

14 May 2026

Subject: Management discussion and analysis of Quarter 1 ended 31 March 2026

Dear Directors and Managers

Stock Exchange of Thailand

T.R.V. Rubber Products Public Company Limited and its subsidiary ('The Group') would like to clarify the Group's operating results and financial position for the three-month period ended 31 March 2026 as follows:

Industry Overview and Outlook

In the first quarter of 2026, the Company continued to face challenges carried over from 2025. The performance details by business segment are as follows:

- Automotive parts segment: Orders for rubber parts in internal combustion engine systems remained stagnant or continued to decline. This aligns with the industry's transition toward Electric Vehicles (EV) and is further impacted by the prolonged tightening of auto loan approvals that began last year.
- Electrical appliance parts segment: Order volumes declined in tandem with the slowdown in domestic electrical appliance sales, particularly in the large appliance category. This was driven by high levels of household debt, which weakened consumer purchasing power and hindered decision-making.
- Water management business segment: Revenue decreased compared to the same period last year, this was primarily due to the absence of revenue recognition from subsidiaries and a lack of water pump sales compared to the high base in the previous year.

To navigate these economic fluctuations, the Company has implemented a revenue balancing strategy. This includes enhancing production efficiency, focusing on cost management, and optimizing rubber part production lines to maintain profit margins amidst the private sector slowdown. Furthermore, the Company is proactively expanding into government projects within the water management segment to create a new "S-Curve" and offset declining revenues from other sectors. The Company maintains a diversified risk profile by balancing its revenue mix between the public and private sectors, reducing reliance on any single industry and ensuring cash flow stability across all market conditions.



Comparative operating results for three-month period ended 31 March 2026 and 2025 are summarised as follows:

Income Statement (Unit: Thousand Baht)	Consolidated Financial Statement 31-Mar-2026		Consolidated Financial Statement 31-Mar-2026		Increase (Decrease)	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
	Revenue from sales and services	29,421	100.00%	142,331	100.00%	(112,910)
Cost of sales and services	21,179	71.99%	127,443	89.54%	(106,264)	(83.38)%
Gross Profit	8,242	28.01%	14,888	10.46%	(6,646)	(44.64)%
Other income	15	0.05%	164	0.12%	(149)	(90.85)%
Selling and servicing expenses	2,119	7.20%	2,904	2.04%	(785)	(27.03)%
Administrative expenses	10,722	36.44%	7,626	5.36%	3,096	40.60%
Operating profit (Loss)	(4,584)	(15.58)%	4,522	3.18%	(9,106)	(201.37)%
Finance income	882	3.00%	255	0.18%	627	245.88%
Finance cost	(68)	(0.23)%	(48)	(0.03)%	(20)	41.67%
Profit (Loss) before income tax expenses	(3,733)	(12.81)%	4,729	3.32%	(8,499)	(179.72)%
Tax (expense) income	(3,733)	0.13%	(995)	(0.70)%	1,032	(103.72)%
Profit (Loss) for the period	(3,733)	(12.69)%	3,734	2.62%	(7,467)	(199.97)%

Revenue by product group for three-month period

Structure of Revenue	Consolidated Financial Statement 31-Mar-2026		Consolidated Financial Statement 31-Mar-2026	
	Thousand Baht	%	Thousand Baht	%
Automotive sector	14,790	50.91	17,725	55.12
Growth rate (Percentage)	(16.56)			
Appliance sector	13,123	45.18	14,174	44.08
Growth rate (Percentage)	(7.41)			
Others	1,136	3.91	256	0.80
Growth rate (Percentage)	205.71			
Total revenue from sales	29,050	100.00	32,155	100.00
Growth rate (Percentage)	(9.66)			

Revenue from sales and services

For the year ended December 31, 2025, the Group's total revenue from sales and services amounted to 230.19 million Baht, representing a decrease of 265.08 million Baht or 53.52% compared to the same period last year. This decline was primarily driven by a significant reduction in revenue from a subsidiary's sales of water pumps.

Cost of sales and services and gross profit

For the three-month period ended March 31, 2026, the Group's cost of sales stood at 21.18 million Baht, representing a decrease of 83.38%. This decline was primarily due to the absence of revenue from the subsidiary, resulting in no associated cost of sales being recognized from that entity.

For the three-month period ended March 31, 2026, the Group reported a gross profit for the first quarter of 8.24 million Baht, equivalent to a gross profit margin of 28.01%.

Net profit

For the three-month period ended March 31, 2026, the Group reported a net loss of 3.73 million Baht, a decrease of 7.47 million Baht compared to the same period last year. The primary reason was an increase in administrative expenses related to the O2 Panus Project, which included legal and financial advisory fees. These items are one-time expenses occurring only in this quarter.

Statement of financial position

Financial Statement (Unit: Thousand Baht)	Consolidated Financial Statement		Increase (Decrease)	%Increase (Decrease)	% Proportion per total sales
	31-Mar-2026	30-Dec-2026			
Assets					
Current assets	433,839	359,697	74,142	20.61%	77.13%
Non-current assets	128,611	131,840	(3,229)	(2.45)%	22.87%
Total assets	562,450	491,537	70,913	14.43%	100.00%
Liabilities and shareholders' equity					
Current liabilities	92,397	16,690	75,707	453.61%	16.43%
Non-current liabilities	15,010	16,071	(1,061)	(6.60)%	2.67%
Shareholders' equity	455,043	458,776	(3,733)	(0.81)%	80.90%
Total liabilities and shareholders' equity	562,450	491,537	70,913	14.43%	100.00%

Total assets

Financial Statement (Unit: Thousand Baht)	Consolidated Financial Statement		Increase (Decrease)	%Increase (Decrease)	% Proportion per total sales
	31-Mar-2026	31-Mar-2025			
Current assets					
Cash and cash equivalents	139,828	233,642	(93,814)	(40.15)%	24.86%
Trade and other current receivables	19,662	49,641	(29,979)	(60.39)%	3.50%
Short-term loan to related company	122,400	-	122,400	100.00%	21.76%
Short-term loans to other party	42,800	64,200	(21,400)	(33.33)%	7.61%
Inventories	104,900	8,783	96,117	1094.35%	18.65%
Other current assets	4,249	3,431	818	23.84%	0.76%
Total currents assets	433,839	359,697	74,142	20.61%	77.13%
Non-current assets					
Restricted bank deposits	9,875	9,875	-	0.00%	1.76%
Investments in subsidiary	107,241	109,276	(2,035)	(1.86)%	19.07%
Property, plant and equipment	6,780	7,283	(503)	(6.91)%	1.21%
Right-of-use assets	1,213	1,316	(103)	(7.83)%	0.22%
Deferred tax assets	2,560	2,523	37	1.47%	0.46%
Other non-current assets	942	1,567	(625)	(39.89)%	0.17%
Total non-current assets	128,611	131,840	(3,229)	(2.45)%	22.87%
Total assets	562,450	491,537	70,913	14.43%	100.00%

Total assets

As of March 31, 2026, the Group's total assets amounted to 562.45 million Baht, representing a decrease of 70.91 million Baht or 14.43%. Current assets stood at 433.84 million Baht, an increase of 74.14 million Baht or 20.61%. The details are as follows:

- Cash and Cash Equivalents: Totaled 139.83 million Baht, a decrease of 93.81 million Baht from the previous year, primarily due to loans provided to related parties.
- Short-term Loans to Related Parties: Amounted to 122.40 million Baht, associated with the O2 Panus Project.
- Short-term Loans to Other Parties: Stood at 42.80 million Baht, a decrease of 21.40 million Baht following repayments from a joint venture project.
- Inventories: Stood at 104.90 million Baht, an increase of 96.17 million Baht from the previous year, resulting from the recognition of finished goods for the WGTR Project.

Total liabilities and equity

Financial Statement (Unit: Thousand Baht)	Consolidated Financial Statement		Increase (Decrease)	%Increase (Decrease)	% Proportion per total sales
	31-Mar-2026	31-Mar-2025			
Current liabilities					
Trade and other current payables	29,355	12,394	16,961	136.85%	5.22%
Current portion of contract liabilities	61,249	2,808	58,441	2081.23%	10.89%
Current portion of lease liabilities	1,449	1,184	265	22.38%	0.26%
Income tax payable	152	152	-	0.00%	0.03%
Other current liabilities	192	152	40	26.32%	0.03%
Total current liabilities	92,397	16,690	75,707	453.61%	16.43%
Non-current liabilities					
Non-current portion of contract liabilities	-	528	(528)	(100.00)%	0.00%
Lease liabilities, net of current liabilities	2,487	3,167	(680)	(21.47)%	0.44%
Non-current provision for employee benefits	12,523	12,376	147	1.19%	2.23%
Total non-current liabilities	15,010	16,071	(1,061)	(6.60)%	2.67%
Total liabilities	107,407	32,761	76,646	227.85%	19.10%
Shareholders' equity					
Paid-up share capital	120,000	120,000	-	0.00%	21.34%
Premium on ordinary shares	254,886	254,886	-	0.00%	45.32%
Legal reserve	11,215	11,215	-	0.00%	1.99%
Cumulative profit	68,942	72,675	(3,733)	(5.14)%	12.26%
Total shareholders' equity	455,043	458,776	(3,733)	(0.81)%	80.90%
Total liabilities and shareholders' equity	562,450	491,537	70,913	14.43%	100.00%

Total liabilities and equity
Total liabilities

As of March 31, 2026, the Group's total liabilities amounted to 104.41 million Baht, an increase of 76.65 million Baht. This was primarily driven by contract liabilities, resulting from the recognition of deferred revenue (unearned revenue) from a joint venture project.

Equity

As of March 31, 2026, the Group's total shareholders' equity stood at 455.04 million Baht, representing a decrease of 3.73 million Baht. The decline was mainly due to the net loss recorded in the first quarter of 2026.

Analysis of key financial ratios

Financial Ratios	Unit	31-Mar-26	31-Mar-25
Current Ratio	times	4.70	8.60
Return on Equity (ROE)	%	(1.29)	0.81
Return on Assets (ROA)	%	(1.04)	0.74
Debt to Equity Ratio	times	0.24	0.13
Interest-bearing Debt	times	0.01	0.00

- **Current Ratio:** Decreased from 8.60 times to 4.70 times, primarily due to a reduction in cash and cash equivalents resulting from loans provided to related parties.
- **Return on Equity (ROE) and Return on Assets (ROA):** ROE declined from 2.59% to -0.40%, while ROA decreased from 0.74% to -1.04%. Both ratios declined as a result of the Company's net loss.
- **Debt-to-Equity Ratio (D/E):** Increased from 0.13 times to 0.24 times, driven by an increase in liabilities from deferred revenue related to the WGTR Project.
- **Interest-Bearing Debt to Equity Ratio:** Increased by 0.01 times due to the recognition of lease liabilities.

Please be informed accordingly.

Yours sincerely



(Khun Theerawut Nawamongkhonchaikit)

Chief Executive Officer

T.R.V. Rubber Products Public Company Limited