

Clarification on Percentage of Change More Than 20%

The consolidated financial statements of Nation International Edutainment Public Company Limited and its subsidiaries for the nine-month period ending September 30, 2018 represented a loss before the provision for doubtful accounts of Baht 67.28 million. Inclusive of the provision for doubtful accounts of Baht 59.00 million, and impairment on assets of Baht 5.45 million, the operations for the nine-month period ending September 30, 2018 showed a loss of Baht 131.73 million. Compared to the same period of 2017, the profit was Baht 3.67 million, a decline of 3,689.37%. The Company would like to clarify significant changes in the Group's operating results as follows:

1. Revenues from sales and services for the nine-month period of 2018 decreased 30.94% compared to the same period of 2017. The main reasons were:
 - Revenues from circulation decreased 43.60% with circulation revenues of comic books and children books decreasing 49.19%, and pocket books decreasing 32.15%.
 - Revenues from rendering of services decreased 18.22% due to less margins from publishing, distributing and other service from foreign publications. Thus, the company will no longer continue operating this business at the end of August, 2018.
2. Costs and expenses for the nine-month period of 2018 increased 90.52% compared to the same period of 2017. The main reasons were:
 - Cost of goods sold increased 36.39% due to the cost of freesheet newspaper "Rabbit Today" operated by the subsidiary company since June 2018.
 - Selling and administrative expenses increased 233.12% since the Group had recognised provision for doubtful accounts from related parties amounted to Baht 59.00 million and impairment on assets Baht 5.45 million.

Conclusion :

The Group reported a profit for the nine-month period ending September 30, 2018 showed a loss of Baht 131.73 million. Compared to the same period of 2017, the profit was Baht 3.67 million, a decline of 3,689.37%

Mr. Pana Janviroj
Chief Executive Officer