



บริษัท เอ็น.ดี. รีบเบอร์ จำกัด (มหาชน)
N.D. RUBBER PUBLIC COMPANY LIMITED

ANNUAL REPORT 2019

รายงานประจำปี 2562

เพื่อนคุณ...ตลอดไป

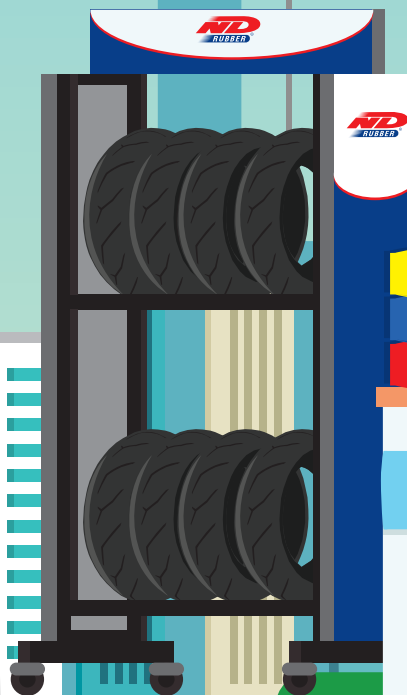


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Messege from the Chairman

Dear Shareholders

Year 2019 was the year that the Company faced with many conditions which effect to the company performance such as

- Reduced in export revenue due to trade war between China and the United States resulting in the Company's sales cannot meet the target;
- The effect from the exchange rate that lower our revenue in term of Baht;
- The economic downturn caused high price competiton in the market.

However, the Company continue to work together to overcome those situations.

For 2020, the Company has reviewed its operation policy by

- Ongoing campaign for cost reduction in the production process by using more automation to increase efficiency and reduce waste in the productin process;
- increasing investment in research and development to improve product quality will create confidence for customers and result in increased of sales volume;
- Design and lauch new products to customers;
- Use management strategies more proactively;
- Accelerate the process of creating partiners in foreign markets.

For this occasion, I would like to thank all benefactors of the Company, shareholders, customers and all general public for supporting and promoting business operation of the Company to be successful in the future and for always putting trust in the Board of Directors and Executives Managements. The company still insists on the promise to devote more work to conduct business to achieve sustainable growth in order to reward the highest benefits to all shareholders, create happiness and well-being for all employees including maintaining and improving the good environment for the society.



(Mr. Pongsak Sawadwan)

Chairman

Section 1 Business Overview

1. About “NDR”

N.D. Rubber Public Company limited “NDR” was established by Samrittivanicha Family. The company has started production for motorcycle tire and tube since 1994. We have focused on the quality of the product, society, consumer safety and environmental in every company’s activities. We have targeted to be a leader in product development, production technique and social responsibility of motorcycle tire industry in Thailand.

Major Change and Development

Year 2014

- March** Completed tire mixing building and set up a compound mixing machine
- April** Made a memorandum of understanding with Thai Suzuki Motors Co., Ltd. to manufacture and sell motorcycle tire in local OEM is currently under patent registration.
- May** Increase registered capital another 65.0 M. shares share value at 1.0THB Total registered is 215.0 Million THB and registered its conversion into Public Companies.

Year 2015

- January** Share listing with MAI open for public
- May** Completed tire mixing building and set up a compound mixing machine
- May** Made a memorandum of understanding with CEAT Limited a customer in India to manufacture tire under “CEAT” trademarks.

Year 2016

- April** Launching new product. It’s new innovation to replace Tubes, In the name of “AIR LOCK”, of which Safety and saving is better than Tubes.
- October** Installation the Solar Cells System for 99X KW. The purpose is for own consumption.
- November** Making agreement with partners to establish the joint venture company for manufacturing Car Tires.
- December** Established the joint venture company “Mascasey Trading Company limited” for increase sales channel for Motorcycle Tires and Motorcycle Tubes.

Year 2017

- November** Established a subsidiary company in the name of N.D. Energy Fusion Co., Ltd. Its main business is designing, research and development and distributor of electricity transmission equipment both wired and wireless to support all types of applications.
- December** Negotiations on the acquisition of all shares of Fung Keong Rubber Manufactory (Malaya) Sdn Bhd (“FKRMM”). The transaction is expected to be completed by February 2018.

Year 2018

- February** Officially holding all shares of Fung Keong Rubber Manufactory (Malaya) Sdn. Bhd.

2. Vision and strategy of the business.

With awareness of the importance of business operations, the Board of Directors has set the vision, strategy, mission and goals of the company to be a guideline for working of the Board of Directors, Executive Director and all staff by aiming to achieve the same goal.

In this regard, the company reviews the vision, strategy, mission and goals of the company annually. In the year 2019, the company still aims in the same direction to make the vision and the company's mission is in line with the current economic conditions.

VISION

"We will be the first leader in motorcycle tire production in the area of product development, production techniques and social responsibility"

STRATEGY

"We will recruit business partners both domestically and internationally to expand the market share of motorcycle tire and tube into market together with the improvement of the production process to be more automated in order to reduce production costs."

MISSION

"We will take into account the quality of the product, social impact, consumers safety Including environmental conservation in all activities of the company"

BUSINESS GOAL

"We aim to be a leader in the motorcycle tire and tube manufacturing industry in Thailand, focusing on producing quality products and environmentally friendly processes which the product must meet customer's standard requirements in order to increase market share both domestically and internationally."

3. Financial Highlights

Financial Highlights of N.D. Rubber Public Company Limited and Subsidiary.

Unit: Million Baht

| | 2019 | 2018 | 2017 |
|--------------------------------------------------------------------------------------------------------------------------------|----------|----------|--------|
| Consolidated Income Statement | | | |
| (Million Baht) | | | |
| Revenue from sales | 850.63 | 973.29 | 820.91 |
| Costs and expense | 873.03 | 975.03 | 808.91 |
| Profit before finance costs, income tax expense, depreciation and amortization and includes dividends from associates (EBITDA) | 35.21 | 102.93 | 64.63 |
| Profit (Loss) for the year | (19.88) | 28.25 | 17.01 |
| Consolidated Statement of Financial Position | | | |
| (Million Baht) | | | |
| Assets | 1,061.35 | 1,224.98 | 703.55 |
| Liabilities | 358.69 | 460.66 | 267.05 |
| Shareholders' equity | 702.66 | 764.32 | 436.50 |

Unit: Million Baht

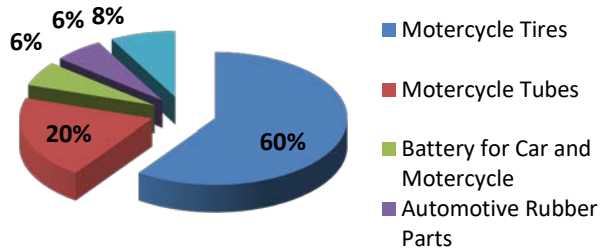
| | 2019 | 2018 | 2017 |
|---------------------------------------------------|--------|--------|--------|
| Financial Ratio | | | |
| Total number of shares issued (Million Shares) | 315.39 | 315.39 | 215.85 |
| Book value per share (Baht) | 1 | 1.00 | 1.00 |
| Earnings per share (Baht) | (0.06) | 0.10 | 0.078 |
| Dividends per share (Baht) | N/A | n/a | 0.028 |
| Dividends payout ratio on profit for the year (%) | N/A | n/a | 58.61 |
| Return on revenue from sales (%) | -2.33 | 2.90 | 2.07 |
| Return on equity (%) | -2.83 | 3.70 | 3.90 |
| Return on assets (%) | -1.87 | 2.31 | 2.42 |

4. Company and Subsidiary Income Structure

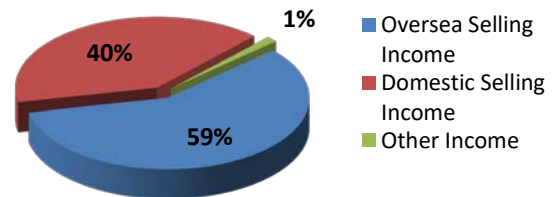
4.1 Income structure

Company income structure as follow by product as follow :

Income structure by product

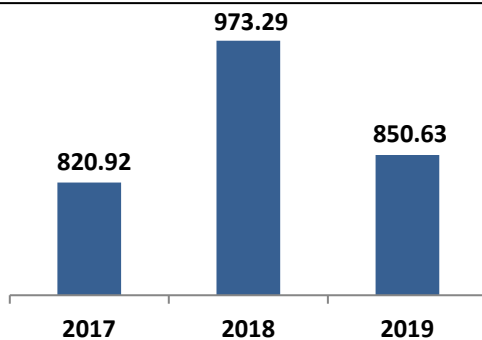


Income structure by geography



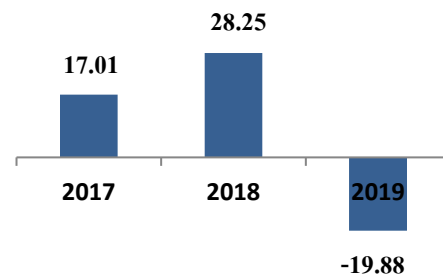
Total Selling Income

Unit: Million Baht



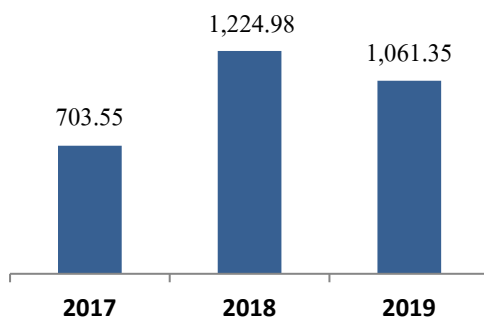
Net Profit Margin

Unit: Million Baht



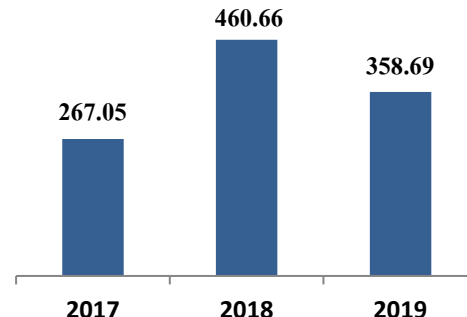
Total Assets

Unit: Million Baht



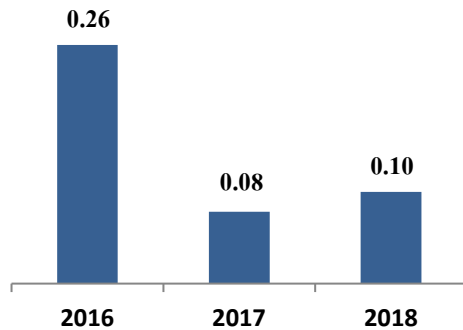
Total Liabilities

Unit: Million Baht



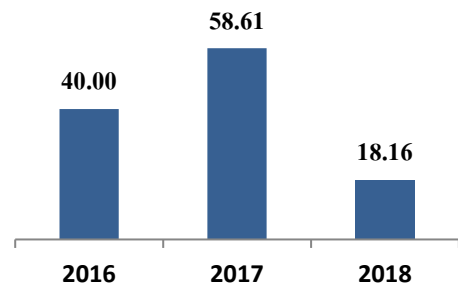
Profit

Unit :Baht per share



Dividends payout ratio on profit for the year*

Unit:Percent



* Profit for the year attributable to owners of the parent.

4.2 The Nature of Business

1) The Nature of Business

1.1) N.D. Rubber Public Company Limited (“NDR”)

The Company manufactures and distributes motorcycle tires and tubes to both Original Equipment Manufacturer (“OEM”) and Replacement Equipment Manufacturer (“REM”) for both domestic and overseas market in various types according to usage.

Motorcycle Tires



Motorcycle Tubes



Air Lock



NDR is also a distributor of FB car and motorcycle batteries which will be sold to the related companies to increase the distribution channels and be traded according to the market price. The motorcycle battery will be sold to the dealer which is mostly a distributor of tires and motorcycle tires.

1.2) N.D. Rubber Interpart Co., Ltd.

Automotive Rubber Parts produce by N.D. Rubber Interpart Co., Ltd. subsidiary company. Main material is synthetic rubber and natural rubber. Part characteristics can be classified by manufacturing method by 2 types as follow;

- **Rubber Compression Method** rubber compression molding process to produce a range of precision rubber molded components. The characteristic of outcome will be the same as original mold. Part in this category is O-ring, seal, rubber sheet and bush.



- **Rubber Extrusion Method** The production of rubber parts by extrusion process through die. Part in this category is door gasket, glass gasket and rubber pipelines



5. Industrial Situation and Competition

1) Rubber Price Situation

Rubber scenario in 2020, the global economy tends to grow more positively as compared to 2019. International Monetary Fund (IMF) has projected the global economic growth rate as 3.4% in 2020. Meanwhile, Thai Government has rolled out the economic stimulus measures to establish economic strengths both in domestic and foreign countries. One of the most important measures is the investment in the Eastern Economic Corridor (EEC), which needs clarity as well as a continuation to generate more trade and investment opportunities. Furthermore, the prolonged US-China trade war is still the risk factor that must be focused as it can affect Thailand's export to the US and China. However, entrepreneurs need to follow the news as well as quickly adapt to different and unexpected situations.

Natural rubber outlook 2020 is forecast to slow down in line with global economic growth as the economic factors above coupled with the natural rubber output and demand for natural rubber factors. For example, the fungal disease problem, spreading through many rubber plantations, especially Indonesia rubber plantations affected as 380,800 hectares. Meanwhile, Thailand and Malaysia were also affected as 52,000 and 5,000 hectares, respectively. For severely affected rubber plantations, the yield decreases as 70-90%. Meanwhile, the yield decreases as 30-50% for middle affected plantations. The International Tripartite Rubber Council (ITRC) expects that in 2020, rubber yield will decrease more than 800,000 tonnes. According to the Economist Intelligence Unit (EIU), growth in global natural rubber production is projected to slow to an annual average of 1% year on year in 2020-2021 as high stocks and weak prices discourage supply. Similarly, growth in global consumption of natural rubber is forecast to slow to an annual average of just 2.6% in 2020-2021, down from an estimated growth of 4.5% in 2018 because of the declining automobile demand and the volatile crude oil prices.

The Thai Rubber Association has a positive attitude towards the rubber market outlook since natural rubber contributes to economic growth. Besides, the International Tripartite Rubber Council (ITRC) and Thai government have strong collaborations that aim to establish sustainable natural rubber. To reach the goal, rubber prices should encourage smallholdings as well as build confidence for the rubber users. The measures of ITRC comprise the following: 1) Supply Management Scheme (SMS); 2) Agreed Export Tonnage Scheme (AETS); 3) Demand Promotion Scheme (DPSC). Furthermore, Thai government has the promotion of cultivating other economic crops in rubber plantations and the

promotion of domestic natural rubber consumption. In addition, Thai government also promotes and supports research coupled with rubber-based product development to add product values.

In conclusion, the Thai Rubber Association strongly believes in the long-lasting relationship and corporation with the stakeholders, i.e. government agencies, private sector, smallholdings as well as the three largest NR producers: Thailand, Indonesia and other rubber producing countries in the ASEAN to provide strategic direction and measures to falling prices in short term and long term and ultimately to stabilize the rubber prices.¹

2) Thai economic overview in 2019 and Economic trend in 2020

- Thai Economic Overview in quarter 3/2019²

Gross Domestic Product (GDP) in the first three quarters of 2019 has grown by 2.5%, slowing down from the first two quarters of 2019, which expanded by 4.3%.

Important factors in GDP growth in the first three quarter of 2019 are decrease by 0.4%, slightly slowing down from the first two quarters which grew by 0.2% and decreased from the same period last year which grew by 2.8%, slowed down by automotive production, production of petroleum products and production of other rubber products. However, during the rest of the year 2019, should give importance by driving the export of products that have the opportunity to benefits from trade barriers and promote the development of the production chain to be more efficient, etc.

In the first ten months of 2019 (January – October), Industrial production index was at 102.34 which has decreased from the same period in 2018 (105.73) by 3.20%. Industries that drive the increase in index during the same period in 2018 are other rubber products, vehicle engine production and production of products derived from petroleum refining, etc. For the trend of the year 2020, the industrial production index is expected to increase from 2019, due to continual investment in large-scale government projects such as the Eastern Economic Corridor Project and infrastructure investment such as high-speed trains and double-track railways, etc. While the confidence of the industrial sector is likely to improve continuously.

In the first ten months of 2019 (January – October), Shipment index was at 102.76 which has decreased from the same period in 2018 (105.10) by 2.22%. Industries that drive the decrease in index during the same period in 2018 are other rubber products, vehicle engine production and production cycle of products derived from petroleum refining, etc. For the trend of the year 2020, the shipment index is expected to increase in line with the industrial production index. (value added) above.

In the first ten months of 2019 (January – October), Finished goods Inventory Index was at 134.65 which has increased from the same period in 2018 (121.50) by 10.83%. Industries that drive the increase in index during the same period in 2018 are motor vehicle production, manufacture of computers and peripherals including the production of parts

¹Source : Thai Rubber Association

²Source : The office of Industrial Economics, Ministry of Industry

and electronic circuits, etc. For the trend of the year 2020, the finished goods inventory index is expected to increase from 2019 as the industry continues to recover.

In the first ten months of 2019 (January – October), Capacity Utilization Index was at 66.82% which has increased from the same period in 2018 (69.92%). Industries that drive the increase in Capacity Utilization Rate during the same period in 2018 are manufacture of electronic components, manufacture of refined petroleum products and the production of motor vehicles, etc. For the trend of the year 2020, the capacity utilization index is expected to increase from 2019 due to the investment in large-scale infrastructure of the government, such as the construction of a twin-track railway project, a high-speed railway project connecting 3 airports (Don Mueang-Suvarnabhumi-U-Tapao), driving a special economic development project for the Eastern Seaboard (EEC)) of the government sector continuously and pulling foreign investors to invest in more countries, etc.

In the first ten months of 2019 (January – October), Average Index was at 94.07 which has increased from the same period of 2018 (91.24). The 3-month forecasted confidence index was at 103.13 which was increased from the same period in 2018 (103.36). For the trend of the year 2020, the industrial confidence index is expected to improve from 2019 because the budget disbursement of the year 2020 is one part that makes the domestic economy strong and the investment in large-scale government projects such as the special economic development project in the East and infrastructure investment continues to grow, such as high-speed trains and double-track railways, etc. In this regard, the world economy must still be monitored which may cause a slowdown in domestic investment as well.

- Economic Outlook for 2020³

The Thai economy in 2020 tends to be under constraints of the sluggish growth trend of the major trade partners amid the vulnerabilities of the economic and financial system. Nevertheless, under the baseline scenario, the Thai economy in 2020 is likely to recover gradually in line with a slow global recovery and the adjustment of international trade and investment towards the trade protection measures, as well as the recovery of tourism sector. Moreover, the growth momentum from domestic demand will remain favorable based on strong fundamental, both public investment which is expected to speed up due to the acceleration of budget disbursement under key infrastructure projects which are expected to be completed their construction and be able to start operations in 2020-2021, and the expansion of the government capital budget framework. Furthermore, private investment is also forecasted to grow further supported by the production base relocation while private consumption tend to be supported by low interest rate, subdued inflation, and additional supports from government measures.

Supporting factors for the economic growth:

1) Domestic demand tends to slow and favorable expansion;

³Source : Macroeconomic Strategy and Planning Office

(1) **Private consumption** is expected to keep its growth pace supported by: (i) the expected low inflation, as a result of stable oil price compared to that of 2019; (ii) the remaining low interest rates following previous monetary policy easing, which resulted in downward adjustments of interest rates by some major commercial banks; and (iii) government measures to support low-income people, and agricultural households;

(2) **Private investment** is anticipated to expand upon the favorable key fundamentals, particularly the increase in value of projects applied for investment promotion through the Board of Investment (BOI) by 42.4% in 2018, particularly the investment in the Eastern Economic Corridor area (EEC) of which the project applied through the BOI increased by 137.4% in 2018, and 75.1% in the third quarter of 2019. Moreover, there are additional supporting factors from the production relocation of foreign firms to curb down negative impacts from the trade protection measures in which some investors have already started to relocate to Thailand, together with investment incentives provided by the government in particular under the Thailand Plus Package, and the soft loan measure to support the business sector; and

(3) **Public investment** is expected to accelerate following the progress by key government infrastructure projects, especially those 17 projects with 681,190 million baht that include projects already approved by the cabinet and those under construction. Several projects that are planned to complete construction and start operations in 2020-2021 which will lead to speed up in the disbursement including example the intercity motorway Pattaya – Map Ta Phut, Meter gauge rail development Lopburi – Pak Nam Pho, Dual track railway Chachoengsao-Klong19 – Kaeng Koi, and Mass Transit System (Bang Sue-Rangsit, Bang Sue-Talingchan, Khae Rai-Minburi, and Lat Phrao-Samrong). In addition, another key factor will be from the increase in the capital budget under the 2020 annual budget of about 18.9%, compared with the 2019 annual budget.

2) **Export tend to gradually recover.** Although the broader-based global slowdown and the intensified trade measures caused the global trade volume to decline and thus dragged Thai exports over the first half of 2019 to fall, Thai exports showed some improvements as it plateaued in the third quarter. Considering by markets, exports to the US market still grew by 7.7%, accelerating from the 3.3% in the previous quarter, following the expansion of key export products partially benefited from trade diversion. At the same time, the exports to Japan and China in the third quarter expended by 2.9% and 2.8% respectively, after declined in the second quarter. Export in 2020 is anticipated to gradually recover as a result of the recovery of the global economy, the export adjustment towards clearer direction of trade protection measures, and the low-base effect in the previous year.

3) **The government's economic measures will continue to support the economy**, especially those under the 2019-2020 economic management framework which was approved by the cabinet on August 20th, 2019, aiming to stimulate economy through key sectors including export, tourism, private investment, investment in infrastructure projects, together with the policies to support small and medium enterprises (SMEs), farmers, low income people, and labours. In November 2019, the government had also implement several key policies included: additional welfare card the social welfare card program, and village funds that helps support poor people spending, policy to support agricultural sectors particularly farmers who was affected by the drought, the “Chim-Shop-Chai” or “Eat-Buy-

Spend” campaign to encourage household consumption and domestic tourism, and the government policy to support private investment in order to encourage and support investment relocation to Thailand especially under the “Thailand Plus Package” scheme as well as the stimulus measure for the tourism sector.

4) **The tourism sector continues to improve**, with strong momentum from the accelerated pace of foreign tourists in the latter half of 2019, supported by:

- (1) the extension of the temporary waiver on the visa-on-arrival (VOA) fee to end on October 31st, 2019, instead of April 30th, 2020,
- (2) the recovery of the number of Chinese tourists as observed from 17.3% growth in the third quarter of 2019, after 4 consecutive quarters of decline. The recovery was supported by (i) the changes in preferences of Chinese tourists to travel within short distances, instead of long-distance travels; (ii) the persistent protests and political tension in Hong Kong, which caused tourists to redirect their destination to Thailand; and (iii) the consumption tax hike in Japan, one of the main destinations the Chinese targeted, causing travelling and living costs in Japan to be higher, and
- (3) the recovering prospect of the global economy, and the continual expansion of emerging economies and regional countries which will support the continued expansion of foreign tourists mainly from South Asia, East Asia, and ASEAN.

Limitation and Risk Factors:

1) **Global economy particularly key trading partners may grow slower than the base case scenario**, particularly the US and Chinese economies which remain under risks of growing slower than expected if the trade dispute escalate. Also, the Eurozone economy remains under risk from the uncertainty of Brexit outcome of which the no-deal situation is still possible.

2) **The vulnerabilities of the global economic and financial situation remain high and may increase.** Key risk factors to the outlook that need close monitoring include:

- (1) the possibility of additional US trade measures against China and other countries particularly the tariffs that are authorized under Section 232 of the Trade Expansion Act of 1962, which will adversely impact automotive industry;
- (2) political situation in the US including the impeachment of the US president and the presidential election in November 2020;
- (3) the risks of economic fluctuation in Eurozone and UK mainly due to the uncertainty of Brexit, the Catalonia protest in Spain, the political condition in Italy, as well as the German general election in October 2020;
- (4) the Chinese economic instability that remains under pressure particularly amid the Yuan depreciation and the economic slowdown trend;
- (5) the fluctuation in the financial market due to the expectations and the adjustment of investors in response to monetary policy adjustment of major central banks and key economies; and

(6) geopolitical conflict and domestic political conditions that caused the domestic unrests such as in Hong Kong, Chile, Iraq, Lebanon, as well as political stability problem in the Middle East.

3) **Risk from drought conditions** remains a concerns. Based on the usable storage level of the 4 main dams of Chao Phraya Basin (Bhumibol, Sirikit, Khaew Noi Bamrung Dan, and Pa Sak Jolasid) on November 11th, 2019, were at 11,950 million cubic meters, or accounted for 48.0% of total storage capacity, lower than those of the same period of 2018 and 2017 which were at 19,552 million cubic meters (78.6%), and 21,126 million cubic meters (84.9%) respectively. The risk from drought conditions will possibly affect the growth of agricultural production in 2020 particularly off-season paddy to grow slower than expected.

6. General Information

6.1) Company General Information

| | |
|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name | N.D. Rubber Public Company Limited |
| Registered Number | 0107557000179 |
| Registered Capital | 387,470,188.00 Baht (Paid-up 315,391,514.00 Baht) |
| Head Office | 129 Moo 3 Nongchak –Phanasnikom Rd., Nongeiroom, Banbueng, Chonburi Tel: 038-160707 Fax: 033-047348 www.ndrubber.co.th |
| Business | Motorcycle tires and tubes manufacturing and distribution, car and motorcycle battery distribution, manufacturing and selling automotive rubber parts. |
| Investor Relations | Tel: 038-160707 ext. 108 E-mail wassana@ndrubber.co.th |
| Company Secretary | Tel: 038-160707 ext. 112 E-mail nopparat.c@ndrubber.co.th |
| Chairman of Audit Committee | E-mail auditcom@ndrubber.co.th (For complaints To report fraud And / or non-compliance with the Code of Conduct. And/or good governance) |

6.2) General information of subsidiaries

- General information of subsidiaries

| | |
|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name | N.D. Interpart Company Limited |
| Head Office | 129/2 Moo 3 Nongchak –Phanasnikom Rd., Nongeiroom, Banbueng Chonburi Tel: 038-160707 Fax: 033-047348 www.ndrubber.co.th |
| Registered Capital | 6,100,000 Baht (Fully paid up) |
| Business | Automotive and electronics rubber parts manufacturing and distribution |

Name Mascasey Trading Company Limited

Head Office 129 Moo 3 Nongchak –Phanasnikom Rd., Nongeiroom, Banbueng, Chonburi
Tel: 038-160707 Fax: 033-047348 www.ndrubber.co.th

Registered Capital 1,000,000 Baht (**Fully paid up**)

Business Trading of As a reseller, wholesale and retail, import and export of truck tires and tubes, car tires and tubes, motorcycle tires and tubes, bicycle tires and tubes.

Name N.D. Energy fusion Company Limited

Head Office 129/2 Moo 3 Nongchak –Phanasnikom Rd., Nongeiroom, Banbueng Chonburi
Tel: 038-160707 Fax: 033-047348

Registered capital 6,000,000 Baht (**Fully paid up**)

Business Research, development, manufacture and distribution of power transmission equipment.

Name Fung Keong Rubber Manufactory (Malaya) Sdn. Bhd.

Head Office No. 2A, Jalan Wawasan 3/Ku7, Sungai Kapar Indah, 42200 Klang, Selangor, Malaysia
Tel: +603 3291 1901 Fax: +603 3291 8848

Registered Capital 30,000,000 Malaysian Ringgit (**Paid up** 20,000,000 Malaysian Ringgit)

Business Import and distribute motorcycle tire and tube

- **Reference Persons**

Security Registrar

Thailand Securities Depository Company Limited
93 Ratchadaphisek Road, Dindaeng, Bangkok, 10400
Tel. (66) 2 009 9000 Fax (66) 2 009 9991

- **Auditors**

Grant Thornton Company Limited
18th Floor Capital Tower All Seasons Place
87/1 Wireless Road Lumpini Patumwan Bankok 10330
Tel. (66) 220 58222 Fax (66) 265 43339
www.grantthornton.co.th

6.3) Other important information

-None-

Section 2 Management and Corporate Governance

7. Securities and Shareholders.

7.1) Registered Capital and Paid-up Capital

- Registered Capital 387,470,188.00 Baht.
- Issued and fully paid share capital: 315,391,514.00 Baht, comprising 315,391,514 ordinary shares.
- Ordinary shares at 1 Baht par value.

7.2) Shareholders

List of top 10 largest shareholders (as of 11 March 2019) as follow :

| Name of the shareholders | As of 11 March 2019 | |
|--------------------------------------------|---------------------|---------------|
| | No. (Share) | Percentage |
| Samrittivanicha Group | | |
| Mrs. Nittaya Samrittivanicha | 75,093,202 | 23.81 |
| Mr. Chaiyasit Samrittivanicha | 73,021,912 | 23.15 |
| Mrs. Thanyarat Samrittivanicha | 15,432,300 | 4.89 |
| Total | 163,547,414 | 51.85 |
| Other shareholders in first top ten | | |
| BAND OF SINGAPORE LIMITED | 78,695,100 | 24.95 |
| Ms. Uraivan Saelhee | 6,441,900 | 2.04 |
| Mr. Somchai Vichitsaengrat | 5,200,000 | 1.65 |
| Mr. Teerapol Sinchai | 4,450,000 | 1.41 |
| Thai NVDR Company Limited | 3,079,606 | 0.98 |
| Mrs. Kesuree Suntorn | 3,005,087 | 0.95 |
| Mrs. Supreeda Srisupornpan | 1,400,000 | 0.44 |
| Ms. Kanthima Thasathan | 1,235,525 | 0.39 |
| Ms. Kanoknart Ratanasuwanchart | 1,212,062 | 0.38 |
| Mr. Pongsak Ratanaalertpaiboon | 1,170,025 | 0.37 |
| Total | 105,889,305 | 33.56 |
| Other minority shareholder groups | 45,954,795 | 14.59 |
| Total | 315,391,514 | 100.00 |

Remark : Samrittivanicha Group Major shareholders has influence to regulated policy, management or even company operations significantly.

7.3) Issuance of Other Securities

-N/A-

7.4) Dividend Payment Policy

The company declared a policy to pay dividend no less than 40% of the net profit after the deduction of the corporate income tax and legal reserve for the company's financial statement. However, such dividend may changeable depends on future investment plan, liquidity, necessity and other appropriate reason. Thus the board director's resolution approved to pay dividend shall propose to get the approval from shareholder meeting except the dividend during the period which the board of director has the authorize to pay during the period and report to shareholder meeting in the next meeting.

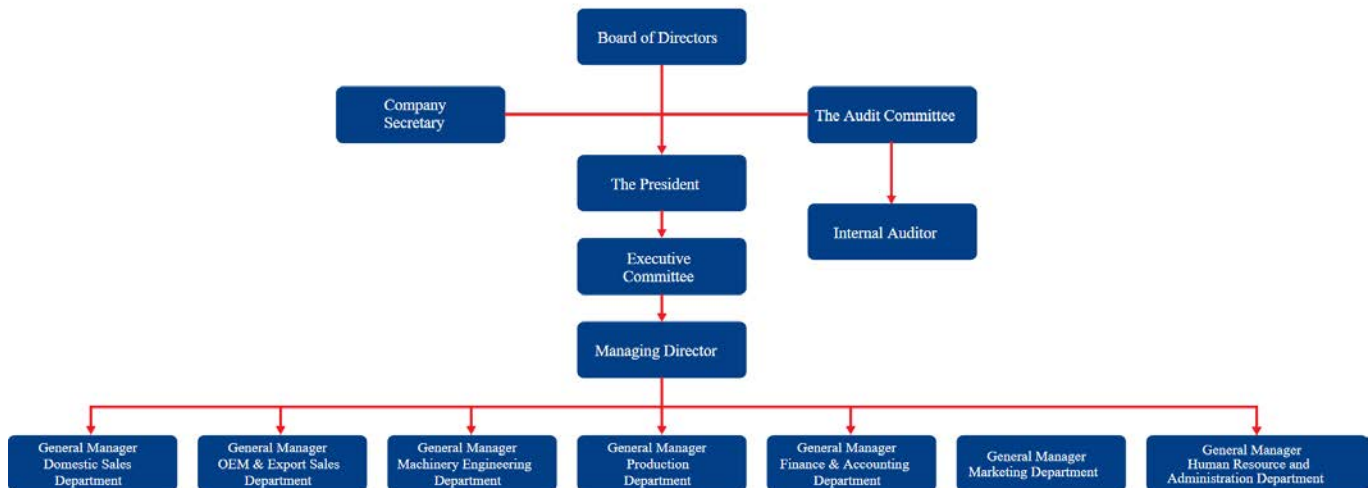
N.D. Interparts Co., Ltd. a subsidiary company has defined dividend policy to the company at 100% of the net profit after the deduction of the corporate income tax and legal reserve for the company's financial statement. In case of there is any subsidiary company shall declared a policy to pay dividend no less than 100% of the net profit after the deduction of the corporate income tax and legal reserve for the company's financial statement. However, subsidiary and/or associated company may defined to pay dividend less than the above rate if the company have to spend net profit to expand company business operations.

Dividend payment rate for the performance in the past 5 years

| Year | Net Profit Ratio (Baht/Share) | Dividend Payout Ratio (Baht/Share) | Dividend Payout Rate | | Dividend Payout Ratio Per Net Profit (%) | Total Dividend Value (Baht/Share) |
|------|----------------------------------|---------------------------------------|-------------------------------------|--------|---------------------------------------------|--------------------------------------|
| | | | (Ordinary Share: Stock Dividend) | (Baht) | | |
| 2015 | 0.58 | 0.080 | | - | 39.13 | 0.080 |
| 2016 | 0.16 | 0.060 | | - | 37.70 | 0.060 |
| 2017 | 0.26 | 0.097 | | - | 40.00 | 0.097 |
| 2018 | 0.08 | 0.025 | 40:1 | 0.0028 | 58.61 | 0.0278 |
| 2019 | 0.10 | 0.030 | | - | 18.16 | 0.030 |

8. Management Structure

Management Structure as of 1 February 2020 as follow:



8.1) Board of Directors

The Company forms at least 8 members of the Board of Directors and all of whom never dishonestly committed an offence against property and never entered into any transaction which may cause conflict of interest against NDR during the year

The Board of Directors comprises nationally respected, knowledgeable and competent persons who are responsible for drawing up corporate policy and collaborating with the top executives in making operating plans, financial policy, risk management policy, and monitoring and assessing the performance of the Company and top executives on an independent basis.

Among the Board directors, three have been appointed as authorized directors, namely, Mrs. Nittaya Samrittivanicha, Mr. Chaiyasit Samrittivanicha and Mrs. Thanyarat Samrittivanicha. Any two of the authorized directors are authorized to sign jointly with company seal affix on behalf of the Company.

There are six non-executive directors, and two executive directors who receive a salary from company which are Mr. Chaiyasit Samrittivanicha (Managing Director) and Mrs. Thanyarat Samrittivanicha (Domestics Sales General Manager).

The three independent directors are Dr. Sirada Jarutakanont, Mr. Teerasak Sawangnet and Mr. Kovit Krishnanin they are independent directors meet all the requirements specified in the Company's list of qualifications of an independent director, which are more stringent than the qualifications stipulated by the Securities and Exchange Commission.

The Sub-committee

| Directors | Board of Directors | The Audit Committee | The Nomination and Remuneration Committee |
|-----------------------------------|--------------------|---------------------|-------------------------------------------|
| 1. Mr. Pongsak Swadwan | Chairman | - | - |
| 2. Mr. Chaityasit Samrittivanicha | Member | - | Member |
| 3. Mrs. Nittaya Samrittivanicha | Member | - | - |
| 4. Mrs. Thanyarat Samrittivanicha | Member | - | - |
| 5. Dr. Sirada Jarutakanont | Member | Chairman | Chairman |
| 6. Mr. Teerasak Sawangnet | Member | Member | Member |
| 7. Mr. Kovit Krishanin | Member | Member | - |
| 8. Mr. Marco Low Peng Kiat | Member | - | - |

Directors' Term of Service on Board Duration of Each Term

At the Annual General Meeting of Shareholders each year, one-third of the total directors must retire from office. If it is not possible to divide the total number of directors evenly by three, the number closest to one-third must retire from the Company. In choosing those directors who retire, length of service on the Board should be considered, so that those who have served longest are most eligible to retire. Nevertheless, a retiring director is eligible for re-election

Authority, Duties and Responsibilities of the Board of Directors

The Board of Directors has duties and responsibilities for directing the company's operation comply to law Company objectives and regulations as follow

- Review the vision, strategy, mission and goals of the Company annually.
- The Board of Directors shall hold the annual ordinary meeting of shareholders within four months from the date ending the account period of the company.
- Board of Directors meeting at least once every 3 months
- The Board of Directors shall prepare the balance sheet and profit and loss account of the date ending the accounting period of the company to be put forth to the annual ordinary meeting of shareholders for consideration to approve.
- Board of Directors shall authorized any one of director or directors or even others person acting in the name of the Board under controlling of the Board or authorized such person has the authorization as per the board assigned and within a certain period. The Directors may abort or change or change the authorized person.

Moreover, the Board of Director may authorize Executive Committee have the authorization in any operations as per the scope of Duties and Responsibilities of the Executive Committee. The authorization shall

not be the assignee can review and approve. The authorization must not be delegated to the Executive Committee or attorney can review and approval by the Board of Directors or attorney or persons involved or stakeholders or have a conflict of interest with the Company or any subsidiary except the approval is in accordance with policy and guidelines approved by the board according to laws.

- f) Set goals, policies, plans and budget of the Company including acknowledge and consider risk management. To control, supervise and manage the Board of Director as per assigned except The Board of Directors must be approved by the general meeting of shareholders prior to such as capital increase and decrease, bond issue, selling or buying the whole business or in part to other person or buying or transferring business from other company, amendment company regulation or affidavit.

The board also has the responsibility for overseeing the Company's compliance with the law on Securities and Exchange Commission. Exchange's regulations, such as the Transaction . And the purchase or sale of significant assets under the rules of the Stock Exchange of Thailand. Or the laws relating to the Company's business.

- g) Consider management structure appoint executive committee, Managing Director and other Directors as appropriate.
- h) Follow up business results as planned continuously.
- i) Approved open/closed all type of bank account with bank or financial institute including defined withdrawing and deposit condition or doing juristic act
- j) Approved investment fund as defined in annual budget
- k) Defined organization structure or assign executive committee to do.
- l) Have power of attorney to assign one or many directors or other person to act under Board of Directors supervisory or might give the authorization the aforesaid person have the authorization as appropriate as the Board agreed and within appropriate time as the Board agreed. The Board might cancel, abolish, change or amend the authorized person or such authority as appropriate. There is not any authorization to a person who has a conflict of interest.
- m) The directors are forbidden to operate a business of the same nature as and in competition with that of the company, or to enter to be a partner in an ordinary partnership or a partner of limited liability in a limited partnership or a director of a private company or other company which operates a business of the same nature as and in competition with that of the company, whether for their own or others' benefit, unless the meeting of shareholders had been notified prior to appointment thereto.
- n) The directors shall inform the company without delay in cases having interests directly or indirectly in any contract entered into the company or hold shares or debentures by specifying the total number increased or decreased.

8.2) The Audit Committee

The Qualification of Audit Committee

The Audit Committee is independent as per its definition

- a) Not holding shares exceeding 1 % of total shares of total voting shares of the Company, mother company, subsidiary, affiliates or juristic which may have conflict of interest, so as will count shares hold by related person.
- b) Not be a Director involved in management / employee / contractor / salary contractor / authorize company controller, mother company, subsidiary, affiliate, subsidiary in the same level or juristic may have conflict of interest (at present and 2 years before appointment)
- c) Not be related to or close relative of any executive director, executive officer or major shareholder, authorized controller or executive nomination or company authorized controller person or subsidiary company.
- d) Not be related to the business with the company big company, subsidiary, co-company or juristic person may have conflict in a character of obstruct the use of independent judgment including shareholder, independent director or management of the business relationship of the company, subsidiary, co-company , or persons who might have conflict.
- e) Not be accounting auditors of the Company, its subsidiaries , affiliate company or juristic person may have conflict in a character of obstruct the use of independent judgment . Including not be a major shareholder, dependent director or management of the business relationship of the company, subsidiary, co-company , or persons who might have conflict.
- f) Not be any professional service provider including legal consultant service or monetary consultant which receive service fee over 2 million baht per year from big company, subsidiary, affiliate company or juristic person may have conflict in a character of obstruct the use of independent judgment a major shareholder, dependent director or management or management partner of such professional service provider.
- g) Not be the appointed director to be a representative of company director, major shareholder or shareholder who has a relationship with major shareholder.
- h) Not have any characteristics that affected to obstruct opinion giving independently.
- i) Not be a director who assigned from Board of Director in making decision in business operations, big company, subsidiary, affiliate, subsidiary in same level or juristic person may have conflict in a character of obstruct the use of independent judgment and not be a director of registered big company, subsidiary, affiliate, subsidiary in same level.
- j) Has the same duty as define by SEC's notification concerning Audit Committee qualification and scope of work.

Scope of Audit Committee Duties and Responsibilities

- a) Review the company's financial reports to ensure accuracy and adequate disclosures.
- b) Review the company's Internal Control system and Internal Audit system to ensure suitability and efficiency; and determine and internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit.
- c) Reviewing the company's practice that all complies with the law pertaining to securities and stock market, the regulations of the stock market or any law relevant to the business of the company.
- d) Reviewing and discuss with the management regarding to company significance risk and the measurement that management has taken to monitor and control such risks.
- e) Reviewing, Selection and submit for appointment independent person to be the company auditor, to propose the appropriate compensation including attending the meeting with the accounting audit without management at least once a year.
- f) Examine connected transaction or transactions that may lead to a conflict of interest, and disclosure of those transactions to ensure that they are accuracy; in compliance with laws and the regulations of SET; reasonable and for the optimum benefit of the company.
- g) Prepare an audit committee's report and publish in the company's annual report. The audit committee report must be signed by the chairman of audit committee and contain of at least the following information
 - Opinion on the accuracy, completeness and creditability of the company's financial report.
 - Opinion on the adequacy of the Company's internal control system.
 - Opinion on the compliance with the law on securities and exchange, the regulations of SET, or laws relating to company's business.
 - Opinion on the suitability of an auditor.
 - Opinion on transactions that may lead to conflict of interests.
 - Number of the Audit Committee's meeting and meeting attendance by each committee member.
 - Opinion or overview comments received by the Audit Committee from its duty in accordance with the charter.
 - Any other issues which should be disclosed to shareholders and general investors within the scope of duties and responsibilities designated by the Board of Directors.
- h) Perform any other tasks assigned by the company's Board of Directors within the scope of duties and responsibilities of the Audit Committee.
- i) In officiating the Audit Committee (AC) duties and responsibilities, if the AC notices or suspects of, or for any of the following that could significantly impact the financial position and operation of the company, the AC will inform the Board of Directors to rectify issue(s) within the timeframe the AC deems appropriate:
 - Transactions that may cause conflicts of interest.
 - Fraud or indiscretion or a significant deficiency in internal control system.

- Violation of the law on securities and exchange, or regulations of the Stock Exchange of Thailand (“SET”), or the laws relating to the Company’s business, if the Board of Management fails to make a rectification within a timeframe dictate in paragraph one to the SEC or the SET.

- j) The Audit Committee is entitled to seek advice from and external advisor or expert from time to time as deemed necessary at the cost of the Company.

The Audit Committee holds direct responsibility to the Board of Directors for the scope of duties and responsibilities discussed above and the Board is also responsible to the public regarding the company operation.

8.3) The Nomination and Remuneration Committee

Scope of duty and responsibility of Nomination and Remuneration Committee

- Propose remuneration for Chairman, Director, Chairman of Audit Committee and Audit Committee and other sub-committee (if any) (receive the approval from shareholders meeting later)
- Select the suitable persons to nominate as directors, to review performance, qualification and appropriate of director who retired from office and prompt to re-elected to propose to Board of Director to propose to shareholder meeting to appoint to be the company director accordingly.
- Reviewing and giving the opinion to the Board of Director and follow up vision and strategy operations of Human Resources including management development plan.
- Assess company turnover in order to define bonus scheme and annual increment for the whole company base on appropriate industrial criteria.
- Giving the suggestion regarding to company salary structure including other remuneration package.

8.4) Board of Directors’ Meetings

The Board holds at least every three month meetings per year to consistently attend the Board’s meetings to stay informed of company’s operations and make decisions regarding them. In addition, special meetings might be held to consider urgent matters.

In 2019, the 4 Board of Directors Meeting has been scheduel in advance at head office at 10.00 a.m. as follows:

| | |
|---------------------------------------|------------------|
| Board of Directors Meeting No. 1/2019 | 22 February 2019 |
| Board of Directors Meeting No. 2/2019 | 10 May 2019 |
| Board of Directors Meeting No. 3/2019 | 08 August 2019 |
| Board of Directors Meeting No. 4/2019 | 14 November 2019 |

Prior to each meeting, all members received the agenda and supporting documents at least 5 working days in advance to allow adequate time for preparation.

After the Meeting, the secretary to the Board of Directors is responsible for preparing the minutes for all directors. The minutes must then be approved as the first agenda item of the following meeting of the Board, which is duly signed by the Chairman. Directors may make comments, corrections or additions to ensure maximum accuracy and

completeness. After approval, minutes of the meeting are stored securely in the corporate secretary's office together with all related documents, which are backed up electronically to facilitate data searches.

In addition, the Board of Directors' Meeting held on 14 November 2019, the Company holds a meeting between non-executive Directors without the Management present to discuss various issues of public interest to allow non-executive Directors to express their opinions independently. The non-executive Directors holds at a meeting at least 1 time per year.

The attendance of the directors in 2019 (January 1, 2019 - December 31, 2019)

| Directors | Board of Directors | The Audit Committee | The Nomination and Remuneration Committee | The Meeting of Shareholders |
|-----------------------------------|--------------------|---------------------|-------------------------------------------|-----------------------------|
| 1. Mr. Pongsak Swadwan | 4/4 | - | - | 1/1 |
| 2. Mr. Chaiyasit Samrittivanicha | 4/4 | - | 1/1 | 1/1 |
| 3. Mrs. Nittaya Samrittivanicha | 1/4 | - | - | 1/1 |
| 4. Mrs. Thunyarat Samrittivanicha | 3/4 | - | - | 1/1 |
| 5. Dr. Sirada Jarutakanont | 4/4 | 4/4 | 1/1 | 1/1 |
| 6. Mr. Teerasak Sawangnet | 4/4 | 4/4 | 1/1 | 1/1 |
| 7. Mr. Kovit Krishnanin | 4/4 | 4/4 | - | 1/1 |
| 8. Mr. Marco Low Peng Kiat | 1/4 | - | - | 0/1 |

8.5) Board of Directors Profile

(1) Mr. Pongsak Swadwan

Age : 68

Appointment Date

- 15 May 2014

No. of Years being the Company's Director

- 5 Years

Education

- Bachelor Degree, Engineering in Mechanical,
King Mongkut's University of Technology North Bangkok

Expertise

- Business and industry relating to NDR

Director Training

- DAP 106/2013 Thai Institute of Directors Association (IOD)

Position in Listed Company

- Chairman of the Board N.D. Rubber Public Company Limited

Position in Non-Listed Company

- Manager White House Plastic Limited Partnership

Experiences (In 5 years) :

- 1996-Present : Manager White House Plastic Limited Partnership

Percentage of Shareholding (%) (as of 11 March, 2019)

- Held personally (None)
- Held by spouse or minor children (None)

Relationship with Company's Executive(s)

- Mrs. Nittaya Samrittivanicha's brother-in-law
- Mr. Chaiyasit Samrittivanicha's uncle-in-law

Meeting Attendance of Board Meeting/Sub-Committee :

- The Annual General Meeting of Shareholders 1/1 Equal to 100%
- Board of Directors Meeting 4/4 Equal to 100%





(2) Dr. Sirada Jarutakanont

Age : 41

Appointment Date

- 15 May 2014

No. of Years being the Company's Director

- 5 Years

Education/Seminar

- Doctor of Business Administration , Faculty of Commerce and Accountancy, Thammasat University (The Joint Doctoral Program in Business Administration (JDBA) Chulalongkorn University, Thammasat University and The National Institute of Development Administration (NIDA)
- Master of Accounting, Faculty of Finance and Accountancy, Thammasat University
- Bachelor of Business Administration (1st class honor) Faculty of Humanities and Social Sciences, Burapha University.

Expertise

- Accounting and Finance

Director Training

- DAP 106/2013 Thai Institute of Directors Association (IOD)

Position in Listed Company

- Chairman of Audit Committee/Chairman of the Nomination and Remuneration Committee/Independent Director N.D. Rubber PLC

Position in Non-Listed Company

- Partner Siam Truth Audit Co., Ltd.

Experiences (In 5 years)

- 2016-Present : Lecturer, Accounting and Finance Program, Faculty of Management and Tourism, Burapha University
- 2016-Present : Partner Siam Truth Audit Co., Ltd.
- 2012 –2016 : Vice Dean Faculty of Management and Tourism, Burapha University

Percentage of Shareholding (%) (as of 11 March, 2019)

- Held personally (None)
- Held by spouse or minor children (None)

Relationship with Company's Executive(s)

- (None)

Meeting Attendance of Board Meeting/Sub-Committee :

- The Annual General Meeting of Shareholders 1/1 Equal to 100%
- Board of Directors Meeting 4/4 Equal to 100%
- The Nomination and Remuneration Committee 1/1 Equal to 100%
- The Audit Committee 4/4 Equal to 100%

(3) Mr. Chaiyasit Samrittivanicha

Age: 46

Appointment Date

- 15 May 2014

No. of Years being the Company's Director

- 5 Years

Education/Seminar

- Bachelor of Business Administration Program in Finance and Banking, Assumption University

Expertise

- Business and industry relating to NDR

Director Training

- DAP 106/2013 Thai Institute of Directors Association (IOD)

Position in Listed Company

- Director / Managing Director N.D. Rubber Public Company Limited

Position in Non-Listed Company

- Director N.D. Interparts Co., Ltd.
- Director N.D. Tower Co., Ltd.
- Director Mascasey Trading Co., Ltd.
- Director Thai Charoen Tire Service Co., Ltd.
- Director T. Thaicharoen Rubber Co., Ltd.
- Director N.D. Energy Fusion Co., Ltd.

Experiences (In 5 years)

- Present : Director / Managing Director N.D. Rubber Public Company Limited

Percentage of Shareholding (%) (as of 11 March, 2019)

- Held personally 23.15%
- Held by spouse or minor children 4.89%

Relationship with Company's Executive(s)

- Mrs. Nittaya Samrittivanicha's son
- Mrs. Thanyarat Samrittivanicha's husband
- Mr. Pongsak Swadwan's nephew

Meeting Attendance of Board Meeting/Sub-Committee :

- The Annual General Meeting of Shareholders 1/1 Equal to 100%
- Board of Directors Meeting 4/4 Equal to 100%
- The Nomination and Remuneration Committee 1/1 Equal to 100%

(4) Mrs. Nittaya Samrittivanicha

Age: 71

Appointment Date

- 15 May 2014

No. of Years being the Company's Director

- 5 Years

Education/Seminar

- Secondary

Expertise

- Business and industry relating to NDR

Director Training

- DAP 106/2013 Thai Institute of Directors Association (IOD)

Position in Listed Company

- Director N.D. Rubber Public Company Limited

Position in Non-Listed Company

- Director N.D. Interparts Co., Ltd.
- Director Siam Plaswood Co., Ltd.
- Director Wood all Co., Ltd.
- Director Thai Charoen Tire Service Co., Ltd.
- Director T. Thai Charoen Rubber Co., Ltd.
- Director T. Thai Charoen Service Co., Ltd.
- Director Kaset Sumrit Co., Ltd.

Experiences (In 5 years)

- Present : Managing Director T. Thai Charoen Rubber Co., Ltd.

Percentage of Shareholding (%) (as of 11 March, 2019)

- Held personally 23.81%
- Held by spouse or minor children (None)

Relationship with Company's Executive (s)

- Mr. Chaiyasit Samrittivanicha's mother
- Mr. Pongsak Swadwan's sister-in-law
- Mrs. Thunyarat Samrittivanicha's mother-in-law

Meeting Attendance of Board Meeting/Sub-Committee :

- The Annual General Meeting of Shareholders 1/1 Equal to 100%
- Board of Directors Meeting 1/4 Equal to 25%



(5) Mr. Teerasak Sawangnet

Age: 46

Appointment Date

- 15 May 2014

No. of Years being the Company's Director

- 5 Years

Education/Seminar

- Bachelor Degree in Finance and Banking, Assumption University
- Master of Business Administration, Assumption University

Expertise

- Accounting and finance

Director Training

- DAP 106/2013 Thai Institute of Directors Association (IOD)

Position in Listed Company

- Director of Audit Committee / Director of the Nomination and Remuneration Committee / Independent Director N.D. Rubber Public Company Limited

Position in Non-Listed Company

- Present Managing Director Winner Petroleum Co., Ltd.

Experiences (In 5 years)

- Present Managing Director Winner Petroleum Co., Ltd.

Percentage of Shareholding (%) (as of 11 March, 2019)

- Held personally (None)
- Held by spouse or minor children (None)

Relationship with Company's Executive (s)

- (None)

Meeting Attendance of Board Meeting/Sub-Committee :

- | | |
|----------------------------------------------|-------------------|
| - The Annual General Meeting of Shareholders | 1/1 Equal to 100% |
| - Board of Directors Meeting | 4/4 Equal to 100% |
| - The Nomination and Remuneration Committee | 1/1 Equal to 100% |
| - The Audit Committee | 4/4 Equal to 100% |



(6) Mr. Kovit Krishnanin

Age: 45

Appointment Date

- 15 May 2014

No. of Years being the Company's Director

- 5 Years

Education/Seminar

- Bachelor Degree in Business Management, Bangkok University

Expertise

- Business and industry relating to NDR

Director Training

- DAP 106/2013 Thai Institute of Directors Association (IOD)

Position in Listed Company

- Director of Audit Committee / Independent Director N.D. Rubber Public Company Limited

Position in Non-Listed Company

- Managing Director Winner Insurance Broker Co., Ltd.

Experiences (In 5 years)

- 2001-Present : Managing Director Winner Insurance Broker Co., Ltd.

Percentage of Shareholding (%) (as of 11 March, 2019)

- Held personally (None)
- Held by spouse or minor children (None)

Relationship with Company's Executive (s)

- (None)

Meeting Attendance of Board Meeting/Sub-Committee :

- | | |
|----------------------------------------------|-------------------|
| - The Annual General Meeting of Shareholders | 1/1 Equal to 100% |
| - Board of Directors Meeting | 4/4 Equal to 100% |
| - The Audit Committee | 4/4 Equal to 100% |



(7) Mrs. Thanyarat Samrittivanicha

Age: 45

Appointment Date

- 15 May 2014

No. of Years being the Company's Director

- 5 Years

Education/Seminar

- Bachelor Degree, Hospitality and Tourism Management Program, Assumption University

Expertise

- Business and industry relating to NDR

Director Training

- DAP 106/2013 Thai Institute of Directors Association (IOD)

Position in Listed Company

- Director / General Manager, Domestic Sales Department at N.D. Rubber Public Company Limited

Position in Non-Listed Company

- Director Thai Saengcharoen Service Co., Ltd.

Experiences (In 5 years)

- 2009-Present Director / General Manager, Domestic Sales Department at N.D. Rubber Public Company Limited

Percentage of Shareholding (%) (as of 11 March, 2019)

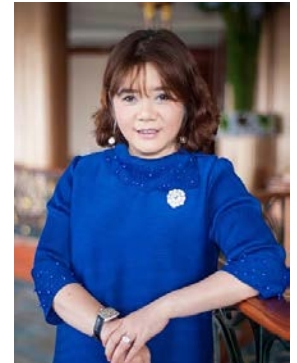
- Held personally 4.89%
- Held by spouse or minor children 23.15%

Relationship with Company's Executive (s)

- Mr.Chaiyasit Samrittivanicha's wife
- Mrs. Nittaya Samrittivanicha's daughter-in-law

Meeting Attendance of Board Meeting/Sub-Committee :

- The Annual General Meeting of Shareholders 1/1 Equal to 100%
- Board of Directors Meeting 3/4 Equal to 75%



(8) Mr. Marco Low Peng Kiat

Age: 47

Appointment Date

- 2 February 2018

No. of Years being the Company's Director

- 2 Years

Education/Seminar

- Bachelor of Science in Management & Systems, City University, England

Expertise

- Business and industry relating to NDR and real estate

Director Training

- None

Position in Listed Company

- Director N.D. Rubber Public Company Limited

Position in Non-Listed Company

- Managing Director Low Keng Huat (Singapore) Limited, Malaysia
- Director Consistent Record Sdn. Bhd., Malaysia

Experiences (In 5 years)

- Present : Director Consistent Record Sdn. Bhd., Malaysia

Percentage of Shareholding (%) (as of 11 March, 2019)

- Held personally (None)
- Held by spouse or minor children (None)

Relationship with Company's Executive (s)

- (None)

Meeting Attendance of Board Meeting/Sub-Committee :

- The Annual General Meeting of Shareholders 0/1 Equal to 0%
- Board of Directors Meeting 1/4 Equal to 25%



8.6) Executive Officers

As of December 31, 2019, the Company's has 7 executive officers as follows:

| Name | Position |
|-----------------------------------|------------------------------------------------------|
| 1. Mr. Chaiyasit Samrittivanicha | Managing Director |
| 2. Mrs. Thanyarat Samrittivanicha | General Manager, Domestic Sales Department |
| 3. Ms. Wassana Apaijit | General Manager, Accounting & Finance Department |
| 4. Mr. Boonlai Jumparat | General Manager, Production Department |
| 5. Mr. Damrongkeart Pasroy | General Manager, Mechanical & Engineering Department |
| 6. Mr. Vinai Kajaisai | General Manager, OEM & Export Sales Department |
| 7. Ms. Nopparat Chumpolkulwong | Company Secretary |

8.7) Company Secretary

The resolution of Board of Director meeting of 3/2018 date 10 August 2018 agreed to appoint Ms. Nopparat Chumpolkulwong, who has completed Company Secretary Program No. 83/3017 conducted by Thai Institute of Directors, as a Company Secretary and overlook the Board's activities as well as to coordinate as per the Board's resolution with the following responsibilities

- To advise the Board on the terms, rules and regulations of the company and ensure compliance with the correct time. And identify the major changes to the Board.
- Shareholders and directors meeting arrangement as defined by law, company regulation and other practice.
- Record shareholders and directors meeting including follow up the action as per shareholders and directors meeting resolutions.
- Overlook information disclosure and information report under responsibility comply to SET and SEC's regulations and procedures.
- Overlook and cooperate Board of Directors' activities and Directors' orientation.
- Overlook company important documents such as Director registration book, meeting invitation, meeting report, annual report, shareholder invitation letter, shareholder meeting report, Director and management stakeholder report.

8.8) Remuneration for Director and Management

2019 Annual General Shareholders' Meeting resolution agree to define Director, Audit Committee, Nomination and Remuneration Committee's remuneration as meeting allowance without other compensation as follow:

| Title | Remuneration (Baht/Meeting) |
|--------------------------------------------|-----------------------------|
| <u>Board of Director Meeting</u> | |
| Chairman | 28,000 |
| Member | 16,000 |
| <u>Audit Committee Meeting</u> | |
| Chairman | 28,000 |
| Member | 16,000 |
| <u>Nomination and Remuneration Meeting</u> | |
| Chairman | 28,000 |
| Member | 16,000 |

2019 Director's Remuneration

Unit : Baht

| Directors | Board of Directors | The Audit Committee | The Nomination and Remuneration Committee | The Meeting of Shareholders | Total |
|-----------------------------------|--------------------|---------------------|-------------------------------------------|-----------------------------|---------|
| 1. Mr. Pongsak Swadwan | 108,000 | - | - | 24,000 | 132,000 |
| 2. Mr. Chaiyasit Samrittivanicha | - | - | - | - | - |
| 3. Mrs. Nittaya Samrittivanicha | 16,000 | - | - | 14,000 | 30,000 |
| 4. Mrs. Thanyarat Samrittivanicha | - | - | - | - | - |
| 5. Dr. Sirada Jarutakanont | 62,000 | 108,000 | 24,000 | 14,000 | 208,000 |
| 6. Mr. Teerasak Sawangnet | 62,000 | 62,000 | 14,000 | 14,000 | 152,000 |
| 7. Mr. Kovit Krasthanin | 62,000 | 62,000 | - | 14,000 | 138,000 |
| 8. Mr. Marco Low Peng Kiat | 16,000 | - | - | - | 16,000 |

2019 Executive Officer Remuneration

| | 2019 | 2018 | 2017 |
|-----------------------------|--------------|--------------|--------------|
| Number of Executive Officer | 8 | 9 | 7 |
| Remuneration (Baht) | 6,285,371 | 7,530,671 | 5,420,439 |
| Type of remuneration | Salary/Bonus | Salary/Bonus | Salary/Bonus |

8.9) Employee

Total Number of employee classified by major department as of 31 December 2019

| Major Department | Number of Employee | | |
|---------------------------|--------------------|------------|------------|
| | Full Time | Daily | Total |
| 1. Domestic Sales | 8 | 0 | 8 |
| 2. Export Sales | 3 | 0 | 3 |
| 3. Production | 247 | 183 | 430 |
| 4. Mechanical Engineering | 24 | 0 | 24 |
| 5. Office | 35 | 7 | 42 |
| Total | 317 | 190 | 507 |

Employee Compensation

In 2019, employee received monetary compensate (exclude management) in type of salary, bonus and others such as commission, overtime, allowance, social security contribution as figures below

| Details | 2019 | 2018 | 2017 |
|---------------------|-------------|-------------|-------------|
| Number of Employees | 525 | 579 | 612 |
| Total Remuneration | 101,047,230 | 111,235,376 | 117,040,041 |

Provident Fund

The company found provident fund since 21 June 2014 with BBL Asset Management Co., Ltd. The company has joined in the ratio of 2 percent of salary. In 2019, The Company contributions to the provident fund for the staff of 82 people Total Amount 320,778 Baht to motivate employee and morale purpose in long term.

Employee Development Policy

The Company recognizes the importance of human resources which is the essential of the business then to establish the human resource development policy by conduct both internal and external training in the session related to employee role and responsibility in each level including open the opportunity to learn and receiving technology transfer from producer directly when purchase new machine.



9. Corporate Governance

9.1 Corporate Governance Policy

The Company has established 5 categories corporate governance policy complied to good corporate governance defined by The Securities and Exchange Thailand for listed company 2006. The provisions set The guidelines are based on a practical level. The Company also brought good corporate governance principles to guide policy development for management and business operations run efficiency and transparency. This will provide protection and increase the confidential to shareholder, investor, employee and all related party.

Section 1 Shareholders' Right

The company has defined the corporate governance policy with the regard of shareholders' right. The company shall not do anything violate or infringe the rights of shareholders and promoted shareholders' right to have their fundamental right such as share selling, share transferring, to get share profit, to get information sufficiently, meeting attending and vote in the meeting for removal director, appoint accounting auditor and other issue that impact to the company such as dividend allocation, to determine whether amendment regulations and memorandum, capital increase and decrease, approval special issue, opinion expression independently, To participate in the important decisions of other companies .All shareholders with voting rights on the shares held. each share is entitled to one vote.

- 1) Publish important news And the need for shareholders regularly. Through the company's website. And press the SET.
- 2) Send the meeting appointment letter mention date, time, venue and related agenda together with reference documents to shareholders such as:
 - a) Map
 - b) Meeting Agenda
 - c) Annual report
 - d) Proxy letter provide the information concerning independent Director, shareholder can decide to assign a person to be a representative to attend the meeting. The details of information concerning documents required was in meeting appointment letter.
 - e) Articles of Association concerning the shareholders' meeting.

The notice of meeting will be sent to shareholders seven days in advance comply to with the Securities and Exchange Commission and the Stock Exchange of Thailand.

In the event that the shareholders unable to attend the meeting in person. The Company allows shareholders to appoint an independent director or any person. Attend the meeting The Proxy Form, one that the company has shipped the meeting.

- 3) Disclosure the shareholders' meeting agenda 30 days in advance through company website in order to let shareholders study meeting information adequately and provide the opportunity to send opinion, suggestion and question before meeting day.

- 4) Before meeting, chairman will clarify meeting regulations concerning number/proportion of shareholder Attended both by self and proxy, voting, counting vote, provide vote counting committee compose of Independent Director, Accounting Auditor, Company Officer conduct counting for transparency and showing the result every agenda in that meeting. The chairman shall allocate time for the meeting sufficiently.
- 5) Provide the opportunity for shareholder to participate in the meeting such as question or any propose the opinion before voting and summarize the meeting resolution. Director and Board of Director shall clarify and answer the question to shareholders. Once the meeting is ended, the data shall prepare in the meeting agenda correct. When the meeting finished, the company will prepare a report showing the data correctly to shareholder accountability.
- 6) Provide the opportunity shareholders who come after meeting start have right to vote in the agenda that is not have the resolution.
- 7) All directors attended the AGM shareholders can ask the chairman in related issues.
- 8) Operate effectively in creating sustainable growth for the organization so that shareholders receive a reasonable return.

Section 2 Shareholders' right to equal treatment

The Company recognizes all shareholders, management and non management shareholders the majority shareholder, the minority shareholders, foreigner shareholders to be treated equally and fairly. The action follows.

- 1) Provide shareholders the opportunity to propose to adding the meeting agenda and propose a nomination to receive a Director election in annual shareholders ordinary meeting before sending meeting notification by provide the method and time frame through SET information system.
- 2) Conduct meeting by respective agenda defined in meeting appointment letter (No alternate agenda) and no other additional agenda to review beside the agenda defined in meeting appointment letter.
- 3) Independent Director response to overlook minority shareholders, minority shareholders can giving the suggestion, opinion, complains to Independent Director. The Independent Director shall examine and find the appropriate solution or in case of suggestion which Independent Director reviewed and found that such suggestion is important and will be impact to stakeholder or affected to business operations. The Independent Director shall propose such suggestion to shareholders meeting to determine as the agenda in shareholder meeting.
- 4) Propose the Independent Director's data as the selection for proxy of shareholders and to support usage of proxy letter for direct voting capability.
- 5) Provide a ballot on each agenda for shareholders to vote . Especially for shareholders who opposed and abstained . So that shareholders can vote on each matter independently by the end of the meeting Shareholders may request a review for details.
- 6) Provide shareholders the opportunity the alternate of voting nominate Director to appoint person by person.
- 7) Define the company confidential information in code of ethics to be a practical guideline for Director, management and employee in order to prevent the information disclosure for personal or related personal benefit.

Violation to this will be a serious offense and will be subject to disciplinary action. The Director and management's responsibility to report asset holding as define by law to the Board of Director.

- 8) Define practical guideline for Director, management and employee regarding to conflict of interest in code of ethics to protect company benefits. In shareholders meeting Director and management shall disclosure their information concerning stakeholder in each agenda to the Board of Director to review transaction that may have conflict and ability to making decision for company's overall benefits. The Director and management that have stake holder will not have the right to vote in that meeting.

Section 3 The role of stake holder

The company has defined practical policy to each stakeholder such as shareholders and investors, customers, partners and/or creditor, trade competitor, employee, government, community and society clearly in Code of Ethics and cooperate governance to promote cooperation between the company and stakeholder to create wealth, financial stability and sustainability of the business.

- Stakeholder Management

1) Shareholders and Investor

The company has policy to conduct the business with honesty, integrity and ethics and effort to develop the business to grow progressively, with good performance to generate a reasonable return on investment to shareholders and investor continuously and sustainable by adhering to treat shareholders equally including disclosure truly information regularly and completely.

2) Customer

The company recognize the importance of customer satisfaction therefore the company initiate ISO 9001 to implement in the organization, such as the company policy "Development commitment, Maintain standard, Product and Service Innovation, Moving International" Product pricing reasonably, keep customer's secret confidentially and constantly, seeking way how to benefit customer continuously and comply to customers' requirement seriously.

3) Business partners and/or Creditor

The company has the policy to create good business relationships with business partnerships and /or Creditor. Operate business with fair and support with both party. Treat with business partners and/or creditor equally with regards of the highest interest of the company. To avoid the situation that cause conflicts of interest including strictly comply to covenants to achieve the benefits together no matter financial objectives, payouts, quality monitoring, mortgage and other related issue as agreed with creditor.

4) Trade Competitor

Trade competitor policy is base on the rules of fair competition not find the competitor confidential untrustworthy or inappropriate and not to discredit competitors by accused without fact.

5) Employee

Employee is the most important asset of the company which help to promote and push the company to achieve business target. Therefore, the company has the policy to take care of employee to have a good quality of life by have a fair employment, have appropriate welfare, have the opportunity to progress their development, have a safe and hygiene work environment, strictly practice with employee compliance to law and regulations including practice with employee with gentle and give respect to human dignity.

6) Government

The company operate the business in order to promote and develop the country by compliance practice with law, regulations, rules and related regulations and as per general business traditional.

7) Community and Society

The company recognize in community and society responsibility by giving the respect to practice compliance to safety, security, hygiene and environment appropriately and recognize to the impact of natural resource and environment. Seeking the opportunity to support social activities. Also seeking the opportunity to support social activities, building social responsibilities awareness among all employee continuously and seriously.

Section 4 Transparency and Information Disclosure

The Company places strong emphasis on disclosure of its important information related to the Company both financial information and non-financial information accuracy, completely, timely and transparency both Thai and English such as Annual Report, Report of 56-1, Invitation letter and shareholders meeting minutes through SEC and Company's website. The information is updated regularly.

The company has to abide by the laws, regulations or ordinances as defined by the SEC and SET and other government units strictly.

1) Financial information disclosure especially financial statement is accurate according to the general accepted accounting standard. The selection of appropriate accounting policies, booking records are accuracy and complete enough to cover and maintain the assets and to identify the weakness to prevent fraud or other abnormal operation significantly. Including adequate disclosure Important information as financial statement notes and financial was audited and certified from independent accounting auditor that correct and approve by Audit Committee and the Board of Director before disclosure to public.

2) Transparency – the Director has appointed Audit Committee to audit financial statement, related party transaction, internal control system. The Audit Committee shall report result of audit to the Board of Director meeting. The report of Board of Director, Audit Committee and Accounting Auditor has shown in Annual Report.

3) Directors and executive officers to disclose personal stakeholder information and related person.

4) Disclosure role and responsibility of Directors and sub Directors, number of meeting attendant and number of each Directors attend the meeting in Annual Report.

Disclosure Directors' remuneration policy including type, category and amount of remuneration received by each of the board committee.

Section 5 Responsibilities of the Board of Directors

1) Composition of the Board of Directors

The Board of Directors composed of qualified person who has a major roles and responsibilities in regulate company policy with cooperation with top executive preparing both short-term and long-term operations plan including to define monetary policy, risk management and organization overview. The Board of Directors responsible to a major role in supervise, audit and assess company and top executive's performance as per planning independently.

The Board of Directors acquisitions from shareholders' meeting appointed consist of 8 director. There's 2 Directors hold the position of management. Another 3 directors are not the management but engage to stakeholder and be a Directors or executive of major shareholders and the 3 remaining are independent directors who are not be the executive or engage to major shareholders.

The Chairman is not the same person as President and Chief of Executive and Managing Director. In order to create a balance and to review the administration. The Company has clearly determined the scope of duties and responsibilities of Directors, Executive Directors and Managing Director to prevent Directors, Executive Directors and Managing Director have excess authority approve cash unlimited.

2) Sub-Committee

The Board of Director appointed sub-committee in order to assure shareholders that the Company has the procedure and screening cautiously such as Audit Committee, Remuneration Committee and executive Committee to execute special duty and propose the issue to Board of Director to review and acknowledge.

2.1) Audit Committee Composed of at least one of three Independent Directors or not less than 3 and defined the qualifications of independent Director as regulated by SEC as follow

- a) Not holding shares exceeding 5% of total voting shares of the Company, Mother Company, Subsidiary, Affiliates or juristic that may have conflict of interest.
- b) Not be an employee, staff, salary consultant or authorized personal of the company, mother company, subsidiary, affiliated or juristic person that may have conflict of interest.
- c) Not be a person who have a family relationship or by legal registration as father, mother, spouse, brother, sister, child including executive officer's spouse and child, major shareholders, authorize controller or Directors nominate person or the Company authorize controller or subsidiary.
- d) Not have a business relationship with the Company, Mother Company, Subsidiary, Affiliate or juristic that may have conflict of interest.

- e) Not have other characteristics that might obstruct providing independent opinion related to company business operations.

Audit Committee has the responsibilities to review the Company to have correctness financial report accuracy and openly with external accounting auditor and responsibility executive officer including to review the Company have internal control and internal audit system and concisely, appropriate, update and efficiency risk management system such as BK IA and IC Company Limited is internal audit firm of the Company direct report to company internal audit direct report to Audit Committee – the operations unit.

2.2) Remuneration Committee Compose of 3 company directors which have 1 independent director responsible to assess Directors, sub-Director and Managing Director's performance. Follow-up annual performance including review remuneration of Director, sub-Director and Managing Director with reasonable and structural method.

2.3) Executive Officers Compose of 7 executive officers 2 Director and 5 non-Directors responsible for planning and define policy, directions, strategies, budget planning, organization structure and management structure, the principle of business operations to comply to general economics and competition condition in the market to Board of Director to review and approve by the Board of Directors including analyzing and management risks in the organization and/or giving consent including to review and follow-up company operations result as regulated policy.

3) Roles, Duties and Responsibilities of the Board of Director

The Board of Directors has the responsibility to manage the company as defined by laws objectives and company regulations including the resolution from shareholders' meeting honestly and concisely. Roles, Duties and Responsibilities of the Board of Directors are as follow

- 3.1) Supervise the Company to practice comply to SEC laws, regulations such as related party transaction and selling and buying important assets as per regulated by SET laws or other laws that related company business.
- 3.2) Set target, directions, policy, plan and company budget, control, supervise management and minister of Board of Directors as per assigned policy except the issue require to have the approval resolution from shareholders' meeting such as capital decrease and increase, bond issue, selling or transferring the whole business or in part to other person or buying or receive business transferring from other company, company affidavit or regulations amendment.
- 3.3) Review management structure, appoint executive officer, chief of executive officer, and other committee as appropriate.
- 3.4) Follow-up performance as plan and budget continuously.
- 3.5) Conduct ordinary shareholder meeting within 4 months after ending the account period of the company.
- 3.6) Provide balance sheet and financial statement as of ending the account period of the company propose to shareholder meeting to review and approve.

- 3.7) The Directors shall not conduct the same business as the Company and to compete with the Company business or be join in ordinary share or unlimited liability partner in limited partnership or being a Director of private company or other company which has same business and to compete with the company. No matter for self benefit or for other benefit except inform shareholder before to have resolution to appoint.
- 3.8) The Director shall immediate inform the Company if have engage with stakeholder direct or indirect in any bidding company contract, hold shares or bonds, increasing or decreasing in the company or affiliate company.

4) The Board of Director Meeting

The company recognize the important responsibility as Company Board of Director to join the meeting regularly to consent and making decision concerning to company business as least 3 months/time. There will be the agenda clearly preparation and may sometime to have an extra meeting if necessary.

The Board of Director and Managing Director meeting – Managing Director shall response to define meeting agenda and review the topic to bring to meeting agenda by provide the opportunity to each Director able to propose the topic to review to be the meeting agenda. In each meeting, the Company shall send meeting document to Director at least 5 working days in advance so as they can have enough time to study the information adequacy.

When reviewing the issues, the President response to chairman of the meeting provide the opportunity to the Director to have chance to giving their opinion independently. Board of Director meeting voting shall count the decision of the majority vote, one director count one vote. The Stakeholder Director shall not vote in this issue. If vote counted is equal, the chairman of the meeting shall provide additional vote as final vote.

In the Board of Directors' meeting, the Executive officer will attend the meetings to provide useful information and acknowledge policies directly to be able to perform effectively.

After the meeting, the Board of Directors' secretary shall response to making report to propose to the meeting to get approval in the first agenda of the next meeting. The President response to certified the correctness .The Board can express the opinion request to correct add meeting report for more accuracy and correctness.

5) Report

Audit Committee shall response to review financial report by meeting with accounting and finance department and accounting auditor and present financial report to Board of Director quarterly. Board of Director shall response to company financial statement, financial information (Report Board of Directors' Responsibilities to Financial Report) as shown in annual report. Such financial statement prepare as per accounting standards, certified and audit by company accounting auditor choosing from appropriate and acceptable accounting policy and regularly practice including using discretion carefully when preparation and take care. There's adequate information disclosure in financial statement.

6) Remuneration

The Company review the appropriate remuneration for the Board of Director and executive officer by propose to get approval to shareholders meeting in payout the remuneration to the Board of Director. The amount to pay was review in comparison with other company in the same group of industrial. Top Executive remuneration shall review by the Board of Director base on responsibilities and each performance together with the company performance.

Beside normal remuneration the company has the policy to pay a special remuneration as follow

- 6.1) Bonus for employee and management every 4 months base on working and company performance with the approval from Board of Director Meeting.
- 6.2) Bonus for Board of Director as per the approval resolution from shareholder meeting base on working and company performance.

7) Development for The Director and Executive Officer

The Board of Directors promoted and facilitated to have training and knowledge to related personal under the company governance such as Director, Audit Committee, Executive Officer so as they can improve and practice continuously. The above training may take place inside the company or outsource service.

Every time when there's a change in new Director, there will be a useful document and information to support new Director including introduction to nature of business and business direction to new Director.

8) Recruitment and Appointment of Directors and Top Management

In appointing a director for Nomination and Remuneration Committee must consist of 2 independent directors from the 3 directors of the Nomination and Remuneration Committee to responsible for considering the qualified persons by allowing the directors and shareholders to participate in nominating qualified persons. Then, will nominate such person for approval from the committee and then propose to the shareholders' meeting to approve the appointment.

8.1) Supervision the operations of subsidiary companies

Supervision the operations of subsidiary and affiliated companies, the executives shall assign company director or select the executive officer who has appropriate qualification and experiences with the business of subsidiary and affiliated companies to be a management representative to define important policy and control business operations.

Since 2015 on ward, in order to supervise the operations of subsidiary and affiliated companies being more effectiveness and transparency. The Company has defined the procedure to propose name and right for voting in appoint personal to be Director in subsidiary shall have the approval from Board of Director. The appointed person who was appointed as Director in subsidiary and affiliated companies has responsibilities do the best benefits of subsidiary and affiliated companies as per strategies, business plan under the approval policy from Board of Director including practice with good governance. The appointed Director shall have the approval from Board of Director before voting or voting for important issue shall have the approval from Board of Director.

Sending Director to be a representative in subsidiary and affiliated companies shall be a proportion of share holding.

Furthermore, the subsidiary – the Company has defined the regulations the appointed person shall overlook the subsidiary to have the regulations concerning assets transaction, acquisition or selling or other important transaction of the company accuracy and completely and use the criteria of information disclosure same as the Company practice including to control data collection, accounting record of the subsidiary available for auditing and for financial statement preparation.

8.2) Control of internal Information Policy

The company has the policies and procedure to audit Director and executive manage internal information which shall be disclose to the public to use for personal gain as follows

- 1) Educating directors and executives about the duty to report their securities holding and the holding of their spouse and minor children to SEC pursuant to Section 59 and penalty provisions under section 275 of the Securities and Exchange Act B.E.2535 (include the amendment) and to report the acquisition or disposition of the holding of their spouse and minor children to SEC under Section 246 and the penalty provisions under Section 298 of the Securities and Exchange Act B.E.2535.
- 2) The Company defined the Director to report the acquisition and disposition of the holding to SET as per section 59 of the Securities and Exchange Act B.E.2535 and as per a notification of SET notification of Office of the Securities and Exchange Commission No. SorChor 12/2522 Re:Preparation and Disclosure of Report on Securities Holding of Director, Executive and Auditor so as the Company can audit share selling and buying of all executive.

The Executives who received the important information that result to shares price shall cease selling and buying in a period of one month before disclose the information to public and prohibited to disclose the information to others. If found to disclose the internal information in a way to spoil the company or shareholder reputation by the Company executive, Board of Director. The Board of Director shall take appropriate action. If the offender is the executives at lower level Board of Director shall take action to review the punishment accordingly.

8.3) Audit fee

For the fiscal year 2019, the company and its associates and subsidiaries paid for audit fees amounting to 2,620,950 Baht to Grant Thornton Company Limited and Ms. Sawisyaporn Tungchinsujee, which the company and its subsidiaries do not use other services from the said auditors. The auditors worked for, and to persons or businesses related to the auditors and audit firm do not have any relationships or interests involving the company, management, including their related persons.

The Company and its subsidiaries paid audit fee as follows:

Unit:Baht

| Company | Reviewed F/S fee (Quarterly) | Audit F/S (Yearly) | Total |
|-----------------------------------------------------|---------------------------------|-----------------------|-----------|
| N.D. Rubber Public Company Limited | 720,000 | 661,000 | 1,381,000 |
| N.D. Interparts Company Limited | 90,000 | 230,000 | 320,000 |
| Mascasey Trading Company Limited | 66,000 | 124,000 | 190,000 |
| N.D. Energy Fusion Company Limited | - | 15,000 | 15,000 |
| Fung Keong Rubber Manufactory (Malaya) Sdn. Bhd. | 296,250 | 418,700 | 714,950 |
| Total | | | 2,620,950 |

Remark : N.D. Energy Fusion Co., Ltd. was audited by Ms. Sawisyaporn Tungchinsujee.

9) Anti-Corruption Policy

N.D. Rubber Public Company Limited (the Company) has a guideline of doing business with transparency, Corporate Social Responsibility and every stakeholder groups according to the principle of corporate governance. In addition, to do the business with transparency and have clear guidelines for prevention and the decision to conduct the business may be at risk of corruption. The company has established a written "Anti-corruption Policy" with the approval of the Board of Directors.

Anti-Corruption Policy

"The corrupt" means the exercise of authority acquired, requested or any other type of doing to acquire property or other benefits for government officer, government unit, private sector officer or stakeholders whether direct or indirect to exercise such people in seeking their personal benefits and/or N.D. Rubber Public Company Limited Unless the laws, regulations, notifications, rules, local traditions or trading conventions are permitted. The corruption in this means including bribery and corruption.

Political Support The Company adhere to the neutral political policy will not support or commit any act interested in any one political party or person. The Employee must give support to any political party with care to avoid misunderstanding that the company be a sponsorship.

Charitable Contribution and being the sponsor The company promote charitable contribution for to promote company positive image without any aim of the business in return. The donation to charity and sponsorship will be performed as defined by the company operations manual.

Gift, Souvenir and Entertainment To build a good relationship with business alliances, gift, entertainment and leisure activities is acceptable with appropriate and truthful as defined by the company operations manual. Employee must fill in entertainment requisition form by complete full details and submit to supervisor for approval.

Whistle blowing, Investigation and Whistleblower Protection Policy

To provide the opportunity to employee to report misconduct activities or fraud in the company confidently. And protect employee from any kind of affected or unfair practice from misconduct activities or fraud reporting. To prevent and combat corruption and reduce damage caused by such event. The Company has set the following guidelines.

Misconduct activities or fraud report

- Verbal or written report direct to supervisor when found clue of misconduct activities or fraud.
- If not convenience report to supervisor may report clue through other channel as follow:

Company Secretary

Tel : 038-160707 ext 112

E-mail: nopparat.c@ndrubber.co.th

Mailing Address : N.D. Rubber Public Company Limited 129 Moo 3 Nongchak-Panusnikhom, Nong-Irun Subdistrict, Banbeung, Chonburi 20220

Head of Human Resource Section

Tel : 038-160707

E-mail: thitikarn@ndrubber.co.th

Mailing Address : N.D.Rubber Public Company Limited 129 Moo 3 Nongchak-Panusnikhom, Nong-Irun Subdistrict, Banbeung, Chonburi 20220

Chairman of Audit Committee (Outside Independent Committee)

E-mail: auditcom@ndrubber.co.th

Mailing Address : N.D.Rubber Public Company Limited 129 Moo 3 Nongchak-Panusnikhom, Nong-Irun Subdistrict, Banbeung, Chonburi 20220

Investigation Procedure

- 1) Information Recipients verify data then consider to appoint audit committee to investigate and gathering facts. Investigation committee must perform their duty with fairness regardless of working position, working period or any significant of suspected person or fraud.
- 2) Investigation committee must conduct their investigation and finished the report within 45 days.
- 3) When complete the investigation, the investigation shall report a result of investigation to the Chairman of the Board of Director, Head of Finance, Head of Accounting, Head of Human Resource, Head of Legal and other related party.
- 4) After investigation and found employee misconducted according to the investigation. The company shall carry out the punishment in accordance with regulations. The penalties range from verbal or written

warning, suspension until termination. The management should consider disciplinary action against the offender within 30 days upon receipt the investigation report.

Whistleblower Protection

The Company shall protect and employee or management shall not terminate, suspension, penalty or intimidate for giving misconduct activities or fraud information.

In case of employee giving information with good faith and found no wrongdoing later after investigation according to complaint. The company shall not carry any penalty to the employee who provide the information. However, the result of investigation found any facts according to complaint and intend to malice or causing harmful or providing false information. The Company is considering to carry on penalty action the employee as define by company regulation from verbal warning, written warning, suspension until termination.

Handling of data and disclosure

During the investigation, the Chairman of investigation committee responsible for handling the document evidence and all wording record. The original wording record and supporting document must send to head of Human Resource as a keeper when complete the investigation.

The company declared the intent to join the Private Sector Collective Action Coalition Against Corruption (CAC) since May 13, 2015.

10. Corporate Social Responsibilities

NDR is aim for business operation concerning environment and communities around the factory. Also, many activities have been done for developing network and sustainable coexistence between communities and NDR. In addition, NDR does activities to develop society with other organizations.

10.1 Environment care



Water Treatment System

The company invested and installed Water treatment system and water supply production system in order to utilize water supply internally. After the system installation, there is no waste to external community.

Environment pollution management

The company protects dust spreading in the factory by installing vacuum system and pass filters before release to outside. In addition, the protection of air relief from boiler will be checked and evaluated once a year by specialists.

The company determines to evaluate environment in the factory including air relief from boiler, dust level, heat, light density and noise every year.



Installation of solar cell

The company installed solar cell on factory's roof which can generate electricity 1 megawatt. A Solar cell was initially used in October 2016.

10.2 The delivery of good quality of life toward society.

In 2019, the company initiated projects to develop quality of life and society by joining activities with many organizations as follows.

1) The Company helped making student's dream from Ban Mae Toh (Chiang Mai Province) come true by supporting the activities for students who graduating from Mattayom 3 on a marine field trip in Sattahip District, Chonburi Province to fulfill and create opportunities for children to learn and experience marine resources. In addition, it also allow students to experience the sea for the first time.



2) In September 2019, NDR, by Mr. Chaiyasit Samrittivanicha, with staff together with teachers and student from Ubon Ratchathani University, clean and rehabilitate Wat Khu Dua Witthayakhom School after the flood which damaged the buildings and school equipment by providing cleaning school building's floor and paint the toy equipment. In addition, NDR has also provided whiteboards for teaching and learning in every classroom.



10.3 The pass on knowledge

The company encouraged and supported people who are interested in the company's business and other operation of the Company both educational institution, government agencies and interested people. The company arranged and provided knowledge in 2019 as follows.

1) NDR provides opportunities for students and teachers from Ubon Ratchathani University, Major Rubber and Polymer Technology in order to encourage students to learn from real experience about rubber technology, compounding process and the process of forming various rubber products coaching by NDR team.



2) NDR and the management team had the opportunity to welcome Mr. Yongyuth Sawadisuanee, Deputy Director-General of Department of Alternative Energy Development and Efficiency and mass media to visit solar roof with the objective of visiting, discussing and being aware of energy concepts as a business organization that is a role model in recognizing the importance of conducting business in parallel with environmental and energy considerations through activities that will lead to ongoing energy reduction.



3) NDR has accepted requests for factory visits from Maejo University, Faculty of Engineering and Agro-Industry Rubber and Polymer Technology to share knowledge about rubber processing industry by describing various steps, hoping that this activity will be useful for all teacher and students in the future.



11. Internal Control and Risk Management

11.1 Internal Control Policy and Risk Management

Internal Control

The Company aware and recognize to internal control system so as the company can operate smoothly and effective to appointed the Audit Committee responsible to review internal audit system as per internal audit system is comply to the principle of good governance through the meeting of the Audit Committee which compose of accounting auditor, internal auditor and executive officer, to propose the information to the Audit committee to review and acknowledge, follow up progressive, find corrective and preventive action as notification immediately.

The Company assigned independent outside auditor to be internal auditor – BK IA and IC Co., Ltd. by Ms. Boonnee Kusolsopit CPA who has good accounting knowledge and internal controlling ability, as a consultant of setting internal control system and to review risk and abnormal issue propose to Audit Committee quarterly.

Risk Management

The Company has appointed the Board of Director to be Risk Management Committee responsibility to define the risk appetite, to assess the affected of risk and seeking the prevention and report risk analysis to the committee to review every quarter as define by risk management policy as follow

Risk Management Policy

- 1) The Company shall operate under acceptable risk so as the company can drive and growth stability.
- 2) The management and all employees of the company are responsible for the identification including determining appropriate guidelines to deal with such risks.
- 3) Risk significantly and impact to company objectives must be manage as follows
 - Identify risks in a timely manner.
 - Assess consequence and affected of such event occur.
 - Manage risk accordingly.
 - Monitoring to ensure that risks are handled appropriately.

Responsibility

- 1) The Board of Director: Responsible to overall company risk management
- 2) Audit Committee: To ensure the company has effective risk management system including risk was manage accordingly.
- 3) The executive committee: acts as a risk management committee, the managing director as a chairman has following responsibility
 - Establish risk management policy and review periodically.
 - Assess the likelihood and consequences occur.
 - Review risk and guidelines for risk management as stated as well as giving suggestion for improvement.
 - Report risk found to the audit committee.
 - Conduct risk management committee at least quarterly.
- 4) Internal Auditor: Responsible for reviewing the effectiveness of risk management controls including follow up improvement.
- 5) Management and employees: Risk identification ability and giving appropriate risk management guidelines and propose to the Board of Director or supervisor.

11.2 Risk Management for the year 2019

For the year 2019, the Risk Management Committed held a total of 9 meetings and found that there are important risk as follows:

- 1) The risk of employees being able to view reports from the NAV system which may cause confidential information being disclosed to outsiders.

Risk Management IT department to review and determine the right to view information in NAV system of each employee.

Result No problem found after IT department has checked the usage rights of the system and assigned the user profile to each employee as appropriate.

- 2) The risk of sudden damage of the main machinery such as banbury, calender, boiler and extruder, etc.

Risk Management Having maintenance department to study the importance details of the machine which is the main factor in production and formulating a suitable preventive maintenance plan for those main machinery.

Result No problem found after has created a Preventive Maintenance plan for banbury, calender, boiler and extruder which will be monitored by General Manager of Machinery Engineering.

- 3) The risk of data lost because the server is over used and outdated.

Risk Management IT to change a new server with better features in order to support and suitable for the Company's use and back-up data everyday by 2 methods: back-up in the system and back-up in the external hard disk

Result No problem found after IT changed to the new server and set up procedure for data back-up.

Financial risk

In 2019, foreign exchange rates still fluctuate in both the US dollar and Malaysian ringgit, as a result, the cost of production and income of the company are uncertain and do not meet the target. However, the company uses financial tools to manage risk. And closely monitor the exchange rate movements in order to keep up with the current situation.

Risk of fluctuation of raw material price

One of our main raw material is natural rubber of which price is fluctuated along with the world commodity price. It is difficult for the company to control the price which can cause our product cost becomes higher when its price is higher. On the other hand, when its price is lower, our product cost will also be lower too. Although in the year 2019, the price of natural rubber is relatively stable, the company continuously control this risk by advance purchasing to fix our cost. To less the impact, our R&D focus on developing new formulation to reduce the product cost.

12. The Related Transaction

12.1 The related transaction

The related transaction was products trading, rental area and guaranteed. The Audit Committee has reviewed such transactions was reasonable owing to regular operations, normal trading with general pricing and cause beneficiary to business operations to NDR Group as related transaction Policy as following

The procedure for approval of the transaction.

Transaction with a person who may have conflict of interest shall propose to Audit committee to review and approve transaction whether highest beneficiary to the company and to prevent investor and other related person. The transaction shall comply to SET Act, regulations and notification, order or SET's regulations. Transaction stakeholder shall not allow joining in approval process.

Regular trading transaction such as products and services buying, products and services selling. The Company has policy to define the condition as per regular trading and pricing can compare with outside or having independent expert against the transaction shall have the Audit committee review and giving comments quarterly. In reasonably, shall review from market price including condition, and necessity that impact to business operation such as delivery lead time, products special characteristics so as to the highest beneficiary of the Company.

Related Transaction Trend

The company expected the transaction trend is the guarantees for company loan by Directors or Director's assets for the beneficiary in requesting monetary support from financial institute as necessity. In the past, the company never paid remuneration to the guarantee Director. Moreover, there will be rental, selling, buying, servicing in general in related transaction shall arise in the future. Any conditioning shall comply to general trading by refers to reasonable market price and condition.

The Company shall assigned Audit Committee and/or Independent Director giving comment concerning remuneration rate including the necessity of such transaction. If any transaction occur with person may have conflict of interest in the future, the Company shall follow rules, notifications and/or SEC's regulations and/or SET. The Company may assign the Independent Expert or the company Auditor giving the comments on such transactions for Directors or Shareholder as a reference for making decision depends on the situation. The group of company shall disclosure related transactions in accounting audit certified financial statement's notes.

12.2 Summary of Related Company Transactions

Summary of Related Company Transactions as to Holding Stock and / or Sharing Directors For Fiscal Year 2019 (1 January – 31 December 2019)

N.D. Rubber Public Company Limited Related Party Transaction Report as of December 31, 2019

| Connected Parties / Type of Relationship | Type of Transaction | Amount (Baht) | | Type of Connected Transaction |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------------|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | FY 2018 | FY 2019 | |
| Mr. Chaiyasit Samrittivanicha - Director and Shareholder | Office Rental Fee | 108,000 | 27,000 | Service Fee Rented the building for Marketing and Sales department. Rental fee was assessed by independent assessor. |
| N.D. Interparts Co., Ltd. (NDI) - The Company's subsidiary hold by the Company 91.77% and have the Co-Director Mr. Chaiyasit Samrittivanicha and Mrs. Nittaya Samrittivanicha. | Sales Revenue | 111,582 | 154,055 | Normal Business Transaction Determine the selling price with the market price or the cost price plus gross profit by product type. Use the same practice as the transaction with third parties. |
| | Sale Asset | - | - | Support Normal Business Transaction NDR sold machinery for the production of goods which sale price is determined more than the depreciated property value. |
| | Sale of Machine | 2,160,000 | - | Support Normal Business Transaction NDR sold injection machinery under generally prevalent price not lower than market price. |
| | Spare Part Expenses | 2,926,631 | 2,389,640 | Normal Business Transaction Price close to the price from third parties and use the same practices with third parties. |

| Connected Parties / Type of Relationship | Type of Transaction | Amount (Baht) | | Type of Connected Transaction |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|---------------|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | FY 2018 | FY 2019 | |
| | Location Services | 1,656,000 | - | Service Fee NDR has location services (factory) for manufacturing which been assessed by independent assessor. |
| | Electricity Expenses | 338,832 | 344,152 | Normal Business Transaction NDR uses NDI electricity for use in offices, warehouses and canteens by using the same electricity price as the Provincial Electricity Authority. |
| T. Thaicharoen Rubber Co., Ltd. - Mr. Prasert, Mrs. Nittaya and Mr. Chaiyasit Samrittivanicha are T. Thaicharoen Rubber Co., Ltd.'s Director. - Mr. Prasert and Mrs. Nittaya Samrittivanicha jointly hold 90% of share in T. Thaicharoen Rubber Co., Ltd. - Mr. Chaiyasit and Mrs. Thanyarat Samrittivanicha jointly hold 4.5% of share in T. Thaicharoen Rubber Co., Ltd. | Sales Revenue | 4,460 | - | Normal Business Transaction There is battery sell under generally prevalent price not lower than market price. |
| | Purchasing Goods and Raw Material | 1,945,626 | 1,621,007 | Support Normal Business Transaction NDR buy Car's Tires for spare parts and the price is not lower than market price. |
| Thai Saengcharoen Service Co., Ltd. - Mr. Prasert Samrittivanicha is the director and hold 27% of share of Thai Saengcharoen Service Co., Ltd. | Sales Revenue | 2,550,467 | - | Normal Business Transaction There is battery sell under generally prevalent and price is not lower than market price. |
| Whitehouse Plastics Partnership - Mrs. Mukda Swadwan (Mr.Pongsak Swadwan's spouse) is the managing partner and hold 50% share in Whitehouse Plastics | Goods expenses | 265,755 | 219,666 | Normal Business Transaction There is a general plastic bag purchasing use in normal business operation by estimate price is not lower than market price. |
| Mascasey Trading Co., Ltd. - The Company's subsidiary hold by the Company 50% of share and having Mr. Chaiyasit Samrittivanicha as the Co-Directors. | Sales Revenue | 21,244,298 | 22,676,427 | Normal Business Transaction There is Motorcycle Tires and Tubes sell under cost-plus margin determination by product type. |

| Connected Parties / Type of Relationship | Type of Transaction | Amount (Baht) | | Type of Connected Transaction |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|---------------|------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | FY 2018 | FY 2019 | |
| | Location Services | 112,150 | 112,149 | Location Services Factory services contract for manufacturing. Service fee can be compared with the surrounded area. |
| | Professional Accounting Income | 179,439 | 179,439 | Service Fee NDR receive monthly professional fee based on current salary structure of the company. |
| T. Thaicharoen Service Co., Ltd. - Mr. Prasert and Mrs. Nittaya Samrittivanicha are Director and jointly hold 10% in T.Thaiacharoen Service Co., Ltd. - Mr. Chaiyasit and Mrs. Thunyarat Samrittivanicha jointly hold 10% of share in T.Thaiacharoen Service Co., Ltd. | Sales Revenue | 748 | - | Normal Business Transaction There is battery sell under generally prevalent price not lower than market price. |
| | Purchasing Goods and Raw Material | - | 1,535 | Support Normal Business Transaction NDR buy Car's Battery for spare parts and the price is not lower than market price. |
| Fung Keong Rubber Manufactory (Malaya) Sdn. Bhd. - The Company's subsidiary hold by the Company 100% of share and having Mr. Chaiyasit Samrittivanicha as the Co-Directors. | Sales Revenue | 54,496,738 | - | Normal Business Transaction There is Motorcycle Tires and Tubes sell under cost-plus margin determination by product type. |
| FKR Marketing Sdn. Bhd. - The Company's subsidiary of Fung Keong Rubber Manufactory (Malaya) Sdn. Bhd. hold by the Company 100% of share and having Mr. Chaiyasit Samrittivanicha as the Co-Directors. | Sales Revenue | 196,497,994 | 18,424,254 | Normal Business Transaction There is Motorcycle Tires and Tubes sell under cost-plus margin determination by product type. |
| N.D. Energy Fusion Co., Ltd. - The Company's subsidiary hold by the Company 50% of share and having Mr. Chaiyasit Samrittivanicha as the Co-Directors | Sales Revenue | 23,056 | - | Support Normal Business Transaction NDR has sold car battery to N.D. Energy Fusion Co., Ltd. under cost-plus margin determination by product type. |

| Connected Parties / Type of Relationship | Type of Transaction | Amount (Baht) | | Type of Connected Transaction |
|---------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|---------------|-----------|--------------------------------------------------------------------------------------------------------------------------------------|
| | | FY 2018 | FY 2019 | |
| Saengcharoen Tools Center Co., Ltd. - Mr. Prasert Samrittivanicha is the director and hold 70% of share of Thai Saengcharoen Service Co., Ltd. | Sales Revenue | 772,710 | 2,921,308 | Support Normal Business Transaction NDR sold car's battery for spare parts and the price is not lower than market price. |
| Mr. Tanapol Samrittivanicha - Mr. Tanapol Samrittivanicha is the son of Mr. Chaiyasit Samrittivanicha (Director and Shareholder) | Sales Revenue | 15,094 | 582,234 | Normal Business Transaction There is Motorcycle Tires and Tubes sell under cost-plus margin determination by product type. |

N.D. Interparts Co., Ltd. (NDI) Related Party Transaction Report as of December 31, 2019

| Connected Parties / Type of Relationship | Type of Transaction | Amount (Baht) | | Type of Connected Transaction |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|---------------|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | FY 2018 | FY 2019 | |
| Mrs. Nittaya Samrittivanicha - Director | Overdraft Facilities (OD) | 9,500,000 | 9,500,000 | Support Normal Business Transaction Mrs. Nittaya Samrittivanicha guaranteed the company's directors without receiving any compensation. |
| | Company Guarantee | 500,000 | 500,000 | Support Normal Business Transaction Mrs. Nitaya Samrittivanicha guaranteed the company's directors without receiving any compensation. |
| N.D. Rubber Public Company Limited (NDR) - The mother company and has jointly directors Mrs.Nitaya Samrittivanicha and Mr.Chaiyasit Samrittivanicha. | Sales Revenue | 2,919,602 | 2,389,640 | Normal Business Transaction There are goods for tires packing in normal business operation under cost-plus margin determination by product type. |
| | Goods and Material expenses | 111,582 | 154,055 | Normal Business Transaction There are materials for manufacturing by estimate price not lower than market price. |
| | Machinery Expenses | 2,160,000 | - | Support Normal Business Transaction The Company has purchased Injection Machine from NDR with generally prevalent price not less than market price. |

| Connected Parties / Type of Relationship | Type of Transaction | Amount (Baht) | | Type of Connected Transaction |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|---------------|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | FY 2018 | FY 2019 | |
| | Location Services | 1,656,000 | 1,656,000 | Service Fee The company has location services (factory) for manufacturing. location services fee assessed by independent assessor. |
| | Electricity Income | 337,896 | 334,152 | Normal Business Transaction Transaction under the price from Provincial Electricity Authority (PEA). |
| T. Thaicharoen Rubber Co., Ltd. - Mr. Prasert, Mrs. Nittaya and Mr. Chaiyasit Samrittivanicha are T. Thaicharoen Rubber Co., Ltd.'s Director. - Mr. Prasert and Mrs. Nittaya Samrittivanicha jointly hold 90% of share in T. Thaicharoen Rubber Co., Ltd. - Mr. Chaiyasit and Mrs. Thanyarat Samrittivanicha jointly hold 4.5% of share in T. Thaicharoen Rubber Co., Ltd. | Spare Parts Expenses | 26,420 | 19,683 | Support Normal Business Transaction Transaction NDI purchasing tires for spare part estimate price not lower than market price |
| Thai Toyo Rubber Co., Ltd. - Mr. Prasert Samrittivanicha is the Director and hold 46% shares in Thai Toyo Rubber Co., Ltd. | Goods and Material Expenses | 31,230 | 31,300 | Normal Business Transaction Operation by estimate price not lower than market price. |
| Whitehouse Plastic Partnership - Mrs. Mukda Sawadwan (Mr. Pongsak Swadwan's spouse) is the managing partner and hold 50% share in Whitehouse Plastics | Goods expenses | 63,980 | 72,339 | Normal Business Transaction There is a general plastic bag purchasing use in normal business operation by estimate price not lower than market price. |

Mascasey Trading Company Limited (MAS) Related Party Transaction Report as of December 31, 2019

| Connected Parties / Type of Relationship | Type of Transaction | Amount (Baht) | | Type of Connected Transaction |
|-------------------------------------------------------------------------------------------------|----------------------------------|---------------|------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| | | FY 2018 | FY 2019 | |
| N.D. Rubber Public Company Limited (NDR) - The mother company and has jointly directors. | Goods and Material Expenses | 21,244,299 | 22,676,427 | Normal Business Transaction There is Motorcycle Tires and Tubes buy under cost-plus margin determination by product type. |
| | Location Services | 112,150 | 112,149 | Location Services Factory services contract for manufacturing. Service fee can be compared with the surrounded area. |
| | Professional Accounting Expenses | 179,439 | 179,439 | Service Fee MAS pays monthly professional fee based on current salary structure of the company. |

**Fung Keong Rubber Manufactory (Malaya) Sdn. Bhd. (FKRMM) Related Party Transaction Report as of
December 31, 2019**

| Connected Parties / Type of Relationship | Type of Transaction | Amount (Baht) | | Type of Connected Transaction |
|--------------------------------------------------------------------------------------------------------------------------|-----------------------------|---------------|---------|-----------------------------------------------------------------------------------------------------------------------------------------|
| | | FY 2018 | FY 2019 | |
| N.D. Rubber Public Company Limited (NDR) - The mother company has jointly director Mr. Chaiyasit Samrittivanicha. | Goods and Material Expenses | 54,496,736 | - | Normal Business Transaction There is Motorcycle Tires and Tubes buy under cost-plus margin determination by product type. |

FKR Marketing Sdn. Bhd. (FKRM) Related Party Transaction Report as of December 31, 2019

| Connected Parties / Type of Relationship | Type of Transaction | Amount (Baht) | | Type of Connected Transaction |
|----------------------------------------------------------------------------------------------------------------------|-----------------------------|---------------|-------------|-------------------------------------------------------------------------------------------------------------------------------------|
| | | FY 2018 | FY 2019 | |
| N.D. Rubber Public Company Limited (NDR) - The mother company has jointly director Mr. Chaiyasit Samrittivanicha. | Goods and Material Expenses | 196,497,994 | 213,088,749 | Normal Business Transaction There is Motorcycle Tires and Tubes buy under cost-plus margin determination by product type. |

N.D. Energy Fusion Co., Ltd. (NDEF) Related Party Transaction Report as of December 31, 2019

| Connected Parties / Type of Relationship | Type of Transaction | Amount (Baht) | | Type of Connected Transaction |
|-----------------------------------------------------------------------------------------------------------------|------------------------|---------------|---------|------------------------------------------------------------------------------------------------------------------|
| | | FY 2018 | FY 2019 | |
| N.D. Energy Fusion Co., Ltd. (NDEF) - The mother company has jointly director Mr. Chaiyasit Samrittivanicha. | Spare Parts Expenses | 23,056 | 4,611 | Normal Business Transaction There is car battery buy with estimated price not lower than market price. |

Section 3 Financial Position and Operating Performance

13. Report of the Board of Directors' Responsibility for the Financial Reports

The Board of Directors is responsible for the financial statements of the Company and its subsidiaries and the financial information as presented in the annual report of the Company. The financial statements of the Company and its subsidiaries as of 31 December 2019, have been prepared with careful consideration, in conformity with generally accepted accounting principles in Thailand, and using appropriate accounting policies and best estimation. All material information has been sufficiently disclosed in the notes to financial statements. The financial statements have been duly audited by independent authorized auditors who have provided unqualified opinions. The financial statements therefore reflect the Company's financial condition and results of operation that is true, transparent and reasonable for the benefits of all shareholders and investors.

The Board of Directors has established and maintained an appropriate and efficient internal control system and internal audit system to ensure that all accounting records are accurate, complete and sufficient to safeguard the Company's assets and prevent corruptions and materially irregular practices.

The Board of Directors has appointed an Audit Committee, which consists of independent directors who are responsible for the accuracy and adequacy of the financial reports, the appropriateness and efficiency of the internal control system and internal audit system, and compliance with laws and regulations related to the Company's business. The opinion of the Audit Committee is provided in the Report of the Audit Committee as presented in this annual report.

The Board of Directors is of the opinion that the Company's overall internal control system is satisfactory and provides reasonable assurance to the credibility of the financial statements of the Company and its subsidiaries as of 31 December, 2019.

On behalf of the Board of Directors

N.D. Rubber Public Company Limited



Mr.Pongsak Sawadwan

(Chairman of the Board)



Mr.Chaiyasit Samrittivanicha

(Managing Director)

14. Audit Committee Report

N.D. Rubber Public Company's Audit Committee consists of 3 Independent Directors - Dr.Sirada Jaruttakanont, Chairman of Audit Committee, Mr.Teerasak Sawangnet and Mr.Kovit Kristanin. They are not only qualified and experienced in finance and accounting, marketing; organization management including motorcycle tires business but also has the qualification comply to the good requirements and regulations of audit committee defined by the Securities and Exchange Commission and the Stock Exchange of Thailand.

The Audit Committee has performed their duty under the scope and responsibility assigned from the Board of Director. In 2019, the Audit Committee conducted 4 meetings with the Management Team, The internal auditors and Auditors. In addition, have been jointly Auditors and The internal auditor to discussions on issues that are important to the financial statement audit. The following activities had been discussed in the meeting;

Review Financial Statements – The Audit Committee conducted financial statement review for the quarter of 2018 with the auditor and the management to ensure the financial statement prepare according to the general certified accounting standards in adequate, accuracy and accountability information disclosure comply to law and related notification including consideration new accounting standard, new financial report, new financial and accounting standard interpretation, and the revision of accounting principle that related to the Company.

Review Connected Transactions – The Audit Committee has considered the disclosure of the Company, associated Companies and subsidiaries Companies In the event of a transaction or any conflicts of interest between stakeholders for accuracy and adequacy to ensure the audit process is comply to the Stock Exchange of Thailand's good governances.

Review Internal Control System – The Audit Committee has reviewed the adequacy of internal control systems of the Company in 2019 by review internal auditor and accounting auditor's report which given the suggestion there's no significance conformance found. So that, the audit committee give the comment the internal control system still adequate and appropriate to the management's operation and comply to policy and the authority defined.

Oversee the Internal Control – Consider and approved the scope of internal audit year plan for 2020 based on the principles of internal control assessment and the scope that covered major important process including review audit results which is directly report from the auditor to ensure independent of the auditor.

Review Risk Assessment Management – To review Risk Management with the Management and follow up the implementation including propose the effectiveness of risk management process to ensure the Company shall have risk management continuously and to consider the preventive and the eliminate important business risk both existing and in the future including setting additional measurement for better improvement.

To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business – The Audit Committee has reviewed the Company's compliance with the notification of the Securities and Exchange Commission and the Stock Exchange of Thailand and the laws relating to the

Company's business regularly for the purpose of extremely efficiency and effectiveness. Including any action with stakeholders with fairness and transparency can be trace according to good governance best practice so that to creditability to our investor and stakeholders.

Consider, select and nominate an independent person to the Company's auditor – The Audit Committee has considered and selected the auditor for 2020 by review the auditor's qualification from business knowledge and experiences including the appropriation of remuneration and propose the resolution to the Board for approve from the annual general meeting of shareholder in 2019 to appoint the following auditors:

- **Grant Thornton Limited** by Mr. Somkid Tiatragul Certified Public Account No. 2785, Ms. Kanyanat Sriratchachaval Certified Public Account No. 6549, Mr. Teerasak Chuasrisakul Certified Public Account No. 6624 or Mr. Narin Churamongkol Certified Public Account No. 8593 or Ms. Amornjid Baolorpet Certified Public Account No. 10853, to be the auditing firm of the Company and its subsidiaries which are Mascasey Trading Co., Ltd. (MAS) and N.D. Interpart Co., Ltd. (NDI);
- **Grant Thornton Malaysia** by Mr. Kho Kim Eng to be auditor for Fung Keong Rubber Manufactory (Malaya) Sdn. Bhd. (FKRMM); and
- **Ms. Wisayaporn Tungchinsujee**, Certified Public Account No. 09870 to be auditor for N.D. Energy Fusion Co., Ltd.

Dated: 23 February 2020

On behalf of the Audit Committee



Dr. Sirada Jaruttakanon

(The Chairman of Audit Committee)

15. Management Discussion and Analysis

Overall performance of 2019 is lower than our expectation due to:

Revenue

Unit : Million Baht

| | | 2018 | 2019 | Change (+/-) | |
|------------------------|--------------------------------------------------|-----------------|---------------|----------------|---------------|
| | | | | YoY | % |
| Consolidated Statement | Revenue | 973.29 | 850.63 | -122.66 | -12.60 |
| | Profit (Loss) from Exchange Rate | 4.09 | 4.60 | 0.51 | 12.47 |
| | Other Revenue | 5.51 | 6.63 | 1.12 | 20.33 |
| | Gain from buying at a price lower than par value | 33.64 | 0 | -33.64 | -100.00 |
| | Total | 1,016.53 | 861.86 | -154.67 | -15.22 |
| NDR Statement | Revenue | 715.65 | 604.99 | -110.66 | -15.46 |
| | Profit (Loss) from Exchange Rate | 4.09 | 4.61 | 0.52 | 12.71 |
| | Other Revenue | 6.30 | 22.30 | 16.00 | 253.97 |
| | Total | 726.04 | 631.90 | -94.14 | -12.97 |

- The 2019 revenue is lower than 2018 because the price per unit is lower than last year and the effect from the exchange rate that lower our revenue in term of Baht.
- The other revenue of NDR is increased in 2019 because of receiving dividend from FKRMM at 15,150,000.00 Baht and from NDI at 1,376,508.20 Baht.

Cost and Expenses

Unit : Million Baht

| | | 2018 | 2019 | Change (+/-) | |
|------------------------|----------------------------------------------|--------|---------|--------------|--------|
| | | | | YoY | % |
| Consolidated Statement | Revenue | 973.29 | 850.63 | -122.66 | -12.60 |
| | Cost of Goods Sold | 802.29 | 699.195 | -103.095 | -12.85 |
| | Cost of Sales to Revenue Ratio (%) | 82.43 | 82.21 | -0.22 | -0.27 |
| | Selling Expenses | 41.39 | 50.56 | 9.17 | 22.16 |
| | Selling Expenses to Revenue Ratio (%) | 4.25 | 5.94 | 1.69 | 39.76 |
| | Administrative Expenses | 118.30 | 103.58 | -14.72 | -12.44 |
| | Administrative Expenses to Revenue Ratio (%) | 12.15 | 12.33 | 0.18 | 1.48 |
| | Loss on Impairment of Intangible Asset | 0 | 19.68 | 19.68 | 0.00 |
| NDR Statement | Revenue | 715.65 | 604.99 | -110.66 | -15.46 |
| | Cost of Goods Sold | 656.66 | 561.49 | -95.17 | -14.49 |
| | Cost of Sales to Revenue Ratio (%) | 91.76 | 92.81 | 1.05 | 1.14 |
| | Selling Expenses | 10.81 | 13.21 | 2.40 | 22.20 |
| | Selling Expenses to Revenue Ratio (%) | 1.51 | 2.18 | 0.67 | 44.37 |
| | Administrative Expenses | 44.32 | 40.68 | -3.64 | -8.21 |
| | Administrative Expenses to Revenue Ratio (%) | 6.19 | 6.72 | 0.53 | 8.56 |

- There is no substantial change in cost of goods sold comparing between 2018 and 2019. The cost of goods sold is around 82%.
- Although we have continually conducting cost down projects and minimize the internal expenses but there is some fix cost that we can't decrease, the ratio of selling and admin expense is almost the same with last year.
- We have to record special transaction in consolidated statement for 2019 "Loss on impairment of intangible asset" at the amount of 19.68 Million Baht which is result from reevaluate the FKRM and GCBT at the end of 2019.

Company Performance

Unit : Million Baht

| | | 2018 | 2019 | Change (+/-) | |
|------------------------|-------------------------|--------|--------|--------------|---------|
| | | | | YoY | % |
| Consolidated Statement | Revenue | 973.29 | 850.63 | -122.66 | -12.60 |
| | Gross Profit | 171.00 | 151.43 | -19.57 | -11.44 |
| | Gross Profit Margin (%) | 17.57 | 17.79 | 0.22 | 1.25 |
| | Net Profit (Loss) | 28.25 | -19.88 | -48.13 | -170.37 |
| | Net Profit Margin (%) | 2.90 | -2.34 | -5.24 | -180.59 |
| NDR Statement | Revenue | 715.65 | 604.99 | -110.66 | -15.46 |
| | Gross Profit | 58.99 | 43.50 | -15.49 | -26.26 |
| | Gross Profit Margin (%) | 8.24 | 7.19 | -1.05 | -12.74 |
| | Net Profit (Loss) | 2.23 | 8.03 | 5.80 | 260.09 |
| | Net Profit Margin (%) | 0.31 | 1.33 | 1.02 | 329.03 |

- Comparing operating results in the consolidated financial statements between 2018 and 2019, our company operating's result is lower than our expectation but it is loss from operation approximately 200,000 Baht. This is already included the loss from stock loss provision for white student shoe of GCBT which is our subsidiary in Malaysia because Malaysia government suddenly change the policy to use only black shoe for student. But because we have to record loss on impairment of intangible asset at the amount of 19.68 Million Baht, the consolidated statement shows total loss at 19.88 Million Baht.
- For separated NDR statement, we have a profit at 8.03 Million Baht increasing by 5.8 Million Baht comparing with 2018.

Assets and Liabilities

Unit : Million Baht

| | | 2018 | 2019 | | |
|-------------------------------|-----------------------|----------|----------|---------|--------|
| | | | | YoY | % |
| Consolidated Statement | Current Assets | 420.68 | 330.46 | -90.222 | -21.45 |
| | Fixed Assets | 804.30 | 730.90 | -73.405 | -9.13 |
| | Total Assets | 1,224.98 | 1,061.35 | -163.63 | -13.36 |
| | Current Liabilities | 370.58 | 293.75 | -76.834 | -20.73 |
| | Long Term Liabilities | 90.07 | 64.94 | -25.13 | -27.90 |
| | Retained Earnings | 764.33 | 702.67 | -61.66 | -8.07 |
| NDR Statement | Current Assets | 197.87 | 137.06 | -60.81 | -30.73 |
| | Fixed Assets | 886.91 | 866.51 | -20.40 | -2.30 |
| | Total Assets | 1,084.78 | 1,003.57 | -81.21 | -7.49 |
| | Current Liabilities | 300.91 | 240.59 | -60.32 | -20.05 |
| | Long Term Liabilities | 46.00 | 26.55 | -19.45 | -42.28 |
| | Retained Earnings | 737.87 | 736.43 | -1.44 | -0.20 |

- We had normally paid back to the bank, so our total liabilities is down by 101.96 Million Baht comparing with 2018 and total liabilities of NDR is down by 79.77 Million Baht.
- We already paid for the transaction of purchasing FKRRM in Malaysia in 2019, so there is no remaining debt for this transaction.



www.ndrubber.co.th

บริษัท เอ็น.ดี.รีบบอร์ จำกัด (มหาชน)

N.D. RUBBER PUBLIC COMPANY LIMITED

129 หมู่ 3 ถนนหนองซาก-พนสนิมคม ตำบลหนองอิรุณ อำเภอบ้านมิ่ง จังหวัดชลบุรี 20220

129 Moo 3 Nongchak-Phanasnikom Rd., Nongeiroom, Banbueng, Chonburi, Thailand 20220 Tel. 038-160707 Fax. 033-047348



16. Financial Statement For the Year Ended 31 December 2019

Independent Auditor's Report and Consolidated Financial Statements of

N.D. Rubber Public Company Limited and its Subsidiaries For the Year Ended 31 December 2019

INDEPENDENT AUDITOR'S REPORT

To the shareholders of N.D. Rubber Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of N.D. Rubber Public Company Limited and subsidiaries ("the Group"), which comprise the consolidated and separate statement of financial position as at 31 December 2019, the consolidated and separate statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of the Group as at 31 December 2019, and its consolidated and separate financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

| Key audit matter | How the matter was addressed in the audit |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><i>Impairment of intangible assets</i></p> <p>The Company has trademark which arose from an investment in distributing of motorcycle tyres and tubes, other rubber related product, and shoes.</p> <p>In accordance with Thai Financial Reporting Standards, the Company is required to test the impairment of assets whenever there is an indication of impairment.</p> <p>The impairment test conducted by management requires them to make significant judgements and estimated relating future cash flow forecast from the distributing of tyres and tubes, other rubber related product, and shoes and discount rate which varies by economic circumstances and current market.</p> <p>During the year 2019, the Company recorded an impairment of trademark amounting to Baht 19.68 million.</p> <p>The Company disclosed about trademark in Note 13 to financial statements.</p> | <p>My audit procedures included:</p> <ul style="list-style-type: none"> - Assess the reasonable of assumptions and methodology that management applied to estimate expected future cash flow by comparing with current and historical operations. - Discussing with management the basis of assumptions used and future business plan, including reviewing underlying supporting documentation. - Evaluating the reasonableness of the discount rate applied to calculate future cash flows. - Verifying the mathematical accuracy and inspecting inputs with supporting documents. - Assessing the adequacy and appropriateness of the disclosure of assumption and recoverable amount of assets. |

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and revised a material misstatement.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Mr. Narin Churamongkol

Certified Public Accountant

Registration No. 8593

Grant Thornton Limited

Bangkok

27 February 2020



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บริษัท เอ็น.ดี.รีบบอร์ จำกัด (มหาชน)

N.D. RUBBER PUBLIC COMPANY LIMITED

129 หมู่ 3 ถนนหนองซาก-พนสนิมคม ตำบลหนองอิรุณ อำเภอบ้านมิ่ง จังหวัดชลบุรี 20220

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N.D. RUBBER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

(Unit : Baht)

| | | Consolidated F/S | | Separate F/S | |
|-----------------------------------------------------|-------|----------------------|----------------------|----------------------|----------------------|
| | Notes | 31 December 2019 | 31 December 2018 | 31 December 2019 | 31 December 2018 |
| ASSETS | | | | | |
| CURRENT ASSETS | | | | | |
| Cash and cash equivalents | 5 | 72,656,164 | 131,239,455 | 5,894,619 | 35,646,069 |
| Temporary investments | 7 | 254,982 | 6,554,569 | 254,982 | 6,554,569 |
| Trade accounts receivable - general customers - net | 8 | 114,330,615 | 124,417,132 | 45,768,319 | 59,026,474 |
| - related parties | 6, 8 | 565,654 | 554,905 | 32,331,010 | 33,226,410 |
| Amount due from subsidiary companies | 6 | - | - | 88,283 | 2,311,200 |
| Other accounts receivable - general customers | | 3,172,988 | 4,961,489 | - | - |
| Inventories - net | 9 | 120,261,132 | 137,680,790 | 43,577,795 | 52,230,900 |
| Refundable value added tax | | 4,722,095 | 3,763,846 | 4,440,763 | 3,674,577 |
| Refundable corporate income tax | | 9,740,135 | 5,216,566 | - | 721,983 |
| Other current assets | | 4,754,840 | 6,293,745 | 4,706,852 | 4,478,519 |
| Total Current Assets | | 330,458,605 | 420,682,497 | 137,062,623 | 197,870,701 |
| NON-CURRENT ASSETS | | | | | |
| Investment in subsidiary companies | 10 | - | - | 420,014,932 | 417,114,932 |
| Property, plant and equipment - net | 12 | 617,393,695 | 654,570,077 | 445,609,234 | 467,899,442 |
| Intangible assets - net | 13 | 113,345,928 | 147,007,839 | 887,656 | 1,896,428 |
| Deferred tax assets | 19 | 155,646 | 2,723,373 | - | - |
| Total Non-Current Assets | | 730,895,269 | 804,301,289 | 866,511,822 | 886,910,802 |
| TOTAL ASSETS | | 1,061,353,874 | 1,224,983,786 | 1,003,574,445 | 1,084,781,503 |

N.D. RUBBER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

(Unit : Baht)

| | | Consolidated F/S | | Separate F/S | |
|--------------------------------------------------|-------|--------------------|--------------------|--------------------|--------------------|
| | Notes | 31 December 2019 | 31 December 2018 | 31 December 2019 | 31 December 2018 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | | |
| CURRENT LIABILITIES | | | | | |
| Bank overdraft and short-term loans from banks | 14 | 173,045,595 | 156,748,074 | 148,032,960 | 125,525,874 |
| Trade accounts payable - general suppliers | | 49,820,530 | 74,996,798 | 45,459,467 | 69,722,207 |
| - related parties | 6 | 523,245 | 592,271 | 926,813 | 1,192,687 |
| Amount due to subsidiary company | 6 | - | - | 52,747 | 59,090 |
| Accounts payable for purchases of fixed assets | | 480,182 | 893,001 | 480,182 | 893,001 |
| Payable for purchase of investment | | | | | |
| in subsidiary companies | 17 | - | 60,161,623 | 2,900,000 | 60,161,623 |
| Current portion : | | | | | |
| - Liabilities under finance lease agreements | 15 | 10,691,908 | 9,877,249 | 10,691,908 | 9,877,249 |
| - Long-term loan | 16 | 14,200,000 | 21,450,000 | 14,200,000 | 21,450,000 |
| Accrued income tax | | 353,110 | 1,222,553 | - | 777,178 |
| Accrued expenses | | 36,141,179 | 42,313,518 | 9,598,846 | 9,222,604 |
| Other current liabilities | | 8,490,825 | 2,325,636 | 8,252,220 | 2,030,978 |
| Total Current Liabilities | | 293,746,574 | 370,580,723 | 240,595,143 | 300,912,491 |
| NON-CURRENT LIABILITIES | | | | | |
| Liabilities under finance lease agreements - net | 15 | 9,237,464 | 18,804,908 | 9,237,464 | 18,804,908 |
| Long-term loan - net | 16 | - | 12,550,000 | - | 12,550,000 |
| Employee benefits obligation | 18 | 8,358,244 | 5,710,580 | 7,167,994 | 4,889,995 |
| Deferred tax liabilities - net | 19 | 47,344,571 | 53,010,885 | 10,142,737 | 9,759,585 |
| Total Non-Current Liabilities | | 64,940,279 | 90,076,373 | 26,548,195 | 46,004,488 |
| Total Liabilities | | 358,686,853 | 460,657,096 | 267,143,338 | 346,916,979 |



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บริษัท เอ็น.ดี.รีบบอร์ จำกัด (มหาชน)

N.D. RUBBER PUBLIC COMPANY LIMITED

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N.D. RUBBER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

(Unit : Baht)

| Notes | Consolidated F/S | | Separate F/S | |
|---------------------------------------------------------|------------------|----------------------|----------------------|----------------------|
| | 31 December 2019 | 31 December 2018 | 31 December 2019 | 31 December 2018 |
| LIABILITIES AND SHAREHOLDERS' EQUITY (Continued) | | | | |
| SHAREHOLDERS' EQUITY | | | | |
| Share capital - ordinary share, Baht 1 par value | | | | |
| Authorized - 387,470,188 shares | 21 | 387,470,188 | 387,470,188 | 387,470,188 |
| Issued and fully paid - up - 315,391,514 shares | | 315,391,514 | 315,391,514 | 315,391,514 |
| Share premium | | 325,711,286 | 325,711,286 | 325,711,286 |
| Retained earnings | | | | |
| - Appropriated for legal reserve | 22 | 11,911,000 | 11,911,000 | 11,509,585 |
| - Unappropriated | | 89,902,464 | 83,417,307 | 85,252,139 |
| Other component of shareholders' equity | | (41,112,145) | - | - |
| Total Equity of the Company's Shareholders | | 701,804,119 | 736,431,107 | 737,864,524 |
| Non-controlling interests in subsidiaries | 11 | 862,902 | - | - |
| Total Shareholders' Equity | | 702,667,021 | 736,431,107 | 737,864,524 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | | 1,061,353,874 | 1,003,574,445 | 1,084,781,503 |

N.D. RUBBER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEARS ENDED 31 DECEMBER

(Unit : Baht)

| | Notes | Consolidated F/S | | Separate F/S | |
|--------------------------------------------------------------------|------------|----------------------|----------------------|---------------------|---------------------|
| | | 2019 | 2018 | 2019 | 2018 |
| Net sales | 20, 27 | 850,630,649 | 973,294,524 | 604,992,832 | 715,647,776 |
| Costs of sales | 9, 25, 27 | (699,195,884) | (802,288,506) | (561,492,127) | (656,664,939) |
| Gross profit | | 151,434,765 | 171,006,018 | 43,500,705 | 58,982,837 |
| Gain on exchange rate | | 4,607,976 | 4,090,860 | 4,607,976 | 4,090,860 |
| Dividend income | 10 | - | - | 16,526,508 | - |
| Other income | | 6,627,576 | 5,503,854 | 5,774,655 | 6,302,095 |
| Gain from a bargain purchase | 2 | - | 33,644,905 | - | - |
| Profit before expenses | | 162,670,317 | 214,245,637 | 70,409,844 | 69,375,792 |
| Selling expenses | 25, 27 | (50,564,887) | (41,393,527) | (13,211,007) | (10,809,543) |
| Administrative expenses | 25, 27 | (103,583,726) | (118,296,563) | (40,680,094) | (44,314,553) |
| Loss on impairment of intangible asset | 13, 25, 27 | (19,681,457) | - | - | - |
| Total expenses | | (173,830,070) | (159,690,090) | (53,891,101) | (55,124,096) |
| Profit (loss) before finance costs and income tax | | (11,159,753) | 54,555,547 | 16,518,743 | 14,251,696 |
| Finance costs | 27 | (8,591,727) | (13,055,300) | (8,107,293) | (10,670,303) |
| Profit (loss) before income tax | | (19,751,480) | 41,500,247 | 8,411,450 | 3,581,393 |
| Income tax | 19 | (132,991) | (13,252,991) | (383,152) | (1,353,617) |
| Profit (loss) for the year | | (19,884,471) | 28,247,256 | 8,028,298 | 2,227,776 |
| Other comprehensive loss | | | | | |
| Items that will be reclassified subsequently to profit or loss | | | | | |
| Exchange differences from foreign currency | | | | | |
| financial statements translation | 19 | (30,770,032) | (10,892,582) | - | - |
| Items that will not be reclassified subsequently to profit or loss | | | | | |
| Actuarial loss - net of income tax | 19 | - | (742,391) | - | (519,072) |
| Other comprehensive loss for the year | | (30,770,032) | (11,634,973) | - | (519,072) |
| Total comprehensive income (loss) for the year | | (50,654,503) | 16,612,283 | 8,028,298 | 1,708,704 |



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N.D. RUBBER PUBLIC COMPANY LIMITED

129 หมู่ 3 ถนนหนองซาก-พนสนิมคม ตำบลหนองอิรุณ อำเภอบ้านมิ่ง จังหวัดชลบุรี 20220

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N.D. RUBBER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUE)

FOR THE YEARS ENDED 31 DECEMBER

(Unit : Baht)

| Note | Consolidated F/S | | Separate F/S | |
|----------------------------------------------------|---------------------|-------------------|------------------|------------------|
| | 2019 | 2018 | 2019 | 2018 |
| PROFIT (LOSS) FOR THE YEAR ATTRIBUTABLE TO: | | | | |
| Shareholders of the Company | (19,542,598) | 28,689,345 | 8,028,298 | 2,227,776 |
| Non-controlling interests in subsidiaries | 11 (341,873) | (442,089) | - | - |
| Total | (19,884,471) | 28,247,256 | 8,028,298 | 2,227,776 |
| TOTAL COMPREHENSIVE INCOME (LOSS) | | | | |
| FOR THE YEAR ATTRIBUTABLE TO: | | | | |
| Shareholders of the Company | (50,312,630) | 17,054,372 | 8,028,298 | 1,708,704 |
| Non-controlling interests in subsidiaries | 11 (341,873) | (442,089) | - | - |
| Total | (50,654,503) | 16,612,283 | 8,028,298 | 1,708,704 |
| BASIC EARNINGS (LOSS) PER SHARE | | | | |
| Profit (loss) (Baht per share) | (0.0620) | 0.0990 | 0.0255 | 0.0077 |
| Weighted average number of ordinary shares (share) | 315,391,514 | 289,937,698 | 315,391,514 | 289,937,698 |

N.D. RUBBER PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED 31 DECEMBER

| Equity attributable to shareholders of the Company | | | | | | | | | | (Unit : Baht) | |
|-------------------------------------------------------|----------------------------------|---------------|-------------------|----------------|---------------------------------------------------------------------|---------------------------------------------------------|--------------|---------------------------------------------------------|---------------------------|---------------|--------------|
| Notes | Issued and paid-up share capital | Share premium | Retained earnings | | Other components of shareholders' equity | | | Total equity attributable to the Company's shareholders | Non-controlling interests | | Total |
| | | | Legal reserve | Unappropriated | Surplus on change in proportion of investment in subsidiary company | Exchange differences on translating financial statement | Total | | | | |
| Consolidated F/S | | | | | | | | | | | |
| Balance as at 1 January 2018 | | | | | | | | | | | |
| 21 | 215,850,000 | 106,514,298 | 11,389,585 | 99,010,841 | 876,694 | - | - | 876,694 | 433,641,418 | 2,864,090 | 436,505,508 |
| | 92,770,460 | 219,196,988 | - | - | - | - | - | - | 311,967,448 | - | 311,967,448 |
| 22 | - | - | 120,000 | (120,000) | - | - | - | - | - | - | - |
| 23 | - | - | - | (758,549) | - | - | - | - | (758,549) | - | (758,549) |
| 23 | 6,771,054 | - | - | (6,771,054) | - | - | - | - | - | - | - |
| Transactions with shareholders | | | | | | | | | | | |
| | 99,541,514 | 219,196,988 | 120,000 | (7,649,603) | - | - | - | - | 311,208,899 | - | 311,208,899 |
| | - | - | - | 28,689,345 | - | - | - | - | 28,689,345 | (442,089) | 28,247,256 |
| | - | - | - | (742,391) | - | - | (10,892,582) | (10,892,582) | (11,634,973) | - | (11,634,973) |
| Total comprehensive income (loss) for the year | | | | | | | | | | | |
| | - | - | - | 27,946,954 | - | - | (10,892,582) | (10,892,582) | 17,054,372 | (442,089) | 16,612,283 |
| Balance as at 31 December 2018 | | | | | | | | | | | |
| | 315,391,514 | 325,711,286 | 11,509,585 | 119,308,192 | 876,694 | (10,892,582) | (10,015,888) | (10,015,888) | 761,904,689 | 2,422,001 | 764,326,690 |
| Balance as at 1 January 2019 | | | | | | | | | | | |
| | 315,391,514 | 325,711,286 | 11,509,585 | 119,308,192 | 876,694 | (10,892,582) | (10,015,888) | (10,015,888) | 761,904,689 | 2,422,001 | 764,326,690 |
| | - | - | - | - | (326,225) | - | (326,225) | (326,225) | (326,225) | 326,225 | - |
| | - | - | - | - | - | - | - | - | - | (1,420,001) | (1,420,001) |
| 22 | - | - | 401,415 | (401,415) | - | - | - | - | - | - | - |
| 23 | - | - | - | (9,461,715) | - | - | - | - | (9,461,715) | - | (9,461,715) |
| Transactions with shareholders | | | | | | | | | | | |
| | - | - | 401,415 | (9,863,130) | (326,225) | - | (326,225) | (326,225) | (9,787,940) | (123,450) | (123,450) |
| | - | - | - | (19,542,598) | - | - | - | - | (19,542,598) | (341,873) | (19,884,471) |
| | - | - | - | - | - | - | (30,770,032) | (30,770,032) | (30,770,032) | - | (30,770,032) |
| Total comprehensive income (loss) for the year | | | | | | | | | | | |
| | - | - | - | (19,542,598) | - | - | (30,770,032) | (30,770,032) | (50,312,630) | (341,873) | (50,654,503) |
| Balance as at 31 December 2019 | | | | | | | | | | | |
| | 315,391,514 | 325,711,286 | 11,911,000 | 89,902,464 | 550,469 | (41,862,614) | (41,112,145) | (41,112,145) | 701,804,119 | 862,902 | 702,667,021 |

N.D. RUBBER PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED 31 DECEMBER

| | Notes | Issued and paid-up share capital | Share premium | Retained earnings | | Total |
|------------------------------------------------|-------|----------------------------------------|------------------|-------------------|----------------|-------------|
| | | | | Legal reserve | Unappropriated | |
| Separate F/S | | | | | | |
| Balance as at 1 January 2018 | | | | | | |
| Increase in share capital | 21 | 215,850,000 | 106,514,298 | 11,389,585 | 91,133,038 | 424,946,921 |
| Appropriate for legal reserve | 22 | - | - | 120,000 | (120,000) | - |
| Dividend payment | 23 | - | - | - | (758,549) | (758,549) |
| Stock dividend | 23 | 6,771,054 | - | - | (6,771,054) | - |
| Transactions with shareholders | | | | | | |
| Profit for the year | | - | - | - | 2,227,776 | 2,227,776 |
| Other comprehensive loss for the year | | - | - | - | (519,072) | (519,072) |
| Total comprehensive income for the year | | | | | 1,708,704 | 1,708,704 |
| Balance as at 31 December 2018 | | 315,391,514 | 325,711,286 | 11,509,585 | 85,252,139 | 737,864,524 |
| Balance as at 1 January 2019 | | 315,391,514 | 325,711,286 | 11,509,585 | 85,252,139 | 737,864,524 |
| Appropriate for legal reserve | 22 | - | - | 401,415 | (401,415) | - |
| Dividend payment | 23 | - | - | - | (9,461,715) | (9,461,715) |
| Transactions with shareholders | | | | | | |
| Profit for the year | | - | - | - | (9,863,130) | (9,863,130) |
| Total comprehensive income for the year | | | | | 8,028,298 | 8,028,298 |
| Balance as at 31 December 2019 | | 315,391,514 | 325,711,286 | 11,911,000 | 83,417,307 | 736,431,107 |

N.D. RUBBER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE YEARS ENDED 31 DECEMBER

(Unit : Baht)

| | Consolidated F/S | | Separate F/S | |
|--------------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2019 | 2018 | 2019 | 2018 |
| Cash Flows from Operating Activities | | | | |
| Profit (loss) before income tax | (19,751,480) | 41,500,247 | 8,411,450 | 3,581,393 |
| Adjustments to reconcile profit (loss) before income tax to | | | | |
| net cash provided from (used in) operating activities: | | | | |
| Depreciation and amortization | 46,374,491 | 48,371,505 | 35,526,857 | 35,928,913 |
| Unrealized gain on changing in value of investments | (2,524) | (3,591) | (2,524) | (3,591) |
| Realized gain on disposal of temporary investments | (488,774) | (115,256) | (488,774) | (115,256) |
| Allowance (reversal of allowance) for doubtful accounts | (1,012,106) | 712,491 | (212,390) | (47,442) |
| Allowance for obsolete and devaluation value of inventories | 7,450,721 | 588,168 | 159,899 | 171,134 |
| Loss on impairment of intangible assets | 19,681,457 | - | - | - |
| Unrealized gain on exchange rate | (41,111) | (2,048,516) | (41,111) | (2,048,516) |
| Gain from disposal of fixed assets | (588,335) | (7,293) | (588,335) | (9,535) |
| Gain from a bargain purchase | - | (33,644,905) | - | - |
| Written off assets | 6,280 | - | - | - |
| Written off intangible assets | 148,789 | 17,894 | - | 17,894 |
| Dividend income | - | - | (16,526,508) | - |
| Employee benefits obligation expenses | 2,405,703 | 452,320 | 2,070,230 | 390,861 |
| Loss on written off the non-refundable income tax | 524,947 | - | 524,947 | - |
| Interest income | (115,430) | (190,226) | (39,669) | (36,378) |
| Interest expenses | 8,591,727 | 13,055,300 | 8,107,293 | 10,670,303 |
| Cash provided from operations before | | | | |
| changes in operating assets and liabilities | 63,184,355 | 68,688,138 | 36,901,365 | 48,499,780 |
| Decrease (increase) in operating assets: | | | | |
| Trade accounts receivable - general customers | 11,436,592 | 16,793,269 | 13,470,544 | 18,050,610 |
| - related parties | (10,749) | 83,394 | 1,114,462 | (21,120,756) |
| Amount due from subsidiary company | - | - | 2,222,917 | 908,509 |
| Inventories | 10,332,755 | 11,206,535 | 8,493,206 | 1,414,320 |
| Refundable value added tax | (958,249) | (1,911,509) | (766,185) | (2,131,786) |
| Other current assets | 3,582,408 | (2,681,463) | 26,671 | (1,444,629) |
| Increase (decrease) in Operating Liabilities: | | | | |
| Trade accounts payable - general suppliers | (25,165,576) | (15,808,971) | (24,252,048) | (13,477,905) |
| - related parties | (69,026) | 481,944 | (266,708) | 616,094 |
| Amount due to subsidiary company | - | - | (5,508) | 7,511 |
| Accrued expenses | (6,171,010) | 5,272,256 | 377,570 | (1,525,605) |
| Other current liabilities | 6,165,193 | 1,371,898 | 6,221,241 | 1,535,091 |
| Cash provided from operations | 62,326,693 | 83,495,491 | 43,537,527 | 31,331,234 |

N.D. RUBBER PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONTINUE)

FOR THE YEARS ENDED 31 DECEMBER

(Unit : Baht)

| | Consolidated F/S | | Separate F/S | |
|-----------------------------------------------------------------------------|---------------------|---------------------|---------------------|----------------------|
| | 2019 | 2018 | 2019 | 2018 |
| Cash provided from operations (continued) | 62,326,693 | 83,495,491 | 43,537,527 | 31,331,234 |
| Interest received | 115,430 | 190,226 | 39,669 | 36,378 |
| Interest paid | (8,349,768) | (12,737,630) | (7,899,524) | (10,557,426) |
| Income tax refunded | 268,969 | 758,478 | 197,036 | - |
| Income tax paid | (12,106,576) | (5,731,414) | (900,333) | (130,390) |
| Net cash provided from operating activities | 42,254,748 | 65,975,151 | 34,974,375 | 20,679,796 |
| Cash Flows from Investing Activities: | | | | |
| Proceeds from disposal of temporary investments | 65,160,885 | 279,165,596 | 65,160,885 | 279,165,596 |
| Purchase of temporary investments | (58,370,000) | (282,580,000) | (58,370,000) | (282,580,000) |
| Purchase of investment in subsidiary | (60,161,623) | (42,173,267) | (60,161,623) | (141,202,542) |
| Proceeds from disposal of fixed assets | 1,352,466 | 549 | 1,352,466 | 549 |
| Purchase of fixed assets and computer software | (15,323,403) | (34,938,530) | (12,643,673) | (30,869,434) |
| Payment for accounts payable for purchases of fixed assets | (893,001) | (2,695,305) | (893,001) | (2,695,305) |
| Dividend received | - | - | 16,526,508 | - |
| Net cash used in investing activities | (68,234,676) | (83,220,957) | (49,028,438) | (178,181,136) |
| Cash Flows from Financing Activities | | | | |
| Increase in bank overdraft and short-term loans from banks | 17,940,038 | 20,538,417 | 22,318,442 | 71,523,132 |
| Repayment of liabilities under finance lease agreements | (8,752,785) | (9,398,711) | (8,752,785) | (9,398,710) |
| Repayment of long-term loan | (19,800,000) | (19,800,000) | (19,800,000) | (19,800,000) |
| Dividend payment | (9,586,494) | (626,995) | (9,463,044) | (626,995) |
| Proceeds from exercise of warrants | - | 110,667,488 | - | 110,667,448 |
| Net cash provided from (used in) financing activities | (20,199,241) | 101,380,199 | (15,697,387) | 152,364,875 |
| Exchange differences from foreign currency financial statements translation | (12,404,122) | (4,193,134) | - | - |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | (58,583,291) | 79,941,259 | (29,751,450) | (5,136,465) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | 131,239,455 | 51,298,196 | 35,646,069 | 40,782,534 |
| CASH AND CASH EQUIVALENTS AT ENDING OF YEAR | 72,656,164 | 131,239,455 | 5,894,619 | 35,646,069 |
| Supplemental disclosures for cash flows information | | | | |
| Accounts payable for purchase of fixed assets | 480,182 | 893,001 | 480,182 | 893,001 |
| Payable for purchase of investment in subsidiary | - | 160,250,514 | 2,900,000 | 160,250,514 |
| Stock dividend | - | 6,771,054 | - | 6,771,054 |
| Increase share capital for purchase of investment in subsidiary | - | - | - | 201,300,000 |

N.D. RUBBER PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****31 DECEMBER 2018****1. NATURE OF OPERATIONS**

The Company was incorporated under the Thai Civil and Commercial Code as a limited company on 24 May 1990 in the name of N.D. Rubber Company Limited. The Company changed its status to a public company and registered the change of its name to “N.D. Rubber Public Company Limited” on 15 May 2014. The Company and subsidiaries are engaged in manufacturing and distributing motorcycle tyres and tubes, and distributing battery for automobile and motorcycle, including other related services, and manufacturing and distributing rubber and synthetic products for automobile and motorcycle, and researching, manufacturing and distributing of wireless electrical equipment and system and distributing footwear. The registered office address of the Company is 129 Moo 3, Nongsak-Phanasnikom Road, Nongeiroom Sub-district, Banbueng, Chonburi. The major shareholders of the Company are “Samrittivanicha” Family at 51.85% shareholding.

2. BASIS OF FINANCIAL STATEMENT PREPARATION**2.1 Statement of compliance**

The accompanying financial statements have been prepared in accordance with the Accounting Act B.E. 2543, Thai Financial Reporting Standards (“TFRS”) issued under the Accounting Professions Act B.E. 2547 and the financial reporting requirements promulgated by the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535. These financial statements are officially prepared in the Thai language. The translation of these financial statements to other languages must be in compliance with the official report in Thai.

2.2 New and revised financial reporting standards, interpretations and guidance

During the year, The Federation of Accounting Professions has revised and issued Thai Financial Reporting Standards (TFRS), interpretations and guidance as follow:

2.2.1 Amendments and interpretations to existing Standards that are effective from 1 January 2019

Thai Financial Reporting Standard No.15 “Revenue from Contract with Customers” (TFRS 15)

Thai Financial Reporting Standard No.15 (TFRS 15) presents new requirements for the recognition of revenue, replacing Thai Accounting Standard No. 18 “Revenue” (“TAS 18”), Thai Accounting Standard No. 11 “Construction Contracts” (“TAS 11”), and several revenue-related Interpretations.

The Group has initial applied TFRS 15 Revenue from Contract with Customers and disclosed the detail of related accounting policies in note 3

The Group has assessed the impact of initial adoption of TFRS by using the cumulative effect method, taking into account the effect of initially applying this standard only to contracts that were not completed before 1 January 2019. The impact on retained earnings as at 1 January 2019 was not material.

2.2.2 Amendments and interpretations to the Standards that are effective from 1 January 2020

Thai Financial Reporting Standard No.16 “Leases” (TFRS 16)

TFRS 16, that describes the new principles for the recognition of leases, replacing Thai Accounting Standard No. 17 “Leases”, and several leases-related Interpretations. The new standard defines the requirements for leases will be recorded in the statement of financial position in the form of right-of-use asset and a lease liability except short-term leases agreement which period less than 12 months or low value of asset and provides additional guidance in many areas which are limited in detail under existing Thai Financial Reporting Standards.

Under the Thai Financial Reporting Standard No. 16 “Leases”, no significant changes to the accounting for lessors.

The Group will adopt this new standard when they become effective, and the Group’s management assesses that no significant impact on the financial statements.

Thai Financial Reporting Standards related to Financial instruments

Thai Financial Reporting Standard No. 9 “Financial instruments” (TFRS 9) and group of Thai Financial Reporting standards related to financial instruments, present new requirements on the classification and measurement of financial assets and financial liabilities, impairment methodology and hedge accounting, replacing the accounting standards, guidance and interpretations relevant to financial instruments which are currently effective.

The Group will adopt these new standards when they become effective, and the Group's management assesses that no significant impact on the financial statements.

2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date.

| <i>Items</i> | <i>Measurement bases</i> |
|---------------------------------------------------------------------------|----------------------------------------------------------------------------------|
| Non-derivative financial instruments at fair value through profit or loss | Fair value |
| Net defined benefit liability | Present value of the defined benefit obligation, limited as explained in Note 18 |

Measurement of fair values

A number of the Group accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the CFO.

The Group regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Group assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuations should be classified.

2.4 Basis of consolidation

The consolidated financial statements include the financial statements of N.D. Rubber Public Company Limited and subsidiaries which the Company can exercise control or holdings shares with voting right more than 50% as follow:

| Subsidiary Company | Percentage of holding (%) | | Nature of business |
|-------------------------------------------------------|---------------------------|--------|--------------------------------------------------------------------------------------------|
| | 2019 | 2018 | |
| <u>Direct</u> | | | |
| N.D. Interparts Co., Ltd. | 91.77 | 91.77 | Manufacturing and distributing rubber and synthetic products for motorcycle and automobile |
| Mascasey Trading Co., Ltd. | 50.00 | 50.00 | Distributing tyres and tubes for motorcycle |
| N.D. Energy Fusion Co., Ltd. | 98.33 | 50.00 | Researching, manufacturing and distributing of wireless electrical equipment and system |
| FUNG KEONG RUBBER MANUFACTORY (MALAYA) SDN.BHD. | 100.00 | 100.00 | Distributing for motorcycle and bicycle tyres and tubes and other related product. |
| <u>Indirect</u> | | | |
| FKR MARKETING SDN.BHD. | 100.00 | 100.00 | Distributing for motorcycle and bicycle tyres and tubes and other related product |
| GCB TRADING SDN.BHD. | 100.00 | 100.00 | Distributing footwear |

Significant transactions with subsidiaries have been eliminated in the consolidated financial statements.

The consolidated financial statements have been prepared with the same accounting policies for the separate financial statements for the same accounting transactions or accounting events.

Subsidiary

Subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The total assets of subsidiaries as at 31 December 2019 and 2018 and total revenues for the years ended 31 December 2019 and 2018, as included in the consolidated financial statements presented in term of percentages as follow:

| Subsidiary company | Percentage of subsidiary's total assets to consolidated total assets | | Percentage of subsidiary's total revenues to consolidated total revenues | |
|-------------------------------------------------|----------------------------------------------------------------------|-------------|--------------------------------------------------------------------------|-------|
| | 31 December | 31 December | For the years ended 31 December | |
| | 2019 | 2018 | 2019 | 2018 |
| N.D. Interparts Co., Ltd. | 1.96 | 2.36 | 4.71 | 4.91 |
| Mascasey Trading Co., Ltd. | 0.80 | 0.77 | 1.84 | 1.98 |
| N.D. Energy Fusion Co., Ltd. | 0.34 | 0.44 | - | - |
| FUNG KEONG RUBBER MANUFACTORY (MALAYA) SDN.BHD. | 25.81 | 33.22 | 37.64 | 35.80 |

At the Extraordinary Shareholders' Meeting No. 1/2018 held on 18 January 2018, the shareholders passed a resolution to entered an agreement to acquire ordinary shares of FUNG KEONG RUBBER MANUFACTORY (MALAYA) SDN.BHD. ("FKRMM") at 100 percent of total shares. Total price is MYR 53 million. Total purchase price comprises of 55,000,000 newly issued ordinary shares of the Company at the value of Baht 4 each, totalling Baht 220 million and cash of MYR 24.40 million which have 4 installments on 22 February 2018, 15 June 2018, 30 June 2019, and 31 December 2019. Consideration transferred for purchase common stock of FKRMM are as follows:

| | Baht |
|-------------------------------------------------------------------------------------|-------------|
| Fair value of the Company's ordinary share as at acquisition date (2 February 2018) | 201,300,000 |
| Present value of cash payment for 4 installments | 194,513,798 |
| Total consideration value for purchase ordinary share of FKRMM | 395,813,798 |
| Acquisition - related costs | 12,203,334 |
| Total investment cost | 408,017,132 |

During the years 2019 and 2018, the Company paid for investment of MYR 7.80 million or equivalent to Baht 58.27 million and MYR 16.60 million or equivalent to Baht 133.31 million, respectively.

The fair value of identifiable assets acquired and liabilities assumed of FUNG KEONG RUBBER MANUFACTORY (MALAYA) SDN.BHD. and subsidiaries as at 31 January 2018, which approximate to the value at the acquisition date on 2 February 2018, are summarised below:

| | Baht |
|--------------------------------------------------------------|--------------|
| Assets | |
| Cash and cash equivalents | 91,138,644 |
| Trade accounts receivable | 68,039,056 |
| Inventories | 85,970,144 |
| Other current assets | 9,937,489 |
| Intangible assets | 154,194,270 |
| Property, plant and equipment – net | 184,337,520 |
| Other non-current assets | 811,702 |
| Liabilities | |
| Short-term loan from bank | (80,030,916) |
| Trade accounts payable | (14,348,746) |
| Other current liabilities | (25,531,666) |
| Other non-current liabilities | (45,058,791) |
| Total net asset value | 429,458,706 |
| Gain from a bargain purchase | (33,644,908) |
| Total consideration value for purchase common stock of FKRMM | 395,813,798 |

Gain from a bargain purchase of Baht 33.64 million comprise of the different between market price and agreement price, Interest from fair value of ordinary share which have 4 installments and exchange rate between the agreement date and control power in subsidiary date.

3. SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

Revenue is recognized when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Sale of goods

Revenue from sales of goods is recognized when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods, revenue is recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Therefore, the amount of revenue recognized is adjusted for estimated returns, which are estimated based on the historical data.

Interest income is recognized on an accrual basis on a time proportion that reflects the effective yield on the asset.
Other income is recognized on an accrual basis.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and highly liquid cash in banks (which do not have restriction of usage) that are readily convertible to cash on maturity date with insignificant risk of change in value.

Temporary investment

Temporary investment hold as trading securities is stated at fair value. Gain or loss on revaluation of securities is recognized in profit or loss.

Trade accounts receivable and allowance for doubtful accounts

A receivable is recognized when the Group has an unconditional right to receive consideration. If revenue has been recognized before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

Trade accounts receivable are presented at the net realizable value. The Group record allowances for doubtful accounts from accounts receivable which might be uncollectible. Allowance for doubtful accounts is provided for on the basis of collection experience and payment ability of the debtors at the end of year.

Inventories

Inventories are presented at the lower of cost or net realizable value. Cost is calculated by the following methods:

| | |
|---------------------------------------------------|-----------------------------------|
| Finished goods, work in process and raw materials | - At cost (FIFO method) |
| Other supplies | - At cost (moving average method) |

Net realizable value is the estimated selling price in the ordinary course of business less the costs of completion (for work in process) and selling expenses. Provision is made, where necessary, for slow moving and defective inventories based on the Company and its subsidiaries' experiences and the current information.

Business combinations

Business combinations are accounted for using the acquisition method with the cost of the acquisition being the fair value at the acquisition date of consideration transferred, and the amount of any non-controlling interest in the seller.

For each business combination, the Company measures the non-controlling interest, in the acquire either at fair value or at the proportionate share of the seller's identifiable net assets.

Goodwill is measured as the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquire, less the net recognized amount (fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

Cost of business combinations

A contingent liability of the acquire is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Transaction costs incurs in connection with a business combination, such as legal fees, and professional and other consulting fees are expensed as incurred.

Investments in subsidiaries

Investments in subsidiaries in the separate financial statements is accounted for by cost method. The Company recognises gain or loss on disposal in the statement of profit or loss in the year which sales of investment occurred. In case of impairment on investment, the Company will recognise loss on impairment of investment as expense in the statement of profit or loss. The Company recognised dividend income when the subsidiary declares the payment of its dividends.

Related parties

Related parties comprise enterprises and individuals that control, or are controlled by the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated company and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and directing the Company's operations.

Property, plant and equipment

Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (If any).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labor, any other costs directly attributable to bringing the assets to a working

condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalized borrowing costs.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

| | Years |
|-----------------------------------------|---------|
| Buildings and improvements | 10 - 30 |
| Machinery and equipment | 5 – 25 |
| Factory equipment | 2 - 20 |
| Furniture, fixture and office equipment | 3 – 15 |
| Vehicles | 7 - 10 |

No depreciation is provided on freehold land or assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Impairment

The Company and subsidiaries assess whether there is an indication that any asset may be impaired. If any such indication exists, the Company and subsidiaries make an estimate of the asset recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment loss is recognized in the statement of profit or loss. An asset recoverable amount is the higher of fair value less costs to sell or value in use.

An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognized in profit or loss.

Intangible assets

Computer software

Computer software is presented at cost less accumulated amortization. Amortization is calculated by reference to cost on a straight-line method over the estimated period of 5 years.

Trademarks

The Group's trademarks represent trademarks under the name "FKR and GCB" Trademarks acquired in a business combination and are recognized at fair value at the acquisition date. The Group continues to use the trademarks in commercial; and therefore, the trademarks have a finite useful life of 30 years and carried at the cost less accumulated amortization. Amortization is calculated using the straight-line method over the expected life of the trademarks.

Customer relationships

Customer relationships acquired in a business combination and are recognized at fair value at the acquisition date. The customer relationships have a finite useful life of 8 years are carried at the cost less accumulated amortization. Amortisation is calculated using the straight-line method over the expected life of the customer relationships.

Goodwill

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognized. Goodwill is carried at cost less allowance for impairment.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated into the functional currency at the exchange rates at the dates of the transactions. Foreign currency differences are recognized in profit or loss as incurred.

Foreign subsidiary

The assets and liabilities of foreign subsidiary are translated into Thai Baht at the exchange rates at the reporting date.

The revenues and expenses of foreign subsidiary are translated into Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Employee benefits

Short-term employment benefits

Salaries, wages, bonuses and contribution to the social security are recognised as expenses when incurred.

Post-employment benefits (Defined contribution plan)

The Company and subsidiaries in Thailand with their employees have jointly established a provident fund plan whereby monthly contribution are made by employees and by the Company and subsidiaries. The fund's assets are held in a separate trust fund from the Company's and subsidiaries assets. The Company's and subsidiaries contribution to the fund are recognized as expenses when incurred.

Post-employment benefits (Defined benefit plan)

The Company and subsidiaries in Thailand have obligation in respect of the severance payment to employees upon retirement under the labour law. The Company and subsidiaries set up the obligation under the defined benefits plan based on actuarial techniques, using the discount method on each projected unit.

The defined benefits liability comprises the present value of the defined benefit obligation and actuarial gains (losses).

Actuarial gains or losses arising from post-employment benefits are recognized immediately in other comprehensive income.

Long - term leases - where Company and subsidiaries are the lessee

Leases of equipment where the Company and subsidiaries assume substantially all the benefits and risks of ownership are classified as finance leases. Finance leases are capitalized at the fair value of leases of assets or estimated present value of the underlying lease payments whichever is lower. Each lease payment is allocated between the liability and

finance charges so as to achieve a constant rate on the outstanding finance balance. Future lease payments net of financial charges are recognized as liabilities under finance lease agreements. The financial expense is charged to statement of profit or loss over the lease period. Assets acquired under finance lease agreements are depreciated over the useful lives of the assets. Leases of assets under which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to statement of profit or loss on a straight - line method over the lease period. When an operating lease is terminated before expiry date of the lease period, any payment required to be made to the lessor by way of penalty is recognized as an expense in the year in which termination takes place.

Income tax

Income tax expense for the year comprises current and deferred taxes. Current and deferred taxes are recognized in profit or loss, except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax

Current income tax is the expected tax payable or claimable, under the income tax prevailing, on the taxable profit or loss for the year, using tax rates enacted or substantially enacted at the end of the reporting year, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purpose. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the end of the reporting year.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current income tax liabilities and assets, and if they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they are intended to be settled on a net basis or when income tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Share premium

The Company recorded cash received in excess of the par value of the shares issued as share premium in the statement of financial position, share premium are deducted from any transaction costs associated with the issuing of shares and related income tax benefits.

Dividend payment

Dividend payment is recorded in the financial statements in the year in which they are approved by the Shareholders or Board of Directors.

Basic earnings per share

Basic earnings per share is determined by dividing the profit for the year by the weighted average number of ordinary shares outstanding during the year.

Segment reporting

Segment results that are reported to chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Provisions for liabilities and expenses and contingent assets

Provisions for liabilities and expenses are recognized in the financial statements when the Company and subsidiaries have a present legal or constructive obligation as a result of past events with probable outflow of resources to settle the obligation and where a reliable estimate of the amount can be made. The contingent assets will be recognized as separate assets only when the realization is virtually certain.

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTION AND JUDGMENT

Use of accounting estimates

When preparing the financial statements, management undertake judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

4.1 Critical accounting estimates, assumption and judgments are as follow:

4.1.1 Impairment of receivables

The Company and subsidiaries set an allowance for doubtful accounts equal to the estimated collection losses that may incur in the collection of receivables. The estimated losses are based on uncertainty in the collection as considered by the management.

4.1.2 Impairment of investments

The Company treats investments as impaired when there has been a significant or prolonged decline in their fair value. The determination of what is “significant” or “prolonged” requires management judgment.

4.1.3 Allowances for slow-moving and defective inventories

The Company and subsidiaries estimate allowances for slow - moving and defective inventories to reflect impairment of inventories. The allowances are based on the consideration of inventory turnovers and deterioration of each category.

4.1.4 Plant, equipment and intangible assets

Management regularly determines the estimated useful lives and residual values for the Company’s and subsidiaries plant, equipment and intangible assets, and will revise the depreciation where useful lives and residual values previously estimated have changed or subject to be written down for their technical obsolescence or when they are no longer in used.

4.1.5 Impairment of assets

The Company and subsidiaries treat asset as impaired when there has been a significant or prolonged decline in the fair value. The determination of what is “significant” or “prolonged” requires management judgment.

4.1.6 Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by asset or the cash generated by the asset or the cash generating unit and to choose a suitable discount rate in order to calculate the present value of those cash flows.

4.1.7 Post-employment benefits (defined benefit plans)

The obligation under defined benefit plan is determined based on actuarial valuations. Inherent within these calculations are assumptions as to discount rates, future salary increases, mortality rates and other demographic factors. Actual post-retirement costs may ultimately differ from these estimates.

4.1.8 Deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company’s and subsidiaries future taxable profit against which the deductible temporary

differences can be utilized. In addition, management judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

5. CASH AND CASH EQUIVALENTS

| | Consolidated F/S | | Separate F/S | |
|-------------------|------------------|-------------|--------------|------------|
| | 2019 | 2018 | 2019 | 2018 |
| Cash | 211,452 | 208,857 | 100,397 | 100,000 |
| Cash at banks | | | | |
| - Current account | 67,143,843 | 95,435,657 | 2,858,494 | 3,927,709 |
| - Saving account | 5,300,869 | 35,594,941 | 2,935,728 | 31,618,360 |
| Total | 72,656,164 | 131,239,455 | 5,894,619 | 35,646,069 |

The currency denomination of cash and cash equivalents as at 31 December 2019 and 2018 are as follows:

| | Consolidated F/S | | Separate F/S | |
|-------|------------------|-------------|--------------|------------|
| | 2019 | 2018 | 2019 | 2018 |
| THB | 11,782,470 | 42,357,657 | 4,363,856 | 35,422,319 |
| MYR | 59,345,855 | 88,662,378 | 2,924 | 4,330 |
| USD | 1,527,839 | 219,420 | 1,527,839 | 219,420 |
| Total | 72,656,164 | 131,239,455 | 5,894,619 | 35,646,069 |

6. TRANSACTIONS WITH RELATED PARTIES

The Company has certain business transactions with its related companies which are related through common shareholding and/or management. Such transactions are made under the conditions and terms of general trade practice with prices approximate the market.

Relationship with related parties were as follows:

| Name | Relationship |
|-----------------------------------------|---------------------------|
| T.Thai Charoen Service Co., Ltd. | Co-director |
| T.Thai Chareon Rubber Co., Ltd. | Co-director |
| S.M.K. Industry Co., Ltd. | Co-director |
| Thai Saengareon Services Co., Ltd. | Co-director |
| Thai Chareon Service Tyre Co., Ltd. | Co-director |
| Siam Plastwood Co., Ltd. | Co-director |
| Sangcharoen Tools Center Co., Ltd. | Family member of director |
| White House Plastic Limited Partnership | Family member of director |
| Mr.Thanapol Samrittivanicha | Family member of director |

Transactions with related parties for the years ended 31 December 2019 and 2018 are as follows:

| | | (Unit : Baht) | | | |
|----------------------------------|----------------|---------------------------------|-----------|--------------|-------------|
| | | Consolidated F/S | | Separate F/S | |
| | | For the years ended 31 December | | | |
| Transaction with related parties | Pricing Policy | 2019 | 2018 | 2019 | 2018 |
| Sales of goods | | | | | |
| - Subsidiary companies | Agreed price | - | - | 22,830,482 | 75,896,084 |
| - Indirect subsidiary company | Agreed price | - | - | 213,088,749 | 196,497,995 |
| - Related parties | Agreed price | 3,511,125 | 3,343,479 | 3,511,125 | 3,343,479 |
| Total | | 3,511,125 | 3,343,479 | 239,430,356 | 275,737,558 |
| Purchase of raw materials | | | | | |
| - Subsidiary company | Agreed price | - | - | 2,389,640 | 2,919,602 |
| - Related companies | Agreed price | 1,925,429 | 2,333,011 | 1,802,107 | 2,211,381 |
| Total | | 1,925,429 | 2,333,011 | 4,191,747 | 5,130,983 |
| Rental income | | | | | |
| - Subsidiary companies | Agreed price | - | - | 1,768,150 | 1,768,150 |

(Unit : Baht)

| | | Consolidated F/S | | Separate F/S | |
|--------------------------------------------------|----------------|---------------------------------|------------|--------------|-----------|
| | | For the years ended 31 December | | | |
| Transaction with related parties | Pricing Policy | 2019 | 2018 | 2019 | 2018 |
| Service income | | | | | |
| - Subsidiary companies | Agreed price | - | - | 179,439 | 179,439 |
| Sales of asset | | | | | |
| - Subsidiary company | Agreed price | - | - | - | 2,160,000 |
| Service expense | | | | | |
| - Subsidiary company | Agreed price | - | - | 310,348 | 337,896 |
| Rental expense | | | | | |
| - Director | Agreed price | 27,000 | 108,000 | 27,000 | 108,000 |
| <u>Key directors and management compensation</u> | | | | | |
| Short-term benefits | | 10,037,424 | 10,490,639 | 6,134,176 | 7,530,671 |
| Provision for post-employment benefit | | 415,202 | 496,360 | 350,501 | 304,758 |
| Total | | 10,452,626 | 10,986,999 | 6,484,677 | 7,835,429 |

As at 31 December 2019 and 2018, the outstanding balances with related parties are as follows:

| Transaction with related parties | Consolidated F/S | | Separate F/S | |
|---------------------------------------------|------------------|---------|--------------|------------|
| | 2019 | 2018 | 2019 | 2018 |
| | | | | |
| <u>Trade accounts receivable</u> | | | | |
| - Subsidiary companies | - | - | 13,122,039 | 10,219,334 |
| - Indirect subsidiary company | - | - | 18,643,317 | 22,452,171 |
| - Related parties | 565,654 | 554,905 | 565,654 | 554,905 |
| Total | 565,654 | 554,905 | 32,331,010 | 33,226,410 |
| <u>Amount due from subsidiary companies</u> | | | | |
| - Subsidiary companies | - | - | 88,283 | 2,311,200 |

(Unit : Baht)

| | Consolidated F/S | | Separate F/S | |
|-------------------------------------------|------------------|---------|--------------|-----------|
| | 2019 | 2018 | 2019 | 2018 |
| Transaction with related parties | | | | |
| Trade accounts payable | | | | |
| - Subsidiary company | - | - | 431,819 | 607,371 |
| - Related companies | 523,245 | 592,271 | 494,994 | 585,316 |
| Total | 523,245 | 592,271 | 926,813 | 1,192,687 |
| Amount due to subsidiary company | | | | |
| - Subsidiary company | - | - | 52,747 | 59,090 |
| Key directors and management compensation | | | | |
| Employee benefits obligation | 1,275,006 | 859,804 | 1,076,833 | 726,332 |

7. TEMPORARY INVESTMENTS

(Unit : Baht)

| | Consolidated and Separate F/S | |
|----------------------------------------------------|-------------------------------|-----------|
| | 2019 | 2018 |
| Temporary investments | | |
| Mutual fund | 252,458 | 6,550,978 |
| Unrealized gain on changing in value of investment | 2,524 | 3,591 |
| Total | 254,982 | 6,554,569 |

During the years ended 31 December 2019 and 2018, movements of temporary investments are as follows:

(Unit : Baht)

| | Consolidated and Separate F/S | |
|------------------------------|-------------------------------|---------------|
| | 2019 | 2018 |
| Fair value as at 1 January | 6,554,569 | 3,021,318 |
| Purchases | 58,370,000 | 282,580,000 |
| Disposals | (64,672,111) | (279,050,340) |
| Fair value adjustment | 2,524 | 3,591 |
| Fair value as at 31 December | 254,982 | 6,554,569 |

8. TRADE ACCOUNTS RECEIVABLE – NET

As at 31 December 2019 and 2018, the aged of trade accounts receivable are as follows :

(Unit : Baht)

| | Consolidated F/S | | Separate F/S | |
|------------------------------------------------------|------------------|-------------|--------------|------------|
| | 2019 | 2018 | 2019 | 2018 |
| <u>Trade accounts receivable – general customers</u> | | | | |
| Not yet due | 98,000,430 | 103,043,941 | 33,936,107 | 43,100,109 |
| Over due : | | | | |
| Less than 3 months | 13,208,971 | 17,408,844 | 10,546,477 | 14,773,750 |
| 3 - 6 months | 387,358 | 1,415,578 | 387,358 | 547,656 |
| 6 - 12 months | 914,653 | 2,547,665 | 535,702 | 108,244 |
| Over 12 months | 4,331,200 | 3,644,080 | 1,288,858 | 1,210,508 |
| Total | 116,842,612 | 128,060,108 | 46,694,502 | 59,740,267 |
| <u>Less</u> Allowance for doubtful accounts | (2,511,997) | (3,642,976) | (926,183) | (713,793) |
| Net | 114,330,615 | 124,417,132 | 45,768,319 | 59,026,474 |
| <u>Trade accounts receivable – related parties</u> | | | | |
| Not yet due | 266,154 | 254,576 | 21,234,048 | 22,783,544 |
| Over due : | | | | |
| Less than 3 months | 299,500 | 300,329 | 4,978,706 | 8,729,117 |
| 3 – 6 months | - | - | 6,118,256 | 1,713,749 |
| Net | 565,654 | 554,905 | 32,331,010 | 33,226,410 |

During the years ended 31 December 2019 and 2018, the movements in allowance for doubtful accounts as follow:

(Unit : Baht)

| | Consolidated F/S | | Separate F/S | |
|------------------------------------------------------------|------------------|-------------|--------------|----------|
| | 2019 | 2018 | 2019 | 2018 |
| Balance as at 1 January | 3,642,976 | 761,235 | 713,793 | 761,235 |
| Addition from business combination | - | 1,840,558 | - | - |
| <u>Add</u> Allowance for doubtful accounts | 1,297,763 | 2,128,416 | 280,363 | - |
| <u>Less</u> Reversal of allowance for doubtful accounts | (2,309,869) | (1,011,632) | (67,973) | (47,442) |
| Exchange differences from financial statements translation | (118,873) | (75,601) | - | - |
| Balance as at 31 December | 2,511,997 | 3,642,976 | 926,183 | 713,793 |

9. INVENTORIES – NET

(Unit : Baht)

| | Consolidated F/S | | Separate F/S | |
|------------------------------------------------------------------------|------------------|-------------|--------------|------------|
| | 2019 | 2018 | 2019 | 2018 |
| Raw materials | 13,227,519 | 15,886,569 | 13,076,373 | 15,665,985 |
| Work in process | 8,760,841 | 11,264,504 | 7,512,755 | 10,102,945 |
| Finished goods | 99,598,831 | 101,947,297 | 17,064,219 | 20,287,599 |
| Supply inventories | 2,620,943 | 3,122,168 | 1,985,048 | 2,695,769 |
| Fuel | 608,988 | 368,506 | 608,988 | 368,506 |
| Packaging | 3,856,273 | 3,566,889 | 3,811,652 | 3,496,968 |
| Goods in transit | 2,669,159 | 5,519,335 | 65,531 | - |
| Total | 131,342,554 | 141,675,268 | 44,124,566 | 52,617,772 |
| <u>Less</u> Allowance for obsolete and declining values of inventories | (11,081,422) | (3,994,478) | (546,771) | (386,872) |
| Inventories – net | 120,261,132 | 137,680,790 | 43,577,795 | 52,230,900 |

Inventories recognized as an expense in cost of sales during the years ended 31 December 2019 and 2018 are as follows :

(Unit : Baht)

| | Consolidated F/S | | Separate F/S | |
|------------------------------------|------------------|-------------|--------------|-------------|
| | 2019 | 2018 | 2019 | 2018 |
| Cost of sales | 691,745,163 | 801,730,041 | 561,332,228 | 656,493,805 |
| Write-down to net realizable value | 8,523,733 | 2,344,730 | 159,899 | 171,134 |
| Reversal of write-down | (1,073,012) | (1,786,265) | - | - |
| Net | 699,195,884 | 802,288,506 | 561,492,127 | 656,664,939 |



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บริษัท เอ็น.ดี.รีบเบอร์ จำกัด (มหาชน)
N.D. RUBBER PUBLIC COMPANY LIMITED

129 หมู่ 3 ถนนหนองซาก-พนสนิคม ตำบลหนองอิรุณ อำเภอบ้านบึง จังหวัดชลบุรี 20220

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During the years ended 31 December 2019 and 2018, the movements of allowances for obsolete and declining value of inventories are as follows:

(Unit : Baht)

| | Consolidated F/S | | Separate F/S | |
|-----------------------------------------------|------------------|-------------|--------------|---------|
| | 2019 | 2018 | 2019 | 2018 |
| Beginning balance as at 1 January | 3,994,478 | 683,167 | 386,872 | 215,738 |
| Addition from business combination | - | 2,928,721 | - | - |
| <u>Add</u> Allowance for obsolete inventories | 8,523,733 | 2,344,730 | 159,899 | 171,134 |
| <u>Less</u> Reversal of allowance for | | | | |
| obsolete inventories | (967,490) | (1,786,265) | - | - |
| Written off | (105,522) | - | - | - |
| Exchange differences from | | | | |
| financial statements translation | (363,777) | (175,875) | - | - |
| Ending balance as at 31 December | 11,081,422 | 3,994,478 | 546,771 | 386,872 |

10. INVESTMENTS IN SUBSIDIARIES

| Subsidiaries | Type of business | Separate F/S | | | | | | (Unit : Thousand Baht) | |
|-------------------------------------------------|--------------------------------------------------------------------------------------------|-----------------------|---------|----------------------------|--------|---------------------------------|---------|------------------------|---|
| | | Paid-up Share capital | | Percentage of Shareholding | | Dividend income during the year | | | |
| | | Share capital | | Shareholding | | (Cost method) | | | |
| | | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | | |
| <u>Direct subsidiaries</u> | | | | | | | | | |
| N.D. Interparts Co., Ltd. | Manufacturing and distributing rubber and synthetic products for motorcycle and automobile | 6,100 | 6,100 | 92.00 | 91.77 | 5,598 | 5,598 | 1,377 | - |
| Masecasey Trading Co., Ltd. | Distributing tyres and tubes for motorcycle | 1,000 | 1,000 | 50.00 | 50.00 | 500 | 500 | - | - |
| N.D. Energy Fusion Co., Ltd. | Researching, manufacturing and distributing of wireless electrical equipment and system | 6,000 | 6,000 | 50.00 | 50.00 | 5,900 | 3,000 | - | - |
| FUNG KEONG RUBBER MANUFACTORY (MALAYA) SDN.BHD. | Distributing of motorcycle tyres and tubes and other rubber related product | 161,028 | 161,028 | 100.00 | 100.00 | 408,017 | 408,017 | 15,150 | - |
| Total investment in subsidiaries | | | | | | 420,015 | 417,115 | 16,527 | - |

As mentioned in notes 2 and 21, the Extraordinary Shareholders' Meeting No. 1/2018 held on 18 January 2018, the shareholders passed a resolution to entered an agreement to acquire

ordinary shares of FUNG KEONG RUBBER MANUFACTORY (MALAYA) SDN.BHD. ("FKRMM") at 100 percent of total shares, totaling, amount of MYR 53 million.

11. NON-CONTROLLING INTERESTS

Subsidiaries with material non-controlling interests is as follow :

(Unit: Thousand Baht)

| Name | Proportion of ownership interests and voting rights | | Total comprehensive income (loss) allocated to | | Accumulated NCI | |
|------------------------------|--------------------------------------------------------|--------|---------------------------------------------------|-------|-----------------|-------|
| | held by the NCI | | NCI | | | |
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| N.D. Interpart Co., Ltd. | 8.23% | 8.23% | 218 | 363 | 1,787 | 1,691 |
| Mascasey Trading Co., Ltd. | 50.00% | 50.00% | (552) | (543) | (1,004) | (452) |
| N.D. Energy Fusion Co., Ltd. | 1.67% | 50.00% | (8) | (262) | 80 | 1,183 |
| Total | | | (342) | (442) | 863 | 2,422 |

Summary of financial information of subsidiary companies before eliminating are as follow:

(Unit : Thousand Baht)

| | N.D. Interpart Co., Ltd. | Mascasey Trading Co., Ltd. | N.D. Energy Fusion Co., Ltd. |
|---------------------------------------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|
| | For the year ended 31 December 2019 | For the year ended 31 December 2019 | For the year ended 31 December 2019 |
| Total revenue | 51,741 | 20,252 | - |
| Profit (loss) for the year attributable to Company's shareholder | 2,437 | (552) | (486) |
| Profit (loss) for the year attributable to non-controlling interest | 218 | (552) | (8) |
| Profit (loss) for the year | 2,655 | (1,104) | (494) |
| Current assets | 16,433 | 11,225 | 4,836 |
| Non-current assets | 11,164 | 39 | - |
| Current liabilities | (4,918) | (13,273) | - |
| Non-current liabilities | (1,190) | - | 5 |
| Net assets | 21,489 | (2,009) | 4,841 |
| Attributable to non-controlling interests | 1,787 | (1,004) | 80 |
| Net cash provided from (used in) operations activities | 4,845 | (2,378) | (151) |
| Net cash provided from (used in) investing activities | (487) | - | 156 |
| Net cash used in financing activities | (1,500) | - | - |
| Net cash flow increase (decrease) | 2,858 | (2,378) | 5 |



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| | (Unit : Thousand Baht) | | |
|------------------------------------------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|
| | N.D. Interpart Co., Ltd. | Mascasey Trading Co., Ltd. | N.D. Energy Fusion Co., Ltd. |
| | For the year ended 31 December 2018 | For the year ended 31 December 2018 | For the year ended 31 December 2018 |
| Total revenue | 61,295 | 24,715 | - |
| Profit (loss) for the year attributable to Company's shareholder | 4,105 | (543) | (263) |
| Profit (loss) for the year attributable to non-controlling interest | 368 | (543) | (263) |
| Profit (loss) for the year | 4,473 | (1,086) | (526) |
| Current assets | 16,482 | 9,342 | 5,210 |
| Non-current assets | 12,486 | 52 | 155 |
| Current liabilities | (7,814) | (10,298) | (40) |
| Non-current liabilities | (821) | - | - |
| Net assets | 20,333 | (904) | 5,325 |
| Attributable to non-controlling interests | 1,691 | (452) | 2,663 |
| <u>Less</u> Share subscription receivable of non-controlling interests | - | - | (1,480) |
| Attributable to non-controlling interests - net | 1,691 | (452) | 1,183 |
| Net cash provided from (used in) operations activities | 3,030 | (855) | (519) |
| Net cash provided from (used in) investing activities | (2,881) | - | (180) |
| Net cash provided from (used in) financing activities | (2,176) | - | - |
| Net cash flow decrease | (2,027) | (855) | (699) |

12. PROPERTY, PLANT AND EQUIPMENT – NET

(Unit : Baht)

| Consolidated F/S | | | | | | | | |
|------------------------------------------------------------|----------------------|---------------------------|-----------------------------|-------------------|--------------------------------|-------------|----------------------------------|---------------|
| | Land and improvement | Building and construction | Machinery and factory tools | Factory equipment | Furniture and office Equipment | Vehicle | Asset in transit and in progress | Total |
| Cost | | | | | | | | |
| 1 January 2018 | 33,305,828 | 290,212,120 | 430,023,873 | 47,290,584 | 9,864,942 | 24,772,445 | 10,015,886 | 845,485,678 |
| Increase from business combination | 72,340,340 | 107,132,469 | 20,446,490 | 2,766,445 | 2,803,803 | 11,399,977 | - | 216,889,524 |
| Acquisitions | - | 846,410 | 11,999,299 | 5,425,431 | 832,506 | 1,154,154 | 13,314,675 | 33,572,475 |
| Disposals | - | - | (460,771) | (82,135) | - | (43,866) | - | (586,772) |
| Amortized | - | - | - | - | (59,602) | - | - | (59,602) |
| Exchange differences from financial statements translation | (2,208,917) | (3,217,297) | (624,335) | (84,473) | (84,839) | (431,551) | - | (6,651,412) |
| Transfer in / (out) | - | - | 8,836,117 | (372,163) | (174,993) | - | (8,890,887) | (601,926) |
| 31 December 2018 | 103,437,251 | 394,973,702 | 470,220,673 | 54,943,689 | 13,181,817 | 36,851,159 | 14,439,674 | 1,088,047,965 |
| Acquisitions | - | 2,309,802 | 7,759,324 | 2,468,704 | 813,423 | 2,429,070 | 23,262 | 15,803,585 |
| Disposals | - | - | - | - | (2,364) | (7,164,369) | - | (7,166,733) |
| Amortized | - | - | - | (55,269) | (53,290) | - | - | (108,559) |
| Exchange differences from financial statements translation | (4,342,810) | (6,431,488) | (1,226,180) | (166,407) | (167,343) | (707,165) | - | (13,041,393) |
| Transfer in / (out) | - | - | (811,674) | (463,808) | (116,436) | - | (839,676) | (2,231,594) |
| 31 December 2019 | 99,094,441 | 390,852,016 | 475,942,143 | 56,726,909 | 13,655,807 | 31,408,695 | 13,623,260 | 1,081,303,271 |
| Accumulated depreciation | | | | | | | | |
| 1 January 2018 | - | 106,044,036 | 209,876,901 | 28,484,670 | 5,529,561 | 11,213,081 | - | 361,148,249 |
| Increase from business combination | - | 4,876,330 | 17,529,114 | 2,521,707 | 2,698,201 | 4,926,652 | - | 32,552,004 |
| Depreciation for the year | - | 13,232,315 | 19,729,480 | 4,634,954 | 1,296,685 | 3,299,927 | - | 42,193,361 |
| Accumulated depreciation for disposals | - | - | (468,707) | (80,945) | - | (43,864) | - | (593,516) |
| Accumulated depreciation for Amortized | - | - | - | - | (45,144) | - | - | (45,144) |
| Exchange differences from financial statements translation | - | (202,874) | (692,677) | (82,229) | (91,647) | (185,201) | - | (1,254,628) |
| Transfer in / (out) | - | - | (47,908) | (146,790) | (327,740) | - | - | (522,438) |
| 31 December 2018 | - | 123,949,807 | 245,926,203 | 35,331,367 | 9,059,916 | 19,210,595 | - | 433,477,888 |

(Unit : Baht)

Consolidated F/S

| | Land and improvement | Building and construction | Machinery and factory tools | Factory equipment | Furniture and office Equipment | Vehicle | Asset in transit and in progress | Total |
|------------------------------------------------------------------|-------------------------|---------------------------------|-----------------------------------|----------------------|--------------------------------------|-------------|-------------------------------------------|-------------|
| Depreciation for the year | - | 13,209,917 | 20,467,847 | 4,026,528 | 841,547 | 3,124,313 | - | 41,670,152 |
| Accumulated depreciation for disposals | - | - | - | - | (649) | (6,401,953) | - | (6,402,602) |
| Accumulated depreciation for Amortized | - | - | - | (55,261) | (47,018) | - | - | (102,279) |
| Exchange differences from financial statements translation | - | (466,423) | (1,451,103) | (167,926) | (187,611) | (360,774) | - | (2,633,836) |
| Transfer in / (out) | - | - | (1,636,346) | (381,355) | (82,046) | - | - | (2,099,747) |
| 31 December 2019 | - | 136,693,302 | 263,306,601 | 38,753,353 | 9,584,139 | 15,572,181 | - | 463,909,576 |
| Net book value | | | | | | | | |
| 31 December 2018 | 103,437,251 | 271,023,895 | 224,294,470 | 19,612,322 | 4,121,901 | 17,640,564 | 14,439,674 | 654,570,077 |
| 31 December 2019 | 99,094,441 | 254,158,714 | 212,635,542 | 17,973,556 | 4,071,668 | 15,836,514 | 13,623,260 | 617,393,695 |
| Depreciation for the year 2018 | | | | | | | | |
| Cost of sales | | | | | | | | 34,621,204 |
| Administrative expenses | | | | | | | | 7,572,157 |
| Total | | | | | | | | 42,193,361 |
| Depreciation for the year 2019 | | | | | | | | |
| Cost of sales | | | | | | | | 34,877,384 |
| Administrative expenses | | | | | | | | 6,792,768 |
| Total | | | | | | | | 41,670,152 |

(Unit : Baht)

Separate F/S

| | Land and improvement | Building and construction | Machinery and factory tools | Factory equipment | Furniture and office Equipment | Vehicle | Asset in transit and in progress | Total |
|----------------------------------------|-------------------------|---------------------------------|-----------------------------------|----------------------|--------------------------------------|-------------|-------------------------------------------|-------------|
| Cost | | | | | | | | |
| 1 January 2018 | 33,305,828 | 288,293,763 | 403,390,607 | 40,350,722 | 9,357,060 | 23,824,494 | 10,015,886 | 808,538,360 |
| Acquisitions | - | 819,040 | 11,596,299 | 5,194,505 | 723,234 | - | 13,314,676 | 31,647,754 |
| Disposals | - | - | (2,429,907) | - | - | - | - | (2,429,907) |
| Transfer in / (out) | - | - | 8,836,117 | (372,163) | (174,993) | - | (8,890,887) | (601,926) |
| 31 December 2018 | 33,305,828 | 289,112,803 | 421,393,116 | 45,173,064 | 9,905,301 | 23,824,494 | 14,439,675 | 837,154,281 |
| Acquisitions | - | 2,309,802 | 5,346,993 | 2,273,518 | 741,211 | 2,429,070 | 23,261 | 13,123,855 |
| Disposals | - | - | - | - | (2,363) | (5,150,000) | - | (5,152,363) |
| Transfer in / (out) | - | - | (811,675) | 463,808 | (116,436) | - | (839,675) | (2,231,594) |
| 31 December 2019 | 33,305,828 | 291,422,605 | 425,928,434 | 46,982,774 | 10,527,713 | 21,103,564 | 13,623,261 | 842,894,179 |
| Accumulated depreciation | | | | | | | | |
| 1 January 2018 | - | 104,871,196 | 191,744,644 | 23,272,172 | 5,771,120 | 9,903,085 | - | 335,562,217 |
| Depreciation for the year | - | 11,020,268 | 17,051,004 | 3,768,023 | 850,000 | 1,805,206 | - | 34,494,501 |
| Accumulated depreciation for disposals | - | - | (279,441) | - | - | - | - | (279,441) |
| Transfer in / (out) | - | - | (47,908) | (327,740) | (146,790) | - | - | (522,438) |
| 31 December 2018 | - | 115,891,464 | 208,468,299 | 26,712,455 | 6,474,330 | 11,708,291 | - | 369,254,839 |
| Depreciation for the year | - | 11,130,267 | 17,758,431 | 3,304,554 | 605,883 | 1,718,950 | - | 34,518,085 |
| Accumulated depreciation for disposals | - | - | - | - | (649) | (4,387,584) | - | (4,388,233) |
| Transfer in / (out) | - | - | (1,636,346) | (381,355) | (82,046) | - | - | (2,099,747) |
| 31 December 2019 | - | 127,021,731 | 224,590,384 | 29,635,654 | 6,997,518 | 9,039,657 | - | 397,284,944 |
| Net book value | | | | | | | | |
| 31 December 2018 | 33,305,828 | 173,221,339 | 212,924,817 | 18,279,659 | 3,430,971 | 12,116,203 | 14,439,675 | 467,899,442 |
| 31 December 2019 | 33,305,828 | 164,400,874 | 201,338,050 | 17,347,120 | 3,530,194 | 12,063,907 | 13,623,261 | 445,609,234 |

Depreciation for the year 2018

| | |
|-------------------------|------------|
| Cost of sales | 31,183,785 |
| Administrative expenses | 3,310,716 |
| Total | 34,494,501 |

Depreciation for the year 2019

| | |
|-------------------------|------------|
| Cost of sales | 31,537,742 |
| Administrative expenses | 2,980,343 |
| Total | 34,518,085 |



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บริษัท เอ็น.ดี.รีบเบอร์ จำกัด (มหาชน)

N.D. RUBBER PUBLIC COMPANY LIMITED

129 หมู่ 3 ถนนหนองซาก-พนสนิมคม ตำบลหนองอิรุณ อำเภอบ้านมิ่ง จังหวัดชลบุรี 20220

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As at 31 December 2019 and 2018, the costs of fully depreciated assets which are still remained in use amounted to Baht 107.09 million and Baht 107.08 million, respectively.

As at 31 December 2019 and 2018, the Company's machinery and vehicles with total net book value of Baht 44.79 million and Baht 44.61 million, respectively, were acquired under finance lease agreements.

As at 31 December 2019 and 2018, land and buildings of the Company and subsidiary are mortgaged as collaterals for credit facilities with banks as mentioned in Notes 14, 15 and 16.

13. INTANGIBLE ASSETS

| | Consolidated F/S | | | | (Unit : Baht) |
|------------------------------------------------------------|-------------------|-------------|------------------------|-------------|-------------------|
| | | | | | Separate F/S |
| | Computer Software | Trademarks | Customer Relationships | Total | Computer Software |
| Cost | | | | | |
| At 1 January 2018 | 8,041,953 | - | - | 8,041,953 | 7,876,953 |
| Increase from business combination | - | 153,706,098 | 488,172 | 154,194,270 | - |
| Acquisitions | 294,682 | - | - | 294,682 | 114,682 |
| Disposals | (18,682) | - | - | (18,682) | (18,682) |
| Exchange differences from financial statements translation | - | (4,692,471) | (14,903) | (4,707,374) | - |
| At 31 December 2018 | 8,317,953 | 149,013,627 | 473,269 | 157,804,849 | 7,972,953 |
| Written off | (180,000) | - | - | (180,000) | - |
| Exchange differences from financial statements translation | - | (9,501,394) | (30,177) | (9,531,571) | - |
| At 31 December 2019 | 8,137,953 | 139,512,233 | 443,092 | 148,093,278 | 7,972,953 |
| Accumulated amortization | | | | | |
| At 1 January 2018 | 4,714,506 | - | - | 4,714,506 | 4,642,901 |
| Accumulated amortization for the year | 1,492,804 | 4,696,575 | 55,645 | 6,245,024 | 1,434,412 |
| Amortization for disposals | (788) | - | - | (788) | (788) |
| Exchange differences from financial statements translation | - | (160,312) | (1,420) | (161,732) | - |
| At 31 December 2018 | 6,206,522 | 4,536,263 | 54,225 | 10,797,010 | 6,076,525 |
| Accumulated amortization for the year | 1,047,591 | 3,613,708 | 43,040 | 4,704,339 | 1,008,772 |
| Amortization for written off | (31,211) | - | - | (31,211) | - |
| Exchange differences from financial statements translation | - | (399,292) | (4,953) | (404,245) | - |
| At 31 December 2019 | 7,222,902 | 7,750,679 | 92,311 | 15,065,893 | 7,085,297 |
| Accumulated impairment of asset | | | | | |
| At 1 January 2019 | - | - | - | - | - |
| Loss on impairment for the year | - | 19,681,457 | - | 19,681,457 | - |
| At 31 December 2019 | - | 19,681,457 | - | 19,681,457 | - |

(Unit : Baht)

| | Consolidated F/S | | | | Separate F/S |
|---------------------------------------|------------------|-------------|---------------|-------------|--------------|
| | Computer | Customer | | Total | Computer |
| | Software | Trademarks | Relationships | | Software |
| Net book value | | | | | |
| At 31 December 2018 | 2,111,431 | 144,477,364 | 419,044 | 147,007,839 | 1,896,428 |
| At 31 December 2019 | 915,051 | 112,080,097 | 350,780 | 113,345,928 | 887,656 |
| Amortization for the year 2018 | | | | | |
| Administrative expenses | 1,492,804 | 4,696,575 | 55,936 | 6,245,315 | 1,434,412 |
| Amortization for the year 2019 | | | | | |
| Administrative expenses | 1,047,591 | 3,613,708 | 43,040 | 4,704,339 | 1,008,772 |

As at 31 December 2019, the Company reviewed the valuation of trademark of subsidiary companies which delived from the business combination. As result of the recoverable amount less than the carrying amount of Baht 19.68 million. Therefore, the Company recorded an adjustment for the allowance for impairment of trademark of Baht 19.68 million.

The follow are principal assumptions for valuation of trademark

| | Consolidated F/S |
|---------------|------------------|
| | 2562 |
| Growth rate | 5% - 15.28% |
| Discount rate | 2.39% |
| WACC | 10.85% - 17.21% |

14. BANK OVERDRAFT AND SHORT TERM LOANS FROM BANK

(Unit : Baht)

| | Consolidated F/S | | Separate F/S | |
|----------------------------------|------------------|-------------|--------------|-------------|
| | 2019 | 2018 | 2019 | 2018 |
| Bank overdraft | 26,447,326 | 4,927,544 | 26,447,326 | 4,927,543 |
| Short-term loan | 25,012,635 | 31,222,200 | - | - |
| Promissory note | 115,000,000 | 115,000,000 | 115,000,000 | 115,000,000 |
| Liabilities under trust receipts | 6,585,634 | 5,598,330 | 6,585,634 | 5,598,331 |
| Total | 173,045,595 | 156,748,074 | 148,032,960 | 125,525,874 |

As at 31 December 2019 and 2018, the Company and domestic subsidiary has short-term loans credit facility comprise of bank overdraft, promissory note and liabilities under trust receipts bear interest rates at market rate and collateralized by the mortgages of the Company's land and construction as mentioned in Note 12 and personal guaranteed by certain subsidiary company's directors.

As at 31 December 2019 and 2018, the overseas subsidiary company has short-term loans from bank bear interest rate at market rate and secured by pledge of freehold industrial land with office and factory of the subsidiary company and guaranteed by the Company.

15. LIABILITIES UNDER FINANCE LEASE AGREEMENTS – NET

(Unit : Baht)

| | Consolidated and Separate F/S | |
|--------------------------------------------------|-------------------------------|-------------|
| | 2019 | 2018 |
| Liabilities under finance lease agreements | | |
| Due within one year | 11,442,020 | 10,945,400 |
| Due later than one year but not over five years | 9,494,421 | 19,570,737 |
| Total | 20,936,441 | 30,516,137 |
| <u>Less</u> Deferred interest | (1,007,069) | (1,833,980) |
| | 19,929,372 | 28,682,157 |
| <u>Less</u> Current portion | (10,691,908) | (9,877,249) |
| Liabilities under finance lease agreements – net | 9,237,464 | 18,804,908 |

16. LONG-TERM LOAN

Long-term loan that the Company obtained from a local bank is as follow :

| | Interest rate per annum | Principal repayment conditions | (Unit : Baht) | |
|---------------------------------|----------------------------|----------------------------------------------------------------------------------------------------------------------------|-------------------------------|--------------|
| | | | Consolidated and Separate F/S | |
| | | | 2019 | 2018 |
| Credit line of Baht 100 million | MLR – 3.00% p.a. | Monthly instalments by Baht 1.65 million from August 2015 to June 2020, the remaining will final payment within July 2020. | 14,200,000 | 34,000,000 |
| <u>Less</u> Current portion | | | (14,200,000) | (21,450,000) |
| Long - term loan - net | | | - | 12,550,000 |

Movements in the long-term loan for the years ended 31 December 2019 and 2018 are as follow :

| | (Unit : Baht) | |
|---------------------------|-------------------------------|--------------|
| | Consolidated and Separate F/S | |
| | 2019 | 2018 |
| Balance as at 1 January | 34,000,000 | 53,800,000 |
| <u>Less</u> Repayment | (19,800,000) | (19,800,000) |
| Balance as at 31 December | 14,200,000 | 34,000,000 |

Long-term loan is collateralized by the mortgages of the Company's land and construction as mentioned in Note 12.

Under the term of loan agreement, the Company is required to maintain loan covenants as specified in the agreement such as debt to equity and debt service coverage ratios, etc.

17. PAYABLE FOR PURCHASE OF INVESTMENT IN SUBSIDIARY COMPANY

Payable for purchase of investment in subsidiary companies as at 31 December 2019 and 2018 are as follow:

| | (Unit : Baht) | |
|----------------------------------------------------------------|-------------------------------|--------------|
| | Consolidated and Separate F/S | |
| | 2019 | 2018 |
| Payable for purchase of investment in subsidiary company | 2,900,000 | 61,733,880 |
| <u>Less</u> Deferred finance cost | - | (1,572,257) |
| Net | 2,900,000 | 60,161,623 |
| <u>Less</u> Current portion | (2,900,000) | (60,161,623) |
| Payable for purchase of investment in subsidiary company – net | - | - |

18. EMPLOYEE BENEFITS OBLIGATION

| | (Unit : Baht) | | | |
|--------------------------------------------------------------------|------------------|-----------|--------------|-----------|
| | Consolidated F/S | | Separate F/S | |
| | 2019 | 2018 | 2019 | 2018 |
| Statement of financial position | | | | |
| Obligations for post-employment benefits | 8,358,244 | 5,710,580 | 7,167,994 | 4,889,995 |
| Statement of profit or loss and other comprehensive income: | | | | |
| <i>Recognized in profit or loss:</i> | | | | |
| Post-employment benefits | 2,647,664 | 580,077 | 2,277,999 | 503,738 |
| <i>Recognized in other comprehensive income:</i> | | | | |
| Actuarial losses recognized in the year | - | 927,988 | - | 648,839 |

The Company and subsidiary had established a defined benefit pension plan under the Thai Labour Protection Act B.E 2541 to provide retirement benefits to employees based on pensionable remuneration and length of service.

Movements in the present value of the defined benefit obligations for the years end 31 December 2019 and 2018 are as follows:

| | (Unit : Baht) | | | |
|-------------------------------------------------|------------------|-----------|--------------|-----------|
| | Consolidated F/S | | Separate F/S | |
| | 2019 | 2018 | 2019 | 2018 |
| Beginning balance as at 1 January | 5,710,580 | 4,202,515 | 4,889,995 | 3,737,418 |
| <i>Recognised in profit or loss</i> | | | | |
| - Past service costs | 1,622,025 | - | 1,406,520 | - |
| - Current service costs | 783,678 | 452,320 | 663,710 | 390,861 |
| - Interest on obligation | 241,961 | 127,757 | 207,769 | 112,877 |
| <i>Recognised in other comprehensive income</i> | | | | |
| - Actuarial loss | - | 927,988 | - | 648,839 |
| Balance as at 31 December | 8,358,244 | 5,710,580 | 7,167,994 | 4,889,995 |

Actuarial assumptions

The following are principal actuarial assumptions at the reporting date (expressed as weighted averages).

| | Consolidated F/S | | Separate F/S | |
|--------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| | 2019 | 2018 | 2019 | 2018 |
| Discount rate | 3.30 percent per annum | 3.30 percent per annum | 3.30 percent per annum | 3.30 percent per annum |
| Future salary average increment rate | 3 percent per annum | 3 percent per annum | 3 percent per annum | 3 percent per annum |
| Normal retirement age | 60 years | 60 years | 60 years | 60 years |
| Mortality rate | Thai Mortality Table 2017 | Thai Mortality Table 2017 | Thai Mortality Table 2017 | Thai Mortality Table 2017 |

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

| | Consolidated F/S | | Separate F/S | |
|------------------------------------------------------|------------------|-----------|--------------|-----------|
| | Increase | Decrease | Increase 1% | Decrease |
| | 1% | 1% | | 1% |
| Defined benefit obligation | | | | |
| Discount rate | | | | |
| Increment (decrement) of employee benefit obligation | | (213,058) | 251,320 | (181,329) |
| Future salary growth | | | | |
| Increment (decrement) of employee benefit obligation | 249,489 | (215,546) | 212,490 | (183,444) |

On 5 April 2019, the National Legislative Assembly published Labor Protection Act No.7 B.E. 2019 in the Government Gazette which entitles employees who have worked for a consecutive period of 20 years or more to receive 400 days based on their salary as at the date of retirement. The revised legislation will be effective from 5 May 2019, and will result in an increase in the employment benefit obligation of Baht 1.62 million in the consolidated financial statements and Baht 1.41 million in the separate financial statements, with a corresponding amount included in the profit and loss accounting in respect of the past service costs.

19. DEFERRED TAX

Applicable tax rates for the Group are as follows

| | Tax rate (%) | |
|-------------------------------------------------------------------------------|--------------|------|
| | 2019 | 2018 |
| Income tax under the Revenue Code of the Company and subsidiaries in Thailand | 20 | 20 |
| Corporate income tax in foreign country | 24 | 24 |

19.1 Deferred tax

Deferred tax assets and liabilities are as follows:

(Unit : Baht)

| | Consolidated F/S | | | | |
|----------------------------------------------------------------|------------------|------------------------------------|----------------|------------------------------------------------------------|------------------|
| | Recognised in | | | | 31 December 2019 |
| | 1 January 2019 | Increase from business combination | Profit or loss | Other comprehensive income | |
| | | | | Exchange differences from financial statements translation | |
| Deferred tax assets : | | | | | |
| From allowance for doubtful accounts | 142,760 | - | 42,478 | - | 185,238 |
| From allowance for obsolete and declining value of inventories | 169,785 | - | 36,027 | - | 205,812 |
| From employee benefits obligation | 1,142,116 | - | 529,533 | - | 1,671,649 |
| From provision expense | 786,917 | - | (738,188) | - | (48,729) |
| Deferred tax liabilities : | | | | | |
| From differences from depreciation | (12,665,922) | - | (412,766) | - | 97,472 |
| From intangible assets | (31,347,312) | - | 5,656,770 | - | (2,723,145) |
| From revaluation of asset | (8,515,856) | - | 131,800 | - | 527,335 |
| | (50,287,512) | - | 5,245,654 | - | (2,147,067) |
| | | | | | (47,188,925) |

(Unit : Baht)

| Consolidated F/S | | | | | | |
|----------------------------------------------------------------|--------------------|------------------------------------|----------------|----------------------------|------------------------------------------------------------|---------------------|
| | 1 January 2018 | Recognised in | | | Exchange differences from financial statements translation | 31 December 2018 |
| | | Increase from business combination | Profit or loss | Other comprehensive income | | |
| Deferred tax assets : | | | | | | |
| From allowance for doubtful accounts | 152,248 | - | (9,488) | - | - | 142,760 |
| From allowance for obsolete and declining value of inventories | 136,633 | - | 33,152 | - | - | 169,785 |
| From employee benefits obligation | 840,503 | - | 116,015 | 185,598 | - | 1,142,116 |
| From provision expense | - | 811,702 | - | - | (24,785) | 786,917 |
| Deferred tax liabilities : | | | | | | |
| From differences from depreciation | (10,453,256) | (1,341,556) | (796,243) | - | (74,867) | (12,665,922) |
| From intangible assets | - | (35,211,060) | 1,140,603 | - | 2,723,145 | (31,347,312) |
| From revaluation of asset | - | (8,515,856) | - | - | - | (8,515,856) |
| | <u>(9,323,872)</u> | <u>(44,256,770)</u> | <u>484,039</u> | <u>185,598</u> | <u>2,623,493</u> | <u>(50,287,512)</u> |

(Unit : Baht)

| Separate F/S | | | | |
|----------------------------------------------------------------|--------------------|------------------|----------------------------|---------------------|
| | 1 January 2019 | Recognised in | | 31 December 2019 |
| | | Profit or loss | Other comprehensive income | |
| Deferred tax assets : | | | | |
| From allowance for doubtful accounts | 142,759 | 42,478 | - | 185,237 |
| From allowance for obsolete and declining value of inventories | 77,374 | 31,980 | - | 109,354 |
| From employee benefits obligation | 977,999 | 455,600 | - | 1,433,599 |
| Deferred tax liabilities : | | | | |
| From differences from depreciation | (10,957,717) | (913,210) | - | (11,870,927) |
| | <u>(9,759,585)</u> | <u>(383,152)</u> | <u>-</u> | <u>(10,142,737)</u> |

(Unit : Baht)

| | Separate F/S | | |
|-------------------------------------------------------------------|--------------------|----------------------------------------------------|---------------------|
| | Recognised in | | 31 December 2018 |
| | 1 January 2018 | Profit or loss Other comprehensive income | |
| Deferred tax assets : | | | |
| From allowance for doubtful accounts | 152,248 | (9,489) | 142,759 |
| From allowance for obsolete and declining value of inventories | 43,147 | 34,227 | 77,374 |
| From employee benefits obligation | 747,484 | 100,748 | 977,999 |
| Deferred tax liabilities : | | | |
| From differences from depreciation | (10,386,183) | (571,534) | (10,957,717) |
| | <u>(9,443,304)</u> | <u>(446,048)</u> | <u>129,767</u> |
| | | | <u>(9,759,585)</u> |

As at 31 December 2019 and 2018, a subsidiary has deferred tax assets amount of Baht 8.49 million and Baht 2.73 million, respectively. The Group therefore presented this amount as non-current assets in consolidated financial statements.

19.2 Income tax

Income tax recognised in profit or loss

| | Consolidated F/S | | Separate F/S | |
|------------------------------------|------------------|-------------------|----------------|------------------|
| | 2019 | 2018 | 2019 | 2018 |
| Current tax expense | | | | |
| Current tax income | (279,583) | 12,768,952 | - | 907,569 |
| Deferred tax | | | | |
| Movements in temporary differences | 412,574 | 484,039 | 383,152 | 446,048 |
| Total income tax | <u>132,991</u> | <u>13,252,991</u> | <u>383,152</u> | <u>1,353,617</u> |

Income tax recognised in other comprehensive income

(Unit : Baht)

| | Consolidated F/S | | | | | |
|---------------------------------------|------------------|-------------------|------------|------------|-------------------|------------|
| | 2019 | | | 2018 | | |
| | Tax | | | Tax | | |
| | Before Tax | (expense) benefit | Net of tax | Before Tax | (expense) benefit | Net of tax |
| Defined benefit plan actuarial losses | - | - | - | 927,987 | (185,596) | 742,391 |

(Unit : Baht)

| | Separate F/S | | | | | |
|------------------|--------------|-------------------|------------|------------|-------------------|------------|
| | 2019 | | | 2018 | | |
| | Tax | | | Tax | | |
| | Before Tax | (expense) benefit | Net of tax | Before Tax | (expense) Benefit | Net of tax |
| Actuarial losses | - | - | - | 648,839 | (129,767) | 519,072 |

Reconciliation of income tax are as follows:

(Unit : Baht)

| | Consolidated F/S | | Separate F/S | |
|---------------------------------------------|------------------|------------|--------------|-----------|
| | 2019 | 2018 | 2019 | 2018 |
| Accounting profit (loss) before tax | (19,751,480) | 41,500,247 | 8,411,450 | 3,581,393 |
| Applicable tax rate (%) | 20 | 20 | 20 | 20 |
| Tax multiplied by applicable tax rate | (3,950,296) | 8,300,049 | 1,682,290 | 716,279 |
| Effects : | | | | |
| Non-deductible expenses | 6,522,601 | 3,748,157 | 1,996,250 | 649,105 |
| Different in tax of overseas subsidiaries | 617,451 | 1,411,845 | - | - |
| Exemption of income and additional expenses | (3,299,150) | (505,113) | (3,295,388) | (11,767) |
| Loss carried forward of subsidiaries | 242,385 | 298,053 | - | - |
| Income tax | 132,991 | 13,252,991 | 383,152 | 1,353,617 |

20. PROMOTION PRIVILEGES

The Company has obtained privileges from the board of investment under the Promotion of Investment Act B.E. 2520, as follows:

| Certificate No. | Date | Promoted activity types | Commencing date of revenues generated | Expire date |
|-------------------|---------------|-----------------------------|---------------------------------------|-------------------|
| 59-0712-1-014-1-0 | 25 April 2016 | manufacturing vehicle tires | 1 October 2016 | 30 September 2019 |

The privileges include the following:

- Exemption from import duty on approved imported machinery.
- Exemption from corporate income tax on profits from the promoted activities not exceeding Baht 27,750,000 for a period of three years, commencing the date that income was first derived.
- Exemption from income tax on dividends paid to the shareholders from the profit of the promoted operations during the period in which the corporate income tax is exempted.

As a promoted company, the Company must comply with certain conditions and restrictions provided for in the promotional certificates.

Under the announcement of the board of investment no. Por 14/1998, dated 30 December 1998, regarding revenue reporting of a promoted industry, the Company is required to report its revenues in the financial statements separately for promoted and the non – promoted businesses for the years ended 31 December 2019 and 2018 as follows:

(Unit : Baht)

| | Consolidated F/S | | |
|--------------------|---------------------------------|-----------------------|-------------|
| | For the years ended 31 December | | |
| | Promoted business | Non-promoted business | Total |
| 2019 | | | |
| Revenue from sales | 421,834,133 | 428,796,516 | 850,630,649 |
| 2018 | | | |
| Revenue from sales | 644,882,573 | 328,411,951 | 973,294,524 |

(Unit : Baht)

| | Separate F/S | | |
|--------------------|---------------------------------|-------------------------|-------------|
| | For the years ended 31 December | | |
| | Promoted business | Non - promoted business | Total |
| 2019 | | | |
| Revenue from sales | 421,834,133 | 183,158,699 | 604,992,832 |
| 2018 | | | |
| Revenue from sales | 644,882,573 | 70,765,203 | 715,647,776 |

21. SHARE CAPITAL AND WARRANTS

21.1 Share capital

On 18 January 2018, at the Extraordinary Shareholders' Meeting 2018 No.1/2018, the shareholders passed a resolution to approve the increase of the registered capital amount of Baht 55,000,000 as a part of FUNG KEONG RUBBER MANUFACTORY (MALAYA) SDN.BHD. from Baht 322,500,000 to Baht 377,500,000 for Private Placement. The Company registered the share capital increment with the Department of Business Development on 24 January 2018.

On 30 March 2018, at the 2018 Annual General Meeting, shareholders passed the resolution to approve the increase of registered capital for stock dividend and for the adjust right exercise warrant No.1 (NDR-W1) amount of 9,970,188 shares at the par value of Baht 1 per share. The Company registered the share capital increment with the Department of Business Development on 9 April 2018.

21.2 Warrants

On 30 March 2018, at the Annual General Meeting of shareholder 2018, shareholders passed the resolution to approve the adjustment of purchasing right for the exercise of warrant No.1 (NDR-W1) from exercise price of Baht 3 per share and exercise ratio 1 warrant per 1 ordinary shares to exercise price of Baht 2.93 per share and exercise ratio 1 warrant per 1.03 ordinary shares.

The shareholders passed the resolution to issue 107,500,000 units of the warrants to the existing shareholders, at an offering ratio of 2 ordinary shares to 1 unit of free warrant. The warrants are issued for specific holders and transferable. The terms of the warrants do not exceed 2 years from the date of which they are granted with the exercise ratio of 1 warrant to 1 new ordinary share. The exercise price is Baht 3 per share, unless the exercise ratio is adjusted under the conditions of the rights adjustment. The warrant holders can exercise their

warrants in June and December of each year. The first exercise date will be on 15 June 2017 and the last exercise date will be 22 December 2018.

During the year, movements in number of warrants are as follow:

| | Number of warrants (Units) |
|-------------------------------------|-------------------------------|
| Balance as at 1 January 2018 | 106,649,454 |
| Exercise of warrants | (36,670,350) |
| Warrants expire on 22 December 2018 | (69,979,104) |
| Balance as at 31 December 2018 | - |

22. LEGAL RESERVE

Under the Public Limited Company Act. B.E. 2535, the Company is required to set aside as a legal reserve at least 5 percent of its net profit for the year net of deficit (if any), until the reserve reaches 10 percent of the registered capital. This reserve shall not be distributable for dividends.

23. DIVIDEND PAYMENT

At the 2019 Annual General Meeting of shareholders held on 29 March 2019, the shareholders approve to pay dividend from the operating result for the year ended 31 December 2015 as follow:

- The shareholders approve to pay dividend from operating result for the year 2015, for 315.39 million shares at Baht 0.03 per share totalling Baht 9.46 million. This dividend was paid on 26 April 2019.

At the 2018 Annual General Meeting of shareholders held on 30 March 2018, the shareholders approve to pay of a dividend from operating results for the year ended 31 December 2017 as follow:

- Stock dividend would be paid at the ratio of 40 existing ordinary share to 1 newly issue ordinary share for the existing shares of 270,850,000 shares, totalling of 6,771,250 newly issued ordinary shares. The par value of the newly issued ordinary share is 1 Baht per share, totalling Baht 6,771,250 or dividend rate of Baht 0.025 per share.
- Cash dividend would be paid at the rate of Baht 0.0028 per share for the existing shares at 270,850,000 shares, totalling Baht 0.76 million.

The dividend was paid on 24 April 2018.

24. REVENUE

| <u>Transaction</u> | <u>Description</u> |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| Type of good | The main product of the Company and subsidiaries consists of tires and tube for motorcycle and bicycle battery, rubber part, shoes and lube oil |
| Geographic | The Company has revenue from sale domestic and overseas. |
| The market or type of customers | Retail customers |
| Type of contract | The price has been fixed in each invoice |
| Contract period | Short-term contract |
| No of performance obligations | The Company has one obligation which produce and sell base on purchase order of each customer. |
| Revenue recognition | Revenue from sales goods recognized as at point in time |
| Sale channels | Goods are direct distributed to customer |

25. EXPENSES BY NATURE

(Unit : Baht)

Consolidated F/S

Separate F/S

| | For the years ended 31 December | | | |
|-----------------------------------------------|---------------------------------|-------------|-------------|-------------|
| | 2019 | 2018 | 2019 | 2018 |
| Raw materials and consumable supplies used | 412,847,278 | 454,790,561 | 391,822,022 | 479,170,224 |
| Changes in finished goods and work in process | 101,270,561 | 144,368,249 | 5,813,569 | (723,584) |
| Salaries, wages and other employee benefits | 159,819,291 | 168,461,514 | 111,055,558 | 121,506,234 |
| Utilities | 36,462,119 | 39,747,408 | 31,166,689 | 33,699,297 |
| Depreciation and amortization | 46,374,491 | 48,371,505 | 35,526,857 | 35,928,913 |
| Transportation | 6,764,826 | 8,015,993 | 2,122,603 | 3,186,994 |
| Advertising | 31,764,365 | 4,623,817 | 5,681,428 | 2,709,963 |
| Repair and maintenance | 10,351,692 | 12,180,457 | 8,486,745 | 9,349,746 |
| Factory expense | 5,777,071 | 8,369,147 | 3,434,439 | 6,344,199 |
| Loss on impairment of intangible asset | 19,681,457 | - | - | - |
| Other | 41,912,803 | 73,049,945 | 20,273,318 | 20,617,049 |
| Total | 873,025,954 | 961,978,596 | 615,383,228 | 711,789,035 |

26. PROVIDENT FUND

On June 2013, the Company and subsidiary in Thailand participated to be member in "Sin Sathaporn Fund Provident Fund", which manages by BBL Asset Management Company Limited under the provisions of The Provident Fund Act. B.E.2530. Under the fund regulation, the fund is contributed equally by both the Company and the employees at 2% of their salaries and will be paid to the employees upon termination in accordance with the rules of fund, upon retirement, death or resignation from the member.

For the year ended 31 December 2019, the Company and subsidiary company in Thailand have paid for the contribution into the fund amounting to Baht 0.09 million and Baht 0.03 million, respectively, and for the year ended 31 December 2018, the Company and subsidiary companies have paid for the contribution into the fund amounting to Baht 0.12 million and Baht 0.02 million, respectively.

27. SEGMENTAL FINANCIAL INFORMATION

The financial information classified by products for the years ended 31 December 2019 and 2018 are presented as follow:

| | Consolidated F/S | | | | | | | | | | (Unit : Thousand Baht) |
|-----------------------------------------------------|-------------------------------------|----------|----------|----------|----------|-------------|----------|----------------------|--------|-----------|------------------------|
| | For the year ended 31 December 2019 | | | | | | | | | | |
| | Tires | | Tubes | | Battery | Rubber part | Shoe | Lube Oil & synthetic | | | |
| | Domestic | Overseas | Domestic | Overseas | Domestic | Domestic | Overseas | Overseas | Others | Total | |
| Sales | | | | | | | | | | | |
| At point in time | 202,759 | 483,807 | 102,192 | 129,868 | 50,715 | 51,741 | 48,771 | 4,997 | 14,090 | (238,309) | |
| Over the time | - | - | - | - | - | - | - | - | - | - | |
| | 202,759 | 483,807 | 102,192 | 129,868 | 50,715 | 51,741 | 48,771 | 4,997 | 14,090 | (238,309) | |
| Cost of sales | | | | | | | | | | | |
| | | | | | | | | | | | |
| Gross profit | | | | | | | | | | | |
| | | | | | | | | | | | |
| Interest expenses | | | | | | | | | | (8,592) | |
| Depreciation and amortization | | | | | | | | | | (46,374) | |
| Loss on impairment of intangible asset | | | | | | | | | | (19,681) | |
| Loss before income tax | | | | | | | | | | (19,751) | |
| | | | | | | | | | | | |
| Trade accounts receivable – general customers – net | | | | | | | | | | 114,331 | |
| Property, plant and equipment – net | | | | | | | | | | 617,394 | |
| Other assets | | | | | | | | | | 337,961 | |
| Total assets | | | | | | | | | | 1,069,686 | |
| | | | | | | | | | | | |
| Total liabilities | | | | | | | | | | 358,687 | |

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources and assess its operations.

Major Customer

For the year ended 31 December 2019, the Company's sales are made to 2 overseas customer amounting of Baht 34.87 million

28. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The changes in the Group's liabilities arising from financing activities can be classified as follows;

(Unit : Baht)

| | Consolidated F/S | | | |
|------------------------|------------------------------------------------|-----------------------------|----------------------------|---------------------------------------------|
| | Bank overdraft and short-term loans from banks | Short-term loans from banks | Long-term loans from banks | Liabilities under financial lease agreement |
| | | | | |
| | | | | Total |
| 1 January 2019 | 156,748,074 | | 34,000,000 | 28,682,157 |
| | | | | 219,430,231 |
| Cash-flows: | | | | |
| Repayment | (724,460,918) | | (19,800,000) | (8,752,785) |
| | | | | (753,013,703) |
| Proceeds | 740,569,795 | | - | - |
| | | | | 740,569,795 |
| Non-cash: | | | | |
| Translation adjustment | 188,644 | | - | - |
| | | | | 188,644 |
| 31 December 2019 | 173,045,595 | | 14,200,000 | 19,929,372 |
| | | | | 207,174,967 |

(Unit : Baht)

| | Consolidated F/S | | | |
|---------------------------------------|-------------------------------------------------------------------------------------|-------------------------------|---------------------------------------------------|---------------|
| | Bank overdraft and short-term loans from banks Short-term loans from banks | Long-term loans from banks | Liabilities under financial lease agreement | Total |
| 1 January 2018 | 56,207,632 | 53,800,000 | 38,080,866 | 148,088,498 |
| Cash-flows: | | | | |
| Repayment | (244,423,800) | (19,800,000) | (9,398,709) | (273,622,509) |
| Proceeds | 264,962,218 | - | - | 264,962,218 |
| Non-cash: | | | | |
| Increase from Business combination | 80,030,915 | - | - | 80,030,915 |
| Translation adjustment | (28,891) | - | - | (28,891) |
| 31 December 2018 | 156,748,074 | 34,000,000 | 28,682,157 | 219,430,231 |

(Unit : Baht)

| | Separate F/S | | | |
|------------------------|-------------------------------------------------------------------------------------|-------------------------------|---------------------------------------------------|---------------|
| | Bank overdraft and short-term loans from banks Short-term loans from banks | Long-term loans from banks | Liabilities under financial lease agreement | Total |
| 1 January 2019 | 125,525,874 | 34,000,000 | 28,682,157 | 188,208,031 |
| Cash-flows: | | | | |
| Repayment | (692,643,232) | (19,800,000) | (8,752,785) | (721,196,017) |
| Proceeds | 714,961,674 | - | - | 714,961,674 |
| Non-cash: | | | | |
| Translation adjustment | 188,644 | - | - | 188,644 |
| 31 December 2019 | 148,032,960 | 14,200,000 | 19,929,372 | 182,162,332 |

(Unit : Baht)

| | Separate F/S | | | |
|------------------------|-------------------------------------------------------------------------------------|-------------------------------|---------------------------------------------------|---------------|
| | Bank overdraft and short-term loans from banks Short-term loans from banks | Long-term loans from banks | Liabilities under financial lease agreement | Total |
| 1 January 2018 | 54,031,633 | 53,800,000 | 38,080,866 | 145,912,499 |
| Cash-flows: | | | | |
| Repayment | (198,366,629) | (19,800,000) | (9,398,709) | (227,565,338) |
| Proceeds | 269,889,761 | - | - | 269,889,761 |
| Non-cash: | | | | - |
| Translation adjustment | (28,891) | - | - | (28,891) |
| 31 December 2018 | 125,525,874 | 34,000,000 | 28,682,157 | 188,208,031 |

29. DISCLOSURE OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities carried on the statement of financial position include cash and cash equivalents, restricted deposits with banks, trade accounts receivable and payable and short-term loan. The accounting policies on recognition and measurement of these items are disclosed in the respective accounting policies.

Liquidity Risk

Liquidity risk arises from the possibility that customers may not be able to settle obligations to the Company and subsidiaries within the normal terms of trade. To manage this risk, the Company and subsidiaries periodically assess the financial viability of customers.

As at 31 December 2019 and 2018, the financial instrument classified by the periods of time from the date on the statements of financial position to their maturity dates are as follows:

(Unit : Baht)

| | Consolidated F/S | | | |
|------------------------------------------------|------------------|---------------|-------------|-------------|
| | 2019 | | | |
| | At call | Within 1 year | Over 1 year | Total |
| <u>Financial assets/ liabilities</u> | | | | |
| Cash and cash equivalents | 72,656,164 | - | - | 72,656,164 |
| Temporary investment | 254,982 | - | - | 254,982 |
| Trade accounts receivable | 114,896,269 | - | - | 114,896,269 |
| Bank overdraft and short-term loans from banks | 51,459,961 | 121,585,634 | - | 173,045,595 |
| Long-term loans from banks | - | 14,200,000 | - | 14,200,000 |
| Trade accounts payable and other payable | 50,343,775 | - | - | 50,343,775 |
| Liabilities under hire - purchase agreements | - | 10,691,908 | 9,237,464 | 19,929,372 |

(Unit : Baht)

| | Consolidated F/S | | | |
|------------------------------------------------|------------------|---------------|-------------|-------------|
| | 2018 | | | |
| | At call | Within 1 year | Over 1 year | Total |
| <u>Financial assets/ liabilities</u> | | | | |
| Cash and cash equivalents | 131,239,455 | - | - | 131,239,455 |
| Temporary investment | 6,554,569 | - | - | 6,554,569 |
| Trade accounts receivable | 124,972,037 | - | - | 124,972,037 |
| Bank overdraft and short-term loans from banks | 36,149,743 | 120,598,331 | - | 156,748,074 |
| Long-term loans from banks | - | 21,450,000 | 12,550,000 | 34,000,000 |
| Trade accounts payable and other payable | 75,589,069 | - | - | 75,589,069 |
| Liabilities under hire – purchase agreements | - | 9,877,249 | 18,804,908 | 28,682,157 |

(Unit : Baht)

| | Separate F/S | | | |
|------------------------------------------------|--------------|---------------|-------------|-------------|
| | 2019 | | | |
| | At call | Within 1 year | Over 1 year | Total |
| <u>Financial assets/ liabilities</u> | | | | |
| Cash and cash equivalents | 5,894,619 | - | - | 5,894,619 |
| Temporary investment | 254,982 | - | - | 254,982 |
| Trade accounts receivable | 78,099,329 | - | - | 78,099,329 |
| Other receivables – related companies | 88,283 | - | - | 88,283 |
| Bank overdraft and short-term loans from banks | 26,447,326 | 121,585,634 | - | 148,032,960 |
| Long-term loans from bank | - | 14,200,000 | - | 14,200,000 |
| Trade accounts payable and other payable | 50,343,775 | - | - | 50,343,775 |
| Liabilities under hire – purchase agreements | - | 10,691,908 | 9,237,464 | 19,929,372 |

(Unit : Baht)

| | Separate F/S | | | |
|------------------------------------------------|--------------|---------------|-------------|-------------|
| | 2018 | | | |
| | At call | Within 1 year | Over 1 year | Total |
| <u>Financial assets/ liabilities</u> | | | | |
| Cash and cash equivalents | 35,646,069 | - | - | 35,646,069 |
| Temporary investment | 6,554,569 | - | - | 6,554,569 |
| Trade accounts receivable | 92,252,884 | - | - | 92,252,884 |
| Other receivables – related companies | 2,311,200 | - | - | 2,311,200 |
| Bank overdraft and short-term loans from banks | 4,927,543 | 120,598,331 | - | 125,525,874 |
| Long-term loans from bank | - | 21,450,000 | 12,550,000 | 34,000,000 |
| Trade accounts payable and other payable | 70,973,984 | - | - | 70,973,984 |
| Liabilities under hire – purchase agreements | - | 9,877,249 | 18,804,908 | 28,682,157 |

Credit Risk

The Company and subsidiaries provide credit term on its trade transactions. The Company and subsidiaries manage its exposure to credit risk by closely monitoring collection of accounts receivable and focuses on overdue accounts. In the case of doubt about the collectability on accounts receivable, the Company and subsidiaries provided allowance for doubtful accounts in the accounts as deemed necessary.

Interest Rate Risk

Interest rate risk arises is that future movement of market interest rates, which may have a negative effect to current and future operations of the Company and subsidiaries. Management believes that the interest rate risk is minimum, hence, the Company and subsidiaries have no hedging agreement to protect against such risk

(Unit : Baht)

| | Consolidated F/S | | | | |
|--------------------------------------------|------------------|------------|-------------|-------------|--------------------------------|
| | 2019 | | | | |
| | Floated rate | Fixed rate | No interest | Total | Interest rate (% per annum) |
| <u>Financial assets/ liabilities</u> | | | | | |
| Cash and cash equivalents | 5,300,869 | - | 67,355,295 | 72,656,164 | 0.22% - 0.50% |
| Temporary investment | - | - | 254,982 | 254,982 | - |
| Trade accounts receivable | - | - | 114,896,269 | 114,896,269 | - |
| Bank overdraft and short-term loans | | | | | |
| from banks | 173,045,595 | - | - | 173,045,595 | Market rate |
| Long-term loans from banks | 14,200,000 | - | - | 14,200,000 | MLR – 3.00% |
| Trade accounts payable and other payable | - | - | 50,343,775 | 50,343,775 | - |
| Liabilities under finance lease agreements | - | 19,929,372 | - | 19,929,372 | 3.80% – 11.06% |

(Unit : Baht)

| | Consolidated F/S | | | | |
|--------------------------------------------|------------------|------------|-------------|-------------|--------------------------------|
| | 2018 | | | | |
| | Floated rate | Fixed rate | No interest | Total | Interest rate (% per annum) |
| <u>Financial assets/ liabilities</u> | | | | | |
| Cash and cash equivalents | 35,594,941 | - | 95,644,514 | 131,239,455 | 0.25% - 0.50% |
| Temporary investment | - | - | 6,554,569 | 6,554,569 | - |
| Trade accounts receivable | - | - | 124,972,037 | 124,972,037 | - |
| Bank overdraft and short-term loans | | | | | |
| from banks | 156,748,073 | - | - | 156,748,073 | Market rate |
| Long-term loans from banks | 34,000,000 | - | - | 34,000,000 | MLR – 3.00% |
| Trade accounts payable and other payable | - | - | 75,589,069 | 75,589,069 | - |
| Liabilities under finance lease agreements | - | 28,682,157 | - | 28,682,157 | 3.80% – 11.06% |

(Unit : Baht)

| | Separate F/S | | | | |
|--------------------------------------------|--------------|------------|-------------|-------------|--------------------------------|
| | 2019 | | | | |
| | Floated rate | Fixed rate | No interest | Total | Interest rate (% per annum) |
| <u>Financial assets/ liabilities</u> | | | | | |
| Cash and cash equivalents | 2,935,728 | - | 2,958,891 | 5,894,619 | 0.25% - 0.50% |
| Temporary investment | - | - | 254,982 | 254,982 | - |
| Trade accounts receivable | - | - | 78,099,329 | 78,099,329 | - |
| Other receivables | - | - | 88,283 | 88,283 | - |
| Bank overdraft and short-term loans | | | | | |
| from banks | 148,032,960 | - | - | 148,032,960 | Market rate |
| Long-term loan from bank | 14,200,000 | - | - | 14,200,000 | MLR – 3.00% |
| Trade accounts payable and other payable | - | - | 50,343,775 | 50,343,775 | - |
| Liabilities under finance lease agreements | - | 19,929,372 | - | 19,929,372 | 3.80% - 11.06% |

(Unit : Baht)

| | Separate F/S | | | | |
|--------------------------------------------|--------------|------------|-------------|-------------|--------------------------------|
| | 2018 | | | | |
| | Floated rate | Fixed rate | No interest | Total | Interest rate (% per annum) |
| <u>Financial assets/ liabilities</u> | | | | | |
| Cash and cash equivalents | 31,618,360 | - | 4,027,709 | 35,646,069 | 0.25% - 0.50% |
| Temporary investment | - | - | 6,554,569 | 6,554,569 | - |
| Trade accounts receivable | - | - | 92,252,884 | 92,252,884 | - |
| Other receivables | - | - | 2,311,200 | 2,311,200 | - |
| Bank overdraft and short-term loans | | | | | |
| from banks | 125,525,874 | - | - | 125,525,874 | Market rate |
| Long-term loan from bank | 34,000,000 | - | - | 34,000,000 | MLR – 3.00% |
| Trade accounts payable and other payable | - | - | 70,973,984 | 70,973,984 | - |
| Liabilities under finance lease agreements | - | 28,682,157 | - | 28,682,157 | 3.80% – 11.06% |

Foreign Currency Risk

The Company exposure for foreign currency risk relates primarily to its trade accounts receivable and payable which are denominated in foreign currencies. The Company entering into the forward exchange contracts for accounts receivable to reduce exposure on foreign currency risk.

As at 31 December 2019, the Company has financial assets and liabilities in foreign currencies as follow :

| | Consolidated and Separate F/S | | |
|----------------------------------------|-------------------------------|---------------|--------------------|
| | 31 December 2019 | | |
| | Foreign currencies | Exchange rate | Baht equivalent |
| <u>Cash and Cash at bank</u> | | | |
| USD | 50,968 | 30.1540 | 1,527,839 |
| MYR | 8,104,927 | 7.3222 | 59,345,855 |
| <u>Trade accounts receivable</u> | | | |
| MYR | 10,425,644 | 7.3222 | 76,338,652 |
| <u>Liabilities under trust receipt</u> | | | |
| USD | 218,400 | 30.1540 | 6,585,634 |
| <u>Trade accounts payable</u> | | | |
| USD | 89,160 | 30.1540 | 2,688,531 |
| MYR | 143,405 | 7.3222 | 1,050,040 |

Fair Value of Financial Instruments

The following methods and assumptions are used to estimate the fair value of each class of the Company's financial instruments.

- Financial assets are shown at estimated fair value.
- Financial liabilities are shown at the book value which is considered fair value because such liabilities will be matured in short term

30. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability.

As at 31 December 2019 and 2018, Financial assets and financial liabilities measured at fair value are as follows:

(Unit : Thousand Baht)

| | | Consolidated and Separate F/S | | | |
|-------------------------|--|-------------------------------|---------|---------|-------|
| | | 31 December 2019 | | | |
| | | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | |
| Fixed income fund | | - | 255 | - | 255 |

(Unit : Thousand Baht)

| | | Consolidated and Separate F/S | | | |
|-------------------------|--|-------------------------------|---------|---------|-------|
| | | 31 December 2018 | | | |
| | | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | |
| Fixed income fund | | - | 6,555 | - | 6,555 |

31. COMMITMENTS AND CONTINGENT LIABILITIES

31.1 As at 31 December 2019, the Company has commitments for construction factory building and machinery under installation of Baht 5.21 million.

31.2 The Company has entered into sales office, warehouse rental and other services. Under the terms of agreements, the Company is committed to pay as follows :

| Years | Baht |
|-----------------------|--------|
| Not later than 1 year | 91,000 |

31.3 The Company has commitment under letter of guarantee issued by bank of Baht 5.96 million for electricity usage and purchase of raw materials.

31.4 The Company has obligations under a domestic bank guarantees for performance bonds required in the normal course of businesses approximately of USD 10,000.

31.5 The Company and its subsidiaries have credit facilities and contingent liabilities from financial institution as at 31 December 2019 as follows :

| | (Unit: Baht) | | |
|----------------------------------------------------|------------------|-------------|------------|
| | Consolidated F/S | | |
| | Credit line | Used | Balance |
| Credit facilities | | | |
| Bank overdraft | 35,500,000 | 25,550,455 | 9,949,545 |
| Short-term loan | 162,594,300 | 140,012,635 | 22,581,665 |
| Long-term loan | 38,950,000 | 14,200,000 | 24,750,000 |
| Forward agreements | 60,000,000 | - | 60,000,000 |
| Contingent liabilities | | | |
| Letter of guarantee | 12,000,000 | 5,963,600 | 6,036,400 |
| Letter of credit and trust receipts (occasionally) | 90,000,000 | 9,878,450 | 80,121,550 |
| Bill for collection | 3,000,000 | - | 3,000,000 |
| Lease agreements | 28,312,050 | 17,884,914 | 10,427,136 |

(Unit: Baht)

| | Separate F/S | | |
|----------------------------------------------------|--------------|-------------|------------|
| | Credit line | Used | Balance |
| Credit facilities | | | |
| Bank overdraft | 30,000,000 | 25,550,455 | 4,449,545 |
| Short-term loan | 115,000,000 | 115,000,000 | - |
| Long-term loan | 38,950,000 | 14,200,000 | 24,750,000 |
| Forward agreements | 60,000,000 | - | 60,000,000 |
| Contingent liabilities | | | |
| Letter of guarantee | 11,500,000 | 5,485,000 | 6,015,000 |
| Letter of credit and trust receipts (occasionally) | 90,000,000 | 9,878,450 | 80,121,550 |
| Bill for collection | 3,000,0000 | - | 3,000,0000 |
| Lease agreements | 28,312,050 | 17,884,914 | 10,427,136 |

32. CAPITAL RISK MANAGEMENT

The Company's objectives in the management of capital is to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust policy for distribution dividends to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts.

33. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of Directors on 27 February 2020.

Section 4 Information for Investors

17. Information for Investor

| | |
|-----------------------|------------------------------------------------------------|
| Name | N.D. Rubber Public Company Limited |
| Stock Code | NDR |
| Registration No. | 0107557000179 |
| Type of Business | Manufacturer and Distributor of Motorcycle Tires and Tubes |
| Website | www.ndrubber.co.th |
| Year of Establishment | 1990 |
| First Trade Date | January 15, 2015 |
| Registered Capital | 387.47 Million Baht |
| Paid-up Capital | 315.39 Million Baht |
| Ordinary shares | 315.39 Shares |
| Par Value | 1 Baht per Share |
| Preferred Share | None |
| Fiscal Year | January 1 - December 31 of each year |

Contact Details

Head Office

| | |
|---------|-------------------------------------------------------------------------------------|
| Address | 129 Moo 3 Nongchak –Phanasnikom Rd., Nongeiroom, Banbeung, Chonburi, Thailand 20220 |
| Tel. | 038-160707 |
| Fax | 033-047348 |

Company Secretary Office

| | |
|-------|--------------------------------------------------------------------------|
| Tel. | 038-160707 Ext. 112 |
| Fax | 033-047348 |
| Email | nopparat.c@ndrubber.co.th |

Investor Relations Department

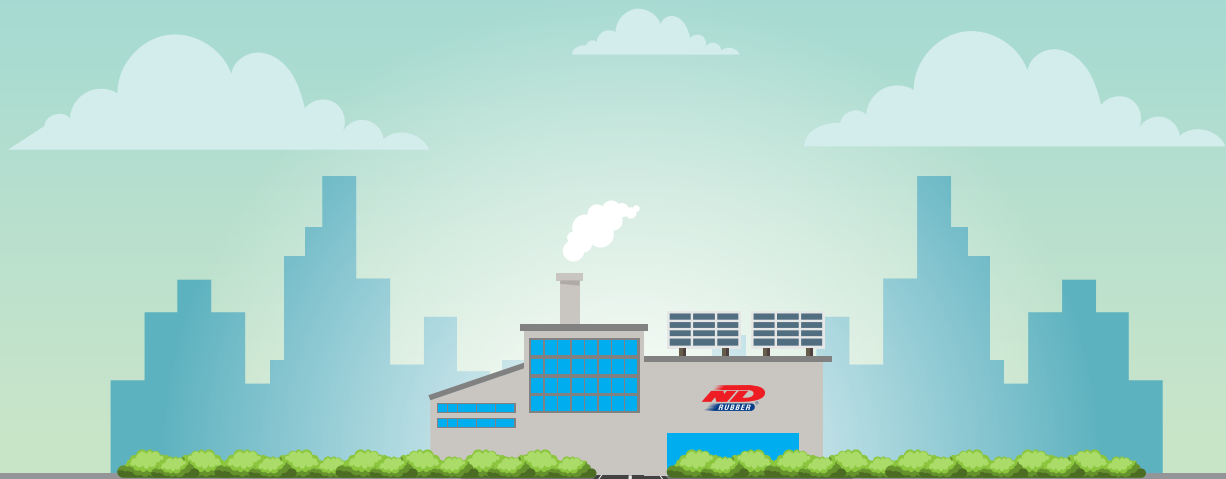
| | |
|---------|--------------------------------------------------------------------|
| Tel. | 038-160707 Ext. 108 |
| Fax | 033-047348 |
| Email : | wassana@ndrubber.co.th |

Independent Directors

| | |
|---------|----------------------------------------------------------------------|
| Email : | auditcom@ndrubber.co.th |
|---------|----------------------------------------------------------------------|



เพื่อนคุณ...ตลอดไป



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 Facebook : ND Rubber

 www.ndrubber.co.th