

Management Discussion & Analysis. (MD&A YE 2022)

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

February 27, 2023

Subject: Discussion and analysis of operations for year ended December 31, 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 December 31, 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		9Ms-22		Q4-22		Y2022		H1-21		9Ms-21		Q4-21		Y2021		#YoY (Q4-22#Q4-21) Inc/Dec.		#YoY (12Ms-22#12Ms-21) Inc/Dec.	
	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%
	Service Income	432.09		541.47		306.40		847.87		336.49		492.49		291.71		784.20		14.69	5%	63.67
Cost of Service	383.78	89%	479.76	89%	252.45	82%	732.21	86%	312.86	93%	446.12	91%	276.17	95%	722.29	92%	-23.72	-9%	9.92	1%
Gross (Loss) Profit	48.31	11%	61.71	11%	53.95	18%	115.66	14%	23.63	7%	46.37	9%	15.54	5%	61.91	8%	38.41	247%	53.75	87%
Net After Tax	-3.49	-1%	-18.60	-3%	20.55	7%	1.95	0.2%	-28.64	-9%	-30.62	-6%	-12.17	-4%	-42.79	-5.5%	32.72	269%	44.74	105%

Services income of 847.87 million baht, a total increase of +8% y-y. The proportion of revenue was from exhibitions and marketing activities that increased from the previous year by 277.88 million baht, representing a total increase of 48%. Y-y.

For the interior business, the proportion decreased more than -44% due to the company's restructuring in line with the current market situation by focusing on smaller projects and customers who are in the luxury level that can be managed thoroughly, able to deliver work on time and focus on making more profits.

Cost of services was 732.21 million baht, an increase of +1% y-y from the previous year in proportion to the increased revenue. But when considering the ratio of cost of services to sales, it decreased by -6% y-y as a result of the restructuring of the interior including the salary and welfare refund for employees as well.

Gross profit was 115.66 million baht, an increase of +87% y-y compared to the previous year. Most of the profit comes from marketing events that have begun to recover and come back to organize more events.

Administrative expenses of 82.85 million baht, an increase of +6.5 million baht or +9% y-y from the previous year because the management had considered adjusting salary + welfare back to the original rate for employees and expenses from compensation payments to employees due to the reduction of the interior section.

Finance costs of 11.59 million baht, a decrease of -0.83 million baht, a decrease of -7% y-y. The company gradually repaid some short-term debts continuously.

Summary of operating results according to the consolidated financial statements compared to the previous year increased proportion + 105% Y-Y. Net profit for the year 2022 of +1.95 million baht (belonging to separate item of +1.84 million baht / subsidiaries of +0.11 million from the reversal of financial impairment) Both the Republic of the Union of Myanmar and Cambodia still ceased operations due to various situations still uncertain both politically and economically. The management team has resolved to close the two subsidiaries which are in the process of dissolution.

From strategy adjustment and restructure, the company was able to make a profit in the last quarter Q4 = +20.55 million baht, resulting in the performance for the whole year returned to a profit of 1.95 million baht, which is a good sign for the company to be able to make more profits, creating more stability for the company in the future.

Please be informed accordingly,

Yours sincerely,

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

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