

Clarification on Percentage of Change More Than 20%

The consolidated financial statements of Nation International Edutainment Public Company Limited and its subsidiaries for the year ended 31 December 2017 represented a profit of Baht 7.17 million. Compared to the same period of 2016, the loss was Baht 212.70 million, an increase of 103%. The Company would like to clarify significant changes in the Group's operating results are as follows:

1. Revenues from sales and services for the year 2017 decreased 15% compared to the same period of 2016. The main reasons were:
 - Revenues from circulation decreased 17% with circulation revenues of comic books decreased 21%, revenue from children books decreased 7% and revenue of pocket books decreased 13%.
 - Revenues from rendering of services decreased 12% with publishing, distributing and other service from foreign publications decreased 8%. Moreover, revenues from advertising and production of program in Digital TV decreased 56%.
2. Costs and expenses for the year 2017 decreased 62% compared to the same period of 2016. The main reasons were:
 - Cost of goods sold decreased 31% in line with circulation revenue.
 - Cost of rendering of services decreased 21% in line with service revenue.
 - Selling and administrative expenses decreased 8% due to the decreased in sale promotion and marketing expenses.
 - Loss on business restructuring decreased of Baht 204.45 million due to in 2016 the Group has restructured of the publishing and distribution of publications due to the shift of consumer trends. The Group has set up a provision for inventory obsolescence and written-off the licences for publication in accordance with the current situation amounted to Baht 193.48 million and Baht 10.97 million.

Moreover, the Group could control costs and expenses more effectively.

Conclusion :

The Group reported a profit for the year 2017 was Baht 7.17 million. Compared to the same period of 2016, showed a loss of Baht 212.70 million.