

No. NDR012/2018

11 May 2018

Subject: Management Discussion and Analysis (MD&A) Report for the Three Month Period (Q1/2018)

Attention: Directors and Manager, The Stock Exchange of Thailand

N.D. Rubber Public Company Limited (“the Company”) would like to present the MD&A for the Three Month period ended 31 March 2018 (1st quarter of 2018) as follows:

Unit : Million Baht

	Q1/17	Q4/17	Q1/18	Change +/-			
				QoQ	%	YoY	%
Net Revenue	215.83	191.39	206.12	14.73	7.70	-9.71	-4.50
Cost of Goods Sold	187.58	180.66	180.77	0.11	0.06	-6.81	-3.63
Gross Margin	28.25	10.73	25.35	14.62	136.25	-2.90	-10.27
Admin Expenses	10.85	11.10	33.92	22.82	205.59	23.07	212.63
Selling Expenses	3.84	3.36	9.18	5.82	173.21	5.34	139.06
Net Profit /(Loss)	12.70	-1.28	-19.15	-17.87	1,396.09	-31.85	-250.79
Gross Profit Margin (%)	13.09	5.61	12.30	6.69	119.37	-0.79	-6.04

Unit : Million Baht

	Q1/17	Q4/17	Q1/18	Change +/-			
				QoQ	%	YoY	%
Current Assets	247.64	215.77	432.35	216.58	100.38	184.71	74.59
Fixed Assets	496.77	487.78	760.48	272.70	55.91	263.71	53.08
Total Assets	744.41	703.55	1,192.83	489.28	69.54	448.42	60.24
Current Liabilities	221.47	192.45	434.91	242.46	125.99	213.44	96.37
Long-term Liabilities	95.03	74.59	138.58	63.99	85.79	43.55	45.83
Retained Earnings	427.91	436.51	619.34	182.83	41.88	191.43	44.74
Total Liabilities and Retained Earnings	744.41	703.55	1,192.83	489.28	69.54	448.42	60.24

- In Q1/18, our revenue from both domestic and export has not yet turned back to normal. However, the revenue from export has started picking up in March after we have changed the promotion policy in Malaysia. The domestic revenue has started picking up in March too after launching the fighting brand into the market.
- Gross profit margin of Q1/18 is increased to 12.30% comparing with Q4/17 which shows that our overall cost is decreased. But we don't have a profit because our revenue is lower than normal and we have special expense, using for acquiring FKR, at 11.3 million baht. However, this special expense shall be in Q1/18 only.
- Total assets and retained earnings in Q1/18 are increased because of acquiring FKR. Total liabilities are also increased because of loan for acquiring FKR and because of including FKR's liabilities into our statement.

Please be informed accordingly,

Yours faithfully,



(Mr. Chaiyasit Samrittivanicha)

Managing Director