

No. NDR013/2018

10 August 2018

Subject: Management Discussion and Analysis (MD&A) Report for the Three Month Period (Q2/2018)

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 30 June 2018 (2nd quarter of 2018) as follows:

Unit : Million Baht

	Q2/17	Q1/18	Q2/18	Change +/-			
				QoQ	%	YoY	%
Net Revenue	201.20	206.12	251.20	45.08	21.87	50.00	24.85
Cost of Goods Sold	183.37	180.77	204.16	23.39	12.94	20.79	11.34
Gross Margin	17.83	25.35	47.04	21.69	85.56	29.21	163.83
Admin Expenses	3.84	33.92	26.47	-7.45	-21.96	22.63	589.32
Selling Expenses	2.43	9.18	11.70	2.52	27.45	9.27	381.48
Net Profit /(Loss)	3.59	-19.08	3.10	22.18	116.25	-0.49	-13.65
Gross Profit Margin (%)	8.86	12.30	18.73	6.43	52.24	9.86	111.31
Net Profit Margin (%)	4.40	-9.26	1.23	10.49	113.33	-3.17	-71.98

Unit : Million Baht

	Q2/17	Q1/18	Q2/18	Change +/-			
				QoQ	%	YoY	%
Current Assets	219.23	432.35	455.23	22.88	5.29	236.00	107.65
Fixed Assets	499.68	760.48	760.29	-0.19	-0.02	260.61	52.16
Total Assets	718.91	1,192.83	1,215.52	22.69	1.90	496.61	69.08
Current Liabilities	196.50	434.91	396.74	-38.17	-8.78	200.24	101.90
Long-term Liabilities	88.36	138.58	100.85	-37.73	-27.23	12.49	14.14
Retained Earnings	434.05	619.34	717.96	98.62	15.92	283.91	65.41
Total Liabilities and Retained Earnings	718.91	1,192.83	1,215.55	22.72	1.90	496.64	69.08

- In Q2/18, our revenue has increased due to the adjustment of the sales campaign in both domestic and Malaysia markets. Revenue of Q2/18 increased by 50.00 million baht and 45.08 million baht compared to Q2/17 and Q1/18 respectively. As a result, total revenue of Q2/18 is 251.20 million baht.
- With the increase in revenue, the Company's performance of Q2/18 turned to a profit of 3.10 million baht. Although, the past 6-month performance of the Company suffered a loss of 15.98 million baht which mainly due to the special cost of share acquisition in Malaysia in Q1/18, but the Q2/18 earnings show that share acquisition in Malaysia is a decision that will make the Company more profitable.
- Total assets and retained earnings including liabilities in Q2/18 are increased compared to Q2/17 due to share acquisition of FKR in Malaysia. However, if compared to Q1/17, there is a significant change in the decrease of liabilities of 75.90 million baht because cash received from capital increase was used to repay the bank in respect of the acquisition of FKR.

Please be informed accordingly,

Yours faithfully,



(Mr. Chaiyasit Samrittivanicha)

Managing Director