

(Translation)

Ref. MONO 004/2024

February 23, 2024

Subject: Notification of Operating Results and Submission of Report and Financial Statements for Fiscal Year 2023

To: President
The Stock Exchange of Thailand

Enclosures: 1) A copy of the financial report and consolidated financial statements
2) A summary of the operating results of the listed Company and subsidiaries for the year 2023 (F45)

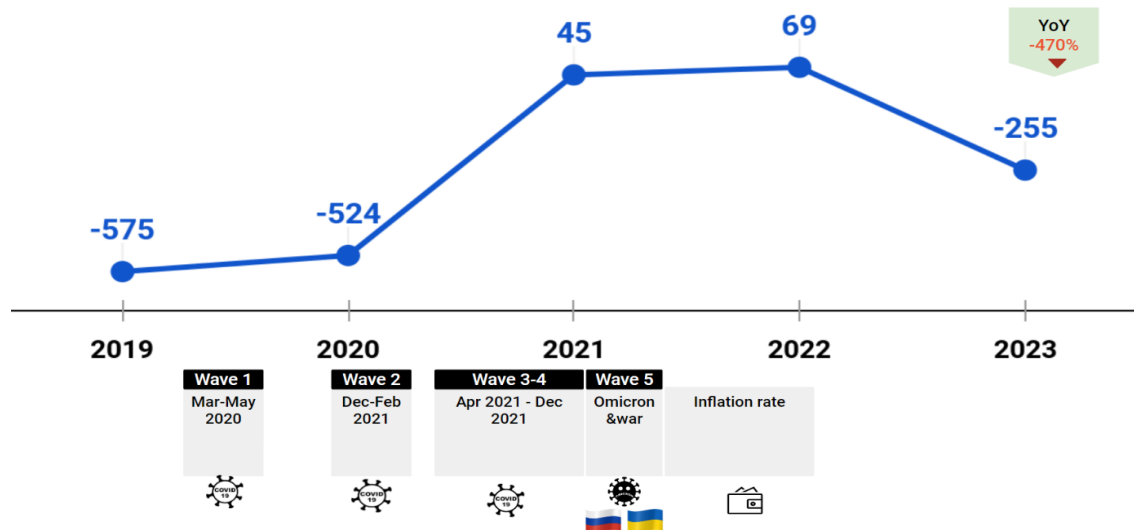
Mono Next Public Company Limited "the Company" would like to submit a copy of the annual report and financial statements for the year 2023, ending on December 31, 2023, which have been audited by the auditors and reviewed by the Audit Committee Meeting No. 1/2024 on February 22, 2024, and approved by the Board of Directors Meeting No. 2/2024 on February 22, 2024. Additionally, the Company would like to provide the operating results as follows:

Operating Results for the year 2023

Unit: Million Baht

	Y23	Y22	YoY	
			Increase (Decrease)	Percent
Advertising Revenue	1,140.7	1,450.8	(310.1)	(21.4)
Content Service Revenue from MONOMAX/GIGATV	700.1	572.6	127.5	22.3
Product Sales Revenue (Home Shopping)	30.2	19.5	10.7	54.9
Other Revenue	24.4	48.3	(23.9)	(49.5)
Total Revenue	1,895.4	2,091.2	(195.8)	(9.4)
Cost of Sales and Services	1,332.9	1,493.4	(160.5)	(10.7)
Expense of Sales and Management	500.2	422.7	77.5	18.3
EBITDA	965.3	1,287.1	(321.8)	(25.0)
EBT	(62.4)	81.3	(143.7)	(176.8)
Net Profit (Loss)	(255.1)	69.3	(324.4)	(468.1)

The operating results for the year ended December 31, 2023, reveals a net loss of 255.1 million Baht. The operating results also represent an increased loss of 324.4 million Baht or 468.1% compared to the year 2022.



From the above graph, the Company has been profitable in the past two years, but in the latest year 2023, there has been a loss from operations. This is because (a) advertising revenue has decreased due to uncertain economic conditions, including high interest rates and slow purchasing demand. Overall, advertising revenue for this year has decreased from the previous years. Additionally, (b) in the 4th quarter of 2023, the Company and its subsidiaries recorded adjustments to reduce deferred tax assets worth of 192.8 million Baht to align with estimates expected to be received from tax benefits. (c) There has been an increase in sales and marketing expenses in the latter half of 2023 from the launch of movies and series under MONO ORIGINAL, totaling four productions. Therefore, it is necessary to create awareness and brand recognition as much as possible in the initial stage.

However, in 2023, the Company witnessed growth in MONOMAX (streaming business) with a promising trend. The company introduced advance episode viewing packages especially for MONO ORIGINAL series, which generates additional revenue from this type of subscribers, amounting to 40% on top of the regular subscription fee. Moreover, MONOMAX has begun using artificial intelligence (AI) technology to analyze consumer behavior and provide personalized recommendations for content interests. The Company is confident in the revenue growth plan for MONOMAX in the sustainable future.

Comparisons on the major causes of changes in operation performance of the year 2023 are as follows:

Total Revenue

- Total revenue for the year 2023 decreased by 195.8 million Baht, representing a decrease of 9.4% compared to the previous year. This is primarily due to:
 - 1) A decrease in advertising revenue of 310.1 million Baht, representing a decrease of 21.4% compared to the previous year. This aligns with the decrease in television advertising revenue compared to the previous year.

- 2) An increase in revenue from MONOMAX and 3BB GIGATV subscription services by 127.5 million Baht, representing an increase of 22.3% compared to the previous year. The business continues to grow in line with changes in consumer behavior towards digital products and services. The total number of MONOMAX subscribers as of December 31, 2023, was 0.86 million users.

Cost and Expense

- In 2023, selling and service costs decreased by 160.5 million Baht, representing a decrease of 10.7% compared to the previous year. The main reason for this is the reduction in amortization value, which is a result of intangible asset (content) management policies.
- Sales and administrative expenses in 2023 increased by 77.5 million Baht, representing an increase of 18.3% compared to the previous year. This is due to the increased expenses in sales from aggressive marketing strategies aimed at strengthening brand awareness and promoting the launch of MONO ORIGINAL titles, which began streaming and broadcasting on the Company's both platforms.

2024 Business Plan

In early 2024, the company announced restructuring of its operations and downsizing several business units in order to be a desired lean energetic organization, aiming to drive the company forward and achieve challenging goals in the future. In the plan for 2024, the company continues to emphasize its exclusive content production business through its own primary media channels, including MONOMAX streaming video business, MONO29 digital television channel, international licensing sales, and cost control, also including the use of AI technology to enhance operational efficiency.

1) The MONOMAX subscription-based streaming video business

- Highlight contents: S+ Grade Chinese series, Korean series, and Japanese series. MONOMAX is positioned as the best local video streaming platform for Thai audiences, with all content dubbed or subtitled in Thai.
- Furthermore, exclusive content production endorsed by Ms. Daeng (Thanya Wachirabunjong) under the brand MONO ORIGINAL, aimed at diversifying content genres for a broader audience. The production plan for MONO ORIGINAL in 2024 includes 24 titles; highlights include:
 - Various genres such as action, investigative drama, romance, and comedy.
 - "E-San Tootsie 1 and 2," directed by Poj Arnont, premiered and received great acclaim, reaching the top spot on MONOMAX in January 2024.
 - "Bromise" directed by Ou Thanakorn, is currently airing on the MONOMAX platform.

- "Oh My Ghost 10 – the Finale," scheduled to theatrical premiere on March 14, 2024.
- "Nagi 3", a huge fantasy theatrical production within 2024.
- Strategies for distributing MONO ORIGINAL films and series involve streaming them first exclusively on the MONOMAX platform to generate online buzz and subsequently airing them on the MONO29 channel to even expand the television audience base.
- Collaboration with major telecommunications partners (AIS, TRUE and NT) aims to grow alongside the mobile and internet user base. Additionally, MONOMAX collaborates with credit card businesses, gas stations, and others to explore revenue-sharing models or digitally serve their customer privilege programs.
- Successful feedback of the series "Hangout," featuring PanCake – Kemmanij, Pok– Piyathida, Donut– Manasnan, Kwan– Usamane, Chippy – Sirinthorn. The series has garnered positive responses from both trailer reactions, critics, and online parodies, with more than 350 million views on YouTube and TikTok within three weeks of its launch.

2) TV Digital Business or MONO29

- The marketing strategy has been "Blockbuster Movies, Premium Series."
- Most received content genres by the channel fans include action and fantasy movies and series from Hollywood, topped with exclusive own-produced quality movies and series under the brand MONO ORIGINAL. This strategy enhances content diversity by offering movies from China, Korea, Japan, India, and Europe.
- Additionally, comprehensive news coverage is provided throughout the day, keeping up with all social trends, delivered by professional news anchors.

3) Initiating the development of efficient processes using Artificial Intelligence (AI) technology:

- For the digital television business, the Company is preparing to broadcast short news segments with AI-generated voices (based on the original voices of MONO29 news anchors).
- For the online business, the Company is enhancing its horoscope and fortune-telling application services across various techniques using AI, endorsed by several renowned fortune-tellers of Thailand through MTHAI application.
- Improve internal processes as well as creativity, and analysis tasks with Generative AI include graphic design and creation, film quality assurance check, consumer behavior analysis, etc., which significantly consumes less completion time.

4) Costs and Expenses:

In early 2024, the company restructured its organization by reducing the number of employees in all departments to an efficient appropriate size, downsizing non-profitable business units, eliminating redundant functional units, and outsourcing to external specialized companies. As a result, employee expenses decreased by approximately 11 million Baht per month, or a reduction of 33% compared to pre-restructuring.

Please be informed accordingly.

Yours sincerely,

(Mr. Patompong Sirachairat)
Chief Executive Officer