

Management Discussion and Analysis for the First Quarter of Year 2021

Business Overview

Business overview of One to One Contacts Public Company Limited and its subsidiaries (“the Group”) for the first quarter of year 2021 compared to the same period of prior year are as follows;

The Group reported total revenues (excluded other revenues) at THB 149.6 million, decreased by THB 27.8 million or 15.7% which mainly decreased from the revenue from services. The total cost was reported at THB 125.3 million, decreased by THB 34.4 million or 21.5%. As a result, the gross profit margin for this quarter was increased by THB 6.6 million or 37.1% and gross profit margin to total revenues was at 16.2%.

Total net profit for this quarter was reported at THB 12.9 million, increased by THB 14.7 million or 830.5% when compared to the same period of prior year. It resulted from the increasing of gross profit margin and the increasing of other income by THB 10.2 million from gain on change in value of listed equity investments. Net profit to total revenues was at 8.6%.

Revenues

The structure of revenues for the three month period ended 31 March 2021 and 2020 are as follows;

<i>Unit: THB million</i>	Q1-2021	Q1-2020	% Change
1. Revenue from sales and contract work	8.6	4.7	83.0%
1.1 Turnkey Total Solutions	8.6	4.7	83.0%
2. Revenue from services	141.0	172.7	-18.4%
2.1 Fully Outsourced Contact Center Management Service	92.3	114.2	-19.2%
2.2 Contact Center Facility Outsourced	5.6	1.2	355.3%
2.3 Customer Service Representative Outsourced	37.0	47.3	-21.8%
2.4 Maintenance Service	6.1	10.0	-38.8%
Total	149.6	177.4	-15.7%

1. Revenue from sales and contract work

1.1 Turnkey Total Solutions generated revenue of THB 8.6 million in this quarter, increased by THB 3.9 million or 83.0% when compared to the same period of prior year. It was increased from Government and State Enterprise customer.

2. Revenue from services

Revenue from services for this quarter was totally at THB 141.0 million, decreased by THB 31.7 million or 18.4% when compared to the same period of prior year. The details are as follows;

2.1 Revenue from Fully Outsourced Contact Center Management Service for this quarter was THB 92.3 million, decreased by THB 21.9 million or 19.2% when compared to the same period of prior year. It was mainly decreased from the Corporate customer in airline business.

2.2 Revenue from Contact Center Facility Outsourced for this quarter was THB 5.6 million, increased by THB 4.4 million or 355.3% when compared to the same period of prior year. It was increased from the Corporate customer.

2.3 Revenue from Customer Service Representative Outsourced for this quarter was THB 37.0 million, increased by THB 10.3 million or 21.8% when compared to the same period of prior year. It was decreased from Government and State Enterprise customer.

2.4 Revenue from Maintenance Service for this quarter was THB 6.1 million, decreased by THB 3.9 million or 38.8% when compared to the same period of prior year. It was mainly decreased from Government and State Enterprise customer.

Gross Profit

For this quarter, gross profit margin of the Group was reported at THB 24.3 million, increased by THB 6.6 million or 37.1% and gross profit margin to total revenues was at 16.2%, increased from 10.0% of the same period of prior year. Gross profit margin increased from cost management and cost reduction plan of the Group.

Selling Expenses, Administrative Expenses and Other Expenses

The Group has selling expenses, administrative expenses and other expenses for this quarter totally at THB 22.8 million, increased by THB 2.9 million or 14.8% when compared to the same period of prior year.

Net Profit

The Group reported total net profit for this quarter at THB 12.9 million, increased by THB 14.7 million or 830.4% when compared to the same period of prior year. Net profit to total revenues was at 8.6%. This was a result from the increasing of gross profit margin and the increasing of other income by THB 10.2 million from gain on change in value of listed equity investments.

Financial Position

As at 31 March 2021, the Group reported total assets at THB 695.8 million, decreased by THB 2.5 million or 0.4% when compared to the end of the prior year. Total liabilities were represented at THB 119.7 million, decreased by THB 15.5 million or 11.5% when compared to the end of the prior year. Total shareholders' equity was reported at THB 576.1 million, increased by THB 13.0 million or 2.3% when compared to the end of the prior year.