



No. KCM65/002

February 28, 2022

Subject Management Discussion and Analysis for the year 2021 ended December 31, 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:

	Year 2020		Year 2021		Change	
	Million Baht	%	Million Baht	%	Million Baht	%
Sales revenue - net	264.82	66.74%	305.27	70.66%	40.45	15.27%
Revenue from contract works	116.24	29.29%	108.97	25.22%	(7.27)	-6.25%
Revenue from service incomes	3.55	0.89%	2.22	0.51%	(1.33)	-37.49%
Revenue from rental incomes	9.71	2.45%	15.54	3.60%	5.83	60.11%
Sales of real estate	2.49	0.63%	0.00	0.00%	(2.49)	-100.00%
Total revenues from sales and services	396.81	100.00%	432.00	100.00%	35.19	8.87%
Gross Profit / Gross Profit Margin	76.30	19.23%	90.81	21.02%	14.52	19.03%
Total Expense	77.77	19.60%	97.39	22.54%	19.62	25.22%
Net Profit / Net Profit Margin ¹	5.10	1.28%	(4.88)	-1.13%	(9.98)	-195.74%

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 year 2021 ended December 31, 2021 increased by THB 35.19 million or 8.87% from last year, which increase in revenue consisting of 1) the increase in revenue from sales by THB 40.45 million or 15.27% mainly from a Mechanic Recommending Mechanic project 2) revenue from rental incomes increased by THB 5.83 million or 60.11% due to more warehouse space leases both in Chiang Mai and Khon Kaen.

Gross Profit / Gross Profit Margin

The Company's gross profit for the year 2021 ended December 31, 2021 was THB 90.81 million, increased by THB 14.52 million comparing to last year in accordance with the revenue increase. Gross profit margin was 21.02% raising up 1.79% from 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 loss for the year 2021 ended December 31, 2021 was THB (4.88) million, equivalent to the net loss margin of (1.13%) decreased last year due to the total expenses increase by THB 19.62 million or 25.22% from the same period last year, mainly from the increasing of promotion expenses in order to maintain level of revenue while in COVID-19 situation and the allowance for doubtful account of a joint venture company in Cambodia.

Please be informed accordingly.

Yours sincerely,

K.C. Metalsheet Public Company Limited

(Mr.Niphon Charoenkit)
Chief Executive Officer