

MANAGEMENT DISCUSSION AND ANALYSIS

คำอธิบายและการวิเคราะห์ของฝ่ายบริหาร ไตรมาส 2 ปี 2568

Autocorp Holding Public Company Limited and its subsidiaries

Management Discussion and Analysis for the 2nd Quarter 2025

Overall Performance

Autocorp Holding Public Company Limited (“ACG” or “the Company”) and its subsidiaries (“the Group”) reported a net profit for the six-month period ended June 30, 2025, of Baht 17.16 million, an increase of 39.40 percent from Baht 12.31 million compared to the same period in 2024. For Q2/2025, net profit was Baht 6.44 million, an increase of 23.85 percent from Baht 5.20 million compared to Q2/2024. For the six-month period ended June 30, 2025, and the second quarter of 2025, the net profit margins were 2.46 percent and 2.08 percent, respectively, representing increases of 0.94 percent and 0.69 percent, respectively, compared to the same periods in 2024.

The Group had total revenue for the six-month period ended June 30, 2025, of Baht 697.76 million, a decrease of 13.81 percent from Baht 809.53 million. On a quarterly basis, total revenue in Q2/2025 was Baht 310.27 million, a decrease of 16.96 percent from Baht 373.62 million compared to Q2/2024, due to revenue from sale and rendering of services decreasing by 13.58 percent. The main reason was a decrease in revenue from cars and accessories dealership segment by Baht 137.31 million or 28.62 percent. The main reason was a decrease in revenue from cars and accessories dealership by Baht 137.31 million or 28.62 percent. On a quarterly basis, revenue from sale and rendering of services decreased by 16.51 percent. However, revenue from the maintenance service and spare parts sales segment for the six-month period ended June 30, 2025 increase Baht 30.86 million or 10.14 percent. Total expenses for the six-month period ended June 30, 2025, amounted to Baht 664.54 million, a decrease of 14.48 percent from Baht 777.10 million. On a quarterly basis, total expenses in Q2/2025 was Baht 296.46 million, a decrease of 17.41 percent from Baht 358.96 million, mainly as a result of cost of sale, which corresponded with the decrease in sales revenue. Additionally, the Group's gross profit margin increased by 2.49 percent compared to the first six months of 2024, reflecting improved profitability.

Overall performance for the car dealership and service center business had total revenue for the six-month period ended June 30, 2025 of Baht 602.95 million, a decrease of 16.81 percent. On a quarterly basis, total revenue in Q2/2025 was Baht 263.96 million, a decrease of 20.67 percent compared to the same period of the previous year. The main reason was the decline in revenue from cars and accessories dealership segment due to a 25.41 percent decrease in car sales volume, alongside sustained pressure from stricter hire-purchase lending criteria imposed by financial institutions, resulting in a downturn in overall domestic car sales. However, the maintenance service and spare parts sales segment had better performance, with revenue for the six-month period ended June 30, 2025, and the second quarter of 2025 increasing by 9.45 percent and 13.28 percent, respectively. In summary, the car dealership and service center business reported a gross profit margin of 17.77 percent, increase by 2.27 percent compared to the first six months of 2024.

In the business segment of service center for rapid repair and maintenance services for all car brands (“Fast Fit”) had total revenue for the six-month period ended June 30, 2025, was Baht 101.79 million, an increase of 11.84 percent. On a quarterly basis, total revenue in Q2/2025 was Baht 49.85 million, an increase of 13.27 percent, due to a 8.68 percent increase in income per car, reflecting the effectiveness of the strategy to enhance income per car and promote high-margin products. The second quarter of 2025, the Fast Fit business reported a gross profit margin was 15.69 percent, an increase of 4.83 percent compared to the same period of the previous year, reflecting improved profitability.

Operating results for the six-month period ended 30 June 2025

(Unit: Baht million)	Jan-Jun 2024	Jan-Jun 2025	%	Q2/2024	Q2/2025	%
Total revenue	809.53	697.76	(13.81%)	373.62	310.27	(16.96%)
- Revenue from cars and accessories dealership	479.84	342.53	(28.62%)	215.56	136.70	(36.58%)
- Revenue from repair and maintenance services and spare parts dealership	304.32	335.18	10.14%	145.17	164.47	13.29%
Total revenue from sale and rendering of services	784.16	677.71	(13.58%)	360.73	301.17	(16.51%)
- Commission income	16.94	14.00	(17.36%)	7.45	5.72	(23.22%)
- Other income	8.43	6.05	(28.23%)	5.44	3.37	(38.05%)
Cost of sales and rendering of services	666.77	559.39	(16.10%)	304.84	244.01	(19.95%)
Gross profit	117.39	118.32	0.79%	55.90	57.16	2.27%
Distribution costs	30.57	28.22	(7.69%)	14.58	13.49	(7.48%)
Administrative expenses	79.76	76.93	(3.55%)	39.54	38.96	(1.47%)
Finance costs	10.66	8.11	(23.92%)	4.93	3.88	(21.30%)
Income tax expense	9.46	7.95	(15.96%)	4.53	3.48	(23.18%)
Net Profit	12.31	17.16	39.40%	5.20	6.44	23.85%
Gross profit margin	14.97%	17.46%	16.62%	15.49%	18.98%	22.50%
Net Profit Margin	1.52%	2.46%	61.73%	1.39%	2.08%	49.14%

Revenue from sale and rendering of services for the first six months of 2025 amounted to Baht 677.71 million, a decrease of 13.58 percent from Baht 784.16 million. When comparing quarterly, revenue from sales and rendering of services in Q2/2025 amounted to Baht 301.17 million, a decrease of 16.51 percent from Baht 360.73 million compared to Q2/2024, with the following details,

- **Revenue from cars and accessories dealership** for the first six months of 2025 amounted to Baht 342.53 million, a decrease of 28.62 percent from Baht 479.84 million. The main reason for this decrease was a 25.41 percent decrease in car sales volume compared to 2024. On a quarterly basis, revenue in Q2/2025 amounted to Baht 136.70 million, a decrease of 36.58 percent from Baht 215.56 million. The main reason for this decrease was a 34.70 percent decrease in car sales volume compared to Q2/2024.
- **Revenue from repair and maintenance services and spare parts dealership** for the first six months of 2025 amounted to Baht 335.18 million, an increase of 10.14 percent from Baht 304.32 million. On a quarterly basis, revenue in Q2/2025 was Baht 164.47 million, an increase of 13.29 percent from Baht 145.17 million compared to Q2/2024. This increase was due to a rise in revenue from the Fast Fit business by 11.83 percent, compared to the first six months of 2024, and an increase by 13.33 percent, on a quarterly basis. The rise was attributed to an 8.68 percent increase in revenue per vehicle, resulting from strategies to raise revenue per vehicle and promote high-margin products. In the dealership and service center business, revenue increased by 9.43 percent, compared to the first six months of 2024, and increased by or 13.28 percent, on a quarterly basis, due to the number of cars serviced for the general maintenance section increasing by 2.93percent compared to the first six months of 2024.

Commission income for the first six months of 2025 amounted to Baht 14.00 million, a decrease of 17.36 percent from Baht 16.94 million compared to 2024. On a quarterly basis, commission income in Q2/2025 was Baht 5.72 million, a decrease of 23.22 percent from Baht 7.45 million compared to Q2/2024. The decline was primarily due to a decrease in car sales volume. As a result, commission income from providing finance and insurance decreased, which tends to follow the volume of car sale.

Financial Position

(Unit: Baht million)	31 December 2024	30 June 2025	+ / (-)	%
Cash and cash equivalents	165.87	130.16	(35.71)	(21.53%)
Trade accounts receivable	22.14	31.71	9.57	43.22%
Inventories	118.03	97.36	(20.67)	(17.51%)
Property, plant and equipment	597.74	576.99	(20.75)	(3.47%)
Other assets	348.29	344.84	(3.45)	(0.99%)
Total assets	1,252.07	1,181.06	(71.01)	(5.67%)
Short-term loans from a financial institution	220.00	175.00	(45.00)	(20.45%)
Trade accounts payable	82.70	58.77	(23.93)	(28.94%)
Long-term loans from a financial institution	11.15	3.05	(8.10)	(72.65%)
Other liabilities	223.54	227.80	4.26	1.91%
Total liabilities	537.39	464.62	(72.77)	(13.54%)
Total equity	714.68	716.44	1.76	0.25%
Total liabilities and equity	1,252.07	1,181.06	(71.01)	(5.67%)

Total assets amounted to Baht 1,181.06 million, an decrease of 5.67 percent from Baht 1,252.07 million, mainly due to:

- Cash and cash equivalents decreased by Baht 35.71 million or 21.53 percent due to cash flows used in financing activities. The details of the liquidity analysis are on the next page.
- Trade receivables increased by Baht 9.57 million or 43.22 percent due to the increasing in outstanding balance of finance receivables.
- Inventories decreased by Baht 20.67 million or 17.51 percent due to decrease in car inventory of Baht 23.88 million, resulting from order management that focused on aligning with customer demand, along with an increase in spare parts inventory by Baht 3.91 million.

Total liabilities amounted to Baht 464.62 million, an decrease of 13.54 percent from Baht 537.39 million, mainly due to:

- Short-term loans from a financial institution decreased by Baht 45.00 million or 20.45 percent due to the repayment of promissory notes.
- Trade accounts payable decreased by Baht 23.93 million or 28.94 percent due to the decrease in trade payable for car purchases, in line with the decrease in inventories compared to the end of 2024.

Equity amounted to Baht 716.44 million, an increase of 0.25 percent from Baht 714.68 million due to a net profit of Baht 17.16 million, warrants to purchase common shares increased by Baht 0.61 million and decreased from dividend payments of Baht 16.00 million.

Liquidity analysis

(Unit: Baht million)	Jan-Jun 2024	Jan-Jun 2025
EBITDA	61.81	62.08
Change in operating assets and liabilities	49.62	(17.85)
Net cash flows from (used in) operating activities	111.43	44.23
Net cash flows from (used in) investing activities	(2.72)	0.56
Net cash flows from (used in) financing activities	(130.03)	(80.50)
Net cash increase (decrease)	(21.32)	(35.71)
Cash at beginning of period	173.14	165.87
Cash at ending of period	151.82	130.16

- **Net cash inflow from operating activities** amounted to Baht 44.23 million includes the earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to Baht 62.08 million and the cash outflow from change in operating assets and liabilities amounted to Baht 17.85 million. The main transactions which caused the cash flow to decrease was Baht 9.57 million increase in trade accounts receivable, Baht 23.94 million decrease in trade accounts payable and taxes paid amounted to Baht 7.06 million.
- **Net cash inflow from investing activities** amounted to Baht 0.56 million mainly due to the sale of equipment amounted Baht 2.38 million and payment for the purchase of equipment amounting to Baht 1.33 million.
- **Net cash outflow from financing activities** amounted to Baht 80.50 million, was from loans from financial institutions drawdown amounted to Baht 610.00 million, repayment of loan amounted to Baht 663.10 million, lease liabilities payment amounted to Baht 7.31 million, interest payment amounted to Baht 4.09 million and dividend payment amounted to Baht 16.00 million.

Please be informed accordingly,

Yours sincerely

(Mr.Phanumast Rungkakulnuwat)
Chief Executive Officer