

Management Discussion & Analysis. (MD&A Q3/2022)

Kingsmen C.M.T.I. Public Company Limited.

November 14, 2022.

Subject: Discussion and analysis of operations for the quarter ended September 30, 2022.

Attention: Director and Manager of the Stock Exchange of Thailand.

Kingsmen Company C.TM.T.I. Public Company Limited ("the Company") would like to clarify the operating results for the quarter ended September 30, 2022 which the income and net profit (loss) have changed more than 20% compared to the same period of the previous year. Figures according to the table are as follows.

Unit : Mil Baht

Consolidated	H1-22		Q3-22		9Ms-22		H1-21		Q3-21		9Ms-21		#Yo Y (Q3-22#Q3-21) Inc/Dec.		#Yo Y (9Ms-22#9Ms-21) Inc/Dec.	
	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%
	Service Income	432.09		109.38		541.47		336.49		156.00		492.49		-46.62	-30%	48.98
Cost of Service	383.78	89%	95.98	88%	479.76	89%	312.86	93%	133.26	85%	446.12	91%	-37.28	-25%	33.64	11%
Gross (Loss) Profit	48.31	11%	13.40	12%	61.71	11%	23.63	7%	22.74	15%	46.37	9%	-9.34	-241%	15.34	65%
Net After Tax	-3.49	-1%	-15.11	-14%	-18.60	-3%	-28.64	-9%	-1.98	-1%	-30.62	-6%	-13.13	-61%	12.02	42%

Service income of 109.38 million baht, a decrease of -46.62 million baht or baht (-30%) y-y. The company has restructured the Interior to reduce expenses and to be in line with the current market conditions, and has adjusted the work plan of the Interior to have a smaller project size, including the use of shorter working hours and able to deliver work, collect money quickly by focusing on more luxury customers.

In this quarter, exhibitions and marketing activities began to increase in proportion compared to the third quarter of the previous year (which was still affected by Covid19).

Cost of services 95.98 million baht, a decrease of -37.28 million baht (-25%) y-y decrease proportionally of reduced income.

Gross profit of 13.40 million baht, a decrease of -9.34 million baht (-241%) y-y compared to the same quarter last year. Most of the profits come from marketing activities in 2022 that have begun to recover. But if compared to the beginning of the 3rd quarter (9 months) profit, the gross profit is better than the previous year by 15.34 million (+65%).

Administrative expenses of 25.51 million baht, an increase of +4.03 million baht or +17% y-y from the previous year due to the management has considered to return the salary back to the employees at the original rate. (The management saw that the company has begun to recover. In order to give morale and encouragement to employees who share suffering, happiness and understand the situation that the company has faced during the Covid situation).

Finance cost of 2.92 million baht, a decrease of -0.05 million baht, a decrease of -2 % y-y. The company has gradually repaid some short-term loans, thus reducing financial cost.

Summary of operating results according to consolidated financial statements for the quarter 3/2022. The company has a total net loss of -15.11 million baht (belonging to separate items of -14.90 million baht / subsidiaries of -0.21 million baht, both the Republic of The Union of Myanmar and Cambodia still cease operations due to the various situation still uncertain both politically and economically. There is a small amount of service to the same customers.

The company expects that after the company has restructured the internal structure. There has been a downsizing in the interior, some strategic adjustments and some internal improvements that will make the company can be profitable in the future.

Please be informed accordingly,

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'P. Pisessith'.

(Mr. Chayawat Pisessith)
Chairman of the Board.
Kingsmen C.TM.T.I. Public Company Limited.