

# MONO GROUP

## 2019 performance & 2020 Strategy

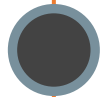


WE ARE MEDIA AND CONTENT CONGLOMERATE

# Agenda



**01 2019 Highlights**



**02 Financial Highlights**



**03 Strategic Directions**



**04 2020 Outlook**

# 2019 Highlights



- Mono29 peak TVR in 2019: **6.389**
- Average rating  
**Thailand Premiere = 2.813**
- Adjust prime time schedule during 2nd half 2019  
**rating prime time growth 23%**
- Campaign in Q4/2019  
**Mono29 New Year non-stop: +17%** rating growth  
**Mono29 จัดให้: +30%** rating growth

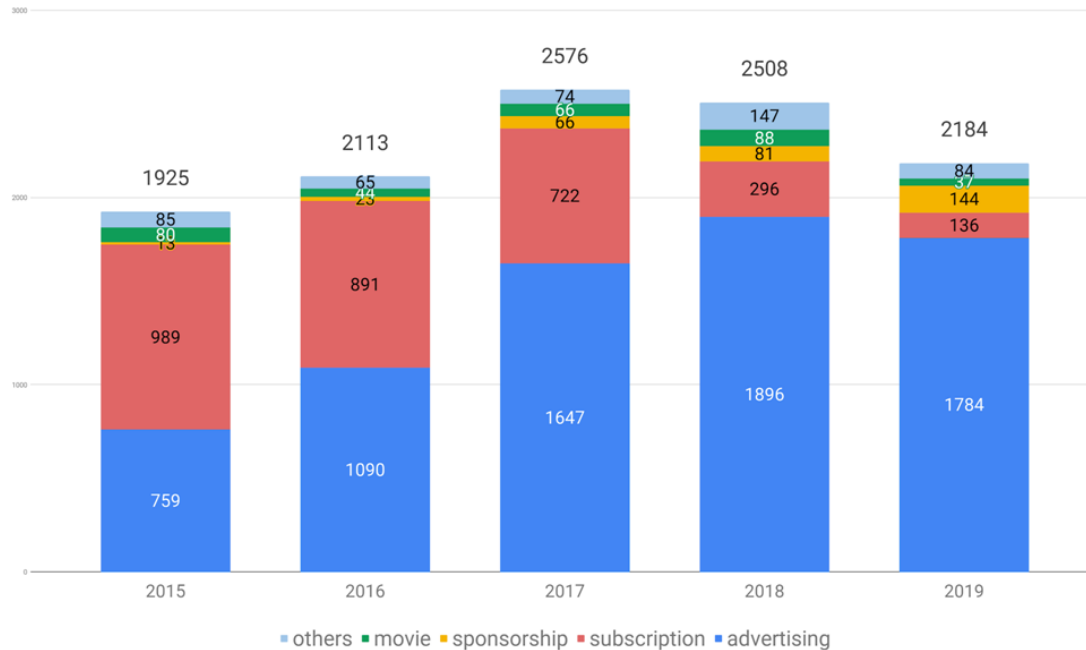
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- Revenues: **THB 2,184m** (YoY -13%)
  - EBITDA: **THB 808m** (YoY -33%)
  - Investment: **THB 1,034m** (YoY -18%)

# Financial Highlights

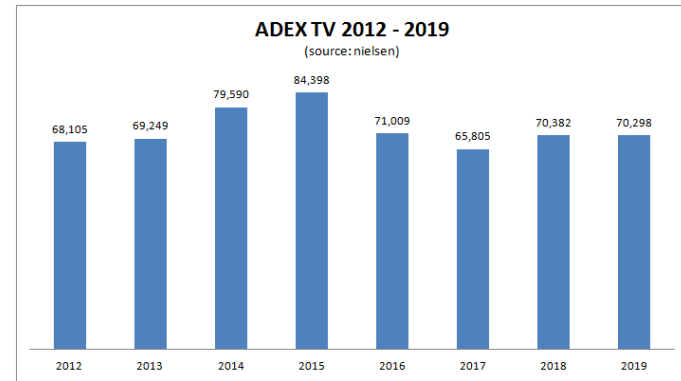


# 1. Revenue from Core Businesses

unit: million Baht



YoY  
-13%



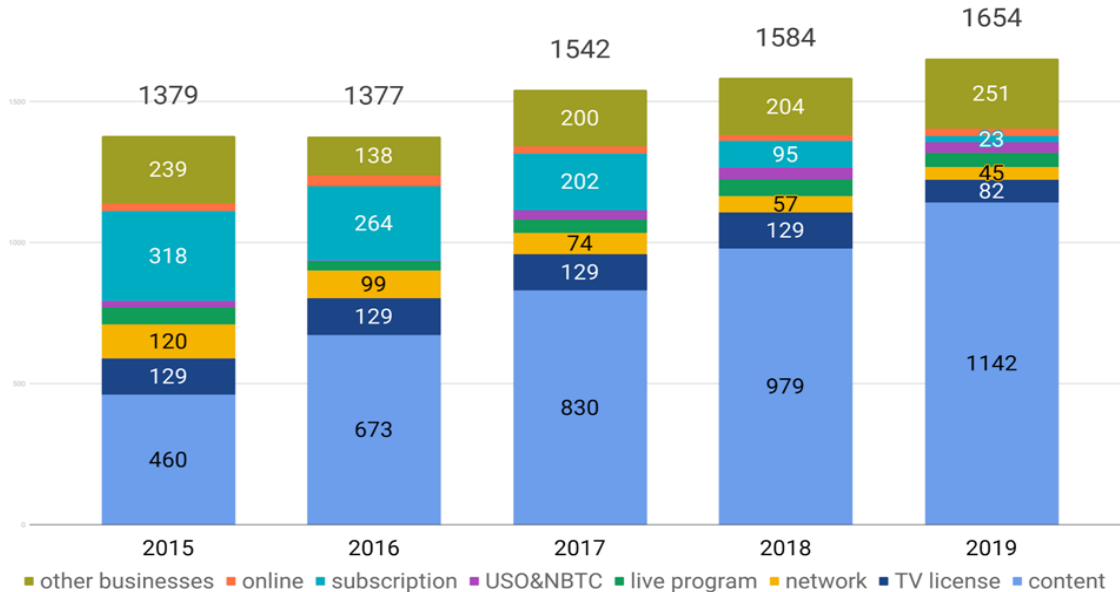
## Advertising revenue declined in Q3-Q4/2019

Mono29 in the midst of positive and negative effects:

- (+) digital TV quitters (7 channels)
- (-) tense competitions
- (-) negotiate MONO29 new pricing

## 2. Cost Structure

unit: million Baht



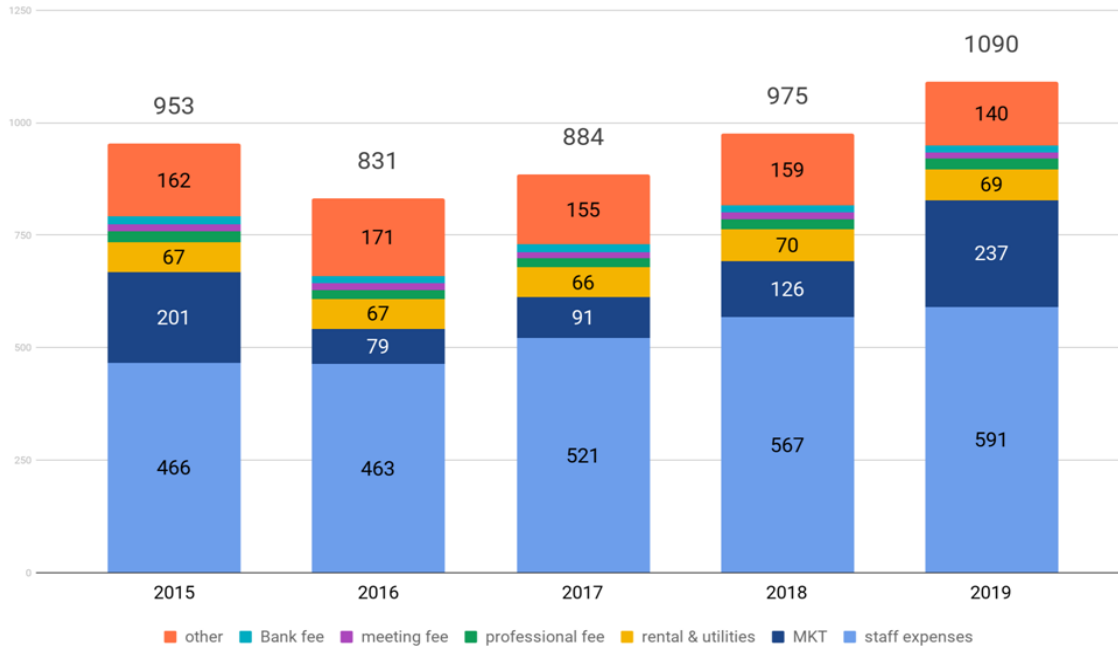
### Cost of core businesses increase about 2%

- (1) Overall cost growth 4%
- (2) In 2019, cost of core businesses is about 1,403 mb comparing to 1,380 mb in 2018, increases about 23 mb or 2%
- (3) Content is the key success for both MONO29 and Monomax. In 2019, content cost increases about 17% because of the followings:
  - Special deal for shorten period of launching Thailand premiere on MONO29
  - Monomax's content
- (4) other businesses consists of publishing, hotel booking, game, , horo, sport, radio, events.

### 3. Operating Expense (OPEX)

YoY  
12%

unit: million Baht



#### Increased marketing expenses for Monomax

- (1) marketing expenses growth about 88% from previous year
- (2) special expenses for staff in 2019 is 36 mb (one-time effect)

- Compensation 19mb
- Labor Protection Act 17mb

Thus, staff expenses deduct special expenses is 555 mb ( $591 - 36 = 555$ )

## 4. Performance

Mono Group Performance	2015	2016	2017	2018	2019
Revenue	1,925	2,113	2,576	2,508	2,184
YoY Growth (%)	+20%	+10%	+22%	-3%	-13%
Net Profit	-487	-250	58	-193	-616
YoY Growth (%)	-3958%	+49%	+123%	-433%	-219%
EBITDA	315	839	1,207	1,202	808
YoY Growth (%)	+7%	+166%	+44%	-0.4%	-33%

(1) revenue missed target due to 2 main reasons which are competitive market in TV industry and Monomax subscription revenue had not covered decreasing in MVAS revenue yet.

(2) marketing budget increased for monomax subscriber acquisition cost



# Strategic Directions



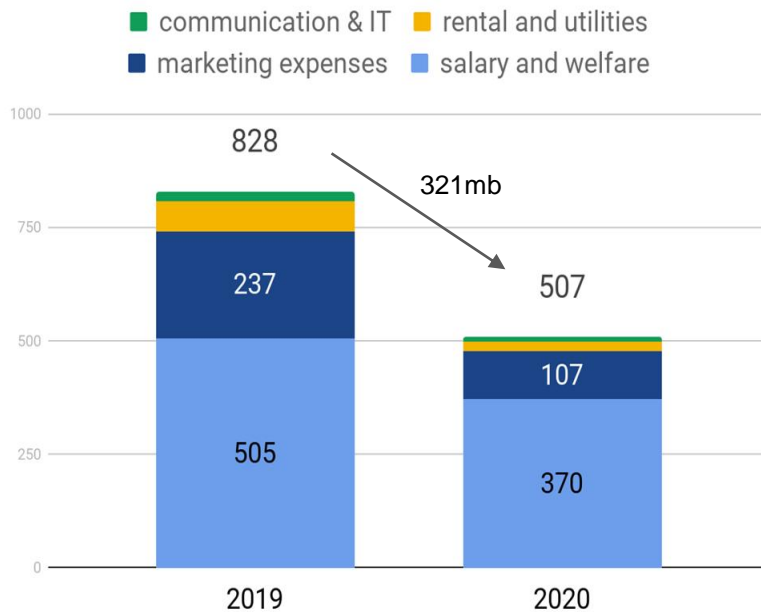
# 1. Control costs and expenses

- fixed costs decrease about 100mb from stop unprofitable businesses
- content and production budget (decrease 100-150mb from 2019)
- adjust %sharing for NBTC and USO save cost about 20mb

- **OPEX:** decrease from  
downsize/terminate  
unprofitable businesses

- salary & welfare
- rental & utilities
- control marketing expenses
- communication & IT

Decrease  
about 320mb



## 2. Revenue Growth Factors (1/3)

### A. TV ad rate Y2020 growth about 30%

- Sales as a package mixed prime time and non prime time at price range 270,000 - 300,000 Baht per package (avg. minute/package = 5-6 mins.)
- Average ad price per minute has increased about 30% from 34,000 Baht per minute in 2019 to be 45,000 Baht per minute in 2020
- Based on the same utilization rate as 2019's, **advertising revenue in 2020 will increase about 30%**



## 2. Revenue Growth Factors (2/3)

### B. Monomax co. package with telecom and mobile operators

- a special package will be launched within March 2020
- Assumption: average paid member for new package = 670,000 sub (wholesale price = THB50/month)
- Thus, **Monomax likely gains revenue at least 302 mb per year** from this special package (670,000 x THB50 x 9 months)



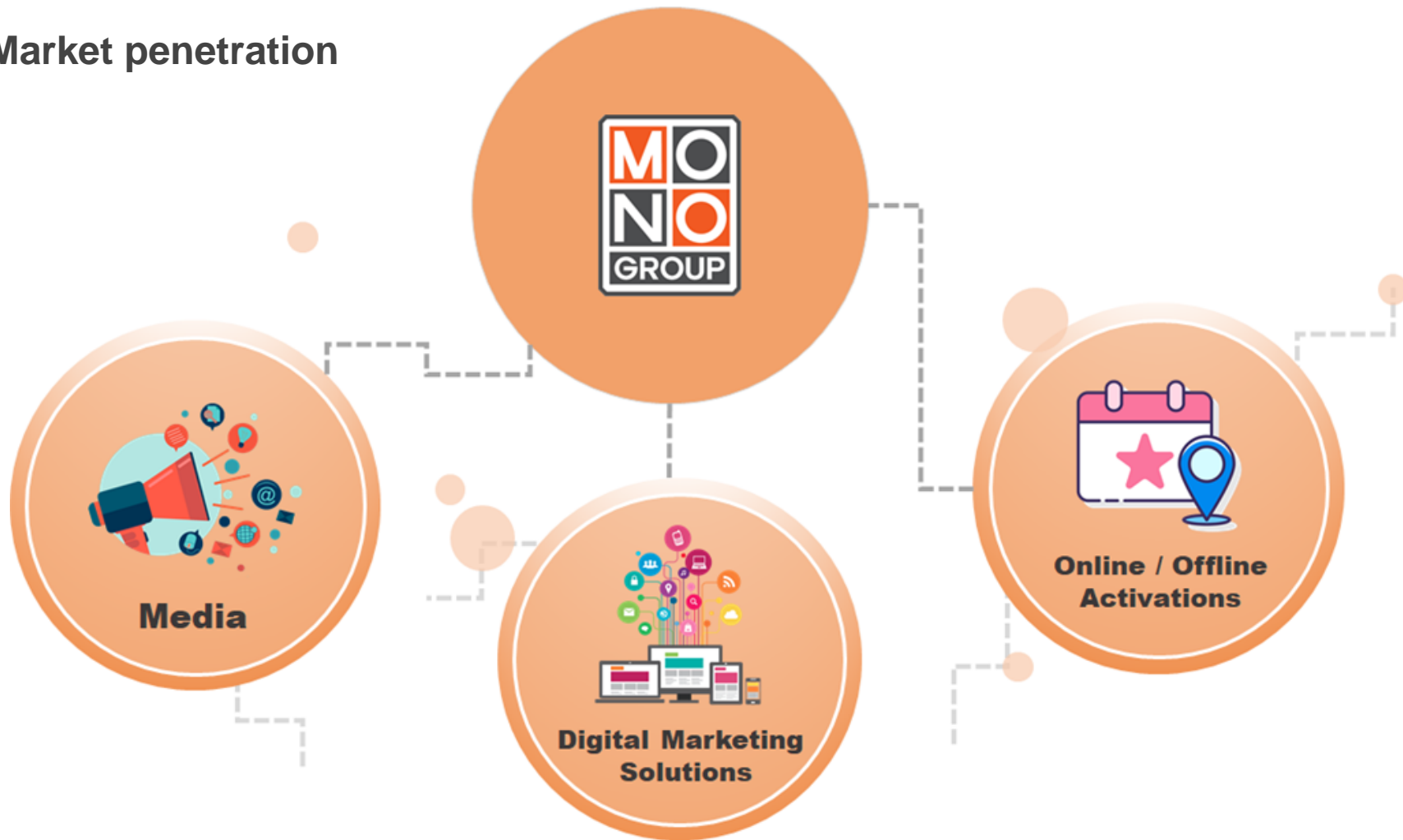
## 2. Revenue Growth Factors (3/3)

### C. COVID-19: decrease event revenues in 2020

- COVID-19 has been spreading rapidly across the world
- To avoid infection, all crowded activities should be prohibited especially in countries with Level-3 of outbreak (Thailand has been predicted to be in Level-3 by March or April 2020)
- Therefore, revenue from big events such as Songkran festival might be canceled
- In the meantime, TV business and streaming video on demand (SVOD) might gain advantages from this outbreak



### 3. Market penetration



# 19M SOCIAL FOLLOWERS



**Best Brand  
Performance for  
influencer**  
ผู้ทรงอิทธิพลบน Twitter

**Thailand  
Social Awards  
2019**



# Media Sales Strategy (+30%)

## MEDIA sales



**3rd** Ranking  
of Free TV



**19 Millions**  
Followers  
From Mono Group's  
Social Network

**Leading  
Role**

## DIGITAL MARKETING SOLUTION



AVG. Fans Growth  
**150%** per year

**Supporting  
Roles**

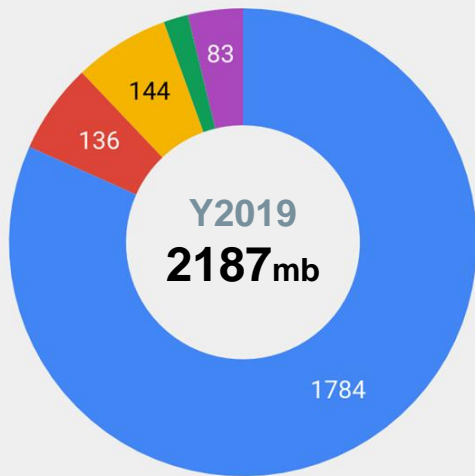
## Online/Offline ACTIVATION





# Revenue Forecast

● advertising ● subscription ● sponsorship ● movie ● others



## 2020:

- Advertising revenue → **worst case** due to COVID-19 effect // **best case** based on average price per minute growth 30%
- Subscription revenue → growth from a special deal with telecom and mobile operators
- Movie revenue → Thai movie 1 title & Inter 10-12 titles
- Sponsorship and other businesses → decrease due to COVID-19 and stop some businesses in 2020

## WORST case

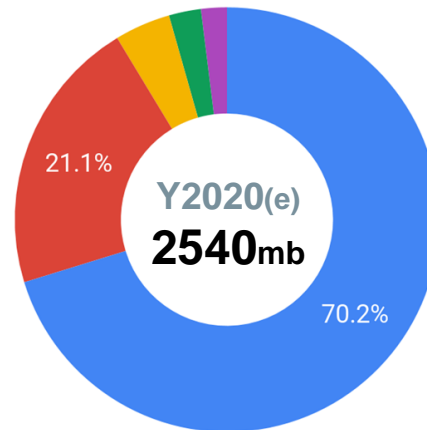
Ad: 2020 = 2019

Sub: +294%

Sponsor: -25%

Movie: +68%

Others: -40%



Revenue  
Growth  
**16%**

● advertising ● subscription ● sponsorship ● movie ● others

## BEST case

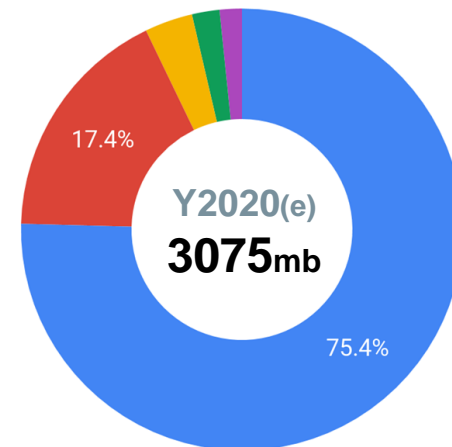
Ad: +30%

Sub: +294%

Sponsor: -25%

Movie: +68%

Others: -40%



Revenue  
Growth  
**41%**

# 2020 Outlook



Revenue growth about  
**15 - 40%** from previous year

**40 - 50%**  
EBITDA margin

THB **100 - 120** million  
Tangible assets

THB **1.00 - 1.35** billion  
Intangible assets

**Thank you**

## Appendix

	<b>ADEX 2019* (mb)</b>	<b>งบการเงิน 2019 (mb)</b>	<b>% disc. Rev. From ADEX</b>	<b>UTI exc. Promo &amp; in-house (minute)</b>	<b>Max inv. 2019 (minute)</b>	<b>%UTI</b>	<b>AVG per minute (Baht)</b>
<b>CH 3</b> (TVR 1.6)	16,546	6,744	59%	62,691	87,600	72%	107,575
<b>MONO29</b> (TVR 1.2)	3,931	1,784	55%	55,239	87,600	63%	32,296
<b>Workpoint</b> (TVR 0.85)	4,473	2,193	51%	34,478	87,600	39%	63,606

Remark: \*ADEX 2019 - data from nielsen