THAIRUNG

President

Stock Exchange of Thailand

10 August 2026

Dear Sir,

Explanation and Analysis of Financial Statements for the Second Quarter Ended 30 June 2026

Thai Rung Union Car Public Company Limited hereby submits the audited consolidated financial statements for the second quarter of the year 2026, ending on June 30, 2026, of Thai Rung Union Car Public Company Limited and its subsidiaries ("the Company"). These financial statements have been audited by a certified auditor and have been approved by the Company's Board of Directors. The report is submitted to the Stock Exchange of Thailand for public disclosure to inform investors

General overview of the Thai automotive industry

Unit : vehicles	Q.2			Q.1 - Q.2		
	2026	2025	Change	2026	2025	Change
Production	347,461	373,659	(7%)	717,212	724,721	(1%)
Domestic sales	164,883	149,501	10%	346,966	302,694	15%
Export sales	201,150	234,886	(14%)	421,144	459,357	(8%)

During the second quarter of 2026, the Thai automotive industry experienced a slight slowdown. Automobile production totaled 347,461 units, representing a 7% decrease compared with the same period of the previous year. This was primarily attributable to a 14% decline in export volume, largely resulting from the closure of the Strait of Hormuz, which disrupted automobile exports. In addition, competition in the electric vehicle (EV) market became increasingly intense.

Domestic vehicle sales, however, increased by 10% year-on-year. The growth was mainly driven by the electric vehicle segment, with the majority of EV sales continuing to be supported by imported vehicles rather than domestic production. Meanwhile, the pickup truck and internal combustion engine (ICE) passenger vehicle segments remained weak due to tighter credit approval policies adopted by financial institutions, together with the upward trend in fuel prices.

For the first six months of 2026, cumulative automobile production and export volume declined by 1% and 8%, respectively. The slowdown was particularly evident in the pickup truck and passenger vehicle segments, which have a relatively high proportion of locally sourced components. As a result, domestic auto parts manufacturers and related supply chain businesses were significantly affected by the reduction in production volume. In contrast, domestic vehicle sales increased by 15%, mainly driven by imports of electric vehicles.

In July 2026, the Federation of Thai Industries (FTI) revised down its automobile production target for 2026 from 1.50 million units to 1.45 million units. The export production target was reduced by 50,000 units to 900,000 units, reflecting the adverse impact of global economic uncertainty, the conflict in the Middle East, trade protectionist measures, and intensifying competition in the electric vehicle (EV) market. Meanwhile, the production target for domestic sales was maintained at 550,000 units.

Company results

Management hereby presents the discussion and analysis of the Company's operating results for the second quarter of 2026 ended 30 June 2026, compared with those for the second quarter of 2025 ended 30 June 2025, as well as its financial position as at 30 June 2026, compared with that as at 31 December 2025, to accompany the reading and understanding of the consolidated financial statements.

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Consolidated Income Statement for the Period ended 30 June 2026

THB millions Item	Q2'2026	Q2'2025	Change	
Operating revenues	**458.1**	**466.5**	**(8.4)**	**(2%)**
Other income	**47.2**	**44.8**	**2.4**	**5%**
1.1 Total revenues	**505.3**	**511.3**	**(6.0)**	**(1%)**
1.2 Cost of sales & services	**389.5**	**399.6**	**(10.1)**	**(3%)**
1.3 Selling & administrative expenses	**56.3**	**51.3**	**5.0**	**10%**
1.4 Other Gains (Losses)	**15.3**	**26.8**	**(11.6)**	**(43%)**
- Share in profit/(loss) of associates (joint ventures)	**3.2**	**12.2**	**(9.0)**	**(74%)**
- Investment Gains (Losses)	**12.1**	**14.7**	**(2.6)**	**(18%)**
Profit Before Finance Costs and Income Tax	**74.8**	**87.3**	**(12.5)**	**(14%)**
Financial costs	**0.2**	**0.0**	**0.2**	**649%**
Income tax income (expense)	**9.2**	**7.6**	**1.6**	**21%**
1.5 Net profit/(loss)	**65.4**	**79.6**	**(14.3)**	**(18%)**

THB millions Item	Q2'2026	Q2'2025	Change	
Distribution of consolidated profit/(loss)				
Attribution to owners of the parent company	**64.6**	**79.0**	**(14.4)**	**(18%)**
Attribution to non-controlling interests	**0.7**	**0.6**	**0.1**	**22%**

1. **Overview of Results for the Year**

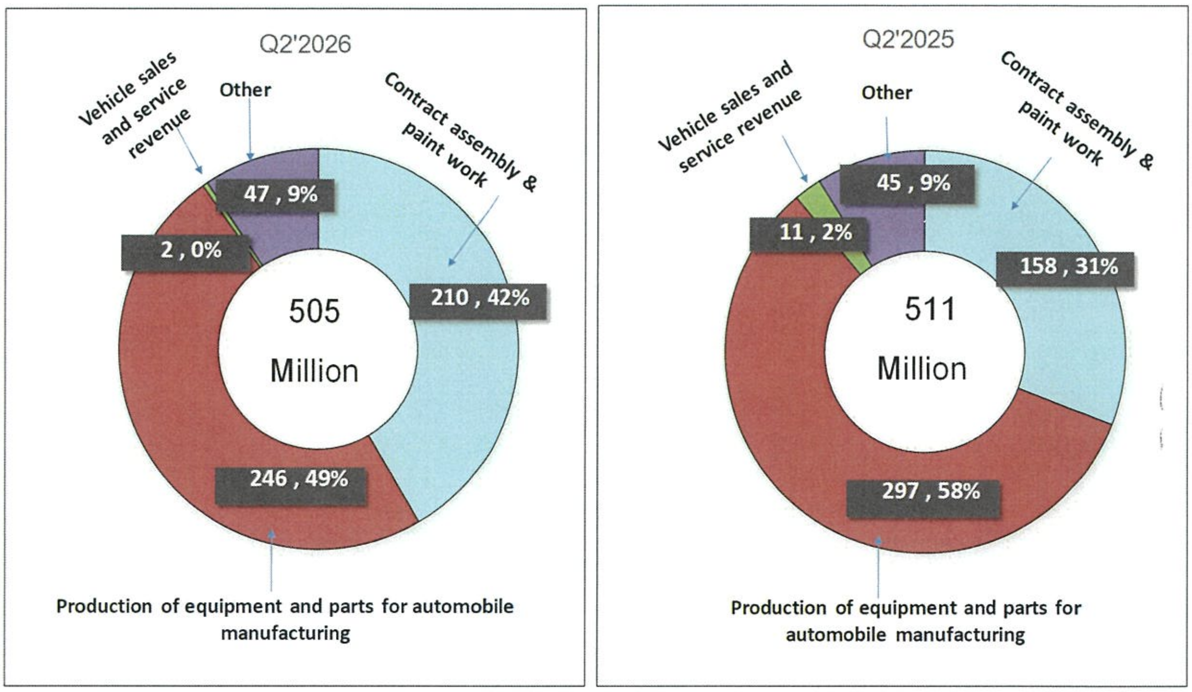
The Company operates as a manufacturer and distributor in the automotive industry. The Company's consolidated financial performance, compared to the previous year, is as follows:

1.1 Consolidated Revenues

In the second quarter of 2026, the Company recorded total operating revenue, excluding the share of profit from investments in associates, of Baht 505 million, representing a decrease of Baht 6 million, or 1%, compared with the same quarter of the previous year.

Operating revenues by type of business

Q2'2026 / Q2'2025 = -6 Mb.,-1%



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

- Revenue from the manufacture of automotive production equipment and components (comprising contract manufacturing of automotive components, dies and molds, and jigs and fixtures) totaled Baht 246 million, accounting for 49% of total revenue, representing a decrease of Baht 51 million, or 17%, compared with the same quarter of the previous year. The decline was primarily attributable to lower purchase orders from automotive parts customers as imports of electric vehicles (EVs) continued to increase.

- Revenue from assembly services and other contract services amounted to Baht 210 million, representing 42% of total revenue, an increase of Baht 52 million, or 33%, compared with the same quarter of the previous year. The increase was primarily driven by higher production volumes from certain existing customers, as well as new customers who commenced placing orders during the period. The Company also began exporting products for these new customers to overseas markets. Although the contribution from these new customers remains relatively modest at present, sales are expected to increase progressively in the subsequent quarters.

- Revenue from automobile sales and after-sales service center operations totaled Baht 2 million, accounting for 0.4% of total revenue, representing a decrease of Baht 9 million, or 81%, compared with the same quarter of the previous year. The decline was mainly attributable to weaker automobile sales and tighter credit approval policies adopted by financial institutions.

- Other income totaled Baht 47 million, accounting for 9% of total revenue, representing an increase of Baht 2 million, compared with the same quarter of the previous year.

1.2 Cost of sales and service

In the second quarter of 2026, the Company recorded cost of sales and services of Baht 390 million, representing a cost-to-sales ratio of 85%, compared with 86% in the same quarter of the previous year. The cost ratio remained broadly stable year-on-year. The Company continued to implement cost reduction initiatives and improve production efficiency on an ongoing basis.

1.3 Selling and administrative expenses

In the second quarter of 2026, the Company recorded selling and administrative expenses of Baht 56 million, representing 11% of total revenue, compared with 10% in the same quarter of the previous year, an increase of 1 percentage point.

1.4 Other Gains (Losses)

- In the second quarter of 2026, the Company recognized a share of profit from investments in associates of Baht 3 million, representing a decrease of Baht 9 million, or 74%, compared with the same quarter of the previous year. The decline was mainly attributable to the slowdown in the automotive industry, which adversely affected the operating performance of the Company's two associates.

- In the second quarter of 2026, the Company recorded investment gains of Baht 12 million, representing a decrease of Baht 3 million, or 18%, compared with the same quarter of the previous year.

1.5 Net profit/(loss)

In the second quarter of 2026, the Company reported net profit attributable to owners of the parent of Baht 65 million, representing a decrease of Baht 14 million compared with the same quarter of the previous year, primarily attributable to the factors discussed above.

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2. **Analysis of Consolidated Balance Sheet at 30 June 2026 compared with 31 December 2025 (Bt. Millions)**

THB millions ITEM	30-Jun-26	31-Dec-25	Change	%
Total Assets	4,496	4,511	(15)	(0.3%)
Total Liabilities	578	522	56	10.7%
Total Equity	3,918	3,989	(71)	(1.8%)

2.1 Assets

As at 30 June 2026, the Company had total assets of Baht 4,496 million, representing a decrease of Baht 15 million compared with 31 December 2025. The decrease was mainly attributable to the dividend payment of Baht 164 million to shareholders and the collection of trade receivables in the normal course of business.

2.2 Liabilities

As at 30 June 2026, the Company had **total liabilities of Baht 578 million**, representing an increase of **Baht 56 million** compared with **31 December 2025**. The increase was mainly attributable to higher trade payables resulting from purchases of raw materials in preparation for increased production to support higher customer orders expected in the following quarter, as well as an increase in **corporate income tax payable** arising from the Company's operating results for the period.

2.3 Equity

As at 30 June 2026, the Company had total shareholders' equity of Baht 3,918 million, representing a decrease of Baht 71 million compared with 31 December 2025. The decrease was mainly attributable to the dividend payment of Baht 164 million, partially offset by the increase in operating results during the period and the impact of treasury shares purchased under the Company's share repurchase program for financial management purposes.

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3. Financial ratio

Financial ratios		Q2'26	Q2'25	31-Dec-25
Net profit margin	%	12.79%	15.46%	
Liquidity ratio	times	4.72		5.16
Debt to Equity Ratio	times	0.15		0.13

Regarding profitability, the Company's net profit margin declined compared with the same quarter of the previous year, primarily due to the factors mentioned above.

The Company's liquidity position declined; however, the Company continued to maintain sufficient capacity to settle its current liabilities, supported by effective management of current assets.

The Company's debt-to-equity ratio increased slightly; however, the Company maintained a sound financial position and did not have any significant financial risk.

4. Sustainable Business Development

The Group has adopted a sustainability strategy that integrates Environmental, Social, and Governance (ESG) principles into its core business operations.

• The Company participated in the ESG DNA Program, which aims to foster knowledge and awareness of sustainable development, and successfully met the criteria established by the Stock Exchange of Thailand.

• The Company received an "A" rating under the SET ESG Ratings for 2025.

• The Company participated in the FTSE Russell ESG assessment.

Environmental Aspect

• The Company has been certified to the ISO 14001 Environmental Management System standard.

• The Company conducts a Carbon Footprint assessment by establishing baseline greenhouse gas (GHG) emissions data to support the development and implementation of initiatives aimed at reducing GHG emissions in subsequent years.

• The Company achieved an "A" rating in the SET ESG Ratings assessment for 2025.

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Social Dimension

• The Company conducts Corporate Social Responsibility (CSR) activities with surrounding communities and undertakes various initiatives to contribute to society, such as canal dredging and volunteer activities to clean and improve local communities.

Good Corporate Governance

• The Company has established a Business Code of Conduct Manual to serve as a guideline for its business operations.

• The Company has joined the Private Sector Collective Action Against Corruption (CAC).

5. Independent Auditor's Report

The independent auditor issued a qualified opinion on the financial statements due to the use of financial information prepared by the management of an associate that had not yet been reviewed by the associate's auditor. In addition, one of the associates has a financial year-end that differs from that of the Company.

Please be informed accordingly.

Yours faithfully,

(Phakkawat Suwanmajo)

Company Secretary