

11 August 2022

Subject: Announcement of the Operating Results for the 6-Month Period Ended 30 June 2022

To: President of the Stock Exchange of Thailand

Following Comanche International Public Company Limited (the “Company” or “Comanche”)’s submission of the separate and consolidated financial statements of the Company and its subsidiaries for the 6-month period of 2022 ended 30 June 2022, which have been reviewed by the auditor, the Company would like to inform of the following changes in operating results exceeding 20 percent.

**The summary of changes in operating results is shown in the following table**

	Consolidated Financial Statements			
	Ended 30 June		Increase (Decrease)	
	2022	2021		
	THB million	THB million	THB million	%
<b>Continued Operations</b>				
Revenue from sales and rendering services	39.09	18.96	20.13	106.18
Other income*	12.27	1.15	11.12	962.71
<b>Total revenue</b>	<b>51.36</b>	<b>20.11</b>	<b>31.25</b>	<b>155.35</b>
Cost of sales and rendering services	27.11	13.68	13.43	98.13
<b>Gross profit (excluding other income)</b>	<b>11.98</b>	<b>5.28</b>	<b>6.70</b>	<b>127.04</b>
Distribution costs	0.01	0.11	(0.10)	(92.89)
Administrative expenses	8.86	16.07	(7.21)	(44.86)
<b>Profit (loss) from operations</b>	<b>15.38</b>	<b>(9.75)</b>	<b>25.13</b>	<b>(257.80)</b>
Finance cost	(0.04)	(0.09)	0.05	(53.24)
<b>Profit (loss) before income tax revenue from continued operations</b>	<b>15.35</b>	<b>(9.84)</b>	<b>28.56</b>	<b>(290.23)</b>
Income tax income	1.26	0.01	1.25	8,376.33
<b>Profit (loss) for the period from continued operations</b>	<b>16.61</b>	<b>(9.82)</b>	<b>26.43</b>	<b>(269.08)</b>
<b>Discontinued Operations</b>				
<b>Profit (loss) for the period from discontinued operations net from income tax</b>	<b>(17.67)</b>	<b>1.56</b>	<b>(19.23)</b>	<b>(1,234.50)</b>
<b>Loss for the period</b>	<b>(1.06)</b>	<b>(8.27)</b>	<b>7.21</b>	<b>(87.19)</b>
<b>loss for the period - attributable to owners of the parent</b>	<b>(5.32)</b>	<b>(10.96)</b>	<b>5.64</b>	<b>(51.46)</b>
Items that will not be reclassified subsequently to profit or loss - actuarial loss on remeasurements of employee benefit plans, net from income tax	-	(0.47)	0.47	-
<b>Total comprehensive loss for the period</b>	<b>(1.06)</b>	<b>(8.74)</b>	<b>7.68</b>	<b>(87.88)</b>
<b>Total comprehensive loss for the period - attributable to owners of the parent</b>	<b>(5.32)</b>	<b>(11.25)</b>	<b>5.93</b>	<b>(52.69)</b>

\* Other income such as interest revenue and gain from foreign exchange

On 5 November 2021, the Company invested in Coman Crypto Company Limited (“**Coman Crypto**”) in the amount of THB 60 million, reflecting 99.99% shareholding of paid-up capital. Coman Crypto engages in the main business of obtention, purchase, sale, and/or exchange of digital currency undertaken on its own or through contracting another party. The consolidated financial statements of the Company and its subsidiaries for the 6-month period ended 30 June 2021 does not include Coman Crypto’s operating results.

As at 31 March 2022, investments in 3 subsidiaries were presented as held for sale assets, and the Board of Directors’ Meeting No. 3/2022 held on 11 March 2022 approved the sale of such investments.

As at 30 June 2022, the Company sold investments in 3 subsidiaries, leading to loss of control in the 3 subsidiaries, and loss on the sale of investments in subsidiaries of THB 32.12 million on the separate financial statements and gain on the sale of investments in subsidiaries of THB 11.58 million on the consolidated financial statements for the 3-month and 6-month period ended 30 June 2022.

## 1. Revenue

### 1.1. Revenue from sales and rendering services

For the 6-month period of 2022 from 1 January to 30 June 2022, the Company and its subsidiaries (the “**Group of Companies**”) generated THB 39.09 million in total revenue from sales and rendering services, a THB 20.13 million or 106.18% increase as compared to the same period of the previous year, which had total revenue from sales and rendering services of THB 18.96 million, due to the following key reasons:

1.1.1. Comanche generated THB 23.33 million in total revenue from sales and rendering services for the 6-month period of 2022, a THB 4.95 million or 26.98% increase as compared to the same period of the previous year, which had total revenue from sales and rendering services of THB 18.38 million. This was mainly due to recovery from the effects posed by Novel Coronavirus 2019 (COVID-19), causing hotels to resume operations. The Company’s backlog amounts to THB 31.84 million.

1.1.2. Win Star Tech Company Limited (“**Win Star Tech**”) generated THB 0.63 million in revenues for the 6-month period of 2022, a THB 0.05 million or 8.85% increase as compared to the same period of the previous year, which had revenues of THB 0.58 million, a change insignificant to the consolidated income statement.

1.1.3. Roomz International Company Limited (“**Roomz**”) had no revenues for the 6-month period of 2022 and 2021 due to temporary cessation of operations.

1.1.4. Coman Crypto Company Limited (“**Coman Crypto**”) generated THB 15.12 million in revenues for the 6-month period of 2022 from digital currency mining. For the 6-month period ended 30 June 2021, Coman Crypto had no operating results.

### 1.1. Other income

For the 6-month period of 2022, the Company and its subsidiaries generated THB 12.27 million in other income, a THB 11.12 million or 962.71% increase as compared to the same period of the previous year, which had other income of THB 1.15 million. This was mainly due to the increase in gain on the sale of investments in subsidiaries of THB 11.58 million in quarter 2 of 2022.

## **2. Cost of sales and rendering services and gross profit**

For the 6-month period of 2022, the Company and its subsidiaries had total cost of sales and rendering services of THB 27.11 million, a THB 13.43 million or 98.13% increase as compared to the same period of the previous year, which stood at THB 13.68 million, due to the following key reasons:

2.1. Comanche had THB 0.63 million in cost of sales and rendering services for the 6-month period of 2022, a THB 12.58 million or 95.21% decrease as compared to the same period of the previous year, which stood at THB 13.21 million. This was due to reorganization through the transfer of employees in cost departments to Gogojii, while Gogojii charged service fees back to the Company, a transaction which is not shown in the consolidated income statement as it is a related-party transaction.

2.2. Win Star Tech had THB 0.52 million in cost of sales and rendering services for the 6-month period of 2022, a THB 0.05 million or 10.12% increase as compared to the same period of the previous year, which stood at THB 0.47 million, a change insignificant to the consolidated income statement.

2.3. Roomz had no cost of sales and rendering services for the 6-month period of 2022 and 2021 due to temporary cessation of operations .

2.4. Coman Crypto had THB 25.95 million in cost of sales and rendering services for the 6-month period of 2022. Cost of sales and rendering services mainly comprises depreciation expense of digital mining rig and rig maintenance expense. For the 6-month period ended 30 June 2021, Coman Crypto had no operating results.

For the 6-month period of 2022, the Group of Companies presented THB 11.98 million in gross profit, a THB 6.70 million or 127.04% increase as compared to the same period of the previous year, which had gross profit of THB 5.28 million. Gross profit margin for the period stood at 30.65%, while that of the same period of the previous year stood at 27.84%. The increase in gross profit margin was due to reorganization, in which employees in cost departments were transferred to Gogojii and Gogojii charged service fees back to the Company, the transaction was not presented in the consolidated income statement as it is a related-party transaction. However, the Group of Companies had increased cost of sales and rendering services from Coman Crypto's business operations, which is now fully operational.

## **3. Distribution costs and administrative expenses**

### **3.1. Distribution costs**

Distribution costs for the 6-month periods of 2022 and 2021 of the Company and its subsidiaries presented an amount insignificant to the consolidated income statement.

### **3.2. Administrative expenses**

For the 6-month period of 2022, the Company and its subsidiaries had administrative expenses of THB 8.86 million, a THB 7.21 million or 44.86% decrease as compared to the same period of the previous year, which stood at THB 16.07 million, and the proportion of administrative expenses to operating revenue stood at 22.67% for the 6-month period of 2022, a decrease from that of the same period of the previous year which stood at 84.76%, due to the following key reasons:

3.2.1 Comanche had THB 8.26 million in administrative expenses for the 6-month period of 2022, a THB 7.74 million or 48.37% decrease as compared to the same period of the previous year, which stood at THB 16.00 million. This was due to the fact that the first 6 months of 2021 was a period before corporate reorganization and employees, who were now transferred to Gogojii, still occupied the Company's payroll. In addition, quite a large amount of allowance for doubtful accounts was additionally recorded in the first 6 months of 2021.

3.2.2 Win Star Tech had THB 0.05 million in administrative expenses for the 6-month period of 2022, unchanged as compared to the same period of the previous year, which stood at THB 0.05 million.

3.2.3 Roomz had THB 0.01 million in administrative expenses for the 6-month period of 2022, a THB 0.01 million or 33.20% decrease as compared to the same period of the previous year, which stood at THB 0.02 million, a change insignificant to the consolidated income statement.

3.2.4 Coman Crypto had THB 0.53 million in administrative expenses for the 6-month period of 2022, mainly comprising executive salaries. For the 6-month period ended 30 June 2021, Coman Crypto had no operating results.

### **4. Net loss and net loss margin**

For the 6-month period of 2022, the Company and its subsidiaries had net loss attributable to owners of the parent of THB 5.32 million, reflecting a reduced loss of THB 5.64 million or 51.46% as compared to the 6-month period of 2021, which had net loss attributable to owners of the parent of THB 10.96 million. Net loss margin attributable to owners of the parent stood at 13.61%, reflecting a decrease from that of the same period of the previous year, which stood at 57.81%. The Group of Companies incurred loss for both years following the impact of the Coronavirus 2019 in quarter 1 of 2021 causing significant reduction in revenues, and impairment of goodwill of THB 13.22 million in quarter 2 of 2022, included in profit (loss) for the period from discontinued operations, as the Company's executives viewed net values expected to be received from the sale of Synature and AI Soft as lower than those of their respective book values recorded in the consolidated statement of financial position. Despite gain on the sale of investments in subsidiaries of THB 11.58 million, the overall of consolidated financial statements was not able to turn towards profitability.

## 5. Financial Position

As at 30 June 2022, the Company and its subsidiaries presented total assets of THB 413.95 million, total liabilities of THB 33.79 million, and total shareholders' equity of THB 380.16 million.

### 5.1. Assets

As at 30 June 2022, the Company and its subsidiaries presented total assets of THB 413.95 million, a THB 75.17 million or 15.37% decrease as compared to that as at 31 December 2021 due to the following key reasons:

5.1.1. Decreased from cash and cash equivalents of THB 74.26 million, due to THB 103.85 million deposited in a fixed deposit account, THB 33.75 million sale of investment in 3 subsidiaries (removal of cash and cash equivalents from the consolidated financial statements), and THB 62.90 million cash received from the sale of investment in 3 subsidiaries.

5.1.2. Decreased from trade and other receivables of THB 7.90 million, despite an increase of THB 1.59 million in trade and other receivables from increased sales as compared to the previous year, due to THB 9.49 million decrease from the sale of investment in 3 subsidiaries (removal of trade and other receivables from the consolidated financial statements).

5.1.3. Increased from inventory of THB 1.05 million, mainly from THB 3.11 million in net digital currency, offset by a THB 2.06 million decrease from the sale of investment in 3 subsidiaries (removal of inventory from the consolidated financial statements).

5.1.4. Increased from other current financial asset of THB 91.71 million, mainly from an increase of THB 103.85 million from fixed deposit, offset by THB 12.14 million from the sale of other current financial assets during the period.

5.1.5. Decreased from other current asset of THB 0.90 million, mainly due to THB 1.28 million decrease from the sale of investment in 3 subsidiaries (removal of other current asset from the consolidated financial statements).

5.1.6. Decreased from bank deposit reserved as pledge of THB 0.20 million due to THB 0.20 million decrease from the sale of investment in 3 subsidiaries (removal of bank deposit reserved as pledge from the consolidated financial statements).

5.1.7. Decreased from other non-current financial asset of THB 2.50 million due to THB 2.50 million decrease from the sale of investment in 3 subsidiaries (removal of other non-current financial asset from the consolidated financial statements).

5.1.8. Decreased from equipment of THB 11.13 million, mainly due to THB 1.12 million decrease from the sale of investment in 3 subsidiaries (removal of equipment from the consolidated financial statements) and THB 10.01 record of depreciation expense.

5.1.9. Decreased from right of use asset of THB 14.86 million, mainly due to THB 8.11 million decrease from the sale of investment in 3 subsidiaries (removal of right of use asset from the consolidated financial statements), THB 6.06 million from contract termination, and THB 0.69 million record of amortization as usual.

5.1.10. Decreased from goodwill of THB 46.36 million, mainly due to THB 33.14 million decrease from the sale of investment in 3 subsidiaries (removal of goodwill from the consolidated financial statements) and THB 12.32 million from impairment of goodwill during the period.

5.1.11. Decreased from other intangible asset of THB 6.85 million, mainly due to THB 5.02 million decrease from the sale of investment in 3 subsidiaries (removal of other intangible asset from the consolidated financial statements) and the difference attributable to amortization as usual.

5.1.12. Decreased from deferred income tax asset of THB 2.32 million, despite an increase of THB 3.15 million in deferred income tax asset mainly due to Gogojii's employee benefit obligations and increase in allowance for doubtful accounts, due to THB 5.47 million decrease from the sale of investment in 3 subsidiaries (removal of deferred income tax asset from the consolidated financial statements).

5.1.13. Decreased from other non-current asset of THB 0.67 million, mainly due to THB 0.93 million decrease from the sale of investment in 3 subsidiaries (removal of other non-current asset from the consolidated financial statements).

## **5.2. Liabilities**

As at 30 June 2022, the Company and its subsidiaries presented total liabilities of THB 33.79 million, a THB 35.70 million or 51.37% decrease as compared to that as at 31 December 2021 due to the following key reasons:

5.2.1. Decreased from trade and other payables of THB 1.66 million, despite an increase of THB 9.43 million in trade and other payables from increased unearned revenue received from customers in 2022, due to THB 11.09 million decrease from the sale of investment in 3 subsidiaries (removal of trade and other payables from the consolidated financial statements).

5.2.2. Decreased from portion of liability from lease agreement due in 1 year of THB 1.54 million and liability from lease agreement of THB 13.73 million, due to THB 6.32 million resulting from contract termination, THB 8.37 million decrease from the sale of investment in 3 subsidiaries (removal of liability from lease agreement from the consolidated financial statements), and THB 0.58 million repayment of liability from lease agreement during the period.

5.2.3. Decreased from accrued income tax payable of THB 0.82 million, despite an increase of THB 0.63 million in accrued income tax payable, due to THB 1.45 million decrease from the sale of investment in 3 subsidiaries (removal of accrued income tax payable from the consolidated financial statements).

5.2.4. Decreased from other current liability of THB 1.72 million, mainly due to THB 1.85 million decrease from the sale of investment in 3 subsidiaries (removal of other current liability from the consolidated financial statements).

5.2.5. Decreased from employee benefit liabilities THB 15.65 million, mainly due to THB 14.56 million decrease from the sale of investment in 3 subsidiaries (removal of employee benefit liabilities from the consolidated financial statements), THB 2.07 million employee benefit paid by the project, and THB 0.98 million record of cost of services and interest for the current period.

5.2.6. Decreased from projected other non-current liability of THB 0.58 million, fully attributable to the sale of investment in 3 subsidiaries (removal of projected other non-current liability from the consolidated financial statements).

### **5.3. Shareholders' equity**

As at 30 June 2022, the Company and its subsidiaries presented total shareholders' equity of THB 380.16 million, comprising registered and paid-up capital of THB 67.00 million, share premium of THB 323.40 million, retained earnings appropriated as legal reserve of THB 6.47 million, unappropriated retained loss of THB 17.04 million, other components of shareholders' equity of THB 0.30 million, and non-controlling interest of THB 0.03 million. Shareholders' equity as at 30 June 2022 decreased by THB 39.47 million or 9.41% as compared to that as at 31 December 2021 due to the following key reasons:

5.3.1. Decreased from net loss attributable to owners of the parent for the 6-month period of 2022 of THB 5.32 million.

5.3.2. Decreased from non-controlling interest of THB 22.42 million, due to THB 12.49 million decrease from dividend attributable to non-controlling interest offset by THB 4.26 million increase from net profit attributable to minority shareholders of the subsidiary, and THB 14.18 million reduction in non-controlling interest from the sale of subsidiaries.

5.3.3. Decreased THB 11.72 million from dividend payment.

Please be informed accordingly.

Yours sincerely,

Mr. Wasawat Prasertsin  
Chief Executive Officer

Comanche International Public Company Limited