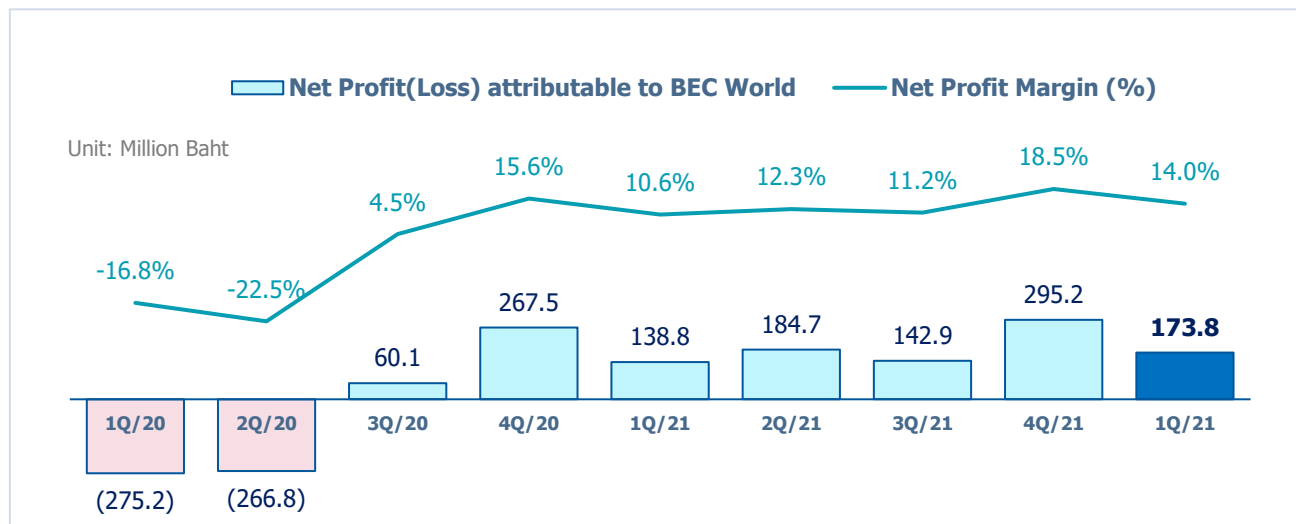




MANAGEMENT DISCUSSION AND ANALYSIS

1Q/2022

May 13, 2022



Business Overview 1Q/22

- BEC World Public Company Limited or (“BEC Group”, “The Company”) reported net profit attributable to the Company in 1Q/22 at Baht 173.8 million, increasing 25.2% YoY from 1Q/21. Gross Profit margin increased to 29.5% in 1Q/22 from 25.6% in 1Q/21. The performance of the Company continued to make profits continuously from 3Q/20 to this quarter.
- In 1Q/22, advertising spending for television media decreased only slightly compared with 4Q/21 from the impact of the COVID-19 pandemic and the conflict between Russia and Ukraine. Resultant higher inflation driven by higher energy and commodity prices led to decreased consumer’s purchasing power, which, in turn, caused advertisers to slow down use of television advertising budget for marketing campaigns and adopt a wait and see strategy to assess the situation.
- In 1Q/22, revenue from Global Content Licensing business and Digital Platform business amounted to Baht 141.7 million or accounting 11.4% of revenues from operation.
- Cash and cash equivalents in the statement of financial position increased 9.9% YoY or increasing Baht 465.2 million to Baht 5,183.4 million as of March 31, 2022, from Baht 4,718.2 million as of December 31, 2021. The Company had a net cash flow from operating activities of Baht 805.3 million in this quarter.

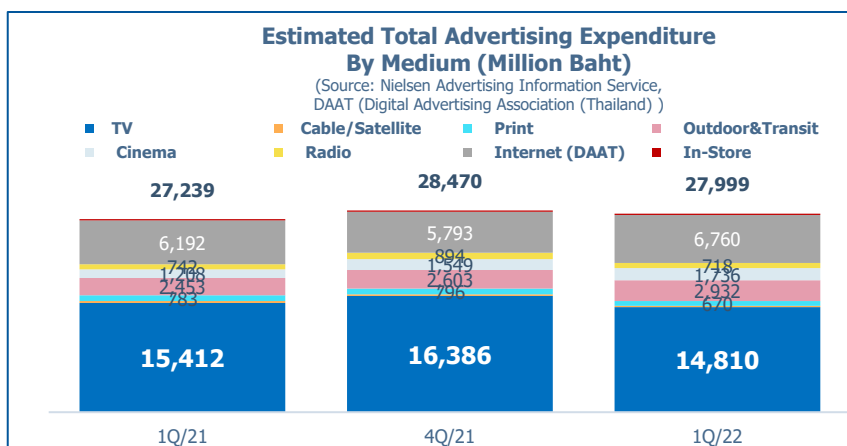
Economic Overview and Market Situation

The Thai economy, in 1Q/22, continued to be affected by COVID-19 pandemic, with higher inflation driven by higher energy and commodity prices as a result from the conflict between Russia and Ukraine. This affected the purchasing power of the household sector and household debt remained at a high level while wages could not keep up with rising costs of living. Business sector was pressured by rising costs and lower profit and had a tendency to pass on these costs to consumers. Tourism sector, despite a relaxation in government’s measures



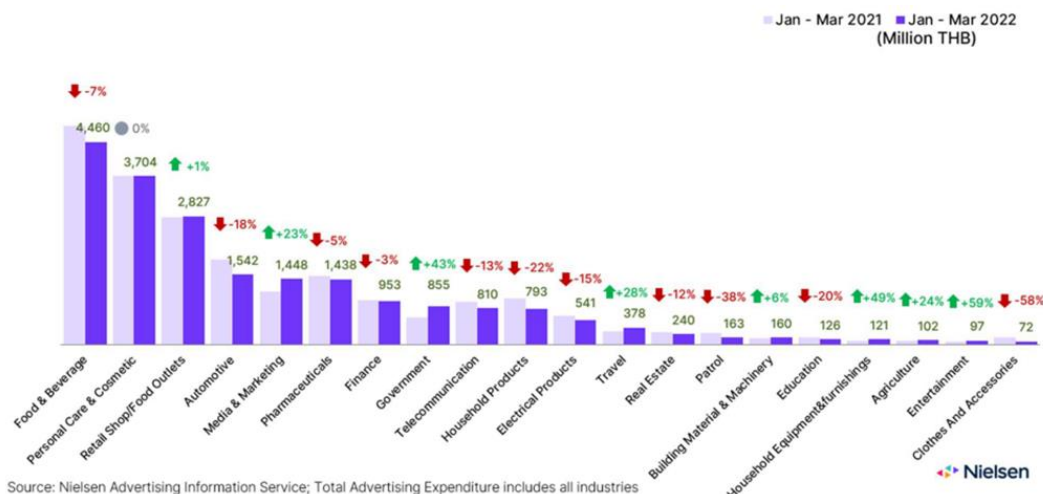
to control the disease including the cancelation of the Test & Go scheme to encourage foreign tourists in order to stimulate the economy, was expected to increase gradually due to continued travel restrictions by the Chinese government. Based on the foregoing, Thailand economic recovery in 1Q/22 was limited.

Nielsen Media Research ("Nielsen") reported the estimated advertising expenditures (AdEx) for 1Q/22 at Baht 27,999 million or increasing 2.8% YoY from 1Q/21 at Baht 27,239 million but decreasing 1.7% QoQ from 4Q/21 at Baht 28,470 million. The media with the most increases in 1Q/22 from 1Q/21 was the Cinema, increasing significantly by 43.7% YoY, after it had been continuously affected by the COVID-19 pandemic. The media with the largest decrease was the Cable/Satellite with 34.5% YoY reduction. Total advertising spending of TV group (TV + Cable / Satellite TV) in 1Q/22 was at Baht 15,000 million, decreasing 4.5% YoY from 1Q/21 at Baht 15,702 million and reducing 9.9% QoQ from 4Q/21 at Baht 16,644 million. However, TV group continued to dominate in media spending and accounted for about 54% of the total spending.



The top three industries with the highest advertising spending in 1Q/22 were:

1. Food & Beverage Industry, with Baht 4,460 million or decreasing 7% YoY from 1Q/21.
2. Personal Care and Cosmetic Industry, with Baht 3,704 million or constant from 1Q/21.
3. Retail Shop/Food Outlets Industry, with Baht 2,827 million or increasing 1% YoY from 1Q/21.



Source: Nielsen Advertising Information Service; Total Advertising Expenditure includes all industries



Significant Developments in 1Q/22

In 1Q/22, BEC group had significant business development as follows.

1. Launch of Music Business

The Company has expanded into the Music Business by introducing actors/actresses who have the music performance potential to become full-fledged musicians. On January 21, 2022, the Company debuted with Taew "Nataphon Tameeruks" and the song "Baby Boo", which had more than 4 million views on Youtube (as at the end of April 2022) and the Company will continue to gradually introduce new artists.

2. Launch of Movie Business

In addition to the success of being the leader in digital TV, BEC group has continued to expand its content production. On February 4, 2022, BEC group has entered the Movie Business by collaborating with a leading movie production company "M Pictures Entertainment", utilizing each other's strengths for movie production. The project's first title to be released is "Bua Pan Fun Yab" and with plans to produce several more movies in the future.

3. Amendment to the Company's Dividend Policy

The Company reported the Stock Exchange of Thailand of the resolution of the Board of Directors meeting No. 3/2022, which was held on March 11, 2022, to acknowledge an amendment to the Company's Dividend Policy, in order for its Board of Directors to exercise its discretion over the dividend payment according to the economic and market conditions, cash position of the Company and future investment plans. Therefore, the change in dividend payment policy of the Company has been approved as follows:

The existing policy

The Company has the policy to pay dividends at least 90% of the net profit to the shareholders as shown in the consolidated financial statements each year, except in the case which it is required to invest in the significant projects.

The new policy

The Company has the policy to pay dividends at least 50% of the net profit to the shareholders as shown in the consolidated financial statements after deducting legal reserves and other reserve each year. The dividend payment depends on the economic and market conditions, cash position of the company and future investment plans.

4. Global Content Licensing Business. On March 27, 2022, the Company simulcast TV Drama "The Miracle of Teddy Bear" via Netflix based on the Date on Broadcasting (DOB) business model to 25 countries in Asia, where most of the revenue will be recognized in 2Q/22.

5. Issuance and offering of Debentures up to Baht 2,000 million to institutional investors and/or high net worth investors

In early May 2022, the Company successfully issued and offered debentures totaling Baht 2,000 million, which is unsubordinated, unsecured and with debenture holders' representative. With the condition for interest payment every 6 months throughout the tenors of the debentures, with 2 tranches as follows:

- Tranche 1: Tenors 3 years, Interest Rate 4.20%/year, Issued amount Baht 1,245.3 million
- Tranche 2: Tenors 5 years, Interest Rate 5.10%/year, Issued amount Baht 754.7 million

The debentures have been rated by TRIS Rating Co., Ltd. with rating "BBB" with an outlook "Positive". The cash proceeds from the issuance and offering of the debentures will be used to refinance the existing debentures No. 1/2017 (Baht 3,000 million) which will mature in May 2022, totaling Baht 2,000 million and the remaining Baht 1,000 million will be paid by cash from operating activities.

BECWORLD PUBLIC COMPANY LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS 1Q/22



Consolidated Performance Summary

STATEMENT OF INCOME (Consolidated)	1Q/22		1Q/21		4Q/21		YoY		QoQ	
	M.TH.B	%	M.TH.B	%	M.TH.B	%	(+/-)	%	(+/-)	%
Revenues from Operation*	1,240.9	100.0%	1,308.2	100.0%	1,595.0	100.0%	(67.3)	-5.1%	(354.1)	-22.2%
Advertising income	1,096.0	88.3%	1,174.5	89.8%	1,374.4	86.2%	(78.5)	-6.7%	(278.4)	-20.3%
Income from copyright and other services	144.9	11.7%	133.7	10.2%	220.5	13.8%	11.2	8.4%	(75.7)	-34.3%
Total Cost	(875.1)	-70.5%	(973.3)	-74.4%	(873.9)	-54.8%	(98.2)	-10.1%	1.2	0.1%
Cost of sales and services	(875.1)	-70.5%	(973.3)	-74.4%	(873.9)	-54.8%	(98.2)	-10.1%	1.2	0.1%
Gross Profit	365.8	29.5%	334.9	25.6%	721.0	45.2%	30.9	9.2%	(355.3)	-49.3%
Selling and Admin Expenses	(172.8)	-13.9%	(146.4)	-11.2%	(226.5)	-14.2%	26.4	18.0%	(53.8)	-23.7%
Other income	13.8	1.1%	10.9	0.8%	15.4	1.0%	2.9	26.2%	(1.7)	-10.8%
Non-Recurring Item - Asset Impairment & Loss on valuation of investments in non-marketable equity securities	-	0.0%	-	0.0%	(35.4)	-2.2%	-	0.0%	(35.4)	-100.0%
Reverse (Impairment loss) in accordance with Financial Reporting Standard No. 9	27.6	2.2%	(3.2)	-0.2%	(43.6)	-2.7%	(30.7)	-975.3%	(71.2)	-163.3%
Finance costs	(23.5)	-1.9%	(24.1)	-1.8%	(24.1)	-1.5%	(0.6)	-2.5%	(0.6)	-2.5%
Profit (Loss) before income tax expense	210.8	17.0%	172.1	13.2%	406.8	25.5%	38.8	22.5%	(195.9)	-48.2%
Income tax expense	(37.0)	-3.0%	(33.3)	-2.5%	(111.5)	-7.0%	3.8	11.4%	(74.5)	-66.8%
Profit (Loss) for the period	173.8	14.0%	138.8	10.6%	295.2	18.5%	35.0	25.2%	(121.4)	-41.1%
Net Profit (Loss) attributable to BEC World	173.8	14.0%	138.8	10.6%	295.2	18.5%	35.0	25.2%	(121.4)	-41.1%
Non-controlling interests	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	33.3%	(0.0)	-35.9%

*Revenues from Operation (excluding other income) for analysis in the Management Discussion and Analysis.

REVENUE

BEC Group's advertising income in 1Q/22 was at Baht 1,096.0 million, decreasing 6.7% YoY from 1Q/21 at Baht 1,174.5 million and decreasing 20.3% QoQ from 4Q/21 at Baht 1,374.4 million. The decline in advertising income in 1Q/22 from 1Q/21 and 4Q/21 was from lower advertising minutes due to the impact from the omicron variant pandemic in early 2022 and the impact from the conflict between Russia and Ukraine since the end of February 2022. Resultant higher inflation driven by higher energy and commodity prices led to decreased consumer's purchasing power, which, in turn, caused advertisers to slow down use of television advertising budget for marketing campaigns and adopt a wait and see strategy to assess the situation.

Income from copyright and other services was at Baht 144.9 million, increasing 8.4% YoY from 1Q/21 but decreased 34.3% QoQ from 4Q/21. Revenue from Global Content Licensing was at Baht 54.3 million in 1Q/22, increasing Baht 20.4 million or increasing 60.4% YoY from 1Q/21. Whereas the revenue from Digital Platform business in 1Q/22 was at Baht 87.4 million, decreasing Baht 4.9 million or reducing 5.3% YoY from 1Q/21. The combined revenue from the two businesses was at Baht 141.7 million or increasing Baht 15.6 million from 1Q/21 and accounting for 11.4% of the revenues from operation of BEC group.

BEC Group's revenues from operation for 1Q/22 was at Baht 1,240.9 million, which decreased 5.1% YoY from 1Q/21 and decreased 22.2% QoQ from 4Q/21. In addition, the advertising income of Channel 33 remained the main source of income for the BEC Group, accounting for 88.3% of the revenues from operation.

COST

Cost of sales and services for 1Q/22 was at Baht 875.1 million, which decreased 10.1% YoY from 1Q/21 at Baht 973.3 million, due to lower drama and foreign content amortization according to the cost control policy, while slightly increased from 4Q/21 at Baht 873.9 million, despite an increase in usage of First-Run dramas content.

BECWORLD PUBLIC COMPANY LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS 1Q/22



GROSS PROFIT

Gross profit in 1Q/22 was at Baht 365.8 million, increasing Baht 30.9 million or rising 9.2% YoY from 1Q/21 from better cost management in lowering cost more than the decline in revenue, but decreasing Baht 355.3 million or reducing 49.3% QoQ from 4Q/21 according to lower income. Gross profit margin of BEC group in 1Q/22 was at 29.5%.

BEC Group's selling and administrative expenses in 1Q/22 was at Baht 172.8 million, increasing Baht 26.4 million or increased 18.0% YoY from 1Q/21 but decreasing Baht 53.8 million or decreased 23.7% QoQ from 4Q/21, mainly from lower employee and marketing activities expenses during the end of 2021.

NON-RECURRING ITEM

In 1Q/22, BEC group had reversed impairment in accordance with Financial Reporting Standard No. 9 of Baht 27.6 million since the Company collected long outstanding account receivable. In 4Q/21, the Company recorded asset impairment and loss on valuation of investments in non-marketable equity securities totaling to Baht 35.4 million, in addition with impairment loss in accordance with Financial Reporting Standard No. 9 of Baht 43.6 million.

FINANCIAL COST

BEC Group's Financial Cost in 1Q/22 was at Baht 23.5 million, decreasing Baht 0.6 million from both 1Q/21 and 4Q/21.

INCOME TAX EXPENSES

Income tax expenses of BEC Group in 1Q/22 was at Baht 37.0 million, increasing Baht 3.8 million or increased 11.4% YoY from 1Q/21, but decreasing Baht 74.5 million or decreased 66.8% QoQ from 4Q/21 due to lower profit in this quarter.

CONCLUSION

In conclusion, BEC Group reported a consolidated net profit attributable to BEC World of Baht 173.8 million, increasing 25.2% YoY from 1Q/21 but decreased 41.1% QoQ from 4Q/21. Moreover, BEC group had a net cash flow from operation of Baht 805.3 million and Cash and cash equivalents of Baht 5,183.4 million as at ending 1Q/22.

DRIVING BUSINESS FOR BEC GROUP'S SUSTAINABILITY

BEC Group views that business operations must consider Environment, Social and Governance (ESG). In order to drive business together with sustainability, the Company has appointed the Sustainability Development Committee to supervise and direct the practical policy for sustainable development, including executives and working groups from relevant divisions. The committee will be able to operate in accordance with the social and environmental policies of the organization, in which the Board of Directors has approved "Sustainability Development Policy" and already announced to the public on December 18, 2021. In early 2022, the Company carried out various activities related to ESG:



Environmental Aspect

- Co-sponsored “The First Bangkok Zero Waste Park” Project. It is the first prototype project for sustainable waste management public park in Thailand to promote waste separation behavioral change in public areas, with the goal of further expanding into other areas of Bangkok.
- Collaborated with alliances in supporting the project “Public Private Partnership for Sustainable Plastics and Waste Management (PPP Plastics) in Klong Toei District” by promoting the “Recycling Business Competition” in submitting a business plan on sustainable waste management to support the concept of managing plastic waste and the importance of good waste separation from the start to the end of the value chain for the benefit and value, which is a sustainable waste disposal. Additionally, it also included training for the administrative department, custodian department, and people involved in waste separation and promoted waste separation behavioral for employees throughout the organization.



Social Aspect

- The Company had given the opportunity to students studying Communication Arts and Mass Communication to develop and train with the Company’s experts.
- Bangkok governor's election NEWS promoting and tracking which included organizing a special debate program for electoral candidates with a media space to share their visions and policies in solving Bangkok's problems. The first debate was broadcasted on Thursday, April 28, 2022, and the final debate (second round) was scheduled to be on May 20, 2022. This included mobilizing teams to broadcast live report from all main district, along with real-time analysis of the voting.



Best regards,

(Piriya-dit Choophungart)

Executive Vice President, Finance & Accounting

BEC World Public Company Limited