

Subject: Management Discussion and Analysis for the period from 1 January 2022 to 31 March 2022  
To: President  
The Stock Exchange of Thailand

The 2022 Annual General Meeting of Shareholders of Thai Energy Storage Technology Public Company Limited on 28 April 2022 had approved to amend the Article of Association No.42 RE: Accounting period "The fiscal year of the Company shall commence on 1<sup>st</sup> April and end on 31<sup>st</sup> March of every year" and the Company registered the change with the Department of Business Development Ministry of Commerce. The annual balance closing of first fiscal year after the change of fiscal year will be starting from 1 January 2022 to 31 March 2022 and submitting the financial statements within 2 months from the date of annual balance closing 31 March 2022

Thai Energy Storage Technology Public Company Limited (the "Company" or "3K-BAT") hereby submits consolidated financial information for the period from 1 January 2022 to 31 March 2022 and 2021.

## Operating Results

### Thai Energy Storage Technology Public Company Limited and its subsidiaries

#### Statement of comprehensive income

For the period from January 31 to March 31

Description	2022		2021		Increased ( Decreased)	
	Amount	%	Amount	%	Amount	%
<b>Revenues</b>						
Revenue from sales	1,432.57	100.00%	1,290.32	100.00%	142.25	11.02%
Cost of sales	1,172.20	81.82%	1,007.40	78.07%	164.80	16.36%
<b>Gross Profit Margin</b>	<b>260.37</b>	<b>18.18%</b>	<b>282.92</b>	<b>21.93%</b>	<b>(22.55)</b>	<b>-7.97%</b>
Other Income	4.09	0.29%	3.97	0.31%	0.12	2.97%
Gain on foreign exchange rate	46.55	3.25%	9.27	0.72%	37.28	402.32%
<b>Profit (loss) before finance costs and income tax</b>	<b>311.01</b>	<b>21.71%</b>	<b>296.16</b>	<b>22.95%</b>	<b>14.85</b>	<b>5.01%</b>

## Total Revenues

For the period from 1 January 2022 to 31 March 2022 and 2021, the Company's sales revenues were THB 1,432.57 million and THB 1,290.32 million, respectively increased by THB 142.25 million or 11.02 percent and gain on exchange THB 46.55 million and THB 9.27 million respectively increased by THB 37.28 million due to the baht appreciation from the previous year.

## Cost of Sales and Gross Profit

For the period from 1 January 2022 to 31 March 2022 and 2021, the Company's costs of sales were THB 1,172.20 million and THB 1,007.40 million, respectively increased by THB 164.80 million or 16.36 percent in line with sales. The Company's gross profit margins for the period 2022 and 2021 were equal to 18.18 percent and 21.93 percent consecutively due to the increase of Lead prices from 2021 at \$2,100 per metric ton to \$2,300 per metric ton in 2022.

- Translation -

**Thai Energy Storage Technology Public Company Limited and its subsidiaries**

Statement of comprehensive income

For the period from January 31 to March 31

Description	2022		2021		Increased ( Decreased)	
	Amount	%	Amount	%	Amount	%
Selling expenses	100.19	6.99%	93.76	7.27%	6.43	6.86%
Administrative expenses	123.78	8.64%	149.68	11.60%	(25.90)	-17.30%
Product warranty expenses	2.02	0.14%	2.61	0.20%	(0.59)	-22.58%
Total Expenses	225.99	15.78%	246.05	19.07%	(20.06)	-8.15%
<i>Profit from operating activities</i>	<i>85.02</i>	<i>5.93%</i>	<i>50.12</i>	<i>3.88%</i>	<i>34.90</i>	<i>69.65%</i>
Finance income	0.12	0.01%	0.03	0.00%	0.09	300.00%
Finance costs	(4.66)	-0.33%	(2.67)	-0.21%	(1.99)	74.34%
<i>Profit (loss) before income tax expenses</i>	<i>80.48</i>	<i>5.62%</i>	<i>47.47</i>	<i>3.68%</i>	<i>33.01</i>	<i>69.53%</i>
Income tax (expenses) benefit	(39.75)	-2.77%	(11.40)	-0.88%	(28.35)	248.62%
<b>Profit (loss) for the period</b>	<b>40.73</b>	<b>2.84%</b>	<b>36.07</b>	<b>2.80%</b>	<b>4.66</b>	<b>12.92%</b>
	<i>Million Baht</i>					
<b>Basic earnings (loss) per share</b>	<b>Baht</b>	<b>0.52</b>	<b>0.46</b>		<b>0.06</b>	<b>13.04%</b>

### Selling and administrative expenses

For the period from 1 January 2022 to 31 March 2022 and 2021, selling and administrative expenses was Baht 225.99 million, or accounted for 15.78 % of sales income, compared in the same period of previous year the amount was Baht 246.05 million or accounted for 19.07 % of sales income, decreased by Baht 20.06 million because activities decrease in fixed cost expenses.

### Net Profit

For the period from 1 January 2022 to 31 March 2022 and 2021, the Company's net profits attributable to equity holders of the Company were THB 40.73 million and THB 36.07 million respectively, increased by THB 4.66 million, the Company's earnings per share equals to 0.52 Baht per share and 0.46 Baht per share, as a result of increased other income and decreased selling and administrative expenses.

### Financial Positions

#### Assets

As of 31 March 2022, the Company's total assets were THB 3,956.93 million which increased from the total assets as of 31 December 2021 to THB 0.47 million or 0.01 percent. The main increasing of inventories and account receivable due to the increasing in raw material prices and the Company keep more and decreasing in cash and cash equivalents.

#### Liabilities

As of 31 March 2022, the Company's total liabilities were THB 1,698.23 million, which increased from the liabilities as of 31 December 2021 by to THB 40.26 million or 2.32 percent. Such changes were mainly due to the decreasing in Loan from a related party to THB 72.77 million and eventually the decreasing in income tax payable to THB 38.26 million.

Shareholders' equity

As of 31 March 2022, the shareholders' equity of the Company was equal to THB 2,258.70 million increased from balance as of 31 December 2021 by THB 40.73 million or 1.84 percent, the changes in equity due to net profit for the period ended 31 March 2022.

Liquidity and Appropriateness of Capital Structure

As of 31 March 2022, the Company's cash had Baht 392.97 million, decreased by Baht 164.51 million as compared to 31 December 2021. The Company's current assets/current liabilities ratio had 2.09 time and 2.25 time as compared to 31 December 2021 due to increasing in Current portion of long-term loan from a related party.

As of 31 March 2022, the Company had inventories amounted to Baht 952.54 million, increase by Baht 32.34 million as compared to 31 December 2021 due to increasing of Lead ingot and finish goods.

At of 31 March 2022 and 31 December 2021, the Company's debt/equity ratio was 0.75: 0.78.

Please be informed accordingly.

Yours faithfully,

- Signed -

(Mr. Akihiko Emori)

Chief Executive Officer