

OM6505003

17 May 2022

Subject: Management Discussion and Analysis for the Performance of Three-Month Period Ended 31 March 2022
(Q1/2022)

To: Director and Manager
The Stock Exchange of Thailand

News Network Corporation Public Company Limited ("the Company") would like to explain on the company's performance of Q1/2022. The Company had total comprehensive loss for the period of Baht 12.91 million, compared with the same period of the last year which had total comprehensive income for the period of Baht 158.62 million, total comprehensive loss for the period increased by Baht 171.53 million or 108.14%. The details are as the followings.

1. In Q1/2022, the Company and its subsidiaries had total revenue amounted to Baht 24.89 million compared with the same period of the last year which was Baht 19.21 million, increased by Baht 5.68 million or 29.57%. In addition, the Company and its subsidiaries had interest and other income in the amount of Baht 0.35 million, decreased from the same period of the last year by Baht 2.27 million or 86.64%. In addition, the Company had a gain on sale of investment in associate amounted to Baht 9.95 million in Q1/2022.

2. In Q1/2022 the Company and its subsidiaries had total cost of sales and service amounted to Baht 18.00 million compared with the same period of the last year which was Baht 14.08 million, increased by Baht 3.92 million or 27.84%. Total operating expenses was Baht 26.25 million compared with the same period of the last year which was Baht 17.41 million, increased by Baht 8.84 million or 50.78%. The Company recognised share of loss on investment in its associate amounted to Baht 3.30 million, and total financial cost amounted to Baht 0.55 million in this period, resulting in the Company incurring operating loss for the period amounted to Baht 12.91 million compared with the same period of the last year which had operating profit amounted to Baht 150.52 million, operating loss increased by Baht 163.43 million or 108.58%.

3. Other comprehensive income for the period decreased in full amount of Baht 8.10 million compared with the same period of the last year.

The key factors are as follows:-

1. Revenue

- Revenue from sales and services increased by Baht 5.68 million, mainly from the increase in no. of events and seminars under the media business segment
- Other income decreased because the Company had a gain on sale of investment in subsidiary amounted to Baht 187.30 million in Q1/2021, while Q1/2022 had a gain on sale of investment in associate of only Baht 9.95 million.

2. Expenses

- Cost of sales and service increased in line with higher revenues.
- Total operating expenses increased by Baht 8.84 million mainly from securities business segment and the increase in fixed cost such as salary and staff benefits.
- The Company recognised share of loss on investment in associate amounted to Baht 3.30 million which decreased from last period because such associate was sold.
- Income tax expenses decreased by Baht 16.72 million due to gain on sale of investment in subsidiary in Q1/2021.

3. Other comprehensive income for the period decreased in full amount of Baht 8.10 million compared with the same period of the last year due to the recognition of gain on measurement of investment in equity at fair value in Q1/2021.

Please be inform accordingly

Sincerely yours,

(Mr. Kritsada Pruitipat)

Chief Executive Officer