

TAX REPORTING

We are committed to an open and principles-based approach towards taxation, being transparent in our economic contributions, and providing clarity in our reporting.

Overview of the Indorama Business

Indorama Ventures ('IVL') is a major global intermediate and downstream petrochemicals producer with 138 sites in 31 countries around the world (as of December 31, 2024). The constituent entities of IVL are engaged in providing value-added and differentiated products and services to several diversified consumer goods industries which serve common consumer needs in hygiene, improved lifestyle and safety.

Organization of the Indorama Business

The various constituent entities of the Indorama Group operate in three segments. These segments include:

- A. Combined PET :
 - Integrated Polyethylene Terephthalate ('PET') including the aromatic and PET value chain
 - Specialty Chemicals comprising of Purified Isophthalic Acid ('PIA') and Naphthalene Dicarboxylate ('NDC')
 - Packaging
 - Recycling
 - Intermediate Chemicals
- B. Indovinya: an integrated downstream surfactants for multiple applications
- C. Fibers: Polyester, rayon, nylon, polypropylene, composites, and worsted wool fibers

CIT contribution for 2024

We provide our country-by-country report to the tax authorities in Mauritius, in line with the Base Erosion and Profit Shifting ('BEPS') Action Plan initiated by the OECD and enacted into the Mauritius legislation.

In-line with our continued efforts at transparency, we are providing information on the following Country-by-Country information. The information provided reflects a break-down of the 2024 Revenues, Profit (Loss) before taxes, Corporate Tax Accrued (Current year), Corporate Taxes Paid/(Refund) and the Number of IVL employees in the key countries and regions where IVL operates:

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Countries* THB Million	Revenue (A)	Profit (Loss) Before Taxes (B)	Corporate Tax Accrued (Current Year) (C)	Corporate Tax Paid/ (Refund) (D)	No. of Employees (E)
United States	174,395	(2,535)	345	8	3,455
Brazil	57,158	(1,795)	571	(159)	1,859
Thailand	42,310	9,061	186	397	3,765
India	40,892	(149)	75	91	2,336
Mexico	29,056	(32)	143	139	1,423
Indonesia	25,294	(1,232)	34	127	1,983
China	20,379	1,215	280	264	1,860
Spain	19,928	(1,694)	(13)	229	313
Germany	18,489	(2,831)	3	(8)	1,872
Poland	10,012	505	241	387	491
Italy	9,982	111	72	88	731
Lithuania	9,632	(31)	4	0	118
Turkey	9,533	(321)	10	19	97
Canada	8,952	(3,885)	349	546	154
Nigeria	6,371	669	340	113	174
Netherlands	5,464	(12,241)	370	355	296
France	4,290	28	35	-	330
Vietnam	3,237	146	-	-	831
Czech Republic	2,875	(204)	49	48	1,143
Philippines	2,236	162	46	82	319
Other Countries	41,098	(7,987)	212	(151)	2,543
Total	541,583	(23,041)	3,354	2,575	26,093

(A) Revenue for each region/country excludes intercompany transactions

(B) Profit (Loss) Before Taxes includes certain Accounting (Non-Taxable) Adjustments

(C) Corporate Tax Accrued is the current tax expense recognized in the Year 2024.

(D) Corporate Taxes paid (Refund) includes tax payments / refunds relating to previous years. The Corporate taxes paid also includes withholding taxes.

(E) No. of employees reflects full time employees and does not include temporary staff / labor on contract basis

** Other Countries represent less than 10% of all the above parameters. The country-wise information tabulated above reflects the information in respect of all constituent entities of the organization that operate in the respective jurisdictions.*

The difference between the corporate taxes paid and corporate tax accrued reported are caused by various factors including but not limited to certain provision to return adjustments and advance taxes paid.

Besides the corporate income tax stated above, the various constituent entities of the IVL Group also pays and bears other indirect form of taxes and duties such as custom and excise duties, sales taxes and others. These taxes are not included in the overview above.

During FY 2024, IVL has reported a loss at consolidated level. However, various constituent entities of IVL in different jurisdictions paid the cash taxes during FY 2024 primarily on account of the following (i) Advance taxes and self-assessment taxes (ii) withholding taxes. Given this, the overall cash tax % is negative. The cash tax paid can be traced back to IVL Annual report in its cash flow statement on page 127.

Effective Tax and Cash Tax Reporting

Reconciliation of effective tax rate is explained in the following table:

Reconciliation of effective tax rate	Consolidated financial statements			
	2024		2023	
	Rate (%)	(in million Baht)	Rate (%)	(in million Baht)
Loss before tax income		(23,041)		(13,597)
Income tax using the Thai corporation tax rate	20.00	(4,608)	20.00	(2,719)
Income tax increase - deferred - other countries		9		6
Effect of different tax rates in foreign jurisdictions		(2,604)		(1,108)
Income not subject to tax and tax privileges		(773)		(1,095)
Coupon payment on subordinated perpetual debentures recognised in equity		(218)		(150)
Expenses not deductible for tax purposes		821		1,219
Utilisation of previously unrecognised tax losses		(226)		(252)
Recognition of deferred tax assets from previously unrecognised tax losses		(45)		(6)
Current year losses for which no deferred tax asset was recognised		1,817		1,784
(Over) Under provided in prior years		(53)		425
Written-off unrecoverable deferred tax assets from loss carry forward		496		199
Share of profit of associate and joint ventures accounted for using equity method		(76)		(82)
Foreign exchange differences arising from transaction of intercompany loans considered as part of net investment in foreign operations		(1,070)		186
Change in recognition of temporary difference		2,080		(659)
Others		595		(432)
Total	16.73	(3,855)	19.74	(2,684)

The table below states the average reported effective tax rate as well as cash tax rate for IVL for the 2024 and 2023 period:

Financial reporting	FY 2024	FY 2023	in THB Millions
			Calculated average rate
Earnings before Tax	(23,041)	(13,597)	
Reported Taxes	(3,855)	(2,684)	
Cumulative acceptable adjustments ⁴	45	6	
Effective Tax Rate (in %)	16.54%	19.69%	17.71%
Cash Taxes Paid	2,575	5,715	
Cash Tax Rate (in %)	-11.17%	-42.03%	-22.63%

Note:

The cumulative adjustment amount refers to the exclusion of deferred tax asset which have been created in the year 2023 and 2024 on Net Operating Losses ('NOLs'). These NOLs have been incurred outside of the two-year reported period.

The recognition of deferred tax asset on such NOLs contributed to reduction of overall ETR for the Year-end 2023 as well as 2024. Considering the same, the impact of above recognition of these deferred tax assets on past NOLs is excluded / removed in order to reflect the ETR which more appropriately corresponds to the profitability of the Group. This is documented in the IVL Annual Report FY2024 on page 203 under Notes to financial statement Schedule 29 relating to Income Tax. Further, the exchange rate used to convert the NOLs in USD is FY 2024: 1 USD = 35.2644 THB and FY 2023: 1 USD = 34.8094 THB. (Source: Average exchange rate as per Bank of Thailand)