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August 14, 2024

Subject: Management Discussion and Analysis for Quarter 3/FY2024

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/FY2024 (ended June 30, 2024) of the Company and its subsidiaries, as follows:

(unit: million baht)	Q3/FY2024	Q3/FY2023	change	%YoY
<b>Total Revenues</b>	1,264.07	1,269.96	(5.89)	-0.46%
<b>Cost of Sales and Services</b>	973.79	1,145.21	(171.42)	-14.97%
<b>Selling and Administrative Expenses</b>	98.37	93.61	4.76	5.08%
<b>EBIT</b>	191.91	31.14	160.77	516.28%
<b>Net Profit</b>	158.74	29.73	129.01	433.94%
<b>Basic Earnings per Share (baht)</b>	0.83	0.15	0.67	433.89%

### Performance Report

During the third quarter, the global economy expanded, with the main driving force being the service sector, while the global economy’s demand gradually recovered. However, the Asian export sector has a limited positive effect due to the slower pace of China’s domestic demand, partly due to the problem in the real estate sector, which causes excess production capacity and market surplus in China. In addition, geopolitical conflicts are still protracted, coupled with more severe trade retaliation measures between the United States and China. Moreover, another threat to world trade is the increase in freight rates due to congestion at cargo ports as well as the unsafe situation of shipping through the Red Sea, which leads to a shortage of containers in Asia. The Thai economy continues to expand in the tourism sector and private consumption, especially in the service sector. However, exports and the manufacturing sector continued to expand at a low level due to structural problems and reduced competitiveness. In addition, the automotive sector also faced additional pressure from lower foreign demand, as well as tighter controls on lending by both financial institutions and non-financial institutions. As a result, car production in Thailand decreased by 16.10 percent, and motorcycle production in Thailand decreased by 15.68 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 third quarter of fiscal year 2024 (April 1, 2024, to June 30, 2024):

1. The company’s total revenue decreased by 5.89 million baht or 0.46% from the same period last year.
2. The cost of sales and services decreased by 171.42 million baht or 14.97% 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 increased by 4.76 million baht or 5.08% from the same period last year.
4. The company received dividend from related company 145.78 million baht.

Overall, in Q3/FY2024, the Company had net profit around 158.74 million baht, increased around 129.01 million baht or 433.94% compared to the same period last year. The Company recorded earning per share at 0.83 baht.

### Financial Status

As of June 30, 2024, the company had total assets of 5,161.14 million baht, increased by 128.64 million baht compared to September 30, 2023, mainly due to the increase of cash from operation which be invested in short term investment.

The total liabilities of the company were 1,045.54 million baht, decreased by 57.63 million baht compared to September 30, 2023 mainly due to the decrease of trade and other payables.

In this regard, the company has shareholders' equity of 4,115.59 million baht, increased by 186.27 million baht from unappropriated retained earnings. This results in the book value per share of the company at 21.41 baht and the debt to equity ratio (D/E ratio) at 0.25.

### Cash Flow

For the nine-month period ended June 30, 2024, the Company had net cash generated from operating activities around 473.16 million baht, increased about 170.05 million baht compared to the same period last year. The net cash used in investing activities was around 749.04 million baht, increased about 560.57 million baht compared to the same period last year mainly due to investing in the short-term investment. The net cash used in financing activities was around 80.49 million baht, increased about 24.38 million baht compared to the same period last year mainly due to higher dividend payment.

As of June 30, 2024, the Company had cash and cash equivalents around 789.77 million baht, decreased around 166.03 million baht compared to June 30, 2023.

Please be informed accordingly and further disseminate to investors.

Faithfully yours,

(Mrs. Pimjai Leeissaranukul)

Chairman

(Mr. Shigeki Yamada)

President