



14 August 2024

Subject: Management Discussion and Analysis (MD&A) for the second quarter of 2024 (Q2 24) and for the six-month period ended 30 June 2024 (6M 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 second quarter of 2024 (Q2 24) and for the six-month period ended 30 June 2024 (6M 24).

Unit: Million Baht

Statement of comprehensive income	Consolidated financial statements						Consolidated financial statements					
	Q2 24	%	Q2 23	%	Change	%Change	6M 24	%	6M 23	%	Change	%Change
Sales income	261.3	78.6%	308.6	84.7%	(47.3)	-15.3%	549.1	74.3%	655.5	79.4%	(106.4)	-16.2%
Service income	2.1	0.6%	1.0	0.3%	1.1	109.6%	2.4	0.3%	1.8	0.2%	0.6	33.5%
Sales of electricity income	32.3	9.7%	32.9	9.0%	(0.7)	-2.0%	66.2	9.0%	66.9	8.1%	(0.7)	-1.0%
Revenue from construction service	36.8	11.1%	21.9	6.0%	14.9	68.0%	121.1	16.4%	101.8	12.3%	19.3	19.0%
Total revenue	332.5	100.0%	364.5	100.0%	(32.0)	-8.8%	738.8	100.0%	826.0	100.0%	(87.1)	-10.6%
Total cost	(280.9)	-84.5%	(333.1)	-91.4%	52.1	15.7%	(595.8)	-80.6%	(748.9)	-90.7%	153.1	20.4%
Gross profit margin	51.5	15.5%	31.4	8.6%	20.2	64.3%	143.0	19.4%	77.1	9.3%	66.0	85.6%
Other income	15.1	4.5%	13.6	3.7%	1.5	11.0%	38.4	5.2%	26.8	3.2%	11.6	43.4%
Selling and administrative expenses	(64.6)	-19.4%	(45.5)	-12.5%	19.1	42.0%	(105.3)	-14.3%	(79.4)	-9.6%	26.0	32.7%
Share of loss from investment in joint venture	6.1	1.8%	(5.3)	-1.5%	(11.4)	-213.2%	1.7	0.2%	(12.1)	-1.5%	(13.8)	-114.1%
Finance income	4.0	1.2%	0.5	0.1%	3.5	648.9%	6.3	0.9%	0.7	0.1%	5.6	833.6%
Finance cost	(31.5)	-9.5%	(23.9)	-6.6%	7.6	31.7%	(60.4)	-8.2%	(49.2)	-6.0%	11.2	22.8%
Income tax revenue (expense)	1.1	0.3%	(0.9)	-0.2%	(2.0)	-227.1%	(12.8)	-1.7%	(3.4)	-0.4%	9.3	273.4%
Profit (Loss) for the period from continuing operations	(18.3)	-5.5%	(30.2)	-8.3%	11.8	39.2%	11.0	1.5%	(39.5)	-4.8%	50.5	127.7%
Profit (Loss) after tax for the period from discontinued operations	(1.4)	-0.4%	(3.0)	-0.8%	1.6	52.8%	(3.4)	-0.5%	(5.9)	-0.7%	2.5	41.9%
Profit (Loss) for the period	(19.8)	-5.9%	(33.2)	-9.1%	13.4	40.5%	7.5	1.0%	(45.4)	-5.5%	53.0	116.6%

Analysis of the Group's Performance

For the second quarter of 2024, the Group had a net loss of 19.8 million baht. The net loss decreased by 13.4 million baht from the same period of the previous year. The main change was due to a decrease in the share of profit (loss) from investments in joint ventures of 11.4 million baht.

For the first 6 months of 2024, the Group had a net profit of 7.5 million baht, an increase of 53 million baht from the same period of the previous year, mainly due to higher gross profit of 66 million baht, mainly from the construction business group. In addition, the share of loss from investment in joint ventures decreased by 13.8 million baht. However, the Group had higher finance costs of 11.2 million baht, mainly due to higher interest rates, in line with changes in market interest rates.



Revenue structure and gross profit margin

Unit: Million Baht	Consolidated financial statements						Consolidated financial statements					
	Q2 24	%	Q2 23	%	Change	%Change	6M 24	%	6M 23	%	Change	%Change
Sales income	261.3	78.6%	308.6	84.7%	(47.3)	-15.3%	549.1	74.3%	655.5	79.4%	(106.4)	-16.2%
Service income	2.1	0.6%	1.0	0.3%	1.1	109.6%	2.4	0.3%	1.8	0.2%	0.6	33.5%
Sales of electricity income	32.3	9.7%	32.9	9.0%	(0.7)	-2.0%	66.2	9.0%	66.9	8.1%	(0.7)	-1.0%
Revenue from construction service	36.8	11.1%	21.9	6.0%	14.9	68.0%	121.1	16.4%	101.8	12.3%	19.3	19.0%
Total revenue	332.5	100.0%	364.5	100.0%	(32.0)	-8.8%	738.8	100.0%	826.0	100.0%	(87.1)	-10.6%

The Group's revenue for the second quarter of 2024 was 261.3 million baht and for the first 6 months of 2024 was 549.1 million baht, down from the same period of the previous year, which was down from revenue from sales of fuel products for household and commercial sectors.

The main reason for the decrease is because the company has cancelled Section 7 and has been granted permission to be an oil trader under Section 10 of the Fuel Trade Act B.E. 2543 (2000), liquefied petroleum gas category, distributing to 2 customer groups: the industrial sector and the automotive sector.

The Group's construction revenue for the second quarter of 2024 was 36.8 million baht and for the first 6 months of 2024 was 121.1 million baht, an increase from the same period of the previous year. The main reason was the recognition of additional revenue from projects that were completed.

Unit: Million Baht	Consolidated financial statements						Consolidated financial statements					
	Q2 24	%	Q2 23	%	Change	%Change	6M 24	%	6M 23	%	Change	%Change
Cost of sales	249.3	95.4%	297.4	96.4%	(48.1)	-16.2%	521.9	95.0%	631.3	96.3%	(109.4)	-17.3%
Cost of services	0.2	8.5%	0.4	44.2%	(0.3)	-59.5%	0.4	15.7%	0.9	51.2%	(0.5)	-59.0%
Cost of electricity sold	11.8	36.5%	11.7	35.5%	0.1	0.6%	24.7	37.2%	23.7	35.4%	1.0	4.1%
Cost of from construction service	19.7	53.5%	23.6	107.6%	(3.9)	-16.4%	48.9	40.3%	93.0	91.4%	(44.1)	-47.5%
Total cost	280.9	84.5%	333.1	91.4%	(52.1)	-15.7%	595.8	80.6%	748.9	90.7%	(153.1)	-20.4%

The Group's gross profit margin for the second quarter of 2024 was 15.5 percent and for the first 6 months of 2024 was 19.4 percent, an increase from the same period of the previous year, mainly due to the construction business group recognizing additional revenue from completed projects.

Selling and Administrative Expenses

Selling and administrative expenses of the Group in the second quarter of 2024 increased from the same period of the previous year, mainly due to the provision for doubtful accounts from debtors in the Group, which is considered as administrative expenses in the consolidated financial statements.

Share of profit (loss) from investment in joint ventures

Share of profit (loss) from investment in joint ventures represents the share of profit (loss) from the operations of Thai Pipeline Network Co., Ltd. ("TPN"), which operates an oil pipeline transportation business. TPN's operating results for the second quarter of 2024 showed a share of profit of 6.1 million baht from the recognition of gains from the measurement of fair value of derivative instruments (interest rate and foreign exchange swap contracts).



Analysis of the Group's Financial Position

Unit: Million Baht

Statement of financial position	Consolidated financial statements					
	30-06-24	%	31-12-23	%	Change	%Change
Current assets	1,336.7	17.2%	892.0	12.0%	444.7	49.8%
Non-current assets	6,449.2	82.8%	6,514.2	88.0%	(65.0)	-1.0%
Total assets	7,785.8	100.0%	7,406.2	100.0%	379.6	5.1%
Current liabilities	1,373.8	17.6%	1,603.8	21.7%	(230.0)	-14.3%
Non-current liabilities	662.1	8.5%	343.2	4.6%	318.9	92.9%
Total liabilities	2,035.9	26.1%	1,947.1	26.3%	88.8	4.6%
Total shareholders' equity	5,750.0	73.9%	5,459.2	73.7%	290.8	5.3%
Total liabilities and shareholders' equity	7,785.8	100.0%	7,406.2	100.0%	379.6	5.1%

Total assets

As of June 30, 2024, the Group had total assets of 7,785.8 million baht, an increase of 379.6 million baht or 5.1 percent compared to December 31, 2023, mainly resulting from an increase in temporary investments of 446.8 million baht.

Total liabilities

As of June 30, 2024, the Group had total liabilities of THB 2,035.9 million, an increase of THB 88.8 million or 4.6 percent compared to December 31, 2023, mainly resulting from an increase in overdrafts, short-term loans from banks and short-term loans from unrelated businesses totaling THB 147.8 million.

Total shareholders' equity

As of June 30, 2024, there was an amount of 5,750 million baht, an increase of 290.8 million baht or 5.3 percent compared to December 31, 2023, due to the Company having a profit from operations during the period.

Please be informed accordingly,

Sincerely yours,

Ms. Katsama Arome
Chief Financial Officer