



11 August 2021

Subject: Management Discussion and Analysis of the Operating Performance for the three-month period ended June 30, 2021

To: The President
 The Stock Exchange of Thailand

Quarterly Summary

(Unit: Million Baht)

Statement of comprehensive income	Q2/2021	Q1/2021	Q2/2020	% QoQ	% YoY
Revenue from contracts with customers	1,650.2	1,670.4	1,257.2	(1.2)	31.3
Cost of Sales and services	1,568.3	1,559.9	1,195.2	0.5	31.2
Gross Profit	81.9	110.5	62.0	(25.9)	32.1
Selling and distribution expenses	22.1	18.0	19.2	22.8	15.1
Administrative expenses	116.2	87.5	118.1	32.8	(1.6)
Profit (Loss) on exchange	(10.5)	(8.9)	(1.1)	(18.0)	(854.5)
Finance Cost	43.5	44.9	52.3	(3.1)	(16.8)
Profit (Loss) for the period	(77.2)	(41.5)	(176.8)	(86.0)	56.3

Operating Performance for the three months ended June 30, 2021

- Revenue from contracts with customers of Baht 1,650.2 million slightly decreased by 1.2% QoQ or Bath 20.2 million, but increased by 31.3% YoY or Bath 393.0 million, respectively, for the normal sales of compressors and parts since the fourth quarter especially from the air conditioner market.
- Cost of sales and services of Baht 1,568.3 million which is 95.0% of revenue, there was a increased from the previous quarter as well as the same quarter in last year which was 93.4% and 95.1% of revenue, respectively, This was due to higher raw material prices from the exchange rate in line with the global economic trend. At the same time, the company strict control measure and effective cost management.
- Gross profit of Bath 81.9 million decreased by 25.9% QoQ, but increased by 32.1% YoY This was due to higher raw material prices from the exchange rate in line with the global economic trend. At the same time, the company Maintain product quality control standards.
- Selling and distribution expenses of Baht 22.1 million increased by 22.8% QoQ or Baht 4.1 million and 15.1% YoY or Baht 2.9 million due to the impacted of virus Covid-19
- Administrative expenses of Baht 116.2 million increased by 32.8% QoQ or Baht 28.7 million, but decreased by 1.6% YoY or Baht 1.9 million due to the impacted of virus Covid-19
- Financial cost of Baht 43.5 million decreased by 3.1% QoQ or Baht 1.4 million and 16.8% YoY or Baht 8.8 million, as a result of interest rates.
- Net Loss of Baht 77.2 million increased by 86.0% QoQ, but decreased by 56.3% YoY respectively. As the Group is in the process of implementing operational plans to change its strategies and future business model, the loss continuously declines.

Statement of Financial Position

(Unit: Million Baht)

	30 June 2021		31 December 2020		Change	
	Amount	%	Amount	%	Amount	%
Current Assets	2,840.3	40.8	2,495.2	37.1	345.1	13.8
Non-current assets	4,113.8	59.2	4,237.9	62.9	(124.1)	(2.9)
Total Assets	6,954.1	100.0	6,733.1	100.0	221.0	3.3
Current liabilities	4,876.9	70.1	4,747.5	70.5	129.4	2.7
Non-current liabilities	1,201.5	17.3	994.5	14.8	207.0	20.8
Total liabilities	6,078.4	87.4	5,742.0	85.3	336.4	5.9
Total shareholders' equity	875.7	12.6	991.1	14.7	(115.4)	(11.6)
Total liabilities and shareholders' equity	6,954.1	100.0	6,733.1	100.0	221.0	3.3

- Total assets as of 30 June 2021 increased by Baht 221.0 million from 31 December 2020 the result of an increase in product sales from the fourth quarter, which was a sale, which resulted in an increase in trade accounts receivable by Baht 38.8 million and an increase in inventories from the fourth quarter of Baht 306.5 million.
- Total liabilities as of 30 June 2021 increased by Baht 336.4 million from 31 December 2020 Due to an increase in trade payables in the amount of Baht 216.1 million.
- Total shareholders' equity as of 30 June 2021 decreased by Baht 115.4 million from 31 December 2020 because of Operating loss.

Yours Sincerely,

Kulthorn Kirby Public Company Limited



(Mr. Sutee Simakulthorn)

Executive Vice President Finance