



February 26, 2019

Subject : Clarification of the operating results for the year 2018

To : The President
The Stock Exchange of Thailand

TV Direct Public Company Limited ("the Company") would like to clarify the operating results for the year 2018 ended 31 December 2018 according to the consolidated financial statements reviewed by the certified public accountants as follows: -

(Unit : Million Baht)	Year 2018	Year 2017	Increase / (Decrease)	% Change
Revenues from sales and services	3,980.73	3,310.77	669.96	20.24%
Cost of goods sold and services	2,369.38	1,929.79	439.59	22.78%
Gross profit	1,611.36	1,380.98	230.37	16.68%
Other income	12.51	16.29	(3.78)	(23.18%)
Profit before expenses	1,623.87	1,397.27	226.60	16.22%
Selling expenses	1,207.39	1,093.14	114.24	10.45%
Administrative expenses	323.58	354.44	(30.86)	(8.71%)
Profit (loss) for the period	67.80	(55.58)	123.38	221.98%
Profit attributable to the company	57.57	(65.86)	123.43	187.41%

1. Revenues from sales and services

The Company had revenue from sales and services in the year 2018 amounting to Baht 3,980.73 Million, an increase of Baht 669.96 Million or 20.24% from the same period last year. The main reason is the new media plan and more sale through Digital TV channels. The rearrangement of Satellite TV Channel Position make more customers' attention, so, the Company has more orders from customers as well as more selling channel in Digital TV (TV Home Shopping Format).

2. Cost of Goods Sold and Gross Profit

The Company's Cost of Goods Sold for the year 2018 was Baht 2,369.38 Million, an increase of Baht 439.59 Million or 22.78% over the same period last year. The increase of Cost of Goods Sold is over the increase of Sales Revenue due to the increase of consignment product selling which make the Profit Margin slightly decrease. The Company's Gross Profit margin for the year 2018 was 40.48%, lower than the same period last year which is 41.71%.

3. Selling expenses

The Company's selling expenses for the year 2018 amounted to Baht 1,207.39 Million, an increase of Baht 114.24 Million or 10.45% from the same period last year. The main reasons were the increase in media expenses from Digital TV Channel and the increase in sales commissions from increased sales volume.

4. Administrative expenses

The Company's administrative expenses for the year 2018 amounted to Baht 323.58 Million, a decrease of Baht 30.86 Million or 8.71% from the same period last year, due to more efficient expenses control and management.

5. Net Profit

The Company had net profit attributable to the parent company for the year 2018 amounted to Baht 57.57 Million, an increase of Baht 123.43 Million or 187.41% from the same period last year, due to the result of increased sales and appropriate expenses and cost control.

Please be informed accordingly.

Yours faithfully,

(Mr. Wichian Manapongpun)
Company Secretary