

Ref. WORK 02/2023
Feb 24, 2023

Re: Management Discussion and Analysis for the year ended December 31, 2022
To: President of the Stock Exchange of Thailand
Attachment: 1. Business Performance Report (Form F45-3)
2. The consolidated and separate financial statement for the year ended December 31, 2022

Workpoint Entertainment Public Company Limited ("The Company") is pleased to submit herewith the consolidated and separate financial statement for the year ended December 31, 2021, with the financial analysis in comparison to the financial statement for the year ended December 31, 2020. The performance can be summarized as follows:

The operating performance of the Company and its subsidiaries for the year ended December 31, 2022 has shown the net profit of THB 171.41 million, decreasing by THB 152.8 million or 47%, from the same period in the previous year which shown the net profit of THB 324.21 million.

Revenue :

For the year ended December 31, 2022, the total Revenue (Excluding Other Income) of the Company was THB 2,438.68 million which represented an increase of THB 211.05 million or 9% from the same period in the previous year which shown the total Revenue (Excluding Other Income) of THB 2,227.63 million. The change of total Revenue was mainly resulted from the following business:

Revenue from Television Programs

Revenue from Television Programs was comprised of revenue from the advertising and promotion during each broadcasting period of the Company's TV channel ("WORKPOINT TV"), and other online media channels such as YouTube. Revenue from Television Programs also includes revenue from the airtime rented to 3rd parties for TV program broadcasting on WORKPOINT TV, revenue from the production of TV programs, and revenue from sales of TV program licenses.

For the year ended December 31, 2022, the Company had the Revenue from Television Programs at THB 2,086.76 million, similar to the Revenue from the same period in 2021. Despite the ease of the Covid-19 epidemic situation, TV Business of the Company still got the impact from decrease of TV Ads spending, caused by global and domestic economic slowdown.

Revenue from Event Marketing

Revenue from Event Marketing was comprised of the revenue from event activities arranged by the Company and event activities which the Company organized for 3rd parties. For the year ended December 31, 2022, the Company had the Revenue from Event Marketing at THB 147.26 million, increasing by THB 87.56 million or 147% from the same period in 2021 which had the Revenue at THB 59.7 million. Since the beginning of 2022, after the ease of the Covid-19 epidemic situation, the Company was able to arrange events normally, resulting an upward trend of the Revenue from Event Marketing. For the year ended December 31, 2022, the Company's major events were such as "Red Cross Fair 2022", "Randedfair2022", "The Art of SIAM2022", and etc.

Revenue from Concerts and Plays

Revenue from Concerts and Plays was comprised of the revenue from concerts and plays produced by the Company, and revenue from Playhouse's title sponsor. The Company had the Revenue from Concerts and Plays for the year ended December 31, 2022 at THB 142.1 million, increasing by THB 119.75 million or 536% from the Revenue at THB 22.35 million for the year ended December 31, 2021. Same as the Event Marketing Business, after the ease of the Covid-19 epidemic situation, the Company was able to arrange the shows as planned. For the year ended December 31, 2022, the Company had major shows which were "JAYB World Tour 2022 in Bangkok", "CRAVITY THE1 FAN-CON", "Pleng Rak Pleng Phaendin the Musical Concert", and etc. As the result, the Revenue from Concerts and Plays increased comparing to the same period in 2021.

Revenue from Sale of Goods and Rendering of other Services

Revenue from Sale of Goods and Rendering of other Services in 2022 mainly include Revenue from Area Rental in the Company's Playhouse and Revenue from Artist Management as the consequence of the Company decided to discontinue the business of selling health and beauty products and products on consignment in 2021. The Revenue from Sale of Goods and Rendering of other Services for the year ended December 31, 2022, at THB 57.63 million was mainly from the Revenue of Area Rental in the Company's Playhouse which increased significantly, after the ease of the Covid-19 epidemic situation.

Costs :

For the year ended December 31, 2022, the Company had total Costs at THB 1,567.60 million, increasing by THB 297.48 million or 23% from the total Costs at THB 1,270.12 million from the same period in 2021. The increase in the total Costs was mainly from an increase in costs from TV business. For the year ended December 31, 2022, the Costs of TV business increased from the same period in 2021 because the Company broadcasted its TV programs as its usual schedule, as the result of the ease of the Covid-19 epidemic situation. Additionally, the increase in Costs was also from the Costs from the Event Marketing business, and the Concerts and Plays business. However, such an increase of both business was in line with the Company's normal business.

Selling and Administrative Expenses and Other Expenses:

For the year ended December 31, 2022, the Company had Selling and Administrative Expenses in total at THB 615.82 million, slightly increasing by THB 13.56 million or 2% from the same period in 2021 in which the Company had Selling and Administrative Expenses in total at THB 602.26 million. The increase was mainly from the increase of the Administrative Expenses such as the employee expenses, office expenses, and utilities expenses, as the consequence of the cancellation of WORK FROM HOME policy.

Please be informed accordingly.

Best Regards,

Workpoint Entertainment Public Company Limited

(Mr. Surakarn Sirimothya)

Chief Financial Officer

Authorized to sign on behalf of the company