

## **The Results of the Consolidated Financial Statements**

The consolidated financial statements of Nation International Edutainment Public Company Limited and its subsidiaries for the nine-month period ended 30 September 2017 represented a profit of Baht 3.66 million. Compared to the same period of 2016, the loss was Baht 176.33 million, an increase of 102%. 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 nine-month period of 2017 decreased 15% compared to the same period of 2016. The main reasons were:
  - Revenues from circulation decreased 18% with circulation revenues of comic books decreased 23%, revenue from children books decreased 14% and revenue of pocket books decreased 5%.
  - Revenues from rendering of services decreased 10% with publishing, distributing and other service from foreign publications decreased 8%. Moreover, revenues from advertising and production of program in Digital TV decreased 59%.
2. Costs and expenses for the nine-month period of 2017 decreased 69% compared to the same period of 2016. The main reasons were:
  - Cost of goods sold decreased 41% in line with circulation revenue.
  - Cost of rendering of services decreased 26% in line with service revenue.
  - Selling and administrative expenses decreased 79% due to in the second quarter of 2016, the Group has restructured of the publishing and distribution of publications due to the shift of consumer behaviors. The Group has set up a provision for inventory obsolescence and written-off the license for publication in accordance with the current situation of Baht 204.45 million.

Moreover, the Group could control costs and expenses more effectively.

### **Conclusion :**

The Group reported a profit for the nine-month period ended 30 September 2017 was Baht 3.66 million. Compared to the same period of 2016, showed a loss of Baht 176.33 million.