

18 March 2021

Subject: Plan and Progress Report in Solving C Caution  
To: President  
The Stock Exchange of Thailand

On 18 March 2021, News Network Corporation Public Company Limited ("the Company") arranged the Public Presentation for providing information to the investors and related persons as the Company has been remarked by SET as "C" due to the Company's shareholders' equity is less than 50% of paid-up share capital for the financial statements for the for the year ended 31 December 2020, which had the shareholders' equity to the paid-up share capital at 11.70%. The summary of the meeting as below:

#### Cause of difficulties

- Bidding for TV Digital License in 2013
  - Material distraction in structures of advertising media
  - Slowly development of advertising agencies
  - Unprepared of the authorities which causes damages against TV digital entrepreneurs
- Change in technology and audience behaviors against advertising budgets
  - Over-the-Top Operators
  - Streaming Medias
  - Social Medias Platform

The advertising budget for the year 2020 was decreased by 14% when compared with last year. Online media was only one media which had growth, increased by 0.3% while advertising budgets of printing media decreased by 32% when compared with last year.

#### Resolving Plans

The Board of Directors and the Audit Committees reviewed the resolving plans by the managements by following the plan of the year 2019 and additional plan of 2020 and still continue in 2021 as follows.

- Seeking revenue earnings
  - Restructuring the earning strategic of the group of the companies.
  - Focusing on organizing additional activities, e.g. seminars, events, etc., not focusing on media business as previously.
  - Developing and value-adding the Company's major online media by adding more various segments in order to serve the demand of the targets, not only economic content as previously focused.

- Building up potential in new media and social network for matching with the change to consumer demand.

- Collaborating with business partners for strengthen the competition ability of business.
- Investing in a hotel business, namely Mercure Bangkok Makkasan Hotel.

The Company holds the shares in Wealth Ventures Co., Ltd. or Mercure Bangkok Makkasan Hotel, including appointing the Company's representative to be as the hotel's director as planned. The Company and the hotel's management will discuss and review the operation plan and policy.

- Seeking for a new source of revenues.

The subsidiary's seminars and events can be run as planned. For online media business, their followers and page views were substantially increased, resulting to their greater revenues.

- Managing costs and expenses

- Restructuring the Company's business in order to reduce operating costs. The Company lately terminated the employees.

- Strictly controlling operating costs and expenses.
- Determining to proceed with dissolution of non-active subsidiary.
- Determining the capital restructuring in subsidiaries to reduce inter-finance costs.

- Improving shareholders' equity

- Determining the capital reduction in order to improve the Company's deficit.
- Studying a new business to resolve the Company's financial position and operating result.
- Seeking for new financial instruments in order to improve the Company financial potentiality.
- Capital increase

During the year 2020, the Company determined to issue the newly-increased shares for offering to the Rights Offering and the general mandate for using as a fund to invest in new business and increase the Company's cash flow. The Company had processed of selling the increased shares to the Right Offering in amount of 6,741,349,530 shares or representing Baht 67,413,495.30. The Company would properly consider the sale of the increased shares to the general mandate later and if fully sale, the Company will receive cash of Baht 203.66 million.

### Risks and obstructions

- High competition
- Transfer of advertising budgets to digital media
- Technology Disruption
- Change in audience behaviors
- Fluctuation and delay of budgets
- Special situation e.g. Covid-19, political rally

Please be informed accordingly.

Sincerely yours,

(Mr. Prapat Yorkhant)  
Chief Executive Officer