

Clarification on Percentage of Change More Than 20%

The consolidated financial statements of Nation Broadcasting Corporation Public Company Limited and its subsidiaries for the year ended 31 December 2017 represented had a loss of Baht 916.24 million. Compared to the same period of last year, it showed a loss of Baht 275.46 million, an increase loss of 233%. The Company would like to clarify a significance change of the Group's operating results were summarized as follows:

1. Revenue from sales and services for the year 2017 was Baht 521.33 million, which increased by 0.5% compared to the same period of last year. The advertising revenue from TV business decreased 5% and New Media increased 46% whereas, revenue from Radio business decreased 39%.
2. Cost and expenses for the year 2017 was Baht 1,442.22 million increased by 80% compared to the same period of last year. The main reasons were:
 - Cost of goods sold and services decreased 15% and distribution costs decreased 17% since the Group could control costs and expenses more effectively.
 - Administrative expenses increased 103% since the Group compensated a voluntary resignation plan to the employee and recognized provision for doubtful accounts from related parties.
 - The subsidiary recognized impairment loss of digital terrestrial television license & right for broadcasting related to the license at the amount of Baht 567.40 million in the third quarter of 2017. The impairment of license was estimated the recoverable amount of value in use, determined by discounted future cash flows, the terminal growth rate and discounted rate used in the assumptions are based on management of the subsidiary's judgment and past experience and business plan, as well as the future prediction that is believed to be reasonable in the present situation and compared to the carrying amount of assets related to the license. The Company recognized loss on impairment of investment in the warrants of Baht 83.61 million in the fourth quarter of 2017.

Conclusions:

The Group reported operations for year ended 31 December 2017 represented had a loss of Baht 916.24 million. Compared to the same period of last year, it showed a loss of Baht 275.46 million.

Signature _____
(Mr. Supawat Sa-Nguan-Ngam)
Position Managing Director
Authorized to sign on behalf of the company