



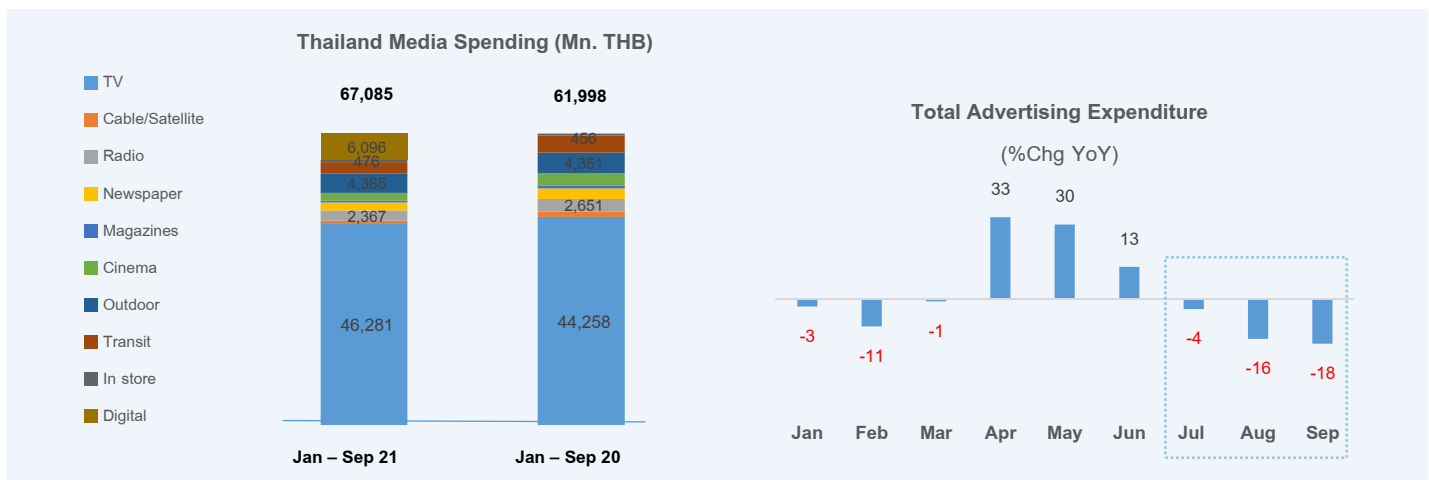
The ONE Enterprise Public Company Limited

Management Discussion and Analysis Quarter 3/2021

Executive Summary

- The One Enterprise Public Company Limited reported earnings in Q3/21 with revenues of 1,108.5 million baht and a net profit of 167.9 million baht, stronger than Q3/20. The revenue increased by 324.2 million baht and net profit increased by 10.9 million baht or an increase of 42.6% and 6.9% respectively.
- In Q3/21 was a time when the media industry was affected by the COVID-19 situation dramatically, causing the expenditure in the advertising market to shrink. In addition, the intense measures from the government prevented the Group from filming new programs for broadcasting and delivering contract production. However, 3Q/21 earnings were at a good stage, compared to the COVID-19 situation in 3Q/20.
- In Q3/21, the Group has adjusted its operating strategy in response to the situation affected by COVID-19 by adjusting the program schedule and broadcasting re-runs at different times to manage the situation and costs effectively. However, in September the situation has begun to improve from the easing of the government's measurement. Thus, the Group was able to operate the program again. resulting earnings and profits began to improve in September.
- Long-term borrowings are at 2,820.8 million baht, it will be paid after the IPO and long-term borrowings will be left at 623.8 baht. For 9 months, Operating cash flow is 1,261.2 million baht and cash flow is 825.0 million baht.

Economic Overview and Market Situation



- COVID-19 epidemic heavily impacted in 3Q/21, causing the government to step up measures to control Covid-19, such as banning groups of more than 5 people, announcing a curfew and travel restrictions, etc. These measures have a broad impact on the Thai economy, as reported by the Bank of Thailand that the private consumption index fell 11.2% YoY. Therefore, it is clear that the COVID-19 epidemic in Q3/21 is more intense than last year. It also affects the media industry that has been severely affected by the number of advertising budget during the month of July-September about 20.6 billion baht, considered the lowest in 2021.
- However, The Nielsen Company (Thailand) Co., Ltd. reported that the accumulated media spending in Thailand from January to September 2021 totaled 67.0 billion baht, increasing from the previous year by 8.2 %YoY. The television advertising budget remained the most valued at 46.2 billion baht or 68.9 % of the total amount. In addition, TV ADEX in 3Q21 continued to decline due to the epidemic 4th wave of COVID-19. However, it is expected that the advertising industry will recover to more than 84.3 billion baht in 2022, with the largest media expected to be TV, online and out-of-home media.

Source: Information from the Bank of Thailand and The Nielsen Company (Thailand) Co., Ltd.

Important events in 3Q/21

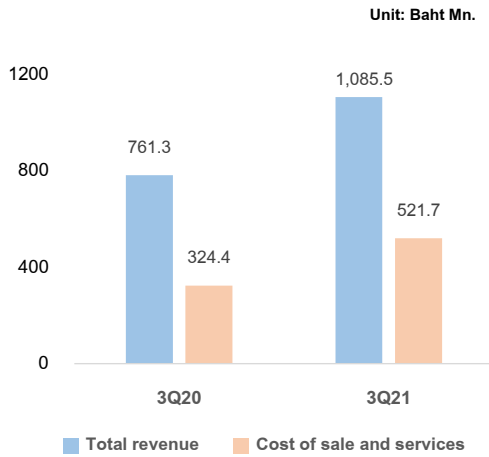
- During October 20 to November 1, 2021, the Company has offered its ordinary shares to the public for the first time (IPO) in the amount of 476,250,000 newly issued ordinary shares at 8.50 baht per share, amounting to 4,048.13 million baht.
- Reduce the registered capital of 2 subsidiaries, namely One 31 Company Limited and GMM Channel Holding Company Limited, to clear the accumulated loss. As a result, The One Enterprise Public Company Limited will be able to pay dividends according to the dividend policy.

Financial Performance of the Group

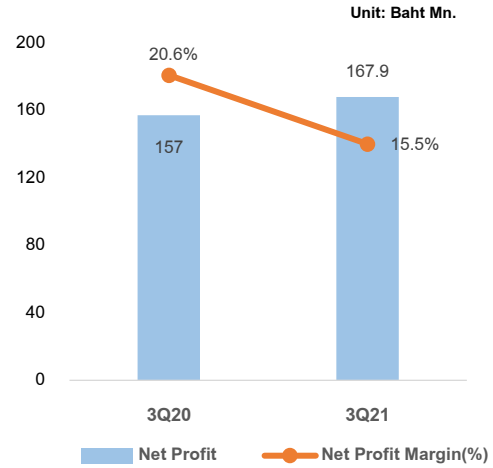
(Unit: Baht Mn.)

Consolidated financial statements	%			%		
	Q3-22	Q3-21	Change	9M-21	9M-20	Change
Revenue from advertising, promotion and lease of television station	628.7	541.4	16.1%	2,225.1	1,518.4	46.5%
Revenues from Copyrights Management	239.5	149.1	60.6%	847.1	418.5	102.4%
Revenue from Radio Production	38.9	-	100.0%	130.0	-	100.0%
Revenue from production and service	50.6	55.9	-9.5%	198.1	139.1	42.4%
Revenue from Event Business	6.1	-	100.0%	11.0	-	100.0%
Revenue from other Related Business	121.7	14.9	716.8%	411.0	54.0	661.1%
Revenue from Sale and Services	1,085.5	761.3	42.6%	3,822.5	2,130.0	79.5%
Cost of Sale and Services	521.7	324.4	60.8%	1,846.3	1,064.0	73.5%
Gross Profit	563.8	436.9	29.0%	1,976.0	1,066.0	85.4%
Other Income	23.0	21.7	6.0%	68.8	49.9	37.9%
Selling and servicing expenses	(44.9)	(28.8)	55.9%	(136.8)	(75.6)	81.0%
Administrative expenses	(326.2)	(236.8)	37.8%	(1,049.4)	(549.2)	91.1%
Operating profit	215.7	193.0	11.8%	858.6	491.1	74.8%
EBITDA	418.1	372.8	12.2%	1,629.7	1,061.0	53.6%
Share of profit (loss) from investment in associate	(1.1)	1.2	-191.7%	(2.1)	2.5	-180.8%
Profit before Interest income (expense) and tax income	214.6	194.2	10.5%	856.8	493.5	73.6%
Interest income	0.0	0.0	N/A	0.6	0.4	50.0%
Finance expenses	(35.2)	(18.6)	89.2%	(109.6)	(61.3)	78.8%
Profit before tax income (expense)	179.4	175.6	2.2%	747.5	432.6	72.8%
Tax Income	(11.5)	(18.6)	-38.2%	(124.5)	(58.5)	112.8%
Net Profit	167.9	157.0	6.9%	623.0	374.1	66.5%
Earning Per Share (Baht)	0.088	0.082		0.327	0.196	

Sale Revenue and Cost of Sales and Services



Net Profit and Net profit Margin



Revenue from Sale and Services

For the third quarter of 2021, the Group's total operating income was 1,085.5 million baht, increase of 324.2 million baht or 42.6% from the same quarter of the previous year, mainly due to as follows;

- Revenue from advertising, promotion and lease of television station increased from average ratings in the drama category. As a result, the advertising selling price has been adjusted accordingly and from being a marketing agent for the GMM 25 channel.
- Revenue from copyright management increased from GMM TV Company Limited that sells various program copyrights to other countries including OTT platform.
- Revenue from other related businesses increased from artist management revenue due to the increasing number of artists in the agency, resulting in the recognition of income in the artist management business boosted in the same direction and revenue from sales of products from GMM TV Company Limited.

Cost of Sales and Services

For the third quarter of 2021, the Group's cost of sales and services was 521.7 million baht, increase of 197.3 million baht or 60.8% from the same quarter of the previous year, mainly from the Group's acquisition of GMM Channel Holdings Group. As a result, the production cost increased in line with the increase in operating income in the same direction.

Selling and servicing expenses

For the third quarter of 2021, the Group's sales and service expenses were 44.9 million baht, increase of 16.1 or 55.9% from the same quarter of the previous year due to reasons, mainly from the various expenses occurred from the Group's acquisition of GMM Channel Holdings Group.

Administrative expenses

For the third quarter of 2021, the Group's administrative expenses were 326.2 million baht, increase of 89.4 million baht or 37.8% from the same quarter of the previous year, mainly from the Group's acquisition of GMM Channel Holdings Group, which resulted in employee expenses from the transferring some employees.

Finance Cost

For the third quarter of 2021, the Group's financial cost was 35.2 million baht, increase of 16.6 million baht or 89.2% from the same quarter of the previous year, mainly from the interest expense, resulted from the Group's acquisition of GMM Channel Holdings Group.

Net Profit

For the third quarter of 2021, the Group's net profit was 167.9 million baht, increase of 10.9 million baht or 6.9% from the same quarter of the previous year.

financial positions

Asset

Total assets as of September 30, 2021, equal to 7,620.9 million baht, compared to as of December 31, 2020, equal to 7,554.5 million baht, an increase of 66.4 million baht or 0.9%. Cash and cash equivalents were 825 million baht.

Liabilities

Total liabilities as of September 30, 2021, equal to 4,895.8 million baht, compared to as of December 31, 2020, was 5,452.3 million baht decreased by 556.5 million baht or 10.2%. The long-term loan amounted to 2,820.8 million baht. After raising funds through the IPO, the Group will repay the principal amounting to 2,200 million baht and the remaining long-term loan is 623.8 million baht.

Equity

Equity as of September 30, 2021, equal to 2,725.1 million baht, compared to 31 December 2020, was 2,102.2 million baht, an increase of 622.9 million baht or 29.6%.

Ratios and financial highlight

	9M21	9M20
Gross Profit Margin	51.7%	50.0%
EBITDA Margin	42.6%	49.8%
Net Profit Margin	16.3%	17.6%
ROAE	25.8%	22.5%
ROA	11.3%	11.5%
D/E (x)	1.8	1.4
Operating Cash Flow (Baht Mn.)	1,261.2	624.8
Cash at end of Period (Baht Mn.)	825.0	455.5

Please be informed accordingly,

Respectfully yours,

(Mr.Unnop Senasuttiapan)

Group Chief Financial Officer

Authorized Person for Information Disclosure