

Subject Management Discussion & Analyst for Operating of the Second quarter and six-month period ended 30th June 2025

**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 2025 as the following;

Business Overview

The Department of Energy Business reported an overall fuel consumption report for the first five months of the year. The gasoline group had an average daily consumption of 31.85 million liters, an increase of 0.8% compared to the same period last year and signals a trend towards a slowdown. Meanwhile, the average consumption of diesel fuel at service stations was 68.22 million liters per day, down 1.5%, which corresponds with the contraction of the freight transport index, reflecting changes in logistics activities and the current economic situation.

In the second quarter, the Company continued to face challenges from economic uncertainty. Key factors affecting its operations included the continued expansion of BEV, HEV, and PHEV electric vehicles, which accounted for 6.3% of the total number of passenger cars, and the increased use of mass transit, particularly in urban areas.

In addition, geopolitical factors and global economic conditions continue to exert pressure on Thailand's economic recovery, directly impacting the transportation sector and certain industrial segments that are showing signs of slowdown. Moreover, the commencement of operations at a new oil depot near the Khon Kaen depot, along with the expiration of the company's operating contract at the Sisaket oil depot, has resulted in a significant decline in the company's fuel distribution volume and has adversely affected its core revenue.

To address these changes, the Company has restructured its revenue model by increasing the proportion of fixed income, while also developing new business ventures in the public utility sector. This includes investment in a subsidiary to advance community water supply systems using modern filtration technology capable of eliminating pathogens and contaminants without the use of chemicals. This initiative reflects the company's ongoing efforts to generate sustainable returns and enhance the quality of life for people in remote areas. The prototype system is expected to be completed and ready for sale or lease in the fourth quarter of 2025.

In addition, the Company has implemented strict cost reduction and control measures to align with its operational plan, while it manages liquidity by placing a portion of its cash in short-term fixed deposits with commercial banks, aiming to enhance returns and mitigate risks associated with investing in volatile assets.

With a commitment to continuous adaptation and development, the Company continues to pursue new opportunities to enhance long-term revenue stability and sustainability.

Performance

(Unit : Million Baht)

Consolidated Statement of Comprehensive Income	Q2/25	Q2/24	CHANGE		1H/25	1H/24	CHANGE	
			MB.	% QoQ			MB.	% YoY
Rental and services income	18.86	40.96	(22.10)	(53.95%)	44.46	80.27	(35.82)	(44.62%)
Costs of rental and services	8.92	14.26	(5.34)	(37.47%)	22.46	28.25	(5.80)	(20.52%)
Gross profit	9.94	26.70	(16.75)	(62.76%)	22.00	52.02	(30.02)	(57.71%)
Administrative expenses	13.37	8.72	4.65	53.41%	20.99	18.30	2.69	14.68%
Finance income	1.99	2.01	(0.02)	(0.88%)	4.05	4.04	0.01	0.37%
Profit for the period	(0.83)	16.17	(17.00)	(105.16%)	4.58	30.54	(25.96)	(85.01%)
Earning per share (Baht : Share)	(0.00)	0.04			0.01	0.07		

Performance Explanation

Revenue

In the first half of 2025, the Company and its subsidiaries had total revenue of 44.46 million baht, a decrease of 35.82 million baht or 44.62% compared to the same period of the previous year. This change was caused by the following key factors:

1. The decrease in fuel distribution volume resulted from the ongoing economic uncertainty, coupled with the restructuring of the service charge in October 2024, which was originally calculated based on actual usage volume, to a minimum monthly service charge as specified in the contract, with an additional charge for volumes exceeding the minimum. This restructuring resulted in a lower average unit price compared to the same period last year. The Company aims to implement this restructuring to enhance its competitiveness against new oil depots operating in nearby areas and to maintain revenue stability by mitigating potential fluctuations caused by changes in usage volume.
2. The temporary suspension of operations at the Sisaket depot resulted from the expiration of the service contract on April 30, 2025, leading to a decline in revenue from the depot during the second quarter. The Company is currently in the process of seeking a new tenant to enhance the value and returns from the utilization of the depot space in the second half of the year.

Although revenue has temporarily declined due to structural changes, the Company continues to closely monitor the situation and proactively implement management measures to maintain revenue stability and prepare for a resilient and sustainable recovery in the second half of the year.

Cost of rental and services

In the first half of 2025, the Company and its subsidiaries had costs from rental and services of 22.46 million baht, a decrease of 5.80 million baht or 20.52% compared to the same period of the previous year. The main factors affecting the decrease are as follows:

1. Variable expenses decreased by 1.32 million baht, in line with the decline in fuel distribution volume.
2. Depreciation expenses decreased by 0.37 million baht due to the end of the useful life of certain office furnishings and oil depot equipment.
3. Employee expenses decreased following the implementation of organizational restructuring measures after the expiration of the oil depot operation contract in Sisaket Province. The depot is currently undergoing a temporary suspension of operations to enhance management flexibility and align with current business conditions. Consequently, the company has reduced the number of personnel associated with the depot and reclassified certain accounting items. Fixed expenses related to the depot—such as depreciation and electricity costs—have been transferred from “Cost of Rental and Services” to “Administrative Expenses.” As a result, service-related costs decreased significantly by 4.11 million baht compared to the same period last year.

Administrative expenses

In the first half of 2025, the Company and its subsidiaries had administrative expenses of 20.99 million baht, an increase of 2.69 million baht or 14.68% compared to the same period of the previous year. The main factors affecting the increase are as follows:

1. Employee expenses increased by 2.27 million baht due to organizational restructuring following the expiration of the contract for operating the Sisaket oil depot. The company has reduced the number of employees and paid severance pay in accordance with labor law, as part of measures to enhance operational flexibility and accommodate business transitions.
2. The reclassification of an account amounting to 2.44 million baht, due to the fixed costs of the Sisaket oil depot that has temporarily ceased operations, such as depreciation and electricity costs, have been transferred from "cost of rental and services" to "administrative expenses" to align with the nature of activities and current income.
3. Expenses decreased due to the absence of a loss from asset disposal of 1.33 million baht, which occurred in the same period of the previous year. Furthermore, the Company has implemented improvements in management efficiency and office expense control, resulting in an additional 0.55 million baht reduction in expenses.

Net profit

In the first half of 2025, the Company and its subsidiaries reported a net profit of 4.58 million baht, a decrease of 25.96 million baht or 85.01% compared to the same period of the previous year. This decline was primarily attributable to a significant reduction in total revenue, particularly due to lower distribution volumes and the temporary suspension of operations at the Sisaket depot, which adversely affected the Company's core income. Although the Company was able to reduce some rental and service costs, it was not sufficient to compensate for the lost revenue. Furthermore, compensation under labor laws resulting from the restructuring of the organization to align with current business conditions significantly decreased net profit during that period. However, the Company continues to monitor the situation and proactively adjust its strategies to restore its performance and ensure long-term sustainability.

Financial position

(Unit : Million Baht)	30 Jun 25	%	31 Dec 24	%	CHANGE	
					MB.	%
ASSETS						
Current assets	401.78	44.56%	413.57	44.92%	(11.78)	(2.85%)
Non-current assets	499.98	55.44%	507.13	55.08%	(7.15)	(1.41%)
TOTAL ASSETS	901.77	100.00%	920.70	100.00%	(18.93)	(2.06%)
LIABILITIES AND SHAREHOLDERS' EQUITY						
Current liabilities	4.16	0.46%	8.68	0.94%	(4.52)	(52.06%)
Non current liabilities	9.56	1.06%	9.29	1.01%	0.28	2.97%
TOTAL LIABILITIES	13.72	1.52%	17.97	1.95%	(4.24)	(23.61%)
Share capital - common shares	205.00	22.73%	205.00	22.27%	0.00	0.00%
Share premium	313.36	34.75%	313.36	34.03%	0.00	0.00%
Retained earnings	367.72	40.78%	382.38	41.53%	(14.67)	(3.84%)
Non-controlling interests	1.97	0.22%	1.99	0.22%	(0.02)	(1.15%)
TOTAL SHAREHOLDERS' EQUITY	888.04	98.48%	902.73	98.05%	(14.69)	(1.63%)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	901.77	100.00%	920.70	100.00%	(18.93)	(2.06%)

Assets

As of June 30, 2025, the Company had total assets of 901.77 million baht, a decrease of 18.93 million baht or 2.06% compared to December 31, 2024, due to the following main reasons:

1. Other financial assets (deposits with maturity exceeding 3 months) increased by 97.23 million baht, while cash and cash equivalents decreased by 103.27 million baht, resulting in a net decrease in the Company's cash and bank deposits of 6.04 million baht. The main activity affecting the decrease in cash was the payment of dividends to shareholders.
2. Trade and other current receivables decreased by 5.81 million baht as a result of the decrease in income.

3. Buildings and equipment decreased net by 8.00 million baht, with an increase in assets under construction of 2.39 million baht from the development of a prototype of an automatic water production system, an increase in computers and oil storage equipment of 0.19 million baht, and a decrease from depreciation amortized in the 6-month period of 10.58 million baht.

Liabilities

As of June 30, 2025, the Company had total liabilities of 13.72 million baht, a decrease of 4.24 million baht or 23.61% compared to December 31, 2024. This decrease was primarily due to the repayment of trade creditors, accrued expenses, and the payment of corporate income tax for 2024.

Shareholder's Equity

As of June 30, 2025, the Company had shareholders' equity of 888.04 million baht, a decrease of 14.69 million baht or 1.63% compared to December 31, 2024, mainly due to dividend payments of 19.27 million baht and net profit for the first half of 2025 of 4.58 million baht.

Please be informed accordingly.

Sincerely Yours,

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

(Ms.Phattaya Ngowsakul)

Chief Financial Officer