



President  
Stock Exchange of Thailand

9 May 2024

Dear Sir,

Explanation and Analysis of Financial Statements for the Year Ended 31 March 2024

We enclose herewith the consolidated financial statements of Thai Rung Union Car Public Company Limited ("the Company") for the year ended 31 March 2024, 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	Q1'2024		
	2024	2023	Change
Production	414,123	507,787	-18%
Domestic sales	163,400	217,073	-25%
Export sales	270,525	273,692	-1%

In the first quarter of 2024, Thailand had car production of 414,123 cars and domestic car sales of 163,400 cars, a decrease of 18% and 25% from the same quarter last year, respectively, due to the strictness of loan approval by financial institutions due to very high household debt. and a weak economy Because of the delay of the government's economic stimulus measures. While export totals of 270,525 units decreased slightly, there is still a trend of growth following sales of many trading partner countries that are still growing well.

For 2024, the Federation of Thai Industries (F.T.I.) estimates a production target of 1.9 million cars (+3%), divided into production for domestic sales of 750,000 cars and production for export of 1,150,000 cars because Thailand is still a Pickup truck production bases are exported all over the world. However, conflicts between various countries must still be followed closely.

## Company results

Management provided the following comments regarding the Company's results for the quarter ended 31 March 2024 compared to the same quarter of the previous year, and financial position as of 31 March 2023 compared to as of 31 December 2023. These comments are made for reading together, with consolidated financial statements

### **Consolidated Income Statement for the year ended 31 March 2024**

THB millions	Item	Q1'2024	Q1'2023	Change	
	Operating revenues	583.4	699.0	(115.6)	(17%)
	Other income	47.0	23.0	24.0	105%
1.1	<b>Total revenues</b>	<b>630.4</b>	<b>722.0</b>	<b>(91.6)</b>	<b>(13%)</b>
1.2	Cost of sales & services	500.5	574.9	(74.4)	(13%)
1.3	Selling & administrative expenses	63.6	65.4	(1.8)	(3%)
1.4	Share in profit/(loss) of associates (joint ventures)	15.6	15.8	(0.2)	(1%)
	<b>Profit/(loss) before tax</b>	<b>81.7</b>	<b>97.3</b>	<b>(15.6)</b>	<b>(16%)</b>
	Income tax income (expense)	(11.5)	(17.3)	5.8	33%
1.5	<b>Net profit/(loss)</b>	<b>70.22</b>	<b>80.03</b>	<b>(9.81)</b>	<b>(12.3%)</b>

THB millions	Item	Q1'2024	Q1'2023	Change	
	<b>Distribution of consolidated profit/(loss)</b>				
	Attribution to owners of the parent company	69.9	79.3	(9.4)	(12%)
	Attribution to non-controlling interests	0.4	0.8	(0.4)	(52%)

## 1. Overview of Results for the Year

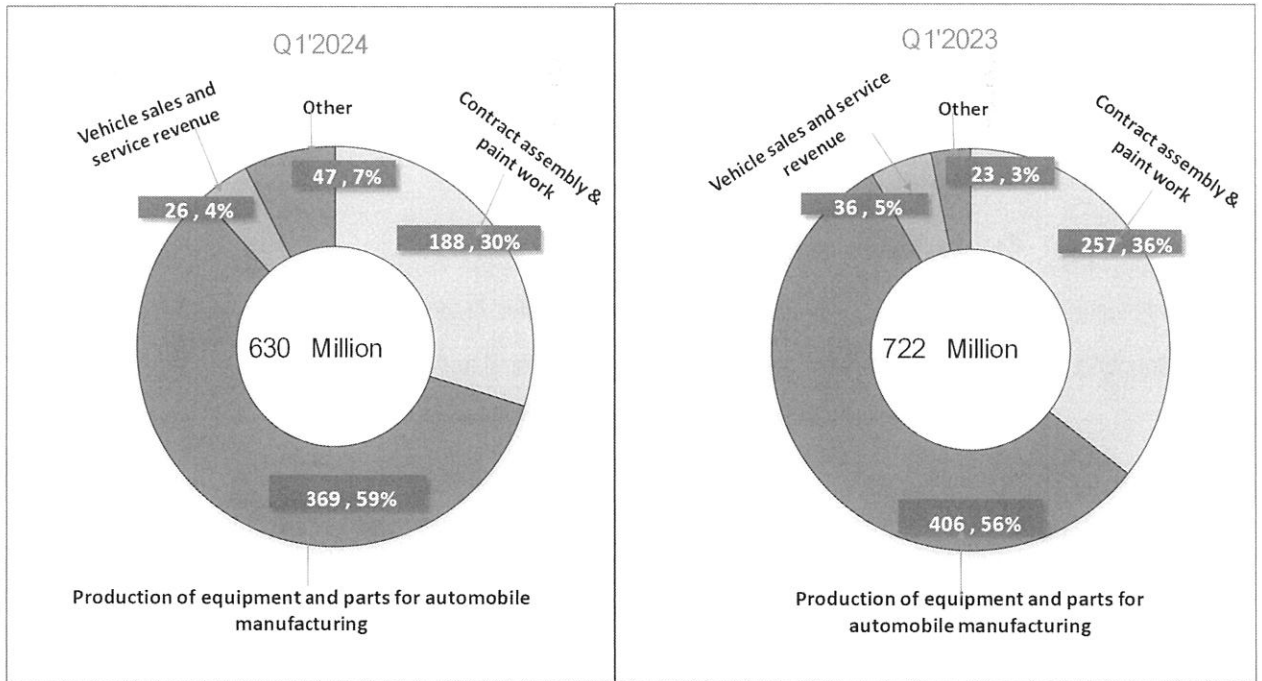
The Company's business is production and distribution in the automotive industry. Its consolidated results for 2024, compared with those for 2023, were as follows:

### 1.1 Consolidated Revenues

In the first Quarter of 2024, the company had total income from operations, excluding profit sharing from associated companies, of 630 million baht, a decrease of 92 million baht or 13% from the same Quarter of the previous year, from the current economic situation causing sales to decrease

Operating revenues by type of business

Q1'2024 / Q1'2023 = -92 , -13%



- Revenue from the production of automotive manufacturing equipment (Molds and jigs plus production and distribution of both OEM and spare parts) 369 million baht or 59%, a decrease of 37 million baht or 9% from the automotive parts customer group, the order quantity has decreased, and some have adjusted their production plans. The reason is that the company's customers are affected by the importation of more electric vehicles (EVs) into automobile production.
- Revenue from assembly work and other work related to cars totalling 188 million baht, or 30 %, from total revenues. This decreased from the previous year by 69 million baht or 27 % from the automotive and agricultural sectors. The machinery industry has seen a decrease in order volumes. Customers produce it themselves, and some adjust production plans.
- Revenue from car sales and services Revenue from car service booths totalled 26 million baht, or 4%, from total revenues. A decreased of 10 million baht or 27 % from the impact of car manufacturers importing electric vehicles (EVs), stricter loan approvals from financial institutions due to higher household debt, and consumers having more purchasing options.
- Other income 47 million baht or 7% from total revenues. This increased from the previous year by 24 million baht or 103% from income from renting land and buildings, interest income from investments and equity instruments, Profit and loss from selling assets and others.

### 1.2 Cost of sales and service

Consolidated cost of sales and service for the first Quarter of 2024 was 500 million baht, with cost of sales and services 86%, compared to the previous year at 82%, an increase of 4% due to decreased revenue. There are fixed costs, and the production proportion of each product is different. There are measures to continuously reduce costs and increase production efficiency.

### 1.3 Selling and administrative expenses

Consolidated selling and administrative expenses for the first Quarter of 2024 amounted to 64 million baht, accounting for 11% compared to the same quarter last year equal to 9%, an increase of 2%.

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

Share of profits from investments in joint ventures in the first Quarter of 2024 was 16 million baht, a decrease of 0.2 million baht or 1%

### 1.5 Net profit/(loss)

The company had a net profit of 70 million baht, a decrease of 9 million baht from the same quarter of the previous year. due to a decrease in income. and profits in different proportions of products.

## 2. Analysis of Consolidated Balance Sheet at 31 March 2024 compared with 31 December 2023 (Bt. Millions)

THB millions ITEM	31-Mar-24	31-Dec-23	Change	%
Total Assets	4,411	4,367	45	1%
Total Liabilities	622	662	(40)	(6%)
Total Equity	3,789	3,704	85	2%

### 2.1 Assets

As of March 31, 2024, total assets were 4,411 million baht, an increase of 45 million baht from December 31, 2023, with most of the increase from Current financial assets were 141 million baht, trade and other current receivables were 54 million baht, inventories were 23 million baht, investments in associated companies were 16 million baht, assets used in operations were 11 million baht and decreased from cash and cash equivalents of 156 million. Baht Depreciation in the year 28 million baht, selling assets with a net value of 6 million baht, assets arising from contracts 6 million baht, short-term loans 3 million baht.

### 2.2 Liabilities

As of March 31, 2024, total liabilities were 622 million baht, a decrease of 40 million baht from December 31, 2023, with the majority decrease from trade payables from customer orders for raw materials for production.

### 2.3 Equity

As of March 31, 2024, total shareholders' equity was 3,789 million baht, compared to December 31, 2023, a increase of 85 million baht From the increased operating results in the year, Recognize profit sharing from joint venture companies. and issue common shares ESOP 2021.

### 3. Financial ratio.

Financial ratios		Q1'24	Q1'23
Net profit margin	%	11.08%	10.98%
Liquidity ratio	times	3.64	3.35
Debt to Equity Ratio	times	0.17	0.17

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

The Debt to equity ratio It is Similar to the same quarter of the previous year. The company has no financial risk.

As for profitability, it can be seen that the rate of return from net profit Increased compared to the same quarter of the previous year. Because the proportions of each product are different. and have profits arising from operations.

### 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



