

No. 0251-2023

August 11, 2023

Subject : Management Discussion and Analysis Quarter 2<sup>nd</sup> ending June 30, 2023

Dear : Managing and Director of the Stock Exchange of Thailand

## Performance Summary

Unit: Million Baht

Unit: Million Baht	Consolidated			Separate		
	2Q/2023	2Q/2022	YoY % +/-	2Q/2023	2Q/2022	YoY % +/-
Revenue from service	242.96	318.04	(24%)	114.72	100.13	15%
Cost of service	(211.36)	(256.03)	(18%)	(95.31)	(78.08)	22%
<b>Gross profit (loss)</b>	<b>31.60</b>	<b>62.01</b>	<b>(49%)</b>	<b>19.42</b>	<b>22.06</b>	<b>(12%)</b>
Other income	0.60	1.98	(70%)	5.95	10.52	(43%)
<b>Profit (loss) before expense</b>	<b>32.20</b>	<b>63.99</b>	<b>(50%)</b>	<b>25.37</b>	<b>32.58</b>	<b>(22%)</b>
Distribution expense	(3.29)	(3.60)	(9%)	(0.97)	(0.75)	29%
Administrative expense	(83.52)	(43.63)	91%	(35.59)	(28.85)	23%
Loss from Impairment	-	-	0%	(149.57)	6.65	(2,349%)
<b>Total expense</b>	<b>(86.81)</b>	<b>(47.23)</b>	<b>84%</b>	<b>(186.13)</b>	<b>(22.96)</b>	<b>711%</b>
<b>EBIT</b>	<b>(54.61)</b>	<b>16.76</b>	<b>(426%)</b>	<b>(160.76)</b>	<b>9.62</b>	<b>(1771%)</b>
Finance cost	(6.80)	(5.65)	21%	(5.00)	(3.30)	52%
<b>Loss before income tax revenue (expense)</b>	<b>(61.42)</b>	<b>11.11</b>	<b>(653%)</b>	<b>(165.76)</b>	<b>6.32</b>	<b>(2722%)</b>
Income tax revenue (expense)	(1.14)	(0.98)	17%	0.13	(0.01)	1282%
<b>Profit (loss) for the period</b>	<b>(62.56)</b>	<b>10.14</b>	<b>(717%)</b>	<b>(165.63)</b>	<b>6.31</b>	<b>(2,725%)</b>
<b>Earnings Per Share (Baht/share)</b>	<b>(0.23)</b>	<b>0.03</b>		<b>(0.59)</b>	<b>0.02</b>	
Profit (loss) attributable:						
<b>Equity holders of the Company</b>	<b>(65.01)</b>	<b>6.49</b>	<b>(1102%)</b>	<b>(165.63)</b>	<b>6.31</b>	<b>(2,725%)</b>

CMO Public Company Limited (“CMO”) recorded **total revenue from service** in the amount of THB 242.96 million and **net loss** of THB 65.01 million in the consolidated financial statement Quarter 2<sup>nd</sup> ending June 30, 2023, compared with the same period Quarter 2<sup>nd</sup> ending June 30, 2022, which had total revenue THB 318.04 million and net profit THB 6.49 million.

The performance in 2Q/2023 compared with 2Q/2022, clarification is explained as the following reasons:

- **Revenue from Service** for 2Q/2023 decreased by 24% compared to 2Q/2022, mainly from returning customers’ demand in all industries to create campaigns or marketing activities for reboot sales. The subsidiary has also invested more in organizing the large-scale concert business.

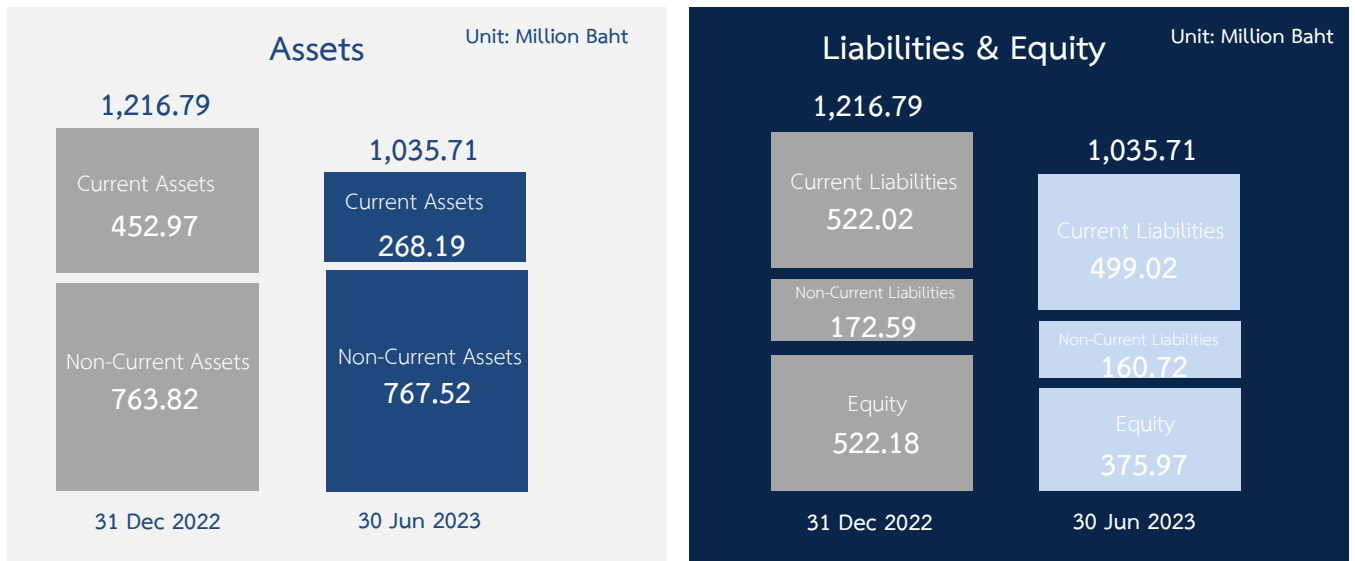
- **Cost of Service compared with total sales** increased from 81% in 2Q/2022 to 87% in 2Q/2023, mainly from increased cost of goods sold. The cost of services consists of variable and fixed costs. Some costs do not vary in revenue.

- **Selling and Administration Expenses** in 2Q/2023 increased by 84% compared to 2Q/2022, from the organization restructure of CMO Group, financial and Law advisory fees for the capital increasing shares and cut off of the preparation costs which was not organized as planned.

- **Interest Expenses** in 2Q/2023 increased by 21% compared to 2Q/2022, mainly due to the interest payments on financial institutions' credit lines and debentures.

For the separate company statement has **total revenue from service** of THB 114.72 million and **net loss** of THB 165.63 million in the separate financial statement Quarter 2<sup>nd</sup> ending June 30, 2023, compared with the same period in Quarter 2<sup>nd</sup> ending June 30, 2022, which had revenue from service of THB 100.13 million and net profit THB 6.31 million.

### Financial Position



As of June 30, 2023, the Company held total assets of THB 1,035.71 million, decreasing THB 181.08 million (-15%) from December 31, 2022, due to the decrease in value of trade and other receivables and work in process. A lot of work has already been delivered according to the event schedule.

As of June 30, 2023, the Company held total liabilities of THB 659.74 million, decreasing THB 34.87 million (-5%) from December 31, 2022, due to the decrease in trade and other payables according to the credit term.

As of June 30, 2023, the Company held total equity of THB 375.97 million, decreasing THB 146.21 million (-28%) from December 31, 2022, due to the net loss in 2Q/2023.

## Financial Ratios

	2Q/2023	1Q/2023
<b>Profitability Ratios</b>		
1. Gross Profit margin (%)	13.00	(0.57)
2. Net Profit margin (%)	(25.7)	(25.54)
<b>Liquidity Ratios</b>		
3. Current Ratio (times)	0.54	0.70
<b>Leverage Ratios</b>		
4. Debt to Equity Ratio (times)	1.75	1.59
<b>Financial Policy Ratios</b>		
5. Net Interest bearing debt to equity (times)	1.22	0.80
6. Debt service coverage ratio (times)	(0.13)	(0.23)

Please be informed accordingly,

Sincerely Yours,

(Mr. Kitisak Jampathipphong)  
Chief Executive Officer  
CMO Public Company Limited