

OM6508003

15 August 2022

Subject: Management Discussion and Analysis for the Performance of Six-Month Period Ended 30 June 2022
(Q2/2022)

To: Director and Manager
The Stock Exchange of Thailand

News Network Corporation Public Company Limited ("the Company") would like to explain on the company's performance for six-month period of Q2/2022. The Company had total comprehensive loss for the period of Baht 10.41 million, compared with the same period of the last year which had total comprehensive income for the period of Baht 148.78 million, total comprehensive loss for the period increased by Baht 159.19 million or 107.00%. The details are as the followings.

1. In Q2/2022, the Company and its subsidiaries had total revenue amounted to Baht 55.61 million compared with the same period of the last year which was Baht 36.99 million, increased by Baht 18.62 million or 50.34%. In addition, the Company and its subsidiaries had interest and other income in the amount of Baht 5.06 million, increased from the same period of the last year by Baht 2.28 million or 81.82%. In addition, the Company had a gain on sale of investment amounted to Baht 38.37 million in Q2/2022, decreased by Baht 148.93 million or 79.51% from the same period of the last year.

2. In Q2/2022 the Company and its subsidiaries had total cost of sales and service amounted to Baht 35.38 million compared with the same period of the last year which was Baht 27.08 million, increased by Baht 8.30 million or 30.65%. Total operating expenses was Baht 61.75 million compared with the same period of the last year which was Baht 40.77 million, increased by Baht 20.98 million or 51.47%. The Company recognised share of loss on investment in its associate amounted to Baht 11.65 million, and total financial cost amounted to Baht 0.71 million in this period, resulting in the Company incurring operating loss for the period amounted to Baht 10.41 million compared with the same period of the last year which had operating profit amounted to Baht 140.68 million, operating loss increased by Baht 151.09million or 107.40%.

3. Other comprehensive income for the period decreased in full amount of Baht 8.10 million compared with the same period of the last year.

The key factors are as follows:-

1. Revenue

- Revenue from sales and services increased by Baht 18.62 million, mainly from the increase in no. of events and seminars, and advertising revenue in online media under the media business segment
- Other income increased because the Company had a gain on measurement of investment in equity of listed companies at fair value amounting to Baht 3.94 million in Q2/2022
- Gain on sale of investment decreased because the Company had a gain on sale of investment in subsidiary amounted to Baht 187.30 million in Q2/2021, while Q2/2022 had a gain on sale of investment in associate amounted to Baht 38.37 million.

2. Expenses

- Cost of sales and service increased in line with higher revenues.
- Total operating expenses increased by Baht 20.98 million mainly from securities business segment and the increase in fixed cost such as salary and staff benefits.
- The Company recognised share of loss on investment in associate amounted to Baht 11.65 million which comprised of Wealth Ventures Co., Ltd. and Peer For All Co., Ltd. amounted to Baht 3.30 million and Baht 8.35 million, respectively.
- Loss on discontinued operation decreased in full amount because this investment had sold since the year 2564.

3. Other comprehensive income for the period decreased in full amount of Baht 8.10 million compared with the same period of the last year due to the recognition of gain on measurement of investment in equity at fair value in Q1/2021.

Please be inform accordingly

Sincerely yours,

(Mr. Kritsada Pruitipat)

Chief Executive Officer