



บริษัท ไทยรับเบอร์ลาเท็กซ์กรุ๊ป จำกัด (มหาชน)
THAI RUBBER LATEX GROUP PUBLIC COMPANY LIMITED



สำนักงานใหญ่ : เลขที่ 99/1-3 หมู่ที่ 13 ถนนบางนา-ตราด กม.ที่ 7 ตำบลบางแก้ว อำเภอบางพลี จังหวัดสมุทรปราการ 10540

HEAD OFFICE : NO. 99/1-3 VILLAGE NO.13, BANG NA-TRAT KORMOR NO.7 ROAD, BANG KABO SUB-DISTRICT, BANG PHLI DISTRICT, SAMUT PRAKAN PROVINCE 10540, THAILAND

เลขประจำตัวเสียภาษี 0107536000137 TEL : +66 2033 2333-88 FAX : +66 2033 2389-99 <https://www.thaitex.com>, E-mail: info@thaitex.com

August 14, 2025

Re : Management Explanation and Analysis of Operating Results for 2nd quarter of 2025

To : The President of the Stock Exchange of Thailand

Business Overview, Economic and Industry Conditions

The Group Company has comprehensive rubber businesses, covering the whole value chain of rubber and latex products, which are the rubber plantation in Thailand, The producer of latex concentrate and latex rubber, latex rubber thread, rubber gloves and latex bedding.

In the second quarter of 2025, the global economy continued to slow down. China, a major importer of natural rubber. Although its economy expanded compared to the same period last year, growth was slightly lower than in the first quarter of 2025. This slowdown impacted demand for natural rubber in downstream industries. The industry also faced pressured by several factors such as the U.S. trade policy and reciprocal tariff, geopolitical tensions, and inflation. Additionally, the appreciation of the Thai Baht compared to the same period last year put pressure on rubber export prices and reduced competitiveness, especially in the concentrated latex and processed rubber segments. Domestic rubber production remained high due to favorable weather conditions at the beginning of the rainy season, leading to increased supply in the market. Combined with high inventory levels in major producing countries and a global demand that has yet to fully recover, rubber prices continued to face persistent downward pressure. These factors represent significant challenges for the industry throughout 2025.

In 2025, the Company continues to prioritize the sustainability of its supply chain by actively supporting rubber farmers through various initiatives. These include knowledge transfer programs, hands-on training, and on-site advisory visits aimed at improving product quality and increasing farmers' incomes. Such efforts help ensure an efficient response to both domestic and international market demands over the long term. In particular, the Company places emphasis on educating and preparing farmers and small-scale suppliers to comply with the requirements of the EU Deforestation Regulation (EUDR), in order to maintain continued access to the European market.

Business performance

- The company and its subsidiaries (“the Group Company”) reported that for the financial statements for the 2nd quarter of 2025, the Group reported a gross profit of baht 33.74 million, an operating loss of baht 55.33 million. The net loss after tax was baht 103.26 million, which is net loss attributable to owner of the parent of baht 85.17 million. The Group’s losses increased significantly due to a decline in revenue compared to the same period in 2024, primarily driven by a drop in demand from customers and higher trade competition, although a decrease in global rubber prices. The average rubber price in the second quarter fell from Baht 76.08 per kilogram in 2024 to Baht 59.30 per kilogram in 2025, representing a year-on-year decrease of 22.06% (source: Rubber Authority of Thailand website). The decline in rubber prices was in line with ongoing global economic uncertainty and concerns during the 90-day grace period for the reciprocal tariff measures, which caused many importers to delay orders pending clearer guidance. This led to reduced trading volumes and downward pressure on global rubber prices. Domestically, positive factors included increased government spending, private sector investment, and a general decrease in inflation compared to the previous quarter.

- In Q2/2025, the Company delivered a total of 209.49 tons of EUDR-compliant rubber, including natural latex and pre-vulcanized latex, to its customers. This volume was close to the 195.42 tons delivered in the first quarter of 2025, representing a 7.2% increase quarter-on-quarter. The growth was driven by accelerated purchasing from international customers preparing for the full enforcement of the European Union Deforestation Regulation (EUDR). Additionally, the Company has continuously implemented traceability processes to comply with EUDR requirements, which has strengthened the confidence of its EUDR-focused customer base.

- In Q2/2025, the Company completed the Offering of Convertible Debentures Series TRUBB286A through a Rights Offering (RO), totaling Baht 101.6 million. The proceeds were intended for loan repayment and working capital purposes.

Financial ratio

	Q2/25	Q1/25	Q2/24	6M/68	6M/67	Q2 (compare) QoQ%	Q2 (compare) YoY%
Current Ratio	0.52	0.56	0.57	0.52	0.57	-7.14%	-8.77%
Average Collection Period	53	37	37	40	36	43.24%	43.24%
Average Inventory Period	65	47	51	51	49	38.30%	27.45%
Average Payment Period	15	9	12	12	12	66.67%	25.00%
Cash Cycle	102	75	76	78	74	36.00%	34.21%
Gross Profit Margin	2.63%	7.85%	7.51%	5.88%	6.26%	-66.50%	-64.98%
Operating Profit Margin	-4.26%	2.52%	1.38%	-0.04%	0.36%	-269.05%	-408.70%
Net Profit Margin	-7.95%	-0.75%	-2.07%	-3.47%	-3.15%	960.00%	284.06%
ROE	-2.98%	-0.45%	-0.66%	-3.44%	-2.40%	562.22%	351.52%
ROA	-0.67%	0.63%	0.28%	-0.02%	0.03%	-206.35%	-339.29%
Debt to Equity Ratio	1.41	1.44	1.48	1.41	1.48	-2.08%	-4.73%
DSCR	0.40	0.42	0.47	0.50	0.35	-4.76%	-14.89%

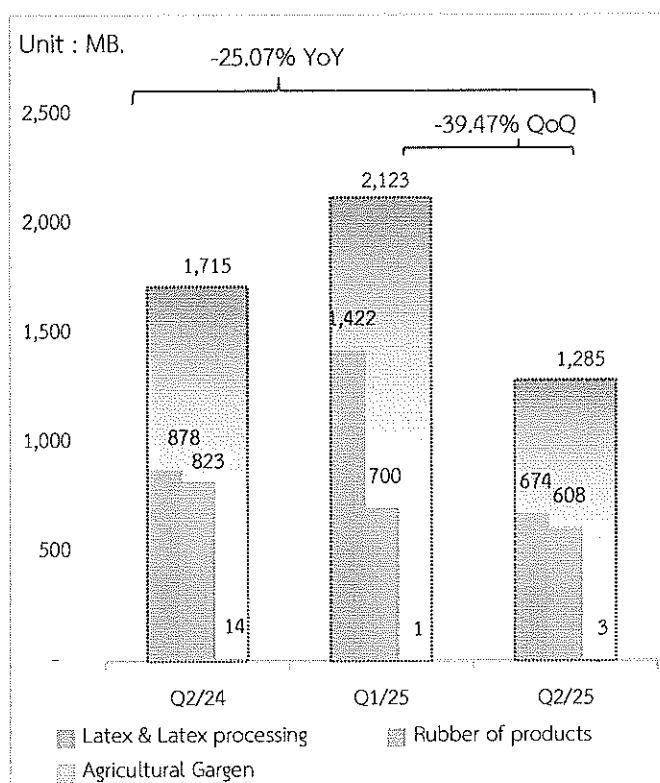
- For the 6-month periods of 2025 and 2024, the Group recorded revenue from sales and services of baht 3,408.06 million and baht 3,534.51 million, respectively, a decrease of baht 126.46 million or 3.58% YoY. Cost of sales and services for the 6-month periods of 2025 and 2024 amounted to baht 3,207.71 million and baht 3,313.13 million, respectively, a decrease of baht 105.41 million or 3.18% YoY, in line with the decline in revenue. Selling and administrative expenses for 2025 and 2024 were baht 141.69 million and baht 142.20 million, respectively, down by baht 0.50 million or 0.35% YoY. However, the Company reported a net loss of baht 119.43 million in 2025, compared to a net loss of baht 112.91 million in 2024. The increased net losses resulting from sales, pressured by multiple external factors, which continued to impact on the Company's performance. Additionally, weaker demand for concentrated latex, processed latex, and rubber products resulted in lower gross profit compared to the same period of the previous year. Moreover, the harvesting season in major producing countries in the region led to an oversupply, while the decline in crude oil prices reduced synthetic rubber production costs, giving substitute products a price advantage.

- The Group recognizes the external factors that continue to impact its business and has therefore planned to effectively reduce internal costs in order to maintain an appropriate level of gross profit. The Group also focuses on premium and special grade products, EUDR products, etc. and continuously expanding into target and new markets. In addition, it places great importance on environmental management and sustainability to strengthen the value chain and enhance the organization's long-term resilience.

The company and its subsidiary companies had financial operating results are as follows:

Revenue by operation segment

1. The Concentrated Latex and Processed Latex Business Group reported a profit before tax of baht 34 million for the 6-month financial statement of 2025, compared to a profit before tax of baht 38 million to the same period of 2024, representing a slight decrease. The decline was mainly due to the slowdown in global demand for natural rubber, particularly in China and the rubber glove industry, which continues to face inventory backlog. Meanwhile, supply from major producing countries remained high, exerting downward pressure on latex prices. Additionally, the appreciation of the Thai Baht posed



challenges to price competitiveness. However, lower oil and transportation costs helped improve production costs, enabling the Group to maintain a pre-tax profit at a level close to that of the previous year.

2. The Product Manufacturing Business Group reported a loss before tax of baht 117 million for the 6-month period of 2025, compared to a loss before tax of baht 142 million in the same period of 2024. The loss was still driven by the slowdown in the global economy, particularly in key markets such as the United States and China, which resulted in lower growth in downstream demand for rubber products, including rubber gloves and rubber-based consumer goods. Intense price competition also persisted in the market. Nevertheless,

the Group implemented production cost optimization measures and explored new markets, leading to a reduction in the loss compared to the previous year.

3. The Agricultural Garden Business Group reported a loss before tax of baht 18 million for the 6-month period of 2025, an increased from a loss before tax of baht 13 million in the same period of 2024. The higher loss was mainly due to the decline in natural rubber prices, driven by concerns over the US retaliatory trade tariffs. In addition, the slowdown in global demand for natural rubber led to an adjustment in fresh latex orders, which is an upstream product, to align with the lower demand.

Sustainability MD&A (ESG)

TRUBB remains committed to advancing and driving its business toward sustainability in 2025, with a strong emphasis on responsible operations across three key pillars: Environmental, Social, and Governance (ESG). The company adheres to internationally recognized standards and practices to enhance its resilience and ensure stable and sustainable growth amidst a volatile business environment and numerous challenges. The sustainability efforts aim to create long-term value for the business while delivering benefits to all stakeholders. These efforts focus on minimizing environmental and social impacts, which form the foundation for responsible long-term growth. The key aspects of this commitment are as follows:

Environmental Undertakings

- In 2024, the Company registered for the Carbon Footprint for Organization (CFO) certification with the Thailand Greenhouse Gas Management Organization (Public Organization), or TGO. This initiative reflects the Company's recognition of the importance of conducting environmentally responsible business and its awareness of the organization's role in driving tangible sustainability efforts. The registration demonstrates TRUBB's commitment to systematically and transparently monitoring and managing greenhouse gas emissions generated from its organizational activities.
- The Company has completed the registration of over 1,800 smallholder plots, covering a total area of more than 3,000 rai, in compliance with the requirements of the European Union Deforestation Regulation (EUDR). This effort reflects TRUBB's strong commitment to enhancing the environmental responsibility of its supply chain and preparing for future trade and export regulations in the European market. This initiative not only promotes sustainable and traceable agricultural practices

among farmers within the Company's network but also strengthens market opportunities, enhances product credibility, and supports the Company's tangible sustainability goals.

- The Company has expanded its solar power generation system by installing solar cells at two additional sites: the Chiang Rai factory and the Rayong factory. This brings the total number of locations with solar cell installations to three. This initiative is part of TRUBB's greenhouse gas reduction plan and contributes to a reduction of approximately 30% in carbon emissions, reinforcing the Company's efforts to transition toward cleaner energy and sustainable operations.

Social Undertakings

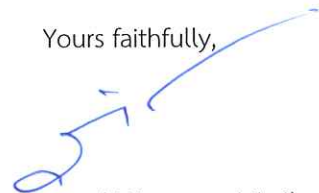
- The Company conducts annual community outreach visits and regularly provides training to natural rubber farmers on the EUDR traceability program. In the first quarter, the Company carried out field visits in the southern region, focusing on areas surrounding its Surat Thani and Hat Yai factories.
- In Q2/2025, the Company also carried out CSR activities by supporting a total of 2 local projects through funding, equipment, and personnel contributions. These initiatives were part of various sub-district, district, and provincial festival events, reflecting the Company's commitment to community engagement and social responsibility.

Governance & Economic Undertakings

- The Company published its 2024 Sustainability Report and disclosed its ESG information for the year through the website of the Stock Exchange of Thailand (SET). This demonstrates the Company's commitment to conducting business under the principles of good corporate governance, with a strong emphasis on transparency, accountability, and comprehensive, verifiable information disclosure.

Please be informed accordingly,

Yours faithfully,



(Mr. Pattapol Wongsasuthikul)

Managing Director