

AUCT-OS 014/2026

8 May 2026

Subject: Management Discussion and Analysis for the 1st quarter of, ending 31 March 2026

To: The President of the Stock Exchange of Thailand

Union Auction Public Company Limited (“the Company”) would like to submit the financial statements for the 1st quarter of 2026, ending 31 March 2026. They were reviewed by the Company’s external auditor together with the explanation of the Management Discussion and Analysis for the Company’s operating results as follows:

The performance of the 1st quarter of 2026

(Unit: Million Baht)

Statement of Comprehensive Income	The 1 st quarter of			Q4/2025	%QoQ
	2026	2025	%YoY		
Revenue from services	227.13	263.72	(13.9%)	238.05	(4.6%)
Other revenues	1.36	2.68	(49.3%)	6.83	(80.1%)
Total revenues	228.49	266.39	(14.2%)	244.88	(6.7%)
Cost of services	(133.40)	(146.57)	(9.0%)	(133.85)	(0.3%)
Gross profit	93.73	117.15	(20.0%)	104.20	(10.0%)
Gross profit margin (%)	41.3%	44.4%	(3.2%)	43.8%	(2.5%)
Service and administrative expenses	(43.27)	(43.69)	(1.0%)	(39.49)	9.6%
Profit before financial cost and income tax	51.81	76.13	(31.9%)	71.53	(27.6%)
Financial Cost	(8.28)	(7.70)	7.5%	(8.32)	(0.5%)
Income tax	(8.72)	(13.69)	(36.3%)	(12.68)	(31.2%)
Net profit	34.81	54.73	(36.4%)	50.54	(31.1%)
Net profit margin (%)	15.2%	20.5%	(5.3%)	20.6%	(5.4%)

Remarks: %YoY is the rate of change compared to the previous year and %QoQ is the rate of change Compared to the previous quarter.

Revenue from services consists of:

(Unit: Million Baht)

Revenue from services	The 1 st quarter of			Q4/2025	%QoQ
	2026	2025	%YoY		
1) Revenue from auctions	185.64	221.26	(16.1%)	191.59	(3.1%)
2) Revenue from transportation and other services	41.49	42.46	(2.3%)	46.46	(10.7%)
Total	227.13	263.72	(13.9%)	238.05	(4.6%)

In quarter 1/2026, the Company's revenue from services was Baht 227.13 million decreased by Baht 36.59 million or 13.9% compared to the same period of the previous year. Revenue from auctions amounted to Baht 185.64 million decreased by Baht 35.62 million or 16.1% compared to the same period of the previous year. It decreased by Baht 5.59 million or 3.1% compared to the previous quarter. This decline was still primarily due to the impact of the "You Fight, We Help" program, which has led to a continued slowdown in the number of repossessed vehicles entering auction yards and the volume of ended vehicle auctions since the late 4/2024 quarter.

The Company's service fees increased since 1 May 2025 as follows:

(Unit: Baht)

Vehicle Types	Existing	New
Cars	10,000	12,000
6-Wheel Trucks	12,000	14,000
10-Wheel Trucks	15,000	17,000
Motorcycles under 250 cc	1,500	2,000
Motorcycles under 500 cc	3,000	3,500
Motorcycles 500 cc and above	3,000	5,000

In quarter 1/2026, revenue from transportation and other services were Baht 41.49 million decreased by Baht 0.97 million or 2.3% compared to the same period of the previous year and decreased by Baht 4.97 million or 10.7% compared to the previous quarter according with the continued slowdown in vehicle volume.

Cost of services

In quarter 1/2026, the Company's cost of services was Baht 133.40 million, decreased by Baht 13.17 million or 9.0% compared to the same period of the previous year, and decreased by Baht 0.45 million or 0.3% compared to the previous quarter. The primary due to lower vehicle transportation costs and auction-related expenses, in line with the decline in the volume of vehicles entering the auction yards and the volume of ended vehicle auctions.

Gross profit

In quarter 1/2026, the Company's gross profit was Baht 93.73 million, decreased by Baht 23.42 million or 20.0% compared to the same period of the previous year and decreased by Baht 10.47 million or 10.0% compared to the previous quarter.

Service and administrative expenses

In quarter 1/2026, the Company's service and administrative expenses were Baht 43.27 million, decreased by Baht 0.42 million or 1.0% compared to the same period of the previous year, but increased by Baht 3.78 million or 9.6% compared to the previous quarter. The increase was mainly due to higher employee salaries and related personnel expenses.

Finance cost

In quarter 1/2026, the Company's finance cost was Baht 8.28 million, increased by Baht 0.58 million or 7.5% compared to the same period of the previous year, and increased by Baht 0.04 million or 0.5% compared to the previous quarter. Most of the finance cost was attributable to interest expenses on lease liabilities.

Net Profit

In quarter 1/2026, the Company's net profit was Baht 34.81 million, decreased by Baht 19.92 million or 36.4% compared to the same period of the previous year and decreased by Baht 15.73 million or 31.1% compared to the previous quarter.

Statement of Financial Position and Financial Ratio

(Unit: Million Baht)

Statement of Financial Position	31 March 2026	31 December 2025	% ▲
Total Assets	1,863.33	1,809.75	3.0%
Total Liabilities	1,326.82	1,308.05	1.4%
Owner's Equity	536.52	501.71	6.9%
Unappropriated Retained Earnings	201.27	166.46	20.9%
ROA (%)	12.96	14.69	
ROE (%)	31.32	37.68	
D/E (time(s))	2.47	2.61	
Adjusted D/E - Exclude lease liabilities (time(s))	0.63	0.62	
Adjusted D/E - Exclude lease liabilities & Trade payables - vehicles (time(s))	0.38	0.44	

As of 31 March 2026, total assets were Baht 1,863.33 million, increased by Baht 53.58 million or 3.0% compared to the balance as of 31 December 2025. The increase was mainly due to cash and cash equivalents which increased by Baht 47.22 million.

Total liabilities were Baht 1,326.82 million, increased by Baht 18.77 million or 1.4% compared to the balance as of 31 December 2025, due to trade payables and other payables increased by Baht 10.96 million and corporate income tax payable increased by Baht 9.04 million.

Total shareholders' equity was Baht 536.52 million, increased by Baht 34.81 million or 6.9% compared to the balance as of 31 December 2025 from unappropriated retained earnings.

Cash Flows Statement

(Unit: Million Baht)

Cash Flows Statement	The 3-month of			
	2026	2025	Difference	%YoY
Net Cash Flows from Operating Activities	108.28	146.45	(38.17)	(26.1%)
Net Cash Flows (used) in Investing Activities	(38.22)	(19.75)	18.47	93.5%
Net Cash Flows (used) in Financing Activities	(22.84)	(27.70)	(4.86)	17.5%
Cash Increase (Decrease)	47.22	99.00	(51.78)	52.3%
Beginning Cash	126.96	169.41	(42.45)	(25.1%)
Ending Cash	174.18	268.41	(94.23)	(35.1%)

In quarter 1/2026, the Company generated net cash flows from operating activities of Baht 108.28 million, decreased by Baht 38.17 million compared to the same period of the previous year. Net cash flows from investing activities were Baht 38.22 million, increased by Baht 18.47 million compared to the same period of the previous year, primarily due to an increase in cash paid for other current financial assets of Baht 30.02 million. Net cash flows from financing activities decreased by Baht 4.86 million. The Company's ending cash balance was Baht 174.18 million. The Company maintains a strong financial position and high liquidity, with no need to borrow from financial institutions, and has sufficient access to a diverse range of funding sources.

Business trends

The overall economic recovery remains slow, with high living costs leading consumers to be more cautious in their spending. In addition, uncertainties surrounding geopolitical conflicts, particularly their potential severity and duration, along with rising oil prices, continue to weigh on the economic outlook. These factors have contributed to the decline in the consumer confidence index and are expected to continue affecting both the present and the future in the near term.

Overall new car sales in Q1/2026 increased by 18.86% compared to 2025, supported by continued growth in electric vehicles (EVs), including electric pickup trucks. Meanwhile, conventional pickup truck sales declined from the previous year, reflecting the ongoing strict loan approval policies of financial institutions. Household debt continues to rise and remains at a high level. Meanwhile, personal loans secured by vehicle registrations have shown a slight slowdown in growth. The volume of vehicles entering the auction business has also softened, declining compared to the same period last year and remaining at a tense level. This was mainly driven by delays in the recognition and disposal of foreclosed assets by financial institutions. Such delays are a continuation of debtor relief measures that have slowed the inflow of repossessed vehicles, together with lenders' more prudent credit management and focus on risk controls. These conditions have resulted in the auction success rate and average auction prices remaining at a high level compared to the previous year. In the second half of 2026, the Company expects the volume of vehicles entering the auction system to gradually increase, driven by the phased expiration of debtor relief measures and the acceleration of non-performing asset management by financial institutions. However, such an increase is expected to be gradual and will depend on the overall trend in credit quality within the system.