

30 November 2020

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

On 30 November 2020, 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 shareholder's equity is less than 50% of paid-up capital for the financial statement for the Quarter 3/2020 ended 30 September 2020, which had the shareholder equity to the paid-up capital at 10.09%. 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 to technology and audience behaviors against advertising budgets
 - Over-the-Top Operators
 - Streaming Medias
 - Social Medias Platform

The advertising budgets for the nine months period of 2020 compared to the same period of the previous year was decreased by 16% and even online media was only one media which had growth, increased by 2% but its growth ratio was lower than the previous quarter, compared to the same period of the previous year was decreased by 4%.

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 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 media business, by collaborating with a home shopping media for the sale of products and service.

- Investing in a hotel business, namely Mercure Bangkok Makkasan Hotel.

- Seeking for a new source of revenues.

The Company has been currently transferred and 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.

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, excepting the revenues from Facebook which has lower viewer due to the change to Facebook's algorithm. However, the Company ceased hygiene business due to the sale of its entire shares held in the subsidiary carrying on the hygiene business in Q3/2020.

- 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. The Company is currently in process dissolution of Sync Technology Co., Ltd..

- Improving shareholder's equity

- Determining the capital decrease for reducing the Company's registered capital in order to improve the Company's deficit.

- Studying a new business in resolving the Company's financial status and operating result.

- Seeking for new financial instruments in order to improve the Company financial potentiality.

- Capital increase

The Company determined to issue the newly-increased shares for offering to the Rights Offering and the general mandate for the purpose of using as a fund for the investment in the new business and increasing the Company's cash flow. The Company had processed of selling the increased shares to the Right Offering during 20 August - 22 October 2020 and could sell the increased shares of 6,741,349,530 shares or representing Baht 67,413,495.30. The Company would properly consider the offer and sale of the increased shares to the general mandate again later and if the sale of the increased shares is success in full amount, 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 of 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