

Subject Management Discussion & Analyst for Operating of the Second quarter and six-month period ended 30th June 2024

**To Managing Director
The Stock Exchange of Thailand**

Premier Tank Corporation Public Company Limited ("the Company") would like to reveal performance and financial status of the Company and its subsidiaries for three-month and six-month period ended 30th June 2024 as the following;

Performance

(Unit : Million Baht)

Consolidated Statement of Comprehensive Income *	Q2/24	Q2/23	CHANGE		1H/24	1H/23	CHANGE	
			MB.	%			MB.	%
Rental and services income	40.96	46.93	(5.98)	(12.74%)	80.27	93.02	(12.75)	(13.70%)
Costs of rental and services	14.26	14.73	(0.47)	(3.18%)	28.25	29.17	(0.92)	(3.16%)
Gross profit	26.70	32.21	(5.51)	(17.11%)	52.02	63.84	(11.82)	(18.52%)
Other income	0.09	0.13	(0.04)	(31.11%)	0.17	0.25	(0.08)	(31.51%)
Profit before expenses	26.79	32.34	(5.55)	(17.16%)	52.19	64.09	(11.90)	(18.57%)
Administrative expenses	8.72	8.55	0.17	1.94%	18.30	16.94	1.36	8.03%
Profit from operating activities	18.07	23.79	(5.72)	(24.03%)	33.89	47.15	(13.26)	(28.13%)
Finance income	2.01	1.24	0.77	61.84%	4.04	1.80	2.24	124.22%
Finance costs	0.06	0.05	0.01	23.51%	0.11	0.09	0.02	22.84%
Profit before income tax expense	20.03	24.98	(4.96)	(19.84%)	37.81	48.86	(11.05)	(22.61%)
Tax expense	3.86	4.84	(0.99)	(20.41%)	7.27	9.47	(2.20)	(23.21%)
Profit for the period	16.17	20.14	(3.97)	(19.71%)	30.54	39.39	(8.85)	(22.47%)
Earning per share (Baht : Share)	0.04	0.05			0.07	0.10		

*The Company established a subsidiary on 19 January 2024 and therefore prepared consolidated financial statements for the first time in the period 31 March 2024.

Revenue

For the second quarter ended 30 June 2024, the Company and its subsidiaries earned the total revenue by 40.96 million baht, decreased by 5.98 million baht or 12.74% as compared to the same period of last year which incurred the total revenue by 46.93 million baht. For the six-month period ended 30 June 2024, the Company and its subsidiaries earned the total revenue by 80.27 million baht, decreased by 12.75 million baht or 13.70% as compared to the same period of last year which incurred the total revenue by 93.02 million baht. This was mainly due to a decrease in the volume of oil supplies that contracted in line with the economic situation in the northeastern region, resulting in demand for oil use in the transportation sector decreased and the impact from the government t that specifies that all three types of diesel fuel have the same quality and retail price for all products, reducing the advantage of the Sisaket Oil depot.

Cost of rental and services

For the second quarter and six-month period ended 30 June 2024, cost of rental and services was reported at 14.26 million baht, decreased by 0.47 million baht or 3.18% and 28.25 million baht, decreased by 0.92 million baht or 3.16% respectively as compared to the same period of last year. Due to the cost of the company's services most are fixed costs, consisting of 40% depreciation, 35% salary, 13% utility and security expenses, and 12% other expenses. Therefore, a decrease in service costs will be a variable cost in line with the decrease in the amount of fuel supply, i.e. a decrease in overtime and electricity costs.

Administrative expenses

For the second quarter and six-month period ended 30 June 2024, the administrative expense was 8.72 million baht, increased by 0.17 million baht or 1.94% and 18.30 million baht, increased by 1.36 million baht or 8.03% respectively as compared to the same period for last year. This was mainly due to the loss from the amortization of the concrete yard of the Khon Kaen oil depot in the first quarter of 1.33 million baht. Due to the partial damage to the concrete yard at the oil transport parking lot waiting for the service of the oil depot on the loading side, the company repaired it by demolishing the damaged concrete yard and making a new concrete slab. This repair is a damaged part in a limited area and is not a regular expense that needs to be repaired every year.

Financial income

For the second quarter and six-month period ended 30 June 2024, the financial income was 2.01 million baht, increased by 0.77 million baht or 61.84% and 4.04 million baht, increased by 2.24 million baht or 124.22% respectively as compared to the same period for last year from the increase in interest rates.

Net profit

For the second quarter ended 30 June 2024, the Company and its subsidiaries earned the net profit by 16.17 million baht, decreased by 3.97 million baht or 19.71% as compared to the same period of last year which incurred the net profit by 20.14 million baht. For the six-month period ended 30 June 2024, the Company earned the net profit by 30.54 million baht, decreased by 8.85 million baht or 22.47% as compared to the same period of last year. This was mainly due to a decrease in gross profit which decreased due to decreased revenue and an increase in other administrative expenses that did not occur on an annual basis due to losses from the amortization of partially damaged concrete pavements. However, to compensate for the decrease in income and reduce the risk of investing money in other assets, the Company puts some cash in short-term fixed deposits with commercial banks to receive returns higher than savings interest rates.

Financial position

(Unit : Million Baht)	30 Jun 24	%	31 Dec 23	%	CHANGE	
					MB.	%
ASSETS						
Current assets	393.44	43.42%	382.17	42.21%	11.27	2.95%
Non-current assets	512.78	56.58%	523.22	57.79%	(10.43)	(1.99%)
TOTAL ASSETS	906.22	100.00%	905.38	100.00%	0.84	0.09%
LIABILITIES AND SHAREHOLDERS' EQUITY						
Current liabilities	13.72	1.51%	14.95	1.65%	(1.22)	(8.18%)
Non current liabilities	5.99	0.66%	5.72	0.63%	0.27	4.65%
TOTAL LIABILITIES	19.71	2.18%	20.67	2.28%	(0.96)	(4.63%)
Share capital - common shares	205.00	22.62%	205.00	22.64%	0.00	0.00%
Share premium	313.36	34.58%	313.36	34.61%	0.00	0.00%
Retained earnings	366.15	40.40%	366.36	40.46%	(0.20)	(0.06%)
Non-controlling interests	1.99	0.22%	0.00	0.00%	1.99	
TOTAL SHAREHOLDERS' EQUITY	886.51	97.82%	884.71	97.72%	1.79	0.20%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	906.22	100.00%	905.38	100.00%	0.84	0.09%

Assets

Total assets as at 30 June 2024 amounting to Baht 906.22 million, increase by Baht 0.84 million or 0.09% from 31 December 2023 are mainly from:

- o The increase in other current financial assets amounted to Baht 230 million, the decrease in cash and cash equivalents was Baht 214.07 million. This is because the Company uses the remaining cash from normal operations and is in the process of finding businesses with the potential to create sustainable growth for the company to invest in higher returns than savings deposit in the form of fixed deposits with maturities of not more than 1 year.
- o Decrease in trade receivables due to a decrease in revenue of Baht 4.67 million
- o Building and equipment decreased by Baht 9.85 million came from an increase in net concrete yard renovation of Baht 1.42 million, equipment for oil depots of Baht 0.01 million and decrease from amortized depreciation in the six-month period of Baht 11.28 million.

Liabilities

Total liabilities as at 30 June 2024 amounting to Baht 19.71 million, decrease by Baht 0.96 million or 4.63% from 31 December 2023, mainly due to a decrease in accrued corporate income tax from the payment of corporate income tax in 2023.

Shareholder's Equity

Total shareholders' equity on 30 June 2024 was Baht 886.51 million which increased for Baht 1.79 million or 0.20% from 31 December 2023, mainly due to the following:

- Increase in net profit in the first half of 2024 of Baht 30.54 million
- Payment for ordinary shares of the subsidiary from non-controlling interests of Baht 2.00 million.
- Decrease from dividend payment of Baht 30.75 million

Please be informed accordingly.

Sincerely Yours,

===**Phattaya Ngowsakul**===

(Ms.Phattaya Ngowsakul)

Chief Financial Officer