

26 August 2022

Subject: Plan and Progress Report in Solving C Sign

To: Director and Manager

The Stock Exchange of Thailand

News Network Corporation Public Company Limited (“the Company”) would like to inform that the Company has held the Public Presentation on 26 August 2022 to inform the shareholders and the related persons, due to the Company’s securities have been marked C sign (“Caution”). As the financial statements the quarter 2/2565 ended on 30 June 2022 has shareholders’ equity less than 50% of the paid-up capital, which the Company has a shareholder’s equity to the paid-up capital of 22.08%. The essence from the meeting can be summarized as follows:

Cause of difficulties

1. The Company has a continuous operating loss from the past operations that the Company entered the digital television auction in 2013, which was a serious change of the structure of the television media and advertising media business.
2. The changing of audience’s behavior towards the advertising management through various channels, as a result, advertising investment in printed media has decreased.
3. The corona virus disease 2019 (Covid-19) epidemic has affected the organization of various activities such as seminars and events, causing the group’s income to decrease.

Resolving Plans

The solution that the company has continuously implemented is changing the strategy and business model of the group of companies to meet the needs of consumers. There are three approaches to the problem solving as follows:

1. Seeking the revenue earnings
 - Adjust marketing strategies by focusing on online media to have a variety of information to expand a wider customer base.
 - For the Company’s information technology (IT) services are in the process of restructuring to expand future work to suit the current competition.
 - Expanding income channels to replace the reduced income by focusing on investing in new businesses such as integrated securities business, financial technology business (FINTECH) to create diversity and create stability of income and profits for the company.
 - Looking for new businesses that are related to the company’s current business to expand the business in the future (P2P).

2. Managing costs and expenses

- Considering adjust to business structure to suit the current situation.
- Considering and review the subsidiaries' the debt and capital restructuring in order to reduce financial costs between company.
- Considering to close the subsidiaries and dispose of investments in non-operating business.

3. Improving shareholders' equity

- Considering the capital restructuring of the Company to reduce accumulated losses.
- Considering to invest in a new stable business to improve the financial position and performance.
- Considering a new financial instruments in order to improve the Company financial potentiality.

Risks and obstructions

- High competition.
- Technology disruption and changing of consumer behavior.
- Fluctuation economics.
- Unexpected situation e.g. Covid-19, political protest

In this regard, the Company intends to continue the business operation at the utmost capability to achieve its goals by focusing on company's proficiency for sustainable business.

Please be informed accordingly.

Sincerely yours,

(Mr. Kritsada Pruitipat)
Chief Executive Officer