



## MANAGEMENT DISCUSSION AND ANALYSIS FY2020

March 1, 2021

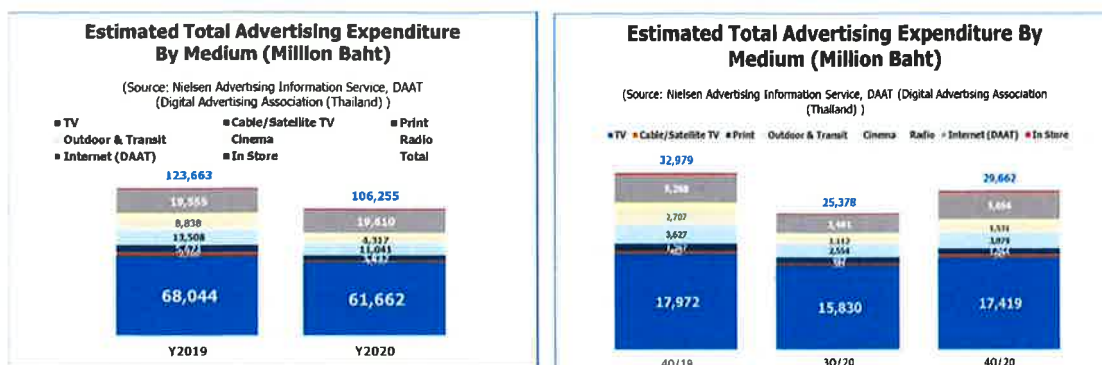
### Executive Summary

- **Net income attributable to the Company in 2020 increased 46.1% from 2019, with gross profit margin increasing to 21.8% in 2020 from 9.3% in 2019.**
- BEC World Public Company Limited ("BEC Group" or "Company")'s advertising income in 2020 declined from lower advertising minutes sold due to the pressure from Thai economy that was affected by the spread of the COVID-19 virus. Companies slowed down the use of advertising spending in a wait and see situation. However, the Company managed to reduce costs to be in line with the lower income by content cost reduction, higher use of rerun dramas, and SG&A expenses reduction. Consequently, the Company's performance continued to improve in 3Q/20 and 4Q/20, resulting in a lower net loss in 2020 than in 2019.
- BEC Group was successful in growing the Global Content Licensing (GCL) business in 2020, by entering into new markets and expanding in the existing markets. The Company increased the number of dramas Simulcast as well as the number of countries that performed Simulcast simultaneously. This generated Baht 408.5 million revenue which had reached the target.
- The Company expanded its content licensing to other online platforms which generated a revenue of Baht 429.1 million, ahead of the target.
- BEC Group launched "CH3Plus" Digital Platform to respond to the online viewers' need for speed. The platform has a function to support various application with ongoing development of new features, enabling viewers to enjoy watching content both on TV and online platform.

### Economic Overview and Market Situation

Office of the National Economic and Social Development Council (NESDB) announced that Thailand's 2020 GDP contracted by 6.1%, which was the lowest level in 22 years since the Tom Yam Kung crisis. The GDP has been affected by the spread of the COVID-19 virus in many continents around the world and the pandemic had become more severe, significantly affecting the tourism sector and the domestic economy. In Thailand, starting in the end of 1Q/20, the Emergency Decree was used and a nation-wide lockdown was in place, causing the Thai economy to stall and affecting business operations and employment in the private sector. Besides, Thailand also experienced a drought that was more severe than expected, along with the political instability. Although we saw a recovery in 4Q/20 from the expansion of public and private consumption, the recovery is still slow.

Nielsen Media Research ("Nielsen") reported that estimated advertising expenditures (AdEx) for the year 2020 were Baht 106,255 million, representing a decrease of Baht 17,408 million or 14.1% from the year 2019 at Baht 123,663 million. The media with the most decreases was Cinema which decreased by 51.2%, while In-Store advertising decreased by 35.2%. The total advertising spending of TV group (TV + Cable / Satellite TV) was at Baht 63,178 million, registering a decrease of Baht 7,132 million or 10.1% compared to Baht 70,310 million in 2019. The Internet / Digital spending was at Baht 19,610 million, recording an increase of Baht 55 million or an increase of 0.3%. TV group continued to dominate in media spending and accounted for about 59.4% of the total spending.



The estimated advertising expenditures (AdEx) in 4Q/20 was at Baht 29,662 million, an increase of 16.9% compared to 3Q/20 at Baht 25,378 million but decreased by 10.1% compared to 4Q/19. After the lockdown was over, advertising spending rose in various media sectors. The media with the most increases in 4Q/20 was the In-Store media, with spending of Baht 218 million or increasing 48.3% QoQ compared to 3Q/20 but decreased 11.1% YoY compared to 4Q/19. Cinema media spending was at Baht 1,531 million, increasing 37.7% QoQ compared to 3Q/20, but declined by 43.4% YoY compared to 4Q/19. The TV-Cable/Satellite media spending was at Baht 347 million, decreasing 10.8% QoQ compared to 3Q/20 of Baht 389 million and declining by 28.0% YoY compared to 4Q/19 of Baht 482 million. The total advertising spending of TV group (TV + Cable / Satellite TV) in 4Q/20 was at Baht 17,766 million, an increase of 9.5% QoQ compared to 3Q/20 of Baht 16,219 million, but decreased 3.7% YoY compared to the 4Q/19 of Baht 18,454 million.

In 2020, the advertising spending in the four main industry sectors declined when compared to 2019, in which the Food & Beverage sector declined by 8%, Personal Care and Cosmetics increased by 6%, Media & Marketing dropped by 7%, and Automotive decreased fell by 33%.

Based on the situation of the new outbreak of COVID-19 virus that has spread rapidly since late December 2020, it is expected to affect the direction of the advertising industry in 2021, which may adjust according to the severity of the outbreak.

**Important changes in the Year 2020**

Year 2020 was a challenging year for BEC group’s business operation amid various factors and changes, both internally and externally. In particular, the covid-19 pandemic affected the economy, consumers’ behavior, and business operations in which the Company must adapt to various situations. In 2020, the Company saw the following significant development:

- The company has recovered from net loss in 1Q/20 and 2Q/20 to be profitable in 3Q/20 and 4Q/20 which could be attributed to increases in revenue from advertising, global content licensing and digital platform and cost reduction from operating costs and SG&A reduction.
- In 2020, through corporate restructuring programs and divestment of BEC Tero Entertainment Plc., the Company has reduced number of staff by approximately 55%.
- Revenue from global content licensing and digital platform businesses grew to be more than 400 MB each.
- The Company has introduced application CH3+ Digital Platform to generate new income stream.



- The Company reported to The Stock Exchange of Thailand regarding “The disposal of Investment in BEC-TERO Entertainment Public Co., Ltd.” of 199,999,950 shares (59.99% of registered capital) to Mr. Brian Lindsay Marcar at a total price of Baht 15 million. The objective of the disposal of the investment for the Company’s subsidiary was according to investment management plan.
- The Company has acquired Rueng Lao programs from BEC Tero Entertainment Plc. which will increase the Company’s revenue in 2021.
- In 1Q/20, BEC group has expanded its digital transformation through a business cooperation with WeTV (OTT Platform under Tencent (Thailand) and Tencent Video, China). This is a collaboration to bring popular contents to broadcast on WeTV platform, which could be viewed in Thailand and many other countries. In addition, the agreement also included the broadcast of contents in the form of Simulcast, which would allow viewers in other countries to watch the content simultaneously with the Thai audience.
- The Company reported to The Stock Exchange of Thailand regarding the expiration of concession agreement between Bangkok Entertainment Co., Ltd. and MCOT Plc. for the operation of Thai TV Channel 3 Analog”. The contract expired at midnight of March 25, 2020, where Bangkok Entertainment Co., Ltd. needed to stop broadcasting Channel 3 MCOT analog pursuant to the expiration of the agreement.
- Mr. Prachum Maleenont resigned as the Vice Chairman, Chairman of the Executive Committee and an authorized director, with effect from March 26,2020 and Mr. Ariya Banomyong resigned as the President and company director, with effect from March 20,2020, onward.
- Mr. Surin Krittayaphongphun assumed his position as a new director, replacing the director who was due to retire by rotation retirement this year, according to the resolution of the general meeting of shareholders on August 10, 2020.
- The Company reported to The Stock Exchange of Thailand regarding “Dissolution of subsidiaries, according to the Company’s Board of Directors’ meeting no. 16/2020, held on December 18, 2020. The Board of Directors had acknowledged the resolution of the Executive Committee for the closure of four inactive subsidiary companies as follows:
  1. SATELLITES TV BROADCASTING CO., LTD.
  2. BEC STUDIO CO., LTD.
  3. BANGKOK SATELLITE & TELECOMMUNICATION CO., LTD.
  4. YOU & I CORPORATION CO., LTD.

All of them are 99.99% owned subsidiaries of the Company whose closure would not significantly affect the Company’s operation. The Company would proceed with the business dissolution registration and liquidation on accordance with the legal procedures.



Dramas Simulcast In Year 2020



**Consolidated Performance Summary**

STATEMENT OF INCOME (Consolidated)	FY2019		FY2020		YoY	
	M.THB	%	M.THB	%	(+/-)	%
<b>Total Revenues</b>	<b>8,310.2</b>	100.0%	<b>5,860.9</b>	100.0%	<b>(2,449.3)</b>	-29.5%
Advertising income	6,743.5	81.1%	4,757.7	81.2%	(1,985.7)	-29.4%
Income from copyright and other services	953.3	11.5%	1,053.4	18.0%	100.1	10.5%
Income from organizing concerts and shows	557.0	6.7%	9.4	0.2%	(547.6)	-98.3%
Sales of goods	56.4	0.7%	40.4	0.7%	(16.1)	-28.5%
<b>Total Cost</b>	<b>(7,535.9)</b>	-90.7%	<b>(4,582.8)</b>	-78.2%	<b>(2,953.1)</b>	-39.2%
Cost of sales and services	(7,055.3)	-84.9%	(4,572.5)	-78.0%	(2,482.8)	-35.2%
Cost of organizing concerts and shows	(480.6)	-5.8%	(10.3)	-0.2%	(470.3)	-97.9%
<b>Gross Profit</b>	<b>774.3</b>	9.3%	<b>1,278.1</b>	21.8%	<b>503.8</b>	65.1%
Selling and Admin Expenses	(1,482.3)	-17.8%	(1,344.1)	-22.9%	(138.2)	-9.3%
Other income	97.2	1.2%	84.9	1.4%	(12.3)	-12.7%
Net Gain from spectrum license reimbursement	344.3	4.1%	-	0.0%	(344.3)	-100.0%
Doubtful debt from termination of joint venture agreement in the joint venture	(145.6)	-1.8%	-	0.0%	(145.6)	-100.0%
Non-Recurring Item - Asset Impairment	-	0.0%	(87.2)	-1.5%	87.2	100.0%
Impairment loss in accordance with Financial Reporting Standard No. 9	-	0.0%	(18.7)	-0.3%	18.7	100.0%
Share of profit (loss) of associates held by subsidiary	28.0	0.3%	(2.3)	0.0%	(30.3)	-108.3%
Finance costs	(126.9)	-1.5%	(116.5)	-2.0%	(10.4)	-8.2%
<b>Profit before income tax expense</b>	<b>(511.1)</b>	-6.2%	<b>(205.9)</b>	-3.5%	<b>305.2</b>	59.7%
Income tax (expense) revenue	61.8	0.7%	(98.1)	-1.7%	159.9	258.7%
Profit for the period	(449.3)	-5.4%	(304.0)	-5.2%	145.3	32.3%
<b>Net Profit attributable to BEC World</b>	<b>(397.2)</b>	-4.8%	<b>(214.3)</b>	-3.7%	<b>182.9</b>	46.1%
Non-controlling interests	(52.1)	-0.6%	(89.7)	-1.5%	(37.6)	-72.2%
<b>EBITDA</b>	<b>2,351.6</b>	28.3%	<b>2,123.8</b>	36.2%	<b>(227.8)</b>	-9.7%

Note: From December 8, 2020, the Company has removed BEC-Tero Entertainment Public Company Limited financials from the Company's consolidated financial statements.

**Revenues**

Total revenue of BEC Group for the year 2020 was at Baht 5,860.9 million, a decrease of Baht 2,449.3 million or 29.5% decline from year 2019

BEC Group's advertising income for the year 2020 was at Baht 4,757.7 million, a decrease of Baht 1,985.7 million. The drop in revenue was from lower advertising minutes sold in line with the economic conditions adversely affected by the COVID-19 pandemic which had disrupted the Thai economy since 2Q/20. These factors, coupled with lower purchasing power, made advertisers delay their advertising spending in a wait and see situation, The advertising income, largely from the advertising sales of Channel 33, remained the main contribution of the total revenue of BEC group and accounted for around 81.1% of total revenue.

Income from copyrights and other services for year 2020 was at Baht 1,053.4 million, an increase of Baht 100.1 million or 10.5% from the year 2019 at Baht 953.3 million. The increase in revenue came from two new BEC businesses which started in late 2017 and have been constantly growing. In the year 2020, Global Content Licensing (GCL) business had penetrated new countries and expanded in the existing markets. The Company increased up to five dramas "Simulcast" in 2020, comparing to only one simulcast in 2019, as well as increased the number of the countries that Simulcast at the same time. As a result, it could generate revenue of Baht 408.5 million for year 2020 or increasing 28.2% from year 2019 at Baht 318.5 million. As for the "Digital Platform" business, the Company launched "CH3Plus" Digital Platform in response to the needs of online platform audiences who demanded speed. The new platform had a widerange of functions and ongoing development of new features, enabling viewers to enjoy watching contents via TV and online platforms in parallel and simultaneously. Moreover, the Company had also expanded the content licensing business model to other online platforms, which had generated a revenue up to Baht 429.1 million for year 2020 or increasing 74.7% from year 2019 at Baht 245.6 million.



Income from organizing concerts and shows for the year 2020 was at Baht 9.4 million which represented a decrease of Baht 547.6 million or 98.3% decline from the year 2019. It was directly affected by the lockdown measures due to the COVID-19 pandemic, which resulted in the postponement or cancellation of concerts, shows and events. On December 8, 2020, the Company reported to the Stock Exchange of Thailand regarding "The disposal of Investment in BEC-TERO Entertainment Public Co., Ltd.". This was the disposal of investments in subsidiaries according to the Company's investment management plan and the Company recorded a gain of Baht 37.5 million from the disposal of these investment in the consolidated income statement. As a result, the Company stop consolidating TERO group's financial performance in BEC group's consolidated financial statements from December 8<sup>th</sup>, 2020, onwards.

### **Expenses**

Total expenses of BEC Group for the year 2020 was at Baht 4,582.8 million, a decrease of Baht 2,953.1 million 39.2% decrease from the year 2019 at Baht 7,535.9 million.

Cost of sales and services for the year 2020 was at Baht 4,572.5 million, a decrease of Baht 2,482.8 million or 35.2% decrease from the year 2019 at Baht 7,055.3 million. The lower costs were mainly attributed to cost reduction from downsizing the organization due to the termination of Channel 3 Analog, other organizations' downsizing projects which had been continuously implemented, content cost reduction, higher use of drama reruns, as well as a lower license amortization adjustment from the impact under Section 44 in the previous year.

Cost of organizing concerts and shows for year 2020 was at Baht 10.3 million, a decrease of Baht 470.3 million or 97.7% decline from a lower number and smaller size of events due to the COVID-19 pandemic.

### **Gross Profit**

As BEC group's total expenses in year 2020 declined at a higher rate than the decline of the revenue, the Gross Profit for the year 2020 was at Baht 1,278.1 million, an increase of Baht 503.8 million or increasing 65.1% from year 2019 at Baht 774.3 million, with gross profit margin of 21.8%.

BEC Group's selling and administrative expenses continued to decline during the year due to cost management. Despite higher selling expenses and higher cost due to the downsizing of the organization, BEC group was able to reduce the selling and administrative expenses by Baht 138.2 million or reducing 9.3% to Baht 1,344.1 million in the year 2020 from Baht 1,482.3 million in the year 2019.

### **Non-Recurring Item**

In year 2019, the Company has recorded a net revenue from the return of the spectrum license in the amount of Baht 344.3 million in the income statement and in December 2019, BEC-Tero Entertainment Public Company Limited, a subsidiary of the Company, terminated its joint venture agreement in Forever BEC-Tero Company Limited with Forever Group Company Limited and had set aside an allowance for doubtful debt in the amount of Baht 145.6 million. In 2020, the Company recorded non-recurring items for assets impairment amounting to Baht 87.2 million, most of which were the impairment of contents and recorded an impairment loss in accordance with Financial Reporting Standard No. 9 in the amount of Baht 3.6 million.

### **Financial Cost**

Financial cost for the year 2020 was at Baht 116.5 million, a decrease of Baht 10.4 million or decreasing 8.6% from the year 2019 at Baht 126.9 million due to the lower interest-bearing debt.

### **Income Tax (Expenses) Revenue**

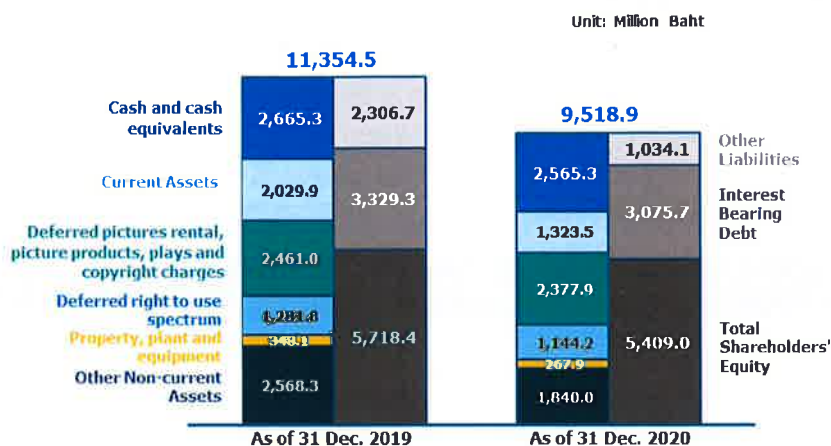
Income tax expenses of BEC Group for the year 2020 was at Baht 98.1 million, an increase of 258.7% from the year 2019. This company has recorded impairment of deferred tax asset of 92 MB whereas the company has income tax expense from loss from subsidiaries in the year 2019.



## CONCLUSION

In conclusion, BEC Group reported a consolidated net loss attributable to BEC World of Baht 214.3 million, with a net cash flow from operation of Baht 2,294.9 million and Cash and cash equivalents and short-term investment of Baht 2,598.2 million as at ending year 2020

## Statement of Financial Position



## ASSET

As at December 31, 2020, BEC Group had total assets of Baht 9,518.9 million, a decrease of Baht 1,835.6 million or decreasing 16.2% from Baht 11,354.4 million as at December 31, 2019, mainly from disposal of investment in BEC-TERO Entertainment Public Co., Ltd. and the removal of Tero group's financial performance from BEC Group's consolidated financial statements.

Total current assets decreased by 17.2% to Baht 3,888.8 million mainly from lower trade and other current receivable which decreased by Baht 341.8 million. Current tax assets decreased by Baht 195.4 million while cash and cash equivalents decrease Baht 100.0 million or decreasing 3.8% from December 31, 2019 at Baht 2,665.3 million.

Total non-current asset decreased by Baht 1,029.2 million or decreasing 15.5% to Baht 5,630 million mainly from other non-current assets which decreased by Baht 298.3 million or decreasing 39.7% to Baht 452.7 million. Property, plant and equipment reduced by Baht 80.2 million while deferred pictures rental, picture products, plays and copyright charges, deposit on pictures copyright, and prepaid plays production together decreased by Baht 332.9 million or decreasing 11.5%. Deferred rights to use spectrum decreased by Baht 137.6 million and deferred tax assets declined by Baht 117.2 million.

## LIABILITIES

As at December 31, 2020, BEC group had total liabilities of Baht 4,109.8 million, a decrease of Baht 1,526.2 million or 27.0% from end of year 2019 at Baht 5,636.0 million, mainly from the removal of the current liabilities of BEC-TERO Entertainment Public Co., Ltd after investment disposal.

Other liabilities decreased by Baht 1,272.6 million mainly from trade and other current payables which reduced by Baht 344.3 million, accrued expenses which decreased by Baht 85.5 million, current contract liabilities which decreased by Baht 482.8 million and the provision for long-term employee benefits which declined by Baht 357.9 million from organization downsizing during year 2020.



Interest-bearing debt decreased by Baht 253.6 million from Baht 3,329.3 million as at the year ending 2019 to Baht 3,075.7 million as at the year ending 2020, mainly from bank overdrafts and short-term borrowings from financial institutions which decreased by Baht 330.3 million. Approximately 98% of the interest-bearing debt was the 5-year debenture amounting to Baht 3,000 million which was issued in 2017 with a coupon rate of 3.14%.

### **SHAREHOLDER'S EQUITY**

As at December 31, 2020, BEC group had total shareholders' equity of Baht 5,409.0 million, decreasing by Baht 309.43 million from Baht 5,718.4 million as at December 31, 2019. The decrease was mainly due to the decrease in retained earnings of Baht 179.5 million from net loss for the year.

### **STATEMENT OF CASH FLOWS**

STATEMENTS OF CASH FLOWS (Unit: Million Baht)	For the Year Ended December 31, 2020
Net Cash Flows Provided from (Used In) Operating Activities	2,294.9
Net Cash Flows Provided from (Used In) Investing Activities	(1,693.0)
Net Cash Flows Provided from (Used In) Financing Activities	(108.9)
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>493.0</b>
Cash and Cash Equivalents at the Beginning of the Period	2,665.3
Less cash and cash equivalents transferred from the disposal of investments in subsidiaries	(587.4)
Less cash and cash equivalents transferred from the dissolution of the subsidiaries	(5.6)
<b>Cash and Cash Equivalents at the Ending of the Period</b>	<b>2,565.3</b>

For the statement of cash flows for the year ended December 31, 2020, BEC Group had net cash from operating activities of Baht 2,294.9 million. Cash provided from operation was Baht 2,236.1 million which decreased by 18.6% from the end of December 31, 2019 at Baht 2,750 million which included proceeds from the return of the license to use spectrum of Baht 344.2 million.

Net cash from investing activities was Baht 1,693.0 million, which decreased by Baht 137.7 million or 7.5% from the year ending 2019 at Baht 1,830.6 million. In the year 2020, cash used for pictures rental, picture products, plays and copyright charges decreased by Baht 799.2 million or 32.8% from the end of December 31, 2019 at Baht 2,438.9 million. As at the end of the year 2019 there was net cash received of Baht 583.9 million from the return of the licenses of Baht 1,129.5 million and cash payment of Baht 545.6 million for the right to use spectrum.

Net cash from financing activities as at the year ending 2020 increased by 46.8 million, representing mainly short term loan from related parties in the amount of 52 million and the repayment of lease contracts of 56.9 million. Bank overdrafts and short-term borrowings decreased by 279 million.

As at December 31, 2020, the BEC Group's net cash and cash equivalents increased by 493 million. Together with cash and cash equivalents at the beginning of the year of 2,665.3 million and net of the amount which was deducted from the investment disposal and the discontinuation of subsidiaries of 593 million, net cash and cash equivalents balance as at the year end 2020 amounted to 2,565.4 million. This amount, combined with short-term investment of 33 million, resulted in BEC Group's cash and cash equivalents and short-term investment of 2,598.2 million.

The Company has instituted a policy of credit term with business partners or customers as follows:



1. New Customers: No credit term. There must be a prepayment before broadcasting or providing services.
2. Existing Customers: Credit term between 30 - 45 days except some customers who are government agencies whose credit term might be longer than the standard.

In the year 2020, account receivable turnover of the Company was at 42 days which is within the Company policy.

### **MANAGEMENT'S PERSPECTIVE AND FUTURE OPERATING STRATEGIES**

In the year 2021, it is expected that the economy will expand gradually. It will be a recovery under political risks, new wave of COVID-19 pandemic, delay in vaccine distribution, consistently high household debt, and the still worrisome drought situation. The tourism sector which generates major revenue for Thailand will still be highly affected by the COVID-19 pandemic and this may cause the advertisers to slowdown to use of advertising spending in the media industry in early 2021.

In the year 2021, the Company will continue to implement BEC's new strategy to focus on customers and drive revenue and profit from new businesses according to the vision "Thailand's leading content and entertainment platform" and the awareness that BEC is no longer just a Thai television station. The management team is committed to building BEC World to become a forward-thinking and lean organization as well as leveraging CH3 creativity to deliver fresh and engaging content for today's users and the use of technology to deliver innovation and efficient media across all screens beyond Thailand. Its strategic goals include:

#### **1. Maintain the Existing market position and expand the audience base**

To maintain TV rating and number of viewers, the Company has to 1) maintain its existing market position which is number one popularity in Bangkok and key urban provinces, 2) expand the audience base age ranging from 15-24 years and 25-29 years with a focus on drama content development during Prime Time, 3) generate income during Non-Prime Time from News and Varieties, and 4) strengthen the weekend program to expand the audience base.

Content is at the heart of our business. The Company has plans to develop contents which can reach diverse groups of audiences to enhance the strength of the Company including generating income from existing contents on Digital Platforms and Global Contents (Single Content Multiple Platform).

#### News Programs

- Focus on delivering relevant, up-to-date, and reliable news through quality and professional news reporters.
- Provide outstanding news via deep analysis which is easy to understand and right to the point
- Deliver reliable news to our audiences across offline & online platforms and remain a center of trust for the people in Thailand.
- Use online news to create awareness and expand to new generation audiences.

#### Drama Series

- Expand viewers base to include rural and younger audiences via new drama content mixes & formats, new producers, and new artists/faces



- Create interesting and fresh content for the existing audiences via new stories, storytelling techniques, and unexpected plots/roles while maintaining the quality of production that CH3 is reputed for.

#### Variety Shows

- Introduce new and modern variety programs produced by high quality producers both in international format and BEC's original format
- Improve the currently strong variety programs to be more outstanding

## **2. Diversify Revenue Streams**

Our goal is to become a more diversified business which can compete globally with less reliance on the declining local TV loose spot advertising expenditures. The Company has been creating innovative advertising solutions that can meet the needs of today's advertisers, whether it be direct to consumer (D2C) solutions (e.g. home shopping, QR, SMS) or brand awareness and engagement via integrated marketing solutions (e.g. sponsorships, tie-ins, and activities).

Business operations under the "Single Content Multiple Platform" strategy will generate and distribute income across various channels. The Company expects the revenue from Global Content Licensing and Digital Platform businesses to grow by 20% from their respective revenue base in 2020.

For the Global Content Licensing business, the Company still has operations focusing mainly on China and the ASEAN region. As for the digital platform channel, through Content Streaming Service Operations both domestically and overseas, the Company has continued to invest to develop its online services. Currently, CH3Plus is the Company's main digital platform on which viewers can watch live TV content, recorded programs, and support subscription service. The Company has given importance to the application CH3Plus which is targeted to be a new revenue source, building on drama series, entertainment content, and the popularity of the Company's actors and actresses.

## **3. Build Financial Strength**

The Company has always preserved its financial strength. In the year 2019, it had a restructure to become a lean organization and increase efficiency by returning the spectrum licenses of channel 28SD and 13family. During the year 2020, the Company had ended the broadcasting Channel 3 MCOT Analog pursuant to the expiration of the agreement between Bangkok Entertainment Co., Ltd. and MCOT Plc., resulting in cost savings, lower unnecessary costs, process improvement and reorganization to suit the current competitive environment. These measures will enable the Company to adapt to industry changes more quickly and efficiently.

Best regards,

(Piriya-dit Choophungart)

Executive Vice President, Finance & Accounting

BEC World Public Company Limited



### Key Financial Ratios

Financial Ratios	FY2019	FY2020
Current Ratio (Times)	2.34	4.76
EBITDA to Revenue (%)	28.30%	60.56%
Net Profit to Revenue (%)	-4.78%	-3.66%
Book Value Per Share (Baht/Share)	2.86	2.70
Earning Per Share (Baht/Share)	-0.20	-0.11
Return on Total Assets (%)	-3.98%	-1.97%
Return on Equity (%)	6.78%	-3.88%
Total Debt to Equity	0.99	0.76
Interest Bearing Debt to Equity (Times)	0.58	0.57
Net Interest Bearing Debt to Equity (Times)	0.12	0.09
Net Interest Bearing Debt to EBITDA (Times)	0.28	0.24

Note :

Current ratio	=	Current assets divided by current liabilities
EBITDA to sales revenue	=	EBITDA divided by sales revenue
Net profit on sale revenue	=	Net profit divided by sales revenue
Book Value Per Share	=	Total Shareholders' Equity divided by number of shares
Earning Per Share	=	Profit (Loss) attribute to equity holders of the parent divided by number of shares
Return on total assets	=	Net profit divided by average total assets
Return on equity	=	Net profit divided by average total shareholder's equity
Interest Bearing Debt to Shareholders' Equity	=	Interest Bearing Debt divided by shareholder's equity
Net Interest Bearing Debt to Equity	=	Interest Bearing Debt net from cash and cash equivalent and current investments divided by shareholder's equity
Net Interest Bearing Debt to EBITDA	=	Interest Bearing Debt net from cash and cash equivalent and current investments divided by EBITDA
EBITDA	=	Earning Before Interest, Tax, Depreciation and Amortization