset, it is remote that one or more parties other than the Company will take more than insignificant amount of utility that will be generated by the asset during the term of arrangement. The power generator is located at the Company's factory in Samutprakarn which the Company has ability or right to control physical access to the asset. Accordingly, although the arrangement is not in the legal form of a lease, the Company concluded that the arrangement contains a lease of the power generator. The lease was classified as a finance lease. At inception of the arrangement, payments were split into lease payments and payments related to the other elements based on their relative fair values. The imputed finance costs on the liability were determined based on the Company's incremental borrowing rate.

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<i>Year ended 31 March</i>	Financial statements in which the equity method is applied/ Separate financial statements in	
	2023	2022
	<i>(in thousand Baht)</i>	
Amounts recognised in profit or loss		
Depreciation of right-of-use assets:		
- Buildings and improvements	3,403	3,403
- Machinery and equipment	28,674	28,674
- Vehicles	8,389	7,965
Interest on lease liabilities	18,062	19,448
Expenses relating to short-term leases	3,138	1,288

During the year ended 31 March 2023, total cash outflow for leases of the Company were Baht 54.7 million (2022: Baht 52.4 million).

12 Interest-bearing liabilities

	Financial statements in which the equity method is applied/ Separate financial statements	
	2023	2022
	<i>(in thousand Baht)</i>	
Current portion of lease liabilities	33,930	31,582
Lease liabilities	278,693	302,147
Total	312,623	333,729

As at 31 March 2023, the Company had unutilised credit facilities totalling USD 43 million and Baht 5,325 million (2022: USD 43 million and Baht 5,325 million).

13 Non-current provisions for employee benefits

<i>At 31 March</i>	Financial statements in which the equity method is applied/ Separate financial statements	
	2023	2022
	<i>(in thousand Baht)</i>	
Defined benefit plan	323,282	314,345
Other long-term employee benefits	14,737	16,031
Total	338,019	330,376

Defined benefit plan

The Company operates a defined benefit plan based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plan exposes the Company to actuarial risks, such as interest rate risk.

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Present value of the defined benefit obligations

	Financial statements in which the equity method is applied/ Separate financial statements	
	Year ended 31 March	
	2023	2022
	<i>(in thousand Baht)</i>	
Beginning balance	314,345	315,932
<i>Recognised in profit or loss:</i>		
Current service cost	19,889	21,345
Interest on obligation	5,733	4,601
	<u>25,622</u>	<u>25,946</u>
<i>Recognised in other comprehensive income:</i>		
Actuarial (gain) loss		
- Demographic assumptions	-	713
- Financial assumptions	-	(16,832)
- Experience adjustment	-	6,507
	<u>-</u>	<u>(9,612)</u>
Benefit paid	<u>(16,685)</u>	<u>(17,921)</u>
Ending balance	<u>323,282</u>	<u>314,345</u>

Other long-term employee benefits

Obligation in respect of other long-term employee benefits was based on pensionable remuneration and the Company's policy.

Present value of other long-term employee benefits

	Financial statements in which the equity method is applied/ Separate financial statements	
	Year ended 31 March	
	2023	2022
	<i>(in thousand Baht)</i>	
Beginning balance	16,031	16,441
<i>Recognised in profit or loss:</i>		
Current service cost	1,104	1,702
Interest on obligation	192	176
	<u>1,296</u>	<u>1,878</u>
Benefit paid	<u>(2,590)</u>	<u>(2,288)</u>
Ending balance	<u>14,737</u>	<u>16,031</u>

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Principal actuarial assumptions

	Financial statements in which the equity method is applied/ Separate financial statements	
	2023	2022
	(%)	
Discount rate	2.28 - 2.38	2.28 - 2.38
Future salary growth	4.5 - 5.5	4.5 - 5.5
Employee turnover	0 - 22	0 - 22
Retirement age (<i>years old</i>)	55 and 60	55 and 60

Assumptions regarding future mortality are based on published statistics and mortality tables.

At 31 March 2023, the weighted-average duration of the defined benefit obligations and other long-term employee benefits was 13.1 and 13.8 years (*2022: 13.1 and 13.8 years*).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations and other long-term employee benefits by the amount shown below.

	Financial statements in which the equity method is applied/ Separate financial statements			
	Increased in assumption		Decreased in assumption	
<i>At 31 March</i>	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Discount rate (1% movement)	(22,946)	(23,841)	25,684	26,603
Future salary growth (1% movement)	31,347	28,784	(27,965)	(25,743)
Employee turnover (20% movement)	(11,715)	(10,458)	13,208	11,746

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14 Share premium and reserves

Share premium

Section 51 of the Public Limited Companies Act B.E. 2535 (1992) requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account (“share premium”). Share premium is not available for dividend distribution.

Appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Limited Companies Act B.E. 2535 (1992) requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

General reserve

This represents general reserve for the Company’s operations in the future.

Other components of equity

Translation reserve

The currency translation changes recognised in equity relate to foreign exchange differences arising on translation of the financial statements of foreign operations to Thai Baht to record investment in accounted for using equity method in financial statements in which the equity method is applied.

Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of equity securities designated at FVOCI.

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15 Segment information and disaggregation of revenue

Management considers that the Company has two reportable segments, as described below, which are the Company's strategic divisions for different products, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Company's reportable segments.

- *Segment 1* Textile
- *Segment 2* Industrial material product

Each segment's performance is measured based on segment gross profit, as included in the internal management reports that are reviewed by the Company's Chief Operating Decision Maker. Segment gross profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

<i>Year ended 31 March</i>	Financial statements in which the equity method is applied					
	Segment 1		Segment 2		Total	
	2023	2022	2023	2022	2023	2022
	<i>(in thousand Baht)</i>					
<i>Information about reportable segments</i>						
External revenues	5,079,293	4,344,239	4,795,333	3,859,445	9,874,626	8,203,684
Cost of sales	<u>(4,708,647)</u>	<u>(4,144,571)</u>	<u>(4,628,852)</u>	<u>(3,724,152)</u>	<u>(9,337,499)</u>	<u>(7,868,723)</u>
Gross profit	<u>370,646</u>	<u>199,668</u>	<u>166,481</u>	<u>135,293</u>	<u>537,127</u>	<u>334,961</u>
Distribution costs					(382,475)	(326,642)
Administrative expenses					(205,943)	(205,775)
Other income					65,978	114,318
Profit (loss) from operating activities					14,687	(83,138)
Finance costs					(18,063)	(19,448)
Share of profit of associate					90,191	88,052
Profit (loss) before income tax					86,815	(14,534)
Income tax (expense) income					(453)	20,284
Profit for the year					<u>86,362</u>	<u>5,750</u>

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<i>At 31 March</i>	Financial statements in which the equity method is applied					
	Segment 1		Segment 2		Total	
	2023	2022	2023	2022	2023	2022
	<i>(in thousand Baht)</i>					
Reportable segment financial position						
Trade accounts receivable	545,109	553,504	1,269,078	1,086,434	1,814,187	1,639,938
Inventories, net						
- Allocated items	1,039,012	873,992	473,132	438,183	1,512,144	1,312,175
- Unallocated items	-	-	-	-	184,339	189,308
Total					<u>1,696,483</u>	<u>1,501,483</u>
Property, plant and equipment, net						
- Allocated items	1,447,346	1,716,570	409,257	497,141	1,856,603	2,213,711
- Unallocated items	-	-	-	-	206,072	227,853
Total					<u>2,062,675</u>	<u>2,441,564</u>
Right-of-use assets						
- Allocated items	251,943	278,008	2,031	2,149	253,974	280,157
- Unallocated items	-	-	-	-	14,714	16,763
Total					<u>268,688</u>	<u>296,920</u>
Unallocated other assets					<u>2,787,168</u>	<u>2,577,594</u>
Total assets					<u>8,629,201</u>	<u>8,457,499</u>

<i>Year ended 31 March</i>	Financial statements in which the equity method is applied					
	Segment 1		Segment 2		Total	
	2023	2022	2023	2022	2023	2022
	<i>(in thousand Baht)</i>					
Disaggregation of revenues						
Primary geographical markets						
Asia	4,851,076	4,079,866	4,770,634	3,855,891	9,621,710	7,935,757
Europe	121,166	110,355	22,501	3,554	143,667	113,909
Africa	85,129	102,471	-	-	85,129	102,471
America	17,070	39,748	2,198	-	19,268	39,748
Oceania	4,852	11,799	-	-	4,852	11,799
Total revenues	<u>5,079,293</u>	<u>4,344,239</u>	<u>4,795,333</u>	<u>3,859,445</u>	<u>9,874,626</u>	<u>8,203,684</u>
Major products						
Fabric for airbags	-	-	4,477,576	3,523,507	4,477,576	3,523,507
Fabric for apparel	4,779,113	4,078,289	-	-	4,779,113	4,078,289
Others	300,180	265,950	317,757	335,938	617,937	601,888
Total revenues	<u>5,079,293</u>	<u>4,344,239</u>	<u>4,795,333</u>	<u>3,859,445</u>	<u>9,874,626</u>	<u>8,203,684</u>
Timing of revenue recognition						
At a point in time	<u>5,079,293</u>	<u>4,344,239</u>	<u>4,795,333</u>	<u>3,859,445</u>	<u>9,874,626</u>	<u>8,203,684</u>
Total revenues	<u>5,079,293</u>	<u>4,344,239</u>	<u>4,795,333</u>	<u>3,859,445</u>	<u>9,874,626</u>	<u>8,203,684</u>

(a) Geographical segments

The Company is managed on a worldwide basis but operates manufacturing facilities and sales offices solely in Thailand.

In presenting information on the basis of geographical segments, segment revenue is based on the geographic location of customers. All segment assets of the Company are located in Thailand.

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(b) Major customer

Revenues from one customer of the Company's 1 and 2 segments for the year ended 31 March 2023 represent approximately Baht 1,571 million (2022: Baht 1,193 million) of the Company's total revenues.

(c) Contract liabilities

The contract liabilities primarily relate to the advance consideration received from customers for sale of goods. The Company recognises such contract liabilities as revenue when the goods are delivered to customers.

Material movement in the contract liabilities balances during the year are as follows:

	Financial statements in which the equity method is applied/ Separate financial statements	
	Year ended 31 March	
	2023	2022
	<i>(in thousand Baht)</i>	
Beginning balance	49,307	29,498
Recognised as revenue from sale of goods during the year	(46,301)	(27,539)
Advance received during the year	39,515	47,348
Ending balance	42,521	49,307

16 Employee benefit expenses

		Financial statements in which the equity method is applied/ Separate financial statements	
		Year ended 31 March	
	Note	2023	2022
		<i>(in thousand Baht)</i>	
Wages and salaries		600,209	617,012
Bonus and other benefits		162,732	150,855
Defined benefit plan	13	25,622	25,946
Defined contribution plans		17,873	15,715
Other long-term employee benefits	13	1,296	1,878
Total		807,732	811,406

Defined contribution plans

The defined contribution plans comprise provident fund established by the Company for its employees. Membership to the fund is on a voluntary basis. Contributions are made monthly by the Company and the employees each at the fixed rates followed by the Company's announcement of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as juristic entity and is managed by a licensed Fund Manager.

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17 Expenses by nature

The statements of income include an analysis of expenses by function. Expenses by nature were as follows:

	Note	Financial statements in which the equity method is applied/ Separate financial statements	
		2023	2022
		<i>(in thousand Baht)</i>	
Changes in inventories of finished goods and work in progress		(77,797)	(259,222)
Raw materials and consumables used		6,846,187	5,707,390
Employee benefit expenses	16	807,732	811,406
Depreciation and amortisation		548,343	610,897
Utilities expenses		790,858	666,232
Impairment loss on machinery and equipment	10	-	300
Maintenance and technical fee		147,754	124,626
Fuel and natural gas expenses		252,095	196,976
Freight charges and shipping expenses		163,683	147,497
Commission expenses		122,493	101,324
Outsourcing fee		66,830	53,604
Insurance expenses		26,052	26,580
Claim expenses		23,671	10,258
Management service fee	4	26,719	24,742
Transportation expenses		26,633	25,034
Write-down to net realisable value	8	6,923	12,065
Others		147,741	141,431
Total cost of sale of goods, distribution costs and administrative expenses		9,925,917	8,401,140

18 Income tax

Income tax recognised in profit or loss

	Financial statements in which the equity method is applied/ Separate financial statements	
	2023	2022
	<i>(in thousand Baht)</i>	
Current tax expense		
Current year	-	-
	-	-
Deferred tax income		
Movements in temporary differences	452	(20,284)
	452	(20,284)
Total	452	(20,284)

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Income tax recognised in other comprehensive income

	Financial statements in which the equity method is applied/ Separate financial statement					
	Before tax	2023 Tax benefit	Net of tax <i>(in thousand Baht)</i>	Before tax	2022 Tax expense	Net of tax
(Loss) gain on investments in equity instruments designed at FVOCI	(9,511)	1,902	(7,609)	4,241	(848)	3,393
Gain on remeasurement of defined benefit plan	-	-	-	9,612	(1,923)	7,689
Total	(9,511)	1,902	(7,609)	13,853	(2,771)	11,082

Reconciliation of effective tax rate

	Financial statements in which the equity method is applied			
	Rate (%)	2023 <i>(in thousand Baht)</i>	Rate (%)	2022 <i>(in thousand Baht)</i>
Profit (loss) before income tax		86,815		(14,534)
Income tax using the Thai corporation tax rate	20	17,363	20	(2,907)
Share of profit from associate		(18,038)		(17,610)
Income not subject to tax		(345)		(316)
Expenses not deductible for tax purposes		2,217		1,283
Expenses deductible at a greater amount		(745)		(754)
Others		-		20
Total	1	452	-	(20,284)

	Separate financial statements			
	Rate (%)	2023 <i>(in thousand Baht)</i>	Rate (%)	2022 <i>(in thousand Baht)</i>
Profit (loss) before income tax		55,709		(77,004)
Income tax using the Thai corporation tax rate	20	11,142	20	(15,401)
Income not subject to tax		(12,162)		(5,432)
Expenses not deductible for tax purposes		2,217		1,283
Expenses deductible at a greater amount		(745)		(754)
Others		-		20
Total	1	452	-	(20,284)

Deferred tax assets and liabilities as at 31 March were as follows:

	Financial statements in which the equity method is applied/ Separate financial statements			
	Assets		Liabilities	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Total	278,077	281,014	(7,850)	(12,237)
Set off of tax	(7,850)	(12,237)	7,850	12,237
Net deferred tax assets	270,227	268,777	-	-

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Movements in total deferred tax assets and liabilities were as follows:

	Financial statements in which the equity method is applied/ Separate financial statements			At 31 March 2023
	(Charged) / Credited to:			
	At 1 April 2022	Profit or loss <i>(in thousand Baht)</i>	Other comprehensive income	
<i>Deferred tax assets (liabilities)</i>				
Inventories	9,634	1,384	-	11,018
Financial assets measured at FVTPL	555	-	-	555
Provision for impairment of machinery and equipment	8,219	(4,136)	-	4,083
Unrealised loss from derivatives	1,569	(1,035)	-	534
Provisions for employee benefits	66,075	1,529	-	67,604
Loss carry forward	177,337	(4,104)	-	173,233
Financial assets measured at FVOCI	685	-	1,902	2,587
Property, plant and equipment	(12,237)	4,387	-	(7,850)
Others	16,940	1,523	-	18,463
Net	268,777	(452)	1,902	270,227

	Financial statements in which the equity method is applied/ Separate financial statements			At 31 March 2022
	(Charged) / Credited to:			
	At 1 April 2021	Profit or loss <i>(in thousand Baht)</i>	Other comprehensive income	
<i>Deferred tax assets (liabilities)</i>				
Inventories	7,221	2,413	-	9,634
Financial assets measured at FVTPL	567	(12)	-	555
Provision for impairment of machinery and equipment	28,195	(19,976)	-	8,219
Unrealised loss from derivatives	2,644	(1,075)	-	1,569
Provisions for employee benefits	66,474	1,524	(1,923)	66,075
Loss carry forward	143,244	34,093	-	177,337
Financial assets measured at FVOCI	1,533	-	(848)	685
Property, plant and equipment	(19,049)	6,812	-	(12,237)
Others	20,435	(3,495)	-	16,940
Net	251,264	20,284	(2,771)	268,777

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19 Basic earnings (loss) per share

The calculations of basic earnings (loss) per share for the years ended 31 March 2023 and 2022 were based on the profit for the year attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the year as follows:

<i>Year ended 31 March</i>	Financial statements in which the equity method is applied		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht / thousand shares)</i>			
Profit (loss) for the year	<u>86,362</u>	<u>5,750</u>	<u>55,257</u>	<u>(56,720)</u>
Number of ordinary shares outstanding during the year	<u>57,840</u>	<u>57,840</u>	<u>57,840</u>	<u>57,840</u>
Basic earnings (loss) per share (in Baht)	<u>1.49</u>	<u>0.10</u>	<u>0.96</u>	<u>(0.98)</u>

20 Dividends

The dividends paid by the Company to the shareholders as follows:

	Financial statements in which the equity method is applied/		Separate financial statements		
	Approval date	Payment schedule	Payment from retained earning subjects to corporate income tax (%)	Dividend rate (in Baht/share)	Amount (in million Baht)
Year ended 31 March 2023					
2022 Interim dividend	23 December 2022	January 2023	25	0.50	28.92
2021 Annual dividend	26 July 2022	August 2022	25	0.50	28.92
Total				<u>1.00</u>	<u>57.84</u>
Year ended 31 March 2022					
2021 Interim dividend	23 December 2021	January 2022	30	0.50	28.92
2020 Annual dividend	29 July 2021	August 2021	30	0.50	28.92
Total				<u>1.00</u>	<u>57.84</u>

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21 Financial instruments

(a) *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. It 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				
	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Financial instruments measured at amortised cost - net	Total	Level 1	Level 2	Level 3	Total
<i>At 31 March</i>	<i>(in thousand Baht)</i>							
2023								
Financial assets								
Other non-current financial assets:								
Investment in								
- Marketable equity securities	14,610	59,799	-	74,409	74,409	-	-	74,409
- Non-marketable equity securities	-	20,257	-	20,257	-	-	20,257	20,257
Financial liabilities								
Forward exchange contracts	(2,673)	-	-	(2,673)	-	(2,673)	-	(2,673)
2022								
Financial assets								
Other non-current financial assets:								
Investment in								
- Marketable equity securities	14,610	63,511	-	78,121	78,121	-	-	78,121
- Non-marketable equity securities	-	26,057	-	26,057	-	-	26,057	26,057
Financial liabilities								
Forward exchange contracts	(7,847)	-	-	(7,847)	-	(7,847)	-	(7,847)

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The following tables present valuation technique of financial instruments measured at fair value in the statements of financial position:

Financial instruments measured at level 3 fair value

Type	Valuation technique
Equity securities	The adjusted net asset value as of the reporting date.

Financial instruments measured at level 2 fair value

Type	Valuation technique
Forward exchange contracts	<i>Forward pricing:</i> 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.

(b) *Financial risk management policies*

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

(b.1) *Credit risk*

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

(b.1.1) *Trade accounts receivable*

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's commercial terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the management.

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The Company limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 120 days. Outstanding trade receivables are regularly monitored by the Company. An impairment analysis is performed by the Company at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables/groupings of various customer segments with similar credit risks to reflect differences between economic conditions in the past, current conditions and the Company's view of economic conditions over the expected lives of the receivables.

Information relevant to credit risk and expected credit loss of trade accounts receivable are disclosed in note 6 to the financial statements.

(b.1.2) Cash and cash equivalent

The Company's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions which the Company considers to have low credit risk.

(b.2) Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

	Financial statements in which the equity method is applied/ Separate financial statements				
	Carrying amount	Contractual cash flows			Total
		1 year or less	More than 1 year but less than 5 years	More than 5 years	
At 31 March					
2023					
Non-derivative financial liabilities					
Trade accounts payable	775,660	775,660	-	-	775,660
Other current payables	252,171	252,171	-	-	252,171
Lease liabilities	312,623	50,611	183,764	160,747	395,122
	<u>1,340,454</u>	<u>1,078,442</u>	<u>183,764</u>	<u>160,747</u>	<u>1,422,953</u>
Derivative financial liabilities					
Forward exchange contracts	2,673	9,525	-	-	-
	<u>2,673</u>	<u>9,525</u>	<u>-</u>	<u>-</u>	<u>-</u>

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<i>At 31 March</i>	Financial statements in which the equity method is applied/ Separate financial statements					Total
	Carrying amount	Contractual cash flows			Total	
		1 year or less	More than 1 year but less than 5 years	More than 5 years		
		<i>(in thousand Baht)</i>				
2022						
<i>Non-derivative financial liabilities</i>						
Trade accounts payable	610,753	610,753	-	-	610,753	
Other current payables	242,759	242,759	-	-	242,759	
Lease liabilities	333,729	49,634	180,589	203,613	433,836	
	1,187,241	903,146	180,589	203,613	1,287,348	
<i>Derivative financial liabilities</i>						
Forward exchange contracts	7,847	9,044	-	-	9,044	
	7,847	9,044	-	-	9,044	

The cash outflow disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

(b.3) Market risk

The Company is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows:

(b.3.1) Foreign currency risk

The Company is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Company primarily utilizes forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

<i>Exposure to foreign currency at 31 March</i>	Financial statements in which the equity method is applied/ Separate financial statements	
	2023	2022
	<i>(in thousand Baht)</i>	
<i>United States Dollar (USD)</i>		
Financial assets	682,603	680,278
Financial liabilities	(107,372)	(92,313)
Net statement of financial position exposure	575,231	587,965
Forward exchange selling contracts	(522,990)	(395,644)
Net exposure	52,241	192,321

Toray Textiles (Thailand) Public Company Limited
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<i>Exposure to foreign currency at 31 March</i>	Financial statements in which the equity method is applied/ Separate financial statements	
	2023	2022
	<i>(in thousand Baht)</i>	
Japanese Yen (JPY)		
Financial assets	10,581	9,447
Financial liabilities	(220,342)	(101,479)
Net statement of financial position exposure	(209,761)	(92,032)
Forward exchange purchase contracts	180,635	99,955
Net exposure	(29,126)	7,923
Euro (EUR)		
Financial assets	771	757
Financial liabilities	-	(70)
Net statement of financial position exposure	771	687
Total exposure, net	23,886	200,931

Sensitivity analysis

A reasonably possible strengthening (weakening) of Thai Baht against all other foreign currencies at the reporting date would have affected the measurement of financial instruments denominated in a foreign currency. This analysis assumes that all other variables, in particular interest rates, remain constant.

<i>Impact to profit or loss</i>	Movement (%)	Financial statements in which the equity method is applied/ Separate financial statements	
		Strengthening <i>(in thousand Baht)</i>	Weakening
At 31 March 2023			
USD	1	5,752	(5,752)
JPY	1	(2,098)	2,098
At 31 March 2022			
USD	1	5,880	(5,880)
JPY	1	(920)	920

(b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Company's operations and its cash flows. However, the Company has no borrowing so the Company has no material interest rate risk in the financial statement.

22 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital, by evaluating result from operating activities divided by total shareholders' equity, and also monitors the level of dividends to ordinary shareholders.

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23 Commitments with non-related parties

	Financial statements in which the equity method is applied/ Separate financial statements	
	2023	2022
	<i>(in thousand Baht)</i>	
Capital commitments		
Machinery and equipment	-	712
Computer software	17,577	36,000
Total	<u>17,577</u>	<u>36,712</u>
Non-cancelable operating lease commitments		
Within one year	4,071	-
After one year but within five years	21,715	-
After five years	1,357	-
Total	<u>27,143</u>	<u>-</u>
Other commitments		
Letter of credit for raw materials and factory supplies	-	32,847
Contracted commitments for:		
- Purchase of raw materials and factory supplies	2,602	-
Letter of guarantees from financial institutions for:		
- Electricity used	88,857	88,857
- Natural gas used	4,641	4,641
Total	<u>96,100</u>	<u>126,345</u>

As at 31 March 2023, the Company had an office space lease agreements and leasing service agreement with a local company, covering its office space (including associated services). The agreements will be expired in June 2028.



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