1. **GENERAL**

North East Rubber Public Company Limited (“the Company”) (juristic entity number 0107561000242) has been listed in the Stock Exchange of Thailand since November 7, 2018. The Company is engaged in manufacturing and sales of rubber smoked sheets, skim block rubbers and other rubber products for both domestic and international markets and its registered office addresses are as follows:

* Head office is located at 398 Moo 4 Khok Ma, Prakhon Chai, Buri Ram.
* Branch office (1) is located at 388 Moo 4 Khok Ma, Prakhon Chai, Buri Ram.
* Branch office (2) is located at 388/1 Moo 4 Khok Ma, Prakhon Chai, Buri Ram.
* Branch office (3) is located at 158 Moo 3 Tako Taphi, Prakhon Chai, Buri Ram.
* Branch office (4) is located at 589/156 Condo Tower 1 Office Tower 29th Floor, Debaratna Rd., Bangna Nuea, Bangna, Bangkok.
* Branch office (5) is located at 254 Moo 4 Khok Ma, Prakhon Chai, Buri Ram.

As at December 31, 2025 and 2024, the Company’s major shareholders, with the portion totalling approximately 25.40% and 29.85%, respectively, were four individuals in the Jungtanasomboon family.

1. **BASIS FOR THE FINANCIAL STATEMENT PREPARATION**

The accompanying financial statements are prepared in Thai Baht, which are the core functional currency, and in the Thai language in accordance with the financial reporting standards in Thailand including interpretations and guidelines promulgated by the Federation of Accounting Professions (“TFAC”), applicable rules and regulations of the Securities and Exchange Commission as well as announcement of the Department of Business Development. Accordingly, the accompanying financial statements are intended solely to present the financial position, financial performance, and cash flows in accordance with the financial reporting standards in Thailand.

Except as otherwise disclosed in the material accounting policies, the accompanying financial statements have been prepared under the historical cost convention.

Starting from January 1, 2025, the Company and its subsidiary have adopted Thai Accounting Standards (TAS) and Thai Financial Reporting Standards (TFRS) that were revised by TFAC and became effective for the accounting period starting on or after January 1, 2025. In overall, this revision was made for TAS and TFRS to be more explicit and appropriate which is briefly summarized as shown below:

• TAS 1 => relating to situation, information, and substance of rights used in determining the classification of liabilities as current or non-current, including non-current liabilities with covenants.

• TAS 7, TFRS 7 => relating to additional disclosures about Supplier Finance Agreements (“SFA”) that will enhance understanding of cash flows and liquidity risk.

• TFRS 16 => relating to lease liability in a sale and leaseback with certain revision by adding subsequent measurement requirements for sale and leaseback transactions.

Aforesaid revised TAS and TFRS have no material effect on the financial statements of the Company and its subsidiary.

Further, TFAC revised TAS 21 “The Effects of Changes in Foreign Exchange Rates” that have become effective for the accounting period starting on or after January 1, 2026. The revision was made for more clarity and appropriateness in respect of “the lack of exchangeability” that prescribes the Company to assess whether a currency is exchangeable into another currency and estimate a spot rate, with related disclosures, when a currency lacks exchangeability. In this regard, there is no material effect on financial statements of the Company from such revised TAS 21.

The consolidated financial statements for year ended December 31, 2025 and 2024 included the accounts of the Company and its subsidiary in which the Company has the controlling power or direct / indirect shareholding as follows:

| Name of Company |  | Type of Business |  | Authorized Share Capital |  | Percentage of Direct Holdings (%) |
| --- | --- | --- | --- | --- | --- | --- |
| North East Rubber Cote d’Ivoire  (“NER-CI”)  (Cote d’Ivoire) |  | Manufacturing and sales of smoked rubber sheets, block rubbers, and compound rubbers |  | CFA Franc 10 million  (approximately Baht 0.6 million) |  | 100.00 |

Since establishment in September 2024 until December 15, 2025 (date of dissolution), NER-CI had not yet started its core business activities and had no significant accounting entries in its financial statements other than the establishment. Thus, the Company did not present the 2025 consolidated statement of financial position, the consolidated statement of comprehensive income, the consolidated statement of changes in shareholders’ equity and the consolidated statement of cash flows in 2025 and 2024 in the separate column from those pertaining the Company only because the figures in aforesaid statements for both types of financial statements are the same to each other and there would be misleading and having undue cost if the separate columns were presented entirely with the same figures.

At the Board of Directors’ meeting on May 23, 2025, the Board of Director unanimously passed the resolution approving the Company to liquidate the aforesaid subsidiary whereby the registration for dissolution of subsidiary with the Côte d'Ivoire government agency was completed on December 15, 2025, which was the date on which the Company’s control over NER-CI ceased. The Company, therefore, continued to prepare and present the consolidated statement of financial position (in which the assets and liabilities of NER-CI were eliminated), the consolidated statement of comprehensive income, the consolidated statement of changes in shareholders’ equity and the consolidated statement of cash flows for 2025 whereby there was no impact from the discontinued operation from NER-CI.

The Company disclosed information for the year ended December 31, 2024 for being the comparative information in the financial statements for the year ended December 31, 2025 in the form of corresponding figures.

For convenience of the readers, an English translation of the financial statements has been prepared from the Thai language statutory financial statements that are issued for domestic financial reporting purposes.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Consolidation**

Subsidiary are those companies controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies as well as the variable returns from a company so as to obtain benefits from its activities. The financial statements of subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. Accounting policies of the subsidiary were necessarily transformed for uniformity with the Company’s policies.

Any changes in a parent's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity. When an entity loses control of a subsidiary, investment retained in the former subsidiary is measured at its fair value while any gain or loss is recognized in the statement of comprehensive income.

**Use of Estimates**

In order to prepare financial statements in conformity with the Thai financial reporting standards, management needs to make estimates and set assumptions that affect income, expenditure, assets and liabilities in order to disclose information on the valuation of assets, liabilities and contingent liabilities. Actual outcomes may, therefore, differ from the estimates used.

The estimates and underlying assumptions used in the preparation of these financial statements are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The significant estimates and underlying assumptions used in preparation of these financial statements which may be affected by significant uncertainty are as follows:

* Net realizable value of inventories
* Useful lives and residual values of plant and equipment, right-of-use assets and intangible assets
* Consideration on cancellation or renewal option of leases and discount rates of lease liabilities
* Expected amount and periods that deferred tax assets will be utilized
* Assumptions used in calculation of liability for post-employment benefits
* Assessment of and estimates for the fair values of financial assets and financial liabilities and other financial instruments.

**Cash and Cash Equivalents**

Cash and cash equivalents are carried at cost that include cash on hand and cash at financial institutions.

Restricted deposits at banks are carried at cost and presented as a separate item under non-current assets.

**Trade Receivables, Other Receivables and Allowance for Impairment for Expected Credit Loss**

Trade and other receivables are carried at original invoice amount or at the accrued amount net of allowance for impairment for expected credit loss (if any).

Allowance for impairment for expected credit loss is considered in accordance with the policies discussed in the section of financial instruments.

**Inventories**

Inventories are valued at the lower of cost net realizable value. Cost is calculated and determined using the weighted average method.

**Property, Plant and Equipment**

Land is stated at cost less allowance for impairment (if any). Plant and equipment are stated at cost less accumulated depreciation and allowance for impairment (if any).

Depreciation is charged to the statement of comprehensive income on a straight-line method over the useful lives of each part of an item separately for each significant part of the assets. The useful lives of the assets are as follows:

|  |  |
| --- | --- |
|  | No. of Years |
| Land improvements | 5 - 20 |
| Buildings and building improvements | 5 - 20 |
| Machinery and equipment | 2 - 10 |
| Plots of Napier grass | 10 |
| Furniture, fixtures and office equipment | 3 - 5 |
| Vehicles | 5 - 10 |

**Right-of-use Assets**

Right-of-use assets are measured at cost less accumulated depreciation and allowance for impairment (if any) with adjustment pertaining to re-measurement of lease liabilities.

Depreciation is charged as expense in profit or loss and calculated by the straight-line method attributable to the related lease terms as follows:

|  |  |
| --- | --- |
|  | No. of Years |
| Land for cultivation | 5-10 |
| Office space | 2 |
| Vehicles and equipment | 4-5 |

**Intangible Assets**

Intangible assets are computer programs that are stated at cost net of accumulated amortization and allowance for impairment (if any). Amortization is made on a straight-line method over the useful lives of 3-10 years.

**Impairment of Non-Financial Assets**

The carrying amounts of the assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets’ recoverable amounts (the higher of asset’s fair value less costs to sell or value in use) shall be estimated. The review is made for individual assets or for the cash-generating unit.

In case that the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognizes by reducing the carrying amount of the asset to its recoverable amount and by recording the devaluation in the statement of comprehensive income. The reversal of the recognized impairment losses is recorded as part of other income when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased. The reversal of the impairment losses shall not exceed the carrying amount of the asset, net of depreciation or amortization, that would have been determined had no impairment losses been recognized for the asset in prior years.

**Trade and Other Payables**

Trade and other payables are stated at cost.

**Lease Liabilities**

At the commencement date, lease liability is measured at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the incremental borrowing rates is use (average interest rates on borrowings with similar term and characteristics to the underlying asset).

After the commencement date, the lease liability is re-measured by (1) increasing the carrying amount to reflect interest on the lease liability (if any), (2) reducing the carrying amount to reflect the lease payments made and (3) re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. Interest on lease liability and variable lease payments not included in the measurement of lease liability is charged as expense in profit or loss.

The estimated discount rates that are used on the lease liabilities for land for cultivation, office space, vehicles and equipments are 5.00%, 4.77%, 4.05-4.61% p.a., respectively.

Lease fees attributable to short-term lease (not exceeding 12 months from commencement date) and lease of low-value asset (based on physical characteristics of the asset as if a new one) are charged as expense in profit or loss on the straight-line method over the related lease terms.

**Employment Benefits**

*Short-term benefits*

Salaries, wages, bonuses and contributions to social security fund are recognized as an expense upon their occurrences and on an accrual basis.

*Post-employment benefits*

Obligations on defined contribution plan which is the provident fund are recognized as an expense in the statement of comprehensive income when contribution to the fund on an accrual basis.

Obligations on post-employment benefits which are defined benefit plan that will be settled to the employees upon retirement or termination are calculated by estimating the amount of future benefits that employees have earned in return for their service in the prior and current periods. The benefits are discounted using the project unit credit method to determine present value of obligations. The calculation is annually performed, or at least every three years, by the qualified actuary. Expenses from the estimated liability for post-employment benefits comprise current service cost, part service cost and interest cost, which are recognized as profit or loss whereas actuarial gain/loss on measurement is recognized as other comprehensive income or loss in the statement of comprehensive income.

**Revenue Recognition**

Sales are recognized net of discounts at a point in time when delivery has taken place and customer has accepted goods and transfer of risks and rewards of ownership and control to the buyer has been completed.

Short-term service income (within one day) is recognized at a point in time when the service is rendered to the customer and on an accrual basis.

Interest income is recognized over time on a time proportion basis that reflects the effective yield on the asset if significant.

Rental income on the assets which is operating lease is recognized over time on a straight-line basis over the lease term.

Other income is recognized on an accrual basis.

**Expense Recognition**

Expenses are recognized on an accrual basis.

**Borrowing Costs**

The interest and financial charges on liabilities for construction of building and installation of machinery and equipment is capitalized as part of the cost of the qualifying asset. The capitalization of such finance costs is ceased when the construction or installation is completed and ready for the intended use.

**Foreign Currencies**

*Transactions in foreign currencies*

Transactions in foreign currencies are translated and recorded in Thai Baht at the exchange rates prevailing at the dates of the transactions. The outstanding balances of monetary assets and liabilities denominated in foreign currencies at the statement of financial position dates are translated into Baht at the exchange rates prevailing at those dates. Non-monetary assets and liabilities denominated in foreign currencies which are carried under historical cost convention are translated to Thai Baht at the exchange rates ruling at the dates of the transactions. Gain or loss on foreign exchange differences arising on translation are recognized in the statement of comprehensive income.

*Foreign entity*

Assets and liabilities of foreign entity are translated to Thai Baht at the exchange rates ruling at the end of reporting period.

Revenues and expenses of foreign entity are translated to Thai Baht at the exchange rates ruling at the dates of the transactions.

Differences arising on foreign currency translation or conversion are recognized as other comprehensive income or loss and separately presented as other component of equity until the investment is disposed.

**Fair Value Measurements**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (“Level 1 inputs”), secondary priority to other observable inputs (“Level 2 inputs”), and the lowest priority to unobservable inputs (“Level 3 inputs”).

**Financial Instruments**

*Recognition and measurement*

Financial assets are initially measured at fair value, plus transaction costs in case of financial assets that are not measured at fair value through profit or loss. Financial assets shall be classified and measured with respect to the business model on asset management and characteristics of the asset’s contractual cash flows which is divided into three categories i.e. amortized cost, fair value through other comprehensive income, and fair value through profit or loss. Upon changes in business model on financial asset management are known, the affected financial assets shall be considered for proper reclassification.

Financial liabilities are initially measured at fair value net of transaction costs. Financial liabilities shall be classified and measured at amortized cost except for financial liabilities measured at fair value through profit or loss (such liabilities include derivative liabilities). Reclassification of financial liabilities is prohibited.

*Classification and measurement*

Assets classified and measured at amortized cost

* Cash and cash equivalents
* Restricted deposits at banks
* Trade and other receivables (excluding prepaid expenses and advances for goods / raw materials)
* Refundable deposits or guarantees

Assets classified and measured at fair value through profit or loss

* Derivative assets

Assets classified and measured at fair value through other comprehensive income - none

Liabilities classified and measured at amortized cost

* Short-term borrowings from financial institutions
* Trade and other payables (including accrued expenses and retention payables but excluding advances received and unearned revenues)
* Long-term borrowings from financial institutions
* Lease liabilities
* Debentures

Liabilities classified and measured at fair value through profit or loss

* Derivative liabilities

*Impairment*

Impairment loss from the expected credit loss of financial assets, other than trade receivables and contract assets, is recognized under General approach in the following stages:

* Stage 1 (performing): the 12-month expected credit loss is recognized in profit or loss. Interest income (if any) is calculated base on gross carrying amount without netting the allowance for expected credit loss.
* Stage 2 (under-performing): upon significant rise in credit risk and not being at low level, full lifetime expected credit losses are recognized in profit or loss. Interest income (if any) is calculated based on the same principle to Stage 1.
* Stage 3 (credit-impaired): upon significant rise in credit risk of financial asset that is considered as credit impaired, full lifetime expected credit losses are recognized in profit or loss. Interest income (if any) is calculated based on gross carrying amount net of the allowance for impairment.

For trade receivables and contract assets (e.g. accrued income), the Simplified approach is adopt by recognizing the full lifetime expected credit loss for financial assets considered as aforesaid. In consideration and measurement of the expected credit loss for both General approach and Simplified approach, the historical credit loss shall be combined with the forward looking information pertaining to the assets and significant factors relating to economic environment as deem necessary. For receivables, the population is categorized by focusing on aging balance information whereby the past records were captured for historical credit loss of approximately 1 year.

*Hedge accounting*

Hedge accounting is divided into three categories i.e. fair value hedge, cash flows hedge, and hedge of net investment in foreign entity.

Derivative financial instruments are used to manage fair value risk exposed by change in foreign exchange rates arising from operating activities. Derivatives are not intended to use for trading purpose. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments. Derivatives are recognized initially at fair value and then are re-measured at fair value. Gain or loss on re-measurement to fair value is recognized as profit or loss.

The fair value of derivatives is the quoted market price at the statement of financial position date, which is the Level 2 inputs of the fair value hierarchy whereby such price is the present value of the quoted derivative price where market approach was used as valuation technique and core information used in evaluation was the adjusted exchange rates in market to fit for the issued instrument which was computed by bank who was the counterparty.

**Provisions**

A provision is recognized in the statement of financial position when there is a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

**Income Tax**

*Current tax*

Current tax is the amount of tax payable or recoverable which is calculated from taxable profit or loss for the year, using tax rates enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years by considering the promotional privileges as discussed in Note 20.

*Deferred tax*

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not recognized for the initial recognition of assets and liabilities that affect neither accounting nor taxable profit to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, at the tax rates that are expected to apply to the period when the deferred tax asset is realized or the tax liability is settled based on tax rates that have been enacted as at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profit will be available against which the asset can be utilized. Deferred tax asset are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

**Earnings per Share**

Basic earnings per share is determined by dividing profit for the year by the weighted average number of common shares outstanding during the year whereas diluted earnings per share that is determined by dividing the profit for the year by the weighted average number of common shares outstanding during the year after adjusting the effect from dilutive potential common shares.

1. **TRANSACTIONS WITH RELATED PARTIES**

Related parties are those parties controlled by the Company or have control over the Company, directly or indirectly, or significant influence to govern the financial and operating policies of the Company.

Types of relationship of related parties are as follows:

| Company / Person Name |  | Type of Business |  | Relationship |
| --- | --- | --- | --- | --- |
| **Subsidiary** |  |  |  |  |
| -North East Rubber Cote d’Ivoire  (see Note 2) |  | Manufacturing and sales of smoked rubber sheets, block rubbers, and compound rubbers |  | Subsidiary |
| **Related companies** |  |  |  |  |
| -N.E. Agritech Company Limited |  | Wholesales of machinery, equipment and tools for use in agriculture |  | Director and shareholder are relative of directors |
| -Chuwit Farm (2019) Public Company Limited |  | Broiler contract farming |  | Director are relative of directors and co-shareholders |
| -S.K. Petroleum Company Limited |  | Fuel service station |  | Shareholders are relative of directors |
| -N.E. Hemp Company Limited |  | Wholesales of agricultural materials |  | Co-director and co-shareholder |
| -Buriram Beef Farm Co., Ltd. |  | Cattle Ranching and Farming |  | Co-director and co-shareholder |
| -YU SENG holding Co., Ltd. |  | Holding company |  | Co-director and co-shareholder |
| **Related persons** |  |  |  |  |
| Ms. Mathucha Jungtanasomboon |  | - |  | Shareholders and relative of directors |
| Key management |  | - |  | Key management are persons having authority and responsibility for planning, directing and controlling the activities of the entity, either directly or indirectly, including the Company’s director (whether as executive or otherwise) |

Pricing policies for transactions with related parties are as follows:

| Type of Transaction |  | Pricing Policies |
| --- | --- | --- |
| Sales of finished rubber products |  | Prices approximated market prices |
| Rental income |  | Mutually agreed price and referenced to market rate assessed by an independent appraiser |
| Revenue from transportation |  | Mutually agreed price |
| Sales of Napier grass |  | Prices approximated market prices |
| Purchase - sales of fixed assets |  | Market prices |
| Purchase of raw materials |  | Prices approximated market prices |
| Maintenance expense |  | Mutually agreed price |
| Gasoline expense |  | Market prices |
| Expenditures on purchase of assets for CSR activities |  | Prices approximated market prices |
| Vehicle and other asset rental charges |  | Mutually agreed price |
| Interest expense on debentures |  | 5.65% p.a. (same rate to other debenture holders) |
| Key management’s remunerations |  | Mutually agreed amount |
| Corporate guarantee on credit facilities |  | Free of charge |

Outstanding balances with related parties as at December 31, 2025 and 2024 are as follows:

|  |  | In Thousand Baht | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2025 | |  | 2024 | | |
|  | (see Note 2) | |  | The Company Only |  | Consolidated |
| **Other receivables** |  | |  |  |  |  |
| * Related companies | 529 | |  | 253 |  | 253 |
| **Right-of-use assets - net** |  | |  |  |  |  |
| * Related person | 94 | |  | 506 |  | 506 |
| **Other payables** |  | |  |  |  |  |
| Purchase of fixed assets (advance payment) |  | |  |  |  |  |
| * Related person | 54 | |  | - |  | - |
| Accrued gasoline expense |  | |  |  |  |  |
| * Related company | 808 | |  | 590 |  | 590 |
| Accrued maintenance expense |  | |  |  |  |  |
| * Related company | 41 | |  | 15 |  | 15 |
| Accrued other expense |  | |  |  |  |  |
| * Related persons | - | |  | 15 |  | 15 |
| Accrued interest expense on debentures |  | |  |  |  |  |
| * Related person | 13 | |  | 43 |  | 43 |
| Payable for share subscriptions |  | |  |  |  |  |
| * Subsidiary | - | |  | 564 |  | - |
| Total other payables | 916 | |  | 1,227 |  | 663 |
| **Lease liabilities - net** |  | |  |  |  |  |
| * Related person | - | |  | 440 |  | 440 |
| **Debentures - net** |  | |  |  |  |  |
| * Related person | 3,000 | |  | 3,000 |  | 3,000 |

Revenues and expenses with related parties for the years ended December 31, 2025 and 2024 are as follows:

|  | In Thousand Baht | | |
| --- | --- | --- | --- |
|  | Consolidated and The Company Only | | |
|  | 2025 |  | 2024 |
| **Sales of finished rubber products** |  |  |  |
| * Related company | 1,158 |  | - |
| **Rental income (other income)** |  |  |  |
| * Related person | 270 |  | 270 |
| **Revenue from transportation (other income)** |  |  |  |
| * Related company | 266 |  | - |
| **Sales of Napier grass (other income)** |  |  |  |
| * Related person | - |  | 467 |
| * Related company | 2,547 |  | 2,316 |
| Total | 2,547 |  | 2,783 |
| **Purchase of raw materials** |  |  |  |
| * Related person | 1,330 |  | 694 |
| **Maintenance expense** |  |  |  |
| * Related company | 193 |  | 32 |
| **Gasoline expense** |  |  |  |
| * Related companies | 19,868 |  | 15,367 |
| **Expenditures on purchase of assets**  **for CSR activities** |  |  |  |
| * Related company | 28,639 |  | 16,248 |
| **Depreciation of right-of-use assets** |  |  |  |
| * Related person | 412 |  | 412 |
| **Interest expense under lease liabilities** |  |  |  |
| * Related person | 38 |  | 57 |
| **Rental charges** |  |  |  |
| * Related company | - |  | 32 |
| **Interest expense on debentures** |  |  |  |
| * Related person | 170 |  | 170 |
| **Key management’s remunerations** |  |  |  |
| * Short-term benefits | 31,939 |  | 31,261 |
| * Post-employment benefits | 2,337 |  | 3,579 |
| Total | 34,276 |  | 34,840 |

1. **TRADE AND OTHER RECEIVABLES - OTHER PARTIES**

|  |  |  |  |
| --- | --- | --- | --- |
|  | In Thousand Baht | | |
|  | Consolidated and The Company Only | | |
|  | 2025 |  | 2024 |
| Trade receivables | 643,169 |  | 769,606 |
| Fire insurance claim receivable (see Note 27) | 159,756 |  | - |
| Prepaid expenses | 70,150 |  | 33,592 |
| Value-added tax receivable | 33,680 |  | 29,179 |
| Derivative assets | 7,505 |  | - |
| Interest receivable | 1,772 |  | 797 |
| Other receivables | 100 |  | 8 |
| Advances | - |  | 567 |
| Total | 916,132 |  | 833,749 |

As at December 31, 2025 and 2024, trade receivables classified by outstanding period are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | In Thousand Baht | | |
|  | 2025 |  | 2024 |
| Current | 583,687 |  | 769,360 |
| Overdue not exceeding 3 months | 59,482\* |  | 246 |
| Total | 643,169 |  | 769,606 |

The credit term given to customers as per the Company’s policy is 15-90 days.

\* Collected in January 2026

1. **INVENTORIES**

|  |  |  |  |
| --- | --- | --- | --- |
|  | In Thousand Baht | | |
|  | Consolidated and The Company Only | | |
|  | 2025 |  | 2024 |
| Finished goods | 499,884 |  | 515,746 |
| Work-in-process | 283,803 |  | 138,577 |
| Raw materials | 16,206,082 |  | 15,528,959 |
| Factory supplies | 39,013 |  | 29,977 |
| Total | 17,028,782 |  | 16,213,259 |

1. **PROPERTY, PLANT AND EQUIPMENT - NET**

|  | Consolidated and The Company Only - In Thousand Baht | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Balance as at |  | Movements | | | | |  | Balance as at |
|  | December 31, 2024 |  | Addition |  | Deduction |  | Transfer |  | December 31, 2025 |
| **Cost** |  |  |  |  |  |  |  |  |  |
| Land and land improvements | 141,008 |  | - |  | - |  | - |  | 141,008 |
| Building and building improvements | 775,557 |  | 220 |  | 47,207 |  | 10,859 |  | 739,429 |
| Machinery and equipment | 1,625,398 |  | 14,228 |  | 44,155 |  | 43,370 |  | 1,638,841 |
| Plots of Napier grass | 4,372 |  | - |  | - |  | - |  | 4,372 |
| Furniture, fixtures and office equipment | 37,747 |  | 2,735 |  | 1,083 |  | 9,941 |  | 49,340 |
| Vehicles | 124,558 |  | 9,211 |  | 2,407 |  | - |  | 131,362 |
| Construction in progress and machinery under installation | 244,047 |  | 75,906 |  | 3,597 |  | ( 67,073) |  | 249,283 |
| **Total Cost** | 2,952,687 |  | 102,300 |  | 98,449 |  | ( 2,903) |  | 2,953,635 |
| **Accumulated Depreciation** |  |  |  |  |  |  |  |  |  |
| Land improvements | 80,777 |  | 16,092 |  | - |  | - |  | 96,869 |
| Building and building improvements | 308,010 |  | 38,842 |  | 25,362 |  | - |  | 321,490 |
| Machinery and equipment | 767,185 |  | 150,553 |  | 31,541 |  | - |  | 886,197 |
| Plots of Napier grass | 3,391 |  | 437 |  | - |  | - |  | 3,828 |
| Furniture, fixtures, and office equipment | 18,890 |  | 8,104 |  | 1,052 |  | - |  | 25,942 |
| Vehicles | 91,221 |  | 14,264 |  | 1,133 |  | - |  | 104,352 |
| **Total Accumulated Depreciation** | 1,269,474 |  | 228,292 |  | 59,088 |  | - |  | 1,438,678 |
| **Net** | 1,683,213 |  |  |  |  |  |  |  | 1,514,957 |

|  | Consolidated and The Company Only - In Thousand Baht | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Balance as at |  | Movements | | | | |  | Balance as at |
|  | December 31, 2023 |  | Addition |  | Deduction |  | Transfer |  | December 31, 2024 |
| **Cost** |  |  |  |  |  |  |  |  |  |
| Land and land improvements | 124,007 |  | 479 |  | - |  | 16,522 |  | 141,008 |
| Building and building improvements | 720,351 |  | 3,621 |  | - |  | 51,585 |  | 775,557 |
| Machinery and equipment | 1,384,656 |  | 35,133 |  | 10,008 |  | 215,617 |  | 1,625,398 |
| Plots of Napier grass | 4,372 |  | - |  | - |  | - |  | 4,372 |
| Furniture, fixtures and office equipment | 20,754 |  | 2,904 |  | 331 |  | 14,420 |  | 37,747 |
| Vehicles | 118,609 |  | 7,552 |  | 1,603 |  | - |  | 124,558 |
| Construction in progress and machinery under installation | 445,564 |  | 100,958 |  | - |  | (302,475) |  | 244,047 |
| **Total Cost** | 2,818,313 |  | 150,647 |  | 11,942 |  | ( 4,331) |  | 2,952,687 |
| **Accumulated Depreciation** |  |  |  |  |  |  |  |  |  |
| Land improvements | 62,536 |  | 18,241 |  | - |  | - |  | 80,777 |
| Building and building improvements | 269,957 |  | 38,053 |  | - |  | - |  | 308,010 |
| Machinery and equipment | 630,477 |  | 146,679 |  | 9,971 |  | - |  | 767,185 |
| Plots of Napier grass | 2,954 |  | 437 |  | - |  | - |  | 3,391 |
| Furniture, fixtures, and office equipment | 12,987 |  | 6,202 |  | 299 |  | - |  | 18,890 |
| Vehicles | 75,247 |  | 16,072 |  | 98 |  | - |  | 91,221 |
| **Total Accumulated Depreciation** | 1,054,158 |  | 225,684 |  | 10,368 |  | - |  | 1,269,474 |
| **Net** | 1,764,155 |  |  |  |  |  |  |  | 1,683,213 |

As at December 31, 2025 and 2024, the Company has mortgaged its land and structures thereon, including machinery and equipment, of which carrying amounts totalling approximately Baht 317.6 million and Baht 369.1 million, respectively, as guarantees for the overdraft lines, short-term and long-term credit facilities from financial institutions (see Note 14).

As at December 31, 2025 and 2024, cost of the Company’s plant and equipment which have been fully depreciated but still in use, under systematic maintenance, amounting to approximately Baht 467.8 million and Baht 329.8 million, respectively.

Depreciation for the years 2025 and 2024 amounted to approximately Baht 228.3 million and Baht 225.7 million, respectively.

1. **RIGHT-OF-USE ASSETS - NET**

|  | Consolidated and The Company Only - In Thousand Baht | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Balance as at |  |  | | | | |  | Balance as at |
|  | December 31, |  | Movements | | | | |  | December 31, |
|  | 2024 |  | Addition |  | Deduction |  | Transfer |  | 2025 |
| **Cost** |  |  |  |  |  |  |  |  |  |
| land for cultivation | 9,395 |  | - |  | 2,015 |  | - |  | 7,380 |
| Building space | 9,196 |  | - |  | - |  | - |  | 9,196 |
| Vehicles and equipment | 14,963 |  | 1,679 |  | 7,050 |  | - |  | 9,592 |
| **Total Cost** | 33,554 |  | 1,679 |  | 9,065 |  | - |  | 26,168 |
| **Accumulated Depreciation** |  |  |  |  |  |  |  |  |  |
| land for cultivation | 6,586 |  | 1,343 |  | 2,015 |  | - |  | 5,914 |
| Building space | 5,983 |  | 1,520 |  | - |  | - |  | 7,503 |
| Vehicles and equipment | 8,152 |  | 2,856 |  | 7,050 |  | - |  | 3,958 |
| **Total Accumulated Depreciation** | 20,721 |  | 5,719 |  | 9,065 |  | - |  | 17,375 |
| **Net** | 12,833 |  |  |  |  |  |  |  | 8,793 |

|  | Consolidated and The Company Only - In Thousand Baht | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Balance as at |  |  | | | | |  | Balance as at |
|  | December 31, |  | Movements | | | | |  | December 31, |
|  | 2023 |  | Addition |  | Deduction |  | Transfer |  | 2024 |
| **Cost** |  |  |  |  |  |  |  |  |  |
| land for cultivation | 9,395 |  | - |  | - |  | - |  | 9,395 |
| Building space | 6,157 |  | 3,039 |  | - |  | - |  | 9,196 |
| Vehicles and equipment | 14,635 |  | 1,641 |  | 1,313 |  | - |  | 14,963 |
| **Total Cost** | 30,187 |  | 4,680 |  | 1,313 |  | - |  | 33,554 |
| **Accumulated Depreciation** |  |  |  |  |  |  |  |  |  |
| land for cultivation | 5,200 |  | 1,386 |  | - |  | - |  | 6,586 |
| Building space | 4,511 |  | 1,472 |  | - |  | - |  | 5,983 |
| Vehicles and equipment | 6,597 |  | 2,868 |  | 1,313 |  | - |  | 8,152 |
| **Total Accumulated Depreciation** | 16,308 |  | 5,726 |  | 1,313 |  | - |  | 20,721 |
| **Net** | 13,879 |  |  |  |  |  |  |  | 12,833 |

Depreciation for the years 2025 and 2024 amounted to approximately Baht 5.7 million per annum.

1. **INTANGIBLE ASSETS - NET**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated and The Company Only - In Thousand Baht | | | | | | | | |
|  | Balance as at |  |  | | | | |  | Balance as at |
|  | December 31, |  | Movements | | | | |  | December 31, |
|  | 2024 |  | Addition |  | Deduction |  | Transfer |  | 2025 |
| Cost | 6,139 |  | 464 |  | - |  | 15 |  | 6,618 |
| Accumulated amortization | (2,445) |  | (1,091) |  | - |  | - |  | (3,536) |
| Net | 3,694 |  | ( 627) |  | - |  | 15 |  | 3,082 |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated and The Company Only - In Thousand Baht | | | | | | | | | |
|  | Balance as at |  |  | | | | |  | | Balance as at |
|  | December 31, |  | Movements | | | | |  | | December 31, |
|  | 2023 |  | Addition |  | Deduction |  | Transfer | |  | 2024 |
| Cost | 4,580 |  | 1,559 |  | - |  | - | |  | 6,139 |
| Accumulated amortization | (1,641) |  | ( 804) |  | - |  | - | |  | (2,445) |
| Net | 2,939 |  | 755 |  | - |  | - | |  | 3,694 |

Amortization, which was presented as part of administrative expenses, for the years 2025 and 2024 amounted to approximately Baht 1.1 million and Baht 0.8 million, respectively.

1. **SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS**

|  |  |  |  |
| --- | --- | --- | --- |
|  | In Thousand Baht | | |
|  | Consolidated and The Company Only | | |
|  | 2025 |  | 2024 |
| Loans under packing credit | 3,315,200 |  | 2,425,400 |
| Loans under promissory note | 1,098,300 |  | 1,635,000 |
| Total | 4,413,500 |  | 4,060,400 |

As at December 31 2025 and 2024, the Company had credit facilities from fourteen local banks. As at December 31, 2025, the entire credit facilities from financial institutions were as follows:

|  |  | Consolidated and  The Company Only | | |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Credit Facilities |  | In Million Baht |  | In Million U.S. Dollar |  | Interest Rate (p.a.) |
| Bank overdraft |  | 55.0 |  | - |  | Referenced to MOR |
| Loan under packing credit |  | 4,126.8 |  | - |  | Referenced to MOR, MLR, Prime Rate, THOR, BIBOR, SHIBOR and as per bank announcement |
| Loan under promissory note |  | 1,911.2 |  | - |  | Referenced to MLR, MOR, MMR, BIBOR, THOR, and as per bank announcement |
| Letter of credit |  | 20.0 |  | 0.6 |  | As per bank announcement |
| Total |  | 6,113.0 |  | 0.6 |  | (2024 - consolidated and the company only totalling approximately Baht 7,165 million and U.S. Dollar 0.6 million) |

The above credit facilities are guaranteed by the Company’s deposits with seven local banks and three foreign banks totalling approximately Baht 461.3 million in 2025 (with eight local banks and two foreign banks totalling approximately Baht 476.5 million in 2024).

1. **TRADE AND OTHER PAYABLES - OTHER PARTIES**

|  |  |  |  |
| --- | --- | --- | --- |
|  | In Thousand Baht | | |
|  | Consolidated and The Company Only | | |
|  | 2025 |  | 2024 |
| Accrued expenses | 145,818 |  | 118,965 |
| Trade payables | 44,381 |  | 59,367 |
| Accrued interest | 35,414 |  | 42,776 |
| Revenue Department payable | 7,948 |  | 6,699 |
| Advances from customers | 4,756 |  | 15,544 |
| Payables on purchase of fixed assets | 2,168 |  | 10,867 |
| Liabilities on purchase commitment of inventories | - |  | 5,366 |
| Derivative liabilities | - |  | 36,318 |
| Others | 2,452 |  | 3,104 |
| Total | 242,937 |  | 299,006 |

During 2025 and 2024, the Company transferred beginning advances from customers to revenue from sales due to goods were delivered to customers amounting to approximately Baht 15.5 million and Baht 0.9 million, respectively.

1. **LEASE LIABILITIES - NeT**

|  |  |  |  |
| --- | --- | --- | --- |
|  | In Thousand Baht | | |
|  | Consolidated and The Company Only | | |
|  | 2025 |  | 2024 |
| Gross carrying amount of lease liabilities |  |  |  |
| * Due for payments within one year | 3,918 |  | 6,486 |
| * Due for payments between two and five years | 4,393 |  | 6,325 |
| Total | 8,311 |  | 12,811 |
| Less deferred interest | (1,061) |  | ( 1,438) |
| Lease liabilities - net of deferred interest | 7,250 |  | 11,373 |
| Less current portion | (3,386) |  | ( 5,690) |
| Net | 3,864 |  | 5,683 |

Amortized interest, which was presented as part of “Finance costs” in the statements of comprehensive income, for the years ended December 31, 2025 and 2024 amounted to approximately Baht 0.9 million and Baht 1.0 million, respectively.

1. **DEBENTURES**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Symbol | Issuance | Maturity | Interest Rate  (% p.a.) | Interest Payment | Par Value (Baht) | Total Value - 2025 (Thousand Baht) | Total Value - 2024 (Thousand Baht) | Guarantor |
| NER25NA | 04/11/2021 | 04/11/2025 | 5.25 | Quarterly | 1,000 | - | 1,000,000 | None |
| NER26NA | 04/11/2021 | 04/11/2026 | 6.00 | Quarterly | 1,000 | 1,000,000 | 1,000,000 | None |
| NER279A | 08/09/2022 | 08/09/2027 | 5.65 | Quarterly | 1,000 | 1,161,500 | 1,161,500 | None |
| NER299A | 08/09/2022 | 08/09/2029 | 6.40 | Quarterly | 1,000 | 1,652,800 | 1,652,800 | None |
| NER29DA | 20/12/2024 | 20/12/2029 | 3.41 | Semi-annually | 1,000 | 1,500,000 | 1,500,000 | CGIF\* |
| Total | | | | |  | 5,314,300 | 6,314,300 |  |
| Less Deferred transaction costs (debenture issuance expenses) | | | | |  | 44,177 | 57,746 |  |
| Net | | | | |  | 5,270,123 | 6,256,554 |  |
| Less Current portion | | | | |  | 1,000,000 | 1,000,000 |  |
| Portion due for redemption beyond one year | | | | |  | 4,270,123 | 5,256,554 |  |

\*CGIF : Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank

The abovementioned debentures have significant conditions which include maintaining Debt-to-Equity ratio at the rate not exceeding 2.5:1. In addition, the Company must comply with certain conditions and covenants dealt with CGIF.

Direct transaction costs on debenture issuance, which mainly were underwriter and management fees, were recorded as a deferred item and systematically amortized on a straight-line method as expense in profit or loss over the term of related debentures.

As at December 31, 2025 and 2024, the Company had amount for issuance of debentures not exceeding Baht 8,000 million which was approved in the general shareholders' meetings on April 20, 2020, April 8, 2021 and April 7, 2022.

As at December 31, 2025 and 2024, such debentures had fair values of approximately Baht 5,430.1 million and Baht 6,299.8 million, respectively, which represented the Level 2 input of the fair value hierarchy.

1. **LONG-TERM BORROWINGS FROM FINANCIAL INSTITUTIONs**

As at December 31, 2025 and 2024, the Company had credit facilities from two local banks. Thus, the entire credit facilities and related outstanding balances were as follows:

|  |  | In Thousand Baht | | |
| --- | --- | --- | --- | --- |
|  |  | Consolidated and The Company Only | | |
|  |  | 2025 |  | 2024 |
| 1. Loan under facilities of Baht 100 million, repayable monthly until December 2027, bear interest at 2% p.a. in the 1st and the 2nd years, at Prime Rate-2 p.a. in the 3rd to the 5th years and at Prime Rate p.a. in the 6th to the 7th years |  | 32,392 |  | 46,547 |
| 1. Loan under facilities of Baht 270 million, repayable monthly until December 2027, bear interest at Prime Rate-1.5 p.a. |  | 80,832 |  | 121,354 |
| 1. Loan under facilities of Baht 100 million, repayable monthly until November 2026, bear interest at 3.8% p.a. |  | - |  | 34,900 |
|  |  |  |  |  |
| 1. Loan under facilities of Baht 300 million, repayable monthly starting from the month that loan is drawdown (i.e. August 2022) whereby the 1st to 6th months contain deferral of principal repayment but interest shall be paid monthly, the 7th to 53rd months contain principal repayment of Baht 5,560,000 per month and interest shall be paid monthly and the remaining principal and interest shall be paid in the 54th month, bear interest at MLR-2.375 p.a. |  | - |  | 82,120 |
| 1. Loan under facilities of Baht 200 million, repayable monthly starting from the month that loan is drawdown (i.e. October 2025) whereby the 1st to 2nd months contain deferral of principal repayment but interest shall be paid monthly, the 3th to 34th months contain principal repayment of Baht 5,882,353 per month and interest shall be paid monthly, bear interest at MLR-2.405 p.a. |  | 200,000 |  | - |
| Total |  | 313,224 |  | 284,921 |
| Less current portion |  | (127,901) |  | (148,155) |
| Net |  | 185,323 |  | 136,766 |

During 2025, the Company early repaid of the entire long-term loans as mentioned in (3) and (4) above.

Such long-term borrowings are guaranteed by the Company’s deposits as well as land with structures thereon and machinery and equipment of the Company (see Note 7). In addition, the Company must comply with certain covenants and undertakings of these loans e.g. maintaining Debt Service Coverage Ratio and Debt-to-Equity Ratio, etc.

1. **LIABILITY FOR POST-EMPLOYMENT BENEFITS**

Movements of liability for post-employment benefits for the years ended December 31, 2025 and 2024 in consolidated and the company only are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | In Thousand Baht | | |
|  | 2025 |  | 2024 |
| Liability for post-employment benefits as at January 1 | 30,307 |  | 19,163 |
| Current service cost | 3,209 |  | 2,405 |
| Interest cost | 492 |  | 509 |
| Past service cost | - |  | 6,232 |
| Actuarial loss on re-measurement | - |  | 6,060 |
| Expense recognized in statement of comprehensive income | 3,701 |  | 15,206 |
| Employee benefits paid during the year | (13,131) |  | ( 4,062) |
| Liability for post-employment benefits as at December 31 | 20,877 |  | 30,307 |

During 2025, the Company paid employee benefits to three executives, who are key management, that reached retirement age but still continue to work for the Company, totalling approximately Baht 10 million.

Significant assumptions used in calculation of liability for post-employment benefits are as follows:

* Discount rate 2.60% p.a.
* Salary escalation rate 6.00% p.a.
* Employee turnover rate 5.73% - 34.38% p.a.

Actuarial loss on re-measurement in 2024 comprised loss on changes in financial assumptions and loss on experience adjustment of approximately Baht 643 thousand and Baht 5,417 thousand, respectively.

The abovementioned changes in significant assumptions may affect the sensitivity of the balance of provision or liability for post-employment benefits in respect of the information as per calculation report of the qualified actuary as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | Liability may increase (decrease) from  changes in significant assumptions  (In Thousand Baht) | | |
| Significant Assumptions |  | If Assumption Increased |  | If Assumption Decreased |
| Discount rate (increase/decrease by 0.5%) |  | ( 682) |  | 718 |
| Salary escalation rate (increase/decrease by 1%) |  | 1,634 |  | (1,497) |
| Employee turnover rate (increase/decrease by 20%) |  | (2,699) |  | 3,569 |

The weighted average of the abovementioned provisions in 2025 and 2024 were approximately 6.48 years and 3.00 years, respectively.

1. **SHARE CAPITAL PREMIUM ON SHARES AND WARRANTS**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  |  | In Thousand Shares / In Thousand Baht | | |
|  | Par Value |  | Consolidated and The Company Only | | |
|  | (In Baht) |  | No. of Share |  | At Par Value |
| Authorized share capital |  |  |  |  |  |
| As at December 31, 2025 and 2024 |  |  |  |  |  |
| - Common shares | 0.50 |  | 2,155,755 |  | 1,077,877 |
| Issued and fully paid-up shares |  |  |  |  |  |
| As at January 1, 2025 and 2024 |  |  |  |  |  |
| - Common shares | 0.50 |  | 1,847,790 |  | 923,895 |
| Exercise of warrants | 0.50 |  | - |  | - |
| As at December 31, 2025 and 2024 |  |  |  |  |  |
| - Common shares | 0.50 |  | 1,847,790 |  | 923,895 |

Section 51 of the Public Limited Companies Act, B.E. 2535 (1992) requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account, premium on shares, separated from the reserve account referred to in Section 116 of the Public Limited Companies Act, B.E. 2535 (1992) (legal reserve as per Note 18). This premium on shares is not available for dividend distribution.

**Warrants**

At the general shareholders’ meeting on April 10, 2024, the shareholders unanimously approved the Company to issue 307,964,958 units of free warrants (“NER-W2”) to the existing shareholders for the purchase of incremental shares on the basis of 6 common shares for 1 unit of warrant on May 16, 2024. Terms of the warrants are as follows:

|  |  |
| --- | --- |
| Exercise ratio | 1 unit of warrant is able to buy 1 incremental common share |
|  |  |
| Exercise price | Baht 5.50 per share |
|  |  |
| Exercise period | The warrants shall be exercisable with the first exercise date on December 15, 2024 and other 3 times, i.e. the 15th of June and December 2025 and the last exercise date is May 15, 2026. |
|  |  |
| Term of warrants | 2 years from the date on which the warrants are issued to the shareholders (May 16, 2024) |

Later on May 29, 2024, the Stock Exchange of Thailand has granted the Company’s warrants (NER-W2) of 307,955,103 units as the listed securities and has permitted such warrants to be traded on the Stock Exchange of Thailand since May 30, 2024. As at December 31, 2025, no NER-W2 warrants were exercised.

1. **EARNINGS PER SHARE**

**Basic earnings per share**

|  |  |  |  |
| --- | --- | --- | --- |
|  | Consolidated and The Company Only | | |
|  | 2025 |  | 2024 |
| Profit for the year (In thousand Baht) | 1,884,526 |  | 1,652,467 |
| Basic weighted average number of outstanding  common shares (In thousand shares) | 1,847,790 |  | 1,847,790 |
| Basic earnings per share (Baht) | 1.0199 |  | 0.8943 |

**Diluted earnings per share**

|  |  |  |  |
| --- | --- | --- | --- |
|  | Consolidated and The Company Only | | |
|  | 2025 |  | 2024 |
| Profit for the year (In thousand Baht) | 1,884,526 |  | 1,652,467 |
| Basic weighted average number of outstanding  common shares (In thousand shares) | 1,847,790 |  | 1,847,790 |
| Effect from the assumed exercise of warrants  (In thousand shares) | - |  | - |
| Diluted weighted average number of outstanding  common shares (In thousand shares) | 1,847,790 |  | 1,847,790 |
| Diluted earnings per share (Baht) | 1.0199 |  | 0.8943 |

Diluted earnings per share in 2025 were the same amount as basic earnings per share because the average market price of the Company's common shares during such year was less than the exercise price specified in the warrants. Accordingly, there was no virtual effect from the right under the assumed exercise of warrants that create dilutive potential common shares

1. **LEGAL RESERVE**

Section 116 of the Public Limited Companies Act B.E. 2535 (1992) requires companies to appropriate not less than 5% of its annual profit, less accumulated losses brought forward (if any), to a reserve account (“Legal reserve”) until this account reaches an amount not less than 10% of the authorized share capital. The legal reserve is not available for dividend distribution.

1. **EXPENSES BY NATURE**

|  |  |  |  |
| --- | --- | --- | --- |
|  | Consolidated and The Company Only-  In Thousand Baht | | |
|  | 2025 |  | 2024 |
| Raw materials and supplies used | 24,413,796 |  | 21,087,023 |
| Purchases of finished goods (rubber) | 2,441,501 |  | 2,603,931 |
| Finance costs | 548,073 |  | 469,117 |
| Personnel expenses | 275,761 |  | 251,502 |
| Contributions to the rubber replanting aid fund | 264,855 |  | 225,165 |
| Depreciation and amortization | 235,103 |  | 232,214 |
| Outward freight | 175,338 |  | 141,686 |
| Electricity charges | 137,167 |  | 109,133 |
| Repair and maintenance expenses | 115,388 |  | 97,052 |
| Decrease (increase) in finished goods and work-in-process | ( 129,364) |  | 335,606 |

1. **INCOME TAX AND PROMOTIONAL PRIVILEGES FROM INVESTMENT PROMOTION**

Corporate income tax recorded as (income) expense for the years ended December 31, 2025 and 2024 consists of:

|  |  |  |  |
| --- | --- | --- | --- |
|  | In Thousand Baht | | |
|  | 2025 |  | 2024 |
| Income tax computed from accounting profit | 388,933 |  | 341,553 |
| Effects from non-deductible expenses | 39,107 |  | 17,313 |
| Effects from additional deductible expenses | (101,928) |  | ( 41,384) |
| Effects from reduction in income tax rate under  investment promotion | (298,896) |  | (263,160) |
| Current tax computed from taxable profit | 27,216 |  | 54,322 |
| Adjustments to tax payable pertaining to prior years | 5,637 |  | 4,056 |
| Decrease (increase) in deferred tax assets | 5,731 |  | ( 6,042) |
| Increase in deferred tax liabilities | 21,557 |  | 2,964 |
| Income tax presented as profit or loss item in  statement of comprehensive income | 60,141 |  | 55,300 |

Deferred tax assets and liabilities as at December 31, 2025 and 2024 consist of:

|  |  |  |  |
| --- | --- | --- | --- |
|  | In Thousand Baht | | |
| *Deferred tax assets* | 2025 |  | 2024 |
| Effects from temporary non-deductible items : |  |  |  |
| * Lease liabilities | 1,450 |  | 1,667 |
| * Liability for post-employment benefits | 322 |  | 2,241 |
| * Derivative liabilities | - |  | 3,284 |
| * Liabilities on purchase commitment of inventories | - |  | 311 |
| Total deferred tax assets | 1,772 |  | 7,503 |

|  |  |  |  |
| --- | --- | --- | --- |
|  | In Thousand Baht | | |
| *Deferred tax liabilities* | 2025 |  | 2024 |
| Effects from temporary items not yet recognized as  accounting expense or taxable revenue : |  |  |  |
| * Differences on insurance claim from fire accident - net | 25,420 |  | - |
| * Right-of-use assets | 1,759 |  | 2,181 |
| * Deferred direct transaction costs on debenture issuance | 1,262 |  | 4,937 |
| * Derivative assets | 234 |  | - |
| Total deferred tax liabilities | 28,675 |  | 7,118 |

By virtue of the provisions of the Investment Promotion Act B.E. 2520 (1977), the Company has been granted the privileges, which include among others, exemption from payment of import duty on the imported machines used in the promoted business, exemption from payment of income tax on net profit from the promoted business attributable to (1) in the extent not exceeding 100% of investment excluding land and working capital for a period of eight years from the date income was first derived from the promoted business and 50% exemption from payment of income tax on net profit from the promoted business attributable to (1) for a period of five years from the end of the aforesaid exemption from payment of income tax for the first eight years, exemption from corporate income tax on net profit from the promoted businesses attributable to (2) and (3) in the extent not exceeding 100% of investment excluding land and working capital for a period of six years from the date income was first derived from the promoted business, exemption from corporate income tax on net profit from the promoted businesses attributable to (4) in the extent not exceeding 50% of investment excluding land and working capital for a period of three years from the date income was first derived from the promoted business. The dates on which income was first derived from the promoted businesses are as follows:

(1) August 4, 2014 Skim block rubber manufacturer

(2) July 4, 2019 Compound block rubber manufacturer

(3) July 8, 2020 Compound and skim block rubber manufacturer

(4) May 8, 2024 Compound rubber manufacturer

Later on January 2025, the Thailand Board of Investment approved the Company to be granted additional tax privilege relating to investment promotion that support development of community and society (CSR activities) with respect to the Company’s investment promotion certificate for rubber smoked sheets manufacturer whereby such privilege is exemption from corporate income tax on net profit from such promoted businesses that the Company’s revenue was first derived i.e., February 5, 2025, in the extent not exceeding 200% of investment for CSR activities excluding land and working capital for a period of three years starting from the date on which revenue was first derived.

As a promoted entity, the Company must comply with certain conditions and regulations as specified in the promotional certificates.

Operating results classified by the promoted and non-promoted businesses for the years ended December 31, 2025 and 2024 are as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2025 (In Thousand Baht) | | | | | | |
|  | Entirely Promoted  Business |  | Partially Promoted Business |  | Non-Promoted Business |  | Total |
| Sales | 23,625,023 |  | 3,961,222 |  | 2,654,171 |  | 30,240,416 |
| Total revenues | 23,737,012 |  | 3,973,391 |  | 2,799,795 |  | 30,510,198 |
| Total cost of sales and expenses | (21,897,850) |  | (3,986,835) |  | (2,740,987) |  | (28,625,672) |
| Profit (loss) for the year | 1,839,162 |  | ( 13,444) |  | 58,808 |  | 1,884,526 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2024 (In Thousand Baht) | | | | | | |
|  | Entirely Promoted  Business |  | Partially Promoted Business |  | Non-Promoted Business |  | Total |
| Sales | 18,072,236 |  | 6,877,589 |  | 2,498,508 |  | 27,488,333 |
| Total revenues | 18,088,598 |  | 6,889,831 |  | 2,517,732 |  | 27,496,161 |
| Total cost of sales and expenses | (16,924,555) |  | (6,161,233) |  | (2,757,906) |  | (25,843,694) |
| Profit (loss) for the year | 1,164,043 |  | 728,598 |  | ( 240,174) |  | 1,652,467 |

The Emergency Decree on Top-up Tax B.E. 2567 was announced in the Royal Thai Government Gazette in December 2024 with effective from January 1, 2025. The Company’s management has assessed and believed that such law have no impact on the Company due to NER-CI was registered for dissolution on December 15, 2025 as discussed in Note 2 and, therefore, the Company is no longer the multinational enterprise under the scope of such law.

1. **REGISTERED PROVIDENT FUND**

The Company has a contributory registered employee’s provident fund in accordance with the Provident Fund Act, B.E. 2530 (1987). Membership to the fund is on a voluntary basis. Under the plan, the Company and employees contribute an amount equivalent to 2%-4% of the employees’ basic salaries depending on the length of employment. The fund will pay back the provident fund to employees in accordance with the conditions stated in the policies of provident fund regulations.

The Company’s contribution, which was recorded as part of cost of sales and administrative expenses, for the years ended December 31 amounted to approximately Baht 1.9 million and Baht 1.3 million in 2025 and Baht 1.4 million and Baht 1.5 million in 2024, respectively.

1. **DIVIDENDS**

At the Board of Directors’ meeting on August 8, 2025, the Board of Directors unanimously approved the Company to pay interim dividends from the operations for the six-month period ended June 30, 2025 at Baht 0.05 per share, totalling approximately Baht 92.4 million. Such dividends shall be paid from profit of the entirely promoted business. The Company paid such dividends to the shareholders on September 5, 2025.

At the general shareholders’ meeting on April 10, 2025, the shareholders unanimously passed the resolution to approve the declaration of final dividends for the 2024 operations to shareholders at Baht 0.31 per share, totalling Baht 572.8 million. Such dividends shall be paid from profit of the entirely promoted business. The Company paid such dividends to the shareholders on May 8, 2025.

At the Board of Directors’ meeting on August 9, 2024, the Board of Directors unanimously approved the Company to pay interim dividends from the operations for the six-month period ended June 30, 2024 at Baht 0.05 per share, totalling approximately Baht 92.4 million. Such dividends shall be paid from profit of the entirely promoted business. The Company paid such dividends to the shareholders on September 6, 2024.

At the general shareholders’ meeting on April 10, 2024, the shareholders unanimously passed the resolution to approve the declaration of final dividends for the 2023 operations to shareholders at Baht 0.29 per share, totalling Baht 535.9 million. Such dividends shall be paid from profit of the entirely promoted business. The Company paid such dividends to the shareholders on May 8, 2024.

1. **SIGNIFICANT FINANCIAL INFORMATION CLASSIFIED BY OPERATING SEGMENT**

The gross profit margin emphasized in statement of income is significant and core financial information of the Company that is provided regularly to the Chief Operating Decision Maker and also used in evaluation of financial performances of the segments. As at December 31, 2025, the Company still had a single core operating segment (identified by internal reporting segments), i.e. manufacturing and sales of rubber smoked sheets, skim block rubbers and other rubber products, both in domestic and abroad, whereby the other segments are insignificant portion. Accordingly, the accompanying financial statements do not include information relating to information on business or product segment. In addition, the Company’s transfers between segments were accounted for at cost and segment information of assets and liabilities is not provided regularly to the Chief Operating Decision Maker.

*Information on Geographic Areas (consolidated and the company only)*

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | In Thousand Baht | | | | | | | | | | |
|  | Export Sales | | |  | Domestic Sales | | |  | Total | | |
|  | 2025 |  | 2024 |  | 2025 |  | 2024 |  | 2025 |  | 2024 |
| Sales | 8,787,691 |  | 6,963,277 |  | 21,452,725 |  | 20,485,056 |  | 30,240,416 |  | 27,448,333 |
| Less Segment expenses\*\*\* | (8,133,022) |  | (6,540,825) |  | (19,508,293) |  | (18,516,997) |  | (27,641,315) |  | (25,057,822) |
| Segment result | 654,669 |  | 422,452 |  | 1,944,432 |  | 1,968,059 |  | 2,599,101 |  | 2,390,511 |
| Add non-allocated revenues |  |  |  |  |  |  |  |  |  |  |  |
| - Other income |  |  |  |  |  |  |  |  | 19,432 |  | 19,224 |
| * Difference on insurance claim from fire accident - net |  |  |  |  |  |  |  |  | 127,102 |  | - |
| Less non-allocated expenses |  |  |  |  |  |  |  |  |  |  |  |
| - Administrative expenses |  |  |  |  |  |  |  |  | ( 252,895) |  | ( 232,851) |
| - Finance costs |  |  |  |  |  |  |  |  | ( 548,073) |  | ( 469,117) |
| - Income tax expense |  |  |  |  |  |  |  |  | ( 60,141) |  | ( 55,300) |
| Profit for the year |  |  |  |  |  |  |  |  | 1,884,526 |  | 1,652,467 |

\*\*\*including gain or loss on exchange rate, gain or loss on valuation of fair value of derivatives and distribution costs

Export sales classified by significant geographic areas (countries) are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | Consolidated and The Company Only -  In Thousand Baht | | |
|  | 2025 |  | 2024 |
| Singapore | 4,945,241 |  | 2,808,516 |
| China | 3,537,878 |  | 3,121,176 |
| India | 229,478 |  | 10,009 |
| Cambodia | 44,379 |  | - |
| Japan | 30,715 |  | 23,872 |
| Hong kong | - |  | 999,704 |
| Total | 8,787,691 |  | 6,963,277 |

There was no non-current assets located in the countries other than Thailand.

*Information on Key Customers*

*(customers whose transactions exceeding 10% of total balance of transactions)*

|  |  |  |  |
| --- | --- | --- | --- |
|  | Consolidated and The Company Only -  Percentage of Balance Attributable to  Key Customers to Total Balance | | |
|  | 2025 |  | 2024 |
| Sales |  |  |  |
| * Export | 37.63 |  | - |
| * Domestic | - |  | - |
| * Total | 10.94 |  | - |

1. **DISCLOSURES OF FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENT**

The Company exposed to normal business risks relating to liquidity risk, credit risk, foreign currency exchange risk and interest rate risk. The Company has used derivative financial instruments for hedging against the foreign currency risk without intention for trading or speculation purposes. The Company had no significant change in risk management policy relating to financial instruments during 2025 and 2024.

*Liquidity Risk*

The Company manages it liquidity risk by maintaining an appropriate level of cash and cash equivalents as well as its current assets and liabilities and short-term and long-term sources of fund as deemed adequate to finance the operations of the Company and to mitigate the effects of fluctuations in cash flows and the lack of financial liquidity.

*Credit Risk*

Credit risk is the risk that a customer or counterparty is unable or unwilling to meet its financial and contractual commitments. To mitigate this risk, the Company periodically assesses the financial viability of customers and counterparties.

Carrying amount of receivables presented in the statements of financial position is the maximum exposure to credit risk.

*Foreign Currency Risk*

The Company had significant business transactions internationally, which mainly were export of its products and importation of machines, giving rise to exposure to fluctuations in foreign currency exchange rates. In practical, the Company reduces this risk by matching cash receipts from its customers (receivables) against the related cash payments on loans under packing credit as well as payables for machines. In addition, the Company has used forward exchange contracts (sell) to mitigate this risk.

As at December 31, 2025 and 2024, the Company had the outstanding forward exchange contracts (sell) as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated and The Company Only | | | | | | |
|  | Foreign Currency  (In Thousands) | | |  | Fixed Baht  (In Thousand Baht) | | |
|  | 2025 |  | 2024 |  | 2025 |  | 2024 |
| Forward exchange contracts - sell |  |  |  |  |  |  |  |
| - U.S. Dollar | 14,611 |  | 81,995 |  | 469,301 |  | 2,735,413 |

In addition, fair values of forward exchange contracts (sell) outstanding as at December 31, 2025 and 2024 were as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | Fair Values (In Thousand Baht) | | |
|  |  | Consolidated and The Company Only | | |
|  |  | 2025 |  | 2024 |
| Forward exchange contract - sell |  | 461,796 |  | 2,771,731 |

Difference between the fixed Baht amounts and fair values in 2025 of approximately Baht 7.5 million was presented as derivative asset under trade and other receivables in the statement of financial position.

The forward exchange contracts (sell) as at December 31, 2025 had maturities between March and May 2026.

As at December 31, 2025 and 2024, the Company had the outstanding non-hedged foreign currency liabilities as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | Consolidated and The Company Only | | |
|  |  | Foreign Currency Liabilities | | |
|  |  | 2025 |  | 2024 |
| Thousand U.S. Dollar |  | 246 |  | 89 |

*Interest Rate Risk*

Interest rate risk arises from the fluctuation of market interest rates in the future which may have a negative effect to current and future operations and cash flows of the Company. The Company’s management believes that the interest rate risk is minimal because the Company’s deposits at banks, short-term and long-term loans bear interest at the floating market interest rates. Debentures and lease liabilities bear interest at fixed rates which approximate or in the range of market interest rates without material difference.

*Fair Value Measurements*

The following assumptions were used in estimating fair values of financial assets and financial liabilities:

*Cash and cash equivalents, restricted deposits at banks, trade and other receivables, short-term and long-term borrowings from financial institutions, trade and other payables, lease liabilities and debentures.*

Carrying amounts of these financial assets and liabilities approximate fair values due to a portion of these financial instruments was stated at cash status or had the relatively short-term maturities whereas the rest bear interest at the floating or fixed interest rates which approximate or in the range of market interest rates without material difference (Level 2 input of the fair value hierarchy).

Fair value of debentures was disclosed in Note 13.

1. **CAPITAL MANAGEMENT**

Significant objectives on capital management are having appropriate financial and capital structures to maintain financial liquidity and ability to continue its business as a going concern. the Company did not have any significant change relating to capital management policy during 2025 and 2024.

As at December 31, 2025 and 2024, Debt-to-Equity ratio of the Company was 1.06:1.00 and 1.29:1.00, respectively.

1. **RECLASSIFICATION OF ACCOUNTS**

The Company reclassified certain accounts in the consolidated and separate statements of financial position as at December 31, 2024 in order to conform to and be comparable with the presentation of the statement of financial position as at December 31, 2025 without effect to the previously reported shareholders’ equity. Such reclassification is as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | In Thousand Baht | | |
|  | Reclassified Balance |  | Previously Reported Balance |
| Trade and other receivables - other parties | 833,749 |  | 804,570 |
| Other current financial assets | - |  | 29,179 |
| Trade and other payables - other parties | 299,006 |  | 246,517 |
| Other current financial liabilities | - |  | 52,489 |

1. **Difference on insurance claim from fire accident - net**

On July 20, 2025, the fire accident occurred in the Company’s warehouse (phase 1) storing finished goods i.e., Standard Thai Rubber that triggered damages to the Company’s finished goods, warehouse and other related equipment whereby the situation was under control in the same day and there was no impact on the normal operations as well as shipments to the Company’s customers. The Company has insurance coverage for both inventories and other assets that caught fire. In summary, damages that were found from exploration / investigation and the figures of insurance claim are as follows:

|  |  |  |
| --- | --- | --- |
|  |  | In Thousand Baht |
| Damages on finished goods |  | (113,570) |
| Damages on warehouse and other equipment |  | ( 38,085) |
| Total damages - at carrying amount under historical cost convention |  | (151,655) |
| Less Fire insurance claim received and receivable \*\*\* |  | 278,757 |
| Difference on insurance claim from fire accident - net |  | 127,102 |

\*\*\*The fire insurance claim, which was received amounting to approximately Baht 119.0 million and receivable amounting to approximately Baht 159.8 million, was amount that the Company recognized in accordance with the related Thai Financial Reporting Standards. The Company recognizes the transaction to the extent that it is virtually certain to be compensated from the insurance company. Such amount (totalling Baht 278.8 million) represents the total claim payment notified by the insurance company in accordance with the terms and conditions of the insurance policy.

1. **OTHERS**

As at December 31, 2025, the Company had:

1. Commitments on (1) construction in progress as well as procurement and installation of machinery and equipment with respect to several projects totalling approximately Baht 12.9 million, and (2) procurement and installation of intangible assets (computer programs) totalling approximately Baht 2.0 million.
2. Letters of guarantee issued by two local banks to a state enterprise totalling approximately Baht 15.4 million and a government agency amounting to approximately Baht 1.0 million which are guaranteed by the Company’s savings deposits with such bank of approximately Baht 3.3 million.
3. Agreement for guarantee of debentures by Credit Guarantee & Investment Facility (CGIF) (see Note 13) whereby the Company is committed to pay guarantee fee to CGIF at the rate mutually agreed as stipulated in such agreement.
4. **EVENTS AFTER THE REPORTING PERIOD**
5. On January 15, 2026, the Company limitedly issued and offered the two series of registered, unsubordinated, and unsecured debentures to the institutional and potential investors which are summarized below:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Symbol | Issuance | Maturity | Interest Rate  (% p.a.) | Interest Payment | Par Value (Baht) | Total Value (Thousand Baht) |
| NER291A | 15/01/2026 | 15/01/2029 | 4.60 | Quarterly | 1,000 | 1,122,400 |
| NER311A | 15/01/2026 | 15/01/2031 | 5.05 | Quarterly | 1,000 | 1,344,600 |
| Total | | | | |  | 2,467,000 |

Purposes of the proceeds from such debentures are (1) for early redemption of the NER299A debentures that will mature in September 2029 and (2) for purchase of natural-rubber raw materials.

The aforesaid debentures have significant conditions which include maintaining Debt-to-Equity ratio not exceeding 2.5:1.

1. At the Board of Directors’ meeting on February 19, 2026, the Board of Directors passed the resolution approving the payment of final dividends from the 2025 operations to shareholders at Baht 0.26 per share, totalling approximately Baht 480.4 million. The dividends shall be entirely paid from the profit of the promoted business and scheduled for dividend payment on May 7, 2026. Such matter will be proposed for approval in the upcoming shareholders’ meeting.
2. **APPROVAL OF THE FINANCIAL STATEMENTS**

The accompanying financial statements have been approved for issuance by the Company’s Board of Directors’ meeting on February 19, 2026.