

No. AC20250226 001
Date FEBRUARY 26, 2025
Subject: Explanation and Analysis by the Management for the Year Ended December 31, 2024
Attention: Director and Manager,
 The Stock Exchange of Thailand

SCL Motor Parts Co., Ltd. (Public Company) (“the Company”) wishes to report the operational results for the twelve-month period ended December 31, 2024, summarized as follows:

- The company operates as a distributor of automotive parts, serving as a part distributor for a variety of car parts with a catalog of over 180,000 items. This includes Genuine Parts from various car manufacturers, as well as Replacement Parts.

The total net profit for the twelve-month period ended December 31, 2024, amounted to 44.56 million baht, representing a net profit margin of 2.56%.

Overview of the Company's Operational Results

Overall performance for the year ended December 31, 2024, the Company reported a net profit of THB 44.56 million, an increase of THB 21.19 million or 90.69% compared to the same period of the previous year.

Statement of income for the Twelve Months Period Unit: Million Baht	Ending on December 31, 2024	Ending on December 31, 2023	Change	
			Amount	%
Revenue from Sales	1740.06	1483.03	257.03	17.33
Cost of Goods Sold (COGS)	1554.26	1321.58	232.68	17.61
Gross Profit	185.80	161.45	24.35	15.08
Other Income	1.31	0.88	0.43	49.25
Sales and Distribution Expenses	41.57	42.34	(0.78)	(1.84)
Administrative Expenses	72.88	76.00	(3.12)	(4.11)
Earnings Before Interest, Depreciation and Amortization (EBIDA)	72.66	43.98	28.68	65.21
Financial Income	1.45	1.52	(0.07)	(4.71)
Financial Expenses	18.62	16.92	1.70	10.04
Profit Before Tax	55.48	28.58	26.91	94.16
Income Tax Expenses	10.93	5.21	5.72	109.71
Net Profit	44.56	23.37	21.19	90.69

1. **Revenue from Sales** for the year ended December 31, 2024, sales revenue was THB 1,740.06 million, an increase of THB 257.03 million or 17.33% compared to the same period of the previous year. The gross profit margin was 10.68%, down from 10.89% in the same period of the previous year.
Sales revenue can be divided into:
 - 1.1 Revenue from the sale of **genuine automobile parts** from various brands amounted to THB 1,551.16 million, an increase of THB 237.45 million or 18.07%, The main reason for this was the continued demand from consumers for spare parts to repair and maintain their cars due to the strict new car loan policies throughout the year.
 - 1.2 Revenue from the sale of **replacement parts** amounted to THB 188.90 million, an increase of THB 19.58 million or 11.56%, The main reasons for this were the addition of new brands, the recognition of 14.70MB in revenue from the sale of marine engines, and the management of inventory to ensure sufficient supply for distribution.
2. **Cost of Sales** for the year ended December 31, 2024, cost of sales was THB 1,554.26 million, an increase of THB 232.68 million or 15.08%, The main reason for this was the increase in the price of goods and the increase in purchases of goods in line with sales and the decrease in inventory.
3. **Other Income** for the year ended December 31, 2024, other income was THB 1.31 million, an increase of THB 0.43 million or 49.25%, This came from the recognition of insurance compensation revenue for product labels and the adjustment of accrued expenses in 2023.
4. **Selling and Distribution Expenses** for the year ended December 31, 2024, selling and distribution expenses were THB 41.57 million, representing 2.39% of sales revenue, down from 1.84% in the same period of the previous year, The increase was due to salaries and the decrease in advertising and domestic transportation costs, which resulted from improved management.
5. **Administrative Expenses** for the year ended December 31, 2024, administrative expenses were THB 72.88 million, a decrease of THB 3.12 million or 4.11%, The decrease in expenses came from salary expenses, as well as a decrease in consulting and service fees, and the installation of SOLAR ROOFTOP in the fourth quarter.
6. **Finance Costs** for the year ended December 31, 2024, finance costs were THB 18.62 million, an increase of THB 1.70 million or 10.04%, This was due to the continued high interest rates on loans from the previous year, even though the Company has already repaid some of its loans.
7. **Net Profit** for the year ended December 31, 2024, net profit was THB 44.56 million, an increase of THB 21.19 million or 90.69%, This was due to a partial decrease in the gross profit margin and good management in reducing selling and administrative expenses.

Financial Position of the Company

Statement of financial position Unit: Million Baht	December 31,	December 31,	Change	
	2024	2023	Amount	%
Current Assets	746.99	889.22	(142.24)	(16.00)
Non-current Assets	234.22	202.87	35.35	15.45
Total Assets	981.21	1092.09	(110.88)	(10.15)
Current Liabilities	615.57	763.50	(147.92)	(19.37)
Non-current Liabilities	14.08	10.57	3.51	33.22
Total Liabilities	629.65	774.07	(144.41)	(18.66)
Equity	351.56	318.03	33.53	10.54
Total Liabilities and Equity	981.21	1092.09	(110.88)	(10.15)

1. Total Assets:

- As of December 31, 2024, the Company's total assets were THB 981.21 million, a decrease of THB 110.88 million or 10.15% compared to the same period of the previous year. The main reason for this was the use of cash to repay short-term loans from financial institutions in the amount of 104.00 million baht.

2. Total Liabilities:

- As of December 31, 2024, the Company's total liabilities were THB 629.65 million, a decrease of THB 144.41 million or 18.66% compared to the same period of the previous year. The main reason for this was the repayment of short-term loans from financial institutions in the amount of 104.00 million baht and the decrease in trade accounts payable due to more efficient inventory management.

3. Shareholders' Equity:

- As of December 31, 2024, the Company's shareholders' equity was THB 351.56 million, an increase of THB 33.53 million or 10.54% compared to the same period of the previous year. The main reason for this was the increase in profit from operations from sales and the continuous control of various expenses.

Please be informed accordingly.

Sincerely yours,

Mr.Pairat Trimurati

Vice President of Finance and Accounting

Authorized to sign on behalf of the Company