



President

Stock Exchange of Thailand

2 March 2026

Dear Sir,

Explanation and Analysis of Financial Statements for the Year Ended 31 December 2025

We enclose herewith the consolidated financial statements of Thai Rung Union Car Public Company Limited (“the Company”) for the year ended 31 December 2025, duly reviewed by the Company’s auditors, and approved by the Company’s Board of Directors, for onward distribution to investors.

General overview of the Thai automotive industry

Unit: vehicles	Q.4			Whole year		
	2025	2024	Change	2025	2024	Change
Production	379,762	340,971	11%	1,455,569	1,468,997	-1%
Domestic sales	173,197	134,016	29%	621,166	572,675	8%
Export sales	246,719	250,326	-1%	935,750	1,019,213	-8%

In the fourth quarter of 2025, the Thai automotive industry showed signs of recovery, with vehicle production increasing by 11% compared to the same period last year. This aligns with domestic sales, which expanded by 29% driven by promotional activities, new model launches, and continued growth in demand for electric vehicles (EVs) and hybrids. However, exports decreased by 1% due to the continued sluggishness in overseas markets.

For the cumulative year 2025, vehicle production is projected to decrease by 1% from the previous year. Although domestic sales increased by 8%, this could not fully offset the 8% contraction in exports. Key pressures remain the slowdown in the economies of trading partners, intense price competition, especially from Chinese manufacturers, and the technological transition from ICE (internal combustion engine) to EVs.

Looking ahead to 2026, the Federation of Thai Industries (FTI) has set a production target of 1.50 million vehicles, divided into 950,000 units for export and 550,000 units for domestic sales. This trend is expected to remain stable or show a slight recovery. Factors to monitor include interest rate trends and loan conditions, demand in export markets, the continuity of EV support measures, and the level of price competition.

Company results

Management wishes to provide a comparison of operations for the year ended December 31, 2025, with the year ended December 31, 2024, and the financial position as of December 31, 2025, with the comparison of the financial position as of December 31, 2024, for the purpose of reviewing the consolidated financial statements.

Consolidated Income Statement for the year ended 31 December 2025

THB millions	2025	2024	Change	
Item				
Operating revenues	1,825.6	2,272.3	(446.7)	(20%)
Other income	250.3	305.2	(54.9)	(18%)
1.1 Total revenues	2,075.9	2,577.5	(501.6)	(19%)
1.2 Cost of sales & services	1,590.1	1,945.2	(355.0)	(18%)
1.3 Selling & administrative expenses	229.4	273.2	(43.8)	(16%)
1.4 Share in profit/(loss) of associates (joint ventures)	47.1	53.0	(5.8)	(11%)
Profit/(loss) before tax	303.2	411.6	(108.5)	(26%)
Income tax income (expense)	26.3	31.1	(4.7)	(15%)
1.5 Net profit/(loss)	276.8	380.5	(103.7)	(27%)

THB millions	2025	2024	Change	
Item				
Distribution of consolidated profit/(loss)				
Attribution to owners of the parent company	275.1	380.2	(105.1)	(28%)
Attribution to non-controlling interests	1.7	0.4	1.3	354%

1. Overview of Results for the Year

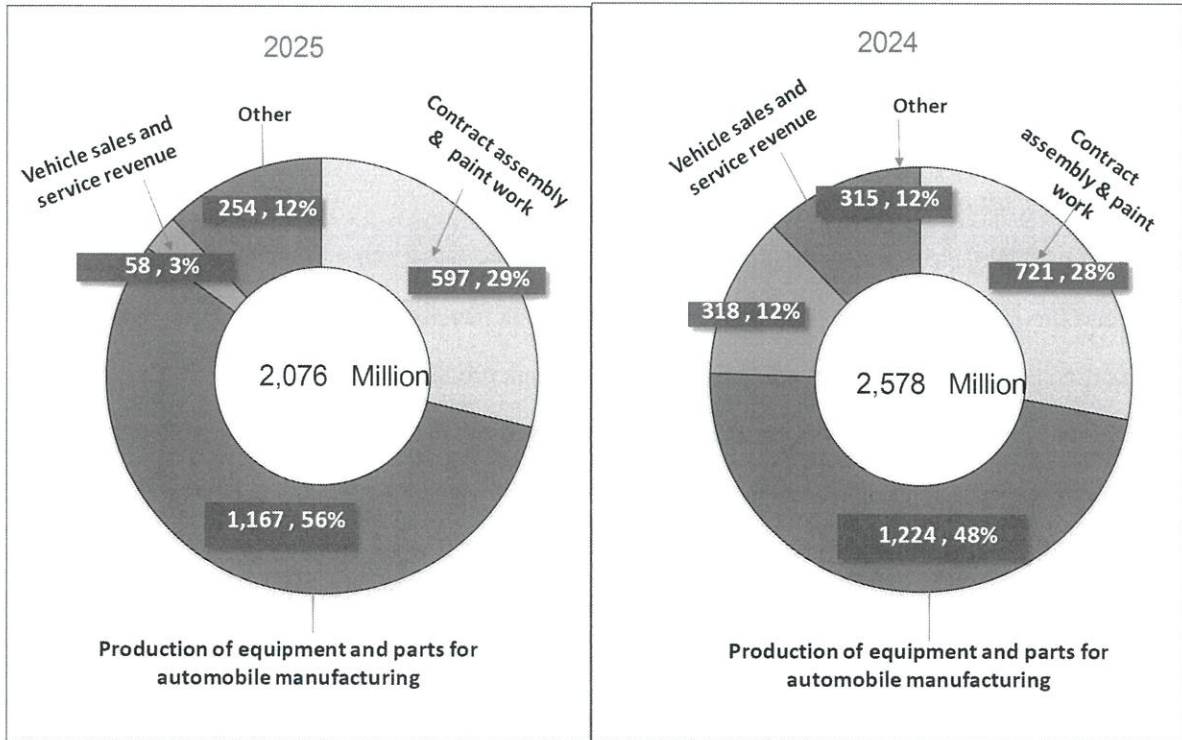
The company operates as a manufacturer and distributor in the automotive industry. The company's consolidated financial statements, compared to the previous year, are as follows:

1.1 Consolidated Revenues

In 2025, the company's total operating revenue, excluding profit sharing from associated companies, was 2,075.9 million baht, a decrease of 501.6 million baht or 19% from the previous year.

Operating revenues by type of business

YE'2025 / YE'2024 = -502 , -19%



Note: Total income includes operating income and other income. (Excluding profit sharing from associated companies)

- Revenue from the production of equipment and parts for automotive manufacturing (comprising revenue from contract manufacturing of parts, molds, and jigs) totaled 1,167 million baht, or 56% of total revenue. This represents a decrease of 57 million baht, or 5%, from the previous year, due to reduced orders from automotive parts customers and some adjusting their production plans. This is attributed to the company's customers being affected by increased imports of electric vehicles (EVs) by automotive manufacturers and stricter loan approval processes by financial institutions for car loans.
- Revenue from contract assembly and other automotive-related services totaled 597 million baht, or 29% of total revenue. This represents a decrease of 124 million baht, or 17%, compared to the previous year, due to reduced orders from the automotive and agricultural machinery industries, some customers manufacturing their own products, and some adjusting their production plans

- Revenue from vehicle sales and service fees from car service centers totaled 58 million baht, or 3% of total revenue. This is a decrease of 260 million baht, or 82%, from the previous year, due to the slowdown in vehicle exports in line with the global market downturn and the impact of stricter safety and environmental (carbon) regulations in trading partner countries. At the same time, financial institutions have tightened loan approvals due to high levels of household debt.
- Other income amounted to 254 million baht, or 12% of total revenue, a decrease of 61 million baht or 19% from the previous year. This was mainly due to profits from the sale of vacant land.

1.2 Cost of sales and service

In 2025, the company's total cost of sales and services was 1,590 million baht, representing 87% of total sales and services, compared to 86% in the previous year, an increase of 1%. This is due to lower revenue, some fixed costs, and variations in the production mix of different products. However, the company is striving to manage both variable and fixed costs, continuously implementing cost reduction measures and production efficiency improvements.

1.3 Selling and administrative expenses

In 2025, the company's total selling and administrative expenses were 229 million baht, representing an expense-to-revenue ratio of 11.1%, compared to 10.6% in the previous year, showing a similar expense ratio.

1.4 Share of profit/(loss) from investments in associates

In 2025, the company's share of profit from investments in associate companies amounted to 47 million baht, a decrease of 6 million baht or 11% from the previous year.

1.5 Net profit/(loss)

In 2025, the company's net profit attributable to the parent company was 275 million baht, a decrease of 105 million baht from the previous year due to lower revenue, profit distribution across different product lines, and other reasons as previously stated.

2. Analysis of Consolidated Balance Sheet at 31 December 2025 compared with 31 December 2024

(Bt. Millions)

THB millions ITEM	2025	2024	Change	%
Total Assets	4,511	4,533	(21)	(0%)
Total Liabilities	522	563	(41)	(7%)
Total Equity	3,989	3,970	20	0.5%

2.1 Assets

As of December 31, 2025, total assets amounted to 4,511 million baht, a decrease of 21 million baht from December 31, 2024. This decrease is mainly due to the collection of debt payments from normal operations.

2.2 Liabilities

As of December 31, 2025, total liabilities amounted to 522 million baht, a decrease of 41 million baht from December 31, 2024. This decrease is mainly due to a reduction in trade payables from customers' orders for raw materials for production.

2.3 Equity

As of December 31, 2025, total shareholders' equity amounted to 3,989 million baht, an increase of 20 million baht compared to December 31, 2024. This increase is mainly due to improved operating results, recognition of profit sharing from associated companies, the issuance of ESOP 2021 common shares, and a dividend payment of 202 million baht.

3. Financial ratio.

Financial ratios		2025	2024
Net profit margin	%	13.25%	14.75%
Liquidity ratio	times	5.16	4.63
Debt to Equity Ratio	times	0.13	0.14

Regarding profitability, the return on net profit decreased compared to the previous year due to differing product mixes and a decline in operating profit.

The company's overall financial liquidity is in good condition, reflecting improved ability to repay short-term debt resulting from efficient management of working capital.

The debt-to-equity ratio has decreased, and the company is not at financial risk.

4. Sustainable Business Operations

The Group has established a sustainability strategy by integrating ESG principles into its core business operations.

- The Company has participated in the **ESG DNA Program**, which aims to instill ESG knowledge and promote sustainable development, and has met the criteria set by the Stock Exchange of Thailand.

- The Company has successfully passed the **SET ESG Rating assessment for the year 2025 (B.E. 2568)**.

Environmental Aspect

- The Company has conducted a **Carbon Footprint assessment** by collecting baseline data on greenhouse gas emissions, which will be used to plan and implement greenhouse gas reduction initiatives in subsequent years.
- The Company has successfully passed the **SET ESG Rating assessment for the year 2025 (B.E. 2568)**.
- The Company has improved its operational processes to reduce energy consumption.

Social Aspect

- The Company engages in **Corporate Social Responsibility (CSR)** activities with surrounding communities and undertakes various initiatives to support society.

Good Corporate Governance

- The Company has established a **Code of Business Ethics** as a guideline for conducting business with integrity.
- The Company is a member of the **Thai Private Sector Collective Action Against Corruption (CAC)**.

5. Report of the Certified Public Accountant

The audit of the financial statements by a certified public accountant resulted in a qualified opinion. This was necessary because one associate company had different accounting periods ending in a particular year; therefore, the financial statements of the associate company's management, which had not yet been audited by the associate company's auditor, were used.

Trusting this meets your requirements we remain,

Yours faithfully,



Phakkawat Suwanmajo

Company Secretary

