



14 May 2024

Subject: Management discussion and analysis for the three-month period ended 31 March 2024

Dear Directors and Managers Stock Exchange of Thailand

T.R.V. Rubber Products Public Company Limited (“The Company”) and its subsidiaries (“The Group”) would like to clarify their operating results and financial position for the three-month period ended 31 March 2024 as follows:

Comparative operating results for the three-month periods ended 31 March 2024 and 2023 can be summarised as follows:

Unit : million baht

Income Statement	Consolidated financial statements		Consolidated financial statements		Increase (Decrease)	
	31-มี.ค.-24		31-มี.ค.-23			
	MB.	%	MB.	%	MB.	%
Revenue from sales	402.44	100.00%	47.44	100.00%	355.01	748.39 %
Cost of sales	369.46	91.81%	30.73	64.78%	338.74	1,102.39 %
Gross profit	32.98	8.19%	16.71	35.22%	16.27	97.37 %
Other income	0.23	0.06%	0.19	0.40%	0.03	17.75 %
Selling expenses	3.19	0.79%	2.94	6.21%	0.25	8.46 %
Administrative expenses	7.91	1.97%	7.84	16.53%	0.07	0.95 %
Finance costs	0.30	0.08%	0.34	0.72%	(0.04)	(11.31) %
Profit before income tax expenses	21.79	5.41%	5.77	12.17%	16.02	277.49 %
Income tax expense	4.48	1.11%	1.21	2.55%	3.27	270.08 %
Net Profit	17.31	4.30%	4.56	9.62%	12.75	279.45 %

Revenue classification by product group for the three-month period

Structure of Revenue	31-Mar-24		31-Mar-23	
	Million baht	%	Million baht	%
Automotive sector	18.67	49.51	27.34	57.63
Growth rate (Percentage)	(31.72)			
Appliance sector	18.73	49.69	19.42	40.94
Growth rate (Percentage)	(3.53)			
Others	0.30	0.80	0.68	1.43
Growth rate (Percentage)	(55.18)			
Total revenue from sales	37.71	100.00	47.44	100.00
Growth rate (Percentage)	(20.51)			

Revenue from sales

For the three-month period ended 31 March 2024, the Group had revenue from sales increase of THB 355.01 million or 748.39% compared to the same period of the previous year. The main reason was sales of subsidiary increased THB 365 million from sales of the water pump to Royal Irrigation Department under the project “purchasing water pumps to increase efficiency in water management and solving flood and drought problem”. The sales of automotive molded rubber parts decreased by THB 9.73 million or 20.51% compared to the same period of the previous year due to the reduction of some customer’s order from foreign export sales.

Cost of Sales and Gross Profit

For the three-month period ended 31 March 2024, the Group had cost of sales totalling THB 369.46 million, an increase of 1,102.39%, due to the increase of the subsidiary’ sales. While automotive molded rubber parts had decreased from decrease in sale of automotive molded rubber parts.

For gross profit for the three-month period ended 31 March 2024, the Group had an increase in gross profit by 97.37% due to the subsidiary’ sales. Gross profit of automotive molded rubber parts had slightly decreased due to the decrease of sales of automotive molded rubber.

Other Income

For the three-month period ended 31 March 2024, other income had slightly increased from the sales of rubber scrap.

Selling expenses

The Group had selling expenses for the three-month period ended 31 March 2024, of THB 3.19 million, an increase THB 0.25 million compared to the same period of the previous year. The increase was from salary expenses due to recruitment Japanese personnel for increase channel to find the new customers.

Administrative expenses

The Group had administrative expense for the three-month period ended 31 March 2024, of THB 7.91 million, an increase THB 0.07 million compared to the same period of the previous year was due to an increase in salary expenses.

Net profit

Net profit for the three-month period ended 31 March 2024 was THB 17.31 million. An increase THB 12.75 million compared to the same period of the previous year was due to an increase in revenue from the subsidiary.

**Statement of financial Position**

Financial Statements (Unit: million baht)	Consolidated financial statements		Increase (Decrease)	% Increase (Decrease)	% Proportion per total assets
	31-Mar-24	31-Dec-23			
Assets					
Current assets	527.79	347.13	180.66	52.04%	79.40%
Non-current assets	136.94	139.59	(2.65)	-1.90%	20.60%
Total assets	664.73	486.72	178.01	36.57%	100.00%
Liabilities and shareholders'equity					
Current liabilities	189.65	28.48	161.17	565.84%	28.53%
Non-current assets	11.68	12.14	(0.46)	-3.81%	1.76%
Non-current assets	463.40	446.09	17.31	3.88%	69.71%
Total liabilities and shareholders'equity	664.73	486.72	178.01	36.57%	100.00%

Total Assets

Financial Statements (Unit: million baht)	Consolidated financial statements		Increase (Decrease)	% Increase (Decrease)	% Proportion per total assets
	31-Mar-24	31-Dec-23			
Cash and cash equivalents	76.37	114.74	(38.37)	-33.44%	11.49%
Deposit at bank pledged as collateral	20.00	20.00	-	100.00%	3.01%
Trade and other receivables	418.97	185.07	233.90	126.39%	63.03%
Inventory	12.33	10.41	1.92	18.49%	1.86%
Land,building with equipment,and right-of-use assets	131.55	134.13	(2.58)	-1.92%	19.79%
Other assets	5.51	22.38	(16.87)	-75.38%	0.83%
Total assets	664.73	486.72	178.01	36.57%	100.00%

As at 31 March 2024, the Group had total assets of THB 664.73 million, increased by THB 178.01 million or 36.57% from 31 December 2023, the main reason was trade and other current receivables increased by THB 233.90 million due to an increase in sale of subsidiary.

Total Liabilities

Financial Statements (Unit: million baht)	Consolidated financial statements		Increase (Decrease)	% Increase (Decrease)	% Proportion per total assets
	31-Mar-24	31-Dec-23			
Trade and other payables	74.42	17.69	56.73	320.67%	15.31%
Loan from financial institutions	106.47	8.39	98.09	1169.69%	21.90%
Liabilities under leasing agreements	2.08	2.26	(0.17)	-7.65%	0.43%
Income tax payable	6.07	1.61	4.46	276.47%	1.25%
Employee benefit obligations	10.32	10.07	0.25	2.49%	2.12%
Other liabilities	1.96	0.61	1.35	222.10%	0.40%
Total liabilities	201.33	40.63	160.71	395.57%	41.42%

As of 31 March 2023, the Group had total liabilities of THB 201.33 million, increase by THB 160.71 million or 41.42% from 31 December 2023, the main reason was as follows:

- 1) Trade and other current payables increased from payable for purchases of goods of subsidiary and accrued expense. The accrued expense increased from accrued salary and accrued bonus.
- 2) Borrowings from a financial institution increased by THB 98.09 million from an addition of borrowing during the period to pay for payable of the subsidiary.

Equity

Financial Statements (Unit: million baht)	Consolidated financial statements		Increase (Decrease)	% Increase (Decrease)	% Proportion per total assets
	31-Mar-24	31-Dec-23			
Paid-up share capital	120.00	120.00	-	0.00%	24.69%
Premium on ordinary shares	254.89	254.89	-	0.00%	52.43%
Legal reserve	11.15	11.15	-	0.00%	2.29%
Cumulative profit	77.36	60.06	17.31	28.82%	15.91%
Total shareholders' equity	463.40	446.09	17.31	3.88%	95.33%

As of 31 March 2024, the Group had total equity of THB 463.40 million, increased by THB 17.31 million compared to 31 December 2023, mainly due to net profit during the period.

Key financial ratio analysis

Financial Ratio	Unit	As of 31 Mar.2024	As of 31 Dec.2023
Current Ratio	times	2.78	12.19
Return on Equity (ROE)	%	3.81	2.83
Return on Assets (ROA)	%	3.01	2.51
Debt to Equity Ratio	times	0.43	0.09
Interest Bearing Debt	times	0.23	0.02

Liquidity ratio

As of 31 March 2024, the Group's liquidity ratio decreased from 2023, due to an increase in current liabilities, the main reason was an increase in short-term borrowings from financial institution.

Efficiency Ratio

As of 31 March 2024, the Group's return on assets ratio and return on equity ratio increased comparing to 2023 due to an increase in net profit from sales of the subsidiary.



Financial Policy Ratio

As of 31 March 2024, the Group's interest-bearing debt to equity ratio (Interest-bearing Debt) was 0.23 times, increased by 0.21 times, and the Group's debt to equity ratio (D/E Ratio) at 0.43 times, increased by 0.34 times due to an increase in total liabilities as the above details.

Please be informed accordingly.

Yours sincerely,

(Mr.Theerawut Nawamongkhonchaikit)

Authorized Signatory

T.R.V. Rubber Products Public Company Limited