



**Nation Multimedia Group Public Co., Ltd.**

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16 May 2019

Subject: Entering into the Transaction of Disposing the Investment in Nation International Edutainment Public Company Limited

To: Director and Manager  
The Stock Exchange of Thailand

Enclosure: Information Memorandum on the Asset Disposal, Schedule 1 of Nation Multimedia Group Public Company Limited

The Board of Directors meeting of Nation Multimedia Group Public Company Limited (the "Company") No. 7/2019, held on 16 May 2019, has unanimously resolved for the Company to dispose the investment in Nation International Edutainment Public Company Limited ("NINE"), an associate company of the Company which its business operations are publishing, creating and distributing publications and digital publications, i.e. pocket books and comic books as well as conducting e-commerce business and online and offline advertising media, in the total number of shares not exceeding 120,808,387 shares equivalent to 33.05 percent of the total outstanding shares of NINE, at the price of not lower than Baht 2.62 per share. This is the average price of the NINE's ordinary shares received by the Company, as appeared in No. 6, Expected benefits to the Company from the asset disposal, of the Information Memorandum on the Asset Disposal, Schedule 1 of Nation Multimedia Group Public Company Limited. Additionally, the total amount received from the said share offer does not exceed Baht 350,000,000. This share offer will be made to public investors who are not connected persons of the Company, as prescribed in the Notification of Capital Market Supervisory Board TorChor. 21/2551 regarding Rules on Connected Transactions, dated August 31, 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand (the "SET") regarding Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546, dated November 19, 2003 (as amended) ("Notification on the Connected Transactions"), via the SET under either Automatic Order Matching (AOM) method or Trade Report method, through securities companies to be appointed by the Company to be a broker of NINE's shares, one time or several times within three months from the date on which the Board of Directors of the Company has the resolution. A purpose is to support the Company's financial liquidity to be sufficient for business operation and to increase the Company's financial liquidity to be used as working capital and debt repayment which will help reduce the high interest burden of the Company.

On the date the Board of Directors approved the disposal of NINE's ordinary shares, the Company held NINE's ordinary shares in total of 120,808,387 shares, representing 33.05 percent of share sold from the total outstanding shares. After the sale of NINE's share, consequently, NINE will cease to be associate company of the Company.

The above transaction is considered a disposal of assets in accordance with the Notification of Capital Market Supervisory Board No. Tor Chor. 20/2551 regarding Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated August 31, 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand regarding Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547, dated October 29, 2004 (as amended) ("**Notification on Acquisition or Disposal of Assets**"). The highest transaction value equals to 10.70 percent based on the value of consideration basis. The highest transaction value is derived from this method of calculation, whereby the calculation is based on the Company's reviewed consolidated financial statements for the 9-month period as of 30 September 2018. The transaction value is also calculated from the transactions of disposal of asset during the period of six months prior to the date on which the Company's Board of Directors has approved to dispose ordinary shares in NINE, comprising three transactions as follows:

(1) the transaction of the disposal of all investments in WPS (Thailand) Company Limited, having the highest transaction value of 13.99 percent based on the value of consideration basis, calculated from the Company's reviewed consolidated financial statements for 6-month period as of 30 June 2018; and

(2) the transaction of the disposal of Land and Buildings in Khon Kaen, having the highest transaction value of 0.37 percent based on the value of consideration basis, calculated from the Company's reviewed consolidated financial statements for 9-month period as of 30 September 2018 ; and

(3) the transaction of the disposal of 3 plots of Land and Buildings on Thepparatana Road, Samut Prakan Province, having the highest transaction value of 10.13 percent based on the value of consideration basis, calculated from the Company's reviewed consolidated financial statements for 9-month period as of 30 September 2018

Therefore, the combination between this transaction and the transactions entered into in the period of six months prior to the date that the Company's Board of Directors resolved to approve the disposal of Investment in NINE results in the total highest transaction value of 35.19 percent based on the value of consideration basis, considered as a Class 2 transaction under the Notification on Acquisition or Disposal of Assets. As a result, the Company is required to immediately disclose the information memorandum on entering into such transaction to the SET and send a circular letter to the shareholders of the Company within 21 days from the date on which the information memorandum on entering into such transaction is disclosed to the SET.

Furthermore, for a reason that the sale of the NINE's shares shall be made under the Automatic Order Matching (AOM) method and the Trade Report method in which the purchasers shall be the public investors, the said transaction is not considered as the connected transaction as the Company does not sell the abovementioned assets to the connected persons as prescribed in the Notification on the Connected Transactions.

In this regard, the Board of Directors' meeting No. 7/2019 held on May, 16 2019 has authorized the Executive Committee or Chief Executive Officer the authority to perform any actions in relation to the disposal of investment in NINE, as well as perform any actions in relation to the offer of ordinary shares

in NINE to public investors who are not connected persons of the Company via the SET for one time or several times, the determination of date and time of offer, sub-delegation, filing and disclosing relevant details to the Ministry of Commerce, the Securities and Exchange Commission Thailand (SEC), the SET, and other relevant authorities, and perform any other actions necessary and appropriate as required by the laws.

The details of such transaction appear in the enclosed Information Memorandum on the Asset Disposal, Schedule 1 of Nation Multimedia Group Public Company Limited (Enclosure).

Please be informed accordingly.

Yours sincerely,

Nation Multimedia Group Public Company Limited

(Mr. Somchai Meesen)

Chief Executive Officer

## Information Memorandum on the Asset Disposal, Schedule 1 of

## Nation Multimedia Group Public Company Limited

The Board of Directors' meeting of Nation Multimedia Group Public Company Limited (the "Company") No. 7/2019, held on 16 May 2019, has unanimously resolved for the Company to dispose the investment in Nation International Edutainment Public Company Limited ("NINE"), an associate company of the Company which its business operations are publishing, creating, and distributing publications and digital publications, i.e. pocket books and comic books as well as conducting e-commerce business and online and offline advertising media, in the total number of shares not exceeding 120,808,387 ordinary shares, or equivalent to 33.05 percent of the total outstanding shares of NINE, at the price of not lower than Baht 2.62 per share which is the average price that the Company acquired the NINE's ordinary shares. Additionally, the total amount received from the said share offer does not exceed Baht 350,000,000. This share offer will be made to public investors who are not connected persons of the Company, as prescribed in the Notification of Capital Market Supervisory Board TorChor. 21/2551 regarding Rules on Connected Transactions, dated August 31, 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand regarding Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546, dated November 19, 2003 (as amended) ("**Notification on the Connected Transactions**"), via the Stock Exchange of Thailand (the "SET") under either Automatic Order Matching (AOM) method or Trade Report method, through securities companies to be appointed by the Company to be a broker of NINE's shares, one time or several times within three months from the date on which the Board of Directors of the Company has the resolution. A purpose is to help the Company to have enough cash flow for a business operation and increase in the Company's financial liquidity, used as working capital and to repay debt which would help reduce the interest burden of the Company.

On the date that the Board of Directors approves this disposal of ordinary shares in NINE, the Company holds ordinary shares in NINE in the number of 120,808,387 shares, representing 33.05 percent of the total outstanding shares of NINE. After this sale of shares in NINE, NINE will no longer have a status of an associated company of the Company.

The said transaction is considered as a disposal of assets in accordance with the Notification of Capital Market Supervisory Board No. Tor Chor. 20/2551 regarding Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated August 31, 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand regarding Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E. 2547, dated October 29, 2004 (as amended) ("**Notification on Acquisition or Disposal of Assets**"). The highest transaction value equals to 10.70 percent based on the value of consideration basis. The highest transaction value is derived from this method of calculation, whereby the calculation is based on the Company's reviewed consolidated financial statements for the 9-month period as of 30 September 2018. The transaction value is also calculated from the transactions of

disposal of asset during the period of six months prior to the date on which the Company's Board of Directors has approved to dispose ordinary shares in NINE, comprising three transactions as follows:

(1) the transaction of the disposal of all investments in WPS (Thailand) Company Limited, having the highest transaction value of 13.99 percent based on the value of consideration basis, calculated from the Company's reviewed consolidated financial statements for 6-month period as of 30 June 2018; and

(2) the transaction of the disposal of Land and Buildings in Khon Kaen, having the highest transaction value of 0.37 percent based on the value of consideration basis, calculated from the Company's reviewed consolidated financial statements for 9-month period as of 30 September 2018 ; and

(3) the transaction of the disposal of 3 plots of Land and Buildings on Thepparatana Road, Samut Prakan Province, having the highest transaction value of 10.13 percent based on the value of consideration basis, calculated from the Company's reviewed consolidated financial statements for 9-month period as of 30 September 2018

Therefore, the combination between this transaction and the transactions entered into in the period of 6 months prior to the date that the Company's Board of Directors resolved to approve the disposal of Investment in NINE results in the total highest transaction value of 35.19 percent based on the value of consideration basis, considered as a Class 2 transaction under the Notification on Acquisition or Disposal of Assets. As a result, the Company is required to immediately disclose the information memorandum on entering into such transaction to the SET and send a circular letter to the shareholders of the Company within 21 days from the date on which the information memorandum on entering into such transaction is disclosed to the SET.

In this regard, the Company therefore informs the details of the said transactions indicated in the Notification on Acquisition or Disposal of Assets as follows:

**1. Day/month/year in which the transaction occurs**

The transaction date is on 16 May, 2019 which is the date that the Board of Director resolved for an approval of investment disposition of NINE in the total number of shares not exceeding 120,808,387 shares, or equivalent to 33.05 percent of the total outstanding shares of NINE, at the price of not lower than Baht 2.62 per share. The total amount received from the share offer does not exceed Baht 350,000,000. This share offer will be made to public investors who are not connected persons of the Company, as prescribed in the Notification on the Connected Transactions, via the SET under either Automatic Order Matching (AOM) method or Trade Report method, through securities companies to be appointed by the Company to be a broker of NINE's shares, one time or several times within three months from the date on which the Board of Directors of the Company has the resolution.

**2. The relevant parties and the relationship of parties of this investment disposition**

This investment disposition of NINE will be made to general investors who are not related persons of the Company, as prescribed in the Notification on the Connected Transactions, via the SET under either Automatic Order Matching (AOM) method or Trade Report method, through securities companies to be appointed by the Company to be a broker of NINE's shares.

The said transaction is not considered as the connected transaction because the sale of the NINE's shares shall be made under the Automatic Order Matching (AOM) method and the Trade Report method in which the purchasers shall be the public investors who are not connected persons of the Company as prescribed in the Notification on the Connected Transactions.

**3. General characteristics of the transaction and transaction value and details of the asset disposal**

**3.1 General Characteristics**

The Company will dispose investments in NINE in the total number of shares not exceeding 120,808,387 shares, or equivalent to 33.05 percent of the total outstanding shares of NINE, at the price of not lower than Baht 2.62 per share. The total amount received from the said share offer does not exceed Baht 350,000,000. This share offer will be made to general investors who are not related persons of the Company, as prescribed in the Notification on the Connected Transactions, via the SET under either Automatic Order Matching (AOM) method or Trade Report method, through securities companies to be appointed by the Company to be a broker of NINE's shares, one time or several times within three months from the date on which the Board of Directors of the Company has the resolution.

After this sale of shares of NINE, NINE will no longer have a status of an associated company of the Company..

**3.2 Calculation of transaction value**

Due to the calculation under the Notification on Acquisition or Disposal of Assets based on the latest reviewed consolidated financial statements of the Company and NINE for 9-month period as of 30 September 2018, the details are as follows:

**1. Net Tangible Asset Criteria**

Cannot be calculated since the tangible asset of the Company is negative.

**2. Net Profits from Normal Operation Criteria**

Cannot be calculated since the net profit of the Company is negative.

**3. Total Value of Consideration Criteria**

$$\text{Total Value of Consideration} = \frac{(\text{Paid or received transaction value} \times 100)}{\text{Total asset of the listed company}}$$

$$\begin{aligned} \text{Paid or Received Transaction Value} &= \text{Purchase and sale price} \\ &= 350.00 \text{ Million Baht} \end{aligned}$$

$$\begin{aligned} \text{Total Value of Consideration} &= \frac{350.00 \text{ Million Baht} \times 100}{3,271.13 \text{ Million Baht}} \\ &= 10.70 \text{ percent} \end{aligned}$$

#### 4. Value of Securities Issued as Consideration for the Acquisition of the Asset Criteria

Cannot be calculated since the Company did not issue asset as consideration.

The highest transaction value is 10.70 percent based on the value of consideration basis, calculated from the Company's reviewed consolidated financial statements for 9-month period as of 30 September 2018. The transaction value is also calculated from the transactions of disposal of asset during the period of six months prior to the date on which the Company's Board of Directors has approved to dispose ordinary shares in NINE, comprising three transactions:

(1) the transaction of the disposal of all investments in WPS (Thailand) Company Limited, having the highest transaction value of 13.99 percent based on the value of consideration basis, calculated from the Company's reviewed consolidated financial statements for 6-month period as of 30 June 2018; and

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### 3.3 Rationale and background of the transaction

Currently, the Company encounters the situation of the lack of financial liquidity and the cash flow for debt repayment and business operation, as the Company has continuous loss. Thus, the Company considers the business restructure of the Company's group in order to cope with consequences from the current economic recession, including the industrial regression of business which is not core business of the Company, e.g. publishing business that is continuously in a period of stagnation, evidencing from the gradual shutdown of several magazines and the rapid change of behavior of media and publication consumption; causing most printing-media entrepreneurs to suffer losses in the present. After this sale of shares of NINE, the Company shall pursue its strategy and policy, focusing on the core business operation that the Company truly has knowledge and expertise in as the strength, which consists of printing media (Bangkok Business Post, The Nation, and Kom Chad Luek), organizing of related activities, television business concerning the categories of news and content that the Company has expertise in, and production of program contents, including the relevant businesses which have a potential for growth and support the Company's core business in order that the Company is able to further continuously operate the business and be ready to operate a core business with strength for the growth of its base in the future.

This consideration on the disposal of investment in NINE, an associated company of the Company, is not the disposal of the Company's main business so that it does not affect the Company's business operation in the future and does not need to use the disposed asset. Moreover, this disposal of investment in NINE allows the Company to have cash flow to be used as working capital, which would increase the Company's financial liquidity. In addition, the Company will repay debt to account payables and debts burden which would help reduce the interest burden of the Company.

#### 4. Description of asset to be disposed of

Details of NINE are as follows:

##### 4.1 General Details

Name	Nation International Edutainment Public Company Limited
Corporate Registration Number	0107551000312
Type of business	Publishing, creating and distributing publications and digital publications, i.e. pocket books and comic books as well as conducting e-commerce business and online and offline advertising media.



Headquarters	333 Lao Peng Nguan 1 Tower, 24 <sup>th</sup> Floor, Soi Choeiphuang, Vibhavadi-Rangsit Road, Chomphon Sub-District, Chatuchak District, Bangkok
Registered Capital	390,549,286 Baht
Paid-in Capital	365,549,286 Baht
Number of Ordinary Shares	365,549,286 Share
Number of Preference Share	- None -
Par Value	Baht 1 per share

## 4.2 List of Shareholders as of 20 March 2019

No.	List of Shareholder	Number of Ordinary Shares	Percent
1.	Silom Road Limited	175,950,000	48.13
2.	Nation Multimedia Group Public Company Limited	120,808,387	33.05
3.	Mr. Viroj Tangjetanaporn	19,550,000	5.35
4.	Mr. Sombat Panichewa	6,000,000	1.64
5.	Mr. Chainnarong Sangtongaram	3,356,900	0.92
6.	Others	39,883,999	10.91
	<b>Total</b>	<b>365,549,286</b>	<b>100.00</b>

## 4.3 List of Directors as of 28 February 2019

No.	List of Directors	Position
1.	Mr. Pana Janviroj	Chairman of the Board

No.	List of Directors	Position
2.	Mr. Worapoj Chanyakamol	Director
3.	Mr. Somchai Meesen	Director
4.	Mr. Viroj Tangjetanaporn	Director
5.	Mrs. Suparanan Tanviruch	Independent Director/ Chairman of the Audit Committee
6.	Mr. Phunwarit Martmuang	Independent Director/ Audit Committee
7.	Mr. Stephen Joseph Camilleri	Independent Director/ Audit Committee

#### 4.4 Financial Information

1) Consolidated financial statements of the Company from 2015 to 2017 and 9-month period of 2018.

##### Nation Multimedia Group Public Company Limited and its subsidiaries

(in thousand Baht)

Consolidated statement of income	2015	%	2016	%	2017	%	1 Jan - 30 Sep 2018 (9 mths)	%
Revenue from sale of goods and rendering of services	2,399,514	95%	2,021,669	96%	1,809,052	96%	1,144,527	93%
Investment income	28,810	1%	22,604	1%	8,711	0%	3,433	0%
Gain on disposal of investments	61,521	2%	-	-	-	-	-	-
Other income	60,115	2%	62,066	3%	72,561	4%	82,807	7%
<b>Total income</b>	<b>2,549,960</b>	<b>100%</b>	<b>2,106,339</b>	<b>100%</b>	<b>1,890,324</b>	<b>100%</b>	<b>1,230,767</b>	<b>100%</b>
Cost of sale of goods and rendering of services	2,209,915		2,000,460		1,699,708		930,088	
Selling and administrative expenses	876,828		1,114,444		2,370,976		523,122	
<b>Total expenses</b>	<b>3,086,743</b>		<b>3,114,904</b>		<b>4,070,684</b>		<b>1,453,210</b>	
<b>Profit (loss) before finance cost and income tax expense</b>	<b>(536,783)</b>		<b>(1,008,565)</b>		<b>(2,180,360)</b>		<b>(222,443)</b>	
Finance costs	(166,022)		(152,358)		(173,896)		(124,031)	
Income tax (expense) benefit	115,322		(157,819)		(24,166)		(54,460)	
Share of profit (loss) of associate	320		1,080		70		(1,732)	
<b>Profit (loss) for the year</b>	<b>(587,163)</b>		<b>(1,317,662)</b>		<b>(2,378,352)</b>		<b>(402,666)</b>	
<b>Non-controlling interests</b>	<b>8,638</b>		<b>138,189</b>		<b>221,867</b>		<b>48,311</b>	
<b>Profit (loss) to owners of parent</b>	<b>(578,525)</b>		<b>(1,179,473)</b>		<b>(2,156,485)</b>		<b>(354,355)</b>	

## Nation Multimedia Group Public Company Limited and its subsidiaries

(in thousand Baht)

Consolidated statement of financial position	31-Dec-15	%	31-Dec-16	%	31-Dec-17	%	30-Sep-18	%
Cash and cash equivalents	207,525	3%	233,694	4%	186,399	5%	177,650	5%
Current investments	822,150	11%	422,376	6%	125,422	3%	67,135	2%
Trade accounts receivable - net	588,557	8%	398,049	6%	274,768	7%	188,551	6%
Accrued income	167,704	2%	99,469	2%	77,070	2%	125,868	4%
Other receivables	85,826	1%	89,842	2%	59,605	1%	87,520	3%
Inventories - net	379,968	5%	136,926	2%	68,116	1%	25,322	0%
Non-current assets held for sales	-	-	-	-	-	-	376,405	12%
Other current assets - net	242,306	3%	321,559	5%	285,792	7%	227,304	7%
<b>Total current assets</b>	<b>2,494,036</b>	<b>33%</b>	<b>1,701,915</b>	<b>27%</b>	<b>1,077,172</b>	<b>26%</b>	<b>1,275,755</b>	<b>39%</b>
Long-term investments	32,419	0%	30,572	0%	27,245	1%	23,757	1%
Property, plant and equipment - net	1,646,419	22%	1,488,481	23%	1,462,585	36%	576,530	18%
Investment properties	44,678	0%	75,447	1%	70,655	2%	74,465	2%
Intangible assets - net	115,517	2%	171,182	3%	66,984	2%	70,640	2%
Digital television licences	2,783,780	37%	2,574,171	40%	1,049,289	26%	979,913	30%
Deferred tax assets	262,922	3%	112,053	2%	77,317	1%	26,748	1%
Other non-current assets	242,371	3%	231,609	4%	238,683	6%	243,326	7%
<b>Total non-current assets</b>	<b>5,128,106</b>	<b>67%</b>	<b>4,683,515</b>	<b>73%</b>	<b>2,992,758</b>	<b>74%</b>	<b>1,995,379</b>	<b>61%</b>
<b>Total assets</b>	<b>7,622,142</b>	<b>100%</b>	<b>6,385,430</b>	<b>100%</b>	<b>4,069,930</b>	<b>100%</b>	<b>3,271,134</b>	<b>100%</b>
Bank overdrafts and short-term loans from financial institutions	590,385	8%	549,431	9%	864,674	21%	812,337	25%
Trade accounts payable	133,706	2%	99,264	1%	105,023	3%	121,601	4%
Current portion of digital television licences payable	556,204	7%	584,069	9%	297,964	7%	-	0%
Current portion of long-term loans from financial institutions	-	0%	120,000	2%	156,000	4%	45,000	1%
Short-term borrowings	-	0%	550,000	9%	553,500	14%	329,703	10%
Current portion of finance lease liabilities	1,561	0%	1,066	0%	-	0%	-	0%
Other payables	26,329	0%	26,140	0%	67,394	2%	97,249	3%
Accrued expenses	216,232	3%	187,345	3%	166,497	4%	193,309	6%
Current income tax payable	418	0%	8	0%	-	-	-	-
Other current liabilities	329,558	5%	368,665	6%	289,613	7%	176,833	5%
<b>Total current liabilities</b>	<b>1,854,393</b>	<b>25%</b>	<b>2,485,988</b>	<b>39%</b>	<b>2,500,665</b>	<b>62%</b>	<b>1,776,032</b>	<b>54%</b>
Digital television licences payable	1,714,138	22%	1,130,070	18%	1,131,218	28%	1,445,887	44%
Long-term loans from financial institutions - net	-	0%	158,833	2%	47,000	1%	144,125	4%
Finance lease liabilities - net	1,271	0%	-	-	-	-	-	-
Deferred tax liabilities	17,826	0%	20,909	0%	31,230	1%	20,126	1%
Employee benefit obligations	163,856	2%	167,253	3%	137,981	3%	126,876	4%
Other non-current liabilities	130,432	2%	105,061	2%	87,316	2%	55,630	2%
<b>Total non-current liabilities</b>	<b>2,027,523</b>	<b>26%</b>	<b>1,582,126</b>	<b>25%</b>	<b>1,434,745</b>	<b>35%</b>	<b>1,792,644</b>	<b>55%</b>
<b>Total liabilities</b>	<b>3,881,916</b>	<b>51%</b>	<b>4,068,114</b>	<b>64%</b>	<b>3,935,410</b>	<b>97%</b>	<b>3,568,676</b>	<b>109%</b>
Authorized share capital	2,663,572		2,663,572		2,663,572		2,663,572	
Issued and paid share capital	2,155,849	28%	2,155,959	34%	2,155,959	53%	2,156,024	66%
Premium on ordinary shares	1,169,345	15%	1,169,694	18%	1,169,694	28%	1,169,752	36%
Share premium on ordinary shares of subsidiaries	95,398	1%	96,605	1%	96,939	2%	96,939	3%
Warrants	18,665	0%	30,013	0%	35,345	1%	-	-
Reserve on acquisition of warrants	(91,013)	-1%	(91,013)	-1%	(91,013)	-2%	-	-
Other components of equity	(4,251)	0%	(4,232)	0%	167,161	4%	72,170	2%
Retained earnings (Deficit)								
- Legal reserves	32,700	1%	32,700	1%	32,700	1%	32,700	1%
- Unappropriated (Deficit)	(91,467)	-1%	(1,399,685)	-22%	(3,556,270)	-87%	(3,870,313)	-118%
Equity attributable to owners of the parent	3,285,226	43%	1,990,041	31%	10,515	0%	(342,728)	-10%
Non-controlling interests	455,000	6%	327,275	5%	124,005	3%	45,186	1%
<b>Total equity</b>	<b>3,740,226</b>	<b>49%</b>	<b>2,317,316</b>	<b>36%</b>	<b>134,520</b>	<b>3%</b>	<b>(297,542)</b>	<b>-9%</b>
<b>Total liabilities and equity</b>	<b>7,622,142</b>	<b>100%</b>	<b>6,385,430</b>	<b>100%</b>	<b>4,069,930</b>	<b>100%</b>	<b>3,271,134</b>	<b>100%</b>

2) Consolidated financial statement of NINE from 2016 to 2018 and 3-month period of 2019.

**Nation International Edutainment Public Company Limited and its Subsidiary**

(in Thousand Baht)

Statement of income	2016	%	2017	%	2018	%	1 Jan - 31 Mar 2019 (3 mths)	%
<b>Income</b>								
Revenue from sale of goods and rendering of services	161,286	89%	137,283	87%	88,334	86%	10,656	70%
Other income	20,928	11%	20,990	13%	14,382	14%	4,602	30%
<b>Total income</b>	<b>182,214</b>	<b>100%</b>	<b>158,273</b>	<b>100%</b>	<b>102,716</b>	<b>100%</b>	<b>15,258</b>	<b>100%</b>
<b>Expenses</b>								
Cost of sale of goods and rendering of services	99,802		73,038		118,865		26,292	
Selling and administrative expenses	79,130		73,029		86,840		28,090	
Impairment losses and other provisions	-		137		56,166		-	
Loss on business restructuring	204,445		-		-		-	
<b>Total expenses</b>	<b>383,377</b>		<b>146,204</b>		<b>261,871</b>		<b>54,382</b>	
<b>Profit (loss) before finance cost and income tax expense</b>	<b>(201,163)</b>		<b>12,069</b>		<b>(159,155)</b>		<b>(39,124)</b>	
Finance costs	(869)		(786)		(707)		(149)	
Income tax (expense) benefit	(11,825)		(4,104)		(9,091)		152	
<b>Profit (loss) for the year</b>	<b>(213,857)</b>		<b>7,179</b>		<b>(168,953)</b>		<b>(39,121)</b>	
<b>Non-controlling interests</b>	<b>(1,157)</b>		<b>13</b>		<b>(45)</b>		<b>4</b>	
<b>Profit (loss) to owners of parent</b>	<b>(212,700)</b>		<b>7,166</b>		<b>(168,908)</b>		<b>(39,125)</b>	

## Nation International Edutainment Public Company Limited and its Subsidiary

(in Thousand Baht)

Statement of financial position	31 Dec 2016	%	31 Dec 2017	%	31 Dec 2018	%	31 Mar 2019	%
Cash and cash equivalents	20,829	6%	92,218	29%	338,748	75%	309,127	76%
Current investments	243,521	65%	103,025	32%	100	0%	500	0%
Trade accounts receivable	50,342	13%	62,423	19%	13,867	3%	6,466	2%
Accrued income	6,055	2%	3,555	1%	932	0%	3,245	1%
Other receivables	6,556	2%	14,729	5%	10,813	3%	3,571	1%
Inventories	24,335	6%	18,649	6%	12,484	3%	11,712	3%
Other current assets	1,618	0%	671	0%	6,179	1%	7,137	1%
<b>Total current assets</b>	<b>353,256</b>	<b>94%</b>	<b>295,270.00</b>	<b>92%</b>	<b>383,123.00</b>	<b>85%</b>	<b>341,758.00</b>	<b>84%</b>
Restricted deposit	400	0%	400	0%	-		-	
Property, plant and equipment	1,206	0%	1,121	0%	13,475	3%	13,819	3%
Intangible assets	4,202	1%	12,617	4%	49,241	11%	45,619	12%
Deferred tax assets	15,430	4%	11,326	4%	1,719	0%	1,871	0%
Other non-current assets	1,999	1%	503	0%	1,790	1%	1,951	1%
<b>Total non-current assets</b>	<b>23,237</b>	<b>6%</b>	<b>25,967.00</b>	<b>8%</b>	<b>66,225.00</b>	<b>15%</b>	<b>63,260.00</b>	<b>16%</b>
<b>Total assets</b>	<b>376,493</b>	<b>100%</b>	<b>321,237.00</b>	<b>100%</b>	<b>449,348.00</b>	<b>100%</b>	<b>405,018.00</b>	<b>100%</b>
Trade accounts payable	75,572	20%	13,167	4%	4,538	1%	5,289	1%
Other payables	6,121	2%	3,938	2%	41,057	9%	38,870	10%
Accrued expenses	10,467	3%	10,533	3%	13,391	3%	10,520	3%
Other current liabilities	4,939	1%	5,585	2%	7,186	2%	5,547	1%
<b>Total current liabilities</b>	<b>97,099</b>	<b>26%</b>	<b>33,223.00</b>	<b>11%</b>	<b>66,172.00</b>	<b>15%</b>	<b>60,226.00</b>	<b>15%</b>
Employee benefit obligations	11,353	3%	12,721	4%	8,598	2%	9,355	2%
Other non-current liabilities	903	0%	848	0%	815	0%	795	0%
<b>Total non-current liabilities</b>	<b>12,256</b>	<b>3%</b>	<b>13,569.00</b>	<b>4%</b>	<b>9,413.00</b>	<b>2%</b>	<b>10,150.00</b>	<b>2%</b>
<b>Total liabilities</b>	<b>109,355</b>	<b>29%</b>	<b>46,792.00</b>	<b>15%</b>	<b>75,585.00</b>	<b>17%</b>	<b>70,376.00</b>	<b>17%</b>
Equity								
Authorized share capital	259,250		259,250		365,549		365,549	
Issued and paid share capital	170,048	45%	170,048	53%	365,549	81%	365,549	90%
Premium on ordinary shares	272,706	72%	272,706	85%	342,646	76%	342,646	85%
Warrants	4,087	1%	4,215	1%	-	0%	-	0%
Retained earnings (Deficit)								
- Legal reserves	10,650	3%	10,650	3%	10,650	2%	10,650	3%
- Unappropriated (Deficit)	(189,699)	-50%	(183,135)	-57%	(344,998)	-76%	(384,123)	-95%
Equity attributable to owners of the parent	267,792		274,484		373,847		334,722	
Non-controlling interests	(654)		(39)		(84)		(80)	
<b>Total equity</b>	<b>267,138</b>	<b>71%</b>	<b>274,445</b>	<b>85%</b>	<b>373,763</b>	<b>83%</b>	<b>334,642</b>	<b>83%</b>
<b>Total liabilities and equity</b>	<b>376,493</b>	<b>100%</b>	<b>321,237</b>	<b>100%</b>	<b>449,348</b>	<b>100%</b>	<b>405,018</b>	<b>100%</b>

**5. Total value of consideration**

The Company shall dispose the investment in Nine, an associate company of the Company in the total number of shares not exceeding 120,808,387 shares, or equivalent to 33.05 percent of the total outstanding shares of NINE, at the price of not lower than Baht 2.62 per share. The total amount received from the share offer does not exceed Baht 350,000,000. This share offer will be made to public investors one time or several times within three months from the date on which the Board of Directors of the Company has the resolution. After this sale of shares of NINE, NINE will no longer have a status of an associated company of the Company.

**6. Criteria to determine total value of consideration**

The value of consideration is derived from share offer which does not exceed Baht 350,000,000. The Company shall offer the sale of investment or NINE's ordinary shares to general investor via the SET for one time or several times within three months from the date on which the Board of Directors of the Company has the resolution, at the offering price per share not lower than Baht 2.62, which is the average price that the Company acquired all NINE's ordinary shares, calculated from the sum of cost which the Company receives from the NINE's shares arrangement at a par value (Baht 1 per share), together with cost of additional share purchases, and cost of exercising rights to purchase newly issued shares of NINE allocated to the existing shareholders, divided by the total number of shares that the Company receives. . Due to the consideration of the valuation of business under various methods, i.e. Book Value method, Valuation Account method, Price to Book Value Ratio method, and Discounted Cash Flow method, valued by the financial advisor of the Company, the financial advisor of the Company opines that the Valuation Account method is the most appropriate valuation method because such method gives the total current value of assets of NINE at Baht 0.92 per share. Additionally, NINE had losses from 2015 to 2016 and had continuously slight profits in 2017 and 2018 until the third installment ended March 31, 2019, causing the Discounted Cash Flow method does not show the intrinsic value of NINE.

The source of the total number that does not exceed Baht 350,000,000 received from a share offer is the forecasting cash flow, expected that the Company needs to utilize the cash flow for the working capital and the repayment of secured debts, which will reduce interest expenses of the Company in order that the Company is able to operate the business on a continuous basis.

Additionally, the Board of Directors of the Company has considered and opined that the said determination of the minimum offering price is appropriate for the Company to be able to dispose the assets at the price consistent with the market and industry conditions in the economic downturn. Moreover, the selling price is higher than the fair value, valued under the abovementioned Valuation Account method. In addition, the Company needs to utilize the cash flow for the working capital and the repayment of debt, which alleviates the Company's expense regarding the payment of interests to enable the Company to operate its business smoothly.

Furthermore, such disposal of assets does not substantially affect the ordinary course of the core businesses of the Company.

**7. Expected benefits to the Company from the asset disposal**

- 7.1 This asset disposal will help reduce the risk from managing capital structure, making the Company receive working capital available for the demand of cash flow in a timely manner
- 7.2 The proceeds received from asset disposal shall be utilized as the working capital of the Company to increase the financial liquidity of the Company and/or the reduce of the amount of debts enabling the Company to repay the debts within the specified time and operate its business smoothly. Currently, the Company has debts with interest with the financial institutions and short-term loans in the amount of approximately Baht 918 million.
- 7.3 This asset disposal will also help reduce the high-rate interest expenses since the Company can use the proceeds received from the disposal of assets to partially repay the debts.
- 7.4 This disposal of asset is a part of the business restructuring of the Company to deal with the effect of current economic recession, and to pursue its strategy and policy of the Company to focus on the core business that the Company has knowledge and expertise in as the strength i.e. printing media (Bangkok Business Post, the Nation, and Kom Chud Luek), organizing related activities, television business concerning the categories of news and contents that the Company have expertise in, and production of program contents, including the relevant businesses which have a potential growth and support the Company's core business in order that the Company is able to further continuously operate the business.

**8. Plans for utilizing the proceeds from the asset disposal**

Proceeds received from the disposal of the investments of NINE would be used as the working capital to increase the financial liquidity of the Company's core business that the Company has knowledge and expertise in and consistent with the Company's policy, i.e. printing media (Bangkok Business Post, the Nation, and Kom Chud Luek), organizing of related activities, television business concerning the categories of news and contents that the Company has expertise in, and production of program contents, including the relevant businesses which have a potential growth and support the Company's core business in order that the Company is able to further continuously operate the business and pay debts to account payables and debts burden since, currently, the Company has debts with interests with the financial institutions and short-term loans in the amount of approximately Baht 918 million, and the debt regarding the digital television license fee in the amount of Baht 323.8 million.

**9. Condition for the entering into the transaction**

This entering into the transaction is considered as a Class 2 disposal of listed company's assets under the Notification on Acquisition or Disposal of Assets. After the Company has obtained approval from the meeting of the Board of Directors' Meeting No. 7/2019, held on 16 May 2019, the Company is required to immediately disclose the information memorandum on entering into such transaction to the SET and send a circular letter to the shareholders of the Company containing the minimum information as required by the Notification on Acquisition or Disposal of Assets within 21 days from the date on which the information memorandum on entering into such transaction is disclosed to the SET.

Moreover, the Company shall perform any actions to be in accordance with the Securities and Exchange Act B.E. 2535 (as amended) ("**Securities and Exchange Act**") and other relevant rules and regulations regarding the disposal of this NINE's ordinary shares including the report the disposal of the securities of the business according to Section 246 of the Securities and Exchange Act and the Notification of Capital Market Supervisory Board TorChor. 28/2554 regarding Requirements Related to Reporting of Acquisition and Disposal of Securities (Codified).

**10. Opinion of the Board of Directors on the entering into the transaction**

The meeting of the Board of Directors' Meeting No. 7/2019, held on 16 May, 2019 has carefully considered this transaction, by considering the conditions of the transaction, the appropriateness of the sale value, and the necessity of financial liquidity of the Company. Therefore, the Board of Directors has an opinion that the entering into the transaction is appropriate and for the benefits of the Company and the shareholders, under reasonable conditions.

**11. Opinion of the Audit Committee and/or opinion of the director which is different from the opinion of the Board under Clause 9**

All Audit Committee members of the Company have the same opinions as specified in the Board of Directors' resolution above (unanimity) and no audit committee member has an opinion different from such Board's resolution.

The Board of Directors certifies that all information contained in this Information Memorandum is true, complete and accurate in all respects.



Please be informed accordingly.

Yours sincerely,

(Mr. Somchai Meesen)

Chief Executive Officer