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August 9, 2023

Subject: Management Discussion and Analysis for Quarter 3/FY2023

To: Managing Director

The Stock Exchange of Thailand

Inoue Rubber (Thailand) Public Company Limited (the “Company”) would like to clarify its operation results for the Quarter 3/FY2023 (ended June 30, 2023) of the Company and its subsidiaries, as follows:

(unit: million baht)	Q3/FY2023	Q3/FY2022	change	%YoY
<b>Total Revenues</b>	1,269.95	1,397.58	(127.63)	-9.13%
<b>Cost of Sales and Services</b>	1,145.21	1,316.13	(170.92)	-12.99%
<b>Selling and Administrative Expenses</b>	93.61	94.17	(0.56)	-0.59%
<b>EBIT</b>	31.13	(12.72)	43.85	344.73%
<b>Net Profit (Loss)</b>	29.73	(13.40)	43.13	321.87%
<b>Basic Earnings (Loss) per Share (baht)</b>	0.15	(0.07)	0.22	314.29%

### Performance Report

The Global Economy tends to expand mainly from the service sector especially in the United States, Europe and China but, Asian Economies have not benefited much from China’s opening up. While the inflation in many countries started to decline which leads the most central banks started to hold interest rates. However, the global economy is still at risk from the effect of the tight monetary policy of major central banks and protracted geopolitical conflicts. For the Thai Economy, has improved slightly in this quarter with the increased number of Thai and Foreign tourists which leads the expansion of service sector and private consumption. The export values of goods excluding gold has increased slightly mainly from agricultural products while the manufacturing production has declined mainly from the production of automobiles and food and beverages. In addition, investment has slowed down from both Thai and foreign investors which wait and see the clarity of the policy from the new government that still in the process of being established. These factors have the following impact on the company's and subsidiaries' sales and production costs during the third quarter of fiscal year 2023 (April 1, 2023, to June 30, 2023):

1. The company's total revenue decreased by 127.63 million baht or 9.13% from the same period last year.
2. The cost of sales and services decreased by 170.92 million baht or 12.99% from the same period last year due to the highly decrease of raw material costs and also the ability to monitor and control production costs.
3. Selling and administrative expenses decreased by 0.56 million baht or 0.59% from the same period last year.



Overall, in Q3/FY2023, the Company had net profit around 29.73 million baht, increased around 43.13 million baht or 321.87% compared to the same period last year. The Company recorded earning per share at 0.15 baht.

## Financial Status

As of June 30, 2023, the company had total assets of 4,955.82 million baht, decreased by 316.53 million baht compared to September 30, 2022, mainly due to the decrease of inventories, trade and other receivables.

The total liabilities of the company were 1,063.85 million baht, decreased by 376.47 million baht compared to September 30, 2022 mainly due to the decrease of trade and other payables.

In this regard, the company has shareholders' equity of 3,891.97 million baht, increased by 59.94 million baht from unappropriated retained earnings. This results in the book value per share of the company at 20.25 baht and the debt to equity ratio (D/E ratio) at 0.27.

## Cash Flow

For the nine-month period ended June 30, 2023, the Company had net cash generated from operating activities around 303.10 million baht, increased about 98.57 million baht compared to the same period last year. The net cash used in investing activities was around 188.47 million baht, decreased about 19.04 million baht compared to the same period last year. The decrease was mainly due to the decrease in investment in property, plant, and equipment. The net cash used in financing activities was around 56.11 million baht, decreased about 114.06 million baht, mainly from the decrease of dividend paid.

As of June 30, 2023, the Company had cash and cash equivalents around 955.80 million baht, increased around 125.63 million baht compared to June 30, 2022.

Please be informed accordingly and further disseminate to investors.

Faithfully yours,

(Mrs. Pimjai Leeissaranukul)

(Mr. Shigeki Yamada)

Chairman

President