

No. 0237-2024

August 13, 2024

Subject : Management Discussion and Analysis for the Quarter 2/2024 ended June 30, 2024

To : The President of the Stock Exchange of Thailand

CMO Public Company Limited (the “Company” or “CMO”) would like to clarify the operational results and consolidated financial position of the Company and its subsidiaries for the Q2/2024, for the six-month period ending on June 30, 2024, compared to the same period of the previous year as follows:

Performance

- Revenues from service

Unit : Million Baht	Q2/2024	Q2/2023 Revised	Q1/2024	% Change		1H2024	1H2023 Revised	% Change
				YoY	QoQ			
Revenues from service	349.55	242.96	263.00	44%	33%	612.55	557.33	10%
Gross Profit	62.06	31.91	43.11	95%	44%	105.17	30.12	249%
Operating Profit (Loss)	-3.52	-54.61	-40.65	-94%	-91%	-44.17	-127.17	-65%
Profit (Loss) for the period	-12.06	-62.56	-49.23	81%	75%	-61.29	-143.07	57%
Earnings per share (Baht/share)	-0.03	-0.22	-0.13			-0.15	-0.51	
Gross Profit Margin	18%	13%	16%			17%	5%	
Net Profit Margin	-3%	-26%	-19%			-10%	-26%	

Unit : Million Baht	Q2/2024	Q2/2023	Q1/2024	% Change		1H2024	1H2023	% Change
				YoY	QoQ			
Event Management	208.37	128.38	189.35	62%	10%	397.72	277.57	43%
Equipment Rental	60.88	54.42	51.59	12%	18%	112.47	134.63	-16%
Media Production	0.90	3.55	0.48	-75%	87%	1.38	5.45	-75%
Installation of materials and equipment	79.39	54.20	21.58	46%	268%	100.97	97.45	4%
Concert		2.42		-100%			42.23	-100%
Total	349.55	242.96	263.00	44%	33%	612.55	557.33	10%

The Company reported total revenue from service of THB 612.55 million for the six-month period, an increase of 10% , mainly from event management services amounting to THB 397.72 million, which grew by 43% , and revenue from installation of materials and equipment amounting to THB 100.97 million, an increase of 4% compared to the same period last year. The continuous growth is attributed to the relaxation of COVID-19 control

measures since 2022, which has boosted consumer purchasing power. Consequently, various sectors have increased their event activities to promote their products and services. The primary revenue sources include events for clients in the cosmetics, financial services, automotive, energy, life insurance, consumer goods, telecommunications, exhibition, and education sectors.

Meanwhile, revenue from the equipment rental business amounted to THB 112.47 million, a decrease of 16%. This decline is due to the absence of revenue from renting equipment for a music festival at the beginning of the year, which did not occur this year. Additionally, revenue from the media production business was THB 1.38 million, a decrease of 75%, primarily due to the increased competition in the media industry as consumers demand greater access to new technologies.

- **Gross Profit and Gross Profit Margin**

The Company achieved a gross profit of THB 105.17 million for the six-month period, an increase of 249%, resulting in a profit margin of 17%, up from 5% in the same period last year. This improvement is due to the fact that in the previous year, the Company recognized the costs of a subsidiary's concert business that incurred losses, and currently, the Company no longer has revenue from that subsidiary.

Unit : Million Baht	Q2/2024	Q2/2023 Revised	Q1/2024 Revised	% Change		1H2024	1H2023	% Change
				YoY	QoQ			
Distribution expenses	23.63	13.21	15.17	79%	56%	38.80	28.55	36%
Administrative expenses	43.30	73.90	69.47	-41%	-38%	112.77	130.20	-13%
Finance cost	4.91	6.80	6.06	-28%	-19%	10.97	13.06	-16%
Total	71.84	93.92	90.70	-24%	-21%	162.54	171.81	-5%

- **Administrative and Distribution expenses**

For the six-month period, the Company incurred distribution expenses amounting to THB 38.80 million, an increase of 36%, which rose in proportion to the increased revenue. The auditor reclassified THB 10.29 million of administrative expenses as distribution expenses to better reflect the actual operations.

For the six-month period, the Company incurred administrative expenses of THB 112.77 million, a decrease of 13% from last year, which included approximately THB 11.24 million in consulting fees related to legal cases.

- **Finance cost**

For the six-month period, the Company incurred financial expenses amounting to THB 10.97 million, a decrease of 16% due to the reduction in financial liabilities related to overdrafts and promissory notes.

Financial Position

Unit : Million Baht	Q2/2024	Q4/2023	Q2/2023
Total assets	1,035.47	1,122.26	1,035.71
Cash and cash equivalents	73.97	28.97	41.80
Trade and other current receivable	156.42	267.56	88.16
Contract assets	22.65	58.57	71.32
Property, plant and equipment	597.47	574.53	570.54
Withholding tax	101.26	98.24	100.81
Other assets	83.71	94.39	163.09
Total liabilities	641.39	766.54	659.74
Bank overdraft and short-term loans from financial institutions	138.97	238.38	221.33
Trade and other current payable	202.02	199.73	86.22
Debentures	60.00	80.00	100.00
Convertible debentures	63.10	63.13	44.14
Long-term loans from financial institutions	38.58	51.02	63.21
Total shareholders' equity	394.09	355.73	375.97
Equity attributable to owners of the Company	319.62	284.68	323.08
Non-controlling interests of the subsidiaries	74.46	71.04	52.89

For the six-month period, the Company reported total net assets of THB 1,035.47 million, which remains at a similar level to the same period last year. However, compared to the fourth quarter of the previous year, when the Company had total assets of THB 1,122.26 million, there was a decrease of 8%. This reduction is due to the Company accelerating its

collection of customer payments, reducing the average collection period from 63 days to 57 days, resulting in a lower amount of trade receivables than the fourth quarter of the previous year.

The Company reported total liabilities of THB 641.39 million for the six-month period, which remains at a similar level to the same quarter of the previous year due to increased trade payables and higher revenue. However, compared to the fourth quarter of the previous year, when the Company had total liabilities of THB 766.54 million, there was a decrease of 16% due to the partial repayment of maturing debentures and loans from financial institutions.

Financial ratios

Financial ratios	Q2/2024	Q4/2023	Q2/2023
Current Ratio (times)	0.53	0.61	0.54
Accounts Receivable Turnover (times)	6.28	5.72	7.41
Collection Period (days)	57.35	62.94	48.57
Accounts Payable Turnover (times)	5.63	6.23	7.43
Payment Period (days)	63.93	57.79	48.48
Financial Policy ratio			
Net interest bearing debt to equity (times)	0.84	1.34	1.22

Please be informed accordingly,

Sincerely Yours,

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