



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

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May 14, 2026

Re : Management Explanation and Analysis of Operating Results for 1st quarter of 2026

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 first quarter of 2026, Thailand's natural rubber industry showed signs of recovery, supported by higher rubber prices despite continued volatility. Rubber prices continued to rise due to tight supply conditions during the leaf-shedding season, which reduced the volume of rubber entering the market. In addition, rubber futures prices on the SICOM market increased compared to the previous quarter, reflecting market expectations of short-term supply tightness. Meanwhile, geopolitical tensions in the Middle East which had no effect to the group but pushed crude oil prices higher, resulting in increased synthetic rubber production costs and encouraging some users to shift toward natural rubber, thereby supporting overall rubber prices. Nevertheless, prices remained volatile due to uncertainty in global demand, pressure from logistics costs, U.S. retaliatory tariff measures, and the still-fragile global economy. As a result, the natural rubber industry continues to face risks that require close monitoring.

In 2026, the Company recognizes the volatility of external factors and therefore continues to pursue strategies focused on both growth and risk management. The Company emphasizes order management and forward sales contracts to maintain revenue stability, efficient cost control, exploration of new markets, and development of value-added products. In addition, the Company continues to enhance environmental standards and traceability systems in order to strengthen competitiveness and support long-term resilience amid market uncertainties.

Business performance

- The company and its subsidiaries (“the Group Company”) reported that for the financial statements for the first quarter of 2026, the Group recorded a gross profit of baht 107.94 million, operating

profit of baht 3.28 million. The net loss after tax was baht 43.29 million, which is net loss attributable to owner of the parent of baht 44.82 million. The Group's net loss increased significantly compared to the same period in 2025, primarily due to a decrease in revenue. When comparing the average natural rubber price in the first quarter of 2025 and 2026, the price decreased slightly from baht 66.40 per kilogram to baht 63.04 per kilogram, a decrease 5.06% YoY (Source: The Thai Latex Association). Nevertheless, rubber latex prices increased significantly in mid-February, consistent with the upward trend in global energy prices driven by geopolitical tensions, particularly the conflict between the U.S. and Iran. Meanwhile, supply factors remained tight due to a reduction in rubber plantation areas and production constraints in certain regions, which continued to support natural rubber price over the medium to long term.

The overall Thai economy in the first quarter of 2026 continued to expand, supported by the export sector, the recovery of the tourism sector, and government spending. However, signs of a slowdown began to emerge in certain sectors amid the impact of the uneven global economic recovery and continued fragility in domestic purchasing power, which may affect the demand for rubber in some industries going forward.

Financial ratio

	Q1/26	Q1/25	YE/25	Q1 (compare) YoY%
Current Ratio	0.52	0.56	0.54	-7.14%
Average Collection Period	46	37	52	24.32%
Average Inventory Period	47	47	58	0.00%
Average Payment Period	11	9	11	22.22%
Cash Cycle	82	75	99	9.33%
Gross Profit Margin	6.69%	7.85%	6.17%	-14.78%
Operating Profit Margin	0.20%	2.52%	0.06%	-92.06%
Net Profit Margin	-2.63%	-0.75%	-3.39%	250.67%
ROE	-1.59%	-0.45%	-6.28%	253.33%
ROA	0.04%	0.63%	0.05%	-93.65%
Debt to Equity Ratio	1.38	1.44	1.39	-4.17%
DSCR	0.49	0.42	1.14	104.17%

- For the 3-month period of 2026, the Group reported revenues from sales of baht 1,613.54 million. In comparison to 2025, when the revenues from sales were baht 2,123.08 million, a decrease of baht 509.54 million or 24.00% YoY. The primary cause was a slowdown in order volumes toward the end of the quarter, resulting from the global economic slowdown, coupled with buyers focusing on more efficient inventory and cost management. Meanwhile, global rubber prices continued to trend upward due to geopolitical factors,

particularly tensions in the Middle East, which affected energy prices and transportation costs, as well as the volatility of the Thai Baht exchange rate.

- The cost of sales and services for the 3-month period of 2026 and 2025 was baht 1,505.60 million and baht 1,956.47 million respectively, a decrease of baht 450.87 million or 23.05% YoY and the distribution cost and administrative expenses in 2026 and 2025 were baht 118.40 million and baht 135.41 million respectively, a decrease of baht 17.01 million or 12.56% YoY. The primary cause was a decrease in sales volume, resulting in a corresponding decrease in production costs and related cost of sales.

- The net loss for the 3-month period of 2026 was baht 43.29 million, compared to baht 16.17 million in 3-month period of 2025, the Group reported an increased loss compared to the same period last year, primarily due to a decrease in revenue from sales and services resulting from a slowdown in order volumes in line with market demand. Meanwhile, raw material costs including concentrated latex, chemicals, and energy, remained at elevated levels, leading to a decline in gross profit margin. Furthermore, the Group was impacted by the appreciation of the Thai Baht, which pressured export revenue and reduced profitability compared to the same period last year.

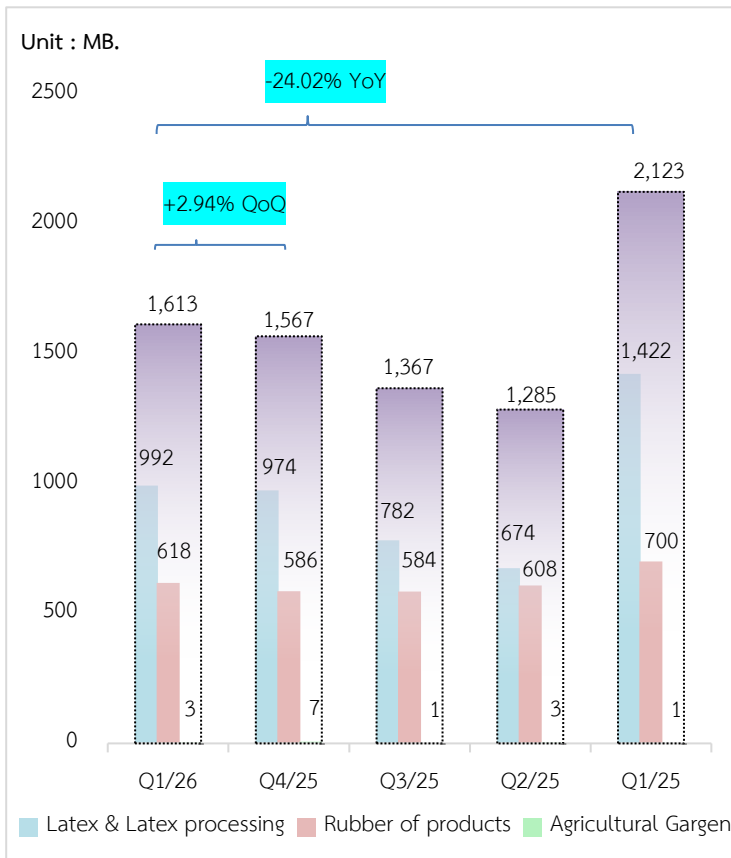
However, the Group remains focused on production cost management, operational efficiency improvement, and maintaining business relationships with key customers to support the recovery of future orders. This includes closely monitoring raw material prices and market conditions to appropriately adjust business strategies in a timely manner in response to changing situations.

- In the first quarter of 2026, the Company delivered EUDR-compliant rubber products, comprising concentrated natural latex and pre-vulcanized concentrated latex, totaling 32.03 tons to domestic customers and 700.91 tons to overseas customers, for a total of 732.94 tons. This represented a decrease from the previous quarter's total EUDR rubber deliveries of 1,425.84 tons, or a decline of 48.60% QoQ. The decrease was mainly attributable to the rubber tree leaf-shedding season in the first quarter, which reduced the volume of raw materials entering the supply chain. In addition, some customers had accelerated purchase orders in the previous quarter, resulting in slower order volumes during this quarter. Nevertheless, the Company continues to enhance its traceability systems and raw material source management in order to support customer demand and the expansion of the rubber market in line with the EUDR requirements, which will become fully effective on December 30, 2026.

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 6 million for the 3-month financial statement of 2026, compared to a profit before tax of baht 34 million to the same period of 2025. This was caused by the global economic slowdown, which led some trading partners in downstream industries to delay their orders to manage inventory at appropriate levels and control costs amid the volatility of rubber prices and exchange rates. Additionally, the demand for natural rubber products in certain industries, such as the export



sector, has not yet fully recovered, resulting in a decrease in the Company’s sales volume. Meanwhile, raw material and production costs remained at high levels, leading to a decrease in gross profit margin and profit before tax compared to the same period last year.

2. The Product Manufacturing Business Group reported a loss before tax of baht 24 million for the 3-month period of 2026, compared to a loss before tax of baht 30 million in the same period of 2025. Demand for certain products began to gradually recover in line with economic conditions and consumption in international markets. However, price competition remained at a high level and consumer purchasing power saw limited recovery. As a result, the Company continued to report a loss, which decreased slightly compared to the same period last year.

3. The Agricultural Garden Business Group reported a loss before tax of baht 22 million for the 3-month period of 2026, an increase from a loss before tax of 6 million baht in the same period of 2025. This was because operating and maintenance costs for planting areas remained high, such as fertilizers and agricultural chemicals, which were affected by global energy price volatility. Additionally, variable weather

conditions impacted production yields and harvesting efficiency, resulting in the Company's loss before tax increase compared to the same period last year.

Sustainability MD&A (ESG)

In the first quarter of 2026, with respect to the Company's sustainability strategy management, the Company remained committed to enhancing its competitiveness through sustainability strategies and global supply chain management, driven by the following 4 key strategic initiatives:

1. Strengthening Supply Chain Confidence in Compliance with EUDR Requirements

The Company further enhanced its due diligence processes throughout the supply chain to improve transparency and systematic management in compliance with the European Union Deforestation Regulation (EUDR). During this quarter, the Company focused on closely integrating data with business partners and upstream farmers. Such initiatives not only serve as legal risk management but also create a "competitive trade advantage," enabling the Company's products to remain among the preferred choices for global customers that prioritize transparency.

2. Progress toward Net Zero Targets and International Standards Development

The Company successfully obtained certification for its Corporate Carbon Footprint (CFO) for the year 2025, reporting greenhouse gas emissions of Scope 1 = 1,015 tCO₂e, Scope 2 = 4,633 tCO₂e and Scope 3 = 12,950 tCO₂e. Based on these results, the Company plans to pursue science-based greenhouse gas reduction certification under the Net Zero Pathway program of the Thailand Greenhouse Gas Management Organization (TGO), alongside certification for Transition to Net Zero in accordance with ISO 14068 standards.

3. Preparation for Life Cycle Assessment (LCA) to Expand Market Opportunities

Through its proactive strategy, the Company has been developing Carbon Footprint of Products (CFP) since 2023. As a result, in Q1/2026, the Company is well-prepared to share relevant environmental data with customers who increasingly prioritize Life Cycle Assessment (LCA). In 2026, the Company plans to update the list of products to obtain CFP certification in order to support key customers. Management recognizes that this initiative is a significant element in supporting customers' "Green Procurement" strategies, which will help enhance brand value and create opportunities to penetrate new, higher-margin markets.

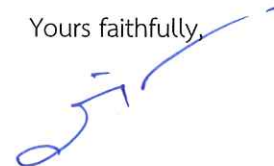
4. Integration of Governance and ESG Strategy under the FTSE Russell Framework

In Q1/2026, the Company revised its sustainability policies to align with the FTSE Russell assessment framework, a leading index widely used by global institutional investors in investment decision-making. The policy enhancement focuses on improving transparency in disclosures and strengthening management of emerging risks in order to elevate the Company's investment attractiveness and reinforce long-term confidence among all stakeholders.

Management Summary: Management believes that the initiatives undertaken during the first quarter will serve as a significant foundation enabling the Company to effectively manage volatility in global trade regulations and transform “sustainability challenges” into “opportunities for sustainable growth,” thereby delivering long-term sustainable returns to shareholders.

Please be informed accordingly,

Yours faithfully,

A handwritten signature in blue ink, appearing to be 'Pattapol Wongsasuthikul', written in a cursive style.

(Mr.Pattapol Wongsasuthikul)

Managing Director