



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

Information Memorandum on the Asset Disposal of Nation Multimedia Group Public Company Limited

The Board of Directors of Nation Multimedia Group Public Company Limited (the “**Company**”) No. 15/2018, held on 12 December 2018, has resolved for the Company to dispose all investments in WPS (Thailand) Company Limited (“**WPS**”) (a subsidiary of the Company operating publication of books and journals business), i.e. disposing 42,250,000 ordinary shares in WPS, equivalent to 84.50 percent of the total number of shares in WPS (“**Shares of WPS**”) to Eastern Printing Public Company Limited (the “**Purchaser**”) at price of Baht 9.6450 per share, amounting to the total of Baht 407.50 million. After the disposal of the Shares of WPS, WPS will cease to be a subsidiary of the Company.

The transaction mentioned above is considered as a disposal of assets in accordance with 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) (the “**Notification on Acquisition or Disposal of Assets**”). The highest transaction value equals 13.99 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 interim consolidated financial statements for the period of 6 months ended 30 June 2018. When combining with three 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 all investments in WPS, i.e. (1) a transaction of the disposal of all investments in Nation U Company Limited, having the highest transaction value of 45.04 percent based on the net tangible asset basis, calculated from the Company’s reviewed interim consolidated financial statements for a period of 9 months ended 30 September 2017, (2) a transaction of the disposal of all investments in NML, having the highest transaction value of 1.82 percent based on total value of consideration basis, calculated from the Company’s reviewed interim consolidated financial statements for a period of 9 months ended as of 30 September 2017, and (3) a transaction of the disposal of lands and buildings in Khon Kaen Province, having the highest transaction value of 0.31 percent based on total value of consideration basis, calculated from the Company’s reviewed interim consolidated financial statements for a period of 3 months ended as of 31 March 2018. As a result, the total highest transaction value of the Company for the entering into this transaction combining with the three 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 all investments in WPS will be 45.04 percent based on the net tangible asset basis, being considered as a Class 2 transaction under the Notification on Acquisition or Disposal of Assets. Therefore, the Company is required to immediately disclose the information memorandum on entering into such transaction to the Stock Exchange of Thailand (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.

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

As of 12 December 2018, the date on which the Board of Directors of the Company resolved to approve the entering into the transaction, the Company will sign the share purchase agreement for the Shares of WPS and/or other related agreements and will transfer the Shares of WPS to the Purchaser within 31 December 2018.

2. Involved parties and relationships between the parties

Share Purchase Agreement of WPS (Thailand) Company Limited	
Seller	The Company
Purchaser	Eastern Printing Public Company Limited, 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 B.E. 2546 (2003), dated 19 November 2003 (as amended) (collectively, the “ Notifications on Connected Transactions ”).
Detail of the asset to be disposed of	42,250,000 ordinary shares in WPS, or equivalent to 84.50 percent of the total number of issued ordinary shares in WPS
Selling price	The price per share is Baht 9.6450, equivalent to the total value of Baht 407.50 million.
Material condition precedents	<ol style="list-style-type: none"> 1. The Company has obtained the letter of consent from Kasikornbank Public Company Limited, the creditor of the Company, to exempt from clauses under any credit agreements made between Kasikornbank Public Company Limited and the Company relating to the change of main shareholder and director of the Company and condition specifying that the Seller has to be a shareholder of the Company, holding not less than 84.50 percent of the total shares in the Company. 2. The Company has obtained the letter of consent from Kasikornbank Public Company Limited concerning (1) the cancellation of Negative Pledge agreement that the Company made with Kasikornbank Public Company Limited dated 27 January 2014 which related to the providing of financial support to NBC Next Vision Company Limited. (2) the cancellation of Negative

	Pledge agreement that the Company made with Kasikornbank Public Company Limited dated 3 February 2014 which related to the providing of financial support to Bangkok Business Broadcasting Company Limited; and (3) Release of Share Pledge Agreement in the shares that the Seller pledged with Kasikornbank Public Company Limited pursuant to Share Pledge Agreement dated 18 May 2017.
Conditions for the debt repayment between WPS and the Company	The Company and affiliates will repa all of the unpaid debts which are overdue i.e. exceeding 60 days to WPS and WPS will make payment for all of the unpaid debts which are overdue (exceeding 60 days) to the Company and affiliates. The reference of such unpaid debts will be made from trade receivables as detailed in the financial statement of WPS as of 30 November 2018.

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

3.1 General Characteristics

The Company will dispose all investments in WPS, a subsidiary of the Company operating publication of books and journals business, in the total number of 42,250,000 shares, or equivalent to 84.50 percent of the total number of shares in WPS to Eastern Printing Public Company Limited at a price of Baht 9.6450 per share, amounting to the total of Baht 407.50 million. After the disposal of the Shares of WPS, WPS will cease to be a subsidiary of the Company.

3.2 Calculation of transaction value

The calculation of the transaction value under the Notification on Acquisition or Disposal of Assets based on the reviewed interim consolidated financial statements of the Company and WPS for the period of 6 months ended 30 June 2018 has the details as follows:

1. Net Tangible Asset Criteria

Cannot be calculated, as the Company's net tangible asset is negative.

2. Net Profits from Normal Operation Criteria

Cannot be calculated, as the Company's net profit is negative.

3. Total Value of Consideration Criteria

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

Total asset of the listed company

Paid or Received = Selling price + Value of unpaid debt due to the Company
Transaction Value + Guaranty

= Baht 407.50 million + Baht 4.14 million + Baht 120 million

Total Value of = $\frac{\text{Baht 531.64 million} \times 100}{\text{Baht 3,798.89 million}}$
Consideration

= 13.99 %

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

Cannot be calculated, as the Company did not issue securities for the assets acquisition.

From the calculation of the transaction value above, the highest transaction value equals 13.99 percent according to 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 interim consolidated financial statements for the period of 6 months ended 30 June 2018. When combining with three 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 all investments in WPS, i.e. (1) a transaction of the disposal of all investments in Nation U Company Limited, having the highest transaction value of 45.04 percent based on the net tangible asset basis, calculated from the Company's reviewed interim consolidated financial statements for a period of 9 months ended as of 30 September 2017, (2) a transaction of the disposal of all investments in NML, having the highest transaction value of 1.82 percent based on total value of consideration basis, calculated from the Company's reviewed interim consolidated financial statements for a period of 9 months ended as of 30 September 2017, and (3) a transaction of the disposal of lands and buildings in Khon Kaen Province, having the highest transaction value of 0.31 percent based on total value of consideration basis, calculated from the Company's reviewed interim consolidated financial statements for a period of 3 months ended as of 31 March 2018. As a result, the total highest transaction value of the Company for the entering into this transaction combining with the three 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 all investments in WPS will be 45.04 percent based on the net tangible asset basis, being considered as a Class 2 transaction under the Notification on Acquisition or Disposal of Assets. Therefore, 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 the cash flow for the debt repayment and the business operation, as the Company has continuous loss. Thus, the Company considers restructuring the business of the Company's group by disposing assets that will not have impact on the main businesses of the Company and it is not necessary for the Company to depend on or utilized the disposed assets. The Company would proceed with its strategies and policies to engage in the core business in which it has expertise, i.e. publication and printing, organizing of related activities, production of contents for program and television media business. Moreover, the disposal of all investments in WPS which is a subsidiary of the Company will help the Company to have cash flow for debt repayment, resulting in the ability of the Company to repay the debt within time specified which will help reduce interest burden of the Company and increase financial liquidity to the Company as the Company will have working capital.

4. Details of asset to be disposed of

Details of WPS are as follows:

4.1 General information

Name of the company	WPS (Thailand) Co., Ltd.
Juristic Registration No.	0115548002146
Type of Business	Publication of books and other journals
Principal Office	167/5 Moo. 4 Bang Na-Trad Rd. Bang Na, Bang Na, Bangkok
Registered Capital	Baht 500,000,000
Paid-Up Capital	Baht 500,000,000
No. of Ordinary Shares	50,000,000 shares
No. of Preference Shares	- None -
Par Value	Baht 10 per share

4.2 List of Shareholders as of 12 December 2018

No.	List of Shareholders of WPS	Number of Ordinary Shares	Percentage
1.	Nation Multimedia Group Public Company Limited	42,500,000	84.50
2.	Aksorn Sombat Co., Ltd.	5,000,000	10.00
3.	Mr. Suraphol Dheva-aksorn	1,000,000	2.00
4.	Kilen Printing Co., Ltd.	625,000	1.25
5.	Ms. Supa Hongtong	625,000	1.25
6.	Amarin Printing and Publishing Public Company Limited	250,000	0.50
7.	Mr. Vorasit Dheva-aksorn	250,000	0.50
	Total	50,000,000	100.00

4.3 List of Directors as of 12 December 2018

No.	List of Directors of WPS	Position
1.	Mr.Tawan Dheva-aksorn	Director
2.	Mr. Vorasit Dheva-aksorn	Director
3.	Ms. Supa Hongtong	Director
4.	Mr. Somchai Meesen	Director
5.	Mr. Pana Janviroj	Director
6.	Ms. Natwara Saengwarin	Director

4.4 Financial information

1) Information in the Consolidated Financial Statements of the Company for the years 2015-2017 and the six-month period of 2018

NMG							(in thousand Baht)	
Statement of income	2015	%	2016	%	2017	%	6 Months 2018	%
Revenue from sale of goods and rendering of services	2,399,514	94%	2,021,669	96%	1,809,052	96%	752,534	92%
Investment income	28,810	1%	22,604	1%	8,711	0%	2,362	0%
Gain on disposal of investments	61,521	2%	-	0%	-	0%	-	0%
Other income	60,115	2%	62,066	3%	72,561	4%	59,376	7%
Total income	2,549,960	100%	2,106,339	100%	1,890,324	100%	814,272	100%
Cost of sale of goods and rendering of services	2,209,915		2,000,460		1,699,708		611,411	
Selling and administrative expenses	876,828		1,114,444		2,370,976		350,988	
Total expenses	3,086,743		3,114,904		4,070,684		962,399	
Profit (loss) before finance cost and income tax expense	(536,783)		(1,008,565)		(2,180,360)		(148,127)	
Finance costs	(166,022)		(152,358)		(173,896)		(87,692)	
Income tax (expense) benefit	115,322		(157,819)		(24,166)		(53,633)	
Share of profit (loss) of associate	320		1,080		70		(67)	
Profit (loss) for the year	(587,163)		(1,317,662)		(2,378,352)		(289,519)	
Non-controlling interests	8,638		138,189		221,867		30,205	
Profit (loss) to owners of parent	(578,525)		(1,179,473)		(2,156,485)		(259,314)	

Statement of financial position	2015	%	2016	%	2017	%	30-6-2018	%
Cash and cash equivalents	207,525	3%	233,694	4%	186,399	5%	157,129	4%
Current investments	822,150	11%	422,376	6%	125,422	3%	106,986	3%
Trade accounts receivable - net	588,557	8%	398,049	6%	274,768	7%	197,513	5%
Short-term loans to related party	-	0%	-	0%	-	0%	-	0%
Accrued income	167,704	2%	99,469	2%	77,070	2%	119,461	3%
Other receivables	85,826	1%	89,842	2%	59,605	1%	56,967	1%
Inventories - net	379,968	5%	136,926	2%	68,116	1%	39,663	0%
Other current assets - net	242,306	3%	321,559	5%	285,792	7%	242,513	6%
Total current assets	2,494,036	33%	1,701,915	27%	1,077,172	26%	920,232	24%
Long-term investments	32,419	0%	30,572	0%	27,245	1%	25,422	1%
Property, plant and equipment - net	1,646,419	22%	1,488,481	23%	1,462,585	36%	1,394,507	37%
Investment properties	44,678	0%	75,447	1%	70,655	2%	73,581	2%
Intangible assets - net	115,517	2%	171,182	3%	66,984	2%	77,911	2%
Digital television licences	2,783,780	37%	2,574,171	40%	1,049,289	26%	1,003,292	26%
Deferred tax assets	262,922	3%	112,053	2%	77,317	2%	36,016	1%
Other non-current assets	242,371	3%	231,609	4%	238,683	6%	271,065	7%
Total non-current assets	5,128,106	67%	4,683,515	73%	2,992,758	74%	2,881,794	76%
Total assets	7,622,142	100%	6,385,430	100%	4,069,930	100%	3,802,026	100%
Bank overdrafts and short-term loans from financial institutions	590,385	8%	549,431	9%	864,674	21%	879,444	23%
Trade accounts payable	133,706	2%	99,264	1%	105,023	3%	133,312	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%	30,000	1%
Short-term borrowings	-	0%	550,000	9%	553,500	14%	559,764	15%
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%	97,967	3%
Accrued expenses	216,232	3%	187,345	3%	166,497	4%	180,533	5%
Current income tax payable	418	0%	8	0%	-	0%	-	0%
Other current liabilities	329,558	5%	368,665	6%	289,613	7%	209,885	6%
Total current liabilities	1,854,393	25%	2,485,988	39%	2,500,665	62%	2,090,905	56%
Digital television licences payable	1,714,138	22%	1,130,070	18%	1,131,218	28%	1,442,966	38%
Long-term loans from financial institutions - net	-	0%	158,833	2%	47,000	1%	158,750	4%
Finance lease liabilities - net	1,271	0%	-	0%	-	0%	-	0%
Deferred tax liabilities	17,826	0%	20,909	0%	31,230	1%	43,562	1%
Employee benefit obligations	163,856	2%	167,253	3%	137,981	3%	145,172	4%
Other non-current liabilities	130,432	2%	105,061	2%	87,316	2%	74,928	2%
Total non-current liabilities	2,027,523	26%	1,582,126	25%	1,434,745	35%	1,865,378	49%
Total liabilities	3,881,916	51%	4,068,114	64%	3,935,410	97%	3,956,283	104%
Share capital	2,155,849	28%	2,155,959	34%	2,155,959	53%	2,156,024	57%
Premium on ordinary shares	1,169,345	15%	1,169,694	18%	1,169,694	29%	1,169,752	31%
Share premium on ordinary shares of subsidiaries	95,398	1%	96,605	2%	96,939	2%	96,939	3%
Warrants	18,665	0%	30,012	0%	35,345	1%	35,761	1%
Reserve on acquisition of warrants	(91,013)	-1%	(91,013)	-1%	(91,013)	-2%	(91,013)	-2%
Other components of equity	(4,251)	0%	(4,232)	0%	167,161	4%	167,161	4%
Retained earnings (Deficit)								
- Legal reserves	32,700	1%	32,700	1%	32,700	1%	32,700	1%
- Unappropriated (Deficit)	(91,467)	-1%	(1,399,685)	-22%	(3,556,270)	-87%	(3,815,584)	-100%
Non-controlling interests	455,000	6%	327,275	5%	124,005	3%	94,003	2%
Total equity	3,740,226	49%	2,317,316	36%	134,520	3%	(154,257)	-4%
Total liabilities and equity	7,622,142	100%	6,385,430	100%	4,069,930	100%	3,802,026	100%

2) Information in the Financial Statements of WPS for the years 2015-2017 and the six-month period of 2018

WPS (Thailand) Co.,Ltd.

(in thousand Baht)

Statement of income	2015	%	2016	%	2017	%	6 Month 2018	%
Revenue from sale of goods and rendering of services	320,698	97%	271,575	97%	192,110	96%	87,996	96%
Other income	9,731	3%	9,494	3%	8,933	4%	4,017	4%
Total income	330,429	100%	281,069	100%	201,043	100%	92,013	100%
Cost of sale of goods and rendering of services	261,937		216,850		179,404		72,892	
Selling and administrative expenses	30,929		38,657		233,579		53,832	
Total expenses	292,866		255,507		412,983		126,724	
Profit (loss) before finance cost and income tax expense	37,563		25,562		(211,940)		(34,711)	
Finance costs	(3,874)		(3,163)		(3,957)		(2,377)	
Income tax (expense) benefit	(1,392)		(4,514)		2,935		(4,031)	
Profit (loss) for the year	32,297		17,885		(212,962)		(41,119)	

WPS (Thailand) Co.,Ltd.

(in thousand Baht)

Statement of financial position	2015	%	2016	%	2017	%	30-6-2018	%
Cash and cash equivalents	922	0%	712	0%	674	0%	591	0%
Trade accounts receivable - net	128,153	16%	160,812	21%	11,236	2%	17,020	3%
Accrued income	11,802	1%	8,129	1%	6,788	1%	4,503	1%
Other receivables	2,018	0%	3,162	0%	1,721	0%	894	0%
Inventories - net	19,089	2%	15,418	2%	16,133	3%	14,061	3%
Other current assets - net	10,722	1%	967	0%	2,066	0%	3,427	1%
Total current assets	172,706	21%	189,200	24%	38,618	7%	40,496	8%
Property, plant and equipment - net	641,440	78%	569,323	73%	502,351	91%	470,602	90%
Other non-current assets	10,145	1%	17,398	2%	11,858	2%	11,858	2%
Total non-current assets	651,585	79%	586,721	76%	514,209	93%	482,460	92%
Total assets	824,291	100%	775,921	100%	552,827	100%	522,956	100%
Bank overdrafts and short-term loans from financial institutions	60,972	7%	56,451	7%	63,489	11%	67,151	13%
Trade accounts payable	41,366	5%	30,179	4%	27,893	5%	29,861	6%
Other payables	29,399	4%	1,384	0%	2,681	0%	3,389	1%
Accrued expenses	2,414	0%	2,294	0%	2,907	1%	1,415	0%
Other current liabilities	11,112	1%	12,238	2%	15,056	3%	17,130	3%
Total current liabilities	145,263	18%	102,546	13%	112,026	20%	118,946	23%
Deferred tax liabilities	17,826	2%	22,341	3%	19,405	4%	23,436	4%
Employee benefit obligations	9,660	1%	6,608	1%	7,432	1%	7,729	1%
Total non-current liabilities	27,486	3%	28,949	4%	26,837	5%	31,165	6%
Total liabilities	172,749	21%	131,495	17%	138,863	25%	150,111	29%
Share capital	500,000	61%	500,000	64%	500,000	90%	500,000	96%
Retained earnings (Deficit)								
- Legal reserves	7,390	1%	9,010	1%	9,910	2%	9,910	2%
- Unappropriated (Deficit)	144,152	17%	135,416	17%	(95,946)	-17%	(137,065)	-26%
Total equity	651,542	79%	644,426	83%	413,964	75%	372,845	71%
Total liabilities and equity	824,291	100%	775,921	100%	552,827	100%	522,956	100%

5. Total value of consideration

The Company will dispose all investments in WPS, i.e. disposing 42,250,000 ordinary shares in WPS, equivalent to 84.50 percent of the total number of shares in WPS to Eastern Printing Public Company Limited at a price of Baht 9.6450 per share, amounting to the total of Baht 407.50 million. In addition, according to the financial statements of WPS as of 30 June 2018, WPS has outstanding liabilities with the Company in the total amount of Baht 4.14 million including the guaranty and the credit line in the total amount of Baht 120.00 million. After the disposal of the Shares of WPS, WPS will cease to be a subsidiary of the Company.

6. Criteria to determine total value of consideration

The disposal of all investments in WPS in the total amount of Baht 407.50 million and the payment of unpaid debts between the Company together with the group companies and WPS as stated above (for further details, please consider the terms in relation to the debt payment in Clause 2. Involved parties and relationships between the parties). The price and conditions derived from the negotiation between the Purchaser and the Company, together with the business valuation.

The value of consideration takes into account the appraisal of the shares of the business by different approaches, i.e. book value approach, adjusted book value approach, price to book value approach and discounted cash flow approach, performed by Orion Advisory Company Limited as the financial advisor of the Company. However, the financial advisor of the Company viewed that the discounted cash flow approach is the most suitable approach for the valuation because such method reflects business operation plan, profitability and growth projection, including returns to shareholders in the future. The value of the share price of WPS in proportion to shareholding ratio of 84.50 percent derived from such approach is between Baht 366.98 million to Baht 410.76 million. The selling price derived from the negotiation between the Purchaser and the Company is higher than such appraised value.

Although the price achieved by the negotiation with the Purchaser in entering into this transaction is lower than the “base price” of the bidding, i.e. Baht 593.32 million as approved by the Extraordinary General Meeting of Shareholders No. 1/2018, held on 28 February 2018. The Company attempted to sell the asset through two biddings during March and April 2018, but there was no one interested in submitting the bid and therefore the Company by the Extraordinary General Meeting of Shareholders No. 2/2018, held on 19 June 2018, resolved to cancel the approval on the disposal of the asset under Agenda 3 of the Extraordinary General Meeting of Shareholders No. 1/2018, held on 28 February 2018 because in practice the “base price” approved in Agenda 3 of such meeting was not in line with the market conditions of each asset at the time of the bidding.

The Board of Directors of the Company considered and was of the opinion that the specification of such price as per the criteria is suitable for the Company to be able to dispose assets at the price which is in line with market and industrial conditions during the downturn of the economy. Furthermore, it is essential for the Company to utilize such cash flow for debt repayment which will help reduce the interest burden of the Company and as working capital for the Company to run business continuously. Besides, the disposition of such assets has no material effect to the core business operation of the Company.

7. Expected benefits to the Company from the asset disposal

- 7.1 This asset disposal is a part of business restructuring of the Company's group with a view to withstand the potential impacts from the downturn of the current economy, as well as, to commit in pursuing its strategies and policies to engage in the core business in which it has expertise, i.e. printing media (the newspaper: Bangkok Biz, The Nation, Kom Chad Luek), organizing of relevant activities, production of the contents, and television media (Digital television station: Nation 22) of NBC group and business of NINE group) and the production of the program contents, which are all businesses that the Company has the experiences and expertise, and are truly the strength of the Nation Group.
- 7.2 The asset disposal will help reduce the debt burden of the Company, resulting in the Company being able to repay the debts within time specified and operate the business smoothly. Currently, the Company has the debts with interest with financial institutions and short-term loans of approximately Baht 1,338.36 million, and the Company will use the proceeds received from the transaction to repay the short-term debts of the Company, which are the promissory notes and to utilize as working capital.
- 7.3 The asset disposal above helps reduce the expenses of the high interest rate as the Company can use the money received to pay the relevant debts.
- 7.4 This asset disposal will help reduce the risk from loss recognition from the operation of WPS in the consolidated financial statements of the Company since WPS has experienced loss continuously since 2017 until currently, together with the downturn of such printing industry which will result in operation at loss in the future.

8 Plans for utilizing the proceeds from the asset disposal

Proceeds received from the disposal of the investments in WPS would be used to reduce the short-term debt burden of the Company, as the Company currently has the debt with the financial institutions and short-term loans in the amount of Baht 1,338.36 million, and also the debt of the digital television license fee of Baht 1,499 million. This is for the Company to be able to repay the debt within the specified time and to be able to reduce the burden of increasing interest that occurs from the debt burden.

Furthermore, the Company may use the proceeds as the working capital to increase financial liquidity in the main business of the Company that it has the expertise and in line with the policy of the Company, i.e. printing media, organizing of relevant activities, production of the contents, television media, including the relevant businesses that have the potential to grow and support the main business of the Company, for the Company to be able to cooperate business continually.

9 Condition for the entering into the transaction

This entering into the transaction is considered as a Class 2 disposal of listed company's assets under the Notification on Acquisition or Disposal of Assets. After the Company has obtained approval from the meeting of Board of Directors No. 15/2018, held on 12 December 2018, the Company is required to immediately disclose the information memorandum on entering

into such transaction to the SET and send a circular letter to the shareholders of the Company containing the minimum information as required by the Notification on Acquisition or Disposal of Assets within 21 days from the date on which the information memorandum on entering into such transaction is disclosed to the SET.

The Company will sign the share purchase agreement for the Shares of WPS and/or other related agreements and will transfer the Shares of WPS to the Purchaser within 31 December 2018.

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

The meeting of the Board of Directors No. 15/2018, held on 12 December 2018, has carefully pondered this transaction, by considering the conditions of the transaction, the appropriateness of the sale value and the payment ability of the Purchaser and viewed that Eastern Printing Public Company Limited, a listed company in the SET, is reliable and financially stable and thus being able to make payment under the specified conditions. Besides, the Purchaser has placed the deposit in an amount of Baht 2,000,000 to the Company as an expression of intention to enter into the transaction according to the Memorandum of Agreement between Nation Multimedia Group Public Company Limited and Eastern Printing Public Company Limited dated 21 September 2018 re: the purchase of shares in WPS (Thailand) Co., Ltd. Therefore, the Board of Directors is of the opinion that the entering into the transaction is appropriate and for the benefits of the Company and the shareholders, and under reasonable conditions.

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

All directors of the Company shared the same opinions which are in line with the Board of Directors' resolution above (unanimity) and no member in the Audit Committee has different opinion from such Board's resolution.

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) **Financial Statements**

Information in the financial statements of WPS for the years 2015-2017 and the six-month period of 2018

WPS (Thailand) Co.,Ltd.							(in thousand Baht)	
	2015	%	2016	%	2017	%	6 Month 2018	%
Statement of income								
Revenue from sale of goods and rendering of services	320,698	97%	271,575	97%	192,110	96%	87,996	96%
Other income	9,731	3%	9,494	3%	8,933	4%	4,017	4%
Total income	330,429	100%	281,069	100%	201,043	100%	92,013	100%
Cost of sale of goods and rendering of services	261,937		216,850		179,404		72,892	
Selling and administrative expenses	30,929		38,657		233,579		53,832	
Total expenses	292,866		255,507		412,983		126,724	
Profit (loss) before finance cost and income tax expense	37,563		25,562		(211,940)		(34,711)	
Finance costs	(3,874)		(3,163)		(3,957)		(2,377)	
Income tax (expense) benefit	(1,392)		(4,514)		2,935		(4,031)	
Profit (loss) for the year	32,297		17,885		(212,962)		(41,119)	

WPS (Thailand) Co.,Ltd.

(in thousand Baht)

Statement of financial position	2015	%	2016	%	2017	%	30/06/2018	%
Cash and cash equivalents	922	0%	712	0%	674	0%	591	0%
Trade accounts receivable - net	128,153	16%	160,812	21%	11,236	2%	17,020	3%
Accrued income	11,802	1%	8,129	1%	6,788	1%	4,503	1%
Other receivables	2,018	0%	3,162	0%	1,721	0%	894	0%
Inventories - net	19,089	2%	15,418	2%	16,133	3%	14,061	3%
Other current assets - net	10,722	1%	967	0%	2,066	0%	3,427	1%
Total current assets	172,706	21%	189,200	24%	38,618	7%	40,496	8%
Property, plant and equipment - net	641,440	78%	569,323	73%	502,351	91%	470,602	90%
Other non-current assets	10,145	1%	17,398	2%	11,858	2%	11,858	2%
Total non-current assets	651,585	79%	586,721	76%	514,209	93%	482,460	92%
Total assets	824,291	100%	775,921	100%	552,827	100%	522,956	100%
Bank overdrafts and short-term loans from financial institutions	60,972	7%	56,451	7%	63,489	11%	67,151	13%
Trade accounts payable	41,366	5%	30,179	4%	27,893	5%	29,861	6%
Other payables	29,399	4%	1,384	0%	2,681	0%	3,389	1%
Accrued expenses	2,414	0%	2,294	0%	2,907	1%	1,415	0%
Other current liabilities	11,112	1%	12,238	2%	15,056	3%	17,130	3%
Total current liabilities	145,263	18%	102,546	13%	112,026	20%	118,946	23%
Deferred tax liabilities	17,826	2%	22,341	3%	19,405	4%	23,436	4%
Employee benefit obligations	9,660	1%	6,608	1%	7,432	1%	7,729	1%
Total non-current liabilities	27,486	3%	28,949	4%	26,837	5%	31,165	6%
Total liabilities	172,749	21%	131,495	17%	138,863	25%	150,111	29%
Common share capital	500,000	61%	500,000	64%	500,000	90%	500,000	96%
Retained earnings (Deficit)								
- Legal reserves	7,390	1%	9,010	1%	9,910	2%	9,910	2%
- Unappropriated (Deficit)	144,152	17%	135,416	17%	(95,946)	-17%	(137,065)	-26%
Total equity	651,542	79%	644,426	83%	413,964	75%	372,845	71%
Total liabilities and equity	824,291	100%	775,921	100%	552,827	100%	522,956	100%

Information in the consolidated financial statements of NMG for the years 2015-2017 and the six-month period of 2018

Nation Multimedia Group Public Company Limited

(in thousand Baht)

Statement of income	2015	%	2016	%	2017	%	6 Months 2018	%
Revenue from sale of goods and rendering of services	2,399,514	94%	2,021,669	96%	1,809,052	96%	752,534	92%
Investment income	28,810	1%	22,604	1%	8,711	0%	2,362	0%
Gain on disposal of investments	61,521	2%	-	0%	-	0%	-	0%
Other income	60,115	2%	62,066	3%	72,561	4%	59,376	7%
Total income	2,549,960	100%	2,106,339	100%	1,890,324	100%	814,272	100%
Cost of sale of goods and rendering of services	2,209,915		2,000,460		1,699,708		611,411	
Selling and administrative expenses	876,828		1,114,444		2,370,976		350,988	
Total expenses	3,086,743		3,114,904		4,070,684		962,399	
Profit (loss) before finance cost and income tax expense	(536,783)		(1,008,565)		(2,180,360)		(148,127)	
Finance costs	(166,022)		(152,358)		(173,896)		(87,692)	
Income tax (expense) benefit	115,322		(157,819)		(24,166)		(53,633)	
Share of profit (loss) of associate	320		1,080		70		(67)	
Profit (loss) for the year	(587,163)		(1,317,662)		(2,378,352)		(289,519)	
Non-controlling interests	8,638		138,189		221,867		30,205	
Profit (loss) to owners of parent	(578,525)		(1,179,473)		(2,156,485)		(259,314)	

Nation Multimedia Group Public Company Limited

(in thousand Baht)

Statement of financial position	2015	%	2016	%	2017	%	30/06/2018	%
Cash and cash equivalents	207,525	3%	233,694	4%	186,399	5%	157,129	4%
Current investments	822,150	11%	422,376	6%	125,422	3%	106,986	3%
Trade accounts receivable - net	588,557	8%	398,049	6%	274,768	7%	197,513	5%
Short-term loans to related party	-	0%	-	0%	-	0%	-	0%
Accrued income	167,704	2%	99,469	2%	77,070	2%	119,461	3%
Other receivables	85,826	1%	89,842	2%	59,605	1%	56,967	1%
Inventories - net	379,968	5%	136,926	2%	68,116	1%	39,663	0%
Other current assets - net	242,306	3%	321,559	5%	285,792	7%	242,513	6%
Total current assets	2,494,036	33%	1,701,915	27%	1,077,172	26%	920,232	24%
Long-term investments	32,419	0%	30,572	0%	27,245	1%	25,422	1%
Property, plant and equipment - net	1,646,419	22%	1,488,481	23%	1,462,585	36%	1,394,507	37%
Investment properties	44,678	0%	75,447	1%	70,655	2%	73,581	2%
Intangible assets - net	115,517	2%	171,182	3%	66,984	2%	77,911	2%
Digital television licences	2,783,780	37%	2,574,171	40%	1,049,289	26%	1,003,292	26%
Deferred tax assets	262,922	3%	112,053	2%	77,317	2%	36,016	1%
Other non-current assets	242,371	3%	231,609	4%	238,683	6%	271,065	7%
Total non-current assets	5,128,106	67%	4,683,515	73%	2,992,758	74%	2,881,794	76%
Total assets	7,622,142	100%	6,385,430	100%	4,069,930	100%	3,802,026	100%
Bank overdrafts and short-term loans from financial institutions	590,385	8%	549,431	9%	864,674	21%	879,444	23%
Trade accounts payable	133,706	2%	99,264	1%	105,023	3%	133,312	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%	30,000	1%
Short-term borrowings	-	0%	550,000	9%	553,500	14%	559,764	15%
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%	97,967	3%
Accrued expenses	216,232	3%	187,345	3%	166,497	4%	180,533	5%
Current income tax payable	418	0%	8	0%	-	0%	-	0%
Other current liabilities	329,558	5%	368,665	6%	289,613	7%	209,885	6%
Total current liabilities	1,854,393	25%	2,485,988	39%	2,500,665	62%	2,090,905	56%
Digital television licences payable	1,714,138	22%	1,130,070	18%	1,131,218	28%	1,442,966	38%
Long-term loans from financial institutions - net	-	0%	158,833	2%	47,000	1%	158,750	4%
Finance lease liabilities - net	1,271	0%	-	0%	-	0%	-	0%
Deferred tax liabilities	17,826	0%	20,909	0%	31,230	1%	43,562	1%
Employee benefit obligations	163,856	2%	167,253	3%	137,981	3%	145,172	4%
Other non-current liabilities	130,432	2%	105,061	2%	87,316	2%	74,928	2%
Total non-current liabilities	2,027,523	26%	1,582,126	25%	1,434,745	35%	1,865,378	49%
Total liabilities	3,881,916	51%	4,068,114	64%	3,935,410	97%	3,956,283	104%
Share capital	2,155,849	28%	2,155,959	34%	2,155,959	53%	2,156,024	57%
Premium on ordinary shares	1,169,345	15%	1,169,694	18%	1,169,694	29%	1,169,752	31%
Share premium on ordinary shares of subsidiaries	95,398	1%	96,605	2%	96,939	2%	96,939	3%
Warrants	18,665	0%	30,012	0%	35,345	1%	35,761	1%
Reserve on acquisition of warrants	(91,013)	-1%	(91,013)	-1%	(91,013)	-2%	(91,013)	-2%
Other components of equity	(4,251)	0%	(4,232)	0%	167,161	4%	167,161	4%
Retained earnings (Deficit)								
- Legal reserves	32,700	1%	32,700	1%	32,700	1%	32,700	1%
- Unappropriated (Deficit)	(91,467)	-1%	(1,399,685)	-22%	(3,556,270)	-87%	(3,815,584)	-100%
Non-controlling interests	455,000	6%	327,275	5%	124,005	3%	94,003	2%
Total equity	3,740,226	49%	2,317,316	36%	134,520	3%	(154,257)	-4%
Total liabilities and equity	7,622,142	100%	6,385,430	100%	4,069,930	100%	3,802,026	100%

Management Discussion and Analysis

The consolidated financial statements of Nation Multimedia Group Public Company Limited and its subsidiaries for the six-month period ended 30 June 2018 represented a loss of Baht 259 million. Compared to the same period of 2017, the loss was Baht 483 million (restated), a decrease loss of 46%. 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 six-month period of 2018 decreased by 23% compared to the same period of 2017. The main reasons is from economic slowdown which affected advertising revenue decreased by 27% and circulation revenues of newspaper, pocket books and children books decreased by 32%.

2. Costs and expenses for the six-month period of 2018 decreased by 31% compared to the same period of 2017. The main reasons were:

- Cost of goods sold and rendering of services decreased 35% in line with the decrease in revenue from sales of goods and rendering of services.
- Distribution costs and administrative expenses decreased 30% due to in the first quarter of 2017, the Group compensated a voluntary resignation plan to the employee. However, the Group recognized impairment loss of assets increased from the same period of previous year.

Conclusion :

The Group reported a loss for the six-month period ended 30 June 2018 was Baht 259.31 million. Compared to the same period of 2017, the loss was Baht 482.86 million (restated).

Total assets were THB 3,802 million (in 2017 they were THB 4,070 million), a decrease of THB 268 million. The significant changes in the assets are as follows:

Trade accounts receivable - net decreased by THB 77 million (-28%) due to a decrease in the revenue from the sale of advertisements and print media, and the collection of trade accounts receivable increase.

Accrued income increased by THB 42 million (55%). 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.

Inventories decreased by THB 28 million (-42%), mainly due to decreasing in keeping enough newsprints paper for only 2-3 months usage.

Other current asset decreased by THB 43 million (-15%), mainly due to the decrease in revenue from input value added tax pending of THB 32 million arising from debt settlement of trade accounts receivable and other receivables in the group increase.

Property, plants, and equipment - net decreased by THB 68 million (-5%), mainly due to depreciation for the first half year of 2018.

Digital television licences decreased by THB 46 million due to the amortisation for the first half year of 2018.

Total liabilities were THB 3,956 million (in 2017 they were THB 3,935 million), a decrease of THB 21 million or 0.5 %. The significant changes are as follows:

Trade accounts payable increased by THB 28 million (27%), mainly due to payable for trade mark increase for the first half year of 2018.

Other payables increased by THB 31 million (45%), mainly due from the production cost for the first half year of 2018.

Other current liabilities decreased by THB 80 million (-27%), mainly due to debt settlement of trade accounts payable and other payables in the group increase that was decreasing in output value added tax pending of THB 43 million and advanced income decreased by THB 33 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 Exchanges Act B.E. 2535 in the civil lawsuit with the claim of THB 51.9 million. As at 30 June 2018, the lawsuit is under the consideration of the Court of First Instance. However, on 11 September 2018, the court of First Instance rendered a civil lawsuit judgement to dismiss the Company out.

- On 16 May 2016, the Civil Court rendered a civil lawsuit judgement to revoke the resolutions in the 2015 Annual General Meeting of the shareholders of the Company held on 29 April 2015 and, on 31 January 2017, the Court of Appeal upheld the judgement of the Civil Court. Later, the Company filed a dika appeal to the court in July 2017. At 30 June 2018, the lawsuit is under the consideration of the Supreme Court. The management and legal consultant have an opinion that the Company shall not be liable for compensation which may arise and there will be no significant impact to the financial statements as a result of the lawsuit.

- On 18 September 2018, a former employee as plaintiff filed a lawsuit against the Company and the Provident Fund to the Central Labour Court. This would require the payment of approximately Baht 47.8 million. As at 30 June 2018, the case is currently being considered by the Central Labour Court.

5) **Details of connected transactions between the Company and any person who may have conflict of interest over the six-month period of the year 2018**

(unit : THB million)

Connected Parties / Nature of Business	Relationship	Material Connected Transactions	Transaction Value / 6 Months 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	9.33
		Other income	0.10
		Trade accounts receivables	7.49
		Accrued income	0.12
		Other receivables	1.86
		Trade accounts payables	32.51
		Other payables	12.78
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	4.64
		Costs of sales of goods and rendering of services	0.79
		Other income	0.84
		Distribution costs and administrative expenses	0.28
		Trade accounts receivables	1.43
		Accrued income	0.05
		Other receivables	0.43
		Trade accounts payables	26.94
		Other payables	7.19
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	14.74
		Costs of sales of goods and rendering of services	0.15
		Other income	0.47
		Trade accounts receivables	133.20
		Accrued income	0.64
		Other receivables	7.49
		Trade accounts payables	142.61
		Other payables	0.32
		Accrued expenses	4.92
NML Co., Ltd./ Delivery of newspaper and publishing print media	A subsidiary, 99.99% shareholding by the Company, some common directors	Revenue from sale of goods and rendering of services	1.29
		Costs of sales of goods and rendering of services	0.81
		Other income	0.30
		Distribution costs and administrative expenses	0.49
		Trade accounts receivables	0.42
		Accrued income	0.05
		Other receivables	0.02

Connected Parties / Nature of Business	Relationship	Material Connected Transactions	Transaction Value / 6 Months of 2018
		Trade accounts payables	0.42
		Other payables	0.03
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	20.05
		Costs of sales of goods and rendering of services	1.05
		Other income	0.03
		Trade accounts receivables	378.09
		Accrued income	0.86
		Other receivables	3.75
		Trade accounts payables	377.37
		Other payables	6.98
		Accrued expenses	6.28
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	46.63
		Costs of sales of goods and rendering of services	1.06
		Other income	0.10
		Trade accounts receivables	141.23
		Accrued income	3.11
		Other receivables	5.48
		Trade accounts payables	314.08
		Other payables	24.52
		Accrued expenses	19.99
Bangkok Business Broadcasting Co., Ltd./ Production of TV programmes and providing advertisements through TV media	A subsidiary, 99.93% shareholding by the Company, some common directors	Revenue from sale of goods and rendering of services	9.03
		Other income	0.08
		Trade accounts receivables	4.40
		Accrued income	0.15
		Other receivables	2.41
		Trade accounts payables	31.64
		Other payables	2.31
		Accrued expenses	8.40
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	4.02
		Costs of sales of goods and rendering of services	7.03
		Other income	0.07
		Distribution costs and administrative expenses	1.57
		Trade accounts receivables	2.61
		Accrued income	0.02
		Other receivables	0.19
		Trade accounts payables	11.08
		Other payables	2.83
		Accrued expenses	0.79

Connected Parties / Nature of Business	Relationship	Material Connected Transactions	Transaction Value / 6 Months of 2018
Nation University/ Establish a private university	A University, a license holding by Nation U Co., Ltd.	Revenue from sale of goods and rendering of services	5.64
		Other income	0.60
		Distribution costs and administrative expenses	3.02
		Trade accounts receivables	0.09
		Accrued income	0.17
		Other receivables	15.55
		Other payables	0.50
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	0.57
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	1.74
		Other income	0.02
		Trade accounts receivables	1.17
		Other receivables	0.66
		Trade accounts payables	3.04
		Other payables	2.02
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	0.06
		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.

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,

A handwritten signature in blue ink, appearing to be 'Somchai Meesen', with a stylized flourish at the end.

(Mr. Somchai Meesen)
Chief Executive Officer



Nation Multimedia Group Plc.

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