

25 May 2020

Subject: Notification on Resolution of the Board of Directors' Meeting No. 5/2020, Change of Directors and Directors' Power, Entering into Connected Transaction, Entering into Transaction on Acquisition of Assets and Determination of the 2020 Annual General Meeting of Shareholders

To: Director and Manager

The Stock Exchange of Thailand

- Enclosure
1. Information Memorandum on the Acquisition of Assets (Schedule 1) and the Entry into Connected Transaction of Nation Broadcasting Corporation Public Company Limited
 2. Information Memorandum on the Acquisition of Assets (Schedule 1) of Nation Broadcasting Corporation Public Company Limited
 3. Capital Increase Report Form (F 53-4)
 4. Information Memorandum regarding the Allocation of the Newly issued Ordinary Shares to the Existing Shareholders

Nation Broadcasting Corporation Public Company Limited (the "**Company**") would like to inform the resolutions of the Board of Directors' Meeting No. 5/2020, held on 25 May 2020. The significant resolutions are as follows:

1. Acknowledgment of a resignation of Mr. Sontiyon Chuenruetainaidhama from positions of Executive Director, Director and Chairman of the Board of Directors, according to resignation letter, dated 19 May 2020 which Mr. Sontiyon Chuenruetainaidhama submitted to the Company and the resignation shall be effective on 1 June 2020.

In this regard, the Board of Directors, by the Nomination and Remuneration Committee, is in the process of nominate a qualified and appropriate person to be a director for a vacant position. If there is any progress, the Company shall further inform the shareholders.

2. Approval for the determination for authorized directors which shall be effective on 1 June 2020. Details of which are as follows:

Current

"Mr. Sontiyon Chuenruetainaidhama, Mr. Shine Bunnag, Mr. Chatchai Pokogwai and Mrs. Lakana Ratwongsakul, two out of four directors jointly sign with the company's seal affixed."

New

"Mr. Shine Bunnag, Mr. Chatchai Pokogwai and Mrs. Lakana Ratwongsakul, two out of three directors jointly sign with the company's seal affixed."

3. Approval for the entry into the connected transaction with Nation Multimedia Group Public Company Limited (“**NMG**”), its controlling person holding 573,829,611 shares in the Company or equivalent to 71.45 percent of the total sold shares in the Company, having details as follow:

- 1) the Company to purchase “Komchadluek” trademark from NMG; and
- 2) the Company to purchase assets and business operation under tradename “Komchadluek” (“**Komchadluek Business**”) from Komchadluek Media Co., Ltd. (“**KMM**”), a subsidiary of NMG, whose 2,499,998 shares or equivalent to 99.99 of the total sold shares held by NMG.

The above transactions (“**Komchadluek Business and Trademark Acquisition**”), having a total value of 70.00 million Baht, is considered an acquisition of assets transaction according to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 (2008) Re: Rule on Entering into Material Transactions Deemed as Acquisition or Disposal of Asset dated 31 August 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposal of Asset B.E. 2547 (2004) dated 29 October 2004 (as amended) (collectively referred to as “**Notifications on Acquisition or Disposal of Assets**”). After calculating the size of such transaction based on the criteria under the Notifications on Acquisition or Disposal of Assets and based upon the 3-month interim consolidated financial statements ended 31 March 2020 of the Company, reviewed by the certified public accountant of the Company, the transaction value equals to 6.73 percent based on the total value of consideration criterion, and when calculating other acquisition of assets transactions occurring in the past six months prior to the date on which the Board of Directors of the Company resolved to approve the entry into this transaction i.e. 4 following transactions:

- 1) the acquisition of the newly-issued ordinary shares totaling 50 percent of the total sold shares in Happy Products and Service Co., Ltd., which the highest transaction value equals to 2.09 percent based on the total value of consideration criterion and the 6-month interim consolidated financial statements ended 30 June 2019 of the Company;
- 2) the acquisition of assets of Spring Corporation Co., Ltd. (“**SPC**”) and Nation Digital Content Co., Ltd. (“**NDI**”), which the highest transaction value equals to 3.81 percent based on the total value of consideration criterion and the 9-month interim consolidated financial statements ended 30 September 2019 of the Company;
- 3) the acquisition of the newly-issued ordinary shares in Around The World Co., Ltd., which the highest transaction value equals to 0.36 percent based on the total value of consideration criterion and the 9-month interim consolidated financial statements ended 30 September 2019 of the Company;
- 4) the investment in coffee business in the amount of 9.00 million Baht, which the highest transaction value equals to 0.87 percent based on the total value of consideration criterion and the 3-month interim consolidated financial statements ended 31 March 2020 of the Company.

In addition, after including the acquisition of shares in Green Net 1282 Company Limited (“**GNET**”) of the Company that the total value of the transaction equals to 250,000,000 Baht and 24.04 percent when calculating based on the total value of consideration criterion as approved in the same meeting, the total maximum value of the transaction shall be equivalent to 37.90 percent per the total value of consideration criterion, which is considered a transaction in Category 2 under the Notifications on Acquisition or Disposal of Assets. As a result, the Company is required to disclose the information memorandum regarding this transaction to the Stock Exchange of Thailand (the “**SET**”) as per the Schedule (1) of the Notifications on Acquisition or Disposal of Assets and circulate the information letter to its shareholders within 21 days of the date of disclosure of this transaction to the SET.

In addition, the entry into such transaction is considered a connected transaction of the Company in the category of transaction relating to assets or services since NMG is a controlling person of the Company in accordance with Section 89/1 of the Securities and Exchange Act B.E. 2535 (1992) (as amended) (the “**Securities and Exchange Act**”). This is because NMG holds voting shares in the Company equivalent to 71.45 of the total sold shares in the Company that is more than 50 percent of the total voting rights in the Company.

Besides, KMM is the same-level-subsiary to the Company and the connected person of NMG. Therefore, NMG and KMM are considered the connected persons in accordance the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 (2008) Re: Rules on Connected Transactions dated 31 August 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) dated 19 November 2003 (as amended) (“**Notifications on Connected Transactions**”). The transaction is in the category of transaction relating to assets or services at the value equivalent to 70.00 million Baht or 12.84 percent of the net total assets (NTA) of the Company, which is the highest transaction value based on the consolidated financial statements for the year ended 31 March 2020 of the Company. The value of this transaction is more than 20 million Baht or more than 3 percent of the net tangible asset value of the Company, whichever is higher, according to the Notifications on Connected Transactions,

The Company thus has a duty to disclose the relevant information memorandum to the SET, seek approval from the Board of Directors, and the shareholders’ meeting of the Company with the votes of not less than three-fourths (3/4) of the total votes of shareholders attending the meeting and entitled to vote by which the votes of shareholder having vested interests are not counted, and appoint an independent financial advisors to provide opinion on this connected transaction and provide such opinion to the Office of the Securities and Exchange Commission (the “**SEC**”), the SET, and the shareholders of the Company. In this regard, the Company is considering an appointment of the independent financial advisor and the Board of Directors of the Company resolved to approve the authorization of the Executive Committee of the Company to consider nominating the independent financial advisors with appropriate qualifications set out by the SEC and under the fee at the amount approved by the Board of Directors of the Company. The Company will further disseminate the

information once the Board of Directors of the Company has resolved to approve such appointment.

In any case, the Company has entered into a connected transaction, occurring in the past six months prior to the date on which the entry into this transaction was agreed, with NDI, a subsidiary of NMG and also a connected person of NMG, whose 149,999,998 shares or equivalent to 99.99 percent of the total sold shares are held by NMG, i.e. the acquisition of assets from NDI in the category of transaction relating to assets or services at the transaction size of 0.65 million Baht or 0.14 percent based on the Net Tangible Assets criterion (NTA) of the Company, which is the highest transaction value based on the consolidated financial statements ended 30 September 2019 of the Company, reviewed by the certified public accountant of the Company. The size of this transaction is less than 1 million Baht or less than 0.03 percent of the Net Tangible Assets criterion (NTA) of the Company. As a result, the Company is not required to disclose the information to the SET, seek approval from the Board of Directors of the Company, and seek approval from the shareholders' meeting under the Notifications on Connected Transactions for its entry into the transaction with NDI.

Details of the Information Memorandum on the Acquisition of Assets (Schedule 1) and the Entry into Connected Transaction of Nation Broadcasting Corporation Public Company Limited can be found in Enclosure 1.

After the condition precedents specified in the Business and Trademark Purchase Agreement between the Company, NMG, and KMM, including the other relevant agreements are satisfied, the Company shall purchase Komchadluek business and trademark from NMG. It is estimated that the transaction will be completed within November 2020 or any other date as may be agreed between the parties.

In this regard, the Board of Directors would like to propose to the 2020 Annual General Meeting of Shareholders to authorize the Executive Committee and/or managing director and/or any persons authorized by the Executive Committee and/or managing director to have the power to take any action in relation to Komchadluek Business and Trademark Acquisition, including the following actions.

- (a) Determining, amending and adding details in relation to Komchadluek Business and Trademark Acquisition under the scope of relevant laws;
- (b) Negotiating the contracts, amending and executing the contracts, as well as any other documents in relation to Komchadluek Business and Trademark Acquisition, including but not limited to the Business and Trademark Purchase Agreement;
- (c) Executing, amending, modifying and contacting any application form for permission, as well as evidences necessary and relevant to Komchadluek Business and Trademark Acquisition to the SEC, the SET, the relevant government agencies or authorities and having the power to take any necessary action, including sub-authorization;
- (d) Taking any action as necessary and deemed appropriate in order to achieve all abovementioned action.

Moreover, the Board of Directors approved to propose the 2020 Annual General Meeting of Shareholders to consider approving the entering into transactions on acquisition of business and assets under tradename “Komchadluek” from Nation Multimedia Group Public Company Limited which is a connected transaction, including any other relevant authorization as details above.

4. Approval for the entry into the acquisition of asset in GNET by acquisition of all 189,997 ordinary shares in GNET, at the par value of Baht 100, or equivalent to 99.998 percent of the total number of sold shares of GNET, from News Network Corporation Public Company Limited (“NEWS”), an existing shareholder of GNET, at the price of Baht 865.30 per share, which the total price is 164,403,759.95 Baht and the obligation to repay accrued debt together with the interest pursuant to the Debt Acknowledgement Letter of GNET, equivalent to Baht 85,596,240.05, totaling Baht 250,000,000.

The entry into such transaction (“**Acquisition of Shares in GNET Transaction by the Company**”) is considered the acquisition of assets according to the Notifications on Acquisition or Disposal of Assets. The transaction value is equal to 24.04 percent based on the total value of consideration criterion, which is the criterion used for calculation and results in the highest transaction value from the reviewed interim consolidated financial statements for the three-month period of the Company ended 31 March 2020, which was reviewed by the certified auditors of the Company. When calculating other acquisition of assets transactions occurring in the past six months prior to the date of the board of directors of the Company’s approval to enter into this transaction, totaling four transactions as follows:

- 1) The acquisition of newly issued ordinary shares, equivalent to 50 percent of total number of sold shares of Happy Products and Service Company Limited, which its highest transaction value is equal to 2.09 percent based on the total value of consideration criterion calculated from the reviewed interim consolidated financial statements for the six-month period of the Company ended 30 June 2019;
- 2) The acquisition of asset of SPC and NDI, which its highest transaction value is equal to 3.81 percent based on the total value of consideration criterion calculated from the reviewed interim consolidated financial statements for the nine-month period of the Company ended 30 September 2019;
- 3) The acquisition of newly issued ordinary shares in Around the World Company Limited, which its highest transaction value is equal to 0.36 percent based on the total value of consideration criterion calculated from the reviewed interim consolidated financial statements for the nine-month period of the Company ended 30 September 2019; and
- 4) The investment in coffee business in the amount of Baht 9.00 million, which its highest transaction value is equal to 0.87 percent based on the total value of consideration criterion calculated from the reviewed interim consolidated financial statements for the three-month period of the Company ended 31 March 2020.

Moreover, when combining Komchadluek Business and Trademark Acquisition, which its total transaction amount is equal to Baht 70.00 million and is approved in the same meeting and the total transaction value is therefore equal to 37.90 percent based on the total value of consideration criterion, falling under Class 2 transaction, according to the Notification of Acquisition or Disposal of Assets. Therefore, the Company has the duty to disclose the information memorandum (Schedule 1) regarding the transactions to the SET according to the annex one attached to the Notification of Acquisition or Disposal of Assets immediately, and deliver the information letter to its shareholders within 21 days from the date of disclosure of the transaction to the SET.

Nonetheless, the entry into Acquisition of Shares in GNET Transaction by the Company from NEWS is not fall under the connected transaction pursuant to the Notifications on Connected Transactions.

Further, with regard to the Acquisition of Shares in GNET Transaction by the Company, it is deemed that the Company has received the transfer of private company pursuant to Section 107 (2) (b) of the Public Company Limited Act B.E. 2535 (1992) (as amended), which prescribes that the receipt of transfer of business of other company or private company by any public company limited shall be approved by the shareholders' meeting with the vote of no less than three-fourth of total votes of the shareholders attending the meeting and being entitled to cast the vote. In this regard, the Board of Directors' meeting No. 5/2020 of the Company held on 25 May 2020 resolved to propose an agenda in relation to approval of entry into the acquisition of asset transaction to the shareholders' meeting of the Company of 2020, which shall be held on 17 August 2020, in order to comply with the relevant laws accordingly.

Details of the Information Memorandum on the Acquisition of Assets (Schedule 1) of Nation Broadcasting Corporation Public Company Limited can be found in Enclosure 2.

After the condition precedents specified in into the share purchase agreement in relation to shares in GNET between the Company and NEWS (the "**Share Purchase Agreement**") and/or other relevant agreements are duly satisfied. The Company and 2 persons designated by the Company shall receive a transfer of ordinary shares in GNET from NEWS In this regard, the Company expects that the entry into the transaction shall be completed within November 2020.

In this regard, the Board of Directors would like to propose to the 2020 Annual General Meeting of Shareholders to authorize the Executive Committee and/or managing director and/or any persons authorized by the Executive Committee and/or managing director to have the power to take any action in relation to Acquisition of Shares in GNET Transaction by the Company, including the following actions.

- (a) Determining, amending and adding details in relation to Acquisition of Shares in GNET Transaction by the Company under the scope of relevant laws;
- (b) Negotiating the contracts, amending and executing the contracts, as well as any other documents in relation to Acquisition of Shares in GNET Transaction by the Company,

including but not limited to the Share Purchase Agreement;

- (c) Executing, amending, modifying and contacting any application form for permission, as well as evidences necessary and relevant to Acquisition of Shares in GNET Transaction by the Company to the SEC, the SET, the relevant government agencies or authorities and having the power to take any necessary action, including sub-authorization;
- (d) Taking any action as necessary and deemed appropriate in order to achieve all abovementioned action.

Moreover, the Board of Directors approved to propose the 2020 Annual General Meeting of Shareholders to consider approving the entering into transactions on acquisition of the total number of ordinary shares in Green Net 1282 Company Limited from the existing shareholders which is a connected transaction, including any other relevant authorization as details above.

- 5. Approval for propose to the 2020 Annual General Meeting of Shareholders to consider approving an increase of the Company's registered capital of Baht 321,262,086 from the existing registered capital of Baht 803,155,214 to Baht 1,124,417,300, divided into 321,262,086 shares at the par value of Baht 1 per share, by issuing ordinary shares in the number of 321,262,086 shares at the par value of Baht 1 per share and approved to propose to the 2020 Annual General Meeting of Shareholders to consider approving the amendment to Clause 4 of the Memorandum of Association of the Company to be in accordance with the abovementioned increase of the Company's registered capital.

In this regard, the Executive Committee and/or managing director and/or any person authorized by the Executive Committee and/or managing director shall have the power to register the amendment to the Memorandum of Association with the Department of Business Development and take any necessary action to comply with the registrar's order in order to achieve the registration.

Details of the Capital Increase Report Form (F 53-4) can be found in Enclosure 3.

- 6. Approval for propose to the 2020 Annual General Meeting of Shareholders to consider approving the allocation of the newly issued ordinary shares in the Company up to 321,262,086 shares at the par value of Baht 1 per share to the existing shareholders proportionate to their respective shareholdings (Rights offering) at the allocation ratio of 5 existing ordinary shares to 2 new ordinary shares (equivalent to the total numbers of 321,262,086 shares for allocation) with the offering price at Baht 0.53 per share, amounting to total number up to Baht 170,268,905.58, and the subscription period of the newly issued ordinary shares of the Company for offering is determined to be from 12 to 13 and 16 to 18 November 2020 (totaling 5 business days).

If there are the newly issued ordinary shares remaining after the first allocation to the existing shareholders proportionate to their respective shareholdings, the Company shall allocate the remaining newly issued ordinary shares to the oversubscribing shareholders, based on their respective existing shareholding at the same offering price. In such allocation of the newly issued ordinary shares, the Company shall allocate the remaining shares until there is no remaining newly issued ordinary share or until there is no shareholder expressing his intention to subscribe the newly

issued ordinary shares. If there are still shares remaining from allocation, the Company shall decrease registered capital by decreasing such unallocated shares and shall not allocate them to specific persons (Private Placement).

In case there is shareholder expressing his intention to subscribe the newly issued ordinary shares over his existing shareholding, causing him and persons under Section 258 of the Securities and Exchange Act B.E. 2535 (1992) (including the amendments thereof) of such shareholder to increasingly hold the number of shares of the Company which reach or exceed the trigger point to make a tender offer, such shareholder shall have an obligation to make the tender offer for the purchase of all securities of the business pursuant to the Notification of Capital Market Supervisory Board No. TorChor. 12/2554 (2011) Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers ("**Notification on the Acquisition of Securities for Business Takeovers**"), unless such shareholder is exempted from making the tender offer for the purchase of all securities of the business according to the Notification on the Acquisition of Securities for Business Takeovers.

In such allocation of the newly issued ordinary shares, the Company reserves the right to consider not allocating the shares to any subscriber if such allocation causes or may cause the infringement of foreign shareholding restriction as specified in the Articles of Association of the Company which, at present, allows foreigners to collectively hold shares in the Company not exceeding 25 percent of the total number of sold shares in the Company.

The Company shall determine list of shareholders entitled to be allocated for the newly issued ordinary shares proportionate to their respective shareholdings (Record Date) on 16 October 2020. In this regard, the issuance and the offering of the newly issued ordinary shares to the existing shareholders are uncertain until an approval from the 2020 Annual General Meeting of Shareholders of the Company is granted.

The offering price at Baht 0.53 per share is a price lower than the par value of ordinary shares of the Company, therefore the Company is required to obtain an approval for the shareholders' meeting, pursuant to Section 52 of the Public Limited Company B.E. 2535 (including the amendments thereof). In this regard, the Company is able to offer the ordinary shares at the price lower than the par value of ordinary shares of the Company since the Company has suffered from deficit of Baht 971,059,000.00, based upon the consolidated financial statements of the Company as at 31 March 2020 which is the last financial statements reviewed by the certified public accountant.

Details of the Information Memorandum regarding the Allocation of the Newly Issued Ordinary Shares to the Existing Shareholders can be found in Enclosure 4.

7. Approval for the new determination of the 2020 Annual General Meeting of Shareholders, the date for determination of list of shareholders entitled to attend the 2020 Annual General Meeting of Shareholders (Record Date) and the date for determination of list of shareholders entitled to subscribe and be allocated for the newly issued ordinary shares proportionate to their respective shareholdings

(Rights Offering) (Record Date), as per the following details which were formerly specified by the Board of Directors' meeting No. 2/2020, held on 25 February 2020 and cancelled by the Board of Directors' meeting No. 3/2020, held on 31 March 2020 because of indefinitely postponement of the 2020 Annual General Meeting of Shareholders which was caused by the outbreak of Coronavirus disease (COVID-19).

7.1 Determining the 2020 Annual General Meeting of Shareholders to be on 17 August 2020 at 10.00 a.m., at the Conference Room, 9th Floor (Room B), Interlink Tower, Debaratna Road, Bangna-Tai Sub-District, Bangna District Bangkok 10260. Agenda items are as follows:

Agenda 1 To consider certifying Minutes of the Extraordinary of Shareholders No. 2/2019, held on 18 November 2019

Agenda 2 To acknowledge the Company's operating result for the year 2019

Agenda 3 To consider approving the financial statements ended as at 31 December 2019

The Board of Directors' meeting No. 2/2020, held on 25 February 2020, resolved to approve to propose to the 2020 Annual General Meeting of Shareholders to consider approving the financial statements and the statements of comprehensive profit of the Company for the fiscal year ended 31 December 2019 which were considered by the Audit Committee and audited by the certified public accountant.

Agenda 4 To consider approving the omission of allocation of net profit as legal reserve and the omission of dividend payment from the operating result for the year 2019

The Board of Directors' meeting No. 2/2020, held on 25 February 2020, resolved to approve to propose to the 2020 Annual General Meeting of Shareholders to consider approving the omission of allocation of net profit as legal reserve since the separate financial statements of the Company states net loss and the omission of dividend payment from the operating result for the year 2019 since the separate financial statements of the Company states the deficit.

Agenda 5 To consider approving the appointment of directors in replace of directors who will retire by rotation

The Board of Directors' meeting No. 2/2020, held on 25 February 2020, resolved to approve to propose to the 2020 Annual General Meeting of Shareholders to consider approving the appointment of directors in replace of directors who will retire by rotation. In the 2020 Annual General Meeting of Shareholders, there are 4 directors retiring by rotation as follows:

1. Mr. Sutee Phongpaiboon Position Independent director and Chairman of the Audit Committee and Chairman of the Nomination and Remuneration Committee
2. Mr. Chatchai Pokogwai Position Independent director and managing director
3. Mrs. Veerawan Vararuth Position Independent director
4. Mr. Metha Soonthornjit Position Independent director and member of the Audit Committee

The 2020 Annual General Meeting of Shareholders is proposed to consider approving the appointment of the following 3 directors to resume the positions for another term.

1. Mr. Sutee Phongpaiboon Position Independent director and Chairman of the Audit Committee and Chairman of the Nomination and Remuneration Committee
2. Mr. Chatchai Pokogwai Position Independent director and managing director
3. Mrs. Veerawan Vararuth Position Independent director

In addition, the Board of Directors' meeting No. 2/2020 approved to propose to the 2020 Annual General Meeting of Shareholders to consider approving the appointment of Mr. Suttichai Bunnag to take a position of Independent director and member of the Audit Committee in replace of Mr. Metha Soonthornjit which shall retire by rotation.

Agenda 6 To consider approving the determination of the remuneration of directors of the Company and sub-committee for the year 2020

The Board of Directors' meeting No. 2/2020, held on 25 February 2020, resolved to approve to propose to the 2020 Annual General Meeting of Shareholders to consider approving the determination of the remuneration of directors of the Company and sub-committee for the year 2020 in the approximate amount of Baht 2,600,000 (excluding the meeting allowance of the Nomination and Remuneration Committee which shall be paid in each time). Details of which are as follows:

Position	Remuneration		Unit
	2020 (Proposed)	2019	
Chairman of the Board of Directors	400,000	400,000	(Baht/Person/Year)
Chairman of the Audit Committee	400,000	400,000	(Baht/Person/Year)
Member of the Audit Committee	300,000	300,000	(Baht/Person/Year)
Independent Director	200,000	200,000	(Baht/Person/Year)
Non-Executive Director	200,000	200,000	(Baht/Person/Year)
Executive Director	200,000	200,000	(Baht/Person/Year)
Chairman of the Nomination and Remuneration Committee*	20,000	20,000	(Baht/Person/Year)
Member of the Nomination and Remuneration Committee *	10,000	10,000	(Baht/Person/Year)

Note : * the meeting allowance shall be paid in each time.

Agenda 7 To consider approving the appointment of auditors and the determination of audits' remuneration for the year 2020

The Board of Directors' meeting No. 2/2020, held on 25 February 2020, resolved to approve to propose to the 2020 Annual General Meeting of Shareholders to consider approving the appointment of auditors of the Company and subsidiaries for the year 2020, in the number of 3 persons from KPMG Poomchai Company Limited as follows.

1. Miss Pornthip Rimdusit Certified Public Accountant No. 5565 and/or
2. Mrs. Sasithorn Pongadisak Certified Public Accountant No. 8802 and/or
3. Miss Marisa Tharathornbunpakul Certified Public Accountant No. 5752

All of the above-mentioned auditors are not shareholders of the Company and does not provide a service as consultant for the Company, have no relationship and have no vested interest with the Company, subsidiaries, the management, major shareholders or related persons thereof. Moreover, due to such auditors' performance, there is no auditor having preformed for more than 5 years.

In addition, the Board of Directors' meeting No. 2/2020 approved to propose to the 2020 Annual General Meeting of Shareholders to consider approving the determination of audits' remuneration of the Company and subsidiaries for the year 2020 in the amount up to Baht 2,850,000. A comparison of audits' remuneration in 2020 and 2019 is as follows:

2020 (proposed) 4 companies	2019 2 companies
Baht 2,850,000	Baht 1,850,000

- Agenda 8 To consider approving the increase of the Company’s registered capital and approving the amendment to Clause 4 of the Memorandum of Association of the Company to be in accordance with the increase of registered capital**
- Agenda 9 To consider approving the allocation of the newly issued ordinary shares of the Company to the existing shareholders proportionate to their respective shareholdings (Rights Offering)**
- Agenda 10 To consider approving the entering into the transaction on acquisition of the total number of ordinary shares in Green Net 1282 Company Limited from the existing shareholders**
- Agenda 11 To consider approving the entering into the transaction on business and assets under tradename “Komchadluek” from Nation Multimedia Group Public Company Limited which is a connected transaction**
- Agenda 12 Any other matter (if any)**

- 7.2 Determination of the list of shareholders entitled to attend the 2020 Annual General Meeting of Shareholders (Record Date) to be on 15 July 2020
- 7.3 Determination of the list of shareholders entitled to subscribe and be allocated for the newly issued ordinary shares proportionate to their respective shareholdings (Rights Offering) (Record Date) to be on 16 October 2020. In this regard, the issuance and the offering of the newly issued ordinary shares to the existing shareholders are uncertain until an approval from the 2020 Annual General Meeting of Shareholders of the Company is granted.

Please be informed accordingly.

Sincerely yours,

(Mr.Chatchai Pokogwai)
Managing Director

**Information Memorandum on the Acquisition of Assets (Class 1) and the Entry into Connected Transaction
of Nation Broadcasting Corporation Public Company Limited**

The Board of Directors' Meeting No. 5/2020 of Nation Broadcasting Corporation Public Company Limited (the "**Company**"), which was convened on 25 May 2020 has resolved to approve the Company's entry into the connected transaction with Nation Multimedia Group Public Company Limited ("**NMG**"), its controlling person holding 573,829,611 shares in the Company or equivalent to 71.45 percent of the total sold shares in the Company, having details as follow:

1. the Company to purchase "Komchadluek" trademark from NMG; and
2. the Company to purchase assets and business operation under tradename "Komchadluek" ("**Komchadluek Business**") from Komchadluek Media Co., Ltd. ("**KMM**"), a subsidiary of NMG, whose 2,499,998 shares or equivalent to 99.99 of the total sold shares held by NMG.

The above transactions ("**Komchadluek Business and Trademark Acquisition**") is considered an acquisition of assets transaction according to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 (2008) Re: Rule on Entering into Material Transactions Deemed as Acquisition or Disposal of Asset dated 31 August 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposal of Asset B.E. 2547 (2004) dated 29 October 2004 (as amended) (collectively referred to as "**Notifications on Acquisition or Disposal of Assets**"). After calculating the size of such transaction based on the criteria under the Notifications on Acquisition or Disposal of Assets and based upon the consolidated financial statements for the year ended 31 March 2020 of the Company, audited by the certified public accountant of the Company, the transaction value equals to 6.73 percent based on the total value of consideration criterion, and when calculating other acquisition of assets transactions occurring in the past six months prior to the date on which the Board of Directors of the Company resolved to approve the entry into this transaction i.e. 4 following transactions:

- 1) the acquisition of the newly-issued ordinary shares totaling 50 percent of the total sold shares in Happy Products and Service Co., Ltd., which the highest transaction value equals to 2.09 percent based on the total value of consideration criterion and the 6-month interim consolidated financial statements ended 30 June 2019 of the Company;
- 2) the acquisition of assets of Spring Corporation Co., Ltd. ("**SPC**") and Nation Digital Content Co., Ltd. ("**NDI**"), which the highest transaction value equals to 3.81 percent based on the total value of

consideration criterion and the 9-month interim consolidated financial statements ended 30 September 2019 of the Company;

- 3) the acquisition of the newly-issued ordinary shares in Around The World Co., Ltd., which the highest transaction value equals to 0.36 percent based on the total value of consideration criterion and the 9-month interim consolidated financial statements ended 30 September 2019 of the Company;
- 4) the investment in coffee business in the amount of 9.00 million Baht, which the highest transaction value equals to 0.87 percent based on the total value of consideration criterion and the 3-month interim consolidated financial statements ended 31 March 2020 of the Company.

After including the acquisition of shares in Green Net 1282 Co., Ltd. ("**GNET**") of the Company that the total value of the transaction equals to 250,000,000.00 Baht and 24.04 percent when calculating based on the total value of consideration criterion as approved in the same meeting, the total maximum value of the transaction shall be equivalent to 37.90 percent per the total value of consideration criterion, which is considered a transaction in Category 2 under the Notifications on Acquisition or Disposal of Assets. As a result, the Company is required to disclose the information memorandum regarding this transaction as per the Schedule (1) of the Notifications on Acquisition or Disposal of Assets to the Stock Exchange of Thailand (the "**SET**") and circulate the information letter to its shareholders within 21 days of the date of disclosure of this transaction to the SET.

In addition, the entry into such transaction is considered a connected transaction of the Company in the category of transaction relating to assets or services since NMG is a controlling person of the Company in accordance with Section 89/1 of the Securities and Exchange Act B.E. 2535 (1992) (as amended) (the "**Securities and Exchange Act**"). This is because NMG holds voting shares in the Company equivalent to 71.45 percent of the total sold shares in the Company that is more than 50 percent of the total voting rights in the Company.

Besides, KMM is the same-level-subsiary to the Company and the connected person of NMG. Therefore, NMG and KMM are considered the connected persons in accordance the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 (2008) Re: Rules on Connected Transactions dated 31 August 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) dated 19 November 2003 (as amended) ("**Notifications on Connected Transactions**"). The transaction is in the category of transaction relating to assets or services at the value equivalent to 70.00 million Baht or 12.84

percent of the net total assets (NTA) of the Company, which is the highest transaction value based on the consolidated financial statements for the year ended 31 March 2020 of the Company. The value of this transaction is more than 20 million Baht or more than 3 percent of the net tangible asset value of the Company, whichever is higher, according to the Notifications on Connected Transactions.

The Company thus has a duty to disclose the relevant information memorandum to the SET, seek approval from the Board of Directors, and the shareholders' meeting of the Company with the votes of not less than three-fourths (3/4) of the total votes of shareholders attending the meeting and entitled to vote by which the votes of shareholder having vested interests are not counted, and appoint an independent financial advisors to provide opinion on this connected transaction and provide such opinion to the Office of the Securities and Exchange Commission (the "SEC"), the SET, and the shareholders of the Company. In this regard, the Company is considering an appointment of the independent financial advisor and the Board of Directors of the Company resolved to approve the authorization of the Executive Committee of the Company to consider nominating the independent financial advisors with appropriate qualifications set out by the SEC and under the fee at the amount approved by the Board of Directors of the Company. The Company will further disseminate the information once the Board of Directors of the Company has resolved to approve such appointment.

In any case, the Company has entered into a connected transaction, occurring in the past six months prior to the date on which the entry into this transaction was agreed, with NDI, a subsidiary of NMG and also a connected person of NMG, whose 149,999,998 shares or equivalent to 99.99 percent of the total sold shares are held by NMG, i.e. the acquisition of assets from NDI in the category of transaction relating to assets or services at the transaction size of 0.65 million Baht or 0.14 percent based on the Net Tangible Assets criterion (NTA) of the Company, which is the highest transaction value based on the consolidated financial statements ended 30 September 2019 of the Company, audited by the certified public accountant of the Company. The size of this transaction is less than 1 million Baht or less than 0.03 percent of the Net Tangible Assets criterion (NTA) of the Company. As a result, the Company is not required to disclose the information to the SET, seek approval from the Board of Directors of the Company, and seek approval from the shareholders' meeting under the Notifications on Connected Transactions for its entry into the transaction with NDI.

Therefore, the Company hereby notifies the details of the entering into such transaction as follows:

1. Date/ Month/ Year on which the transaction occurs

The Company will execute the Business and Trademark Purchase Agreement between the Company, NMG, and KMM, including the other relevant agreements, after the 2020 Annual Shareholders General Meeting of the Company, to be held on 17 August 2020, resolved to approve the Company's entry into the connected

transaction and payment of consideration for “Komchadluek” business and trademark after the condition precedents specified in the Business and Trademark Purchase Agreement and the other relevant agreements are satisfied. It is estimated that the transaction will be completed within November 2020 or any other date as may be agreed between the parties.

2. Related parties and their relationships with the listed company

Sellers : NMG and KMM

Purchaser : The Company

Relationship with the listed company : NMG is a controlling person of the Company in accordance with Section 89/1 of the Securities and Exchange Act, holding 71.45 percent of the total sold shares in the Company that is more than 50 percent of the total voting rights of the Company; KMM is the same-level-subsiary to the Company and the connected person of NMG.

3. General characteristic of the transaction and assets, and type and size of the transaction

3.1 General characteristic of the transaction and assets

The Company will enter into the Komchadluek Business and Trademark Acquisition from NMG and KMM having details as follows:

Details of the purchase : The Company to purchase (a) “Komchadluek” trademark from NMG, and (b) assets used for operation of Komchadluek Business from KMM.

Value of the transaction : Value of the transfer of (a) “Komchadluek” trademark from NMG equals to 69,900,000.00 Baht, and (b) assets used for operation of Komchadluek Business from KMM equals to 100,000.00 Baht, totaling 70 million Baht.

Completion Date : Within November 2020 or any other date as may be agreed between the parties

Key condition precedents : 1. The Company obtains approval from the Board of Directors' Meeting and the shareholders' meeting of the Company for the entry into Komchadluek Business and Trademark Acquisition;

2. KMM executes the letters for the transfer of employment with relevant employees to the Company;

3. NMG submits application to register the transfer of the "Komchadluek" trademark to the Company.

Key undertaking : NMG repays certain amount of outstanding debts to the Company within 7 working days from the Completion Date.

3.2 Business and Komchadluek Trademark

Sellers : (1) NMG is a controlling person of the Company in accordance with Section 89/1 of the Securities and Exchange Act, holding 71.45 percent of the total sold shares in the Company that is more than 50 percent of the total voting rights of the Company;

(2) KMM is the same-level-subsiary to the Company and the connected person of NMG.

Purchaser : The Company

Assets under the transaction : (a) "Komchadluek" trademark from NMG, and (b) assets used for operation of Komchadluek Business from KMM

Details of Assets : (a) "Komchadluek" trademark, Registration No. Khor183527, registered on 21 August 2003 (Category 16: newspaper, magazine)



(b) Tangible assets of KMM used for Komchadluek Business

(c) All websites (Domain Names), Facebook, Line and Youtube user-accounts that KMM owns or is entitled to use.

3.3 Type and size of the transaction

Komchadluek Business and Trademark Acquisition falls under the acquisition of assets transaction under the Notifications on Acquisition or Disposal of Assets. When calculating the size of the transaction based on the consolidated financial statements ended 31 March 2020 of the Company, the calculation has the details as follows:

Calculation Criteria	Calculation Formula
1. Net Tangible Assets criterion (NTA)	= (Sum of percentage of shares to be acquired x Net asset value of the company which will purchase shares) x 100 / Net asset value of the purchasing company
2. Net after-tax profit criterion	= Net after-tax profit of the company which will purchase shares x 100 / Net after-tax profit of the purchasing company
3. Total value of consideration criterion	= (Value of ordinary shares to be paid / Net asset value of the purchasing company) x 100
4. Value of securities issued by the listed company as consideration for the assets to be acquired	= Number of shares issued for payment of assets x 100 / Number of issued and sold shares of the purchasing company

The transaction size based on each criterion is as follows:

Calculation Criteria	Calculation Formular	Calculation Formula
1. Net Tangible Assets criterion (NTA)	Unable to calculate as NTA of KMM is negative.	
2. Net after-tax profit criterion	Unable to calculate as net after-tax profit of KMM is negative.	
3. Total value of consideration criterion	$\frac{70.00 \times 100}{1,040.08}$	6.73%
4. Value of securities issued by the listed company as consideration for the assets to be acquired	No issuance of newly-issued shares	
Maximum Criteria	Total value of consideration	6.73%

When calculating other acquisition of assets transactions occurring in the past six months prior to the date on which the Board of Directors of the Company resolved to approve the entry into this transaction i.e. 4 following transactions:

- 1) the acquisition of the newly-issued ordinary shares totaling 50 percent of the total sold shares in Happy Products and Service Co., Ltd., which the highest transaction value equals to 2.09 percent based on the total value of consideration criterion and the 6-month interim consolidated financial statements ended 30 June 2019 of the Company;
- 2) the acquisition of assets of SPC and NDI, which the highest transaction value equals to 3.81 percent based on the total value of consideration criterion and the 6-month interim consolidated financial statements ended 30 September 2019 of the Company;
- 3) the acquisition of the newly-issued ordinary shares in Around The World Co., Ltd., which the highest transaction value equals to 0.36 percent based on the total value of consideration criterion and the 6-month interim consolidated financial statements ended 30 September 2019 of the Company;
- 4) the investment in coffee business in the amount of 9 million Baht, which the highest transaction value equals to 0.87 percent based on the total value of consideration criterion and the 3-month interim consolidated financial statements ended 31 March 2020 of the Company;

After including the acquisition of shares in GNET of the Company that the total value of the transaction equals to 250,000,000.00 Baht or 24.04 percent per the total value of consideration criterion and is the transaction that was approved in the same meeting, the total maximum value of the transaction shall be equivalent to 37.90 percent per the total value of consideration criterion, which is considered a transaction in Category 2 under the Notifications on Acquisition or Disposal of Assets. As a result, the Company is required to disclose the information memorandum regarding this transaction as per the Schedule (1) of the Notifications on Acquisition or Disposal of Assets to the SET and circulate the information letter to its shareholders within 21 days of the date of disclosure of this transaction to the SET.

3.4 Details of the Sellers

Name of Company

Nation Multimedia Group Public Company Limited (“**NMG**”)

Category of Business

Media and publications

Characteristics of Business Operation

NMG and its subsidiaries operate business activities as follows:

1. Printed Matters Business

As for business relating to news in Thai language, NMG published “Bangkok Biz news”, a daily newspaper in Thai language providing news in various aspects including business, finance, investment, politics, society, and lifestyle..

2. New Media Platform and Event Marketing Business

All media in the Nation group is transformed to online and social media platforms via websites, Facebook, Youtube, Line, Twitter, and Instagram. These are operated by Bangkok Business Broadcasting Co., Ltd. (BBB), whose company name was changed to Spring 26 Co., Ltd. on 15 February 2019, and recently changed to Nation Digital Content Co., Ltd. on 19 September 2019. Examples of which are www.BangkokBiznews.com, and www.nationthailand.com, including news reporting on Facebook, Twitter, Youtube, Line and other platforms

3. New Media Platform and Event Marketing Business

Organizing activities, trainings, and seminars in addition to the potential of news and information of all media under Nation group.

Name of Company

Komchadluek Media Co., Ltd. (“**KMM**”)

Category of Business

Media and publications

Characteristics of Business Operation

KMM engages in production of news in Thai language via online media and also event organization. Currently, KKM cooperates to product “Kep Tok Pak Tiang” television program on Nation 22 channel.

4. Total value of consideration, value of acquired assets, criteria used to determine total value of consideration and payment condition

4.1 Total value of the transaction

The Company will enter into Komchadluek Business and Trademark Acquisition in the total amount of 70 million Baht.

4.2 Criteria used to determine the total value of consideration

The total value of consideration for the Komchadluek Business and Trademark Acquisition is in accordance with negotiation and agreement between the Company and the Sellers and is mainly determined by evaluation of capacity to generate income and profits to the Company in the future (Discounted Cash Flow) by referring to the net cash flow in the future of the acquiring businesses, i.e. online media, television program, and event organization. Key assumptions of the cash flows for those 3 businesses can be summarized as follows:

4.2.1 Assumption concerning income

(a) Assumption concerning income for online media business:

Monthly projections in 2020 and annual projection in 2021- 2025					
Source of income	Jan – Mar 2020 (Actual)	Apr – Jun 2020 (Forecast)	Jul 2020 (Forecast)	Aug – Dec 2020 (Forecast)	2020 (Forecast)
Facebook	0.15 MB per month avg.	0.15 MB per month avg.	0.18 MB	0.18 MB per month avg.	1.96 MB per annum
Google	0.42 MB per month avg.	0.42 MB per month avg.	0.50 MB	0.50 MB per month avg.	5.54 MB per annum
Youtube and Line today	0.30 MB per month avg.	0.30 MB per month avg.	0.30 MB	0.30 MB per month avg.	3.59 MB per annum

Monthly projections in 2020 and annual projection in 2021- 2025					
Source of income	Jan – Mar 2020 (Actual)	Apr – Jun 2020 (Forecast)	Jul 2020 (Forecast)	Aug – Dec 2020 (Forecast)	2020 (Forecast)
Direct Sale - Advertising	0.47 MB per month avg.	0.57 MB per month avg.	0.57 MB	0.57 MB per month avg.	6.45 MB per annum

Monthly projections in 2020 and annual projection in 2021- 2025 (Cont'd)					
Source of income	2021 (Forecast)	2022 (Forecast)	2023 (Forecast)	2024 (Forecast)	2025 (Forecast)
Facebook	22.22 MB per annum	2.33 MB per annum	2.44 MB per annum	2.57 MB per annum	2.70 MB per annum
Google	6.31 MB per annum	6.62 MB per annum	6.95 MB per annum	7.30 MB per annum	7.67 MB per annum
Youtube and Line today	3.76 MB per annum	3.95 MB per annum	4.15 MB per annum	4.36 MB per annum	4.58 MB per annum
Direct Sale - Advertising	7.17 MB per annum	7.53 MB per annum	7.90 MB per annum	8.30 MB per annum	8.71 MB per annum

Assumption concerning income from Facebook, Google, Youtube, and Line today refers to actual income in January to March 2020 and projections from April to June 2020 that is an assumption of the income during the first three months without taking growth into account.

Since the Company plans to redecorate its website, coding, and speed of accessibility of website, and its content to be in accordance with the searching demand (Search Engine Optimization), it results in the website of Komchadluek becoming easier to access in June 2020 and the Company will enable to generate income from advertisement fee. The advisor then assume the growth of Facebook and Google at 16.40 percent of the income in the prior month that refers to the growth of advertising budget in digital media over the past 5 years and in comparison with the average growth rate in the past, the Company has developed its subsidiaries” the interface of the website and contents according to the searching demand (Search Engine Optimization) and found that the growth rate is at 72.29 percent (more than

growth rate the Company refers to in the projection). The growth assumption in 2021 – 2025 at 5 percent per annum on a conservative basis.

The Company made a projection for the income from Line today during April to December 2020 on the income of the first three months of 2020 without growth and the assumption of such growth in 2021 – 2025 at 5 percent per annum on a conservative basis.

As for the income from the direct sale business at the amount of 0.57 million Baht in 2020, it is referred to the existing advertisement contracts of Komchadluek business. The Company assumes the growth rate of 5 percent per annum in 2021 – 2025 on a conservative basis.

(b) Assumption concerning income for television program business is based on the projection of monthly income at the amount of 0.3 million Baht from advertisement in “Keb Tok Pak Tiang” program on Nation 22 channel and the growth rate of 5 percent per annum from 2021 – 2025.

(c) Assumption concerning income for event organizing business is based on the assumption of two events per annum, i.e. Khomchadluek Award, and Khomchadluek Wing Loy Fah, starting in 2021 with the projection of income at the amount of 10.06 million Baht in 2021, based in the past income during 2017 – 2020 and a growth rate of 1.68 per annum referred to the inflation rate from 2021 to 2025.

4.2.2 Assumption concerning cost

(a) Assumption concerning cost of online media business:

Variable cost of online media business		
Cost	Oct 2019 – Mar 2020	2020 (F) – 2025 (F)
Revenue share	4.64 percent of revenue from Facebook and Google	4.64 percent of revenue from Facebook and Google

The Company made an assumption for variable costs of online media business based on the actual variable costs during October 2019 to March 2020, which is varied depending on revenue from Facebook and Google.

Fixed cost of online media business			
Cost	Jan 2020 – Mar 2020	Apr 2020 (F)	2021 (F) – 2025 (F)
Revenue share	2.16 MB	1.23 MB	1.23 MB and increasing of 4 percent per annum for wages and other costs at 1.68 percent per the inflation rate

The Company made an assumption for fixed costs of online media business from wages, post purchasing cost, travel expenses, lease of spaces and utilities, common service fee, expenses for online development system team, etc. – based on the business plan of the company that has decreasing expenses comparing to the past information from reducing of personnel to be in line with fast evolving online media business. In any case, the Company determines the growth rate of general expenses based on the inflation rate and growth of wages and welfare of 4 percent per annum.

- (b) Assumptions concerning cost of television business comprises cost for broadcasting time of 0.15 million Baht, wages of 0.96 million Baht and production cost of 0.33 million Baht per month, which are all fixed costs. The Company determines the growth rate of expenses on broadcasting time at 3 percent per annum and growth of wages and welfare of 4 percent per annum.
- (c) Assumptions concerning cost of event organization is variable costs depending on activities organizing at the proportion of 42.02 percent based on the past information of the Company from 2017 – 2020.

4.2.3 Assumption concerning discount rate is based on weighted average cost of financing of the Company and the risk free rate of ten years, SET Total Return Index (TRI Index) in the average rate of ten years and leveraged beta based on unleveraged beta of companies operating similar business activities.

Value of Komchadluek Business and Trademark is based on the discounted cash flow approach on the discount rate of 8.09 – 9.09 percent per annum and the terminal growth at the assumption of 1.68 percent per annum as per the inflation rate. This results in the valuation of Komchadluek Business and Trademark equaling 70.11 – 99.56 million Baht.

4.3 Criteria used to determine the total value of the transaction

The Komchadluek Business and Trademark Acquisition is considered a transaction relating to assets or services under the Notifications on Connected Transactions. The transaction value equals to 70 million Baht or 12.84 percent of the net total assets (NTA) of the Company, which is the highest transaction value based on the consolidated financial statements for the year ended 31 March 2020 of the Company. The value of this transaction is more than 20 million Baht or more than 3 percent of the net tangible asset value of the Company, whichever is higher according to the Notifications on Connected Transactions. The net total asset (NTA) of the Company as per the consolidated financial statements for the year ended 31 March 2020 of the Company have details as follows:

Financial Information of the Company	Amount (Million Baht)
Total Assets	1,040.08
Less: Intangible Assets	12.61
Less: Total Debts	482.40
Less: Non-controlling Interest	-
Net Total Asset (NTA)	545.07

4.4 Total value of consideration and payment condition

The Company will pay consideration for the purchase of Komchadluek Business and “Komchadluek” trademark to the Sellers in the total amount of 70 million Baht (without interest, damages, withholding and/or claims) within November 2020 or on any postponement agreed among the Company and the Sellers to the bank account specified by the Sellers; and NMG is required to repay certain amount of the outstanding debts to the Company within 7 working days from the Completion Date.

5. Expected benefits to the Company from the transaction

The Company will be able to expand the market share of the leading new media producers with Komchadluek as a digital news platform and social media including websites and Facebook. This will result in the Company becoming the market leader that will expand customer base and enhance commercial negotiation power. Moreover, the acquisition of such business operation will enable the Company to gain more customers and network of news followers, which will lead to the opportunities for public relations of the Company for its products and services. This will increase business opportunities of the business operation of the Company. Nevertheless, the Company takes risk factors with regard to the Acquisition of Komchadluek Business and Trademark that can be summarized as follows:

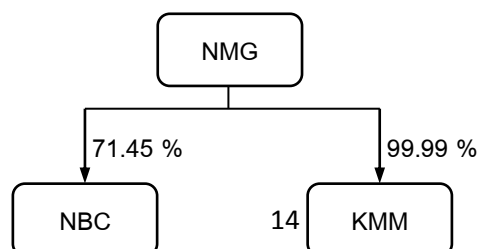
Risk factors with regard to the Acquisition of Komchadluek Business and Trademark:

1. Risks from unexpected performance of the target business. Since the media business and consumption behaviors are fast evolving and the uncertainties including economy, trend of industries, the Company may encounter the risks and competitions that will result in its performance, which is lower than its expectation. However, the Company believes that the goodwill and popularity and customer base of Komchadluek trademark is an advantage of the Company in its competition including the trend of growth in digital media business. The Company also forecasts the budget for advertisement on digital media in 2020 at 20,250 million Baht or 12.16 percent growth. As for 2020, Digital Advertising Association (Thailand) or DAAT together with the Kantar Worldpanel (Thailand) Co., Ltd. – a leading research company analyzes that the media industries will be at the most growth among other industries in 2020, which will expand the opportunities in income generation and the performance of operation in the future (Source: Advertising Association of Thailand and Digital Advertising Association (Thailand))
2. Risks from dependency on the management and personnel. Since the media business mainly relies on operations by personnel, the Company hence encounters the risks in case the Company could not maintain such working personnel. However, the Company, at present, have sufficient existing personnel with quality and proficiency on media business e.g. sales team, content team. In order to reduce this risk, the Company plans to manage its human resources to be more efficient by establishing a structure of compensation, better welfare or measures to satisfy its human resources that can solicit and maintain its quality personnel with the Company.

6. Name of connected person and characteristics of relationship

NMG is a controlling person of the Company in accordance with Section 89/1 of the Securities and Exchange Act, holding voting shares in the Company equivalent to 71.45 percent of the total sold shares in the Company that is more than 50 percent of the total voting rights in the Company. Besides, KMM is the same-level-subsiary to the Company and a subsidiary of NMG whereby NMG holds 2,499,998 shares or equivalent to 99.99 percent of the total sold shares in KMM.

Chart showing shareholding structure in NBC and KMM in brief.



6.1 Current directors of NBC (As of 25 May 2020) :

Mr. Sontiyon Chuenruetaidhama	Chairman of the Board of Directors
Mr. Shine Bunnag	Vice Chairman of the Board of Directors and Chairman of Executive Committee
Mr. Chatchai Pokogwai	Director, and Managing Director
Mrs. Lakana Ratwongsakul	Director and Member of the Nomination and Remuneration Committee
Miss. Aura-orn Akrasanee	Director and Nomination and Remuneration Committee
Mr. Sutee Phongpaiboon	Independent Director and Chairman of the Audit Committee, and Chairman of the Nomination and Remuneration Committee
Mr. Metha Soonthornjit	Independent Director and Member of the Audit Committee
Mrs. Veerawan Vararuth	Independent Director
Mr. Pornchai Reonghathainont	Independent Director and Member of the Audit Committee and Member of the Nomination and Remuneration Committee
Mr. Chalie Dithaluksana	Independent Director

6.2 Current directors of NMG (As of 25 May 2020) :

Mr. Marut Arthakaivalvatee	Chairman of the Board of Directors
Mr. Shine Bunnag	Chairman of the Executive Directors, Vice Chairman of the Board of Directors (No.1), and Chief Executive Officer
Mr. Sontiyon Chuenruetaidhama	Vice Chairman of the Board of Directors (No.2)
Mr. Somchai Meesen	Director

Mrs. Warangkana Kalayanapradit	Director
Mr. Ka Ming Jacky Lam	Director
Mr. Apivut Thongkam	Chairman of the Audit Committee, and Independent Director
Mr. Chaiyasit Puvapiromquan	Audit Committee, and Independent Director
Mr. Thanachai Santichaikul	Audit Committee, and Independent Director
Mrs. Salinee Wangtal	Independent Director

6.3 Current directors of KMM:

Mr. Supawat Sanguanggam	Director
Mr. Prakit Chompookham	Director

7. Characteristics and scope of interest of the connected person

7.1 Directors having vested interest (As of 25 May 2020) :

List of directors having vested interest by being directors in NMG and KMM

1. Mr. Sontiyon Chuenruetainaidhama Chairman of the Board of Directors of the Company
(Remark – *Mr. Sontiyon Chuenruetainaidhama submitted a resignation letter from the position as a director of the Company on 25 May 2020, which will be effective on 1 June 2020.*)
2. Mr. Shine Bunnag Vice Chairman of the Board of Directors

There was 9 directors attended the Board of Directors' Meeting No. 5/2020 held on 25 May 2020, which constituted a quorum as required by the Articles of Association of the Company. As for the agenda to consider approving the Komchadluek Business and Trademark Acquisition that is a connected transaction, the above directors who have vested interest were restrained from participating in the meeting and voting in such agenda.

7.2 Directors having vested interest

As of 25 May 2020, NMG holds shares in the Company at the amount of 71.45 percent of the total sold shares in the Company.

8. Corporate governance and administration

The entry into Komchadluek Business and Trademark Acquisition shall not cause a competition in business operation between the Company and NMG because of the following reasons:

1. NMG operates printed matters business which publishes "BangkokBiz newspaper", a daily newspaper in Thai language, while KMM had ceased its printed matters business under the name of Komchadluek since 9 April 2020.
2. NDI presents contents via digital media (New Media) or other channels under the name of BangkokBiz, by emphasizing on business contents in every level both in Thailand and foreign country and macro-economy and micro-economy, which are specific and having more specific target group than KMM's contents, which is presented via digital media (New Media) or other channels under the name of Komchadluek that emphasizes society contents and general politics contents. BangkokBiz's target group is not the same as Komchadluek's. Method of news presentation of BangkokBiz also differs from Komchadluek's.
3. The fact in item 2. illustrates that BangkokBiz and Komchadluek neither are in the same business market nor compete with each other in marketing. Referring to market share, Komchadluek has never considered BangkokBiz as its competitor for business operation. Also, program sponsors or partners who insert an advertisement or buying media with BangkokBiz and Komchadluek are still different on the ground of a difference in target group of customers or news audiences of BangkokBiz and Komchadluek. BangkokBiz focuses on group of consumers interested in business news, while Komchadluek focuses on group of consumers interested in general news. This may be stated that BangkokBiz and Komchadluek occupy market share which is distinct, different and non-overlapping. Therefore, when the Company enters into the Acquisition of Komchadluek Business and Trademark Transaction, the Company shall not operate competitive business with NMG in any respect.
4. Furthermore, KMM conducts business of event or reputed event management under the name of Komchadluek, for example, Komchadluek Award and Sky Running Event (Ngan Wing Loi Fah). After the entry into this transaction, the Company shall have an exclusive right to organize the said events, instead of KMM.

9. Source of fund and sufficiency of working capital

The Company will utilize the funds from the increase in capital of the Company that will be proposed to the 2020 Annual General Meeting of the Company to be held on 17 August 2020 to consider approving the increase of the registered capital and allocation of the newly-issued shares proportionate to the rights of each shareholder (Right Offerings). The Company expects to gain the funds from the capital increase in the amount of

not exceeding 170.27 million Baht and/or loan from financial institution or appropriate investors, bond issuance, and issuance of bill of exchange in the amount of 149.73 million Baht approximately. The Company will carefully consider the circumstance going forward.

10. Opinions of the Board of Directors concerning the entry into the transaction

The Board of Directors' Meeting of the Company No. 5/2020 held on 25 May 2020 (without directors those who have vested interest) has carefully considered the entering into the Komchadluek Business and Trademark Acquisition, and is of the view that the entry into such transaction shall be beneficial to the Company due to the following reasons.

1. The Company will be able to expand the market share of the leading new media producers with Komchadluek as a digital news platform and social media including websites and Facebook. This will result in the Company becoming the market leader that will expand customer base and enhance commercial negotiation power. Moreover, the Company will be able to cooperate to organize huge events since KMM has event organizing business, e.g. Komchadluek Award and Komchadluek Wing Loy Fah. In addition, the investment in digital media business as a growing trend depending on the dynamic consumption behaviors may be a positive result on the financial status and share value of NBC.
2. The Company will be repaid the outstanding debts at the amount of 70 million Baht from the Seller as per the terms and conditions of the transaction, i.e. the Sellers will repay its outstanding debts at the amount of 70.00 million Baht from the sale of Komchadluek Business and Trademark to the Company. Such debt is already impaired in light of accounting. As a result, the repayment will benefit the Company's financial statements since the Company will recognize profit at the amount of 70.00 million Baht.
3. The acquisition of business and the expansion of the existing business will enable the Company to manage cost and expense of production department more efficiently, e.g. resource sharing between news and program production and co-working of personnel.

Further, the entering into the Komchadluek Business and Trademark Acquisition shall be utmost beneficial to the Company when comparing to the entering into such transaction with other party since Komchadluek has numerous follows and the trademark is well-known for a long period of time. This will result in the Company gaining more news followers from the trademark. In addition, the personnel with quality and proficiency from KMM will be transferred to the Company and will enable the Company to continue the business operation with efficiency.

11. Opinions of the Company's Audit Committee and/or directors which are different from the opinions of the Board of Directors under 9

All the directors of the Company is unanimously of the opinion that is in line with the opinion of the Board of Directors of the Company above, and there was no Audit Committee of the Company views differently to the resolution of the Board of Directors' of the Company above.

The Board of Directors of the Company certifies that the information contained in this Information Memorandum is true, complete and accurate in all respects, no material information that should be clarified is missed and it will not cause mistakes to other people.

Please be informed accordingly.

Sincerely yours,

(Mr.Chatchai Pokogwai)

Managing Director

Information Memorandum on the Acquisition of Assets (Class 1) of
Nation Broadcasting Corporation Public Company Limited

The Board of Directors' meeting No. 5/2020 of Nation Broadcasting Corporation Public Company Limited (the "**Company**") held on 25 May 2020 resolved to approve the entry into the acquisition of asset in Green Net 1282 Company Limited ("**GNET**") by acquisition of all 189,997 ordinary shares in GNET, at the par value of Baht 100, or equivalent to 99.998 percent of the total number of sold shares of GNET, from News Network Corporation Public Company Limited ("**NEWS**"), an existing shareholder of GNET, at the price of Baht 865.30 per share, which the total price is 164,403,759.95 Baht.

The entry into such transaction ("**Acquisition of Shares in GNET Transaction by the Company**") is considered the acquisition of assets according to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 (2008) Re: Rule on Entering into Material Transactions Deemed as Acquisition or Disposal of Asset dated 31 August 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposal of Asset B.E. 2547 (2004) dated 29 October 2004 (as amended) ("**Notifications on Acquisition or Disposal of Assets**"). The transaction value is equal to 24.04 percent based on the total value of consideration criterion, which is the criterion used for calculation and results in the highest transaction value from the reviewed interim consolidated financial statements for the three-month period of the Company ended 31 March 2020, which was reviewed by the certified auditors of the Company. When calculating other acquisition of assets transactions occurring in the past six months prior to the date of the board of directors of the Company's approval to enter into this transaction, totaling four transactions as follows:

- 1) The acquisition of newly issued ordinary shares, equivalent to 50 percent of total number of sold shares of Happy Products and Service Company Limited, which its highest transaction value is equal to 2.09 percent based on the total value of consideration criterion calculated from the reviewed interim consolidated financial statements for the six-month period of the Company ended 30 June 2019;
- 2) The acquisition of asset of Spring News Corporation Company Limited ("**SPC**") and Nation Digital Content ("**NDI**"), which its highest transaction value is equal to 3.81 percent based on the total value of consideration criterion calculated from the reviewed interim consolidated financial statements for the nine-month period of the Company ended 30 September 2019;
- 3) The acquisition of newly issued ordinary shares in Around the World Company Limited, which its highest transaction value is equal to 0.36 percent based on the total value of consideration criterion calculated from the reviewed interim consolidated financial statements for the nine-month period of the Company ended 30 September 2019; and

- 4) The investment in coffee business in the amount of Baht 9.00 million, which its highest transaction value is equal to 0.87 percent based on the total value of consideration criterion calculated from the reviewed interim consolidated financial statements for the three-month period of the Company ended 31 March 2020

Moreover, when combining the acquisition of business and asset under the tradename “Kom Chad Luek” from Nation Multimedia Group Public Company Limited and Kom Chad Luek Media Company Limited, which its total transaction amount is equal to Baht 70.00 million and the total transaction value is therefore equal to 37.90 percent based on the total value of consideration criterion, falling under Class 2 transaction, according to the Notification of Acquisition or Disposal of Assets. Therefore, the Company has the duty to disclose the information memorandum regarding the transactions to the Stock Exchange of Thailand (the “**SET**”) according to the annex one attached to the Notification of Acquisition or Disposal of Assets immediately, and deliver the information letter to its shareholders within 21 days from the date of disclosure of the transaction to the SET.

Nonetheless, the entry into Acquisition of Shares in GNET Transaction by the Company from NEWS is not fall under the connected transaction pursuant to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 (2008) Re: Rules on Connected Transactions dated 31 August 2008 (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) dated 19 November 2003 (as amended) (“**Notifications on Connected Transactions**”).

Further, with regard to the Acquisition of Shares in GNET Transaction by the Company , it is deemed that the Company has received the transfer of private company pursuant to Section 107 (2) (b) of the Public Company Limited Act B.E. 2535 (1992) (as amended), which prescribes that the receipt of transfer of business of other company or private company by any public company limited shall be approved by the shareholders’ meeting with the vote of no less than three-fourth of total votes of the shareholders attending the meeting and being entitled to cast the vote. In this regard, the Board of Directors’ meeting No. 5/2020 of the Company held on 25 May 2020 resolved to propose an agenda in relation to approval of entry into the acquisition of asset transaction to the shareholders’ meeting of the Company of 2020, which shall be held on 17 August 2020, in order to comply with the relevant laws accordingly.

Thus, the Company would like to disclose the information for the entering into such transaction as follows:

(1) Date/month/year on which the transaction occurs

The Company shall enter into the share purchase agreement in relation to shares in GNET between the Company and NEWS (the “**Share Purchase Agreement**”) and/or any other relevant agreements after obtaining the approval to enter into acquisition of asset transaction from the Board of Directors’ meeting No. 5/2020 of the

Company held on 25 May 2020 and shall repay the consideration of the purchased shares in GNET after the condition precedents specified in the Share Purchase Agreement and/or other relevant agreements are duly satisfied. In this regard, the Company expects that the entry into the transaction shall be completed within November 2020.

(2) Related parties and their relationships with the listed company

Sellers : NEWS
Purchaser : the Company

(3) General Characteristics of the transaction and size of the transaction

3.1 General Characteristics of the transaction

The Company shall purchase all ordinary shares in GNET in the total number of 189,997 shares at a par value of Baht 100 per share, or equivalent to 99.998 percent of the total number of sold shares of GNET from the Sellers, at the purchase price of Baht 865.30 per share, which the total purchase price is 164,403,759.95 Baht. The details of which are as follows:

Details of the purchase of shares from the Sellers : The Company shall purchase all ordinary shares in GNET in the total number of 189,997 shares from NEWS as well as require the two individual shareholders of GNET holding 1 share and 2 shares, respectively, totaling 3 shares to transfer the said shares to two persons designated by the Company.

Value that the Company will enter into transaction : The value of the purchase of shares in GNET transaction of the Company in the total number of 189,997 shares, is equivalent to Baht 164,403,759.95 at the purchase price of Baht 865.30 per share.

Completion date of the purchase of shares : within November 2020 or any other date as may be agreed by the parties

Significant Condition Precedents

1. The Company has been approved by its board of directors and shareholders' meeting to enter into the Acquisition of Shares in GNET Transaction by the Company and NEWS has been approved by its board of directors to enter into the Acquisition of Shares in GNET Transaction by the Company;
2. The Company has been approved by its board of directors and shareholders' meeting to increase its registered capital in the amount of Baht 321,262,086.00 from the existing registered capital i.e. Baht

803,155,214 to new registered capital i.e. Baht 1,124,417,300.00 (including amendment to the memorandum of association) and allot the newly issued shares to the existing shareholder on a pro rata basis (Rights Offering), which the shareholders have declared their intention to subscribe the newly issued shares and repay the share subscription consideration in the amount of no less than Baht 321,262,086.00;

3. GNET has executed the debt acknowledgement letter with NEWS for the accrued principal and interest the GNET owed to NEWS in relation to 12 bills of exchange promissory notes, amounting Baht 81,556,712.42, which GNET and NEWS agreed to calculate the interest until 21 May 2020 (including such date); and the amount of interest of such promissory notes until 21 May 2020 equals to Baht 4,039,527.63 (the **"Debt Acknowledgement Letter"**), totaling Baht 85,596,240.05, which is due and payable within seven business day from the date of completion of share acquisition ("the **"Maturity Date under the Debt Acknowledgement Letter"**)

In this regard, NEWS has waived GNET the interest from the principal from 25 May 2020 until the majority date under the Debt Acknowledgement Letter;

4. GNET has executed the online media service provision agreement with Nation Digital Content Company Limited;
5. GNET has executed the service agreement with relevant call center operators and the employment agreement with the relevant employees;
6. GNET has proceed with the intellectual property matters as follows:
 - (1) GNET has change the registration in relation to its domain name with the domain name registrar or domain name service provider in order for GNET to be the domain name holders of all domain names used for the business operation in all respect;
 - (2) GNET has extended the domain name registration which is about to expire in all respect;

- (3) GNET has proceeded by any means to effect that the possession of legitimate right over the user account in all social media platform used by GNET for its business operation;
- (4) GNET has executed the memorandum of understanding between the seller, GNET, and T NEWS TV Company Limited ("TNEWS") in order for GNET to be an owner of the trademarks totaling three marks; and
- (5) GNET has submitted the application form in relation to trademark, service mark, certification mark and collective mark (Kor. 01 Form) as designated by the seller to the Department of Intellectual Property, the Ministry of Commerce.

Remark: 1/ GNET still remains the debtor of NEWS according to the Debt Acknowledgement Letter. On maturity date under the Debt Acknowledgement Letter, GNET shall make a repayment in the said amount by considering cash flows or working capital or other sources of fund of GNET or GNET may undertake by any other means in order to comply with the debt repayment conditions as specified in the said Debt Acknowledgement Letter

Key undertakings

- :
1. GNET shall proceed to register the trademark(s) used for its business operations to the Department of Intellectual Property, the Ministry of Commerce and deliver evidence of registration to the Company within 24 month from the Completion Date.
 2. In case any of the above trademark(s) has not been registered, NEWS shall proceed and assist GNET and/or the Company to register such trademark again and/or procure that the Company will be entitled to use such trademark covering the protection period of each relevant trademarks. The seller shall be responsible for all expenses with respect to the process of registration of the said trademarks.

3.2 Type and size of the transaction

3.2.1 Transaction of the acquisition of assets

The entry into Acquisition of Shares in GNET Transaction by the Company is considered as an acquisition of assets transaction pursuant to the Notifications on Acquisition or Disposal of Assets. When calculating the transaction value based on the consolidated financial statement of the Company and GNET ended 31 March 2020, reviewed by the certified auditors of the Company, the details in relation to the calculation are as follows:

Transaction Size Calculation Criteria	Calculation Formula
1. Net Tangible Assets Basis (NTA)	= (Sum of percentage of shares to be acquired by the purchasing company x Net asset value of the company to be acquired) x 100 / Net asset value of the purchasing company
2. Net after-tax profit from the normal course of business operation	= (Sum of percentage of shares to be acquired x Net after-tax profit of the company to be acquired) x 100 / Net after-tax profit of the purchasing company
3. Total value of consideration	= (Value of ordinary shares to be paid / Net asset value of the purchasing company) x 100
4. Value of securities issued by the listed company in consideration of the assets to be acquired	= Number of shares issued in consideration of the assets x 100 / Number of issued and paid-up shares of the purchasing company

By applying each basis, the calculations of the transaction size are as follows:

Calculation Criteria	Calculation Formula	Transaction Value
1. Net Tangible Assets (NTA)	Unable to calculate since NTA of GNET is negative.	
2. Net after-tax profit from the normal course of business operation	Unable to calculate since net profit of GNET is negative.	
3. Total value of consideration	$\frac{250.00 \times 100}{1,040.08}$	24.04%
4. Value of securities issued by the listed company as consideration for the assets to be acquired	No issuance of new shares	
Highest Calculation Criterion	Total value of consideration	24.04%

Remarks: 1/ *The total value of consideration is the purchase price of the ordinary shares in GNET, i.e. Baht 164,403,759.95 and the obligation to repay accrued debt together with the interest pursuant to the Debt Acknowledgement Letter of GNET, equivalent to Baht 85,596,240.05, totaling Baht 250,000,000.*

According to the calculation of transaction value above, the transaction value is equal to 24.04 percent based on the total value of consideration criterion, which is the criterion used for calculation and results in the highest transaction value from the reviewed interim consolidated financial statements for the three-month period of the Company ended 31 March 2020, which were reviewed by the certified auditors of the Company. When calculating other acquisition of assets transactions occurring in the past six months prior to the date of the board of directors of the Company's approval to enter into this transaction, totaling four transactions i.e.

- 1) The acquisition of newly issued ordinary shares, equivalent to 50 percent of total number of sold shares of Happy Products and Service Company Limited, which its highest transaction value is equal to 2.09 percent based on the total value of consideration criterion calculated from the reviewed interim consolidated financial statements for the six-month period of the Company ended 30 June 2019;
- 2) The acquisition of asset of Spring News Corporation Company Limited ("**SPC**") and Nation Digital Content ("**NDI**"), which its highest transaction value is equal to 3.81 percent based on the total value of consideration criterion calculated from the reviewed interim consolidated financial statements for the nine-month period of the Company ended 30 September 2019;
- 3) The acquisition of newly issued ordinary shares in Around the World Company Limited, which its highest transaction value is equal to 0.36 percent based on the total value of consideration criterion calculated from the reviewed interim consolidated financial statements for the nine-month period of the Company ended 30 September 2019; and
- 4) The investment in coffee business in the amount of Baht 9.00 million, which its highest transaction value is equal to 0.87 percent based on the total value of consideration criterion calculated from the reviewed interim consolidated financial statements for the three-month period of the Company ended 31 March 2020;

the total transaction value in aggregate shall equivalent to 7.14 percent based on the total value of consideration criterion. Moreover, when combining the acquisition of business and asset under the tradename "Kom Chad Luek" from Nation Multimedia Group Public Company Limited and Kom Chad Luek Media Company Limited, approved in the same time, which its total transaction amount is equal to Baht 70.00 million. Therefore, the total transaction value is therefore equal to 37.90 percent based on the total value of consideration criterion. The entry into such transaction falls under Class 2 transaction, according to the Notification of Acquisition or Disposal of Assets. Therefore, the Company has the duty to disclose the information memorandum regarding the transactions to the Stock Exchange of Thailand (the "**SET**") according to the annex one attached to the Notification of

Acquisition or Disposal of Assets, immediately, and deliver the information letter to its shareholders within 21 days from the date of disclosure of the transaction to the SET.

(4) Details of the acquired assets

4.1 Details of Assets

Company name : Green Net 1282 Company Limited

Date of incorporation : 11 April 2007

Corporate registration no. : 0105550041064

Registered capital : Baht 19,000,000

Directors :

1. Mr. Arak Ratborihan
2. Mr. Pranot Kosakarn
3. Mr. Ekachai Chaicherdchookij
4. Ms. Kingkarakade Chuenruetainaidhama

Remark - Mr. Arak Ratborihan, Mr. Pranot Kosakarn, and Ms. Kingkarakade Chuenruetainaidhama have submitted the resignation letters from the positions of directors of GNET. To date, GNET is proceeding with registration for changes of directors to the Department of Business Development, the Ministry of Commerce.

Authorized signatories : Two directors jointly sign together with the company's seal affixed.

Number of shares : 190,000 shares, all of which are full paid-up ordinary shares

Par value : Baht 100 each

Encumbrance in relation : None
to acquired asset

4.2 List of Shareholders dated 25 May 2020

No.	List of Shareholders	Shareholding Number (Share)	Shareholding Proportion (percent)
1.	NEWS Network Corporation Public Company Limited	189,997	99.998
2.	Mr. Ekachai Chaicherdchukij	2	0.001
3.	Mr. Pipat Chanasongkram	1	0.001
	Total	190,000	100

No.	List of Shareholders	Shareholding Number (Share)	Shareholding Proportion (percent)
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Remark – this list of shareholders of GNET is based on the shareholder register of GNET. To date, GNET is proceeding with submission of the list of shareholders (Form BOJ. 5) to the Department of Business Development, the Ministry of Commerce.

4.3 Nature of business

GNET operates its business in relation to the provision of information and news via mobile phone, internet, which subsequently GNET has changed its business. At the present, GNET operates three main business i.e. (a) Call Center Business (Customer Information Center), which is the provision of service in relation to the agent accepting calls for external organization (both accept and dial the calls), which has two types of service: 1. Inbound: the provision of service in order to obtain the information in relation to goods and service of Happy, a TV Home shopping business, broadcasted in Nation TV channel; and 2. Outbound: the provision of service to its customer for proposing the goods and service based on the information of existing customer of Happy in order to propose the goods and service which is matched with the interest and need of the customer; and (b) TNEWS, an online platform media operating through Facebook, Website, Youtube, Line, Twitter; and (c) Business in relation to the provision of service regarding statistic processing of data program, which is able to analyze page view and revenue of each team, page view and revenue of each website and page, in order of the executive to acknowledge the ability and capability to generate income of the content writer and to manage to increase the current popular content, which shall generate increased income accordingly. In this respect, GNET has its plan to use this developed program to provide service to functions or organizations desiring to increase their income from new media to their functions or organizations.

4.4 Financial Information

Summary of Profit and Loss Statement

List	Profit and Loss Statement							
	for the year 2017		for the year 2018		for the year 2019		Quarter 1 of 2020	
	Baht Million	Percent	Baht Million	Percent	Baht Million	Percent	Baht Million	Percent
Revenue from sale and	111.51	99.41	107.04	98.71	61.69	96.91	13.59	98.83

List	Profit and Loss Statement							
	for the year 2017		for the year 2018		for the year 2019		Quarter 1 of 2020	
	Baht Million	Percent	Baht Million	Percent	Baht Million	Percent	Baht Million	Percent
management								
Other revenue	0.66	0.59	1.40	1.29	1.97	3.09	0.16	1.16
Total Revenue	112.17	100.00	108.44	100.00	63.66	100.00	13.75	100.00
Total Expense	97.30	86.74	101.69	93.78	112.85	177.27	20.82	151.42
Profit (loss) before financial cost and corporate income tax	14.87	13.26	6.75	6.22	(49.20)	(77.29)	(7.07)	(51.42)
Financial Cost	1.05	0.94	1.02	0.94	1.92	3.02	0.50	3.64
Corporate Income Tax Expense	2.28	2.03	1.43	1.32	-	-	-	-
Annual Net Profit (Loss)	11.54	10.29	4.30	3.97	(51.52)	(80.93)	(7.57)	(55.06)

Remarks: 1/ Cost of service of 2019 consists of the severance pay repaid to call center operator employees and other employees in TV department, totaling 3.46 Baht million.

2/ In 2019, GNET has negative profit (loss) before financial cost and corporate income tax due to other expense totaling Baht 7.79 million, consisting of severance pay in the amount of Baht 3.28 million, loss from write-off asset in the amount of Baht 1.66 million, unredeemed input tax in the amount of Baht 1.50 million, and the rest is expense not deductible and stipulated penalty. Moreover, GNET's revenue has been substantially decreased since the revenue from TV advertisement decreased in the amount of Baht 11.00 million and revenue from TNEWS website advertisement decreased in the amount of Baht 37.00 million from 2018 due to the restructure of TNEWS' business unit resulting in the a large number of resignation of GNET's employee in late 2019. Further, in order to continue to run its business, GNET has to temporarily outsource the operation of TNEWS' business unit to external organization, which if not include the other special expense and severance pay (for cost of service), GNET shall have net profit in the amount of Baht (24.91) million for the year 2019.

Summary of Statement of Financial Position

List	Statement of Financial Position			
	for the year 2017	for the year 2018	for the year 2019	Quarter 1 of 2020

	Baht Million	Percent	Baht Million	Percent	Baht Million	Percent	Baht Million	Percent
Cash and cash equivalent	6.95	15.06	4.49	7.85	6.78	16.98	5.78	21.78
Account receivable and other obligor	27.19	58.86	41.05	71.76	27.17	68.03	15.50	58.40
Inventory	4.02	8.70	1.87	3.27	0.50	1.25	∴	∴
<u>Other current assets</u>	∴	∴	∴	∴	∴	∴	0.30	1.13
Land, building and equipment	6.74	14.60	6.07	10.62	1.70	4.26	1.41	5.31
Total Assets	46.19	100.00	57.20	100.00	39.94	100.00	26.54	100.00
Account Payable and other debtors	11.45	24.80	19.19	33.55	23.67	59.26	17.84	67.22
Net Short Term Loan	20.80	45.03	20.30	35.49	52.60	131.70	52.60 ^{1/}	198.19
Total Liabilities	35.71	77.31	42.43	74.17	76.28	190.99	70.45	265.45
Issued and paid-up capital	19.00	41.14	19.00	33.21	19.00	47.57	19.00	71.59
Retained earnings (loss)	(8.52)	(18.45)	(4.22)	(7.38)	(55.34)	(138.56)	(62.91)	(237.04)
Total owners' equity	10.48	22.69	14.78	25.83	(36.34)	(90.99)	(43.91)	(165.45)
Total owners' liability and equity	46.19	100.00	57.20	100.00	39.94	100.00	26.54	100.00

Remark : The financial statements for the year 2017 – 2019 and the financial statements for the quarter 1/2020 have been audited and reviewed by the auditor, i.e. CWWP Company Limited, who is an audit approved by the Securities and Exchange Commission.

1/ According to the short-term loan transaction, there will be additional debt entry of Baht 28.96 million, amounting to the total number of the short-term loan transactions of Baht 81.56 million, which are stated in the financial statements for the quarter 2/2020 since, based on the details of promissory notes, this transaction occurred on 15 May 2020, thus, there is not an entry of estimated liabilities which may occur in the financial statement for the quarter 1/2020. Moreover, combining the amount of interest calculated until 21 May 2020 of Baht 4.04 million, GNET shall have the total amount of debts to be repaid from the short-term loan transactions of Baht 85.60 million, which referred details are specified in the Debt Acknowledgement Letter.

(5) Total value of consideration, value of acquired assets, criteria used to determine total value of consideration and payment condition

5.1 Total value of consideration, value of acquired assets and payment condition

The Company shall purchase all ordinary shares in GNET in the total number of 189,997 shares at a par value of Baht 100 per share, or equivalent to 99.998 percent of the total number of sold shares of GNET from the Sellers, at the price of Baht 865.30 per shares, which the total purchase price is 164,403,759.95 Baht without interest, damages, withholding of tax and/or any other claims.

The Company shall repay the consideration of shares to the Seller within November 2020 or any other deferred date as agreed upon the Company and the Seller to the designated bank account of the Seller. In this regard, GNET has duty to repay accrued debt pursuant to the Debt Acknowledgement Letter, totaling Baht 85,596,240.05 within the Maturity Date under the Debt Acknowledgement Letter.

5.2 Criteria used to determine total value of consideration

The total value of consideration of Acquisition of Shares in GNET Transaction by the Company is derived from the appraisal of value of shares of the business by various approaches i.e. book value, adjusted book value, proportion of share price to book value and discounted cash flow. The approach of determination of purchase price is derived from discounted cash flow approach and the negotiation and agreement between the Company and the Sellers. In this regard, the agreement with the Seller having main assumptions of the cash flow are summarized as follows:

In appraisal of value of shares of the business by discounted cash flow approach is the estimation of future cash flow of GNET in the period of five years (from 2020 – 2024), on the assumption that the Company shall operate its business continually (Going Concern Basis) and there is no material change arisen. The details of which are as follows:

1. Assumption in terms of revenue

The revenue from the core businesses of GNET consists of (1) online media and the Internet business, (2) call center business, and (3) the revenue from the use of program.

(1) Online media and the Internet business

Online media business is the new form of online media such as Facebook, Google and Youtube.

Income for New Media per impression per month							
Unit : Baht million	2018	2019	2020F	2021F	2022F	2023F	2024F
Facebook – Instant Articles	Baht 0.0185	Baht 0.0143	Baht 0.0142	Baht 0.0142	Baht 0.0142	Baht 0.0142	Baht 0.0142
Facebook – Video		Baht 0.4662	Baht 0.4662	Baht 0.4662	Baht 0.4662	Baht 0.4662	Baht 0.4662
Google	Baht 0.0068	Baht 0.0142	Baht 0.0126	Baht 0.0126	Baht 0.0126	Baht 0.0126	Baht 0.0126
Youtube	N/A	Baht 0.0369	Baht 0.02145	Baht 0.02145	Baht 0.02145	Baht 0.02145	Baht 0.02145

Remarks: The calculation formula of the number of impression (million) = the number of page view (million) x the number of impression per page view.

The assumption in relation to the estimation of revenue for April to December 2020 is referred to statistic of page view and actual impression between January to March 2020 as the basis of calculation since statistic of page view and impression of Facebook in the first quarter of 2020 decreased from the previous year and the statistic of page view and impression of Google in the first quarter of 2020 significantly increases from the previous year. In respect of 2021-2022, the growth rate equals to 16.40 percent of the estimation of 2020, which the said growth rate is referred to the value of use of the Internet from Media Agency Association of Thailand. In respect of 2023, the growth rate equals to 1.68 percent due to the inflation rate.

The assumption in relation to the estimation of revenue from new media to impression per month of each channel is referred to the revenue of the new media to the impression per month in the period of August 2019 – March 2020.

Estimation of the number impression per month								
Unit: million impression	2018	2019	January - March 2020	2020F	2021F	2023F	2023F	2024F
Facebook – Instant article	309.04	126.69	12.03	11.35	12.95	15.08	15.33	15.59
Facebook – Video	4.02	2.44	0.18	0.18	0.21	0.25	0.25	0.26
Google	81.33	108.90	244.40	286.73	350.17	407.60	414.45	421.41
Youtube	-	3.98	1.21	1.17	1.35	1.57	1.60	1.63

Further, online media business has the revenue in respect of direct sales i.e. revenue from direct offering of online media to the customer by its employee, which has the assumption of estimation from GNET's business plan.

Unit : Baht million	January – March 2020	April – December 2020	2020F	2021F	2022F	2023F	2024F
Direct Sales	0.36	0.73	1.09	0.99	1.01	1.03	1.04

The revenue from online and the Internet business in aggregate

Summary of the revenue from online media and the Internet business									
Unit : Baht million	2018	2019	January – March 2020	April – December 2020	2020F	2021F	2022F	2023F	2024F
Facebook – Instant Articles	60.45	22.18	0.49	1.46	1.91	2.20	2.56	2.60	2.64
Facebook – Video		3.69	0.03	0.78	0.82	1.22	1.42	1.44	1.46

Summary of the revenue from online media and the Internet business									
Unit : Baht million	2018	2019	January – March 2020	April – December 2020	2020F	2021F	2022F	2023F	2024F
Google	4.09	15.59	11.19	34.18	45.38	53.05	61.75	62.78	63.84
Total Facebook and Google	64.54	41.46	11.71	36.43	47.88	56.47	65.73	66.82	67.94
Youtube	-	1.66	0.06	0.22	0.29	0.34	0.40	0.41	0.42
Direct sales	2.95	0.28	0.36	0.73	1.09	0.99	1.01	1.03	1.04
Other revenue	3.85	-	-	-	-	-	-	-	-
Total revenue from online media and the Internet business	71.14	43.41	12.13	37.39	49.27	57.81	67.15	68.27	69.42

(2) Provision of service in relation to program business

There is an assumption according to GNET's business plan, which there is the entry into a service agreement with a party and the said agreement shall be executed within the second quarter of 2020. Therefore, there is the estimation of revenue from the use of service from July 2020 onwards. Revenue from the use of service between July to December 2020 approximately Baht 1.25 million. Therefore, After GNET offered a trial period to a potential customer, their revenue from online media increase significantly.

Unit : Baht million	July – December 2020	2020F	2021F	2022F	2023F	2024F
Revenue from provision of service in relation to program	7.50	7.50	15.58	16.16	16.78	17.42

(3) Call center business: the provision of service in relation to the receipt of calls for external organization

Unit : Baht million	January – March 2020 (Actual)	April – December 2020 (Forecast)	2020F	2021F	2022F	2023F	2024F
Inbound	6.84	25.00	31.84	33.53	34.99	36.52	38.13
Outbound	1.46	3.06	4.52	7.49	9.18	9.79	10.46
Other revenue	0.32	0.54	0.86	0.33	0.34	0.35	0.36
Revenue from call center business	8.62	28.61	37.23	42.08	45.25	47.43	49.74

The revenue from call center business is generated from the two types of provision of service i.e. 1. Inbound: the provision of service in order to provide the information regarding the goods and closing the sale; and 2. Outbound: the provision of service to its customer for proposing the goods and service based on the information of existing customer. At the present, there is a main provision of service with Happy Shopping, which the Company has estimated the revenue of the call center business as follows:

- (a) Inbound revenue is estimated to be 10.00 percent from inbound revenue of Happy Shopping, which is estimated from the growth of inbound revenue according to Happy Shopping's business plan;
- (b) Outbound revenue is estimated to be 15.00 percent from outbound revenue of Happy Shopping, which is estimated from the growth of outbound revenue according to Happy Shopping's business plan;
- (c) Other revenue such as provision of service in relation to data storage and preparation of sales report to the third parties including the receipt of calls to sell other goods or service to Happy Shopping such as tour package.

Further, in March and April 2020, which is in the Covid-19 situation, more people stay at home and the watching of TV increases accordingly. The change of consumer behavior directly affects the call center business since there is more audience watching TV rendering more opportunity for the customer to watch the advertisement, more call for order of goods, and subsequently making the company to close the sale more. However, the

Company estimates that the sale volume of the Company shall increase at least in the period of three to four months or until the Covid-19 situation is relieved.

2. Assumption in terms of cost

(1) Cost assumption of online media and the Internet business

Variable Cost					
Cost	2020F	2021F	2022F	2023F	2024F
Commission Fee for Content Team	6.21 percent of revenue from Facebook and Google	6.21 percent of revenue from Facebook and Google	6.21 percent of revenue from Facebook and Google	6.21 percent of revenue from Facebook and Google	6.21 percent of revenue from Facebook and Google
Revenue Sharing Fee	10.44 percent of revenue from Facebook and Google	10.44 percent of revenue from Facebook and Google	10.44 percent of revenue from Facebook and Google	10.44 percent of revenue from Facebook and Google	10.44 percent of revenue from Facebook and Google

The Company has set the assumption for variable cost for TNEWS' business unit with reference to the actual variable cost incurring from October 2019 to March 2020. The variable cost of TNEWS' business unit shall be fluctuated pursuant to the revenue mainly from Facebook and Google, which is changed from time to time.

Fixed cost per year					
Cost	2020F	2021F	2022F	2023F	2024F
Cost from employee's salary	Baht 13.21 million	Baht 13.70 million	Baht 14.38 million	Baht 15.09 million	Baht 15.83 million
Other fixed cost	Baht 6.20 million	Baht 6.26 million	Baht 6.41 million	Baht 6.56 million	Baht 6.71 million

The assumption for estimation of fixed cost of TNEWS' business unit consists of cost from employee's salary and other fixed cost such as news writing fee, post purchase fee, transportation fee, office expense with reference to the actual fixed cost incurred in the period of first three months of 2020, which the employee's salary

cost shall be increased approximately in the amount of 4.91 percent per year according to the Company's business plan and other cost shall be increased in the amount of 1.68 percent.

(2) Cost assumption of provision of service in relation to program business

Unit : Baht million	July to December 2020	2020F	2021F	2022F	2023F	2024F
Cost from employee's salary	4.71	4.71	9.90	10.40	10.92	11.46
Cost from rental fee	2.44	2.44	4.96	5.04	5.12	5.21
Other cost	0.43	0.43	0.88	0.90	0.91	0.93

The assumption for estimation of cost from provision of service in relation to program business is referred to business plan of the Company, which the cost from employee's salary shall be increased at the rate of 5.00 percent per year according to the Company's business plan. In respect of cost from rental fee and other cost shall be increased at the rate of 1.68 percent per year due to inflation rate.

(3) Cost assumption of call center business

Variable Cost					
Cost	2020F	2021F	2022F	2023F	2024F
Commission Fee – Inbound and Outbound	5.83 percent of inbound and outbound revenue	8.37 percent of inbound and outbound revenue	10.06 percent of inbound and outbound revenue	10.11 percent of inbound and outbound revenue	10.19 percent of inbound and outbound revenue

The assumption for estimation of variable cost from call center business unit is from the commission fee from inbound and outbound with reference to the business plan and policy of GNET, which designates the commission fee pursuant to the goal regarding call center operator, which in the estimation of 2020, commission fee from outbound is low since the estimated sale volume of outbound has not reached the target i.e. more than Baht 300,001 per month and the percent of variable cost from commission fee from estimation has been being increased every year due to escalated commission fee calculation as per the increased sale volume as per the table below:

Variable Cost	
Commission fee from inbound	Revenue from Baht 300,000 to 399,999 and above – 0.50 percent of commission fee Revenue from Baht 400,000 to 599,999 and above – 0.75 percent of commission fee Revenue from Baht 600,000 and above – 1.00 percent of commission fee
Commission fee from outbound	Revenue from Baht 250,000 to 300,000 and above – no commission fee Revenue from Baht 300,001 to 400,000 and above – 3.00 percent of commission fee Revenue from Baht 400,001 to 700,000 and above – 4.00 percent of commission fee Revenue from Baht 700,001 to 1,000,000 and above – 5.00 percent of commission fee Revenue from Baht 1,000,001 and above – 6.50 percent of commission fee

Fixed Cost					
Cost	2020F	2021F	2022F	2023F	2024F
Cost from provision of service	2.22	2.30	2.32	2.34	2.36
Cost from rental fee	2.32	2.36	2.40	2.44	2.48
Cost from utility fee	1.62	1.93	2.05	2.08	2.16

The assumption for estimation of fixed cost from call center business is referred to the past information and GNET's business plan consisting of 1. Cost from provision of service such as telephone fee, the Internet fee, system rental fee for operation etc.; 2. Cost from rental fee i.e. office rental fee; 3. Cost from utility

fee such as electricity fee, tap water fee, office expense, which is estimated that the fixed cost shall be increased at the rate of 1.68 percent due to the inflation rate.

(4) Assumption for management expense

The assumption for management expense, which is the cost in relation to common expenses of GNET, is estimated with reference to GNET's business plan and is estimated to be increased at the rate of 1.68 percent due to inflation rate.

Unit : Baht million	2020F	2021F	2022F	2023F	2024F
Management Expense	7.41	7.54	7.66	7.79	7.92

According to the assumption in terms of revenue, cost and expense above, the total revenue, total cost, total expense, net profit and EBITDA can be summarized as follows:

Unit : Baht million	2020F	2021F	2022F	2023F	2024F
Revenue	94.29	115.48	128.58	132.49	136.59
Cost and expense	(82.65)	(88.27)	(95.73)	(99.83)	(104.42)
Net profit	1.62	12.39	7.91	18.97	20.10
EBITDA	15.75	27.21	32.85	32.66	32.17

In respect of assumption in terms of working capital, it is considered on the basis of the term of average demanding of debt and the average repayment of debt for 2019, which in March 2020, the assumption of the term of demanding of debt of TNEWS is 113.64 days, and of call center is 71.47 days, and the average repayment of debt of TNEWS is 31.19 days.

The Company has appraised the future cash flow of the Company in the period of approximately five years (March 2020 – 2024), on the assumption that the Company shall operate its business continually (Going Concern Basis), since GNET operates the business without limitation in terms of time or period, and it is designated that the terminal value calculated from discounted rate below and it is estimated the cash flow in 2024 since in such year GNET shall have stable estimated cash flow. In this respect, to estimate cautiously, the Company designated that the terminal growth rate is equal to the inflation rate.

From all above assumptions, the Company has appraise the value of the business by means of discounted cash flow, which uses the discounted rate at the rate of 10.15 percent, which is the discounted rate calculated on the basis of these following assumptions:

Assumption		Remarks
W_d (Weight of debt)	7.46%	The proportion of debt with the interest of NBC to debt with the interest of GNET and shareholders' equity of NBC since shareholders' equity of GNET is negative.
W_e (Weight of equity)	92.54%	The shareholders' equity of NBC to the debt with interest of NBC and shareholders' equity of NBC since shareholders' equity of GNET is negative.
K_d (Cost of debt)	6.18%	Interest rate of GNET.
K_e (Cost of equity)	10.57%	Rate of return of shareholders from CAPM formula
R_f (Risk free rate)	1.21%	Interest rate of long-term government bond with 10-year term
R_m (Market return)	12.52%	Average SET Total Return Index: TRI Index) of the past ten years
β (Beta)	0.83	Average leveraged beta referred from unleveraged beta of the company whose business is the same or similar nature as the Company of the past five years

From the assumptions above, it can be summarized the shareholders' equity by means of discounted cash flow that the fair value is between Baht 140,795,100 to 206,108,679 calculated from the weighted average cost of capital of "WACC" (calculated at the discounted rate of 9.65 percent to 10.65 percent) and GNET has its obligation to repay the accrued debt pursuant to the Debt Acknowledgement Letter, totaling Baht 85,596,240.05. When combining the fair value of GNET and the accrued debt, it is between Baht 226,391,340 to 291,704,919, which the purchase price of Baht 250,000,000 falls under the appraised fair value.

(6) Expected benefits to the Company from the transaction

6.1 The expansion of core business and related business in digital media, event organizing, home shopping, which are inclined to grow in the future

The entry into this transaction shall make the Company to expand its market share and increase the customer base in relation to digital business since GNET has TNEWS business unit operating the provision of news and information business via various popular channels i.e. Facebook Website and Youtube. Further, GNET also has its platform to analyze the information capable to develop the existing digital media of the Company, which shall make the Company to be the leader of comprehensive media business both in respect of television and new digital media which are in accordance with the consumer behavior at the present. Further, those businesses have tendency to highly grow, which might be beneficial to the operation of the Company.

In respect of event organizing business and home shopping business, which are the related business of the Company, the entry into this transaction shall be beneficial to the said businesses also, since GNET has call center business unit, which can be developed and support the home shopping business, which has the tendency to grow in the future, of Happy, a subsidiary of the Company, which must depends upon the sale of goods via call center system. Further, call center business shall be the hub of other business of all group companies, in terms of provision of information to customer as well as the offering and sale of goods and service of the Company such as seminar, running event, tour package etc, which shall increase the possibility in generating revenue to the group company.

6.2 The increase in working and management capability, and ability to develop the media business of the Company

The entry into this transaction shall bring about the cooperation (synergy), which can apply the knowledge and proficiency of the Company and GNET working team together. In this respect, the knowledge, experience and proficiency of composing of content can be applied and adjusted with the composing of content in terms of television and digital media to increase the quality of news and information.

6.3 The more efficient cost and expense management

The entry into this transaction shall bring about the expansion of business of the Company to the related business and development of existing business of the Company, which shall make the Company to manage the cost and expense in relation to the business operation more efficiently such as the management of human resources in terms of content to be in accordance with the business plan and cost management in order to utilize the resources in the most efficient way such as the use of common personnel, sales team, application team, including the development of the use of existing content, news and information of the Company.

6.4 The diversification of risk by not depending upon the main revenue of Company

The entry into this transaction shall make the Company to diversify its business risk from not depending upon the revenue of the main business solely i.e. the television business and digital media business.

Nevertheless, the Company has considered the risks in relation to the acquisition of shares in GNET, which are summarized as follows:

Consideration of risks in relation to the acquisition of shares in GNET

1. Risk of operational result being not satisfactory as expected Due to the swift changes in media business, change in consumer behavior to consume the media as well as instability including in terms of economic condition, industrial tendency, the Company may face risks and competition in the business rendering the operational result being not satisfactory as expected. Nonetheless, owing to the reputation, goodwill, popularity, recognition and customer base of T-NEWS, T-Sood, 77Jowo brands of GNET's chain, the Company believes that it shall be beneficial in terms of the advantage in terms of competition including the tendency of digital media business which has a constantly high growth in the past and the estimation of advertisement budget in the digital media in 2020 is approximately Baht 20,250 million or increased by 12.16 percent. In 2020, Digital Advertising Association (Thailand) in cooperation with Kantar Worldpanel (Thailand) Company Limited, a leading research company, has analyzed that the media industry shall have the maximum growth rate in 2020, which shall affect the opportunity in generating revenue and having good operational result (Reference: Media Agency Association of Thailand and Digital Advertising Association (Thailand)).
2. Risk of dependence of executive and personnel Since the media business depends upon the personnel in relation to the operation. Therefore, the Company shall face the risk in case the Company cannot retain its personnel. However, the Company has existing sufficient quality personnel proficient in media business such as sales team, content team. Further, to decrease this risk, the Company has planned the personnel management plan efficiently by well structuring the return, increase in the welfare, or any other measure increasing satisfaction of the personnel, which can attract and retain the quality personnel.

(7) Source of funds

The Company will seek the source of funds from the issuance and offering of newly issued shares to existing shareholders on a pro rata basis (Rights Offering), which the Company expects that it shall receive the proceed from capital increase in the amount of not exceeding Baht 170.27 million, approximately, and/or loan from financial institution or suitable investors, the issuance of bond and bill of changes etc., totaling approximately Baht 149.73 million, which the Company shall discreetly consider the situation from time to time.

(8) Conditions on entering into the transaction

Since the Acquisition of Shares in GNET Transaction by the Company falls under Class 2 transaction, according to the Notification of Acquisition or Disposal of Assets, after obtaining the approval from the Board of Director's meeting No. 5/2020 held on 25 May 2020, the Company has the duty to disclose the information memorandum regarding the transactions to the SET according to the annex one attached to the Notification of Acquisition or Disposal of Assets immediately, and deliver the information letter to its shareholders within 21 days from the date of disclosure of the transaction to the SET.

Further, with regard to the Acquisition of Shares in GNET Transaction by the Company, it is deemed that the Company has received the transfer of private company pursuant to Section 107 (2) (b) of the Public Company Limited Act B.E. 2535 (1992) (as amended), which prescribes that the receipt of transfer of business of other company or private company by any public company limited shall be approved by the shareholders' meeting with the vote of no less than three-fourth of total votes of the shareholders attending the meeting and being entitled to cast the vote. In this regard, the Board of Directors' meeting No. 5/2020 of the Company held on 25 May 2020 resolved to propose an agenda in relation to approval of entry into the acquisition of asset transaction to the shareholders' meeting of the Company of 2020, which shall be held on 17 August 2020, in order to comply with the relevant laws accordingly.

The Company shall enter into the Share Purchase Agreement and/or any other relevant agreements after obtaining the approval to enter into acquisition of asset transaction from the Board of Directors' meeting No. 5/2020 of the Company held on 25 May 2020 and shall repay the consideration of the purchased shares in GNET after the condition precedents specified in the Share Purchase Agreement and/or other relevant agreements are duly satisfied. In this regard, the Company expects that the entry into the transaction shall be completed within November 2020.

(9) Opinions of the Board of Directors concerning a decision to enter into the transactions

The Board of Directors' meeting of the Company no. 5/2020 held on 25 May 2020 has discreetly consider the entry into the Acquisition of Shares in GNET Transaction by the Company, and was of the view that the entry into the said transaction is rational and shall be beneficial to the Company as follows:

1. The Company is able to expand the core business and related business i.e. the digital media business, event organizing and home shopping business, all of which having tendency to grow in the future. The expansion in terms of core business shall make the Company to be the leader of comprehensive media business both in respect of television and new digital media which shall help expand the customer base and its bargaining power. The expansion in terms of related business i.e. call center business unit of GNET shall develop and support home shopping business' growth. Moreover, the Company is able to use the call center business unit of GNET to offer and sell goods and service of the Company such as seminar, running event, tour package etc., which shall increase the possibility in generating revenue to the group company.
2. The working and management capability, and ability to develop the media business of the Company shall be increased since the entry into this transaction shall bring about the cooperation (synergy), which can apply the knowledge and proficiency of the Company and GNET working team together. In this respect, the knowledge, experience and proficiency of composing of content can be applied and adjusted with the composing of content in terms of television and digital media to increase the quality of news and information.
3. The efficient cost and expense management shall be more sufficient since the entry into this transaction shall bring about the expansion of business of the Company to the related business and development of existing business of the Company, which shall make the Company to manage the cost and expense in relation to the business operation more efficiently such as the management of human resources in terms of content to be in accordance with the business plan and cost management in order to utilize the resources in the most efficient way such as the use of common personnel, sales team, application team, including the development of the use of existing content, news and information of the Company.
4. The risk of depending upon the main revenue of Company is diversified since the entry into this transaction shall make the Company to diversify its business risk from not depending upon the revenue of the main business solely i.e. the television business and digital media business.

Further, the Board of Directors has considered the return from the investment and was of the view that it is worth for investment; the tendency of digital media business which has a constantly high growth in the past; and the estimation of advertisement budget in the digital media in 2020 is approximately Baht 20,250 million or increased by 12.16 percent. In 2020, Digital Advertising Association (Thailand) in cooperation with Kantar Worldpanel (Thailand) Company Limited, a leading research company, has analyzed that the media industry shall has the maximum growth rate in 2020, which shall affect the opportunity in generating revenue and having good operational result (Reference: Media Agency Association of Thailand and Digital Advertising Association (Thailand)).

(10) Opinions of the Company's Audit Committee and/or directors which are different from the opinions of the Board of Directors under (9) regarding the entering into the transaction

The Board of Directors of the Company has unanimously resolved to approve the entry into this transaction and there is no any Audit Committee or the directors of the Company having any different opinions from the opinion of the Board of Directors of the Company above. In this regard, in such meeting, all Audit Committee and the Board of Directors attended the meeting.

The Board of Directors of the Company certifies that the information contained in this Information Memorandum is true, complete and accurate in all respects, no material information that should be clarified is missed and it will not cause mistakes to other people.

Please be informed accordingly.

Sincerely yours,

(Mr.Chatchai Pokogwai)
Managing Director

(F 53-4)

Capital Increase Report Form
Nation Broadcasting Corporation Public Company Limited
25 May 2020

We, Nation Broadcasting Corporation Public Company Limited (the “**Company**”), which head office is located at No. 1858/57-62, 12A Floor, Debaratna Road, Bangna-Tai Sub-District, Bangna District Bangkok, hereby reports the resolutions of the Board of Directors’ meeting of the Company No. 5/2020, which was held on 25 May 2020, to the Stock Exchange of Thailand (the “**SET**”) with respect to capital increase and allocation of newly issued ordinary shares to existing shareholders proportionate to their respective shareholdings (Rights Offering) as follows:

1. Capital increase

The Board of Directors has resolved to approve an increase of the Company’s registered capital of Baht 321,262,086 from the existing registered capital of Baht 803,155,214 to Baht 1,124,417,300 by issuing ordinary shares in the number of 321,262,086 shares at the par value of Baht 1 per share. The details of the capital increase are as follows:

Type of capital increase	Type of share	Number of share (share)	Par Value (Baht per share)	Total (Baht)
<input checked="" type="checkbox"/> Specifying the purpose of utilizing proceeds	Ordinary shares	Up to 321,262,086 shares	1	Up to 321,262,086 Baht
	Preferred shares	-	-	-
<input type="checkbox"/> General Mandate	Ordinary shares	-	-	-
	Preferred shares	-	-	-

2. Allocation of newly issued shares

2.1. Specifying the purpose of utilizing proceeds

Allocated to	Number of share (share)	Ratio (current : new)	Offering price (Baht per share)	Subscription period and payment period	Remark
To accommodate the allocation of the newly issued shares to the	Up to 321,262,086.00	5 existing ordinary shares to	Baht 0.53 per share Please see	Please see remark (1)	Please see remark (2)

Allocated to	Number of share (share)	Ratio (current : new)	Offering price (Baht per share)	Subscription period and payment period	Remark
existing shareholders proportionate to their respective shareholdings (Rights Offering)		2 new ordinary shares	remark (1)		

Remark 1. In respect of the allocation of the newly issued ordinary shares to the existing shareholders proportionate to their respective shareholdings (Rights offering), the Company determines the allocation ratio of 5 existing ordinary shares to 2 new ordinary shares (equivalent to the total numbers of 321,262,086 shares for allocation) with the offering price at Baht 0.53 per share, amounting to total number up to Baht 170,268,905.58, and the subscription period of the newly issued ordinary shares of the Company for offering is determined to be from 12 to 13 and 16 to 18 November 2020 (totaling 5 business days). The Company shall determine list of shareholders entitled to be allocated for the newly issued ordinary shares proportionate to their respective shareholdings (Record Date) on 16 October 2020. In this regard, the issuance and the offering of the newly issued ordinary shares to the existing shareholders are uncertain until an approval from the 2020 Annual General Meeting of Shareholders of the Company is granted.

If there are the newly issued ordinary shares remaining after the first allocation to the existing shareholders proportionate to their respective shareholdings, the Company shall allocate the remaining newly issued ordinary shares to the oversubscribing shareholders, based on their respective existing shareholding at the same offering price. In such allocation of the newly issued ordinary shares, the Company shall allocate the remaining shares until there is no remaining newly issued ordinary share or until there is no shareholder expressing his intention to subscribe the newly issued ordinary shares. If there are still shares remaining from allocation, the Company shall decrease registered capital by decreasing such unallocated shares and shall not allocate them to specific persons (Private Placement).

In case there is shareholder expressing his intention to subscribe the newly issued ordinary shares over his existing shareholding, causing him and persons under Section 258 of the Securities and Exchange Act B.E. 2535 (1992) (including the amendments thereof) of such shareholder to increasingly hold the number of shares of the Company which reach or exceed the trigger point to make a tender offer, such shareholder shall have an obligation to make the tender offer for the purchase of all securities of the business pursuant to the Notification of Capital Market Supervisory Board No. TorChor. 12/2554 (2011) Re: Rules, Conditions and Procedures for the

Acquisition of Securities for Business Takeovers (“**Notification on the Acquisition of Securities for Business Takeovers**”), unless such shareholder is exempted from making the tender offer for the purchase of all securities of the business according to the Notification on the Acquisition of Securities for Business Takeovers.

In such allocation of the newly issued ordinary shares, the Company reserves the right to consider not allocating the shares to any subscriber if such allocation causes or may cause the infringement of foreign shareholding restriction as specified in the Articles of Association of the Company which, at present, allows foreigners to collectively hold shares in the Company not exceeding 25 percent of the total number of sold shares in the Company.

In this regard, the issuance and the offering of the newly issued ordinary shares to the existing shareholders are uncertain until an approval from the 2020 Annual General Meeting of Shareholders of the Company is granted.

The offering price at Baht 0.53 per share is a price lower than the par value of ordinary shares of the Company, therefore the Company is required to obtain an approval for the shareholders' meeting, pursuant to Section 52 of the Public Limited Company B.E. 2535 (including the amendments thereof). In this regard, the Company is able to offer the ordinary shares at the price lower than the par value of ordinary shares of the Company since the Company has suffered from deficit of Baht 971,059,000.00, based upon the consolidated financial statements of the Company as at 31 March 2020 which is the last financial statements reviewed by the certified public accountant.

2. The Board of Directors, authorized directors according to affidavit of the Company or a person appointed by the Board of Director or authorized directors according to affidavit of the Company shall have the power to contact, negotiate, amend, agree, execute, and deliver all relevant documents, instruments, and/or agreements with the counterparties and/or any persons relating to the said allocation of newly issued ordinary shares, including but not limited to contacting, organizing and submitting any application forms for permission, waivers (if any), and necessary and relevant evidences to the relevant government agencies or relevant authorities, including the Office of the Securities and Exchange Commission and the SET, as well as amending the relevant information memorandum to be disclosed, disclosing relevant information, making statement and information to relevant authorities, and determining and/or amending conditions and details in relation to the allocation of the newly issued ordinary shares for offering to the existing shareholders proportionate to their respective shareholdings (Rights Offering), subject to the relevant rules and laws, which shall include but not be limited to (1) allocating the newly issued ordinary shares shall be at once or from time to time, the subscription period, date for determination of the lists of shareholders entitled to subscribe to purchase and be allocated for the newly issued ordinary shares proportionate to their respective shareholdings (Rights Offering), payment for shares, and other conditions and details relating to such allocation of

the newly issued ordinary shares; (2) appointing the financial advisors, entering into negotiations, making agreements and executing any document and agreement relating to such allocation of the newly issued ordinary shares, as well as any undertaking of actions in connection with such allocation of the newly issued ordinary shares; and (3) signing any application forms for permission, waivers (if any), and necessary evidences in relation to the allocation and the offering of the newly issued ordinary shares, including to organizing and submitting any applications forms for permission, waivers (if any) and necessary relevant evidences to the relevant government agencies or relevant authorities, and listing the newly issued ordinary shares on the SET, and taking any action necessary and relevant for the entering into such transaction in all respects until completion of the transaction, and to appoint and/or remove substitute to take the foregoing actions.

2.2. The Company's proceeding in case where there is a fraction of shares

The Board of Directors, authorized directors according to affidavit of the Company or a person appointed by the Board of Director or authorized directors according to affidavit of the Company shall have the power to exercise a discretion, in case where there is a fraction of shares remaining from the allocation of the newly issued ordinary shares or from the calculation on allocation ratio for each shareholder, to round down such fraction or undertake any other actions necessary and appropriate in order to achieve this capital increase.

3. **Determination for the date of the shareholders' meeting to request an approval on the capital increase and the allocation of the newly issued shares**

The 2020 Annual General Meeting of Shareholders is determined on 17 August 2020 at 10 a.m. at the Conference Room (Room B), 9th Floor, Interlink Tower, Debaratana Road, Bangna-Tai Sub-district, Bangna District, Bangkok. The date for determination of list of shareholders entitled to attend the 2020 Annual General Meeting of Shareholders (Record Date) is determined to be on 15 July 2020.

4. **Application for approvals on the capital increase and the allocation of the newly issued shares to the relevant governmental agencies and conditions thereto (if any)**

4.1 The Company shall submit a registration request form for the registered capital increase, amendment to the Memorandum of Association and the change of paid-up capital with the Department of Business Development, the Ministry of Commerce.

4.2 The Company shall submit an approval request form with the SET to request to list the newly issued ordinary shares as listed securities to be traded on the SET.

5. **Objectives of the capital increase and plans to utilize proceeds received from the capital increase**

Please see Clause 2., Objectives of the issuance of the newly issued shares and plans to utilize proceeds, of the Information Memorandum regarding the Allocation of the Newly Issued Ordinary Shares to the Existing Shareholders, as detailed in Enclosure 4.

6. Benefits which the Company will receive from the capital increase and the allocation of the newly issued shares

- 6.1 The Company shall have more liquidity from working capital received from the capital increase which will reinforce financial position of the Company, causing the Company to continuously carry on the business.
- 6.2 The capital increase and the allocation of the newly issued shares to the existing shareholders do not result in interest burden from debt generation and expand capital base for preparation with respect to financial position, in the case where a group of the Company needs to generate debt in order to seek for source of capital for business expansion in the future.
- 6.3 The capital increase and the allocation of the newly issued shares to the existing shareholders shall increase opportunities and capabilities to generate revenue for the Company, strong source of capital and readiness for immediate operation in accordance with investment plan and operational plan of the Company.
- 6.4 The capital increase and the allocation of the newly issued shares to the existing shareholders shall not have an effect on voting right of the Company's shareholders (Control Dilution) in the case where all shareholders subscribe the newly issued ordinary shares proportionately.
- 6.5 The capital increase and the allocation of the newly issued shares to the existing shareholders require procedures and conditions which is not as complicates as the other type of an issuance of shares.

7. Benefits which the Shareholders will receive from the capital increase and the allocation of the newly issued shares

7.1 Dividend Payment Policy

The Company has a dividend policy to distribute the dividend to the shareholders at a rate up to 40 percent of net profit according to separate financial statements after corporate income tax and after necessary and appropriate legal reserves. In this regard, the said dividend payment rate may change, depending upon financial positions, operating result, investment plan, other necessity and appropriateness in the future, as the Board of Directors and/or the shareholders of the Company deem appropriate.

- 7.2 The subscriber of the newly issued ordinary shares shall be entitled to receive dividends from operation since such subscriber of the newly issued ordinary shares is registered as a shareholder of the Company.

8. Other details necessary for shareholders to make a decision for an approval on the capital increase and the allocation of the newly issued shares

- None -

9. Schedule of period of operation in the case where the Board of Directors passes the resolutions to approve the capital increase and the allocation of the newly issued shares

No.	Procedures	Date Month Year
1	The Board of Directors of the Company No. 5/2020 resolves to	25 May 2020

No.	Procedures	Date Month Year
	approve the capital increase and the allocation of the newly issued shares.	
2	Date for determination of list of shareholders entitled to attend the 2020 Annual General Meeting of Shareholders (Record Date)	15 July 2020
3	The 2020 Annual General Meeting of Shareholders	17 August 2020
4	Registration of the increase of registered capital and amendment to the Memorandum of Association with the Department of Business Development, the Ministry of Commerce	Within 14 days from the date on which the shareholders' meeting passes a resolution.
5	Date for determination of list of shareholders entitled to subscribe and be allocated for the newly issued ordinary shares proportionate to their respective shareholdings (Record Date)	16 October 2020
6	Subscription period	From 12 to 13 and 16 to 18 November 2020 (totaling 5 business days)

The Company hereby certifies that the information contained in this report is true and correct in all respects.

Please be informed accordingly.

Yours faithfully,

(Company's seal)

.....
(Mr. Chatchai Pokogwai)

(Authorized director)

.....
Mrs. Lakana Ratwongsakul

(Authorized director)

**Information Memorandum regarding the Allocation of the Newly issued Ordinary Shares
to the Existing Shareholders**

As the Board of Directors of Nation Broadcasting Corporation Public Company Limited (the “**Company**”) No. 5/2020, which was held on 25 May 2020 has resolved to approve an increase of the Company’s registered capital of Baht 321,262,086 from the existing registered capital of Baht 803,155,214 to Baht 1,124,417,300 by issuing ordinary shares in the number of 321,262,086 shares at the par value of Baht 1 per share to accommodate the allocation of the newly issued shares to the existing shareholders proportionate to their respective shareholdings (Rights Offering), it shall be proposed to the 2020 Annual General Meeting of Shareholders on 17 August 2020 for a further consideration.

Details related to the offering of the newly issued ordinary shares to the existing shareholders proportionate to their respective shareholdings can be found in the Capital Increase Report Form (F53-4) in Enclosure 3 and this Information Memorandum regarding the Allocation of the Newly issued Ordinary Shares to the Existing Shareholders.

1. Details of the issuance and the offering

The Company shall allocate the newly issued ordinary shares in the Company in the number up to 321,262,086 shares at the par value of Baht 1 per share to the existing shareholders proportionate to their respective shareholdings (Rights Offering) at an allocation ratio of 5 existing ordinary shares to 2 newly issued ordinary shares (equivalent to the total numbers of 321,262,086 shares for allocation) with the offering price at Baht 0.53 per share, amounting to total number of Baht 170,268,905.58 and determine the date to subscribe the newly issued ordinary shares of the Company for an offering period from 12 to 13 and 16 to 18 November 2020 (totaling 5 business days). The Company shall determine list of shareholders entitled to be allocated for the newly issued ordinary shares proportionate to their respective shareholdings (Record Date) on 16 October 2020. In this regard, the issuance and the offering of the newly issued ordinary shares to the existing shareholders are uncertain until an approval from the 2020 Annual General Meeting of Shareholders of the Company is granted.

If there are the newly issued ordinary shares remaining after the first allocation to the existing shareholders proportionate to their respective shareholdings, the Company shall allocate the remaining newly issued ordinary shares to the oversubscribing shareholders, based on their respective existing shareholding at the same offering price. In such allocation of the newly issued ordinary shares, the Company shall allocate the remaining shares until there is no remaining newly issued ordinary share or until there is no shareholder expressing his intention to subscribe the newly issued ordinary shares. If there are still shares remaining from allocation, the Company shall decrease registered capital by decreasing such unallocated shares and shall not allocate them to specific persons (Private Placement).

In case there is shareholder expressing his intention to subscribe the newly issued ordinary shares over his existing shareholding, causing him and persons under Section 258 of the Securities and Exchange Act B.E. 2535 (1992) (including the amendments thereof) of such shareholder to

increasingly hold the number of shares of the Company which reach or exceed the trigger point to make a tender offer, such shareholder shall have an obligation to make the tender offer for the purchase of all securities of the business pursuant to the Notification of Capital Market Supervisory Board No. TorChor. 12/2554 (2011) Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers ("**Notification on the Acquisition of Securities for Business Takeovers**"), unless such shareholder is exempted from making the tender offer for the purchase of all securities of the business according to the Notification on the Acquisition of Securities for Business Takeovers.

In such allocation of the newly issued ordinary shares, the Company reserves the right to consider not allocating the shares to any subscriber if such allocation causes or may cause the infringement of foreign shareholding restriction as specified in the Articles of Association of the Company which, at present, allows foreigners to collectively hold shares in the Company not exceeding 25 percent of the total number of sold shares in the Company.

In this regard, the issuance and the offering of the newly issued ordinary shares to the existing shareholders are uncertain until an approval from the 2020 Annual General Meeting of Shareholders of the Company is granted.

The offering price at Baht 0.53 per share is a price lower than the par value of ordinary shares of the Company, therefore the Company is required to obtain an approval for the shareholders' meeting, pursuant to Section 52 of the Public Limited Company B.E. 2535 (including the amendments thereof). In this regard, the Company is able to offer the ordinary shares at the price lower than the par value of ordinary shares of the Company since the Company has suffered from deficit of Baht 971,059,000.00, based upon the consolidated financial statements of the Company as at 31 March 2020 which is the last financial statements reviewed by the certified public accountant.

2. Objectives of the issuance of the newly issued shares and plans to utilize proceeds

In case all of the newly issued ordinary shares issued and offered by the Company to the existing shareholders proportionate to their respective shareholdings (Rights offering) are fully subscribed, the Company shall raise fund in the amount of approximately Baht 170,268,905.58. The Company shall utilize capital for the investment for the purpose of expansion of the Company's core business, which focuses on a complete service in relation to news and advertisement via media, including new media, as well as investment in the relevant business and business extension of the Company and/or subsidiaries.

In this regard, such abovementioned utilizing plans may be changed depending on turnover, cash flow, business operation plan, investment plan, an amount of proceeds received from the capital increase, necessity and other suitability as deemed appropriate by the Board of Directors, by which the benefits of the Company and the shareholders shall be significantly taken into consideration.

3. Effects from the issuance and offering of the newly issued ordinary shares to the existing shareholders

3.1 Effects to the voting rights of shareholders (Control Dilution)

In the event that all of the existing shareholders subscribe for the newly issued ordinary shares as per their respective rights, there will be no effect to the shareholding ratio; and the existing shareholders will not be affected on their shareholding proportion.

Nevertheless, if the shareholders choose not to exercise their right to subscribe the newly issued ordinary shares as per their respective rights and the other shareholders make a subscription for the newly issued shares and/or oversubscription causing all the newly issued ordinary shares to be fully subscribed, the voting rights of the Company's shareholders (Control Dilution) will be affected. In such case, the voting rights of the existing shareholders will decrease by 28.57 percent. The calculation is as follows:

$$\begin{aligned} &= \text{number of the newly issued ordinary shares offered to the existing shareholders} / (\text{number of the newly issued ordinary shares offered to the existing shareholders} + \text{number of paid-up shares}) \\ &= 803,155,214.00 / (321,262,086.00 + 803,155,214.00) \\ &= 28.57 \text{ percent} \end{aligned}$$

3.2 Effects to price of shares (Price Dilution)

$$\begin{aligned} &= (\text{market price before the offering} - \text{market price after the offering}) / \text{market price before the offering} \\ \text{By which "market price after the offering"} &= (\text{market price} \times \text{number of paid-up shares}) + (\text{offering price of the newly issued shares offered to the existing shareholders} \times \text{number of the newly issued ordinary shares offered to the existing shareholders}) / (\text{number of paid-up shares} + \text{number of the newly issued ordinary shares offered to the existing shareholders}) \\ &= (0.5203 \times 803,155,214.00) + (0.5300 \times 321,262,086.00) / (803,155,214.00 + 321,262,086.00) \\ &= 0.5231 \text{ Baht} \\ \text{"market price"} &= \text{weighted average price of the shares of 15 consecutive business days prior to the date of the Board of Directors' meeting No. 5/2020 held on 25 May 2020 (during 29 April to 22 May 2020) (information based on SETSMART) equal to Baht 0.5203} \end{aligned}$$

As a result, the effects to price of shares (Price Dilution) is equal to:

$$\begin{aligned} &= (0.5203 - 0.5231) / 0.5203 \\ &= -0.53 \text{ percent} \end{aligned}$$

3.3 Effects to earning per shares (EPS Dilution)

$$\begin{aligned} &= (\text{EPS before the offering} - \text{EPS after the offering}) / \text{EPS before the offering} \\ \text{By which "EPS before the offering"} &= \text{net profit of the Company in the latest four quarters} / \text{number of paid-up shares} \end{aligned}$$

$$\begin{aligned}
&= 405,226,765.90 / 803,155,214.00 \\
&= 0.5045 \text{ Baht per share} \\
\text{By which "EPS after the offering"} &= \text{net profit of the Company in the latest four quarters / (number of paid-up shares + number of the newly issued ordinary shares offered to the existing shareholder)} \\
&= 405,226,765.90 / (803,155,214.00 + 321,262,086.00) \\
&= 0.3604 \text{ Baht per share}
\end{aligned}$$

As a result, the Effects to earning per share (EPS Dilution) is equal to:

$$\begin{aligned}
&= (0.5045 - 0.3604) / 0.3604 \\
&= 28.57 \text{ percent}
\end{aligned}$$

4. Opinion of the Board of Directors of the Company regarding the capital increase

4.1 Reason and necessity for the capital increase

It is a necessity for the Company to increase the capital so that the Company has capital to support business operation plan, as specified in Clause 2. Objectives of the issuance of the newly issued shares and plans for utilizing proceeds of this Information Memorandum. The Board of Directors has considered to issue the newly issued ordinary shares to the existing shareholders in order to utilize the amount gained from the capital increase as the Company's capital for an increase in liquidity and capital and/or working capital for purposes of operation, expansion of core business and relevant business and business extension of the Company and/or subsidiaries in the future.

4.2 Feasibility of the plan for utilizing proceeds received from the offering of the newly issued ordinary shares

The Company expects to issue and offer the shares to the existing shareholders and receive proceeds from the said offering of shares in the number of approximately 170,268,905.58 Baht, under the condition that all the existing shareholders exercise their respective rights to fully subscribe for the newly issued ordinary shares within November 2020.

4.3 Reasonableness of the capital increase, utilization plan of the proceeds received from the offering of shares and project to be operated, including sufficiency of fund

It is a necessity for the Company to raise additional fund of Baht 170,268,905.58, approximately, to support business operation plan of the Company. The Company has planned to expand core business and relevant business and extend business of the Company and subsidiaries in the future in order to enhance the potential to be able to compete with the other operators. This results in the Company's necessity to increase revolving finance. Considering several alternatives to raise fund, the Board of Directors opines to offer the newly issued shares to the existing shareholders which is suitable, reasonable, and for the benefits of the Company at present. Moreover, the Company shall gain benefits as specified in Item 6., Benefits which the Company will receive from the capital increase and the allocation of the newly issued shares, which shall be specified in Enclosure 3.

In this regard, this offering of the newly-issued shares will enable the Company to raise Baht

170,268,905.58, approximately, and to have sufficient fund for debt repayments and contemplated business plan as stated in Clause 2., Objectives of the issuance of the newly issued shares and plans to utilize proceeds in this Information Memorandum.

4.4 Potential impacts which may occur to the business operation of the Company, as well as its financial positions and operating results, due to the capital increase and the implement of the utilization plan

The capital increase by way of issuance and offering of the ordinary shares to the existing shareholders of the Company will strengthen the Company's performance and financial position. The Company will utilize the proceeds received from such capital increase to expand core business and relevant business and extend business in the future and to support a requirement for an enhancement of working capital in order for the Company to have the potential to compete with the other operators in the industry. In this regard, the said capital increase shall benefit to growth and increase in the Company's capability to generate profit, without no effects on financial liquidity of the Company, as well as to enable the Company to carry on its business and have strong financial position and capital base, resulting in the benefits to the Company and all of the shareholders.

4.5 Potential impacts which may occur to the Company in the case that the newly issued shares cannot be fully sold.

In the event that the Company cannot offer the total number of the shares to the existing shareholders proportionate to their respective shareholdings (Right Offering), the Company will further allocate them as per the objectives, necessity, and appropriateness of the gained amount and the Company may further seek for additional fund, e.g. issuance and offering the newly issued ordinary shares to specific investors (Private Placement), loan from financial institutions, issuance of debenture, and bill of exchange. The Company will further carefully consider, based on the circumstance at that time.

5. Certification of the Board of Directors on the capital increase

In the case where the directors of the Company do not perform in accordance with laws, Company's objective, Articles of Associations of the Company, as well as the resolutions of the shareholders' meeting with honesty and carefulness to preserve the Company's benefits in relation to the capital increase and such acting or omission of any duty causes damage to the Company, the Company may claim for damages from such director. In case the Company fails to do so, the shareholders holding at least 5 percent of the total number of sold shares may notify the Company to claim for damages from such director. Nevertheless, if the Company refrains from claiming as per notification of the shareholders, such shareholders may initiate a legal action to claim for damages from the directors on behalf of the Company in accordance with Section 85 of the Public Company Act B.E. 2535 (1992) (including the amendments thereof). In addition, in the case that the director's action or omission of any duty in accordance with laws, Company's objective, Articles of Associations of the Company, as well as the resolutions of the shareholders' meeting with honesty and carefulness to preserve the benefits of the Company in relation to this capital increase, results in a director or related persons to obtain undue benefit, the Company may claim for such benefit from such director

or the shareholders holding at least 5 percent of the total number of voting rights in the Company may notify the Company to do so. If the Company fails to proceed as notified by the shareholders within 1 month from the date on which the notice is received, the shareholders may initiate a legal action against that director on behalf of the Company in accordance with Section 89/18 of the Securities and Exchange Act, B.E. 2535 (1992) (including the amendments thereof).

Please be informed accordingly.

Faithfully yours,

(Company's seal)

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(Mr. Chatchai Phukokwai)
(Authorized director)

(Mrs. Lakkana Ratwongsakul)
(Authorized director)