



4 November 2021

Re: Management Discussion and Analysis

Operating results for the six-month period ended June 30, 2021

To: President

The Stock Exchange of Thailand

The One Enterprise Public Company Limited (“the Company” or “We”) would like to provide Management Discussion and Analysis for the six-month period ended June 30, 2021 as follows:

Overview of the operating result for the six-month period ended June 30, 2021<sup>(1)</sup>

Unit: THB mm	1H/21	1H/20	Changes
Revenue from advertising and airtime management	1,596.3	1,166.3	36.9%
Revenue from copyright management (online, international sales and others)	607.5	428.5	41.8%
Revenue from production service	147.4	234.7	(37.2%)
Revenue from radio program production	91.3	114.4	(20.1%)
Revenue from event business	4.9	25.0	(80.5%)
Other operating revenue	289.3	133.5	116.7%
Other revenue	45.8	41.8	9.5%
<b>Total revenue</b>	<b>2,782.6</b>	<b>2,144.1</b>	<b>29.8%</b>
Cost of goods sold	(1,324.6)	(1,210.9)	9.4%
Selling and marketing expenses	(91.9)	(67.3)	36.5%
Administrative expenses	(723.2)	(558.5)	29.5%
<b>Total expense</b>	<b>(2,139.7)</b>	<b>(1,836.7)</b>	<b>16.5%</b>
<b>EBIT</b>	<b>642.9</b>	<b>307.4</b>	<b>109.1%</b>
Share of profit (loss) from investment in associates	(1.0)	1.3	(179.8%)
Finance income	0.6	0.8	(26.5%)
Finance costs	(74.4)	(96.3)	(22.7%)
<b>Profit before income tax expense</b>	<b>568.1</b>	<b>213.2</b>	<b>166.4%</b>
Income tax expenses	(112.9)	(32.1)	251.3%
<b>Net profit for the year</b>	<b>455.1</b>	<b>181.1</b>	<b>151.4%</b>



---

*Note: (1) 2020 financial figures based on pro-forma financial statements which reflect the company's new structure from the 100% acquisition of GMMCH from Grammy and Siridamrongdham. The pro-forma financial statements assume that the GMMCH acquisition occurs on 31 December 2018.*

**Total Revenue** of THB 2,782.6 mm, increased by 29.8% from THB 2,144.1 mm in six-month period ended June 30, 2020. Despite the COVID-19 outbreak, our and our subsidiaries' (collectively called "the Group Companies") revenue still increase due to following reasons.

- The increase of revenue from advertising and airtime management, in accordance with the increase of advertising expenditure (ADEX) of television industry in six-month period ended June 30, 2021 compared to six-month period ended June 30, 2020, and as a result of the marketing agreement with GMM25, which commences from 1 January 2021.
- The increase of revenue from copyright management (online, international sales and others) from increasing online revenue e.g. YouTube and Facebook due to increase of the Group Companies and GMM Channel's contents, which we are the marketing agent, as well as from new international partners
- The increase of other operating revenue from artist management and merchandising.

**Net Income** of THB 455.1 mm, increased by 151.4% from THB 181.1 mm in six-month period ended June 30, 2020, or equivalents to net profit margin of 8.4% and 16.4% in six-month period ended June 30, 2020 and six-month period ended June 30, 2021, respectively. The increased of net income and net profit margin are due to the net effect from following reasons.

- The decrease in percentage of COGS to operating revenue e.g. (1) percentage of production cost to operating revenue was lowered by 4.2% (2) percentage of content amortization cost to operating revenue was lowered by 2.7% and (3) percentage of broadcasting cost to operating revenue was lowered by 1.3%. However, the Group Companies still maintain strategy to adjust broadcasting programming during the COVID-19 outbreak in order to match the media and advertising spending by balancing revenue, production cost and the novelty of contents, which results in increase of revenue from advertising and airtime management. Furthermore, we generated additional profit from being marketing agent for GMM Channel during six-month period ended June 30, 2021 and we have already paid full amount of revenue sharing of THB 70 mm to GMM Channel, thus, no additional revenue sharing cost in the second half of 2021.
- The increase in expenses associated to marketing agreement e.g. (1) increase employee expense from additional GMMCH's employees transferred in January 1, 2021 (2) increase advertising fees, marketing fees and commission and (3) other expenses e.g. USO cost of GMM25 channel



- The decrease in financial costs resulting from the repayment of interim short and long-term loans to financial institutions.

**Financial Position as at June 30, 2021<sup>(1)</sup>**

Unit: THB mm	1H/21	2020	Changes
Other current assets	2,723.4	2,261.5	20.4%
Other Non-current assets	5,200.9	5,207.9	(0.1%)
<b>Total assets</b>	<b>7,924.3</b>	<b>7,469.4</b>	<b>6.1%</b>
Current liabilities	2,244.1	2,001.3	12.1%
Non-current liabilities	3,122.8	3,433.9	(9.1%)
<b>Total liabilities</b>	<b>5,366.9</b>	<b>5,435.3</b>	<b>(1.3%)</b>
Total shareholders' equity	2,557.4	2,034.1	25.7%
<b>Total liabilities and shareholders' equity</b>	<b>7,924.3</b>	<b>7,469.4</b>	<b>6.1%</b>

Note: (1) 2020 financial figures based on pro-forma financial statements which reflect the company's new structure from the 100% acquisition of GMMCH from Grammy and Sirdamrongdham. The pro-forma financial statements assume that the GMMCH acquisition occurs on 31 December 2018.

**Total assets** of THB 7,924.3 mm, increased by 6.1% from THB 7,469.4 mm in 2020 primarily due to increase in cash and cash equivalents.

**Total liabilities** of THB 5,366.9 mm, decreased by 1.3% from THB 5,435.3 mm in 2020 primarily due to the repayment of interim short and long-term loans to financial institutions.

**Total shareholders' equity** of THB 2,557.4 mm, increased by 25.7% from THB 2,034.1 mm from 2020 primarily due to an increase in net profit which effectively reduce retained loss.