



Management Discussion and Analysis of the Company's Performance
for the year ended 31 March 2023

1. Overview of operating results of the Company and its subsidiaries

<i>Baht Million</i>	<i>2023</i>	<i>2022</i>	<i>+ / (-)</i>	<i>+ / (-) %</i>
<i>Total revenues</i>	932.51	465.92	466.59	100.14%
<i>Total expense</i>	(780.09)	(330.86)	449.23	135.78%
<i>Profit from operating activities</i>	152.42	135.06	17.36	12.85%
<i>Finance income</i>	0.02	0.06	(0.04)	(65.06%)
<i>Finance cost</i>	(89.23)	(63.54)	25.70	40.44%
<i>Income tax expenses</i>	(14.98)	(17.91)	(2.93)	(16.38%)
<i>Net profit</i>	48.23	50.62	(2.39)	(4.71%)
<i>Profit (loss) attributable to non-controlling interests of the subsidiary</i>	(11.60)	(3.76)	(7.84)	(208.28%)
<i>Profit (loss) attributable to equity holders of the Company</i>	59.83	54.38	5.45	10.02%
<i>Net profit ratio (ROS)</i>	5.17%	10.86%		
<i>Earnings per share (Baht)</i>	0.08	0.09	(0.01)	(10.63%)
<i>Diluted earnings per share (Baht)</i>	0.07	0.08	(0.01)	(13.20%)

Total Revenue

For the three-month period ended 31 March 2023, the Company and its subsidiaries earned a total revenue of THB 932.51 million, which increased by THB 466.59 million or 100.14% from the same period of previous year. The total revenue of each operating segments for the year ended 31 March 2023 of the Company and its subsidiaries had changed from the same period of previous year as follows (1) Revenue from sales of program rights increased 53.50% (2) Revenue from advertising and media services decreased 65.36% (3) Revenue from sales of products increased 121.59% (4) Revenue from Miss Universe Organization's license Management increased 100% (5) Other income increased 356.39%.

Net profit

For the three-month period ended 31 March 2023, the Company and its subsidiaries had net profits of THB 48.23 million which decreased by THB 2.39 million or 4.71% from the same period of previous year, mainly due to the increased in revenue from from sales of program rights and sales of products which continuously growth. The Company also organized the 71st Miss Universe Competition on late of January 2023 which was our first event since investing in Miss Universe organization. Even the Company got loss from this event as following in the conditions of the agreement that the prior owner was owned the collected fees bargaining with gain on the investment.

According to the Miss Universe Organization's License Management, the Company had made several agreements related to MU events and competition. As at 31 March 2023, the Company also received the fees followed in payment term of those agreements, where as all agreements had been recorded in Deferred Revenue amounting of THB 251.90 million and will realize as revenue within the year.

From the reason mentioned above, net profit margin for the three-month period ended 31 March 2023 decreased to 5.17% from 10.86% in the same period of previous year.

For the earnings per share, when comparing the conversion price and the fair value of the Company's shares, the fair value was higher than the conversion price. (Based on the closing price of the Company's shares as at 31 March was 2.82 Baht per share. As a result, it is probable that the convertible debentures will be converted, the diluted earnings per share was calculated.

2. Summary of operating results by business type

Baht Million	2023	2022	+ / (-)	+ / (-) %
1. Content Business				
Revenue from sales of program rights	670.81	437.02	233.79	53.50%
- Domestic sales	500.63	396.94	103.70	26.12%
- Export sales	170.17	40.08	130.09	324.57%
Cost of program rights	(221.74)	(172.08)	49.66	28.86%
Gross profit of content business	449.07	264.94	184.13	69.50%
Gross profit margin	66.94%	60.62%		
2. Advertising and Media Business				
Revenue from services	1.57	4.54	(2.97)	(65.36%)
Cost of services	(107.63)	(69.66)	37.97	54.51%
Gross profit of advertising and media business	(106.05)	(65.11)	(40.94)	(62.87%)
Gross profit margin	(6,739.72%)	(1,433.33%)		
3. Product sales Business				
Revenue from sales of products	45.16	20.38	24.78	121.59%
Cost of product sales	(11.18)	(12.55)	(1.37)	(10.92%)
Gross profit of product sales business	33.97	7.82	26.15	334.20%
Gross profit margin	75.23%	38.39%		
4. License Business				
Revenue from sales of License	196.82	-	196.82	100.00%
Cost of License sales	(243.11)	-	243.11	100.00%
Gross profit of License sales business	(46.29)	-	(46.29)	100.00%
Gross profit margin	(23.52%)	-		
Total Gross profit	330.69	207.65	123.04	59.26%
Total Gross profit margin	36.17%	44.95%		

Content Business

For the three-month period ended 31 March 2023, the Company had revenue from program rights of THB 670.81 million which was composed of domestic sales amounting to THB 500.63 million and export sales about THB 170.17 million or accounted for 74.63% and 25.37% respectively (2022: 90.83% and 9.17%) of total revenue from program rights, which overall increased by THB 233.79 million or 53.50% from the same period of previous year. The increase in revenue program right was mainly from domestic sales of THB 103.70 million or 26.12% due to the reorder from a major customer with more volume for digital television (DDT) broadcasting and Cabsat in this period and renewing the expired license continuing from the 4th quarter of last year. Moreover, the 2 major customers purchased more of rights to broadcast on Internet Protocol television (IPTV) which is the new platform license that the Company had purchased during the end of year 2021.

While export sales of revenue program right increased by THB 130.09 million or 324.57%, mainly due to decline of orders from major customers who broadcast via cable and satellite (Cabsat) as the license year of program rights were not expired and there were still enough to be broadcasted on their channels.

<i>Baht Million</i>	<i>2023</i>	<i>2022</i>	<i>+ / (-)</i>	<i>+ / (-) %</i>
<i>Rights to broadcast only one platform</i>				
<i>Cabsat</i>	-	27.58	(27.58)	(100.00%)
<i>Subtotal revenue from sales of program rights which can broadcast only one platform</i>	-	27.58	(27.58)	(100.00%)
<i>Rights to broadcast more than one platform</i>				
<i>DTT, Cabsat</i>	192.85	212.50	(19.65)	(9.25%)
<i>DTT, Cabsat, IPTV</i>	122.00	121.60	0.40	0.33%
<i>DTT, VOD</i>	-	35.25	(35.25)	(100.00%)
<i>Cabsat, IPTV</i>	184.80	-	184.80	100.00%
<i>Cabsat, VOD</i>	-	40.08	(40.08)	(100.00%)
<i>Subtotal revenue from sales of program rights which can broadcast more than one platform</i>	499.65	409.43	90.22	22.04%
<i>Total revenue from sales of program rights by platform</i>	499.65	437.01	62.64	14.33%

For the three-month period ended 31 March 2023, considering revenue from program rights based on type of platform given to the customer, the revenue from sales the program rights that broadcast only

one platform on digital television (DTT) decreased from last year due to the demand from most of customers has changed to the program rights to broadcast more than one platform especially the sales of program rights which can broadcast on digital television, cable and satellite and Video on demand (DTT, Cabsat, VOD). Moreover, the Company sold more of rights to broadcast on Internet Protocol television (IPTV) during this period. As a result, revenue from sales of program rights to broadcast more than one platform increased of THB 90.22 million.

For the backlog as of 31 March 2023 of THB 1,151.43 million which is composed of THB 482.88 million for the domestic sales and THB 668.56 million or USD 20.13 million for the export sales.

Costs of program rights business mainly consist of amortization, dubbing and translation costs. The Company had costs of program rights business for the three-month period ended 31 March 2023 and 2022 totaling THB 221.74 million and THB 172.08 million respectively, in which increased by 28.86%. As a result of the growth of the content business.

The Company and its subsidiaries earned gross profits from program rights business for the three-month period ended 31 March 2023 and 2022 in a total of THB 449.07 million and THB 264.94 million, respectively, in which increased by 69.50%. The gross profit margin for the three-month period ended 31 March 2023 and 2022 was 66.94% and 60.62%, respectively. This was mainly due to the increase of gross profit margin of content business and product sales business.

Advertising and Media Business

Advertising income is the income from the service by provide time to displaying the advertisement on the following platforms

- channel named "JKN 18" that broadcast through digital TV station or known as NEW18 in the past (acquire the whole station to operate by the Company since April 2021)
- available time during news programs under the brand JKN-CNBC that broadcast through digital TV station.

For the three-month period ended 31 March 2023, the Company and its subsidiaries earned service income totaled THB 1.57 million, the decrease of THB 2.97 million or 65.36% from the same period of last year due to lower advertising revenue from JKN 18. However, the directly and indirectly impact to the various businesses in the country. Therefore, many companies in the country have been reduced their advertising expense to control the budget. Moreover, JKN 18 channel's broadcast schedules are currently rearranged to build more interest and channel's rating.

Product Sales Business

The income from product sales contains the sales of nutritional supplement products and healthy drinks which had been distributed since April 2021 and home shopping business

For the three-month period ended 31 March 2023, the Company and its subsidiaries earned revenue from product sales business of Baht 45.16 million which comprise the nutritional supplement products of Baht 5.93 million, home shopping business of Baht 32.59 million and healthy drinks of Baht 6.64 million.

Miss Universe Organization's License Management

From acquired of Miss Universe organization during the the 4th quarter of 2022, for the three-month period ended 31 March 2023 the Company and its subsidiaries earned revenue from national director fee of THB 196.82 million, to organize a national beauty pageant to find a representative in their countries to join the Miss Universe final competition on late January 2023.

Other Income and finance income

Other income of the Company and its subsidiaries consists of agent fee income (service income by distributes Thai contents to the worldwide), gain on bargain purchase, gain on exchange rate and gain on short-term investment. Moreover, the finance income of the Company and its subsidiaries is interest income. For the three-month period ended 31 March 2023, other income and finance income were totaling THB 18.18 million, which increased by THB 14.14 million from the same period of prior year.

However, the Company was well aware of the risk of exchange rate fluctuation and then the Company opening a credit limit for the forward contract to prevent such risks.

Expenses

Selling and service Expenses

<i>Baht Million</i>	<i>2023</i>	<i>2022</i>	<i>+ / (-)</i>	<i>+ / (-) %</i>
<i>Expense from Event</i>	1.95	-	1.95	+100.00%
<i>Advertising and marketing expenses</i>	19.44	20.62	(1.18)	(5.73%)
<i>Others</i>	40.00	7.94	32.06	403.68%
<i>Selling and service expenses</i>	61.39	28.57	32.82	114.91%

Selling and service expense for the three-month period ended 31 March 2023, increased by THB 32.82 million or 114.91% from the same period of prior year since the Company and its subsidiaries organized the Miss Universe Competition on January 2023.

Administrative Expenses

<i>Baht Million</i>	<i>2023</i>	<i>2022</i>	<i>+ / (-)</i>	<i>+ / (-) %</i>
<i>Employee and executive expenses</i>	63.66	16.61	47.05	283.34%
<i>Advisor expenses</i>	37.21	3.18	34.03	1,071.68%
<i>Loss on exchange rate</i>	13.86	1.26	12.61	1,002.44%
<i>Allowance for expected credit loss</i>	5.50	7.34	(1.84)	(25.08%)
<i>Loss on revalue of financial asset</i>	0.16	-	0.16	100.00%
<i>Depreciation and amortization expense</i>	11.32	9.27	2.05	22.15%
<i>Others</i>	42.58	19.62	20.75	200.45%
<i>Administrative expenses</i>	162.81	48.00	114.81	239.20%

Administrative expense for the three-month period ended 31 March 2023 totaled THB 162.81 million, the increase of THB 114.81 million or 239.20% from the same period of previous year. This was due to the acquisition of Miss Universe Organization during the 4th quarter of 2022 resulting in the increase of advisory fees which related to the business operation such as agreements and setup working system. Moreover, the fluctuation of FOREX rate impacted to higher costs and expense. In addition, employee and executive expenses increase in line with the number of employees as well.

Financial Costs

For the three-period ended 31 March 2023, the Company had financial costs in total of THB 89.23 million, an increase of THB 25.70 million or 40.44% from the same period of previous year according to the rise of balance of debentures, short-term and long-term loan from financial institution that the Company had entered into these agreement for the purpose of investing in program rights and acquiring new business during the year 2022.

Income tax expense

Income tax expense for the three-month period ended 31 March 2023 totaled THB 14.98 million, a increase of THB 2.93 million or 16.36% from the same period of previous year. Mainly due to the subsidiaries had income tax expenses arisen from the reversal of unused tax loss which was recognised as deferred tax assets when it is probable that the Company will have sufficient tax profit to utilize in the future.

- Translation -



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3. Summary of financial position of the group

Baht Million	2566	2565	+ / (-)	+ / (-) %
Assets				
Cash, Cash equivalents	534.29	347.52	186.76	53.74%
Trade and other accounts receivable	1,958.20	1,620.10	338.10	20.87%
Other current financial assets	0.17	100.33	(100.16)	(99.83%)
Value added tax receivable	234.38	236.10	(1.72)	(0.73%)
Other current assets	234.99	262.93	(27.93)	(10.62%)
Plant property and equipment	445.26	437.38	7.89	1.80%
Right-of-use assets	26.96	30.51	(3.55)	(11.62%)
Cost of spectrum license	-	-	-	-
Advance payment for purchased program rights	377.03	497.91	(120.88)	(24.28%)
Program rights	5,554.40	5,073.02	481.38	9.49%
Goodwill	717.96	717.96	-	-
Deferred tax assets	-	-	-	-
Other non-current assets	66.03	68.56	(2.53)	(3.70%)
Total assets	11,484.39	10,727.74	756.65	7.05%
Liabilities				
Short-term loan from financial institution	441.68	340.46	101.22	29.73%
Trade and other accounts payable	1,096.22	917.78	178.44	19.44%
Short-term debentures	-	-	-	-
Current portion of long-term loan from financial institution	297.65	323.17	(25.52)	(7.90%)
Current portion of debentures	1,297.34	1,297.73	(0.39)	(0.03%)
Current portion of lease liabilities	9.24	10.68	(1.44)	(13.51%)
Current portion of liabilities under the transfer of claims agreement	64.53	63.79	0.74	1.16%
Other current liabilities	690.80	457.36	233.45	51.04%
Convertible debentures - liability component	1,042.34	1,061.42	(19.08)	(1.80%)
long-term loan from financial institution - net of current portion	143.75	214.66	(70.91)	(33.03%)
Debentures - net of current portion	2,284.27	2,061.55	222.72	10.80%
Long-term lease liabilities - net of current portion	13.75	15.79	(2.04)	(12.93%)
liabilities under the transfer of claims agreement - net of current portion	7.50	23.93	(16.43)	(68.65%)
Other non-current liabilities	171.48	169.61	1.87	1.10%
Total liabilities	7,560.55	6,957.93	602.62	8.66%
Shareholders' equity				
Equity attributable to owners of the Company	3,914.08	3,812.77	101.31	2.66%
Non-controlling interests of the subsidiary	9.76	(42.96)	52.72	(122.72%)
Total shareholders' equity	3,923.84	3,769.81	154.03	4.09%
Total liabilities and shareholders' equity	11,484.39	10,727.74	756.65	7.05%

Total Assets

The Company and its subsidiaries had total assets as at 31 March 2023 of THB 11,484.39 million, an increase of THB 756.65 million from 31 December 2022 or 7.05%, due to the followings:

- (1) Cash and cash equivalents increased by THB 186.77 million or 53.74%. There were net cash flow used by operating activities amounting to THB 110.18 million. On the other hand, there were net cash in investing activities amounting to THB 166.85 million which mostly composed of payment for purchasing program rights and net cash flow from financing activities THB 257.02 million which mainly came from short-term loan from financial institution including the debenture issued during the period.
- (2) Trade and other accounts receivable increased THB 338.10 million or 20.87% mainly from sales of this Quaterly and the Company.
- (3) The Company and its subsidiaries had accounts receivable as presented in the consolidated statement of financial position as at 31 March 2023, in the amount of Baht 1,958.20 million. Some trade accounts receivable of the Company and its subsidiaries are overdue accounts receivable. According to the management's assessment, there is no need to provide an allowance for expected credit losses apart from the allowance set aside in accordance with the Group's policy (As at 31 March 2023, allowance for expected credit losses per the overdue account receivables is 3%). As the situation is in the ordinary course of business, although there is payment due date but major customers are likely to wait and get paid from the program right before making the payment to the company. The management is confident that payments from all these receivables will be collected based on the management's experience in this business and the best estimates under current conditions, in which there were no uncollectible debt from account receivable from the company's past experience.
- (4) Other current financial assets decreased THB 100.16 million mainly from investing in trading security funds totaling THB 100 million during the previous year.
- (5) Value added tax receivable decreased by THB 1.72 million or 0.73%.
- (6) Other current assets decreased THB 27.93 or 10.62% mainly due to the cash collection from customers related to sales of program rights during the period, As a result of, the Company and its subsidiaries had Whitholding tax awaiting for refund increased during the period. On the other hand, undue input value added tax of the Company and its subsidiaries increased from arisen of accrued sales from program rights which occurred nearly the end of current period.
- (7) Program rights increased by THB 481.38 million or 9.49%. During this period, the Company had invested by purchasing the program rights of THB 572.10 million that can be categorized as follow: (1) Acquisition of the program rights to domestic sales amounting to THB 135.16 million

and (2) Acquisition of the program rights to export sales amounting to THB 436.94 million to support the growth of the export sales of program rights both in Southeast Asia including South Asia. Moreover, the amortization expense was THB 221.74 million.

- (8) Trademark decreased by THB 0.7 million.
- (9) Deferred tax assets was zero balance from the subsidiaries had income tax expenses which arisen from the reversal of unused tax loss including of recording of deferred tax liability from arisen of fair value of Miss Universe Organization's trademark at the acquisition date.

Total Liabilities

The Company and its subsidiaries had total liabilities as at 31 March 2023 of THB 7,560.55 million, an increase of THB 602.62 million or 8.66% which mainly due to the following reasons (1) An increase in balance of trade and other accounts payable , especially creditors arising from the purchased of program rights amounting to THB 178.44 million. (2) The increase in short-term loan from financial institution, including debentures issuance during this period in purpose of investing in program rights and the new business during the period of the year.

Shareholders' equity

As at 31 March 2023, the Company and its subsidiaries had total shareholders equity of THB 3,923.84 million which consist of equity attributable to owners of the Company and an accumulated profit of Non-controlling interests of the subsidiary amounting to THB 3,914.08 million and THB 9.76 million, respectively, in which increased by THB 154 million. The increase was due to the operating profit of the Company and its subsidiaries amounting to THB 59.83 million, the Company's other comprehensive expense about THB 25.37 million and an increase of non-controlling interests of the amounting to THB 52.71 million, The increase of capital and share premium from conversion of convertible debentures to ordinary shares during the current period amounting to THB 12.81 million and THB 71.22 million and the decrease of convertible debentures - equity component from issued convertible debentures during the current period amounting to THB 3.64 million.

Liquidity and capital adequacy

As at 31 March 2023 and 31 December 2022, the current ratio of the Company and its subsidiaries were 0.76 times and 0.75 times, respectively, and the quick ratio were 0.64 times and 0.61 times, respectively. The main reason of the drop of those ratios was an arising of current liabilities. The major components of current liabilities are trade and other accounts payable, current portion from short-term loan and long-term loan form financial institution as described above. Nevertheless, the management is confident that the Company could collect debt from the major customers to repay the short-term liabilities based on the past experiences.

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Moreover, the Debt to Equity ratio (D/E ratio) as at 31 March 2023 and 31 December 2022 were 1.95 times and 1.85 times, respectively, due to the decreasing of trade and other accounts payable, especially creditors arising from the purchased of program rights and short-term loan from financial institution, including debentures issuance during the period of the year as described above.