



บริษัท กรังด์ปรีซ์ อินเตอร์เนชั่นแนล จำกัด (มหาชน)
GRAND PRIX INTERNATIONAL PUBLIC COMPANY LIMITED

Management Discussion and Analysis

For the Year ended December 31, 2021

GRAND PRIX INTERNATIONAL PUBLIC COMPANY LIMITED

Investor Relations

Email : ir@grandprix.co.th

Tel : 0 2 522 1731 # 309

Website : <https://investor.grandprix.co.th/en>

Business Overview

Grand Prix International Public Company Limited (the “Company” or “GPI”) involves in exhibition and marketing event business and digital and publishing media related in automotive industry and printing business. The Company’s revenue is mainly from The exhibition and event organizer and public relation activity such as Bangkok International Motor Show, Bangkok Used Car Show, Yangon International Motor Show and Digital Motor Sport.

Economic Overview

The result of the December 2021 Thai Industries Sentiment Index (TISI), were at 86.8, up from 85.4 in November. This was an increase for the 4th month in a row. Resulting the continual improvement in the confidence of industrial operators. The supporting factor was the recovery of domestic demand after the government loosened COVID-19’s measures. This resulted in the economic activities started to operate as usual including manufacturing, trade and domestic travel. While the government’s economic stimulus measures helping to stimulate public spending especially during the new year festival. In term of exports, orders continued to increase in line with the gradual recovery of the global economy. Also, the depreciation of Thai baht will directly benefit to exporters in term of price competitiveness. However, there are couple negative determinants from the unpredictable COVID-19 epidemic situation. Meanwhile, operators encounter with high operating costs from the increased of energy prices and raw material. Furthermore, the shortage of semiconductors and containers has not been resolved.

As for the media industry, the three-quarter advertising were valued at 55,252 million baht, growing 2.1% compared to the same period of 2020, mainly due to the loosened of lockdown measures that were less strict than previous year. In the three-quarters of 2021, there were only TV and online media. Which still has growth valued at 27,618 million baht, a growth of 3% and 17,524 million baht, a growth of 15%, respectively, from the trend of consumers of all ages who have access to the Internet and consume more at online media. Other medias still in down trend such as printing, radio, cinema and out-of-home. In 2022, the industries that are expected to spend the most will come from the main groups as follows: 1. Automotive, with the main products being electric vehicles (EV) from the government's support policy. Causing car company to start launching more EV cars, especially car maker from China. Resulting in the awakening of various carmakers that have to come out to create campaign to display their leadership in automotive market in the near future. 2. Business that are involve with the New Normal era such as delivery businesses, streaming platform, E-commerce platform etc. 3. Personal loan business 4. Health and beauty category 5. Travel and leisure within the country.

As for the domestic car market, the overall sales for the year 2021 equal to 759,119 units sold, a decrease of 4.17% compared to car sales in the same period of the year 2020 at 792,146 cars.

Performance summary

Performance summary for Twelve-month Periods Ended 31 December, 2021 and 2020 as follow:

Income Statement (Million Baht)	12 Month		% Change 12M
	2021	2020	
Revenue from Sales& Services	497.54	509.41	(2.33)
Gross Profit	206.98	209.66	(1.29)
Gross Profit Margin (%)	41.60	41.16	1.07
SG&A	168.03	168.78	(0.44)
Comprehensive income(loss) for the period	31.45	36.95	(14.89)
Net profit margin (%)	6.32	7.25	(12.83)

Revenue from Sales & Service

In the year consolidated financial statement ended on December 31, 2021, the company has revenue from sales and service of THB 497.54 million, which was at the same level as the previous year. As a result of the Covid-19 epidemic situation that continues to affect certain of our customer groups and The company itself is still unable to operate the business as usual. The aforementioned event therefore affects the Company's revenue.

Gross Profit (Loss)

In the year consolidated financial statement ended on December 31, 2021, the Company has gross profit of THB 206.98 million, which decreased by 1.28 % YoY caused by the situation of the Covid-19 epidemic that still affecting our customers and the company.

Selling and Administration Expense (SG&A)

In the year consolidated financial statement ended on December 31,2021, selling and administration expense of THB 168.03 million decreased by 0.44% YoY. The main reason is that the company has manage costs and expenses to be in line with the temporary decline of the income.

Comprehensive income(loss) for the period

The Company has Comprehensive income(loss) for the year consolidated financial statement ended on December 31,2021 of THB 31.45 million, which net profit margin was 6.32% to total revenue.

The Company has its revenue into each of business units as follows:

Business	12 Month		% Change YoY
	2021	2020	
1. Exhibition and Event Organizing	421.07	437.84	(3.83)
2. Print and Digital media	38.02	42.99	(11.56)
3. Printing	25.21	28.59	(11.82)
4. Other	13.23	-	100.00
Revenue from Sales and Service	497.54	509.41	(2.33)

Exhibitions and Event Organizing Business

In the year consolidated financial statement ended on December 31,2021, revenue from sales and service of exhibitions and events slightly decreased by 3.83% compared to the same period last year. This is mainly due to lockdown measures and the continuous of Covid19. As a result, various of our events being held second half did not go as a plan.

Print and Digital media Business

In the year consolidated financial statement ended on December 31, 2021, revenue from sales and service of Printing and New media business decreased by 11.56% YoY, This is mainly due to the reduction in the public relations budget of the customers. And the rising of competitors in the market therefore affecting company's income.

Printing Business

In the year consolidated financial statement ended on December 31, 2021, revenue from sale and services of printing also decreased by 11.82% YoY, These was due to the ongoing outbreak of coronavirus. Affects particular group of customers cut out their public relations budget.

Other

In the year consolidated financial statement ended on December 31, 2021, revenue from other business segment was THB 13.23 million, which is the revenue generate from display and racing car modification service and also including buying and selling collectible car.

Financial Structure

Financial Structure (Million Bath)	Quarter 4 2021	Year 2020	% Change YoY
Total Asset	788.88	814.07	(3.09)
Total Liabilities	57.16	65.80	(13.13)
Total Shareholder's Equity	731.72	748.27	(2.21)

Asset

The Asset in the year consolidated financial statement ended on December 31, 2021 was THB 788.88 million, which decreased by 3.09% compare to the previous year the main reason is the decreased in savings and fixed deposit.

Liabilities

Liabilities in the year consolidated financial statement ended on December 31, 2021 was THB 57.16 million, which decreased by 13.13% compared to year 2020. The main reason is from decreased of long-term liability.

Shareholder's Equity

Shareholder's equity in the year consolidated financial statement ended on December 31, 2021 was THB 731.72 million, which decreased by 2.21%. This is mainly from the decreased in retained earnings.

Cash Flows Analysis

As at 31 December 2021, the Company reported Cash and Cash Equivalent of Baht 14.92 million, decreased by Baht 36.45 million from the end of 2020.

Cash Flow Statement ended 31 December 2021	Baht Million
Net Cash flows from operating activities	42.15
Net Cash flows used in investing activities	(22.68)
Net cash flows used in financing activities	(55.96)
Net Decrease in Cash and Cash Equivalents	(36.45)

- Net cash inflows from operating activities came mainly from the inventories non-current asset and current payable.
- Net cash outflows from investing activities were mainly from property plant and equipment acquisition and investment in associate.

- Net cash outflows from financing activities were mainly dividend paid out and liabilities under finance lease agreements.

Significant Financial Ratios

Financial Ratios	12M	
	2021	2020
Gross Profit Margin (%)	41.60	41.16
EBITDA Margin (%)	7.98	8.88
Return on Equity (%)	4.16	4.47
Return on Asset (%)	4.99	5.09
Current Ratio (Times)	7.20	8.27
Debt to Equity (Times)	0.08	0.09
Earnings per Share (Baht)	0.05	0.06
Book value per Share (Times)	1.61	0.97

Mr.Peeraphong Eamlumnaw

Chief Operating Officer

Sources : BANK OF THAILAND press release on the Economic and Monetary Condition for fourth quarter of 2021.

: The Federation of Thai Industries, Statistics of production, sales and exports of the Thai automotive industry.