

Management Discussion and Analysis for the operating results of the 2nd quarter of 2020

The consolidated financial statements of Nation Broadcasting Corporation Public Company Limited and its subsidiaries for the six-month period ended 30 June 2020 represented a loss attributable to owners of the Company of Baht 18.23 million. Compared to the same period of 2019 showed a profit of Baht 444.48 million, increased loss of 104%. Besides, in 2019 the Group reversed the impairment loss of assets of Baht 486.70 million, remaining a net loss for the six-month period ended 30 June 2019 of Baht 42.22 million, decreased loss from 2019 by 57%. The Company would like to clarify significant changes of Group's operation results were summarized as follows:

1. Revenue from sales of goods and rendering of services for the six-month of 2020 was Baht 421.14 million, which increased by 109% compared to the same period of 2019. The mainly increased from:
 - Revenue from sale of goods increased of Baht 193.71 million by 100%. Due to revenue from sale of goods through digital TV channel and online of indirect subsidiary increased.
 - Revenue from tourism business increased of Baht 13.27 million by 100%. Due to revenue from tourism of indirect subsidiary increased.
 - Revenue from events increased by 3%. Moreover, advertising and airtime revenue from digital TV business increased 1%.
2. Costs and expenses for the six-month of 2020 was Baht 468.69 million increased by 79% compared to the same period of 2019. Mainly increased from cost of goods sold and rendering service of indirect subsidiaries.
3. Reversal of impairment losses on assets decreased 100% due to on 11 April 2019, the National Council for Peace and Order (“NCPO”) has released the order NO.4/2562 in subject of a measure to solve the problems of the operations of the Television and Telecommunication. The Group has considered to reverse of impairment loss of digital television license of Baht 486.70 million in the consolidated financial statements for the six-month period ended 30 June 2019.

Conclusion:

The Group reported operations for the six-month period ended 30 June 2020 represented an operating loss attributable to owners of the Company of Baht 18.23 million. Compared to the same period of 2019, it showed a profit of Baht 444.48 million. Besides, in 2019 the Group reversed the impairment loss of assets of Baht 486.70 million, remaining a net loss for the six-month period ended 30 June 2019 of Baht 42.22 million.