

Subject: Management Discussion and Analysis for the three-month ended 30 September 2023
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 Quarter ended 30rd September 2023

Total Revenues

For the three-month period ended 30 September 2023 and 2022, the Company's sales revenues were THB 1,258.47 million and THB 1,370.53 million, respectively decreased by THB 112.06 million or 8.18 percent due to the baht depreciation from the previous year, which effected exports sale.

Cost of Sales and Gross Profit

For the three-month period ended 30 September 2023 and 2022, the Company's costs of sales were THB 1,064.82 million and THB 1,092.05 million, respectively decreased by THB 27.23 million or 2.49 percent. The Company's gross profit margins for the year 2023 and 2022 compared in the same period of previous 15.39 percent and 20.32 percent respectively due to decrease for gross profit 4.94 percent due to the depreciation of the baht. As a result, the price of imported Lead was higher than the previous year.

Selling and administrative expenses

For the three-month period ended 30 September 2023 and 2022, selling and administrative expenses was THB 215.03 million, or accounted for 17.09 percent of sales income, compared in the same period of previous year the amount was THB 212.41 million or accounted for 15.50 percent of sales income.

Selling and administrative expenses compared to the same period last year was increased by THB 2.62 million. Selling expenses was increased by THB 15.90 million because the excise tax, promotion expense and shipping cost of domestic, but administrative expenses was decreased by THB 13.27 million due to the decrease in fixed expense.

Net Profit

For the three-month period ended 30 September 2023 and 2022, the Company's net profits (loss) attributable to equity holders of the Company were THB (10.03) million and profit THB 79.03 million respectively, decreased by THB 89.06 million. The Company's profit (loss) per share equals to THB (0.128) per share and profit THB 1.008 per share, due to decrease in gross profit margins and gain for exchange rate THB 11.48 million.

Financial Positions

Assets

As of 30 September 2023, the Company's total assets were THB 3,701.29 million which was decreased from the total assets as of 31 March 2023 to THB 142.70 million or 3.71 percent mainly due to the decrease of VAT refundable, Prepaid expense and others current asset.

Liabilities

As of 30 September 2023, the Company's total liabilities were THB 1,371.60 million, which was decreased from the liabilities as of 31 March 2023 to THB 112.10 million or 7.56 percent. Such changes were mainly due to repayment for long term loan 140.15 THB million, but there was the increase THB 32.63 million in trade and other payables.

Shareholders' equity

As of 30 September 2023, the shareholders' equity of the Company was equal to THB 2,329.69 million decreased from balance as of 31 March 2023 by THB 30.59 million or 1.30 percent. The changes in equity were due to the THB 10.99 million Loss for the year 2023.

Liquidity and Appropriateness of Capital Structure

As of 30 September 2023, the Company's cash had THB 705.89 million, increased by THB 95.83 million as compared to 31 March 2023. The Company's current assets/current liabilities ratio had 2.13 times and 2.29 times as compared to 31 March 2023 due to decreasing in long term loan.

As of 30 September 2023, the Company had Trade and other receivables amounted to THB 495.81 million, decreased by THB 4.89 million as compared to 31 March 2023 due to decreasing in outstanding account receivable for export sale.

As of 30 September 2023, and 31 March 2023, the Company's debt/equity ratio was 0.59: 0.63.

Please be informed accordingly.

Yours faithfully,

- Signed -

(Mr. Akihiko Emori)
Chief Executive Officer