
MANAGEMENT DISCUSSION AND ANALYSIS FOR THE YEAR ENDED 2025**2025 ECONOMIC SUMMARY AND MEDIA INDUSTRY OVERVIEW**

- In 2025, the global economy showed a decelerating trend but began to see improvement after the United States reduced customs duties following the implementation of Reciprocal Tariff policies early in 2026. While this helped ease trade tensions, economic growth forecasts remain below historical averages due to intense price competition and the lingering effects of previous tariff barriers.
- The Thai economy in 2025 expanded by approximately 2.0%, a slight slowdown from 2024 caused by flooding and political uncertainty. However, following the February 2026 elections, political stability has shown an upward trend. The economy continues to be driven primarily by the tourism sector, private investment, and recovering domestic consumption. Nevertheless, it faces risks from high household debt, declining agricultural exports, and lower competitiveness compared to ASEAN neighbors.
- The industry has fully transitioned into the Digital Era, driven significantly by Over-the-Top (OTT) streaming services and continuous growth in online advertising. The key highlight this year is the success of Thai content as a potent Soft Power asset. The T-Pop phenomenon has expanded its international fan base through Fandom Marketing strategies and the strategic management of Music IP by major labels. Furthermore, the music business experienced exponential growth from concerts and music festivals, exceeding 500 events per year. Conversely, the film industry faces challenges from weakened purchasing power and shifting viewer behavior; although the overall market contracted to approximately THB 1.5 billion, certain Thai films still surpassed the THB 100 million mark and expanded into international markets through cross-label collaborations and soft power initiatives.
- Recently, in 2026, the Ministry of Culture launched a Cultural Promotion Measure providing a 15-30% cash rebate for Thai films, dramas, series, and music videos. Additional incentives are granted for content that integrates Thai Soft Power or achieves international distribution. This initiative is projected to generate over THB 4.6 billion in annual circulation, boosting employment in the entertainment and related sectors, such as tourism and services, while elevating the Thai entertainment industry to a global competitive level and stimulating long-term tourism.

2025 BUSINESS PERFORMANCE OVERVIEW

- GMM Grammy Public Company Limited (“the Company”) reported total revenue of THB 5,897.9 million, with operating revenue accounting for THB 5,815.8 million, representing a 5.7% decrease compared to the previous year. The decline was primarily driven by the movie business, where revenue contracted by THB 275.7 million or 39.6%, mainly due to the high base effect from the previous year’s blockbuster releases, “How to Make Millions Before Grandma Dies” and “The Paradise of Thorns”, which both received exceptional market

reception. Additionally, the revenue from home shopping business was softened by THB 265.2 million or 22.7% YoY, resulting from the strategic termination of non-profitable satellite sales channels. Conversely, the music business achieved a revenue increase of THB 190.1 million or 4.7%. This growth was bolstered by the concert business, which generated an additional THB 201.0 million in revenue as the number of concerts scaled up to 25 events in 2025 from 22 events in 2024.

- The Company posted a gross profit of THB 2,107.3 million, a decline of THB 406.9 million or 16.2% YoY, with a gross profit margin of 36.2%. During the period, the Company recorded non-recurring accounting items, specifically the fair value adjustment of other financial assets and investment impairment totaling THB 94.4 million. Consequently, this led to a Net Loss attributable to owners of the parent of THB 65.6 million. Nevertheless, excluding the aforementioned items, the Company maintained its core profitability with profit before special items standing at THB 28.9 million.
- As of 31 December 2025, the Company maintained a robust financial position, reporting total assets of THB 8,416.0 million and total equity of THB 4,354.9 million. The interest-bearing debt to equity ratio (IBD/E) remained low at 0.36 times, while cash and cash equivalents stood at THB 1,080.7 million.

KEY BUSINESS UPDATES

- **October 2025**
 - IDEA FACT, a unit under GMM MUSIC, organized LEO PRESENTS SCREAM FEST 2025, a Halloween-themed music festival. The concert was designed under the concept of SCREAM CIRCUS: An Amusement Park of Haunting Legends. The event featured a lineup including BODYSLAM, BIG ASS, ONLY MONDAY, THREE MAN DOWN, JOEY PHUWASIT, TAITOSMITH, POTATO, JEFF SATUR, and PUN. It was held on 25 October 2025 at BITEC BANGNA HALL 98-100.
- **November 2025**
 - GFEST, a unit under GMM MUSIC, organized Monster Music Festival 2025, the largest music festival in the heart of Bangkok. The event featured performances from over 150 artists across two days and was held from 1-2 November 2025 at the Queen Sirikit National Convention Center. The festival achieved a complete sell-out for every performance session.
 - GMM SHOW and GMM BIRD BOX hosted BIRD FANFEST 20XX, a major concert by Bird Thongchai featuring guests who are icons for all generations, including Kong Saharat, Joey Phuwasit, and Billkin Putthipong. The event took place from 21-23 November 2025 at IMPACT Arena, Muang Thong Thani.
 - ALL AREA, a unit under GMM MUSIC, collaborated with Chang Music Connection to organize Chang Music Connection presents Chiang Yai Fest 6, the largest music festival in Northern Thailand. Spanning 160 rai at the Royal Train Garden Resort, the event was transformed to captivate audiences by blending the charm of Northern culture with a modern interpretation unique to the Chiang Yai Fest style. This created

a festival atmosphere with a distinct and enchanting new character. The event was held from 29-30 November 2025 at the Royal Train Garden Resort in Chiang Mai.

- December 2025
 - Pepsi presents Big Mountain Music Festival 15, the largest music festival in Thailand, was held under the concept 15th Anniversary Celebration: Receiving Good Luck Together at the End of the Year. The event featured 14 major stages with artists from various genres, including indie, rock, and molam. It took place from 6-7 December 2025 at The Ocean Khao Yai, Nakhon Ratchasima.
 - The comedy film Diva...La Vie by GDH was released on 10 December 2025. Directed by Kittiphak Thonguam, known for directing Diary of Tootsies the series and Tootsies & The Fake, the movie tells the story of a 90s diva who sold 2 million copies and seeks to reclaim her fame in the present day.
 - IDEA FACT, a unit under GMM MUSIC, organized Chang Cold Brew Cool Club Presents Nanglen 9. This music festival, set amidst nature and surrounded by flowers, featured performances from numerous leading artists. The event was held on 13 December 2025 at Thongsomboon Club, Khao Yai, Nakhon Ratchasima.

2025 OPERATING RESULTS

Consolidated Financial Statement	4Q2025 (THB mn)	4Q2024 (THB mn)	YoY (%)	FY2025 (THB mn)	FY2024 (THB mn)	YoY (%)
Total operating revenues	1,604.8	1,906.6	-15.8	5,815.8	6,165.4	-5.7
Dividend income	0.0	7.1	-100.0	5.5	18.5	-70.3
Other revenues	29.9	21.7	38.0	76.6	53.4	43.4
Total revenues	1,634.7	1,935.3	-15.5	5,898.0	6,237.3	-5.4
Cost of sales and services	1,158.0	1,229.5	-5.8	3,708.5	3,651.2	1.6
SG&A	552.7	649.7	-14.9	1,992.6	2,180.3	-8.6
<u>Special items</u>						
Fair value loss on other financial assets	0.0	33.6	-100.0	40.8	14.4	183.4
Loss on impairment of investments in subsidiaries and associates	53.6	0.0	100.0	53.6	0.0	100.0
Total expenses	1,764.3	1,912.8	-7.8	5,795.5	5,845.8	-0.9
Profit (loss) from operating activities	-129.6	22.5	-675.4	102.4	391.5	-73.8
Share of profits from JVs and associates	27.3	31.0	-12.1	63.6	120.3	-47.1
Finance income (cost)	-21.2	-14.6	44.7	-80.2	-121.6	-34.1
Profit (loss) before income tax income (expenses)	-123.6	38.9	-417.9	85.9	390.2	-78.0
Income tax income (expenses)	68.5	-21.2	423.5	-92.8	-129.4	-28.3

Consolidated Financial Statement	4Q2025		4Q2024		YoY	FY2025		FY2024		YoY
	(THB mn)	(THB mn)	(THB mn)	(THB mn)	(%)	(THB mn)	(THB mn)	(THB mn)	(THB mn)	(%)
Profit (loss) for the year	-55.1	17.7	-411.2	-6.9	260.8	-102.7				
Profit (loss) attributable to non-controlling interests of the subsidiaries	-4.0	30.7	-113.1	58.6	76.7	-23.6				
Profit (loss) attributable to equity holders of the Company	-51.0	-13.0	293.6	-65.5	184.1	-135.6				
Earnings (loss) per share (THB/share)	-0.06	-0.02		-0.08	0.22					
Profit before special items	2.6	20.6	-87.6	28.9	198.5	-85.4				
Gross profit margin (%) ¹	27.8	35.5		36.23	40.8					
SG&A to revenue (%) ²	33.8	33.6		33.8	35.0					
Profit before special times to revenue (%) ³	0.2	1.1		0.5	3.2					
Net Profit (loss) Margin Attributable to Equity Holders of the Company (%) ⁴	-3.1	-0.7		-1.1	3.0					

*Remark:

1. Calculated from Gross profit (Total operating revenues – Cost of sales and services) divided by Total operating revenues
2. Calculated from SG&A divided by Total revenues
3. Calculated from Profit (loss) attributable to equity holders of the Company added special items divided by Total revenues
4. Calculated from Profit (loss) attributable to equity holders of the Company divided by Total revenues

Revenue Breakdown	4Q2025		4Q2024		YoY	FY2025		FY2024		YoY
	(THB mn)	(%)	(THB mn)	(%)	(%)	(THB mn)	(%)	(THB mn)	(%)	(%)
Music	1,300.5	81.0	1,308.9	68.7	-0.6	4,201.6	72.2	4,011.5	65.1	4.7
Home Shopping	229.7	14.3	289.7	15.2	-20.7	901.1	15.5	1,166.3	18.9	-22.7
Movie	30.4	1.9	266.7	14.0	-88.6	420.1	7.2	695.8	11.3	-39.6
Set-top-box and Broadcasting	30.4	1.9	28.5	1.5	6.5	118.7	2.0	127.5	2.1	-6.9
Media and Others Business	13.8	0.9	12.8	0.7	8.2	174.5	3.0	164.4	2.7	6.1
Total Operating Revenue	1,604.8	100.0	1,906.6	100.0	-15.8	5,815.8	100.0	6,165.4	100.0	-5.7

Operating revenue

In 2025, the Company had operating revenue of THB 5,815.8 million, a decrease of THB 349.6 million, or 5.7% YoY. The main reason was the movie business and the home shopping business. On the other hand, music business generated an increase in revenue of THB 190.1 million or 4.7%, deriving from the increase in concert revenue of THB 201.0 million. Operating revenue can be categorized according to the Company's business structure as follows:

1.1 Music Business, which is the Company's core business, consisting of digital music and copyright, artist management, showbiz, physical music and merchandise, and other businesses.

In 2025, the Company generated revenue from the music business amounting to THB 4,201.6 million, representing 72.2% of total operating revenue. This reflects an increase of THB 190.1 million or 4.7% YoY. The growth

was primarily driven by concert revenue, as the number of concerts and music festivals expanded from 22 events to 25 events, resulting in a 20.3% revenue climb compared to the prior year.

1.2 Home Shopping Business, operating TV home shopping through the channel called GMM O Shopping, via digital TV and online channels.

In 2025, the Company reported revenue from the home shopping business of THB 901.1 million, accounting for 15.5% of total operating revenue. This represents a contraction of THB 265.2 million or 22.7% YoY, following the strategic exit from non-profitable sales channels, including all satellite television platforms and certain digital television channels. Nevertheless, in June 2025, the business unit adapted by expanding into digital television channels with higher viewership, such as Thairath TV, to accelerate revenue generation. Furthermore, the product range was diversified with new categories, including fresh food. During 2025, the top-selling product categories were food supplements and health care, food products, beauty and cosmetics, lingerie, and kitchenware, respectively.

1.3 Movie Business, producing high-quality movies and series continually.

In 2025, the Company reported total revenue from the film business of THB 420.1 million, representing 7.2% of total operating revenue. This reflects a contraction of THB 275.7 million or 39.6% compared to 2024, a year in which the films “How to Make Millions Before Grandma Dies” and “The Paradise of Thorns” were released to exceptional market reception, generating a combined domestic box office revenue of over THB 490 million. Nevertheless, in 2025, GDH produced and released three films: Flat Girl, The Red Envelope, and Diva...La Vie. Furthermore, the business generated revenue from domestic film distribution by licensing both new and library titles to Netflix and TrueID.

1.4 Satellite TV Business, operating satellite TV networks and distributing set-top boxes, digital TV boxset, internet TV boxset, as well as the music box products.

In 2025, the Company recorded the revenue from satellite TV business of THB 118.7 million, accounting for 2.0% of total operating revenue, a decrease of THB 8.8 million, or 6.9% YoY. The decline was from the overall downturn in the satellite TV industry.

1.5 Media and Others Business, operating digital TV stations and generating revenue from copyright.

In 2025, the Company had revenue from the media and other businesses of THB 174.5 million, accounting for 3.0% of total operating revenue, an increase of THB 10.0 million, or 6.1% YoY, from the increase in revenue from rights management and platform services.

Cost of sales and services

The Company recorded cost of sales and services of THB 3,708.5 million, a slight increase of THB 57.4 million, or 1.6% YoY. This was due to the higher concert organizing cost, in line with the increase in concert revenue of THB 201.0 million as the number of concerts and music festivals increased from 22 events in 2024 to 25 events in 2025.

Net profit (loss) attributable to equity holders of the Company

The Company reported a net loss attributable to equity holder of the Company of THB 65.5 million, representing a loss expansion of THB 249.6 million or 135.6% YoY. This was primarily driven by the softening of revenue and non-recurring items, including a fair value adjustment of other financial assets of THB 40.8 million and an impairment of investments in subsidiaries and associates of THB 53.6 million. Excluding these special items, the Company maintained its actual operational profitability, with profit before special items standing at THB 28.9 million.

Financial Position

Consolidated Financial Position	31-Dec-25 (THB mn)	(%)	31-Dec-24 (THB mn)	(%)	YoY (THB mn)	YoY (%)
Cash and cash equivalents	1,080.7	12.8	843.4	10.2	237.3	28.1
Other current assets	921.8	11.0	1,552.9	18.9	-631.1	-40.6
Non-current assets	6,413.5	76.2	5,835.9	70.9	577.6	9.9
Total assets	8,416.0	100.0	8,232.2	100.0	183.7	2.2
Current liabilities	2,440.1	29.0	2,785.1	33.8	-345.0	-12.4
Non-current liabilities	1,317.1	15.6	808.6	9.8	508.5	62.9
Total liabilities	3,757.2	44.6	3,593.7	43.7	163.5	4.5
Equity attributable to equity holders of the Company	4,354.9	51.7	4,374.6	53.1	-19.7	-0.4
Non-controlling interests of the subsidiaries	303.9	3.6	264.0	3.2	39.9	15.1
Shareholders' equity	4,658.8	55.4	4,638.6	56.3	20.2	0.4
Total liabilities and shareholders' equity	8,416.0	100.0	8,232.2	100.0	183.7	2.2
Net interest-bearing debt to equity ratio (x)	0.36		0.22			

Total Assets

As of 31 December 2025, the Company had total assets of THB 8,416.0 million, an increase of THB 183.7 million, or 2.2% from the end of 2024. Significant items include an increase in right-of-use assets from the change in lease liabilities and increase in intangible assets from music audio and video production for Music Business. However, other assets decreased from the sale of KISS shares throughout 2025.

Total Liabilities

As of 31 December 2025, the Company had total liabilities of THB 3,757.2 million, an increase of THB 163.5 million, or 4.5% from the end of 2024. Key items included changes in lease liabilities due to contract modifications and fluctuations in both short-term and long-term borrowings from financial institutions. This resulted in rising IBD/E ratio from 0.22 times in 2024 to 0.36 times.

Total Shareholders' Equity

As of 31 December 2025, the Company reported total shareholders' equity of THB 4,658.8 million which increased by THB 20.2 million or 0.4% from the end of 2024, from retained earnings attributable to owners of the parent. It comprised of non-controlling interests of subsidiaries of THB 303.9 million and equity attributable to owners of the parent of THB 4,354.9 million.

Liquidity and Cash Flows

Item	31-Dec-25 (THB mn)	31-Dec-24 (THB mn)	Change (THB mn)	Change (%)
Net cash flows from operating activities	405.1	945.7	-540.6	-57.2
Net cash flows used in investing activities	-381.8	-1,366.1	984.2	-72.0
Net cash flows from financing activities	212.1	595.5	-383.4	-64.4
Increase (decrease) in translation adjustments	2.0	-4.5	6.5	144.6
Net increase in cash and cash equivalents	237.3	170.6	66.7	39.1
Cash and cash equivalents at beginning of the year	843.4	672.9	170.6	25.3
Cash and cash equivalents at end of the year	1,080.7	843.4	237.3	28.1

For the year ended 31 December 2025, the Company had cash and cash equivalents of THB 1,080.7 million, an increase of THB 237.3 million, or 28.1% from the end of 2024. There was net cash from operating activities of THB 405.1 million, and net cash flow used in investing activities of THB 381.8 million, while net cash flow from financing activities of THB 212.1 million.

SUSTAINABILITY DEVELOPMENT

The Company operates based on principles of good corporate governance and ethics, aiming for sustainable growth while enhancing the quality of life within communities and society. In 2025, the Company consistently engaged in public interest activities, including artist participation in various events to bring joy to the public and organizing charity concerts to raise funds for hospital building construction and medical research support for leading hospitals. Furthermore, the Company collaborated with the NACC Fund to produce creative content promoting anti-corruption in all forms. As a result of these commitments, the Company received an "Excellent" (5-star) rating for corporate governance for the 15th consecutive year and achieved a perfect score of 100 on the AGM Checklist for the 8th consecutive year. These achievements reflect the long-standing trust and transparency in management that the Company has maintained.

FACTORS THAT MAY AFFECT OPERATIONS OR FUTURE GROWTH

In 2026, the Thai entertainment industry continues to face economic pressures that may impact consumer spending, alongside intensifying competition to produce international-quality content for streaming platforms. However, several positive factors support the media and entertainment sector, including the rising trend of attending concerts and music festivals, the T-pop soft power movement driving idol marketing, and a significant boost for the Thai film industry through the THACCA government policy, which offers subsidies and a cash rebate of up to 30% for domestic film productions.

The Company has developed a business plan to align with these industry conditions. During the first quarter of 2026, several major concerts and music festivals have been prepared, such as Chang Music Connection presents Rock Mountain 2026 held on 24 January 2026 at Jolly Land Khao Kho, Phetchabun, which achieved a complete sell-out of all ticket types. Additionally, Muang Thai Life Assurance presents "genie fest" G27, a massive rock festival celebrating the 27th anniversary of the genie records label, took place on 21 February 2026 at Rajamangala National Stadium. Three Man Down Live At Suphachalasai, the band's second major concert, will be holding on 7-8 March 2026 at Suphachalasai Stadium, with tickets for both shows selling out on the first day of sales. Furthermore, GDH released its new film, Human Resource, which previously made its world premiere at the 82nd Venice International Film Festival in mid-2025.

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