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May 14, 2026

Subject: Management Discussion and Analysis for Quarter 2/FY2026

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 2/FY2026 (ended March 31, 2026) of the Company and its subsidiaries, as follows:

(unit: million baht)	Q2/FY2026	Q2/FY2025	change	%YoY
Total Revenues	1,137.85	1,225.03	(87.18)	-7.12%
Cost of Sales and Services	919.11	1,060.53	(141.42)	-13.33%
Selling and Administrative Expenses	112.89	101.12	11.77	11.64%
EBIT	105.85	63.38	42.47	67.01%
Net Profit	83.69	51.11	32.58	63.74%
Basic Earnings per Share (baht)	0.44	0.27	0.17	62.96%

Performance Report

The global economy has experienced a slowdown in expansion due to uncertainties in the prolonged and intensifying conflict in the Middle East, particularly the risks to energy infrastructure and oil shipping routes through the Strait of Hormuz which has driven up oil prices and international shipping costs, impacting supply chains across several industries and adding inflationary pressure in many countries. Meanwhile, global financial markets remain volatile due to concerns about an economic slowdown amidst persistently high inflation, leading major central banks to adopt cautious monetary policies. Furthermore, increased capital flows into safe-haven assets have strengthened the US dollar against other currencies, especially in countries heavily reliant on energy imports.

The Thai economy continues to expand, driven by strong foreign demand from increased merchandise exports and tourist arrivals. Simultaneously, domestic demand has improved, with both private consumption and investment strengthening, partly due to government measures and continued government spending. This has resulted in corresponding increases in industrial production and service sector activity. Nevertheless, automobile production in Thailand increased by 5.33 percent due to government support measures for electric vehicles, and motorcycle production in Thailand decreased by 5.37 percent compared to the same period last year. These factors have the following impact on the company's and subsidiaries' sales and production costs during the second quarter of fiscal year 2026 (January 1, 2026, to March 31, 2026):

1. The company's total revenue decreased by 87.18 million baht or 7.12% from the same period last year, mainly from the decrease of motorcycle tires and tubes and paving sales due to the economic slowdown.



2. The cost of sales and services decreased by 141.42 million baht or 13.33% from the same period last year due to the decrease of raw material cost, coupled with the ability to manage costs effectively.
3. Selling and administrative expenses increased by 11.77 million baht or 11.64% from the same period last year due to the increase of employee welfare costs.

Overall, in Q2/FY2026, the Company had net profit around 83.69 million baht, increased around 32.58 million baht or 63.74% compared to the same period last year. The Company recorded earnings per share at 0.44 baht.

Financial Position

As of March 31, 2026, the company had total assets of 5,201.02 million baht, decreased by 110.38 million baht compared to September 30, 2025, mainly due to the decrease in inventories and property, plant and equipment.

The total liabilities of the company were 1,017.47 million baht, decreased by 158.42 million baht compared to September 30, 2025, mainly due to the decrease of trade and other current payables.

In this regard, the company has shareholders' equity of 4,183.54 million baht, increased by 48.03 million baht from unappropriated retained earnings. This results in the book value per share of the company at 21.77 baht and the debt-to-equity ratio (D/E ratio) at 0.24.

Cash Flow

For the six-month period ended March 31, 2026, the Company had net cash generated from operating activities around 194.67 million baht, increased about 13.55 million baht compared to the same period last year mainly from the change of working capital in trade and other current receivables. The net cash received from investing activities was around 64.13 million baht, decreased about 1.75 million baht compared to the same period last year. The net cash used in financing activities was around 94.97 million baht, decreased about 72.06 million baht compared to the same period last year mainly due to the decrease of dividend payment.

As of March 31, 2026, the Company had cash and cash equivalents around 986.47 million baht, increased around 219.02 million baht compared to March 31, 2025.

Please be informed accordingly and further disseminate to investors.

Faithfully yours,

(Mrs. Pimjai Leeissaranukul)
Chairman

(Mr. Kiyoharu Mizushima)
President