



President  
Stock Exchange of Thailand

10 May 2023

Dear Sir,

**Explanation and Analysis of Financial Statements for the Year Ended 31 March 2022**

We enclose herewith the consolidated financial statements of Thai Rung Union Car Public Company Limited (“the Company”) for the quarter ended 31 March 2023, 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		
	2023	2022	Change
Production	507,787	480,078	6%
Domestic sales	217,073	231,189	-6%
Export sales	273,692	243,124	13%

In the first quarter of 2023, there were 507,787 vehicles produced, an increase of 6% compared to the same period last year. and exports abroad to 273,692 units, an increase of 13% due to more semiconductor components (chips) in automobile production. For domestic car sales, 217,073 units fell 6% due to the problem of rising household goods. As a result, financial institutions are more stringent in lending pickup trucks.

For the year 2023, the Federation of Thai Industries (FTI) still targets the production of cars at the level of 1,950,000 units. (+4% YoY.), divided into exports of 1,050,000 units (+5% YoY.) and domestic sales of 900,000 units (+7% YoY.). There are still issues to monitor including financial institutions in the United States and Europe, the upward interest rate trend that may affect the purchasing power of trading partner countries decreases. and geopolitical issues that are becoming increasingly stressful

## Company results

Management provided the following comments regarding the Company's results for the quarter ended 31 March 2023 compared to the same quarter of the previous year. and financial position as of 31 March 2023 compared to as of 31 December 2022 These comments are made for reading together. with consolidated financial statements

### Consolidated Income Statement for the year ended 31 March 2023

THB millions		Q1'2023	Q1'2022	Change	
	Item				
	Operating revenues	699	664	35	5%
	Other income	23	16	7	44%
1.1	<b>Total revenues</b>	<b>722</b>	<b>680</b>	<b>42</b>	<b>6%</b>
1.2	Cost of sales & services	575	527	48	9%
1.3	Selling & administrative expenses	65	74	(9)	(12%)
1.4	Share in profit/(loss) of associates (joint ventures)	16	12	4	31%
	<b>Profit/(loss) before tax</b>	<b>97</b>	<b>91</b>	<b>7</b>	<b>7%</b>
	Income tax income (expense)	(17)	(18)	0	2%
1.5	<b>Net profit/(loss)</b>	<b>80</b>	<b>73</b>	<b>7</b>	<b>10%</b>

THB millions		Q1'2023	Q1'2022	Change	
	Item				
	<b>Distribution of consolidated profit/(loss)</b>				
	Attribution to owners of the parent company	79	72	7	10.02%
	Attribution to non-controlling interests	0.76	0.93	(0.17)	(18.72%)

### 1. Overview of Results for the Year

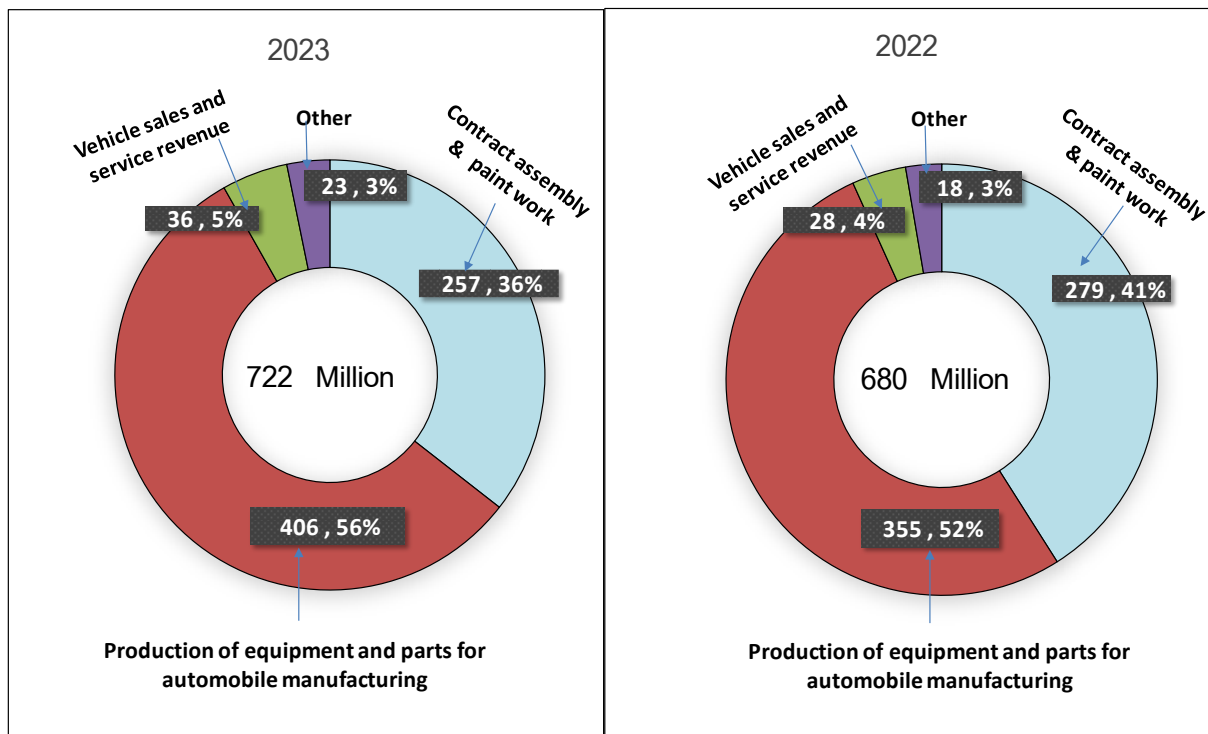
The Company's business is production and distribution in the automotive industry. Its consolidated results for 2023, compared with those for 2022, were as follows:

#### 1.1 Consolidated Revenues

In the first quarter of 2023, the company had total income from operations excluding profit sharing from associates equal to 722 million baht, an increase of 42 million baht or 6% from the same quarter of the previous year from the opening of the country in the first quarter of 2022. causing the overall economic trend to improve.

## Operating revenues by type of business

Q1'2023 /Q1'2022 = +42 , +6%



- Revenue from the production of equipment and parts for the production of motor vehicles. Revenue from the production of automotive manufacturing equipment (Molds and jigs plus production and distribution of both OEM and spare parts) 406 million baht or 56% from sales of goods and services, which increased by 51 million baht or 14% from the same quarter last year, from existing customers with more orders and from the opening of the country, customers ordered more products.
- Revenue from car assembly and other contract work Revenue from the automotive business was 257 million baht or 36% from sales of goods and services, which decreased 22 million baht or 8% from the same quarter last year. From the orders of the automotive group and the agricultural machinery industry, the volume of orders decreased.
- Revenue from car sales and services from car service 36 million baht or 5% from sales of goods and services, which increased by 8 million baht or 30% from the same quarter of the previous year, from the demand for cars of foreign customers
- Other income 23 million baht or 3% from sales of goods and services. An increase of 5 million baht or 27% from the same quarter last year from land and building rentals

## 1.2 Cost of sales and service

Consolidated cost of sales and service for the first quarter of 2023 was 575 million baht, with a proportion of cost of sales and services of 82% compared to the same quarter of the previous year equal to 79%, an increase of 3% due to increased revenues. and different production proportions of each product the company also increases production efficiency and controls factory costs.

## 1.3 Selling and administrative expenses

Consolidated selling and administrative expenses for Q1'2023 amounted to 65 million baht, representing 9% of revenue, compared to 11% in the first quarter of 2021, a decrease of 2%.

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

Share of profit from investments in joint ventures in the first quarter of 2023 was 16 million baht, an increase of 4 million baht from the same quarter last year. due to economic recovery.

## 1.5 Net profit/(loss)

The company had a net profit of 79 million baht, which was attributable to owners of the parent company, an increase of 42 million baht from the same quarter last year. due to increased sales Increase production efficiency and control factory costs.

## 2. Analysis of Consolidated Balance Sheet at 31 March 2023 compared with 31 December 2022 (Bt. Millions)

THB millions ITEM	31-Mar-23	31-Dec-22	Change	%
Total Assets	4,443	4,320	124	3%
Total Liabilities	637	599	38	6%
Total Equity	3,806	3,721	85	2%

### 2.1 Assets

As of March 31, 2023, total assets were 4,443 million baht, an increase of 124 million baht from December 31, 2022, mainly from Current financial assets 69 million baht Trade accounts receivable 15 million baht Investments in associates 16 million baht Rights of use 14 million baht Assets used in operations and investments 15 million baht Cash and cash equivalents 11 million baht Products The balance was 11 million baht and decreased from depreciation in the year 30 million baht

### 2.2 Liabilities

As of March 31, 2023, total liabilities were 637 million baht, an increase of 38 million baht from December 31, 2022, mainly from trade payables from customer orders for raw materials and accrued income tax from the results. operations that took place in the year

### 2.3 Equity

As of 31 December 2023, total shareholders' equity was 3,806 million baht, an increase compared to 31 December 2022 of 85 million baht due to the increased operating results for the year. and recognize profit sharing from the joint venture.

### 3. Financial ratio.

<b>Financial ratios</b>		<b>Q1'23</b>	<b>Q1'22</b>
Net profit margin	%	10.75%	10.42%
Liquidity ratio	times	3.35	2.73
Debt to Equity Ratio	times	0.17	0.18

The business is highly liquid and well able to meet its commitments as they fall due.

The debt-to-equity ratio has decreased slightly and the company has no financial risk.

As for the Company' profitability, the profit margin increased, reflecting increased operating revenues and successful control of costs.

### 4. Auditor's Report

The auditor's have issued qualified opinion on the Company's consolidated financial statements due to the fact that the financial statements of one of the joint venture companies have not yet been audited.

Trusting this meets your requirements we remain,

Yours faithfully,

Phakkawat Suwanmajo

Company Secretary