



INOUE RUBBER (THAILAND) PUBLIC COMPANY LIMITED

INTERIM CONSOLIDATED AND SEPARATE
FINANCIAL INFORMATION (UNAUDITED)

31 MARCH 2024

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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 March 2024, the consolidated and separate statements of comprehensive income for the three-month and six-month periods then ended, the related consolidated and separate statements of changes in equity and cash flows for the six-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
14 May 2024

Inoue Rubber (Thailand) Public Company Limited

Statements of Financial Position

As at 31 March 2024

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 31 March 2024 Baht'000	Audited 30 September 2023 Baht'000	Unaudited 31 March 2024 Baht'000	Audited 30 September 2023 Baht'000
Assets					
Current assets					
Cash and cash equivalents		1,363,206	1,146,134	1,335,546	1,088,057
Short-term investments		60,000	-	60,000	-
Financial assets measured at fair value through other comprehensive income					
- debt instruments	6, 8	329,145	566,156	329,145	566,156
Trade and other receivables, net	7	856,667	863,283	858,290	867,447
Derivative assets	6	249	436	249	436
Inventories, net		619,629	641,705	615,609	638,494
Other current assets		5,859	5,231	5,853	4,561
Total current assets		3,234,755	3,222,945	3,204,692	3,165,151
Non-current assets					
Financial assets measured at fair value through other comprehensive income					
- debt instruments	6, 8	14,859	25,480	14,859	25,480
Financial asset measured at fair value through other comprehensive income					
- equity instruments	6, 8	81,188	82,741	81,188	82,741
Investments in subsidiaries		-	-	20,049	20,049
Investment properties, net		9,021	9,021	9,604	9,618
Property, plant and equipment, net	9	1,487,777	1,523,029	1,446,086	1,476,912
Right-of-use assets, net		494	584	494	584
Computer software, net	10	38,999	39,598	30,438	33,589
Deferred tax assets		60,587	59,532	56,332	55,156
Other non-current assets		47,879	69,567	46,432	69,508
Total non-current assets		1,740,804	1,809,552	1,705,482	1,773,637
Total assets		4,975,559	5,032,497	4,910,174	4,938,788
Director	 Mr. Prayjai L. Chansaranukul	Director	 Mr. Shigeaki Yamada		

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 March 2024

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 31 March 2024 Baht'000	Audited 30 September 2023 Baht'000	Unaudited 31 March 2024 Baht'000	Audited 30 September 2023 Baht'000
Liabilities and equity					
Current liabilities					
Trade and other payables	11	673,408	795,434	674,762	797,758
Derivative liabilities	6	1,306	2,019	1,306	2,019
Income tax payable		12,573	5,987	11,576	3,624
Current portion of lease liabilities		209	217	209	217
Other current liabilities		755	702	-	-
Total current liabilities		688,251	804,359	687,853	803,618
Non-current liabilities					
Lease liabilities		199	396	199	396
Deferred tax liabilities		119	315	-	-
Employee benefit obligations	12	296,400	297,147	268,995	269,437
Other non-current liabilities		862	956	862	956
Total non-current liabilities		297,580	298,814	270,056	270,789
Total liabilities		985,831	1,103,173	957,909	1,074,407

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 March 2024

	Consolidated		Separate	
	financial information		financial information	
	Unaudited	Audited	Unaudited	Audited
	31 March	30 September	31 March	30 September
	2024	2023	2024	2023
	Baht'000	Baht'000	Baht'000	Baht'000
Liabilities and equity (Cont'd)				
Equity				
Share capital				
Authorised share capital				
Ordinary shares, 192 million shares				
at par value of Baht 1 each	192,208	192,208	192,208	192,208
Issued and fully paid-up share capital				
Ordinary shares, 192 million shares				
paid-up of Baht 1 each	192,208	192,208	192,208	192,208
Share premium	298,000	298,000	298,000	298,000
Retained earnings				
Appropriated - legal reserve	20,000	20,000	20,000	20,000
Unappropriated	3,441,031	3,379,002	3,402,306	3,312,797
Other components of equity	38,485	40,110	39,751	41,376
Equity attributable to:				
Owners of the parent	3,989,724	3,929,320	3,952,265	3,864,381
Non-controlling interests	4	4	-	-
Total equity	3,989,728	3,929,324	3,952,265	3,864,381
Total liabilities and equity	4,975,559	5,032,497	4,910,174	4,938,788

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 March 2024

	Note	Consolidated financial information		Separate financial information	
		2024 Baht'000	2023 Baht'000	2024 Baht'000	2023 Baht'000
Revenues					
Revenue from sales and services		1,208,718	1,441,143	1,208,215	1,440,850
Dividend income		-	-	33,999	24,000
Other income		20,517	19,354	21,189	20,112
Total revenues		1,229,235	1,460,497	1,263,403	1,484,962
Expenses					
Cost of sales and services		1,032,920	1,297,569	1,038,401	1,308,541
Selling expenses		23,155	24,733	23,155	24,733
Administrative expenses		70,634	65,202	68,802	63,849
Other expenses		4,119	7,808	4,118	7,807
Total expenses		1,130,828	1,395,312	1,134,476	1,404,930
Profit before finance costs and income tax		98,407	65,185	128,927	80,032
Finance costs		(6)	(9)	(6)	(9)
Profit before income tax		98,401	65,176	128,921	80,023
Income tax expense	14	(7,775)	(4,261)	(7,007)	(2,867)
Net profit for the period		90,626	60,915	121,914	77,156
Other comprehensive income:					
Item that will not be reclassified subsequently to profit or loss:					
Gain from measurement of equity instruments at fair value through other comprehensive income, net of tax					
		2,929	2,557	2,929	2,557
Total item that will not be reclassified subsequently to profit or loss					
		2,929	2,557	2,929	2,557
Item that will be reclassified subsequently to profit or loss:					
Gain (loss) from measurement of debt instruments at fair value through other comprehensive income, net of tax					
		(1,074)	181	(1,074)	181
Total item that will be reclassified subsequently to profit or loss					
		(1,074)	181	(1,074)	181
Other comprehensive income for the period, net of tax		1,855	2,738	1,855	2,738
Total comprehensive income for the period		92,481	63,653	123,769	79,894

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 March 2024

	Consolidated		Separate	
	financial information		financial information	
	2024	2023	2024	2023
	Baht'000	Baht'000	Baht'000	Baht'000
Profit attributable to:				
Owners of the parent	90,626	60,915	121,914	77,156
Non-controlling interests	-	-	-	-
	<u>90,626</u>	<u>60,915</u>	<u>121,914</u>	<u>77,156</u>
Total comprehensive income attributable to:				
Owners of the parent	92,481	63,653	123,769	79,894
Non-controlling interests	-	-	-	-
	<u>92,481</u>	<u>63,653</u>	<u>123,769</u>	<u>79,894</u>
Earnings per share				
Basic earnings per share (Baht)	0.47	0.32	0.63	0.40

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 six-month period ended 31 March 2024

	Note	Consolidated financial information		Separate financial information	
		2024 Baht'000	2023 Baht'000	2024 Baht'000	2023 Baht'000
Revenues					
Revenue from sales and services		2,335,939	2,904,765	2,335,055	2,904,147
Dividend income		-	-	33,999	24,000
Other income		37,040	29,718	38,397	31,234
Total revenues		2,372,979	2,934,483	2,407,451	2,959,381
Expenses					
Cost of sales and services		2,029,165	2,658,772	2,040,908	2,679,147
Selling expenses		48,439	56,600	48,439	56,600
Administrative expenses		130,946	123,956	127,786	121,207
Other expenses		8,684	12,945	8,670	12,933
Total expenses		2,217,234	2,852,273	2,225,803	2,869,887
Profit before finance costs and income tax		155,745	82,210	181,648	89,494
Finance costs		(15)	(21)	(15)	(21)
Profit before income tax		155,730	82,189	181,633	89,473
Income tax expense	14	(13,397)	(5,564)	(11,820)	(2,726)
Net profit for the period		142,333	76,625	169,813	86,747
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					
		(1,242)	4,180	(1,242)	4,180
Total item that will not be reclassified subsequently to profit or loss					
		(1,242)	4,180	(1,242)	4,180
Item that will be reclassified subsequently to profit or loss:					
Gain (loss) from measurement of debt instruments at fair value through other comprehensive income, net of tax					
		(383)	858	(383)	858
Total item that will be reclassified subsequently to profit or loss					
		(383)	858	(383)	858
Other comprehensive income (expense) for the period, net of tax		(1,625)	5,038	(1,625)	5,038
Total comprehensive income for the period		140,708	81,663	168,188	91,785

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 six-month period ended 31 March 2024

	Consolidated		Separate	
	financial information		financial information	
	2024	2023	2024	2023
	Baht'000	Baht'000	Baht'000	Baht'000
Profit attributable to:				
Owners of the parent	142,333	76,625	169,813	86,747
Non-controlling interests	-	-	-	-
	<u>142,333</u>	<u>76,625</u>	<u>169,813</u>	<u>86,747</u>
Total comprehensive income attributable to:				
Owners of the parent	140,708	81,663	168,188	91,785
Non-controlling interests	-	-	-	-
	<u>140,708</u>	<u>81,663</u>	<u>168,188</u>	<u>91,785</u>
Earnings per share				
Basic earnings per share (Baht)	0.74	0.40	0.88	0.45

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 six-month period ended 31 March 2024

Consolidated financial information													
Attributable to owners of the parent													
Other components of equity													
Capital contributed													
Retained earnings													
Other comprehensive income													
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 equity													
Non-controlling interests													
Total equity													
Note	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 owners of equity Baht'000	Non-controlling interests Baht'000	Total equity Baht'000
Opening balance as at 1 October 2022	200,000	298,000	(114,012)	20,000	114,012	3,267,375	3,109	50,016	(257)	46,650	3,832,025	5	3,832,030
Changes in equity for the six-month period ended 31 March 2023	-	-	-	-	-	76,625	858	4,180	-	5,038	81,663	-	81,663
Total comprehensive income for the period	-	-	-	-	-	(55,932)	-	-	-	-	(55,932)	-	(55,932)
Dividends paid	15	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as at 31 March 2023	200,000	298,000	(114,012)	20,000	114,012	3,288,068	3,967	54,196	(257)	51,688	3,857,756	5	3,857,761
Opening balance as at 1 October 2023	192,208	298,000	-	20,000	-	3,379,002	(1,201)	41,568	(257)	40,110	3,929,320	4	3,929,324
Changes in equity for the six-month period ended 31 March 2024	-	-	-	-	-	142,333	(383)	(1,242)	-	(1,625)	140,708	-	140,708
Total comprehensive income (expense) for the period	-	-	-	-	-	(80,304)	-	-	-	-	(80,304)	-	(80,304)
Dividends paid	15	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as at 31 March 2024	192,208	298,000	-	20,000	-	3,441,031	(1,584)	40,326	(257)	38,485	3,989,724	4	3,989,728

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 six-month period ended 31 December 2023

	Separate financial information										
	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	
	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000
Opening balance as at 1 October 2022	200,000	298,000	(114,012)	20,000	114,012	3,200,313	(3,109)	50,016	1,010	47,917	3,766,230
Changes in equity for the six-month period ended 31 March 2023	-	-	-	-	-	86,747	858	4,180	-	5,038	91,785
Total comprehensive income for the period	-	-	-	-	-	(55,932)	-	-	-	-	(55,932)
Dividends paid	-	-	-	-	-	-	-	-	-	-	-
Closing balance as at 31 March 2023	200,000	298,000	(114,012)	20,000	114,012	3,231,128	(2,251)	54,196	1,010	52,955	3,802,083
Opening balance as at 1 October 2023	192,208	298,000	-	20,000	-	3,312,797	(1,201)	41,567	1,010	41,376	3,864,381
Changes in equity for the six-month period ended 31 March 2024	-	-	-	-	-	169,813	(383)	(1,242)	-	(1,625)	168,188
Total comprehensive income (expense) for the period	-	-	-	-	-	(80,304)	-	-	-	-	(80,304)
Dividends paid	-	-	-	-	-	-	-	-	-	-	-
Closing balance as at 31 March 2024	192,208	298,000	-	20,000	-	3,402,306	(1,584)	40,325	1,010	39,751	3,952,265

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 six-month period ended 31 March 2024

	Notes	Consolidated		Separate	
		financial information		financial information	
		2024	2023	2024	2023
		Baht'000	Baht'000	Baht'000	Baht'000
Cash flows from operating activities					
Profit before income tax		155,730	82,189	181,633	89,473
Adjustments for:					
Depreciation of plant and equipment and investment property		155,559	167,921	149,484	161,678
Amortisation of computer software		4,251	3,948	3,623	3,356
Amortisation of right-of-use assets		90	90	90	90
Loss on diminution in value of inventories		670	1,795	670	1,795
Net loss (gain) on write-offs and disposals of property, plant and equipment		2,138	(449)	2,138	(449)
Unrealised (gain) loss on exchange rate		(141)	2,571	(141)	2,571
Fair value gain on derivatives		(526)	(844)	(526)	(844)
(Gain) loss on disposals of investments in debt instruments	8	(191)	48	(191)	48
Interest income		(17,090)	(6,312)	(16,805)	(6,193)
Finance costs		15	21	15	21
Dividend income		-	-	(33,999)	(24,000)
Employee benefits	12	12,784	13,285	11,512	12,343
Changes in working capital					
Trade and other receivables		6,148	15,402	8,707	16,199
Inventories		21,406	72,987	22,215	72,517
Other current assets		(1,283)	(1,853)	(1,292)	(1,880)
Other non-current assets		21,627	(17,375)	23,015	(17,375)
Trade and other payables		(122,067)	(253,727)	(120,543)	(241,826)
Other current liabilities		53	(701)	-	-
Other non-current liabilities		(94)	961	(94)	961
Employee benefits paid	12	(13,531)	(5,220)	(11,954)	(4,671)
Cash generated from operations		225,548	74,737	217,557	63,814
Interest received		16,333	5,935	16,030	5,817
Interest paid		(36)	(47)	(36)	(47)
Income tax paid		(7,656)	(3,842)	(4,638)	(1,655)
Income tax received		655	-	-	-
Net cash generated from operating activities		234,844	76,783	228,913	67,929

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 six-month period ended 31 March 2024

	Notes	Consolidated		Separate	
		financial information		financial information	
		2024	2023	2024	2023
		Baht'000	Baht'000	Baht'000	Baht'000
Cash flows from investing activities					
Short-term investments		(60,000)	-	(60,000)	-
Purchases of investments in debt instruments	8	(589,951)	(356,035)	(589,951)	(356,035)
Proceeds from disposals of investments in debt instruments		837,502	365,835	837,502	365,835
Purchases of property, plant and equipment		(125,216)	(116,209)	(126,047)	(116,558)
Purchases of computer software		(3,652)	(2,076)	(472)	(1,384)
Proceeds from disposals of property, plant and equipment		4,033	3,896	4,033	3,835
Dividends received		-	-	33,999	24,000
Net cash generated from (used in) investing activities		62,716	(104,589)	99,064	(80,307)
Cash flows from financing activities					
Payments for principal elements of lease payments		(184)	(173)	(184)	(173)
Dividends paid	15	(80,304)	(55,932)	(80,304)	(55,932)
Net cash used in financing activities		(80,488)	(56,105)	(80,488)	(56,105)
Net increase (decrease) in cash and cash equivalents		217,072	(83,911)	247,489	(68,483)
Cash and cash equivalents at the beginning of the period		1,146,134	897,272	1,088,057	845,988
Cash and cash equivalents at the end of the period		1,363,206	813,361	1,335,546	777,505
Non-cash transactions					
Other payables from purchases of machines and equipment		24,667	21,735	31,660	31,080
Reclassification from other non-current assets to property, plant and equipment	9	61	-	61	-

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 14 May 2024.

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 2023.

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 2023.

New and amended Thai Financial Reporting Standards effective for the accounting periods beginning on or after 1 January 2024 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 March 2024 and 2023 classified by market were presented as follows:

	Consolidated financial information					
	Local		Export		Total	
	2024 Baht'000	2023 Baht'000	2024 Baht'000	2023 Baht'000	2024 Baht'000	2023 Baht'000
Revenue from sales and services	971,744	1,155,404	236,974	285,739	1,208,718	1,441,143
Cost of sales and services	(843,579)	(1,052,203)	(189,341)	(245,366)	(1,032,920)	(1,297,569)
Gross profit	128,165	103,201	47,633	40,373	175,798	143,574
Other income					20,517	19,354
Selling expenses					(23,155)	(24,733)
Administrative expenses					(70,634)	(65,202)
Other expenses					(4,119)	(7,808)
Finance costs					(6)	(9)
Income tax expense					(7,775)	(4,261)
Net profit for the period					90,626	60,915
Timing of revenue recognition						
At a point in time	971,444	1,155,272	236,974	285,739	1,208,418	1,441,011
Overtime	300	132	-	-	300	132
Total revenues	971,744	1,155,404	236,974	285,739	1,208,718	1,441,143

The Group's financial information for the six-month periods ended 31 March 2024 and 2023 classified by market were presented as follows:

	Consolidated financial information					
	Local		Export		Total	
	2024 Baht'000	2023 Baht'000	2024 Baht'000	2023 Baht'000	2024 Baht'000	2023 Baht'000
Revenue from sales and services	1,896,925	2,305,371	439,014	599,394	2,335,939	2,904,765
Cost of sales and services	(1,674,740)	(2,142,306)	(354,425)	(516,466)	(2,029,165)	(2,658,772)
Gross profit	222,185	163,065	84,589	82,928	306,774	245,993
Other income					37,040	29,718
Selling expenses					(48,439)	(56,600)
Administrative expenses					(130,946)	(123,956)
Other expenses					(8,684)	(12,945)
Finance costs					(15)	(21)
Income tax expense					(13,397)	(5,564)
Net profit for the period					142,333	76,625
Timing of revenue recognition						
At a point in time	1,896,484	2,305,123	439,014	599,340	2,335,498	2,904,463
Over time	441	248	-	54	441	302
Total revenues	1,896,925	2,305,371	439,014	599,394	2,335,939	2,904,765

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 March 2024 Baht'000	Audited 30 September 2023 Baht'000	Unaudited 31 March 2024 Baht'000	Audited 30 September 2023 Baht'000	Unaudited 31 March 2024 Baht'000	Audited 30 September 2023 Baht'000	Unaudited 31 March 2024 Baht'000	Audited 30 September 2023 Baht'000
Assets								
Financial assets at fair value through profit or loss (FVPL)								
Derivatives - Foreign exchange contracts	-	-	249	436	-	-	249	436
Financial assets at fair value through other comprehensive income (FVOCI)								
- Debt instruments	-	-	344,004	591,636	-	-	344,004	591,636
- Equity instruments	-	-	-	-	81,188	82,741	81,188	82,741
Total assets	-	-	344,253	592,072	81,188	82,741	425,441	674,813
Liabilities								
Financial liabilities at fair value through profit or loss (FVPL)								
Derivatives - Foreign exchange contracts	-	-	1,306	2,019	-	-	1,306	2,019
Total liabilities	-	-	1,306	2,019	-	-	1,306	2,019

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.

The fair value in level 2 of investments in debt instruments, which are classified as financial assets measured 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 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 six-month period ended 31 March 2024 were as follows:

	Consolidated and separate financial information Baht'000
Opening balance as at 1 October 2023	82,741
Gains recognised in other comprehensive income	(1,553)
Closing balance as at 31 March 2024	81,188

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 instrument. 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.

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

	Fair value		Unobservable inputs	Range of inputs	
	Consolidated and separate financial information			Consolidated and separate financial information	
	Unaudited	Audited		Unaudited	Audited
	31 March 2024	30 September 2023		31 March 2024	30 September 2023
	Million Baht	Million Baht		%	%
Financial assets measured at fair value through other comprehensive income (FVOCI) - equity instrument	81.19	82.74	Future revenue growth rate Risk-adjusted discount rate	1.0 15.7	1.0 15.7

As at 31 March 2024, 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 instrument	Future revenue growth rate Risk-adjusted discount rate	1.0% 1.0%	Increase by 2.07% Decrease by 2.54%	Decrease by 1.81% Increase by 2.80%

7 Trade and other receivables, net

	Consolidated financial information		Separate financial information	
	Unaudited 31 March 2024	Audited 30 September 2023	Unaudited 31 March 2024	Audited 30 September 2023
	Baht'000	Baht'000	Baht'000	Baht'000
Trade receivables - related companies (Note 17 b))	390,347	394,833	395,121	400,211
Trade receivables - other companies	446,077	453,651	443,480	451,473
Less Allowance for expected credit loss	-	-	-	-
Trade receivables, net	836,424	848,484	838,601	851,684
Prepayments	17,135	11,010	15,207	10,260
Accrued income	1,349	795	1,307	737
Advanced payments	145	10	-	-
Amounts due from related parties (Note 17 b))	1,588	2,921	3,149	4,703
Other receivables	26	63	26	63
Trade and other receivables, net	856,667	863,283	858,290	867,447

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As at 31 March 2024 and 30 September 2023, 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 March 2024 Baht'000	Audited 30 September 2023 Baht'000	Unaudited 31 March 2024 Baht'000	Audited 30 September 2023 Baht'000
Related companies				
Current	390,347	394,822	395,121	400,200
Overdue up to 3 months	-	7	-	7
Overdue 3 - 6 months	-	4	-	4
Overdue 6 - 12 months	-	-	-	-
Overdue more than 12 months	-	-	-	-
	390,347	394,833	395,121	400,211
Other companies				
Current	439,165	451,459	436,568	449,281
Overdue up to 3 months	5,885	2,192	5,885	2,192
Overdue 3 - 6 months	-	-	-	-
Overdue 6 - 12 months	1,027	-	1,027	-
Overdue more than 12 months	-	-	-	-
	446,077	453,651	443,480	451,473
<u>Less</u> Allowance for expected credit loss	-	-	-	-
	446,077	453,651	443,480	451,473
Total trade receivables, net	836,424	848,484	838,601	851,684

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 and separate financial information	
	Unaudited 31 March 2024 Baht'000	Audited 30 September 2023 Baht'000
Current assets		
Investments in debt instruments (Government bond and debentures)	329,145	566,156
	329,145	566,156
Non-current assets		
Investments in debt instruments (Government bond and debentures)	14,859	25,480
Investment in unlisted equity instrument	81,188	82,741
	96,047	108,221
Total	425,192	674,377

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Movements of investments in debt instruments for the six-month period ended 31 March 2024 were as follows:

	<u>Consolidated and separate financial information</u> Baht'000
Opening balance as at 1 October 2023	591,636
Additions	589,951
Disposals	(843,804)
Interest income	6,699
Change in fair values	(478)
Closing balance as at 31 March 2024	<u>344,004</u>

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 income of Baht 190,849).

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 2 of the fair value hierarchy (Note 6).

Movements of investment in equity instrument for the six-month period ended 31 March 2024 are disclosed in Note 6.

9 Property, plant and equipment, net

Movements of property, plant and equipment for the six-month period ended 31 March 2024 are as follows:

	<u>Consolidated financial information</u> Baht'000	<u>Separate financial information</u> Baht'000
Opening net book amount	1,523,029	1,476,912
Additions	126,417	124,754
Reclassifications from other non-current assets	61	61
Disposals, net	(2,244)	(2,244)
Write-offs, net	(3,927)	(3,927)
Depreciation charges	(155,559)	(149,470)
Closing net book amount	<u>1,487,777</u>	<u>1,446,086</u>

10 Computer software, net

Movements of computer software for the six-month period ended 31 March 2024 are as follows:

	Consolidated financial information	Separate financial information
	Baht'000	Baht'000
Opening net book amount	39,598	33,589
Additions	3,652	472
Amortisation charges	(4,251)	(3,623)
Closing net book amount	<u>38,999</u>	<u>30,438</u>

11 Trade and other payables

	Consolidated financial information		Separate financial information	
	Unaudited 31 March 2024 Baht'000	Audited 30 September 2023 Baht'000	Unaudited 31 March 2024 Baht'000	Audited 30 September 2023 Baht'000
Trade payables - related companies (Note 17 b))	148,483	140,351	148,483	140,351
Trade payables - other companies	377,109	498,773	374,632	495,306
Amounts due to related parties (Note 17 b))	41	81	18,444	21,344
Accrued expenses	84,234	101,058	71,529	86,906
Advance received from customers	2,922	1,897	2,922	1,897
Other payables	60,619	53,274	58,752	51,954
Trade and other payables	<u>673,408</u>	<u>795,434</u>	<u>674,762</u>	<u>797,758</u>

12 Employee benefit obligations

Movements of employee benefit obligations for the six-month period ended 31 March 2024 are as follows:

	Consolidated financial information	Separate financial information
	Baht'000	Baht'000
Opening balance	297,147	269,437
Additional provisions during the period	12,784	11,512
<u>Less</u> Employee benefits paid during the period	(13,531)	(11,954)
Closing balance	<u>296,400</u>	<u>268,995</u>

13 Dividend income

Dividend income from subsidiaries

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 dividend 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 Company received dividend on 28 February 2023.

At the Annual General Meeting of shareholders for 2024 of Kin No Hoshi Engineering Company Limited held on 29 January 2024, the shareholders passed a resolution approving dividend payment from its operating results for 2023 at Baht 70 per share from non-BOI promoted operations, amounting to a total dividend of Baht 7 million. The Company received dividend on 28 February 2024.

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 dividend 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 Company received the dividend on 28 February 2023.

At the Annual General Meeting of shareholders for 2024 of IRC (Asia) Research Limited held on 29 January 2024, the shareholders passed a resolution approving dividend payment from its operating results for 2023 at Baht 9 per share from non-BOI promoted operations, amounting to a total dividend of Baht 27 million. The Company received the dividend on 28 February 2024.

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 March 2024 is 7.90% (2023: 6.54%) for the Group and 5.44% (2023: 3.58%) for the Company and for the six-month period ended 31 March 2024 is 8.60% (2023: 6.77%) for the Group and 6.51% (2023: 3.05%) for the Company.

15 Dividend paid

At the Annual General Meeting of shareholders for 2024 of the Company held on 29 January 2024, the shareholders passed a resolution approving dividend payment from its operating results for 2023 at Baht 0.4178 per share from BOI-promoted operations to shareholders who are on the register as at 9 February 2024, amounting to a total dividend of Baht 80.30 million. The dividend will be distributed on 28 February 2024.

16 Letters of bank guarantee

As at 31 March 2024, 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 21.03 million (30 September 2023: 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 0.36 million (30 September 2023: Baht 0.37 million) and guarantee for contractual performance of Baht 11.78 million (30 September 2023: Baht 8.26 million).

17 Related party transactions

a) Transactions with related parties

The significant related party transactions for the three-month periods ended 31 March 2024 and 2023 were as follows:

	Consolidated financial information		Separate financial information	
	2024 Baht'000	2023 Baht'000	2024 Baht'000	2023 Baht'000
Sales of goods				
Subsidiaries	-	-	4,462	3,823
Related parties	527,690	629,189	527,690	629,189
	527,690	629,189	532,152	633,012
Service income				
Related parties	4,122	3,988	4,122	3,988
Rental income				
Subsidiaries	-	-	826	826
Related party	333	333	333	333
	333	333	1,159	1,159
Purchases of raw materials				
Related parties	151,258	217,713	151,258	217,713
Purchases of machineries and metal molds and repair costs				
Subsidiary	-	-	4,850	9,435
Related party	-	54	-	54
	-	54	4,850	9,489
Research and development expenses				
Subsidiary	-	-	27,591	30,203
Related party	846	702	-	-
	846	702	27,591	30,203
Technical assistance fee expenses				
Related parties	22,204	23,202	22,204	23,202
Advertising expenses				
Related party	50	239	50	239
Dividend income (Note 13)				
Subsidiaries	-	-	33,999	24,000
Rental and service fee expenses				
Related party	372	374	372	374
Utility expense				
Related parties	60	81	60	81

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The significant related party transactions for the six-month periods ended 31 March 2024 and 2023 were as follows:

	Consolidated financial information		Separate financial information	
	2024 Baht'000	2023 Baht'000	2024 Baht'000	2023 Baht'000
Sales of goods				
Subsidiaries	-	-	9,862	7,681
Related parties	1,043,977	1,304,162	1,043,977	1,304,108
	1,043,977	1,304,162	1,053,839	1,311,789
Service income				
Related parties	8,301	7,961	8,301	7,961
Rental income				
Subsidiaries	-	-	1,744	1,651
Related party	666	666	666	666
	666	666	2,410	2,317
Purchases of raw materials				
Related parties	296,318	431,466	296,318	431,466
Purchases of machineries and metal molds and repair costs				
Subsidiary	-	-	13,471	17,040
Related party	-	57	-	57
	-	57	13,471	17,097
Research and development expenses				
Subsidiary	-	-	54,085	58,773
Related party	1,824	1,594	-	-
	1,824	1,594	54,085	58,773
Technical assistance fee expenses				
Related parties	44,024	46,277	44,024	46,277
Advertising expenses				
Related party	438	560	438	560
Dividend income (Note 13)				
Subsidiaries	-	-	33,999	24,000
Rental and service fee expenses				
Related party	743	752	743	752
Utility expense				
Related parties	135	185	135	185

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

The outstanding balances as at 31 March 2024 and 30 September 2023 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 March 2024 Baht'000	Audited 30 September 2023 Baht'000	Unaudited 31 March 2024 Baht'000	Audited 30 September 2023 Baht'000
Trade receivables (Note 7)				
Subsidiary	-	-	4,774	5,378
Related companies	390,347	394,833	390,347	394,833
Total trade receivables	390,347	394,833	395,121	400,211
Amounts due from related parties (Note 7)				
Subsidiaries	-	-	1,561	1,782
Related companies	1,588	2,921	1,588	2,921
Total amounts due from related parties	1,588	2,921	3,149	4,703
Trade payables (Note 11)				
Related companies	148,483	140,351	148,483	140,351
Total trade payables	148,483	140,351	148,483	140,351
Amounts due to related parties (Note 11)				
Subsidiaries	-	-	18,403	21,263
Related companies	41	81	41	81
Total amounts due to related parties	41	81	18,444	21,344

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 six-month periods ended 31 March 2024 and 2023 as follows:

	Consolidated financial information		Separate financial information	
	2024 Baht'000	2023 Baht'000	2024 Baht'000	2023 Baht'000
Salaries and other short-term benefits	38,593	40,548	38,593	40,548
Post-employment benefits	636	1,269	636	1,269
Other long-term benefits	665	602	665	602
	39,894	42,419	39,894	42,419