

**SET Opportunity Day
Thairung Union Car PCL (TRU)
2Q22 Results**



THAIRUNG

Disclaimer

The information contained in this presentation is intended solely for reference only. In addition, such information contains projections and forward-looking statements that reflect our current views with respect to future events and financial performance. These views are based on assumptions subject to various risks and uncertainties. No assurance is given that future events will occur, that projections will be achieved, or that the assumptions are correct. Actual results may differ materially from those projected

Agenda

- Company overview
- Auto industry update
- Financial results
- Business updates & outlook





Founder Mr. Vichien

& 1st SUV Model



The Winner of National Innovation Awards 2017 for Economic Contribution

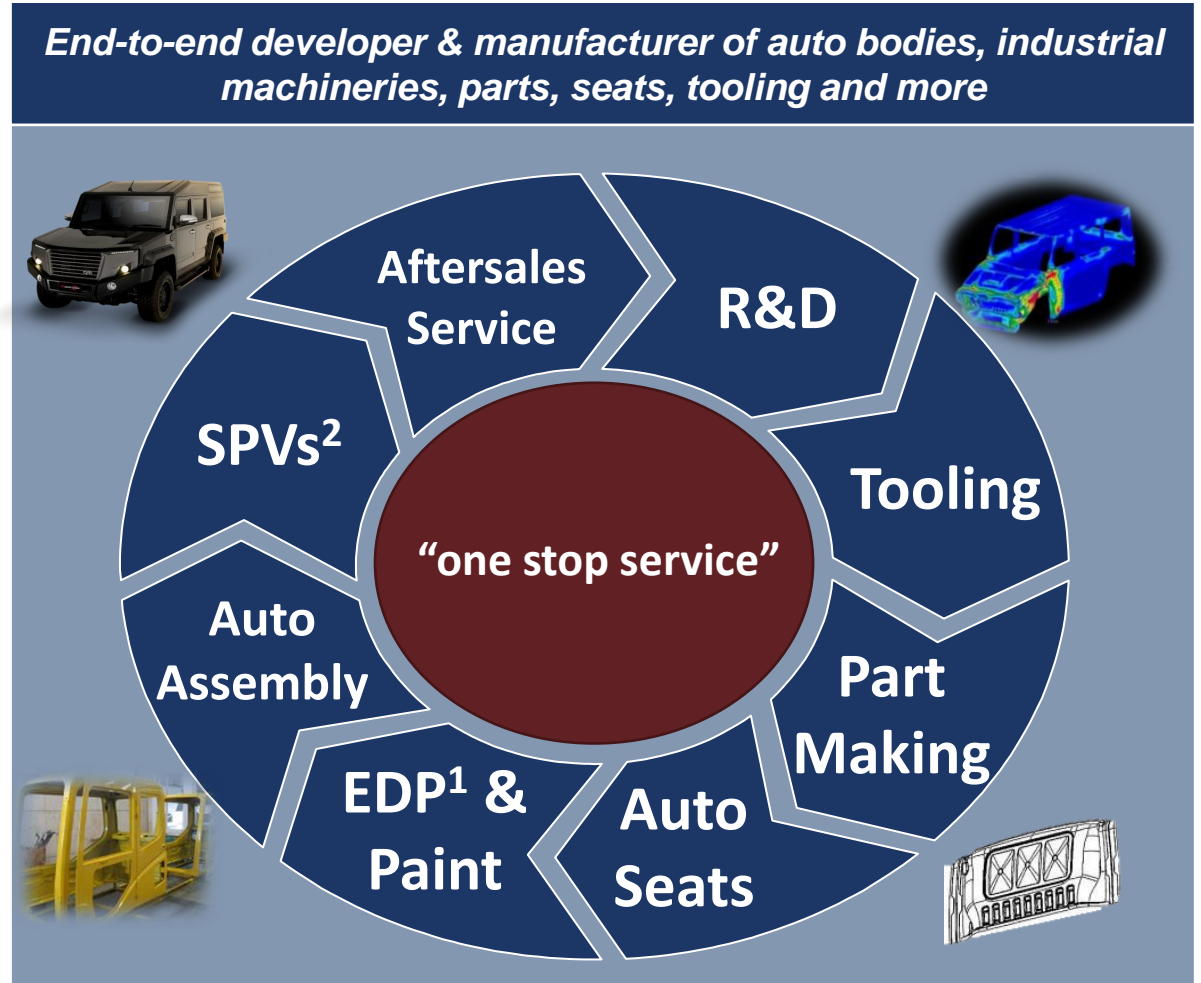
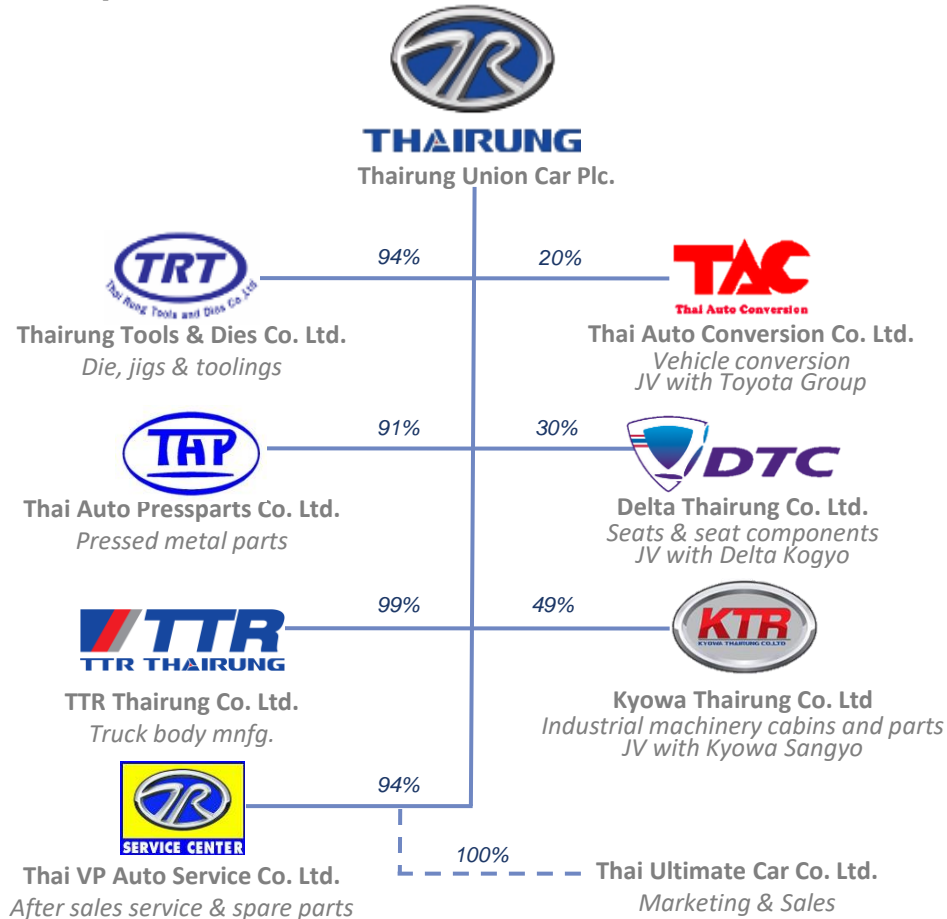
Established THAIRUNG Engineering Partnership	Established THAIRUNG Union Car Co., Ltd.	Established THAIRUNG General Motor Co., Ltd.	Listed in the stock exchange of Thailand	Established Thai Auto Pressparts Co., Ltd.	Established JV With Toyota Motor Group	Established THAIRUNG Tools And Dies Co., Ltd	JV with Delta Kogyo Co.Ltd.,of Japan to manufacture auto seats	JV Kyokuto Kaihatsu & Mitsiam to manufacture truck bodies (TTR)	JV Kyowa Sangyo to manufacture industrial machinery cabins (KTR)	Acquired 99.99% of TTR shares
1967	1973	1989	1994	2000	2004	2006	2007	2014	2014	2019

55 years proudly serving the Thai auto industry

TRU is a veteran player in the Auto industry providing one-stop service from development to production for the auto industry and beyond

Overview

Group Structure



1. Electro Deposit Primer
2. Special Purpose Vehicles

Headquartered in Bangkok with facilities across 4 locations

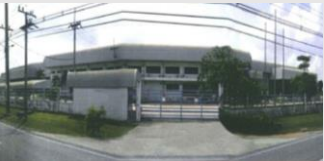
BANGKOK

THAIRUNG Union Car PLC



- R&D
- Die/Jig
- Stamping (Low-Medium Volume)
- Seat
- Assembly
- EDP/Painting (Plastic parts)

CHONBURI



WHA Industrial Estate

- Currently leased out to a Logistic operator



RAYONG

Thai Auto Pressparts Co., Ltd.



Rayong Plant

- Stamping (Medium-High Volume)



- Truck Body



- JV with Delta Kogyo

SAMUTPRAKARN

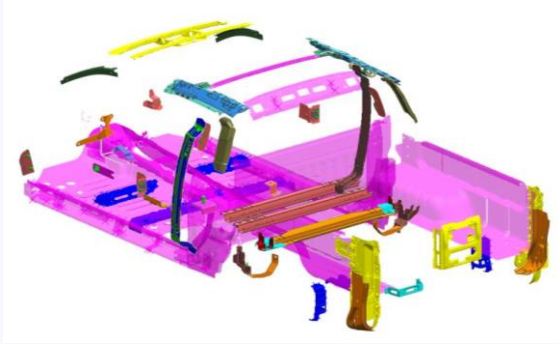


- JV with Toyota group

Our businesses can be split into 3 segments

Business Units Overview

Tooling & OEM Parts



ISUZU  **TOYOTA**



HONDA

mazda

NISSAN

VOLVO

MARAND PRECISION



Kawasaki



YAMAHA

Contract Assembly & Painting



KOMATSU

ISUZU



YANMAR

KOBELCO

NICHIYU

CATERPILLAR

Special Purpose Vehicles & Service centre

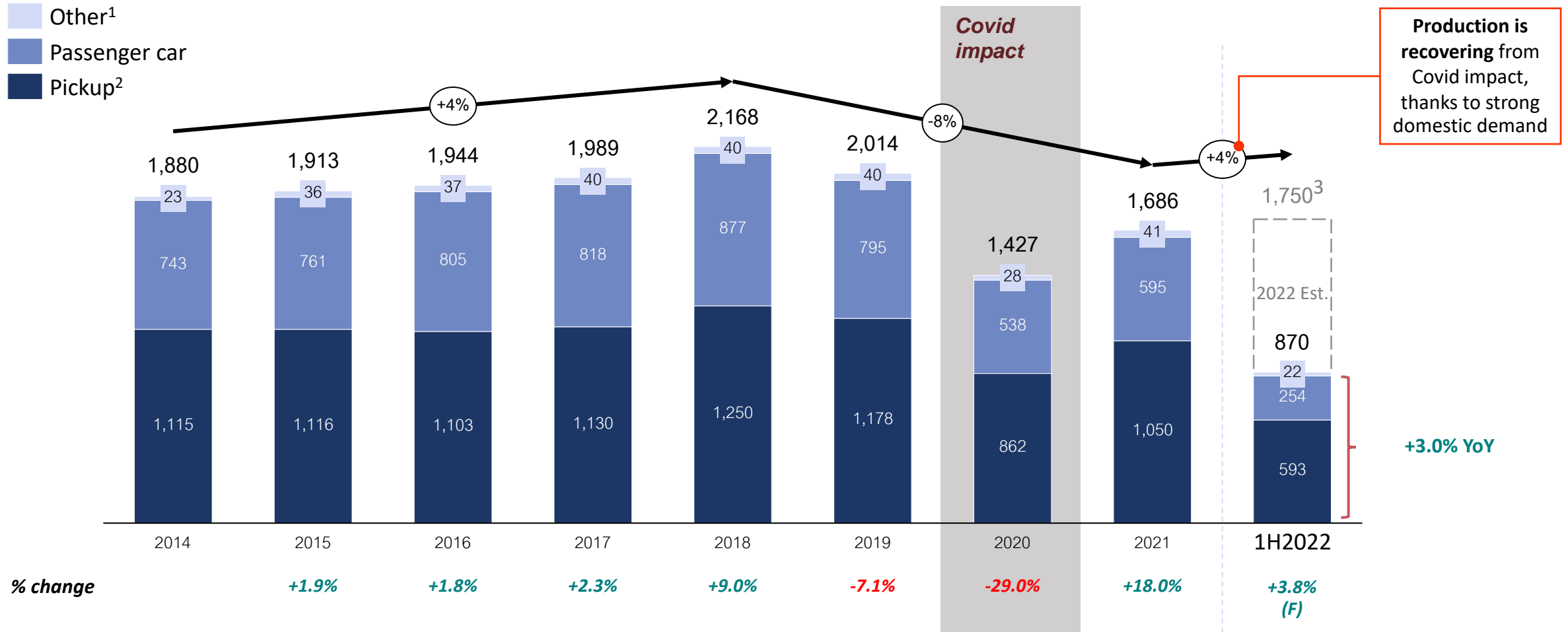


Auto Industry Update



1H22 production grew 3% YoY to 870k units; 2022E production is revised down to 1.75m units due to less export, reflecting 3.8% increase vs 2021

Thailand Auto Production Volume ('000 units), 2014 –1H2022



Source: Thai Automotive Institute (TAI)

1. Includes Vans, Buses, Trucks | 3. Target 2022
 2. Includes PPV

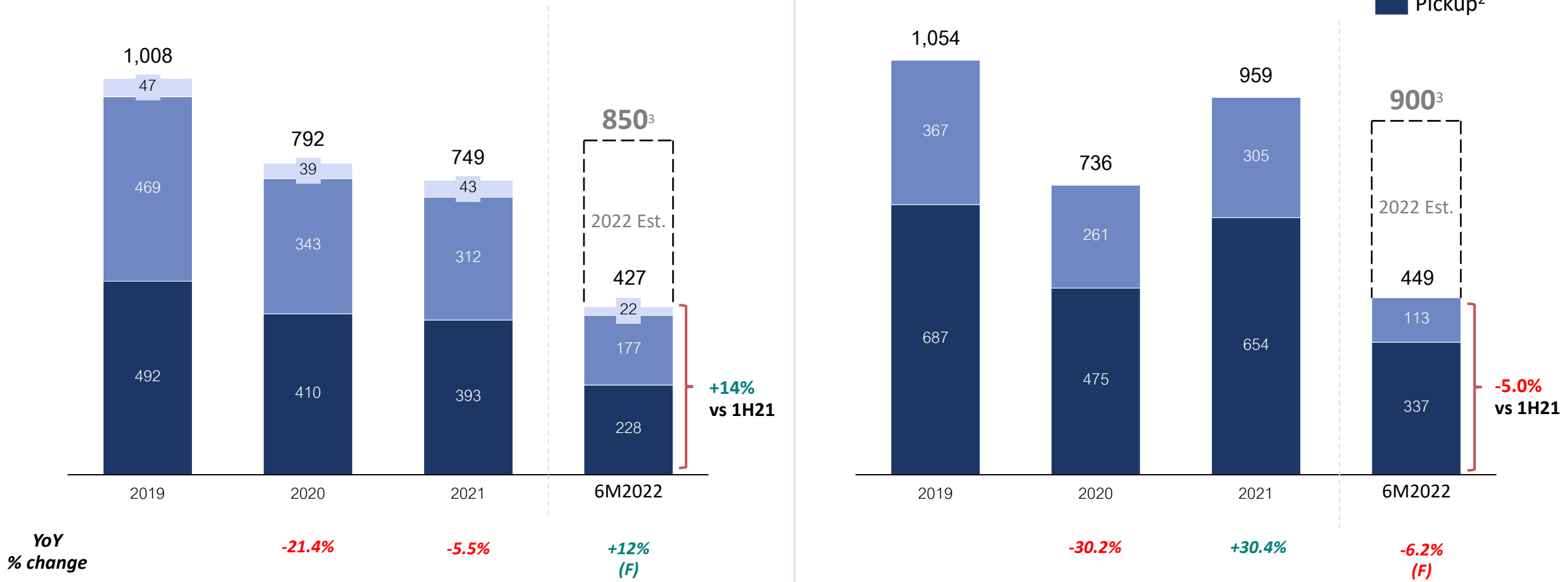
1H22 domestic sales grew 14% YoY as demand rebounded while export volume dropped 5% as a result of global supply chain disruption

Sales Volume ('000 units), 2019 – 1H2022

Other¹
 Passenger car
 Pickup²

Domestic Sales Volume

Export Sales Volume



Source: Thai Automotive Institute (TAI) as of xx/xx

1. Includes Vans, Buses, Trucks | 3. Target 2022
 2. Includes PPV



Financial Results

Strong turnaround continues in 2Q22; production has been ramping up as customers demand increase

2Q2022 Summary

Sales growth

- 2Q22 sales and net profit grew 60% and 895% YoY to 718MB and 102MB, respectively
- 1H22 sales total 1.38Bn (+48% YoY) with net profit of 174MB (+325% YoY)
- Demand has been **stronger than expected** as negative impact from chip **shortage is relatively less** for our customers

Margin expansion

- **Significant profit margin improvement** from increased portion of **higher value-added work** (e.g. Contract assembly) and improved **economy of scale**
- **Higher efficiency, lower waste and better cost control** had also contributed meaningfully

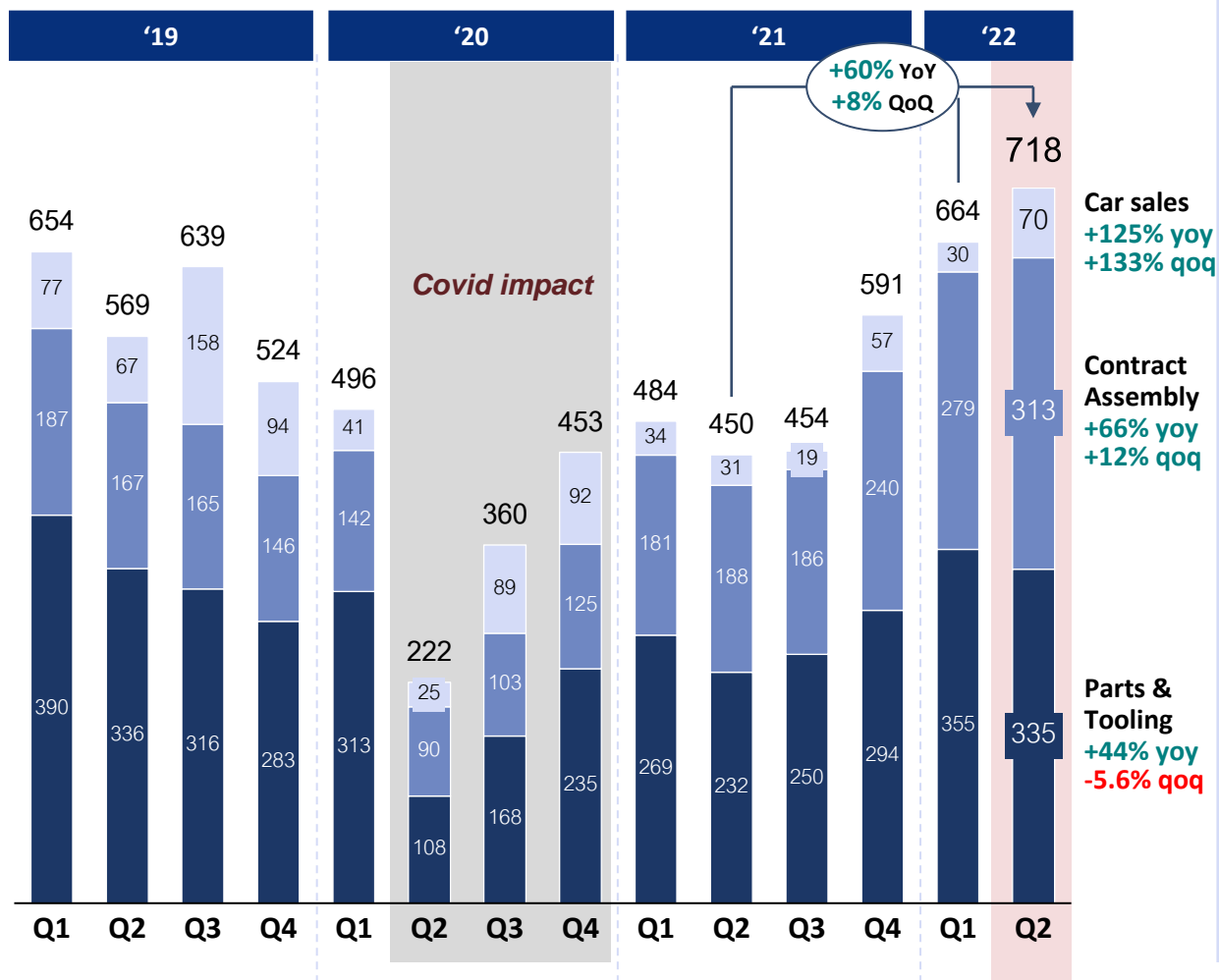
Impact from Shanghai lockdown

- Delivery delay from Shanghai lockdown in 2Q22, but the **impact is manageable**

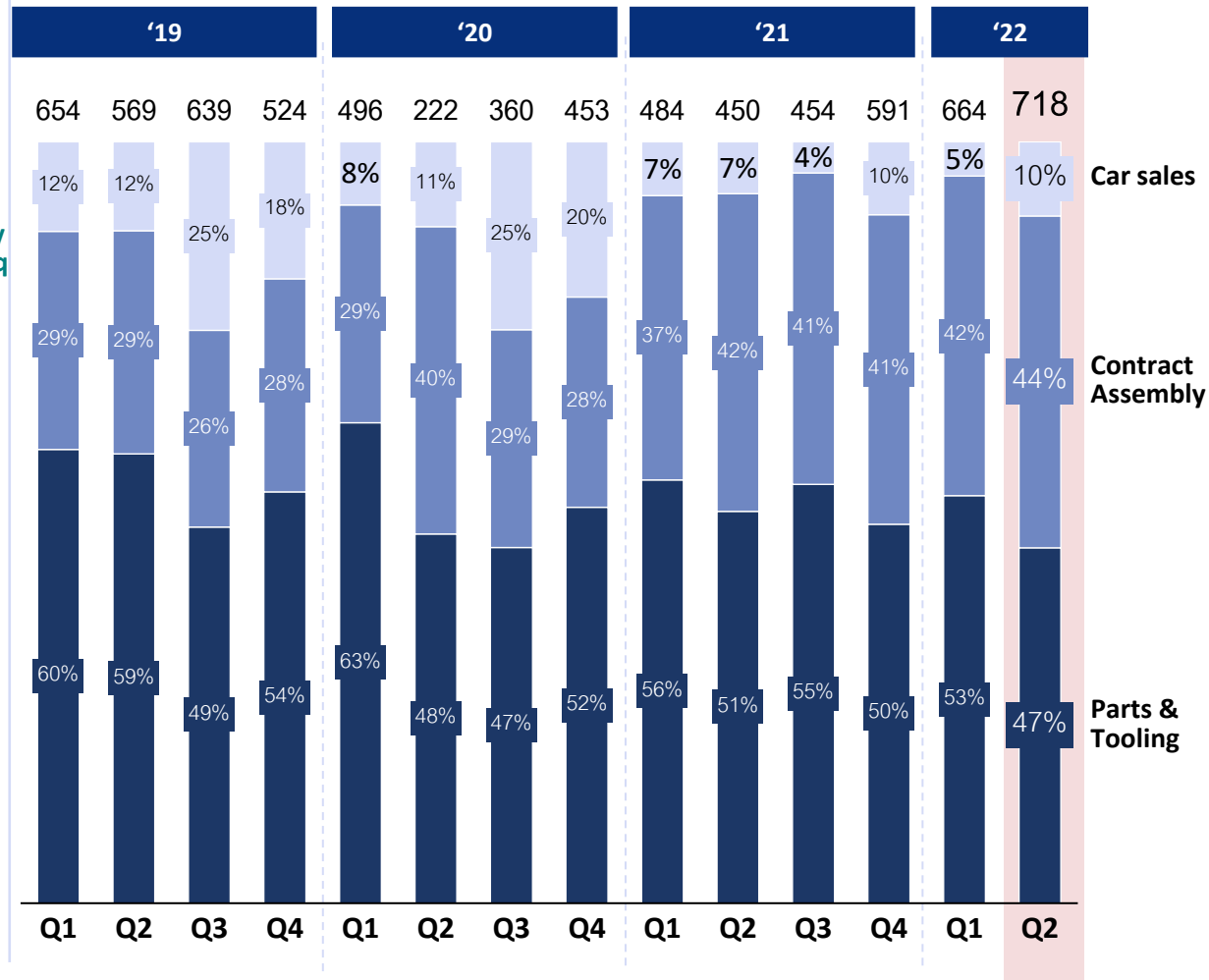
Contract Assembly has been major driver of growth (+66% YoY) followed by Parts & Tooling at 44%; Car sales is recovering from low base

Financial Results

Sales by Business (m THB), 1Q19 – 2Q22



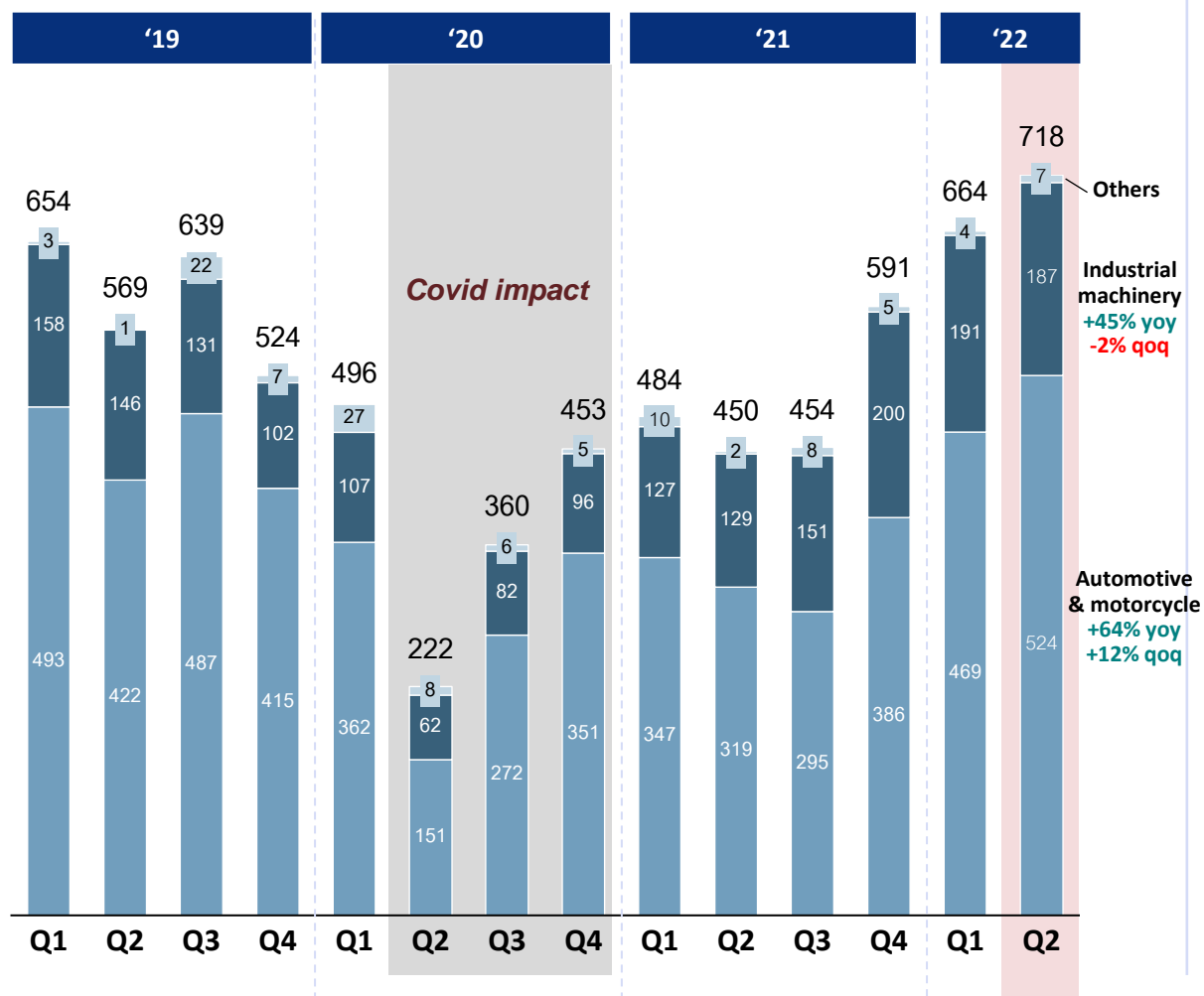
Share by Business (m Baht, % of total), 1Q19 – 2Q22



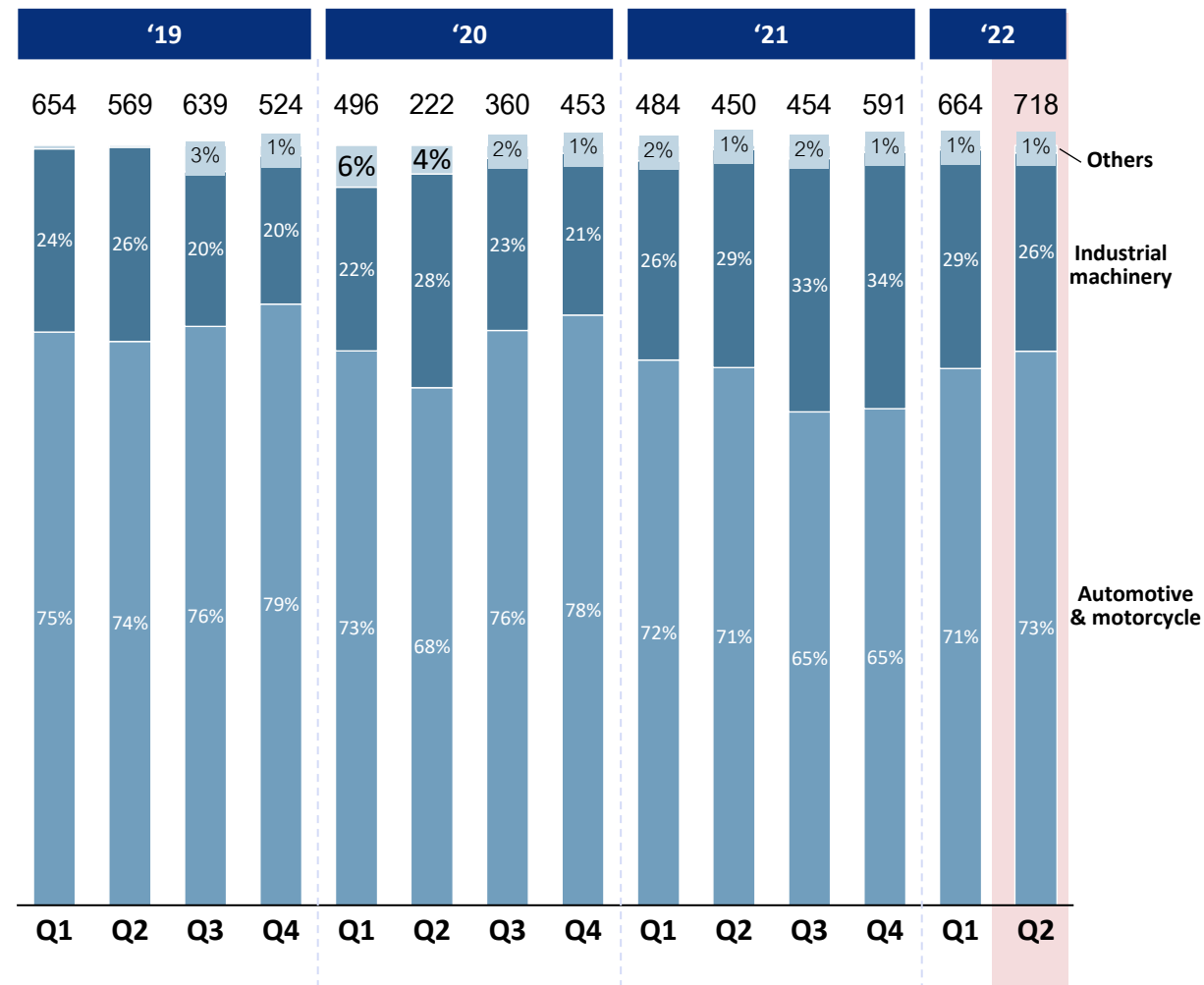
Sales from Automotive customers increased 64% YoY while sales from Industrial machinery customers grew 45%

Financial Results

Sales by Industry (m THB), 1Q19 – 2Q22

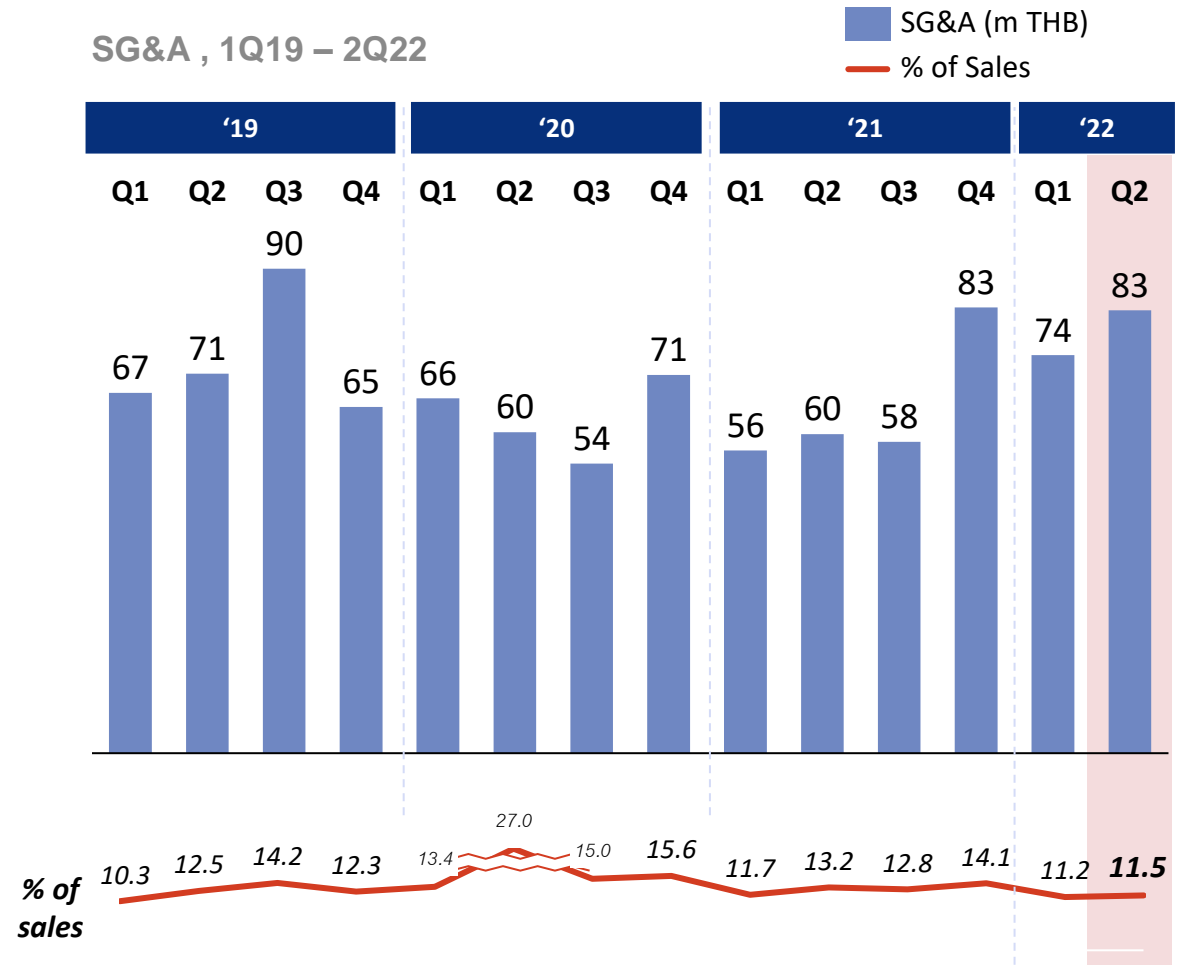
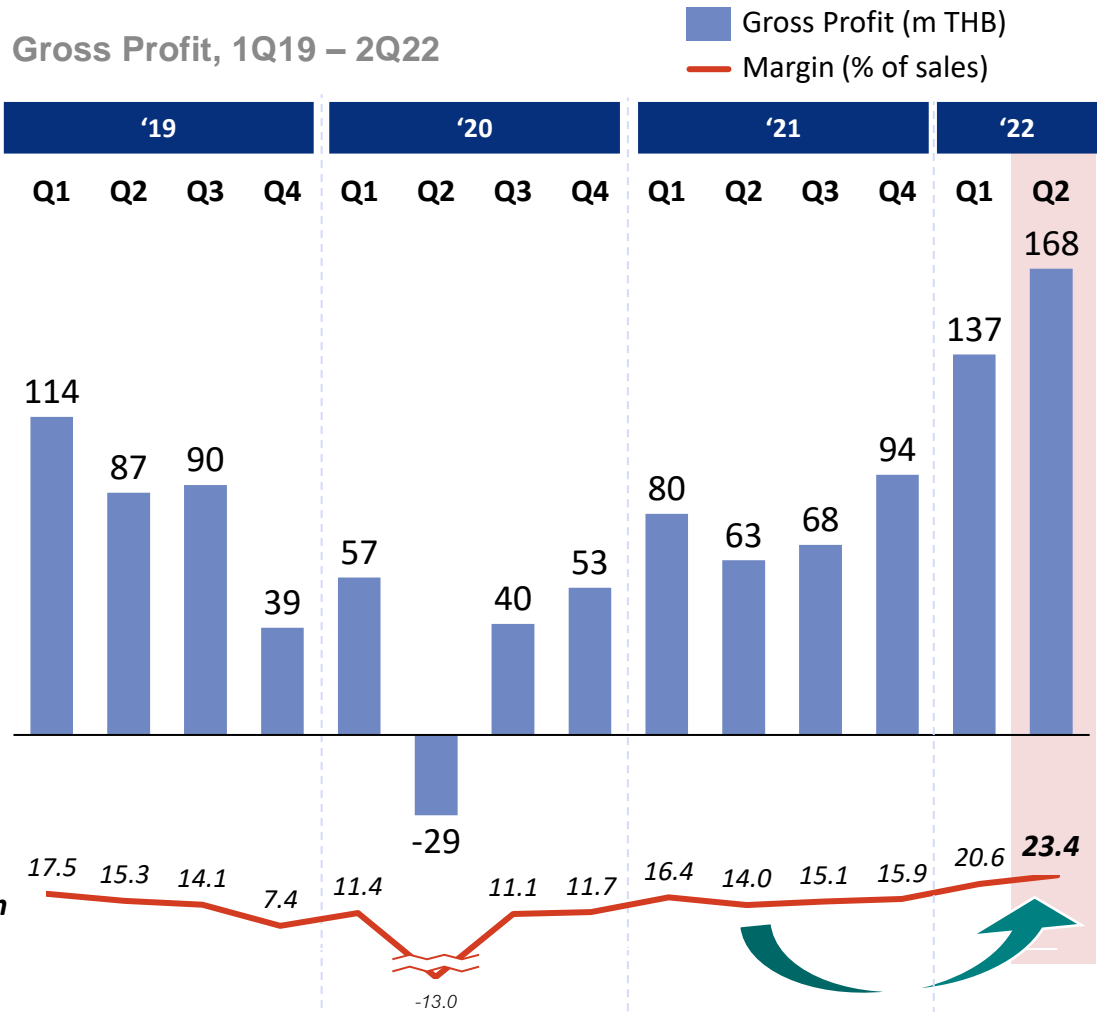


Share by Industry (m Baht, % of total), 1Q19 – 2Q22



Gross profit grew 167% YoY and 23% QoQ to 168MB with GP margin of 23.4%; SG&A/sales of 11.5% attributed to better economy of scale

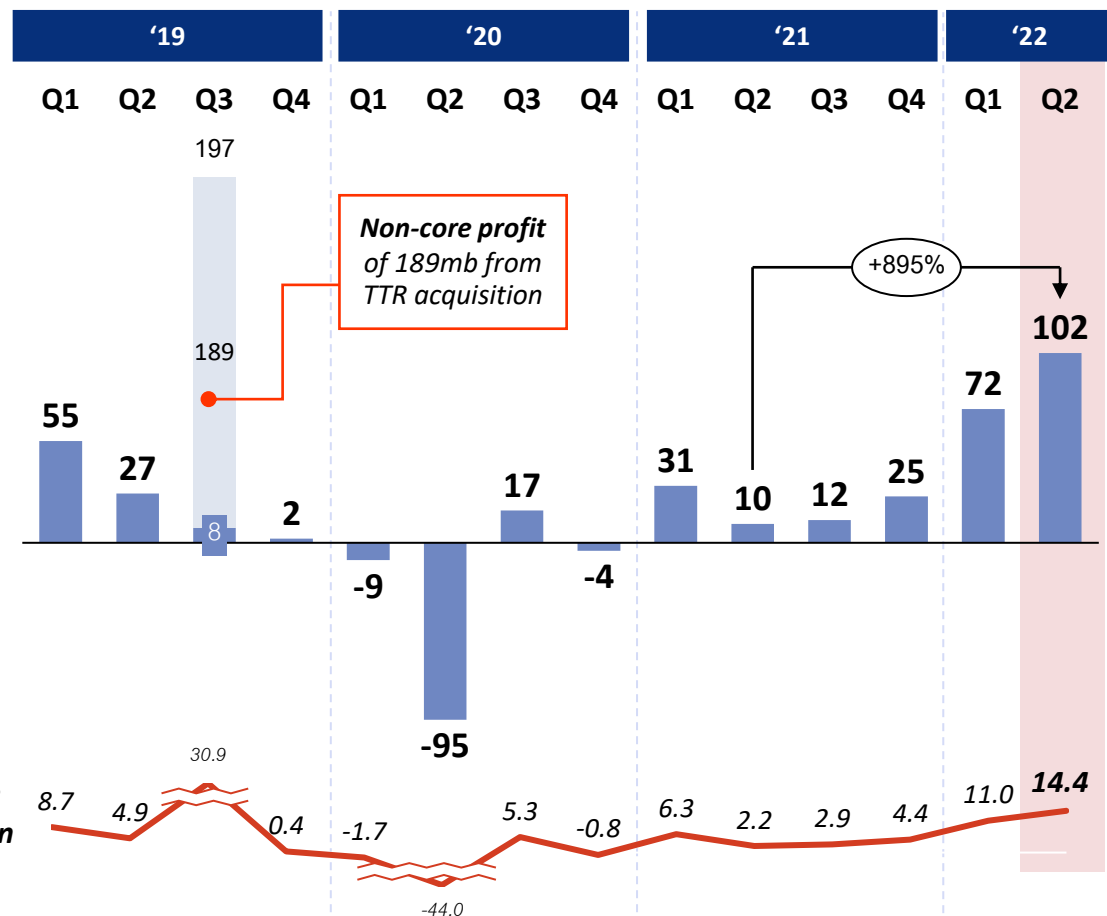
Financial Results



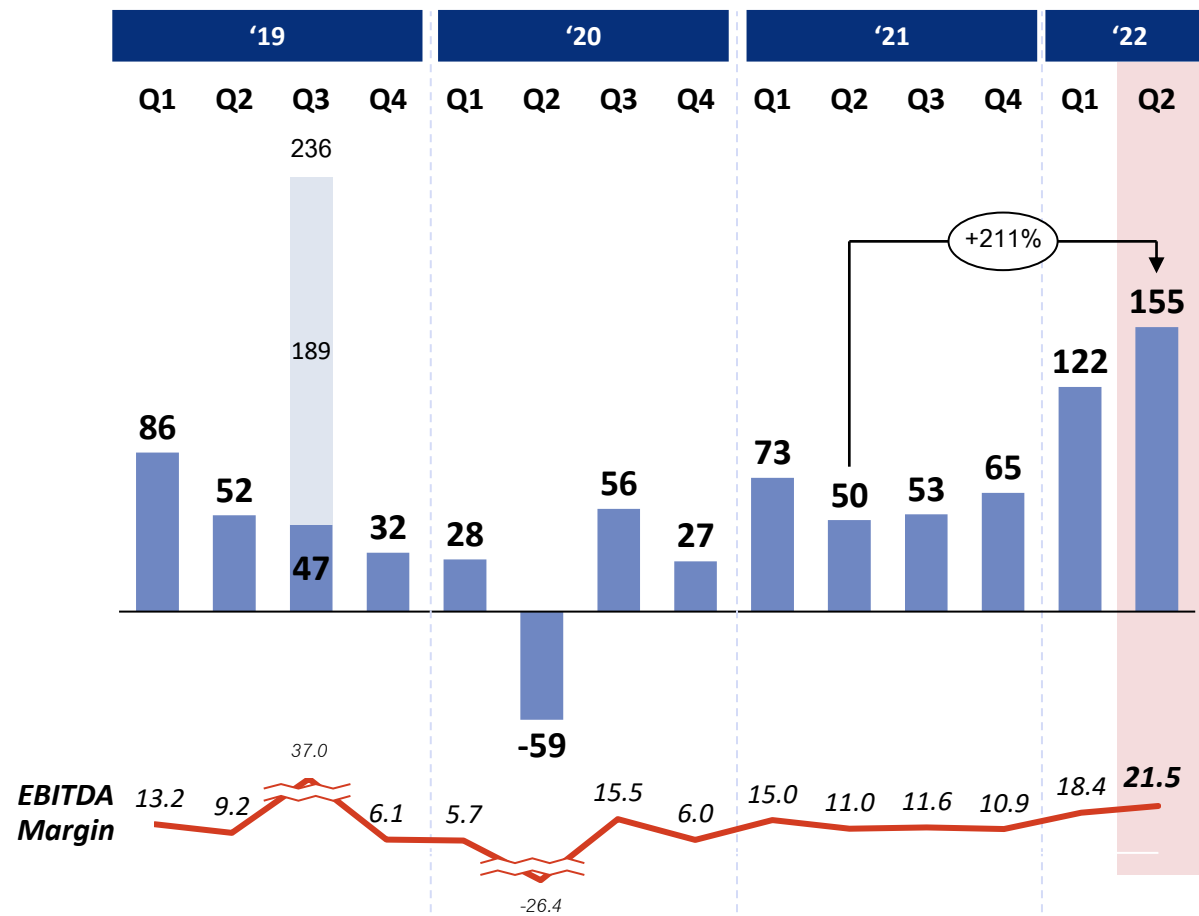
Net profit grew 895% YoY to 102MB (14.4% NP margin) while EBITDA increased 211% with EBITDA margin of 21.5%

Financial Results

Net Profit (m THB), 1Q19 – 2Q22



EBITDA (m THB), 1Q19 – 2Q22

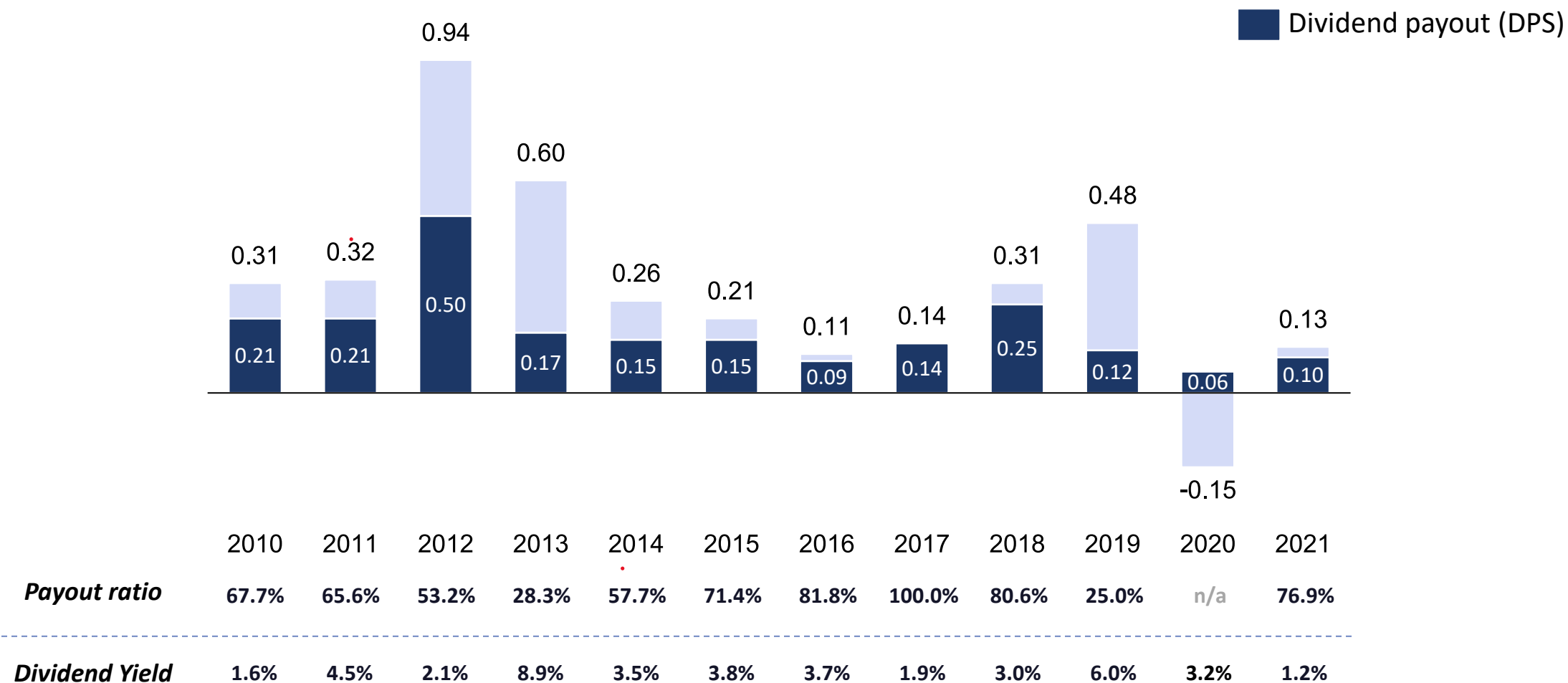


Balance sheet remains solid with net cash position and minimal interest-bearing debt

<i>(Unit: MB)</i>	1Q22	2Q22	Var	% change
Cash and Equivalents	271.1	348.7	77.7	28.7%
Account receivables	480.4	490.5	10.1	2.1%
Inventories	291.9	281.7	-10.2	-3.5%
Other current assets	398.5	378.4	-20.1	-5.1%
Total Current Assets	1,441.8	1,499.3	57.5	4.0%
Investments in Associated companies	493.8	504.0	10.2	2.1%
Property, plant and equipment	1,649.3	1,634.6	-14.7	-0.9%
Intangibles	7.1	6.9	-0.1	-2.1%
Other non-current assets	438.4	440.9	2.5	0.6%
Total Non-Current Assets	2,588.7	2,586.5	-2.2	-0.1%
Total Assets	4,030.5	4,085.8	55.3	1.4%
Account payables	500.4	498.3	-2.1	-0.4%
Other current liabilities	27.3	36.1	8.8	32.1%
Total Current Liabilities	527.7	534.5	6.7	1.3%
Long-term liabilities				
Employee benefits	74.7	74.6	-0.1	-0.1%
Others non-current liabilities	4.6	4.1	-0.4	-9.2%
Total Non-Current Liabilities	79.3	78.7	-0.5	-0.6%
Total Liabilities	607.0	613.2	6.2	1.0%
Shareholders' equity of the Company	3,423.5	3,472.6	49.1	1.4%

Stable dividend payout over the past decade reflecting strong cashflow position

EPS and Dividend Payout (THB/Share), 2010-21





Business Update & Outlook

Activity highlights

- **Launched TR Transformer “Stradale”** – a lowered body vehicle with special trimming – in celebration of 55th year anniversary
- Own-branded **commercial EV truck in testing phase** and in process of developing related solutions
- **Armored vehicle passed NIJ Level 3 final testing** by the Ministry of Defense
- Early discussion with Automotive OEM, including Chinese brand, on **potential assembly work**



2H22 outlook remains positive – revising up 2022 revenue growth to 35%+ from 2021

Outlook Summary

2H22 Outlook

- **Revise up 2022 revenue growth target to 35%+.** Expect 2H22 growth to continue as demand remain relatively resilient despite current geopolitical instability
- Manufacturers in China negatively impacted from Trade war are **reallocating orders to Thailand**, benefitting our company
- **Contract assembly business remain strong** for both Automotive and Industrial machinery customers, mainly from strong logistic demand and high commodity price, respectively. Preparation for **new orders starting Jan 2023 is ongoing**
- **Retail car sales expect improve in 2H22** as domestic demand is rebounding; Project-based orders expected to increase as Covid fades
- **Demand from EV-related customers remain positive** – 700 EV-Tuktuk to be delivered this year as ride-sharing gaining momentum; an **EV customer resuming production** after a long pause, though volume is still small

Concerns

- **Supply chain disruption**, high inflation, and a risk of recession leading to weaker global demand remain as key concerns

Appendix



Sample of models we developed over the years



TRU continues to engage in CSR activities supporting fight against Covid and beyond

Selected Activities



Historical Key Financial Data

(Unit: MB)	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22
Revenue	654.0	569.3	639.2	524.0	495.9	221.9	359.6	452.7	484.1	450.3	454.1	590.8	663.9	718.4
COGS	539.5	482.1	549.3	485.4	439.3	250.8	319.7	399.7	404.6	387.4	385.6	497.1	527.0	550.6
Gross profit	114.5	87.2	89.9	38.6	56.6	-28.9	40.0	53.0	79.5	62.9	68.4	93.6	136.9	167.8
Other income	14.9	12.7	197.4	21.9	7.2	9.3	39.1	-2.0	9.3	6.3	9.5	15.1	15.9	21.8
SG&A	67.3	70.9	90.5	64.6	66.3	60.0	54.1	70.6	56.5	59.6	58.1	83.2	74.3	82.7
Equity income	0.0	-0.9	3.2	5.7	-3.2	-13.5	-3.3	12.1	6.9	6.8	-0.1	7.2	12.0	16.6
EBIT	62.1	28.1	200.1	1.5	-5.6	-93.0	21.7	-7.6	39.2	16.4	19.7	32.6	90.6	123.4
Interest	0.0	0.0	0.2	0.3	0.3	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0
EBT	62.1	28.1	199.9	1.2	-5.9	-93.2	21.6	-7.7	39.1	16.3	19.6	32.6	90.5	123.4
Tax	-5.2	-0.4	-2.5	0.7	-2.8	-4.3	-2.5	4.1	-8.4	-6.3	-6.7	-6.5	-17.6	-20.2
Net profit	56.9	27.8	197.3	2.0	-8.6	-97.6	19.1	-3.6	30.7	10.0	13.0	26.1	73.0	103.2
<i>(Attributable to SH)</i>														
Minority Interest	2.0	1.2	0.1	-0.4	0.7	-2.3	1.7	0.7	-0.1	-0.3	0.6	1.0	0.9	0.9
Net Profit : Owners of the Parent	54.9	26.6	197.3	2.3	-9.3	-95.2	17.5	-4.3	30.8	10.3	12.3	25.1	72.1	102.3
Depreciation	24.3	24.2	36.2	30.5	34.0	34.4	34.1	35.0	33.5	33.4	33.2	31.9	31.5	31.1
EBITDA	86.5	52.3	236.3	32.1	28.4	-58.6	55.9	27.4	72.7	49.7	52.9	64.5	122.1	154.6
Current Assets	1,593.6	1,428.9	1,197.0	1,133.8	1,091.9	828.5	993.5	988.3	1,063.0	1,078.9	1,153.6	1,248.1	1,441.8	1,499.3
Total Assets	3,965.9	3,790.0	4,043.7	3,987.7	3,914.7	3,601.1	3,712.6	3,686.9	3,744.8	3,739.0	3,784.4	3,850.3	4,030.5	4,085.3
Current Liabilities	506.0	466.2	485.7	427.4	369.1	238.9	336.6	326.1	347.2	365.5	383.5	420.8	527.7	534.5
Total Liabilities	566.4	524.7	595.7	537.8	473.4	335.9	428.3	406.3	433.5	451.0	466.9	503.4	607.0	613.2
Equity	3,399.6	3,265.3	3,448.0	3,449.9	3,441.3	3,265.1	3,284.2	3,280.6	3,311.3	3,288.0	3,317.5	3,346.9	3,423.5	3,472.6
Gross margin%	17.5%	15.3%	14.1%	7.4%	11.4%	-13.0%	11.1%	11.7%	16.4%	14.0%	15.1%	15.9%	20.6%	23.4%
SGA/revenue%	10.3%	12.5%	14.2%	12.3%	13.4%	27.0%	15.0%	15.6%	11.7%	13.2%	12.8%	14.1%	11.2%	11.5%
EBIT%	9.5%	4.9%	31.3%	0.3%	-1.1%	-41.9%	6.0%	-1.7%	8.1%	3.6%	4.3%	5.5%	13.6%	17.2%
EBT%	9.5%	4.9%	31.3%	0.2%	-1.2%	-42.0%	6.0%	-1.7%	8.1%	3.6%	4.3%	5.5%	13.6%	17.2%
Net profit%	8.7%	4.9%	30.9%	0.4%	-1.7%	-44.0%	5.3%	-0.8%	6.3%	2.2%	2.9%	4.4%	11.0%	14.4%
EBITDA%	13.2%	9.2%	37.0%	6.1%	5.7%	-26.4%	15.5%	6.0%	15.0%	11.0%	11.6%	10.9%	18.4%	21.5%
Total Liabilities/Equity %	16.7%	16.1%	17.3%	15.6%	13.8%	10.3%	13.0%	12.4%	13.1%	13.7%	14.1%	15.0%	17.7%	17.7%
Interest bearing debt /Equity%	na	na	na	na	na	na	na	na	na	na	na	na	na	na
Current ratio	3.15	3.06	2.46	2.65	2.96	3.47	2.95	3.03	3.06	2.95	3.01	2.97	2.73	2.81
Day Sales Outstanding	68	78	71	89	97	159	68	63	63	73	71	55	57	61
Days Outstanding Inventory	47	57	58	65	64	112	86	59	52	53	57	46	45	47
Days Payable Outstanding	58	64	51	65	58	62	45	50	54	61	59	56	54	63
Cash Conversion Cycle	57	71	77	89	103	209	109	73	62	66	69	45	48	46