



15 August 2022

Subject: Management Discussion and Analysis of the Operating Performance for the three-month period ended June 30, 2022

To: The President
The Stock Exchange of Thailand

Quarterly Summary

(Unit: Million Baht)

Statement of comprehensive income	Q2/2022	Q1/2022	Q2/2021	% QoQ	% YoY
Revenue from contracts with customers	1,498.8	1,834.9	1,650.2	(18.3)	(9.2)
Cost of Sales and services	1,562.2	1,823.7	1,568.3	(14.3)	(0.4)
Gross Profit	(63.4)	11.2	81.9	(666.1)	(177.4)
Selling and distribution expenses	19.6	19.2	22.1	2.1	(11.3)
Administrative expenses	109.8	95.0	116.2	15.6	(5.5)
Profit (Loss) on exchange	(5.1)	42.2	(10.5)	(112.1)	51.4
Finance Cost	50.5	47.4	43.5	6.5	16.1
Profit (Loss) for the period	(237.5)	(105.4)	(77.2)	(125.3)	(207.6)

Operating Performance for the three months ended June 30, 2022

- Revenue from contracts with customers of Baht 1,498.8 million slightly decreased by 18.3% QoQ or Baht 336.1 million and 9.2% YoY or Baht 151.4 million, due to the company short lead time and shipment delay.
- Cost of sales and services of Baht 1,562.2 million which is 104.2% of revenue, there was an increase from the previous quarter as well as the same quarter last year which was 99.4% and 95.0% of revenue, due to higher raw material prices The company has tried to manage the production cost of the product fully.
- Gross profit of Baht -63.4 million which is -4.2% of revenue increased with a gross profit by 0.6% QoQ and by 5.0% YoY with a gross profit, however, the company has negotiated to increase the selling price with customers.
- Selling and distribution expenses of Baht 19.6 million which is 1.3% of revenue, from the previous quarter as well as the same quarter last year which was 1.0% and 1.3% of revenue, however, the company has tried to manage the selling expenses effectively and continuously.
- Administrative expenses of Baht 109.8 million which is 7.3% of revenue increased by 5.2% QoQ and by 7.0% YoY, respectively, However, the company has tried to manage the administrative expenses fully and continuously.
- Financial cost of Baht 50.5 million which is 3.4% of revenue increased by Baht 3.1 million and by Baht 7.0 million YoY or, respectively, because of the interest market rate.
- Net Loss of Baht 237.5 million or 15.8% compared to sales revenue, increased from the previous quarter and the same quarter of the previous year accounted for 5.7% and 4.7% 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 2022		31 December 2021		Change	
	Amount	%	Amount	%	Amount	%
Current Assets	2,303.9	38.0	2,788.6	41.5	(484.7)	(17.4)
Non-current assets	3,761.4	62.0	3,933.1	58.5	(171.7)	(4.4)
Total Assets	6,065.3	100.0	6,721.7	100.0	(656.4)	(9.8)
Current liabilities	4,739.7	78.1	5,235.4	77.9	(495.7)	(9.5)
Non-current liabilities	1,191.2	19.6	984.7	14.6	206.5	21.0
Total liabilities	5,930.9	97.8	6,220.1	92.5	(289.2)	(4.6)
Total shareholders' equity	134.4	2.2	501.6	7.5	(367.2)	(73.2)
Total liabilities and shareholders' equity	6,065.3	100.0	6,721.7	100.0	(656.4)	(9.8)

- Total assets as of 30 June 2022 decreased by Baht 484.7 million from 31 December 2021 due to sales. During the first quarter of every year, the inventory decreases by Baht 258.2 million and decreases trade accounts receivable by Baht 237.6 million, due to decreases in revenue in the second quarter of the current year.
- Total liabilities as of 30 June 2022 decreased by Baht 495.7 million from 31 December 2021, due to changing the purchase conditions.
- Total shareholders' equity as of 30 June 2022 of Baht 134.4 million decreased a from 31 December 2021 by baht 367.2 million due to loss for the period.

Yours Sincerely,

Kulthorn Kirby Public Company Limited

(Mr. Sutee Simakulthorn)

Executive Vice President Finance

