

Subject Management Discussion & Analyst for 3-month and 6-month period ended 30th June 2023

To Managing Director
The Stock Exchange of Thailand

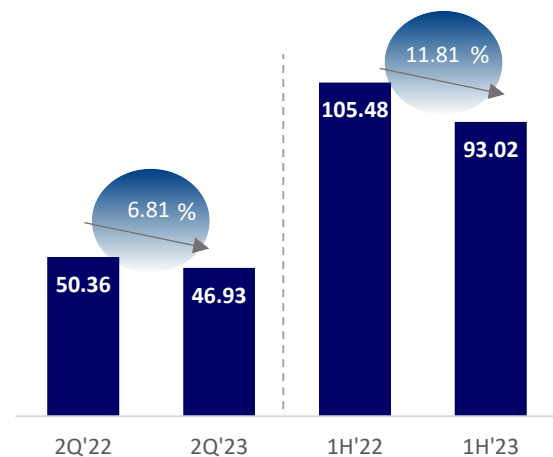
Premier Tank Corporation Plc. ("the Company") would like to reveal performance and financial status for 3-month and 6-month period ended 30th June 2023 as the following;

Performance for 3-month period ended 30th June 2023

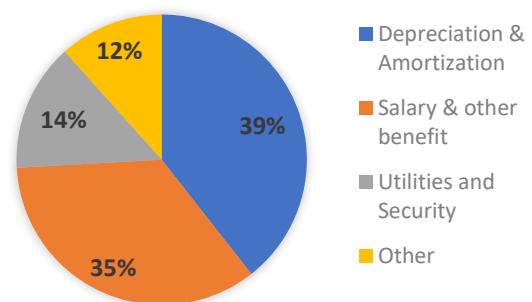
Revenue

In the second quarter of 2023 proportion of the company's revenue came from Khon Kaen Oil Depot 75%, Sisaket Oil Depot 25%, and the amount of diesel fuel distribution 66%, gasoline group 34%. In the second quarter of 2023, total revenue was Baht 46.93 million which decrease for Baht 3.43 million or 6.81% compared to the second quarter of 2022. Because the company has been affected by the government's various measures. To alleviate the high cost of living from the rising energy price crisis, i.e. (1) All 3 diesel products (B20, B10, B7) are assigned to use biodiesel blended at the same rate temporarily, making all oil products of equal quality. (2) measures to reduce excise tax collection on diesel fuel together with the oil fund mechanism, fixing the price not exceeding 35 baht and having the same retail price of diesel for all products except Premium Diesel. Due to the above reasons, the variety of diesel products has decreased, so consumers have switched to B7 diesel as the main cause, resulting in gas station owners having more options to use other oil depot services.

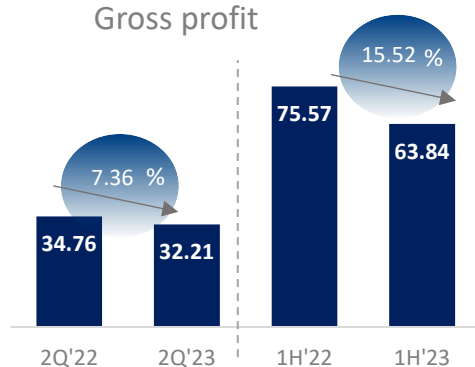
Rental and services income



Cost and Rental Service

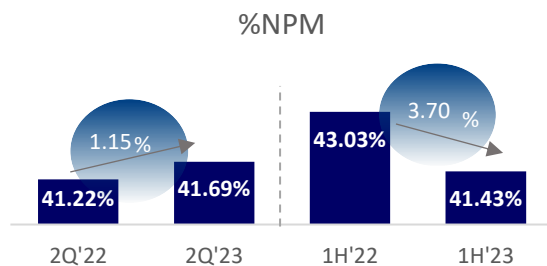
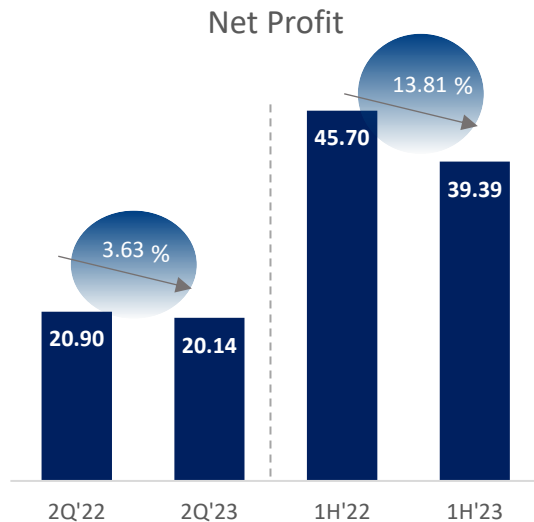


Gross profit



Gross Profit

In the second quarter of 2023, the company had gross profit of Baht 32.21 million which decrease for Baht 2.56 million or 7.36% mainly from a decrease in revenue. This is because most of the company's service costs are fixed costs which consist of depreciation 39%, salary 35%, utilities expenses and security expenses 14% and other expenses 12%. In the second quarter of 2023, the company has gross profit margin of 68.62%



Net Profit and Net Profit Margin

In the second of quarter of 2023 the Company's net profit is accounted for Baht 20.14 million reduced by Baht 0.76 million or 3.63% % from the same quarter of last year mainly due to:

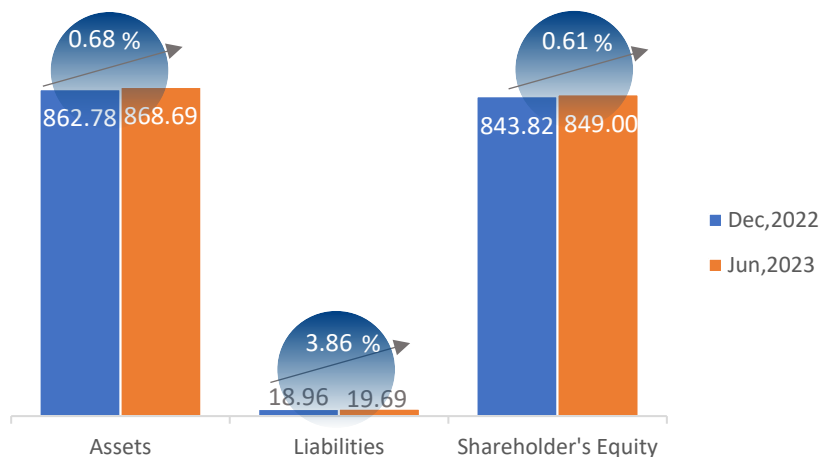
- Revenue decreased by Baht 3.43 million or 6.81% due to the decrease in the volume of oil distribution at the Sisaket Oil Depot
- Interest income increased by Baht 1.03 million or 303.01% by bringing some cash to a 3-month fixed deposit with a commercial bank to receive higher returns than savings rates.
- Cost of services decreased by Baht 0.87 million or 5.58% due to decrease in the cost of improving the retaining wall to prevent soil subsidence and tank calibration every 5 years according to the period specified by law which has already been implemented in 2022.
- Administrative expenses decreased by Baht 0.61 million or 6.67% due to in consulting and public relations fees to increase the company's reputation to support the listing on the Stock Exchange of Thailand.

However, the company has controlled expenses and increased short-term returns for cash prepared to invest in projects under investment feasibility study, resulting in the company's net profit margin in the second quarter of 2023 41.69%, an increase of 0.47 or 1.14% from the same quarter last year.

Performance for 6-month period ended 30th June 2023

In the six-month period of 2023, the Company reported a net profit of Baht 39.39 million, a decrease of Baht 6.31 million or 13.81% from the decrease in revenue according to the volume of oil distribution at the Sisaket Depot in the amount of 12.46 million baht, due to the impact of various measures, the government's efforts to reduce the energy cost of living of the people is higher, whether it is reducing the mixture of biodiesel that is currently more expensive than the price of diesel. To reduce the cost of diesel oil, together with the fuel fund mechanism, to support the retail price of diesel oil not exceeding 35 baht per liter by requiring that all 3 types of diesel products (B20, B10, B7) be blended with biodiesel at equal rates together temporarily as a result, every product has the same quality and retail price at service stations. Consumer behavior has therefore switched to B7 diesel, which is of higher quality and has a higher price than B20 and B10. Therefore, the advantages of Sisaket Oil depot have decreased, and gas station owners have more options to use other oil depot services. However, the company controls the cost of service according to the plan and deposits some of the remaining cash from normal operations for 3 months with a commercial bank to receive a higher return than the savings interest rate. As a result, the gross profit margin and net profit margin slightly decreased from 69.94% in 2022 to 68.64% and 42.11% to 41.43% in the first 6 months of 2023, respectively.

Statement of Financial Position as at 30th June 2023



Assets

Total assets as at 30th June 2023 amounting to Baht 868.69 million, increase by Baht 5.91 million or 0.68% from 31st December 2022 are mainly from:

- o Cash and cash equivalents increase by Baht 19.59 million or 7.02% from cash from operating activities.
- o Building and equipment decreased by Baht 11.33 million came from acquisition of office equipment amounting to Baht 0.27 million and recognition of depreciation and amortization in the first half amounting to Baht 11.59 million.

Liabilities

Total liabilities as at 30th June 2023 amounting to Baht 19.69 million, increase by Baht 0.73 million or 3.86% from 31st December 2022 are mainly from:

- o Trade and other payables decrease by Baht 0.85 million due to payment of payables and accrued bonuses.
- o Corporate income tax payable increased by Baht 0.20 million.
- o Employee benefit obligations and Deferred tax liabilities increased by Baht 1.49 million from employee benefits and remeasurements of post-employment benefits recognized in the statement of other comprehensive income.

Shareholder's Equity

Total shareholders' equity on 30th June 2023 was Baht 849.00 million which increased for Baht 5.18 or 0.61% from 31st December 2022, mainly due to an increase in net profit for the first half of 2023 in the amount of Baht 39.39 million, loss from remeasurement of employee benefits after income tax amounting to Baht 0.60 million and decrease from dividends paid of Baht 33.62 million.

Please be informed accordingly.

Sincerely Yours,
===Phattaya Ngowsakul===

(Ms.Phattaya Ngowsakul)
Chief Financial Officer