

INOUE RUBBER (THAILAND) PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND SEPARATE
FINANCIAL INFORMATION (UNAUDITED)**

31 DECEMBER 2022



AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of Inoue Rubber (Thailand) Public Company Limited

I have reviewed the interim consolidated financial information of Inoue Rubber (Thailand) Public Company Limited and its subsidiaries, and the interim separate financial information of Inoue Rubber (Thailand) Public Company Limited. These comprise the consolidated and separate statements of financial position as at 31 December 2022, the related consolidated and separate statements of comprehensive income, changes in equity, and cash flows for the three-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

Scope of review

I conducted my review in accordance with the Thai Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers ABAS Ltd.

A handwritten signature in blue ink, appearing to read 'Sanicha Akarakittilap', with a stylized flourish at the end.

Sanicha Akarakittilap

Certified Public Accountant (Thailand) No. 8470

Bangkok

9 February 2023

PricewaterhouseCoopers ABAS Ltd.

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Inoue Rubber (Thailand) Public Company Limited
 Statements of Financial Position
 As at 31 December 2022

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 31 December 2022 Baht'000	Audited 30 September 2022 Baht'000	Unaudited 31 December 2022 Baht'000	Audited 30 September 2022 Baht'000
Assets					
Current assets					
Cash and cash equivalents		816,367	897,272	767,067	845,988
Financial assets measured at fair value through other comprehensive income					
- debt instruments	6, 8	521,714	443,801	521,714	443,801
Trade and other receivables, net	7	1,063,730	1,047,492	1,066,963	1,050,879
Derivative assets	6	1,070	1,127	1,070	1,127
Inventories, net		815,073	838,257	812,574	835,619
Other current assets		14,311	6,677	13,588	6,003
Total current assets		3,232,265	3,234,626	3,182,976	3,183,417
Non-current assets					
Financial assets measured at fair value through other comprehensive income					
- debt instruments	6, 8	66,772	141,804	66,772	141,804
Financial asset measured at fair value through other comprehensive income					
- equity instruments	6, 8	95,331	93,302	95,331	93,302
Investments in subsidiaries		-	-	20,049	20,049
Investment properties, net		9,021	9,021	9,639	9,646
Property, plant and equipment, net	9	1,615,658	1,634,419	1,562,659	1,580,399
Right-of-use assets, net		718	764	718	764
Computer software, net	10	40,554	49,086	34,322	42,593
Deferred tax assets		53,386	51,977	49,152	47,851
Other non-current assets		69,825	57,351	69,765	57,291
Total non-current assets		1,951,265	2,037,724	1,908,407	1,993,699
Total assets		5,183,530	5,272,350	5,091,383	5,177,116

Director _____ Director _____

The accompanying notes are an integral part of this interim financial information.

Inoue Rubber (Thailand) Public Company Limited
 Statements of Financial Position (Cont'd)
 As at 31 December 2022

	Notes	Consolidated		Separate	
		financial information		financial information	
		Unaudited	Audited	Unaudited	Audited
		31 December	30 September	31 December	30 September
		2022	2022	2022	2022
		Baht'000	Baht'000	Baht'000	Baht'000
Liabilities and equity					
Current liabilities					
Trade and other payables	11	1,032,010	1,147,029	1,042,028	1,147,131
Derivative liabilities	6	2,944	2,607	2,944	2,607
Income tax payable		4,281	1,924	2,043	670
Current portion of lease liabilities		220	217	220	217
Other current liabilities		649	1,444	-	-
Total current liabilities		1,040,104	1,153,221	1,047,235	1,150,625
Non-current liabilities					
Lease liabilities		586	577	586	577
Deferred tax liabilities		605	703	-	-
Employee benefit obligations	12	291,233	285,819	264,480	259,684
Other non-current liabilities		961	-	961	-
Total non-current liabilities		293,385	287,099	266,027	260,261
Total liabilities		1,333,489	1,440,320	1,313,262	1,410,886

The accompanying notes are an integral part of this interim financial information.

Inoue Rubber (Thailand) Public Company Limited
Statements of Financial Position (Cont'd)
As at 31 December 2022

	Consolidated		Separate	
	financial information		financial information	
	Unaudited	Audited	Unaudited	Audited
	31 December	30 September	31 December	30 September
	2022	2022	2022	2022
Note	Baht'000	Baht'000	Baht'000	Baht'000
Liabilities and equity (Cont'd)				
Equity				
Share capital				
Authorised share capital				
Ordinary shares, 200 million shares				
at par value of Baht 1 each				
	200,000	200,000	200,000	200,000
Issued and fully paid-up share capital				
Ordinary shares, 200 million shares				
paid-up of Baht 1 each				
	200,000	200,000	200,000	200,000
	298,000	298,000	298,000	298,000
Retained earnings				
	20,000	20,000	20,000	20,000
	114,012	114,012	114,012	114,012
	3,283,086	3,267,375	3,209,904	3,200,313
<u>Less</u> Treasury shares	(114,012)	(114,012)	(114,012)	(114,012)
Other components of equity	48,950	46,650	50,217	47,917
Equity attributable to:				
Owners of the parent	3,850,036	3,832,025	3,778,121	3,766,230
Non-controlling interests	5	5	-	-
Total equity	3,850,041	3,832,030	3,778,121	3,766,230
Total liabilities and equity	5,183,530	5,272,350	5,091,383	5,177,116

The accompanying notes are an integral part of this interim financial information.

Inoue Rubber (Thailand) Public Company Limited
Statements of Comprehensive Income (Unaudited)
For the three-month period ended 31 December 2022

	Note	Consolidated financial information		Separate financial information	
		2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Revenues					
Revenue from sales and services		1,463,621	1,403,032	1,463,296	1,402,705
Other income		11,311	14,383	12,067	13,715
Total revenues		1,474,932	1,417,415	1,475,363	1,416,420
Expenses					
Cost of sales and services		1,361,203	1,282,348	1,370,605	1,289,864
Selling expenses		31,867	29,810	31,867	29,810
Administrative expenses		58,753	67,081	57,357	65,809
Other expenses		6,083	6,342	6,072	6,339
Total expenses		1,457,906	1,385,581	1,465,901	1,391,822
Profit before finance costs and income tax		17,026	31,834	9,462	24,598
Finance cost		(12)	(14)	(12)	(14)
Profit before income tax		17,014	31,820	9,450	24,584
Income tax expense	14	(1,303)	(4,678)	141	(3,183)
Net profit for the period		15,711	27,142	9,591	21,401
Other comprehensive income:					
Item that will not be reclassified subsequently to profit or loss:					
Gain (loss) from measurement of equity instruments at fair value through other comprehensive income, net of tax		1,624	(5,263)	1,624	(5,263)
Total item that will not be reclassified subsequently to profit or loss		1,624	(5,263)	1,624	(5,263)
Item that will be reclassified subsequently to profit or loss:					
Gain from measurement of debt instruments at fair value through other comprehensive income, net of tax		676	180	676	180
Total item that will be reclassified subsequently to profit or loss		676	180	676	180
Other comprehensive income (expense) for the period, net of tax		2,300	(5,083)	2,300	(5,083)
Total comprehensive income for the period		18,011	22,059	11,891	16,318

The accompanying notes are an integral part of this interim financial information.

Inoue Rubber (Thailand) Public Company Limited
 Statements of Comprehensive Income (Unaudited) (Cont'd)
 For the three-month period ended 31 December 2022

	Consolidated		Separate	
	financial information		financial information	
	2022	2021	2022	2021
	Baht'000	Baht'000	Baht'000	Baht'000
Profit attributable to:				
Owners of the parent	15,711	27,142	9,591	21,401
Non-controlling interests	-	-	-	-
	<u>15,711</u>	<u>27,142</u>	<u>9,591</u>	<u>21,401</u>
Total comprehensive income attributable to:				
Owners of the parent	18,011	22,059	11,891	16,318
Non-controlling interests	-	-	-	-
	<u>18,011</u>	<u>22,059</u>	<u>11,891</u>	<u>16,318</u>
Earnings per share				
Basic earnings per share (Baht)	0.08	0.14	0.05	0.11

The accompanying notes are an integral part of this interim financial information.

Inoue Rubber (Thailand) Public Company Limited
 Statements of Changes in Equity (Unaudited)
 For the three-month period ended 31 December 2022

Consolidated financial information														
Attributable to owners of the parent														
Capital contributed		Retained earnings					Other components of equity							
Issued and fully paid-up share capital	Share premium	Treasury shares	Appropriated - legal reserve	Appropriated - treasury shares reserve	Unappropriated retained earnings	Measurement of debt instruments at fair value through other comprehensive income	Measurement of equity instruments at fair value through other comprehensive income			Remeasurements of post-employment benefit obligations	Total other components of equity	Total owners of the parent	Non-controlling interests	Total equity
							Baht'000	Baht'000	Baht'000					
200,000	298,000	(114,012)	20,000	114,012	3,327,443	(1,410)	115,053	49,021	(64,622)	49,021	3,894,464	5	3,894,469	
-	-	-	-	-	27,142	180	(5,263)	-	(5,083)	(5,083)	22,059	-	22,059	
200,000	298,000	(114,012)	20,000	114,012	3,354,585	(1,230)	109,790	43,938	(64,622)	43,938	3,916,523	5	3,916,528	
200,000	298,000	(114,012)	20,000	114,012	3,267,375	3,109	50,016	46,650	(257)	46,650	3,832,025	5	3,832,030	
-	-	-	-	-	15,711	676	1,624	2,300	-	2,300	18,011	-	18,011	
200,000	298,000	(114,012)	20,000	114,012	3,283,086	3,785	51,640	48,950	(257)	48,950	3,850,036	5	3,850,041	

The accompanying notes are an integral part of this interim financial information.

Inoue Rubber (Thailand) Public Company Limited
 Statements of Changes in Equity (Unaudited) (Cont'd)
 For the three-month period ended 31 December 2022

	Separate financial information										
	Capital contributed					Other components of equity					
	Retained earnings					Other comprehensive income					
	Issued and fully paid-up share capital Baht'000	Share premium Baht'000	Treasury shares Baht'000	Appropriated - legal reserve Baht'000	Appropriated - treasury shares reserve Baht'000	Unappropriated retained earnings Baht'000	Measurement of debt instruments at fair value through other comprehensive income Baht'000	Measurement of equity instruments at fair value through other comprehensive income Baht'000	Remeasurements of post-employment benefit obligations Baht'000	Total other components of equity Baht'000	Total equity Baht'000
Opening balance as at 1 October 2021	200,000	298,000	(114,012)	20,000	114,012	3,258,460	(1,410)	115,053	(55,114)	58,529	3,834,989
Changes in equity for the three-month period ended 31 December 2021	-	-	-	-	-	21,401	180	(5,263)	-	(5,083)	16,318
Total comprehensive income (expense) for the period	200,000	298,000	(114,012)	20,000	114,012	3,279,861	(1,230)	109,790	(55,114)	53,446	3,851,307
Closing balance as at 31 December 2021	200,000	298,000	(114,012)	20,000	114,012	3,200,313	(3,109)	50,016	1,010	47,917	3,766,230
Opening balance as at 1 October 2022	-	-	-	-	-	9,591	676	1,624	-	2,300	11,891
Changes in equity for the three-month period ended 31 December 2022	200,000	298,000	(114,012)	20,000	114,012	3,209,904	(2,433)	51,640	1,010	50,217	3,778,121
Total comprehensive income for the period	200,000	298,000	(114,012)	20,000	114,012	3,209,904	(2,433)	51,640	1,010	50,217	3,778,121
Closing balance as at 31 December 2022	200,000	298,000	(114,012)	20,000	114,012	3,209,904	(2,433)	51,640	1,010	50,217	3,778,121

The accompanying notes are an integral part of this interim financial information.

Inoue Rubber (Thailand) Public Company Limited
 Statements of Cash Flows (Unaudited)
 For the three-month period ended 31 December 2022

	Notes	Consolidated		Separate	
		financial information		financial information	
		2022	2021	2022	2021
		Baht'000	Baht'000	Baht'000	Baht'000
Cash flows from operating activities					
Profit before income tax		17,014	31,820	9,450	24,584
Adjustments for:					
Depreciation of plant and equipment and investment property		85,551	89,344	82,431	85,950
Amortisation of computer software		1,939	2,161	1,645	1,918
Amortisation of right-of-use assets		46	46	46	46
(Reversal of) loss on diminution in value of inventories		136	(33)	136	(33)
Net (gain) loss on write-offs and disposals of property, plant and equipment		(818)	1,031	(818)	1,031
Unrealised (gain) loss on exchange rate		2,788	(2,163)	2,788	(2,163)
Fair value loss on derivatives		394	1,569	394	1,569
Loss on disposals of investments in debt instruments	8	6	115	6	115
Interest income		(2,978)	(2,663)	(2,914)	(2,642)
Finance costs		12	14	12	14
Employee benefits	12	6,642	7,550	6,024	6,793
Changes in working capital					
Trade and other receivables		(22,256)	(158,603)	(22,114)	(159,435)
Inventories		23,048	46,481	22,909	46,498
Other current assets		(7,583)	(1,340)	(7,585)	(1,328)
Other non-current assets		(12,474)	(1,710)	(12,474)	(1,710)
Trade and other payables		(119,470)	(49,656)	(96,549)	(36,692)
Other current liabilities		(795)	1,298	-	246
Other non-current liabilities		961	-	961	-
Employee benefits paid	12	(1,228)	(2,585)	(1,228)	(2,585)
Cash used in operations		(29,065)	(37,324)	(16,880)	(37,824)
Interest received		1,180	665	1,129	643
Income tax paid		(1,077)	(1,179)	(361)	(410)
Income tax refund received		-	1,412	-	-
Net cash used in operating activities		(28,962)	(36,426)	(16,112)	(37,591)

The accompanying notes are an integral part of this interim financial information.

Inoue Rubber (Thailand) Public Company Limited
 Statements of Cash Flows (Unaudited) (Cont'd)
 For the three-month period ended 31 December 2022

	Note	Consolidated		Separate	
		financial information		financial information	
		2022	2021	2022	2021
		Baht'000	Baht'000	Baht'000	Baht'000
Cash flows from investing activities					
Purchases of investments in debt instruments	8	(127,663)	(18,159)	(127,663)	(18,159)
Proceeds from disposals of investments in debt instruments		127,317	20,005	127,317	20,005
Purchases of property, plant and equipment		(52,760)	(59,670)	(63,625)	(66,869)
Purchases of computer software		(849)	(1,025)	(816)	(909)
Proceeds from disposals of property, plant and equipment		2,012	433	1,978	433
Net cash used in investing activities		(51,943)	(58,416)	(62,809)	(65,499)
Net decrease in cash and cash equivalents		(80,905)	(94,842)	(78,921)	(103,090)
Cash and cash equivalents at the beginning of the period		897,272	1,003,321	845,988	971,211
Cash and cash equivalents at the end of the period		816,367	908,479	767,067	868,121
Non-cash transactions					
Other payables from purchases of property, plant and equipment		48,974	40,422	48,717	54,317

The accompanying notes are an integral part of this interim financial information.

1 General information

Inoue Rubber (Thailand) Public Company Limited (“the Company”) is a public limited company which is listed on the Stock Exchange of Thailand. The Company is incorporated and domiciled in Thailand. The addresses of the Company’s registered offices are as follows:

Head office: No. 258, Soi Rangsit-Nakornnayok 49, Prachathipat sub-district, Thanyaburi district, Pathumthani.

Branch office: No. 157, Moo 5, Phaholyothin Road, Lamsai sub-district, Wangnoi district, Pranakorn Sri Ayutthaya.

For reporting purpose, the Company and its subsidiaries are referred to as “the Group”.

The principal business operations of the Company and its subsidiaries are summarised below:

The Company is principally engaged in the manufacture and distribution of motorcycle tires, tubes, and industrial elastomer rubber parts.

Kin No Hoshi Engineering Company Limited, a subsidiary, is principally engaged in the manufacture, repair, and modification of metal molds and equipment for production of motorcycle tires, tubes, and automotive rubber parts.

IRC (Asia) Research Limited, a subsidiary, is principally engaged in the research and development of motorcycle tires, tubes, and automotive rubber parts.

These interim consolidated and separate financial information are presented in Thai Baht and rounded to the nearest thousand, unless otherwise stated.

The interim consolidated and separate financial information have been reviewed, not audited.

The interim consolidated and separate financial information were authorised for issue by the Board of Directors on 9 February 2023.

2 Basis of preparation

The interim consolidated and separated financial information has been prepared in accordance with Thai Accounting Standard (TAS) no. 34, Interim Financial Reporting and other financial reporting requirements issued under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 30 September 2022.

An English version of these interim financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

3 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 30 September 2022.

New and amended Thai Financial Reporting Standards effective for the accounting periods beginning on or after 1 January 2022 do not have material impact on the Group.

4 Accounting estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

5 Segment and revenue information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker of the Group which includes Chairman, President and Executive Director. The Group's chief operating decision-maker identifies reportable segments of its business to examine the Group's performance by market (Local and Export).

The Group's financial information for the three-month periods ended 31 December 2022 and 2021 classified by market were presented as follows:

	Consolidated financial information					
	Local		Export		Total	
	2022	2021	2022	2021	2022	2021
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Revenue from sales and services	1,149,967	1,157,179	313,654	245,853	1,463,621	1,403,032
Cost of sales and services	(1,090,103)	(1,078,950)	(271,100)	(203,398)	(1,361,203)	(1,282,348)
Gross profit	59,864	78,229	42,554	42,455	102,418	120,684
Other income					11,311	14,383
Selling expenses					(31,867)	(29,810)
Administrative expenses					(58,753)	(67,081)
Other expenses					(6,083)	(6,342)
Finance cost					(12)	(14)
Income tax expense					(1,303)	(4,678)
Net profit for the period					15,711	27,142
Timing of revenue recognition						
At a point in time	1,149,851	1,157,048	313,600	245,853	1,463,451	1,402,901
Overtime	116	131	54	-	170	131
Total revenues	1,149,967	1,157,179	313,654	245,853	1,463,621	1,403,032

6 Fair value

The following table presents fair value of financial assets and liabilities recognised by their fair value hierarchy.

	Consolidated and separate financial information							
	Level 1		Level 2		Level 3		Total	
	Unaudited 31 December 2022 Baht'000	Audited 30 September 2022 Baht'000	Unaudited 31 December 2022 Baht'000	Audited 30 September 2022 Baht'000	Unaudited 31 December 2022 Baht'000	Audited 30 September 2022 Baht'000	Unaudited 31 December 2022 Baht'000	Audited 30 September 2022 Baht'000
Assets								
Financial assets								
at fair value through profit or loss (FVPL)								
Derivatives - Foreign exchange contracts	-	-	1,070	1,127	-	-	1,070	1,127
Financial assets at fair value through other comprehensive income (FVOCI)								
- Debt instruments	588,486	585,605	-	-	-	-	588,486	585,605
- Equity instruments	-	-	-	-	95,331	93,302	95,331	93,302
Total assets	588,486	585,605	1,070	1,127	95,331	93,302	684,887	680,034
Liabilities								
Financial liabilities at fair value through profit or loss (FVPL)								
Derivatives - Foreign exchange contracts	-	-	2,944	2,607	-	-	2,944	2,607
Total liabilities	-	-	2,944	2,607	-	-	2,944	2,607

Valuation techniques used to measure fair value level 1

The fair value in level 1 of debt instruments, which are classified as financial assets at fair value through other comprehensive income (FVOCI) is based on the current bid price / closing price by reference to the Thai Bond Dealing Centre / the asset management company.

Valuation techniques used to measure fair value level 2

Fair value of foreign currency forward is determined using spot exchange rate reference by commercial banks.

Valuation techniques used to measure fair value level 3

Changes in fair value in level 3 of unlisted equity instruments which is financial assets measured at fair value through other comprehensive income (FVOCI) for the three-month period ended 31 December 2022 were as follows:

	Consolidated and separate financial information Baht'000
Opening balance as at 1 October 2022	93,302
Gain recognised in other comprehensive income	2,029
Closing balance as at 31 December 2022	95,331

Valuation processes

Chief Financial Officer (CFO), Audit Committee (AC) and valuation teams discuss valuation processes and results at least every quarter.

The Group applies net cash inflow from dividend as valuation technique to determine fair value of unlisted equity instruments. Significant unobservable input of fair value hierarchy level 3 is risk adjusted discount rate. It is estimated based on public companies' weighted average cost of capital, that are in opinion of the Group, in a comparable financial position with the counterparty in the contract.

The following table summarises the quantitative information about the significant unobservable inputs used in fair value measurements of the financial assets measured at fair value through other comprehensive income (FVOCI) - equity instruments.

	Fair value		Unobservable inputs	Range of inputs	
	Consolidated and separate financial information			Consolidated and separate financial information	
	Unaudited 31 December 2022 Million Baht	Audited 30 September 2022 Million Baht		Unaudited 31 December 2022 %	Audited 30 September 2022 %
Financial assets measured at fair value through other comprehensive income (FVOCI) - equity instruments	95.33	93.30	Future revenue growth rate Risk-adjusted discount rate	1.0 17.9	1.0 17.5

As at 31 December 2022, relationship of unobservable inputs to fair value are shown as follows:

	Unobservable inputs	Movement	Change in fair value Consolidated and separate financial information	
			Increase in assumptions	Decrease in assumptions
Financial assets measured at fair value through other comprehensive income (FVOCI) - equity instruments	Future revenue growth rate Risk-adjusted discount rate	1.0% 1.0%	Increase by 5.64% Decrease by 5.12%	Decrease by 5.01% Increase by 5.70%

Inoue Rubber (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the three-month period ended 31 December 2022

7 Trade and other receivables, net

	Consolidated financial information		Separate financial information	
	Unaudited 31 December 2022 Baht'000	Audited 30 September 2022 Baht'000	Unaudited 31 December 2022 Baht'000	Audited 30 September 2022 Baht'000
Trade receivables - related companies (Note 16 b))	499,775	509,613	503,846	513,660
Trade receivables - other companies	530,296	520,539	528,982	518,802
<u>Less</u> Allowance for expected credit loss	-	-	-	-
Trade receivables, net	1,030,071	1,030,152	1,032,828	1,032,462
Prepayments	30,671	15,295	29,560	14,484
Accrued income	723	438	508	418
Advanced payments	10	20	-	-
Amounts due from related parties (Note 16 b))	2,221	1,530	4,033	3,458
Other receivables	34	57	34	57
Trade and other receivables, net	1,063,730	1,047,492	1,066,963	1,050,879

As at 31 December 2022 and 30 September 2022, trade receivables, included in trade and other receivables in the statements of financial position, can be analysed by aging as follows:

	Consolidated financial information		Separate financial information	
	Unaudited 31 December 2022 Baht'000	Audited 30 September 2022 Baht'000	Unaudited 31 December 2022 Baht'000	Audited 30 September 2022 Baht'000
Related companies				
Current	499,716	509,580	503,787	513,627
Overdue up to 3 months	59	33	59	33
Overdue 3 - 6 months	-	-	-	-
Overdue 6 - 12 months	-	-	-	-
Overdue more than 12 months	-	-	-	-
	499,775	509,613	503,846	513,660
Other companies				
Current	524,831	515,899	523,529	514,310
Overdue up to 3 months	5,242	4,488	5,230	4,340
Overdue 3 - 6 months	71	152	71	152
Overdue 6 - 12 months	152	-	152	-
Overdue more than 12 months	-	-	-	-
	530,296	520,539	528,982	518,802
<u>Less</u> Allowance for expected credit loss	-	-	-	-
	530,296	520,539	528,982	518,802
Total trade receivables, net	1,030,071	1,030,152	1,032,828	1,032,462

8 Financial assets measured at fair value through other comprehensive income

Financial assets measured at fair value through other comprehensive income (FVOCI) comprise of:

	Consolidated financial information		Separate financial information	
	Unaudited 31 December 2022 Baht'000	Audited 30 September 2022 Baht'000	Unaudited 31 December 2022 Baht'000	Audited 30 September 2022 Baht'000
Current assets				
Investments in debt instruments (Government bond and debentures)	521,714	443,801	521,714	443,801
	521,714	443,801	521,714	443,801
Non-current assets				
Investments in debt instruments (Government bond and debentures)	66,772	141,804	66,772	141,804
Investment in unlisted equity instruments	95,331	93,302	95,331	93,302
	162,103	235,106	162,103	235,106
Total	683,817	678,907	683,817	678,907

Movements of investments in debt instruments for the three-month period ended 31 December 2022 are as follows:

	Consolidated and separate financial information Baht'000
Opening balance as at 1 October 2022	585,605
Additions	127,663
Disposals	(127,323)
Interest income	1,696
Change in fair value	845
Closing balance as at 31 December 2022	588,486

The Group reclassifies any related balance within the fair value through other comprehensive income (FVOCI) reserve to profit or loss when disposing these debt investments.

During the current interim period, the group disposed the partial debt investments and realised a loss on disposal (transferred FVOCI reserve to other expenses of Baht 5,871).

The fair value of debt instruments is based on close market price published by the Thai Bond Market Association as at period-end. The fair value is within level 1 of the fair value hierarchy (Note 6).

Movements of investment in equity instruments for the three-month period ended 31 December 2022 are disclosed in Note 6.

9 Property, plant and equipment, net

Movements of property, plant and equipment for the three-month period ended 31 December 2022 are as follows:

	Consolidated financial information	Separate financial information
	Baht'000	Baht'000
Opening net book amount	1,634,419	1,580,399
Additions	60,542	58,402
Reclassifications from computer software	7,442	7,442
Disposals, net	(1,138)	(1,138)
Write-offs, net	(56)	(22)
Depreciation charges	(85,551)	(82,424)
Closing net book amount	1,615,658	1,562,659

10 Computer software, net

Movements of computer software for the three-month period ended 31 December 2022 are as follows:

	Consolidated financial information	Separate financial information
	Baht'000	Baht'000
Opening net book amount	49,086	42,593
Additions	849	816
Reclassifications to property, plant and equipment	(7,442)	(7,442)
Amortisation charges	(1,939)	(1,645)
Closing net book amount	40,554	34,322

11 Trade and other payables

	Consolidated financial information		Separate financial information	
	Unaudited 31 December 2022	Audited 30 September 2022	Unaudited 31 December 2022	Audited 30 September 2022
	Baht'000	Baht'000	Baht'000	Baht'000
Trade payables - related companies (Note 16 b))	262,429	271,629	262,429	271,629
Trade payables - other companies	653,545	635,453	650,446	630,076
Amounts due to related parties (Note 16 b))	591	76	22,601	26,433
Accrued expenses	32,603	163,774	26,327	145,365
Advance received from customers	3,344	2,984	3,344	2,984
Other payables	79,498	73,113	76,881	70,644
Trade and other payables	1,032,010	1,147,029	1,042,028	1,147,131

12 Employee benefit obligations

Movements of employee benefit obligations for the three-month period ended 31 December 2022 are as follows:

	Consolidated financial information	Separate financial information
	Baht'000	Baht'000
Opening balance	285,819	259,684
Additional provisions during the period	6,642	6,024
<u>Less</u> Employee benefits paid during the period	<u>(1,228)</u>	<u>(1,228)</u>
Closing balance	<u>291,233</u>	<u>264,480</u>

13 Treasury shares

The Company repurchased 7,792,300 shares for total treasury shares of Baht 114.01 million, represents 3.9% of the Company's total issued shares. Treasury share has to be resold after 6 months but no later than 3 years from 5 June 2020 (the completion date of share repurchases). The payment for treasury shares presented as reduction in equity in the statement of financial position.

Treasury shares reserve

As of 31 December 2022, the Company had treasury shares reserve of Baht 114.01 million that has been set aside from unappropriated retained earnings. The amount of treasury share reserve should be maintained and not be distributed a dividend until all repurchased shares are resold, or the Company reduces capital by reducing shares unsold.

14 Income tax expense

Income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the three-month period ended 31 December 2022 is 7.66% (2021: 14.70%) for the Group and 1.49% (2021: 12.95%) for the Company. The tax rate was lower in the current interim period due to the Group and the Company have been additionally granted corporate income tax exemption for net income from promotional operations during current interim period.

15 Letters of bank guarantee

As at 31 December 2022, the Group had outstanding letters of guarantee issued by banks on behalf of the Company in the normal course of business comprise guarantee for electricity consumption to the Provincial Electricity Authority of Baht 20.62 million (30 September 2022: Baht 20.62 million), guarantee for the due fulfillment of the terms and conditions in respect of grant of Certification Mark License by the licensor of Baht 0.35 million (30 September 2022: Baht 0.38 million) and guarantee for contractual performance of Baht 8.27 million (30 September 2022: Baht 5.42 million).

16 Related party transactions

a) Transactions with related parties

The significant related party transactions for the three-month periods ended 31 December 2022 and 2021 were as follows:

	Consolidated financial information		Separate financial information	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Sales of goods				
Subsidiaries	-	-	3,859	4,412
Related parties	674,973	639,799	674,918	639,799
	674,973	639,799	678,777	644,211
Service income				
Related parties	3,974	3,957	3,974	3,957
Rental income				
Subsidiaries	-	-	826	812
Related parties	333	333	333	333
	333	333	1,159	1,145
Purchases of raw materials				
Related parties	213,753	221,041	213,753	221,041
Purchases of machineries and metal molds and repair costs				
Subsidiaries	-	-	7,605	8,735
Related parties	4	208	4	208
	4	208	7,609	8,943
Research and development expenses				
Subsidiary	-	-	28,570	27,506
Related party	891	365	-	-
	891	365	28,570	27,506
Technical assistance fee expenses				
Related parties	23,074	21,045	23,074	21,045
Advertising expenses				
Related parties	321	2,050	321	2,050
Rental and service fee expenses				
Related party	378	378	378	378
Utility expense				
Related parties	104	115	104	115

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b) Outstanding balances arising from sales and purchases of goods and services

The outstanding balances as at 31 December 2022 and 30 September 2021 in relation to transactions between the Group and the Company and those subsidiaries and related companies were summarised as follows:

	Consolidated financial information		Separate financial information	
	Unaudited 31 December 2022 Baht'000	Audited 30 September 2022 Baht'000	Unaudited 31 December 2022 Baht'000	Audited 30 September 2022 Baht'000
Trade receivables (Note 7)				
Subsidiary	-	-	4,129	4,047
Related companies	499,775	509,613	499,717	509,613
Total trade receivables	499,775	509,613	503,846	513,660
Amounts due from related parties (Note 7)				
Subsidiaries	-	-	1,812	1,928
Related companies	2,221	1,530	2,221	1,530
Total amounts due from related parties	2,221	1,530	4,033	3,458
Trade payables (Note 11)				
Related companies	262,429	271,629	262,429	271,629
Total trade payables	262,429	271,629	262,429	271,629
Amounts due to related parties (Note 11)				
Subsidiaries	-	-	22,010	26,357
Related companies	591	76	591	76
Total amounts due to related parties	591	76	22,601	26,433

c) Directors' and key management's remunerations

The Company and its subsidiaries had the compensation paid or payable to their key directors and key management for the three-month periods ended 31 December 2022 and 2021 as follows:

	Consolidated financial information		Separate financial information	
	2022 Baht'000	2021 Baht'000	2022 Baht'000	2021 Baht'000
Salaries and other short-term benefits	24,702	26,891	24,702	26,891
Post-employment benefits	634	399	634	399
Other long-term benefits	297	341	297	341
	25,633	27,631	25,633	27,631

17 Events occurring after the statement of financial position date

At the Annual General Meeting of shareholders for 2023 of the Company held on 30 January 2023, the shareholders passed a resolution approving dividend payment from its operating results for 2022 at Baht 0.2910 per share (Baht 0.2496 per share from BOI-promoted operations and Baht 0.0414 per share from non-BOI promoted operations) to shareholders who are on the register as at 9 February 2023, amounting to a total dividend of Baht 55.93 million. The dividend will be distributed on 28 February 2023.

At the Annual General Meeting of shareholders for 2023 of IRC (Asia) Research Limited held on 30 January 2023, the shareholders passed a resolution approving dividends payment from its operating results for 2022 at Baht 7 per share from non-BOI promoted operations, amounting to a total dividend of Baht 21 million. The dividends will be distributed to shareholders on 28 February 2023.

At the Annual General Meeting of shareholders for 2023 of Kin No Hoshi Engineering Company Limited held on 30 January 2023, the shareholders passed a resolution approving dividends payment from its operating results for 2022 at Baht 30 per share from non-BOI promoted operations, amounting to a total dividend of Baht 3 million. The dividends will be distributed to shareholders on 28 February 2023.