

CS-2211019

14th November 2022

Subject: Management Discussion and Analysis for the three-month period ended 30 September 2022
To: President
The Stock Exchange of Thailand

Thai Energy Storage Technology Public Company Limited (the "Company" or "3K-BAT") hereby submits management discussion and analysis for the three-month period ended 30 September 2022 are as follow.

Operating Results

Total Revenues

For the three-month period ended 30 September 2022 and 2021, the Company's sales revenues were THB 1,370.53 million and THB 1,345.64 million, respectively increased by THB 24.89 million or 1.85 percent and gain on exchange THB 26.07 million and THB 39.18 million respectively decreased by THB 13.11 million due to the decreased in export sale.

Cost of Sales and Gross Profit

For the three-month period ended 30 September 2022 and 2021, the Company's costs of sales were THB 1,092.05 million and THB 1,108.04 million, respectively decreased by THB 15.99 million or 1.44 percent. The Company's gross profit margins for the period 2022 and 2021 were equal to 20.32 percent and 17.66 percent respectively due to the Company can control fixed cost better than the same period of previous year.

Selling and administrative expenses

For the three-month period ended 30 September 2022 and 2021, selling and administrative expenses was Baht 212.40 million, or accounted for 15.50 percent of sales income, compared in the same period of previous year the amount was Baht 212.78 million or accounted for 15.81 percent of sales income, decreased by Baht 0.38 million.

Net Profit

For the three-month period ended 30 September 2022 and 2021, the Company's net profits attributable to equity holders of the Company were THB 79.03 million and THB 50.52 million respectively, increased by THB 28.51 million, the Company's earnings per share equals to 1.01 Baht per share and 0.64 Baht per share, as a result of increased gain on exchange rate and decreased of cost of goods sold.

Financial Positions

Assets

As of 30 September 2022, the Company's total assets were THB 3,942.63 million which decreased from the total assets as of 31 March 2022 to THB 14.30 million or 0.36 percent. The main decreasing of cash and cash equivalents.

Liabilities

As of 30 September 2022, the Company's total liabilities were THB 1,553.23 million, which decreased from the liabilities as of 31 March 2022 by to THB 145 million or 8.54 percent. Such changes were mainly due to the decreasing in Loan from a related party to THB 74.28 million, Trade and other payables to THB 54.82 million.

Shareholders' equity

As of 30 September 2022, the shareholders' equity of the Company was equal to THB 2,389.40 million increased from balance as of 31 March 2022 by THB 130.70 million or 5.79 percent, the changes in equity due to net profit for the period ended 30 September 2022 and dividend paid to THB 24.30 million.

Liquidity and Appropriateness of Capital Structure

As of 30 September 2022, the Company's cash had THB 310.14 million, decreased by THB 82.83 million as compared to 31 March 2022. The Company's current assets/current liabilities ratio had 2.22 time and 2.09 time as compared to 31 March 2022 due to increasing in input tax refundable.

As of 30 September 2022, the Company had inventories amounted to THB 963.84 million, increase by Baht 11.30 million as compared to 31 March 2022 due to increasing in line with sale volume.

At of 30 September 2022 and 31 March 2022, the Company's debt/equity ratio was 0.65: 0.75.

Please be informed accordingly.

Yours faithfully,

- Signed -

(Mr. Akihiko Emori)
Chief Executive Officer