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Ref: MCOT/ 6154/2421

November 9 , 2023

The Stock Exchange of Thailand

Attn: The President

Re: Management's Discussion and Analysis (MD&A) on Company's Operating Results for 3-Month and 9-Month Periods Ended September 30, 2023

On November 9, 2023, the Board of Directors of MCOT Public Company Limited, at the Meeting No. 18/2023, resolves to approve the Financial Statements for 3-month and 9-month periods ended September 30, 2023, which are reviewed by EY Company Limited and the Audit Committee of MCOT, the details of which are as follows:

**Management's Discussion and Analysis (MD&A)** on the Company's operating results for the 3-month and 9-month periods ended September 30, 2023, shows loss of 159 million Baht, which drops 121% compared to the same period of 2022, due to decrease in revenue from traditional business (TV and radio). To explain, revenue from TV and radio drops 4% and 5% respectively. Also, revenue from BNO drops 6%. Revenue from digital and new business drops 10%. Total expenses increase due to an increase in amortization of radio frequency license fee of 18.51 million Baht. Financial costs increase 12.88 million Baht due to increased interest rate. Explanation of such change, detailed operations and ways to improve competitiveness from the Management are as follows:

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**Operating Results of MCOT Plc. and Subsidiaries**

Unit: Million Baht (Reviewed)

	<b>JAN-SEP 2023</b>	<b>JAN-SEP 2022</b>	<b>% YoY</b>
<b>Total Revenue</b>	<b>969</b>	<b>1,017</b>	<b>(5)</b>
Television	272	284	(4)
Radio	246	259	(5)
Broadcast Network Operator (BNO)	352	373	(6)
Digital and new business	76	84	(10)
Others	23	17	35
<b>Total Expense</b>	<b>1,128</b>	<b>1,089</b>	<b>4</b>
<b>Profit Before Tax</b>	<b>(159)</b>	<b>(72)</b>	<b>(121)</b>
<b>Profit (loss) for Period</b>	<b>(159)</b>	<b>(72)</b>	<b>(121)</b>
<b>Profit (loss) per Share (Baht)</b>	<b>(0.23)</b>	<b>(0.10)</b>	<b>(130)</b>

Unit: Million Baht (Reviewed)

	<b>JUL-SEP 2023</b>	<b>JUL-SEP 2022</b>	<b>% YoY</b>	<b>APR-JUN 2023</b>	<b>% QoQ</b>
<b>Total Revenue</b>	<b>336</b>	<b>355</b>	<b>(5)</b>	<b>328</b>	<b>2</b>
Television	101	104	(3)	94	7
Radio	85	92	(8)	90	(6)
Broadcast Network Operator (BNO)	118	124	(5)	111	6
Digital and new business	24	32	(25)	27	(11)
Others	8	3	167	6	33
<b>Total Expense</b>	<b>376</b>	<b>372</b>	<b>1</b>	<b>388</b>	<b>(3)</b>
<b>Profit Before Tax</b>	<b>(40)</b>	<b>(17)</b>	<b>(135)</b>	<b>(60)</b>	<b>33</b>
<b>Profit (loss) for Period</b>	<b>(40)</b>	<b>(17)</b>	<b>(135)</b>	<b>(60)</b>	<b>33</b>
<b>Profit (loss) per Share(Baht)</b>	<b>(0.06)</b>	<b>(0.02)</b>	<b>(200)</b>	<b>(0.09)</b>	<b>33</b>

**Significant Remarks in Operating Results for the 9-Month Period and Q3-2022 (July- September 2023)**

1. Revenue from BNO which exceeds that from TV and radio continuously drops since 2023 following the NBTC's policy in reducing digital TV network fee for digital TV operators.
2. Service costs increase due to amortization of radio frequency fee to operate radio frequencies for a period of 7 years effective April 4, 2022, and increase in international movie license fee. Moreover, interest rate for loan on radio frequency auction increases. Despite increase in some expense items, MCOT is still able to manage cost effectively via reducing some expenses that do not have added values.

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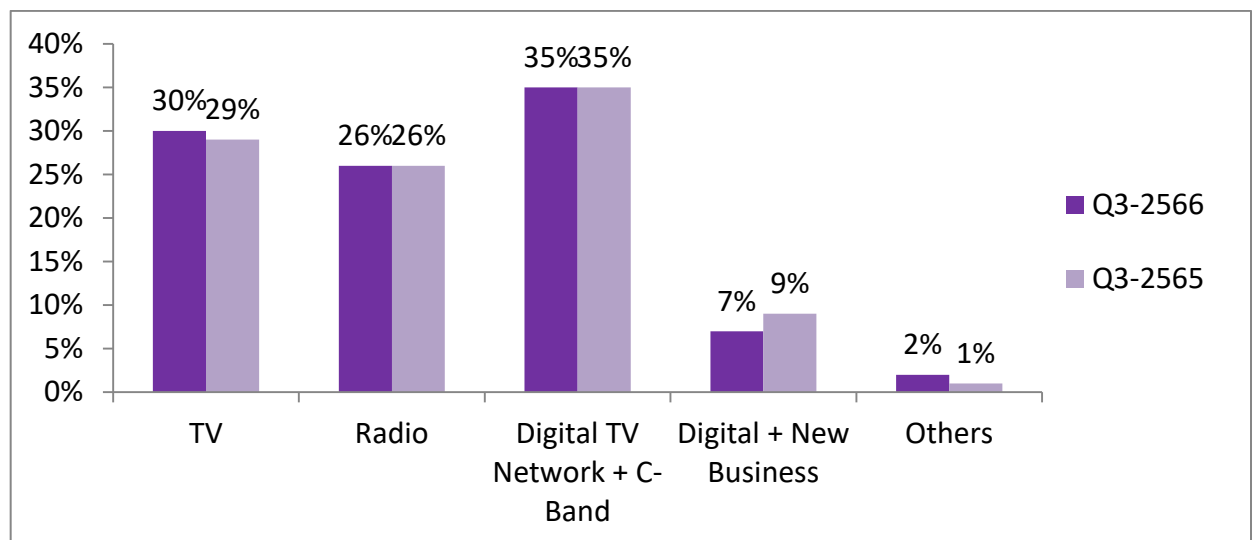
## **Total Revenue**

In the 9-month period, MCOT's total revenue is 969 million Baht, a 5% decrease, compared to the same period of last year. Revenue in Q3-2023 is 336 million, a 5% drop from Q3-2022 but a 2% increase from Q2-2023.

Revenue structure is as follows:

- Broadcast Network Operator and MCOT satellite network (35%)
- TV (30%)
- Radio (26%)
- Digital and new business (7%)
- Others (2%)

## **Revenue Structure in Q3-2023 Compared to Q3-2022**



Total revenue in Q3-2023 drops 5%, compared to the same period of last year due to revenue from traditional media which is the Company's major business drops. Also, BNO, the highest-generating revenue source continuously drops.

Details of revenue from each business are as follows:

- BNO revenue of 118 million Baht drops 5%, compared to the same period of last year due to the NBTC's scheme in reducing digital broadcast network license fee.
- TV revenue of 101 million Baht drops 3%, compared to the same period of last year, due to drop in advertising revenue.
- Radio revenue of 85 million Baht drops 8%, compared to the same period of last year, due to intense competition with other platform operators and lower advertising rate offered by competitors (who do not have to pay for license fee, therefore, are able to set lower rate for clients).

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- Revenue from digital and new business of 24 million Baht decreases 25%, compared to the same period of last year, due to drop in revenue from broadcast license and studio rental.

### **Total Expenses**

In the 9-month period of 2023, total expenses are 1,128 million Baht, a 4% increase, compared to the same period of last year. Expenses in Q3-2023 are 376 million Baht, a 1% increase from Q3-2022, due to increased costs on TV production, amortization of radio F.M. frequency license fee of 18.51 million Baht, and increased interest rate causing financial costs to increase to 12.88 million Baht.

The structure of expenses is as follows:

- Cost of sales and services 66%
- Sales and amortized cost 6%
- Administrative cost 25%
- Financial cost 3%

### **Net Loss**

The Company's operating results in Q3-2023 shows loss of 40 million Baht, a 33% decrease from Q2-2023, and 135% decrease from the same period of last year, due to decrease in TV and radio revenue which fails to meet the target.

### **Assets, Liabilities and Shareholder's Equity**

Unit: Million Baht (Reviewed)

	<b>September 30, 2023</b>	<b>December 31, 2022</b>
Asset	9,917	10,092
Liabilities	3,300	3,316
Shareholder's equity	6,617	6,776

As of September 30, 2023, the Company has total assets of 9,917 million Baht, which decrease from December 31, 2022, due to purchase and installation of broadcast facilities at 10 relay stations and payment for license fee for international movie.

Total liabilities are 3,300 million Baht, partly due decrease in long-term loan from financial institutions to pay for license. Shareholder's equity is 6,617 million Baht.

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MCOT has cash/cash equivalent and short-term investment totaling 188 million Baht. The Company also possesses land assets as shown in Statement of Financial Position (property for investment) valued at 8,122 million Baht (3 plots of land with total area of 149 rais). This reflects the Company's financial and liquidity remains strong.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'P. Piamsri', with a long horizontal flourish extending to the right.

(Mr. Pornchit Piamsri)  
Vice President of Corporate Secretary Department  
MCOT Public Company Limited  
Authorized to sign on behalf of the company

Investor Relations  
E-mail : [ir@mcot.net](mailto:ir@mcot.net)

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