



Nation 22



Annual Report 2013
Nation Broadcasting Corporation Public Company Limited





VISION

To be the media institution of the future by being the top producer of valuable news and programmes.

MISSION

Inspiring to be an institution that produces journalists, news anchors and (TV) programme producers.

Creating a 24-hour news station that has the loyal following of a committed audience and also be the best producer of TV and radio programmes.

Continuously committing all efforts and embracing developments in every new media innovation to create new opportunities.

Maintain credibility which is the core value of the organisation and observe journalistic ethics.

8

General Information

10

Summary of Financial Data and Investment

12

Message from the Chairman

16

Board of Directors

38

Management Team

46

Business Group Structure

47

Product and Services

55

Industry and Competition Overview

65

Risk Factors

72

List of Major Shareholders

73

Corporate Governance Report

93

Corporate Social Responsibility

99

Characteristics of the Business

100

Audit Committee's Report for the Year 2013

102

Report on Responsibilities of the Board of Directors towards the Financial
Report for the year 2013

103

The Result of the Consolidated Financial Statements

104

Financial Statement

159

Other Reference Persons



General Information

Name

Nation Broadcasting Corporation Public Company Limited

Symbol

NBC

Core Business

Production of TV programs and radio programs and providing, news and advertisements through TV media, radio media and new media forms

Head Office

1858/51-62, 12th, 13th Floor, Bangna-Trad Road,
Bangna, Bangkok 10260

Registration

PLC no. 0107552000103

Telephone

(66) 2338-3645

Fax

(66) 2338-3973

Registered Capital

Baht 720,343,962

Paid-up Capital

Baht 534,412,647 (December 27, 2013)

The Company's Shareholding Exceeded 10% of Paid Capital. (December 31, 2013)

Company Name / Address	Business	% of Holding	Registered Capital	Paid-up Capital
Direct Subsidiaries				
NBC Nextmedia Co., Ltd. 1858/61-62 12th, 13th Floor Bangna-Trad Road, Bangna, Bangkok	Advertising media	99.99	20,000,000	10,000,000
NBC Next Vision Co., Ltd. 1858/61-62 12th, 13th Floor Bangna-Trad Road, Bangna, Bangkok	Produce and conduct business as content provider with multimedia Channels including TV.	99.99	1,000,000	1,000,000
NBC Next Screen Co., Ltd. 1858/61-62 12th, 13th Floor Bangna-Trad Road, Bangna, Bangkok	Produce and conduct business as content provider with multimedia Channels including TV.	99.99	1,000,000	250,000

Summary of Financial Data and Investments

Unit : Million Baht

	consolidated		Separate
	2013	2012	2011
1. Selected data from consolidated financial statements			
■ Revenues from sales and services	661.78	737.08	666.50
■ Total revenues	680.67	740.42	668.32
■ Gross profit	187.11	197.65	265.73
■ Profit before interest, taxes, depreciation, amortization	109.50	99.94	135.98
■ Net profit	51.04	48.58	87.08
■ Total assets	1,629.69	585.66	481.70
■ Total shareholders' equity	1,447.27	364.97	322.07
2. Financial ratios	2013	2012	2011
■ Debt to equity ratio (times)	0.13	0.60	0.50
■ Gross profit margin (%)	28.27%	26.81%	39.87%
■ Net profit margin (%)	7.50%	6.56%	13.03%
■ Return on equity (%)	5.63%	14.14%	27.23%
■ Return on total assets (%)	4.61%	9.10%	18.52%
■ Earnings per share (Baht)	0.15	0.28	0.51
■ Dividend per share (Baht) ** (please see note)	0.14	0.18	0.30
■ Book value per share (Baht)	4.17	2.10	1.87

* Note :

** Dividend :

On April 24, 2013, the Annual General Shareholders Meeting of the Company approved to pay dividend to shareholders at a rate of 0.18 Baht per share, amounting to 31.43 Million Baht. The said dividend was paid to shareholders during 2012-2013.

On May 9, 2013, the meeting of the Board of Directors of the Company approved to pay the interim dividend to shareholders at a rate of 0.08 Baht per share for an operating result from January 1 to March 31, 2013, amounting to 14.36 Million Baht. The said dividend was paid to shareholders during 2013.

On November 7, 2013, the meeting of the Board of Directors of the Company approved to pay the interim dividend to shareholders at a rate of 0.03 Baht per share for an operating result from July 1 to September 30, 2013, amounting to 16.03 Million Baht. The said dividend was paid to shareholders during 2013.

On February 13, 2014, the meeting of the Board of Directors of the Company agreed to propose to the Annual General Shareholders Meeting 2014 on April 3, 2014 for considering to pay dividend for the 2013 operating year at a rate of 0.14 Baht per share. The Board of Directors took into consideration the payment of interim dividend out of the accumulated profit to the Shareholders at 0.11 Baht per share, totaling 30.39 million Baht and resolved to put forth in the 2014 Annual General Meeting of Shareholders for the approval of final dividend payment to the Shareholders at 0.03 Baht per share, totaling 16.03 million Baht.

Dividend Payment Policy

The Company dividend policy is to pay dividend to shareholders at not less than 40% of its net profit after deducting corporate taxes, legal and other required and appropriate reserves. The said dividend payment ratio may be altered subject to financial status, operating performance, investment plan and other necessities and appropriateness in the future approved by the Board of Directors and/or shareholders of the company. The resolution of the Board of Directors proposed for dividend payment has to be approved from Shareholders Meeting, except for interim dividend payment for which the Board of Directors is authorized to approve and reports to the shareholders to be acknowledged in the following meeting. ■

Message from the Chairman





Thai Media Industry turned to a big change in 2014. The media landscape has been significantly changed in the half past century. Television business and Free TV players are increased from 6 providers 6 channels to 17 providers 24 channels plus 12 channels of Public service broadcasting expected to receive the Public TV licensing from NBTC and 12 channels of Community service broadcasting in the future.

Most importantly, it is the era of Analogue switched off and Digital switched over. NBTC has arranged the new frequency coverage network and opened for Digital terrestrial television auction on 24 business channels on December 2013.

The channel numbers have been assigned to all providers in which Nation TV is channel number 22. From March 2014, it will be Live with coverage area is in Bangkok, vicinity, and 56 main provinces.

Meanwhile, NBTC announced the Must Carry Rule which cable TV and satellite TV providers are required to broadcast 12 channels of Public service digital TV and 24 channels of business to the customer. This is to guaranty the audience base for digital TV providers.

NBC has also won the TV digital auction on news section and will change from satellite TV provider to Free TV provider. As news channel is the core business of NBC, with expertise and news media management experience on Nation Channel satellite TV platform for 14 years, NBC is completely ready in terms of human resource, content, and technology.

From the strength of pioneering news satellite TV, NBC strongly believes that changing from satellite to free TV is a positive opportunity to increase revenue in 2014. The advertising rate on free TV is higher and due to political crisis situation, people pay attention on news. This factor has an impact on higher rating than normal of Nation TV. NBC assures that Nation TV will be Number 1 in news channel on Day 1 on air.

While the trend of new media business is significantly moving forward and shining, the research of Mindshare, Global media agency in 2013 indicated that 90 million mobile phone numbers are now registered, from the total 67 million of Thai population. Compared to Thai population, mobile phone usage is 120 percent. The research also found that 27 million people access the internet usage via mobile phone, 40 percent.

In 2014, internet media budget is valued 5,100 million Baht. The growth rate from 2013 is 37 percent or 3,733 million Baht.

The above factors are the positive opportunity to the company's growth. NBC has been focusing on new media business, never stop developing and researching new media technology to meet with customers' need on multiscreen such as digital magazine and business partnership with every media operator.

Even though media industry is a fast-changing, it concerns to be a risk factor if the company is slow moving or slowly adjusts toward it. NBC, yet with prompt preparation, is firmly assured of new media business and ready to grow steadily.

The NBC's operation has concentrated on good Corporate Governance with transparency in management, adherence on ethical value and accountability to the stakeholder, along with Corporate Social Responsibility (CSR). NBC has realized that "Any business is unable to stand in the failure society."

The company's directors have established the policy of good Corporate Governance and have organized the review and consideration of it with ethics manual and evaluation at least once a year and released it to the directors and all employees for reference and company's norm.



Mr. Suthichai Sae-Yoon

Chairman



Board of Director





Board of Director



Mr. Suthichai Yoon

Chairman

Age

68 years

Education Background

- Assumption Commercial College Bangkok (ACC)
- Saengthong School , Had Yai , Songkhla

Training Course (s)

Thai Institute of Directors Association

Director Accreditation Program (DAP # 54)

Training Course (s) 2013

N/A

No. of Shares Held as at December 27, 2013

Mr.Suthichai Yoon	4,866,714	shares (0.91%)
Mrs.Nantawan Yoon	94,332	shares (0.02%)
Minor child	-	shares

Relationship with NBC's Executiv

Brother of Mr.Thepchai Sae-Yong

Experience

1971 - 2012	Editor in Chief Nation Multimedia Group Plc.
2011 – Present	Chairman Nation Broadcasting Corporation Plc.
Mar 6, 2012 - Present	Chairman Nation Multimedia Group Plc.
Apr 17, 2012 - Present	Chairman Nation International Edutainment Plc.

Director of other listed company

Mar 6, 2012 - Present	Chairman	Nation Multimedia Group Plc.
Apr 17, 2012 - Present	Chairman	Nation International Edutainment Plc.

Director of other non - listed company

2006 - Present	Chairman	NML Co.Ltd.
2008 - Present	Chairman	Nation News Network Co.,Ltd.
2011 - Present	Chairman	Nation U Co.,Ltd.
2012 - Present	Chairman	NBC Nextmedia Co., Ltd.
2012 - Present	Chairman	Nation Edutainment Co.,Ltd.
2012 - Present	Chairman	Nation Kids Co., Ltd
Aug 26, 2013 - Present	Chairman	Nine Be Bright Co., Ltd

Director of a competing company or a related business company

N/A

Year of Directorship 19 Years

(Appointed as a director since January 8, 1993)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	5/5
Annual General Meeting of Shareholders	1/1

Board of Director



Mr.Sermsin Samalapa

Director

Age

46 years

Education Background

- Master of Science in Real Estate Development, Sloan School of Management and Center for Real Estate, Massachusetts Institute of Technology (MIT), Cambridge, MA, USA
- Bachelor of Architecture from Faculty of Architecture, Chulalongkorn University
- Effective Strategies for Media Companies, Executive Education from Harvard Business School, Harvard University Cambridge, MA, USA

Training Course (s)

Thai Institute of Directors Association

- Director Accreditation Program (DAP # 24)

Training Course (s) 2013

N/A

No. of Shares Held as at December 27, 2013

Mr. Sermsin Samalapa - shares

Relationship with NBC's Executive

N/A

Experience

- | | |
|----------------|--|
| 1997 - 2011 | Lecturer of Real Estate Finance,
Faculty of Commerce and Accountancy
Chulalongkorn University |
| 1999 – Present | Director
Thai Portal Co., Ltd |
| 2003 - 2005 | Chairman
Pacific Assets Public Company Limited |
| 2003 - 2011 | President and Chief Executive Officer
Natural Park Public Company Limited and its
subsidiaries |

2003 - 2011	Director	Kempin Siam Company Limited
2010 - Present	Chairman	South-East Asia University
Nov 9, 2010 - Present	Director	Nation Multimedia Group Plc.
2011 - Present	Director	Nation-U Company Limited
2011 - Present	Director	Nation Broadcasting Corporation Plc.
2011 - Present	Director	Nation International Edutainment Plc.

Director of other listed company

Nov 9, 2010 - Present	Director	Nation Multimedia Group Plc.
2011 - Present	Director	Nation International Edutainment Plc.

Director of other non - listed company

1999 – Present	Director	Thai Portal Co., Ltd
2010 – Present	Chairman	South-East Asia University
2011 - Present	Director	Nation U Co.,Ltd.
Aug 26, 2013 - Present	Director	Nine Be Bright Co., Ltd

Director of a competing company or a related business company

N/A

Year of Directorship 2 Years 1 Month

(Appointed as a director since November 9, 2011)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	4/5
Annual General Meeting of Shareholders	1/1

Board of Director



Mr. Adisak Limprungpatanakij

President

Age

53 years

Education Background

BA, Accounting, Thammasat University

Training Course (s)

Thai Institute of Directors Association

■ Director Certification Program (DCP#71)

Training Course (s) 2013

N/A

No. of Shares Held as at December 27, 2013

Mr. Adisak Limprungpatanakij	237,830	shares (0.04%)
Mrs. Kamolthip Limprungpatanakij	1,097,400	shares (0.21%)
Minor child	-	shares

Relationship with NBC's Executive

N/A

Experience

1982 - 1985	Reporter Matuphoom Daily and Matuphoom Business Weekly
1985 - 1992	Reporter - The Nation
1992 - 1999	Editor - Krungthep Turakij
1998 - 1999	President of The Economic Reporters Association
2000 - 2008	Editor - Nation Channel and Nation Radio Nation Broadcasting Corporation Co., Ltd.
2001 - 2004	Editor - Kom Chad Luek
2009 - 2010	President of Satellite Television Association (Thailand)
2009 - Present	President Nation Broadcasting Corporation Plc.
2012 - Present	Director Nation Multimedia Group Plc.

Director of other listed company

2012 - Present	Director
	Nation Multimedia Group Plc.

Director of other non - listed company

2010 - Present	Director	Kom Chad Luek Co., Ltd.
2012 - Present	Director	NBC Nextmedia Co., Ltd.
2012 - Present	Director	NML Co.Ltd.
2012 - Present	Executive Director	Nation U Co.,Ltd.
2012 - Present	Director	NBC Next Vision Co.,Ltd.
2012 - Present	Director	NBC Next Screen Co.,Ltd.

Director of a competing company or a related business company

N/A

Year of Directorship 13 Years 1 Month

(Appointed as a director since November 23, 2000)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	5/5
Annual General Meeting of Shareholders	1/1

Board of Director



Mr. Supong Limtanakool

Independent Director and Chairman of The Audit Committee

Age

61 years

Education Background

- Doctor of Business Administration in International Marketing, University of San Gabriel, Irvine, California, U.S.A.
- Master of Science in Marketing & Consumer Behavior, California State University
- Bachelor of Arts in Economics, California State University

Training Course (s)

Thai Institute of Directors Association

- Director Certification Program (DCP#99)

Training Course (s) 2013

N/A

No. of Shares Held as at December 27, 2013

Mr.Supong Limtanakool	-	shares
Mrs.Ubonrat Limtanakool	-	shares
Minor child	-	shares

Relationship with NBC's Executive

N/A

Experience

2006 – 2008	The National Legislative Assembly Expert
2007	Subcommittee of Universiade International University Sports
2007	Constitution Drafting Assembly Expert
2007	Subcommittee of taxi and limousine audit Savarnabhumi Airport
2009 – Present	Vice President for External Affairs Bangkok University

2007 – Present	Member of The Audit Committee Thai Polycons Plc.
2009 – Present	Independent Director and Chairman of The Audit Committee Nation Broadcasting Corporation Plc.

Director of other listed company

2007 - Present	Member of The Audit Committee	Thai Polycons Plc.
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Director of other non - listed company

2009 - Present	Vice President for External Affairs	Bangkok University
2012 - Present	Director	Thai Tinplate MFG Co., LTD.

Director of a competing company or a related business company

N/A

Year of Directorship 4 Years 9 Months

(Appointed as a director since March 12, 2009)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	5/5
Audit Committee	4/4
Annual General Meeting of Shareholders	1/1

Board of Director



Mr. Metha Soonthornjit

Independent Director and Member of The Audit Committee

Age

53 years

Education Background

■ MMM, The Graduate School of Public Administration, NIDA

■ LL.B. Ramkhamhaeng University

Training Course (s)

Thai Institute of Directors Association

Director Certification Program (DCP#118)

Training Course (s) 2013

N/A

No. of Shares Held as at December 27, 2013

Mr. Metha Soonthornjit - shares

Relationship with NBC's Executive

N/A

Experience

2003 – 2004	Managing Director Lawman Standard Co., Ltd.
2005 -Present	Manager Lawman Standard Co., Ltd.
2009 -Present	Member of The Audit Committee Nation Broadcasting Corporation Plc.
2012 -Present	Manager Lawman and Metha Co., Ltd.

Director of other listed company

N/A

Director of other non - listed company

2012 - Present Manager Lawman and Metha Co., Ltd.

Director of a competing company or a related business company

N/A

Year of Directorship 4 Years 9 Months

(Appointed as a director since March 12, 2009)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	5/5
Audit Committee	4/4
Annual General Meeting of Shareholders	1/1

Board of Director

Mr. Kittichai Lattisophonkul

Independent Director and Member of The Audit Committee

Age

65 years

Education Background

■ BA, Accounting, Chulalongkorn University

Training Course (s)

Thai Institute of Directors Association

Director Accreditation Program (DAP # 97)

Training Course (s) 2013

N/A

No. of Shares Held as at December 27, 2013

Mr. Kittichai Lattisophonkul - shares

Relationship with NBC's Executive

N/A

Experience

1972-1974	Internal Control Staff Esso Standard (Thailand) Co., Ltd.
1974-1975	Account Supervisor ICI (Thailand) Co., Ltd.
1975-1978	Accountant Diethelm Co., Ltd.
1978-1981	Account Supervisor Johnson & Johnson (Thailand) Co., Ltd.
1981-1983	Inventory Cost Accountant Colgate-Palmolive (Thailand) Co., Ltd.
1983-1984	Internal Audit Manager Colgate-Palmolive (Thailand) Co., Ltd.
1984-1987	Budget & Costing Manager Colgate-Palmolive (Thailand) Co., Ltd.
1988-1990	Financial Planning Manager Colgate-Palmolive (Thailand) Co., Ltd.



1991	Trade Marketing Manager Colgate-Palmolive (Thailand) Co., Ltd.
1991-2011	Executive Vice President, Finance Modernform Group Public Company Limited
2011-Present	Independent Director and Chairman of The Audit Committee Nation Broadcasting Corporation Plc.
2012-Present	Director Modernform Group Public Company Limited

Director of other listed company

2012 - Present	Director	Modernform Group Public Company Limited
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Director of other non - listed company

N/A

Director of a competing company or a related business company

N/A

Year of Directorship 2 Years 1 Month

(Appointed as a director since November 9, 2011)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	5/5
Audit Committee	4/4
Annual General Meeting of Shareholders	1/1

Board of Director

Miss Duangkamol Chotana

Director

Age

51 years

Education Background

B.A. Communication Arts, Chulalongkorn University

Training Course (s)

Thai Institute of Directors Association

■ Director Certification Program (DCP#144)

Thai Listed Companies Association

■ Executive Development Program (EDP#4)

Training Course (s) 2013

N/A

No. of Shares Held as at December 27, 2013

Miss Duangkamol Chotana 182,531 shares (0.03%)

Relationship with NBC's Executive

N/A

Experience

1987 - 1990	Reporter Nation Publishing Group Co.,Ltd.
1990 - 1999	Assistant Editor Nation Multimedia Group Plc.
1999 - 2000	Executive Editor Nation Multimedia Group Plc
2000 - 2007	Editor Krungthep Turakij Nation Multimedia Group Plc
2008 - 2010	Chief Operating Officer of Thai News Business Unit Nation Multimedia Group Plc
2010 - Present	President Krungthep Turakij Media Co.,Ltd.
2011 - Present	Director Nation Broadcasting Corporation Plc.



2012 - Present	Chairman	WPS (Thailand) Co., Ltd.
2012 - Present	President	Nation Multimedia Group Plc.

Director of other listed company

2012 - Present	President	Nation Multimedia Group Plc.
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Director of other non - listed company

2010 - Present	President	Krungthep Turakij Media Co.,Ltd.
2012 - Present	Director	Nation Edutainment Co., Ltd.
2012 - Present	Director	Nation News Network Co., Ltd.
2012 - Present	Director	Kom Chad Luek Media Co., Ltd
2012 - Present	Chairman	WPS (Thailand) Co., Ltd.
2012 - Present	Director	NML Co.Ltd.
2012 - Present	Director	Nation U Co., Ltd.
2012 - Present	Director	Bangkok Business Broadcasting Co., Ltd.

Director of a competing company or a related business company

N/A

Year of Directorship 2 Years 8 Months

(Appointed as a director since April 5, 2011)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	5/5
Annual General Meeting of Shareholders	1/1

Board of Director



Miss Aeumsree Boonhachairat

Director

Age

54 years

Education Background

BBA, Assumption University

Training Course (s)

Thai Institute of Directors Association

■ Director Certification Program (DCP#82)

Thai Listed Companies Association

■ Executive Development Program (EDP#8)

Training Course (s) 2013

N/A

No. of Shares Held as at December 27, 2013

Miss Aeumsree Boonhachairat - shares

Relationship with NBC's Executive

N/A

Experience

2003 - 2006

Chief Operating Officer

Inspire Entertainment Co.,Ltd.

2006 - 2007

President - Special Publications Business Unit

Nation Multimedia Group Plc.

2008 - 2009

Chief Operating Officer - Advertising

Nation Multimedia Group Plc.

2009 - Present
Director
Nation Broadcasting Corporation Plc.

Director of other listed company

N/A

Director of other non - listed company

2012 - Present	Director	NBC Next Vision Co.,Ltd.
2012 - Present	Director	NBC Next Screen Co.,Ltd.

Director of a competing company or a related business company

N/A

Year of Directorship 4 Years 10 Months

(Appointed as a director since February 18, 2009)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	4/5
Annual General Meeting of Shareholders	1/1

Board of Director



Mrs. Suphanee Dechaburananon

Independent Director

Age

62 years

Education Background

- BA (Economics), Chulalongkorn University
- MA (Economics), Ottawa University, Ottawa, Canada

Training Course (s)

Thai Institute of Directors Association

N/A

Training Course (s) 2013

N/A

No. of Shares Held as at December 27, 2013

Mrs. Suphanee Dechaburananon - shares

Relationship with NBC's Executive

N/A

Experience

1993-1998	Associate Board Members of Ogilvy & Mather Ogilvy & Mather (Thailand) Co., Ltd.
1994-1998	Media Planning Director Ogilvy & Mather (Thailand) Co., Ltd.
1999 – 2005	Group Executive Director MindShare (Thailand)
2006-2008	Chairman/Director of Trading & Strategy, GroupM
2009-2011	Chairman GroupM
2012 - Present	Independent Director Nation Broadcasting Corporation Plc.

Director of other listed company

N/A

Director of other non - listed company

N/A

Director of a competing company or a related business company

N/A

Year of Directorship 1 Year 8 Months

(Appointed as a director since April 25, 2011)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	5/5
Annual General Meeting of Shareholders	1/1

Board of Director



Mr.Thepchai Sae-Yong

Director

Age

59 years

Education Background

- Secondary school, Assumption Commercial College (ACC)

Training Course (s)

Thai Institute of Directors Association

- Director Certification Program (DCP#177)

Training Course (s) 2013

- Director Certification Program (DCP#177)

No. of Shares Held as at December 27, 2013

Mr.Thepchai Sae-Yong 54,000 shares (0.01%)

Relationship with NBC's Executive

Brother of Mr.Suthichai Sae-Yoon

Experience

1975 - 1976	Proofreader Nation Publishing Group Co., Ltd.
1977 - 1979	Reporter - Political Nation Publishing Group Co., Ltd.
1980 - 1988	Reporter - Regional Nation Publishing Group Co., Ltd.
1989 - 1994	Editor - The Nation Nation Publishing Group Co., Ltd.
1994 - 2000	News Director Thai Public Broadcasting Service (ITV)
2000- 2007	Group Editor Nation Multimedia Group Plc.
2008-2012	Managing Director Thai Public Broadcasting Service (TPBS)
2012 - Present	Group Editor Nation Multimedia Group Plc.

2012 - Present	Director Nation News Network Co.,Ltd.
Apr 24, 2013 - Present	Director Nation Broadcasting Corporation Plc.
May 10, 2013 - Present	Director Nation Multimedia Group Plc.

Director of other listed company

May 10, 2013 - Present	Director Nation Multimedia Group Plc.
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Director of other non - listed company

2012 - Present	Director Nation News Network Co.,Ltd.
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Director of a competing company or a related business company

N/A

Year of Directorship - Year 8 Months

(Appointed as a director since April 24, 2013)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	3/5
Annual General Meeting of Shareholders	-



Management Team

Miss Kwanruan Thaworntaweewong

Senior Vice President, Television Programs

Age

49 years

Education Background

B.Sc. Agriculture, Kasetsart University

Training Course (s)

Thai Institute of Directors Association

-N/A

Training Course (s) 2013

N/A

No. of Shares Held as at December 27, 2013

Miss Kwanruan Thaworntaweewong 300,000 shares (0.06%)

Relationship with NBC's Executive

N/A

Experience

1990 - 2009	Vice President - Program Department Nation Broadcasting Corporation Co.,Ltd.
2009	Vice President - Television Programs Nation Broadcasting Corporation Plc.
2010 - Present	Senior Vice President - Television Programs Nation Broadcasting Corporation Plc.

Director of other listed company

N/A

Director of other non - listed company

N/A

Director of a competing company or a related business company

N/A

Management Team

Mrs. Nongnat Hanwilai

Senior Vice President, Organization Startegy & CSR

Age

51 years

Education Background

- M.A. Development Communication, Chulalongkorn University
- B.A. Mass Communication Chiangmai University

Training Course (s)

Thai Institute of Directors Association

N/A

Training Course (s) 2013

N/A

No. of Shares Held as at December 27, 2013

Mrs.Nongnat Hanwilai 30,000 shares (0.01%)

Relationship with NBC's Executive

N/A

Experience

1987 - 2009

Editor Nation Multimedia Group Plc.

2009 Vice President of Radio Business Unit

Nation Broadcasting Corporation Plc.

2010 - Present

Senior Vice President - Organization Startegy & CSR

Nation Broadcasting Corporation Plc.

Director of other listed company

N/A

Director of other non - listed company

N/A

Director of a competing company or a related business company

N/A





Management Team

Mr.Kanok Ratwongsakul

Senior Vice President - Reporter

Age

50 years

Education Background

B.A. Journalism and Mass Communication, Thammasat University

Training Course (s)

Thai Institute of Directors Association

N/A

Training Course (s) 2013

N/A

No. of Shares Held as at December 27, 2013

N/A

Relationship with NBC's Executive

N/A

Experience

1996 - 2009	Assistant Chief Operating Officer Nation Broadcasting Corporation Co.,Ltd.
2009	Vice President - News Reporter Nation Broadcasting Corporation Plc.
2010 - Present	Senior Vice President - Reporter Nation Broadcasting Corporation Plc.

Director of other listed company

N/A

Director of other non - listed company

N/A

Director of a competing company or a related business company

N/A

Management Team

Mrs.Suwannee Wacharapasakorn

Senior Finance Manager

Age

46 years

Education Background

BBA, Accounting, Srinakharinwirot University

Training Course (s)

Thai Institute of Directors Association

N/A

Training Course (s) 2013

N/A

No. of Shares Held as at December 27, 2013

N/A

Relationship with NBC's Executive

N/A

Experience

1997 - 2009	Accounting Manager Nation Properties Co., Ltd.
2009 - 2012	Finance Manager Nation Broadcasting Corporation Plc.
2012 - Present	Senior Finance Manager Nation Broadcasting Corporation Plc.

Director of other listed company

N/A

Director of other non - listed company

N/A

Director of a competing company or a related business company

N/A





Management Team

Mr. Supawat Sa-nguan-ngam

Assistant Vice President - Accounting

Age

41 years

Education Background

B.A. Accounting, Bangkok University

Training Course (s)

Thai Institute of Directors Association

N/A

Training Course (s) 2013

N/A

No. of Shares Held as at December 27, 2013

N/A

Relationship with NBC's Executive

N/A

Experience

2001 - 2004	Senior Accounting Unithai Shipyard and Engineering Ltd.
2004 - 2008	Senior Accounting Manager Nation Multimedia Group Plc.
2009 - 2012	Senior Accounting Manager Nation Broadcasting Corporation Plc.
2012 - Present	Assistant Vice President - Accounting Nation Broadcasting Corporation Plc.

Director of other listed company

N/A

Director of other non - listed company

N/A

Director of a competing company or a related business company

N/A

Management Team

Miss Chamaiporn Kongpech

Senior Vice President - Radio & Event

Age

53 years

Education Background

M.A. Applied Sociology, Kasetsart University

Training Course (s)

Thai Institute of Directors Association

N/A

Training Course (s) 2013

N/A

No. of Shares Held as at December 27, 2013

N/A

Relationship with NBC's Executive

N/A

Experience

2003	Editorial- Economic news - Kom Chad Luek Nation Multimedia Group Plc.
2003-2009	Editorial-Economic news Nation Broadcasting Corporation Plc.
2009	Vice President, Radio & Business Development Nation Broadcasting Corporation Plc.
2010 - Present	Senior Vice President - Radio & Event Nation Broadcasting Corporation Plc.

Director of other listed company

N/A

Director of other non - listed company

N/A

Director of a competing company or a related business company

N/A





Management Team

Mrs. Wararak Leelertphan

Senior Vice President

Age

44 years

Education Background

B.A. Communication Arts, Bangkok University

Training Course (s)

Thai Institute of Directors Association

N/A

Training Course (s) 2013

N/A

No. of Shares Held as at December 27, 2013

Mrs. Wararak Leelertphan 21,000 shares (0.00%)

Relationship with NBC's Executive

N/A

Experience

2006- 2007

Vice President

Nation Multimedia Group Plc.

2008

Asst. Senior Vice President

Nation Multimedia Group Plc.

2009

Senior Vice President

Nation Multimedia Group Plc.

2010 - Present

Senior Vice President

Nation Broadcasting Corporation Plc.

Director of other listed company

N/A

Director of other non - listed company

N/A

Director of a competing company or a related business company

N/A

Management Team

Miss Chutintra Wattanakul

Senior Vice President - New Media

Age

45 years

Education Background

B.A. Sociology and Anthropology, Thammasat University

Training Course (s)

Thai Institute of Directors Association

N/A

Training Course (s) 2013

N/A

No. of Shares Held as at December 27, 2013

N/A

Relationship with NBC's Executive

N/A

Experience

2006- 2010

New Media Development Director

Nation Broadcasting Corporation Plc.

2010 - Present

Senior Vice President - New Media

Nation Broadcasting Corporation Plc.

Director of other listed company

N/A

Director of other non - listed company

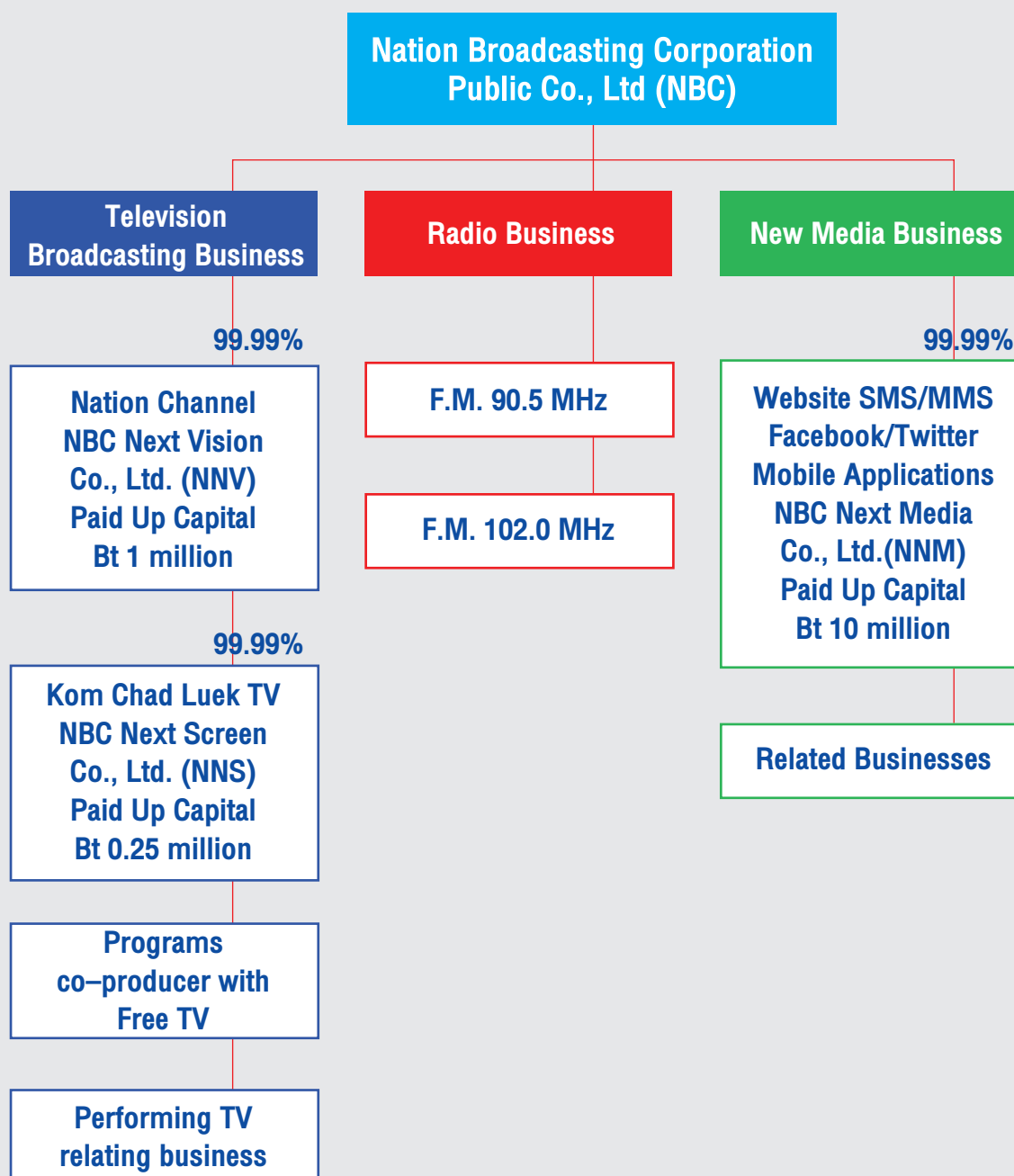
N/A

Director of a competing company or a related business company

N/A



Business Company Structure 2013



Business networks

Television Broadcasting Business

The company is a supplier and producer of television news and knowledge content with various formats and channels aired to reach the company’s target customers extensively. In addition, the company has adopted the resources used in the production of TV programs such as news content, news pictures, and news crews to extend the existing business to other related businesses.

1. Nation Channel

The company sets up and manages the full-service TV stations; including program providers, organizing, and broadcasting, and extending ad time. The company’s revenue comes from airtime sales, being outsources to produce program and short documentaries and selling airtime. In 2013, there are three owned established and operating channels as the details below:



1.Nation Channel, news station

broadcasted since year 2000

Concept	Distribution
24-hour news and knowledge station aiming to provide accurate, fair, up-to-date content with news analysis and in-depth information from experienced reporter team	<ul style="list-style-type: none">Local TV cableSatellite TV Thaicom-5via C-Band 12355 MHzSatellite TV Thaicom-5 via KU-Band 3545 MHzwww.nationchannel.comAll network mobile phonesApplication on iPad and iPhoneTV monitor on BTS train and station

2.Kom Chad Luek TV

Broadcasted from December 3, 2012 to December 31, 2013

[Concept]	[Distribution]
<p>News station aiming to provide criminal, traffic, weather, natural disaster affected to people or communities news, plus entertainment and sports, together with the reporter team of Kom Chad Luek newspapers</p>	<ul style="list-style-type: none"> ■ Local TV cable ■ Satellite TV Thaicom-5 via KU-Band 3545 MHz <ol style="list-style-type: none"> 1. PSI Channel 87 2. Big4 Channel 16 3. Dynasat Channel 18 4. QSAT Channel 40 ■ Watching via Set top box <ol style="list-style-type: none"> 1. GMM-Z Channel 106 2. SunBox Channel 22 ■ www.komchadluektv.net /tv and www.rawangpai.com ■ Application on iPad and iPhone

3. RAMA channel

Broadcasted from December 1, 2011 to July 31, 2013

[Concept]	[Distribution]
<p>24-hour health knowledge station aiming to provide knowledge of health care, disease treatment and medical research from Faculty of Medicine Ramathibodi Hospital</p>	<ul style="list-style-type: none"> ■ Local TV cable ■ True visions channel 24 ■ www.ramachannel.tv ■ Mobile phones and smart phones

This is to prepare for the move into the digital TV business; the company has discontinued the production and administration of the RAMA CHANNEL stations since July 2013, and ended its broadcast on Kom Chad Luek TV Channel since December 2013.

2. TV Programs co-produced with free TV stations

The company co-produces news and knowledge programs with free TV channels and receives advertising sale sharing and PR of the company’s products and services. In 2012, the company has two TV programs co-produced with free TV on channels 3 and 5 as follows:

Reung Den Yen Nee

[Concept]

Daily news report or talk of town news report

[Distribution]

- Channel 3
- MON - FRI
- 16.00 - 17.45 P.M.

5 Morning Good News

[Concept]

Report the interesting and amusing news to allow peoples the entire world to know that not only bad news is reported, including interview with news people and interesting people from various carreers.

[Distribution]

- Channel 5
- MON - FRI
- 08.35 - 09.10 A.M.

3. Relating Businesses

The company has a policy to take advantage of existing business; data content, qualified personnel, availability of equipments, and company's reputation to expand the business into the related businesses. To provide maximum benefit to the company, popular television content, news or events that are in the interest of society are taken to create a product or activities in different aspects to meet the needs of consumers, increase the income of the company, as well as strengthen the reputation and beneficial image of the company to be known among the audience and potential customers more extensively. The products, services, or activities the Company has operated currently are as follows.

VCD and DVD production and distribution	Bring popular TV program recording tape to produce to VDO and DVD and sell to general public. The examples produced in 2013 are books and DVC incorporating 52 types of apartments with Ajarn Chiew Chobchoy, style "Akaligo+Hiso+Lowcost"
Seminars	Bring popular TV program content, event or talk of town issues to organize to seminars for interested people. The examples of seminars held in 2013 are Digital Marketing training that provides knowledge about digital media application, training news reporter, and training the cost-efficient apartment project
Travel activities	Organize travel activities for academic learning and commercial business study to allow the audiences travelling with moderator and production team. The example activities in 2013 are "Follow Father's Step" project, "Visiting the Royal Project", tour study visiting the agriculture TV station for Ministry of Agriculture and Cooperatives personnel, Business Matching to meet between Thai and Myanmar businessmen in Yangon, held for Pfizer (Thailand) Co.,Ltd.
Special Events	Organize entire marketing activities which are social, recreation, and academic activities servicing from creating, operating, producing and broadcasting advertising. The examples in 2013 are "Digital Library", conducting voicing books donated to the Foundation for the Blind in Thailand under the Royal Patronage of H.M the Queen "The Safe Driving with Honda", providing the driving safety training to the owners of the first car across the country. "The Royal The Rice" project inviting the audience and operators to help farmers by purchasing the organic rice granted to the poor through charitable organizations, police, military, border patrol, as well as the rural national park personnel.

Radio Business

The Nation Broadcasting PCL, together with alliances has operated the production to be broadcasted on radio stations for over 20 years. In 2013, the company co-produced news and content programs broadcasted on two FM radio stations and one AM radio station as the following details

Radio Station	Broadcasting Time Concept & Covered Area	
F.M. 90.5 MHz. Defense Engery Department Radio Station under the name "News Dimension 90.5"	Mon-Fri ■ 8.00 - 12.00 A.M. ■ 13.00 - 15.00 P.M. ■ 18.30 - 20.00 P.M. Sat ■ 05.00 - 09.00 P.M. ■ 19.30 - 20.00 P.M. ■ Bangkok and its vicinity, Ayudya, Ratchaburi, Petburi, Supanburi, Chachuengsao, Samutsongkram	■ News updates on political, economics, social, marketing, international issues, including in depth analysis and interview with people in news. ■ Short news updates on current issues ■ Short news updates on business issues ■ Popular sport news from around the world ■ Narrate news and gossips on current issues ■ Talk on health; physical and mental, secret on self- caring; beauty, foods, and current interesting issues ■ Proceed on programs by the Nation Radio, National Channel, and field experts.
F.M. 102.0 MHz. Department of Army Transportation Radio Station under the name "Working Station for Working Adults"	MON-SUN ■ 5.00 - 23.00 P.M. ■ Bangkok and vicinity area	■ News and knowledge, variety style, that is useful to the daily life. ■ proceed on programs by the Nation Radio, National Channel, and field experts
A.M. 1107 KHz. KU Radio Station	■ Every day/ on the hour/ nationwide	■ Short news updates on current issues
Community Radio Station nationwide for over 30 staions	■ Every day/ on the hour/ nationwide ■ Bangkok and its vicinity and up-countries in all parts	■ Short news updates on current issues

Besides radio broadcasting, the company has broadcasted radio stations FM 90.5 MHz and FM 102.0 MHz through new media to increase channels for the target audiences to listen to the company's radio staion in more convenient way, as well ass retrospective listening. It includes.

■ Internet broadcasting via www.nationradio.co.th, and via other sites that have signal linked, for instances, www.sanook.com

■ Radio on mobile, smart phone, window phone, via social networks such as www.twitter.com/NTRadio_NBC and www.facebook.com/radio.nbc

■ Satellite radio signal to broadcast to the households installing satellite signal receiver in which FM 90.5 MHz is broadcasted via C-Band (black satellite dish) and FM 102.0 MHz is broadcasted via KU-Band (yellow satellite dish).

New Media Business

The company brings its competitive advantage that is readiness in contents to expand to new products and services broadcasting via new media such as website and mobile devices i.e. mobile phone, smart phone, and tablet in order to meet with the consumers' changing lifestyle via diverse media

1. Website Business

The company develops websites to present its products and services. All of which contain news, knowledge and information updates. The company also gains income from selling advertisement on websites. In 2013, the company's websites include the following.



www.nationchannel.com

Website presenting Nation Channel's news program



www.oknation.net

Blog for the public to share news and information



<http://radio.nationchannel.com/>

Website presenting co-produced FM 90.5 MHz and FM 102 MHz radio programs



<http://breakingnews.nationchannel.com>

Website presenting Nation Channel's short news and the Nation feeding the news to other NMG and partners' websites



www.247friend.net

Website to review academic knowledge for youth preparing for university admissions

In addition, in 2013, the company is also a distributor of online advertising space to third parties. The gained revenue share of advertising in different proportions according to the agreement made. At present, the websites of trading partners under the supervision of the company are as follows:

- www.pantip.com : The biggest resources website in Thailand
- www.exteen.com : Blog for the public to share news and information

2. News on Mobile Phone Business

The company uses news content from the company's television and radio stations as well as that of business partners to provide the services to meet with consumers' needs and modern lifestyles which accept news through new media increasingly. In 2013, the company provides content through mobile devices, for example mobile phone, smart phone, and tablet as follow.

■ SMS (Short Message Service) and MMS (Multimedia Messaging Service), news and up-to-date issues on mobile phones through every network. news on mobile phone's services are delivered in accordance with consumer's needs i.e. business news, English news and general news, and so on, The company gains income from providing the company's contents through SMS and MMS subscription, and gains revenue sharing from SMS and MMS of the partners' services which the company serves as marketing representative.

In 2013, service of sending news via mobile phone short messages (SMS, MMS) has been stable and is likely to slow down. The company has expanded its services to the entertainment and lifestyle which has been accepted by service users considerably; that is to say; horoscopes service, "Horo Daily" together with Kom Chad Luek column "Horoscopes Daily with fortuneteller Tok Taek A4" sending a message per a day, 3 Baht each message, demonstrating that the result has been in good response. Currently, there are approximately 5,000 members. In addition, MMS Burmese language has been developed under service name "Myanmar Tadin" MMS (sending pictures and voice message) 3 Baht per message, together with the Myanmar giant media, Eleven Media, a partner of Nation Group. In addition, it also joins with the DTAC operator service that provides the pre-paid SIM for the Myanmar workers mostly. Currently, there are 3 million Myanmar workers to work in Thailand. The company foresees that this is a new market with the potential to generate income to replace income generated from general news service. Nowadays, there are more than 1.7 million members after the operation for approximately 3 months, and is planning to expand its other news services; for examples, horoscopes, entertainment in Burmese language.

In 2013, SMS and MMS services of the company and its alliances are as follows.

SMS Service

Service	Format	Rate Charged
Nation Update	Important news and news issues occurred timely from the Nation Channel	49 Baht/Month
Nation English Breaking News	English news from the Nation	49 Baht/Month
NiThaiVisa	English news from ThaiVisa and the Nation Newspapers	49 Baht/Month
Bangkok Business Urgent News	News and update news on economics and finance from Bangkok Business Newspapers	49 Baht/Month
Kom Chad Luek Urgent News	Important news and news issues occurred timely from the Kom Chad Luek Newspapers	29 Baht/Month
Kom Chad Luek 7Baht	Important news and news issues occurred timely from the Kom Chad Luek Newspapers	7 Baht/Week
Kom Chad Luek Small Edition	Important news and news issues occurred timely from the Kom Chad Luek Newspapers	4 Baht/Week
NationEduzones	News update on education, admission exam, and domestic and overseas scholarship contest	29 Baht
Nation Oil Alert	Update on oil price; rising-falling immediately when changes occur.	1 Baht/SMS
Enjoy English with NJ	Knowledge on English language	29 Baht/Month
Horo Daily	"Daily horoscopes with fortuneteller Tok Taek A4" from Kom Chad Luek Newspapers	3 Baht/SMS

MMS Service

Service	Format	Rate Charged
SMS + MMS By Suthichai Yoon	Analysis of crucial news by Suthichai Yoon	59 Baht/Month
Myanmar Tadin	News and update on Myanmar labors in Thailand and other interesting news from Eleven Media	3 Baht/MMS

Application service for viewing information through various mobile devices, for examples, mobile phone, smart phone, and tablet - the company gains revenue from application downloading fees. The examples of the company-developed applications that offer the customers in 2013 are as follows.

■ Application for watching the news on the Nation Channel, provide the customers with such application service with no charge. This is to increase the channels of television broadcasting that access to customers more extensively. Over the past year 2013, the number of downloads was more than 310,000 times, rose from last year by about 100 % indicating that consumer behavior has changed to use the mobile phones to receive information increasingly. Such a change boosts the increased sale of advertising on television station. In addition, experimentation and development has been carried out for installation of the applications on mobile phones as a new way to earn income.

Industry and Competition



TV Media Industry

The year 2014 is an evolving period of the significant change in the television industry of Thailand when the original television business had been monopolized of only six players and six channels, increased to seventeen players and twenty-four channels, excluding twelve public service channels which are expected to be licensed within this year as well as twelve community service channels in the future.

By late 2013, the National Broadcasting and Telecommunications Commission (NBTC) was successful in bidding the spectrum on digital terrestrial television broadcasting service for twenty-four channels, and prescribed that seventeen winning bidders undertake of broadcasting for which channels they have been granted officially on 1 April 2014.

The digital terrestrial television service in business category can be categorized into four major groups, including three youth and family channels, seven news and knowledge channels, seven standard definition (SD) general content channels, and seven high definition (HD) channels.

Among the players on channels mentioned above, they include both old and new players. On children, youth and families channels, the winning bidder is BEC - Multimedia (Channel



3), MCOT, and Thai TV (TV Pool magazine) while news and knowledge channels; it includes the NBC Next Vision (the Nation Group), Thai News Network (True Visions) , DN Broadcast (Daily News) , Voice TV, Spring Television , Thai TV, and 3A Marketing.

Standard Definition (SD) general content channel includes Thailand Broadcasting (Work Point Group), True DTT (True Visions), GMM Digital TV (GMM Grammy), BEC - Multimedia, RS Television, Mono Broadcast, and Bangkok Business Broadcasting (the Nation Group).

High Definition (HD) general content channel includes BEC - Multimedia, Bangkok Media and Broadcasting (Dr. Prasert Prasardthongosod Business), Bangkok Television and Radio (Channel 7), Triple V Broadcast (Thairath Newspapers), MCOT, Amarin Television (Amarin Network) and GMM H.D TV (GMM Grammy), all have operated under the license of the NBTC for a period of 15 years.

In addition, it includes twelve public service channels and twelve community service channels. Once incorporated into business TV, in the next 1-2 years Thailand will have 48 digital TV channels, resulted that the media landscape has the significant shift in the TV business.

However, the NBTC has scheduled the digital TV network expansion covering the view of 22 million Thai households nationwide faster than the planned schedule; broadcasting on terrestrial television will be officially launched on April 1, 2014, covering four provinces, including Bangkok, Nakhonratchasima, Chiang Mai, and Songkhla while on May 1, 2014 will cover three provinces; Suratthanee, Ubonratchathani and Rayong and on June 1, 2014 will cover additional four provinces; SingBuri, Sukhothai, Khon Kaen and Udonthanee, which by the first half of the year, the digital TV network will reach by approximately 50 % or about 11 million households.

Meanwhile, the network service providers such as the Royal Thai Army Radio and Television Channel 5, MCOT, the National News Bureau of Thailand (NNT) and Thai PBS, expect the expansion of the signal coverage will be complete within the future 2-3 year period, which is faster than the original plan which is scheduled for four years starting from 2014. Signal coverage is set to be 50%, 80%, 90% by 2016, and 95% by 2017.

The important factors causing the public to watch digital TV faster have stemmed from the measures promoting the transition to digital TV by the NBTC. It is expected that handing out coupons to 22 million households nationwide that the people can buy a digital television receiver and a set top box at discount,

base price is of THB 690 which is derived from the valuation of base price in bidding the digital in business category for all 24 channels while after the said auction is completed, the revenue is greater than expected. So, the NBTC plans to increase the value of the coupon.

Factors supporting the future of digital terrestrial TV are to accelerate the termination of analog terrestrial television business in faster than scheduled period. For example, the NBCT achieves the agreement in the Memorandum of Understanding (MOU) with the Royal Thai Army Radio and Television Channel 5 as a concessioner with the Bangkok Broadcasting Channel 7, which is considered the longest spectrum concession period for analog television business.

Under the said MOU, the Royal Thai Army Radio and Television Channel 5 will negotiate with Channel 7 to shorten the concession period from 9 years to 5 years, which the NBTC will approve delivering one digital TV network to TV5 as alternative conditions.

However, the declined period of the concession is close to that made between MCOT and the Bangkok Entertainment Company Limited. Meanwhile the NBCT prescribes that Channel 5, Channel 9, and Channel 11 shall demonstrate the plan on the return of the frequency used in the analog TV business completely within 5 years. Thai PBS expects to return the analog frequency within the next 2 years; and this marks the end of an analog era and guarantees the integrity of digital terrestrial television business in the future.

Since this April onwards, the digital system will replace analog television system. Thai households can watch television in four main channels (Platform); that includes free terrestrial TV, or six free TV stations, namely; number of households accessing to the terrestrial TV accounts for 98 %, cable TV, satellite TV system through channels of cable TV and satellite TV by more than 60% currently, and digital terrestrial TV, which consists of 24 channels, expected to cover 50 % by this coming June as to the planned expansion of digital TV network of the NBTC.

Forecasted figures of the ad budgeting through various media for the year 2014 include the following; as TV commercials (free TV) worth THB 70,800 million, grew by 2 % from the year 2013, THB 69,249 million, cable TV and satellite TV (cab. / sat) by THB 14,200 million, decreased by % from the year 2013, THB 15,153 million, radio media by THB 6,600 million, unchanged from the year 2013, newspapers by THB 21,400 million, grew by 3 % from the year 2013, THB 20,749 million, magazines by THB 5,600

million, decreased by 3 % from the year 2013, THB 5,793 million, cinema media by THB 7,500 million, unchanged from the previous year, ad banner by THB 3,900 million, decreased by 6% from the last year, THB 4,153 million , mobile advertising (Transit) by THB 4,000 million baht , grew by 14 % from the year 2013, THB 3,512 million , in-store advertising by THB 2,600 million , decreased by 1 % from the year 2013, THB 2,623 million, advertising through digital media by THB 5,100 million baht , grew by 37 % from the year 2013, THB 3,733 million.

Interestingly, the broadcasting 24 digital TV channels which will be launched by April 2014 will result in budget transfer from cable TV and satellite TV, which the Media Agencies Association of Thailand (MAAT) reports that it will worth approximately of THB 4,300 million.

(Graph 1) According to Media Agency Association of Thailand (MAAT)'s information gathered from the Nielsen, Intensive Watch, and the Digital Advertising Association of Thailand: DAAT, forecasted figures on spending the budgets through free TV, cable TV, and digital TV worth THB 146,000 million, grew by 5% from the year 2013.

Forecasted Budget Proportion in 2014

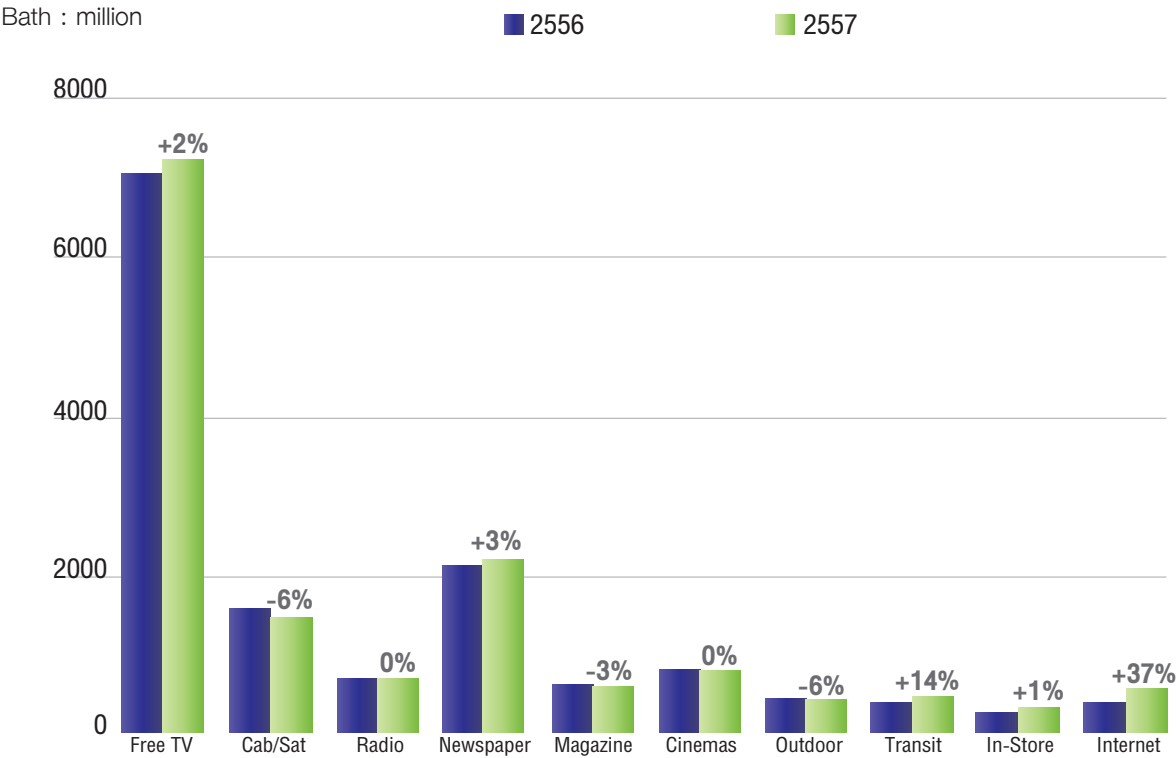


Figure 1

(Figure 2), the Media Agencies Association of Thailand forecasts the advertising industry in 2014 will grow by 5 % or worth THB 1.46 billion, increased from last year , THB 1.39 trillion. The proportion of ad budget spending includes as follows; analog free TV by 48 % cable TV and satellite TV by 10%, digital TV by 3% , newspapers by 15 % , theater by 5 % , radio by 5% magazine by 4 % , banner by 3%, in-store by 2%, mobile media by 3% and internet by 3% of the overall advertising industry.

Forecasted Budget Proportion in 2014 by Media Type

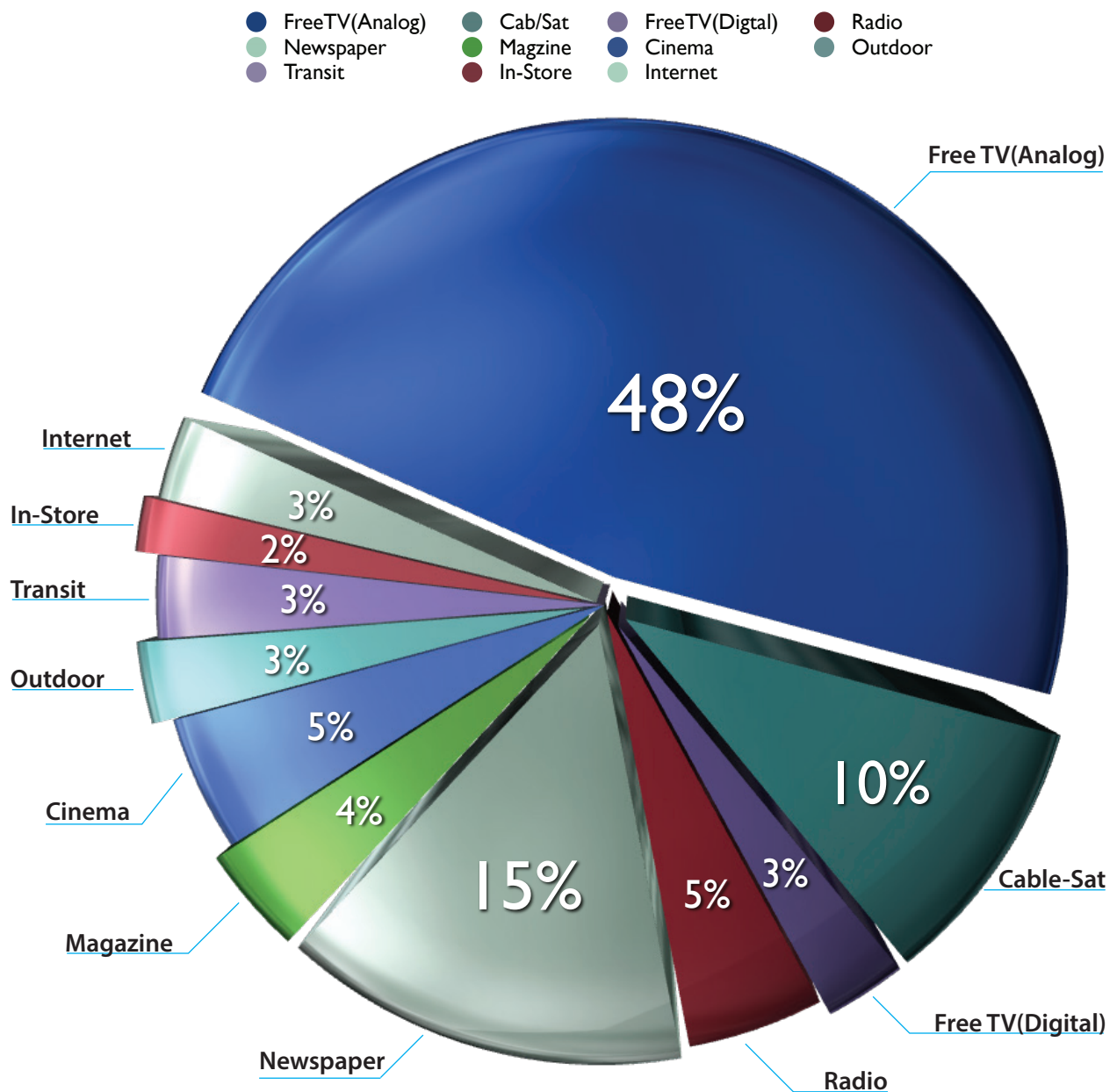


Figure 2

It was found that the proportion of budget spending on analog free TV, cable TV and satellite TV declined, resulted from the initial broadcasting of the digital TV by the second quarter of the year 2014; namely; the that of analog free TV decreased from 50 % to 48 %, cable TV and satellite TV declined from 11% to 10 %, while the proportion of free digital TV is of 3 %.

However, analog free TV, although it is still an influential media in 2014, there includes the limitation on advertising time which is prescribed 12 minutes per hour, thereby resulted that the prime time is inadequate to the needs of customers and it is an opportunity for ad money spread to the nearby media, especially; satellite TV channels with high viewer ratings and free digital TV which has been newly emerging.

Thailand TV Penetration (Million Household)

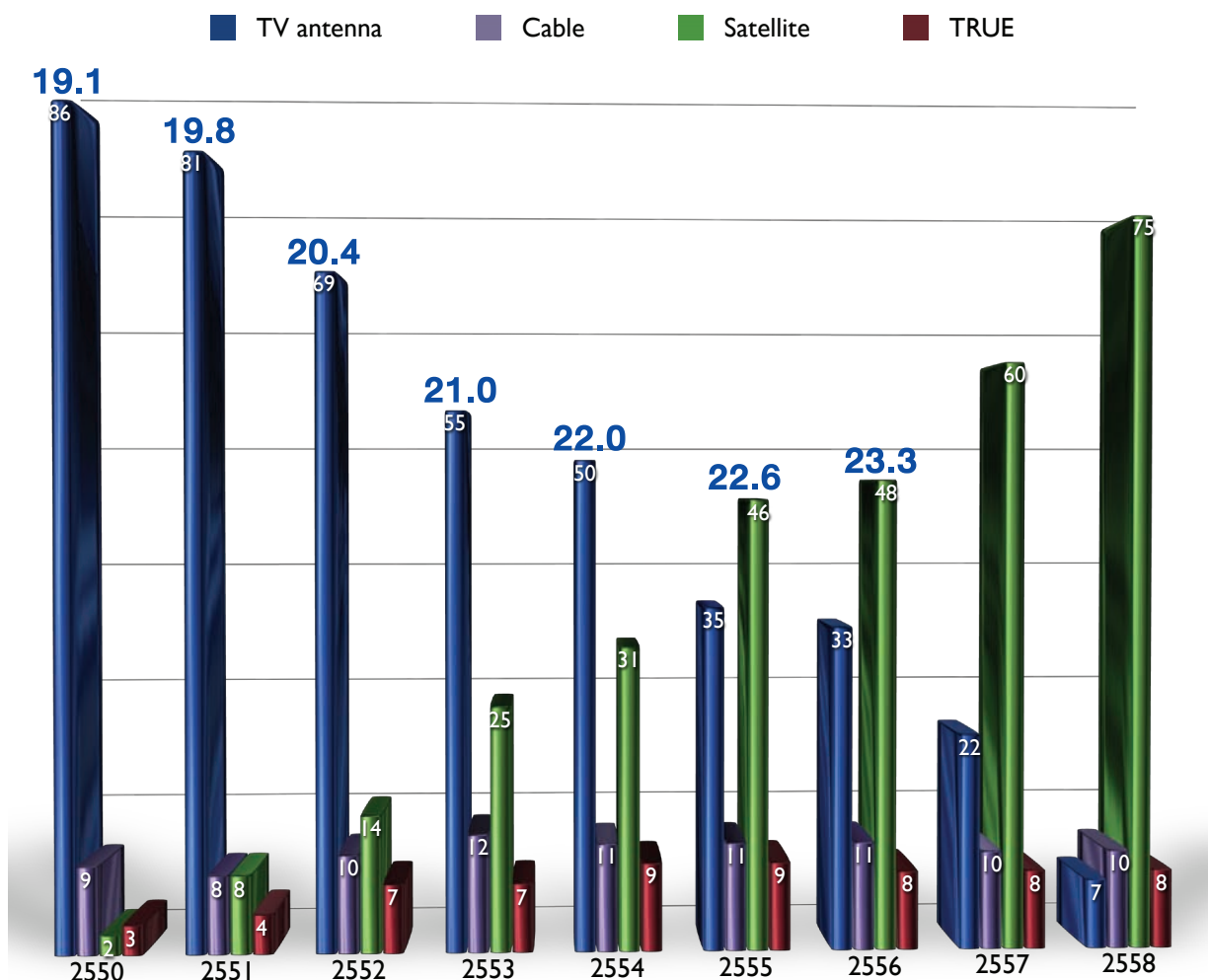


Figure 3 (Nielsen)

(Figure 3) Nielsen estimates the viewing rate of household televisions through platforms; cable TV and satellite TV (cab / sat) since 2007; access rate was 14 % in 2008, rose to 20 % in 2009, 31% in 2010, 44% in 2011, 51 % in 2012, 66 % in 2013, and to 67 % and the forecasted at a rate of 78 % in 2014, and at rate of 93 % in 2015 nationwide.

As ranged by platform on watching TV channels in 2013, it was divided as follows; satellite TV by 48 %, local cable television by 11%, True Vision by 8% and antenna by 33 % while in 2014 it forecasts that Thai households watching TV satellites account for 68 %, local cable 10%, True Vision 8% , and antenna 22%.

Direction of channels expansion for cable TV continues to grow, partly as a result of the regulations on television broadcasting service in general, or so-called “Must Carry Rule” , which requires cable TV and satellite TV operators to carry 36 free TV channels , consisting of public 12 service channels, and 24 commercial service channels to provide services to members.

However, the Media Agencies Association of Thailand predicts that advertising budget via cable TV and satellite TV may not grow as expected, resulted from the majority of the main satellite TV providers won bidding in the digital TV and turned to pay an attention to the production for the digital terrestrial TV programs. It expects that brands turn more attention to the digital TV as a channel in communication. For this reason, it's possible that the satellite TV may not adjust prices for advertising.

Consistent with the forecasted figures on spending ad budget via cable TV and satellite TV by the Nielsen, Intensive Watch Association and the Digital Advertising Association of Thailand (DAAT), stating that in 2014 money will be of THB 14,200 million, decreased by 6 % from the 2013, THB 15,153 million, while the proportion of budget via cable TV and satellite TV declined by 11 % in 2013 to 10 % in 2014 over the advertising industry.

In addition to the trend of changes in the budget through TV screen, currently; TV watching behavior has changed substantially. People watch TV through the second screen; including viewing through mobile screen, tablets, and computers, which facilitates an investment through television more worthily for it can be viewed anytime and anywhere.

Data from Nielsen Arianna and ZocialRank.com indicated that viewers spent time watching TV through the TV screen about 3.5 hours per day, re-viewing through Youtube.com approximately 2 hours per day through personal computers, tablets ,and smart phones.

So, online advertising is expected to grow continuously;

as seen from the forecast in 2014, worth THB 5,100 million, increased by 37 %, from the year 2013, THB 3,733.

Radio Business

Over the past, in the viewpoint of the advertisers, radio is a medium that is used as part of the marketing campaign of the products rather than being used as main media to build the brand. So, customers or ad budget users tend to cut spending through the medium of radio as a primary in case of the limited budget. With such a trend, the Media Agencies Association of Thailand predicts that by the year 2014 will not see growth in ad spending through radio medium. The slower down the purchase power is, the more declined in ad pending through radio.

(Figure 1) in 2012, data from Nielsen, Intensive Watch and the Digital Advertising Association of Thailand (DAAT), radio medium might not grow in 2014 and it is expected that ad spending via radio valued at THB 6,600 million while in the year 2013, ad spending via radio worth THB 6,618 million.

However, operators have adapted themselves in the line with the development of the media and changing consumer habits in the recent years. Some have extended radio production to a platform of satellite TV stations increasingly, for instances, Green Wave of the GMM Grammy Public Company Limited, turned to carry out the Green Channel TV station, and also look for more revenue from marketing activities such as organizing a concert and trips both locally and abroad, as well as expanding audience channel to online platform both through online and via an application on the mobile phone.

An interesting trend is to buy a broadcasting license from foreign programs; for examples, RSA imports the American Top 40 lead by famous M.C, Ryan Secrets, which is aired simultaneously 150 stations worldwide while local broadcasting is Cool Celsius 91.5 radio station in RS Group.

Competition in 2014 is likely no different from 2013 because the existing operators under the concession agreement have been protected for the next 4-5 years between the governments agencies holding the spectrum inform it necessity of occupancy to the NBTC.

However, the noticeable issue that causes a change in the media landscape after the CAT considered a cooperation in the transmission of digital radio broadcasting with independent ministries under the Constitution, or other non-state enterprise agencies, auto manufacturers with the ability to install a digital radio receiver, and manufacturers of digital radio receivers, which the CAT Meeting approved the NBTC to sign a Memorandum of Understanding (MOU) in the year 2014 to drive change through the transmission of radio signals . This is digital radio solutions in the long run.

New Media

According to a leading advertising agency, Mindshare in 2013, it indicated that of the total of 67 million populations, there are round 90 million numbers of the people using the mobile phone. As compared to total number of the population, it found that access rate of mobile phones is 120%. Of total number of mobile phone users, people accessing to internet via mobile phones accounted for about 27 million people, access rate of the internet through mobile phones accounted for approximately 40%.

Each day, there are users using Search Engine Google around 1.6 billion times. Of such a number, using Search Engine Google through mobile phones has been increasing steadily; using Search Engine Google through personal computer was around 25%, while using Search Engine Google through mobile phone grew more than 120%.

Regarding to searching behavior or data-consuming behavior through the internet, the Google Thailand Company Limited states, Thai people consume VDO content through Youtube and social network mostly.

The online advertising market in 2013 has grown as expected. The Digital Advertising Association of Thailand states that this results from the growth in sales of smart phones, because the price of a smart phone is cheaper while the expansion of the 3G network covering Thailand increasingly. Consequently, internet access via mobile devices has been growing.

According to the National Statistical Office, the turnover of online marketing or e - commerce in recent years was almost THB 8 billion baht, grew by approximately 20 % from the past year as a result of 3G network expansions.

Meanwhile, the Mindshare, major media agency's survey found that Google's operating system Android occupied a market share for smart phones up to 68 % of the operating system OS of Apple, which occupied the market share of 18% while other operating systems, including Windows Phone operating system accounted for 14%.

All positive factors have resulted that the new media became a rising star sector. The Digitally Advertising Association of Thailand (DAAT) indicates that in 2014 advertising budget via the Internet will worth approximately THB 5,100 million with a growth rate of approximately 37% from the year 2013, accounted for approximately THB 3,733 million, it was a year that the new media showed a vibrant promising growth rate.

Company's operating results depend on the ad industry

Advertising industry and TV media business for the year 2557 has reached a significant turning point. This is not only resulted of the revolution of TV media landscape that transits into digital TV era under the support of the National Broadcasting and Telecommunications Commission (NBTC), but also as a result of the significant breakthrough of the telecommunications industry, the development of the national telecommunications network with the move to 3G and 4G era from this year onwards, which will push the communication to be more intense, and eventually bring about the fusion of media in the future..

Risk Factors

Meanwhile, consumers as media addicts have adapted to the changing and evolving media formats, that is to say; more diverse consuming behaviors consistently with new communication channels to seek the information and entertainment that meets the needs increasingly, thereby resulted that the media production segment needs to create a variety of content through various media fragmentations.

From this point, it becomes a challenge to those media and product operators, business owners, brands and agencies that need to plan an ad media budget that meets the various communications in more effective way.

In respect of the TV media business in 2014, it is expected that change will be very apparent; because digital TV auction in the late 2013 is regarded the opening of new era for Thailand's television media after the TV media business has been monopolized by only 6 owners, increased to at least 24 cases.

However, although there are more players in the television industry, the growth rate of overall ad spending has been directly inversed to the overall economy of the country. The Media Agency Association of Thailand: MAAT) estimated that in 2014 overall ad spending will grow by 5 percent in line with the rate of macroeconomic growth of the country, or the expansion of the national GDP (Gross Domestic Product). According to the Bank of Thailand, it is expected that the growth rate will be at 4 percent.

Regarding to an overview of the television business, which is considered main media which brand advertisers and agencies place the importance for it influences the perception of most consumers mostly as seen from the ratio of free TV ad spending continues to maintain its market share to 60% of total ad spending each year.

Under the media landscape after the digital TV service launched its service on April 1, 2011. As categorized by business groups, it could be divided into 5 groups: old player like Channel 3, Channel 7 and MCOT, entertainment business like GMM Grammy, RS and Work Point Entertainment, telecommunications business like True Corporation and Mono Group, publication business like Nation Media Group, Thai Rath, Amarin Group, Daily News, and TV Pool Magazine In addition, there are also other businesses such as the business of Dr. Prasert Prasartthongosod, founder of the Bangkok Airways, Bangkok Hospital Group, 3A Marketing, Spring News, and Voice TV.

The important conditions pushing the digital TV to access the audience more speedily is that the NBTC assigns the providers of digital TV network ahead of schedule; that is within June 2014, and people in eleven major provinces include Bangkok, Chiang Mai, Songkhla, Nakhon Ratchasima, Ubon Ratchathani, Suratthanesee, Rayong, Sing Buri, Sukhothai, Khon Kaen and Udon Thani, where people have high purchase power and will be able to watch the commercial digital TV in 24 channels.

Meanwhile, under the rules of the publishing the television services in general or must carry out

the rule, the NBTC prescribes that the cable TV and satellite TV providers shall carry twelve public service digital TV channels, and 24 commercial channels signaled to the customers, too. This is also to guarantee the digital TV operators with the audience.

However, the completion of the digital TV, it is expected that the existing TV channels might increase the ad rates prior to the arrival of the stiff competition. Meanwhile, a golden opportunity might belong to the new digital TV operators, including other producers of content that participate into the joint production for new digital TV channels, resulting that ad monetary spread out over the channels according to the increasing number of channels.

On the entry to the digital TV, the NBC Next Vision Company Limited, a subsidiary of the Nation Broadcasting Corporation PCL, won the prima in the digital TV auction for news & informative channel with auction price of up to THB 1,338 million, and has chosen the number 22 as services channel in the terrestrial systems. This marks the transition from a provider of satellite TV channels to free TV fully.

In respect of ads budget ads spent through five main free TV channels currently, according to the AGB Nielsen Media Research's data during January - November 2013, the Channel 7 is found to occupy the largest market share of 32%, followed by Channel 3, Channel 9, Channel, and Channel 11 of 30%, 18%, 17%, and 3%, respectively from the budget in such period, THB 64,027 million.

In comparison on ad spending by program types, it found that the largest ad spending is 36% for drama show program, followed by variety, news and others of 36%, 27%, 25%, and 10% respectively, while youth and families program accounted for 2%.

After winning an auction for news and informative program on Channel 22, the company plans to develop the "Nation Channel," which originally was aired on satellite TV to be aired through the digital terrestrial TV under the new name "TV Nation,". With the existing audience of the TV satellite and cable TV alliances, combined

with new channels through digital terrestrial TV, the company will share spending from the original free TV increasingly.

In respect of the budget spent through the news and informative program of the original free TV during January - November 2013, it totally valued of THB 15,811 million, finding that Channel 3 dominates the largest share of up to 35 %, followed by Channel 7, Channel 9, Channel 5, and Channel 11 at 25%, 19%, 14% and 7 %, respectively.

Among the stiff competition scrambling the viewer ratings and advertising revenue from free television channels with an extended time of new programs, there are an increasing number of the competitors in the digital TV for news and informative for at least six categories and other categories of the digital TV, including the original analog TV system where new programs have been available. This is regarded challenging proposition for the company.

However, the Nation TV channels in digital terrestrial TV remains the 24-hour news station which major target audience are the bourgeois with high purchasing power, residing in Bangkok and its vicinity, and towns in the municipality, resulting that ads spending on products and services aimed at the target group and the urban bourgeois (urban lifestyle) who still use the service of the Nation TV channels to penetrate directly to these customers.

Meanwhile, the company is expanding its audience to a group that has never watched on the flat form, satellite TV and cable TV to watch digital TV. In doing, the intensive marketing strategy is required to draw an attention of this prospective group to the Nation TV which focuses on news authentically.

While consumers have the distributive behaviors addicting the content from various media in the digital age, the analysis conducted by the MAAT (Media Agencies Association of Thailand) estimated the price of media (Inflation) by having the cost of advertising (cost inflation) of various media calculated with the ads cost that varies with the number of viewers or readers of each media

(Cost Per Rating Point: CPRP), finding that adjusted price of the media as whole in 2014 is at 10.4%.

In 2013, free TV ad price increased by 8.4% and the year 2014 is likely to increase by 7% among the declining audience base. The distributive behavior addicting the content in the various channels in the digital age, especially the online media for retrospective watching the TV programs, which number of viewers declines, it means the higher cost of reaching the target groups.

However, there are the factors needed to be watchful of the consequences that may occur with the overall advertising industry. They include external factors of the economic crisis in Europe and the U.S.A and the domestic political situation.

In particular, the domestic purchasing power has been slowdown, affecting the sales of goods and services in the country. A noticeable issue is that if company's sales do not meet the sales target, those companies might consider cutting "ad spending" first, and turn to spend the more direct budget to boost sales. On the other hand, it is possible that in the crisis situation of the country and economic downturn, people are more likely to keep up with the news, thereby resulted in the positive impact on news station like the Nation.

Entry to business by new competitors Television Media

As the NBTC auction on the commercial digital TV by the end of last year has affected the advertising industry and television business to the point of the significant change in 2014, and it is the company's prospect to step up to become the free TV entrepreneurs perfectly.

After satellite TV has grown continuously from 2008 until the satellite TV becomes a channel or platform as primary viewing television both for both free TV, and satellite TV, the ad monetary has been attracted continuously.

However, after the service of 24 commercial digital terrestrial TV channels will be officially launched on April 1, 2014, the satellite TV industry will come to the turning point again, because the leading

satellite TV station operators and the company turn to run the terrestrial digital TV business, thereby the existing ad monetary from TV satellite investment will be transferred to the terrestrial digital TV investment increasingly.

According to the Media Agency Association of Thailand (MAAT), it estimated that, in the first year of the digital terrestrial TV broadcasting, the satellite TV budget will reduce from 11% to 10%, that is worth THB 14,200 million in 2014, while advertising in the upcoming digital TV will be of THB 4,300 million in the first year.

However, the Company has still highlighted the news content, especially Nation TV Channel that has evolved into the terrestrial digital TV station with at least five watching channels (5 screen), including television monitor, computer monitor through www.nationchannel.com, applications on tablets, smart phones, and digital signage.

Also, the company has the availability of personnel and database of the development of the Convergent Newsroom that combines the use of media in the Nation Group and three editions of newspapers; the Nation, Bangkok Business, and Kom Chud Luek, in order that the data will be further surmounted in TV media, news media, and creating a diversity in the presentation of the news. With these advantages, the company as media business continues to get the attention of target customers continuously this year.

While in 2014 after winning the digital TV auction, news and information channels; the Nation Channel will change its name to the Nation TV for digital terrestrial broadcasting that will increase more channels to watch and reach more the targeted groups.

However, there are some risks from the delay of digital TV transition both in terms of arranging the digital TV network of the network providers and in term of the recipient. This means encouraging the households to install the digital TV Set-top Box or buy a TV that supports digital signal with the use of discount coupons offered by the NBTC since April 2014.

In addition, the political uncertainties may affect the domestic economy and the operator may delay of the budget spending.

Radio Media

For several years ago, the radio media has experienced the slowdown in terms of ad spending, resulting that competitions among major operators become quite fierce. As of this year, the trend continues to decline steadily, because in the viewpoint of the advertiser, the radio media is used as part of the marketing campaign of the products rather than being used as main media to build a brand. Therefore, the customer or budget spenders are likely to cut budget spending through the radio media primarily in case of the limitation on budget. With such a tendency, the MAAT predicts that by the year 2014 the growth in spending through the radio medium will not be found. Even under conditions that purchase power is weak, it is more likely that radio advertising budget will be slow down well.

In 2012, according to the Nielsen, Intensive Watch, and the Digital Advertising Association of Thailand (DAAT), the slowdown of radio media has not been much apparent. In 2014, it is expected that advertising budget via radio would be of THB 6,600 million while in the year 2013, it would be of THB 6,618 million.

The 2014 competition is likely no different from that in 2013 because the existing operators with concession will be further protected for the next 4-5 years, while the public agencies occupying the radio frequency clarify its need to the NBTC.

However, the noticeable issues that cause a change in the media landscape after the National Radio and Television Broadcasting considers the cooperation in the transmission of digital radio broadcasting with independent ministries under the Constitution or any other non- state enterprises agencies and the auto manufacturers that are competent in installing a digital radio receiver, the manufacturers of digital radio receivers which the CAT Meeting approved the NBTC to sign the Memorandum of Understanding (MOU) in 2014

to drive change through the transmission of radio signals, which digital radio is the long-run solution for radio broadcasting.

The adaptability of radio station enterprises has continued to increase competitiveness in many aspects, such as adding channels to listen to the radio through other media such as the website and mobile applications correspondingly to the development of more efficient telecommunications network.

For the radio business opportunity, it is considered that company makes use of the available media opportunity to facilitate the marketing; namely, leveraging the power of television media to reach the company's media at anywhere any time. For examples, FM.102 MHz does not only provide the programs penetrating the working adults, but also it can be used as signal waves and re-run the popular programs in the Nation Channel, the Kom Chud Leuk, and the KK Nation while the FM.90.5 MHz links the signal for Kep Tok, the Nation Morning, and re-run the Kep Tok, the Nation Evening

In addition, the National Radio and alliances jointly develop a policy to develop the wave to be known among the listeners more extensively, and increase the station's ratings in the dimensions of the "Working Station" as source the listeners are able to catch up with the news and comprehensive knowledge throughout the day and will not miss the important news both short news and a variety program, presenting the political, social, economic, trade, investment, foreign sports cars and life style to respond to the consumers, and will increase the potential to earn money with the following procedures.

1. Develop the coherent and consistent program formats
2. Position a famous moderator who is specialized and professional.
3. Advertise and public relation of frequency wave through various media in the Group, both radio and television newspapers, and social media.
4. Carry on activities to build a relationship with the listeners; meanwhile, it would earn additional revenue.

New Media

This new media has been growing steadily resulted of the growing number of the internet users. As a result, new media has been given the attention by the advertising agencies and its product owner to serve as a channel to promote its products and services increasingly. As seen that, in 2014, internet advertising budget was approximately THB 5,100 million with a growth rate of year 2013 at 37 %, approximately valued of THB 3,733 million.

Meanwhile, the content providers have adopted all the existing contents to develop new products and services to accommodate the operation on mobile devices which is becoming popular in the society to usurp the popularity of consumers and advertising spending budget through new media such as newspapers or magazines in digital format, application for watching TV on mobile; smart phone or tablet.

According to a leading advertising agency, Mindshare, in 2013, it stated that of overall 67 million Thai people, about 90 million are the mobile phone users. As compared to total population, it found that access rate of mobile phones is up to 120%. Of total phone users, the Internet users via mobile phone accounted for 27 million people, access rate of the Internet via mobile phones accounted for around 40 %, while in the next 2-3 years, the access rate of the Internet via mobile phones will increase greatly, and it is anticipated that in the future the number of users of smart phones and tablets will increase accordingly.

These are opportunities for the company as the company has always valued the new media business. As it is obvious that each year the company has never ceased developing and researching new technologies to respond the needs of consumers in an era where consumers demand information through the "multi- screen " like a digital magazine, and to be a partner with the operators of all the companies to distribute an application to reach the consumers as most as possible.

Moreover, the company in cooperation with the leading TV manufacturers; for examples,

Samsung, Sony , LG, and Panasonic to develop an application on smart TV which has been highly popular nowadays, preparation of personnel, the establishment of a R&D team in new media business continuously.

Despite this business has changed quickly, which is a risk factor when adaptation fails. However, with all the preparations, the company is confident in the new media business and get ready to grow steadily.

Changes in the law amendment on the radio and television broadcasting

On April 4, 2012, the Government Gazette published the Notification of the National Broadcasting and Telecommunications Commission (NBTC) on and the Spectrum Management Master Plan B.E.2555, the Radio and Television Broadcasting Master Plan No. 1 B.E2555-2559, the Broadcasting Master Plan No. 1 B.E2555-2559.

The essence of the NBCT Notification is to issue a license in the digital TV service, license period is 15 years. This is the first time in cycle of 60 years of the broadcasting service in Thailand that issues the license by changing from the concessions.

However, free TV digital affairs have been under the supervision of the NBTC, resulting that the operators have incurred the rising cost for fees of 2% of revenue paid to the Office of the NBTC, and another 2% of the revenue paid to R&D fund for radio and television broadcasting and telecommunication for the public interest, or totaled of 4%.

Meanwhile, under the plan on transition into digital radio and television signing system, the NBTC has allocated 48 new channels in the digital television spectrum, comprising 12 public service channels, 12 community service channels, which two types of such channels have been granted a license by which the qualifications are taken into consideration as required by the Notification or the Beauty Contest.

The NBTC has assigned 24 business channels which are required to auction a license, divided

into 4 categories; 3 children and youth channels, 7 news channels, 7 variety standard definition: SD channels, and 7 variety high definition: HD.

Owing to the changing rules of the NBTC, and that the company enters into free digital TV, it is considered an opportunity rather than risk. Because of the allocation of the digital TV spectrum as a free digital terrestrial TV, access to 22 million households across the country within four years, as the NBTC also requires the expansion of digital TV network covering overall the country, and the conversion of the status from satellite TV operator to free TV operator under the licensing term of 15 years which will be protected by the NBTC as a security in operating the various transactions of the company.

Risks affecting the investors

Impact on equity (Dilution Effect) from the exercise of “NBC-W1” warrants

In July 2013, the company has issued warrants to existing shareholders who subscribe for new ordinary shares in NBC-W1 amounted of 176,870,000 shares, aged of 5 years without any remuneration at ratio 2 ordinary shares for 1 warrant. As of December 31, 2013, the balance of the warrants was a total of 176,860,519 units.

In this regard, if the warrant holder exercises a right to purchase ordinary shares of the company in full. The company’s shareholders may be affected by the Dilution Effect in terms of stock prices in the market may decline, and the proportion of shareholding that declines as follows.

Before the exercise of the warrants in full, (31 December 2013)

<i>Number of ordinary shares</i>	
<i>paid up</i>	<i>534,412,647 shares</i>
<i>Proportion of shareholding before</i>	
<i>the exercise of warrant</i>	<i>100 %</i>

After the exercise of the warrants in full, (NBC-W1)

<i>Number of ordinary shares</i>	
<i>paid up</i>	<i>711,273,166 shares</i>
<i>Proportion of shareholding</i>	
<i>after the exercise of warrant</i>	<i>75.13 %</i>
<i>Declined proportion of shareholding</i>	<i>24.87 %</i>

Impact on equity (Dilution Effect) from the exercise of “ESOP-WB” warrants

In August 2013, the company has issued warrants to directors, executives, and / or employees of the company and / or its subsidiaries (ESOP) amounted 8,798,905 units, the no-par value shares, aged of 5-years, exercise ratio 1 warrant for 1 ordinary share at the exercise price THB 3 per 1 ordinary share. As at 31 December 2013, the balance of warrants was a total of 7,603,105 units.

In this regard, if the warrant holder exercises a right to purchase ordinary shares of the company in full. The company's shareholders may be affected by the Dilution Effect in terms of stock prices in the market may decline, and the proportion of shareholding that declines as follows.

Before the exercise of the warrants in full (31 December 2013)

Number of ordinary shares

<i>paid up</i>	<i>534,412,647 shares</i>
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Proportion of shareholding

<i>before the exercise of warrant</i>	<i>100 %</i>
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After the exercise of the warrants in full (ESOP-WB)

Number of ordinary shares

<i>paid up</i>	<i>542,015,752 shares</i>
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Proportion of shareholding

<i>after the exercise of warrant</i>	<i>98.60 %</i>
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<i>Declined proportion of shareholding</i>	<i>1.40 %</i>
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List of Major Shareholders

Name of top ten shareholders as of December 31, 2013 at closing book dated:

No.	Name	Shares	% Total Share
1.	Nation Multimedia Group Public Company Limited	381,011,674	71.30
2.	Miss Warunee Tantasuralerk	15,000,000	2.81
3.	Mr. Passakorn Jessadawarangkul	12,000,000	2.25
4.	Mr. Arnon Tongyad	10,941,700	2.05
5.	Mr. Chawalit Wisarankul	5,004,002	0.94
6.	Mr. Suthichai Sae-Yoon	4,866,714	0.91
7.	Mr. Siriwan Werapodjananan	3,300,000	0.62
8.	Mr. Wirat Supanharida	3,147,046	0.59
9.	Mr. Wittawat Lertbannaphong	2,950,000	0.55
10.	Miss Suwida Kingmuangkao	2,950,000	0.55
11.	Other	93,241,511	17.45
Total		534,412,647	100

Source : Thailand Securities Depository Co., Ltd.

Remark: The shareholders from the same entity and voted unanimously, which was Nation Multimedia Group Public Co., Ltd., to have its major shareholder : Mr.Suthichai Sae-Yoon, another major shareholder of the Company, assume the position of Chairman.

Types of Shareholders – Share allotment by nationality

Shareholder by Nationality	Number of Shareholders	Number of Share	% Total Share
Thai Shareholder	2,122	534,189,511	99.96
Foreign Shareholder	3	223,136	0.04
Total of Shareholders	2,125	534,412,647	100.00

* Nation Broadcasting Corporation Plc's regulation stipulates that "non-Thai shareholders are not allowed to hold the Company's stake in excess of 25% of total issued shares"

Group of major shareholders who has significant impact on the formulation of management policies

-None-

Name of shareholders who conceal their true identity

-None-

Corporate Governance Report

Nation Broadcasting Corporation PLC's Board of Directors strongly believes that good corporate governance principles and system will ensure the company's effective, transparent and accountable management and raise the level of credibility and confidence in the Company as perceived by shareholders, investors, stakeholders and related parties. Corporate governance also promotes sustainable growth, which will contribute to the company's success, and enable the company to achieve its ultimate goal of rendering the most optimized value to shareholders.

The company's Board of Directors thus sets corporate governance policy in line with the Stock Exchange of Thailand's code of best practices and is in charge of enforcing strict compliance to corporate governance policy, and periodically adjusting the policy to suit circumstances and meet shareholders' expectations, ensuring shareholders' interests are well protected.

The current corporate governance policy is the 1st edition which has received the consent of the Board of Directors and was first announced on May 20, 2009. It is set that the policy be revised annually to comply with the code of best practices for listed companies introduced in 2012 by the Stock Exchange of Thailand. The current corporate governance policy was reviewed on November 7, 2013 and announced to all employees for acknowledgement and strict adherence.

Communication of the Corporate Governance Policy

The board well recognizes the practice of corporate governance to coincide with the company's vision and commitment. As a main factor driving the operations of the company and subsidiaries is the employees, the policy has been communicated to staff by publicizing it through the internal website and publishing 'Nation's Way' as a tool for employees who cannot access the website to follow the procedure in their operations. Management has closely monitored adherence to the policy to ensure that all aspects of the policy has been put into practice. In addition, in order to develop understanding with all stakeholders, the company has publicized good corporate governance principles through the company's website for interested persons and the acknowledgement of investors. If any shareholder would like to receive a copy of the aforementioned policies, please contact the corporate secretary and fill in the document request form which will be delivered with the annual report in order to develop an understanding of the company's good corporate governance policy.

Monitoring of the Practice of Corporate Governance Policy

From a commitment to continuously improve the company's good governance since the good corporate governance policy was introduced in 2006, the evaluation result for the organizing of the ordinary shareholders' meeting has been increasingly outstanding in successive years and shown as followings.

The evaluation result for the Thai registered company's good corporate governance in 2013, held by the Thai Institute of Directors (IOD) was at the very good level (four stars). The company information taken into consideration for the evaluation result is provided via The Stock Exchange of Thailand (SET) and other company's publicity.

The evaluation result for the organizing of the annual general meeting for the year 2013, held by Thai Investors Association, Thai Listed Companies Association and The Securities and Exchange Commission was at the excellent level and best practice. The company has been received for the second year and was one of the 96 listed companies that received full 100 scores, from the total 475 applied companies.

In 2013 the company's corporate governance principles covered five areas, namely:

1. Rights of Shareholders
2. Equitable treatment of shareholders
3. Role of stakeholders
4. Information disclosure and transparency policies
5. Board of Directors' responsibility

1. Rights of Shareholders

The Company realizes that the shareholders are entitled to the company's ownership rights. Shareholders control the management by appointing the company's Board of Directors to act and make key decisions for them as stated in the corporate governance principles. The Company values and respects the shareholders' rights by adhering to the principles regulated by law.

The Company has a policy to treat every shareholder with equality. Realizing that the shareholders are entitled to the rights to access and receive sufficient and timely information of the company and the company protects the interests of the shareholders more than what is required by the law, the Investor Relations Division was set up to provide information and respond to enquiries. The website: www.nbc.co.th publicizes the company's information for shareholders and investors both in Thai and English. The information provided includes the latest information and the investor's newsletter. Apart from that, the Company organizes shareholder's meetings quarterly according to the Stock Exchange of Thailand's arranged timetable for shareholders to inquire, request explanations and express their opinions with equality.

Organizing Shareholders' Meetings

The Board of Directors have given the importance on the annual shareholders' meeting in order to announce the company performance to the shareholders, allow shareholders to make decision on the significant issue, and examine the operation and management of the Board of Directors as well as management team. The company then organized the annual shareholders' meeting as regard to the law and direction of AGM checklist manual, prepared by Thai Investors Association, Thai Listed Companies Association and The Securities and Exchange Commission.

In conducting the annual general meeting for the year 2013 on April 24, 2013, the company appointed Thailand Securities Depository Co., Ltd. to serve as the company's registrar, to circulate meeting invitation letters to the shareholders about 21 days prior to the meeting date. The invitation letter, both in Thai and English, is also posted on the company's website 1 month prior to the meeting date, to allow time for the shareholders to study relevant information.

Chairman of the Board, Vice Chairman, President, Chairman of the Audit Committee, Members of the Audit Committee, Independent Directors, Executive Directors, Executives and Auditors from KPMG Poomchai Co., Ltd. attended the meeting for the shareholders to ask questions.

The company circulated letters to shareholders, through the Stock Exchange of Thailand's system and the company's website, for those who hold 1 or more shares during the period of shareholding day to the proposed day for no less than 1 year, to propose qualified

director candidates and to gain shareholders' consent from November 26, 2012 to January 31, 2013. No candidates were proposed for the Board of Directors.

The company asked the shareholders to propose the general meeting agenda through the company's website from November 26, 2012 to January 31, 2013. No additional agenda were proposed.

The overall proposition of the director's candidates and additional agenda for the annual general meeting were reported on the company's website on February 1, 2013.

The company also asked the shareholders to send questions for the annual general meeting of the year 2013 in advance through the company's website or by fax number 0-2338-3938 from March 22 to April 12, 2013 so that the Board of Directors and management team could arrange for explanations at the meeting. No questions were sent in advance.

The meeting invitation letter gave information regarding meeting date, time, venue, agenda and important information relating to issues required for decision at the meeting as well as relevant rules, regulations and steps in casting votes.

In the annual general meeting, the company proposes payment for directors for approval every year. Information proposed to the shareholders for acknowledgement and approval includes payment for each director with comparisons with the preceding year, clearly stated policies and criteria relating to specification of payment for directors.

The company suggested that the shareholders who were unable to attend the meeting assigned authority to an Independent Director who has no benefit in issues being considered to represent and cast votes for them. The company enclosed a proxy form, in which the shareholders can specify their vote for each agenda item, with the meeting invitation letter.

In the annual general meeting of the year 2013, the company proposed Mr. Supong Limtanakool, Independent Director and Chairman of Audit Committee, as the attorney. Twenty-six shareholders assigned authority to the Independent Director to represent and cast votes for them.

Prior to the meeting, the company informed shareholders of the rules and regulations for the meeting including the vote casting procedure, vote counting and ballot instruction to the assembly. The Chairman allowed the shareholders to inquire and express their opinions openly and assigned some Executive Directors to answer all the inquiries. Summaries of questions from the shareholders and explanations as well as the other relevant details were recorded in the minutes.

The company used the barcode system to register attendees and count votes for each agenda item. On the agenda of appointing the company's director, the company allowed the shareholders to cast votes for the director individually and recorded procedures of votes casting, votes counting and the meeting's consensus thoroughly. Votes were classified into 'in agreement', 'not in agreement' and 'refrain from voting'.

The minutes of the meeting, with details of votes casting and the shareholders' inquiries for each item in the agenda, were submitted to the Stock Exchange of Thailand and the SET's Board of Governors within 14 days and a video recording of the meeting as well as the minutes were available for shareholders on the company's website.

2. Equitable Treatment of Shareholders

The board has regularly controlled and checked up on the company's corporate governance structure to ensure equitable treatment for all shareholders, including small shares shareholders and overseas shareholders, as well as to ensure that the caretaking process is neither

complicated nor incurring unnecessarily high costs. The shareholders have the right to participate in decision making and acknowledging the company's decisions on important circumstances as stipulated by law or the company's regulations.

In the shareholders' meeting the company has a policy to treat the right of every shareholder equally. No item shall be included in the agenda and no important information shall be changed if it's not informed to the shareholders in advance. Moreover, no document containing additional important information shall be provided in the meeting, to ensure the shareholders have sufficient time to make decisions.

All shareholders have a right to vote as per the number of shares one holds. Each share counts for 1 vote and there is no special voting right.

Shareholders with 1 share and above can propose to add agenda items for the general meeting in 2013 as well as nominate a person with appropriate qualifications to sit in the Board of Directors from November 26, 2012 – January 31, 2013. The company shall make available the information through the Stock Exchange of Thailand's information channel and the company's website with transparent steps and procedures in line with the extra procedure on rights of small shares shareholders. However, in 2013 there were no additional proposed agenda or Board of Directors nominations.

Shareholders who are unable to attend the meeting may authorize an independent director who has no conflict of interest with the meeting agenda to attend and cast the ballot. Shareholders can download the proxy form from the Company's website.

No transactions shall be mutually made with any joint-venture or related companies, as it may lead to significant conflict of interest.

Policy to Prevent Insider Information

The company maintains a policy to prevent the directors and management from abusing their power, by taking advantage of or damaging other shareholders to be in line with the Securities Trading in Section 241 of The Securities and Exchange Act B.E. 2535, as followings.

1. Directors, management and any staff who have access to inside information shall not disclose the inside information to third parties.

2. Directors, management and any staff who are involved in the financial report or other relevant information shall be cautious to trading the company's stock prior to the announcement of the company's financial statement. In the case of trading during those periods, the Board of Directors must be notified immediately.

Information Disclosure

The Board of Directors has set guidelines for directors and executives of the company and its subsidiaries to disclose information on any conflicts of interest and those involved, in accordance with Section 89/14 of the Securities and Exchange Act B.E. 2551, to ensure transparency and prevent any conflicts of interest, as follows. The directors and executives have to report any movements in their shareholdings to the SEC and SET and should there be any transaction trading, the SEC must be notified within 3 days after the trading. The directors and executives must report any information on their conflicts of interest as well as those involved according to the SEC's announcement Torjor 2/2009 which the company has followed since July 1, 2009.

The directors and executives must report any information on their conflicts of interest as

well as those involved annually. The company's secretary is responsible for collecting and updating the information and having this information ready for disclosure to the Board of Directors, should they require, for cross-transaction consideration between companies and directors and / or executives or involved parties who have conflicts of interest.

In case that there is a change in the information disclosure, it needs to be updated immediately and reported within 7 days.

The company's secretary is responsible for sending a copy of the conflict of interest report to the chairman, the audit committee chairman within 7 days after the company receives such report.

In 2013, information was reported on one occasion without cross-transactions in conflicts of interest with the company.

Report on Shareholding

The Board of Directors and The company executives have notified to Thai Securities and Exchange Commission on the responsibility of shareholdings as regard to the Securities Trading in Section 59 of The Securities and Exchange Act B.E. 2535, and submit the report to The Board of Directors whenever there is trading.

In 2013 the company set a policy that the directors and executives must report their shareholdings to the Board of Directors annually and at least once a year. The directors have reported their shareholdings at the board of director's meeting on February 13, 2014.

In 2013 the company reports the shareholdings with notification on increase or decrease from December 31, 2012 to December 31, 2013 as followings.

Name - Surname	Total Shares			Shareholders' equity (%) on December 27, 2013	Remark
	December 31, 2013	December 31, 2012	Total Shares Increase (Decrease) During the year (Shares)		
1. Mr. Suthichai Sae-Yoon	4,961,046	1,653,682	+3,307,364	0.93	Including spouse's shareholder
2. Mr. Adisak Limprungpatanakij	1,335,230	415,810	+919,420	0.25	Including spouse's shareholder
3. Mr. Supong Limtanakool	-	-	-		
4. Mr. Metha Soonthornjit	-	-	-		
5. Mr. Kittichai Lattisophonkul	-	-	-		
6. Mrs. Supanee Dechaburananont	-	-	-		
7. Mr. Sermisin Samalapa	-	-	-		
8. Miss Aeumsree Boonhachairat	-	-	-		
9. Mr. Thepchai Sae-Yong	54,000	-	+54,000	0.01	
10. Miss Duangkamol Chotana	182,531	40,490	+142,041	0.03	

Cross-transactions between the Company and its Subsidiaries

The company has set the standard to oversee cross-transactions between the company and its subsidiaries, joint ventures and affiliates with the same status with the person that may have any conflict

of interest, benefits or possible conflict of interest in the future. Should such a cross-transaction arise, it must follow the normal trading practice transacting with a third party. In the case that the price cannot be compared with a third party, both involved parties must jointly consider and set an appropriate price. The audit committee shall examine the transaction and give opinions about the necessity of the transaction as well as the appropriateness in terms of prices.

In 2013 the company and its subsidiaries had cross-transactions with other related companies under market price conditions. Other cross-transaction items, whereby the appropriateness and transaction value is being considered by the audit committee, can be viewed in the accompanying notes as an integral part of the financial statements.

3. Role of Stakeholders

Apart from caretaking and ensuring the shareholders' rights, the Board of Directors has set a policy to take care of all stakeholders, not only regarding the impact of the business operations, but also on the community.

The rights of stakeholders will be protected in compliance with relevant laws. The Board of Directors approved the establishment of a procedure to foster cooperation between stakeholders and the company to enhance wealth, financial strength and sustainable business for the company.

In supervising the company's business, stakeholders are classified in several groups as employees, customers, shareholders, investors, trading partners, creditors, trade competitors, society, government agencies, neighboring communities and independent auditors. The Board of Directors has maintained a policy to protect the rights of each group of stakeholders in accordance with related laws or agreements shareholders have made with the company, and has aimed to boost cooperation between stakeholders and the company to ensure a more productive performance and sustainable growth by disclosing relevant and sufficient information. Hence, the Board of Directors set organizational ethics covering various areas on November 10, 2006 and lately reviewed them on April 21, 2009. (Ethics of Nation Broadcasting Corporation's directors, management and employees can be viewed at the company's website.)

Ethics of Nation Group's directors, management and employees consist of:

1 Ethics on responsibilities to the media profession

Over the past 20 years, the company has strictly observed the code of conduct of the media profession. This is a major reason why the company's media and staff have earned credibility and trust from society in spite of some difficult periods when there were political pressures. Our staff perform their duty as a credible media organization, closely and consistently adhering to principles.

The "Nation Way" code of conduct was drafted as professional guidelines for the Group's editorial staff at every level. The content covers the basic ethical standard for the "news crew" at every level as well as how they behave in public, both on-duty and off-duty.

The Group's news staff at every level shall strictly observe the following principles without any exceptions so that we can continue to maintain the credibility and trust of society.

"Nation Way" Code of Conduct is categorized as follows:

3.1 Ethical requirements of the media professionals

3.2 Ethics of Nation Group's media

- 3.3 Responsibilities to the readers, listeners and audience.
- 3.4 Commitment to the media profession and organization
- 3.5 Guidelines for news reporting and desirable behavior with the sources
- 3.6 Special privileges and conflicts of interest
- 3.7 Guidelines for participating in political and social activities
- 3.8 Guidelines for the advertisement, marketing and sale departments.
- 3.9 Guidelines for copyright and freelancing jobs
- 3.10 Guidelines for reporters in various beats
- 3.11 Guidelines for mistakes recovery
- 3.12 Guidelines for reporting the Company's activities
- 3.13 Guidelines and ethics on Nation Social Media

The Company has measures to prevent problems from libel and defamation charges arising from news reports by providing training courses for staff in the news department to keep them informed of the news reporting guidelines, undesirable statements and pictures. The Company has also reinforced the parties involved to perform accordingly. Throughout the last year, the number of charges leveled against the company considerably decreased from a year earlier.

2 Ethics on responsibilities to shareholders

The company is committed to act in a trustworthy manner and ensure the best interests of the shareholders by placing high priority on steady corporate growth and sustainable returns. The company shall operate in a transparent manner with a credible accounting system. The company's Investor Relations Division was set up to communicate with investors and shareholders who would like to make inquiries and seek explanations on related issues.

In 2013 the company performance increased, net profit is 56.60 Million Baht and retained earnings ended on December 31, 2013 is 78.61 Million Baht shown in the company financial statement. It is projected that media industry in 2014 tends to decelerate due to the political situation. However, acquiring the licensing auction of a digital TV in news section is a positive factor to be the most complete media company such as online, radio, TV in Thailand and have a positive growth trend in the future.

3 Ethics on relations to customers

The company is committed to ensure that the customers and public shall be satisfied with the company's quality products and services and with reasonable prices. Besides, the company determines to continuously and seriously enhance its standards as well as maintain a positive and sustainable relationship with its customers.

Emphasizing customer satisfaction with the content and format of its programs, the company consistently organizes activities to interact with customers as followings.

TV viewers through Nation Channel : The company emphasizes on the customer satisfaction of the program's concept and content plus giving reward back to the customers. The customers are invited to join activities such as "SMEs Go E-Commerce" special seminar, "Weave the Dream of the Reporters" seminar, trips with TV anchors and the production team such as "the Royal Projects on Nation Channel", and Thai – International film lovers on "World Film 2013".

Nations radio audiences : The company organizes many activities and seminars such

as Smart Apartment Solution with Assistant Professor Pattapon Vetayasuporn, Smart Business, Money talk on tour.

4 Ethics on responsibilities to employees

The company realizes that human resources are the most valuable asset that drives the organization to success. The company is committed to develop the quality of employees as well as enhance the corporate culture, promote employees' physical and mental health, ensure a positive work environment, promote team work to build up the employees' confidence, and encourage the election of staff representatives to get actively involved in managing staff welfare as stipulated by the law. Furthermore, the company facilitated the setting up of a "Thai Mass Media Labor Union" according to the Labor Relations Act B.E. 2518 to protect the interests of the employees and promote good relations between employees and employers as well as among the employees themselves. The staff activities are monthly merit making activity, One Nation One Family, New Year festive activity, club activities such as volunteer for rural development camp, music club, and sport club.

Staff welfare and development are major concern. The company arranges the appropriate wage and welfare to all staff by considering on competency, career development, capability, cost of livings, starting salary, leave occasion, provident fund, child allowance, emergency allowance, uniform, medical allowance, daily allowance, travel allowance, and human right to meet with universal standard and regulation. Committee of staff union, open environment or other requests is provided. The company moreover emphasizes on accident prevention by providing life insurance for all staff levels plus staff health cares as followings.

- 1.Life insurance (Accident insurance and Group life insurance to all staff levels)
- 2.Annual health check by doctor and nurse from the hospital to do health check in the company
- 3.Vaccine injection annually such as flu vaccine
- 4.Emergency allowance on the case that staff is on medical treatment in the hospital
- 5.Emergency allowance on the death of father, wife, children or staff

The safe and hygiene in the workplace is also significant. The company organized the training and campaign to take care of the working environment to life and asset of staff. In 2013 there was no accident and medical leave from working. The company's working environment is mostly in the office. The equipment and office are on maintenance, ready to use, and always safe.

Staff development in all levels has been continually implemented. Training and seminar both internally and externally are held and in line with the Skill Development Promotion Act B.E.2545. The company containing more than 100 employees must organize the training for 50 percent of all staff and must notify Department of Skill Development on the training course. The company has strictly taken to provide the training to the staff.

In 2013 the company held the training to 57 percent of all staff which 95 percent is in-house training and 5 percent is external training.

The anti-corruption knowledge and training class is also arranged to encourage the business operation and ethics in which the company growth and sustainability to be together with society and the nation. The business ethics handbook is produced and distributed to the Board of Directors, executives, and employees to have the same direction on honesty, morality, anti-corruption, and avoidance of fraudulent situation such as deny receiving high value present.

The process started from orientation and on the job working via executives and line managers.

The company encourages its staff to express opinions, suggestions, and claims or inform of any irregularities to the management via various channels such as through the representatives, elected as stipulated by law, who have monthly meetings with the management. The employees can also express their views through internal media, Facebook/Twitter/Yammer or send their comments directly to the management via e-mail which is available on Facebook/Twitter/Yammer also.

Compensation and welfare

The company has hired an HR consulting firm to study the company's compensation and welfare policy as well as succession planning in order to raise the employees' capability and to be fair and transparent in managing its people. The company has started to adopt IFRS regarding the employees' welfare after their retirement and the company's financial security, effectively on 2011. The company arranged the expertise of welfare after retirement and recorded in the report and financial statement in 2013.

Therefore, the company has provided a provident fund which accumulates a certain percentage of the employee's salary together with the company's joint fund and the return on investment.

Human Rights

The company has set guidelines in business ethics that all the employees will be treated with respect, prestige and humanity. The employees must not perform any act of legal injury, threats against other employees of different nationality, sexes, religions, ages or physical or mental handicap.

During the past year, there have been no disputes between the company and its employees. The company has received cooperation from the labor union in providing information and building strong understanding among the employees and the company.

5 Ethics on relations with trade partners, competitors and trade creditors

The company realizes the importance of equality and honesty in business practice as well as the mutual benefits with trade partners. The company strictly abides by laws and regulations as well as business ethics. In regards to the competition, the company adheres to the rules of fair competition, good practice and fair treatment, and good relationship with business partner. The company does not have any disputes relating to trade partners, competitors, trade creditors and financial institutions.

The criteria of selecting business partner are as followings.

- Trustable financial statement and capability to grow with the company in the long term.
- Manufacturing or selling the products in good quality as required and being able to be quality verified.
- Support on sales promotion and after sales service to the customers.

6 Ethics on social responsibility and environment

The company enhances on knowledge and training to all employees in order to build

the environmental and resource saving and efficiency through the internal communication and external activities. Reduction of global warming by energy saving activity, 5S (orderliness and cleanliness) activity and other environmental plus resource and energy saving related activities held by the company are encouraged for all employees to participate.

As a news content producer and distributor to various media, the company shares national concerns over the quality of life and the information consumption of Thais. Therefore, the company has a mission to present quality and useful news to society and the public. The company also participates in efforts to improve the living standard of Thai society. As a business operator in Thailand, the company cares about the environment. In 2013, the company was involved in almost all aspects of community service activities (details as stated in Social Contribution Activities in the Annual Report (56-2)).

As a media company, our staff have not only constantly communicated and listened to the stakeholders' comments and suggestions through various social and business functions, but the management and directors also have opportunities to meet with stakeholders on a regular basis. Furthermore, the company's call center is always available to take complaints and is ready to solve any dissatisfactions should they arise. The company has constantly responded to such complaints and suggestions.

In 2013 the company enabled all stakeholders to submit complaints and suggestions to the Chairman of the Board or Audit Director or Independent Director through the website: nbc.co.th or by mail to Nation Broadcasting Corporation PLC. 1858/51-62 TCIF Tower, 12A, Bangna-Trad Road, Bangna, Bangkok 10260.

The company's secretary is responsible for receiving the messages addressed to the Board of Directors and proceeds to a sub-committee or an involved director to summarize the suggestion and propose actions to the Board of Directors.

4. Information disclosure and transparency policies

The Board of Directors ensures that the company provides its information including financial reports and non financial reports in a manner that is accurate, complete, timely and transparent through easy-to-access channels to interested parties on an equal and reliable footing.

To observe corporate governance principles, the company requires the directors and management to report any changes of their securities holdings to the Securities and Exchange Commission and the Stock Exchange of Thailand as well as provide the copies thereof to the company's secretary. The company's secretary will provide for the document to be forwarded to the directors and the management in November so that they can update their information. Then, the secretary will collect the shareholding reports to present to the Board of Directors at least once a year.

The company recognizes the importance of preserving confidential data and/or internal information, and the company has issued a 'corporate supervision policy', which prohibits anyone in the company's management or internal agencies who have access to any inside information from disclosing such information to outside parties or non-related persons, except in the case that the disclosure was meant to benefit the company's operations. They shall be barred from buying, selling, transferring, or accepting the company's securities by using the company's confidential data and/or inside information in a manner to cause harm to the company either directly or indirectly.

In the past year, the company has disclosed the company's financial reports and non-

financial reports accurately, completely, timely, in a transparent manner and in accordance with the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand through the information disclosure channels of the Stock Exchange of Thailand and the company's website. The company fully complied with the Securities and Exchange Commission and the Stock Exchange of Thailand's requirements on the disclosure of information over the past year.

1. The company's annual report 2013 provides the following information:
2. Vision, mission and values of the organization
3. List of directors as well as their work and educational backgrounds, their family relationship with the management, their service in other listed companies and their holding of the company's securities
4. Shareholders' structure
5. Risk factors
6. Corporate Governance Report
7. Supervision policy and compliance policy
8. Directors' remuneration and board meeting attendance
9. Board of Directors' performance in the past year and the training record of the board
10. Audit Committee's performance in the past year
11. Remuneration policy for directors and high-level management
12. The remuneration for service in the Board of Directors and other assignments for the company and its subsidiaries
13. Annual report of the Audit Committee
14. The Board's accountability report to the financial statements with the required content, endorsed by the Chairman of the Board and the President.
15. Explanation and analysis of the financial status of the management
16. Accurate and complete financial statements in accordance with accounting standards
17. Financial statements and operating results

The company has disclosed the following information at www.nbc.co.th

1. Roles, duties and responsibilities of the directors, executive directors, sub-committee and President
2. List of related transactions or conflicts of interest
3. Business ethics
4. Corporate Governance Policy
5. Audit Committee's charter
6. Quarterly and annual financial statements

Investor Relations Section

The Investor Relations Section is responsible for communicating with the shareholders, institutional investors, and analysts in an equal and fair manner. The investor relations section answers queries related to the company and its operations for investors through the company's website, by telephone or via other channels. The company facilitates the distribution of important information, in 2013 by followings.

Meeting with investors in the Opportunity Day event regularly held at the Stock Exchange of Thailand. The company attended the event three times on March 4, May 23, and August 26.

Publicizing the company's financial status on website, totally 7 times that are:
: www.nbc.co.th for 1 time on May 10, 2013
: www.bangkokbiznews.com for 1 time on February 18, 2013
: www.ryt9.com for 5 times on May 10, August 8, August 26, September 3, November 8, 2013.

Company Secretary Department

The company recognizes the significance of working in compliance with the regulations required by the Stock Exchange of Thailand, the Securities and Exchange Commission and other relevant laws in an accurate, complete and transparent manner, which passes through sequential consideration and inspection. The company secretary takes charge of assisting the Chairman of the Board of Directors in monitoring the Board of Directors, sub-committee and all directors to perform in accordance with relevant laws, regulations, and rules. Moreover, the company secretary is responsible for preparing documents in line with the meeting's agenda, which are sufficient for consideration and making decisions by the board, recording the minutes of meetings accurately and correctly to demonstrate that the board has considered all the proposed agenda fully, faithfully, and responsibly, as a normal person operating the same business should do in the same situation. Also, the company secretary has the responsibility to keep a register of directors, a notice calling meetings, minutes of meetings of the Board of Directors and Shareholders, a report on conflicts of interest, and a report on interest filed by a director or an executive in carrying out duties in full compliance with the guidelines.

5. Responsibilities of the Board of Directors

Roles, Duties and Responsibilities of the Board of Directors

The Board of Directors has an important duty in supervising business operations to ensure the best interests of the company. The Board of Directors is accountable to the shareholders and independent from the management. Therefore, the members of the Board of Directors are fully qualified with various knowledgeable and well experienced on business, financial, marketing, strategic thinking and law management people.

The Board of Directors has clearly stipulated the duties and responsibilities of the Board of Directors, executive directors and president to ensure the independent judgments of the board to serve the best interests of the company and shareholders. Besides, a monitoring and supervision procedure is in place to ensure the company operates in a manner consistent with the relevant laws and business ethics stipulated by the board.

Roles, Duties and Responsibilities of Chairman of the Board

Chairman of the Board has a significant duty in leading the meeting, also controlling and managing the agenda for the Board of Directors to discuss their opinions on important issues. Chairman of the Board will also make the final decision when there is a vote on issue and 2 vote results are the same. Besides, providing the direction and follow-up on the policy of the company's corporate governance and being the Chairman of the company's annual shareholders' meeting.

Counterbalance of non-executive directors

In 2013, the Board of Directors consists of ten members, four of them are independent

directors, two are executive directors while the other four are non-executive directors. Independent directors and non-executive directors account for 80 percent of the board. This is to ensure the balance of authority and management. Also, one of the independent directors is female.

The four independent directors are fully qualified according to the Company's definition of the independent directors, approved by the board, and the requirements of the Securities and Exchange Commission issued in 2008. The four independent directors are members of the audit committee. One of them is the chairman of the audit committee, two of them are members of the audit committee, and one of them is the independent director.

Appointment of the Board of Directors

According to the company's requirement, one third of the directors shall vacate their offices when their tenures end every year. The company can re-appoint directors whose tenure ends to their same positions again for another term. The company does not set requirements on the term limit according to the requirement of the Securities and Exchange Commission. The company's president shall not hold the status of director in more than 5 other listed companies on the Stock Exchange of Thailand concurrently. The company's directors shall not be directors in competing companies or have conflicts of interest with the company's business. In the case that the directors hold positions in other companies, those company names, types of business and positions of the directors shall be disclosed in the director profile. In 2012, none of the company's directors or executives held positions as directors in more than five listed companies.

The high-level management of the company will not hold any position in other companies, except for subsidiaries and joint ventures. If any member of the high-level management sits in the board of other companies, such service shall be reported in form 56-1.

The company has appointed Miss Jurairat Maipranet as the company's secretary since 2009 to perform duties according to relevant requirements as stipulated by the Securities and Exchange Act. The secretary summarizes the important issues regarding the implementation guidelines and the revised requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand as well as the newly-enacted laws that the board should be aware of in performing their duties. The secretary shall collect information regarding the directors and related parties, take care of the board's activities and work with the management to ensure the Board of Directors' resolutions have been duly executed.

The Board of Directors approves the important issues relating to the company's operation such as the business plan, the operation budget, financial goals, and business strategy that the Chief Executive Officer proposes as well as regularly monitors the operations according to policy and plans.

Sub-committee

The company's Board of Directors appointed sub-committees to help them screen information relating to the operations by setting the qualifications and responsibility in the requirements for each sub-committee. The members of the sub-committees are independent directors. The Chairman of the Board is not entitled to hold any position in the sub-committees. Sub-committees are chaired by independent directors.

The process to name sub-committees is transparent and without any interference from the management. The company's Board of Directors didn't set up a nomination committee to

nominate the sub-committee members or the remuneration committee. Instead, the entire Board of Directors shall jointly nominate the names and consider the qualifications and appropriateness of the nominated candidates. Then, the Chairman of the Board shall propose the qualified candidates to be approved during the shareholders' meeting. The sub-committee's nomination is performed in such a way as to ensure that they are capable, possess leadership qualities, skills and experience, have vision as well as are able to devote their time and effort to perform their duties for the best interests of the company. As the company is in the media business, the directors shall be objective, not taking sides nor getting involved in any politics. Furthermore, they should have a thorough understanding of the media culture and business ethics.

At present, the company has one sub-committee, namely the Audit Committee.

Conflicts of Interest

The Board of Directors acknowledges the importance of the potential for conflicts of interest. Therefore, the company has announced its conflicts of interest policy which prevents the company's directors, management and employees operating any business which can come into competition with the company, as well as getting involved in a transaction that is likely to lead to a conflict of interest with the company. If it is necessary to do so, the Board of Directors will ensure that the transaction will be transparent and fair. The consideration will be thorough as if the transaction was executed with a third party, whereby the directors, the management or the employees involved shall not be allowed to take part in the approval process. Furthermore, the Stock Exchange of Thailand's regulations shall be strictly observed. Related transactions between the company and its subsidiaries, or associated companies in 2013 were presented before the audit committee and the Board of Directors in February 2014 and the company has disclosed with details and necessities/reasons in the Annual Disclosure Report (56-1 form).

The Board of Directors' Meeting

The Board of Directors' meeting is scheduled in advance with a minimum of once a quarter and special meetings are held as required. Agenda are clearly announced prior to the meetings with routine agenda to follow up on the operational results. The company's secretary is responsible for sending invitation letters informing approved agenda by the chairman and the president together with related documents to all directors 7 days in advance. This is to allow time for the directors to review the information prior to the meeting. Should any director wish to propose additional agenda or require the management to update the progress on any particular issue, he or she can inform their intention to the chairman of the board or the company's secretary.

Generally, each board meeting takes 3-4 hours. The chairman of the board gives equal opportunity for all directors to independently express their ideas and opinions. The Board of Directors views that to prevent the unintentional leakage of information, the management will report the results of the company's operations only in the month that the meeting is being held. Independent directors and non-executive directors have met regularly to discuss the management issues without the presence of the management. Should there be any issues of concern, the management will be notified to solve or improve them.

In 2013, five Board of Directors' meetings were held, with written minutes for each meeting. Meeting minutes are approved by the Board of Directors and available for inspection by directors and related parties.

Attendance for each director in 2013 is as follows:

	Name	Position	Number of meetings	Attendance
1	Mr. Suthichai Sae-Yoon	Chairman of the Board and Chairman of Executive Board	5	5
2	Mr. Adisak Limprungpatanakij	President	5	5
3	Mr. Supong Limtanakool	Independent Director and Chairman of Audit Committee	5	5
4	Mr. Metha Soonthornjit	Independent Director and Member of Audit Committee	5	5
5	Mr. Kittichai Lattisophonkul	Independent Director and Member of Audit Committee	5	5
6	Mrs. Supanee Dechaburananont	Independent Director	5	5
7	Mr. Sermsin Samalapa	Director	5	4
8	Miss Aeumsree Boonhachairat	Director	5	4
9	Mr. Thepchai Sae-Yong (*1)	Director	3	3
10	Miss Duangkamol Chotana	Director	5	5

Note: 1. Mr. Thepchai Sae-Yong was appointed as a Director in accordance with the consensus of the annual general meeting of the year 2013 on April 24, 2013. The total meetings since appointed were third of 2013.

Evaluation of the Board of Directors' Performance

The Board of Directors arranges the evaluation for the Board of Directors' and Sub-committees' performances at least once a year in order to review the performance, problem and obstacle during the previous year and improve in the next year performance.

In 2013, the Board of Directors arranges the evaluation into 2 types that are individual or self-performance evaluation and team evaluation in reference to the Stock Exchange of Thailand and Thai Institute of Directors (IOD). The result will be evaluated as 4 = strongly agree, 3 = quite strongly agree, 2 = agree, 1 = disagree, 0 = strongly disagree.

The evaluation is summarized as followings.

Self-performance evaluation : Topics are readiness of the Board of Directors, strategy and business management, risk management and internal audit, avoidance to conflict of interest, financial report follow up and management, and the Board of Directors meeting. The evaluation result is mostly in excellent level, scores 127 points from 220 points.

Team evaluation : Topics are the Board of Directors' organizational structure and qualification, role and responsibility, meeting, performance, relationship with management, and development of the Board of Directors and executives. The evaluation result is mostly in excellent level, scores 266 points from 441 points.

Furthermore, the evaluation of sub-committees is still utilized as last year. The result is divided to yes agree, no – disagree. The evaluation result is as following.

Evaluation result from the audit committees on task and meeting responsibility. The evaluation result is mostly in excellent level, scores 48 points from 51 points.

Directors' Remuneration

The Company sets a clear and transparent policy regarding remunerations of directors. Set at competitive rates for this industrial sector, remunerations are high enough to attract directors who have the required qualifications. Remunerations are approved at the shareholders' meetings. Directors tasked with more responsibility and duties shall have appropriate levels of remuneration in line with their newly-assigned duties and responsibilities.

The Company's guidelines for the remunerations of the president and high-level management are in accordance with the terms and policies stipulated by the Board of Directors. The remunerations reflect the company's and individual's performance. The company's Board of Directors evaluates the performance of the president and assigns the chairman of the board to inform the criteria and results of the evaluations to the president. The executive board shall approve the results of the performance evaluation of high-level management as proposed by the president. The Board of Directors assigned the executive board to consider appropriate levels of remuneration to the president and high-level management.

In 2012 and 2013, remunerations for Directors are as follows:

Name/Position	Annual Remuneration 2013				Annual Remuneration 2012			
	Remuneration	Meeting Allowance	Other	Total	Remuneration	Meeting Allowance	Other	Total
Chairman of the Board : Mr. Suthichai Sae-Yoon	400,000.-	-	-	400,000.-	400,000.-	-	-	400,000.-
Chairman of Audit Committee : Mr. Supong Limtanakool	400,000.-	-	-	400,000.-	400,000.-	-	-	400,000.-
Member of Audit Committee : Mr. Metha Soonthornjit Mr. Kittichai Lattisophonkul	300,000.- 300,000.-	- -	- -	300,000.- 300,000.-	300,000.- 300,000.-	- -	- -	300,000.- 300,000.-
Independent Director : Mrs. Supanee Dechaburananont	200,000.-	-	-	200,000.-	200,000.-	-	-	200,000.-
Executive Director of Parent/related company : Mr. Sermisin Samalapa Miss Duangkamol Chotana Mr. Sivaporn Chomsuwan(*1) Mr. Thepchai Sae-Yong(*2)	200,000.- 200,000.- 100,000.- 200,000.-	- - - -	- - - -	200,000.- 200,000.- 100,000.- 200,000.-	200,000.- 200,000.- 200,000.- -	- - - -	- - - -	200,000.- 200,000.- 200,000.- -
Executive Director : Mr. Adisak Limprungpatanakij Miss Aeumsree Boonhachairat	200,000.- 200,000.-	- -	- -	200,000.- 200,000.-	200,000.- 200,000.-	- -	- -	200,000.- 200,000.-
Total	2,700,000.-	-	-	2,700,000.-	2,600,000.-	-	-	2,600,000.-

Note: 1. Mr. Sivaporn Chomsuwan resigned from a Director since August 16, 2013. The remuneration paid to only on position in 2013.

2. Mr. Thepchai Sae-Yong was appointed as a Director on April 24, 2013.

Director and Management Development Plan

Every new director will attend a basic orientation program conducted by the chairman of the board, regarding the company's nature of business, history, background, the company's location and branches, the corporate culture as well as being briefed by the president and the company's secretary regarding the company's structure, supervision policy, internal control with related documents.

The Board of Directors supports on knowledge and development for all Directors in order to enhance their performance and efficiency. The company has a policy to provide the seminars and trainings of

Thai Institute of Directors (IOD), The Stock Exchange of Thailand, and others to the Directors. The instance trainings are responsibility development or new management to increase efficiency and development of work performance consecutively as well as to bring the knowledge and extend the benefit

to the company.

In 2013, the director which is Mr. Thepchai Sae-Yong was to join the seminar of Director Certification Program (DCP) class 177.

Succession plans

The company's Board of Directors realizes that the organization's efficiency is a result of its staff. The sustainable growth of the company depends on whether the company will be able to create the qualified personnel to execute the company's mission and continue the intention of the founders as well as to pass on good corporate culture to the next generations. The company has therefore instructed the management to give priority to effective management and human resource development with clear directions to achieve the company's vision, mission and values.

The company has selected the capable human resources in all management levels properly and transparently to ensure the company selects the executives who are professional, fair, irrelevant to politics, well understanding to the company culture and media business ethics. The succession plans are as followings.

Chairman of the Board / President

When there are vacancies of Chairman of the Board or President positions, or the persons who are on duty cannot operate in their positions, the company has set the system to manage the lower level executives to held on duty until the company finds the right persons that meet with the criteria and own the vision, knowledge, capability, well experiences, and suitable to the company culture. The consideration is agreed by the Board of Directors and proposes to Chairman of the Board. The Chairman of the Board then proposes to the shareholders' meeting.

Director

When there are vacancies of Director level up, or the persons who are on duty cannot operate in their positions, the company arranges the succession plans as followings.

1. Analyze the company's business situation in terms of strategy, policy, investment plan, and expansion plan.
2. Evaluate the readiness of human resources to align with the company's strategy both short and long term.
3. Manage the human resource plan by developing staff or recruiting for resigned staff replacement.
4. Create staff recruitment and development plan before their retirement, early retirement, or resignation.
5. Specify the competence which means knowledge, skill, personality, and attitude of that position. The development plan for each staff is required.
6. Select and evaluate on performance and capability of staff.
7. Implement KPI to test and evaluate staff in order to analyze staff capability.

Internal Control and Audit

The company's board of directors has recognized its duties and responsibilities, as the Directors of the listed company, to supervise the Company to present its financial statements with complete, correct and transparent accounting information in order to protect the company's assets, prevent from corruption, irregular proceedings and cross transaction that may lead to conflict of interests. The board adheres to

accredited accounting standards, applies appropriate accounting policy and consistently adheres to it. Furthermore, the board also takes into consideration justification, the company's utmost benefit, abiding to related laws and regulations, discretion in compiling consolidated financial statements of the company and its subsidiaries, including any financial information presented in the annual report.

In order to strengthen the stakeholders' confidence towards the Company's financial report, the Board of Directors has appointed the Audit Committee, consisting of independent directors whose qualifications meet the Stock Exchange of Thailand's requirements and relevant rules and regulations. The Audit Committee has the duty to review the accuracy of the Company's financial report, its operation and the transparent, correct and complete disclosures of related parties' transactions or transactions that may lead to any conflict of interest. The Audit Committee ensures that the Company's risk management system, internal control, internal audit and corporate governance are adequate, appropriate and effective, as well as the adequacy, completeness and suitability of monitoring procedures in compliance with laws of securities and exchange, regulations of the Stock Exchange of Thailand and relevant rules and regulations.

The company organized the internal audit department to be responsible for internal audit and report to the audit committees and executive directors. The head of Internal Audit Department is Ms. Panida Akasamnuay.

During 2013, the Audit Committee convened four meetings, each of which took approximately two hours in order to accomplish its duties as specified in the Audit Committee Charter. All three members of the Audit Committee attended all meetings. In addition, there were additional meeting agenda with independent auditors, key internal audit personnel, and top executives of the Company in the relevant matters. From the aforementioned meetings, the Audit Committee was of the opinion that the annual financial statements 2013 of the Company were presented fairly and did not find any items that may impact the Financial Statements. The Audit Committee was of the opinion that the Company's internal control system was appropriate, adequate and efficient, as being taken care by three experienced internal audit personnel. Cross transactions performed in the ordinary course of business were reasonable and no irregular item was found. It was determined that the Company has appropriately complied with the Act of securities and stock exchange and the regulations of the Stock Exchange of Thailand, as well as to related laws. The Audit Committee agreed that the company's current Independent Auditor for the year 2013 was suitable due to his independence and experience.

The Audit Committee reported to the Board of Directors after reviewing the financial statements and report, including the internal auditor's report every quarter. The Board of Directors was of the opinion that the Company's overall internal control system was satisfactory, ensuring the creditability of the company's financial statements and consolidated financial statements for the year ended December 31, 2013. The Company appropriately safeguarded assets to prevent any illicit use by management or employees, operated as specified procedures, and had cautious, adequate, and appropriate internal control systems in all respects – organization and environment, risk management, management control, information and communication and monitoring system to achieve goals and objectives in order to align with the circumstances and be able to resolve problems instantly.

Furthermore, the Company provided the procedures to review and assess the appropriateness and adequacy of the internal control system in all respects continuously in order to ensure that the Company's internal control is being updated to the changing circumstances, flawlessly so as to create no loss or inefficiency.

As the examination of financial statement ended December 31, 2013, the Company's auditor gave the audit's comments and recommendations which reported directly to the Audit Committee on

February 13, 2014. The recommendations did not show any significant issues in regards to the financial statements as follows:

1. The company should provide the contract of income sharing among the company's Satellite channels to be clear.
2. The Company should follow up on pending incomes in order to issue the invoices and collect the bill quicker.

Furthermore, there are some points of concerns on information technology system internal audit in which the company has operated some parts but should regularly review the content such as the improvement of policy and procedures, review of super users, and review users in all systems to meet with the criteria of accessibility.

For internal audit department, in 2013 there are some concerns regarding to the internal control system, in which the company has a preventive measure to control the operation. The main issues are:

1. The company should control the technical asset more concisely and make a routine document control to ensure the company will receive the maximum benefit from technical asset and provide full information of the asset.
2. The company should collect money from new customers before launching advertising and adjust the status of customers in the system to be up-to-date. The examination of individual debtor account book is needed to be done regularly to ensure the balance is right and money is collected as due.
3. The company should regularly follow up accrued income in order to issue the invoice to collect money quicker.



Corporate Social





In today's world where everything has been connected, the technological advancement and limitless communication in the era of digital radio and television that are replacing the analog TV system, it's regarded as significant change and the golden era of the content provider.

The Nation Broadcasting Corporation PCL ("NB") runs business with social responsibility, coupled with the obvious growth of the business either in term of society, communities and environment. All these three gears are complementary to each other in equilibrium respective of the integrity, ethics and morality.

Responsibility (CSR)



Corporate Social Responsibility (CSR), according to the NBC, is not simply a social responsibility, but also "respect & share" inside and outside the company, which is considered a heart of sustainable development and growth, leading to concrete practice that is tangible through creative activities and projects.

Social

Nation Digital Voice

The Nation Radio in cooperation with Foundation for the Blind in Thailand under Royal Patronage of H.M the Queen, the Writers Association of Thailand, and publishing houses, carried out the "Nation Digital Audio Library" on the auspicious occasion of His Majesty the King's 86th Birthday Anniversary. Currently, visually-impaired persons still need for education and books to help foster



their ongoing development. The NBC foresees and values the educational opportunities equally among all social classes. In such a project a books containing knowledge and benefits are chosen to those visually impaired. In doing so, it opens for the volunteers to read the audio recording to the visually impaired. This is well-accepted among the artists, actors, singers, directors, announcers, employees in the Nation Group and the general public. In addition, the recording studio is prepared along with the alliances such as B2S to provide the volunteers who participated in this event with conveniences, and deliver seventy audio books to the Foundation of 70 happily and enjoyably for those visually impaired disabled.

Safe Driving for the first car with Honda Year 1 Project

NBC and Honda Automobile Thailand Company Limited and the Center for Disaster Prevention and Mitigation hold the activities for the general public who bought the first car, yet lacked of experience in driving and the correct skills in driving on the road. The training aims at providing the basic knowledge about engine, preparation before driving, the use of safety devices correctly, driving properly, traffic laws and signs, as well as providing the experienced instructors and training video so that the attendants can understand easily. This is to prevent and reduce the risk of accidents on the road. The training will be held a total of 10 times in Bangkok and upcountry. In 2014, ongoing training activities still are provided to individuals across the country.

Safety Songkran Depends on You.

NBC cares for the life and property of the citizens. According to statistics every year, the figures of the accidents on the road are relatively high, especially; during the festivals owing to many people return the domicile throughout the regions, which is a main cause of the accident; people drink alcohol and become clamorous, reckless driving, not respect traffic rules. During Songkran festival, a



lot of people return home in up-countries. To raise awareness and urges a consciousness of driving all types of vehicles and covering all groups of people, the NBC in cooperation with the Health Promotion Fund (HPF) and the Office of Alcohol Beverage (OAB) build the media networking to campaign to reduce accidents during the Songkran festiva by inviting corporate sector, industrial sectors to participate in the care and raising awareness of employees to be aware of the safety by starting with themselves, and help reduce accidents that may occur during the Songkran festival.

Civilized Western Architecture Project

As the journalist organization, the NBC recognizes the importance of the disabled and the basic livelihood in today's society. In Thailand, there



are 461,344 physical disabilities. Major causes or about 45% of the people with disabled legs come from automobile accidents, 25 % are caused by stepping on booby traps, 20 % caused by gangrene from diabetes , and about 10 % caused by congenital disorders and other health problems such as infected leg ulcers, cancer of the leg, foot vein thrombosis , etc. All these result in the difficulty in carrying out the everyday activities, travel and occupation, and a hindrance in participating in various social activities. Therefore, the NBC jointly campaigned in the society for the sake of the quality of life for the disabled; whether be the elderly or rehabilitation patients, who are physically weak, police, veterans, including pregnant women and young children, so that the people with disabilities can live with society happily. Mr.Krisana Lalai, a famous moderator, was responsible for executing the project The objective of the project is aimed at organizing and adjusting a new environment in order to recover from a disability everywhere, all both public and private organizations, and focusing on the civilized architecture which public assistance is needed to build the facilities for the disabled in society equally to the ordinary people. Moreover, it needs to adjust the environment full of obstacles and problems to receive the service of all formats; whether be building, tourist destination, train station, bus, transportation, bathrooms and elevators that the disabled can use it like the normal people. The “Civilized Architecture Diplomatic” project has been established to help campaign, promote the knowledge and understanding to both the public and private organizations to accommodate the ASEAN Community in the forthcoming 2015, which the “Civilized Architecture” has been designed universally and fairly to contribute the comfort and security of life and travel in all forms of public access of the disabled people of all ages and be able to undertake any various activities in society happily, and don’t feel alienated from Thai society.

Assistance Funding for Typhoon Haiyan, Philippines

The NBC in cooperation with the NMG and

the ANN, alliances with network of media covering across Asia, have launched publicity through radio and social media regarding to typhoon Haiyan, Philippines, which caused tens of millions of the Philippines people been affected; loss of life and property, and houses were damaged. The NBC as journalism organization exercise the potential to open for donation and funding for help, together with the general public and various private organizations through news channels every time sessions, as well as the executives and the NBC employees to help gather things for urgent assistance. With the kindness of Thai people nationwide, the NBC received the donation of 3,038,101.46 Baht and delivered such amount through the Philippine Ambassador in Thailand so that the Philippine Red Cross would further help to relief the suffering.

Community

Rehabilitation Project for Catastrophic Flooding

Owing to the flood situation in many provinces, over the past years the NBC has established assistance plans to help people who suffer the natural disasters across the regions; supplying the equipments and utensils, basic relief supplies and rescue teams working together to deliver the donations to the people in various risk areas . Moreover, the company together with its staffs has established a volunteer group “ Volunteer for the Earth”, provide the location information about affected areas, and access to the communities to give assistance thoroughly to relief the people’s suffering, which the company has operated as follows.

- Build the leveled toilets in three repeatedly flooded areas by considering the place to be shelter for flood victims, including Ayutthaya and Chainart Province

- Purchase 50 individual fiberglass boats given to people in poor communities in Ayutthaya, Ang Thong, Sing Buri, Chainart, Nakhon Sawan

- Purchase 50 units of 5,000 liters water tanks donated to three shelter centers, schools, temples, mosques and community in risky provinces

- Purchase 5 units of large fiberglass

boats with engines; of them, three donated to the Buddhism Truth Foundation of Thailand Kabinburi and two donated to the volunteer group “Volunteer for the Earth”

- Purchase two sets of constructing equipments for sculleries donated to the Buddhism Truth Foundation of Thailand Kabinburi and the volunteer group “Volunteer for the Earth”

- Hold recreational activities giving away snacks and milk for the children in flood-affected areas at schools

4th Year Cold Relief for Children Project

The NBC held the “the 4th Year Cold Relief for Children Project”, together with its NMG and private alliances, and company’s employees, donated through news program “KK Nation”, inviting the general public to donate money, things and apparels. In addition, the company in cooperation with its alliances held a caravan to give the donations to children and people in the wilderness and remote areas. In 2013, the company held the four wheel caravan, together with the “Volunteer for the Earth” group, and staffs to handle the donations to the Yensira School, Ban Mak Khaeng, and Ban Man Khaw, Loey Province, there were a total of more than 200 students joined the recreational activities happily and enjoyably to forget the cold.

Environment

Volunteers for Natural Conservation Project

The NBC encourages the volunteer mind to boost the socially voluntary affairs through the new media, the OK Nation web blog, opening for the members in new media, together with company’s employees to create the power of volunteer mind, exchange experience and data and cooperatively converse the environment in the society. In addition, the company has created the networks and goodwill friendship together by carrying out the activities and partaking in many activities, aiming to help support and conserve the environment and natural resources on the land Thailand. The NBC also recognizes the collaborative efforts pushing toward to help



preserve the natural environment sustainably, which campaigning activities include.

- Join the walk campaign against the constructing the Mae Wong Dam through the NBC scoops

- Hold and attend the “Breaking into Trang Sea and Planting Grass for Sea Cows”

- Project in Trang province

- Hold a festival “Seeing Birds of Asia #3” together with the Bird Conservation Society of Thailand.

- Hold an activity building a well for elephants in the project “Understand a Well, Understand an Elephant”, together with Kui Buri National Park, present news, and gather round the volunteer members to build a well for wild elephants in the Kui Buri National Park

The Nation Broadcasting Corporation PCL (“NBC”) is truly committed to become an ethical journalism organization offering the coverage that is socially responsible, and focusing on the benefits to society in various fields. In addition to further develop the socially-responsible projects for sustainability and equitability in Thai country, community, society, and the environment, the company concentrates the unity for future sustainability and strengthens the economic and social advancement of the nation.

Social responsibility within the company

The NBC recognizes that human resources



are the most valuable and is a major factor leading to the success of organization, the company is truly committed to encourage employees onto a continuous self- development, strengthen the culture and pleasant workplace atmosphere, promote teamwork and fringe benefits that are reasonable and fair to employees in order to ensure that employees of their performance in the organization. The activities held include.

- Promote and develop knowledge and abilities of employees, coach knowledge on technology application, learn to use the tools of modern tools, marketing, management, and news

- Increase benefits to employees by establishing a fund (Provident Fund) to new employees voluntarily, provide the lending fund for education of children, dental benefits, cremation assistance for families (spouse , children, parents), and scholarship for children annually.

- Support the health and recreation for employees by providing annual health check for employees; provide emergency medicine in cases of disease outbreaks such as avian flu and the flu. In addition to the health, the company also supports the internal sports contest, establish a musical band to entertain the foundation or other workhouses

- Organize activities for families on the “Family Day” to create a good relationship between the families of fellow employees and managers themselves

- Organize the 5S activities to clean the



desk for the healthiness of the employees

- Hold activities that the employees can partake in promoting the important religious affairs; making a merit by offering foods to the Buddhist monks every month throughout the year.

- Establish the saving cooperatives to encourage employees to make savings for a better future for themselves and their families.

- Adjust salary based on employees’ improved knowledge and ability according to the

- Set up the Union Committees by the Board of Employees to verify the fair treatment of all its employees in all respects of areas, monitor the management of the company to understand and build a good relationship between employees and executives at all levels

- Open for examining media ethics and staffs of the company from the outside through the company’s Code of Conduct.

Characteristics of Business

Structure of revenues from sales of goods and rendering of services

Nation Broadcasting Corporation (Public) Company Limited and its subsidiaries structured revenues from sales of goods and rendering of services by type of products and services as follows:

Unit: million Baht

Products / Services	2013		2012		2011	
	Amount	%	Amount	%	Amount	%
Revenues from television broadcasting	463.34	68.08	550.57	74.36	523.40	78.32
Revenues from radio media	33.08	4.86	33.41	4.51	31.54	4.72
Revenues from new media business	165.37	24.30	153.09	20.68	111.56	16.69
Other revenues	18.88	2.76	3.34	0.45	1.82	0.27
Total revenues	680.67	100.00	740.41	100.00	668.32	100.00

Audit Committee's Report For the Year 2013

Attn. Shareholders of
Nation Broadcasting Corporation Public Company Limited

The Audit Committee

The Audit Committee of Nation Broadcasting Corporation Public Company Limited comprises three independent directors: Dr. Supong Limtanakool - Committee Chairman; Mr. Metha Soonthornjit and Mr. Kittichai Lattisophonkul - Committee Members.

During 2013, the Audit Committee arranged four meetings, each took a few hours, implementing the responsibilities specified in the Audit Committee Charter. The Audit Committee attended all meetings, along with the company's Independent Auditor, Internal Audit Manager and Chief Executives to discuss all relevant issues.

The Committee's opinions:

■ **Financial Statements:** The Audit Committee reviewed all quarterly financial statements, including the Annual Financial Statement for the year 2013, with management and the company's Independent Auditor. The audit inspected the financial reports of the company and its affiliates to ensure they had been organized correctly and properly, especially in their individual subject matter, in accordance with generally accepted accounting principles and that they disclosed all complete and credible information as well as applied financial reports standard and guidelines promulgated by Federation of Accounting Professions. In addition, the Committee reviewed the information disclosure and operations on mutual transactions between the company, its affiliates and its joint ventures, as well as connected transactions, in order to ensure the company had complied with and fulfilled all approved business practices and regulations as required by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

■ **Internal Control System:** The Audit Committee considered organization structure of Internal Audit Department to make sure independent of operation. The Committee considered the Internal Audit System Plan for the Year 2013, with due concern for possible risk factors that might adversely affect the company's operations. The Committee also made suggestions and provided guidance on adjusting the plan to be compatible the current situation. In addition, the Committee resolutely pursued the implementation of adjustments on significant issues for the administrative section, as specified in the Audit Report. For the year 2014, the auditor could not find any material discrepancy for the internal control of the company.

■ **Compliance with laws on securities and stock exchange and the regulations of the Stock Exchange of Thailand, as well as other laws relative to the company's business:** In February 2013, the Audit Committee arranged a meeting with the Company Secretary at which it was determined that the company had appropriately complied with all laws on securities and stock exchange and the regulations of the Stock Exchange of Thailand, as well as with other laws relative to the company's business.

■ **Auditors:** The Audit Committee are agreed that the company's current Independent Auditor for the year 2013, Mr. Winid Silamongkol, registration No. 3378, is a suitable, independent, knowledgeable and long-experienced auditor. With regard to the appointment of the company's Independent Auditor for the year 2014, the Audit Committee proposes the following persons from KPMG Poomchai Audit Co., Ltd. for due consideration as the company's Independent Auditor for the year 2014: Mr. Winid Silamongkol, registration No. 3378; Mr. Vichien Thamtrakul, registration No. 3183; Ms. Vannaporn Jongperadechanon, registration No. 4098; Ms. Patamavan Vadhanakul, registration No. 9832.

■ **Connected Transactions:** The Audit Committee considered all connected transactions that might cause conflicts of interest with the company and subsidiaries. The Committee shall examine the transaction and give opinions about the necessity of the transaction as well as the appropriateness in terms of prices by considering from relevant market factors and comparable prices with the third party, if possible. The Committee shall disclose the information for the relevant items according to the requirement of the Securities and Exchange Commission and the Stock Exchange of Thailand as well as the accounting standard as required by the Federation of Accounting Professions. The Committee believes such the transactions are accurate, general business transactions that the company has implemented under the principles of Good Corporate Governance.

From its operations under the auspices of the Audit Committee Charter, the Audit Committee has determined that the company has delegated the implementation of management under the principles of Good Corporate Governance that eventually contribute to transparency and integrity. This has resulted in a firm trust with shareholders, investors and relevant parties and in a flawless, efficient Internal Control System of the company. Connected transactions that might have conflicts of interest have proved to be accurate, general business transactions of a reasonable nature. Additionally, no irregular material transactions have been found. It has therefore been determined that the company has properly complied with the relevant provisions of the law, as well as appropriate rules and regulations of official regulating organizations.

The Financial Statement ending December 31, 2013, has disclosed sufficient information and contains no problematic situations, or transactions that could materially affect the company's financial statement, which has been organized correctly in its subject matter in accordance with generally accepted accounting principles.



(Dr. Supong Limtanakool)

Chairman of the Audit Committee

Nation Broadcasting Corporation Public Co., Ltd. Report on Responsibilities of the Board of Directors towards the Financial Report for the year 2013

The Company's Board of Directors recognizes the significance of its duties and responsibilities, as directors of a listed company. The Board of Directors ensures that the Company's financial report contains accurate, transparent and full accounting records that reflect the Company's actual financial status and operational results. The Company's financial statements are adequately disclosed to prevent any fraud or mismanagement of the company's assets. The Company adheres to conform with recognized accounting standards that are fair and circumspect in the financial reporting processes of the Company and its Subsidiaries in the year ended 31 December 2013.

In order to strengthen the confidence of the shareholders, investors and other related parties, the Board of Directors establishes the Audit Committee comprising independent directors fully qualified in accordance with the requirements of the Stock Exchange of Thailand and notification of the Capital Market Supervisory Board to review and ensure accuracy and sufficiency of the financial report, including transparent and complete disclosure of connected transactions or transactions with possible conflict of interest. The Audit Committee ensure the Company's risk management system, internal control, internal audit systems and corporate governance are appropriate and effective in compliance with laws of securities and exchange, regulations of the Stock Exchange of Thailand, notification of the Capital Market Supervisory Board and relevant rules and regulations. The Audit Committee had already reported to the Company's Board of Directors and presented them with the Audit Committee Report as an addendum to the annual registration statement (form 56-1) and annual report of the Company.

The Board of Directors is of the opinion that the financial statements for the year ended 31 December 2013 of the Company and the Subsidiaries, which have been reviewed by the Audit Committee in conjunction with the management and audited by the Company's auditor, reflect accurate and complete financial status, operational results and cash flow in accordance with generally accepted accounting standards, rules, regulations and laws relating to the Company's businesses.



Mr. Suthichai Yoon
Chairman



Adisak Limprungsatanakij
President

The Results of the Consolidated Financial Statements

The Consolidated financial statements of Nation Broadcasting Corporation Public Company Limited and its subsidiaries for the year ended 31 December 2013 represented an operating profit before income tax of Baht 63.80 million. An inclusion of income tax of Baht 12.76 million, resulted a profit of Baht 51.04 million for the year 2013. Compared to the same period of last year, it showed a profit of Baht 48.58 million. The significance of Group's operating results were summarized as follows:

Revenue from sales and services for the year 2013 was Baht 661.78 million, which decreased by 10% compared to the same period of last year. The main reasons were:

- TV Advertising revenue decreased by 17% primary due to the decreased in Free TV programs such as “Khao Kon Khon Khao” & “Chao Khao Kon Khon Khao Chao” in 2012, while Satellite TV advertising revenue from Nation Channel raised 23% and when combined with Satellite TV advertising revenues from Kom Chad Luek TV Channel and Rama Channel that made the Satellite TV advertising revenue increased 8% in 2013.

- Radio advertising revenue decreased by 1%.


- New Media revenue increased by 14%.

Cost and operating expenses for the year 2013 was Baht 616.87 million, which decreased by 9% compared to the same period of last year. The main reasons were:

- Cost of sales and services dropped 12%, mainly due to the decrease in production costs.

- Selling and administrative expenses increased by 2%.

Conclusions: The Group reported operations for the year ended 31 December 2013 represented an operating profit before income tax of Baht 63.80 million. An inclusion of income tax of Baht 12.76 million, resulted a profit of Baht 51.04 million for the year 2013. Compared to the same period of last year, it showed a profit of Baht 48.58 million.


Signature _____
(Mr. Adisak Limprungpatanakij)
Position President
Authorized to sign on behalf of the company

**Nation Broadcasting Corporation
Public Company Limited
and its Subsidiaries**

**Financial statements for the year ended
31 December 2013
and
Independent Auditor's Report**



KPMG Phoomchai Audit Ltd.

Empire Tower, 50th-51st Floors
195 South Sathorn Road
Bangkok 10120, Thailand

บริษัท เคพีเอ็มจี ภูเก็ต สอบบัญชี จำกัด

ชั้น 50-51 เอ็มไพร์ทาวเวอร์ Tel: +66 2677 2000
195 ถนนสาทรใต้ Fax: +66 2677 2222
กรุงเทพฯ 10120 www.kpmg.co.th

Independent Auditor's Report

To the Shareholders of Nation Broadcasting Corporation Public Company Limited

I have audited the accompanying consolidated and separate financial statements of Nation Broadcasting Corporation Public Company Limited and its subsidiaries (the "Group"), and of Nation Broadcasting Corporation Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2013, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated and separate financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

KPMG Phoomchai Audit Ltd., a Thai limited liability company and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.



Opinion

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2013 and financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Emphasis of Matter

Without qualifying my opinion, I draw attention to note 3 to the financial statements describing the effect of the Company's adoption from 1 January 2013 of certain new accounting policies. The corresponding figures presented are based on the audited consolidated and separate financial statements as at and for the year ended 31 December 2012 after making the adjustments described in note 3.

(Winid Silamongkol)
Certified Public Accountant
Registration No. 3378

KPMG Phoomchai Audit Ltd.
Bangkok
13 February 2014

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated		Separate	
		financial statements		financial statements	
		31 December	31 December	31 December	31 December
Assets	Note	2013	2012	2013	2012
		(Restated)		(Restated)	
		(in Baht)			
<i>Current assets</i>					
Cash and cash equivalents	6	1,093,581,878	87,396,197	1,089,489,240	76,767,216
Current investment	7	118,000,000	-	108,500,000	-
Trade accounts receivable	8	153,061,906	198,710,073	160,366,358	198,710,073
Accrued income		45,862,382	55,806,287	83,107,827	55,806,287
Other receivables from related parties	5	25,017,525	21,649,596	136,948,859	21,796,804
Inventories	9	12,273,510	17,949,688	12,273,510	17,949,688
Deposit guarantee for licencing auction	1	22,000,000	-	-	-
Other current assets	10	25,806,107	38,794,435	18,754,216	38,789,471
Total current assets		1,495,603,308	420,306,276	1,609,440,010	409,819,539
<i>Non-current assets</i>					
Investments in subsidiaries	11	-	-	11,250,000	10,500,000
Equipment	12	111,323,334	146,175,999	111,323,334	146,175,999
Intangible assets	13	2,586,645	3,620,905	2,586,645	3,620,905
Withholding tax deducted at source		1,911,746	1,512,396	1,909,900	1,512,396
Deferred tax assets	3, 14	8,281,686	4,896,331	4,479,155	4,864,460
Other non-current assets	15	9,978,306	9,145,767	7,530,035	9,145,767
Total non-current assets		134,081,717	165,351,398	139,079,069	175,819,527
Total assets		1,629,685,025	585,657,674	1,748,519,079	585,639,066

The accompanying notes are an integral part of these financial statements.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Statement of financial position

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December	31 December	31 December	31 December
		2013	2012	2013	2012
		(Restated)		(Restated)	
(in Baht)					
Current liabilities					
Trade accounts payable	16	19,140,509	37,183,406	166,942,187	37,183,406
Other payables to related parties	5	9,637,103	12,577,155	11,768,316	12,577,155
Other payables		14,469,089	54,598,943	12,984,496	54,485,853
Accrued expenses		80,244,260	67,656,039	63,169,430	67,623,039
Income tax payable		288,733	-	-	-
Other current liabilities	17	37,192,561	32,706,886	26,915,043	32,706,886
Total current liabilities		160,972,255	204,722,429	281,779,472	204,576,339
Non-current liability					
Employee benefit obligations	18	21,441,029	15,964,838	13,775,652	15,964,838
Total non-current liability		21,441,029	15,964,838	13,775,652	15,964,838
Total liabilities		182,413,284	220,687,267	295,555,124	220,541,177
Equity					
Share capital	19				
Authorised share capital		720,343,962	178,500,000	720,343,962	178,500,000
Issued and paid-up share capital		534,412,647	176,870,000	534,412,647	176,870,000
Treasury shares	20	-	(5,153,851)	-	(5,153,851)
Premium on ordinary shares	19, 20, 21	821,124,294	106,947,100	821,124,294	106,947,100
Warrants	21	217,174	-	217,174	-
Retained earnings					
Appropriated					
Legal reserve	22	18,600,000	15,700,000	18,600,000	15,700,000
Treasury shares reserve	20, 22	-	5,153,851	-	5,153,851
Unappropriated		72,917,800	65,453,307	78,609,840	65,580,789
Equity attributable to owners					
of the Company		1,447,271,915	364,970,407	1,452,963,955	365,097,889
Non-controlling interests		(174)	-	-	-
Total equity		1,447,271,741	364,970,407	1,452,963,955	365,097,889
Total liabilities and equity		1,629,685,025	585,657,674	1,748,519,079	585,639,066

The accompanying notes are an integral part of these financial statements.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of comprehensive income

		Consolidated		Separate	
		financial statements		financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
	Note	2013	2012	2013	2012
			(Restated)		(Restated)
		(in Baht)			
Income					
Revenue from sale of goods and rendering of services	5	661,784,985	737,079,087	462,240,468	737,079,087
Interest income		18,120,699	1,877,092	17,799,556	1,692,453
Other income	24	764,247	1,459,553	25,589,955	1,459,553
Total income		680,669,931	740,415,732	505,629,979	740,231,093
Expenses					
Cost of sale of goods and rendering of services	5	474,676,684	539,431,692	307,537,665	539,431,692
Selling expenses	25	66,732,389	59,994,954	60,982,473	59,994,954
Administrative expenses	26	52,282,741	53,540,346	41,286,947	53,197,334
Management benefit expenses	27	21,912,042	24,188,425	21,912,042	24,188,425
Finance costs		1,261,653	974,893	1,234,196	973,913
Total expenses		616,865,509	678,130,310	432,953,323	677,786,318
Profit before income tax expense		63,804,422	62,285,422	72,676,656	62,444,775
Income tax expense	29	(12,767,362)	(13,704,423)	(16,074,864)	(13,736,294)
Profit for the year		51,037,060	48,580,999	56,601,792	48,708,481
Other comprehensive income					
Defined benefit plan actuarial losses	18	(6,031,135)	-	(6,031,135)	-
Income tax on other comprehensive income	29	1,206,227	-	1,206,227	-
Other comprehensive income for the year, net of income tax		(4,824,908)	-	(4,824,908)	-
Total comprehensive income for the year		46,212,152	48,580,999	51,776,884	48,708,481

The accompanying notes are an integral part of these financial statements.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Statement of comprehensive income

		Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
	Note	2013	2012 (Restated)	2013	2012 (Restated)
		(in Baht)			
Profit attributable to					
Owners of the Company	30	51,037,234	48,580,999	56,601,792	48,708,481
Non-controlling interests		(174)	-	-	-
Profit for the year		51,037,060	48,580,999	56,601,792	48,708,481
Total comprehensive income					
attributable to					
Owners of the Company		46,212,326	48,580,999	51,776,884	48,708,481
Non-controlling interests		(174)	-	-	-
Total comprehensive income for the year		46,212,152	48,580,999	51,776,884	48,708,481
Earnings per share					
	30				
Basic earnings per share		0.15	0.28	0.16	0.28
Diluted earnings per share		0.14	0.28	0.15	0.28

The accompanying notes are an integral part of these financial statements.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Statement of changes in equity

		Consolidated financial statements					
		Retained earnings					
	Note	Issued and paid-up share capital	Treasury shares	Share premium	Legal reserve	Treasury shares reserve	Unappropriated equity
<i>(in Baht)</i>							
Year ended 31 December 2012							
Balance at 1 January 2012 - as reported		173,438,000	(4,535,543)	98,950,540	13,100,000	4,535,543	322,068,938
Impact of changes in accounting policies	3	-	-	-	-	-	4,340,178
Balance at 1 January 2012 - restated		173,438,000	(4,535,543)	98,950,540	13,100,000	4,535,543	326,409,116
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners of the Company</i>							
Share options exercised	19, 21	3,432,000	-	7,996,560	-	-	11,428,560
Treasury shares purchased	20	-	(618,308)	-	-	-	(618,308)
Dividends to owners of the Company	31	-	-	-	-	-	(20,829,960)
Total contributions by and distributions to owners of the Company		3,432,000	(618,308)	7,996,560	-	-	(10,019,708)
Total transactions with owners, recorded directly in equity		3,432,000	(618,308)	7,996,560	-	-	(10,019,708)
Comprehensive income for the year							
Profit or loss		-	-	-	-	-	48,580,999
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for year		-	-	-	-	-	48,580,999
Transfer to legal reserve	22	-	-	-	2,600,000	-	(2,600,000)
Transfer to treasury shares reserve	20, 22	-	-	-	-	618,308	(618,308)
Balance at 31 December 2012		176,870,000	(5,153,851)	106,947,100	15,700,000	5,153,851	364,970,407

The accompanying notes are an integral part of these financial statements.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Statement of changes in equity

		Consolidated financial statements							
		Retained earnings					Equity		
							attributable to		
							owners of		
							the Company		
							Unappropriated		
							Treasury shares		
							reserve		
							(in Baht)		
							Legal reserve		
							Warrants		
							Share premium		
							Treasury shares		
							Issued and paid-up share capital		
Note									
3									

The accompanying notes are an integral part of these financial statements.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Statement of changes in equity

		Separate financial statements					
		Retained earnings					
		Issued and paid-up share capital	Treasury shares	Share premium	Legal reserve (in Baht)	Treasury shares reserve	Unappropriated
	Note						Total equity
Year ended 31 December 2012							
Balance at 1 January 2012 - as reported		173,438,000	(4,535,543)	98,950,540	13,100,000	4,535,543	322,068,938
Impact of changes in accounting policies	3	-	-	-	-	-	4,340,178
Balance at 1 January 2012 - restated		173,438,000	(4,535,543)	98,950,540	13,100,000	4,535,543	326,409,116
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners of the Company</i>							
Share options exercised	19, 21	3,432,000	-	7,996,560	-	-	11,428,560
Treasury shares purchased	20	-	(618,308)	-	-	-	(618,308)
Dividends to owners of the Company	31	-	-	-	-	-	(20,829,960)
<i>Total contributions by and distributions to owners of the Company</i>							
		3,432,000	(618,308)	7,996,560	-	(20,829,960)	(10,019,708)
Total transactions with owners, recorded directly in equity		3,432,000	(618,308)	7,996,560	-	(20,829,960)	(10,019,708)
Comprehensive income for the year							
Profit or loss		-	-	-	-	-	48,708,481
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for year		-	-	-	-	48,708,481	48,708,481
Transfer to legal reserve	22	-	-	-	2,600,000	-	(2,600,000)
Transfer to treasury shares reserve	20, 22	-	-	-	-	618,308	(618,308)
Balance at 31 December 2012		176,870,000	(5,153,851)	106,947,100	15,700,000	5,153,851	365,097,889

The accompanying notes are an integral part of these financial statements.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Statement of changes in equity

	Note	Separate financial statements						Total equity
		Issued and paid-up share capital	Treasury shares	Share premium	Warrants	Legal reserve	Retained earnings	
							Treasury shares reserve	Unappropriated
<i>(in Baht)</i>								
Year ended 31 December 2013								
Balance at 1 January 2013 - as reported		176,870,000	(5,153,851)	106,947,100	-	15,700,000	5,153,851	60,716,329
Impact of changes in accounting policies		-	-	-	-	-	-	4,864,460
Balance at 1 January 2013 - restated		176,870,000	(5,153,851)	106,947,100	-	15,700,000	5,153,851	65,580,789
Transactions with owners, recorded directly in equity								
<i>Contributions by and distributions to owners of the Company</i>								
19	Issue of ordinary shares	353,740,000	-	706,441,121	-	-	-	-
21	Share-based payment transactions	-	-	-	1,688,008	-	-	-
19, 20	Share options exercised	3,802,647	-	4,426,849	(1,470,834)	-	-	-
20	Treasury shares sold	-	5,153,851	3,309,224	-	-	-	-
31	Dividends to owners of the Company	-	-	-	-	-	-	(41,001,684)
<i>Total contributions by and distributions to owners of the Company</i>								
		357,542,647	5,153,851	714,177,194	217,174	-	-	(41,001,684)
Total transactions with owners, recorded directly in equity		357,542,647	5,153,851	714,177,194	217,174	-	-	1,036,089,182
Comprehensive income for the year								
29	Profit or loss	-	-	-	-	-	-	56,601,792
	Other comprehensive income	-	-	-	-	-	-	(4,824,908)
Total comprehensive income for year		-	-	-	-	-	-	51,776,884
22	Transfer to legal reserve	-	-	-	-	2,900,000	-	(2,900,000)
20, 22	Reversal of treasury shares reserve	-	-	-	-	-	(5,153,851)	5,153,851
Balance at 31 December 2013		534,412,647	-	821,124,294	217,174	18,600,000	-	78,609,840
								1,452,963,955

The accompanying notes are an integral part of these financial statements.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	For the year ended		For the year ended	
	31 December		31 December	
	2013	2012	2013	2012
		(Restated)		(Restated)
	(in Baht)			
<i>Cash flows from operating activities</i>				
Profit for the year	51,037,060	48,580,999	56,601,792	48,708,481
<i>Adjustments for</i>				
Depreciation	44,283,833	36,357,353	44,283,833	36,357,353
Amortisation of intangible assets	1,047,860	1,011,750	1,047,860	1,011,750
Interest income	(18,120,699)	(1,877,092)	(17,799,556)	(1,692,453)
Finance costs	1,261,653	974,893	1,234,196	973,913
Bad and doubtful debts expenses	399,750	2,468,357	358,908	2,468,357
Gain on disposal of equipment	(271,621)	(384,229)	(271,621)	(384,229)
Loss on written-off of equipment	3,128,988	432,972	3,128,988	432,972
Loss on written-off of intangible assets	206,400	-	206,400	-
Employee benefit obligations	1,911,746	1,293,883	1,911,746	1,293,883
Share based-payment transactions	1,688,008	-	1,688,008	-
Income tax expense	12,767,362	13,704,423	16,074,864	13,736,294
	99,340,340	102,563,309	108,465,418	102,906,321
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	45,248,417	(22,539,710)	37,984,807	(22,539,710)
Accrued income	9,943,905	(15,085,687)	(27,301,540)	(15,085,687)
Other receivables from related parties	(3,367,929)	(21,394,580)	(115,152,055)	(21,541,788)
Inventories	5,676,178	(6,033,600)	5,676,178	(6,033,600)
Other current assets	17,927,229	1,403,409	24,969,159	1,408,372
Withholding tax deducted at source	1,157,244	(14,610,895)	-	(14,610,895)
Other non-current assets	(832,539)	2,234,284	1,615,732	2,234,284
Trade accounts payable	(18,042,897)	7,112,971	129,758,781	7,112,971
Other payables to related parties	(3,002,604)	2,149,843	(8,536,768)	2,149,843
Other payables	(1,772,136)	1,616,491	(3,143,639)	1,503,401
Accrued expenses	12,588,221	16,626,554	(4,453,609)	16,593,555
Other current liabilities	4,485,675	4,516,597	(5,791,843)	4,516,597
Employee benefit obligations	(3,305,973)	(813,934)	(3,305,973)	(813,934)
Cash generated from operating activities	166,043,131	57,745,052	140,784,648	57,799,730
Income tax paid	(16,214,348)	(3,602,562)	(14,880,833)	(3,602,562)
Net cash from operating activities	149,828,783	54,142,490	125,903,815	54,197,168

The accompanying notes are an integral part of these financial statements.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	For the year ended		For the year ended	
	31 December		31 December	
	2013	2012	2013	2012
		(Restated)		(Restated)
	(in Baht)			
<i>Cash flows from investing activities</i>				
Interest received	13,181,798	1,877,092	12,865,652	1,692,453
Current investment	(118,000,000)	-	(108,500,000)	-
Cash outflow on deposit guarantee for licencing auction	(22,000,000)	-	-	-
Purchase of equipment	(50,938,194)	(44,238,684)	(50,938,194)	(44,238,684)
Sale of equipment	291,938	415,888	291,938	415,888
Purchase of intangible assets	(220,000)	(582,000)	(220,000)	(582,000)
Net cash outflow on acquisitions of subsidiaries	-	-	(750,000)	(10,500,000)
Net cash used in investing activities	(177,684,458)	(42,527,704)	(147,250,604)	(53,212,343)
<i>Cash flows from financing activities</i>				
Interest paid	(359,818)	(282,789)	(332,361)	(281,809)
Dividends paid to owners of the Company	(41,001,684)	(20,829,960)	(41,001,684)	(20,829,960)
Purchase of treasury shares	-	(618,308)	-	(618,308)
Proceeds from issue of ordinary shares	1,061,220,000	-	1,061,220,000	-
Transaction costs from issue of shares	(1,038,879)	-	(1,038,879)	-
Proceeds from exercise of share options	6,758,662	11,428,560	6,758,662	11,428,560
Proceeds from sale of treasury shares	8,463,075	-	8,463,075	-
Net cash from (used in) financing activities	1,034,041,356	(10,302,497)	1,034,068,813	(10,301,517)
Net increase (decrease) in				
cash and cash equivalents	1,006,185,681	1,312,289	1,012,722,024	(9,316,692)
Cash and cash equivalents at 1 January	87,396,197	86,083,908	76,767,216	86,083,908
Cash and cash equivalents at 31 December	1,093,581,878	87,396,197	1,089,489,240	76,767,216
<i>Non-cash transaction</i>				
Purchased of equipment	6,539,073	44,896,791	6,539,073	44,896,791

The accompanying notes are an integral part of these financial statements.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

Note	Contents
1	General information
2	Basis of preparation of the financial statements
3	Changes in accounting policies
4	Significant accounting policies
5	Related parties
6	Cash and cash equivalents
7	Current investment
8	Trade accounts receivable
9	Inventories
10	Other current assets
11	Investments in subsidiaries
12	Equipment
13	Intangible assets
14	Deferred tax
15	Other non-current assets
16	Trade accounts payable
17	Other current liabilities
18	Employee benefit obligations
19	Share capital
20	Treasury shares
21	Warrants
22	Reserves
23	Segment information
24	Other income
25	Selling expenses
26	Administrative expenses
27	Employee benefit expenses
28	Expenses by nature
29	Income tax expense
30	Earnings per share
31	Dividends
32	Financial instruments
33	Commitments with non-related parties
34	Other matter
35	Events after the reporting period
36	Thai Financial Reporting Standards (TFRS) not yet adopted
37	Reclassification of accounts

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 13 February 2014.

1 General information

Nation Broadcasting Corporation Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 1858/51-62, 12th, 13th Floors, Bangna-Trad Road, Kwang Bangna, Khet Bangna, Bangkok, Thailand.

The Company was listed on the Market for Alternative Investment in November 2009.

The parent company during the financial year was Nation Multimedia Group Public Company Limited (71.30% of shareholding), which was incorporated in Thailand.

On 27 December 2013, a subsidiary (“NBC Next Vision Co., Ltd.”), participated in the auction for commercial digital terrestrial TV licences at national level for a news channel. On 6 January 2014, the office of the National Broadcasting and Telecommunications Commission (“NBTC”) has officially notified the licencing auction result that the subsidiary is officially winner for a news channel at a bid price of Baht 1,338 million. The subsidiary already paid 50 per cent of minimum fee and 10 per cent of the exceeding of the minimum fee plus VAT, totalling Baht 215 million (net of guaranteed deposit amounting to Baht 22 million paid on 29 October 2013) and submitted bank guarantee for the remaining fee to the NBTC on 7 February 2014.

The principal activities of the Company are production of TV programs and radio programs and providing advertisements through TV media, radio media and new media forms. Details of the Company’s subsidiaries as at 31 December 2013 and 2012 were as follows:

Name of the entities	Type of business	Country of incorporation	Ownership interest (%)	
			2013	2012
<i>Subsidiaries</i>				
NBC Nextmedia Co., Ltd.	New media Advertising	Thailand	99.99	99.99
NBC Next Screen Co., Ltd.	Production of TV program and advertisements through TV media	Thailand	99.99	99.99
NBC Next Vision Co., Ltd.	Production of TV program and advertisements through TV media	Thailand	99.99	99.99

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

2 Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The FAP has issued the following new and revised TFRS relevant to the Group’s operations and effective for accounting periods beginning on or after 1 January 2013:

TFRS	Topic
TAS 12	Income Taxes
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates
TFRS 8	Operating Segments

The adoption of these new and revised TFRS has resulted in changes in the Group’s accounting policies. The effects of these changes are disclosed in note 3.

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for financial statements beginning on or after 1 January 2014 and have not been adopted in the preparation of these interim financial statements. Those new and revised TFRS that are relevant to the Group’s operations are disclosed in note 36.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following material items in the statements of financial position:

- Present value of warrants;
- Present value of the defined benefit obligation

(c) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Group’s functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand unless otherwise stated.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is included in the following note:

Note 4(r) and 14	Current and deferred taxation
Note 18	Measurement of defined benefit obligations
Note 21	Measurement of warrants

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

3 Changes in accounting policies

(a) Overview

From 1 January 2013, consequent to the adoption of new and revised TFRS as set out in note 2, the Group has changed its accounting policies in the following areas:

- Accounting for income tax
- Accounting for the effects of changes in foreign exchange rates
- Presentation of information on operating segments

Details of the new accounting policies adopted by the Group are included in notes 3(b) to 3(d) below. Other new and revised TFRS did not have any impact on the accounting policies, financial position and performance of the Group.

(b) Accounting for income tax

The principal change introduced by TAS 12 is the requirement to account for deferred tax liabilities and assets in the financial statements. Deferred tax liabilities and assets are the amounts of income taxes payable and recoverable, respectively, in future periods in respect of temporary differences between the carrying amount of the liability or asset in the statement of financial position and the amount attributed to that liability or asset for tax purposes; and the carryforward of unused tax losses. The accounting policy for deferred tax is described in note 4(r).

The Group adopted TAS 12 with effect from 1 January 2013. The effects of the change are recognised retrospectively in the financial statements. The impact of the change on the financial statements is as follows:

	Consolidated financial statements			Separate financial statements		
	31	31	1	31	31	1
	December 2013	December 2012	January 2012	December 2013	December 2012	January 2012
<i>Statement of financial position as at</i>						
			(in thousand Baht)			
Increase in deferred tax assets	8,282	4,897	4,340	4,479	4,865	4,340
Increase in retained earnings	8,282	4,897	4,340	4,479	4,865	4,340
Increase in shareholders' equity	8,282	4,897	4,340	4,479	4,865	4,340

<i>Statement of comprehensive income for the year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	(in thousand Baht)			
Decrease (increase) in income tax expense	2,179	557	(1,592)	525
Increase (decrease) in profit for the year	2,179	557	(1,592)	525
Increase (decrease) in earnings per share				
- Basic earnings per share (in Baht)	0.006	0.003	(0.005)	0.003
- Diluted earnings per share (in Baht)	0.006	0.003	(0.004)	0.003

There has been a change in accounting policy in 2012 as above but the beginning balance of the statement of financial position of 2012 is not presented on the basis that the increase of deferred tax assets in the consolidated and separate statements of financial position is not considered by management to be material.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

(c) Accounting for the effects of changes in foreign exchange rates

From 1 January 2013, the Group has adopted TAS 21 (revised 2009) Accounting for the effects of changes in foreign exchange rates.

The principal change introduced by TAS 21 (revised 2009) is the introduction of the concept of functional currency, which is defined as the currency of the primary economic environment in which the entity operates. TAS 21 (revised 2009) requires the entity to determine its functional currency and translate foreign currency items into its functional currency, reporting the effects of such translation in accordance with the provisions of TAS 21 (revised 2009). Foreign currencies are defined by TAS 21 (revised 2009) as all currencies other than the entity's functional currency.

Management has determined that the functional currency of the Company is Thai Baht and that the adoption of TAS 21 (revised 2009) from 1 January 2013 has not had a significant impact on the Group's reported assets, liabilities or retained earnings.

(d) Presentation of information on operating segments

From 1 January 2013, the Group has adopted TFRS 8 Operating Segments. The new policy for presentation of information on operating segments, together with information on the previous policy, is given below.

TFRS 8 introduces the "management approach" to segment reporting. It requires a change in the presentation and disclosure of segment information based on the internal reports regularly reviewed by the Group's Chief Operating Decision Maker in order to assess each segment's performance and to allocate resources to those segments. Previously the Group presented segment information in respect of its business and geographical segments in accordance with TAS 14 Segment Reporting.

The change in basis of presentation and disclosure of segment information has had no significant effect on the segment information reported in the Group's financial statements.

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in note 3, which addresses changes in accounting policies.

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the "Group").

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group. Losses applicable to non-controlling interests in a subsidiary are allocated to non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee depending on the level of influence retained.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(b) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to functional currency (Baht) at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in profit or loss.

Foreign currency differences arising on retranslation are generally recognised in profit or loss.

(c) Cash and cash equivalents

Cash and cash equivalents in the statements of cash flow comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of cash and cash equivalents for the purpose of the statement of cash flows.

(d) Trade and other accounts receivable

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to make the sale.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

Costs are determined by the following principles:

Finished goods	-	Weighted average
Work in progress	-	Costs of productions, which are in process of production and film, are recognised as costs when rights are transferred and delivered or broadcasted.
	-	Work in progress for project comprises cost of preparation, is stated at cost.

An allowance is made for all deteriorated, damaged, obsolete and slow-moving inventories.

(f) **Investments**

Investments in subsidiaries

Investments in subsidiaries entities in the separate financial statements of the Company are accounted for using the cost method.

(g) **Equipment**

Recognition and measurement

Owned assets

Equipment is stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of equipment have different useful lives, they are accounted for as separate items (major components) of equipment.

Gains and losses on disposal of an item of equipment are determined by comparing the proceeds from disposal with the carrying amount of equipment, and are recognised net within income or expense in profit or loss.

Subsequent costs

The cost of replacing a part of an item of equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of equipment. The estimated useful lives are as follows:

Leased assets improvements	5	years
Operating equipment	3, 5 and 10	years
Furniture, fixtures and office equipment	3 and 5	years
Vehicles	5	years

No depreciation is provided on assets under installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(h) *Intangible assets*

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current and comparative periods are as follows:

Computer program and software licences	5	years
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Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(i) *Impairment*

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(j) Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges.

(k) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(l) Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity (provident fund) and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed by a qualified actuary using the projected unit credit method.

The Group recognises all actuarial gains and losses arising from defined benefit plans in other comprehensive income and all expenses related to defined benefit plans in profit or loss.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or other benefit if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Share-based payments

The employee share option programme allows certain of the Group's directors and employees to acquire shares of the Group under certain conditions. The proceeds received on exercise of the options, net of any directly attributable transaction costs, are credited to share capital and share premium when the options are exercised.

The grant-date fair value of share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service and non-market vesting conditions are expected to be met.

(m) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(n) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Repurchase of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of consideration paid, including directly attributable costs, is classified as treasury shares and recognised as a deduction from equity. An equal amount is appropriated from retained earnings and taken to a reserve for treasury shares within equity. When treasury shares are sold, the amount received is recognised as an increase in equity by crediting the cost of the treasury shares sold, calculated using the weighted average method, to the treasury shares account and transferring the equivalent amount back from reserve for treasury shares to retained earnings. Surpluses on the sale of treasury shares are taken directly to a separate category within equity, 'Surplus on treasury shares'. Net deficits on sale or cancellation of treasury shares are debited to retained earnings after setting off against any remaining balance of surplus on treasury shares.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

(o) Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Sale of goods and services rendered

Revenue is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods. Service income is recognised as services are provided.

Interest income

Interest income is recognised in profit or loss as it accrues.

(p) Finance costs

Finance costs comprise interest expense, unwinding of the discount on provisions and contingent consideration that are recognised in profit or loss.

(q) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

(r) Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries entities to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(s) *Earnings per share*

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(t) *Segment reporting*

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly cash and cash equivalents, deferred tax assets, other current liabilities and employee benefit obligations.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

5 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with subsidiaries and other related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Nation Multimedia Group Public Company Limited	Thailand	Parent, 71.30% shareholding, some common directors
NBC Nextmedia Co., Ltd.	Thailand	Subsidiary, 99.99% shareholding, some common directors
NBC Next Screen Co., Ltd.	Thailand	Subsidiary, 99.99% shareholding, some common directors
NBC Next Vision Co., Ltd.	Thailand	Subsidiary, 99.99% shareholding, some common directors
Nation International Edutainment Public Company Limited	Thailand	83.76% shareholding by parent, some common directors
Nation News Network Co., Ltd.	Thailand	99.99% shareholding by parent, some common directors
NML Co., Ltd	Thailand	99.99% shareholding by parent, some common directors
Kom Chad Luek Media Co., Ltd.	Thailand	99.99% shareholding by parent, some common directors
Krungthep Turakij Media Co., Ltd.	Thailand	99.99% shareholding by parent, some common directors
Nation U Co., Ltd.	Thailand	90.00% shareholding by parent, some common directors
WPS (Thailand) Co., Ltd.	Thailand	84.50% shareholding by parent, some common directors
Nation University	Thailand	University license holding by Nation U Co., Ltd.
Nation Edutainment Co., Ltd.	Thailand	99.99% shareholding by Nation International Edutainment Public Company Limited, some common directors

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

Name of entities	Country of incorporation/ nationality	Nature of relationships
Nation Egmont Edutainment Co., Ltd.	Thailand	49.99% shareholding by Nation International Edutainment Public Company Limited, some common directors
Thai Portal Co., Ltd.	Thailand	Related party, 19.00% shareholding by Kom Chad Luek Media Co., Ltd.
Nation Properties Co., Ltd.	Thailand	Related party, 19.80% shareholding by parent

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Sale of goods and rendering of services	General market price
Other income	Negotiable rate
Cost of rendering of services and expenses	Actual cost allocation rate and negotiable rate

Significant transactions for the years ended 31 December with related parties were as follows:

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Parent				
Rendering of services	14,766	3,402	14,766	3,402
Cost of rendering of services and expenses	31,987	38,836	26,356	38,836
Subsidiaries				
Sales of goods and rendering of services	-	-	9,155	-
Other income	-	-	24,880	-
Other related parties				
Rendering of services	48,598	10,271	48,598	10,271
Cost of rendering of services and expenses	25,534	25,845	24,004	25,845

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

Balances as at 31 December with related parties were as follows:

<i>Trade accounts receivable from related parties</i>	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Parent				
Nation Multimedia Group Public Company Limited	842	2,343	842	2,343
Subsidiaries				
NBC Next Screen Co., Ltd.	-	-	1	-
NBC Next Vision Co., Ltd.	-	-	9,794	-
Other related parties				
Nation International Edutainment Public Company Limited	57	326	57	326
Nation News Network Co., Ltd.	99	321	99	321
Krungthep Turakij Media Co., Ltd.	3,261	893	3,261	893
Kom Chad Luek Media Co., Ltd	4,096	428	4,096	428
Nation University	678	1,508	678	1,508
Total	9,033	5,819	18,828	5,819
Bad and doubtful debts expense for the year	-	-	-	-
<i>Other receivables from related parties</i>				
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Parent				
Nation Multimedia Group Public Company Limited	787	1,037	787	1,037
Subsidiaries				
NBC Nextmedia Co., Ltd.	-	-	-	137
NBC Next Screen Co., Ltd.	-	-	16,958	5
NBC Next Vision Co., Ltd.	-	-	94,973	5
Other related parties				
Nation International Edutainment Public Company Limited	7,637	2,981	7,637	2,981
Nation News Network Co., Ltd.	62	442	62	442
Nation Egmont Edutainment Co., Ltd.	13	30	13	30
Krungthep Turakij Media Co., Ltd.	8,331	7,922	8,331	7,922
Kom Chad Luek Media Co., Ltd	4	189	4	189
Thai Portal Co., Ltd.	447	447	447	447
Nation University	8,179	9,000	8,179	9,000
Others	5	49	5	49
	25,465	22,097	137,396	22,244
Less allowance for doubtful accounts	(447)	(447)	(447)	(447)
Net	25,018	21,650	136,949	21,797
Bad and doubtful debts expense for the year	-	-	-	-

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

Trade accounts payable - related parties

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Subsidiaries				
NBC Next Screen Co., Ltd.	-	-	31,773	-
NBC Next Vision Co., Ltd.	-	-	122,794	-
Other related parties				
Nation International Edutainment Public Company Limited	-	3	-	3
Nation News Network Co., Ltd.	1,152	1,972	973	1,972
Krungthep Turakij Media Co., Ltd.	1,907	2,804	1,216	2,804
Kom Chad Luek Media Co., Ltd	1,819	4,292	1,051	4,292
WPS (Thailand) Co., Ltd.	2,217	1,291	2,217	1,291
Total	7,095	10,362	160,024	10,362

Other payables - related parties

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Parent				
Nation Multimedia Group Public Company Limited	9,100	11,611	3,085	11,611
Subsidiaries				
NBC Next Screen Co., Ltd.	-	-	551	-
NBC Next Vision Co., Ltd.	-	-	7,595	-
Other related parties				
Nation International Edutainment Public Company Limited	313	250	313	250
NML Co., Ltd.	68	49	68	49
Krungthep Turakij Media Co., Ltd	93	242	93	242
Kom Chad Luek Media Co., Ltd	58	109	58	109
WPS (Thailand) Co., Ltd.	-	13	-	13
Nation University	-	300	-	300
Others	5	3	5	3
Total	9,637	12,577	11,768	12,577

6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Cash on hand	473	492	353	492
Cash at banks - current accounts	3,909	21	3,678	-
Cash at banks - savings accounts	134,200	32,383	130,458	31,275
Highly liquid short-term investments	955,000	54,500	955,000	45,000
Total	1,093,582	87,396	1,089,489	76,767

Cash and cash equivalents of the Group and the Company as at 31 December 2013 and 2012 were denominated entirely in Thai Baht.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

7 Current investment

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	(in thousand Baht)			
Promissory notes	<u>118,000</u>	<u>-</u>	<u>108,500</u>	<u>-</u>

Current investment of the Group and the Company as at 31 December 2013 were denominated entirely in Thai Baht.

8 Trade accounts receivable

		Consolidated financial statements		Separate financial statements	
	Note	2013	2012	2013	2012
		(in thousand Baht)			
Related parties	5	9,033	5,819	18,828	5,819
Other parties		<u>150,990</u>	<u>199,548</u>	<u>148,458</u>	<u>199,548</u>
Total		160,023	205,367	167,286	205,367
Less allowance for doubtful accounts		<u>(6,961)</u>	<u>(6,657)</u>	<u>(6,920)</u>	<u>(6,657)</u>
Net		153,062	198,710	160,366	198,710
Bad and doubtful debts expense for the year		<u>400</u>	<u>2,468</u>	<u>359</u>	<u>2,468</u>

Aging analyses for trade accounts receivable were as follows:

		Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
		(in thousand Baht)			
Related parties					
Within credit terms		2,264	3,645	5,655	3,645
Overdue:					
Less than 6 months		2,922	1,722	9,326	1,722
6-12 months		3,210	233	3,210	233
Over 12 months		<u>637</u>	<u>219</u>	<u>637</u>	<u>219</u>
		9,033	5,819	18,828	5,819
Less allowance for doubtful accounts		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		9,033	5,819	18,828	5,819
Other parties					
Within credit terms		73,910	83,528	73,363	83,528
Overdue:					
Less than 6 months		68,909	84,494	67,133	84,494
6-12 months		3,744	13,175	3,535	13,175
Over 12 months		<u>4,427</u>	<u>18,351</u>	<u>4,427</u>	<u>18,351</u>
		150,990	199,548	148,458	199,548
Less allowance for doubtful accounts		<u>(6,961)</u>	<u>(6,657)</u>	<u>(6,920)</u>	<u>(6,657)</u>
		144,029	192,891	141,538	192,891
Net		153,062	198,710	160,366	198,710

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

The normal credit term granted by the Group ranges from 7 days to 90 days.

Trade accounts receivable of the Group and the Company as at 31 December 2013 and 2012 were denominated entirely in Thai Baht.

9 Inventories

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Finished goods	10,309	9,306	10,309	9,306
Work in progress	1,965	8,644	1,965	8,644
Total	12,274	17,950	12,274	17,950

10 Other current assets

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Accrued interest income	4,939	-	4,934	-
Prepaid expenses	2,740	7,016	1,693	7,016
Input value added tax pending	14,909	4,229	11,730	4,229
Advances to employees	690	1,898	370	1,898
Withholding tax deducted at source	1,159	22,479	-	22,477
Others	1,369	3,172	27	3,169
Total	25,806	38,794	18,754	38,789

11 Investments in subsidiaries

	Separate financial statements	
	2013	2012
	<i>(in thousand Baht)</i>	
At 1 January	10,500	-
Acquisitions	750	10,500
At 31 December	11,250	10,500

At the Board of Directors' meeting of the Company held on 14 February 2012, the Board of Directors approved to establish a company, NBC Nextmedia Co., Ltd, which has a registered share capital of Baht 20 million (divided into 2 million shares at Baht 10 par value) and called-up 50% of the registered share capital. The subsidiary registered with the Ministry of Commerce on 6 March 2012.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

At the Board of Directors' meeting of the Company held on 26 November 2012, the Board of Directors approved to establish companies, NBC Next Screen Co., Ltd and NBC Next Vision Co., Ltd, which have a registered share capital of Baht 1 million and Baht 1 million, respectively (divided into 100,000 shares at Baht 10 par value) and called-up 25% of the registered share capital. The subsidiaries registered with the Ministry of Commerce on 30 November 2012.

At the Board of Directors' meeting of a subsidiary ("NBC Next Vision Co., Ltd.") held on 2 September 2013, the Board of Directors approved an additional call-up 75% of the registered share capital from Baht 0.25 million (divided into 100,000 ordinary shares at Baht 2.50 per share) to Baht 1 million (divided into 100,000 ordinary shares at Baht 10 par value). The subsidiary registered the increase in paid-up share capital with the Ministry of Commerce on 24 September 2013.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the interim financial statements

Investments in subsidiaries as at 31 December 2013 and 2012, and dividend income from those investments for the years ended, were as follows:

Subsidiaries	Type of business	Separate financial statements											
		Ownership interest		Paid - up capital		Cost		Impairment		At cost - net		Dividend income	
		2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
			(%)										
NBC Nextmedia Co.,Ltd.	New media Advertising	99.99	99.99	10,000	10,000	10,000	10,000	-	-	10,000	10,000	-	-
NBC Next Screen Co.,Ltd.	Production of TV program and advertisements through TV media	99.99	99.99	250	250	250	250	-	-	250	250	-	-
NBC Next Vision Co.,Ltd.	Production of TV program and advertisements through TV media	99.99	99.99	1,000	250	1,000	250	-	-	1,000	250	-	-
Total						11,250	10,500	-	-	11,250	10,500	-	-

All subsidiaries were incorporated in Thailand

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the interim financial statements

12 Equipment

	Consolidated financial statements/Separate financial statements				
	Leased assets improvements	Operating equipment	Furniture, fixtures and office equipment (in thousand Baht)	Assets under installation	Total
Cost					
At 1 January 2012	9,906	249,351	5,134	629	269,221
Additions	1,600	64,722	572	5,785	74,545
Transfers	339	3,904	-	(4,771)	(528)
Disposals/written-off	(341)	(736)	-	-	(3,428)
At 31 December 2012 and 1 January 2013	11,504	317,241	5,706	1,643	339,810
Additions	3,007	5,136	17	4,420	12,580
Transfers	2,470	1,657	-	(4,127)	-
Disposals/written-off	(383)	(7,271)	(312)	-	(7,966)
At 31 December 2013	16,598	316,763	5,411	1,936	344,424
Depreciation					
At 1 January 2012	6,510	147,337	2,977	-	160,240
Depreciation charge for the year	1,085	34,176	786	-	36,357
Disposals/written-off	-	(612)	-	-	(2,963)
At 31 December 2012 and 1 January 2013	7,595	180,901	3,763	-	193,634
Depreciation charge for the year	1,915	41,002	733	-	44,284
Disposals/written-off	(166)	(4,345)	(306)	-	(4,817)
At 31 December 2013	9,344	217,558	4,190	-	233,101
Net book value					
At 1 January 2012	3,396	102,014	2,157	629	108,981
At 31 December 2012 and 1 January 2013	3,909	136,340	1,943	1,643	146,176
At 31 December 2013	7,254	99,205	1,221	1,936	111,323

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the interim financial statements

The gross amount of the Group's and Company's fully depreciated equipment that was still in use as at 31 December 2013 amounted to Baht 131.52 million (2012: Baht 123.21 million).

13 Intangible assets

	Consolidated financial statements/ Separate financial statements		
	Computer program and software licences	Computer program under installation	Total
	(in thousand Baht)		
Cost			
At 1 January 2012	4,390	-	4,390
Additions	582	-	582
Transfers	322	206	528
At 31 December 2012 and 1 January 2013	5,294	206	5,500
Additions	220	-	220
Disposals	-	(206)	(206)
At 31 December 2013	5,514	-	5,514
Amortisation			
At 1 January 2012	867	-	867
Amortisation for the year	1,012	-	1,012
At 31 December 2012 and 1 January 2013	1,879	-	1,879
Amortisation for the year	1,048	-	1,048
At 31 December 2013	2,927	-	2,927
Net book value			
At 1 January 2012	3,523	-	3,523
At 31 December 2012 and 1 January 2013	3,415	206	3,621
At 31 December 2013	2,587	-	2,587

14 Deferred tax

Deferred tax assets and liabilities as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	(in thousand Baht)			
Deferred tax assets	8,282	4,897	4,479	4,865
Deferred tax liabilities	-	-	-	-
Deferred tax assets	8,282	4,897	4,479	4,865

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the interim financial statements

Movements in total deferred tax assets and liabilities during the year were as follows:

	Consolidated financial statements		
	(Charged) / Credited to:		
	At 1 January 2013	Profit or loss Other comprehensive income (in thousand Baht)	At 31 December 2013
<i>Deferred tax assets</i>			
Trade accounts receivable	1,332	60	1,392
Accrued income	340	-	340
Provisions	3,193	(111)	4,288
Loss carry forward	32	2,230	2,262
Total	4,897	2,179	8,282

	Consolidated financial statements		
	(Charged) / Credited to:		
	At 1 January 2012	Profit or loss Other comprehensive income (in thousand Baht)	At 31 December 2012
<i>Deferred tax assets</i>			
Trade accounts receivable	1,042	290	1,332
Accrued income	340	-	340
Provisions	2,958	235	3,193
Loss carry forward	-	32	32
Total	4,340	557	4,897

	Separate financial statements		
	(Charged) / Credited to:		
	At 1 January 2013	Profit or loss Other comprehensive income (in thousand Baht)	At 31 December 2013
<i>Deferred tax assets</i>			
Trade accounts receivable	1,332	52	1,384
Accrued income	340	-	340
Provisions	3,193	(1,644)	2,755
Total	4,865	(1,592)	4,479

	Separate financial statements		
	(Charged) / Credited to:		
	At 1 January 2012	Profit or loss Other comprehensive income (in thousand Baht)	At 31 December 2012
<i>Deferred tax assets</i>			
Trade accounts receivable	1,042	290	1,332
Accrued income	340	-	340
Provisions	2,958	235	3,193
Total	4,340	525	4,865

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the interim financial statements

15 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Refundable deposits	8,760	7,367	6,312	7,367
Others	1,218	1,779	1,218	1,779
Total	9,978	9,146	7,530	9,146

16 Trade accounts payable

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2013	2012	2013	2012
		<i>(in thousand Baht)</i>			
Related parties	5	7,095	10,362	160,024	10,362
Other parties		12,046	26,821	6,918	26,821
Total		19,141	37,183	166,942	37,183

17 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Output value added tax pending	25,797	15,831	15,519	15,831
Advance received	10,902	8,695	10,902	8,695
Revenue Department payable	-	7,677	-	7,677
Others	494	504	494	504
Total	37,193	32,707	26,915	32,707

18 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Statement of financial position obligations for:				
Post-employment benefits	21,441	15,965	13,776	15,965
Year ended 31 December				
Statement of comprehensive income:				
Recognised in profit or loss:				
Post-employment benefits	2,814	1,986	2,814	1,986
Recognised in other comprehensive income:				
Actuarial losses recognised in the year	6,031	-	6,031	-

The Group and the Company operate a defined benefit plans based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the interim financial statements

The statement of financial position obligation was determined as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Present value of unfunded obligations	21,441	15,965	13,776	15,965
Statement of financial position obligation	21,441	15,965	13,776	15,965

Movement in the present value of the defined benefit obligations

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Defined benefit obligations at 1 January	15,965	14,793	15,965	14,793
Transfer in (out)	(63)	186	(7,728)	186
Benefits paid by the plan	(3,306)	(1,000)	(3,306)	(1,000)
Current service costs and interest	2,814	1,986	2,814	1,986
Actuarial losses in other comprehensive income	6,031	-	6,031	-
Defined benefit obligations at 31 December	21,441	15,965	13,776	15,965

Expense recognised in profit or loss (note 27)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Current service costs	1,912	1,294	1,912	1,294
Interest on obligation	902	692	902	692
Total	2,814	1,986	2,814	1,986

The expense is recognised in the following line items in the statement of comprehensive income:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Cost of sales of goods and rendering of services	1,076	616	1,076	616
Administrative expenses	836	678	836	678
Finance costs	902	692	902	692
Total	2,814	1,986	2,814	1,986

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the interim financial statements

Actuarial losses recognised in other comprehensive income:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Included in retained earnings:				
At 1 January	-	-	-	-
Recognised during the year	6,031	-	6,031	-
At 31 December	6,031	-	6,031	-

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(%)</i>			
Discount rate	4.1	4.7	4.1	4.7
Future salary increases	4.0 - 7.0	4.0 - 7.0	4.0 - 7.0	4.0 - 7.0

Assumptions regarding future mortality are based on published statistics and mortality tables.

19 Share capital

	Par value per share <i>(in Baht)</i>	2013		2012	
		Number	Baht	Number	Baht
		<i>(in thousand shares / thousand Baht)</i>			
Authorised					
At 1 January					
- ordinary shares	1	178,500	178,500	178,500	178,500
Increase of new shares	1	541,844	541,844	-	-
At 31 December					
- ordinary shares	1	720,344	720,344	178,500	178,500
Issued and paid-up					
At 1 January					
- ordinary shares	1	176,870	176,870	173,438	173,438
Issue of new shares	1	353,740	353,740	-	-
Exercise of share options	1	3,803	3,803	3,432	3,432
At 31 December					
- ordinary shares	1	534,413	534,413	176,870	176,870

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the interim financial statements

At the annual general meeting of shareholders of the Company held on 24 April 2013, the shareholders approved the following matters:

- a) Approved the issuance and offering of warrants to the Company's existing shareholders who subscribe for additional ordinary shares in a ratio of 1 warrant for 2 existing ordinary shares, without the offering price. Details of warrants are as follows:

Date of original grant	12 July 2013
No. of warrants granted (Units)	176,870,000
Terms of warrants	5 years from the issuance date of warrant
Exercisable	The date 15 th of December and June in each year
Exercise price per 1 ordinary share (Baht)	3
Exercise ratio (warrants to ordinary shares)	1:1

- b) Approved the issuance and offering of warrants under the Employee Stock Option Program to the directors, management and/or employees of the Company and/or the subsidiaries. Details of warrants are disclosed in note to financial statements 21.

- c) Approved an increase in the registered share capital from Baht 178.50 million (178,500,000 ordinary shares at a par value of Baht 1 per share) to Baht 720.34 million (720,343,962 ordinary shares at a par value of Baht 1 per share) by issuing not exceeding 541,843,962 ordinary shares at a par value of Baht 1 per share to reserve for the increase in share capital and exercise of warrants as referred above and the adjustment of rights of the warrants to the Company's directors, management and/or employees. The Company registered the increase in share capital with the Ministry of Commerce on 9 May 2013.

Issue of ordinary shares

During 2013, the Company has offered additional ordinary shares to existing shareholders which exercise ratio is 2 new shares for 1 existing ordinary share at the exercise price of Baht 3 per share totalling 353,740,000 shares (353,740,000 ordinary shares at a par value of Baht 1 per share) amounted to Baht 1,061.22 million. As a result, the Company's issued and paid-up share capital has increased from Baht 179.47 million (179,467,366 ordinary shares at a par value of Baht 1 per share) to Baht 533.21 million (533,207,366 ordinary shares at a par value of Baht 1 per share) and the share premium amounted to Baht 706.44 million, net of the cost of the issue of ordinary shares amounted to Baht 1.04 million. The Company registered the increase in share capital with the Ministry of Commerce on 11 July 2013.

On 15 November 2013, the directors, management and/or employees of the Company and/or the subsidiaries exercised the warrants of 1,195,800 units to purchase ordinary shares totalling of Baht 3.59 million. As a result, the Company had share premium amounted to Baht 2.39 million. The Company registered the paid-up share capital from the exercise with the Ministry of Commerce on 19 November 2013.

On 15 December 2013, the Company's holders exercised the warrants of 9,481 units to purchase ordinary shares totalling of Baht 0.03 million. As a result, the Company had share premium amounted to Baht 0.02 million. The Company registered the paid-up share capital from the exercise with the Ministry of Commerce on 18 December 2013.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In respect of the Company's shares that are held by the Group ('Treasury shares' (see note 20)) all rights are suspended until those shares are reissued.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the interim financial statements

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account (“share premium”). Share premium is not available for dividend distribution.

Cost of the issue of ordinary share

The incremental cost attributable to the issue of ordinary shares are recognised as a deduction from the premium on those ordinary shares.

20 Treasury shares

The treasury shares account within equity comprises the cost of the Company’s own shares held by the Company.

	Par value Per share (in Baht)	Consolidated financial statements/Separate financial statements 2013			2012		
		Number	Treasury shares (in thousand units / thousand Baht)	Treasury share reserve	Number	Treasury shares	Treasury share reserve
At 1 January	1	892	(5,154)	5,154	787	(4,536)	4,536
Treasury share purchased	1	-	-	-	105	(618)	618
Treasury share sold	1	(892)	5,154	(5,154)	-	-	-
At 31 December	1	-	-	-	892	(5,154)	5,154

In February 2013, the Company disposed all treasury shares of 0.89 million shares totalling of Baht 8.46 million. As a result, the Company had share premium amounted to Baht 3.31 million.

Surplus on treasury shares

The surplus on treasury shares represents the accumulated surplus on sale of treasury shares, net of any deficits on sale or cancellation of treasury shares. The surplus on treasury shares is not available for dividend distribution.

21 Warrants

1st ESOP

At the annual general shareholders’ meeting of the Company held on 26 April 2010, the shareholders passed resolutions to approve the issuance 8,500,000 units of warrants under the Employee Stock Option Program (ESOP) to the directors, management and/or employees of the Company. The details are as follows:

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the interim financial statements

Description	Details
Type of warrants	No value
Terms of warrants	3 years from the issuance date of warrant
Propose to sell to	The Company's directors, management and/or employees
Issue and sell quantities	8,500,000 units
Exercise ratio	1 warrant to 1 ordinary share and 1 warrant to 2.7384 ordinary shares (diluted)
Exercise price	Baht 3.33 per share and Baht 1.21 per share (diluted)
Exercise period and proportion	Twice a year on 15 May and 15 November in each year, to exercise not more than 30% in the first year, not more than 30% in the second year and not more than 40% in the third year.

On 15 May 2012, the Company's directors, management and/or employees exercised the warrants of 1,036,900 units to purchase ordinary shares totalling of Baht 3.45 million. As a result, the Company has share premium amounted to Baht 2.42 1million. The Company registered the paid-up share capital from such exercise with the Ministry of Commerce on 24 May 2012.

On 15 November 2012, the Company's directors, management and/or employees exercised the warrants of 2,395,100 units to purchase ordinary shares totalling of Baht 7.98 million. As a result, the Company has share premium amounted to Baht 5.58 million. The Company registered the paid-up share capital from such exercise with the Ministry of Commerce on 23 November 2012.

On 15 May 2013, the Company's directors, management and/or employees exercised the warrants of 948,500 units (the last exercise date) to purchase ordinary shares totalling of Baht 3.14 million. As a result, the Company had share premium amounted to Baht 0.55 million. The Company registered the paid-up share capital from the exercise with the Ministry of Commerce on 21 May 2013.

2nd ESOP

At the annual general meeting of the shareholders held on 24 April 2013, the shareholders passed a resolution to approve the issuance 8,798,905 units of warrants under the Employee Stock Option Program (ESOP) to the directors, management and/or employees of the Company and/or subsidiaries. The details are as follows:

Description	Details
Type of warrants	No value
Terms of warrants	5 years from the issuance date of warrant
Propose to sell to	The Company and/or subsidiaries' directors, management and/or employees
Issue and sell quantities	8,798,905 units
Exercise ratio	1 warrant to 1 ordinary share
Exercise price	Baht 3 per ordinary share
Exercise period and proportion	The date 15 th of November and May in each year, to exercise not more than 20% each year

The condition for subscription is comprised of each employee of the Company and/or its subsidiaries as of each offering date.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the interim financial statements

The fair value of the warrant is measured using a Black-Scholes Model with the following financial assumptions:

Grant date share price (Baht)	3.62
Exercise price warrant (Baht)	3.00
Historical volatility in 3 years at the allotment date	49.69%
The expected period, that shareholders will completely use their right on warrant	5 years
Historical dividend yield in 3 years	5.31%
Risk free interest rate (3 years Government bond yield) at the allotment date	3.02%

As the Thai Financial Reporting Standards 2 (TFRS 2): Share-based Payment was effective for the share-based payment awards granted on or after 1 January 2011. Therefore, according to TFRS 2, 2nd ESOP has to be measured by using the fair value of the warrants on the grant date.

The expenses for share-based payment transactions for the year ended 31 December 2013 were Baht 1.69 million and Baht 1.69 million for consolidated and separate financial statements, respectively.

Movement during the year ended 31 December 2013 of the warrants were as follow:

	Consolidated financial statement		Separate financial statement	
	Number of warrant	Fair value	Number of warrant	Fair value
	<i>(in thousand units / thousand Baht)</i>			
At 1 January	-	-	-	-
Issued warrants during the year	1,776	1,726	1,776	1,726
Exercised during the year	(1,196)	(1,471)	(1,196)	(1,471)
Forfeited during the year	(404)	(38)	(404)	(38)
At 31 December	176	217	176	217

22 Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Treasury shares reserve

The treasury shares reserve represents the amount appropriated from retained earnings equal to the cost of the company's own shares held by the Group. The treasury shares reserve is not available for dividend distribution.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the interim financial statements

23 Segment information

The Group has three reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products and services. The chief operating decision maker (CODM) reviews internal management reports. The following summary describes the operations in each of the Group's reportable segments.

- *Segment 1* TV advertising media
- *Segment 2* Radio advertising media
- *Segment 3* New media advertising

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the interim financial statements

Information about reportable segments

Business segment results

	TV advertising media		Radio advertising media		New media advertising		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
	<i>(in thousand Baht)</i>							
External revenue	463,337	550,571	33,075	33,415	165,373	153,093	661,785	737,079
Other income	434	1,460	25	-	305	-	764	1,460
Total revenues	463,771	552,031	33,100	33,415	165,678	153,093	662,549	738,539
Interest income	18,121	1,877	-	-	-	-	18,121	1,877
Depreciation	(42,212)	(34,205)	(150)	-	(1,922)	(2,152)	(44,284)	(36,357)
Amortisation	-	(1,011)	-	-	(1,048)	-	(1,048)	(1,011)
Profit before income tax expenses	13,025	22,481	5,464	5,756	46,577	35,023	65,066	63,260
Segment assets	1,395,539	386,986	23,652	19,848	70,183	61,431	1,489,374	468,265
Capital expenditure	12,580	74,545	-	-	-	-	12,580	74,545
Segment liabilities	114,834	159,455	2,679	2,959	32,439	28,510	149,952	190,924

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the interim financial statements

Reconciliations of reportable segment profit or loss, assets and liabilities and other material items

	2013	2012
	<i>(in thousand Baht)</i>	
Profit or loss		
Total profit for reportable segments	65,066	63,260
Unallocated amounts:		
- Other corporate expenses	(1,262)	(975)
Consolidated profit before income tax	63,804	62,285
Assets		
Total assets for reportable segments	1,489,374	468,265
Other unallocated amounts	140,311	117,393
Consolidated total assets	1,629,685	585,658
Liabilities		
Total liabilities for reportable segments	149,952	190,924
Other unallocated amounts	32,461	29,763
Consolidated total liabilities	182,413	220,687

Geographical segments

The Group is managed and operates principally in Thailand. Management considers that the Group operates in a single geographic area.

24 Other income

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Central services charge	-	-	21,379	-
Others	764	1,460	4,211	1,460
Total	764	1,460	25,590	1,460

25 Selling expenses

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Personnel	20,671	19,243	20,671	19,243
Marketing	43,819	37,714	38,069	37,714
Office expenses	1,708	2,932	1,708	2,932
Others	534	106	534	106
Total	66,732	59,995	60,982	59,995

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the interim financial statements

26 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Personnel	16,229	16,874	15,965	16,874
Administrative	30,166	31,896	19,636	31,553
Bad and doubtful debts expenses	710	2,468	670	2,468
Others	5,178	2,302	5,016	2,302
Total	52,283	53,540	41,287	53,197

27 Employee benefit expenses

		Consolidated financial statements		Separate financial statements	
	Note	2013	2012	2013	2012
		(in thousand Baht)			
Management					
Wages and salaries		18,938	20,924	18,938	20,924
Contribution to defined contribution plans		1,412	1,560	1,412	1,560
Others		1,562	1,704	1,562	1,704
		<u>21,912</u>	<u>24,188</u>	<u>21,912</u>	<u>24,188</u>
Other employees					
Wages and salaries		109,284	114,889	53,505	114,889
Contribution to defined contribution plans		6,024	5,516	2,904	5,516
Others		37,032	41,941	16,548	41,941
		<u>152,340</u>	<u>162,346</u>	<u>72,957</u>	<u>162,346</u>
Post - employment benefits	18	<u>1,912</u>	<u>1,294</u>	<u>1,912</u>	<u>1,294</u>
Share - based payment transaction	21	<u>1,688</u>	<u>-</u>	<u>1,688</u>	<u>-</u>
Total employee benefit expense		177,852	187,828	98,469	187,828

Defined contribution plans

The defined contribution plans comprise a provident fund established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rate of 5% of their basic salaries and by the Group at rates ranging from 5% to 7.5% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as a juristic entity and is managed by a licensed Fund Manager.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the interim financial statements

28 Expenses by nature

The statements of income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

		Consolidated financial statements		Separate financial statements	
	Note	2013	2012	2013	2012
		<i>(in thousand Baht)</i>			
Air time cost		1,341	600	1,341	600
Cost of production		284,576	336,218	216,567	336,218
Employee benefit expenses	27	177,852	187,828	98,469	187,828
Depreciation and amortisation		45,332	37,369	45,332	37,369
Travelling expenses		11,461	18,874	1,217	18,874
Sharing service expenses		11,005	17,928	6,698	17,928
Marketing expenses	25	43,819	37,714	38,069	37,714
Office expenses		34,459	32,729	18,471	32,729
Other expenses		5,759	7,895	5,555	7,552
Total cost, selling expenses, administrative expenses and management benefit expenses		615,604	677,155	431,719	676,812

29 Income tax expense

Income tax recognised in profit or loss

		Consolidated financial statements		Separate financial statements	
	Note	2013	2012	2013	2012
		<i>(in thousand Baht)</i>			
Current tax expense					
Current year		14,946	13,798	14,483	13,798
Adjustment for prior year		-	463	-	463
		14,946	14,261	14,483	14,261
Deferred tax expense	14				
Movements in temporary differences		(2,179)	(557)	1,592	(525)
Total income tax expense		12,767	13,704	16,075	13,736

Income tax recognised in other comprehensive income

	Consolidated financial statements/Separate financial statements					
	2013			2012		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
	<i>(in thousand Baht)</i>					
Defined benefit plan actuarial losses	(6,031)	1,206	(4,825)	-	-	-

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the interim financial statements

Reconciliation of effective tax rate

	Consolidated financial statements			
	2013	2012		
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense		63,804		62,285
Income tax using the Thai corporation tax rate	20	12,761	20	12,457
Expenses not deductible for tax purposes		6		784
Under provided in prior year		-		463
Total	20	12,767	22	13,704

	Separate financial statements			
	2013	2012		
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense		72,677		62,445
Income tax using the Thai corporation tax rate	20	14,535	20	12,489
Expenses not deductible for tax purposes		1,540		784
Under provided in prior year		-		463
Total	22	16,075	22	13,736

Royal Decree No. 467 B.E. 2550 grants companies listed on the Stock Exchange of Thailand under the regulation of the Stock Exchange of Thailand governing the approval of listed companies on the Market for Alternative Investment (MAI) and listed within 31 December 2009, a reduction in the corporate income tax rate from 30% to 20% for taxable profit for the three consecutive accounting periods beginning on or after 1 January 2010.

Income tax reduction

Royal Decree No. 530 B.E. 2554 dated 21 December 2011 grants a reduction in the corporate income tax rate for the three accounting periods 2012, 2013 and 2014; from 30% to 23% for the accounting period 2012 which begins on or after 1 January 2012 and to 20% for the following two accounting periods 2013 and 2014 which begin on or after 1 January 2013 and 2014, respectively.

It is understood that the Government will proceed to amend the law in order to maintain the corporate income tax rate at not higher than 20% for the accounting period 2015 which begins on or after 1 January 2015 and onwards in order to give full effect to the Cabinet resolution dated 11 October 2011 to increase Thailand's tax competitiveness.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the interim financial statements

30 Earnings per share

Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2013 and 2012 were based on the profit for the years attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	<u>51,037</u>	<u>48,581</u>	<u>56,602</u>	<u>48,708</u>
Number of ordinary shares outstanding				
- at 1 January	175,978	172,651	175,978	172,651
Effect of own shares held	-	(100)	-	(100)
Effect of treasury share sold	755	-	755	-
Effect of shares options exercised on 21 May	1,601	-	1,601	-
Effect of shares options exercised on 24 May	-	629	-	629
Effect of shares issued on 11 July	168,632	-	168,632	-
Effect of shares options exercised on 15 November	-	255	-	255
Effect of shares options exercised on 19 November	141	-	141	-
Effect of shares options exercised on 18 December	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>
Weighted average number of ordinary shares outstanding (basic)	<u>347,108</u>	<u>173,435</u>	<u>347,108</u>	<u>173,435</u>
Earnings per share (basic) (in Baht)	<u>0.15</u>	<u>0.28</u>	<u>0.16</u>	<u>0.28</u>

Diluted earnings per share

The calculations of diluted earnings per share for the years ended 31 December 2013 and 2012 were based on the profit for the years attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the years after adjusting for own shares held, the effects of all dilutive potential ordinary shares and shares-options exercise as follows:

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the interim financial statements

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	<u>51,037</u>	<u>48,581</u>	<u>56,602</u>	<u>48,708</u>
Weighted average number of ordinary shares outstanding (basic)	347,108	173,435	347,108	173,435
Effect of exercise of shares options	<u>19,867</u>	<u>582</u>	<u>19,867</u>	<u>582</u>
Weighted average number of ordinary shares outstanding (diluted)	<u>366,975</u>	<u>174,017</u>	<u>366,975</u>	<u>174,017</u>
Earnings per share (diluted) (in Baht)	<u>0.14</u>	<u>0.28</u>	<u>0.15</u>	<u>0.28</u>

31 Dividends

At the annual general shareholders' meeting of the Company held on 25 April 2012, the shareholders approved the appropriation of dividend from the 2011 operating result of Baht 0.30 per share, amounted to Baht 51.72 million. The dividend was paid to shareholders during the year 2011.

At the Board of Directors' meetings of the Company held on 10 May 2012, the Board of Directors approved the appropriation of interim dividend of Baht 0.06 per share, amounted to Baht 10.41 million. The dividend was paid to shareholders during the year 2012.

At the Board of Directors' meetings of the Company held on 9 August 2012, the Board of Directors approved the appropriation of interim dividend of Baht 0.06 per share, amounted to Baht 10.42 million. The dividend was paid to shareholders during the year 2012.

At the annual general meeting of shareholders of the Company held on 24 April 2013, the shareholders approved the appropriation of dividend from 2012 operating result of Baht 0.18 per share, amounted to Baht 31.43 million. The dividend of Baht 0.12 per share, amounted to Baht 20.82 million was paid to shareholders as the interim dividend during the year 2012, and the additional dividend of Baht 0.06 per share, amounted to Baht 10.61 million was paid to shareholders in May 2013.

At the Board of Directors' meetings of the Company held on 9 May 2013, the Board of Directors approved the appropriation of interim dividend of Baht 0.08 per share, amounted to Baht 14.36 million. The dividend was paid to shareholders during the year 2013.

At the Board of Directors' meetings of the Company held on 7 November 2013, the Board of Directors approved the appropriation of interim dividend of Baht 0.03 per share, amounted to Baht 16.03 million. The dividend was paid to shareholders during the year 2013.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the interim financial statements

32 Financial instruments

Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interest and also monitors the level of dividends to ordinary shareholders.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the Group's customer base, Management does not anticipate material losses from its debt collection.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The fair value of trade and other short-term receivables is taken to approximate the carrying value.

The fair value of financial assets and liabilities is taken to approximate the carrying value.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the interim financial statements

33 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	(in thousand Baht)			
<i>Non-cancellable operating lease commitments</i>				
Within one year	25,036	43,251	7,217	43,251
After one year but within five years	57,747	133,202	-	133,202
After five years	12,631	46,987	-	46,987
Total	95,414	223,440	7,217	223,440
<i>Other commitment</i>				
Bank guarantees	8,292	8,009	8,292	8,009

- The Company entered into a lease and service agreements for its office premises and facilities with a local company for the period of 3 years, commencing from 21 November 2011 to 20 November 2014 with an option to be renewable.
- A subsidiary entered into news supply agreement with a foreign company for a period of 5 years, commencing from 1 June 2011 to 31 May 2016 with an option to be renewable.
- A subsidiary entered into service agreements covering television broadcasting satellite services with two local companies. The details are as follows:

<u>Contract date</u>	<u>Contract period</u>	<u>Periods</u>	<u>Total fee</u>
3 December 2013	1 January 2014 to 31 October 2019	5 years 10 months	USD 0.03 million
3 December 2013	1 January 2014 to 31 October 2019	5 years 10 months	USD 1.25 million
3 December 2013	1 January 2014 to 31 March 2020	6 years 3 months	USD 0.03 million
3 December 2013	1 January 2014 to 31 March 2020	6 years 3 months	USD 0.97 million

34 Other matter

At the annual general shareholders' meeting of the Company held on 24 April 2013, the shareholders approved the issuance and offering of debentures in the amount not exceeding Baht 500 million at par value of Baht 1,000 each by offering domestically and/or internationally to private placement, and/or investors institutes. The details and conditions related to the issuance and offering of the debentures will be determined by the Company's Board of Directors.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the interim financial statements

35 Events after the reporting period

- a) The subsidiary (“NBC Next Vision Co., Ltd.) entered into the Standard Definition Terrestrial Digital Television Network Services agreement to pay service fee at the rate specified in the agreement with The Royal Thai Army, totalling amount Baht 816.56 million. The agreement has durations for 14 years and 5 months, commencing from 16 January 2014 to 31 May 2028.
- b) At the Board of Directors’ meeting held on 13 February 2014, the Board of Directors approved the appropriation dividend of Baht 0.14 per share, amounted to Baht 46.42 million for the 2013 operating result. The dividend of Baht 0.11 per share, amounted to Baht 30.39 million was paid to shareholders as the interim dividend during the year 2013, and the additional dividend of Baht 0.03 per share, amounted to Baht 16.03 million will be approved at the annual general meeting of shareholders.

36 Thai Financial Reporting Standards (TFRS) not yet adopted

The Group has not adopted the new and revised TFRS that have been issued but are not yet effective. Those new and revised TFRS that are applicable to the Group’s operations, which become effective for annual financial periods beginning on or after 1 January in the year indicated in the following table, are as follows:

TFRS	Topic	Year effective
TAS 1 (revised 2012)	Presentation of financial statements	2014
TAS 7 (revised 2012)	Statement of Cash Flows	2014
TAS 12 (revised 2012)	Income Taxes	2014
TAS 17 (revised 2012)	Leases	2014
TAS 18 (revised 2012)	Revenue Recognition	2014
TAS 19 (revised 2012)	Employee Benefits	2014
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates	2014
TAS 24 (revised 2012)	Related Party Disclosures	2014
TAS 34 (revised 2012)	Interim Financial Reports	2014
TAS 36 (revised 2012)	Impairment of Assets	2014
TAS 38 (revised 2012)	Intangible Assets	2014
TFRS 2 (revised 2012)	Share-based Payment	2014
TFRS 8 (revised 2012)	Operating Segments	2014
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	2014
TFRIC 4	Determining whether an Arrangement contains a Lease	2014

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the interim financial statements

Management expects to adopt and apply these new and revised TFRS in accordance with the FAP's announcement and has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

37 Reclassification of accounts

Certain accounts in the 2012 financial statements have been reclassified to conform to the presentation in the 2013 financial statements.

	2012					
	Consolidated financial statements			Separate financial statements		
	Before reclass.	Reclass.	After reclass.	Before reclass.	Reclass.	After reclass.
	<i>(in thousand Baht)</i>					
Statement of comprehensive income						
Interest income	-	1,877	1,877	-	1,692	1,692
Other income	3,337	(1,877)	1,460	3,152	(1,692)	1,460
Cost of sale of sale of goods and rendering of services	539,760	(328)	539,432	539,760	(328)	539,432
Administrative expenses	53,904	(364)	53,540	53,561	(364)	53,197
Finance costs	283	692	975	282	692	974
		<u>-</u>			<u>-</u>	

The reclassifications have also been made by reclassifying interest on obligation of the defined benefit obligations to finance costs instead of cost of sale of goods and rendering of services and administrative expenses and separated interest income from other income because, in the opinion of management, the new classification is more appropriate to the Group's business.

Other Reference Persons

Security Registrar (Common Share)

Thailand Securities Depository Company Limited

62 The Stock Exchange of Thailand Building, 4 Floor,

Rachadapisek Road, Klongtoey, Bangkok 10110

Tel : (02) 229-2800

Fax : (02) 359-1259

Certified Public Accountant

Mr. Winid Silamongkol

Registration No. 3378 and/or

Mr. Vichien Thamtrakul

Registration No. 3183 and/or

Mr. Veerachai Ratanajarakul

Registration No. 4323 and/or

Ms. Vannaporn Jongperadechanon

Registration No. 4098

KPMG Phoomchai Audit Company Limited

195 Empire Tower, 50-51 Floor, South Sathorn Road., Yannawa, Sathorn, Bangkok 10120

Tel : (66) 2677-2000

Fax : (66) 2677-2222

Audit Fee

1. The audit fee of the Company and subsidiaries for the year 2013 is Bt 905,000

2. Non-audit fee

-None-

Financial Advisor

JayDee Partners Limited

170/30 Ocean Tower 1, 11 Floor, Soi Sukhumvit 16 (Sammith)

Ratchadapisek Road, Klongtoey, Bangkok 10110,

Tel : (66) 2661-8803-5

Fax : (66) 26618813

Legal Consultants

Pow & Associates Law Office Limited

2 Silom Center Building, 20 Floor, Silom Road, Bangkok 10500

Tel : (66) 2632-6697

Fax : (66) 2238-2574

Thanathip & Partners Legal Counsellors Limited

900 Tonson Tower 17 Floor, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330

Tel : (66) 2689-4900

Fax : (66) 2689-4910

Dherakupt International Law Office Ltd.

900 Tonson Tower 12 Floor, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330

Tel : (66) 2252-1588

Fax : (66) 2257-0440

Investor Relations

Nation Broadcasting Corporation Public Company Limited

1858/51-62 , 12,13 Floor, Bangna-Trad Road, Bangna, Bangkok 10260

Tel : (66) 2338-3289

Fax : (66) 2338-3334 Ext. 3289

Email: investor@nbc.co.th

Website: <http://www.nbc.co.th>



บริษัท เนชั่น บรอดแคสติ้ง คอร์ปอเรชั่น จำกัด (มหาชน)
1858/51-62 ชั้น 12,13 ถนนบางนา-ตราด แขวงบางนา เขตบางนา กรุงเทพฯ 10260
โทร. 02-338-3645 www.nbc.co.th