

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 2018 represented a loss before the provision for doubtful accounts and impairment on assets of Baht 112.79 million. Inclusive of the provision for doubtful accounts of Baht 50.55 million, and impairment on assets of Baht 5.61 million, the operations for year 2018 showed a loss of Baht 168.95 million. Compared to the same period of 2017, the profit was Baht 7.18 million, a decline of 2,453.53%. The Company would like to clarify significant changes in the Group's operating results as follows:

1. Revenues from sales and services for the year 2018 decreased 35.10% compared to the same period of 2017. The main reasons were:
 - Revenues from circulation decreased 40.02% with circulation revenues of comic books and children books decreasing 50.52%, and pocket books decreasing 13.42%.
 - Revenues from rendering of services decreased 28.77% due to less margins from publishing, distributing and other service from foreign publications. Thus, the company will no longer continue operating this business from September 1, 2018 onwards.
2. Costs and expenses for the year 2018 increased 78.88% compared to the same period of 2017. The main reasons were:
 - Cost of goods sold increased 62.58% due to the cost of freesheet newspaper "Rabbit Today" editor cost and also new media cost which was operated by the subsidiary company since June 2018.
 - Selling and administrative expenses increased 95.55% from personal expense of subsidiary company and the Group had recognized provision for doubtful accounts from related parties amounted to Baht 50.55 million and impairment on assets Baht 5.97 million.

Conclusion :

The Group reported a profit for the year ended 31 December 2018, showed a loss of Baht 168.95 million. Compared to the same period of 2017, the profit was Baht 7.18 million, a decline of 2,453.53%

Mr. Pana Janviroj
Chief Executive Officer