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August 13, 2026

Subject: Management discussion and analysis the operating results for the second quarter of 2026

To: The President

The Stock Exchange of Thailand

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

The recent economic slowdown has impacted consumer purchasing power, while buying behaviors continue to evolve with a greater emphasis on value, speed, and accessibility. Consequently, industry competition has intensified. Under these circumstances, the Company has consistently refined its strategies and restructured its operations. Our focus remains on optimizing distribution channels, while continuously exploring new business opportunities and distribution channels, as well as reducing or discontinuing non-profitable business segments and streamlining internal management processes to enhance agility, reduce costs, and strengthen competitiveness. Simultaneously, the Company prioritizes the systematic development of online channels alongside. This involves improving sales and marketing operations, inventory management, and customer service to elevate operational efficiency and generate higher-quality revenue. Furthermore, we focus on building strategic business alliances to expand commercial opportunities, broaden our customer base, and enhance our ability to reach target audiences effectively, ensuring long-term growth. The Company also places great importance on risk management and maintaining adequate liquidity to navigate economic volatility and support future sustainable growth.

Furthermore, the Company is committed to establishing strategic business alliances to broaden commercial opportunities, expand our customer base, and enhance our capacity to deliver products and services to a wider target audience, ultimately fostering long-term business growth. In addition, the Company prioritizes risk management and maintaining optimal liquidity levels to mitigate economic volatility and ensure sustainable growth in the future.

Summary of key events and developments

During the period, the Group had acquired the investment in Ton Thong Co., Ltd. for 50% of registered capital and obtained the authority to manage all distribution channels, including authority over financial decisions. As a result, such company was a subsidiary of the Group.

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TVD Holdings Public Company Limited (the "Company") and its subsidiaries (the "Group") would like to clarify the key material aspects of the consolidated operational results and consolidated financial position for the second quarter of 2026, which have been reviewed by a Certified Public Accountant, as follows:

Analysis of operating results

(Unit: Million Baht)	3 Month					6 Month		
	Q2/2025	Q1/2026	Q2/2026	QoQ	YoY	1HY/2025	1HY/2026	YoY
Revenues from sales and services	291.31	122.29	103.48	(18.82)	(187.84)	566.90	225.77	(341.12)
Cost of goods sold and services	(151.56)	(54.98)	(42.91)	12.08	108.65	(277.72)	(97.89)	179.83
Gross profit	**139.75**	**67.31**	**60.57**	**(6.74)**	**(79.18)**	**289.18**	**127.88**	**(161.30)**
Gross Profit Margin	48%	55%	59%	3%	11%	51%	57%	6%
Other income	1.35	1.83	1.98	0.16	0.63	2.48	3.81	1.33
Profit before expenses	**141.10**	**69.14**	**62.55**	**(6.59)**	**(78.55)**	**291.65**	**131.69**	**(159.97)**
Media cost	(75.58)	(20.74)	(18.04)	2.70	57.55	(163.38)	(38.77)	124.61
Distribution costs	(47.88)	(28.65)	(23.93)	4.71	23.94	(88.44)	(52.58)	35.86
Administrative expenses	(31.43)	(19.35)	(21.41)	(2.06)	10.01	(59.97)	(40.76)	19.21
Finance costs	(6.91)	(3.85)	(3.41)	0.45	3.51	(13.30)	(7.26)	6.04
Impairment gain and reversal of impairment loss	(4.27)	23.89	(1.19)	(25.08)	3.07	(4.48)	22.69	27.18
Income tax income (expense)	(3.85)	(3.30)	(1.35)	1.95	2.50	(7.25)	(4.65)	2.60
Profit (loss) for the year	**(28.81)**	**17.13**	**(6.78)**	**(23.91)**	**22.03**	**(45.17)**	**10.35**	**55.52**
Shareholders of the parent company	(28.81)	16.73	(7.52)	(24.25)	21.29	(45.17)	9.22	54.39
Non-controlling interests	-	0.39	0.74	0.34	0.74	-	1.13	1.13

1. Revenues from sales and services

The Group has revenue from sales and services of Baht 103.48 million and Baht 225.77 million for the three-month and six-month periods ended June 30, 2026, respectively, representing decreases of Baht 187.84 million and Baht 341.12 million, respectively, compared to the same periods of the previous year. The primary reason for this decrease is that the Group is currently undergoing strategic adjustments and restructuring its distribution channels. During the period, the Company reduced its broadcasting channels across both Satellite TV and Digital TV, shifting its focus toward online marketing while continuously adjusting its product and marketing strategies to better reach increasingly diverse customer segments. Consequently, the Group expects to increase sales in the long term.

2. Cost of goods sold and services and Gross profit

The Group has cost of sales and services of Baht 42.91 million and Baht 97.89 million for the three-month and six-month periods ended June 30, 2026, respectively, representing decreases of Baht 108.65 million and Baht 179.83 million, respectively, compared to the same periods of the previous year. The Company was able to effectively manage and control cost of sales through product and service strategy adjustments in the second quarter of 2026. Although total revenue declined compared to the same period of the previous year, the cost of sales and services decreased at a higher rate. Consequently, the gross profit margin improved from 48% in the second quarter of 2025 to 59% in the same quarter of 2026.

3. Media cost

The Group has advertising media costs of Baht 18.04 million and Baht 38.77 million for the three-month and six-month periods ended June 30, 2026, respectively, representing decreases of Baht 57.55 million and Baht 124.61 million, respectively, compared to the same periods of the previous year. The decrease in advertising costs was primarily due to the reduction of advertising media channels across both Satellite TV and Digital TV. As consumer purchasing behavior continues to evolve, these media channels no longer generated profits as projected. Meanwhile, the Company has increased its investment in online media to stimulate sales amid intensifying competition. However, such advertising expenditures have not yet reached full efficiency in the short term, causing total revenue to continue to decline compared to the same period of the previous year. The Company is currently evaluating the return on investment and will adjust its marketing communication strategies accordingly in the subsequent quarter.

4. Distribution costs

The Group has distribution costs of Baht 23.93 million and Baht 52.58 million for the three-month and six-month periods ended June 30, 2026, respectively, representing decreases of Baht 23.94 million and Baht 35.86 million, respectively, compared to the same periods of the previous year. This decrease was primarily due to the adjustment of distribution strategies, focusing on more efficient and cost-effective channels, such as increasing the proportion of online channels and optimizing resource and logistics cost management.

5. Administrative and Other Expenses

The Group has administrative expenses of Baht 21.41 million and Baht 40.76 million for the three-month and six-month periods ended June 30, 2026, respectively, representing decreases of Baht 10.01 million and Baht 19.21 million, respectively, compared to the same periods of the previous year. The primary reason for this decrease in administrative expenses was the effective implementation of cost control measures, such as personnel cost management and office expense reduction. This reduction in administrative expenses helped mitigate the impact of the declining revenue.

6. Finance costs

The Group has financial costs of Baht 3.41 million and Baht 7.26 million for the three-month and six-month periods ended June 30, 2026, respectively, representing decreases of Baht 3.51 million and Baht 6.04 million, respectively, compared to the same periods of the previous year. During the period, the Group reduced its broadcasting channels across both Satellite TV and Digital TV, which resulted in a reduction in interest expenses under finance lease contracts due to the termination of the said agreements.

7. Impairment gains and reversal of impairment loss

The Group has gain on and reversal of impairment loss on share subscription receivables of Baht 1.19 million and Baht 22.69 million for the three-month and six-month periods ended June 30, 2026, respectively, representing decreases of Baht 3.07 million and increases Baht 27.18 million, respectively, compared to the same periods of the previous year. During the period, the Group reversed the impairment loss as full payments for the share subscription receivables of TVD Broadcast Co., Ltd. and Master Channel Co., Ltd. were received in full.

8. Net Profit (loss)

For the three-month period ended June 30, 2026, the Group reported a net loss attributable to the parent company of Baht 6.78 million, representing a decrease in net loss of Baht 22.03 million year-on-year. For the six-month period, net profit attributable to the parent company was Baht 10.35 million, turning from a net loss in the same period of the previous year by Baht 55.52 million.

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<u>Analysis of financial position</u>

Significant changes in assets, liabilities, and shareholders' equity as of June 30, 2026, compared to the balances as of December 31, 2025, are as follows:

(Unit: Million Baht)	AS AT JUNE 30,		AS AT DECEMBER 31,		Change	
	2026	%	2025	%	Amount	%
Current assets	368.62	34.36	419.99	38.90	(51.36)	(12.23)
Non-current assets	704.10	65.64	659.60	61.10	44.50	6.75
Total assets	**1,072.73**	**100.00**	**1,079.59**	**100.00**	**(6.86)**	**(0.64)**
Current liabilities	323.47	30.15	362.18	33.55	(38.70)	(10.69)
Non-current liabilities	29.84	2.78	35.92	3.33	(6.08)	(16.92)
Total liabilities	**353.32**	**32.94**	**398.10**	**36.87**	**(44.78)**	**(11.25)**
Total attributable to company's shareholders	716.50	66.79	681.49	63.13	35.01	5.14
Non-controlling interests	2.91	0.27	-	-	2.91	-
Total shareholders' equity	719.41	67.06	681.49	63.13	37.92	5.56
Total liabilities and shareholders' equity	**1,072.73**	**100.00**	**1,079.59**	**100.00**	**(6.86)**	**(0.64)**

Current assets

- **Cash and cash equivalents**: As of June 30, 2026, the balance was Baht 49.77 million, representing an increase of Baht 23.66 million, or 90.60%, driven by the Group's capital management as follows:

Net cash receipts from operating activities	(10.54)	Million Baht
Net cash receipts from investing activities	46.94	Million Baht
Net cash payments from financing activities	(14.16)	Million Baht
Net increase in cash and cash equivalents	22.24	Million Baht
Net cash transferred from disposals of investments in subsidiaries.	1.42	Million Baht
Net increase in cash during the period	23.66	Million Baht

- **Trade receivables and other current receivables:** As of June 30, 2026, the balance was Baht 10.82 million, representing a decrease of Baht 66.26 million, or 85.96% This decrease was due to the Company receiving full payment from receivables relating to the disposal of investments during the period.

Non-current assets

- **Restricted deposits at banks:** As of June 30, 2026, there was no outstanding balance, representing a total decrease of Baht 12.53 million, or 100%, During the period, the company has withdrawn the said collateral in full.

- **Long-term Loans:** As of June 30, 2026, the balance was Baht 134.67 million, representing a decrease of Baht 25.01 million, or 15.66%, due to repayments received by the Group during the period.
- **Goodwill:** as of June 30, 2026, the balance was Baht 95.46 million, representing an increase of Baht 93.22 million, or 4,162.81%. This was due to the Company's investment in Ton Thong Co., Ltd. during the period with a value of Baht 95 million, holding a 50% equity interest of its paid-up capital.

Current liabilities

- **Bank Overdrafts and Short-term Borrowings from Financial Institutions:** As of June 30, 2026, the balance was Baht 123.64 million, representing a decrease of Bath 11.17 million, or 8.29%, driven by the Group's capital management during the period.
- **Trade and Other Current Payables**: As of June 30, 2026, the balance was Baht 131.96 million, representing a decrease of Baht 9.97 million, or 7.02%, due to the repayment of outstanding liabilities during the period.

Shareholder's equity

As of June 30, 2026, equity attributable to owners of the parent company the balance was Baht 716.50 million, representing an increase of Baht 35.01 million, or 5.14%. The reasons for this change are as follows:

- Total Comprehensive Income (Loss): Baht 9.21 million in the second quarter of 2026.
- Non-controlling Interests of Subsidiaries: An increase resulting from the acquisition of investments in Ton Thong Co., Ltd.

Please be informed accordingly.

Yours faithfully,

(Ms. Jiraporn Pinijnorachai)

Acting of Chief Financial Officer