



No. KCM64/008

November 15, 2021

Subject Management Discussion and Analysis for the 9 months ended September 30, 2021

Attention President

The Stock Exchange of Thailand

K.C. Metalsheet Public Company Limited (“the Company”) would like to clarify the operating result of the financial statements as follows:

	the 9 months ended September 30, 2020		the 9 months ended September 30, 2021		Change	
	Million Baht	%	Million Baht	%	Million Baht	%
Sales revenue	210.79	74.69%	221.59	70.32%	10.80	5.12%
Revenue from contract works	62.27	22.06%	80.18	25.44%	17.92	28.78%
Revenue from service incomes	2.58	0.91%	1.87	0.59%	(0.71)	-27.59%
Revenue from rental incomes	6.59	2.33%	11.50	3.65%	4.91	74.58%
Total revenue from sales and services	282.22	100.00%	315.14	100.00%	32.92	11.66%
Gross Profit / Gross Profit Margin	60.61	21.47%	71.41	22.66%	10.81	17.83%
Net Profit / Net Profit Margin ^{/1}	11.14	3.95%	1.12	0.36%	(10.02)	-89.93%

Note /1 net profit margin calculates from Net profit divided by total revenue from sales and services

Revenue from sales and services

The Company's total revenue from sales and services for the 9 months ended September 30, 2021 increased by THB 32.92 million or 11.66% from the same period last year, which the change in revenue consisting of 1) the increase in revenue from sales by THB 10.80 million or 5.12% mainly from a mechanic recommending mechanic project 2) revenue from contract works increased by THB 17.92 million or 28.78% from receiving a Well drilling job for the Khok Nong Na project in the 3rd quarter of 2021 3) revenue from rental incomes increased by THB 4.91 million or 74.58% due to more warehouse leases both in Chiang Mai and Khon Kaen.

Gross Profit / Gross Profit Margin

The Company's gross profit for the 9 months ended September 30, 2021 was THB 71.41 million, increased by THB 10.81 million comparing to the same period last year in accordance with the revenue increase. Gross profit margin was 22.66% raising up 1.19% from the same period last year mainly because of the increase in rental incomes proportion, whereas the majority cost deemed to be fixed cost as depreciation of the warehouse.

Net Profit / Net Profit Margin

The Company's net profit for the 9 months ended September 30, 2021 was THB 1.12 million, equivalent to the net profit margin of 0.36% decreased comparing to the same period last year, the main reason was the increase of distribution expenses of THB 8.57 million, especially promotion expenses, in order to maintain revenue while in COVID-19 situation.

Please be informed accordingly.

Yours sincerely,

K.C. Metalsheet Public Company Limited

(Mr.Niphon Charoenkit)
Chief Executive Officer