



May 14, 2020

Subject : Management Discussion and Analysis for the 1st quarter 2020 ending March 31, 2020

Dear : Managing and Director of the Stock Exchange of Thailand

CMO Public Company Limited "CMO" would like to inform Total revenue 164.15 million Baht and Net Loss 37.40 million Baht in the consolidated financial statement for the 1st quarter 2020 ended March 31, 2020 compared with the same period in 2019, which had Total revenue 274.79 million Baht and Net Loss 1.39 million Baht. The above performance comes from these following reasons;

- The total revenue from service on the 1st quarter, 2020 was decreased 42.26% compare with the total revenue from service on first quarter, 2019. Because of year 2020, the corona virus (COVID-19) has been an important situation that occurred in Thailand and around the world. The Corona Virus makes significant pressure for the business since the Virus is impacting the event management industry. As a result of announcement from Thai government which is restricted any crowding activities and lockdown city, so it directly affected to the Company which is providing event services such as Motor Show, Home Pro Expo, Product launch event, Concert, Seminar. The Company and Subsidiaries was canceled and postponed providing events by the customer since March to May, 2020.

- Cost of goods sold was decreased by 26.45% from the year 2019 due to the variable costs. Even though, the variable costs had met the standard margin of the company, some labor costs were also allocated as fixed costs which not fluctuate with changes in or sales volume.

- Gross profit was decreased by 103.61% from the year 2019 due to decreasing in Revenue of service and also the production labor costs were also allocated as fixed costs as stated.

- Selling and administrative expense was slightly decreased by 8.01%. This caused by re-structure of employee in an affiliated company. Besides, the company's building decoration equipment was fully depreciated in 2019.

- Interest Expense was decrease by 4.04% from the year 2019. This was a result of decreasing of long term loan from the office building including the cash flow management of account receivable and account payable.

- Net loss increased from the year 2019. This caused by the impact of the coronavirus disease 2019 (COVID-19) outbreak has spread across the world.

For company separate statement presented Total Revenue 89.30 million Baht and Net profit 17.59 million Baht in the company financial statement for the 1st quarter 2020 ended March 31, 2020, compared with the same period in 2019, which presented total revenue 130.57 million Baht and Net profit 30.84 million Baht. The main reason was the reversal of allowance for doubtful accounts of investment and also the dividend income amounting 25.22 million Baht.

Please be informed accordingly,


(Mr. Sermkhun Kunawong)
Chief Executive Officer

CMO Public Company Limited

