No. LMJG/SET/2026/011

14 August 2026

Subject: Management Discussion and Analysis of Operating Results for 2Q2026

Ended 30 June 2026

To: President

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") at meeting No. 4/2026 held on 14 August 2026 has resolved to approve the financial statements and operating results of the Company and its subsidiaries for the second quarter of 2026, ended 30 June 2026 which was reviewed by the authorized auditor of PricewaterhouseCoopers ABAS Co., Ltd. with the results as follow:

Overview of Business Operations, Economic Conditions, and Industry Environment Affecting Performance

The Thai economy remained relatively stable during the first half of 2026, amid uncertainties arising from global economic conditions, geopolitical developments, energy costs, and cost-of-living pressures that continued to weigh on consumer purchasing power.

Nevertheless, despite the challenging economic environment, the leisure and entertainment sector continued to benefit from consumer demand for out-of-home activities. For the cinema business, the strength and popularity of film releases remained key factors influencing cinema attendance and operating performance during each period.

MAJOR CINEPLEX

Cinema Industry Overview

During the first half of 2026, the cinema industry saw a steady flow of both Hollywood and Thai film releases. However, the films released during the period generally appealed to different audience segments depending on their genres and target groups, while the number of major titles capable of generating strong momentum and attracting broad mass-market audiences remained relatively limited. As a result, overall cinema attendance recorded only modest growth compared with periods featuring a stronger slate of major blockbuster releases.

In particular, the second quarter of 2026 featured a variety of releases, including Hollywood titles such as The Mandalorian and Grogu, Toy Story 5, and Supergirl, as well as Thai films such as Gohan and Term 4. Nevertheless, the overall box office performance of films released during the quarter did not reach the same level as the successful titles released in the same period of the previous year, which included Lilo & Stitch, How to Train Your Dragon, Mission: Impossible – The Final Reckoning, and The Stone, which delivered stronger box office performance.

Looking ahead to the second half of 2026, the film slate is expected to be more diverse, with a greater number of major titles that have the potential to appeal to broader audiences compared with the first half of the year. This includes both Hollywood and Thai films, which are expected to support cinema attendance and contribute positively to the performance of cinema-related businesses.

Business Overview

Major Cineplex Group Public Company Limited is Thailand's leading cinema operator, with a domestic cinema market share of more than 70%. The Company also operates a range of cinema-related businesses, including food and beverage, advertising media, bowling and karaoke, rental and services, as well as film production and distribution. These businesses provide diversified revenue streams and complement the Company's core cinema operations.

As of the end of the second quarter of 2026, the Company operated a cinema network of 189 branches with a total of 852 screens across Thailand and international markets. The Company continues to pursue an efficient network expansion strategy while upgrading and enhancing existing locations in line with the potential of each market and evolving consumer behavior.

Summary of Key Events and Developments in 2Q2026

During the quarter, the Company opened two new cinema locations with a total of seven screens, comprising:

1. Central Khon Kaen – 4 screens
2. Lotus Plus Udon Thani – 3 screens

The opening of new branches forms part of the Company's strategy to expand access to cinema services in high-potential areas, particularly in provincial markets, to meet growing consumer demand for entertainment and create additional revenue opportunities across both cinema and related businesses.

In addition to network expansion, the Company continues to enhance the moviegoing experience through the development of premium and specialized formats, including IMAX, 4DX, ScreenX, VIP Cinema, and Kids Cinema. These formats are designed to provide differentiated experiences and cater to diverse consumer preferences. In March 2026, the Company opened a new ScreenX auditorium at Mega Cineplex, followed by the opening of a Kids Cinema at Major Cineplex Sukhumvit in May 2026, marking the Company's 25th Kids Cinema location.

At the same time, the Company remains focused on optimizing its existing cinema network by assessing performance on a branch-by-branch and screen-by-screen basis. The number and format of screens are adjusted in line with consumer demand in each market, while film allocation and showtimes are tailored to local customer profiles. These initiatives are aimed at improving space utilization and optimizing returns from the Company's existing assets.

Furthermore, the Company continues to strengthen its business through content and technology, leveraging its Customer Relationship Management (CRM) platform to analyze consumer behavior and develop more personalized marketing initiatives, while creating additional revenue opportunities across cinema-related businesses. These strategies reflect the Company's focus on expanding its network in high-potential markets, enhancing the moviegoing experience, optimizing existing operations, and generating revenue from related businesses, thereby strengthening its competitive position and supporting sustainable long-term growth.

Summary of Operating Results of Major Cineplex Group Public Company Limited

Unit : Mil Baht	2Q25	2Q26	%Change	1H25	1H26	%Change
Core Revenue	1,940	1,534	-21%	3,358	3,148	-6%
Cost of Goods Sold	1,322	1,036	-22%	2,240	2,120	-5%
EBIT	144	93	-35%	170	163	-4%
Net Income	**131**	**74**	**-44%**	**170**	**146**	**-14%**
Net profit attributable to owners of the parent	**124**	**73**	**-42%**	**158**	**148**	**-6%**

In the second quarter of 2026, the Company and its subsidiaries recorded total revenue of THB 1,534 million, a decrease of 21% from THB 1,940 million in the second quarter of 2025. The decline was primarily attributable to lower revenue from the cinema and food and beverage businesses, in line with lower cinema attendance, as the film slate during the quarter included a relatively limited number of titles with broad mass-market appeal compared with the same period of the previous year.

Nevertheless, the Company effectively managed costs and expenses in line with the revenue level. Total costs decreased by 22%, from THB 1,322 million to THB 1,036 million, while total expenses decreased by 12%. As a result, net profit attributable to equity holders of the parent amounted to THB 73 million, a decrease of 42% from THB 124 million in the same period of the previous year.

First Six Months of 2026

For the first six months of 2026, the Company and its subsidiaries recorded total revenue of THB 3,148 million, a decrease of 6% from THB 3,358 million in the same period of the previous year. The decline was primarily attributable to the cinema and food and beverage businesses, reflecting the stronger film slate in the first half of 2025, particularly in the second quarter.

Nevertheless, the Company continued to manage costs effectively. Total costs for the first six months amounted to THB 2,120 million, down 5% from THB 2,240 million in the same period of the previous year. In particular, costs associated with the food and beverage and advertising media businesses declined at a faster rate than their respective revenues.

The Company recorded profit before income tax of THB 163 million, down 4% from THB 170 million in the same period of the previous year, while net profit for the period amounted to THB 146 million, a decrease of 14% from THB 170 million. Net profit attributable to equity holders of the parent amounted to THB 148 million, representing a decrease of 6% from THB 158 million in the same period of the previous year.

Performance by Business Segment

Business Segment	**Revenue**		**%Change**
	1H25	**1H26**	
Cinema Business	1,684	1,540	-9
Concession Business	850	758	-11
Advertising Business	382	372	-2
Bowling and Karaoke Business	238	250	5
Retail and Service Business	133	145	9
Movie Content Business	72	83	14

Cinema Business

In the second quarter of 2026, the Company recorded cinema revenue of THB 743 million, a decrease of 28% from THB 1,025 million in the second quarter of 2025.

For the first six months of 2026, the Company recorded cinema revenue of THB 1,540 million, down 9% from THB 1,684 million in the same period of the previous year.

The decline in revenue in the second quarter of 2026 was primarily attributable to a weaker film slate and a lower number of titles with broad mass-market appeal compared with the same period of the previous year, resulting in lower cinema attendance. The highest-grossing film across Major Cineplex Group's cinema network in 2Q26 was Gohan, generating THB 62 million, followed by Term 4 at THB 50 million and Toy Story 5 at THB 46 million. In comparison, the top-performing films in 2Q25 included Lilo & Stitch, which generated THB 147 million, and How to Train Your Dragon at THB 111 million. This reflects the difference in the strength of the film slate between the two periods, which was a key factor contributing to lower cinema attendance and cinema ticket revenue during the quarter.

Concession Business

In the second quarter of 2026, the Company recorded revenue from the food and beverage business of THB 355 million, a decrease of 32% from THB 521 million in the same period of the previous year. The decline was primarily attributable to two factors: (1) lower cinema attendance and (2) the reclassification of THB 34 million in popcorn revenue from the modern trade channel, which was recognized under the JV contribution in 2Q26.

For the first six months of 2026, revenue from the food and beverage business amounted to THB 758 million, a decrease of 11% from THB 850 million in the same period of the previous year.

Advertising Business

Advertising revenue amounted to Baht 188 million, increasing 8% from Baht 173 million, reflecting a recovery in customers' cinema advertising expenditure.

Bowling and Karaoke Business

Revenue from the bowling and karaoke business amounted to Baht 124 million, broadly stable from the corresponding period of the previous year.

Rental and Services Business

Revenue from the rental and services business amounted to THB 77 million, an increase of 15% from THB 67 million in the same period of the previous year, primarily driven by an increase in the number of tenants.

Movie Content Business

Revenue from movie content amounted to Baht 47 million, increasing 63% from Baht 29 million, primarily due to the timing of movie licensing revenue recognition.

Costs and Expenses

In the second quarter of 2026, the Company recorded total costs of THB 1,036 million, a decrease of 22% from THB 1,322 million in the same period of the previous year. The decline in costs was in line with lower revenue and business activity, together with the Company's continued cost management and control measures. As a result, the cost-to-total-revenue ratio remained at 68%, unchanged from the same period of the previous year.

The Company recorded selling and administrative expenses of THB 449 million, a decrease of 11% from THB 504 million in the same period of the previous year. This comprised selling expenses of THB 96 million, down 22% from THB 124 million in the same period of the previous year, and administrative expenses of THB 353 million, down 7% from THB 380 million in the same period of the previous year.

Overall, the reduction in costs and expenses reflects the Company's ability to manage resources appropriately in line with business conditions, together with ongoing efficiency improvement and cost control measures, which helped mitigate the impact of weaker revenue during the quarter.

Operating Profit and Net Profit

The Company recognized a share of profit from investments accounted for using the equity method of THB 56 million, an increase of 50% from THB 37 million in 2Q25, primarily driven by a higher share of profit from Thai Ticket Major Co., Ltd., which partially offset the impact of weaker performance in the core businesses.

The Company recorded profit before interest and tax of THB 146 million, decreasing 28% from THB 204 million, while interest expenses were THB 53 million, down 11% from THB 60 million in the same period of the previous year.

As a result, the Company reported net profit for the period of THB 74 million, decreasing 44% from THB 131 million, while net profit attributable to owners of the parent was THB 73 million, down 42% from THB 124 million in the same period of the previous year.

Financial Position as of June 30, 2026

As of June 30, 2026, the Company and its subsidiaries had total assets of Baht 12,405 million, decreasing Baht 333 million or 3% from Baht 12,739 million as of December 31, 2025.

Assets

Current assets amounted to Baht 2,199 million, broadly stable from Baht 2,197 million at the end of 2025. Cash and cash equivalents decreased by Baht 70 million, or 17%, to Baht 340 million, while trade and notes receivables, net, increased by Baht 59 million, or 12%, to Baht 545 million.

Non-current assets amounted to Baht 10,206 million, decreasing 3% from Baht 10,542 million. The decline was primarily attributable to net property, plant and equipment decreasing by Baht 212 million, or 5%, to Baht 3,899 million due to depreciation recognized during the period, and right-of-use assets decreasing by Baht 149 million, or 6%, to Baht 2,266 million.

Investments in associates and joint ventures increased by Baht 38 million, or 2%, to Baht 2,162 million, while net intangible assets decreased by Baht 15 million, or 10%, to Baht 134 million.

Liabilities

As of June 30, 2026, total liabilities amounted to Baht 7,836 million, increasing Baht 23 million or 0.3% from Baht 7,813 million at the end of 2025.

Current liabilities amounted to Baht 3,014 million, increasing 2% from Baht 2,957 million. Non-current liabilities amounted to Baht 4,822 million, decreasing 1% from Baht 4,856 million.

During the period, the Company managed its capital structure and debt maturity profile to align with its funding sources and cash flows, adjusting the mix of short- and long-term funding to support liquidity management and maintain financial flexibility.

Shareholders' Equity

Shareholders' equity as of June 30, 2026 amounted to Baht 4,570 million, decreasing Baht 356 million or 7% from Baht 4,926 million at the end of 2025, mainly due to share repurchases and dividend payments during the period.

Treasury shares increased from Baht 193 million to Baht 544 million, while unappropriated retained earnings decreased by Baht 379 million, or 31%, from Baht 1,241 million to Baht 863 million, mainly due to dividend payments during the period.

Capital Structure and Debt Ratios

As of June 30, 2026, the Company had net interest-bearing debt of Baht 2,628 million, increasing from Baht 2,287 million as of December 31, 2025. Consequently, the Net D/E ratio increased from 0.46 times to 0.58 times.

The D/E ratio stood at 1.75 times, compared with 1.62 times at the end of 2025. The increase was attributable to both higher net interest-bearing debt and the reduction in shareholders' equity resulting from share repurchases and dividend payments.

Nevertheless, the Company continued to maintain its capital structure within its financial covenants. The debt covenant ratio stood at 1.18 times, compared with 1.06 times at the end of 2025, remaining below the required maximum of 1.50 times.

Key Financial Ratios

Financial Ratios	2Q25	2Q26
Gross Margin (%)	32	32
Operating Profit Margin (%)	9	7
EBITDA Margin (%)	27	30
Net Profit Margin (%)	6	5
ROE (%)	10	14
ROA (%)	6	7
D/E Ratio (x)	1.82	1.75
Debt Covenant (x)	1.19	1.18
Net D/E Ratio (x)	0.55	0.58
Basic EPS (baht)	0.16	0.10

In 2Q2026, the Company recorded a gross profit margin of 32%, unchanged from 2Q2025, despite lower cinema and concession revenue. This was supported by improved cost management in the concession and advertising businesses. For the first six months of 2026, gross profit margin was 33%, unchanged from the corresponding period of the previous year.

Operating profit margin in 2Q2026 was 7%, compared with 9% in 2Q2025, in line with lower revenue from the core businesses. Net profit margin was 5%, compared with 6% in 2Q2025. For the first six months of 2026, operating profit margin and net profit margin were 6% and 5%, respectively.

EBITDA margin increased to 30% in 2Q2026 from 27% in 2Q2025 and 26% in 1Q2026. For the first six months of 2026, EBITDA margin stood at 28%, compared with 27% in the corresponding period of the previous year.

In terms of returns, Return on Equity (ROE) was 14%, up from 10% in the corresponding period of the previous year, while Return on Assets (ROA) increased to 7% from 6%. The increase in ROE was primarily attributable to the lower shareholders' equity base, partly resulting from share repurchases and dividend payments during the period. The increase in ROA reflected the lower asset base together with the operating performance over the trailing 12-month period used in calculating the ratio.

Factors That May Affect Future Operations and Growth

The Company's future performance and growth remain subject to various factors, including industry conditions, consumer behavior, the strength of film releases, and the Company's ability to manage its cinema network, develop content, enhance revenue generation and control costs.

1. Strength and Diversity of Film Releases

The number, quality and popularity of film releases remain key drivers of cinema admissions and revenue. The film slate for the second half of 2026 is expected to be stronger and have greater potential to reach broad audiences compared with the first half, particularly major Hollywood franchises and blockbuster titles.

At the beginning of the third quarter, major Hollywood releases began entering cinemas and received a positive response from audiences. The Odyssey generated box office revenue of more than THB 230 million in Thailand, while Spider-Man: Brand New Day recorded nationwide box office revenue of over THB 380 million (Source: Thailand Box Office & Entertainment, as of 9 August 2026), reflecting strong audience demand for major releases at the beginning of the quarter. Looking ahead, several high-potential films are scheduled for release throughout the remainder of the year, which are expected to support cinema attendance and sustain revenue momentum in the second half of 2026.

Nevertheless, cinema performance may fluctuate from quarter to quarter depending on film release schedules and the popularity of individual titles.

2. Development of Thai Films and Content Diversification

The Company continues to focus on content development through M STUDIO and its partners to diversify the film slate, reduce reliance solely on international films, and maintain a balanced mix of Thai and Hollywood content.

Several promising Thai films are scheduled for the second half of 2026, including The Confession of Shaman, Wanthong, Henry's First Dates, Death Whisperer Saming the Werebeast, Khun Yai Woranat and Nakee 3. The Company's ability to develop and deliver Thai films that resonate with audiences will remain an important factor supporting admissions and long-term business growth.

3. Changes in Consumer Behavior and Enhancement of the Cinema Experience

Media consumption behavior and audience expectations continue to evolve as consumers have access to an increasing variety of content platforms. The Company therefore focuses on creating a differentiated cinema experience through premium and specialized formats and advanced visual and sound technologies to enhance customer value and revenue per admission.

4. Cinema Network Optimization

The Company reviews the performance of its cinema network on a location-by-location and screen-by-screen basis to ensure that the number of screens, service formats and showtime allocation are aligned with consumer demand in each market.

The Company will continue to prioritize investment in high-potential locations, convert selected screens into premium or specialized formats where appropriate, and optimize the utilization of space and assets to improve operating efficiency and long-term returns from its cinema network.

5. Use of Customer Data and CRM to Enhance Revenue Generation

Customer data and CRM will play an increasingly important role in supporting the Company's growth. The Company aims to utilize customer behavior and preference data to develop personalized marketing, offer relevant films, promotions and products to different customer segments, increase visit frequency and enhance revenue per customer.

6. Growth of Cinema-Related Businesses

In addition to box office revenue, the Company continues to enhance revenue generation from related businesses, including concession, advertising, bowling and karaoke, and rental and services. The development of new products, distribution channels and service formats is expected to increase revenue per customer and further diversify the Company's revenue streams.

7. Cost Management and Operating Efficiency

The ability to manage costs and expenses in line with business activity remains an important factor in profitability. The Company will continue to implement operating efficiency initiatives, manage product costs, branch expenses, personnel and marketing expenses, and utilize technology to improve work processes.

Overall, the Company believes that the strength and diversity of content, development of Thai films, enhancement of the cinema experience, network optimization, utilization of customer data and CRM, and effective cost management will be key factors supporting future performance and growth. Nevertheless, the Company's performance may be affected by external factors and uncertainties, including economic conditions, consumer purchasing power, competition, changes in media consumption behavior, and the timing and popularity of film releases.

Corporate Sustainability

The Company is committed to conducting its business sustainably while creating long-term growth by integrating Environmental, Social and Governance (ESG) considerations into its business operations and enterprise risk management.

Environmental: The Company continues to implement initiatives to improve energy efficiency and reduce greenhouse gas emissions, with a focus on converting cinema projection systems to Laser Projectors, which reduce electricity consumption and eliminate the need for conventional projector lamps. The Company also promotes renewable energy through Solar Rooftop projects at suitable locations, while continuing waste management and resource efficiency initiatives.

Social: The Company focuses on employee development, providing a safe working environment, respecting human rights and diversity, and engaging with communities and society through programs that promote access to entertainment and learning opportunities for young people.

Governance: The Company continues to strengthen corporate governance, risk management, ethical and transparent business practices, personal data protection, cybersecurity and appropriate technology governance.

In 2026, the Company participated in the S&P Global Corporate Sustainability Assessment (CSA) for the first time, with the objective of assessing and enhancing its sustainability practices in line with international standards. The assessment covers key economic and governance, environmental and social topics, including corporate governance, risk management, business ethics, supply chain management, information security, energy and climate management, human capital management, human rights, occupational health and safety, customer relations and privacy protection.

These initiatives form part of the Company's efforts to enhance operational efficiency, reduce environmental impacts, create value for stakeholders and strengthen long-term competitiveness while advancing the Company's sustainability objectives.

Significant Events after the Reporting Period

Disposal of Treasury Shares

Subsequent to the end of the reporting period, the Company scheduled the disposal of up to 75,670,000 treasury shares, representing 9.98% of the total issued shares, during August 21–31, 2026, through the Stock Exchange of Thailand's trading system using the Automated Matching method. The selling price, disposal procedures, disclosure requirements and other relevant conditions shall be in accordance with the rules and regulations of the Stock Exchange of Thailand.

Further details of the transaction will be disclosed through the Stock Exchange of Thailand's information system.

Please be informed accordingly.

Yours sincerely,

(Miss Thitapat Issarapornpat)

Company Secretary