



LMJG/SET/2024/018  
8<sup>th</sup> August 2024

Subject: Management Discussion and Analysis of Quarterly 2/2024 ended 30<sup>th</sup> June 2024

Attention: The President of The Stock Exchange of Thailand

According to the resolution of the Board of Directors Meeting of Major Cineplex Group Public Company Limited and its subsidiaries (“The Company”) on meeting No. 5/2024 held on 8<sup>th</sup> August 2024, it has resolved to approve the financial statements and operating results of the company and its subsidiaries for Quarterly 2/2024 ended 30<sup>th</sup> June 2024, which has been reviewed by the authorized auditor of Pricewaterhouse Coopers ABAS Co., Ltd. with the results as follows:

The Operating results of the Company and its subsidiaries for 2Q24, the consolidated financial statements for 3 months, the Company had total revenue of 2,033 million baht and net profit of 232 million baht. the Company's revenue decreased by 250 million baht or 11% and net profit decreased by 300 million baht or 56% compared to the same period of the previous year, (In 2Q23, the Company had revenue of 2,283 million baht and net profit of 532 million baht). However, if excluding the profit from the sale of investment in M Pictures Entertainment Public Company Limited of 346 million baht in 2Q23, the company's net profit would be more than 2Q23 at 46 million baht or 25% and the net profit to revenue increased from 8% to 11%. In 2Q24, the Company also managed costs and expenses effectively. The summary of revenue, costs and expenses is as follows:

### **Total revenues**

The Company had total revenue from sales and services for 2Q24 of 2,033 million baht, compared to the same period of the previous year, in which the Company had revenue of 2,283 million baht, a decreased of 250 million baht or 11%. The main reason was that most of the high revenue from the Thai movies, such as Lahn Mah, My Boo, Term 3, and the Hollywood movie Godzilla x Kong: The New Empire, while most of the movies that high revenue in 2Q23 were the Hollywood movies, such as Fast and Furious X, Guardians of the Galaxy Vol. 3, and Transformers Rise of the Beasts.

### **Cost of sales**

The Company had a total cost of sales and services of 1,309 million baht, compared to the same period last year, with the Company had a total cost of 1,532 million baht, a decrease of 223 million baht or 15%, due to a decline in cinema revenue. However, the company has effectively controlled the costs, resulting in a decrease in the cost-to-revenue from 67% to 64%.

### **Selling and administrative expenses**

The company had total sales and administrative expenses of 585 million baht, which is increased 54 million baht or 10% from the same period last year which the company had total expenses of 531 million baht mainly from,



1. Selling expenses of 127 million baht, an increase of 2 million baht (2Q23, amount of 125 million baht) due to increased expenses for producing content through online platforms.
2. Administrative and other expenses totaling 414 million baht, an increase 19 million baht or 5% (2Q23, amount of 395 million baht) from employee expenses and branch management expenses as a result of the expansion of branches and expenses related to the development of more efficient technology systems.
3. Loss from fair value remeasurement of investment property of 37 million baht, an increase of 30 million baht (2Q23, amount of 7 million baht).
4. Expected credit loss to occur under accounting standards no.9 (TFRS 9) of 6 million baht, an increase of 2 million baht (2Q23, amount of 4 million baht).

Please be inform accordingly,

-Signed-

Yours sincerely,  
(Miss Thitapat Issarapornpat)  
Company Secretary