

MMS-AC66/010

August 9, 2023

Subject: Management Discussion and Analysis of Operating Results for the second quarter ending June 30, 2023

To: The President  
The Stock Exchange of Thailand

Matching Maximize Solution Company Limited (“The Company”) would like to report the operating results for the second quarter ending June 30, 2023, which were already reviewed by the Certified Public Accountant. In the Company’s consolidated financial statement, the parent company booked a profit amounting to 11.79 million baht, representing an increase in earnings by 27.29 million baht or up by 176.06% from the loss of 15.50 million baht booked in the same period of 2022. The details are as follows.

(Million Baht)

Loss and Profit Statement	The 2 <sup>nd</sup> quarter			
	2023	2022	Change	
	Amount	Amount	Amount	%
Revenue from equipment rental business	89.58	65.26	24.32	37.27%
Revenue from studio rental business	22.05	6.77	15.28	225.70%
Revenue from content business	1.93	9.34	(7.41)	-79.34%
Revenue from product sales	0.96	0.84	0.12	14.29%
<b>Total revenue</b>	<b>114.52</b>	<b>82.21</b>	<b>32.31</b>	<b>39.30%</b>
<b>Total cost</b>	<b>72.99</b>	<b>68.63</b>	<b>4.36</b>	<b>6.35%</b>
<b>Gross Profit Margin</b>	<b>41.53</b>	<b>13.58</b>	<b>27.95</b>	<b>205.82%</b>
SG&A expenses	24.67	27.16	(2.49)	-9.17%
Financial expense	2.82	2.46	0.36	14.63%
<b>Total expenses</b>	<b>27.49</b>	<b>29.62</b>	<b>(2.13)</b>	<b>-7.19%</b>
<b>Profit (loss) before other revenue and other expenses</b>	<b>14.04</b>	<b>(16.04)</b>	<b>30.08</b>	<b>187.53%</b>
Other expenses	0.43	0.42	0.01	2.38%
<b>Profit (loss) before tax</b>	<b>14.47</b>	<b>(15.62)</b>	<b>30.09</b>	<b>192.64%</b>
Corporate income tax	(2.68)	0.12	(2.80)	-2333.33%
<b>Net profit (loss)</b>	<b>11.79</b>	<b>(15.50)</b>	<b>27.29</b>	<b>176.06%</b>

The total revenue in 2Q23 amounted to 114.52 million baht, up by 32.31 million baht or up 39.30% from the figure reported for the same period of the previous year. Key factors are as follows:

The revenue from equipment rental services in 2Q23 was recorded at 89.58 million baht, up 24.32 million baht or 37.27 % on a year-on-year basis from 65.26 million baht reported in 2Q22. The gain was made possible by the increase in number of both local and foreign clients.

The revenue from studio rental services in 2Q23 marked at 22.05 million baht, increasing by 15.28 million baht or up 225.70% on a year-on-year basis versus 6.77 million baht in 2Q22 because the number of foreign clients increased.

The revenue from content business in 2Q23 stood at 1.93 million baht, down by 7.41 million baht or down 79.34% from 9.34 million baht reported in 2Q22 due to the decline in volume of content production service.

The gross profit in 2Q23 marked at 41.53 million baht, up by 27.95 million baht or 205.82% versus the gross profit of 13.58 million baht reported for 2Q22. The gross profit margin marked at 36.27%.

The SG&A expenses in 2Q23 amounted to 24.67 million baht, decreasing by 2.49 million baht or 9.17% on the year-on-year basis. This was because effective debt management and collection helped reduce expected losses from receivables.

The financial expense in 2Q23 amounted to 2.82 million baht, up by 0.36 million baht or 14.63% from the figure reported in the same period of the year before due to the increase in interest rate.

The corporate income tax in the second quarter of 2023 marked at 2.68 million baht, up by 2.80 million baht or 2,333.33% on a year-on-year basis.

For the six-month operating period ending June 30, 2023, in the Company's consolidated financial statement, the parent company booked a net profit of 5.50 million baht, representing earnings improvement by 32.37 million baht or 120.47% compared to the net loss of 26.87 million baht booked for the same period of last year.

The Company marked total sales revenue at 218.91 million baht, increasing by 45.65 million baht or up 26.35%. The total cost of sales increased by 7.85 million baht or up 5.52% on a year-on-year basis to 150.00 million baht. The total gross profit marked at 68.91 million baht, up 37.80 million baht or 121.50%. Meanwhile, the SG&A expenses totalled 55.71 million baht, up 2.11 million baht or 3.94%. Finally, the financial expenses increased by 0.77 million or 15.59% YoY to 5.71 million baht.

## Financial Position

As of June 30, 2023

- The total assets amounted to 1,543.25 million baht. Key assets included cash and cash equivalent at 25.56 million baht, account receivables and other receivables at 78.42 million baht, inventory at 11.91 million baht, income tax withheld at source at 32.81 million baht, property, plant and equipment at 1,146.76 million baht, assets for rent at 200.21 million baht, deferred tax assets at 29.51 million baht. The total assets increased by 5.83 million baht or 0.38% from the figure reported as of December 31, 2022 because of the depreciation and amortization expenses at 38.31 million baht and additional investment in intangible assets at 2.90 million baht and in assets for rent at 41.64 million baht to serve increasing clients.
- The total liability stood at 280.90 million baht, up by 0.33 million baht or increasing by 0.12% from the figure reported as of December 31, 2022. Key liabilities were account payables and other payables at 76.31 million baht, the current portion of long-term loan from banks at 40.90 million baht, the current portion of lease liabilities at 3.14 million baht, long-term loan from banks at 125.24 million baht, lease liabilities at 8.51 million baht, and employee benefit obligations at 19.96 million baht. The account payables and other payables increased, which was normal in business operation.
- The shareholders' equity amounted to 1,262.35 million baht, up by 5.50 million baht or increasing by 0.44% from the figure reported as of December 31, 2022. The debt- to- equity ratio (D/E ratio) stood at 0.22 time and the current ratio was at 1.18 times.

## Cash flow

The Company's net cash flow gained from operating activities amounted to 48.76 million baht. The net cash flow used in investment activities marked at 23.41 million baht, mostly for purchase of new rental assets to support filming services. Meanwhile, the net cash flow used for financing activities stood at 30.39 million baht, mostly for loan repayment to banks. The net cash flow fell by 5.04 million baht. Therefore, the cash flow balance at the end of the period amounted to 25.56 million baht.

Yours sincerely,  
Matching Maximize Solution Plc.

(Mr. Chayanont Ulit).  
Chief Executive Officer