

No. NDR008/2022

12 May 2022

Subject: Management Discussion and Analysis (MD&A) Quarter 1 Ending 31 March 2022

Attention: Directors and Manager, The Stock Exchange of Thailand

N.D. Rubber Public Company Limited (“the Company” or “NDR”) would like to present the MD&A for the Three-Month period ended 31 March 2022. The details are as follows:

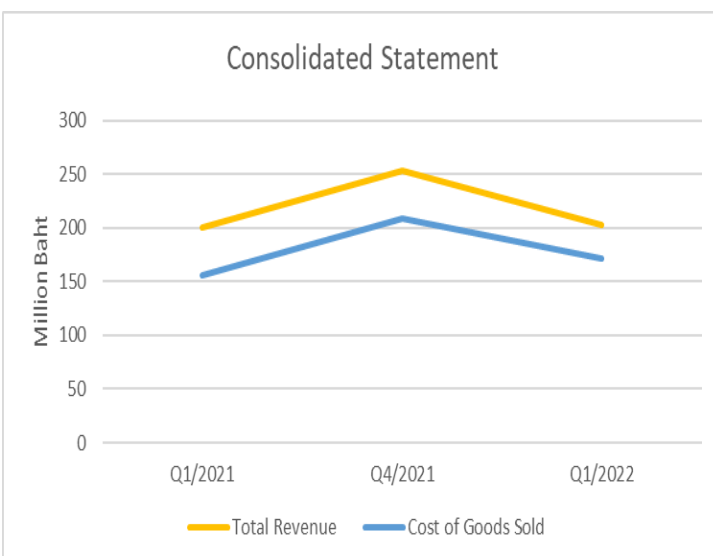
Company's operation

Unit: Million Baht

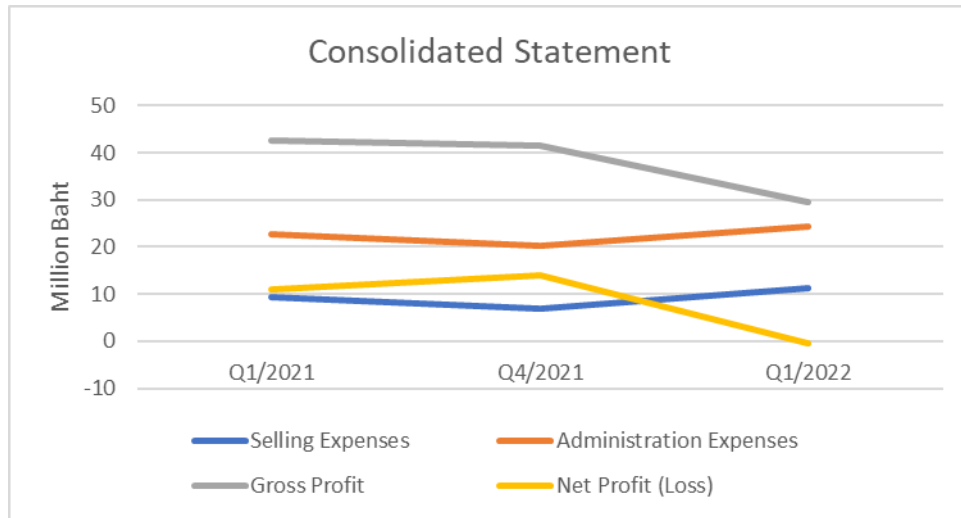
Profit/Loss	Q1/2021	Q4/2021	Q1/2022	YoY		QoQ		
				Different	%	Different	%	
Consolidated Statement	Sales Revenue	198.69	249.97	200.96	2.27	1.14%	-49.01	-19.61%
	Other income	2.22	3.19	1.9	-0.32	-14.41%	-1.29	-40.44%
	Total Income	200.91	253.16	202.86	1.95	0.97%	-50.30	-19.87%
	Cost of Goods Sold	156.17	208.52	171.53	15.36	9.84%	-36.99	-17.74%
		77.73%	82.37%	84.56%				
	Selling Expenses	9.26	6.95	11.26	2.00	21.60%	4.31	62.01%
		4.61%	2.75%	5.55%				
	Administration Expenses	22.68	20.35	24.33	1.65	7.28%	3.98	19.56%
		11.29%	8.04%	11.99%				
	Gross Profit	42.52	41.46	29.42	-13.10	-30.81%	-12.04	-29.04%
	21.16%	16.38%	14.50%					
Net Profit (Loss)	10.91	13.94	-0.31	-11.22	-102.84%	-14.25	-102.22%	
	5.43%	5.51%	-0.15%					

Unit: Million Baht

Profit/Loss		Q1/2021	Q4/2021	Q1/2022	YoY		QoQ	
					Different	%	Different	%
Separated Statement	Sales Revenue	150.56	173.38	159.25	8.69	5.77%	-14.13	-8.15%
	Other income	0.72	1.93	16.74	16.02	2225.00%	14.81	767.36%
	Total Income	151.28	175.31	175.99	24.71	16.33%	0.68	0.39%
	Cost of Goods Sold	127.8	160.97	150.25	22.45	17.57%	-10.72	-6.66%
		84.48%	91.82%	85.37%				
	Selling Expenses	2.01	1.98	2.03	0.02	1.00%	0.05	2.53%
		1.33%	1.13%	1.15%				
	Administration Expenses	10.49	9.26	11.32	0.83	7.91%	2.06	22.25%
		6.93%	5.28%	6.43%				
	Gross Profit	22.76	3.11	8.99	-13.77	-60.50%	5.88	189.07%
	15.04%	1.77%	5.11%					
Net Profit (Loss)	9.08	2.16	12.37	3.29	36.23%	10.21	472.69%	
	6.00%	1.23%	7.03%					



Russia-Ukraine Crisis causes the cost of raw material and energy higher than expected, so our cost of goods sold become higher than the increasing in revenue which pressure our gross profit to stay at low lever than usual. Although we can have a revenue a little bit better than last year but our gross profit is only at 14.50%. Therefore, we have announce to reduce the discount and sales promotion for 2nd Quarter of the year 2022.



Due to the above reason, our operation is loss at 0.31 Million Baht for 1st Quarter of 2022. We expect that when the Russia-Ukraine crisis is solved, the cost of energy and raw materials will be sudden down to normal level and the Company shall be able to get the profit as usual. However, during the crisis, we rush to decrease other costs to maintain our profit margin.

Assets and Liabilities

Unit : Million Baht

Balance Sheet		Q1/2021	Q4/2021	Q1/2022	YoY		QoQ	
					Different	%	Different	%
Consolidated Statement	Current Assets	376.21	441.17	448.99	72.78	19.35%	7.82	1.77%
	Fixed Assets	695.14	785.06	770.35	75.21	10.82%	-14.71	-1.87%
	Total Assets	1,071.35	1,226.23	1,219.34	147.99	13.81%	-6.89	-0.56%
	Current Liabilities	252.58	265.90	278.7	26.12	10.34%	12.8	4.81%
	Long-term Liabilities	54.97	51.49	50.96	-4.01	-7.29%	-0.53	-1.03%
	Total Liabilities	307.55	317.39	329.66	22.11	7.19%	12.27	3.87%
	Retained Earnings	763.8	908.86	889.67	125.87	16.48%	-19.19	-2.11%

Unit : Million Baht

Balance Sheet		Q1/2021	Q4/2021	Q1/2022	YoY		QoQ	
					Different	%	Different	%
Separated Statement	Current Assets	170.02	196.21	235.68	65.66	38.62%	39.47	20.12%
	Fixed Assets	836.93	911.31	901.03	64.1	7.66%	-10.28	-1.13%
	Total Assets	1006.95	1,107.52	1,136.71	129.76	12.89%	29.19	2.64%
	Current Liabilities	220.79	219.48	247.29	26.50	12.00%	27.81	12.67%
	Long-term Liabilities	17.99	17.58	17.84	-0.15	-0.83%	0.26	1.48%
	Total Liabilities	238.78	237.06	265.13	26.35	11.04%	28.07	11.84%
	Retained Earnings	768.17	870.46	871.58	103.41	13.46%	1.12	0.13%

The assets and liabilities of the Company as of 31 March 2022 are as following:

- We have more current assets because we have purchased raw materials which the price will be increased in 2nd Quarter of the year 2022.
- Non-current assets are decreased due to depreciation and sold of unused old assets.
- Increasing in liabilities from using more revolving credit to purchase raw materials for stock.

Unit : Million Baht

Cash Flow Statement		Q4/2021	Q1/2022
Consolidated Statement	Net Cash received (used) from Operation	58.27	-13.51
	Net Cash received (used) from Investment	-20.30	-0.76
	Net Cash received (used) from Financing	-6.13	17.01
	Net increase (decrease) of Cash and Cash equivalent	33.44	0.11
	Cash and Cash equivalent at the end of the period	159.20	159.31
Separated Statement	Net Cash received (used) from Operation	36.91	-17.24
	Net Cash received (used) from Investment	-30.69	15.31
	Net Cash received (used) from Financing	5.24	19.67
	Net increase (decrease) of Cash and Cash equivalent	11.46	17.05
	Cash and Cash equivalent at the end of the period	42.60	59.65

In 1st Quarter 2022, we have a little bit more of cash flow at 0.11 million Baht due to using a lot of cash to purchase raw material for stock for the purpose of slow down the increasing in production cost.

Due to re-pandemic of COVID-19, the company still maintain the regulation that everyone must strictly do as following:

- All employees and visitors must enter into the screening point for fever screening before entering the Company;
- Visitors must have received at least 2 doses of vaccination;
- All employees are required to wear a surgical mask at all times when in public areas;
- Encourage employees to regularly wash their hands with water or alcohol and keep social distance;
- Screening foreigner by ATK testing before allowing to enter the Company;
- Setting up the Bubble & Seal system in the factory to control the spreading (if occurring) in the limited group and controllable; and
- Setting up the Factory Isolation for infected and suspected employee and preparing medical equipment and medicine for curing.

Please be informed accordingly,

Yours faithfully,



(Mr. Chaiyasit Samrittivanicha)

Managing Director