

Management Discussion & Analysis. (MD&A Q2/2023)

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

August 14, 2023.

Discussion and analysis of operations for the quarter ended June 30, 2023.

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 June 30, 2023 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	Q2-23		Q2-22		#YoY (Q2-23#Q2-22) Inc./Dec.		H1-23		H1-22		#YoY (1H-23#1H-22) Inc./Dec.	
	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%
Service Income	127.87		226.06		-98.19	-43%	320.46		432.09		-111.63	-26%
Cost of Service	110.62	87%	193.07	85%	-82.45	-43%	273.74	85%	383.78	89%	-110.04	-29%
Gross (Loss) Profit	17.25	13%	32.99	15%	-15.74	-48%	46.72	15%	48.31	11%	-1.59	-3%
Selling Expenses	4.67	4%	5.19	3%	-0.52	-10%	9.43	3%	9.17	2%	0.26	3%
Admin Expenses	17.15	99%	21.29	65%	-4.14	-19%	32.79	10%	39.08	9%	-6.29	-16%
Financial Cost	2.31	49%	2.86	55%	-0.55	-19%	5.19	2%	5.64	1%	-0.45	-8%
Net Before tax	-6.74	-6%	3.94	2%	-10.68	-271%	-0.28	0%	-4.97	-1%	4.69	94%
Tax income/(expenses)	-1.48	-9%	1.77	5%	-3.25	-184%	-13.25	-4%	1.49	0%	-14.74	-990%
Net After Tax	-8.22	-6%	5.71	3%	-13.93	-244%	-13.53	-4%	-3.49	-1%	-10.04	-288%

Service income of 127.87 million baht, a decrease of -43% y-y, mainly caused from a decrease of the interior and a decrease of the exhibitions and event activities because uncertainty political.

Cost of services 110.62 million baht, a decrease of -43% y-y, caused from low costs management and decrease in proportion to decrease in revenue.

Gross profit of 17.25 million baht, a decrease of -48% y-y a significant decrease compared to the same quarter of the previous year. Most of the profits came from the exhibition and marketing activities and decrease in proportion to decrease in revenue.

The company had selling expenses of 4.67 million baht, a decrease of -0.52 million baht or -10% y-y, after adjusting the marketing strategy to increase a promote social media marketing channels such as

Facebook, Line, You Tube, IG and E-Mail Marketing that have resulting in lower selling expenses but have a better quality as a result of sales team begin to have an increasing business channel, especially in marketing activities.

Administrative expenses of 17.15 million baht, a decrease of -4.14 million baht or -19% y-y gradually reducing continually to be appropriate and in line with the marketing strategy that has been set.

Finance cost of 2.31 million baht, a decrease of -0.55 million baht, a decrease of -19% y-y. The company has gradually repaid some short-term loans. But still need to use working capital from financial institutions.

Summary of operating results according to the consolidated financial statements for the quarter 2/2023. The Company has a net loss before tax -6.74 million baht and when deducted the tax income -1.48 million baht (which become from adjusting the deferred tax asset) the result have net loss -8.22 million baht (belonging to a separate item of -8.10 million baht / subsidiaries of -0.12 million baht). The subsidiaries in both the Republic of the Union of Myanmar and Cambodia still stop their operations due to various situations, both politically and economically uncertain by management team have resolved to close both of subsidiaries which are during write down the business.

The strategic plan in focusing on expanding more exhibition and marketing activities due to market conditions that have returned to grow the same as before covid-19 situation. In part of interior have focusing in retail and office work both medium and small job in customer group that still has an opportunity to grow continuously by focusing on job characteristic which company have skillful that can get a good profit and can controlling management risks for delivery a quality job within the specified period.

Please be informed accordingly,

Yours sincerely,



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