

Operating Performance

Operating performance 2Q2024 >

Unit : Million Baht	2Q2024	1Q2024	% QoQ	2Q2023	% YoY
Sales	1,712	2,044	-16.3%	2,153	-20.5%
Gross Profit (Loss)	267	333	-20.0%	387	-31.2%
EBITDA	283	348	-18.6%	390	-27.3%
Net Profit	140	187	-25.1%	223	-37.2%
EPS (baht)	0.33	0.44	-25.1%	0.53	-37.2%

The company operations performance in 2Q2024, the revenue from sales of goods decreased to -16.3% compared with last quarter in 1Q2024 (QoQ) while decreased -20.5% from 2Q2023 (YoY). The decline of company operations performance conformed to automotive industrial affect from economics slowdown, tighten credit loan of financial institutions. However, revenue from new order since Y2023 which are intermediate shaft, output shaft and case set will fully reflect in Y2024.

Gross profit in 2Q2024 decreased 20% from 1Q2024 (QoQ) and decreased -31.2% from 2Q2023 (YoY). EBITDA decreased -18.6% from 1Q2024 (QoQ) while decreased -27.3% from 2Q2023 (YoY).

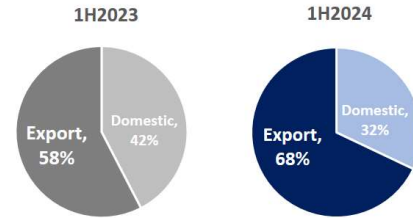
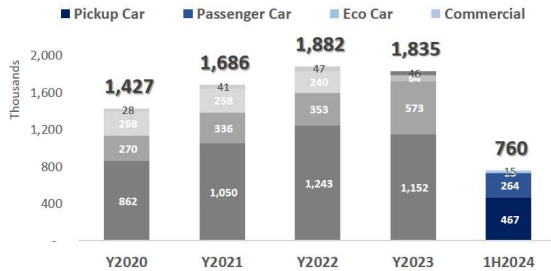
Additionally, net profit in 2Q2024 is 140 million THB, decreased -25.1% from 1Q2024 (QoQ) and for EPS decreased according to decline of net profit.

Thailand car production in 2Q2024 decreased -16.4% compared with 1Q2024 (QoQ) while also decreased -16.4% from 2Q2023 (YoY). Pickup car is majority decreased compared with same period last year due to tighten credit of financial institutions and household debt caused reduce consumer purchasing power. The production for export ratio was slightly decreased compare with 2Q2023. Moreover, Australia, Asia and Middle East are top 3 export destinations in 1st half of Y2024.

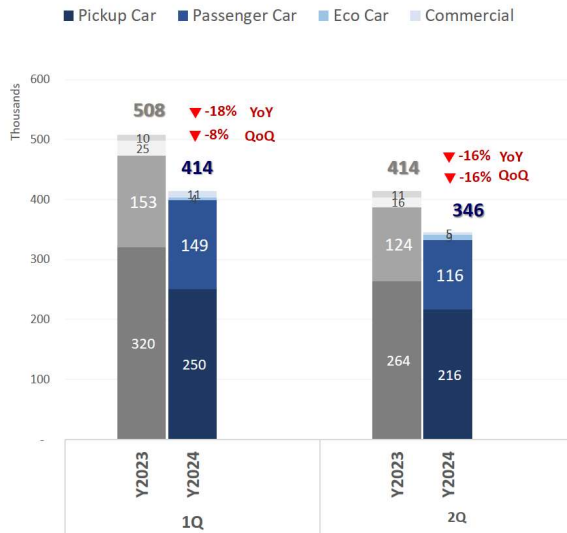
Agriculture part business in 1st half of 2024 has declined -22.6% from 1H2024 caused EL NINO affect. However, rainfall is one of factors in 2H2024 which concern for consumer demand.

Chart 1: Thailand Car Production by car type, domestic production and export production

Thailand Car Production



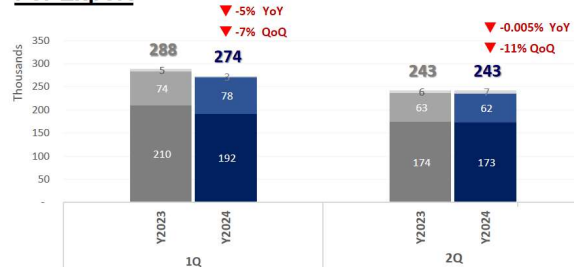
Thailand Car Production



For Domestic



For Export



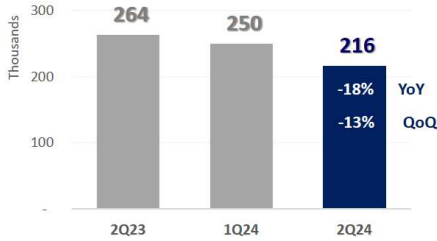
source: (The Thai Automotive Industry Association: TAI)A

From Chart 1: Thailand car production in 1st half Y2024 (1H2024) showed domestic production ratio was 32% (decreased -10% from 1H2023: YoY) while export production ratio was 68% (increased +10% from 1H2023: YoY).

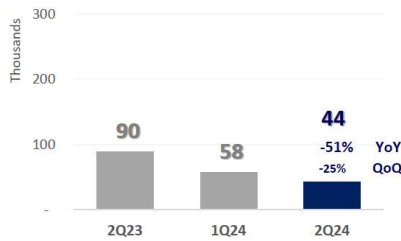
In 2Q2024, Thailand car production was decline -16.4% from 2Q2023 (YoY) which majority decline in domestic production -40% from tighten credit loan of financial institutions, household debt caused consumer purchasing power.

Chart 2: Thailand pickup car and passenger car production categorize by production for domestic and export

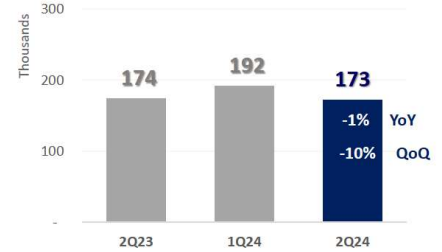
Thailand pickup car production



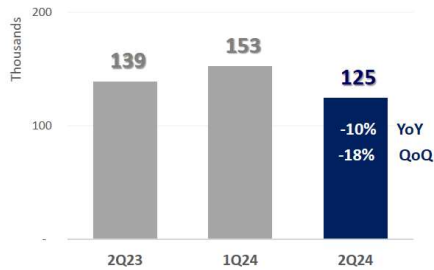
Pickup: Domestic



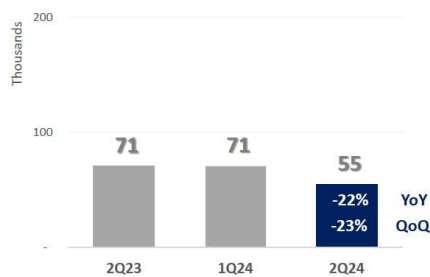
Pickup: Export



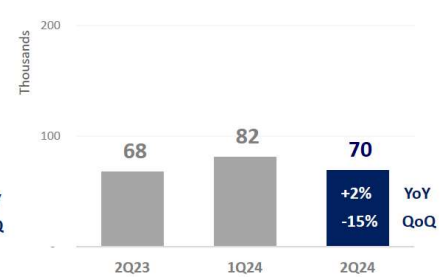
Thailand passenger car production



Passenger car: Domestic



Passenger car: Export



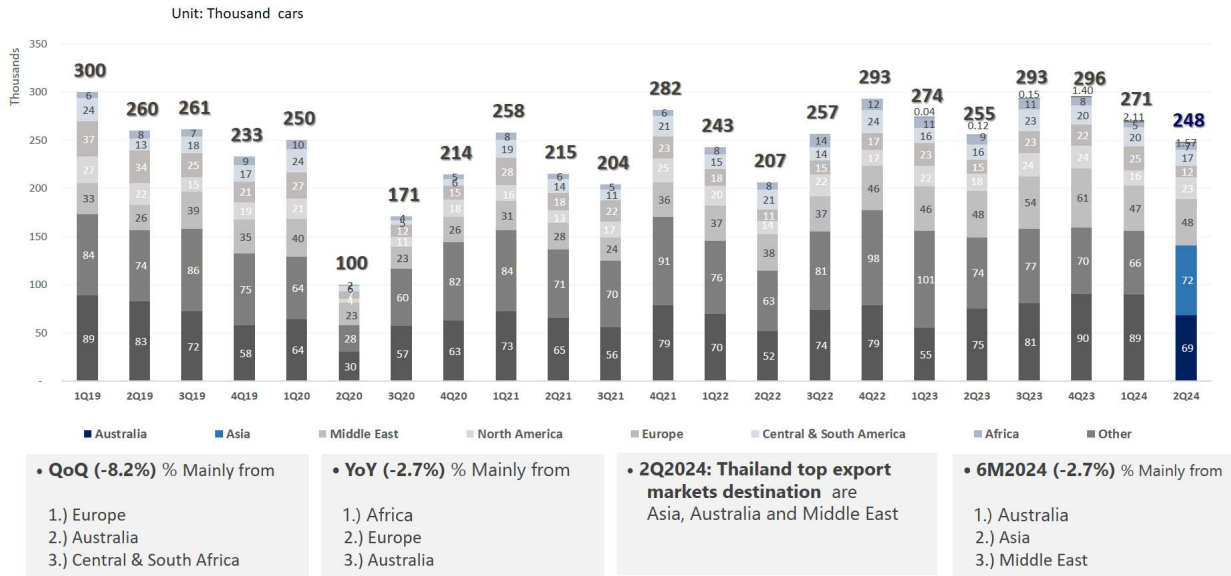
source: (The Thai Automotive Industry Association: TAIA)

Total Thailand pickup car production in 2Q2024 was about 216,000 unit cars decreased -13% from 1Q2024 (QoQ) which pickup car production for domestic decreased -25% from 1Q2024 (QoQ) while decreased -51% from 2Q2023 (YoY). Additionally, pickup car production for export in 2Q2024 decreased -10% from 1Q2024 (QoQ) and -1% from 2Q2023 (YoY).

Moreover, Thailand passenger car production in 2Q2024 decreased -18% from 1Q2024 (QoQ) while decreased -10% from 2Q2023 (YoY) which passenger car production for domestic was decreased -23% from 1Q2024 (QoQ) and decreased -22% from 2Q2023 (YoY). However, Thailand passenger car production for export decreased -15% from 1Q2024 (QoQ) and increased +2% from 2Q2024 (YoY).

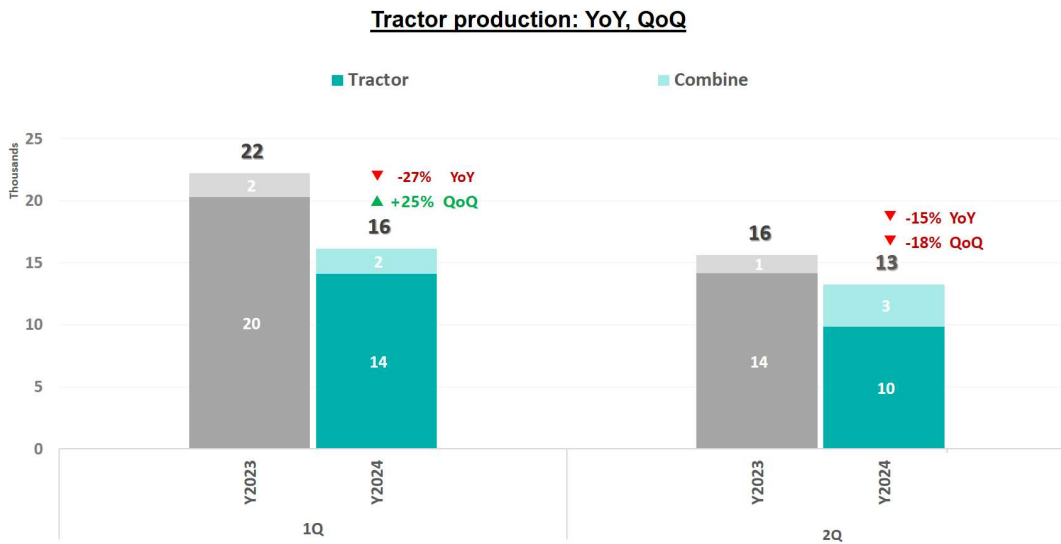
In addition, economics slowdown, tighten credit loan of financial institution, household debt still are the factors that affect to purchasing power and Thailand car production in first half Y2024 (1H2024).

Chart 3: Export destinations



source: (The Thai Automotive Industry Association: TAIA)

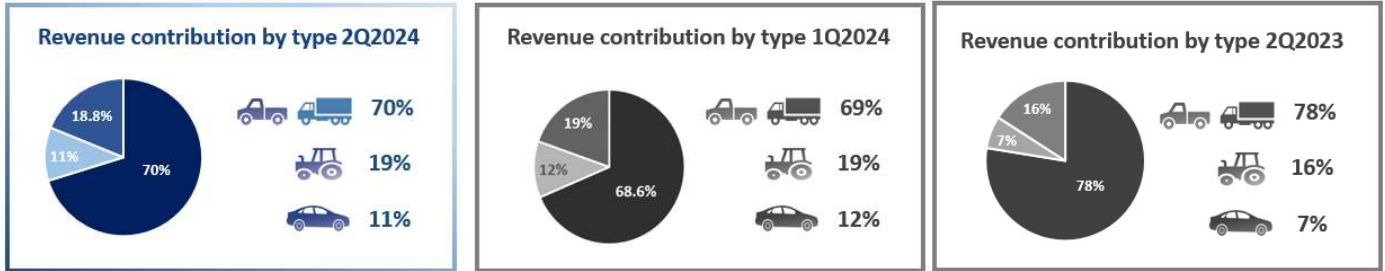
Chart 4: Agricultural Production



source: Customer information

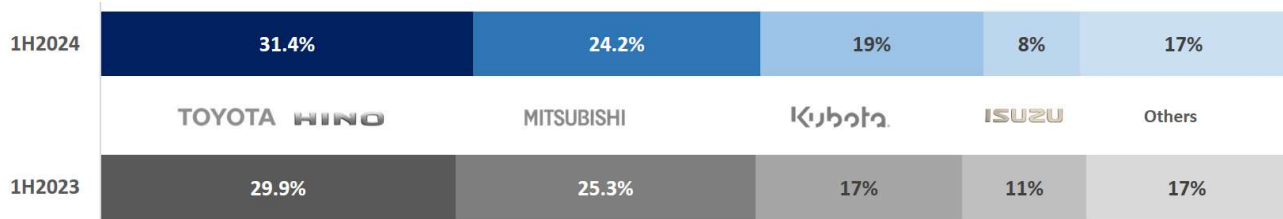
Total agriculture production in 2Q2024 was decreased -18% from 1Q2024 (QoQ) and was decreased -15% from 2Q203 (YoY)

Chart 5: Company Sales contribute by types



Sales revenue categories by car types in 2Q2024 compared with same period last year 2Q2023 (YoY) was significantly decline in pickup car type from 78% to 70% (YoY) according to industrial. Additionally, sales revenue ratio from passenger car was increase from 7% to 11% compared with same period last year 2Q2023 (YoY) from launched 2 new models of passenger car which are launched in end of year 2022 which fully impact in year 2023 and another passenger car model launched around in 3Q2023 as well, these caused sales revenue from passenger car has not drop as per industrial.

Chart 6: Company main customer by brand



Remark: Others is other customer and direct export

First half of Y2024 (1H2024), customer ranking by sales contribution was not change, just change in percentage compared with same period last year in 1Q2023 (YoY). The first customer ranking was increased in percentage which significantly from launching new model of passenger car since 3Q2023 while pickup car were conform to automotive industrial.

In 2Q2024 still challenging of Thailand automotive production industrial from economic slowdown, household debt, financial institutions' strictness in granting auto loans, and automotive seasonality of 2nd quarter of the year. Moreover, the Federation of Thai Industries revised the projection of Thailand car production year 2024 from 1.9 million cars to 1.7 million cars. Thailand car production in 2Q2024 had lower domestic production ratio than export production, especially pickup car types compared with same period both in last year 2Q2023 (YoY) and last quarter in 1Q2024 (QoQ). However, entry of Chinese car in Thailand automotive market does not directly impact to the company, it was indirectly impact by decline in consumer demand which caused price pressure for Japanese car manufacturer in Thailand.

Although, ELNINO still impact agriculture part business in 1Q2024 and 2Q2024, the second half of Y2024 (2H2024) tends to be better in terms of rainfall and climate situation.

This year 2024 is a challenging year in terms of industrial, economics and geopolitics risk. The company always enthusiastic about current situation and oriented in continuously improvement including level up the challenging of harmonizes the use of advanced technology with social and environmental sustainability. Moreover, the company continuously maintains company standards and is trusted as an automotive part supplier, especially to maintain no.1 ranking in ASEAN region for axle shaft production supplier with more than 60 years of experiences and specialized expertise, and to maintain being a main supplier of agriculture business in terms of casting process under good governance.