



25 February 2022

Subject: Management Discussion and Analysis of the Operating Performance for the three-month period ended December 31, 2021

To: The President  
 The Stock Exchange of Thailand

Quarterly Summary

(Unit: Million Baht)

Statement of comprehensive income	Q4/2021	Q3/2021	Q4/2020	% QoQ	% YoY
Revenue from contracts with customers	1,729.4	1,620.3	1,526.0	6.7	13.3
Cost of Sales and services	1,806.1	1,581.6	1,477.6	14.2	22.2
Gross Profit	(76.7)	38.7	48.4	(298.2)	(258.5)
Selling and distribution expenses	24.7	16.9	25.7	46.4	(3.7)
Administrative expenses	97.9	109.5	115.6	(10.6)	(15.3)
Profit (Loss) on exchange	17.9	(33.5)	(0.1)	46.6	18,000.0
Finance Cost	48.8	46.7	43.7	4.5	11.7
Loss for the period	242	160.6	136.5	(50.7)	(77.3)

Operating Performance for the three months ended December 31, 2021

- Revenue from contracts with customers of Baht 1,729.4 million increased by 6.7% QoQ or Bath 109.1 million, and increased by 13.3% YoY or Bath 203.4 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 was Baht 1,806.1 million which was 104% of sales revenue, increasing from the previous quarter and increasing in the same quarter from last year which was 97.6% and 96.8% of revenue. This came mainly from increased material prices and rising freight costs. The company continues to work to have strict control measure and effective cost management to decrease the costs.
- Gross profit (loss) of Bath (76.7) million decreasing from previous quarter. This was effect from higher raw material costs for copper and steel. Due to the increasing costs the company also increased selling price for customers.
- Selling and distribution expenses of Baht 24.7 million increasing from previous quarter 7.8 MB.
- Administrative expenses of Baht 97.9 million decreased Baht 11.6 million from the last quarter and decreased Baht 17.7 million from last year in the same quarter.
- Financial cost of Baht 48.8 million increased Baht 2.0 million and Baht 5.0 million from last year same quarter the result come from interest rates.
- Net Loss of Baht 242 million increased by 50.7% QoQ, and increased by 77.3% YoY respectively. The Group is in the process of implementing operational plans to change its strategies and future business model.

## Statement of Financial Position

(Unit: Million Baht)

	31 December 2021		31 December 2020		Change	
	Amount	%	Amount	%	Amount	%
<b>Current Assets</b>	2,788.6	41.5	2,495.2	37.1	293.4	11.8
<b>Non-current assets</b>	3,933.1	58.5	4,237.9	62.9	(304.8)	(7.2)
<b>Total Assets</b>	6,721.7	100.0	6,733.1	100.0	(11.4)	(0.2)
<b>Current liabilities</b>	5,235.4	77.9	4,747.5	70.5	487.9	10.3
<b>Non-current liabilities</b>	984.7	14.6	994.5	14.8	(9.8)	(1.0)
<b>Total liabilities</b>	6,220.1	92.5	5,742.0	85.3	478.1	8.3
<b>Total shareholders' equity</b>	501.6	7.5	991.1	14.7	(489.5)	(49.4)
<b>Total liabilities and shareholders' equity</b>	6,721.7	100.0	6,733.1	100.0	(11.4)	(0.2)

- Total assets as of 31 December 2021 decreased by Baht 11.4 million from 31 December 2020.
- Total liabilities as of 31 December 2021 increased by Baht 477.1 million from 31 December 2020 Due to an increase in trade payables in the amount of Baht 253 million and accrued expenses 94 million bath.
- Total shareholders' equity as of 31 December 2021 decreased by Baht 489.5 million from 31 December 2020 because of Operating loss.

Yours Sincerely,

Kulthorn Kirby Public Company Limited



(Mr. Sutee Simakulthorn)

Executive Vice President Finance