

Management Discussion & Analysis. (MD&A Q2/2022)

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

August 15, 2022.

Discussion and analysis of operations for the quarter ended June 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 June 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	Q1-22		Q2-22		H1-22		Q1-21		Q2-21		H1-21		#YoY (Q2-22#Q2-21) Inc./Dec.		#YoY (1H-22#1H-21) Inc./Dec.	
	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%	Amt.	%
	Service Income	206.03		226.06		432.09		183.47		153.02		336.49		73.04	48%	95.60
Cost of Service	190.71	93%	193.07	85%	383.78	89%	163.71	89%	149.15	97%	312.86	93%	43.92	29%	70.92	23%
Gross (Loss) Profit	15.32	7%	32.99	15%	48.31	11%	19.76	11%	3.87	3%	23.63	7%	29.12	752%	24.68	104%
Net After Tax	(9.20)	-4%	5.71	3%	(3.49)	-1%	(7.15)	-4%	(21.49)	-14%	(28.64)	-9%	27.20	127%	25.15	88%

Service income of 226.06 million baht, an increase of +48% y-y, more than 60% of total revenue comes from exhibitions and marketing activities. Especially in this quarter can manage activities to generate income and profits have obviously improved. For interior, there were a few jobs coming and gradually recognizing some revenues and delivered 1-2 projects from the previous year.

Cost of services 193.07 million baht, an increase of +29% y-y, an increase of less than the proportion of revenue increased due to the project management can better manage and control costs compared to the same quarter of the previous year.

Gross profit of 32.99 million baht, a significant increase compared to the same quarter of the previous year. Most of the profits came from marketing activities that started to recover and able to manage to return to have a good profit as usual (before the Covid situation) / Interior can deliver the projects from the previous year and the accounting damage estimate is reversed, which had been projected to recognize this portion of the profit back into the current period.

The company had promotional expenses of 5.19 million baht, an increase of +1.88 million baht or +57% y-y, an increase in accordance with the marketing strategy, which began to see results, increased revenue and profits increased significantly as expected.

Administrative expenses of 21.29 million baht, an increase of +1.48 million baht or +7% y-y due to the management has considered to return the salary back to the original rate to the employees (The management thinks that the company is starting to recover. To give morale and encouragement to employees who share suffering, share happiness and understand the situation that the company faces during the Covid situation).

Finance cost of 2.86 million baht, a decrease of -0.31 million baht, a decrease of -10% y-y. The company has gradually repaid some short-term loans, thus reducing financial cost.

Summary of operating results according to the consolidated financial statements for the quarter 2/2022. The Company has a total net profit of +5.71 million baht (belonging to a separate items of +4.90 million baht / subsidiaries of +0/81 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 but there is still a small amount of service to the same customers).

The company resumed its profitability for the first quarter in three years, due to exhibition and events began to recover. While the interior section, the company has a plan to adjust the strategy and internal improvements starting from next quarter onwards. The company has more joint ventures in the future, there should be projects that can support and encourage the company's business better.

Please be informed accordingly,

Yours sincerely,

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