



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

Management Discussion and Analysis

First quarter ended March 31, 2022

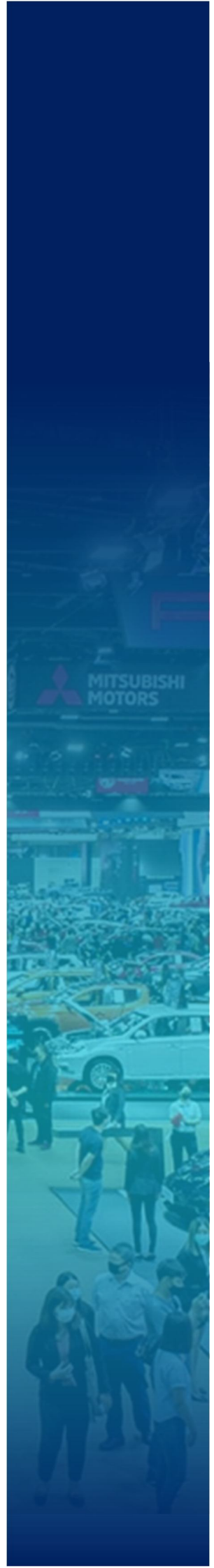
GRAND PRIX INTERNATIONAL PUBLIC COMPANY LIMITED

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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 February 2022 Thai Industries Sentiment Index (TISI), were at 86.7, decreased from 88.0 in prior month. All angles were reduce, such as total orders, total sales, production volume, costs and turnover. In general, factors that affecting the confidence of industrial operators include the epidemic situation of the Covid-19 virus, Omicron strain. As a result, economic activity and domestic demand slowed down from the previous month. In addition, entrepreneurs also face problems with the rising cost of raw materials. Energy prices remained high in line with global market prices including freight costs. In terms of exports, operators face exchange rate fluctuations, affecting the prices of imported products, while the supply disruption problem remains unsolved. Meanwhile, the forecast for the next three months was at 97.1, increased from 96.4 in January. The entrepreneurs saw that the spread of the Covid-19 virus Omicron species will not severely affecting as the prior period last year. However, economic activity still continued as the global manufacturing sector continued to expand, benefiting the Thai export sector. In addition, the relaxation of immigration measures under the Test & Go policy from government will help stimulate the tourists and support the recovery of the tourism sector afterwards.

As for the media industry, it has been revealed that global advertising media in 2021 will grow by more than 22% at 23.4 trillion baht, after a 2.5% decline in 2020 due to the epidemic situation of Covid-19. However, the media market trend in Asia-Pacific continues to grow. Especially, in digital media which

dominated last year's income, accounting for more than half of the total value combined. Meanwhile, the Asia-Pacific region grew 16.5%, with China and India as the main markets showing significant growth in 2021. Investment in advertising media has shifted to digital media more. This is in line with the behavior of consumers who work from home, giving customers more access to digital channels across all platforms, including e-commerce. In 2022, it is estimated that the advertising spending in Thailand should have the opportunity to grow up to 12%, or a value of 84,250 million baht, with 8 industry groups that are expected to inflate advertising money aggressively such as 1.) Cars, especially electric vehicles (BEV), benefiting from government tax reduction measures 2.) Motorcycle 3.) Businesses and services in line with new approaches such as E-market place, Delivery service, Health & Hygienic Care 4.) Non-alcohol beverages 5.) Beauty and health 6.) Credit, especially in the segment individuals 7.) Investment options such as crypto platforms, online dealers (drop ship) 8.) Other product groups such as food and apparel.

As for the domestic car market, the overall sales for the year ended March 31 2022 equal to 231,189 units sold, increased of 22.67% compared to car sales in the same period of the last year 2021 at 188,463 cars indicated gradually recover demand.

Performance summary

Performance summary for first quarter Periods Ended 31 March, 2022 and 2021 as follow:

Income Statement (Million Baht)	Q1		% Change
	2022	2021	
Revenue from Sales& Services	398.94	324.09	23.10
Gross Profit	196.67	172.15	14.24
Gross Profit Margin (%)	49.30	53.12	(7.19)
SG&A	57.76	50.06	15.39
Comprehensive income(loss) for the period	111.53	98.29	13.47
Net profit margin (%)	27.96	30.33	(7.81)

Revenue from Sales & Service

the operating results ended on March 31, 2022, the company has revenue from sales and service of THB 398.94 million, which increased around 23.10% compare to the same period last year. As a result of the increasing in the total sales area of Bangkok International Motor Show (BIMS) 43nd and also the increasing of revenue in other exhibition as well.

Gross Profit (Loss)

The operating results ended on March 31, 2022, the Company has gross profit of THB 196.67 million, which increased by 14.24 % YoY As a result of the increasing in the total sales of Bangkok International Motor Show (BIMS) 43nd.

Selling and Administration Expense (SG&A)

The operating results ended on March 31, 2022, selling and administration expense of THB 57.76 million increased by 15.39% YoY. Due to the increased of advertising expense.

Comprehensive income (loss) for the period

The Company has Comprehensive income (loss) for the year consolidated financial statement ended on March 31, 2022 of THB 111.53 million, which net profit margin was 27.96% to total revenue.

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

Business	Q1		% Change YoY
	2022	2021	
1. Exhibition and Event Organizing	376.78	304.74	23.63
2. Print and Digital media	10.51	9.61	9.37
3. Printing	8.96	9.74	7.96
4. Other	2.69	-	100.00
Revenue from Sales and Service	398.94	324.09	23.10

Exhibitions and Event Organizing Business

The operating results ended on March 31, 2022, revenue from sales and service of exhibitions and events widely increased by 23.63% compared to the same period last year. As a result of the increasing in the total sales of Bangkok International Motor Show (BIMS) 43nd.

Print and Digital media Business

The operating results ended on March 31, 2022, revenue from sales and service of Printing and New media business increased by 9.37% YoY, This is mainly due to the digital media that increased.

Printing Business

The operating results ended on March 31, 2022, revenue from sale and services of printing also decreased by 7.96% YoY, These was due to the ongoing outbreak of coronavirus. Affects particular group of customers cut out their public relations budget.

Other

The operating results ended on March 31, 2022, revenue from other business segment was THB 2.69 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)	Q1 2022	Year 2021	% Change YoY
Total Asset	1,175.92	788.88	49.06
Total Liabilities	350.67	57.16	513.48
Total Shareholder's Equity	825.25	731.72	12.78

Asset

The Asset results ended on March 31, 2022, was THB 1,175.92 million, which increased by 49.06% compare to the year 2021 the main reason is the increased in cash and cash equivalent, accounts receivable received from Bangkok International Motor Show 43nd.

Liabilities

The liabilities results ended on March 31, 2022, was THB 350.67 million, which increased by 513.48% compared to year 2021. The main reason is from an increased of account payable and advance income from Bangkok International Motor Show 43nd.

Shareholder's Equity

Shareholder's equity ended on March 31, 2022, was THB 825.25 million, which increased by 12.78%. This is mainly from the increased in unappropriated retained earnings.

Cash Flows Analysis

As at 31 March 2022, the Company reported Cash and Cash Equivalent of Baht 275.70 million, increased by Baht 260.80 million from the end of 2021.

Cash Flow Statement ended 31 March 2022	Baht Million
Net Cash flows from operating activities	179.43
Net Cash flows used in investing activities	(15.28)
Net cash flows used in financing activities	96.67
Net Decrease in Cash and Cash Equivalents	(260.80)

- Net cash inflows from operating activities came mainly from advance income from Bangkok International Motor Show 43nd.
- 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	Q1	
	2022	2021
Gross Profit Margin (%)	49.30	53.12
EBITDA Margin (%)	34.86	37.74
Return on Equity (%)	13.51	12.04
Return on Asset (%)	9.48	9.06
Current Ratio (Times)	1.84	2.27
Debt to Equity (Times)	0.42	0.08
Earnings per Share (Baht)	0.19	0.16

Mr.Peeraphong Eamlumnow

Chief Operating Officer

Sources : Thai Industries Sentiment Index : TISI

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