

No. NDR014/2022

10 November 2022

Subject: Management Discussion and Analysis (MD&A) Quarter 3 Ending 30 September 2022

Attention: Directors and Manager, The Stock Exchange of Thailand

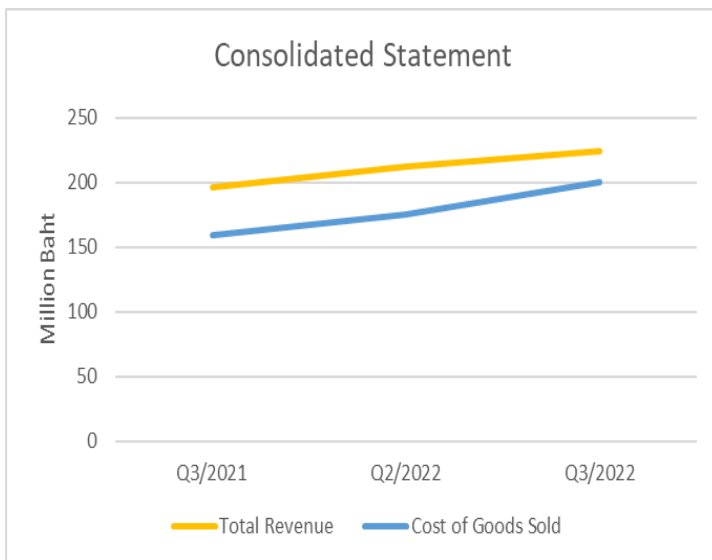
N.D. Rubber Public Company Limited (“the Company” or “NDR”) would like to present the MD&A for quarter 3 ending 30 September 2022. The details are as follows:

Company’s operation

Unit: Million Baht

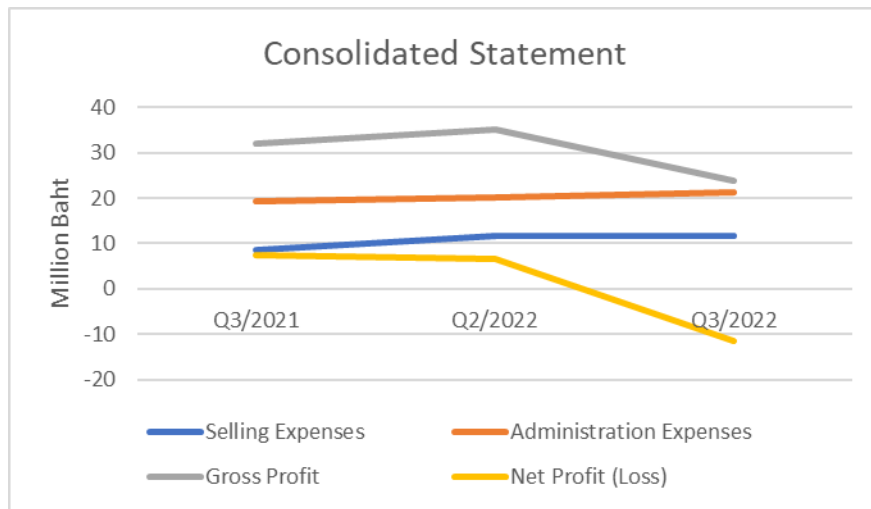
| Profit/Loss | Q3/2021 | Q2/2022 | Q3/2022 | YoY | | QoQ | | |
|------------------------|-------------------------|---------|---------|-----------|--------|-----------|--------|----------|
| | | | | Different | % | Different | % | |
| Consolidated Statement | Sales Revenue | 191.75 | 210.46 | 223.86 | 32.11 | 16.75% | 13.4 | 6.37% |
| | Other income | 4.41 | 2.20 | 0.68 | -3.73 | -84.59% | -1.52 | -69.09% |
| | Total Income | 196.162 | 212.66 | 224.54 | 28.38 | 14.47% | 11.88 | 5.59% |
| | Cost of Goods Sold | 159.65 | 175.19 | 200.03 | 40.38 | 25.29% | 24.84 | 14.18% |
| | | 81.39% | 82.38% | 89.08% | | | | |
| | Selling Expenses | 8.59 | 11.64 | 11.66 | 3.07 | 35.74% | 0.02 | 0.17% |
| | | 4.38% | 5.47% | 5.19% | | | | |
| | Administration Expenses | 19.43 | 20.10 | 21.37 | 1.94 | 9.98% | 1.27 | 6.32% |
| | | 9.91% | 9.45% | 9.52% | | | | |
| | Gross Profit | 32.09 | 35.27 | 23.83 | -8.26 | -25.74% | -11.44 | -32.44% |
| | | 16.36% | 16.59% | 10.61% | | | | |
| | Net Profit (Loss) | 7.33 | 6.52 | -11.43 | -18.76 | -255.93% | -17.95 | -275.31% |
| | 3.74% | 3.07% | -5.09% | | | | | |

| Profit/Loss | | Q3/2021 | Q2/2022 | Q3/2022 | YoY | | QoQ | |
|---------------------|-------------------------|---------|---------|---------|-----------|---------|-----------|---------|
| | | | | | Different | % | Different | % |
| Separated Statement | Sales Revenue | 135.64 | 158.11 | 168.16 | 32.52 | 23.98% | 10.05 | 6.36% |
| | Other income | 4.81 | 3.23 | 1.58 | -3.23 | -67.15% | -1.65 | -51.08% |
| | Total Income | 140.45 | 161.34 | 169.74 | 29.29 | 20.85% | 8.4 | 5.21% |
| | Cost of Goods | 127.19 | 147.10 | 164.3 | 37.11 | 29.18% | 17.2 | 11.69% |
| | Sold | 90.56% | 91.17% | 96.80% | | | | |
| | Selling Expenses | 1.67 | 2.07 | 2.42 | 0.75 | 44.91% | 0.35 | 16.91% |
| | | 1.19% | 1.28% | 1.43% | | | | |
| | Administration Expenses | 7.93 | 9.02 | 8.9 | 0.97 | 12.23% | -0.12 | -1.33% |
| | | 5.65% | 5.59% | 5.24% | | | | |
| | Gross Profit | 8.46 | 11.00 | 3.86 | -4.60 | -54.37% | -7.14 | -64.91% |
| 6.02% | | 6.82% | 2.27% | | | | | |
| Net Profit (Loss) | 4.77 | 4.32 | -6.81 | -11.58 | -242.77% | -11.13 | -257.64% | |
| | 3.40% | 2.68% | -4.01% | | | | | |



We still face with the high cost situation, even though there is a down trend signal for many materials but, in Q3/2022, we have to use the high price raw material in our stock together with the high energy cost which affect our gross profit to be in the low lever.

Good news is, in term of revenue, we can keep the figure growing in the bad market sentiment. Our Q3/2022 revenue is 223.86 Million Baht which is increased by 13.40 Million Baht comparing with last quarter in Q2/2022.



Because of continuous high energy and raw material cost, we had used all low-price raw material stock, causing our product cost becomes higher and causing our gross profit becomes very thin. However, we are confident that it will be temporary situation because there is a signal of down trend price in many raw materials. Only energy cost that shall maintain in high level, but we have a long-term plan to reduce the effect from energy cost by installing more solar rooftop. We expect that the solar rooftop shall be operated in Q1/2023.

Assets and Liabilities

Unit : Million Baht

| Balance Sheet (Unit : Million Baht) | | Q3/2021 | Q2/2022 | Q3/2022 | YoY | | QoQ | |
|-------------------------------------|-----------------------|----------|----------|----------|-----------|---------|-----------|---------|
| | | | | | Different | % | Different | % |
| Consolidated Statement | Current Assets | 396.11 | 420.77 | 405.77 | 9.66 | 2.44% | -15 | -3.56% |
| | Fixed Assets | 749.03 | 765.11 | 759.4 | 10.37 | 1.38% | -5.71 | -0.75% |
| | Total Assets | 1,145.14 | 1185.88 | 1,165.17 | 20.03 | 1.75% | -20.71 | -1.75% |
| | Current Liabilities | 220.21 | 237.86 | 219.46 | -0.75 | -0.34% | -18.4 | -7.74% |
| | Long-term Liabilities | 53.07 | 44.80 | 44.71 | -8.36 | -15.75% | -0.09 | -0.20% |
| | Total Liabilities | 273.28 | 282.66 | 264.17 | -9.11 | -3.33% | -18.49 | -6.54% |
| | Retained Earnings | 870.98 | 903.22 | 901 | 30.02 | 3.45% | -2.22 | -0.25% |
| Separated Statement | Current Assets | 166.17 | 209.57 | 186.98 | 20.81 | 12.52% | -22.59 | -10.78% |
| | Fixed Assets | 878.54 | 895.96 | 890.35 | 11.81 | 1.34% | -5.61 | -0.63% |
| | Total Assets | 1,044.71 | 1,105.53 | 1,077.33 | 32.62 | 3.12% | -28.2 | -2.55% |
| | Current Liabilities | 181.89 | 213.88 | 192.56 | 10.67 | 5.87% | -21.32 | -9.97% |
| | Long-term Liabilities | 16.63 | 15.75 | 15.67 | -0.96 | -5.77% | -0.08 | -0.51% |
| | Total Liabilities | 198.52 | 229.63 | 208.23 | 9.71 | 4.89% | -21.4 | -9.32% |
| | Retained Earnings | 846.2 | 875.90 | 869.09 | 22.89 | 2.71% | -6.81 | -0.78% |

The assets and liabilities of the company as of 30 September 2022 are as following:

- Current assets is less than Q2/2022 because we had used all low cost raw material stock and reduce our raw material stock level because the cost of raw material starts down trend.
- Non-current assets are decreased due to depreciation as usual.
- Overall liabilities are less because of paying back to financial institution.

Unit : Million Baht

| Cash Flow Statement | | Q4/2021 | Q3/2022 |
|------------------------|---|---------|---------|
| Consolidated Statement | Net Cash received (used) from Operation | 58.27 | -2.91 |
| | Net Cash received (used) from Investment | -20.30 | -6.19 |
| | Net Cash received (used) from Financing | -6.13 | -30.78 |
| | Net increase (decrease) of Cash and Cash equivalent | 33.44 | -35.77 |
| | Cash and Cash equivalent at the end of the period | 159.20 | 123.43 |
| Separated Statement | Net Cash received (used) from Operation | 36.91 | 0.49 |
| | Net Cash received (used) from Investment | -30.69 | 9.61 |
| | Net Cash received (used) from Financing | 5.24 | -21.30 |
| | Net increase (decrease) of Cash and Cash equivalent | 11.46 | -11.21 |
| | Cash and Cash equivalent at the end of the period | 42.60 | 31.39 |

In 3rd Quarter 2022, our cash flow is less by 35.77 Million Baht due to paying back the financial institution.

Please be informed accordingly,

Yours faithfully,



(Mr. Chaiyasit Samrittivanicha)

Managing Director