COMPANY RESULTS

NORTH EAST RUBBER (NER TB)

THAILAND / SET / AGRIBUSINESS

9 November 2026

As good as it gets for tight supply

- A decent 3Q26 to be followed by a healthy 4Q26 and growing 2027
- Global rubber price will stay high-band rangebound on tight supply
- Maintain BUY and TP of THB6.0

A healthy 3Q26 net profit on solid domestic demand

3Q26 net profit (NP) of THB512m (+17% q-q, +57% y-y), on higher revenue to THB8.1b (+14% q-q, +21% y-y), driven by stronger sales in both export and domestic markets despite the limited rubber supplies. EBITDA was THB742m, up 18% q-q and 44% y-y and EBITDA margin rose to 9.1%, up from 8.8% in 2Q26 and 7.7% in 3Q25. Interest expense dipped to THB130m, down 1.4% q-q and 5.4% y-y. Core net profit was THB528m, up 18% q-q and 56% y-y. Revenue from domestic market rose by 29% y-y to THB6.5b while revenue from export increased to THB1.6b, up 7% q-q but down 4% y-y.

Limited earnings downside on the recent rubber price dive

Unlike other local peers, NER's earnings has a far lower volatility and downside risk thanks to NER's high portion of the advanced sales volume up to 6-8 months that will effectively lock in the selling prices. However, this will come with the more limited earnings upside if the rubber market price spikes. In the past one month, the global rubber and local rubber price alike, have declined markedly from the peak due to the limited supplies and weak demands. Yet we project NER's NP to remain highly sustainable at THB0.4-0.5b a quarter in 2026-27.

TOCOM rubber correction, but still on the uptrend

Global rubber price, represented by TOCOM rubber futures, has declined from its peak at JPY467/kg on 9 Oct-26 down to JPY424/kg currently, dragged down by the weaker demand outlook due to the low affordability of the global auto industry. Yet we think the global rubber price will still stay elevated in Nov-Dec 2026 and 1H27 on the back of the global tight supply caused by the super El Nino impact.

Global structural shortage for natural rubber

In 2026-30E, the rubber price is projected for an uptrend thanks to the structural declines in the growing areas in Thailand and Indonesia. In Indonesia, palm growing has continued to replace natural rubber growing due to the superior palm price over rubber price. In Thailand, the current super El Nino is expected to erode the rubber productions mainly in Northeast area where NER's production plants are unfortunately located.

Maintain BUY with a TP of THB6.0

We maintain our BUY rating and TP of THB6.0, based on 6x 2027E P/E, reflecting NER's promising earnings growth outlook. We expect the natural rubber (NR) price uptrend to continue into 2028E, supported by elevated global crude oil prices, which increase the cost of substitute synthetic rubber, structurally tighter global supply, and stronger demand from the tire replacement market. NER also offers attractive dividend yields of 7.0%, 8.8%, and 8.8% over 2026E–2028E, respectively.

Analyst

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ESG Rating : AAA

CG Rating : ▲▲▲▲▲

BUY

Target Price 12M (THB)	**6.00**
VS. BB Consensus TP (%)	-0.5%
Share Price (THB)	4.60
Upside/Downside	+30.4%

Share Data

Market Cap (THB m)	8,499.95
Par (THB)	0.50
Free Float (%)	63.75
Issued shares (m shares)	1,848

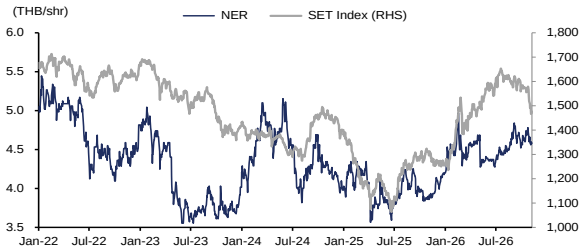
Financial forecast

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	30,240	31,206	33,744	35,996
Net profit	1,885	1,683	1,847	1,862
Core net profit	1,652	1,683	1,847	1,862
vs Consensus (%)		(1.6)	2.1	(1.5)
Net profit growth (%)	14.0	(10.7)	9.8	0.8
Core net profit growth (%)	(1.1)	1.8	9.8	0.8
EPS (THB)	1.02	0.91	1.00	1.01
Core EPS (THB)	0.89	0.91	1.00	1.01
Chg from previous (%)		0.00	0.00	0.00
DPS (THB)	0.36	0.32	0.40	0.40
P/E (x)	4.39	5.05	4.60	4.56
P/BV (x)	0.85	0.78	0.70	0.64
ROE (%)	20.71	16.35	16.02	14.57
Dividend yield (%)	8.04	6.93	8.69	8.76

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	0.88	0.88	(2.95)	2.68
Market	8.90	11.13	0.44	(11.75)
12M High/Low (THB)				5.40 / 4.12



Major Shareholders (%) as of 21 Aug 2026

Mr. Chuwit Jungtanasomboon	17.60
Mr. Suttigume Taesopapong	32.27
Mr. Aphisak Theppadungporn	1.30

Company Profile

Manufactures and distributes Ribbed Smoked Sheet, Standard Thai Rubber and Mixtures Rubber for manufacturers in automotive industry and traders

Source: SETSMART, SET

GLOBLEX SECURITIES PUBLIC COMPANY LIMITED WILL BE ENGAGED TO ACT, IS ACTING AS OR HAS BEEN ACTING AS ONE OF UNDERWRITERS AND IS EXPECTED TO BE ENGAGED AS A CO UNDERWRITER THE OFFERING OF DEBT INSTRUMENTS

Exhibit 1: Summary of 3Q26/9M26 operations

	3Q25	2Q26	---------- 3Q26 ----------			9M25	9M26	*chg.*	2026E
	(THB m)	(THB m)	(THB m)	*(q-q%)*	*(y-y%)*	(THB m)	(THB m)	*(y-y%)*	(THB m)
Revenue	**6,727**	**7,144**	**8,109**	***13.5***	***20.5***	**23,010**	**22,461**	***(2.4)***	**31,206**
Operating costs	(6,211)	(6,516)	(7,367)	*(13.1)*	*(18.6)*	(20,979)	(20,600)	*1.8*	(28,905)
EBITDA	**517**	**628**	**742**	***18.2***	***43.6***	**2,031**	**1,860**	***(8.4)***	**2,301**
EBITDA margin (%)	*7.7*	*8.8*	*9.1*	*na*	*na*	*8.8*	*8.3*	*na*	*7.4*
Depn & amort.	(59)	(52)	(53)	*(1.7)*	*(10.7)*	(180)	(156)	*13.4*	(263)
EBIT	**458**	**576**	**689**	***19.7***	***50.6***	**1,851**	**1,704**	***(7.9)***	**2,038**
Interest expense	(137)	(132)	(130)	*1.4*	*(5.4)*	(414)	(396)	*4.2*	(454)
Interest & invt inc	-	-	-	*na*	*na*	-	-	*na*	-
Other income	4	4	1	*(66.1)*	*(62.7)*	10	8	*(21.0)*	190.4
Associates' contrib	-	-	-	*na*	*na*	-	-	*na*	-
Exceptionals	(12)	(11)	(17)	*(58.1)*	*45.3*	67	(78)	*(216.5)*	-
Pretax profit	**312**	**437**	**543**	***24.3***	***74.0***	**1,515**	**1,238**	***(18.2)***	**1,775**
Tax	14	(1)	(32)	*(3,710.0)*	*(321.7)*	(25)	(36)	*(42.1)*	(92)
Tax rate (%)	*(4.6)*	*0.2*	*5.8*	*2,965.0*	*(227.4)*	*1.7*	*2.9*	*73.8*	*5.2*
Minority interests	-	-	-	*na*	*na*	-	-	*na*	-
Net profit	**327**	**436**	**512**	***17.3***	***56.7***	**1,489**	**1,202**	***(19.3)***	**1,683**
Non-recurring	(13)	(11)	(16)	*(49.2)*	*30.8*	64	(76)	*(220.1)*	-
Core net profit	**339**	**447**	**528**	***18.0***	***55.7***	**1,426**	**1,279**	***(10.3)***	**1,683**
EPS (THB)	0.20	0.27	0.32	*17.3*	*56.7*	0.92	0.74	*(19.3)*	0.91
Core EPS (THB)	0.21	0.28	0.33	*18.0*	*55.7*	0.88	0.79	*(10.3)*	0.91

Sources: NER; Globlex Research

Exhibit 2: 3Q26/9M26 key performance

	3Q25	2Q26	3Q26	*(q-q%)*	*(y-y%)*	9M25	9M26	*(y-y%)*
Revenue by product	**5,000**	**5,825**	**5,101**	***(12.4)***	***2.0***	**18,569**	**15,853**	***(14.6)***
RSS	761	906	1,016	*12.1*	*33.5*	2,709	2,687	*(0.8)*
RSS-Mixture	669	499	515	*3.2*	*(23.0)*	2,479	1,531	*(38.2)*
STR20	3,570	4,420	3,570	*(19.2)*	-	13,381	11,635	*(13.0)*
STR-Mixture	1,727	1,316	1,727	*31.2*	-	4,436	5,322	*20.0*
Revenues by Geography	**6,727**	**7,144**	**8,110**	***13.5***	***20.6***	**23,010**	**22,462**	***(2.4)***
Domestic	5,029	5,613	6,477	*15.4*	*28.8*	17,194	17,188	*(0.0)*
Export	1,698	1,531	1,633	*6.7*	*(3.8)*	5,816	5,274	*(9.3)*

Sources: NER; Globlex Research

Balance sheet (THB m)					
Year ending Dec	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Current assets					
Cash & ST investment	221	60	7,312	14,361	13,834
Account receivable	805	917	1,032	1,157	1,291
Inventories	16,213	17,029	17,733	19,014	20,281
Others	30	2	2	2	2
Non-current assets					
Net fixed assets	1,683	1,515	2,120	2,502	2,827
Others	506	483	483	483	483
Total Assets	**19,457**	**20,005**	**28,683**	**37,518**	**38,718**
Current liabilities					
Account payable	247	244	254	272	290
ST borrowing	5,209	5,541	5,541	5,541	5,541
Others	78	3	3	4	4
Long-term liabilities					
Long-term debts	5,257	4,455	11,955	19,455	19,455
Others	180	53	53	53	53
Total liabilities	**10,969**	**10,298**	**17,808**	**25,326**	**25,345**
Paid-up capital	924	924	924	924	924
Retained earnings	5,992	7,212	8,322	9,580	10,703
Others	1,572	1,572	1,630	1,688	1,746
Minority interest	0	0	0	0	0
Shareholders' equity	**8,488**	**9,707**	**10,875**	**12,192**	**13,373**

Profit & loss (THB m)					
Year ending Dec	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Revenue	**27,448**	**30,240**	**31,206**	**33,744**	**35,996**
Cost of goods sold	(24,436)	(27,078)	(28,199)	(30,235)	(32,250)
Gross profit	**3,012**	**3,162**	**3,007**	**3,509**	**3,746**
Operating expenses	(601)	(704)	(706)	(732)	(773)
Operating profit	**2,411**	**2,458**	**2,301**	**2,778**	**2,973**
EBIT	**2,411**	**2,458**	**2,301**	**2,778**	**2,973**
Depreciation	(232)	(235)	(263)	(319)	(374)
EBITDA	**2,179**	**2,223**	**2,038**	**2,459**	**2,598**
Non-operating income	**(2)**	**270**	**190**	**190**	**190**
Other incomes	(30)	190	190	190	190
Other non-op income	29	79	0	0	0
Non-operating expense	**(469)**	**(548)**	**(454)**	**(701)**	**(825)**
Interest expense	(469)	(548)	(454)	(701)	(825)
Other non-op expense	0	0	0	0	0
Equity income/(loss)	0	0	0	0	0
Pre-tax Profit	**1,708**	**1,945**	**1,775**	**1,948**	**1,964**
Extraordinary items					
Current taxation	(55)	(60)	(92)	(101)	(102)
Minorities	0	0	0	0	0
Net Profit	**1,652**	**1,885**	**1,683**	**1,847**	**1,862**
Core net profit	**1,670**	**1,652**	**1,683**	**1,847**	**1,862**
EPS (THB)	**0.89**	**1.02**	**0.91**	**1.00**	**1.01**
Core EPS (THB)	**0.90**	**0.89**	**0.91**	**1.00**	**1.01**

Key ratios					
Year ending Dec	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Growth (y-y%)					
Sales	9.6	10.2	3.2	8.1	6.7
Operating profit	5.1	2.0	(6.4)	20.7	7.0
EBITDA	4.0	2.0	(8.3)	20.7	5.7
Net profit	6.9	14.0	(10.7)	9.8	0.8
Core net profit	5.7	(1.1)	1.8	9.8	0.8
EPS	6.9	14.0	(10.7)	9.8	0.8
Core EPS	5.7	(1.1)	1.8	9.8	0.8
Profitability (%)					
Gross margin	11.0	10.5	9.6	10.4	10.4
Operation margin	8.8	8.1	7.4	8.2	8.3
EBITDA margin	7.9	7.4	6.5	7.3	7.2
Net margin	6.0	6.2	5.4	5.5	5.2
ROE	20.7	20.7	16.4	16.0	14.6
ROA	9.1	9.6	6.9	5.6	4.9
Stability					
Interest bearing debt/equity (x)	1.2	1.0	1.6	2.1	1.9
Net debt/equity (x)	1.2	1.0	0.9	0.9	0.8
Interest coverage (x)	5.1	4.5	5.1	4.0	3.6
Interest & ST debt coverage (x)	0.4	0.4	0.4	0.4	0.5
Cash flow interest coverage (x)	(0.1)	0.1	0.1	0.0	0.0
Current ratio (x)	3.1	3.1	4.5	5.9	6.1
Quick ratio (x)	0.2	0.2	1.4	2.7	2.6
Net debt (THB m)	10,244	9,937	10,184	10,636	11,163
Activity					
Asset turnover (X)	1.5	1.5	1.3	1.0	0.9
Days receivables	9.9	10.4	11.4	11.8	12.4
Days inventory	224.5	224.0	225.0	221.8	222.4
Days payable	3.4	3.3	3.2	3.2	3.2
Cash cycle days	231.0	231.1	233.2	230.5	231.6

Cash flow (THB m)					
Year ending Dec	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Operating cash flow	**(688)**	**973**	**953**	**538**	**587**
Net profit	1,652	1,885	1,683	1,847	1,862
Depre.& amortization	232	235	263	319	374
Change in working capital	(2,423)	(977)	(810)	(1,387)	(1,383)
Others	(149)	(170)	(183)	(241)	(267)
Investment cash flow	**(488)**	**(701)**	**(1,063)**	**(1,261)**	**(1,360)**
Net CAPEX	(151)	(67)	(700)	(700)	(700)
Change in LT investment	99	(104)	0	0	0
Change in other assets	(436)	(531)	(363)	(561)	(660)
Free cash flow	**(1,175)**	**272**	**(110)**	**(723)**	**(773)**
Financing cash flow	**2,571**	**(211)**	**331**	**783**	**8,085**
Change in share capital	0	0	58	58	58
Net change in debt	29	79	0	0	0
Dividend paid	(573)	(573)	(573)	(589)	(739)
Others	3,115	283	846	1,314	8,766
Net cash flow	**1,396**	**61**	**221**	**60**	**7,312**

Per share (THB)					
EPS	0.89	1.02	0.91	1.00	1.01
Core EPS	0.90	0.89	0.91	1.00	1.01
CFPS	1.02	1.15	1.05	1.17	1.21
BVPS	4.59	5.25	5.89	6.60	7.24
Sales/share	14.86	16.37	16.89	18.26	19.48
EBITDA/share	1.18	1.20	1.10	1.33	1.41
DPS	0.36	0.36	0.32	0.40	0.40
Valuation					
P/E (x)	5.43	4.39	5.05	4.60	4.56
P/BV (x)	1.06	0.85	0.78	0.70	0.64
Dividend yield (%)	7.41	8.04	6.93	8.69	8.76
Divdend payout ratio (%)	40	35	35	40	40

NORTH EAST RUBBER (NER TB) | THAILAND / SET / AGRIBUSINESS

ESG Analysis

ESG Assessment	SET ESG	Bloomberg
Environment NER promotes sustainable natural rubber production through responsible raw material sourcing, renewable energy adoption, biomass utilization, and energy efficiency improvements. The company also focuses on reducing greenhouse gas emissions, improving water management, and minimizing waste while supporting sustainable rubber supply chains.	AAA	4.33
Social NER works closely with rubber farmers to promote sustainable agricultural practices and improve livelihoods through knowledge sharing and long-term partnerships. The company also prioritizes employee health and safety, human capital development, and community support through education and local development initiatives.		4.89
Governance NER maintains a robust governance framework with independent board oversight, enterprise risk management, internal controls, and anti-corruption measures. Sustainability is integrated into business operations through transparent ESG disclosure, responsible procurement, and ethical business practices.		4.94
Overall | CG Score: Excellent (5-star) | CAC: Certified		**4.68**

Bloomberg ESG scores reflect FY2025 data (latest available). SET ESG Rating as of April 2026 (Globlex Research). CG rating reflects 2025 Thai IOD survey. SET ESG Rating as of 9 January 2026.
Sources: SET, Thai IOD, CAC, Bloomberg, Globlex Securities Research

Globlex
Globlex Securities Co., Ltd.

SET ESG Ratings 2025 | Thai Listed Companies

As of 9 January 2026

Ratings: AAA (90-100)							
AAV	ACE	ADVANC	AJ	AMATA	AMATAV	ASW	AWC
BAM	BANPU	BAY	BBGI	BBL	BDMS	BEM	BGC
BGRIM	BJC	BKIH	BPP	BTG	CENTEL	CKP	CPALL
CPF	CPAXT	CPN	CRC	DITTO	EASTW	FPI	FPT
GLOBAL	GPSC	GUNKUL	HANA	HENG	HMPRO	III	ILM
IVL	KBANK	KCG	KJL	KKP	KTB	KTC	LH
LOXLEY	MAJOR	MBK	MC	M-CHAI	MFEC	MTI	**NER**
NOBLE	OR	ORI	OSP	PB	PLANB	PR9	PSH
PTG	PTT	PTTEP	PTTGC	RATCH	S	S&J	SABINA
SAT	SC	SCB	SCC	SCG	SCGP	SIRI	SJWD
SKY	SNP	STA	STECON	STGT	SVOA	TEAMG	TEGH
TFMAMA	THCOM	TISCO	TMT	TOA	TOP	TPBI	TTA
TTB	TTW	TVO	VNG	WHA	WHAUP		
Ratings: AA (80-89)							
ADB	AKP	AOT	AP	ASK	ASP	AURA	BCH
BLA	BRI	BTS	CBG	CIVIL	CK	CMAN	COLOR
COM7	DMT	DRT	EGCO	EPG	ETC	GFPT	GULF
HTC	ICHI	ILINK	IT	ITTHI	JMART	KCE	KUMWEL
LHFG	MINT	MODERN	MOSHI	MSC	MTC	NVD	NYT
PCC	PRM	PSL	QTC	RBF	SA	SAWAD	SCCC
SCGD	SELIC	SFLEX	SHR	SMPC	SNNP	SPALI	SPI
SSP	SUTHA	SYNEX	TASCO	TCAP	TCMC	TGH	THANI
TIPH	TKS	TLI	TOG	TPAC	TPIPP	TSC	TU
UAC	UBE	VIH	WICE	XO	ZEN		
Ratings: A (65-100)							
AEONTS	ALLA	ALT	ALUCON	BA	BH	BLC	CFRESH
CHAO	CHASE	CHG	CM	CPL	CREDIT	ERW	GABLE
HARN	HUMAN	INSET	IRC	ITC	JMT	KSL	M
MALEE	MGC	MOONG	NEO	PHOL	PLUS	PM	PPS
PQS	PROUD	PRTR	PSP	Q-CON	QLT	SAK	SAPPE
SCAP	SEAFCO	SEAOIL	SENA	SENX	SGC	SICT	SITHAI
SKR	SNC	SPC	SSSC	SYMC	TAN	TBN	TGE
THANA	THIP	THREL	TPA	TPCS	TQM	TRU	TWPC
UPF	UPOIC	VIBHA	WPH				
Ratings: BBB (50-64)							
AKR	ASIMAR	CSC	J	LEO	MEGA	NL	PRIN
SE	SO	SPRC	SUN	TMILL	TSTH	WP	YUASA

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Source: SET ESG Ratings, Stock Exchange of Thailand (setsustainability.com). Ratings as of 9 January 2026. Only companies scoring 50 and above are assigned a rating. Covered company are Bold in letter.

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Analyst Certification

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RECOMMENDATION STRUCTURE

Stock Recommendations

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / current price.

BUY: Expected return of 10% or more over the next 12 months.
HOLD: Expected return between -10% and 10% over the next 12 months.
REDUCE: Expected return of -10% or worse over the next 12 months.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.
* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Sector Recommendations

Overweight: The industry is expected to outperform the relevant primary market index over the next 12 months.
Neutral: The industry is expected to perform in line with the relevant primary market index over the next 12 months.
Underweight: The industry is expected to underperform the relevant primary market index over the next 12 months.

Country (Strategy) Recommendations

Overweight: Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral: Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight: Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.