

Clarification on Percentage of Change More Than 20%

The consolidated financial statements of Nation International Edutainment Public Company Limited and its subsidiary for the first quarter ended 31 March 2018 represented a loss before the provision for doubtful accounts of Baht 3.72 million. Inclusive of the provision for doubtful accounts of Baht 52.38 million, the operations for the first quarter ended 31 March 2018 showed a loss of Baht 56.10 million. Compared to the same period of 2017, the profit was Baht 0.82 million, a decline of 6,941%. The Company would like to clarify significant changes in the Group's operating results are as follows:

1. Revenues from sales and services for the first quarter of 2018 decreased 34% compared to the same period of 2017 since the Group is in the process of business restructuring. The main reasons were:
 - Revenues from circulation decreased 48% with circulation revenue of comic books decreased 42%, revenue from children books decreased 71%. and revenue of pocket books decreased 39%.
 - Revenues from rendering of services decreased 13% with publishing, distributing and other service from foreign publications decreased 7%.
2. Costs and expenses for the first quarter of 2018 increased 128% compared to the same period of 2017. The main reasons were:
 - Cost of goods sold decreased 25% in line with circulation revenue.
 - Cost of rendering of services decreased 2% in line with service revenue.
 - Selling and administrative expenses increased 262% since the Group recognised provision for doubtful accounts from related parties amounted to Baht 52.38 million.

Conclusion :

The Group reported a loss before the provision for doubtful accounts of Baht 3.72 million for the first quarter ended 31 March 2018. Inclusive of the provision for doubtful accounts of Baht 52.38 million, the operations for the first quarter ended 31 March 2018 showed a loss of Baht 56.10 million. Compared to the same period of 2017, showed a profit of Baht 0.82 million.