



President

Stock Exchange of Thailand

13 May 2025

Dear Sir,

Explanation and Analysis of Financial Statements for the First Quarter Ended 31 March 2025

We enclose herewith the consolidated financial statements of Thai Rung Union Car Public Company Limited ("the Company") for the first quarter of the year 2025, ended 31 March 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	Q1'2025		
	2025	2024	Change
Production	352,499	414,123	-15%
Domestic sales	153,193	163,756	-6%
Export sales	224,558	270,525	-17%

In the first quarter of 2025, Thailand produced 352,499 vehicles and recorded domestic vehicle sales of 153,193 units, representing a decrease of 15% and 6%, respectively, compared to the same period last year. The decline was primarily due to stricter loan approval criteria by financial institutions in response to high household debt levels, as well as a sluggish economy. Meanwhile, vehicle exports totaled 224,558 units, down 17%, largely attributed to global economic volatility stemming from the United States' import tariff policies and the emerging trade war.

For 2025, the Federation of Thai Industries (FTI) has projected total vehicle production at 1.5 million units, representing a 2% increase. This is comprised of 500,000 units for domestic sales and 1,000,000 units for export. However, the target may be subject to revision pending the outcome of the government's import tariff negotiations.

Company results

The management would like to provide an explanation of the Company's operating performance for the first quarter of 2025, ended 31 March 2025, compared to the first quarter of 2024, ended 31 March 2024, as well as the financial position as of 31 March 2025, compared to that as of 31 December 2024, to facilitate the understanding of the consolidated financial statements.

Consolidated Income Statement for the Period ended 31 March 2025

THB millions	Item	Q1'2025	Q1'2024	Change	
	Operating revenues	477.6	583.4	(105.8)	(18%)
	Other income	65.7	47.0	18.7	40%
1.1	Total revenues	543.2	630.4	(87.1)	(14%)
1.2	Cost of sales & services	416.4	500.5	(84.1)	(17%)
1.3	Selling & administrative expenses	55.8	63.6	(7.8)	(12%)
1.4	Share in profit/(loss) of associates (joint ventures)	9.4	15.6	(6.2)	(40%)
	Profit/(loss) before tax	80.2	81.7	(1.5)	(2%)
	Income tax income (expense)	8.4	11.5	(3.1)	(27%)
1.5	Net profit/(loss)	71.9	70.2	1.7	2.4%

THB millions	Item	Q1'2025	Q1'2024	Change	
	Distribution of consolidated profit/(loss)				
	Attribution to owners of the parent company	71.7	69.9	1.8	3%
	Attribution to non-controlling interests	0.22	0.37	(0.15)	(41%)

1. Overview of Results for the Year

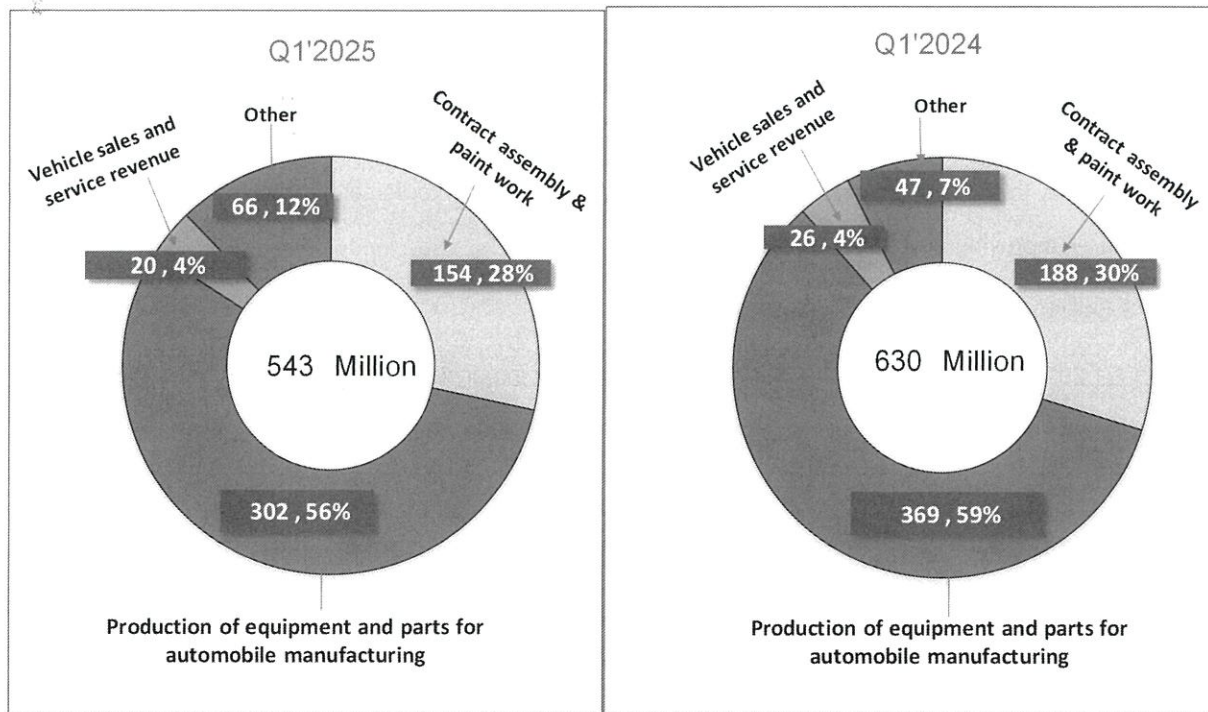
The Company's business is production and distribution in the automotive industry. Its consolidated results for 2025, compared with those for 2024, were as follows:

1.1 Consolidated Revenues

In the first Quarter of 2025, the company had total income from operations, excluding profit sharing from associated companies, of 543 million baht, a decrease of 87 million baht or 14%

Operating revenues by type of business

Q1'2025 / Q1'2024 = -87, -14%



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

- Revenue from the production of automotive manufacturing equipment and parts which includes revenue from contract manufacturing of parts, molds, and jigs totaled 302 million baht, accounting for 56% of total revenue. This represents a decrease of 66 million baht or 18% compared to the same quarter of the previous year. The decline was due to reduced order volumes from automotive parts customers, with some adjusting their production plans. This was driven by the impact on the company's customers from the increased importation of electric vehicles (EVs) by automakers and stricter auto loan approval policies by financial institutions.
- Revenue from contract assembly and other automotive-related services totaled 154 million baht, accounting for 28% of total revenue. This represents a decrease of 33 million baht or 18% compared to the same quarter of the previous year. The decline was due to a reduction in order volumes from the automotive and agricultural machinery industries, with some customers choosing to manufacture in-house or adjusting their production plans.
- Revenue from automobile sales and service fees from automobile service centers totaled 20 million baht, accounting for 4% of total revenue. This represents a decrease of 6 million baht or 23% compared to the same quarter of the previous year. The decline was due to the impact of increased imports of electric vehicles (EVs) by automakers, stricter credit approval policies by financial institutions due to rising household debt, and consumers having more purchasing options.
- Other revenue amounted to 66 million baht, or 12% of total revenue. This represents an increase of 19 million baht or 41% compared to the same quarter of the previous year, mainly from tax refund claims from government agencies under tax benefit measures, as well as profits from equity securities and other sources.

1.2 Cost of sales and service

In Q1 2025, the company had a total cost of sales and services of 416 million baht, representing 87% of total revenue, compared to 86% in the same quarter of the previous year, an increase of 1%. This increase was due to a decrease in revenue, with some fixed costs and varying production costs for each product. However, the company continues to manage both variable and fixed costs effectively, implementing cost-reduction measures and continuously improving production efficiency.

1.3 Selling and administrative expenses

In Q1 2025, the company had selling and administrative expenses totaling 56 million baht, representing 10.3% of revenue, compared to 10.1% in the same quarter of the previous year. The expense ratio remains relatively consistent.

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

In Q1 2025, the company recognized a share of profit from investments in joint ventures amounting to 9 million baht, a decrease of 6 million baht or 40% compared to the same quarter of the previous year.

1.5 Net profit/(loss)

In Q1 2025, the company reported net profit attributable to the parent company of 72 million baht, an increase of 2 million baht compared to the same quarter of the previous year. Part of the increase came from profits from different product proportions.

2. Analysis of Consolidated Balance Sheet at 31 March 2025 compared with 31 December 2024 **(Bt. Millions)**

THB millions ITEM	31-Mar-25	31-Dec-24	Change	%
Total Assets	4,546	4,533	13	0%
Total Liabilities	500	563	(64)	(11%)
Total Equity	4,046	3,970	76	2%

2.1 Assets

As of March 31, 2025, the company had total assets of 4,546 million baht, an increase of 13 million baht compared to December 31, 2024. The increase was mainly due to the collection of receivables from normal business operations.

2.2 Liabilities

As of March 31, 2025, the company had total liabilities of 500 million baht, a decrease of 64 million baht compared to December 31, 2024. The decrease was primarily from trade payables related to raw material orders for customer production, while the increase was due to accrued corporate income tax from the year's operations.

2.3 Equity

As of March 31, 2025, total shareholders' equity amounted to 4,046 million baht, an increase of 76 million baht compared to December 31, 2024. This increase was due to improved performance during the year, recognition of the share of profit from joint ventures, and the issuance of common shares under the ESOP 2021.

3. Financial ratio

Financial ratios		Q1'25	Q1'24
Net profit margin	%	13.19%	11.08%
Liquidity ratio	times	5.49	4.63
Debt to Equity Ratio	times	0.13	0.14

In terms of profitability, it is evident that the net profit margin increased compared to the same quarter of the previous year. This was due to differences in the product mix and profits generated from operating activities.

The company's overall financial liquidity is in good condition, indicating that it has sufficient liquidity, with current assets exceeding current liabilities, and is well-positioned to meet its debt obligations.

In terms of debt servicing ability, it is evident that the debt-to-equity ratio has decreased, indicating that the company has no financial risk.

4. Auditor's Report

The audit of the financial statements by the certified public accountant resulted in a qualified opinion, due to the use of management-prepared financial statements of a joint venture, which had not yet been reviewed by the joint venture's auditor.

Trusting this meets your requirements we remain,

Yours faithfully,



Phakkawat Suwanmajo
Company Secretary



