

Clarification on Percentage of Change More Than 20%

The consolidated financial statements of Nation International Edutainment Public Company Limited and its subsidiaries for the six-month period ended 30 June 2019 represented a loss before the provision for doubtful accounts and impairment of assets of Baht 68.20 million. Inclusive of the provision for doubtful accounts of Baht 2.10 million, and impairment on assets of Baht 15.94 million, the operations for the six-month period ending June 30, 2019 showed a loss of Baht 86.24 million. Compared to the same period of 2018, the loss was Baht 140.04 million, decreasing of 38.42%. The Company would like to clarify significant changes in the Group's operating results as follows:

1. Revenues from sales and services for the six-month period of 2019 decreased 35.67% compared to the same period of 2018. The main reasons were:
 - Revenues from circulation decreased 8.54% with circulation revenues of comic books and children books decreasing 27.63%. On the other hand, pocket books increased 28.20%.
 - Revenues from rendering of services decreased 70.6% 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 six-month period of 2019 increased 35.45% compared to the same period of 2018. The main reasons were:
 - Cost of goods sold increased 42.98% 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 27.81% due to salary and employee benefit of subsidiaries which was operated since last year.

Conclusion :

The Group reported a profit for the six-month period ended 30 June 2018, showed a loss of Baht 86.24 million. Compared to the same period of 2018, the loss was Baht 140.04 million, decreasing of 38.42%