



President
Stock Exchange of Thailand

11 AUGUST 2022

Dear Sir,

Explanation and Analysis of Financial Statements for the Quarter Ended 30 June 2022

We enclose herewith the consolidated financial statements of Thai Rung Union Car Public Company Limited (“the Company”) for the quarter ended 30 June 2022, 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	Q.2			Q.1 - Q.2		
	2022	2021	Change	2022	2021	Change
Production	390,033	378,768	3%	870,111	844,601	3%
Domestic sales	195,949	181,579	8%	427,138	375,716	14%
Export sales	206,520	215,381	(4%)	449,644	473,489	(5%)

In the second quarter of 2022 vehicle production, at 390,033 units, was up by 3% on the same quarter of the previous year. Domestic sales for the quarter were up by 8%, at 195,949 units Due to the opening of the country to receive more tourists and investors more agricultural exports and the government's economic stimulus measures boosted industrial confidence and consumer confidence. For exports abroad, 206,520 units, down 4% due to shortages of parts and semiconductors (chips) in automobile production. resulting in a decrease in exports for the second quarter of 2022, total vehicle production was 870,111 units, an increase of 3%, with domestic sales up 14%, while overseas exports fell 5%.

For 2022 The Federation of Thai Industries (FTI) is in the process of assessing the situation of the Russian-Ukraine war. and China's lockdown This affects the shortage of semiconductors (chips), which is expected to reduce this year's production to 1,700,000 units, with domestic sales between 800,000 and 850,000 units, while exports may not be 1 million units. according to the original goal

Company results

Management has the following comments on the Company's results for the quarter ended 30 June 2022 compared with the same quarter of the previous year and the financial position at 30 June 2021 compared with that at 31 December 2021. These comments are intended to be read in conjunction with the consolidated financial statements.

Consolidated Income Statement for the quarter ended 30 June 2022

THB millions		Q2'2022	Q2'2021	Change	
Item					
	Operating revenues	718	450	268	60%
	Other income	22	6	15	245%
1.1	Total revenues	740	457	284	62%
1.2	Cost of sales & services	551	387	164	42%
1.3	Selling & administrative expenses	83	60	13	39%
1.4	Share in profit of associates (joint ventures)	17	7	10	146%
	Profit/(loss) before tax	123	16	107	658%
	Income tax income (expense)	(20)	(6)	(14)	(222%)
1.5	Profit/(loss) for the period	103	10	93	932%

THB millions		Q2'2022	Q2'2021	Change	
Item					
Attribution of profit/(loss)					
	To owners of the parent company	102	10	92	895%
	To non-controlling interests	0.9	(0.3)	1.2	426%

1. Overview of Results for the Year

The Company's business is production and distribution in the automotive industry. Its consolidated results for Q2 2022, compared with those for Q2 2021, were as follows

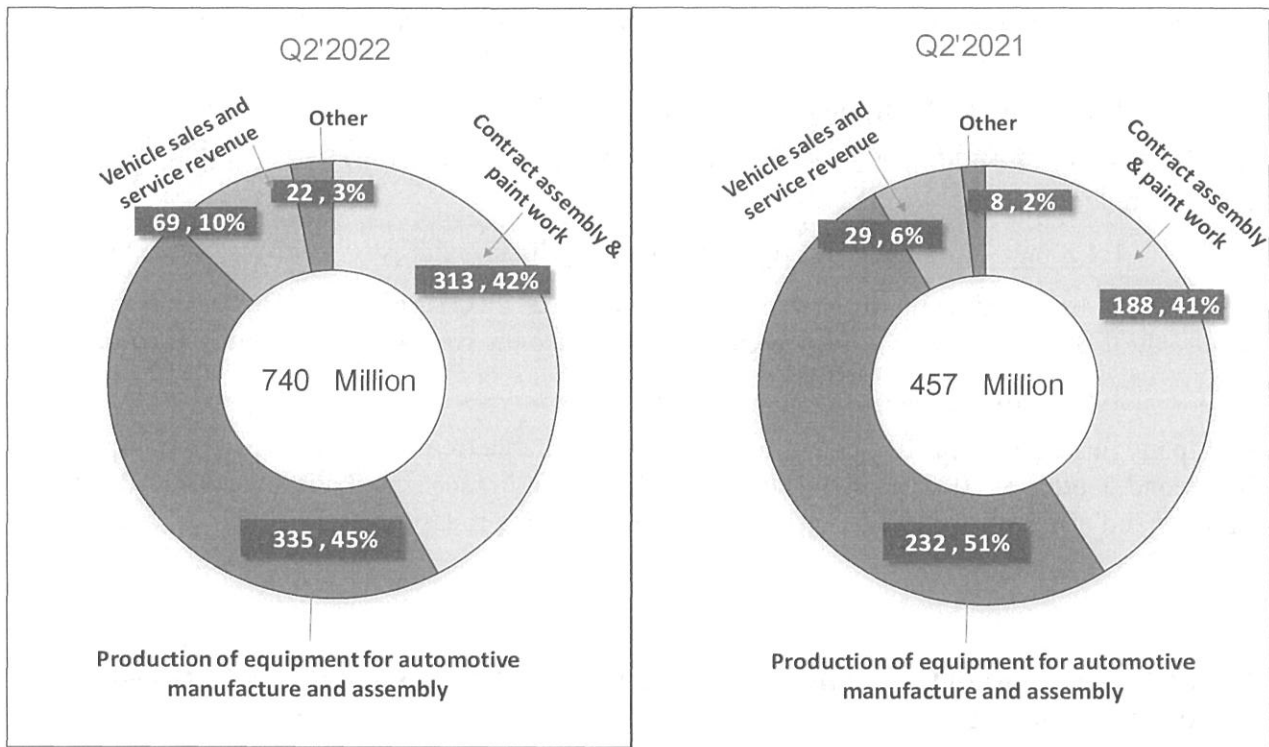
1.1 Consolidated Revenues

Total consolidated revenues for Q2 2022, not including share in profit/(loss) of associates, amounted to Bt.740 million, representing an increase of Bt.284 million or 62% on the same quarter of the previous year, in line with the Thai automotive industry as a whole, reflecting the benefit of both the government's economic stimulus measures and the lifting of COVID-related restrictions.

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Operating revenues by type of business

Q2'22 / Q2'21 = +284 , +62%



- Revenue from the manufacture of automotive manufacturing equipment. (mold and jig plus the production and sales of both OEM and spare parts) amounted to 335 million baht or 45% of total sales and service revenue, an increase of 104 million baht or 45% from Q2 the previous year due to Growing consumer purchasing power and lifting restrictions related to COVID
- Revenue from vehicle assembly and other vehicle-related contract work was Bt.313 million, representing 42% of total sales and service revenue, Bt.125 million or 67% more than in the same quarter of the previous year thanks to increased purchasing power of the agricultural machinery sector and new projects.
- Revenue from car sales and service income from car service centers totaled 69 million baht or 10% from sales of goods and services. This increased from the same quarter of the previous year by 40 million baht or 136% due to increased consumer demand for cars.
- Other sales and service income, at Bt.22 million, 3% of total sales and service revenue, was up by Bt.15 million or 193 % from the lease of land and buildings.

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1.2 Cost of sales and service

Consolidated cost of sales and services for Q2 2022 was 551 million baht, which as a proportion of sales and service revenue for the quarter was 77% compared to 86% in Q2 2021, a decrease of 9%. Revenue and permanent measures of the company to increase efficiency and control production costs.

1.3 Selling and administrative expenses

Consolidated selling and administrative expenses for Q2 2022 amounted to Bt.83 million, 12% of revenues, compared with 13% in Q2 2021.

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

Share of profits on investments in joint venture companies in Q2 2022 was Bt.17 million, an improvement of Bt.10 million or 146% on Q2 2021 thanks to the recovering economic situation.

1.5 Net profit/(loss)

The Company posted a net profit of 103 million baht attributable to owners of the parent company for the second quarter of 2022, an increase of 93 million baht in the second quarter of 2021 due to higher sales and efficient production efficiency and cost-saving measures.

2. Analysis of Consolidated Balance Sheet at 30 June 2022 compared with 31 December 2021 (Bt. Millions)

THB millions ITEM	30-Jun-22	31-Dec-21	Change	%
Total Assets	4,086	3,850	236	6%
Total Liabilities	613	503	110	22%
Total Equity	3,473	3,347	126	4%

2.1 Assets

As of June 30, 2022, total assets were 4,086 million baht, an increase of 236 million baht from December 31, 2021, mainly from trade accounts receivable 130 million baht, inventories 42 million baht, cash and cash equivalents 46 million baht, current financial assets 29 million baht, investments in associates 22 million baht, assets for use in operations and investments of 26 million baht and decreased from depreciation expenses in the year 59 million baht

2.2 Liabilities

As of June 30, 2022, total liabilities were 613 million baht, increased from December 31, 2021, in the amount of 110 million baht, mainly from trade accounts payable from customer purchase orders and income tax payable from operating results incurred in the year.

2.2 Equity

As of June 30, 2022, total shareholders' equity was 3,473 million baht, increased when compared to December 31, 2021, amounting to 126 million baht, an increase from an increase in operating results in the year. and recognize the share of profit from the joint venture company

3. Financial ratio

Financial ratios		Q2'22	Q2'21
Net profit margin	%	13.51%	2.22%
Liquidity ratio	times	2.81	2.95
Debt to Equity Ratio	times	0.18	0.14

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

The debt/equity ratio has increased slightly due to increased purchases of raw materials for production but is still very low and the Company is not at risk financially.

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 statement due to the financial statement of the associate's management are used. Which have not been reviewed by the auditor of the associate and there is an associated company whose fiscal year ends on different date the other

Trusting this meets your requirements we remain,

Yours faithfully,



Phakkawat Suwanmajo
Company Secretary

