

OPPORTUNITY DAY PRESENTATION

Q4 2024

13 March 2025

President Automobile Industries PLC.





AGENDA

1

COMPANY OVERVIEW

2

2025 STRATEGIC DIRECTION

3

2025 OUTLOOK

4

FINANCIAL PERFORMANCE

2024 HIGHLIGHT



PACO 2024 exceeded 100% Growth

- **Operating revenue** was Baht 1,022.2 million in YE2024 decreased by 0.5% YoY
- **Net profit** was Baht 147.5 million in YE2024 increased by 101.5% YoY and net profit margin was 14.1% in YE2024 increased by 7.2% from YE2023



Enquiry from USA customers

- In 2024, USA placed a **20% import tariff on condensers and evaporator** that are manufactured in China. Hence, we received many enquiry from old and new customers
- Expected to **increase sales by 5-10%**



Non-Automotive Diversification

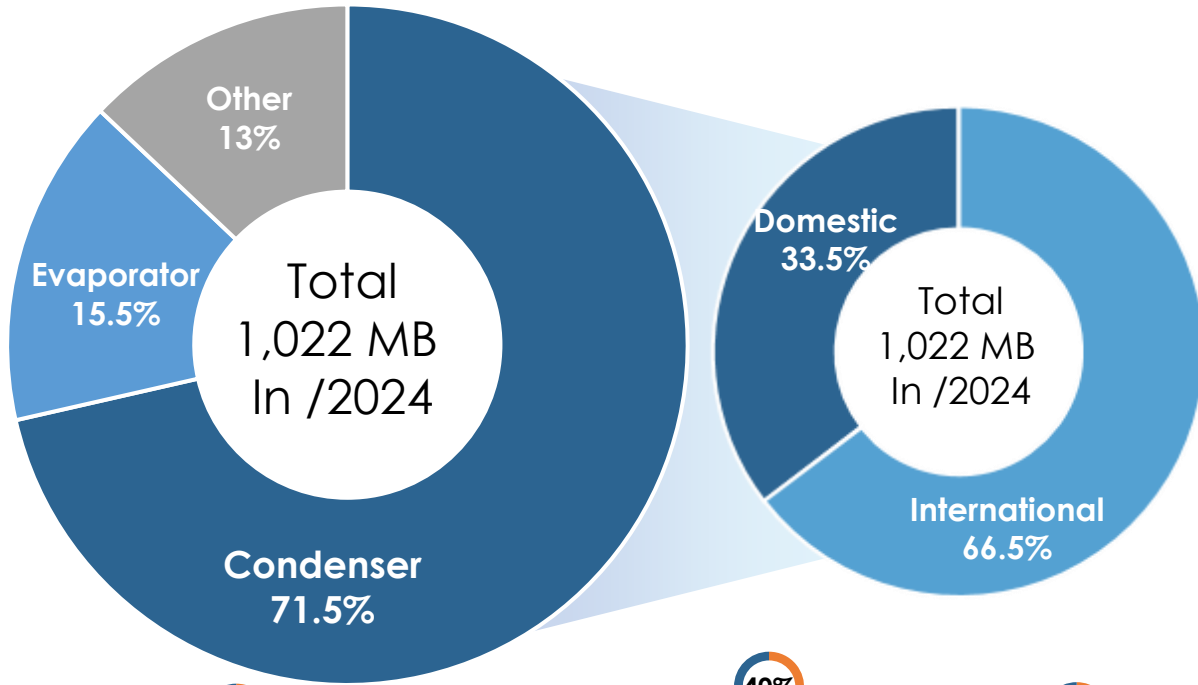
- The Company's **growth in non-automotive sector**, resulting in new orders from SAFRAN and Kubota.
- Potential new customer in **heavy duty truck and military vehicle** from USA and Europe

PACO PRODUCT PORTFOLIO (2024)

Revenue Structure by Product Type

Unit: MB, %

Presence in **22** Countries around the World*



Manufacturing

71.5% Condenser (Manufacturing)
Of revenue



15.5% Evaporator (Manufacturing)
Of revenue



5% Other Automotive Products (Manufacturing)
Of revenue



Intercooler



Radiator



A/C Hoses

Outsource

8% Other Automotive Products (Outsource)
Of revenue



R.Drier, Exp. Valve and other accessories



Compressor

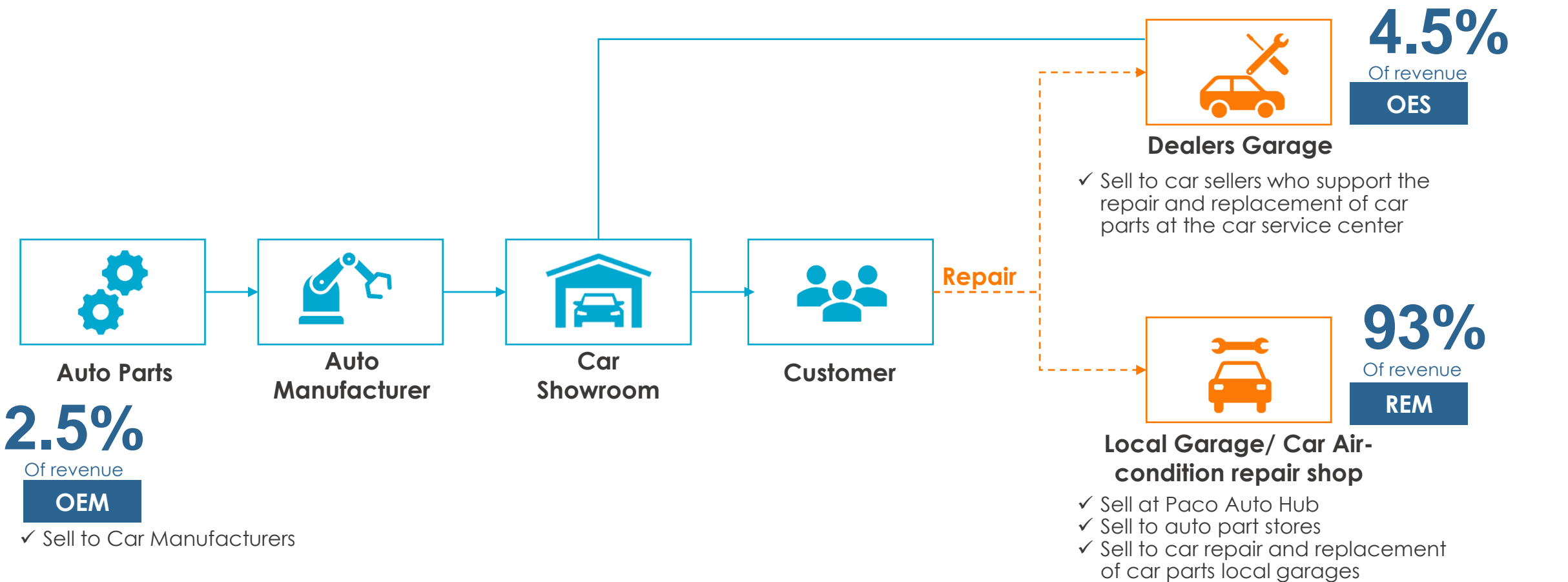


A/C Fan and Blower



Refrigerant Gas

PACO BUSINESS ALONG THE VALUE CHAIN (2024)



PACO AutoHub

PACO ENSURES TO MAINTAIN COMPETITIVENESS

PACO KEY STRENGTHS

1



Leader in Aircon Parts with Strong Brand under PACO



Cover more than **90% of all car models** in the market



Physical store under **PACOAUTOHUB**



REM parts produce at same top standard to OEM parts



2



Aluminum Heat Exchanger Expert



30 years of experience in the design and manufacturing



The aluminum heat exchanger **represents the latest advanced technology**



Imposes opportunities to capture new segments such as the aerospace, battery cooling, commercial, and household air conditioning industries



3



One-Stop Service



Provide high international-standard quality products to domestic and international markets



Bring in other Brands to meet the needs of customers and to increase additional income for the Company



Seamless aftersales services





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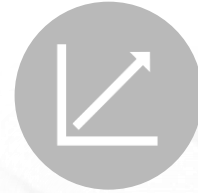
3

2025 OUTLOOK

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FINANCIAL PERFORMANCE

+10-15% CAGR



Growth of Heat Exchanger Market

- Continue to grow PACO brand for OES and OEM on a global scale
- Explore more OEM opportunities in different market

2027

Dominant Auto-Parts Player in the Region



- Increase product coverage through new product categories
- Increase SKUs to cover global demand

2026

Global Expansion



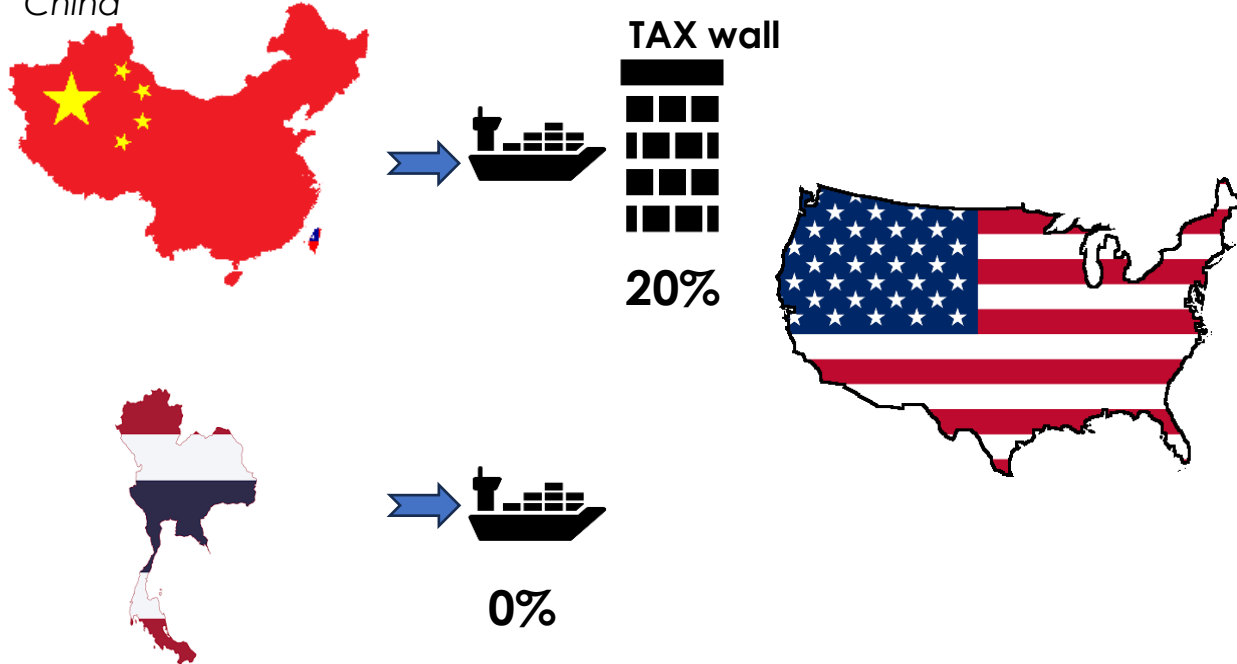
- Capture new USA and Europe customers
- Implement automation in production process
- Expand to new heat exchanger market

2025

Opportunities from 2025 US-China Tariff (Trump Term)

Capture Customers Moving out from China's Supplier

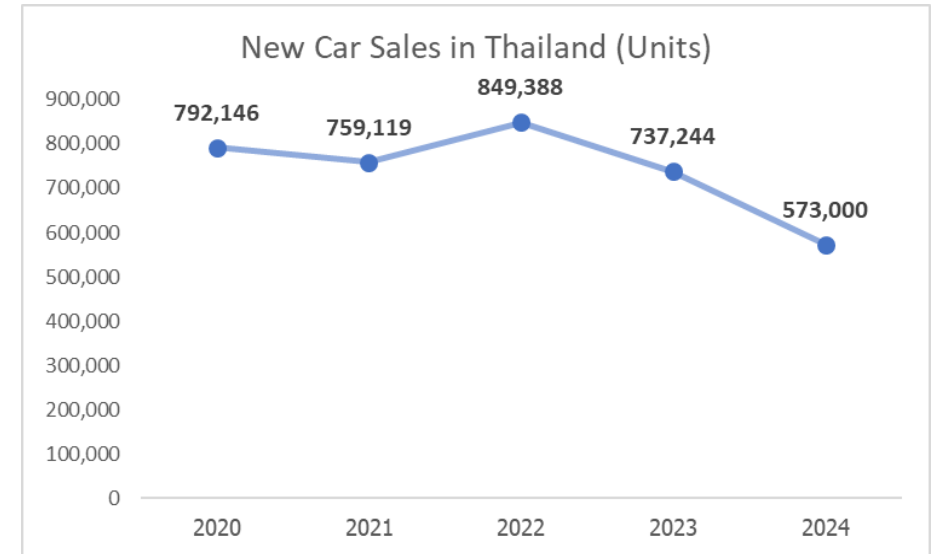
- USA announced increased tax for Aluminum products including condenser and evaporator
- Several companies in USA expresses interest to purchase from outside of China



Growth in Replacement Market

Low new car sales

- Low new car sales number indicate extended car lifetime on the road
- Restricted spending power would boost alternative repair and replacement choice



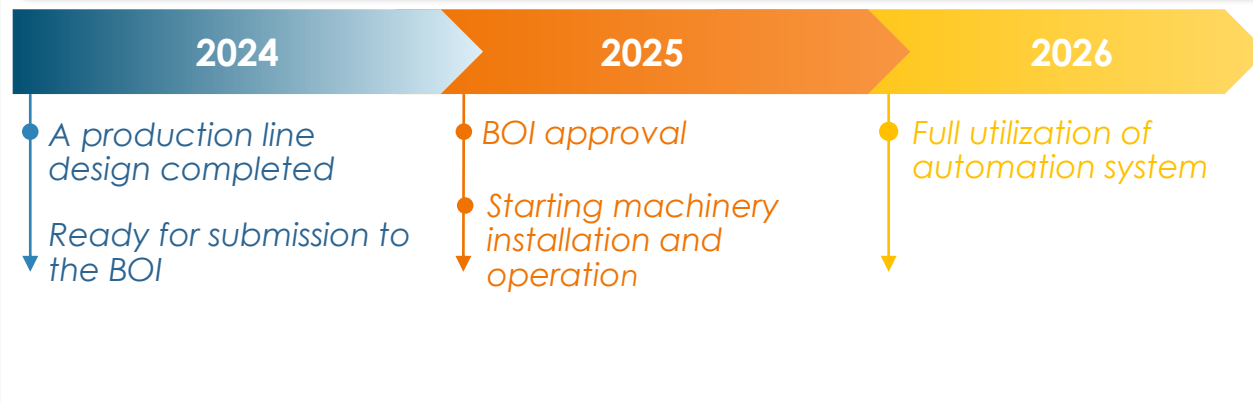
CONTINUOUS CAPACITY EXPANSION FOR GROWTH

Investment in Machinery

➤ to increase production capacity and increase automation to control costs

2025 Total Investment for (Phase 1) 50 Million Baht

Progress Update



Expanding Capacity and Automation

1 Elevating Capacity through Automation



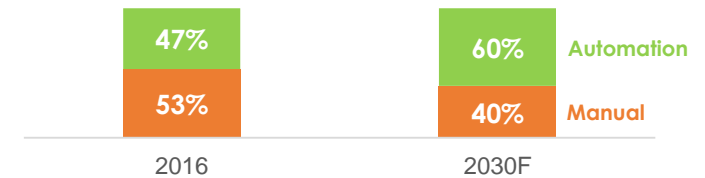
✓ Increase automation machinery to achieve a **10-15% increase in capacity in 2025**

2 Automation for Enhanced Efficiency



✓ **Transition to automation**, reducing reliance on manual labor to mitigate inefficiencies

Unit: % of work hours



3 Boosting Production for Faster Output



✓ Enhance production efficiency to expedite capacity and **increase overall output speed**



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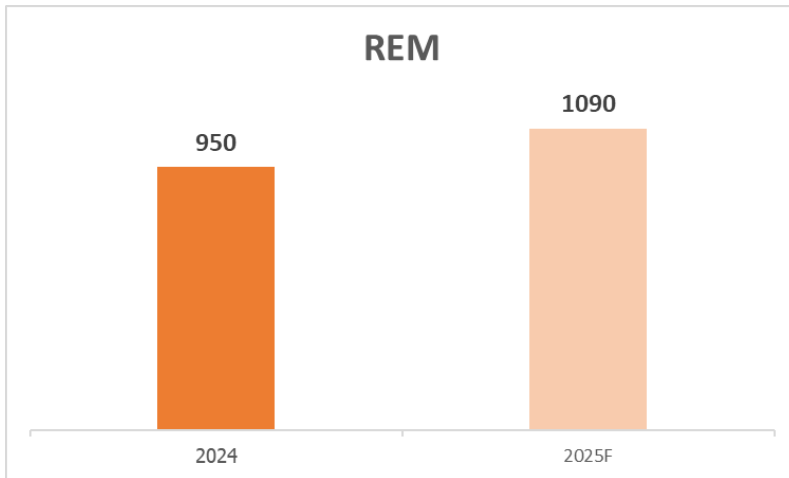
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FINANCIAL PERFORMANCE

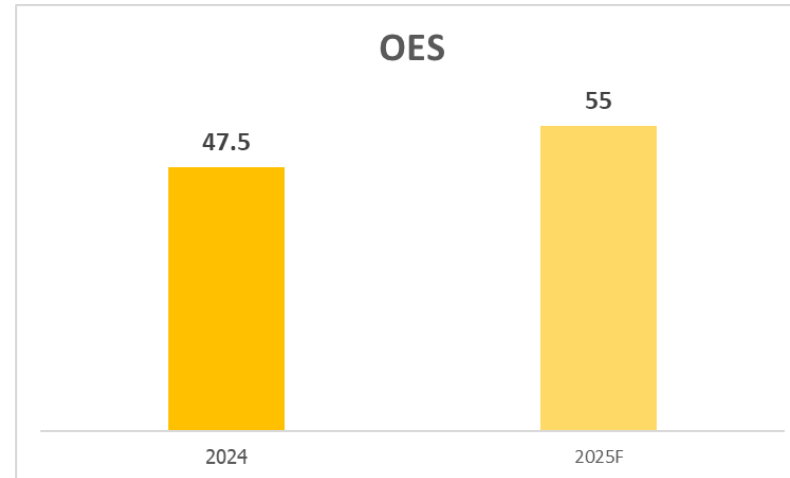
GROWTH OF CURRENT BUSINESS

Capture Growth in Replacement Market

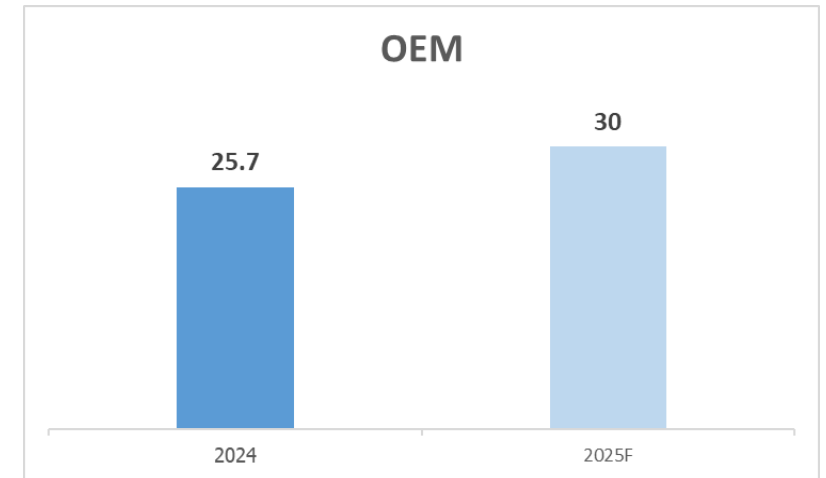
Maintain OEM Business



15% increase



16% increase



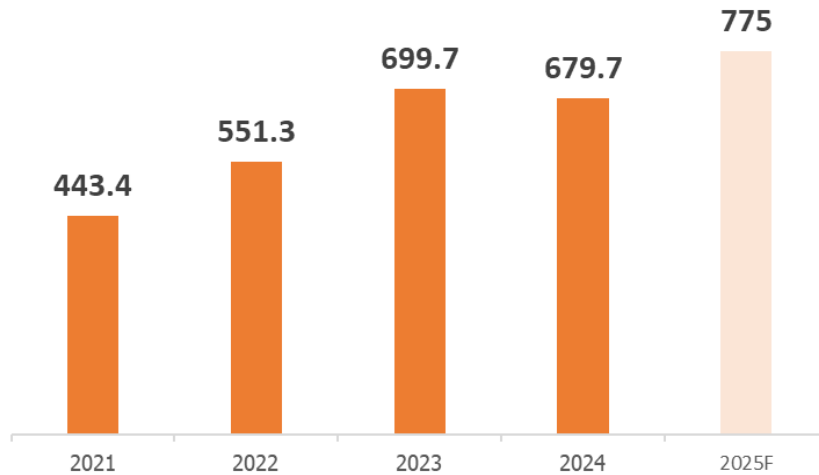
17% increase

Unit: Million Baht

EXPANDING OF CORE BUSINESS

Expand Export Business

Revenue from International Business



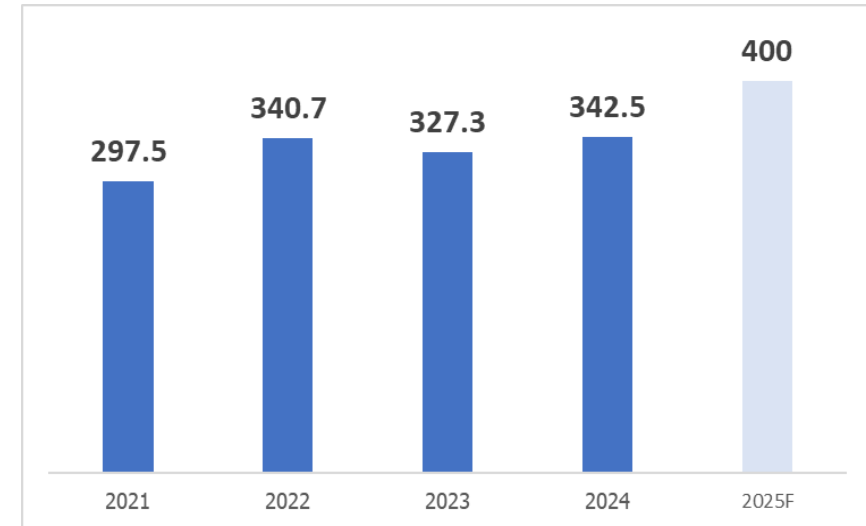
Planned 2025 expansion



Capture new customers from USA and Europe

Strengthen Domestic Business

Revenue from Domestic Business



Planned 2025 expansion



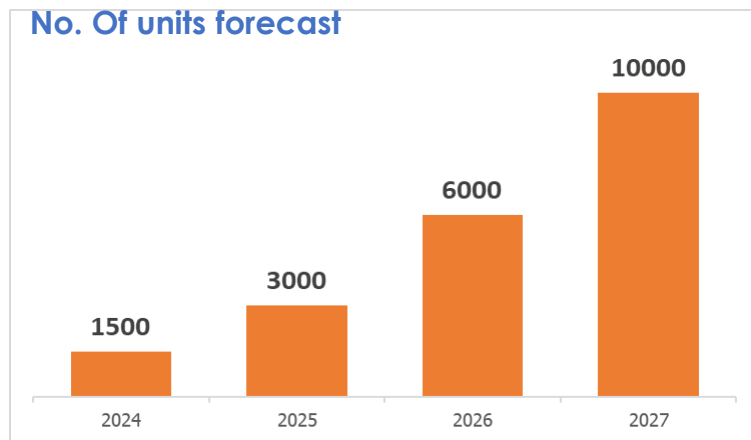
Expand product line

MAINTAINING OEM BUSINESS

Growing OEM Business



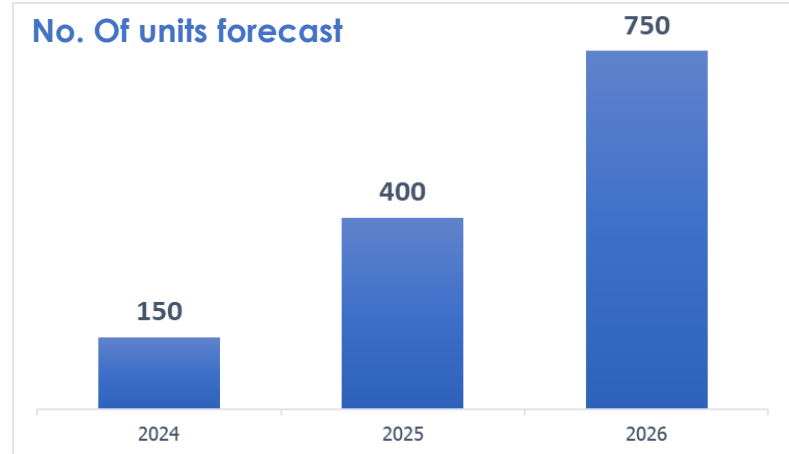
Kubota reported increasing interest in machinery with cabin and comfort features such as air conditioning.



Expanding into Heat Exchanger business



PACO believes that increase in sales of AIRBUS aircraft will push the aerospace business growth faster than anticipated.



New OEM Business

Europe Special Vehicles



Agricultural Machinery **SOP 2024**



Military Vehicle **SOP 2025**

New OES Business

USA and Australia Heavy Duty Vehicle



Heavy Duty Vehicle **SOP 2025**



Sleeper Cabin **SOP 2024**



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FINANCIAL PERFORMANCE

2024 FINANCIAL HIGHLIGHT

Operating Revenue and GP

2024

1,022.2 MB

▼ 0.5% YoY

2024

245.4 MB

▲ 64.2% YoY

GPM and NPM

2024

24.0%

▲ 9.5% YoY

2024

14.1%

▲ 7.2% YoY

ROA and ROE

Q4/2024

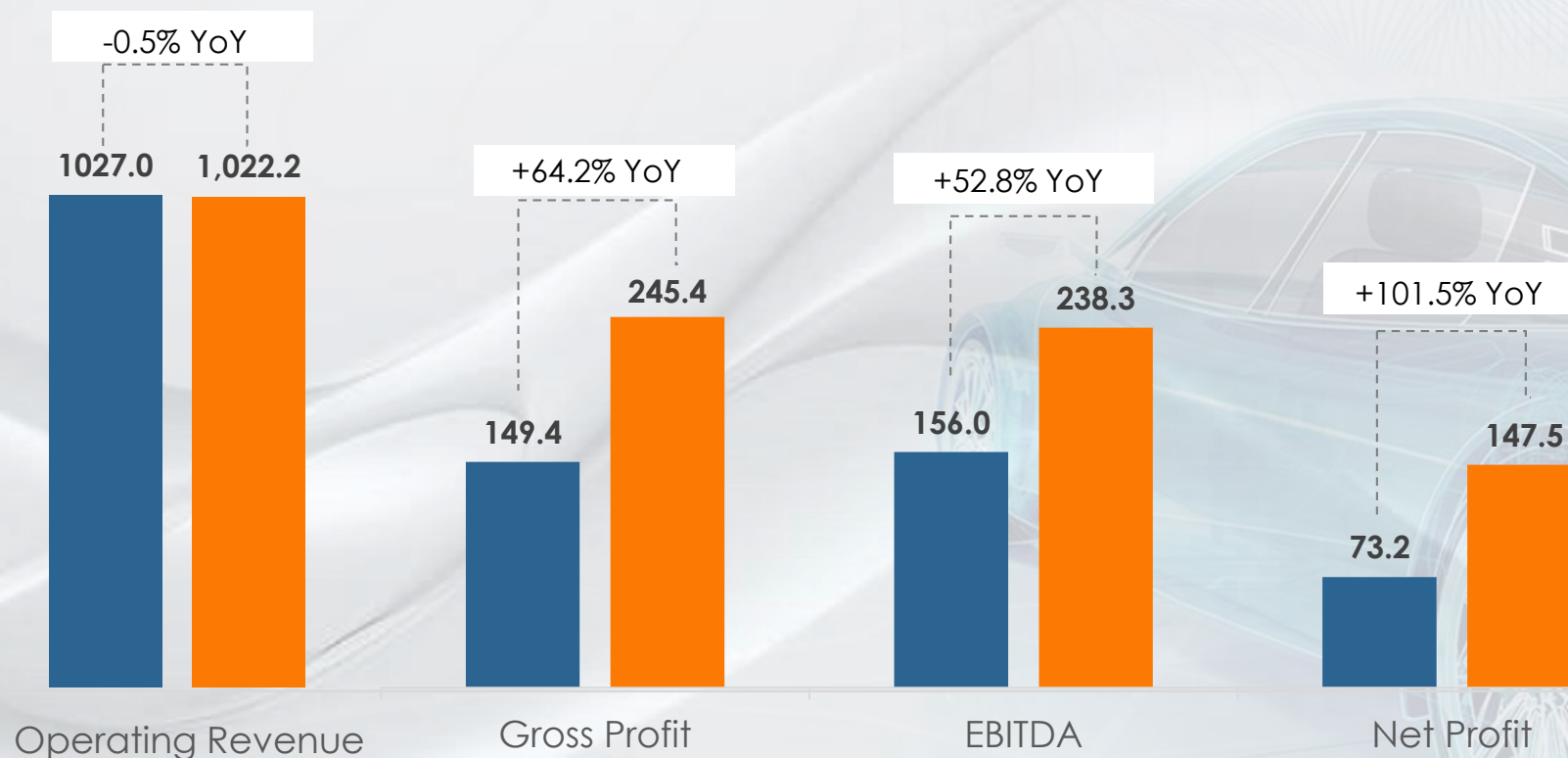
10.94%

Q4/2024

14.62%

Unit: Million Baht, %

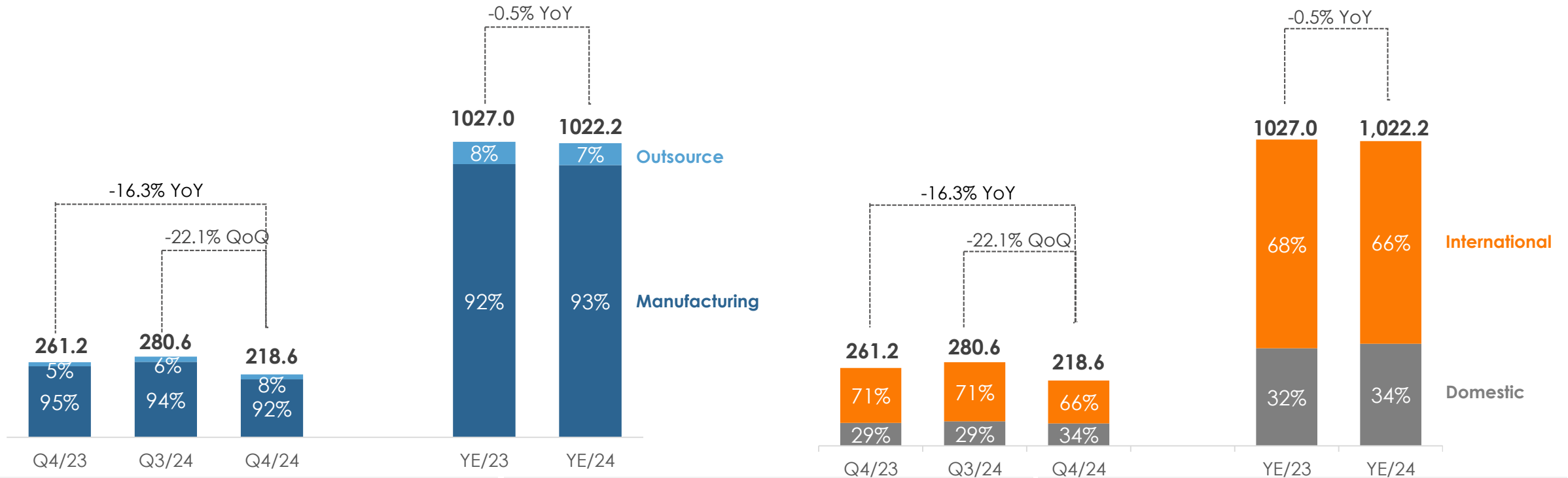
Financial Summary



OPERATING REVENUE

OPERATING REVENUE BREAKDOWN BY CHANNEL

Unit: Million Baht, %



YoY: Q4/24 vs Q4/23

In Q4/2024, the Operating revenue is Baht 218.6 million, decreased by Baht 42.6 million or 16.3% mainly due to:

- Decline in international sales as some customers delayed their orders.

QoQ: Q4/24 vs Q3/24

In Q4/2024, the Operating revenue of Baht 218.6 million, decreased by Baht 62.0 million or 22.1% mainly due to:

- Decline in international sales as some customers delayed their orders.

YoY: YE/24 vs YE/23

In YE/2024, the Operating revenue of Baht 1,022.2 million, slightly decreased by Baht 4.8 million or 0.5%.

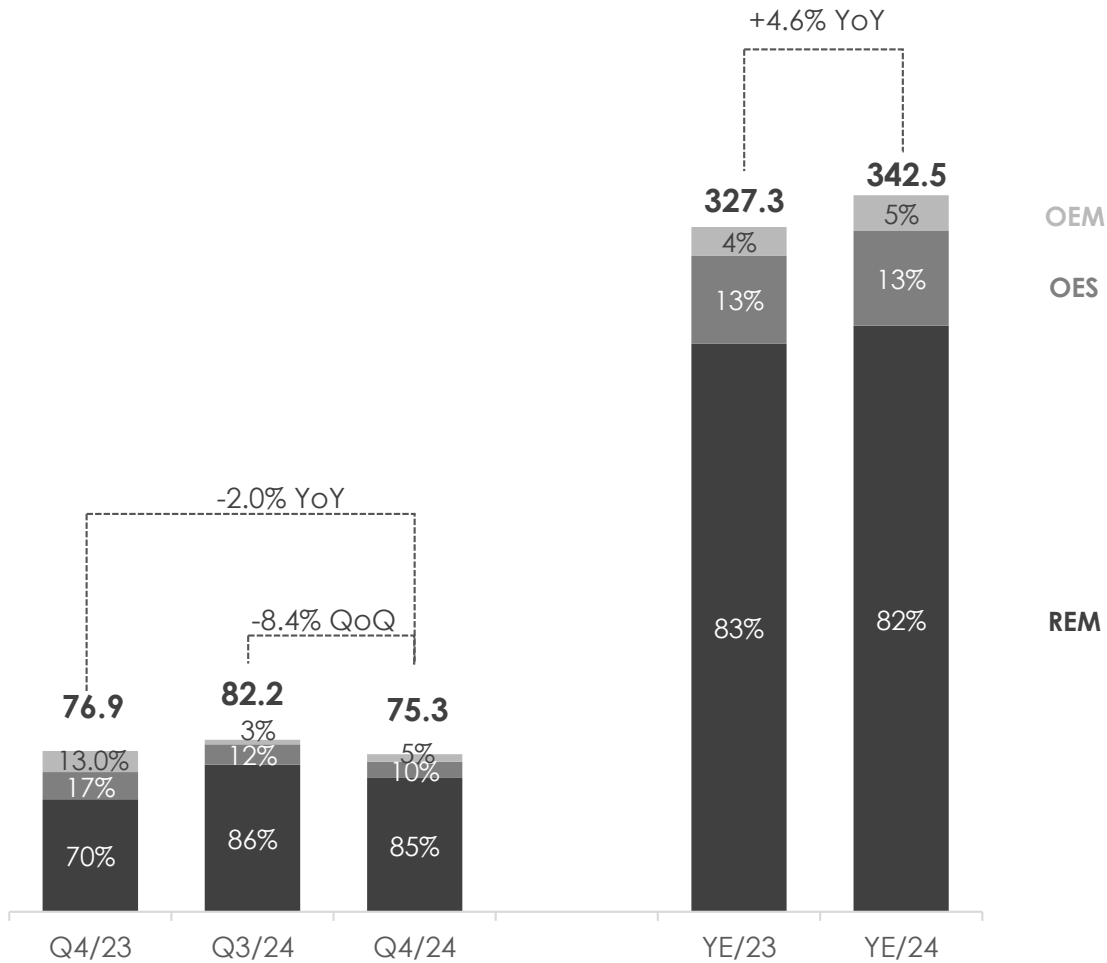
DOMESTIC SALES PERFORMANCE



OPERATING REVENUE BREAKDOWN BY CUSTOMER GROUP

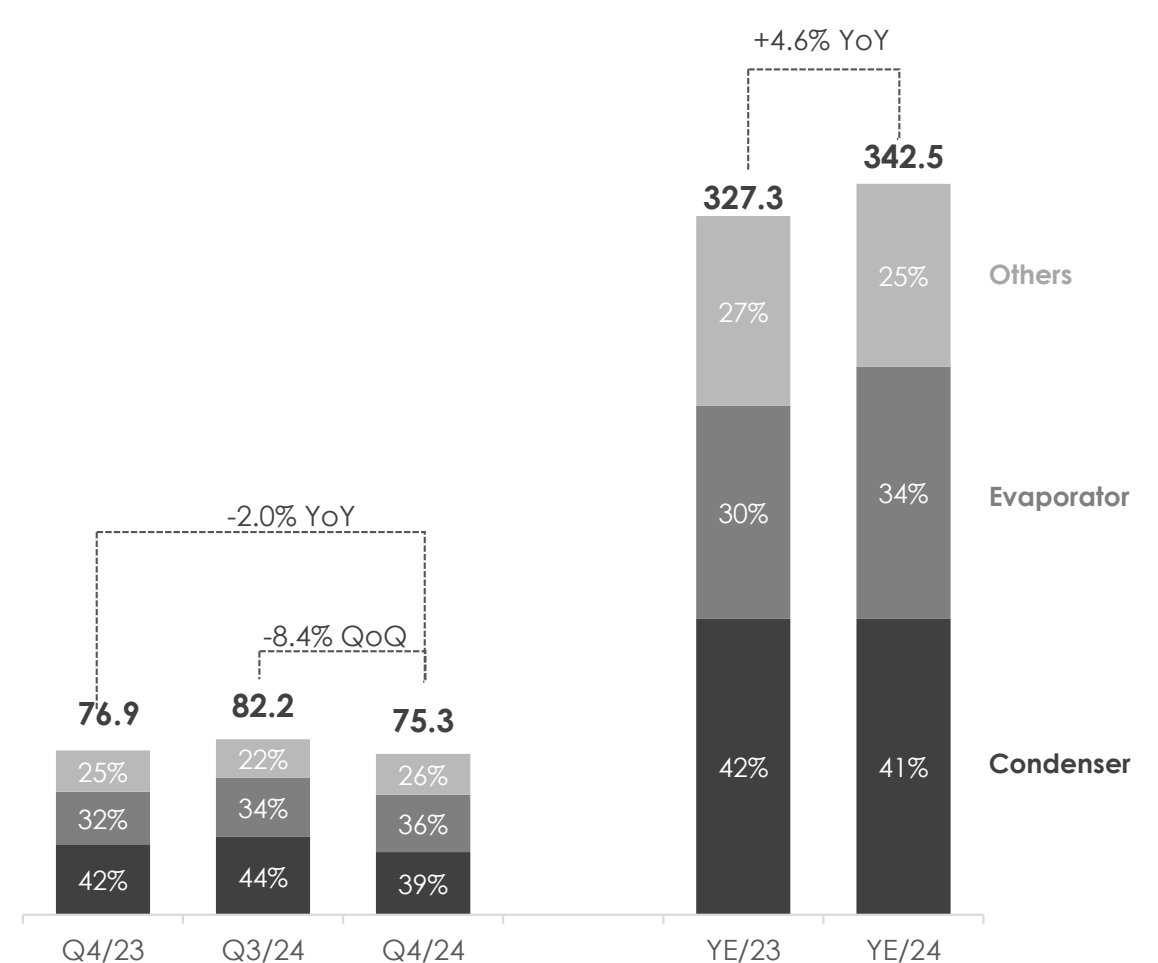
Unit: Million Baht, %

“Domestic sales increased from 2024 due to the increase in orders from major customer and selling new product”



OPERATING REVENUE BREAKDOWN BY PRODUCT TYPE

Unit: Million Baht, %



INTERNATIONAL SALES PERFORMANCE

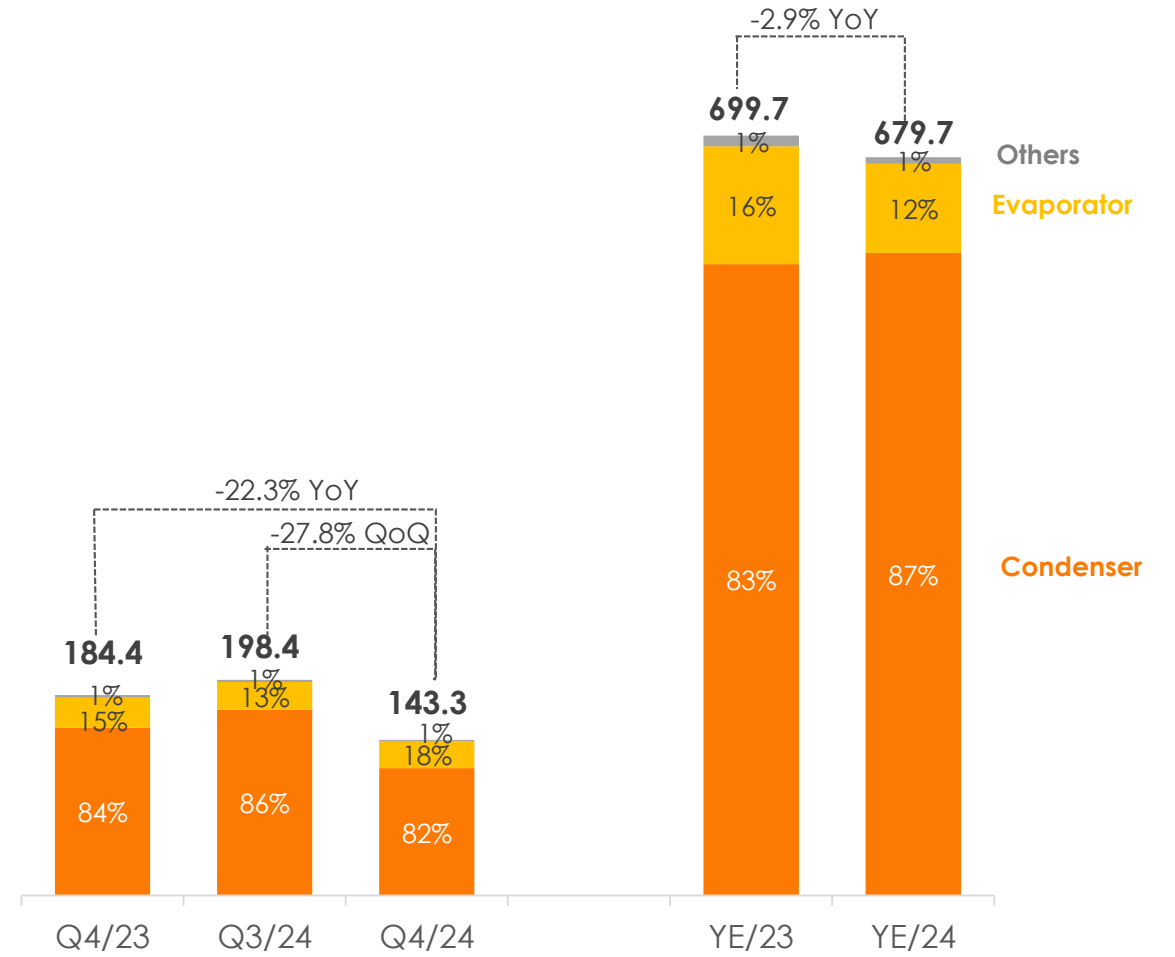
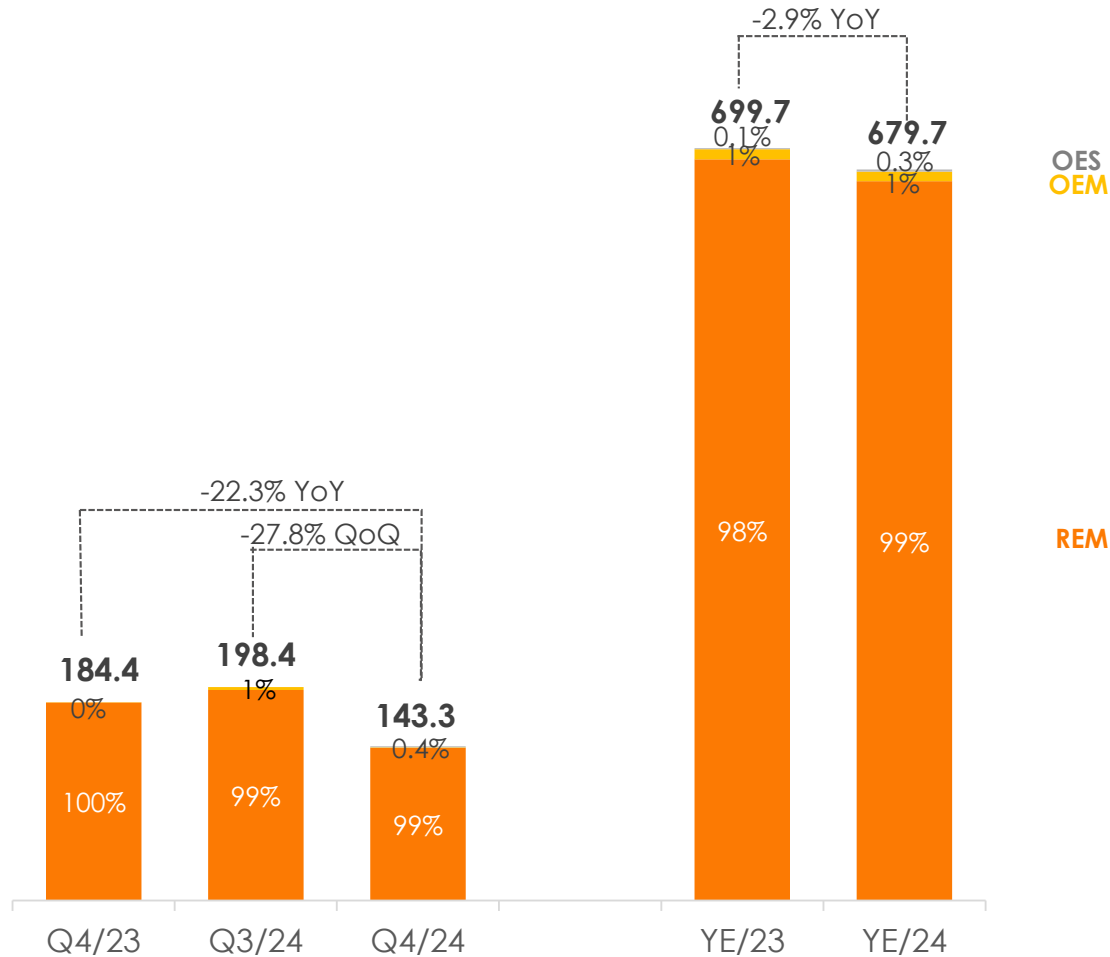
OPERATING REVENUE BREAKDOWN BY CUSTOMER GROUP

Unit: Million Baht, %

OPERATING REVENUE BREAKDOWN BY PRODUCT TYPE

Unit: Million Baht, %

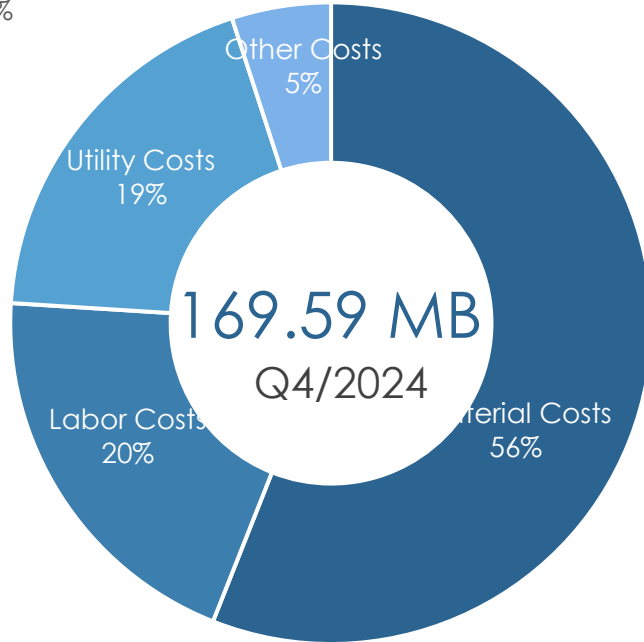
"The decrease from 2023 mainly due to decline in international sales as some customers delayed their orders."



COST OF GOOD SOLD

MANUFACTURING

Unit: Million Baht, %



- COGS mainly comprises of raw materials 56% where most of the raw materials consumed by PACO is aluminum. Followed by labor 20% and utilities 24%
- The decrease in COGS is related to the decrease in sales revenue, decline in production defects and lower average cost of raw materials in inventory.

Labor Cost Management



Increase Automation within these 2 years



Electricity Cost Management

PACO continues to utilize power from Solar panels with production capacity of 1.7MW



Cost of Raw Mat will Improve



Stock Products (1-2 months)



Efficient Waste Reduction in Production

Raw Material Cost Management

ALUMINUM MARKET PRICE

Unit: USD/ton



Source: Investing.com

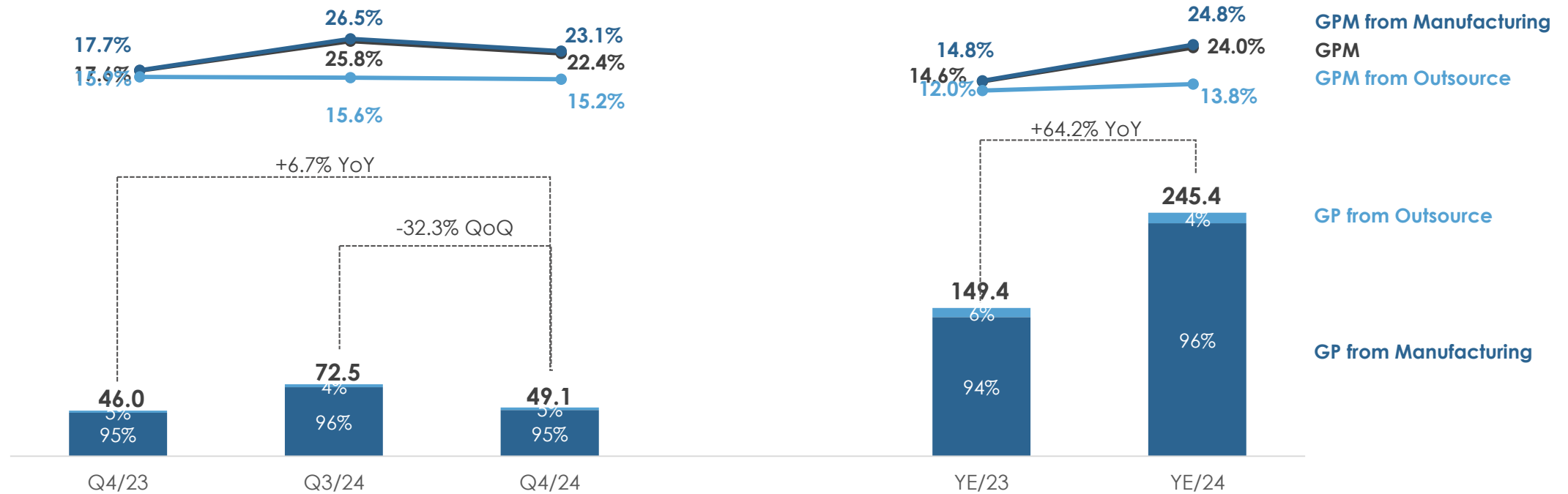
PACO Views

- Price will remain stable trend for 1-2 years as the price cycle which fluctuated highly occurs every 2-3 years

GROSS PROFIT AND GROSS PROFIT MARGIN

GROSS PROFIT AND GROSS PROFIT MARGIN BREAKDOWN BY PRODUCT TYPE

Unit: Million Baht, %



YoY: Q4/24 vs Q4/23

Gross profit was Baht 49.1 million in Q4/2024, increased by Baht 3.1 million or 6.7% and **GPM** was 22.4%, an increase from 17.6% in Q4/2023, mainly due to a lower average cost of raw materials in inventory compared to the previous period along with a decrease in production defects.

QoQ: Q4/24 vs Q3/24

Gross profit was Baht 49.1 million in Q4/2024, decreased by Baht 23.4 million or 32.3% and **GPM** increased from 22.4% to 25.8% in Q3/2024 due to:

- Decline in international sales as some customers delayed their orders.
- Increase in provision inventory.

YoY: YE/24 vs YE/23

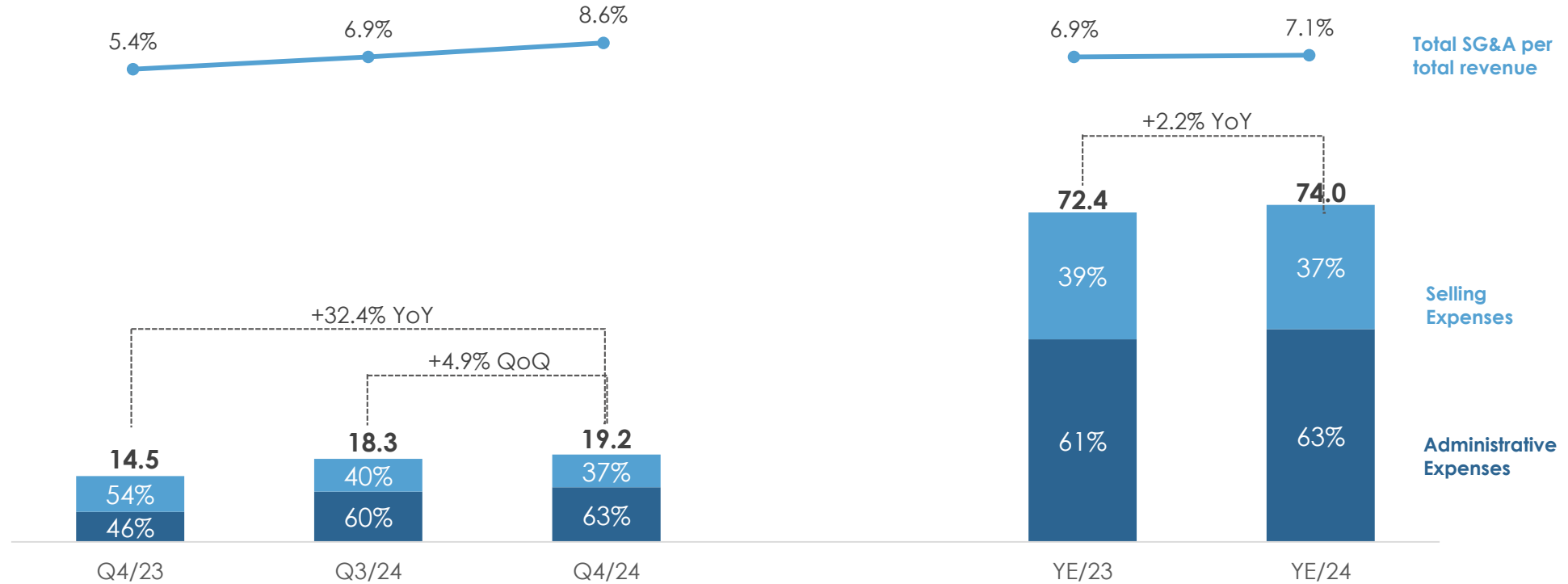
Gross profit was Baht 245.4 million in YE/2024, increased by Baht 96.0 million or 64.2% and **GPM** increased from 24.0% to 14.6% in 1H/2024 due to:

- Decline in production defects.
- Lower average cost of raw materials in inventory.
- Higher average selling price.

SELLING & ADMINISTRATIVE EXPENSES

SELLING & ADMINISTRATIVE EXPENSES

Unit: Million Baht, %



YoY: Q4/24 vs Q4/23

Selling & administrative expenses were Baht 19.2 million, increased by Baht 4.7 million or 32.4% mainly due to the reversal of the allowance for impairment of assets in Q4/2023

Selling and Administrative expenses per total revenue was 8.6%, increased from 5.4% in Q4/2023.

QoQ: Q4/24 vs Q3/24

Selling & administrative expenses were Baht 19.2 million, a slight increase of Baht 0.9 million or 4.9% due to the write-off of assets in Q4/2024

Selling and Administrative expenses per total revenue was 8.6%, slightly increased from 6.9% in Q3/2024 .

YoY: YE/24 vs YE/23

Selling & administrative expenses were Baht 74.0 million, increased by Baht 1.6 million or 2.2% mainly due to

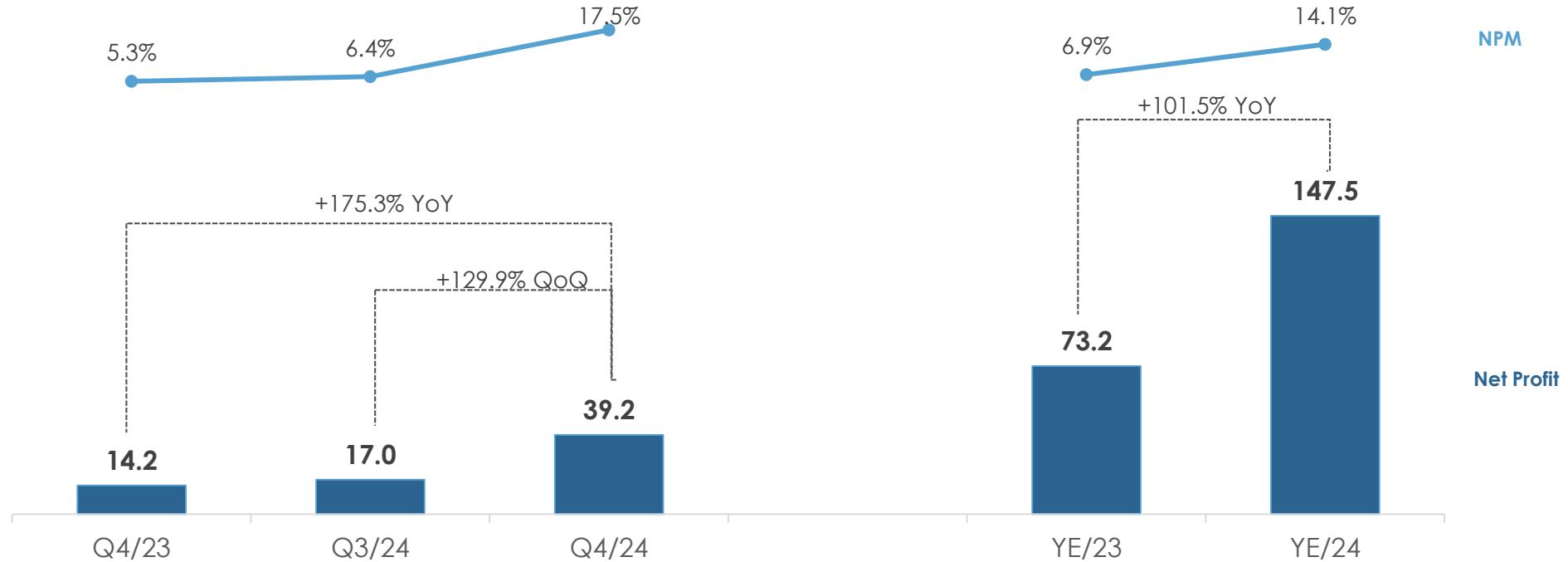
- The reversal of the allowance for impairment of assets in Q4/2023
- The write-off of assets in Q4/2024

Selling and Administrative expenses per total revenue was 7.1%, slightly increased from 6.9% in YE/2023.

NET PROFIT

NET PROFIT AND NET PROFIT MARGIN

Unit: Million Baht, %



YoY: Q4/24 vs Q4/23

Net profit was Baht 39.2 million, increased by Baht 25.0 million or 175.3% and **Net Profit Margin** was 17.5%, increased from 5.3% in Q4/2023 mainly due to:

- Decline in production defects.
- Recognize gain from exchange rate in Q4/24

QoQ: Q4/24 vs Q3/24

Net profit was Baht 39.2 million, increased by Baht 22.2 million or 129.9% and **Net Profit Margin** was 17.5%, increased from 6.4% in Q3/2024.

- Recognize gain from exchange rate in Q4/24

YoY: YE/24 vs YE/23

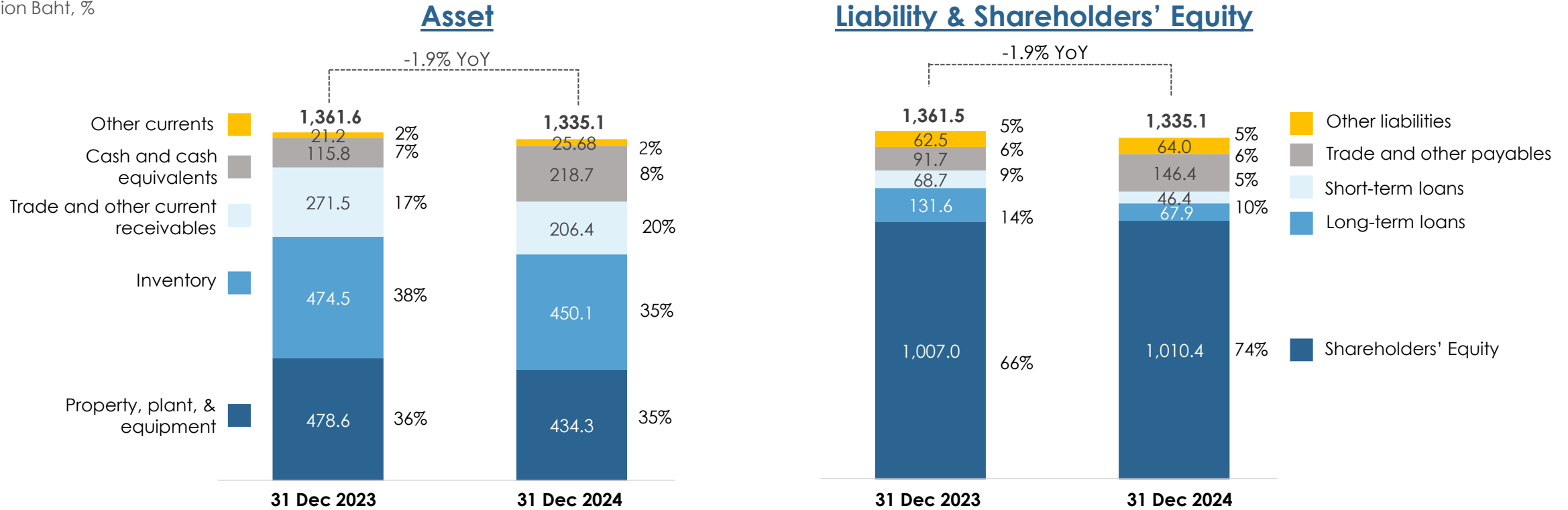
Net profit was Baht 147.5 million, increased by Baht 74.3 million or 101.5% and **Net Profit Margin** was 14.1%, increased from 6.9% in YE/2023 mainly due to:

- Decline in the average cost of raw material and defects.
- Decline in defects.
- Higher average selling price
- Reduction in financial costs.

STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION

Unit: Million Baht, %



Asset

As of 31 Dec 2024, the total assets were Baht 1,335.1 million decrease by 26.5 million Baht or 1.9% from 31 December 2023 mainly due to:

- **Trade and other current receivables** : decrease due to receiving payments from debtors during the year.
- **Property, plant, & equipment** : decrease due to depreciation during the year.
- **Inventory**: decrease due to the reduction in raw material inventory and finished goods.

Liability

As of 31 Dec 2024, the total liabilities were Baht 324.7 million, decreased by Baht 29.9 million or 8.4% from 31 December 2023 mainly due to:

- **Short and long-term loans**: repayment of loans to financial institutions during the year

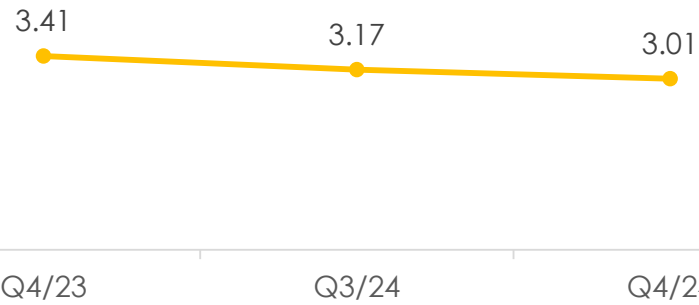
Shareholders' Equity

As of 31 Dec 2024, the total shareholders' equity were Baht 1,010.4 million, increased by Baht 3.4 million or 0.3% from 31 December 2023. This increase was due to the company's performance during the year, offset by dividend payments declared in 2024, resulting in a net increase in value.

KEY FINANCIAL RATIOS

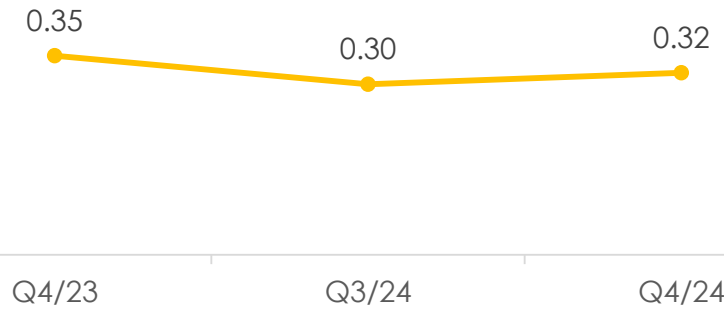
CURRENT RATIO

Unit: Times



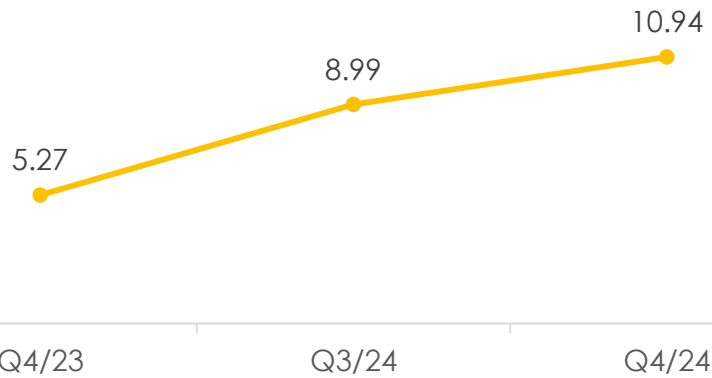
D/E RATIO

Unit: Times



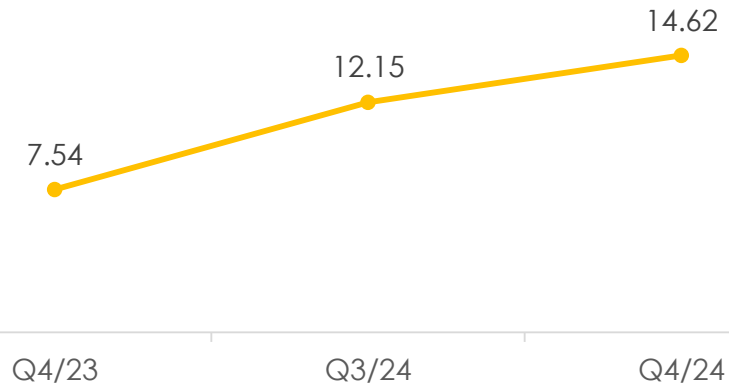
ROA*

Unit: %



ROE*

Unit: %



*ROA = Trailing-12-month Net profit/ Total average assets

*ROE = Trailing-12-month Net profit/ Total average shareholder's equity

Key Summary



- **Strong Global Expansion**
 - PACO is achieving significant global growth, broadening its market reach to 26 countries, with new USA expansion opportunities and diversify market risks.
- **Diversification into Non-Automotive Sectors**
 - By diversifying into sectors like aerospace (with SAFRAN) and agriculture vehicle (with Kubota), PACO is strategically positioning itself for future growth beyond the automotive industry.
- **Great Profitability**
 - The company's robust profit margins at 26.7% gross profit margin and 16.5% net profit margins.
- **Effective Cost Management**
 - PACO's focus on automation and process optimization has resulted in strong cost control. With stable aluminum price outlook.

THANK YOU



Please kindly give us your feedback



IR CONTACT

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Tel: 02-8100526-8 ext. 325 or 094-5513097

MANAGEMENT

Khun Tae (Tanest)

084-437-9090

COMPANY HISTORY

- Registered business under the name "President Automobile Industries Co., Ltd."

1991



- Expanding overseas markets by starting with Singapore, Indonesia, Malaysia.

1992



- Expanded overseas markets in North America.

1997

- Expanding the plant "PACO 2" on more than 6,219 square wa of land
- Expanding the market to Japan.

2004



- Entered into a business alliance with one of Japan's largest conglomerates to jointly develop products for the REM market.

2013

- Expand overseas in the Middle East market, South Asia, Europe & Africa

2012

- Received ISO 9001:2008 certified



2007

- Merger with President Sales Co., Ltd.
- Received The 10th Bai Po Business Award by Sasin

2014

- Received ISO 9001:2015 certified
- Expanding overseas market in South Korea

2019



- Expanding the domestic OES market
- Launched Paco AutoHub to promote distributor base

2020



- Listed on the MAI market under the name "PACO".

2021

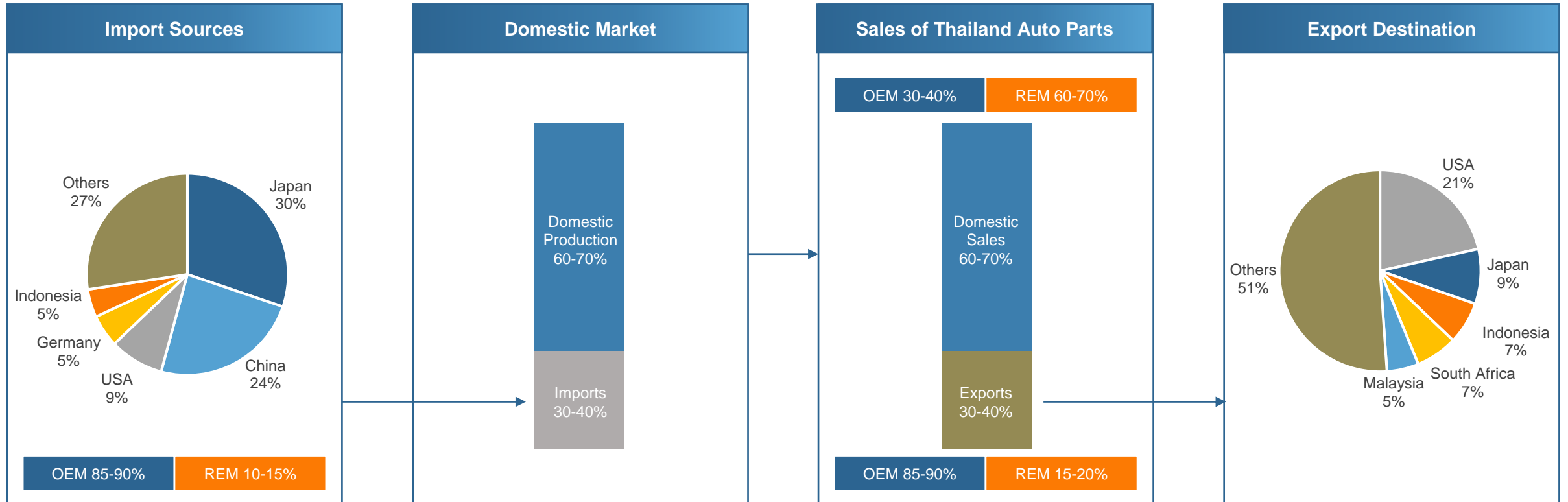


- Enter OEM and first time to secure large OEM customers for passenger car

2022

Thailand Auto Parts Landscape

Thailand Auto Part (2021)



Source : Krungsri Research - Industry Outlook 2023-2025: Auto Parts Industry



30 Years+
Of Experience

Highly experienced management team originated back from 1991 when “President Automobile Industries Co., Ltd.” was established



26 Countries
Of Operation

Strong foothold in Thailand and Abroad with presence in over 26 countries world-wide covering Asia, Europe, Africa, US and Australia



200
Branches
in 45 Provinces
across Thailand

Over 200 branches of **FACOAutoHub** across Thailand selling retail parts to car air-conditioner repair stores



High
Product
Differentiation

PACO has over 2,000 SKUs for Air Conditioner products and over 1,000 SKUs for evaporator products allowing the Company to cover more than 90% existing car models in the market



PACO Factory 1

Factory to produce component parts of condenser/evaporator



Capacity:

- 800 sq. m of office space
- 8,300 sq. m of factory space



PACO HQ and Factory 2

Factory to assemble evaporator, condenser, and hose

Capacity:

- 900 sq. m of office space
- 7,500 sq. m of factory space
- 8,500 sq. m of warehouse space



Domestic Distribution Center

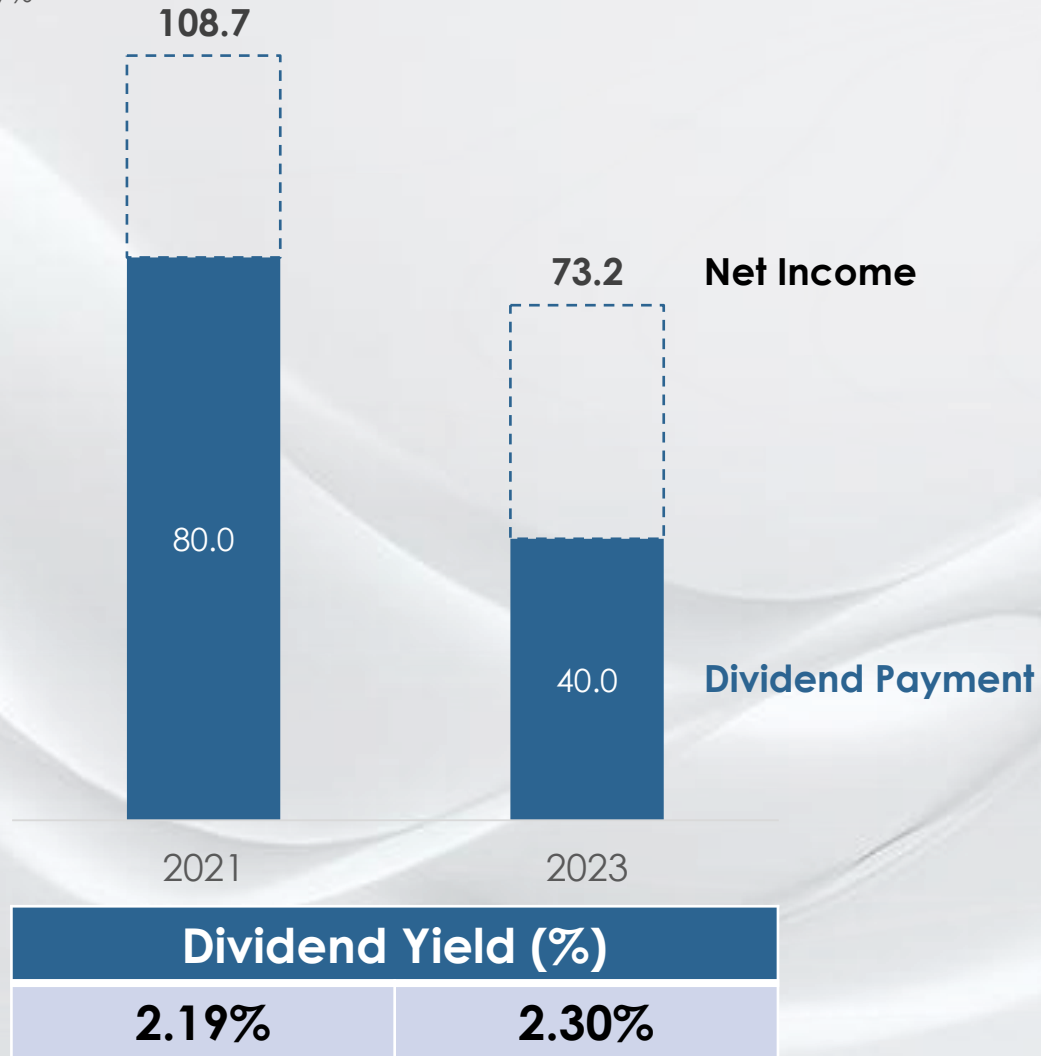
Capacity:

- 400 sq. m of office space
- 2,400 sq. m of warehouse space

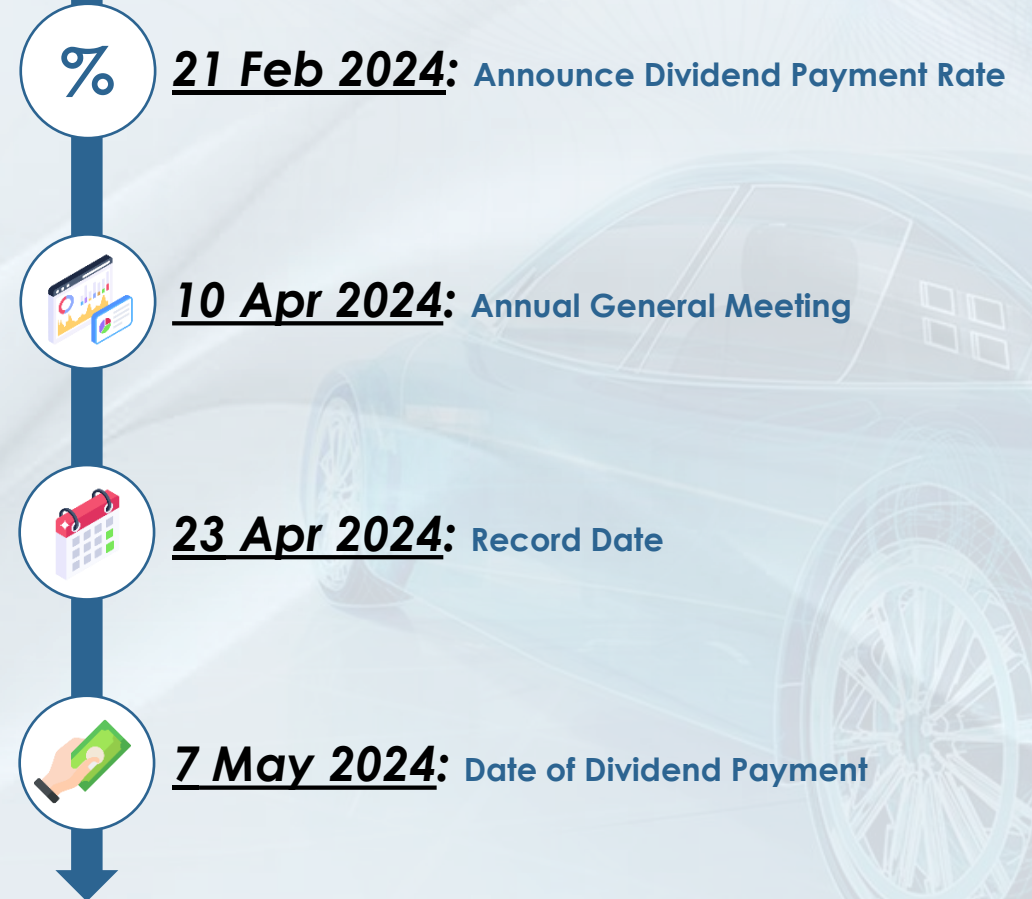
DIVIDEND PAYMENT

PACO Announces to Pay a Dividend of **0.04** Baht per Share*

Unit: Million Baht, %



2024 Timeline



*Note: 2024 Dividend payment from 2023 performance