

OM6503001

10 March 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 10 March 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 for fiscal year 2021 ended on 31 December 2021 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 14.17%. The essence from the meeting can be summarized as follows:

#### Cause of difficulties

Due to the company has accumulated losses carried 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, causing the Company to the suffer losses. Moreover, due to the changing of audience’s behavior towards the advertising management through various channels, as a result, advertising investment in media has decreased compared to the normal situation prior to the outbreak of the coronavirus disease 2019 (Covid-19), especially the printed media, which decreased by 19% compared to the previous year. In addition, the epidemic situation of corona virus 2019 (Covid-19) also affects the activities of the Group such as seminars, events, including the hotel business that the Company has invested in due to the hotel business. The service has been discontinued since Q2/2020.

#### 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
  - Although advertising spending in print media has decreased, but advertising spending in online media continues to increase every year. The company therefore focuses on online media to provide a variety of information to support more target customers.
  - 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 which has now received a license to start a securities business in the category of securities brokerage for investment unit. For the securities brokerage is in the process of applying for a business license.
  - Looking for new businesses that are related to the company's current business to expand the business in the future.
  - Collaborating with allied business partners to strengthen the competitive business's ability.
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