



The ONE Enterprise Public Company Limited

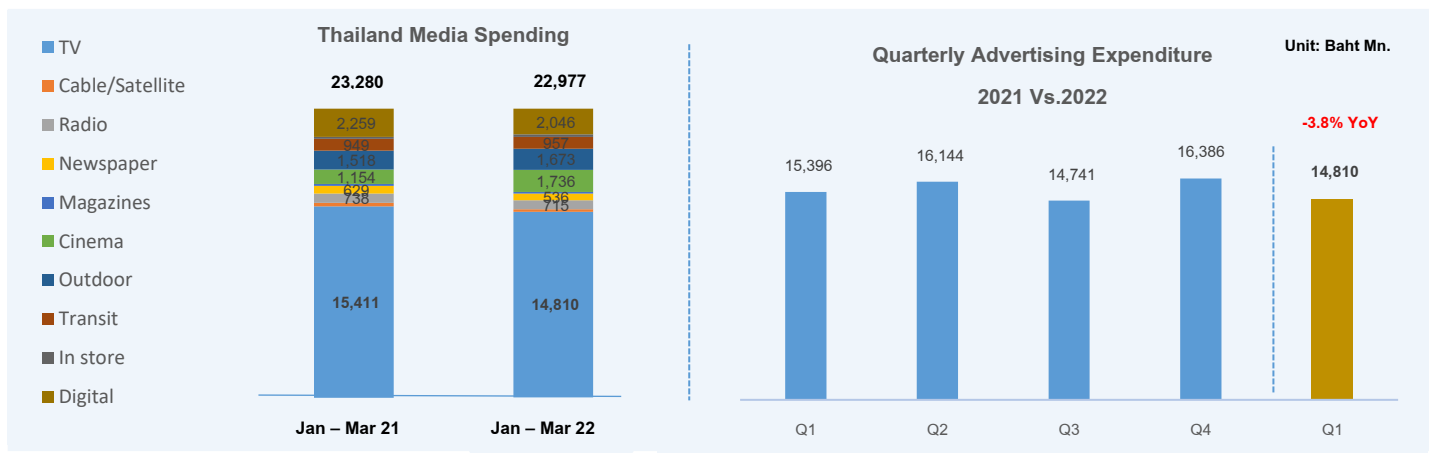
Management Discussion and Analysis Quarter 1/2022

Executive Summary

- The One Enterprise Public Company Limited (“the Company”) reported earnings in Q1/22 with revenues of 1,587.9 million baht and a net profit of 250.3 million baht, stronger than Q1/21. The revenue increased by 217.9 million baht and net profit increased by 57.4 million baht or an increase of 15.9% and 29.7% respectively.
- The overall media and advertising industry has been affected by the COVID-19 outbreak of Omicron strain since December 2021, resulting in a softer Q1/22 advertising spending compared to same quarter of the previous year
- The overall rating of channel One31 has recovered to a rating of 0.86¹, maintaining to the 4th TV station¹ in the industry. However, due to the impact of the COVID-19 outbreak, the Omicron strain, the Group had to adjust its strategy to cope with the situation by re-running programs in January – mid of March 2022, in order to manage costs effectively. In addition, the Group can also export content for overseas sales and through OTT platform, resulting in a surge of copyright management revenue compared to the same quarter of the previous year.
- In Q1/22, the Group repaid the loan amounting to 311.5 million baht, resulting in no long-term loans at present. As of March 31, 2022, operating cash flow was 51.9 million baht. Cash and fixed deposit was 2,138.7 million baht.

Note: ¹ Rating from 6:00 - 24:00 NW15+ and source from The Nielsen Company (Thailand) Co., Ltd.

Economic Overview and Market Situation



- In Q1/22, the Thai economy expanded from the previous quarter. The number of foreign tourists increased after the easing of international travel restrictions. In addition, the private consumption and investment index increased. However, there are some slowdowns from the outbreak of COVID-19, Omicron strain and increasing of production costs and cost of living, a result of the domestic economy that is still at risk from the conflict between Russia and Ukraine which results, fuel prices and inflation index rose.
- The accumulated advertising spending in Thailand from January to March 2022 totaled 22.9 billion baht, slightly less than the cumulative value of the previous year at 1.2% YoY. Television advertising is still the most valued at 14.8 billion baht, or 64.4 percent of the total value. As for TV ADEX, the accumulated advertising spending from January to March 2022, totaled 14.8 billion baht less than the cumulative value of the previous year at 3.8% YoY, which is the impact of the COVID-19 outbreak, Omicron strain since the end of last year.
- It is expected that this year, overall advertising spending will grow between 2.1% to 5%. However, it depends on the number of infections with the Omicron strain. If the number of infected people is between 11,000 and 32,000 cases per day. Advertising spending may grow at 2% to 5% respectively.

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

Important events in Q1/22

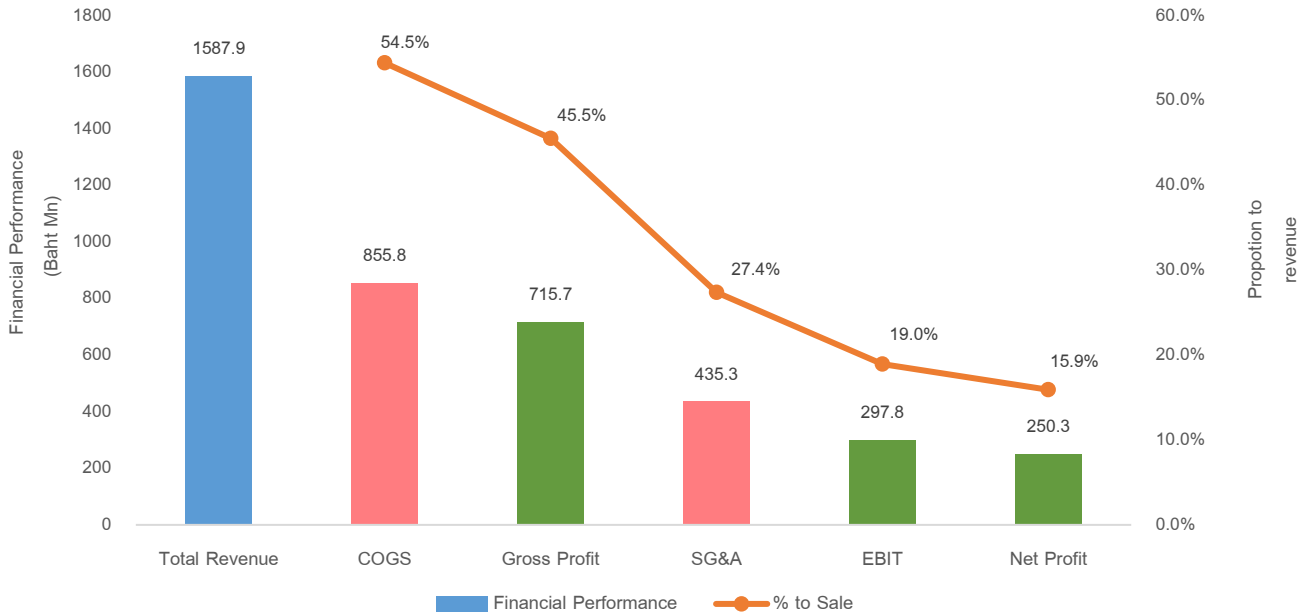
- Resolution of the Board of Directors Meeting No. 1/2022 held on February 23, 2022, approved to propose to the Annual General Meeting of Shareholders for the year 2022 to consider and approve the dividend payment for the 2021 operating results at the rate of 0.069 baht per share.
- On February 21, 2022, The One Enterprise Public Company Limited (“Company”) would like to inform that GMM Media Public Company Limited (“GMMM”), a subsidiary in which the Company holds indirect shares through holding 100% shares of GMM Channel Holding Company Limited (“GMMCH”), and GMMCH holds 99.80% shares of GMMM, wins the NBTC auction of Bangkok FM106.5 MHz spectrum license to provide broadcasting services in the commercial broadcasting services category.

Financial Performance of the Group

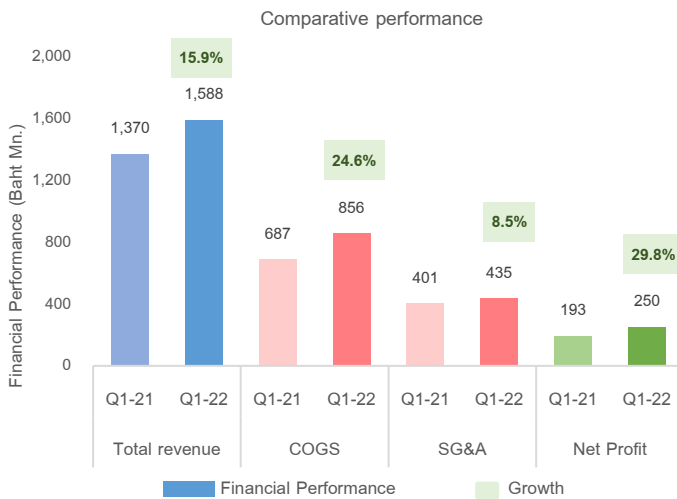
Unit: Baht Mn.

Consolidated financial statements	Q1-21	Q1-22	% Change
Revenue			
<i>Revenue from advertising, promotion, and lease of television station</i>	781.2	723.1	-7.4%
<i>Revenues from Copyrights Management</i>	289.7	456.6	57.6%
<i>Revenue from Radio Production</i>	41.6	42.8	2.9%
<i>Revenue from production and service</i>	74.1	124.2	67.6%
<i>Revenue from Event Business</i>	0.6	-	-100.0%
<i>Revenue from other Related Business</i>	155.3	224.8	44.8%
Revenue from Sale and Services	1,342.5	1,571.5	17.1%
Total Revenue	1,370.0	1,587.9	15.9%
Cost of Sale and Services	687.1	855.8	24.6%
Gross Profit	655.4	715.7	9.2%
Other Income	27.5	16.4	-40.4%
Selling and servicing expenses	48.7	59.4	22.0%
Administrative expenses	352.5	375.9	6.6%
Operating profit	281.7	296.8	5.4%
EBITDA	555.5	633.8	14.1%
Share of profit (loss) from investment in associate	0.2	1.0	400.0%
Profit before Interest income (expense) and tax income	281.9	297.8	5.6%
Interest income	0.0	0.0	-90.9%
Finance expenses	(37.4)	(6.6)	-82.4%
Profit before tax income (expense)	244.5	291.2	19.1%
Tax Income	(51.2)	(41.0)	-19.9%
Net Profit	192.9	250.3	29.7%
Earnings Per Share (Baht)	0.101	0.105	

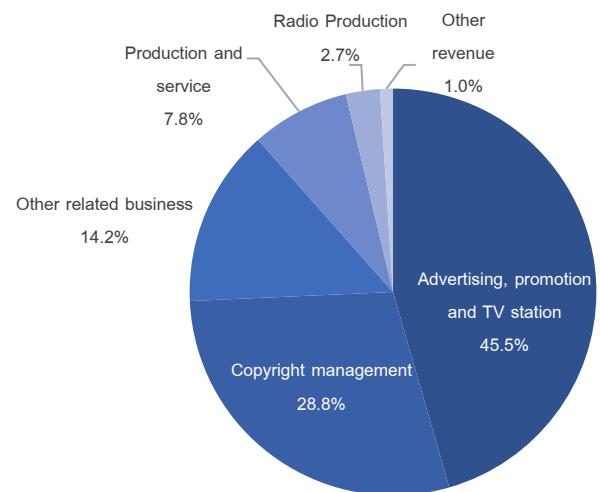
Financial Performance Quarter 1/2022



Comparison of Quarterly Financial Results YoY



Revenue Contribution Quarter 1/2022



Revenue from Sale and Services

For Q1/22, the Group's total operating income was 1,571.9 million baht, increase of 229.0 million baht or 17.1% from the same quarter of the previous year, mainly due to as follows;

- Revenue from copyright management increased from online advertising channels that sells various program copyrights to other countries including OTT platform from GMM Channel Holdings Group, for instance, F4 Thailand Series, Not Me Series, Bad Buddy Series, The War of Flower Series and Drag, I love you Series.
- Revenue from the production and service increased from the production revenue from Change 2018 Company Limited, which mainly recognizes revenue from partner TV channels and OTT platform channels. Such partners have

hired Change 2018 Company Limited to produce programs such as Bad Beauty, Unfaithful, Mia Luang and Love Agreement

- Revenue from other related businesses increased from artist management revenue and revenue from sales of products from GMM TV Company Limited, as a result from selling copyrights to various channels.
- Revenue from radio production increased from GMM Media's radio advertising revenue from GMM Media Company Limited, which recorded full-year recognition.
- Revenue from radio production slightly increased compared to the same quarter of the previous year. However, this quarter, the radio production business was yet affected by the Work From Home measurement around January-February.
- As for Revenue from advertising, promotion and lease of television station decreased from the decrease in advertising price rates in the same direction as advertising expenditures.

Cost of Sales and Services

For Q1/22, the Group's cost of sales and services was 855.8 million baht, increase of 168.7 million baht or 24.6% from the same quarter of the previous year, mainly from the increase of production costs, which were from the cost of artists management from GMM TV Company Limited and recognition of the incremental production costs from Change 2018 Company Limited from the last year's filming in corresponding to the increase in operating income in the same direction.

Selling and servicing expenses

For Q1/22, the Group's sales and service expenses were 59.4 million baht, increase of 10.7 or 22.0% from the same quarter of the previous year, mainly from oneD application' PR costs and marketing expenses.

Administrative expenses

For Q1/22, the Group's administrative expenses were 375.9 million baht, increase of 23.4 million baht or 6.6 % from the same quarter of the previous year.

Finance Cost

For Q1/22, the Group's financial cost was 6.6 million baht, decreased by 30.8 million baht or 82.4% from the same quarter of the previous year, mainly from long-term loan repayment of 311.5 million baht and in 2021, the Group repaid 2,200 million baht and long-term loan of 1,062.5 million baht.

Net Profit

For Q1/22, the Group's net profit was 250.3 million baht, increase of 57.4 million baht or 29.7% from the same quarter of the previous year.

financial positions

Asset

Total assets as of March 31, 2022, equal to 9,289.0 million baht, compared to as of December 31, 2021, equal to 9,305.4 million baht, decreased by 16.4 million baht or 0.2% Cash and cash equivalents were 1,038.7 million baht.

Liabilities

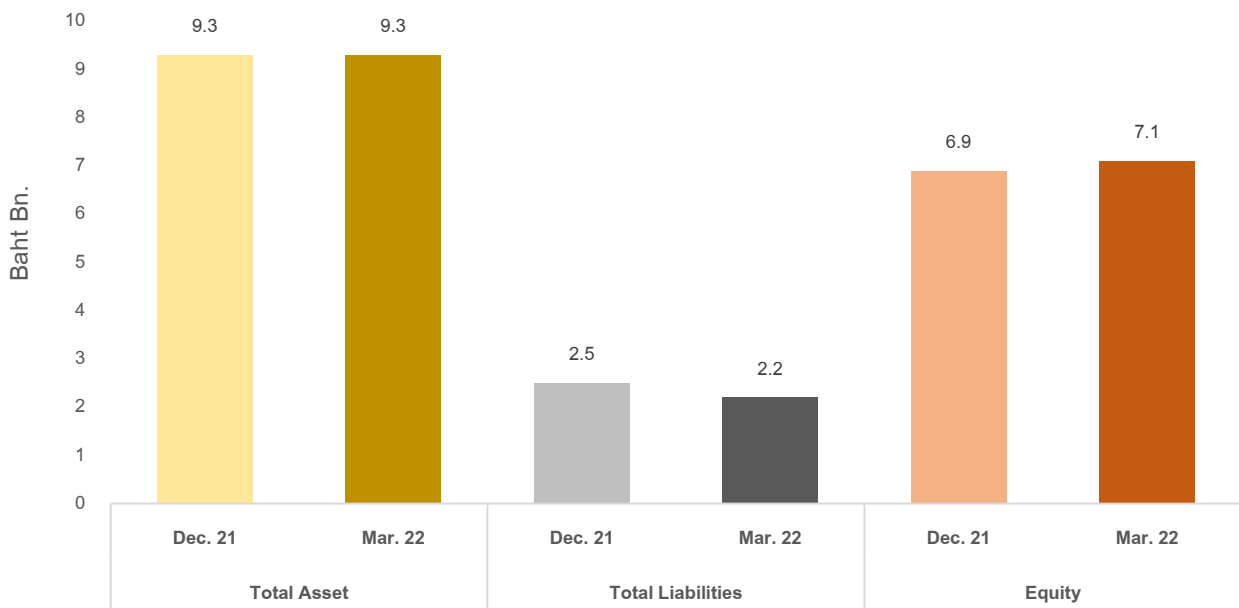
Total liabilities as of March 31, 2022, equal to 2,193.2 million baht, compared to as of December 31, 2021, was 2,459.9 million baht decreased by 266.7 million baht or 10.8%.

In addition, in Q1/22, the Group repaid a total of 311.5 million baht of long-term loans, resulting in the Group has no long-term loans as of 31 March 2022.

Equity

Equity as of March 31, 2022, equal to 7,095.2 million baht, compared to 31 December 2021, was 6,845.5 million baht, an increase of 250.3 million baht or 3.7%.

financial Positions Comparison



Ratios and financial highlight

	3M 2021	3M 2022
Gross Profit Margin	48.8%	45.5%
EBIT Margin	21.0%	19.0%
EBITDA Margin	40.5%	39.9%
Net Profit Margin	14.1%	15.8%
ROAE	8.8%	3.6%
ROA	2.5%	2.7%
D/E (x)	2.39	0.31
Operating Cash Flow (Baht Mn.)	434.1	51.9
Cash and fixed deposit at end of Period (Baht Mn.)	769.4	2,138.7

Please be informed accordingly,

Respectfully yours,

(Mr.Unnop Senasuttipan)

Group Chief Financial Officer

Authorized Person for Information Disclosure