



8 May 2024

Subject: Management Discussion and Analysis (MD&A) for the first quarter of 2024 (Q1 24)

Attn: President
The Stock Exchange of Thailand

Power Solution Technologies Public Company Limited (“the Company”) would like to clarify the operating results of the Company and its subsidiaries (“the Group”) for the first quarter of 2024 (Q1 24) as follows:

Unit: Million Baht

Profit and Loss	Consolidated financial statements					
	Q1 24	%	Q1 23	%	Change	% Change
Revenue from sales and service	406.4	100.0%	461.5	100.0%	(55.1)	-11.9%
Cost of sales and service	(314.8)	-77.5%	(415.8)	-90.1%	(100.9)	-24.3%
Gross profit	91.5	22.5%	45.7	9.9%	45.8	100.1%
Other income	23.3	5.7%	13.1	2.8%	10.2	77.8%
Selling and administrative expenses	(40.7)	-10.0%	(33.8)	-7.3%	6.9	20.4%
Profit (Loss) from operation	74.1	18.2%	25.0	5.4%	49.1	196.2%
Share of loss from investment in joint venture	(4.3)	-1.1%	(6.8)	-1.5%	(2.5)	-36%
Finance income	2.3	0.6%	0.2	0.0%	2.1	1058.8%
Finance cost	(28.9)	-7.1%	(25.3)	-5.5%	3.6	14.3%
Profit (Loss) before tax	43.2	10.6%	(6.9)	-1.5%	50.0	728.4%
Income tax expense (revenue)	(13.9)	-3.4%	(2.5)	-0.5%	11.4	455.8%
Profit (Loss) for the period from continuing operations	29.3	7.2%	(9.4)	-2.0%	38.6	412.5%
Profit (Loss) after tax for the period from discontinued operation	(2.0)	-0.5%	(2.8)	-0.6%	0.8	29.2%
Profit (Loss) for the period	27.3	6.7%	(12.2)	-2.6%	39.5	324.3%

Analysis of the Group's performance

The Group reported net Profit for Q1 24 amounting to 27.3 MB increasing 324.3% compared to Q1 23 because of the increase in gross margin of 45.8 MB, significantly derived from construction service. However, the Group had higher finance cost amounting to 3.6 MB because of the rise in the interest rate of debentures issued and sold during this quarter, which was in line with the market interest rate.



Revenue structure and gross profit margin

	Consolidated financial statements					
	Q1 24	%	Q1 23	%	Change	% Change
Sales income	287.8	70.8%	346.9	75.2%	(59.1)	-17.0%
Service income	0.3	0.1%	0.8	0.2%	(0.5)	-58.6%
Sales of electricity income	33.9	8.4%	33.9	7.3%	0.0	0.1%
Revenue from construction service	84.3	20.7%	79.9	17.3%	4.4	5.5%
Total revenue	406.4	100.0%	461.5	100.0%	(55.1)	-11.9%

Revenue of the Group during Q1 24 decreased from Q1 23 by 55.1 MB, mainly from sales income decreased because Selling price of LNG products decreased in line with costs of product. The average selling price for Q1 24 of LNG was lower than that of Q1 23 by 22%. The revenue of construction service of 84.3 MB increasing 5.5% compared to Q1 23.

The gross profit margin percentage for Q1 24 was 22.5%, increased significantly from Q1 23 due to the Group recognized gross profit of EPC construction.

Analysis of the Group's Financial Position

Statement of financial position	Consolidated financial statements					
	31 Mar 24	%	31 Dec 23	%	Change	% Change
Current assets	1,310.6	17.1%	892.00	12.0%	418.6	46.9%
Non-current assets	6,353.5	82.9%	6,514.2	88.0%	(160.7)	-2.5%
Total assets	7,664.1	100.0%	7,406.2	100.0%	257.9	3.5%
Current liabilities	1,760.2	23.0%	1,603.8	21.7%	156.4	9.8%
Non-current liabilities	679.4	8.9%	343.2	4.6%	336.2	98.0%
Total liabilities	2,439.6	31.8%	1,947.0	26.3%	492.6	25.3%
Total shareholders' equity	5,224.5	68.2%	5,459.2	73.7%	(234.7)	-4.3%
Total liabilities and shareholders' equity	7,664.1	100.0%	7,406.2	100.0%	257.9	3.5%

Total assets

As of 31 March 2024, the Group had total assets of 7,664.1 MB, increasing by 257.9 MB or 3.5% compared to that as of 31 December 2023, because of the following reasons:

- The increase in cash and cash equivalent by 433.6 MB.
- The increase in long-term loans to a related party by 85.1 MB.



- The decrease in investment in a joint venture by 266.3 MB. The joint venture recognized loss from change in fair value of hedging instrument (cross currency interest rate swap) in other comprehensive income.

Total liabilities

As of 31 March 2024, the Group had total liabilities of 2,439.6 MB, increasing by 492.6 MB or 25.3% compared to that as of 31 December 2023, because of the following reasons:

- The increase in bank overdrafts, short-term loans from banks and short-term loans from non-related party by 176.3 MB used as working capital.
- The increase in debentures by 316.5 MB was a result of the issued and sold new debentures in February 2024 amounting to 332 MB. A new debentures was used for repayment of the previous debentures.

Please be informed accordingly,

Sincerely yours,

Mrs. Jira Chamnandet

Chief Financial Officer