

Subject: Management Discussion and Analysis for the three-month period ended 31 December 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 31st December 2023

Total Revenues

For the three-month period ended 31 December 2023 and 2022, the Company’s sales revenues were THB 1,217.74 million and THB 1,181.01 million, respectively increased by THB 36.73 million or 3.11 percent due to the Company can adjust the domestic selling price in relation to the increased cost of sales.

Cost of Sales and Gross Profit

For the three-month period ended 31 December 2023 and 2022, the Company’s costs of sales were THB 1,011.81 million and THB 989.71 million, respectively increased by THB 22.10 million or 2.23 percent. The Company’s gross profit margins for the year 2023 and 2022 compared in the same period of previous 16.91 percent and 16.20 percent respectively due to decrease for gross profit 0.71 percent.

Selling and administrative expenses

For the three-month period ended 31 December 2023 and 2022, selling and administrative expenses were THB 227.37 million, or accounted for 18.67 percent of sales income, compared in the same period of previous year the amount were THB 213.19 million or accounted for 18.05 percent of sales income, increase for selling expense and administrative expense compare in the same period of previous THB 14.18 million due to the increase in administrative expense THB 15.50 million from IT infrastructure services fee and impairment of asset compare in the same period of previous. However, the Company decreased for selling expense THB 7.63 million due to export delivery expense decreased in relation to the decrease of export sales.

Net Profit

For the three-month period ended 31 December 2023 and 2022, the Company’s net profits (loss) attributable to equity holders of the Company were THB (23.40) million and profit THB (30.61) million respectively, decreased by THB 7.21 million. The Company’s profit (loss) per share equals to THB (0.298) per share and profit THB (0.390) per share, due to increase in gross profit margins.

Financial Positions

Assets

As of 31 December 2023, the Company's total assets were THB 3,722.61 million which decreased from the total assets as of 31 March 2023 to THB 121.38 million or 3.16 percent mainly due to the decrease of Vat refundable, Prepaid expense and other current asset.

Liabilities

As of 31 December 2023, the Company's total liabilities were THB 1,415.51 million, which decreased from the liabilities as of 31 March 2023 to THB 68.19 million or 4.60 percent. Such changes were mainly due to repayment for long term loan THB 140.15 million, but it's had the increase from trade and other payables to THB 93.60 million.

Shareholders' equity

As of 31 December 2023, the shareholders' equity of the Company was equal to THB 2,307.10 million decreased from balance as of 31 March 2023 by THB 53.18 million or 2.25 percent. The changes in equity were THB 33.59 million due to the net profit for the nine-month period of year 2023.

Liquidity and Appropriateness of Capital Structure

As of 31 December 2023, the Company's cash had THB 699.81 million, increased by THB 89.75 million as compared to 31 March 2023. The Company's current assets/current liabilities ratio had 2.08 time and 2.29 time as compared to 31 March 2023 due to decreasing in long term loan.

As of 31 December 2023, the Company had Trade and other receivables amounted to THB 467.20 million, decrease by THB 33.50 million as compared to 31 March 2023 due to decreasing in outstanding account receivable for export sale.

As of 31 December 2023, and 31 March 2023, the Company's debt/equity ratio was 0.61: 0.63.

Please be informed accordingly.

Yours faithfully,

- Signed -

(Mr. Akihiko Emori)
Chief Executive Officer