



7 March 2022

Subject : Resolutions of the Board of Directors Meeting No. 2/2022 regarding the sale of ordinary shares in NBC Next Vision Company Limited (“NNV”) ,update agenda for the 2022 AGM , chang the record date for determining the shareholders to attend the 2022 AGM ,and the dividend omissions **(additional)**

To : Director and Manager  
The Stock Exchange of Thailand

Enclosure : Information Memorandum on the Acquisition of Assets (Category 1) and the Connected Transaction of Nation Broadcasting Corporation Public Company Limited

Nation Broadcasting Corporation Public Company Limited (“Company”) would like to inform that the Company’s Board of Directors meeting No. 2/2022 held on 4 March 2022 has resolved important resolutions, which can be summarised, as follows.

1. Approved to propose to the Company’s shareholders meeting to approve the Company’s entry into the connected transaction with Nation Multimedia Group Public Company Limited (“NMG”), its controlling person holding 803,361,455 shares in the Company, or equivalent to 71.45% of the total number of sold shares of the Company in which the Company will (i) sell 85,999,997<sup>1</sup> ordinary shares in NNV, or equivalent to 99.99% of the registered capital of NNV which holds 60,000 shares in Nation Coffee, or equivalent to 60% of Nation Coffee’s registered capital at THB 2.7875 per shares in a total amount of THB 239.73 million to NMG; and NNV will borrow money in the amount of THB 221.30 million from NMG in order to pay debts to the Company. The total value of the proposed transaction is THB 461.03 million (“Sale of Ordinary Shares in a Subsidiary”)

The entering into such transaction (the “Sale of Ordinary Shares in Subsidiary”) is considered a disposition of assets in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 (2008) Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposition of Assets, dated 31 August 2008 (including the amendments thereof) 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 Disposition of Assets, B.E. 2547 (2004), dated 29 October 2004 (including the amendments thereof) (the “Notifications on Asset Acquisition or Disposition”), with the

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<sup>1</sup> This is the total shares to be held by the Company after capital increase. NNV has a plan to increase its capital according to the condition precedent for entering into this transaction. On the date on which the Board of Directors’ meeting of the Company has resolved to enter into the transaction of the purchase of NNV’s shares on 4 March 2022 (before NNV’s capital increase), the Company holds 79,999,997 shares in NNV, equivalent to 99.99 percent of NNV’s registered capital before capital increase.



transaction value of 48.48 percent calculated based on the total value of consideration, which is the calculation basis resulting in the highest transaction value by reference to the Company's consolidated financial statements ended 31 December 2021 which has been audited by the Company's certified public accountant. If the value of the asset disposition transaction taking place during 6 months prior to the date on which the Company's Board of Directors has resolved to approve the entering into this transaction is to be combined with this transaction, i.e. one asset disposition transaction, which is the subsidiary's (NNV) waiver of the rights to subscribe to the newly-issued ordinary shares in proportion in Happy Products and Service Company Limited, with the transaction value of 1.40 percent calculated based on the total value of consideration, which is the calculation basis resulting in the highest transaction value by reference to the Company's consolidated financial statements ended 30 June 2021 (16 September 2021), the highest transaction value will be 49.88 percent based on the total value of consideration and this transaction will be categorised into Class 2 Transaction according to the Notifications on Asset Acquisition or Disposition

In addition, 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 number of sold shares in the Company that is more than 50 percent of the total voting rights in the Company. NMG is also considered a connected person of the Company in accordance with 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 size of the Sale of Ordinary Shares in a Subsidiary equals to 128.04% of the Net Tangible Assets (NTA) value of the Company based on the consolidated financial statements for the year ended 31 December 2021 of the Company, audited by the certified public accountant of the Company, which is more than THB 20 million or more than 3% of the NTA value of the Company, depending on whichever is higher, according to the Notifications on Connected Transactions.

Please kindly see further details in the Enclosure.

2. Appointed Capital Link Advisory Company Limited as the independent financial advisor to provide opinion regarding the connected transaction.
3. Approved amended agenda items for the 2022 Annual General Meeting of Shareholders, which will be held by electronic meeting (E-AGM) to be as follows. Please note that the date and time for the 2022 Annual General Meeting of Shareholders will still be held on 29 April 2022 at 10.00 a.m.



- Agenda 1 To consider and certify minutes of the 2021 Annual General Meeting of Shareholders which was held on 9 April 2021
- Agenda 2 To acknowledge the operating results of the Company for the year 2021
- Agenda 3 To consider and approve the financial statements for the fiscal year ended 31 December 2021
- Agenda 4 To consider and approve the omission of the allocation of net profit as legal reserve and the omission of the dividend payment from the operating results for the year 2021
- Agenda 5 To consider and approve the appointment of directors to replace those who retire by rotation
- Agenda 6 To consider and approve the determination of the remuneration of the Company's directors and the sub-committees for the year 2022
- Agenda 7 To consider and approve the appointment of the auditors and the determination of audit fee for the year 2022
- Agenda 8 To approve the sale of 85,999,997 ordinary shares in NBC Next Vision Company Limited, or equivalent to 99.99% of the registered capital of NBC Next Vision Company Limited to Nation Multimedia Group Public Company Limited, the Company's controlling person who holds 803,361,455 shares in the Company, or equivalent to 71.45% of the total number of sold shares of the Company and is considered a connected person
- Agenda 9 Any other matters (if any)

4. Approved cancellation of record date for the 2022 Annual General Meeting of Shareholders on 18 March 2022 and set 22 March 2022 as the new record date.

Please be informed accordingly.

Sincerely yours,

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Mr. Supawat Sa-nguan-ngam  
Managing Director

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

The Board of Directors' meeting of Nation Broadcasting Corporation Public Company Limited (the "**Company**") no. 2/2022, held on 4 March 2022 at 10.00 hrs. has resolved to approve the Company to enter into a connected transaction with Nation Multimedia Group Public Company Limited ("**NMG**"), which is a controlling person of the Company, holding 803,361,455 shares in the Company or equivalent to 71.45 percent of the total number of sold shares of the Company. The details of which are as follows:

The Company will sell 85,999,997<sup>1</sup> ordinary shares held in NBC Next Vision Company Limited ("**NNV**") or equivalent to 99.99 percent of the registered capital of NNV, which holds 60,000 shares in Nation Coffee Company Limited ("**Nation Coffee**") or equivalent to 60 percent of Nation Coffee's registered capital, and NNV's liabilities owed to the Company, valued in total at THB 461,028,315.18. The details of the property to be disposed by the Company to NMG are as follows:

1. Ordinary shares in NNV in the amount of 85,999,997 shares or equivalent to 99.99 percent of the registered capital of NNV, which holds 60,000 shares in Nation Coffee or equivalent to 60 percent of Nation Coffee's registered capital, valued in total at THB 239,728,315.18; and
2. NNV's liabilities owed to the Company, valued in total at THB 221,300,000.

The entering into such transaction (the "**Sale of Ordinary Shares in Subsidiary**") is considered a disposition of assets in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 (2008) Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposition of Assets, dated 31 August 2008 (including the amendments thereof) 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 Disposition of Assets, B.E. 2547 (2004), dated 29 October 2004 (including the amendments thereof) (the "**Notifications on Asset Acquisition or Disposition**"), with the transaction value of 48.48 percent calculated based on the total value of consideration, which is the calculation basis resulting in the highest transaction value by reference to the Company's consolidated financial statements ended 31 December 2021 which has been audited by the Company's certified public accountant. If the value of the asset disposition transaction taking place during 6 months prior to the date on which the Company's Board of Directors has resolved to approve the entering into this transaction is to be combined with this transaction, i.e. one asset disposition transaction, which is the subsidiary's (NNV) waiver of the rights to subscribe to the newly-issued ordinary shares in proportion in Happy Products and Service Company Limited, with the transaction value of 1.40 percent calculated based on the total value of consideration, which is the calculation basis resulting in the highest transaction value by reference to the Company's consolidated financial statements ended 31 June 2021 (16 September 2021), the highest transaction value

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<sup>1</sup> This is the total shares to be held by the Company after capital increase. NNV has a plan to increase its capital according to the condition precedent for entering into this transaction. On the date on which the Board of Directors' meeting of the Company has resolved to enter into the transaction of the purchase of NNV's shares on 4 March 2022 (before NNV's capital increase), the Company holds 79,999,997 shares in NNV, equivalent to 99.99 percent of NNV's registered capital before capital increase.

will be 49.88 percent based on the total value of consideration and this transaction will be categorised into Class 2 Transaction according to the Notifications on Asset Acquisition or Disposition. Therefore, the Company has a duty to comply with the Notifications on Asset Acquisition or Disposition, which includes the following duties:

- 1) To disclose information in relation to the transaction to the SET according to Schedule (1) annexed to the Notifications on Asset Acquisition or Disposition;
- 2) To serve a written notice on its shareholders within 21 days from the date of disclosure of information to the SET. The written notice must contain at least the information as specified in 1, 2, 3, 5(3), 7 and 8 of Schedule (2) annexed to the Notifications on Asset Acquisition or Disposition.

Further, the entering into the above-mentioned transaction is considered a connected transaction of the Company in the category of the transaction relating to assets or service because NMG is a controlling person of the Company. NMG is a person having control over the business according to section 89/1 of the Securities and Exchange Act, B.E. 2535 (1992) (including the amendments thereof) (the “**Securities Act**”) by holding shares with voting rights of the Company at 71.45 percent of the total number of sold shares of the Company which exceeds 50 percent of the total number of voting rights of the Company and NMG is considered a connected person according to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 (2008) Re: Rules on Connected Transactions, dated 31 August 2551 (2008) (including the amendments thereof) 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 2546 (2003) (including the amendments thereof) (the “**Notifications on Connected Transactions**”). The transaction value is 128.04 percent of the value of the net tangible assets (NTA) of the Company by reference to the Company’s consolidated financial statements ended 31 December 2021 which has been reviewed by the Company’s certified public accountant. The transaction value exceeds THB 20 million or exceeds 3 percent of the net tangible asset value of the Company, whichever is higher according to the Notifications on Connected Transactions.

The Company, therefore, has a duty to disclose relevant information to the SET, obtain approval from the Company’s Board of Directors and obtain approval from the shareholders’ meeting with votes of not less than three-quarters of the total votes of shareholders attending the meeting and eligible to vote, excluding the votes of the interested shareholders, as well as to appoint an independent financial advisor to provide opinions in relation to the Company’s connected transaction and submit such opinions to the Office of the Securities and Exchange Commission (the “**Office of the SEC**”), the SET and the Company’s shareholders.

The Company, therefore, would like to disclose the details of such transaction as required by the Notifications on Asset Acquisition or Disposition and the Notifications on Connected Transactions, as follows:

#### **1. Date, Month, Year in which the Transaction Occurs**

The Company will sign the sale and purchase agreement for ordinary shares in a subsidiary between the Company and NMG including other related agreements after the 2022 Annual General Meeting of Shareholders of the Company, which will be held on 29 April 2022 at 10.00 hrs., and will pay the consideration for the sale and purchase of the ordinary shares after the conditions precedent of the sale and purchase agreement for ordinary shares in a subsidiary between the Company and NMG

including other related agreements have been fulfilled. The Company expects that the transaction will be completed within July 2022 or any other date to be agreed upon by the contractual parties.

## **2. Parties Involved and Their Relationship with the Listed Company**

Purchaser : NMG

Seller : The Company

Relationship with the listed company : NMG is a major shareholder and a controlling person of the Company. To elaborate, NMG is a person having control over the business according to section 89/1 of the Securities Act by holding shares with voting rights of the Company at 71.45 percent of the total number of sold shares of the Company which exceeds 50 percent of the total number of voting rights of the Company, and therefore NMG is considered a connected person according to the Notifications on Connected Transactions.

## **3. General Characteristics of the Transaction and Nature of Assets and Type and Size of the Transaction**

### **3.1 General Characteristics of the Transaction and Nature of Assets**

The Company will enter into the Sale of Ordinary Shares in Subsidiary as detailed below:

Details of the sale and purchase : The Company will sell 85,999,997 ordinary shares in NNV or equivalent to 99.99 percent of the registered capital of NNV, which holds 60,000 shares in Nation Coffee or equivalent to 60.00 percent of Nation Coffee's registered capital, and sell NNV's liabilities owed to the Company.

Value of property in the transaction : 1.85,999,997 ordinary shares in NNV or equivalent to 99.99 percent of the registered capital of NNV, which holds 60,000 shares in Nation Coffee or equivalent to 60 percent of Nation Coffee's registered capital, valued in total at THB 239,728,315.18

2.NNV's liabilities owed to the Company, valued in total at THB 221,300,000.00

Totaling THB 461,028,315.18

Date of completion of the purchase and sale : Within July 2022 or any other date to be agreed upon by the contractual parties

Material precedent conditions : 1. The Company obtains approval from the Board of Directors' meeting and the shareholders' meeting of the Company for entering into the Sale of

Ordinary Shares in Subsidiary;

2. NMG obtains approval from the Board of Directors' meeting and the shareholders' meeting of the Company for entering into the Sale of Ordinary Shares in Subsidiary.

### 3.2 Type and Size of the Transaction

The Sale of Ordinary Shares in Subsidiary by the Company is considered a disposition of assets in accordance with the Notifications on Asset Acquisition and Disposition. The transaction value is calculated by reference to the Company's consolidated financial statements ended 31 December 2021, which has been audited by the Company's certified public accountant. The details of the calculation are as follows:

Transaction Value Calculation Basis	Calculation Formula
1. Value of net tangible asset (NTA)	= Net asset value of the company which will sell shares x 100 / Net asset value of the selling company
2. Net after-tax profit from the normal course of business operation	= Net after-tax profit of the company which will sell shares x 100 / Net after-tax profit of the selling company
3. Total value of consideration	= (Value of assets to be paid / Net asset value of the selling 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 selling company

Transaction sizes calculated according to each basis are as follows:

Transaction Value Calculation Basis	Calculation Formula	Transaction Size
1. Value of net tangible asset (NTA)	$159,159,981.61 \times 100 / 360,067,231.00$	44.20%
2. Net after-tax profit from the normal course of business operation	Calculation cannot be made because NNV has a negative NTA	
3. Total value of consideration	$(461,028,315.18 / 950,957,912) \times 100$	<u>48.48%</u>

<b>Transaction Value Calculation Basis</b>	<b>Calculation Formula</b>	<b>Transaction Size</b>
4. Value of securities issued by the listed company in consideration of the assets to be acquired	No new shares issued	
<b>The basis resulting in the highest value</b>	<b>Total value of consideration</b>	<b>48.48%</b>

If the value of the asset disposition transaction taking place during 6 months prior to the date on which the Company's Board of Directors has resolved to approve the entering into this transaction is to be combined with this transaction, i.e. one asset disposition transaction, which is NNV's waiver of the rights to subscribe to the newly-issued ordinary shares in proportion in Happy Products and Service Company Limited, with the transaction value of 1.40 percent calculated based on the total value of consideration, which is the calculation basis resulting in the highest transaction value by reference to the Company's consolidated financial statements ended 31 June 2021, the highest transaction value will be 49.88 percent. Therefore the highest transaction value is 49.88 percent based on the total value of consideration, and thus the transaction is categorised into Class 2 Transaction according to the Notifications on Asset Acquisition or Disposition. The Company has a duty to comply with the Notifications on Asset Acquisition or Disposition, which includes the following duties:

- 1) To disclose information in relation to the transaction to the SET according to Schedule (1) annexed to the Notifications on Asset Acquisition or Disposition;
- 2) To serve a written notice on its shareholders within 21 days from the date of disclosure of information to the SET. The written notice must contain at least the information as specified in 1, 2, 3, 5(3), 7 and 8 of Schedule (2) annexed to the Notifications on Asset Acquisition or Disposition.

Further, the entering into the above-mentioned transaction is considered a connected transaction of the Company in the category of the transaction relating to assets or service because NMG is a major shareholder and a controlling person of the Company. To elaborate, NMG is a person having control over the business according to section 89/1 of the Securities Act by holding shares with voting rights of the Company at 71.45 percent of the total number of sold shares of the Company which exceeds 50 percent of the total number of voting rights of the Company, and therefore NMG is considered a connected person according to the Notifications on Connected Transactions.

The transaction value of the Sale of Ordinary Shares in Subsidiary is 128.04 percent of the value of the net tangible assets (NTA) of the Company by reference to the Company's consolidated financial statements ended 31 December 2021 which has been reviewed by the Company's certified public accountant. The transaction value exceeds THB 20 million or exceeds 3 percent of the net tangible asset value of the Company, whichever is higher, according to the Notifications on Connected Transactions.

The Company, therefore, has a duty to disclose related information to the SET, obtain approval from the Company's Board of Directors and obtain approval from the



shareholders' meeting with votes of not less than three-quarters of the total votes of shareholders attending the meeting and eligible to vote, excluding the votes of the interested shareholders, as well as to appoint an independent financial advisor to provide opinions in relation to the Company's connected transaction and submit such opinions to the Office of the SEC, the SET and the Company's shareholders.

### 3.3 **Information of the Purchaser**

#### Company's name

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

#### Business type

Media and publishing business

#### Nature of business operation

The details of business operation of NMG and NMG's subsidiaries are as follows:

1. Publishing business

The business unit of Thai-language newspaper produces “Krungthep Turakij newspaper” which is a daily newspaper in the Thai language presenting news and information with a diversity of content, including business, finance, investment, politics, society and lifestyles.

2. New media platform and event marketing

All media of the Nation Group are brought onto all online and social media platforms, including website, Facebook, Youtube, Line, Twitter, Instagram, Tiktok, [www.bangkokbiznews.com](http://www.bangkokbiznews.com), [www.nationthailand.com](http://www.nationthailand.com).

3. Organising event marketing and training courses and seminars

Organising training and seminars built on the news production potential of all affiliated media of the Nation Group

### **4. Total Value and Criteria Used in Determining the Transaction's Total Value, Total Value of Consideration and Term of Payment**

#### **4.1 Total Value of the Transaction**

The Company will enter into the Sale of Ordinary Shares in Subsidiary having the total value of THB 461,028,315.18.

#### **4.2 Criteria Used in Determining the Value of Consideration**

The value of consideration for the Sale of Ordinary Shares in Subsidiary is based on the negotiation and agreement with the seller. The price is primarily determined by valuation of the NNV's equity, taking into account the profitability and future cash flow of the NNV (Discounted Cash Flow) by reference to future net cash flow from 3 sub-business units, i.e. the business unit under the brand of KomChadLuek, the online media business unit under the brand of Nation Online and the online media business

under the brand of Nation TV. Cash flow from such 3 business units is primarily assumed to be derived from the following sources:

#### 4.2.1 Revenue assumptions

Revenue assumptions of the business unit under the brand of KomChadLuek							Unit: Million Baht
Particulars	2020	2021	2022	2023	2024	2025	2026
Advertising revenue from Facebook / YouTube / Google and Line	8.98	11.59	13.85	14.17	14.50	14.83	15.17
Advertising revenue from ads network	5.03	4.60	10.67	10.92	11.17	11.42	11.68
Advertising revenue from direct sale	8.94	6.52	19.57	20.01	20.47	20.94	21.43
Revenue from activities		6.78	12.00	12.00	12.00	12.00	12.00
Revenue from affiliates		0.21	0.68	0.70	0.72	0.73	0.75

Revenue assumptions of the business unit under the brand of Nation Online							Unit: Million Baht
Particulars	2020	2021	2022	2023	2024	2025	2026
Advertising revenue from Facebook / YouTube / Google and Line	14.22	18.45	44.85	45.88	46.93	48.01	49.12
Advertising revenue from ads network	6.12	1.85	2.32	2.38	2.43	2.49	2.55
Advertising revenue from direct sale	8.77	5.50	20.00	20.46	20.93	21.41	21.90
Revenue from activities			15.00	15.00	15.00	15.00	15.00
Revenue from affiliates	0.34	0.88	1.57	1.61	1.64	1.68	1.72

- The assumption for the estimated advertising revenue in 2022 is made based on the actual revenue in 2021 in conjunction with the business plan for development and increase of the company's sources of revenue at a growth rate of 2.30 percent on a conservative basis.
- The assumption for the estimated revenue from activities in 2022 is made based on the 2021 actual revenue from various activities, such as KomChadLuek Award and Loifaa Run in conjunction with additional activities as planned by the company, such as Thailand NEXT DECADE, Crowed TALK Thailand, Social Safe and others.

Revenue assumptions of the business unit under the brand of Nation TV					Unit: Million Baht
Particulars	2020	2021	2022	2023	2024
Advertising revenue	294.84	116.46	170.00	173.90	177.90
Revenue from airtime	120.88	36.26	38.68	38.68	38.68
Revenue from activities	30.20	17.19	50.00	50.00	50.00

Revenue from out-of-home media	48.94	27.04	31.66	32.00	32.34
Particulars	2025	2026	2027	2028	2029
Advertising revenue	181.98	186.16	190.44	194.81	66.43
Revenue from airtime	38.68	38.68	38.68	38.68	12.89
Revenue from activities	50.00	50.00	50.00	50.00	16.67
Revenue from out-of-home media	32.69	33.06	33.43	33.80	11.40

- The assumption for the estimated advertising revenue in 2022 is made based on the actual revenue in 2021 in conjunction with the business plan for development and increase of the company's sources of revenue through the sale of broadcast live and production at a growth rate of 2.30 percent on a conservative basis.
- The assumption of the estimated revenue from rent is made based on the actual revenue in 2021.
- The assumption of the estimated revenue from activities in 2022 is made based on additional on ground events as planned by the company, such as Nation Dinner Talk, Nation Golf, Nation Bike, including world tournament tours.

#### 4.2.2 Capital assumptions

- The assumption for the estimated costs and expenses is made based on a cost per revenue ratio for variable costs and on the 2021 costs for fixed costs, at a growth rate of 1.18 percent according to the inflation rates during 2006-2020.

#### 4.2.3 Discount rate assumptions

The discount rate is 7.22-9.22 percent.

### 4.3 Criteria Used in Determining Total Value of the Transaction

The Sale of Ordinary Shares in Subsidiary is categorised as the transaction relating to assets or service according to the Notifications on Connected Transactions with the transaction value of THB 461,028,315.18 or 128.04 percent of the Company's net tangible asset value (NTA), which is the calculation basis resulting in the highest transaction value by reference to the Company's consolidated financial statements, dated 31 December 2021, which has been reviewed by the Company's certified public accountant. The transaction value exceeds THB 20 million or exceeds 3 percent of the net tangible asset value of the Company, whichever is higher, according to the Notifications on Connected Transactions. The Company's net tangible assets under the Company's consolidated financial statements, dated 31 December 2021, which are the latest financial statements audited by the Company's certified public accountant, are as follows:

Company's Financial Information	Amount (Million Baht)
Total assets	950.96
Less : Intangible assets <sup>1/</sup>	256.59
Less : Total liabilities	333.99

Less : Non-controlling interest	0.29
Net tangible assets (NTA)	360.07

Note: <sup>1/</sup> Intangible assets which deducted is including the net accounting value as of December 31, 2021 of intangible assets and goodwill i.e. the value of Computer programs and software license is at Baht 7.39 million and trademarks value is at Baht 51.88 million as well as net value of Goodwill is at 197.32 million baht.

#### 4.4 Total Value of Consideration and Term of Payment

The Company will receive payment from NMG for the sale of ordinary shares in the Company's subsidiary and the liabilities owed by the subsidiary to the Company at the total amount of THB 461.03 million, free of any interest, damage, tax deduction and/or any claim. The payment will be in cash for whole amount within July 2022 or any other date to be agreed upon by the contractual parties.

#### 5. Benefits Expected by the Company from the Transaction

- 5.1 Reducing risk of declining NNV's operating results NNV's operating results in the previous year show a loss. The entering into such transaction can reduce risk of loss from operation of NNV in the future and provide an opportunity for improvement of financial conditions of the Company and the companies in its group. The details of NNV's operating for the past 3 years as follows:

(Unit: Million Baht)	2019	%	2020	%	2021 <sup>1</sup>	%
Revenues from services	79.20	71.21	80.73	67.08	106.12	71.16
Other income	32.02	28.79	39.61	32.92	43.00	28.84
<b>Total revenue</b>	<b>111.22</b>	<b>100.00</b>	<b>120.34</b>	<b>100.00</b>	<b>149.12</b>	<b>100.00</b>
Costs of services	98.28	88.37	101.51	84.35	130.60	87.58
Selling expenses	-	-	-	-	-	-
Administrative expenses	10.03	9.02	1.30	1.08	21.40	14.35
Reversal of impairment losses on digital television licence	(486.70)	(437.60)	-	-	(1.35)	(0.91)
<b>Total Expenses</b>	<b>(378.39)</b>	<b>(340.22)</b>	<b>102.81</b>	<b>85.43</b>	<b>150.65</b>	<b>101.03</b>
Profit (Loss) from operation activities	489.61	440.22	17.53	14.57	(1.52)	(1.02)
Finance costs	(6.75)	(6.07)	(6.63)	(5.51)	5.70	3.82
Profit (loss) before income tax expense	482.86	434.15	10.90	9.06	(7.23)	(4.85)
Tax expense	-	-	-	-	-	-
Profit (loss) for the year	482.86	434.15	10.90	9.06	(7.23)	(4.85)

Remark: <sup>1/</sup> Internal financial statements prepared by the management.

- 5.2 The value of the disposal of the business is higher than the value estimated by the Company Such purchase and sale price is higher than that estimated by the Company, allowing the Company to use the net cash flow derived from the disposal of the investment for other businesses with higher growth potential and as working capital for business operations.
- 5.3 Reducing the Company's finance costs The Company can use the cash flow derived from the disposal of the investment to pay its debts to reduce interest expenses. This will result in improvement of the Company's overall cash flow.
- 5.4 Improving the Company's financial structure The Company's financial structure will be improved. The Company will recognise accounting profit from this disposition, making the Company's overall financial statements improved.
- 5.5 Receiving a higher return in terms of accounting value As at the date of the 2021 financial statements, the value of investment in NNV is equal to zero. In entering into this transaction, the Company will receive the total consideration of THB 461.03 million, which will increase the Company's profit shown in its financial statements.

## 6. List of the Connected Persons and Nature of Their Relationship

NMG is a major shareholder and a controlling person of the Company. To elaborate, NMG is a person having control over the business according to section 89/1 of the Securities Act by holding shares with voting rights of the Company at 71.45 percent of the total number of sold shares of the Company which exceeds 50 percent of the total number of voting rights of the Company, and therefore NMG is considered a connected person according to the Notifications on Connected Transactions.

### 6.1 List of Current Directors of the Company:

- |     |                                 |   |
|-----|---------------------------------|---|
| 1.  | Mr. Shine Bunnag                | Chairman of the Board of Directors and<br>Chairman of the Executive Committee   |
| 2.  | Mr. Supawat Sa-Nguan-Ngam       | Managing Director   |
| 3.  | Miss Aura-Orn Akrasanee         | Director and Member of the Nomination<br>and Remuneration Committee   |
| 4.  | Mrs. Warangkana Kalayanapradit  | Director  |
| 5.  | Mr. Jessada Buranapansri        | Director  |
| 6.  | Mr. Somboon Muangklam           | Director  |
| 7.  | Miss Piyada Punnakitikasem      | Director  |
| 8.  | General Watanachai Chaimuanwong | Director  |
| 9.  | Mr. Sutee Phongpaiboon          | Chairman of the Audit Committee,<br>Independent Director and Chairman of the<br>Nomination and Remuneration Committee |
| 10. | Miss Narissara Srisunt          | Member of the Audit Committee,<br>Independent Director and Member of the<br>Nomination and Remuneration Committee     |

- |     |                              |  |
|-----|------------------------------|--|
| 11. | Mr. Chaiwat Atsawintarangkun | Member of the Audit Committee and Independent Director |
| 12. | Mr. Chalie Dithaluksana      | Independent Director                                   |
| 13. | Mr. Stanley Chun Wang        | Independent Director                                   |

## 6.2 List of Current Directors of NMG:

- |    |                             |  |
|----|-----------------------------|--|
| 1. | Mr. Marut Arthakaivalvatee  | Chairman of the Board of Directors   |
| 2. | Mr. Shine Bunnag            | Chairman of the Executive Committee, Vice Chairman of the Board of Directors and Chief Executive Officer |
| 3. | Mr. Somchai Meesen          | Director and Member of the Nomination and Remuneration Committee   |
| 4. | Mr. Jessada Buranapansri    | Director   |
| 5. | Mr. Ka Ming Jacky Lam       | Director and Member of the Nomination and Remuneration Committee   |
| 6. | Mr. Somboon Muangklam       | Director   |
| 7. | Mr. Apivut thongkam         | Chairman of the Audit Committee and Independent Director   |
| 8. | Mr. Chaiyasit Puvapiromquan | Independent Director and Member of the Audit Committee   |
| 9. | Mr. Thanachai Santichaikul  | Independent Director and Chairman of the Nomination and Remuneration Committee                           |

## 7. Details of the Connected Persons and Scope of Interest

### 7.1 Directors who are considered interested person

The directors are considered interested person because they are common directors in both NMG and the Company are as follows:

- |    |                                |  |
|----|--------------------------------|--|
| 1. | Mr. Shine Bunnag               | Chairman of the Board of Directors and Chairman of the Executive Committee |
| 2. | Mr. Jessada Buranapansri       | Director   |
| 3. | Mr. Somboon Muangklam          | Director   |
| 4. | Miss Aura-Orn Akrasanee        | Director and Member of the Nomination and Remuneration Committee           |
| 5. | Mrs. Warangkana Kalayanapradit | Director   |

At the Board of Directors' meeting of the Company no. 2/2022, held on 4 March 2022, there were 11 directors (out of 13) attending the meeting, constituting the quorum in accordance with the Company's articles of association. In the agenda considering and approving the sale of ordinary shares in the Company's subsidiary, which is a connected transaction, all of the interested directors as listed above did not attend the meeting and did not cast their vote on such agenda.

## **7.2 Shareholders having Interest in the Transaction**

On 4 March 2022, NMG holds shares in the Company at 71.45 percent of the total number of sold shares of the Company. Miss Aura-Orn Akrasanee who holds 409,995,000 shares in NMG or equivalent to 10.08% also holds 25,760,000 shares in the Company or equivalent to 2.29% of the total sold shares of the Company. She therefore is considered an interested person in this transaction and will have no right to cast the vote on this transaction.

## **8. Source of Fund for the Transaction and Sufficiency of Working Capital**

The Company has a plan to use the fund derived from the disposal of ordinary shares in NNV and NNV's liabilities owed to the Company as follows:

1. Used as working capital for the Company's group; and
2. Used for business expansion according to the Company's operating plan which aims to disperse transactional execution risks and reduce risk factors of business operations. The Company will primarily take into account the appropriateness and capability of each business, including the Company's ultimate benefits.

After the disposition of NNV shares, the Company will remain the business units which operates the call center and hold the shares in the subsidiary which operates the home shopping business and mobile applications. The Company will focus primarily on expanding into the home shopping business, such as expanding the home shopping business through E-Commerce channels, making own brand products to expand its customer base more broadly, which includes expanding the call center business, which is related to the operation of the home shopping business, and plans to develop the company's database system for the benefit of promotion and sales in the future, as well as increase operational potential. As a result, the performance of the Company will be improved in the future.

## **9. Opinion of the Company's Board of Director on the Transaction**

The Board of Directors' meeting of the Company no. 2/2022, held on 4 March 2022 (excluding the interested directors) has carefully considered the sale of ordinary shares in the Company's subsidiary and viewed that the sale of such ordinary shares is reasonable because this transaction will be advantageous to the Company. The Company will be able to dispose the property at the value higher than the appraisal price and higher than the investment value at present. This transaction provides a good opportunity for the Company to generate profits from the disposal of its property. Further, the Company will be able to reduce risk of loss from operation in the future, making the overall financial statements improved and allowing the derived cash flow to be used for payment of debts, and thus reducing interest expenses.

**10. Opinion of the Audit Committee and/or Directors which is Different from the Opinion of the Board of Directors under Clause 9.**

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

The Company's Board of Directors hereby certifies that the information contained in this Information Memorandum is correct, complete, true, and not misleading or no material information required was disregarded.

Please be informed accordingly.

Yours sincerely,

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(Mr. Supawat Sa-Nguan-Ngam)

Managing Director