

Response letter from Nexteye (Translated by JB Park at KBAM)

1st Aug 2018

1. In the meantime, third party rights offering, CB issuance, and M&A (that are not related to existing business) have had a negative impact on shareholder value. As a listed company in Korea, it is necessary to establish a shareholder policy to keep pace with the improvement of the governance structure in the Korean market.

→ We do not make any unreasonable investments. And we will not proceed with any unreasonable investment in the future, and we will carefully review our next investment based on the principles. In addition, we will refrain from irrelevant financing (rights offering, CB), and in the short term, we will concentrate on current business.

2. It is necessary to appoint independent outside directors and auditors to prevent damage to minority shareholders' profits.

→ We will endeavor to strengthen prior contact with shareholders and investment institutions at the time of new directors 'and auditors' appointments, and to secure independence through the recommendation of candidates.

3. Shareholder return policy

→ Dividend yield

Nexteye is expected to show the highest earnings in 2018. Therefore, Nexteye plans to increase dividend by up to 100% compared to the last year.

In addition, Nexteye plans to increase the dividend rate step by step over the next three years.

→ Treasury shares buyback

We will review purchasing treasury shares, when it is believed to be needed.