



บริษัท ไทยรับเบอร์ลาเท็กซ์กรุ๊ป จำกัด (มหาชน)

THAI RUBBER LATEX GROUP PUBLIC COMPANY LIMITED

สำนักงานใหญ่ : เลขที่ 99/1-3 หมู่ที่ 13 ถนนบางนา-ตราด กม.ที่ 7 ตำบลบางแก้ว อำเภอบางพลี จังหวัดสมุทรปราการ 10540

HEAD OFFICE : NO. 99/1-3 VILLAGE NO.13, BANG NA-TRAT KORMOR NO.7 ROAD, BANG KAE0 SUB-DISTRICT, BANG PHLI DISTRICT, SAMUT PRAKAN PROVINCE 10540, THAILAND

เลขประจำตัวเสียภาษี 0107536000137 TEL : +66 2033 2333-88 FAX : +66 2033 2389-99 <https://www.thaitex.com>, E-mail: [info@thaitex.com](mailto:info@thaitex.com)



May 15, 2025

Re : Management Explanation and Analysis of Operating Results for 1<sup>st</sup> quarter of 2025

To : The President of the Stock Exchange of Thailand

#### Business Overview, Economic and Industry Conditions

The Group Company has comprehensive rubber businesses, covering the whole value chain of rubber and latex products, which are the rubber plantation in Thailand, The producer of latex concentrate and latex rubber, latex rubber thread, rubber gloves and latex bedding.

In the first quarter of 2025, Thailand's rubber industry showed signs of growth, with production increasing slightly compared to the same period of the previous year. This was supported by favorable weather conditions and attractive rubber prices that encouraged farmers to take better care of their rubber plantations. At the same time, primary processed rubber and rubber gloves saw expansion due to continued global demand. However, the industry continued to face challenges from rising competition in rubber industry and an increase in trade barriers, which could potentially impact Thailand's rubber product exports going forward.

In 2025, the Company continues to prioritize the sustainability of its supply chain by actively supporting rubber farmers through various initiatives. These include knowledge transfer programs, hands-on training, and on-site advisory visits aimed at improving product quality and increasing farmers' incomes. Such efforts help ensure an efficient response to both domestic and international market demands over the long term. In particular, the Company places emphasis on educating and preparing farmers and small-scale suppliers to comply with the requirements of the EU Deforestation Regulation (EUDR), in order to maintain continued access to the European market.

#### Business performance

- The company and its subsidiaries ("the Group Company") reported that for the financial statements for the first quarter of 2025, the Group recorded a gross profit of baht 166.61 million, operating profit of baht 54.02 million. The net loss after tax was baht 16.17 million, which is net loss attributable to owner of the parent of baht 13.25 million. The Group's net loss decreased significantly compared to the



same period in 2024, primarily due to an increase in revenue. When comparing the average rubber prices in the 1<sup>st</sup> quarter of 2024 and 2025, prices slightly declined from baht 67.99 per kilogram to baht 67.50 per kilogram, representing a decrease of 0.73% YoY (Source: Rubber Authority of Thailand).

- In Q1/2025 a company, the Company delivered a total of 195.42 tons of EUDR-compliant rubber, including natural latex and pre-vulcanized latex, to its customers. This represents a decrease from the previous quarter, mainly due to the rubber tapping season and a slowdown in the demand for rubber imports from Europe. Several importing countries have delayed their orders in anticipation of clarity on the implementation of the EUDR. Nevertheless, the Company remains committed to maintaining the quality of its rubber to meet international standards, thereby building customer confidence and supporting future growth in orders.

#### Financial ratio

|                           | Q1/25  | Q1/24  | YE/24  | Q1<br>(compare)<br>YoY% |
|---------------------------|--------|--------|--------|-------------------------|
| Current Ratio             | 0.56   | 0.59   | 0.61   | -5.08%                  |
| Average Collection Period | 37     | 42     | 43     | -11.90%                 |
| Average Inventory Period  | 47     | 56     | 59     | -16.07%                 |
| Average Payment Period    | 9      | 12     | 11     | -25.00%                 |
| Cash Cycle                | 75     | 85     | 91     | -11.76%                 |
| Gross Profit Margin       | 7.85%  | 5.09%  | 5.55%  | 54.22%                  |
| Operating Profit Margin   | 2.52%  | -1.16% | -0.99% | -317.24%                |
| Net Profit Margin         | -0.75% | -4.12% | -3.71% | -81.80%                 |
| ROE                       | -0.45% | -1.69% | -7.47% | -73.37%                 |
| ROA                       | 0.63%  | -0.25% | -0.87% | -352.00%                |
| Debt to Equity Ratio      | 1.44   | 1.49   | 1.59   | -3.36%                  |
| DSCR                      | 0.42   | 0.14   | 0.68   | 200.00%                 |

- For the 3-month period of 2025, the Group reported revenues from sales of baht 2,123.08 million. In comparison to 2024, where the revenues from sales was baht 1,820.32 million, an increase of baht 302.76 million or 16.63% YoY. Meanwhile, the cost of sales and services for the 3-month period of 2025 and 2024 was baht 1,956.47 million and baht 1,727.59 million respectively, an increase of baht 228.88 million or 13.25% YoY and the distribution cost and administrative expenses in 2025 and 2024 were baht 135.41 million

and baht 121.03 million respectively, an increase of baht 14.38 million or 11.88% YoY. The net loss for the 3-month period of 2025 was baht 16.17 million, compared to baht 76.96 million in 3-month period of 2024, indicating a significant reduction in losses. This improvement was due to stable sales prices, aligned with

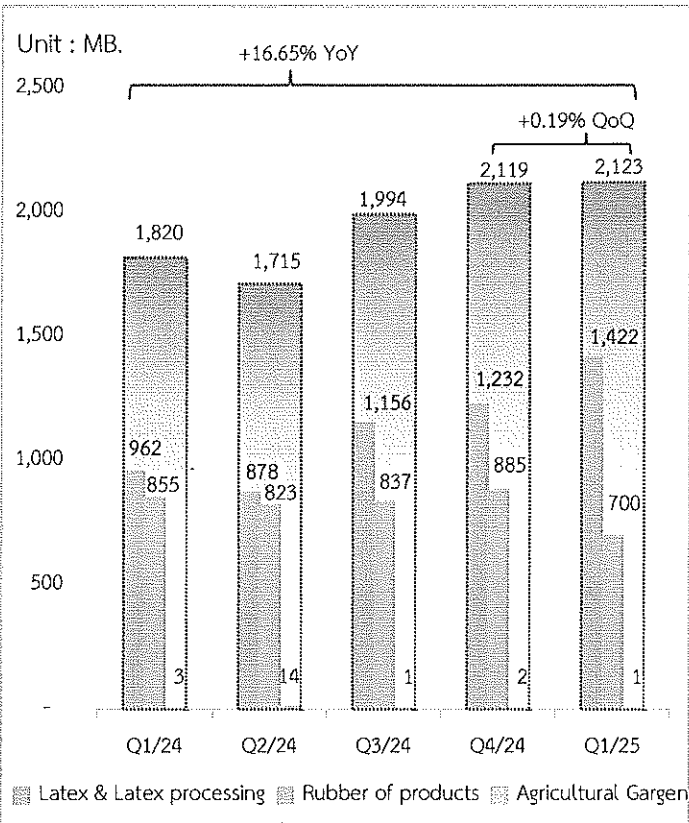


the rubber prices in the market. Additionally, the European Union's delay in enforcing the EU Deforestation-free Products Regulation (EUDR) from 2024 to late 2025 is seen as a positive factor, potentially driving up rubber prices. Furthermore, the Thai economy showed growth in Q1 2025 compared to the previous quarter, supported by the acceleration of exports and industrial production amid concerns about US trade measures, alongside improved private consumption, although private sector investment declined (Source: Bank of Thailand Website). In 2025, the Company is aware of the significant challenges facing the rubber industry and thus continues to focus on improving production efficiency and ensuring sustainable business practices to maintain competitiveness in the global market and achieve stable growth in a rapidly changing economic environment.

The company and its subsidiary companies had financial operating results are as follows:

Revenue by operation segment

1. The Concentrated Latex and Processed Latex Business Group reported a profit before tax of baht 34 million for the 3-month financial statement of 2025, compared to a profit before tax of baht 13 million to the same period of 2024. This improvement was driven by sales volume growth and stable selling prices at a high level, supported by increasing global demand for natural rubber. Key contributing sectors include the medical, automotive, and consumer goods industries, such as rubber gloves, bedding products and elastic yarn. This growth occurred despite challenges from



the appreciation of the Thai baht compared to the same period last year.

2. The Product Manufacturing Business Group reported a loss before tax of baht 30 million for the 3-month period of 2025, compared to a loss before tax of baht 86 million in the same period of 2024. The



improved performance was supported by continued growth in global consumer demand, while demand for rubber gloves remained strong, particularly from the medical sector. However, the industry still faces challenges from intense price competition as well as persistently high raw material and energy costs.

3. The Agricultural Garden Business Group reported a loss before tax of baht 6 million for the 3-month period of 2025, an improvement from a loss before tax of 10 million baht in the same period of 2024. The reduced loss was driven by favorable weather conditions that supported rubber tapping, a recovery in global rubber prices, and the easing of plant disease outbreaks, all of which contributed to an increase in market supply.

#### Sustainability MD&A (ESG)

TRUBB remains committed to advancing and driving its business toward sustainability in 2025, with a strong emphasis on responsible operations across three key pillars: Environmental, Social, and Governance (ESG). The company adheres to internationally recognized standards and practices to enhance its resilience and ensure stable and sustainable growth amidst a volatile business environment and numerous challenges. The sustainability efforts aim to create long-term value for the business while delivering benefits to all stakeholders. These efforts focus on minimizing environmental and social impacts, which form the foundation for responsible long-term growth. The key aspects of this commitment are as follows:

##### Environmental Undertakings

- In 2024, the Company registered for the Carbon Footprint for Organization (CFO) certification with the Thailand Greenhouse Gas Management Organization (Public Organization), or TGO. This initiative reflects the Company's recognition of the importance of conducting environmentally responsible business and its awareness of the organization's role in driving tangible sustainability efforts. The registration demonstrates TRUBB's commitment to systematically and transparently monitoring and managing greenhouse gas emissions generated from its organizational activities.
- The Company has completed the registration of over 1,800 smallholder plots, covering a total area of more than 3,000 rai, in compliance with the requirements of the European Union Deforestation Regulation (EUDR). This effort reflects TRUBB's strong commitment to enhancing the environmental responsibility of its supply chain and preparing for future trade and export regulations in the European market. This initiative not only promotes sustainable and traceable agricultural practices



among farmers within the Company's network but also strengthens market opportunities, enhances product credibility, and supports the Company's tangible sustainability goals.

- The Company has expanded its solar power generation system by installing solar cells at two additional sites: the Chiang Rai factory and the Rayong factory. This brings the total number of locations with solar cell installations to three. This initiative is part of TRUBB's greenhouse gas reduction plan and contributes to a reduction of approximately 30 % in carbon emissions, reinforcing the Company's efforts to transition toward cleaner energy and sustainable operations.

#### Social Undertakings


- The Company conducts annual community outreach visits and regularly provides training to natural rubber farmers on the EUDR traceability program. In the first quarter, the Company carried out field visits in the southern region, focusing on areas surrounding its Surat Thani and Hat Yai factories.
- In the first quarter, the Company also carried out CSR activities by supporting a total of 10 local projects through funding, equipment, and personnel contributions. These initiatives were part of various sub-district, district, and provincial festival events, reflecting the Company's commitment to community engagement and social responsibility.

#### Governance & Economic Undertakings

- The Company published its 2024 Sustainability Report and disclosed its ESG information for the year through the website of the Stock Exchange of Thailand (SET). This demonstrates the Company's commitment to conducting business under the principles of good corporate governance, with a strong emphasis on transparency, accountability, and comprehensive, verifiable information disclosure.

Please be informed accordingly,

Yours faithfully,



(Mr.Pattarapol Wongsasuthikul)

Managing Director