



President
Stock Exchange of Thailand

27 February 2023

Dear Sir,

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

We enclose herewith the consolidated financial statements of Thai Rung Union Car Public Company Limited (“the Company”) for the quarter ended 31 December 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	Whole year		
	2022	2021	Change
Production	1,883,515	1,685,705	12%
Domestic sales	843,791	759,119	11%
Export sales	1,000,256	959,194	4%

In 2022, the cumulative total of 1,833,515 cars was produced, an increase of 12% from 2021 and higher than the target. Domestic sales rose 11% and export sales rose 4%.

For 2023, the Federation of Thai Industries (FTI) sets a car production target 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.). believing that pickup trucks are champion products of Thailand that are still exporting well and are not affected by the global economic recession. And the opening of China will greatly ease the shortage of semiconductor components. And make the economy and tourism of various countries grow.

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Company results

Management has the following comments on the Company's results for the quarter ended 31 December 2022 compared with the previous year (ended 31 December 2021), and the financial position at 31 December 2022 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 year ended 31 December 2022

THB millions	2022	2021	Change	
Item				
Operating revenues	2,884	1,979	905	46%
Other income	82	40	42	104%
1.1 Total revenues	2,966	2,019	947	47%
1.2 Cost of sales & services	2,231	1,675	556	33%
1.3 Selling & administrative expenses	309	257	52	20%
1.4 Share in profit/(loss) of associates (joint ventures)	63	21	42	204%
Profit/(loss) before tax	489	108	381	354%
Income tax income (expense)	(91)	(28)	(63)	(227%)
1.5 Net profit/(loss)	398	80	318	399%
1.6 Other comprehensive income (expense)	(0.02)	0.00	(0.02)	0%
1.7 Total comprehensive income	398	80	318	399%

THB millions	2022	2021	Change	
Item				
Distribution of consolidated profit/(loss)				
Attribution to owners of the parent company	394.10	78.43	315.67	402.48%
Attribution to non-controlling interests	3.75	1.29	2.46	190.72%

THB millions	2022	2021	Change	
Item				
Distribution of comprehensive income				
Attribution to owners of the parent company	393.88	78.43	315.45	402.21%
Attribution to non-controlling interests	3.94	1.29	2.65	205.45%

1. Overview of Results for the Year

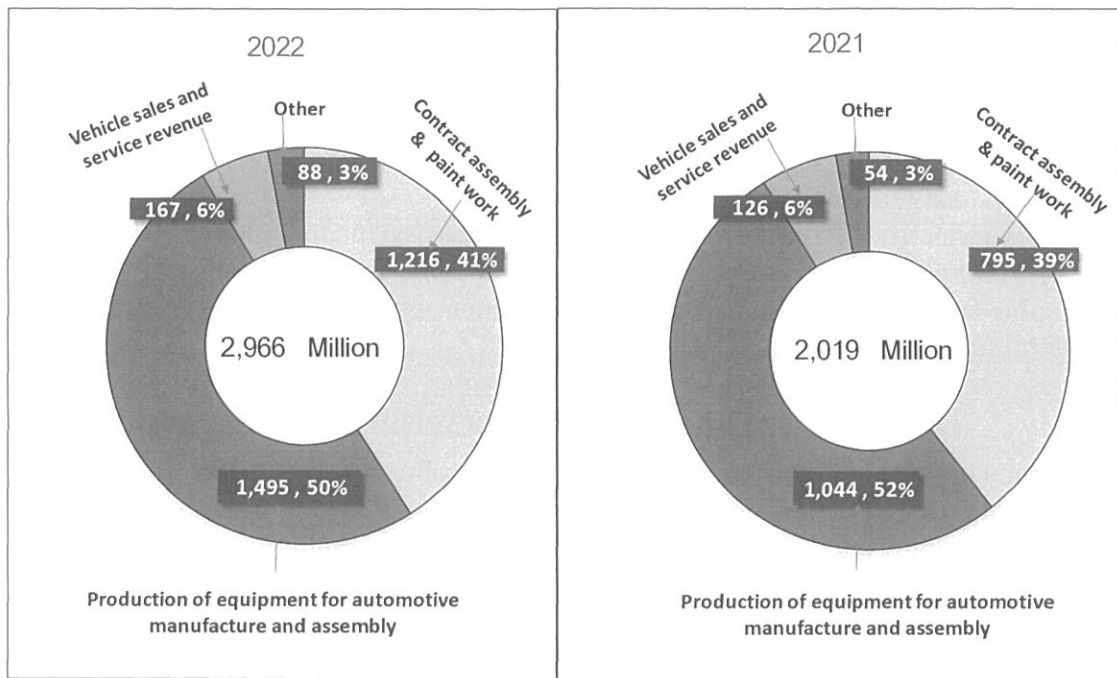
The Company’s business is production and distribution in the automotive industry. Its consolidated results for 2022, compared with those for 2021, were as follows :

1.1 Consolidated Revenues

Total revenue for 2022 excluding share of profit/(loss) in associated companies amounted to 2,966 million baht, an increase of 947 million baht or 47%, which increased according to the overall picture of the Thai automotive industry. And from the opening of the country, the economy began to recover better.

Operating revenues by type of business

2022/2021 = +947 , +47%



- Revenue from the manufacture of automotive manufacturing equipment. (Moulds and jigs plus production and distribution, both OEM and spare parts) amounted to 1,495 million baht or 50% of total sales and service revenue, an increase of 450 million baht or 43% from the previous year due to the customer group. Originally, there were more orders and from the opening of the country, causing customers to purchase more products.
- Revenue from car assembly and other contract work Motor vehicle-related revenue was 1,216 million baht, accounting for 41% of total sales and service income. which increased from the previous year by 422 million baht or an increase of 53% compared to the previous year. From the orders of the automotive group and the machinery industry group, the volume of orders has increased.
- Revenue from car sales and services from car service 167 million baht or 6% from sales of goods and services. An increase of 41 million baht or 32% from the previous year due to increased consumer demand for cars.
- Other income 88 million baht or 3% from sales of goods and services. An increase of 34 million baht or 62% from the previous year from land and building rentals.

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1.2 Cost of sales and service

Consolidated cost of sales and services the year 2022 was 2,231 million baht. The proportion of sales and service income for this year was 77% compared to 85% in 2021, a decrease of 7% and the company's permanent measures to increase efficiency and control costs. production.

1.3 Selling and administrative expenses

Consolidated selling and administrative expenses for the year 2022 amounted to 309 million baht or 11% of revenue, compared to 13% in 2021, a decrease of 2%.

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

Share of profit from investments in joint ventures in 2022 amounted to 63 million baht, an increase of 42 million baht in the previous year.

1.5 Net profit/(loss)

The company has a net profit of 394.10 million baht, attributable to owners of the parent company, in 2022, an increase of 315.67 million baht compared to 2021 due to higher sales and efficient production efficiency and cost-saving measures.

1.6 Other Comprehensive Income

In 2019 there was Bt.0.022 million of Other Comprehensive Income (negative) due to a change in value resulting from remeasurement based on actuarial estimates, the effect of changes in demographic and financial assumptions and experience adjustments, Bt.0.027 million, and Bt.0.005 million of deferred taxation.

1.7 Net income/(loss) including other comprehensive income.

The company has a net profit of 393.88 million baht, attributable to owners of the parent company, in 2022, an increase of 315.45 million baht compared to 2021 due to higher sales and efficient production efficiency and cost-saving measures.

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

THB millions ITEM	31-Dec-22	31-Dec-21	Change	%
Total Assets	4,320	3,850	469	12%
Total Liabilities	599	503	95	19%
Total Equity	3,721	3,347	374	11%

2.1 Assets

As of 31 December 2022, total assets were 4,320 million baht, an increase of 469 million baht from 31 December 2021, mainly from current financial assets of 296 million baht, trade accounts receivable of 110 million baht, investments in associated companies of 56 million baht, Cash and cash equivalents of 53 million baht, inventories of 16 million baht, operating assets and investments of 64 million baht and a decrease from depreciation in the year of 126 million baht., other non-current assets of 10 million baht.

2.2 Liabilities

As of 31 December 2022, total liabilities were 599 million baht, an increase of 95 million baht from 31 December 2021, 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 2022, total shareholders' equity was 3,721 million baht, an increase compared to 31 December 2021 of 374 million baht, due to the increase in operating results for the year. and realized share of profits from joint ventures.

3. Financial ratio

Financial ratios		2022	2021	2020
Net profit margin	%	13.00%	3.84%	-5.80%
Liquidity ratio	times	3.33	2.97	3.03
Debt to Equity Ratio	times	0.16	0.15	0.12

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 a qualified opinion on the Company's consolidated financial statements due to the fact that the financial year of one of the consolidated companies ends on a different date from the others as a result of which unaudited accounts of that company were used.

Trusting this meets your requirements we remain,

Yours faithfully,



Phakkawat Suwanmajjo
Company Secretary

