



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

The Board of Directors' Meeting of Nation Multimedia Group Public Company Limited ("**the Company**") No.5/2019, held on 5 April 2019, has a resolution for the Company to dispose of 3 plots of land title deed no. 2058 and 30940, Soi Kiatthani, Debaratna Road (TorLor. 34), Bang Bo Sub-district, Bang Bo District, Samut Prakan, with the total land area of 11,232 square wah, together with a warehouse and 2 open space buildings without house number, total area of 1,204 square meters ("**Land and Buildings Soi Kiatthani**") at Baht 235,000,000 and land title deed no. 54556 Soi Romyen 2, Debaratna Road (TorLor. 34), Bang Keaw Sub-district, Bang Phli District, Samut Prakan, with the total land area of 2,114 square wah ("**Land Soi Romyen 2**") at Baht 40,000,000, totaling of Baht 275,000,000 to Weng Holding Co., Ltd. ("**Purchaser**").

The transaction mentioned above is considered as disposal 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 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) (the "**Notification on Acquisition or Disposal of Assets**"). The highest transaction value equals 10.13 percent based on the value of consideration basis. The highest transaction value is derived from this method of calculation, whereby the, calculation is based on the Company's reviewed consolidated financial statements for the 9-month period as of 30 September 2018. When combining with the transactions of disposal of asset during the period of six months prior to the date on which the Company's Board of Directors has approved to dispose of Land and Buildings Soi Kiatthani and Land Soi Romyen 2 (collectively called "**Land and Buildings**"), comprising two transactions, i.e.

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

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

Therefore, the entering of this transaction when combined with the transaction of disposal of the assets in the 6-month period before the date that the Company's Board of Directors resolved to approve disposal of Land and Buildings Soi Kiatthani and Land Soi Romyen 2, constituted the total highest transaction value of 24.49 percent based on the value of consideration criteria. It is considered as a Class 2 transaction under the Notification on Acquisition or Disposal of Assets. As a result, the Company is required to immediately disclose the information memorandum on entering into such transaction to the Stock

Exchange of Thailand (“SET”) and send a circular letter to the shareholders of the Company within 21 days from the date on which the information memorandum on entering into such transaction is disclosed to the SET. Therefore, the Company would like to disclose the details of the transaction as prescribed by the Notification on Acquisition or Disposal of Assets as follows:

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

The Company will sign the Land and Buildings sale and purchase agreement within 30 April 2019 which comply to the resolution of The Board of Directors’ Meeting No. 5/2019, held on 5 April 2019

2. Involved parties and relationships between the parties

Land and Buildings Sale and Purchase Agreement			
Seller	The Company		
Purchaser	Weng Holding Co., Ltd, which is not a connected person of the Company 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, dated 19 November 2003 (as amended) (collectively, the “ Notifications on Connected Transactions ”).		
	Weng Holding Co., Ltd, shareholding structure information as of 5 February 2019		
	Shareholders	No. of shares	Shareholding percentage (%)
	Pong Erawan Co., Ltd.	2,199,000	99.95
	Other shareholders	1,000	0.05
Total	2,200,000	100.00	
Detail of the asset to be disposed of	3 plots of land; <ul style="list-style-type: none">- Land title deed no. 2058 and 30940, Soi Kiatthani, Debaratna Road (TorLor. 34), Bang Bo Sub-district, Bang Bo District, Samut Prakan, with the total land area of 11,232 square wah, together with a warehouse and two open space buildings without house number, total area of 1,204 square meters- Land title deed no. 54556 Soi Romyen 2, Debaratna Road, Bang Keaw Sub-district, BangPhli District, Samut Prakan, with the total land area of 2,114 square wah		
Selling price	Baht 275,000,000 in aggregate		

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Selling price	Baht 275,000,000 in aggregate		

(4) Value of Securities Issued as Consideration for the Acquisition of the Asset Criteria

Cannot be calculated since this is the transaction of the disposal of land and buildings.

From the calculation of the transaction value above, the highest transaction value equals 10.13 percent based on the value of consideration basis. The highest transaction value is derived from this method of calculation, whereby the calculation is based on the Company's reviewed consolidated financial statements for the 9-month period as of 30 September 2018. When combining with the transactions of disposal of the asset during the period of six months prior to the date on which the Company's Board of Directors has approved to dispose of Land and Buildings, there are two transactions as follows:

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

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

Therefore, the entering of this transaction when combined with the transaction of disposition of the assets in the 6-month period occurred before the date that the Company's Board of Directors resolved to approve the disposal of Land and Buildings Soi Kiatthani and Land Soi Romyen 2 accounted for the total highest transaction value of 24.49 percent based on the value of consideration criteria. It was considered as a Class 2 transaction under the Notification on Acquisition or Disposal of Assets. As a result, the Company is required to immediately disclose the information memorandum on entering into such transaction to the SET and send a circular letter to the shareholders of the Company within 21 days from the date on which the information memorandum on entering into such transaction is disclosed to the SET.

3.3 Rationale and background of the transaction

Currently, the Company encounters the situation of the lack of financial liquidity and requires cash flow for debt repayment and for business operation, because the Company, in the past, has continuous loss in operating results. Thus, the Company considers the business restructuring of the Company's group, whereby the Company considers the disposal of assets, which does not impact the core business operation, and the Company does not need to rely on or use the disposed assets. The Company will focus on its core business consisting of printing, relevant events hosting, content creation and television media business, all of which are the businesses that the Company has experience and expertise in. Thus, the Company considers disposing Land and Buildings since the Company does not efficiently utilize such Land and Buildings, and the Company does not have plans to develop such Land and Building, either. Such disposal of assets does not have a significant impact on the Company's core business. Also, the disposal of Land and Buildings will help the Company to have the cash flow to repay the debt within the time specified, which will reduce the burden on interest expenses and increase the financial liquidity of the Company to be used as working capital.

4. Description of the asset to be disposed of

Details of Land and Buildings are as follows:

4.1 Land and Buildings in the Soi Kiatthani

Characteristics of asset	2 plots of land title deed no. 2058 and 30940, Bang Bo Sub-district, Bang Bo District, Samut Prakan, with the total land area of 11,232 square wah, together with a warehouse and 2 open space buildings without house number, total area of 1,204 square meters
Location	Soi Kiatthani, Debaratna Road (TorLor. 34), Bang Bo Sub-district, Bang Bo District, Samut Prakan
Document of right	The land title deed No. 2058, Land no. 40, area 5,912 square wah The land title deed No. 30940, Land no. 344, area 5,320 square wah
Legal rights	Absolute ownership
Liability	Mortgage as collateral for an outstanding Baht 190.00 million long-term loan with a financial institution for both land title deeds
The use prior to the disposal	Used as a warehouse

4.2 Land in the Soi Romyen 2

Characteristics of asset	A land title deed no. 54556 Bang Keaw Sub-district, Bang Phli District, Samut Prakan, with the total land area of 2,114 square wah
Location	Soi Romyen 2, Debaratna Road (TorLor. 34), Bang Keaw Sub-district, Bang Phli District, Samut Prakan
Document of right	The land title deed No. 54556, Land no. 234, area 5 Rai 1 Ngan 14 square wah
Legal rights	Absolute ownership
Liability	Mortgage as collateral for an outstanding Baht 190.00 million long-term loan with a financial institution
The use prior to the disposal	Being unused

5. Total value of consideration

The Company will dispose of Land and Buildings Soi Kiatthani at Baht 235,000,000 and Land Soi Romyen 2 at Baht 40,000,000 totaling of Baht 275,000,000 to the Purchaser.

6. Criteria to determine the total value of consideration

The sales of Land and Buildings in the Soi Kiatthani at Baht 235,000,000 and Land Soi Romyen 2 at Baht 40,000,000 totaling of Baht 275,000,000 to the Purchaser are the prices and terms negotiated between the Company and the Purchaser, together with the valuation of Land and Buildings by a valuer approved by the Securities and Exchange Commission (the "SEC").

The value of the consideration is derived from the price negotiated with the Purchaser, compared with the market value and the forced sale value of Land and Buildings that are appraised by Prospec Appraisal Company Limited, which is a valuer approved by the SEC. The value of the consideration falls into a range between the market value and the forced sale value as the following details:

Details	Sales and Purchase Value	The forced sale value	The market value
Land and Buildings Soi Kiatthani	Baht 235.00 million	Baht 201.27 million	Baht 287.53 million
Land Soi Romyen 2	Baht 40.00 million	Baht 37.00 million	Baht 52.85 million

Although the price from negotiation with the Purchaser in this transaction was lower than the appraised market value, during the beginning of the year 2018, the Company asked for approval of the disposal of Land and Buildings from the Extraordinary General Meeting of Shareholders No. 1/2018 held on 28 February 2018. The "basic price" used for the tender of Land and Buildings Soi Kiatthani is at Baht 288.04 million and Land Soi Romyen 2 is at Baht 52.85 million, which were the prices close to the appraised market value. The Company has tried to proceed with the tender to sell such assets for two times during March and April 2018, but no one was interested in sending a tender for such assets. As a result, the Company needed to have the resolution from the Extraordinary General Meeting No. 2/2018, held on 19 June 2018 to approve the cancellation of the disposal of assets under resolution in Agenda 3 of the Extraordinary General Meeting No. 1/2018, held on 28 February 2018. Practically, the "basis price" approved in Agenda 3 of the Extraordinary General Meeting No. 1/2018 was not consistent with the market conditions of the assets at the time of tender. In addition, the Company had always been trying to sell such Land and Buildings but no interested persons contacted. Until the present, the Company received a letter requesting to buy such Land and Building from only the purchaser: Weng Holding Company Limited.

The Company's Board of Directors considered and opined that the determination of such price was appropriate for the Company to be able to dispose of the assets at a price consistent with the market and industry conditions in the economic downturn. In addition, Land and Buildings thereof is also an asset in the area where most of the land is empty. Also, many plots are announced for sale at low prices because most of them are a land with a pond

having the same condition as the Company's assets and having relatively low trading liquidity.

Moreover, the Company needs to use such cash flow to repay the debt, which reaches a maturity, which would help reducing the burden from the Company's high-rate interest expenses and the remaining amount after paying debt can also be used for working capital that will allow the Company to operate its business continuously. In addition, the disposal of such assets is to reduce the assets that have a low level of a liquidity and can not be efficiently utilized, and the disposal of such assets does not have a material impact on the Company's business operation. In the case that the Company needs to use more spaces, the Company can still lease any spaces with a proper size for its operation.

7. Expected benefits to the Company from the asset disposal

- 7.1 This asset disposal will help reduce the debt of the Company, enabling the Company to repay the debt at the specified date and operate business continuously. Currently, the Company has interest-bearing debts with the financial institutions and short-term loans in the amount of approximately Baht 1,131 million. The Company will use the proceeds received from this transaction to repay the short-term and long-term liabilities secured with financial institutions and used as working capital in the business.
- 7.2 This asset disposal will help reduce the risk from managing capital structure, making the Company receive working capital available for the demand for cash flow in a timely manner.
- 7.3 This asset disposal will also help reducing the high-rate interest expenses since the Company can use the proceeds received from the disposal of assets to repay the debts.
- 7.4 The Company will be able to reduce non-performing assets and have low liquidity since the Company currently does not efficiently utilized Land and Buildings. As such, the Company does not have a plan to develop such land.

8. Plans for utilizing the proceeds from the asset disposal

Proceeds received from the disposal of Land and Buildings to the purchaser would be used to repay the Company's short-term and long-term liabilities secured with the financial institutions as the Company currently has liabilities with financial institutions and short-term loans in the total amount of Baht 1,131 million. The Company still has a liability from the license of digital television in the amount of Baht 1,499 million, totaling Baht 2,630 million. In this regard, the Company would be able to repay the debt at a specified date and reduce the debt burden from high-rate interest expenses from such debt.

In addition, the Company may use the remaining proceeds as working capital to increase the financial liquidity of the Company's core businesses with its expertise and consistent with its policy, which consisting of printing, relevant events hosting, content creation and television media business, and the relevant businesses, which are regarded as the businesses with growth potential that could support the Company's core operations continuously.

9. Conditions for the entering into the transaction

This entering into the transaction is considered as a Class 2 disposal of listed company's assets under the Notification on Acquisition or Disposal of Assets. After the Company obtains approval from the meeting of the Board of Directors' Meeting No. 5/2019, held on 5 April 2019, the Company is required to immediately disclose the information memorandum on entering into such transaction to the SET. The Company has to send a circular letter to the shareholders of the Company containing the minimum information as required by the Notification on Acquisition or Disposal of Assets within 21 days from the date on which the information memorandum on entering into such transaction is disclosed to the SET.

The Company will sign the Land and Buildings sale and purchase agreement, and the Company agrees to register the transfer of ownership of Land and Buildings under this agreement to the Purchaser at the authorized Land Office within 30 April 2019.

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

The meeting of the Board of Directors' Meeting No. 5/2019, held on 5 April 2019, has carefully considered this transaction, by considering the conditions of the transaction, the appropriateness of the sale value. The Meeting considered that at present Weng Holding Company Limited is reliable and has a stable financial status, able to make payments according to the conditions specified as above. However, on 18 March 2019, the purchaser signed and submitted the letter of intent to purchase Land and Buildings Soi Kiatthani and Land Soi Romyen 2, at a price of Baht 235,000,000 and Baht 40,000,000 respectively, totaling Baht 275,000,000, to the Company. The purchaser intended to sign the purchase contract of Land and Buildings as well as to pay and register the transfer within 30 April 2019.

In addition, the Board of Directors has considered and opined that currently the Company only utilizes Land and Buildings in some parts, which means that only the warehouse building area is being utilized. The disposal of Land and Buildings to the purchaser does not have any impacts on the Company's business operation, and also would reduce the debt burden of the Company. It also enables the Company to repay the debt at a specified time and operate business continuously, as well as to reduce the risks from managing the capital structure, resulting in working capital available for the demand to use cash flow of the Company in a timely manner.

11. Opinion of the Audit Committee and/or opinion of the director which is different from the opinion of the Board under Clause 10

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

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

Information Memorandum 2

1) Responsibility of the Board of Directors on Information Memorandum which is sent to Shareholders

The Board of Directors of the Company have reviewed and examined the information of this memorandum with care and certified that the information contained in this memorandum is accurate, complete, truth, not materially misleading and no important information, which should be disclosed, are omitted.

2) The Qualification of Independent Financial Advisor to Express the Opinion of the Transaction

-None-

3) Consolidated Financial Statements

(in thousand Baht)

Consolidated statement of financial position	31-Dec-15	%	31-Dec-16	%	31-Dec-17	%	30-Sep-18	%
Cash and cash equivalents	207,525	3%	233,694	4%	186,399	5%	177,650	5%
Current investments	822,150	11%	422,376	6%	125,422	3%	67,135	2%
Trade accounts receivable - net	588,557	8%	398,049	6%	274,768	7%	188,551	6%
Accrued income	167,704	2%	99,469	2%	77,070	2%	125,868	4%
Other receivables	85,826	1%	89,842	2%	59,605	1%	87,520	3%
Inventories - net	379,968	5%	136,926	2%	68,116	1%	25,322	0%
Non-current assets held for sales	-	-	-	-	-	-	376,405	12%
Other current assets - net	242,306	3%	321,559	5%	285,792	7%	227,304	7%
Total current assets	2,494,036	33%	1,701,915	27%	1,077,172	26%	1,275,755	39%
Long-term investments	32,419	0%	30,572	0%	27,245	1%	23,757	1%
Property, plant and equipment - net	1,646,419	22%	1,488,481	23%	1,462,585	36%	576,530	18%
Investment properties	44,678	0%	75,447	1%	70,655	2%	74,465	2%
Intangible assets - net	115,517	2%	171,182	3%	66,984	2%	70,640	2%
Digital television licences	2,783,780	37%	2,574,171	40%	1,049,289	26%	979,913	30%
Deferred tax assets	262,922	3%	112,053	2%	77,317	2%	26,748	1%
Other non-current assets	242,371	3%	231,609	4%	238,683	6%	243,326	7%
Total non-current assets	5,128,106	67%	4,683,515	73%	2,992,758	74%	1,995,379	61%
Total assets	7,622,142	100%	6,385,430	100%	4,069,930	100%	3,271,134	100%
Bank overdrafts and short-term loans from financial institutions	590,385	8%	549,431	9%	864,674	21%	812,337	25%
Trade accounts payable	133,706	2%	99,264	1%	105,023	3%	121,601	4%
Current portion of digital television licences payable	556,204	7%	584,069	9%	297,964	7%	-	0%
Current portion of long-term loans from financial institutions	-	0%	120,000	2%	156,000	4%	45,000	1%
Short-term borrowings	-	0%	550,000	9%	553,500	14%	329,703	10%
Current portion of finance lease liabilities	1,561	0%	1,066	0%	-	0%	-	0%
Other payables	26,329	0%	26,140	0%	67,394	2%	97,249	3%
Accrued expenses	216,232	3%	187,345	3%	166,497	4%	193,309	6%
Current income tax payable	418	0%	8	0%	-	-	-	-
Other current liabilities	329,558	5%	368,665	6%	289,613	7%	176,833	5%
Total current liabilities	1,854,393	25%	2,485,988	39%	2,500,665	62%	1,776,032	55%
Digital television licences payable	1,714,138	22%	1,130,070	18%	1,131,218	28%	1,445,887	44%
Long-term loans from financial institutions - net	-	0%	158,833	2%	47,000	1%	144,125	4%
Finance lease liabilities - net	1,271	0%	-	-	-	-	-	-
Deferred tax liabilities	17,826	0%	20,909	0%	31,230	1%	20,126	1%
Employee benefit obligations	163,856	2%	167,253	3%	137,981	3%	126,876	4%
Other non-current liabilities	130,432	2%	105,061	2%	87,316	2%	55,630	2%
Total non-current liabilities	2,027,523	26%	1,582,126	25%	1,434,745	35%	1,792,644	55%
Total liabilities	3,881,916	51%	4,068,114	64%	3,935,410	97%	3,568,676	109%
Share capital	2,155,849	28%	2,155,959	34%	2,155,959	53%	2,156,024	66%
Premium on ordinary shares	1,169,345	15%	1,169,694	18%	1,169,694	29%	1,169,752	36%
Share premium on ordinary shares of subsidiaries	95,398	0	96,605	0	96,939	0	96,939	0
Warrants	18,665	0	30,012	0	35,345	0	-	-
Reserve on acquisition of warrants	(91,013)	(0)	(91,013)	(0)	(91,013)	(0)	-	-
Other components of equity	(4,251)	(0)	(4,232)	(0)	167,161	0	72,170	0
Retained earnings (Deficit)								
- Legal reserves	32,700	0	32,700	0	32,700	0	32,700	0
- Unappropriated (Deficit)	(91,467)	(0)	(1,399,685)	(0)	(3,556,270)	(1)	(3,870,313)	(1)
Non-controlling interests	455,000	0	327,275	0	124,005	0	45,186	0
Total equity	3,740,226	0	2,317,316	0	134,520	0	(297,542)	(0)
Total liabilities and equity	7,622,142	100%	6,385,430	100%	4,069,930	100%	3,271,134	100%

(in thousand Baht)

Consolidated statement of income	2015	%	2016	%	2017	%	1 Jan - 30 Sep 2018 (9 mths)	%
Revenue from sale of goods and rendering of services	2,399,514	94%	2,021,669	96%	1,809,052	96%	1,144,527	93%
Investment income	28,810	1%	22,604	1%	8,711	0%	3,433	0%
Gain on disposal of investments	61,521	2%	-	-	-	-	-	-
Other income	60,115	2%	62,066	3%	72,561	4%	82,807	7%
Total income	2,549,960	100%	2,106,339	100%	1,890,324	100%	1,230,767	100%
Cost of sale of goods and rendering of services	2,209,915		2,000,460		1,699,708		930,088	
Selling and administrative expenses	876,828		1,114,444		2,370,976		523,122	
Total expenses	3,086,743		3,114,904		4,070,684		1,453,210	
Profit (loss) before finance cost and income tax expense	(536,783)		(1,008,565)		(2,180,360)		(222,443)	
Finance costs	(166,022)		(152,358)		(173,896)		(124,031)	
Income tax (expense) benefit	115,322		(157,819)		(24,166)		(54,460)	
Share of profit (loss) of associate	320		1,080		70		(1,732)	
Profit (loss) for the year	(587,163)		(1,317,662)		(2,378,352)		(402,666)	
Non-controlling interests	8,638		138,189		221,867		48,311	
Profit (loss) to owners of parent	(578,525)		(1,179,473)		(2,156,485)		(354,355)	

Management Discussion and Analysis

The consolidated financial statements of Nation Multimedia Group Public Company Limited and its subsidiaries for the nine-month period ended 30 September 2018 represented a loss of Baht 354.36 million. Compared to the same period of 2017, the loss was Baht 2,027.96 million (restated), a decrease loss of 83%. The Company would like to clarify a significance change of Group's operation results were summarized as follows

1. Revenue from sales of goods and rendering of services for the nine-month period of 2018 decreased by 19% compared to the same period of 2017. The main reasons is from economic slowdown which affected advertising revenue decreased by 19% and circulation revenues of newspaper, pocket books and children books decreased by 31%.

2. Costs and expenses for the nine-month period of 2018 decreased by 57% compared to the same period of 2017. The main reasons were:

- Cost of goods sold and rendering of services decreased 31% in line with the decrease in revenue from sales of goods and rendering of services.
- Distribution costs and administrative expenses decreased 28% due to in the first quarter of 2017, the Group compensated a voluntary resignation plan to the employee. In addition, the Group has a policy to maintain of expenses monitor.
- Impairment losses on assets decreased due to the Group recognized impairment losses from digital terrestrial television licenses and relating assets amounting to Baht 1,493.77 million in the third quarter of 2017.

Total assets were THB 3,271 million (in 2017 they were THB 4,070 million), a decrease of THB 799 million. The significant changes in the assets are as follows:

Current investment decreased by THB 58 million (-46%) due to the dispose of investments in funds.

Trade account receivables - net decreased by THB 86 million (-31%) due to a decrease in the revenue from the sale of advertisements and print media, and collection on its customers.

Accrued income increased by THB 49 million (63%). Most of the accrued income was attributable to the unissued invoices under the advertising agreements in the television business. In addition, the Company also got income from the various special activities. In some cases, service provision has already commenced but the corresponding invoice will be issued after the completion of each project in the next quarter.

Non-current assets held for sales increased by THB 376 million due to the reclassification of net assets of subsidiaries held for sales.

Other current asset – net decreased by THB 58 million (-20%), mainly due to the decrease in revenue from receivables from the Revenue Department and input value added tax pending arising from the collection from trade accounts receivable and payment of trade accounts payable, respectively.

Property, plants, and equipment - net decreased by THB 886 million (-61%), mainly due to the sale of subsidiaries during the period and classification as non-current assets held for sales and depreciation for the first-third quarter of 2018.

Digital television licences decreased by THB 69 million due to the amortisation for the first-third quarter of 2018.

Deferred tax assets decreased by THB 50 million due to the unrecognised deferred tax assets.

Total liabilities were THB 3,569 million (in 2017 they were THB 3,935 million), a decrease of THB 367 million. The significant changes are as follows:

Short-term borrowings decreased by THB 224 million, due to the repayment of short-term borrowings in the third quarter of 2018.

Other current liabilities decreased by THB 113 million (-39%), mainly due to the settlement of debts within the group that was decreasing in output value added tax pending of THB 69 million and deferred income decreased by THB 34 million.

4) Significant Lawsuits and Claims

- The Company and directors of the Group were accused of breach of the Public Limited Company Act B.E. 2535 in the civil lawsuit with the claim of Baht 42.5 million. However, on 6 October 2016, the Phrakhanong Provincial Court rendered a civil lawsuit judgement to dismiss the case against the Company and directors of the Group. The judgement was appealed by plaintiff in January 2017 then the plaintiff filed a petition to withdraw the appeal in February 2018. In July 2018, the Court of Appeal dismissed the case. However, the Court of First Instance is awaiting for the outcome of the case to

the end before a new verdict according to the case. The management and legal consultant believe that the Court shall allow the withdrawal of the appeal for the Company and the lawsuit will be ended as the judgement of Court of First Instance.

- The Company and directors of the Group were accused of violating the Securities and Exchange Act B.E. 2535 in the civil lawsuit with the claim of Baht 51.9 million. However, on 11 September 2018 the court of First Instance rendered a civil lawsuit judgement to dismiss the Company out.
- On May 16, 2017, the Court of Appeal rendered a civil lawsuit judgement to revoke the resolutions made in the 2015 Annual General Meeting of the shareholders of the Company held on April 29, 2015. The Company subsequently filed a petition to the court in July 2017. The High Court, on February 12, 2019, upheld the verdict delivered by the Appeal Court revoking resolutions passed in the 2015 Annual General Meeting of Shareholders. Following the verdict, the Board of Directors resolved to consider and approve the appointment of the auditors and determine the auditor's remuneration for the year 2015 again in the 2019 Annual General Meeting of Shareholders, since the review and audit by the auditors that was carried out in 2015 was considered undertaken in good faith and the Company had already paid remuneration to the auditors.
- On 18 September 2018, a former employee as plaintiff filed a lawsuit against the Company and the Provident Fund to the Central Labor Court. This would require the payment of approximately Baht 47.8 million. As at 30 September 2018, the case is currently being considered by the Central Labor Court. Therefore, the Company has not recorded any provision against this claim in the interim financial statements for the three-month and nine-month periods ended 30 September 2018.

5) The material connected transactions for the nine-month period of 2018 of the Company are summarized as follows:

(Unit : THB million)

Connected Parties / Nature of Business	Relationship	Material Connected Transactions	Transaction Value / 9-Month Balance of 2018
Nation Broadcasting Corporate Public Company Limited : Production of TV and radio programmes, and providing advertisement through TV media, radio media, and new-media forms	A subsidiary, 71.45% shareholding by the Company, some common directors	Revenue from sale of goods and rendering of services	18.28
		Sale of equipment	6.64
		Other income	0.27
		Trade accounts receivables	6.42
		Accrued income	0.69
		Other receivables	2.00
		Trade accounts payables	33.55
		Other payables	12.61
Nation International Edutainment Public Company Limited : Importing, publishing and distributing local and foreign publications, production of TV programmes and providing advertisements through TV media, digital media and character management	A subsidiary, 71.04% shareholding by the Company, some common directors	Revenue from sale of goods and rendering of services	7.12
		Costs of sales of goods and rendering of services	2.50
		Other income	0.93
		Distribution costs and administrative expenses	0.36
		Trade accounts receivables	2.29
		Accrued income	0.03
		Other receivables	0.42
		Trade accounts payables	27.76
Nation News Network Co., Ltd. : Publishing and distribution of English newspaper, publishing, digital media publishing and advertising media	A subsidiary, 99.99% shareholding by the Company, some common directors	Revenue from sale of goods and rendering of services	19.78
		Costs of sales of goods and rendering of services	0.36
		Other income	1.28
		Distribution costs and administrative expenses	0.06
		Trade accounts receivables	104.28
		Accrued income	0.44
		Other receivables	1.11
		Trade accounts payables	104.27
		Other payables	1.11
		Accrued expenses	5.82

Connected Parties / Nature of Business	Relationship	Material Connected Transactions	Transaction Value / 9-Month Balance of 2018
NML Co., Ltd. : Delivery of newspaper and publishingprint media	The Company sold this investment on 19 September 2018	Revenue from sale of goods and rendering of services	1.52
		Costs of sales of goods and rendering of services	0.93
		Sale of equipment	0.20
		Other income	0.30
		Distribution costs and administrative expenses	0.65
Kom Chad Luek Media Co., Ltd. : Publishing and distribution of newspaper, publishing, digital media publishing and advertising media	A subsidiary, 99.99% shareholding by the Company, some common directors	Revenue from sale of goods and rendering of services	27.75
		Costs of sales of goods and rendering of services	2.07
		Sale of equipment	0.45
		Other income	0.03
		Trade accounts receivables	353.00
		Accrued income	0.61
		Other receivables	3.13
		Trade accounts payables	352.97
		Other payables	3.13
Krungthep Media Co., Ltd. : Publishing and distribution of newspaper, publishing, digital media publishing and advertising media	A subsidiary, 99.99% shareholding by the Company, some common directors	Revenue from sale of goods and rendering of services	67.90
		Costs of sales of goods and rendering of services	3.89
		Sale of equipment	4.49
		Other income	0.18
		Trade accounts receivables	108.33
		Accrued income	2.30
		Other receivables	4.51
		Trade accounts payables	297.65
		Other payables	23.14
Bangkok Business Broadcasting Co., Ltd. : Production of TV programmes and providing	A subsidiary, 99.93% shareholding by the Company, some common directors	Revenue from sale of goods and rendering of services	13.85
		Sale of equipment	30.60
		Other income	0.08
		Trade accounts receivables	4.40

Connected Parties / Nature of Business	Relationship	Material Connected Transactions	Transaction Value / 9-Month Balance of 2018
advertisements through TV media		Accrued income	0.06
		Other receivables	0.51
		Trade accounts payables	4.90
		Other payables	0.01
		Accrued expenses	6.70
WPS (Thailand) Co., Ltd. : Production of newspaper, and books and publishing service	A subsidiary, 84.50% shareholding by the Company, some common directors	Revenue from sale of goods and rendering of services	6.64
		Costs of sales of goods and rendering of services	10.83
		Other income	0.07
		Distribution costs and administrative expenses	2.20
		Trade accounts receivables	2.64
		Accrued income	0.01
		Other receivables	0.14
		Trade accounts payables	12.51
		Other payables	3.24
		Accrued expenses	0.91
Nation University : Establish a private university and academic training	A University, a license holding by Nation U Co., Ltd. (The Group sold this investment on 25 July 2018.)	Revenue from sale of goods and rendering of services	6.58
		Other income	0.66
		Distribution costs and administrative expenses	3.52
NBC Next Vision Co., Ltd. : Production of TV programmes and providing advertisements through TV media	99.99% shareholding by Nation Broadcasting Corporation Public Company Limited, some common directors	Revenue from sale of goods and rendering of services	2.89
		Other income	0.45
		Other payables	0.56
Nation Global Edutainment Co., Ltd. : Importing, publishing and distributing children's books for edutainment	99.74% shareholding by Nation International Edutainment Public Company Limited, some common directors	Revenue from sale of goods and rendering of services	2.73
		Sale of equipment	0.31
		Other income	0.02
		Trade accounts receivables	0.84
		Other receivables	0.17
		Trade accounts payables	1.73
		Other payables	1.50

Connected Parties / Nature of Business	Relationship	Material Connected Transactions	Transaction Value / 9-Month Balance of 2018
Yomiuri-Nation Information Service Limited : Advertising agency	An associated company, 45.00% shareholding by the Company, some common directors	Revenue from sale of goods and rendering of services	0.09
		Trade accounts receivables	0.01

Policy on connected transactions of the Company with its subsidiaries and associated companies of the same level comprising two parts, as follows:

1. Procedures and steps in approving the entering into of the connected transactions of the Company with its subsidiaries and associated companies of the same level

2. Policy or tendency in the entering into of any future connected transactions of the Company with its subsidiaries and associated companies of the same level

1. Procedures and steps in approving the entering into of the connected transactions

The Company has established measures for controlling the entering into of connected transactions between the Company and its subsidiaries and joint venture companies of the same level, and persons which have or may have conflicts of interest under the Notifications of the SEC and the Stock Exchange.

The Audit Committee is responsible for giving an opinion on the necessity of and the appropriateness of the price of such connected transactions. The conditions of a connected transaction shall be in line with the general trade terms, and the price thereof shall be comparable with the price applicable to transactions on an arm's length basis. If a comparison of the price of a connected transaction and an arm's length transaction cannot be made, the parties to such transaction shall jointly determine the appropriate price of the goods and services.

If the Audit Committee lacks the expertise required for the consideration of a connected transaction, the Company shall procure an independent expert or auditor to give their opinion on the said transaction, which will then be used for decision-making by the Board of Directors and/or Audit Committee and/or shareholders, as the case may be. A person that has or may have conflicts of interest shall not be entitled to cast a vote in respect of the transaction in which such person has a conflict of interest.

Furthermore, the Company will disclose the information on the connected transactions and material asset acquisition or disposal transactions of the Company and its subsidiaries in compliance with the requirements of the SEC and the Stock Exchange, as well as the accounting standards prescribed by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King.

2. Policy or tendency in the entering into of any future connected transactions

The Company and its subsidiaries and joint venture companies of the same level may enter into connected transactions with persons with potential conflicts of interest.

The Company's policy with regard to transactions entered into in the ordinary course of business with conditions that are in line with the general trade terms, and involving a person with potential conflicts of interest, particularly a Group company of Nation Multimedia Group Public Company Limited, and which involves printing, goods distribution, purchasing paper, purchasing of advertising space on various media platforms, and collection of service fees, is as follows: all terms and conditions under connected transactions shall be in line with the general trade terms, and the market price, as would be applicable to non-connected transactions carried out on an arm's length basis, shall be used. This policy is in accordance with the principles approved by the Board of Directors and in compliance with the Securities and Exchange Act. In this regard, the parties shall strictly adhere to the agreements entered into, and jointly determine prices and conditions that are clear, fair, and that do not cause the transfer of benefits.

In the case of new transactions or changes to the existing prices and conditions, the Internal Audit Department shall review the information and prepare a report for consideration by the Audit Committee in giving an opinion on the appropriateness of the price and reasonableness of those transactions at least once a year.

The Company will take the abovementioned procedures and steps applicable to the approval of connected transactions prior to entering into business transactions or business support transactions in the ordinary course of business that do not use general trade terms, and other connected transactions.

Necessity and reasonableness of the connected transactions

The majority of the businesses and operations of the Company and its subsidiaries are interrelated with and/or support the businesses of the subsidiaries, joint venture companies, and related companies. Some of the assets, debts, income, and expenses of the Company and its subsidiaries also involve transactions with the Company's other subsidiaries, joint venture companies, and related companies. These companies are related to one another given that they sometimes have an overlap of the shareholders and/or directors and key Management members, or directors and employees whose scope of duties and responsibilities include planning, giving of instructions, and controlling the operations of the Company, and its subsidiaries, joint venture companies, and related companies. The policy on pricing of the Company and its subsidiaries is detailed below:

Transactions	Pricing policies
Sale of goods and rendering of services	General price and negotiable rate
Costs of sales of goods and rendering of services	Actual cost allocation rate and negotiable rate
Sale of equipment	Book value plus margin
Purchase of equipment	Book value plus margin
Dividend income	As announced in the minute of shareholders' meeting

Other income	Negotiable rate
Distribution costs and administrative expenses	Negotiable rate
Interest expense	Rate as specified in the agreement

The abovementioned connected transactions are the transactions made by the Company or its subsidiaries and the parties which may have conflicts of interest, and under the ordinary course of business of the Company with no connected loan transaction. The approval thereof shall be made in accordance with the Company's policy, and the approval procedures are subject to the transaction value, in compliance with the Articles of Association. In addition, the new connected transactions and outstanding transactions shall be reviewed by the independent auditors both on a quarterly and annual basis. In the case of a material transaction, the auditors would verify any agreement and important documents related thereto, and disclose such transaction in the Notes to the Financial Statement, whereby the Financial Statement shall be proposed to the Board of Directors for its consideration. Subsequently, the Board of Directors shall propose the Financial Statement to the shareholders meeting for its consideration and give the shareholders an opportunity to ask any question with regard thereto, whereby each financial statement has been approved by the shareholders meeting.

For the policy on connected transactions, the Company ensures that there shall be only transactions necessary for and relevant to its core businesses, i.e. with businesses involved in print media, radio, and television. Additionally, the Company has a policy not to grant additional loans to any unrelated business. In the case of any connected transaction between the Company and a party with a conflict of interest, the Company shall ensure that there are consideration procedures in place as required by the Stock Exchange of Thailand and the Securities and Exchange Commission as a measure for protecting the investors.

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

Please be informed accordingly.

Yours sincerely,



(Mr. Somchai Meesen)
Chief Executive Officer

