

MANAGEMENT DISCUSSION AND ANALYSIS, Q2/2026

August 14, 2026

Executive Summary

- In Q2/2026, BEC World Public Company Limited ("BEC Group" or "The Company") reported a consolidated net loss attributable to the company of Baht 14.7 million, representing a performance decline of Baht 35.6 million, or 170.3%, compared to Q2/2025. This was primarily attributable to a significant contraction in advertising income, which fell by 21.9%. The decline was driven by ongoing geopolitical conflicts that directly impacted overall energy and production costs, consequently pressuring advertisers to reduce and defer their media advertising expenditure.
- Compared to Q1/2026, operating performance further declined by Baht 45.4 million, or 147.9%. Although the Company successfully expanded its revenue share from the non-TV business segment, the persistent economic slowdown continued to weigh on advertising time sales revenue. In addition, the rate of increase in service costs surpassed operating revenue growth, driven by higher drama content costs corresponding to an increased proportion of first-run drama broadcasting hours, as well as variable costs from the non-TV business segment that rose in line with its revenue expansion.
- The Company's income from copyrights and other services amounted to Baht 293.3 million, representing a slight increase of 1.6% YoY from Q2/2025. However, the performance demonstrated a strong recovery of 36.3% QoQ compared to Q1/2026, driven by outstanding growth in global content licensing business and the continued expansion of event & artist management businesses from the previous quarter.
- In summary, the Company continued to maintain a strong financial position, with cash and cash equivalents, including short-term investments, totaling Baht 4,591.7 million in the statement of financial position as at the end of Q2/2026. Additionally, the Company had a net cash flow from operating activities of Baht 564.3 million.

Significant Developments in Q2/2026

In Q2/2026, the Company had significant business developments as follows.

1. Global Content Licensing (GCL) Business

The Company sold licenses of the following dramas/series through international platforms:

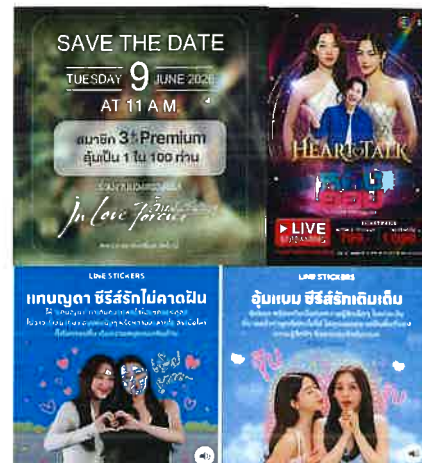
- Wrong Side of The Rainbow
- Love's Shattered Reflections
- Let's Begin Again
- Two Faces of Thatri
- The Scammer Games
- Wicked Temptation
- Serie Girl Love "Fulfill"
- Serie Girl Love "In Love Forever"



2. Digital Platform Business

In this quarter, 3Plus focused on enhancing user engagement and sustaining user retention by offering exclusive privileges to 3Plus Premium subscribers. These initiatives included providing exclusive access to the worship ceremony for the series "In Love Forever" limited to 100 participants, as well as offering discounted live streaming tickets for prominent events such as the "Heart Talk: LingOrm with Kanchai" and the "LingOrm Birthday Fan Party".

Furthermore, 3Plus launched a special edition of LINE Stickers featuring characters based on the lead actors—Tan and Yada from the series "Play Park", alongside Oom and Bam from the series "Fulfill". These stickers were developed as a strategic communication tool to effectively address consumer behavior and demands in the digital era.



3. Events & Artist Management Business

In Q2/2026, the Company successfully drove revenue growth through an integrated artist management strategy. Key initiatives included an International Expansion of the fan base via a series of Fan Meeting and Fan Sign events held in the Philippines, Taiwan, as well as China (Chongqing and Guangzhou). Additionally, the Company consistently generated revenue through brand endorsements with leading partners, such as NIVEA, BLOSSOMIN and Scotch, among others.



The Company consistently strengthened its business foundation through a diverse range of event activities, which received exceptional engagement and response from audiences and fanbases. Key highlights included the "3 Channel 56th Anniversary Celebration", "Heart Talk: LingOrm with Kanchai", and "LingOrm Birthday Fan Party". Furthermore, to reinforce its strategic leadership as a premier news provider, "Krob Krua Khao 3" organized a major vision forum titled "The Gubernatorial Race: Shaping the Metropolis" on Wednesday, June 24, 2026. This milestone event served to reaffirm the Company's strong media influence and credibility as a leading news organization.



4. Movie Business

The Company, in strategic partnership with M STUDIO, continues to capitalize on the phenomenal success of its blockbuster horror cinematic universe with the announcement of a new spin-off feature film, "Tee Yod: Saming Khao Khwang". This prequel installment will immerse audiences in the foundational origins preceding the main events of the acclaimed "Tee Yod" universe. The film is officially scheduled for a nationwide theatrical release on September 30, 2026.

Furthermore, both strategic partners are set to sustain theatrical momentum with the slated release of " Suk Sud Thay", an intense action-horror feature film programmed to premiere in theaters on November 5, 2026



Performance Overview

STATEMENT OF INCOME (Consolidated)	2Q/26		2Q/25		1Q/26		YoY		QoQ	
	M.TH.B	%	M.TH.B	%	M.TH.B	%	(+/-)	%	(+/-)	%
Revenues from Operation*	877.0	100.0%	1,031.5	100.0%	839.5	100.0%	(154.5)	-15.0%	37.5	4.5%
Advertising income	575.2	65.6%	736.2	71.4%	607.7	72.4%	(161.0)	-21.9%	(32.5)	-5.3%
Income from copyright and other services	293.3	33.4%	288.6	28.0%	215.2	25.6%	4.7	1.6%	78.1	36.3%
Sales of goods	8.5	1.0%	6.7	0.6%	16.6	2.0%	1.8	26.9%	(8.1)	-48.8%
Total Cost	(748.7)	-85.4%	(855.6)	-82.9%	(666.9)	-79.4%	106.9	12.5%	(81.8)	-12.3%
Cost of sales and services	(748.7)	-85.4%	(855.6)	-82.9%	(666.9)	-79.4%	106.9	12.5%	(81.8)	-12.3%
Gross Profit	128.3	14.6%	175.9	17.1%	172.6	20.6%	(47.6)	-27.1%	(44.3)	-25.7%
Selling and Admin Expenses	(122.3)	-13.9%	(141.2)	-13.7%	(119.2)	-14.2%	18.9	13.4%	(3.1)	-2.6%
Operating Profit	6.0	0.7%	34.7	3.4%	53.4	6.4%	(28.7)	-82.7%	(47.4)	-88.8%
Other income	0.8	0.1%	2.5	0.2%	0.6	0.1%	(1.7)	-68.0%	0.2	33.3%
Reverse (Impairment loss) in accordance with Financial Reporting Standard No. 9	4.5	0.5%	4.3	0.4%	4.0	0.5%	0.2	4.7%	0.5	12.5%
Share of Profit (Loss) from investments in joint ventures	(0.2)	0.0%	(0.2)	0.0%	7.4	0.9%	-	0.0%	(7.6)	-102.7%
Earning Before Interest and Tax [EBIT]	11.1	1.1%	41.3	4.0%	65.4	7.8%	(30.2)	-73.1%	(54.3)	-83.0%
Interest income	8.7	1.0%	11.2	1.1%	8.5	1.0%	(2.5)	-22.3%	0.2	2.4%
Finance costs	(14.0)	-1.6%	(21.2)	-2.1%	(14.1)	-1.7%	7.2	34.0%	0.1	0.7%
Profit (Loss) before income tax expense	5.8	0.7%	31.3	3.0%	59.8	7.1%	(25.5)	-81.5%	(54.0)	-90.3%
Income tax expense	(20.5)	-2.3%	(10.4)	-1.0%	(29.1)	-3.5%	(10.1)	-97.1%	8.6	29.6%
Profit (Loss) for the period	(14.7)	-1.7%	20.9	2.0%	30.7	3.7%	(35.6)	-170.3%	(45.4)	-147.9%
Net Profit (Loss) attributable to BEC World	(14.7)	-1.7%	20.9	2.0%	30.7	3.7%	(35.6)	-170.3%	(45.4)	-147.9%
Non-controlling interests	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%

*Operating income (excluding other income) is for the analysis in Management Discussion and Analysis.

Economic Overview and Market Situation

The overall Thai economic environment in Q2/2026 continued to face high volatility and uncertainty, heavily pressured by the global economic slowdown resulting from geopolitical conflicts, which directly impacted global energy price stability. Domestically, rising energy prices, driven by market mechanisms, led to a pass-through of cost burdens from producers to consumers. This factor accelerated the inflation rate, subsequently exerting negative pressure on household purchasing power and causing a significant deceleration. Concurrently, low-to-middle-income household consumers and Small and Medium Enterprises (SMEs) remained financially vulnerable due to slowing income trends and persistently high household debt levels.



Although the economy received support from government stimulus measures, such as the “Thai Chuay Thai Plus” scheme implemented in June to alleviate short-term living costs, alongside initial signs of easing geopolitical tensions toward the end of the second quarter, the accumulated negative impacts from the preceding period inevitably affected business confidence. Consequently, the majority of business sector announced significant reductions or delays in their budgetary allocations for advertising media.

REVENUE

As a consequence of the aforementioned economic and industry conditions, BEC Group's advertising income in Q2/2026 was at Baht 575.2 million, decreased by Baht 161 million, or 21.9 % YoY from Q2/2025 and decreased by Baht 32.5 million, or 5.3% QoQ from Q1/2026.

Income from Copyright and Other Services, which consists of income from three main businesses, namely Global Content Licensing, Digital Platform, and Events & Artist Management, amounted to Baht 293.3 million in Q2/2026. This represents an increase of Baht 4.7 million or 1.6% YoY from Q2/2025, furthermore, this reflected an increase of Baht 78.1 million, or 36.3% QoQ from Q1/2026, driven by growth in the Global Content Licensing business, which aligns with an increased proportion of first-run drama broadcasting hours compared to the previous quarter. Additionally, the Events & Artist Management businesses continued their steady expansion from the previous quarter.

Revenue from the sale of goods, which primarily consists of income from artist merchandise, amounted to Baht 8.5 million in Q2/2026. This represents an increase of Baht 1.8 million compared to Q2/2025; however, it reflects a decrease of Baht 8.1 million compared to Q1/2026, mainly driven by a decline in sales volume of photobooks.

In summary, BEC Group's revenue from operations in Q2/2026 was at Baht 877 million, reflecting a decrease of Baht 154.5 million or 15% YoY from Q2/2025. However, total operating revenue grew by Baht 37.5 million, or 4.5%, compared to Q1/2026. Additionally, advertising income continued to be the primary source of income for BEC Group, accounting for 65.6% of the revenue from operations.

COST OF SALES AND SERVICES

Cost of sales and services in Q2/2026 amounted to Baht 748.7 million, representing a decrease of Baht 106.9 million or 12.5% YoY from Q2/2025. This reduction was primarily driven by effective cost control measures, including programming schedule management and drama production costs.

When compared to Q1/2026, the cost of sales increased by Baht 81.8 million, or 12.3%. This quarter-on-quarter increase was mainly attributed to higher first-run drama content costs corresponding to an increased volume of broadcasting hours, as well as an increase in costs from Events & Artist Management businesses, consistent with the increase in revenues.

GROSS PROFIT

In Q2/2026, the Group reported a gross profit of Baht 128.3 million. This represents a decrease of Baht 47.6 million compared to the same period of the previous year (Q2/2025), and a further decline of THB 44.3 million on a quarter-on-quarter basis (Q1/2026). This decline was driven by lower advertising revenue against a fixed cost structure, causing the margin to fall as total revenue declined.

**SELLING AND ADMINISTRATIVE EXPENSES**

Selling and administrative expenses of BEC Group in Q2/2026 stood at Baht 122.3 million, a decrease of Baht 18.9 million or 13.4% from Q2/2025, mainly attributable to ongoing administrative cost control measures. However, expenses increased slightly by Baht 3.1 million, or 2.6%, compared to Q1/2026, driven by drama promotional expenses aligned with increased broadcasting of first-run drama series.

SHARE OF PROFIT (LOSS) FROM INVESTMENTS IN JOINT VENTURES

In Q2/2026, the Company recognized the share of loss from the joint venture, Major Join Film and BEC World, amounting to Baht 0.2 million. This was attributable to the absence of revenue from film distribution rights sales and theatrical releases during the quarter, resulting in a lack of profit from this business segment. Consequently, the share of loss from the joint venture remained comparable to Q2/2025, but represented a decrease of Baht 7.6 million from Q1/2026, which had recognized revenue from the licensing of film rights for "Tee Yod 3" to Over-The-Top (OTT) platforms.

FINANCE COSTS

BEC Group's finance costs in Q2/2026 stood at Baht 14 million, a decrease of Baht 7.2 million compared to Q2/2025. This reduction was attributed to the redemption of debentures that matured in May 2025, which effectively lowered the interest expense.

INCOME TAX EXPENSES

Income tax expenses of BEC Group in Q2/2026 amounted to Baht 20.5 million, up Baht 10.1 million from Q2/2025, despite a decline in profit before income tax expense. This was primarily attributable to the Group elected not to recognize deferred tax assets (DTA) for certain subsidiaries' tax losses due to uncertainty regarding future tax benefits. Consequently, the Effective Tax Rate (ETR) for this quarter was higher than normal levels. However, compared to Q1/2026, income tax expense decreased by Baht 8.6 million, in line with the reduction in operating profit.

CONCLUSION

In conclusion, BEC Group reported a consolidated net loss attributable to the company of Baht in Q2/2026 of Baht 14.7 million, decreasing by Baht 35.6 million, or 170.3% YoY from Q2/2025, and decreasing by Baht 45.4 million, or 147.9% QoQ from Q1/2026.

DRIVING BUSINESS FOR BEC GROUP'S SUSTAINABILITY

BEC Group has always been committed to driving business towards sustainable growth through a combination of strategies aimed at fostering business growth and maintaining good corporate governance. It aims to concurrently generate benefits for society, communities, and the environment. It also endeavors to meet the expectations of all stakeholders, ensuring that our business grows in harmony with society, communities, and the environment sustainably. In Q2/2026, BEC Group organized activities and projects aimed at promoting and fostering sustainable development within society, as outlined below:

Environmental Aspects

- On May 7, 2026, BEC Group joined as an official Media Partner for Bangkok Climate Action Week (BKKCAW) 2026, a major climate conference organized by the Bangkok Metropolitan Administration (BMA) and its partner network. The initiative aims to empower Bangkok residents to drive the city toward a low-carbon society and sustainably address climate change. The launch event was held at the Talat Noi Museum.
- On May 9, 2026, executives, actors, and volunteer staff from BEC Group participated in a beach cleanup activity in Na Jomtien Subdistrict, Sattahip District, Chonburi Province. The team also engaged with the local community to learn effective waste management practices aimed at maximizing resource utilization, minimizing landfill waste, and fostering long-term environmental awareness under the initiative "Channel 3 Volunteers for a Clean Sea, Free of Waste" project. (Zero Waste at the SEA)



Social and Community Aspects

- BEC Group has partnered with 14 higher education institutions, signing a Memorandum of Understanding (MOU) for academic cooperation of 2026 on June 25, 2026, at Maleenont Tower. This partnership aims to integrate communication knowledge and innovation to enhance the potential of communication arts and content students, preparing them to become high-quality professionals in the modern media industry.



Governance Aspects

- On June 12, 2026, BEC Group presented "The Anti-Corruption Fighter," a 50-episode vertical anti-corruption drama produced by the Office of the National Anti-Corruption Commission (NACC), streaming via the 3Plus Platform. The series depicts the fight against corruption through a fantasy lens, seamlessly blending drama and humor to raise public awareness regarding the severe threats of corruption and to foster collective action against all forms of misconduct.



Best regards,



(Nopphadol Khemayotin)
Executive Vice President, Finance & Accounting
BEC World Public Company Limited