

Ref. WORK 02/2021  
Feb 24, 2021

Re: Management Discussion and Analysis for the year ended December 31, 2020  
To: President of the Stock Exchange of Thailand  
Attachment: 1. Business Performance Report (Form F45-3)  
2. The consolidated and separate financial statement for the year ended  
December 31,, 2020

Workpoint Entertainment Public Company Limited ("The Company") is pleased to submit herewith the consolidated and separate financial statement for the year ended December 31, 2020, with the financial analysis in comparison to the financial statement for the year ended December 31, 2019. The performance can be summarized as follows:

The operating performance of the Company and its subsidiaries for the year ended December 31, 2020 has shown the net profit of THB 159.11 million, decreasing by THB 0.39 million or 0.24%, from the same period in the previous year which shown the net profit of THB 159.50 million.

**Revenue :**

For the year ended December 31, 2020, the total Revenue (Excluding Other Income) of the Company was THB 2,277.19 million which represented an decrease of THB 494.47 million or 18% from the same period in the previous year which shown the total Revenue (Excluding Other Income) of THB 2,771.66 million. The change of total Revenue was mainly resulted from the following business:

**Revenue from Television Programs**

Revenue from television programs was comprised of revenue from the advertising and promotion during each broadcasting period of the Company's TV channel ("WORKPOINT TV"), and other online media channels such as YouTube. Revenue from television programs also includes revenue from Renting Air time to 3rd parties for TV program broadcasting on WORKPOINT TV, revenue from the production of TV programs for 3rd parties for broadcasting on WORKPOINT TV, and revenue from sales of TV program licenses.

For the year ended December 31, 2020, the Company had the revenue from television programs at THB 1,798.89 million, decreasing by THB 394.21 million or 18% from the same period in 2019. The decrease of revenue from TV programs, was from the decrease of revenue from WORKPOINT TV and revenue from sales of TV program licenses due to the spread of COVID-19, which has strucked both domestic and foreign economies. Many business had decreased in their purchasing power.

**Revenue from Event Marketing**

Revenue from event marketing was comprised of the revenue from event activities arranged by the company and event activities which the Company organized for 3<sup>rd</sup> parties. For the year ended December 31, 2020, the Company had the revenue from event activities at THB 104.59 million, decreasing by THB 138.46 million or 57% from the same period in 2019 which had the revenue at THB 243.05 million. As the result of the spread of COVID-19, the Company had reduced the number of events not only its own events but also the 3<sup>rd</sup> parties' events. Some events had to cancel or postpone indefinitely. For the year ended December 31, 2020, the company had major events which were "Mai-Muan-Suen 2", "The Art of Siam", "Ran-Ded-Fair 4", "Virtual Red Cross Fair 2020".

**Revenue from Concerts and Plays**

Revenue from concerts and plays was comprised of the revenue from concerts and plays produced by the Company, and revenue from Playhouse's title sponsor. The Company had the revenue from concerts and plays for the year ended December 31, 2020 at THB 39.02 million, decreasing by THB 78.60 million or 67% from the revenue at THB 117.62 million. Same as the Event Marketing business, Concerts and Shows of the Company had reduced as a result from the spread of COVID-19. Although, in the second half of 2020, the Company could resume to arrange the shows, the number of audience were limited due to the Social Distancing Policy. For the year ended December 31, 2020, the Company had major shows totally 3 shows which were "MEWKY Way Showcase", "Kun-Phar-Chure Show10" and "Jeab-Chui Social Distancing Concert"

**Revenue from sale of goods and rendering of other services**

Revenue from sale of goods and rendering of other services was divided into 2 categories. Firstly, revenue from sale of goods which was comprised of the revenue from sale of health and beauty products and the revenue from sales of products on consignment. Secondly, revenue from rendering of other services was mainly comprised of the revenue from area rental in the Company's Playhouse, revenue from Artist management, and revenue from PR services for selling product of other TV shopping operators. The Company had revenue from sale of goods and rendering of other services for the year ended December 31, 2020 at THB 334.31 million, increasing by THB 117.69 million or 54 % from the same period in 2019 which had the revenue at THB 216.62 million. The significant increase was mainly from the increase of the revenue from PR services for selling product through the timeslots on WORKPOINT TV.

**Costs :**

For the year ended December 31, 2020, the Company had total costs at THB 1,340.10 million, decreasing by THB 414.52 million or 24% from the total costs at THB 1,754.64 million from the same period in 2019. The decrease in the total costs was mainly from a decrease in costs from the business of Television programs as the Company initiated the cost saving plan of the production costs to cope up with the economic slowdown from the COVID-19 epidemic since the 2nd quarter. Moreover, there was the decrease of annual fee contributed to USO Fund according to the Government's remedy measures.

**Selling and Administrative Expenses and Other Expenses:**

For the year ended December 31, 2020, the Company had selling and administrative expenses in total at THB 788.41 million, slight decreasing by THB 48.37 million or 6% from the same period in 2019 in which the Company had selling and administrative expenses in total at THB 836.78 million. The decrease was mainly from office expenses and administrative expenses according to the Company's cost saving policy in order to reduce the impact of the COVID-19 situation.

Additionally, the Company had other expenses at THB 34.59 million from Impairment loss determined in accordance with TFRS 9 which is effective in 2020 for the first time. Such other expenses are allowance for impairment loss for trade accounts receivables determined in accordance with TFRS 9.

Please be informed accordingly.

Best Regards,

Workpoint Entertainment Public Company Limited



(Mr. Surakarn Sirimothya)

Chief Financial Officer

Authorized to sign on behalf of the company