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**Management Discussion and Analysis of the Company's Performance
for the three-month period ended 31 March 2019**

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

<i>Baht Million</i>	<i>2018</i>	<i>2019</i>	<i>+/(-) </i>	<i>+/(-) %</i>
<i>Total revenues</i>	345.79	424.07	78.28	22.64%
<i>EBIT</i>	108.28	121.12	12.84	11.86%
<i>Finance cost</i>	19.72	18.41	(1.31)	(6.64%)
<i>Income tax expenses</i>	17.98	22.21	4.23	23.53%
<i>Net profit</i>	70.57	80.50	9.93	14.07%
<i>Net profit ratio (ROS)</i>	20.41%	18.98%		
<i>Earnings per share (Baht)</i>	0.13	0.15	0.02	14.67%

Total Revenue

For the three-month period ended 31 March 2019, the Company and its subsidiaries earned a total revenue of THB 424.07 million, an increase of THB 78.28 million or 22.64% from the same period of previous year. The total revenue of each operating segments for the three-month period ended 31 March 2019 of the Company and its subsidiaries had changed from the previous period of last year as follows (1) Revenue from sales of program rights increased 25.81% (2) Revenue from advertising and media services decreased 95.02% and (3) Revenue from sales of products increased 2,000.00%.

Net profit

For the three-month period ended 31 March 2019, the Company and its subsidiaries had net profits of THB 80.50 million, an increase of THB 9.93 million or 14.07% from the same period of previous year. Although the total revenue for the three-month period ended 31 March 2019 increased 22.64% from the previous period of last year, the Company had continuously increased its content acquisition to support the growth of the business since 2018 and the fact that the Thai Baht value appreciated against US Dollar, the Company had loss on exchange rate, resulting in a decrease in net profit ratio (ROS) from 20.41% in the first quarter of 2018 to 18.98% in the same period of 2019. The total expense to total revenue ratio increased from 13.78% in the first quarter of 2018 to 14.94% in the same period of 2019.

2. Summary of operating results by business type

<i>Baht Million</i>	2018	2019	+ / (-)	+ / (-) %
1. Content Business				
<i>Revenue from sales of program rights</i>	327.23	411.70	84.47	25.81%
- <i>Export sales</i>	-	118.46	118.46	100.00%
- <i>Domestic sales</i>	327.23	293.24	(33.99)	(10.39%)
<i>Cost of program rights</i>	180.24	232.01	51.77	28.72%
Gross profit of content business	146.99	179.69	32.70	22.25%
Gross profit margin	44.92%	43.65%		
2. Advertising and Media Business				
<i>Revenue from services</i>	16.25	0.81	(15.44)	(95.02%)
<i>Cost of services</i>	9.45	3.85	(5.60)	(59.26%)
Gross profit of advertising and media business	6.80	(3.04)	(9.84)	(144.71%)
Gross profit margin	41.85%	(375.31%)		
3. Product sales Business				
<i>Revenue from sales of products</i>	0.47	9.87	9.40	2,000.00%
<i>Cost of product sales</i>	0.20	3.75	3.55	1,775.00%
Gross profit of product sales business	0.27	6.12	5.85	2,166.67%
Gross profit margin	57.45%	62.01%		
Total Gross profit	154.06	182.77	28.71	18.64%
Total Gross profit margin	44.79%	43.27%		

Content Business

For the three-month period ended 31 March 2019, the Company had revenue from program rights of THB 411.70 million which was composed of domestic sales amounting to THB 293.24 million and export sales about THB 118.46 million, an increase of THB 84.47 million or 25.81% from the same period of previous year, resulting from the Company has increased distribution channels to export content since the second quarter of 2018. While the export sales increased, the domestic sales decreased because of the drop of main customers' sales especially who is operate the cable satellite TV station.

<i>Baht Million</i>	2018	2019	+/(-) 	+/(-) %
Export sales				
<i>Cinema</i>	-	0.32	0.32	100.00%
<i>DTT, Cabsat</i>	-	84.29	84.29	100.00%
<i>VOD</i>	-	33.85	33.85	100.00%
<i>Subtotal export sales</i>	-	118.46	118.46	100.00%
Domestic sales				
<i>Cabsat</i>	83.75	29.38	(54.37)	(64.92%)
<i>Cabsat, VOD</i>	1.68	13.18	11.50	684.52%
<i>DTT</i>	128.77	139.87	11.10	8.62%
<i>DTT, Cabsat</i>	48.16	33.65	(14.51)	(30.13%)
<i>DTT, Cabsat, VOD</i>	12.55	11.15	(1.40)	(11.16%)
<i>DTT, VOD</i>	11.44	5.46	(5.98)	(52.27%)
<i>VOD</i>	30.73	42.35	11.62	37.81%
<i>VOD, Home</i>	10.00	18.20	8.20	82.00%
<i>Home</i>	0.14	-	(0.14)	(100.00%)
<i>Subtotal domestic sales</i>	327.23	293.24	(33.99)	(10.39%)
Total revenue from sales of program rights by categories	327.23	411.70	84.47	25.81%

Considering revenue from program rights based on type of platform given to the customer, the rights to distribute content via broadcast on cable satellite TV stations (Cabsat) was greatly reduced. As a result of the declining of popularity of this system in Thailand and was replaced by the rights to distribute content via broadcast on digital TV stations (DTT) and the rights to distribute content via broadcast on internet or video system (VOD)

Costs of program rights business mainly consist of amortization, dubbing and translation costs. For the three-month period ended 31 March 2019 and 2018, costs of program rights business totaled THB 232.01 million and THB 180.24 million, respectively, an increase of 28.72%. Due to the Company had invest in its content amounting to THB 776.15 million during 2018 and THB 275.05 million during this year to support the business growth of both export sales and local sales, the amortization of rights had increased and accordingly, its cost of program rights increased compared to the same period of previous year.

The Company earned gross profits from program rights business for the three-month period ended 31 March 2019 and 2018 in a total of THB 179.69 million and THB 146.99 million, respectively, an increase of 22.25%. The gross profit margin for the three-month period ended 31 March 2019 and 2018 was 43.65% and 44.92%, respectively.

In addition, the Company has an outstanding backlog as of 31 March 2019 of THB 709.56 million which is composed of THB 578.32 million for the local sales and THB 131.24 million or USD 4.15 million for the export sales.

Advertising and Media Business

For the three-month period ended 31 March 2019, the Company and its subsidiaries earned service income totaled THB 0.81 million, a decrease of THB 15.44 million or 95.02% from the same period of previous year. As a result of the condition of sales agreement with the customer, there is only one customer in this period. At the present, the management of the subsidiary is in the process of revising the agreement in order to improve the operating results from the advertising and media business.

Product Sales Business

For the three-month period ended 31 March 2019, the Company earned revenue from product sales in total of THB 9.87 million, an increase of THB 9.40 million or 2,000.00% from the same period of previous year due to the big lot sales to major customer while there is a few retail customers in in last year.

Other Income

Other income of the Company and its subsidiaries consists of agent fee income, interest income, gain on exchange rate and gain on short-term investment. For the three-month period ended 31 March 2019, other income totaled THB 1.70 million, an increase of THB 0.15 million which was no significant changed from the same period of previous year.

Expenses

Selling and service Expenses

Baht Million	2018	2019	+ / (-)	+ / (-) %
<i>Expense from Event</i>	10.00	2.01	(7.99)	(79.90%)
<i>Advertising and marketing expenses</i>	4.98	3.01	(1.97)	(39.56%)
<i>Others</i>	0.33	1.20	0.87	263.64%
<i>Selling and service expenses</i>	15.31	6.22	(9.09)	(59.37%)

For the three-month period ended 31 March 2019, selling and service expenses decreased THB 9.09 million or 59.37% from the same period of previous year due to there were advertising events with the customers who is operate the digital TV station to promote its contents in last year while there was no these events in this period.

Administrative Expenses

<i>Baht Million</i>	2018	2019	+/(-) 	+/(-) %
<i>Employee and executive expenses</i>	20.67	29.90	9.23	44.65%
<i>Advisor expenses</i>	1.65	3.81	2.16	130.91%
<i>Loss on exchange rate</i>	-	13.90	13.90	100.00%
<i>Reserve for Doubtful Debts</i>	0.48	-	(0.48)	(100.00%)
<i>Others</i>	17.60	9.52	(8.08)	(45.91%)
<i>Administrative expenses</i>	32.33	57.13	24.80	76.71%

Administrative expense for the three-month period ended 31 March 2019 totaled THB 57.13 million, an increase of THB 24.80 million or 24.80% from the same period of previous year. This was due to (1) Rise of the employee and executive expenses of THB 9.23 million or 28.07% which consistent with an increases in number of employee in order to support the growth of the business, and (2) Rise of loss on exchange rate of THB 13.90 million due to the fact that the Thai Baht value appreciated against US Dollar and the Company had the foreign trade receivables about USD 14.62 million

Financial Costs

For the three-month period ended 31 March 2019, the Company had financial costs in total of THB 18.41 million, a decrease of THB 1.31 million or 6.64% from the same period of previous year due to the fact that the Company managed to effectively control finance expense by repayment of short-term borrowings which had high interest costs such as factoring and promissory notes.

Financial Position

<i>Baht Million</i>	31-Dec-18	31-Mar-19	+/(-) 	+/(-)%
Assets				
<i>Cash, Cash equivalents and current investments</i>	138.76	122.84	(15.92)	(11.47%)
<i>Trade and other accounts receivable</i>	1,117.59	1,369.02	251.43	22.50%
<i>Other current assets</i>	82.73	76.75	(5.98)	(7.23%)
<i>Advance payment for purchased program rights</i>	655.21	548.23	(106.98)	(16.33%)
<i>Program rights</i>	1,181.01	1,288.04	107.03	9.06%
<i>Other non-current assets</i>	75.90	88.34	12.44	16.39%
Total assets	3,251.20	3,493.22	242.02	7.44%
Liabilities				
<i>Short-term loan from financial institutions</i>	93.95	219.71	125.76	133.86%
<i>Current portion of debentures</i>	-	-	-	0.00%
<i>Other current liabilities</i>	198.17	232.04	33.87	17.09%
<i>Debentures - net of current portion</i>	885.00	887.00	2.00	0.23%
<i>Other non-current liabilities</i>	20.02	19.92	(0.10)	14.02%
Total liabilities	1,197.14	1,358.67	161.53	13.49%
Total shareholders' equity	2,054.06	2,134.56	80.50	7.61%
Total liabilities and shareholders' equity	3,251.20	3,493.23	242.03	7.44%

Total Assets

The Company and its subsidiaries had total assets as at 31 March 2019 of THB 3,493.23 million, an increase of THB 242.03 million from 31 December 2018 or 7.44%, due to as follows:

- (1) Trade and other accounts receivable increased THB 251.43 million or 22.50% . This is in accordance with the increase of the revenue of the Company. Moreover, the balance of trade accounts receivable which was overdue by 6 - 12 months was THB 227.50 million, it has been collected in total of THB 119.52 million (up to 14 May 2019). Although the balance of trade accounts receivable which was overdue by 6 - 12 months increased from the balance as at 31 December 2018, the management still believes that the Company could collect debt from the main customers based on the past experience.
- (2) Advance payment for purchased program rights decrease THB 106.98 million or 16.33% because of the payment for reservation in content rights to support the growth of the business amounting to THB 211.53 million and the acquisition of program rights by transfer from this account amounting to THB 318.51 million. The balance of this account can be categorized as follow: (1) Advance payment for extend the program rights amounting THB 69.58 million (2) Advance payment for reserve the program rights to sale in Thailand amounting to THB 153.50

million and (3) Advance payment for reserve the program rights to export sales amounting to THB 325.15 million to support the growth of the export sales of program rights of the Company.

- (3) Program rights increased THB 107.03 million or 9.06% . During this year, the Company had invested by purchase the content rights of THB 325.40 million, the amortization expense was THB 225.33 million and there was the reversal of impairment loss about THB 7.01 million.
- (4) Other assets increased THB 12.44 million or 16.39%. As a result of rise of advance payment for purchased fixed asset of the subsidiary in order to be ready for their operation that will begin within this year.

Total Liabilities

The Company and its subsidiaries had total liabilities as at 31 March 2019 of THB 1,358.67 million, an increase of THB 161.53 million or 13.49% . As a result of the rise of short-term loans from financial institutions for use as short-term working capital as at 31 March 2019 increased from last year about THB 125.76 million or 133.86%. Moreover, there was deferred revenue that will be recognized in next period about THB 18.86 million.

Shareholders' equity

As at 31 March 2019, the Company and its subsidiaries had total shareholders' equity of THB 2,134.56 million, an increase of THB 80.50 million. The increase was due to the normal operating profit of the Company and its subsidiaries.