

### **Clarification on the Percentage of Changes Exceeding 20%**

The consolidated financial statements of Nation Multimedia Group Public Company Limited and its subsidiaries for the nine-month period ended 30 September 2017, represented a loss of Baht 2,135.17 million. Compared to the same period of 2016, the loss was Baht 622.76 million, an increased loss of 243%. The Company would like to summarize the causes of the significant changes of the Group's operation as follows:

1. Revenue from sales and services for the nine-month period of 2017 decreased by 19% compared to the same period of 2016. The main reason is the economic slowdown which contributed to a decrease of 24% in advertising revenue and 19% decrease in revenue for newspaper circulation, pocket books and children books.
2. Costs and expenses for the nine-month period of 2017 increased by 47% compared to the same period of 2016. The main reasons were as follows:
  - Cost of goods sold and services decreased 11% in line with the decrease in revenue from sales and services.
  - Distribution costs and administrative expenses decreased by 19% due as a result of recognizing the provision of Baht 204.45 million for inventory obsolescence and the write-offs of licenses for publications as part of their restructuring in the second quarter of 2016.
  - The subsidiary and indirect subsidiary recognized impairment losses from digital terrestrial television licenses and relating assets amounting to Baht 1,493.77 million in the third quarter of 2017. The impairment of assets related to the licenses was estimated on the recoverable amount of value in use, determined by discounted future cash flows, the terminal growth rate and discounted rate used in the assumptions are based on their management's judgment, past experience, business plans, and future projection that is believed to be reasonable in the present situation and compared to the carrying amount of assets related to the licenses.

### **Conclusion :**

The Group reported a loss for the nine-month period ended 30 September 2017 to be Baht 2,135.17 million. Compared to the same period of 2016, the loss was Baht 622.76 million.