



Management Discussion and Analysis

For the three-month period, Ends on March 31, 2024

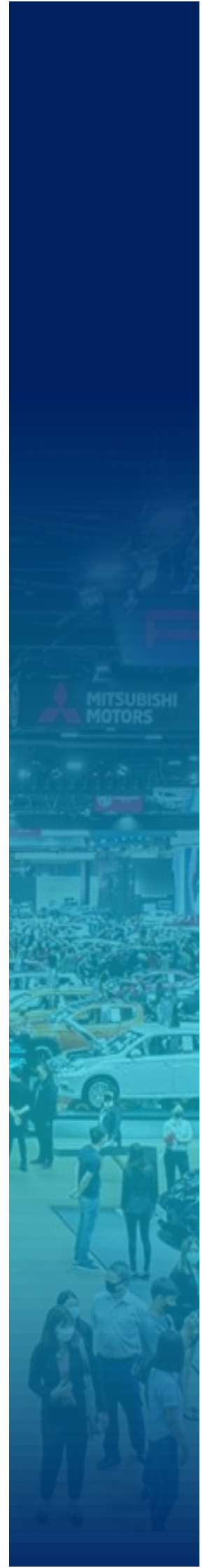
Grand Prix International Public Company Limited

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Business Overview

Grand Prix International Public Company Limited (the “Company” or “GPI”) involves in the business of organizing exhibitions and marketing activities, as well as digital media and print media business related to the automotive industry and printing services. The main source of revenue for the company comes from organizing exhibitions and marketing activities, such as Bangkok International Motor Show, Bangkok Used Car Show, and Digital Motor Sport.

Industry Overview

The overall Thai economy in the first quarter of 2024, according to data from the Bank of Thailand, showed improvement compared to the previous year. This improvement was mainly driven by sustained growth in the tourism sector, leading to expansion in the service sector and employment opportunities. Private sector investment also improved, with increased investments in new businesses. Export and industrial production sectors remained stable overall, although some industries faced pressure from slow global trade recovery. Meanwhile, private consumption declined due to subdued purchasing of durable goods. Government expenditure contracted due to delays in the consideration of the 2024 budget bill.

For the first quarter of 2024, the Media Agency Association of Thailand (MAAT) forecasts continued growth in the overall advertising market in Thailand. They anticipate 2.6% increase in advertising spending from 2023, totaling 114,447 million baht. Key factors include the growth of digital media, projected to grow by 10%, aligning with consumer behavior trends towards increased internet and digital platform usage, as well as out-of-home media, reflecting the rising trend of outdoor activities. Mobile advertising is also expected to grow due to expanded mass transit systems like BTS and MRT, creating new digital out-of-home media formats, anticipated to grow by 8%. Regarding the allocation of advertising budgets, television remains the dominant medium with 46% share, equivalent to 53,214 million baht. Digital media follows at 29%, or 33,679 million baht, and out-of-home and mobile advertising ranks third at 16%, or 17,878 million baht. With changing consumer behavior, advertisements have more opportunities to reach consumers through various channels. Companies shouldn't overlook closely tracking consumer behavior to adjust strategies

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accordingly. Experimenting with new advertising trends is crucial to enhance the effectiveness and efficiency of advertising. Regularly measuring advertising performance is also essential for adjusting strategies to fit consumer needs.

For the automotive industry, the Federation of Thai Industries (FTI) reported that the total number of cars produced in February 2024 was 133,690 units. This represents a decrease of 19.28% compared to February 2023 and a decrease of 5.92% compared to January 2024. The decline is attributed to reduced production for both export and domestic sales. The decrease in domestic car production is linked to two main factors. Firstly, there's a shift in market share due to the import of electric vehicles (EVs) from abroad, particularly from China, where EV prices have decreased due to reduced demand in the Chinese market. This presents an opportunity for Thai consumers to purchase cars at lower prices. Secondly, there are tighter lending measures by financial institutions due to increasing household debt. These measures affect consumers' ability to obtain loans for car purchases.

Sources: *Bank of Thailand*
Federation of Thai Industries (FTI)
Media Agency Association of Thailand (MAAT)

Summary of Company Performance based on Consolidated Financial Statements

The company's performance based on the consolidated financial statements for the first quarter ended March 31, 2024 and 2023.

Income Statement (Million Baht)	Q1 (3-month)		% Change
	2024	2023	
Revenue from sales & services	385.82	439.40	-12.20%
Gross profit	219.92	251.23	-12.46%
Gross profit margin (%)	57.00	57.18	-0.31%
SG&A	(62.75)	(60.83)	2.86%
Profit (Loss) of associate companies using the equity method	5.41	5.14	5.25%
Profit (Loss) of joint venture using the equity method	(1.59)	-	-100%
Net profit for the period	129.58	158.67	-18.34%
Net profit margin (%)	33.59	36.11	-6.99%

Revenue from Sales and Services

As of March 31, 2024, the Company reported total revenue from sales and services of 385.82 million Baht in the consolidated financial statements, representing a decrease of 12.20% compared to the same period last year. This decline was due to the allocation of revenue from the 45th Bangkok International Motor Show (BIMS). In March, revenue was allocated over 14 days and in April over 9 days, whereas for the 44th event, revenue was allocated over 19 days in March and 4 days in April.

Gross Profit (Loss)

As of March 31, 2024, the Company recorded a gross profit of 219.92 million Baht, a decrease of 12.46% compared to the previous year. This reduction was due to the allocation of revenue from the 45th Bangkok International Motor Show (BIMS). In March, revenue was allocated over 14 days and in April over 9 days, whereas for the 44th event, revenue was allocated over 19 days in March and 4 days in April.



Selling and Administrative Expenses (SG&A)

The Company incurred selling and administrative expenses of 62.57 million Baht for the three-month period ended March 31, 2024, an increase of 2.86% compared to the same period last year. The primary reason for this increase was the rise in salaries and employee benefits.

Profit (Loss) of Associate Company using Equity Method

The profit or loss of associates accounted for using the equity method for the three-month period ended March 31, 2024, amounted to a profit of 5.41 million Baht, an increase of 5.25% compared to the same period last year. This increase was due to higher profits from the associates' power plant operations.

Profit (Loss) of Joint Venture using Equity Method

The profit or loss of joint ventures accounted for using the equity method for the three-month period ended March 31, 2024, amounted to a loss of 1.59 million Baht, representing a 100.00% loss compared to the same period last year. This loss was due to the performance of the television drama production business.

Net Profit (Loss) for the Period

The consolidated profit (loss) for the three months ended March 31, 2024, was a net profit of 129.58 million Baht, representing a net profit margin of 33.59%. The comprehensive net profit decreased by 18.34%, primarily due to the allocation of revenue from the 45th Bangkok International Motor Show (BIMS). In March, revenue was allocated over 14 days and in April over 9 days, whereas for the 44th event, revenue was allocated over 19 days in March and 4 days in April.

The company's revenue from sales and services is classified by business segment as follows:

Business	Q1 (3-month)		% Change
	2024	2023	YOY
1. Exhibition and Event Organizing	371.56	427.76	-13.14%
2. Publishing and Digital Media	7.55	7.77	-2.73%
3. Printing	6.70	3.70	80.94%
4. Others	0.00	0.17	-100.00%
Total Revenue from Sales and Services	385.82	439.40	-12.20%

Exhibition and Event Organizing Business

As of March 31, 2024, the Company's revenue from the trade show and marketing promotion segment decreased by 13.14% compared to the same period last year. The primary reason for this decrease was the allocation of revenue from the 45th Bangkok International Motor Show (BIMS). In March, revenue was allocated over 14 days and in April over 9 days, whereas for the 44th event, revenue was allocated over 19 days in March and 4 days in April.

Publishing and Digital Media Business

As of March 31, 2024, the Company's revenue from the print and digital media business segment decreased by 2.73% compared to the same period last year. The primary reason for this decrease was a decline in print advertising services and magazine sales revenue.

Printing Business

As of March 31, 2024, the Company's revenue from the printing services business segment increased by 80.94% compared to the same period last year. This increase was primarily due to the Company acquiring more printing contracts during the period.

Other Business

As of March 31, 2024, the Company's revenue from the other business segments decreased by 100.00% compared to the same period last year. This decline was primarily due to a decrease in revenue from accumulated car sales and revenue from providing car modification services for competitions.

Financial Structure

Financial Structure (Million Baht)	2024	2023	% Change
Total Assets	1244.05	875.11	42.16%
Total Liabilities	377.97	76.15	172.69%
Total Shareholders' Equity	866.08	736.50	17.59%

Total Assets

Total liabilities according to the financial statements as of March 31, 2024, amounted to 377.97 million Baht, an increase of 172.69% compared to the end of the fiscal year 2023. The primary reasons for this increase were trade payables and deferred revenue from the 45th Bangkok International Motor Show (BIMS) event.

Total Liabilities

The total liabilities according to the financial statements as of March 31, 2024, amounted to 377.97 million Baht, representing an increase of 172.69% compared to the end of the fiscal year 2023. The primary reasons for this increase were higher trade payables and deferred revenue from the 45th Bangkok International Motor Show (BIMS) event.

Total Shareholders' Equity

The shareholders' equity according to the financial statements as of March 31, 2024, amounted to 866.08 million Baht, representing an increase of 17.59% compared to the end of the fiscal year 2023. The primary reason for this increase was the Company's increased retained earnings that had not been allocated yet.

Cash Flow Analysis

As of March 31, 2024, the company had cash and cash equivalents amounting to 301.46 million Baht, an increase of 279.02 million Baht compared to the end of the fiscal year 2023.

Cash flow statement ended Q1/2024	Million Baht
Net cash flow from operating activities	293.93
Net cash flow from investing activities	-5.26
Net cash flow from financing activities	-9.66
The net increase in cash and cash equivalents	279.02

- Net cash from operating activities primarily resulted from revenue generated from organizing the Bangkok International Motor Show (BIMS) 45th event.
- Net cash from investing activities mainly stemmed from cash payments for the acquisition of land, buildings, equipment, and intangible assets, as well as cash payments for the purchase of non-current assets.
- Net cash from financing activities arose from dividend payments, cash repayments of short-term borrowings from financial institutions, and cash payments of lease liabilities.

Key Financial Ratios	2024	2023
Gross Profit Margin (%)	57.00	46.01
EBITDA Margin (%)	42.20	19.49
Return on Equity (ROE)	6.09	10.85
Return on Asset (ROA)	5.82	12.47
Current Ratio (Times)	1.69	2.02
D/E Ratio (Times)	0.44	0.19
Earnings per share EPS (Baht)	0.22	0.13

Progress in Financial Assistance to Associate Company

The company has provided financial assistance to True Energy Co., Ltd. (“True Energy”), an associate company of the company, with a total amount of up to 70,000,000 baht as follows:

(1) Loan of up to 20,000,000 baht

- Interest rate: 7% per annum on the loan amount drawn down
- Maturity date: October 20, 2023 (The principal has been drawn down and has not yet been repaid in full, both principal and interest)
- Extended the repayment period by 1 year, the repayment deadline would be extended to October 20, 2025 (without having received any repayment of both principal and interest yet).

(2) Loan of up to 30,000,000 baht

- Interest rate: 6% per annum on the loan amount drawn down
- Maturity date: January 25, 2024 (The principal has been drawn down and has not yet been repaid in full, both principal and interest)
- Extended the repayment period by 1 year, the repayment deadline would be extended to January 25, 2025 (without having received any repayment of both principal and interest yet).

(3) Shot – Term Loan of up to 20,000,000 baht

- Loan 1: Drawn down on February 7, 2023, interest rate 7.9% per annum, amount 10,000,000 baht, maturity date April 20, 2023 (principal has been drawn down and repaid in full, both principal and interest)
- Loan 2: Drawn down on March 7, 2023, interest rate 7.9% per annum, amount 10,000,000 baht, maturity date May 17, 2023 (principal has been drawn down and repaid in full, both principal and interest)
- Loan 3: Drawn down on May 29, 2023, interest rate 8.1% per annum, amount 10,000,000 baht, maturity date August 7, 2023 (principal has been drawn down and is not yet due for repayment of principal and interest) and have extended the repayment period with the following details:

- August 7, 2023: Repayment due date October 16, 2023, interest rate 8.3% (interest paid).
 - October 16, 2023: Repayment due date December 25, 2023 (interest paid).
 - December 25, 2023: Repayment due date March 4, 2024 (principal repayment extended, interest not paid).
 - March 4, 2024: Amount 10,000,000 Baht, interest rate 8.55%, repayment due date May 12, 2024 (not yet due for principal and interest repayment).
- Loan 4: Drawn down on August 4, 2023, interest rate 8.3% per annum, amount 10,000,000 baht, maturity date October 7, 2023 (principal has been drawn down and is not yet due for repayment of principal and interest) and have extended the repayment period with the following details:
- October 13, 2023: Repayment due date October 13, 2023, interest rate 8.3% (interest paid).
 - October 13, 2023: Repayment due date December 22, 2023 (interest paid).
 - December 22, 2023: Repayment due date March 1, 2024 (principal repayment extended, interest not paid).
 - March 1, 2024: Amount 10,000,000 Baht, interest rate 8.55%, repayment due date May 9, 2024 (not yet due for principal and interest repayment).

-Peeraphong Eamlumnow-

Chief Growth Officer / Chief Financial Officer