



Notification of the Allocation and Subscription Documents for
New Ordinary shares and Warrants No.3
Issued and Offered to Existing Shareholders
of
Nation Multimedia Group Public Company Limited



Nation Multimedia Group Public Co., Ltd.

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May 20, 2013

Subject: Notification of the entitlement to subscribe to newly issued ordinary shares and warrants to purchase ordinary shares of Nation Multimedia Group Public Company Limited

To: Shareholders of Nation Multimedia Group Public Company Limited

Attachment:

1. Notification of the Allocation of Newly Issued Ordinary Shares and Warrant of Nation Multimedia Group Public Company Limited
2. Subscription Certification issued by Thailand Securities Depository Co.,Ltd.
3. Subscription Form for New Ordinary Shares
4. Terms on rights and duties of the Issuer and Holders of Warrants to purchase new ordinary shares issued and offered to the existing shareholders who have subscribed for and been allocated the new shares of Nation Multimedia Group Public Company Limited

In reference to the Annual General Shareholder's Meeting of Nation Multimedia Group Public Company Limited ("the Company") for the year 2013 held on April 25, 2013 has approved the issuance and offering of 1,647,740,300 ordinary shares at a par value of Baht 0.53 per share to the existing shareholders (whose names appeared in the share register book on March 14, 2013 providing the collection of the names under Section 225 of Securities and Stock Exchange of Thailand Act B.E. 2535 by closing the shareholders register book on March 15, 2013) at the ratio of 1 existing shares to 1 new share, at the offering price of Baht 1.00 each. And also approved the issuance of 1,647,740,300 units of warrant, to be allocated to the existing shareholders who subscribe to the new right offering shares at the ratio of 1 new share to 1 unit of warrant, at the offering price of Baht 0 per unit and exercise price of Baht 1.00 per share at a par value of Baht 0.53 per share.

The Company has approved term, conditions and detail of the allocation of newly issued ordinary shares and warrant to purchase ordinary shares of the Company. Details are described in Attachment 1 and Attachment 4.

The Company would like to notify you of your subscription entitlement to the Company's newly issued ordinary shares as per the number indicated in the Certification of Subscription Entitlement (Attachment 2). The procedures for share subscription and payment are as follows:

Subscription and Payment Period

1. Subscription Period and Payment Period

During June 10 – 14, 2013 from 9.00 – 16.00 hrs.

2. Contact Person and Subscription and Payment Venue

Corporate Secretary Department

Nation Multimedia Group Public Company Limited

TCIF Tower, 27 Floor, Meeting Room A

No. 1858/118-119, 121-122, 124-130,

Bangna-Trad Road, Kwang Bangna, Khet Bangna, Bangkok

Tel. 0-2338-3289-92 Fax. 0-2338-3904

3. Allocation of the New Ordinary Shares

3.1) In the case that a shareholder subscribes to the newly issued ordinary shares pursuant to his/her right or less than his/her right to receive the allocation thereof, such shareholder will receive the allocation of all newly issued ordinary shares that he/she has subscribed to.

3.2) In the case that the shareholder wishes to subscribe to the newly issued ordinary shares more than his/her right to receive the allocation thereof, such shareholder shall express an intention to subscribe to the newly issued ordinary shares in a number more than his/her right to receive the allocation thereof, as specified in the share subscription form, at the same time as the subscription to the newly issued ordinary shares pursuant to the right. In case that there are shares remaining from the allocation, the Board of the Directors is authorized to allot such shares to the existing shareholders who show their intention to subscribe the shares in excess of their entitlement at the same price as offered to other existing shareholders according to the Pro Rata Basis. Such allotment shall be as follow:

(1) If the number of shares remaining exceeds the number of shares which the shareholders wish to subscribe in excess of their entitlement, all shareholders who subscribe in excess of their entitlement and make a payment for such subscription according to the number of share subscribed in excess of the entitlement shall be allotted.

(2) If the number of shares remaining are less than the number of shares which the shareholders wish to subscribe in excess of their entitlement, the Company shall allot such shares as follows:

(a) Allocate the remaining shares proportionately to those shareholders by multiply shareholding ratio of each shareholder to total remaining shares, resulting in number of shares each shareholder who subscribe in excess of entitlement shall be allotted (fraction of shares shall be discarded). Number of shares allocated to each shareholder shall not be exceeded the numbers of share each shareholder subscribe and paid for.

(b) In case of remaining shares existing after allotment in (a), the Company shall allocate such remaining shares proportionately to shareholders who subscribe for shares in excess of their entitlement according to the shareholding ratio of each shareholder. The Company shall multiply

shareholding ratio of each shareholder to total remaining shares, resulting in number of shares each shareholder who subscribe in excess of entitlement shall be allotted (fraction of shares shall be discarded). Number of shares allocated to each shareholder shall not be exceeded the numbers of share each shareholder subscribe and paid for. This allocation method will be applied by method in (b) until there is no remaining share.

3.3) In case where new shares are not fully subscribed, the Company will propose the shareholders to approve the decrease of registered capital in the next shareholders' meeting.

4. Method of Subscription and Payment

4.1) The shareholders can subscribe the Company's newly issued ordinary shares at subscription period and subscription location as specified in clause 1 and clause 2.

4.2) Documents required for subscription are as follows:

- (1) Share Subscription Form : which is correctly and completely filled and signed. In case the subscriber is a juristic person, the Share Subscription Form must be signed by the authorized signatory (ies) and affixed with such juristic person's company seal (if any).
- (2) Payment Evidence : including the pay-in slip or personal cheque or cashier cheque or bank draft (to be cleared at a clearing house in Bangkok within 1 business day only), specifying the name and telephone number of the subscriber on the back of such payment evidence.
- (3) Subscription Certificate: issued by Thailand Securities Depository Co., Ltd. as the Company's registrar and is sent to the shareholders by registered mail together with this notification letter.
- (4) Identification Evidence :
 - a) Thai individual subscriber : A certified copy of Identification Card, if there is no copy of Identification Card, the certified copy of House Registration at the page shown the Identification Number or the certified copy of other government documents stated the Identification Number shall be used (In the event that the subscriber is a minor, the certified copy of Identification Card of his/her parent (father/mother) and the certified copy of House Registration presenting the name of the minor). In the case of change of first name/last name, which causes a non-similarity to the name of shareholders as displayed in the share register book as of March 15, 2013 or in the Certificate of Subscription Entitlement, a certified copy of other relevant official documents shall be submitted for authentication, such as marriage certificate, divorce certificate or certificate of change of first name/last name, together with a certified photocopy thereof.
 - b) Foreign individual subscriber : A certified copy of Alien Certification or Passport.
 - c) Thai juristic person subscriber : A copy of Affidavit issued by the Ministry of Commerce no longer than 6 months prior to the subscription date, certified by the authorized signatory(ies) of the juristic person affixed with such juristic person's company seal (if

any) together with a certified copy of the Identification Card, Alien Certification, or Passport (as the case may be) of the authorized signatory(ies).

- d) Foreign juristic person subscriber : A copy of Certificate of Incorporation, Memorandum of Association, Article of Association, Affidavit issued no longer than 12 months prior to the subscription date, certified by the authorized signatory(ies) of the juristic person affixed with such juristic person's company seal (if any) together with a certified copy of the Identification Card, Alien Certification, or Passport (as the case may be) of the authorized signatory(ies).

The signatures of the subscriber in all subscription documents have to be the same.

- (5) A power of Attorney affixed with Baht 30 stamp duty (in case of appointment of proxy) together with a certified copy of Identification Card of the proxy.
- (6) For the subscribers who subscribed shares in excess of their right and wish to receive refund payment if they are not allotted or partial allotted by Automatic Transfer System method (ATS) have to attach the certified copy of the first page of saving account book or copy of statement of current account (as the case may be).

4.3 Shareholders who intend to subscribe the newly issued ordinary shares shall make full payment of their subscription according to the number of shares to be subscribed at the subscription date. The subscription payment shall be made with the following methods:

- (1) Payment made by money transfer
- a) To transfer money to the share subscription account at "Nation Multimedia Group Plc. for Share Subscription", Saving Account No.333-1-73586-2, Bank of Ayudhya Public Company Limited, Bangna-Trad Road Branch.
 - b) Full payment with only one time money transfer for each Share Subscription Form whether subscription for the shares in full, less than, or in excess of the rights offered.
 - c) Please specify shareholder's registration number (see in Subscription Certificate), first and last name, and telephone number on the back of the pay-in slip.
 - d) Subscription period for the payment made by money transfer is as following details :
 - Transfer by cash: Subscription is available between June 10 – 14, 2013 from 9.00 – 16.00 hrs.
 - Transfer by cheque: Subscription is available between June 10 – 12, 2013 from 9.00 – 16.00 hrs. The cheque must be dated not later than June 12, 2013 and must be cleared at a clearing house in Bangkok within 1 business day only.
- (2) Payment made by personal cheque, cashier cheque, or bank draft
- (a) Payable to the share subscription account at "Nation Multimedia Group Plc. for Share Subscription" (must be dated not later than June 12, 2013 and must be cleared at a clearing house in Bangkok within 1 business day only)

- (b) Full payment with only one personal cheque, cashier cheque, or bank draft for each Share Subscription Form whether subscription for the shares in full, less than, or in excess of the rights offered.
- (c) Please specify shareholder's registration number (see in Subscription Certificate), name, and telephone number on the back of the cheque, cashier cheque, or bank draft.
- (d) Subscription period for the payment made by personal cheque, cashier cheque, or bank draft is between June 10 – 12, 2013 from 9.00 – 16.00 hrs.

Shareholders shall be responsible for any related expenses and bank's fees (if any) apart from the subscription amount.

- 4.4 The subscribers must bring Share Subscription Form, documents required for subscription in Clause 4.2 together with the payment in Clause 4.3 to show intention to subscribe shares and make payment at the Company's office stated in Clause 2 within the specified period. However, if the shareholder wishes to send the subscription documents by post, please arrange for the documents according to Clause 4.2 be posted through EMS only to the Company's headquarter. The documents must be at the Company by June 12, 2013 at 16.00 hrs. and please quote "Subscription for newly issued shares" in parenthesis on the corner of the envelope for the convenience of subscription.

If the Company will not receive the subscription documents and/or subscription payment within the specified period. In such case, the Company will allocate such new shares to other shareholder who subscribes shares in excess of their right.

- 4.5 The Company will deposit personal cheque, cashier cheque, or bank draft of all subscribers to the Company's bank account for clearing and will deprive the shareholder's right in case his/her personal cheque, cashier cheque, or bank draft fails to clear for payment in the first time.
- 4.6 The subscribers who show intention to subscribe shares and already made payment cannot cancel the subscription and refund his/her payment. The Company reserves the right to deprive the subscription right if the Company will not receive the subscription documents and/or subscription payment in Clause 4.2 and 4.3 within the specified period. In such case, the Company will allocate such new shares to other shareholder who subscribes shares in excess of their right.

5. Refund of subscription payment and return of subscription cheque

In case that there is return of subscription payment or subscription cheque, the Company will undertake as follows :

- 5.1 In case that there are shareholders subscribed shares in excess of their right and not allotted or partial allotted because of insufficient shares.

The Company will return the payment for the part of share that have not been allotted, without any interest or compensation within 14 days from the closing date of subscription period. However, in the

event that the Company cannot make such refund payment within such period of time, the Company shall have the duty to return the said payment to the subscribers with interest at the rate of 7.5% per annum, calculated on the amount of such payment starting from the date after the said 14 days period ended until the date on which the payment is refunded under the specified method. The subscribers can choose one of the subscription refund method as follows :

- (1) Refund by Automatic Transfer System ("ATS"): In case the subscribers choose this method, the subscribers must have either saving account or current account opened at any banks with branches in Thailand. The account name must be the same as the subscriber name specified in the Share Subscription Form by attachment of the certified copy of the first page of saving account book or copy of statement of current account (as the case may be).
- (2) Return by cheque via mail: The Company will issue a crossed cheque payable to the subscriber under the name as shown in the Share Subscription Form and will be sent by registered mail to the address shown in the share register book. However, if in any case the refund cheque is sent by registered mail to the address indicated in the share register book, it shall be deemed that the subscribers have duly received such payment refund and shall not be entitled to claim any interest of fees.

If the subscribers do not specify the refund method, the Company reserves the right to refund the subscription amount to the subscriber by registered mail at the address shown in the share register book.

5.2 In case that the shareholders are not allotted the new shares because of misconduct the subscription condition and/or subscription cheque cannot be cleared

The Company will return the subscription cheque to the unallotted subscribers who misconduct the subscription condition and/or cannot clear the subscription amount of the subscription cheque. Such subscriber has to contact the Company to take return of subscription cheque at the address specified in Clause 2 within 30 days from the closing date of the subscription period.

6. Share delivery method

The subscriber can instruct the Company to undertake one of the following methods :

- 6.1 In case the subscriber wish to receive the share certificate in the name of subscriber, the Company's registrar which is Thailand Securities Depository Co., Ltd. ("TSD") shall deliver the share certificate in accordance with the number of allotted shares to the allotted via registered mail under the name and address shown in the share register book within 15 days from the closing date of the subscription period. In this case the subscriber cannot sell the allotted shares on the Stock Exchange of Thailand ("SET") until receipt of the share certificate, which may be later than the shares are granted to be traded on SET.

- 6.2 In case that the subscriber does not wish to receive the share certificate, but wish to render services of TSD, that is the subscriber wishes to deposit shares in the securities company account with which subscriber has securities trading account. The Company will deposit the allotted shares to the account “Thailand Securities Depository Company Limited for subscriber” and TSD will credit number of deposited share, in parallel, the securities company will record the allotted shares under the subscriber’s account and issue deposit evidence to the subscriber within 7 business days from the closing date of the subscription period. In this case the subscriber can sell the allotted shares on SET at the time of the shares are granted to be traded on SET.

If the subscriber instructs the Company to undertake the method in Clause 6.2, the name of subscriber must be the same as the trading account name, unless the Company reserves the right to issue share certificate by undertaking method in Clause 6.1.

- 6.3 In case that the subscriber does not wish to receive the share certificate, but wish to deposit share in the issuer account at TSD, that is the subscriber wishes to deposit shares in the issuer account No. 600. The Company will deposit the allotted share to “Thailand Securities Depository Company Limited” and TSD will record number of deposited shares and issue deposit evidence to the subscriber within 7 business days from the closing date of the subscription period. In this case the subscriber can sell the allotted shares on SET at the time of the shares are granted to be traded on SET. In case the subscriber would like to withdraw the shares, the subscriber has to contact TSD in which the withdrawal fee will be charged in accordance with the service rate of TSD.

7. Other significant information

- 7.1 In case the number of shares specified in the Share Subscription Form is inconsistent with the amount of payment received by the Company, the Company reserves the right to allocate the shares according to the subscription payment provided that such subscription payment must not exceed the value of the allocated shares.
- 7.2 In case the allocation of shares to the shareholders subscribing in excess of their right and/or the Thai shareholders waiving or not fully exercising their right have led the foreign shareholding to exceed 30% of the total number of paid-up shares, the Company reserves the right not to allocate the shares to foreign shareholders, whereby the said foreign shareholders may not be allocated or may be partially allocated the said shares in proportion to the remaining foreign shareholding percentage. And the Company reserves the right to further allot the shares remaining from such allocation.
- 7.3 Shareholders subscribing for newly issued ordinary shares must correctly specify the participant number (the code of the broker as listed on the back of the Share Subscription Form) with which the shareholders have the securities trading account and the securities trading account number, to which the shareholders would like the allotted shares to be transferred. In the case of filling incorrect

participant number or securities trading account number, which may cause an inability to transfer the subscribed shares to the securities trading account, the Company will not be responsible for any loss or delay in receiving the shares. If the subscriber does not completely fill in such detail, the Company reserves the right to issue the share certificate to the subscriber instead, which may cause the shareholder cannot sell the allotted shares at the first trading day of newly issued shares on SET.

- 7.4 In the event that there is any problem, disruption or constraint taking place, the Company reserves the right to amend the details of payment methods, subscription terms and conditions or any information related to the subscription method as deemed fit in order to benefit the share subscription.
- 7.5 The existing shareholders who have subscribed for and been allocated the new shares of the Company, will be receive Warrant No.3 at the ratio of 1 existing shares to 1 new share, at the offering price of Baht 0 each.

If you have any question regarding the allotment, process and subscription method of newly issued ordinary shares or the detail of the allocation of warrant to purchase ordinary shares, please contact Corporate Secretary Department of the Company, telephone number 0-2338 -3289 - 92

Please be informed accordingly.

Yours Sincerely,



Ms. Duangkamol Chotana

President

Notification of the Allocation of Newly Issued Ordinary Shares
and Warrant to Purchase New Ordinary Shares No.3
issued and offered to the existing shareholders
of Nation Multimedia Group Public Company Limited



Offering of 1,647,740,300 newly issued ordinary shares to existing shareholders in proportion of
shareholding whose names appeared in the share register book on March 14, 2013
Providing the collection of the names under Section 225 of Securities and Stock Exchange of Thailand
Act B.E. 2535 by closing the shareholders register book on March 15, 2013
at the offering price of Baht 1.00 per share,
at the ratio of 1 existing shares to 1 newly issued ordinary shares
The existing shareholders who have subscribed for and been allocated the new shares of the Company,
will be receive Warrant No.3 at the ratio of 1 existing shares to 1 new share

Part 1

Information of the Allocation of New Ordinary Shares

1. Name and Location of the Company

Nation Multimedia Group Public Company Limited (“the Company”) having its head office located at TCIF Tower, 27 – 32 Floor, No. 1858/118-119,121-122,124-130, Bangna-Trad Road, Kwang Bangna, Khet Bangna, Bangkok, Tel No. (02) 338 – 3333 Fax. (02) 338 – 3938

2. Date and No. of the Board of Directors’ meeting and the shareholders’ meeting at which a resolution is passed for the allocation of newly issued ordinary shares

The Meeting of the Board of Directors No. 1/2013 held on February 15, 2013 and the Annual General Meeting of Shareholders for the year 2013 held on April 25, 2013.

3. Details of the new ordinary shares allocation

Type of the new shares	:	Newly issued ordinary shares
Paid-up capital before the capital increase	:	Baht 873,302,359 divided into 1,647,740,300 shares with a par value of Baht 0.53 each
Paid-up capital after the capital increase (In case total new shares are fully subscribed)	:	Baht 1,746,604,718 divided into 3,295,480,600 shares with a par value of Baht 0.53 each
Allocation method	:	Allocate to the existing shareholders, whose names appeared in the shareholder’s register book on March 14, 2013 providing the collection of the names under Section 225 of Securities and Stock Exchange of Thailand Act B.E. 2535 by closing the shareholders’ register book on March 15, 2013 in proportion of shareholding. In case that there are shares remaining from the allocation, the Board of Directors is authorized to allot the remaining shares to the existing shareholders who show their intention to subscribe the shares in excess of their entitlement at the same price offered to other existing shareholders according to a pro rata basis. If the number of shares remaining are less than the number of shares in which the shareholders wish to subscribe in excess of their entitlement, the Company will allocate such remaining shares to the shareholders who express their intention to subscribe to shares in

		excess of their shareholding proportion, on a pro rata basis until there are no shares to be sold or there are no shareholders wishing to further subscribe to those shares. In case where new shares are not fully subscribed, the Company will propose to the shareholders to approve for the decrease of registered capital in the next shareholders' meeting.
Number of allocated shares	:	1,647,740,300 shares
Subscription ratio	:	1 existing shares to 1 newly issued ordinary share
Offering price per share	:	Baht 1.00

4. Record Date for the names of shareholders entitled to subscribe for the new ordinary shares

The Meeting of the Board of Directors No.3/2013 held on February 15, 2013 determined the date for the specification of the names of the existing shareholders who will be entitled to subscribe for and be allotted the newly issued ordinary shares in proportion with their shareholdings (Right Offering) on March 14, 2013, providing the collection of the names under Section 225 of Securities and Stock Exchange of Thailand Act B.E. 2535 by closing the shareholders' register book on March 15, 2013,

5. Subscription and payment period

During June 10 – 14, 2013 from 9.00 – 16.00 hrs.

6. Objective of the capital increase and plans to utilize the proceeds received from the capital increase

- To reserve for the allotment of newly issued ordinary shares to the existing shareholders, the exercise of warrant offering to the existing shareholders and the exercise of ESOP-Warrant offering to the Company's directors, management and/or employees.
- To utilize the proceeds for the subscription of newly issued shares of subsidiary companies which are Nation Broadcasting Corporation Public Company Limited ("NBC") at approximately Baht 1,061.22 million and Nation International Edutainment Public Company Limited ("NINE") at approximately Baht 340.00 million.
- To utilize the proceeds for the investment in Digital Television Business, Education Business and other related businesses of the Company's existing business at approximately 50% of the total proceeds obtained from this capital increase after payment for the subscription of new shares in subsidiary companies.
- To reserve as the Company's working capital and for debt repayment at approximately 50% of the total proceeds obtained from this capital increase after payment for the subscription of new shares in subsidiary companies.

7. Benefits obtained by the Company from the capital increase and/or the shares allocation

- The Company will have an adequate amount of capital for the subscription of newly issued shares of NBC and NINE to maintain their status as the Company's subsidiaries.
- The Company will have an adequate amount of capital for its current operation and future expansion.
- The expansion of the Company's capital base will strengthen its financial status as well as help lowering the borrowing cost in the future.
- To reward the directors, management and/or employees of the Company and/or its subsidiaries for their dedication and contribution to the Company's success as well as to retain highly experience management and employees in order to sustain competitive advantage of the Company.

8. Dividend policy and the right to receive dividend of the newly issued shares

Dividend payout policy of the Company is not more than 65% of net profit (the Company's only financial statement) after corporate income tax, legal reserve and other reserves, however, depending on the Company's investment policy as well as other factors at the time. In this regards, the resolution of the Board of Directors to approve the dividend payment must be proposed to the shareholders' meeting for further approval.

The subscribers of the newly issued ordinary shares shall be entitled to receive dividend when such subscribers are registered as the shareholders of the Company.

The subscribers of the warrants shall be the shareholders of the Company when the Company has registered its paid-up capital with the Department of Business Development and shall be entitled to receive dividend when the Company considers paying dividend to the shareholders.

9. Other reasons that may be necessary for shareholders in investing in the shares of the Company

The existing shareholders who have subscribed for and been allocated the new shares of the Company, will be receive Warrant No.3 at the ratio of 1 new share to 1 unit of warrant, at the offering price of Baht 0 each.

Detail of Warrant as follow:

Securities	:	Warrants to purchase the ordinary shares of Nation Multimedia Group Public Company Limited No.3 ("Warrants No.3")
Type	:	Specified warrant holders and transferable
Term of Warrant	:	5 years from the issuing date of the warrants
Amount of Warrants	:	1,647,740,300 units
Price Per Unit	:	Baht 0 per unit
Method of Allotment	:	The warrants shall be allocated to the existing shareholders who subscribe to the right offering at the ratio of 1 new share to 1 unit of warrant. In this regards,

		the record date to determine the list of shareholders who entitle to subscribe the right offering and the warrants is on March 14, 2013 and the closing date of share register book to collect the list of shareholders under Section 225 of the Securities and Exchange Act B.E. 2535 (amended in B.E. 2551) is on March 15, 2013.
No. of shares reserved for exercise of warrants	:	1,647,740,300 ordinary shares (at a par value of Baht 0.53 per share), representing 50.00% of total paid-up capital after the capital increase and that there are no remaining shares from the right offering at 3,295,480,600 shares.
Exercise Ratio	:	One unit of warrant to one new ordinary share (The exercise ratio may be altered according to the right adjustment)
Exercise Price	:	Baht 1.00 per share, which is 62.38% discounted from the weighted average closing price of the Company's shares during 7 consecutive business days prior to the date of the Board of Directors' Meeting No.3/2013 on February 15, 2013, which was Baht 2.66 per share (The exercise price may be altered according to the right adjustment).
Issue date of warrant	:	June 20, 2013
Exercise Date	:	The warrant holders can exercise their rights on 15th of December and June (the Exercise Date) each year. In this regards, the First Exercise Date shall be on December 15, 2013 (the First Exercise Date) and The Last Exercise Date shall be on the 5-year maturity date of the warrants which is on June 19, 2018. In case that the Exercise Date falls on the Company's holiday, the Exercise Date shall be moved forward to prior business day. To exercise their rights of the Last Exercise Date, the warrant holders must declare their intention at least 15 business days prior to the Last Exercise Date.
Secondary Market for the Warrants	:	The warrants will be listed on the SET
Secondary Market of the Exercised Shares	:	The Common shares issued from the exercise of warrants will be listed on the SET.
Share Registrar	:	Thailand Securities Depository Company Limited

Terms on rights and duties of the Issuer and Holders of Warrants to purchase new ordinary shares No.3 (NMG-W3) is described in Attachment 4.

Part 2

Preliminary Information of Nation Multimedia Group Public Company Limited

1. Business and Nature of Current Core Business

1.1 Type of Business

Nation Multimedia Group Public Company Limited (“NMG”) and its subsidiaries (“The Nation Group”) run the business as an information and news broadcaster. As of today, The Nation Group is divided into 8 business lines which are:

Business Unit	Operated by	Type of Business
(1) Business News Business Unit	■ Krungthep Turakij Media Co., Ltd. ■ Bangkok Business Broadcasting Co., Ltd.	■ Producer and distributor of “Krungthep Turakij Newspaper”, a daily Thai newspaper, as well as administrating Krungthep Turakij’s News Website, Workshops, Seminars, Extra Activities and Mobile News Service ■ Produce of the business news TV channel “Krungthep Turakij ” broadcasted through satellites and cable TV
(2) General News Business Unit	■ Kom Chad Luek Media Co., Ltd.	Producer and distributor of “Kom Chud Luek”, a daily Thai newspaper that covers general topics, as well as “Nation Weekly”, a magazine that analyzes general news every week, as well as administrating News Website, Workshops, Seminars, Extra Activities and Mobile News Service
(3) English News Business Unit	■ Nation News Network Co., Ltd. ■ NNN Next Frontier Co., Ltd.	■ Producer and distributor of “The Nation” newspaper, a daily newspaper published in English, and “NJ Magazine”, a periodically-released English teaching magazine for children, as well as administrating “The Nation” newspaper’s news website, and Mobile News Service ■ Workshop/seminar and communication skill ■ Producer of news and ASEAN regional knowledge channel by presenting the content in English through satellites and cable TV

Business Unit	Operated by	Type of Business
(4) Edutainment & International Business Unit	■ Nation International Edutainment Public Company Limited (“NINE”) ■ Nation Edutainment Co., Ltd. ■ Nation Egmont Edutainment Co., Ltd. ■ Nation Kids Co., Ltd.	■ Publisher, importer and distributor of pocketbooks, publications, foreign newspapers, foreign magazines, including administrating the copyrights of the stated publications through special activities ■ Produce cartoons and documentaries for kids via “Kid Zone” which is broadcasted through satellites and cable TV ■ Provide service of news and information through new media such as mobile phones, and portable devices such as Smart Phone Tablet.
(5) Broadcasting Business Unit	■ Nation Broadcasting Corporation Public Company Limited ■ NBC Nextmedia Co., Ltd. ■ NBC Next Vision Co., Ltd. ■ NBC Next Screen Co., Ltd.	■ Produce satellite TV programs that relate to news and entertainment such as Nation Channel, Kom Chud Luek Channel, Rama Channel, as well as in related businesses, for example, stageplay, VCD and DVD production, workshop/seminar and other special activities. ■ Collaborate with FM 90.5 MHz and FM 102 MHz to produce on-the-hour radio news and other radio programs ■ Provide service of news and information through new media such as website mobile phones, and portable devices such as Smart Phone Tablet.
(6) Printing Business Unit	WPS (Thailand) Co., Ltd. (“WPS”)	Provide complete service for the publication of the Nation Group as well as external customers
(7) Logistics Business Unit	NML Co., Ltd. (“NML”)	Provide service for nationwide delivery and shipping of publications and products of the Nation Group and external customer
(8) Education Business Unit	Nation U Co., Ltd.	Administrate and operate Nation University, which offers curriculum for Bachelor’s and Master’s Degree under two campus: Lampang and Bangkok

NMG is the major shareholder of all the companies stated in the table above. In addition, the Company is responsible for administrating sales, marketing, news editing, photography and sponsors to help support the companies in the Nation Group to be able to efficiently provide news and updates for the customers through various information channels

Structure of Sales and Service Income of the Company and its subsidiaries for the year 2010 – 2012 as follow:

Sales and Service Income	% of shareholding	2010 (MB)	%	2011 (MB)	%	2010 (MB)	%
Publishing and distribution newspapers and advertising media							
Nation Multimedia Group PCL.	100.00	1,214.71	41.39	127.94	4.57	208.58	6.73
Nation News Network Co.,Ltd.	99.99	243.12	8.28	213.28	7.62	269.86	8.70
Kom Chad Luek Media Co.,Ltd.	99.99	159.02	5.42	541.66	19.36	529.11	17.06
Krungthep Turakij Media Co.,Ltd.	99.97	165.45	5.64	658.71	25.55	691.48	22.29
Total		1,782.30	60.73	1,541.59	55.10	1,699.03	54.78
Publishing and distribution educational books and comics							
Nation International Edutainment PCL.	78.46	53.92	1.84	61.52	2.20	71.51	2.31
Nation Edutainment Co., Ltd.	-	0.19	0.01	1.39	0.05	2.91	0.09
Nation Egmont Edutainment Co., Ltd.	-	68.57	2.34	67.63	2.42	102.32	3.30
Total		122.68	4.19	130.54	4.67	176.74	5.70
Production of TV Programs and radio programs and providing advertisements through TV media, radio media and new media forms							
Nation Broadcasting Corporation PCL.	61.10	611.68	20.84	803.25	28.71	896.52	28.90
Printing services							
WPS (Thailand) Co., Ltd.	84.50	29.83	1.02	62.77	2.24	106.79	3.44
Nation Printing Service Co., Ltd.*	-	73.55	2.50	-	-	-	-
Total		103.38	3.52	62.77	2.24	106.79	3.44
Logistic Services							
NML Co., Ltd	99.99	76.67	2.61	105.04	3.76	57.79	1.86
Net Income from Sales and Service		2,696.71	91.89	2,643.19	94.48	2,936.87	94.68
Net Income from Sales and Service		92.92	3.17	97.73	3.49	91.34	2.95
Interest Received		3.08	0.10	2.54	0.09	2.80	0.09
Gain from a bargain purchase		90.83	3.09	-	-	1.98	0.06
Dividend Received		0.31	0.01	0.77	0.03	0.31	0.01
Other		51.12	1.74	53.34	1.91	68.57	2.21
Total		2,934.97	100.00	2,797.57	100.00	3,101.87	100.00

Remark *On July 1, 2011, WPS (Thailand) Co., Ltd. receive transfer of ownership of Nation Printing Service Co., Ltd., a subsidiary of the Company, for the purpose of the Nation Group's restructuring.

1.2 Industry Overview

The Nation Group's revenue comes from providing information through various media, including production, distribution and printing services. Industry conditions and competition associated with the business of the Group are as follows:

Overall economy

Economic studies on Thailand's overall economy from the Bank of Thailand forecasted that in 2012, Thailand's economy would expand as much as 6.4% due to the satisfying increase in demand from the country's private sector, since the consumption rate was increased due to favorable condition of employment, income and customer's confidence, in addition to government's incentives such as the rice price guarantee, first-vehicle tax refund, minimum wage increased to Baht 300 per day in seven pioneering provinces, as well as raising the minimum wage in 40 out of 70 remaining provinces. Meanwhile, investment from the private sector continued with hopes to recover from damages suffered from the great flood in 2011 and to increase manufacturing capacity to satisfy the domestic demand, as well as to adjust the manufacturing process in order to reduce the need for manpower under a circumstance when domestic spending is favorable. Industrial manufacturing for domestic distribution growth could also be promising. However, production for exporting has been affected both domestically and internationally due to obstacles caused by damages from the flood during the first half of the year. Although there have been repairs and the capacity of the industry was back to normal, the weakening global economy resulted in lower demand from foreign countries, which resulted in unflattering growth in annual exporting value.

In 2013, Bank of Thailand anticipated that the economy would continue to expand from 2012 at 4.9%. In the first half of the year, domestic demand remained a driving force, especially investment in the private sector to support the need for domestic spending, expand the market into neighboring countries and adjust the manufacturing process to reduce the need for manpower. The consumption of the private sector will continue to grow for a period of time thanks to the measure of first-vehicle tax refund and the decrease on income tax and government's spending which was aimed to stimulate the economy. It has been anticipated that exporting will gradually be back on its track according to the global economy, which has been slowly improving. This has become an influence that will stimulate Thailand's economy throughout the second half of 2013, which will help to push Thailand's economy even after some of the government's incentives have ended. However, there are many risky aspects that deal with financial economy that must be closely looked after such as the fluctuation of the capital flows from the monetary policy of industrial countries, the unstable global economy, the expansion of household loans that continues to increase at a high level and the impact from the nationwide minimum wage increase to Baht 300.

Advertising industry

Research by The Nielsen (Thailand) Co., Ltd. that was published by the Advertising Association of Thailand has shown that the advertising industry in 2012 had a value of Baht 117,760 million, which has risen by 12.42% compared with the same period of last year's due to the improvement of the country's

economy which resulted from the growing rate of every media (except magazine). Nonetheless, it has been shown that the value of advertisement through newspaper, television, radio and the internet associated with the Nation Group has increased up, the value of newspaper media in 2012 has increased up to 4.42% or equal to Baht 15,182 million, which is 12.89% of the entire advertisement value in 2012 and the television media as the leader in value with a 9.43% increase or equal to Baht 68,105 million, which is 57.83% of the entire advertisement value with Baht 9,600 million classified into the value made from satellite and cable TV. The value of advertisement via satellite and cable TV is expected to increase continually due to the higher rate of accessibility for households which rose from 11 million households in 2011 to 14.5 million households in 2013 or equal to 64% from a nationwide total of 22.6 million households. Moreover, satellite and cable TV is still considered as a media that has a clearly classified audience with lower advertising rates than Free TV.

Meanwhile, the value of radio media in 2012 had a 5.39% increase, which raised it up to Baht 6,349 million, whereas the internet has a growing rate of 21.91% raising it up to Baht 573 million. This accelerated escalation is the result from the shift in people's behavior, which is becoming increasingly more independent on online media and social networks. The Digital Advertising Association (Thailand) anticipated that, in 2011, the value of digital advertisement would be worth as much as Baht 2,968 million, which was 2.47% of the entire market value, or equal to 48% compared to the previous year, which was worth Baht 2,005 million.

For 2013, Kasikorn Research Center Co., Ltd. forecasted that the value of the advertising market will ascend by approximately 10%, which will be worth Baht 129,880 million according to the country's growing economy and competition among entrepreneurs of each business with television media still remaining as the most valuable advertising media with a value of 57% of the market. The Advertising Association of Thailand believed that the value of advertising via satellite and cable TV will increase the ratio by up to 10% of the entire advertising market, while advertising in cinemas, in stores, transit advertising and the internet will also be rising according to the developing information technology and the ever changing behavior of consumers. Kasikorn Research Center Co., Ltd. also expected that the media in cinemas and in stores will increase by 30% while transit and internet advertising will go up by 15% and 50% respectively. Meanwhile, Digital Advertising Association anticipates a 4% growth from digital media in the advertisement market, which could be worth up to Baht 4,500 million thanks to supporting factors such as the ability to access in rural areas and the opening bid for 3G auctions on a new 2.1 GHz frequency, which will improve the capability to send and receive data faster and more diverse resulting in more users. Such factors will contribute to an increasing number of mobile device users while network and content providers will continue to develop the service to make it more practical and compatible with other devices.

Publishing Industry

The Publishers and Booksellers Association of Thailand: "PBAT" stated that the bookselling market has approximately Baht 22,600 million in value, expanding itself by 5% - 6% compared with 2011 thanks to the recovery of the publishing industry after having suffered from the effects of the flood in 2011. The beginning of 2012 had a high rate of book sales, which could be seen from the number of attendees at the 40th National Book Fair, which was held during 29 March – 8 April attracting as much as 1.7 million people and gathered up to Baht 400 million in revenue from book sales.

From 2012 – 2013, PBAT stated that the competition of the publishing industry is likely to be higher due to the many newly established small publishing firms (although there are also many firms that are going out of business) since there is an increasing tendency for writers to start their own firm and use online media as a channel to advertise and distribute books with direct shipping to readers. Meanwhile, readers have a tendency to follow their favorite writers, which decreases the writer dependence on publishing houses or distributing company. Nonetheless, the bookselling market still remains under large publishing houses since each publishing house set their strategy to boost book sales by making interesting designs and creating flashy book covers to differentiate themselves from other books on the shelf and by attracting customers with more giveaway items, or by selecting popular writers, advertising and creating promotions for bookstores and readers, as well as increasing distributing network into new areas and choosing the right distributor are all the key factors which give larger publishing houses an upper hand and therefore allowing them to have more negotiating power.

Nowadays, publishing houses, bookstores and technological service providers such as mobile service companies, are in the process of developing E-Book technology and products to test the market. About 0.01% of those products will be published and distributed in the form of e-books. Thus, PBAT predicted that in the beginning, E-Books will be a new alternative for reading but will not be able to act as a replacement for books within these 5 years. Nevertheless, the future of electronic publishing business has a tendency to continue to grow. With supporting factors from the changing behavior of consumer, the development of tools and technology of the service providing company, as well as the increasing distribution channel of bookstores and publishing houses which will help consumers to be able to reach E-Books more conveniently and diversely.

In 2013, the ordering of handbooks, manuals and textbooks still remains although at a constant rate and without the ability to increase sale price due to obstacles from low expenditure. Meanwhile, entrepreneurs are being affected from rising manufacturing cost such as paper, wages and fares which led them to increase their sale prices on some books and bear some costs on their own expenses to prevent unwanted consequences such as decreased in sales. However, due to the continually growing

economy of Thailand in 2013, the Bank of Thailand anticipated a growth of 4.9% along with government's incentives to promote reading such as:

- Arranging activities and campaigns to help promote reading in an attempt to label Bangkok as a City of Books of year 2013 to correspond to the qualifications arranged by UNESCO such as practical training, development of children's reading, promoting children's development through reading, and upholding the activity of reading through unique libraries such as a library of literature and tourism and comic library.
- Arranging of The International Publishers Association Congress of 2014 in Thailand
- Carryout tax measures to decrease spending by encouraging book donation in order to support reading, which was put into use in 2012
- Arranging activities to motivate reading and to increase the number of the publication's branches.

PBAT forecasted that the factors above will help to increase the growing rate of publication business by 7%, which will equal to a value of Baht 24,200 million.

Competitive Situation

The competitive situation in the industry is arranged according to the type of business of each industry.

Business Unit	Core Product or Service of The Nation Group	Competitors
(1) Business News Business Unit	- "Krungthep Turakij" Newspaper - "Krungthep Turakij" Business News Channel	- Daily business newspaper such as "Post Today" and "Manager Daily Newspaper" - Business news channel such as "Money Channel"
(2) General News Business Unit	- "Kom Chud Leuk" Newspaper	- Daily general newspaper such as "Thairath", "Daily News" and "Khaosod"
(3) English News Business Unit	- The Nation Newspaper - "SEA Channel" an ASEAN news and information channel	- English-published newspaper such as Bangkok Post - English – speaking news channel such as "TAN Network" and "Asian TV"
(4) Edutainment & International Business Unit	- Pocketbooks and youth publications under Nation Book Publishing House - Comics, tales and educational media under Nation Edutainment and Nation	- General publishing houses such as SE-EDUCATION Public Company Limited., Amarin Printing & Publishing Company Limited and the subsidiaries, Nanmeebooks Publications, Postbooks Publications, Expernetbooks Publications and Sukkhapabjai Publications. - Comic publishing house such as Vibulkij Publications, Siam Intercomics Publications,

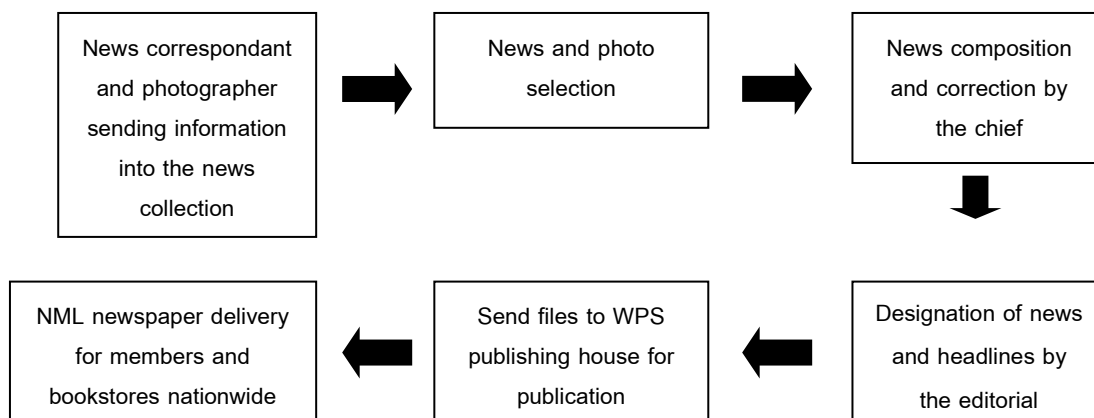
Business Unit	Core Product or Service of The Nation Group	Competitors
	Egmont Publishing Houses - International book distributing agency - “Kid Zone” a cartoon and knowledge channel for youngsters	Burapat Comics Publications, Bongkoch Publishing - General bookstores and membership distributors such as Magazine International Public Co., (Thailand) Ltd., Post Publishing Public Company Limited, Newspaper Direct Group Co., Ltd., Asiabooks Co., Ltd. - Satellite cartoon channel such as Cartoon Club channel, Gang Cartoon channel
(5) Broadcasting Business Unit	- Satellite news, information, and entertainment such as “Nation Channel” a news channel, Kom Chud Leuk TV and Rama Channel - Radio news program through FM 90.5 MHz and FM 102 MHz - Provide news and information through new media such as website, mobile devices	- News and information channel such as TNN News, Spring News and Voice TV - Entertainment channel such as YAAK TV and BANG Channel - Health channel such as Health Plus Channel and Dr.TV - News and information radio program such as FM 100.5 and FM 106.0 MHz - Provider of news and information through new media such as news website or through mobile that belongs to Free TV station and other newspaper agency
(6) Printing Business Unit	Provide publication service of WPS	Provider of full printing service such as Eastern Printing Public Company Limited, Comform Co., Ltd., Sirivatana Interprint Public Company Limited, Cyberprint Co., Ltd.
(7) Logistics Business Unit	Provide delivery service for publication and other products of NML	Provider of delivery service for publication and other products such as DHL (Thailand) Co., Ltd., TNT Express Co., Ltd., Nimseeseng Transportation Service 1988 Co., Ltd.
(8) Education Business Unit	Nation University	Private university that offers undergraduate and graduate courses such as Bangkok University, University of the Thai Chamber of Commerce and Rungsit University

1.3 Manufacturing, Marketing and Distribution

(1) Business News Business Unit, General News Business Unit and English News Business Unit

Supplying and servicing

The following is the detail on newspaper publisher



In 2012 the publishing capacity of newspaper of each brand was according to the following:

Newspaper Brand	Publishing capacity per day in 2011	Publishing capacity per day in 2012
Krungthep Turakij	95,000 – 100,000 copies	95,000 – 100,000 copies
Kom Chud Leuk	300,000 – 400,000 copies	300,000 – 400,000 copies
The Nation	59,000 – 61,000 copies	59,000 – 61,000 copies

Marketing Strategy

Marketing Strategy for the Nation Group's publishing business is as follow:

- Product strategy: Focus on reporting news with accuracy, quickness and neutrality in addition to a thoroughly analysis, while emphasizing the publishing quality, as well as the appearance and quality of the layout since each newspaper will have different contents to suit the different types of customers, which resulted into the variety of products to suit the assorted needs.
- Distribution Channel Strategy: The Company has a distributing system for publication to customers nationwide within a specific time, as well as maintaining good relations with distributing agencies throughout the nation.
- Pricing and Promotional Activities Strategy: For advertising agency, the company has formed a sales pitch range to accommodate the activity or budget of every advertising client such as a sale combination of newspapers, a Total Media Solution sale of newspapers and other media and offer discounts to make it competitive against other competitors in the market. For reader, the company offer discounts to customers' annual subscription of the newspaper.

Distribution

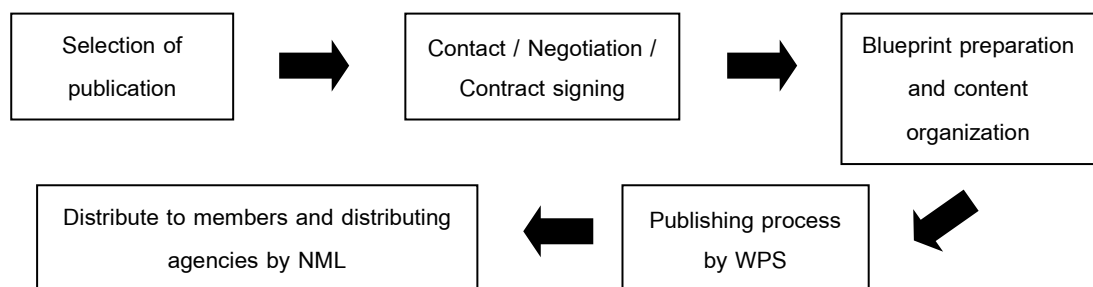
There are two groups of newspaper customers which are 1) advertising agencies and 2) readers. The Nation Group sells advertising space as well as the channels for product distribution according to the type of customer.

- Advertising agencies are divided into 2 types: 1) direct contact between salesperson and the customer, which is a manufacturing company or service provider 2) provide advertising media through advertising agency that works as the organizer of advertising media usage for product manufacturing company and service provider.
- Readers: The Nation Group has 2 product distribution channels 1) direct distribution and delivery in the form of membership offers for regular customers and distribute in large quantity for hotels, airlines and schools with no-return policy (Bulk) 2) distribution through reseller and wholesaler.

(2) Edutainment & International Business Unit

Supplying and servicing

This is the summarized detail of the publishing process



Marketing

Marketing strategy for edutainment & international business unit is as follow:

- Select content based on what the readers want and can be differentiated from the many existing competitors in the market
- Administrate distribution channels and make it suitable with the changing technology and people's behavior, including managing the number of inventory to keep it moderate and to increase the Company's liquidity
- Seek for business partner to strengthen the company such as publishing companies that own the copyright in leading international publications
- Set a suitable, yet competitive, sale price as well as creating promotion to attract buyers, while simultaneously advertise for products of the Nation Group to make them become well-known such as giving discounts and creating writing competitions

- Expand distribution channels, which will decrease the cost of delivery, make it more accessible to targeted customers and distribute through Subscription Center which centralized all publications of the company's and business partners' to make it convenient for the readers

Distribution

At the present, the Nation Group distributes publication through these distribution channels:

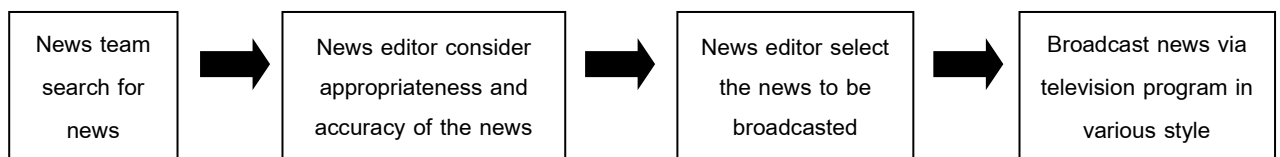
- Distribution through advertising agencies such as SE-ED Bookstore, Double-A Book Tower, Booksmile and 7-Eleven, etc
- Direct distribution to readers through various channels such as subscription, book fair week, websites, Nationbook Publication (www.nationbook.com) , etc
- Direct distribution to organizations with high-quantity order such as schools, universities, companies, private sectors and government agencies, etc

(3) Broadcasting Business Unit

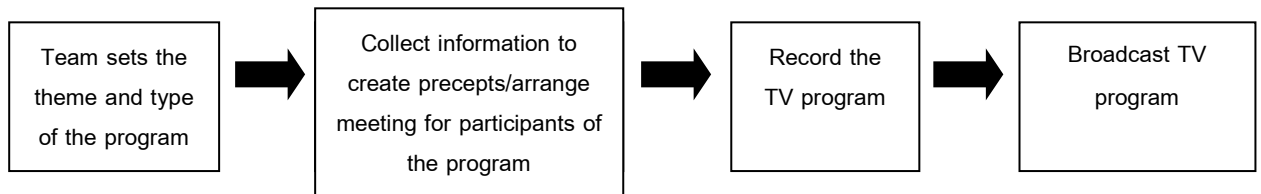
Supplying and servicing

Production of television and radio programs, including product and service through new media according to the summarized detail:

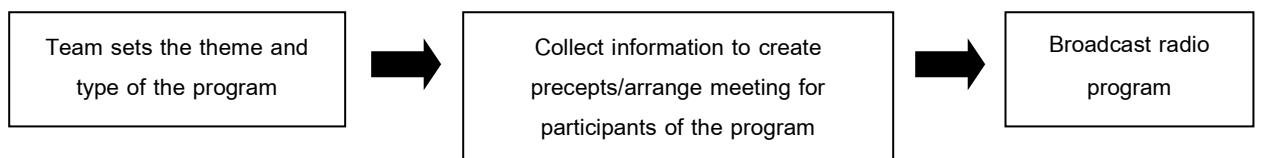
- News and news relating program



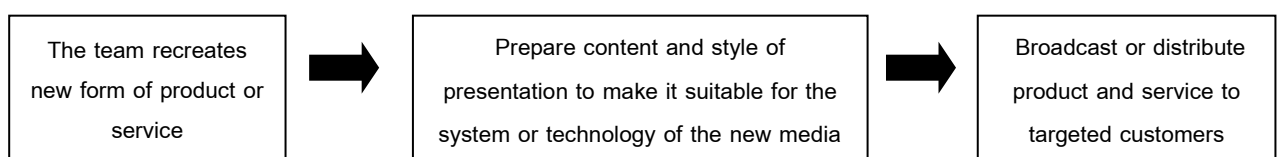
- General program



- Radio program



- Product and service through new media



Marketing

Marketing strategy broadcasting business unit is as follow:

- Develop the quality of product and service to make it suitable to the need of each group of customer as well as being the leader in recreating new product and service that have a unique and distinct characteristic from other competitors.
- Add channels to increase accessibility to products and services of broadcasting media of the Nation Group to new technologies, according to the changing trends, such as social media.
- Set advertising rate and price of product and service to make it competitive and suitable against other competitors in the market.
- Increase the variety of advertising style to support the type of activity or budget of the advertiser such as a sale combination of satellite TV channels, a Total Media Solution sale of TV, radio and the new media

Distribution

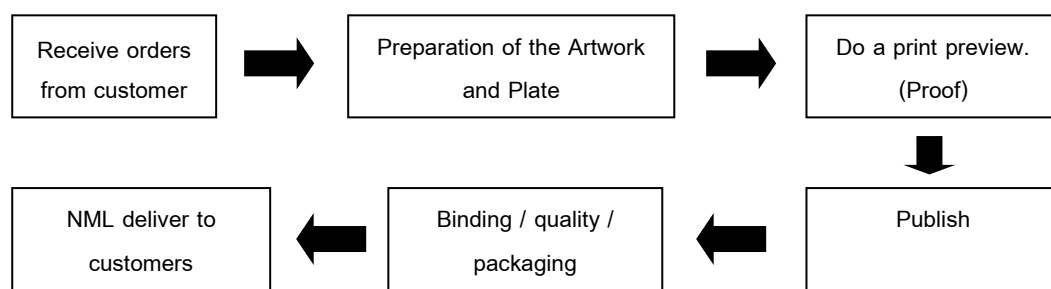
Customers of broadcasting business are categorized into 2 groups 1) advertising agencies 2) product and service consumer. The Nation Group provides advertising space and product distribution channel according to the type of customer.

- There are two types of advertising agencies which are 1) from direct contact between the advertising agencies and salesperson of the Nation Group and 2) from selling advertising through an advertising agency which acts as an advertising medium for companies planning to use the product or service, etc
- Viewers, listeners or consumer of product and service can access product and service of broadcasting business of the Nation Group by themselves through television, radio, computer, mobile phones and devices. Nevertheless, the accessibility to product and service may involve some costs such as: satellite set-up cost, local cable registration cost, mobile news service registration cost, etc

(4) Printing Business Unit

Supplying and servicing

The process of procurement of goods and services for publication is follows.



Currently, there are 2 types of WPS machinery for the publication 1) printers for printing newspapers and magazines (Cold-set Web Offset) using paper rolls, which is currently used to produce about 70% of total capacity 2) printers for printing high quality roll fed and sheet fed (Commercial Web & Sheet Fed) as hardcover books, encyclopedias, pocketbook, magazine, brochures, etc.

Marketing

Marketing strategies for printing business unit are as follows.

- Full service printing from designing to printing and delivery
- Focus on high-quality prints at an affordable price as well as on-time delivery

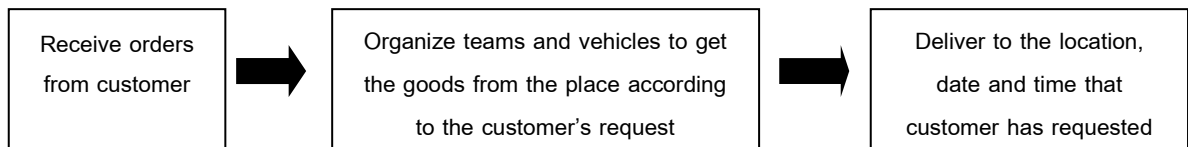
Distribution

Publication customers are divided into two main groups which are: 1) customers of the Nation Group, a publication of newspapers, books, pocketbooks, comic books, magazines and printed ads 2) general customers from direct contact between the salesperson and the institutional clients or organizations that have the need for high quality and quantity of publication such as Index Living Mall Co., Ltd., TV Direct Co., Ltd., Giffarine Skyline Unity Co., Ltd., Amarin Printing & Publishing Public Company Limited, etc.

(5) Logistics Business Unit

Supplying and servicing

The process of procurement of goods and services for logistics business unit is follows:



Marketing Marketing strategy for a logistics business unit is as follows:

- There is a wide range of delivery process to respond to the needs of every customer groups, such as transportation and distribution, delivery of publishing media, express service and other additional services such as packaging services, postal service, leaflet handout, posters and billboards.
- Focus on the quality of delivery process with quickness, accuracy and promptness as requested by the client, yet at a reasonable and competitive pricing
- Provide customer service to take care every customer as well as getting information and suggestions from customers in order to improve service quality.

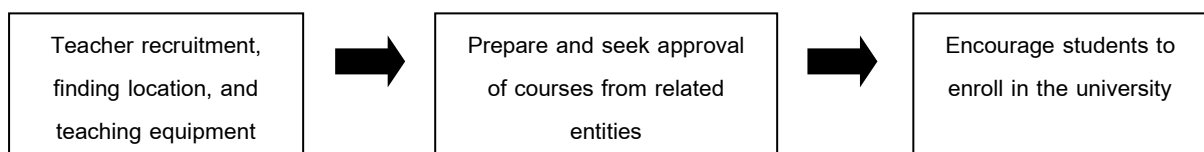
Distribution

Customers of logistics business unit are divided into two main groups which are: 1) customers of the Nation Group, delivery of newspapers and publications to subscribers and bookstores across the country 2) general clients such as institutions and organizations that have a need for regular transportation service of goods or publications are contacted by Nation's marketing agents. Present clients are such as SE-EDUCATION Public Company Limited., Nanmeebooks Co., Ltd, Amarin Book Center Co., Ltd

(6) Education Business Unit

Supplying and servicing

The process of procurement of goods and services of the education business unit is as follows.



Currently, there are two Nation University campuses in Lampang and Bangkok, which offers the following courses.

Course	Campus Location
■ Undergraduate Program	
Bachelor of Arts (Department of Communication Arts)	Lampang/Bangkok
Bachelor of Business Administration (Department of Marketing)	Lampang/Bangkok
Bachelor of Business Administration course (Accounting)	Lampang
Bachelor of Public Health Program (Department of Public Health)	Lampang
Bachelor of Science (Department of Computer Science)	Lampang
Bachelor of Liberal Arts (Department of Tourism)	Lampang
Bachelor of Public Administration (Department of Public Administration)	Lampang
■ Graduate Program	
Master of Business Administration	Lampang
Master of Public Administration Program	Lampang
Master of Education Program	Lampang
Master of Communication Arts	Lampang
Master of Business Administration for Executives	Bangkok

Marketing

Marketing strategy for education business unit is as follows:

- Service quality strategy: focus on quality of service in the system according to the standards of the related entities, including a distinct identity in order to compete with other institutions in the market. Both the learning and teaching personnel, equipment and facilities, such as training courses. Emphasis on practical skills so that students can practice actually works.
- Pricing strategy: determine the proper course and competitiveness in the market as well as providing scholarships to support students with high performance and to provide students the access to education loans from the Student Loan Fund.
- Public relation strategy: Nation Group has advertised in newspapers and radio, distributed leaflets, arranged field trips to the university and organized training seminars to make Nations University become widely known among students, parents, schools, government agencies and the private sector, which will result in a greater number of students

Distribution

Clients of the education business for undergraduate program are high school students in Lampang and neighboring provinces, including Bangkok and its vicinity. Meanwhile, clients of the graduate program are graduates from undergraduate program, who are interested in studying communication arts and business administration whether for occupational qualification or the need to advance in education status. Clients can get information from the University's Call Center and from the University's website, media relations and other activities arranged by the Nation Group.

1.4 Assets of the Company and its subsidiaries

(1) Assets to be used in the business

Property, plant and equipment use in manufacturing make up the main asset of the company and the subsidiaries as detailed below.

(a) The book value of assets of the Company and its subsidiaries.

The book value of property, plant and equipment of the Company and its subsidiaries as of December 31, 2012

Type of Asset	Net book value (Baht million)	Ownership	Obligation
Land and improvement	605.34	Owned	Secured by the lender
Buildings and improvements	329.71	Owned	Secured by the lender
Improvement of leased assets	93.35	Leased	-
Machinery and equipment	607.69	Owned	Secured long term loan of the subsidiaries by a loan contract.

Type of Asset	Net book value (Baht million)	Ownership	Obligation
Furniture and office equipment	257.08	Owned	None
Vehicle	16.37	Owned	None
Assets under construction and installation	39.42	Owned	None
Total	1,948.96		

Further explanation:

- Property and improvements Property of the Nation Group has a total of about 61 rais with 38 rais belonging to the company with a carrying value of Baht 367.13 million and a carrying value of approximately 23 rais of WPS carrying Baht 103.93 million, of which 58 rais of land is classified as collateral under a loan agreement.
- Office building The printing office of the WPS, Bangna Trad km 29 is classified as collateral under a loan agreement.
- The Company and the subsidiaries The company and the subsidiaries have rented office space from Thai Commercial Investment Fund, entering a 2+1 leasing contract for the purpose of leasing office space in the business operation of the Company. The Company and its subsidiaries' contract, except for WPS, will expire in December 2014.
- Machinery and equipment Machineries owned by WPS are worth Baht 606.44 million in total with the Company's net worth of Baht 1.25 million.
- Fixtures and office equipment The net worth of the company's ownership is worth Baht 58.02 million and NBC's electronic devices are worth approximately Baht 138.23 million, with a value of Baht 60.65 million from its other subsidiaries.
- Assets under construction and installation Assets under construction and installation are part of the renovation of the publication, with the Company's value of Baht 37.77 million and NBC's value of Baht 1.65 million.

(b) Intangible assets of the company and its subsidiaries are computer programs and copyright charges according to the book value as of December 31, 2012 are as follow:

Type of Asset	Net Book Value (Baht million)
Computer programs	48.19
Copyright charges	42.09
Computer programs for installation	14.00
Total	104.28

Further explanation:

- Computer program The carrying value of the Company is worth Baht 48.19 million, most of which is made up of the development of the information system such as advertising system, accounting system, distribution system, human resource system, etc. Meanwhile, computer programs to be installed which belong to the company include the development of the Digital Library system, the development of accounting, etc.

- Copyright charges Charges to copyright books are held by the subsidiaries of Edutainment & International Business Unit, having NINE as the core of the business unit by holding shares of NED and NEE. Nonetheless, those licenses are for printing services and distribution agencies, which will remain effective as long as there is no cancellation from any party. The royalty will be calculated based on the ratio of actual sales. The proportion of each contract will vary depending on the popularity of each product. Moreover, there is a copyright agreement covers the translation and printing of Pocket Book, which involves the pricing of the license fee based on the amount of printing or sales agreement.

(2) Investments in subsidiaries and associated company of the Company

As of December 31, 2012, the Company's investment in subsidiaries and associated company has a combined value of Baht 741.90 million.

Type of Business	Value (Baht million)	%
<u>Subsidiaries</u>		
Publishing and Advertising Business	78.60	10.60
Broadcasting and New Media Business	113.94	15.36
Edutainment Business	70.06	9.44
Printing Business	422.50	56.95
Logistics Business and Others Business	55.00	7.41
<u>Associated Company</u>		
Japanese Newspaper Sales Agency	1.80	0.24
Total	741.90	100.00

2. Shareholding Structure and Capital Increase during the Past 3 Years

2.1 Shareholding Structure

As at March 31, 2013, the Company's paid-up capital was Baht 873,302,359 consisting of 1,647,740,300 shares at a par value of 0.53 Baht per share.

2.2 Capital Increase during the Past 3 Years

-None -

3. Board of Directors, Executive Committee and Top 10 Major Shareholders

3.1 Board of Directors

As March 31, 2013, the Board of Directors are as follows:

Name	Position
Mr. Suthichai Sae-Yoon	Chairman
Mr. Sermsin Samalapa	Vice Chairman
Ms. Duangkamol Chotana	Director
Mr. Adisak Limprungpatanakij	Director

Name	Position
Mr. Pana Janviroj	Director
Mr. Nivat Changariyavong	Director
Mrs. Christine Debiais Brendle*	Director
Mr. Pakorn Borimasporn	Independent Director and Chairman of Audit Committee
Mr. Chaveng Chariyapisuthi	Independent Director and Audit Committee
Mr. Yothin Nerngchamnong**	Independent Director and Audit Committee

Remark : * On April 2, 2013, the Company informed the resignation of Mrs Christine Debiais Brendle with immediate effect

** Mr.Yothin Nerngchamnong resigned effective from April 26, 2013 onwards.

3.2 Management

As of March 31, 2013, the management are as follows

Name	Position
Mr. Suthichai Sae-Yoon	Chairman of the Executive Board
Mr. Sermsin Samalapa	Vice Chairman of the Executive Board
Ms. Duangkamol Chotana	President
Mr. Thepchai Sae-Yong	Group Editor-in-Chief
Mr. Pana Janviroj	President - International Business
Mr. Vithoon Pungprasert	Executive Vice President - General News Business Unit
Ms. Nutvara Seangwarin	Executive Vice President - Advertising Sales
Mr. Torboon Puangmaha	President - Digital Media
Mr.Thanong Khanthong	Editor – Asean TV
Mr. Thongchai Bunsaringkaranont	President of Printing Business Unit
Miss Orapin Ngamwongwan	Senior Vice President – PR Planning Unit
Mr. Supoth Piansiri	Senior Vice President - Accounting
Ms. Mathaya Osathanond	Senior Vice President – Finance and Secretary of the Company

3.3 List of top 10 Major Shareholders

Top 10 major shareholders as of March 15, 2013 are as follows:

Major Shareholders	No. of Shares (Shares)	%
1. Mr. Suthichai Sae-Yoon	165,480,540	10.04
2. Mr. Sermsin Samalapa	165,000,000	10.01
3. DOW JONES & COMPANY, INC., NEW YORK	120,000,000	7.28
4. Thai NVDR Co.,Ltd	117,950,140	7.16
5. Mr.Jetsada Lertnantapanya	82,368,600	5.00
6. Mr. Jeeradej Jongwattanasinkul	82,000,000	4.98

Major Shareholders	No. of Shares (Shares)	%
7. Ms. Varunee Tantasuralerk	50,000,000	3.03
8. Ms. Supasri Khunprapakorn	30,092,280	1.83
9. Green Siam Co., Ltd.	28,847,790	1.75
10. Mr.Surapong Atichartsak	26,500,000	1.61

3.4 Details of the Company's subsidiaries and jointly-controlled entity

The Company's subsidiaries and jointly - controlled entity as of March 31, 2013 are as follows:

Name of company	Type of business	Paid-up Capital (Baht million)	Ownership interest (%)
Krungthep Turakij Media Co., Ltd. ("KTM")	Publishing and distribution of business newspapers and in related businesses	25.00	99.97
Bangkok Business Broadcasting Co., Ltd. (Indirect holding of 99.99% through KTM)	Broadcasting business	0.25	99.99
Kom Chad Luek Media Co., Ltd.	Publishing and distribution of general newspapers and in related businesses	25.00	99.99
Nation News Network Co., Ltd. ("NNN")	Publishing and distribution of English newspapers	50.00	99.99
NNN Next Frontier Co., Ltd. (Indirect holding of 99.99% through NNN)	Broadcasting business	0.25	99.99
NML Co., Ltd.	Logistics business	50.00	99.99
Nation U Co., Ltd.	Education services business	50.00	90.00
WPS (Thailand) Co., Ltd.	Publishing services business	500.00	84.50
Nation International Edutainment Public Company Limited ("NINE")	Edutainment business and in related businesses	85.00	78.46
Nation Edutainment Co., Ltd. (Indirect holding of 99.99% through NINE)	Importing and publishing educational publications	41.25	-
Nation Egmont Edutainment Co., Ltd. (Indirect holding of 49.99% through NINE)	Importing, publishing cartoon and educational publications	50.00	-
Nation Kids Co., Ltd. (Indirect holding of 99.99% through NINE)	Broadcasting business	1.00	-

Name of company	Type of business	Paid-up Capital (Baht million)	Ownership interest (%)
Nation Broadcasting Corporation Public Company Limited (“NBC”)	Broadcasting, radio, new media business and in related businesses	173.44	61.10
NBC Nextmedia Co., Ltd. (Indirect holding of 99.99% through NBC)	Broadcasting business	10.00	-
NBC Next Vision Co., Ltd. (Indirect holding of 99.99% through NBC)	Broadcasting business	0.025	-
NBC Next Screen Co., Ltd. (Indirect holding of 99.99% through NBC)	Broadcasting business	0.025	-
Yomiuri-Nation Information Service Limited	Publishing and distribution of Japanese newspapers	4.00	45.00

4. Dividend Payout during the Last 3 Years

None

Part 3

Financial Information of the Company

1. Summary of Financial Status and Operating Performance

Summary of financial status and operating performance of the Company for the year as of December 31, 2010 – 2012 are as follows (Shareholders is able to study the financial statements of the Company for the first quarter of 2013 from the SET's website: www.set.or.th or the Company's website: www.nationgroup.com)

1.1 Summary of Financial Statements

(Unit : THB '000)	2010		2011		2012	
	Amount	%	Amount	%	Amount	%
Statement of financial position						
Cash and cash equivalents	240,431	6%	181,820	5%	179,044	4%
Trade accounts receivable	720,874	19%	695,125	19%	768,633	19%
Accrued income	139,744	4%	106,918	3%	142,757	4%
Receivables and loans to related parties	47,797	1%	61,372	2%	79,437	2%
Inventories	230,169	6%	248,423	7%	247,198	6%
Other current assets	158,709	5%	319,177	8%	203,681	5%
Total current assets	1,537,724	41%	1,612,835	43%	1,620,751	40%
Long-term investments	43,141	1%	47,042	1%	56,515	1%
Property, plant and equipment	1,935,264	52%	1,855,046	49%	2,091,239	52%
Total non-current assets	189,867	5%	237,889	6%	272,032	7%
Total assets	3,705,996	100%	3,752,812	100%	4,040,537	100%
Bank overdrafts and short-term loans from financial institutions and long-term loans from financial institutions	953,796	25%	1,100,917	29%	1,026,951	25%
Trade accounts payable	156,648	4%	165,216	4%	167,030	4%
Current portion of finance lease liabilities	27,224	1%	30,034	1%	33,956	1%
Payable and loans from related parties	-	-	2,356	0.7%	-	-
Other payable	-	-	-	-	130,000	3%
Accrued expenses	22,186	1%	8,082	0.2%	1,310	0.03%
Other current liabilities	411,786	11%	554,058	15%	594,771	15%
Total current liabilities	1,571,640	42%	1,860,663	50%	1,954,018	48%
Long-term loans from financial institutions	686,746	18%	338,337	9%	315,586	8%
Finance lease liabilities	67,036	2%	36,813	1%	13,625	0.3%
Employee benefit obligations	-	-	95,854	3%	81,987	2%
Other liabilities	129,825	4%	120,566	3%	150,012	4%
Total liabilities	2,455,247	66%	2,452,233	65%	2,515,228	62%
Issued and paid-up share capital	1,647,740	44%	1,647,740	44%	873,302	22%
Premium on ordinary shares	4	0%	4	0%	-	-
Premium on ordinary shares of subsidiary	75,941	2%	75,590	2%	79,740	2%
Other component of equity	(1,357)	-0%	2,613	0%	13,234	0.3%
Retained earnings (Deficit)	(656,378)	-17%	(630,161)	-17%	335,611	8%
Minority Interest	184,799	5%	204,793	5%	223,422	6%
Total equity	1,250,749	34%	1,300,579	35%	1,525,309	38%

1.2 Statement of Income

(Unit : THB '000)	2010		2011		2012	
	Amount	%	Amount		Amount	%
Statement of Income						
Revenue from sale of goods and rendering of services	2,696,707	95.0%	2,643,187	94.6%	2,936,869	94.7%
Rental and service income	141,807	5.0%	150,543	5.4%	163,026	5.3%
Total income	2,838,514	100.0%	2,793,730	100.0%	3,099,895	100.0%
Cost of sale of goods and rendering of services	1,704,557	60.1%	1,637,271	58.6%	1,842,823	59.5%
Selling and Administrative expenses	798,646	28.1%	843,413	30.2%	885,381	28.6%
Total expenses	2,503,203	88.2%	2,480,684	88.8%	2,728,204	88.0%
Profit before income tax expense	335,311	11.8%	313,046	11.2%	371,691	12.0%
Finance cost	(112,084)	-4.0%	(119,996)	-4.3%	(110,475)	-3.6%
Income tax expense	(54,857)	-1.9%	(46,326)	-1.7%	(38,436)	-1.2%
(Loss) gain from minority interests	(67,822)	-2.4%	(42,379)	-1.5%	(33,884)	-1.1%
Gain (loss) before extraordinary items	100,548	3.5%	104,345	3.7%	188,896	6.1%
Extraordinary items comprises:						
Net changes in fair value of available for sale investments	977	0.0%	3,970	0.1%	10,622	0.3%
Share of loss from equity method investment	122,249	4.3%	(68)	-0%	454	0%
Gain from a bargain purchase	90,827	3.2%	-	-	1,980	0.1%
Net Profit	314,601	11.1%	108,247	3.9%	201,952	6.5%

1.3 Statement of Cash Flows

(Unit : THB '000)	2010	2011	2012
Cash from operating activities before Changes in operating assets and liabilities	556,976	554,294	638,080
Cash flow from (used in) operating activities	471,484	477,328	517,934
Cash flow from (used in) investing activities	(417,687)	(154,449)	(282,033)
Cash flow from (used in) financing activities	(126,076)	(381,490)	(242,042)
Net increase (decrease) in cash and cash	(72,279)	(58,611)	(6,141)

1.4 Earning before interests, taxes, depreciation, amortization and extraordinary items for the year 2009 - 2011

(Unit : THB '000)	2010	2011	2012
Net gain (loss) on extraordinary items (after interests and taxes)	100,548	104,345	188,896
Add interest paid	112,084	119,996	110,475
Add taxes	54,857	46,326	38,436
Add depreciation and amortization	218,670	228,617	264,828
Earning before interest, taxes, depreciation and amortization (EBITDA)	486,159	499,284	602,635

Remark : extraordinary items comprises changes in fair value of available for sale investments, share of loss from equity method investment and gain from a bargain purchase.

1.5 Financial Ratio

	2010	2011	2012
1. Liquidity Ratio			
1.1 Current ratio (times)	0.98	0.87	0.83
1.2 Quick ratio (times)	0.61	0.47	0.48
1.3 Operating cash flow ratio before changes in working capital (times)	0.35	0.32	0.33
1.4 Account receivable turnover (times)	4.24	3.73	3.40
1.5 Account receivable days (days)	85	96	90
1.6 Inventory turnover (times)	6.43	6.84	7.44
1.7 Inventory days (days)	56	53	48
1.8 Account payable turnover (times)	5.23	5.26	5.33
1.9 Account payable days (days)	69	68	68
1.10 Cash Cycle (วัน)	72	81	71
2. Profitability Ratio			
2.1 Gross profit margin (%)	37.32 %	38.06 %	37.25%
2.2 Operating profit margin (%)	6.97 %	6.00 %	7.11%
2.3 Operating cash flow before working capital to profit ratio (%)	18.25 %	19.81 %	20.57%
2.4 Net profit margin before extraordinary items (%)	3.29 %	3.73 %	6.09%
2.5 Return on equity before extraordinary items (%)	8.04 %	8.02 %	12.38%
3. Efficiency Ratio			
3.1 Return on assets before extraordinary items (%)	2.87 %	2.80%	4.85%
3.2 Return on fixed assets before extraordinary items (%)	21.00 %	18.55 %	24.30%
3.3 Asset turnover (%)	0.87	0.75	0.80
4. Financial Policy Ratio			
4.1 Total debt to equity ratio (times)	1.96	1.89	1.65
4.2 Interest-bearing debt to equity ratio (times)	1.39	1.16	0.91
4.3 Interest coverage ratio (times)	6.47	6.01	7.12
4.3 Earnings before interests, taxes and extraordinary items to interest paid (times)	2.99	2.61	3.36
4.5 Cash basis (times)	0.71	1.07	0.99
4.6 Dividend payout ratio (%)	0.00%	0.00%	0.00%

Remark : extraordinary items comprises changes in fair value of available for sale investments, share of loss from equity method investment and gain from a bargain purchase.

2. Analysis of Operating Performance and Financial Status of the Company and its subsidiaries

2.1 Operating Performance

Revenue

In 2011, revenue from sales and services decreased by 2% compared to the same period of 2010 since the revenue from sales of publications went down by 11% due to decrease in revenue from a 12% reduction in newspaper sales and a 5% reduction in comic book and international publication sales. However, revenue from advertising sales increased by 1% from a 15% increase in TV and radio revenue. Meanwhile, advertising revenue from publication decreased by 3% and revenue from electronic media advertising fell by 9%

In 2012, revenue from sales and services increased 11% compared to last year, due to an 11% escalation in revenue from advertisement as a result from increased advertising revenue in publications which went up 6%. Advertising revenue from TV and radio media went up 14%, while revenue from electronic advertising and news and services rose 51%, in addition to revenue from the sale of publications, which went up 7% from a 45% growth in sales of pocketbooks and children's books. In the meantime, the sale of newspapers fell by 5%.

Cost

In 2011, cost of sales and operating expenses dropped by 1% compared with the same period of 2010 mainly due to the reduction in cost of paper and material production which descended by 16% due to a manufacturing policy, which gives more control over the amount of paper usage to make it more efficient.

In 2012, cost of sales and operating expenses increased 10% compared to the previous year, which is consistent with the revenue from sales and services as a result of business expansion. However, the cost of shipping was dropped by 11% to make management transportation more efficient.

Net profit

Net profit in 2012 was Baht 191.33 million, which went up by 83% compared to the same period of 2011 and 2010, which has a net profit of Baht 104.28 million and Baht 155.40 million, respectively. The reason why the net profit in 2011 went down from the year 2010 was due to the floods in Bangkok and surrounding areas during the fourth quarter of 2011 which have devastated the print media revenue when the cost of sales and operating expenses still remained the same. This ultimately resulted in a lower profit in 2011.

Previous performance of each product from 2010 to 2012

a) Printing and Publishing Business consists of 3 business lines:

- Business News Business (in Thai), which operates under Krungthep Turakij Media Co.,Ltd. since the Q4 of 2010.
- General News Business (in Thai), which operates under Kom Chud Luek Media Co.,Ltd. since the Q4 of 2010.
- English News Business, which operates under the New Nation Networks Co., Ltd. since 2008.

Revenue

In 2011, revenue from sales and services of the publication and advertising business (excluding related transaction) is worth Baht 1,676 million, representing 63% of the company's total revenue from sales and service, which went down 6% compared to 2010, which was Baht 1,776 million, due to a decrease in advertising revenue from publication and special events during Q4 as a result of the flood that forced the promotion and "Below the line" special arrangements to be postponed. As for sales of publications,

revenue of 2011 was Baht 467 million, down 12% from 2010, which was Baht 532 million. If combine the transactions between the companies in the group, revenue from publishing service and advertising in 2011 would equal Baht 3,164 million.

In 2012, revenue from sales and services of the publication and advertising business (excluding related transaction) is worth Baht 1,737 million, representing 59% of the company's total revenue from sales and services, which went up by 4% compared to 2011, which was Baht 1,676 million, due to advertising revenue in print and special events to reach Baht 1,283 million, up 6% from 2011. If combine the related transactions between the companies in the group, revenue from publishing services and advertising in 2012 would equal Baht 2,909 million.

Expense

In 2011, the cost of publishing and advertising business was Baht 2,331 million, up 34% from last year at Baht 1,742 million, due to the combination of Krungthep Turakij Media Co.,Ltd and Kom Chud Luek Media Co.,Ltd's cost of goods sold for a full year, whereas in 2010, the two companies were just founded in Q4, resulting in a expense calculation of only 3 months.

In 2012, the cost of publishing and advertising business was Baht 2,051 million Baht, down 12% from 2011 to Baht 2331 million, due to cost reduction of paper and shipping. Cost of sales consists of variable costs such as the cost of paper, publication and the book itself, which worth Baht 1,120 million in total, while fixed costs such as salaries, welfare, travel expenses result in Baht 931 million in total, respectively representing 55% and 45% of the total sales of this business.

Selling and administrative expenses of publishing and advertising business for the year 2010 - 2012 was Baht 873 million, Baht 1,219 million and Baht 1,130 million, respectively, due to the expenses in 2011, which escalated from 2010, because of the combination of Krungthep Turakij Media Co.,Ltd and Kom Chud Luek Media Co.,Ltd's selling and administrative expenses for a full year in 2011, whereas in 2010, the two companies were just founded in Q4, resulting in a expense calculation of only 3 months.

Gross profit

In 2011, the publishing and advertising business has a gross margin of Baht 833 million or 26.3% compared to revenues from sales and services. The gross margin decreased 3.8% from 2010, which was equal to 30.1% due to the increased rate of advertising revenues that rose by 27%, which was less than the rate of the increase in cost of sales, which was 34%. Meanwhile, in 2012, the gross profit was Baht 858 million or 29.5% compared to revenues from sales and services. That was increased by 3.2% from 2011, as advertising revenue increased 6%, while cost of goods sold fell 12%.

Net profit

In 2011, the publishing and advertising business has a net profit of Baht 121 million, and if excludes the loss share from investments which was Baht 111 million, the business would have a profit from operations of Baht 10 million, which rose by Baht 1 million compared to 2010, which has a profit from operations of Baht 9 million. Meanwhile, the net profit of 2012 was Baht 255 million, and if excludes the share of loss from investments which was Baht 150 million, the business would have a profit from operation of Baht 105 million, up Baht 95 million from 2011 which has a profit of Baht 10 million as gross margin increased, while cost of financial operation decreased.

- b) Printing Services Business is under the operation of the WPS (Thailand) Co., Ltd. ("WPS")

Revenue

In 2010 - 2012, revenues from print services were Baht 457 million, Baht 500 million and Baht 522 million, respectively, mainly due to printing fees from the parent company and its subsidiaries. The escalated income in 2011 and 2012 was due to increasing of external customer.

In 2010, rental and service income that was worth Baht 14 million since there was no rental income from the Nation Printing Services Co., Ltd. ("NPS") in the first half of the year rental. Consequently, NPS was taken over by WPS in June 2011, resulting in no further income. Meanwhile, revenue of 2012 was made up of rental and service income up to six million, slightly lower from 2011, which was a total of Baht 7 million, due to the division of areas of printing companies for associating corporations to store of raw materials or inventory waiting to be delivered, etc.

Expense

In 2012, the cost of goods sold from printing service business was at Baht 372 million, which was close to that of 2011 and 2010, which were Baht 370 million. Meanwhile the selling and administrative expenses in the year 2010-2012 was Baht 44 million, Baht 65 million and Baht 53 million, since the selling and administrative expenses in 2011 increased due to the consolidation with the financial statement of NPS's which has a full-year subsidiary status (6-months was considered a subsidiary and six months after the acquisition was considered part of the WPS), whereas in 2010 consolidated the financial statement of NPS's for only six months. For 2012, costs are reduced due to the merging of NPS with WPS, which makes cost management more convenient.

Gross profit

During the years of 2010 – 2012, printing service business has a gross margin increase from Baht 87 million to Baht 130 million and Baht 150 million, respectively, due to increased revenues while costs were controlled to be accorded to sales.

Net profit

In 2011, printing service business has a net profit of Baht 38 million Baht, up 2.5 times compared to net profit of 2010 which excluded some exceptional matter worth up to Baht 11 million (net profit of the previous year was Baht 222 million, so if loss share from investment according to the gain-loss policy in associating corporations that WPS has partaken up to 49% in the first half of the year worth Baht 50 million and a profit on bargain purchase in NPS shareholders worth Baht 262 million will make a net profit of Baht 11 million)

The net profit in 2012 was Baht 81 million, up 1.1 times compared to that of the previous year, which was Baht 38 million. This was due to the increase in gross profit in addition to the controlling of cost of sales and administrative expenses. Nonetheless, the main cause was the decline in financial cost which decreased 21% from the previous year because of the previous year's repayment of long term loans by WPS, resulting in lower interest rates.

- c) Edutainment Business is under the operation of Nation International Edutainment Public Company Limited, Nation Edutainment Co., Ltd., Nation Egmont Edutainment Co., Ltd. and N – Coupon Co., Ltd. (during 2010 to 2011)

Revenue

During 2010 – 2012, revenue from edutainment business, which included income from the sale of educational publication and books, as well as distribution of foreign publications, was worth Baht 356 million, Baht 354 million, and Baht 440 million respectively.

Expenses

During 2010 – 2012, the costs of sales of the edutainment business were Baht 252 million, Baht 250 million and Baht 309 million, respectively, which were made up of the cost of the book, printing cost, manufacturing costs copyright charges and author's royalty, all consolidated to represent 92% of total sales, which are largely determined fixed costs, which are income, payroll costs, and the editorial and production departments making up 8% of the total cost of sales.

Selling and administrative expenses in the years 2010 – 2012 were equal to Baht 72 million, Baht 76 million and Baht 96 million respectively. These expenses are made up of the cost of sales and administrative salaries by 40%, promotional costs 17%, and shipping costs by 4%. These costs are not in accordance to income.

Gross profit

For 2011, the edutainment business has a gross profit worth Baht 90 million or 26% of total revenue, which was 1% lower from the 2010, which was 27%. Meanwhile, in 2012, the gross profit was equal to Baht 107 million or 26% of total revenues in 2011.

Net profit

In 2011 of the edutainment business was Baht 18 million or 5% of total revenue, down 1% from the 2010, which has a net profit of Baht 21 million. For 2012, the net profit was Baht 28 million or 6% of total revenue, up 1% from 2011.

- d) Broadcasting and New Media Business is under the operation of Nation Broadcasting Corporation Public Company Limited

Revenue

In 2011, revenue from broadcasting and new media business was worth Baht 666 million, which went up 6% from 2010, which was Baht 625 million. This was mainly due to a 16% increase in advertising revenue from television compared with 2010. Revenue in 2012 was Baht 737 million, up 10% from 2011, as revenue from television and radio advertising continues to grow by 14% and revenue from new media advertising increased 33%.

Expenses

In 2011, TV and radio service cost Baht 401 million, which was 3% lower compared to that of the previous year, which was Baht 391 million, whereas in 2012, the cost of servicing was Baht 540 million, which went up by 35% compared to 2011, primarily due to the cost of production from recently started operation, Kom Chud Luek TV, in 2012 and the manufacturing cost of programs for Ramathibodi Hospital, as well as cost of producing stage play, Reya the Musical.

The selling and administrative expenses in 2011 was Baht 156 million, which rose 37% from 2010 which was Baht 114 million, mainly due to a full-year personnel cost for Mango TV in 2011. Meanwhile, in 2010, that particular cost was only present for six months, and in late 2011 there were new programs: ASEAN TV channels and Rawangpai channel, in addition to costs from Rama channel, which was for Ramathibodi Hospital. Nevertheless, in 2012, the selling and administrative expenses were at Baht 138 million, down 12% from the year 2011 due marketing cost reduction in 2011, which was from the promotion of the new satellite TV channels establishment such as Kom Chud Luek TV and Rawangpai channel.

Gross Profit

The gross profit for 2011 was Baht 265 million, or 40% of the revenue, which have risen 13% from 2010 which has a profit of Baht 234 million. This was primarily due to increased revenues in all businesses. In particular, revenues from advertisements and production of satellite TV channels increased at a higher rate than the cost of sales. For 2012, the gross profit was Baht 197 million Baht or 27% of revenue, which went down by 13% compared to 2011, as sales increased 34% from production and transaction costs for stage play, Reya the Musical, where revenue rose 10% but less than the increasing rate for cost of sales.

e) Logistic Business is under the operation of MML Co. Ltd.

Revenue

In 2011, logistic business acquired Baht 262 million in revenue, 12% higher compared 2010 which has revenue of Baht 234 million, which was substantially made up of a megaproject to deliver catalogues for IKEA. Meanwhile, revenue in 2012 was Baht 242 million, down 8% compared to 2011 due to the delay in exporting which had a low profit margin.

Expenses

The cost of sales of logistic business was Baht 247 million in 2011, up 13% from 2010, which was Baht 218 million, as fuel costs increased in accordance to workload. Meanwhile, in 2012, the cost of sales was Baht 229 million, down 7% from 2010, due to ability to control and reduce fuel cost, whereas car hiring also decreased by 13%.

The selling and administrative expenses in 2011 were Baht 17 million, down 50% from 2010, due to the organizing of the selling and administrative expenses into the cost of sales. The the selling and administrative expenses were Baht 19 million in 2012, up 12% from 2011, most of which are made up of employees' salaries and benefits, which were raised from the minimum wage is Baht 300, and the provision for bad debts of around Baht 2 million.

Gross profit

The gross profit for 2010 - 2012 was Baht 16 million, Baht 15 million and Baht 13 million, respectively, due to the cost of sales, which had been increasing at a higher rate than the revenues.

Net profit

In 2011, logistic business garnered a net loss of Baht 4 million, which was Baht 17 million lower from the previous year, which was Baht 21 million, whereas in 2012, the net loss was Baht 07.04 million, which was more than in 2011 due to the provision for bad debts of around Baht 2 million.

2.2 Financial Position

Asset

As of 31 December of 2010 – 2012, the Company has a total asset of Baht 3,706 million, Baht 3,753 million and Baht 4,041 million, respectively, with a list of changes as follows:

- Cash and cash equivalents As of 31 December 2011, cash and cash equivalents were equal to Baht 182 million, which was Baht 58 million lower than in 2010, which was Baht 240 million. In 2012, cash and cash equivalents was Baht 179 million, which was close to that of 2011, and made up of the

Company's bank cash, Baht 20 million, edutainment business, Baht 7 million, and TV business, Baht 87 million, most of which were invested in government bonds and drafts of NBC.

- Net accounts receivable (excluding trade receivables from related parties) In 2011, accounts receivable was worth Baht 695 million, down 4% from the year 2010, which was Baht 721 million. In the meantime, there was Baht 769 million in 2012, which has risen by 11% from the previous year due to the increase in revenue since the Company had an average of 106 days of debt collection period in 2012, seven days less than that of the previous year which was 113 days.
- Net account receivables from subsidiaries, associates and affiliates (after deduction of reservation for doubtful debt and returned goods) In 2011, net account receivables from subsidiaries, associates and affiliates were worth a combined of Baht 61 million, up Baht 14 million from 2010, which was Baht 47 million, while in 2012, the account receivable was Baht 79 million, up Baht 18 million from 2011, primarily from trade receivables jointly controlled entity in the edutainment business.
- Accrued income The accrued income for 2010 – 2012 were Baht 140 million, Baht 107 million and Baht 143 million, respectively, which were mainly from TV advertisements that overlap between the years and were not yet invoiced. It is also made up of the revenues from special events, some of which are available, but will be invoiced upon completion of the project
- Inventory In 2010 – 2012, the values of inventory were Baht 230 million, Baht 248 million and Baht 247 million, respectively. Inventory in 2012 includes the finished products of the edutainment business worth Baht 122 million. The list of raw material is the Company's newsprint, which is worth Baht 68 million, and raw material from the publishing business, which is worth Baht 31 million.
- Other current assets In 2010 – 2012, the value of other current assets were Baht 159 million, Baht 319 million and Baht 204 million, respectively. By the year 2011, increase in other current assets came from other receivables from the allowance from doubtful accounts, which equaled to Baht 167 million, most of which is from accounts receivable of Nation U Co., Ltd, or Nation University that has tried to improve the campus before the official transfer of the license.
- Investment in shares of associated companies, related parties and other companies In 2010-2012, investments in shares of associated companies, related parties and other companies were Baht 43 million, Baht 47 million and Baht 56 million, respectively. Investment in 2012 consisted of investments in associated companies Yomi Uri Information Services Co., Ltd, which was worth Baht 27 million and investments in shares of many companies in the stock market for the benefits of news source, which was worth Baht 29 million.
- Net property, plant and equipment In 2010-2012, net property, plant and equipment were Baht 1,841 million, Baht 1,748 million and Baht 1,987 million, respectively. Year 2011 saw a decrease of depreciation of property, plant and equipment during the year, most of which are of the printing business subsidiaries, which had a value of Baht 1,100 million (63%), and of the company, which has a

value of Baht 489 million (28%). Meanwhile, 2012 had increase mainly due to the consolidation of total assets of the Nation University after the first license payment in March 2012.

- Intangible assets From 2010 – 2012, the intangible assets were Baht 94 million, Baht 107 million and Baht 104 million, respectively, which consisted of software assets that are used in financial accounting, advertising, distribution of publication and the workflow system, etc.
- Non-current assets In 2011, the value non-current asset was Baht 235 million, up Baht 49 million from Baht 186 million in 2010, while in 2012 amounted to Baht 268 million, which was up Baht 33 million from 2011 primarily because, between 2011 and 2012, there had been transfer of income tax refund from other current assets, which had been in withholding for more than one year.
- Liabilities In 2010 – 2012, the liabilities were Baht 2,455 million, Baht 2,452 million and Baht 2,515 million, respectively. By 2011, there was a major change in bank overdrafts and short-term loans from financial institutions which increased by 110 million from Baht 653 million in 2010. This was due to an increase of the liabilities of promissory notes by Baht 11 million from Baht 157 million in 2010, while long-term loans from financial institutions was lowered by Baht 311 million from Baht 988 million in 2010 as loan payments due to on-time repayment. The major change in 2012 was overdrafts and short-term loans from financial institutions, which decreased from 2011 by Baht 43 million. Long-term loans from financial institutions decreased from 2010 by Baht 55 million due to the repayment of long-term loan, which was Baht 355 million. Meanwhile, in late 2012, the Company received long-term loans at Baht 300 million for building and studio renovation and to invest in technical equipment for television media, and to prepare to pay for Nation University's license in February 2013.
- Obligations under financial leases From December 31, 2010 to 2012, the obligations under financial leases were Baht 94 million, Baht 67 million and Baht 48 million, respectively, which were equipment leases of WPS that has a different monthly repayment rate each month between Baht 2.2 – 2.7 million, which will end in February 2014.
- Accrued expenses From December 31, 2010 to 2012, accrued expense were Baht 175 million, Baht 230 million and Baht 205 million, respectively, which are mainly made up from occurring costs to be paid after the end of the year such as the cost of special events held at the end of the year. They are also made up of social insurance contributions payable, etc.
- Other current liabilities As of December 31, 2010 to 2012, the amount of other current liabilities was Baht 237 million, Baht 324 million and Baht 390 million, respectively. The cause of the escalation was from cash received in advance 2011, which increased from 2010 by Baht 70 million. Other causes are such as sales tax that are not yet due for repayment, which value at Baht 87 million, other payables Baht 23 million, IRS payable Baht 10 million, and deposit and the other liabilities worth Baht 39 million. In 2012, the rise was due to the increase of cash received in advance, which was Baht 29 million higher than in 2011, primarily from annual membership fees of publications, which has to be tracked

periodically. There are also other influential aspects such as Baht 102 million sales tax that was not yet due, Baht 75 million worth of payable, and Baht 10 million to IRS creditors.

- Employee benefits obligations As of December 31, 2011-2012, obligations was at Baht 96 million and Baht 82 million in value, respectively, as the Company must comply with accounting Standard no.19, regarding employee benefits with was active since January 1, 2011.
- Non-current liabilities From 31 December 2010 to 2012, non-current liabilities amounted to Baht 130 million, Baht 121 million and Baht 150 million, respectively, mainly as a long-term loan from another company, which was worth Baht 150 million. The Company entered into an agreement with a company in the hope to provide services and advertisements, and will repay the loan by deducting net cash received from advertising. Between 2011 and 2012, the Company repaid a total of Baht 32 million and Baht 2 million, respectively.
- Gross profit 2011 has an accumulated deficit equal to Baht 630 million, Baht 26 million lower from 2010, which was deficit of Baht 656 million, since in 2011, the Company had a net income of Baht 104 million, but the adjustments affected due to changes in accounting policy which raised the accumulated deficit by Baht -78 million. For 2012, the Company's retained earnings during the year was Baht 330 million, because in 2012, the Company's shareholders were approved to lower the capital to reduce the accumulated deficit by reducing the par from Baht 1 to Baht 0.53, which becomes Baht 774 million, along with the Baht 191.3 million of net profit in 2012.
- Equity shares In 2011, equity shares equaled to Baht 1,301 million, up Baht 50 million from Baht 1,251 million in 2010 which was made up of Baht 147 million of net profit in 2011 and other comprehensive income worth Baht 4 million, while adjusted effects was worth Baht -85 million, and dividends of other shareholders who had no interest in the subsidiaries worth Baht -27 million Baht, and the acquisition of non-controlling interest up to Baht 11 million. In 2012, Shareholders' equity was Baht 1,525 million, up Baht 224 million from 2011, due to the increased net profit in 2012, which included the non-controlling interest in consolidation, which was Baht 225 million, with other comprehensive income, which was Baht 11 million, and cash dividends to other shareholders who had no interest in the subsidiaries, which was Baht -11 million, and the acquisition of non-controlling interests Baht -0.2 million.
- Obligations and potential liabilities The Group has a total of obligations and potential liabilities of Baht 368 million, up Baht 69 million from Baht 299 million in 2010, which comprised of lease and office space available for rent within 2 years that end in April 2010 and the Group has the right to renew for another one-year under the same condition, in addition to subsidiaries with contract to purchase international news, a 10-year satellite TV service agreement, and 4 warehouse-leasing contract. In addition, the Company has an obligation in advance foreign currency exchange contracts to prevent the risk of the exchange rate from importing paper, as well as obligations with many national banks for a sum of Baht 36 million.

As of December 31, 2012, the Group had obligations under operating leases operating leases at a sum of Baht 364 million, which comprised of lease and office space available for rent within 2-3 year period, ending in November 2014 under a contract renewable right, in addition to subsidiaries with 5-year contract to purchase international news, which will expire on May 31, 2016. Moreover, there are 5 contracts for satellite TV broadcasting service, which lasts from 5 to 10 years, which will expire between 2016 and 2020. Also, the Group obligations in advance foreign currency exchange contracts to prevent the risk of the exchange rate from importing paper. as well as obligations with many national banks for a sum of USD 1.53 million and guarantees from the bank of the Company and its subsidiaries for a total of Baht 28.5 million.

Long-term investments in shares of the Company from December 31, 2011 to 2012

Unit : In Thousand	Shareholding	Paid-Up Capital	Amount of Investment	Gain (loss) on equity investments method		Investment Value	
				2011	2012		
Yomi Uri Information Services Co., Ltd.	45.00%	4,000	1,800	24,731	25,185	26,531	45.00%
Total						26,531	26,985

Cash flows.

■ Net cash from operating activities

As of December 31, 2011, cash provided by operating activities before changes in assets and liabilities was equal to Baht 543 million, down Baht 14 million from 2010 to reach Baht 557 million, due to 2% reduction in revenue in 2010, but was also able to reduce costs by 1% as well. The changes in operating assets and liabilities, and the paid taxes and interest expenses rebated resulted in net cash derived from operating activities, which has a value of Baht 357 million.

For 2012, cash derived from operating activities before changes in assets and liabilities was equal to Baht 638 million, Baht 84 million more than in 2011, due to an increase in revenue by 11%. Meanwhile, the cost of operations increased 10%, which will result in net cash derived from operating activities at a total of Baht 518 million when changes in operating assets and liabilities, net of transaction costs and taxes are also taken into account.

■ Net cash from investing activities

In 2011, cash used in investing activities amounted to Baht 153 million, most of which was spent on assets, which are TV and New Media equipments that NBC has invested in. In 2012, cash used in investing activities was Baht 282 million, most of which was the purchase of equipment for Baht 262 million, which comprised of renovation of office building for rent, due to the relocation of the Company's

office and renovation of building and campus of Nation University, in addition to investment to improve the studio and extra equipment for the TV business during the year.

■ Net cash from financial activities

In 2011, the net cash used in financial activities by the company was Baht 381 million. Throughout the year, the Company has used the money to repay long-term loan in regards to the agreement by financial institutions, which had a total of Baht 349 million, debt financial lease Baht 27 million, and repayment of loans from other companies Baht 9 million. At the same time, the short-term loans were repaid by Baht 110 million and cash received from long-term loans by subsidiaries had a sum of Baht 32 million, and subsidiary paid dividends to minority shareholders for Baht 27 million.

In 2012, the Company the net cash used in financial activities by the company was Baht 242 million. Throughout the year, the Company has used the money to repay long-term loan in regards to the agreement by financial institutions, which had a total of Baht 355 million, short-term loans Baht 43 million, debt repayment by financial lease Baht 35 million, repayment of long-term loans in other companies Baht 2 million, interest payment and fees from long-term loans Baht 96 million, with subsidiaries paying dividends to non-controlling shareholders Baht 11 million. In late 2012, cash received from a 4-year loan from financial institutions was at Baht 300 million.

Financial ratios

- Liquidity Ratio In December 30, 2010 to 2012, the current ratios were 0.98 times, 0.87 times and 0.83 times, respectively; due to short-term debt rise of Baht 289 million in 2011 and Baht 130 million in 2012. For the cash cycle in 2011, the period of cash circulation was 81 days, an increase from that of 2010, which was equal to 72 days. The period for the collection of 96 days, an increase from the year 2553, which was 85 days. The period for product sales was 53 days, down from the year 2010, which was 56 days, while the repayment period was 68 days, down from 2010, which was 69 days. Meanwhile, in 2012, the period of cash circulation was equal to 71 days, down from the year 2011 since the debt repayment was taken into account, which made it 90 days faster than in 2011. Period of product sales was 48 days, which was lower than in 2011, while the debt repayment period was the same as in 2011, which was 68 days.
- Profitability Ratio December 31, 2010 to 2012 has a gross margin of 38.06%, 37.32% and 37.25%, respectively. In 2011, the gross margin increase thanks to cost control of the raw materials used in the manufacture of paper. Year 2012 saw a gross margin decline due to lower revenue from TV advertisement, which was only present in the first 6 months, while 2011 had a full-year revenue. Gross profit from operation rates from 2010-2012 were 6.97%, 6.00% and 7.11%.
- Efficiency Ratio In 2010 to 2012 the rates of asset turnover were 0.87 times 0.75 times and 0.80 times, respectively.

- Financial Policy Ratio As of December 31, 2011, the total liabilities to equity ratios were 1.89 times, down from 2010, which was equal to 1.96 times as part of shareholders' equity increased from the previous year by Baht 50 million. And for that reason, the Company's debt to equity ratio as of December 31, 2011 was 1.16 times, down from the year 2010, which was equal to 1.39 times. Meanwhile, interest coverage ratio in 2011 was 5.92 times, down from the year 2010 by 6.47 times since in 2011, the Company had an increase in interest expense from the previous year by Baht 7.8 million as a result of the 0.5% increase in average interest rate cost of the Company. And for that reason, the ratio of earnings before interest tax and items that did not come from regular operations per interest coverage ratio equal to 2.61 times, down from the year 2010 that was 2.99 times. The ratio obligation coverage in 2011 was 1.05 times, up from 2010, which was 0.71 because of a significant decrease in investment compared to the previous year.

As of December 31, 2012 total debt to equity ratio was equal to 1.65 times, down from the year 2011 due to the increase in shareholders' net profit during the year. As a result, the ratio of interest-bearing debt to shareholders' equity as of December 31, 2012 was 0.91 times, while the interest coverage ratio was 7.12 times in 2012, which increased from 2011 since the Company had Baht 10 million Baht lower interest expense. The ratio of earnings before interest, before tax and before items not from the normal operating expenses was 3.36 times, which was risen by 0.75 times due to 0.5% reduction in cost of average interest rate from the previous year. Meanwhile, debt service coverage ratio was 0.99 times, which was 0.08 times lower from the previous year, due to higher investment costs of office relocation and investment for in the renovate the studio and equipment for television business.

Capital Structure

As of December 31, 2011, the Company had a paid-up capital of Baht 1,648 million along with a -657 million in accumulated debt, resulting in a net profit of 104 Baht million. The impact from changes in accounting policy was Baht -78 million, resulting in a Baht -630 million deficits by the end of the year. Other items in shareholder's equity (formerly the changes in the fair value of investment) were Baht 3 million and the premium on the shares of its subsidiaries was Baht 76 million. Thus, as of December 31, 2011, the Company's net equity was Baht 1,096 million, which would become Baht 1,301 million, if the minority shareholders value of 205 million were taken into account. A total debt to equity ratio equal to 1.89 times, while the ratio of interest-bearing liabilities to equity was 1.16 times. For 2012, the Company's paid-up capital was Baht 873 million, retained earnings as legal reserve was Baht 5 million and inappropriate retained earnings was Baht 330 million and other items in shareholder's equity from the changes in the fair value of investment was Baht 13 million, along with the premium on the shares of its subsidiaries which was Baht 80 million. As a result, the Company's net equity as of December 31, 2012 was Baht 1,302 million, and if the non-controlling shareholders value of Baht 223 million was taken into account, the Company's total equity would ultimately be Baht 1,525 million.

In 2011, the Company had a total liability of Baht 2,452 million, which was divided into current liabilities and long-term liabilities by Baht 1,861 million and Baht 592 million, respectively, representing 76% to 24%, close to that of 2010. Meanwhile, in 2012, the Company had a total liability of Baht 2,515 million, which was divided into current liabilities and long-term liabilities by Baht 1,954 million and Baht 561 million, respectively, representing the percentage of 78% to 22%, close to the previous year, with a relatively high ratio of current liabilities due to the short term loan that act as a continuous cash flow because of its flexibility and lower long-term interest rate.

As of December 31, 2011, consolidated financial statement showed the Company's bank overdrafts and loans from financial institutions at a total of Baht 763 million, long-term loan of Baht 677 million, liabilities under finance leases Baht 67 million, which are separate into 2 parts, one to be repaid by December 31, 2012, which has a total of Baht 369 million and the other to be due between 2014 and 2015, which has a total of Baht 375 million. Meanwhile, as of December 31, 2012 consolidated financial statement showed the Company's bank overdrafts and loans from financial institutions at a total of Baht 720 million (down from the 2011 by Baht 43 million) long-term loan of Baht 622 million, liabilities under finance leases Baht 48 million, which are separate into 2 parts, one to be repaid by December 31, 2013, which has a total of Baht 340 million Baht, and the other to be due between 2014 and 2015, which has a total of Baht 329 million.

**Terms on rights and duties of the Issuer and Holders of Warrants to purchase new ordinary shares
issued and offered to the existing shareholders who have subscribed for and been allocated
the new shares of Nation Multimedia Group Public Company Limited**

Warrants to purchase new ordinary shares of Nation Multimedia Group Public Company Limited No.3 offered to the existing shareholders who have subscribed for and been allocated the new shares (“Warrant No.3” or “NMG-W3”) are issued by Nation Multimedia Group Public Company Limited (the “Warrant Issuer of NMG-W3”), according to the resolution of Annual General Meeting of Shareholders for the year 2013 held on April 25, 2013. The Warrant Issuer and the holders of NMG-W3 are bound by terms and conditions under the Warrant Terms in all respects. The NMG-W3 Holders are deemed to have acknowledged and understood all terms stipulated in these Warrant Terms as well as consented to the appointment of the Registrar of NMG-W3 and other terms in the Agreement to Appoint the Registrar. The Warrant Issuer shall retain one copy of this Warrant terms at the head office of the Warrant Issuer for the inspection by the NMG-W3 Holders during the office hour of the Warrant Issuer.

1. Definitions

Terms and wordings used in these Warrant Terms shall have their respective meanings as follows:

“Warrant Terms”	: The warrant terms on rights and duties of the Warrant Issuer and warrant holders of NMG-W3 issued by Nation Multimedia Group Public Company Limited offered to the existing shareholders who have subscribed for and been allocated the shares. (including the applicable amendments thereto).
“Warrant No.3” or “NMG-W3”	: Warrants to purchase ordinary shares of Nation Multimedia Group Public Company Limited, details of which are set out in these Warrant Terms
“Replacement Certificates of NMG-W3”	: The Replacement Certificates of NMG-W3, issued by Thailand Securities Depository Company Limited
“Warrant Issuer” or “the Company”	: Nation Multimedia Group Public Company Limited
“Business Day”	: The day the Stock Exchange of Thailand is opened to transact its business
“NMG-W3 Holders” or “Warrant Holders”	: Any holder of each unit of NMG-W3 as provided in Clause 3.2
“NMG-W3 Register Book” or “register book”	: The register book of NMG-W3 or sources of information which contain records of NMG-W3 and NMG-W3 Holders which are in the custody of the Registrar
“Right of NMG-W3”	: All rights under NMG-W3 including, but not limited to, right to purchase newly issued ordinary shares allocated for to the exercise of right under NMG-W3, right to attend and vote at the

meeting of NMG-W3 Holders, right to receive any compensation in case of inadequacy of ordinary shares allocated for the exercise of NMG-W3.

“Allotted Shares”	: 1,647,740,300 newly issued ordinary shares of the Company allocated for the exercise of NMG-W3, including any additional ordinary shares to be issued in the case of the adjustment of rights under the Warrant Terms
“Issuance Date of NMG-W3”	: June 20, 2013
“Expiration Date of NMG-W3”	: June 19, 2018
“Maturity Date” or “Last Date for the Exercise”	: As provided in Clause 4.2 of the Warrant Terms
“Registrar”	: Thailand Securities Depository Company Limited
“TSD”	: Thailand Securities Depository Company Limited
“SET”	: The Stock Exchange of Thailand

2. Characteristics and Conditions of Warrant No.3

2.1 Details of the Right offering of the warrants

Warrant Issuer	: Nation Multimedia Group Public Company Limited
Address of Warrant Issuer	: TCIF Tower, 27 – 32 Floor, No. 1858/118-119,121-122,124-130, Bangna-Trad Road Kwang Bangna, Khet Bangna, Bangkok
Type of Securities Offered	: Warrants to purchase ordinary shares of the Company (“Warrant No.3” or “NMG-W3”)
Type of Warrants	: Registered by name and transferable
Number of NMG-W3	: 1,647,740,300 Units
Allotted Shares for NMG-W3	: 1,647,740,300 ordinary shares (at a par value of Baht 0.53 per share), representing 50.00% of total paid-up capital after the capital increase and that there are no remaining shares from the right offering at 3,295,480,600 shares.
Allocation method	: The warrants shall be allocated to the existing shareholders who subscribe to the right offering at the ratio of 1 new share to 1 unit of warrant. In this regards, the record date to determine the list of shareholders who entitle to subscribe the right offering and the warrants is on March 14, 2013 and the closing date of share register book to collect the list of shareholders under Section 225 of the Securities and Exchange Act B.E. 2535 (amended in B.E. 2551) is on March 15, 2013.
Offering Price	: Baht 0 (zero) per unit

Term of NMG-W3	: 5 years from the Issuance Date
Issuance Date	: June 20, 2013
Exercise Ratio	: 1 unit of NMG-W3 shall be entitled to purchase 1 newly issued ordinary share (subjected to the adjustment of exercise price and exercise ratio in Clause 6, if any)
Exercise Price	: Baht 1.00 per share at par value of Baht 0.53 each (subjected to the adjustment of exercise price and exercise ratio in Clause 6, if any)
Exercise Date	: The warrant holders can exercise their rights on 15 th of December and June (the Exercise Date) each year. In this regards, the First Exercise Date shall be on December 15, 2013 (the First Exercise Date) and The Last Exercise Date shall be on the 5-year maturity date of the warrants which is on June 19, 2018. In case that the Exercise Date falls on the Company's holiday, the Exercise Date shall be moved forward to prior business day. To exercise their rights of the Last Exercise Date, the warrant holders must declare their intention at least 15 business days prior to the Last Exercise Date.
Warrant maturity date	: June 20, 2018
Warrant Registrar	: Thailand Securities Depository Company Limited
Secondary market for the NMG-W3	: The Company will register the warrants as listed securities on the SET.
Secondary market for the ordinary shares derived from the exercise of NMG-W3	: The Company will register the ordinary shares derived from the exercise of warrants under this issue and offering as listed securities on the SET.
Exercise Method and Conditions for the Exercise	: As provided in Clause 4 of the Warrant Terms

2.2 Effects to the Shareholders as a Result of the Issuance of the NMG-W3 which is Offered to the Existing Shareholders Proportionately to their Shareholding percentage

- (1) The ordinary shares of the Company resulted from the exercise of Warrants No.3 shall hold equal right to the existing ordinary shares.
- (2) Apart from the 1,647,740,300 ordinary shares (a par value at Baht 0.53 per share) reserved for the exercise of Warrants No.3, the Company may have to additionally increase its registered capital to reserve for the adjustment of right, in the presence of any circumstances according to the Regulations of the Office of the Securities and Exchange Commission regarding to the Issuance and Offering of Warrants.

- (3) Dilution effects on the shareholders due to the issue and offering of new ordinary shares cum Warrants No.3 to the existing shareholders and offering of warrants to the directors, management and/or employees of the Company and/or its subsidiary No.2 ("ESOP Warrants No.2").

Due to the Company's approval of the issue and offering of new ordinary shares cum Warrants No.3 to the existing shareholders and offering of ESOP Warrants No.2 at the same time, which is yet subject to resolution of the shareholders' meeting which may approve the entire issue and offering of securities mentioned above or any of the said shares offering schemes, there will be dilution effects on the shareholders in various scenarios as follows:

Case 1 There is only the issue and offering of new ordinary shares cum Warrants No.3 to the existing shareholders without an issue and offering of the ESOP Warrants No.2 or there is also an issue and offering of the ESOP Warrants No.2, but the ESOP Warrant Holders are not allowed to exercise the whole ESOP Warrants in all cases. This scenario is sub-divided as follows:

Case 1.1 The existing shareholders fully subscribe for the new ordinary shares under the rights offering on a pro rata basis and fully exercise Warrants No.3.

Case 1.2 The existing shareholders fully subscribe for the new ordinary shares under the rights offering on a pro rata basis, but Warrants No.3 are fully exercised by other parties.

Case 1.3 The existing shareholders do not fully subscribe for the new ordinary shares under the rights offering on a pro rata basis, but other existing shareholders subscribe for the shares in excess of rights without any unsubscribed shares remaining and Warrants No.3 are fully exercised by other parties

Case 2 There is only the issue and offering of the ESOP Warrants No.2 and the ESOP Warrant Holders fully exercise the ESOP Warrants.

Case 3 There is the issue and offering of new ordinary shares cum Warrants No.3 to the existing shareholders and an issue and offering of the ESOP Warrants No.2, and the ESOP Warrant Holders are allowed to exercise the whole ESOP Warrants in all cases. This scenario is sub-divided as follows:

Case 3.1 The existing shareholders fully subscribe for the new ordinary shares under the rights offering on a pro rata basis and fully exercise Warrants No.3.

Case 3.2 The existing shareholders fully subscribe for the new ordinary shares under the rights offering on a pro rata basis, but Warrants No.3 are fully exercised by other parties.

Case 3.3 The existing shareholders do not fully subscribe for the new ordinary shares under the rights offering on a pro rata basis, but other existing shareholders subscribe for the shares in excess of rights without any unsubscribed shares remaining and Warrants No.3 are fully exercised by other parties.

Where:

Qa	=	Number of the existing paid-up shares, equal to 1,647,740,300 shares
Qs	=	Number of additional new ordinary shares from the rights offering, equal to 1,647,740,300 shares
Qw	=	Number of additional new ordinary shares derived from the exercise of warrants No. 3 allocated to the existing shareholders who have subscribed for the new ordinary shares, equal to 1,647,740,300 shares
Qesop	=	Number of additional new ordinary shares derived from the exercise of ESOP Warrants No.2, equal to 82,387,015 shares

(a) Control Dilution

Formula of control dilution calculation = $1 - [Q_o / Q_n]$

Where:

Q_o = Total shares obtainable by the shareholders in each case as follows:

Q_o Case 1.1	=	$Q_a + Q_s + Q_w$
Q_o Case 1.2	=	$Q_a + Q_s$
Q_o Case 1.3	=	Q_a
Q_o Case 2	=	Q_a
Q_o Case 3.1	=	$Q_a + Q_s + Q_w$
Q_o Case 3.2	=	$Q_a + Q_s$
Q_o Case 3.3	=	Q_a

Q_n = Total shares in each case:

Q_o Cases 1.1 – 1.3	=	$Q_a + Q_s + Q_w$
Q_o Case 2	=	$Q_a + Q_{esop}$
Q_o Cases 3.1 – 3.3	=	$Q_a + Q_s + Q_w + Q_{esop}$

Control	Case1.1	Case1.2	Case1.3	Case 2	Case3.1	Case3.2	Case3.3
Dilution	0.00%	33.33%	66.67%	4.76%	1.64%	34.43%	67.21%

In case there is only the issue and offering of the new ordinary shares cum warrants to the existing shareholders and the existing shareholders fully subscribe for the ordinary shares and fully exercise the warrants (Case 1.1), the existing shareholders will not be affected by control dilution as the issue and offering are made to the existing shareholders on a pro rata basis. However, in case the existing shareholders do not subscribe for the new shares on a pro rata basis for the whole amount, but other existing shareholders subscribe for the shares in excess of rights without any

unsubscribed shares remaining and Warrants No.3 are fully exercised by other parties (Case 1.3), the existing shareholders will be affected by control dilution equal to 66.67%. The control dilution effect could rise to 67.21% in case there is the issue and offering of the ESOP Warrants No.2 and the ESOP Warrant Holders are allowed to exercise the whole ESOP Warrants (Case 3.3).

(b) Earnings Dilution

Formula of earnings dilution calculation = $(EPS_o - EPS_n) / EPS_o$

Where:

$EPS_o = \text{Net profit} / Q_o$

Where Q_o in each case is as follows:

Qo Case 1.1	=	$Q_a + Q_s + Q_w$
Qo Case 1.2	=	$Q_a + Q_s$
Qo Case 1.3	=	Q_a
Qo Case 2	=	Q_a
Qo Case 3.1	=	$Q_a + Q_s + Q_w$
Qo Case 3.2	=	$Q_a + Q_s$
Qo Case 3.3	=	Q_a

$EPS_{new} = \text{Net profit} / Q_n$

Where Q_n in each case is as follows:

Qn Cases 1.1 – 1.3	=	$Q_a + Q_s + Q_w$
Qn Case 2	=	$Q_a + Q_{esop}$
Qn Cases 3.1 – 3.3	=	$Q_a + Q_s + Q_w + Q_{esop}$

The net profit of Baht 201.95 million earned by the Company for the year ended December 31, 2012 is applied in the calculation.

Earnings	Case1.1	Case1.2	Case1.3	Case 2	Case3.1	Case3.2	Case3.3
Dilution	0.00%	33.33%	66.67%	4.76%	1.64%	34.43%	67.21%

In case there is only the issue and offering of the new ordinary shares cum warrants to the existing shareholders and the existing shareholders fully subscribe for the ordinary shares and fully exercise the warrants (Case 1.1), the existing shareholders will not be affected by earning dilution as the issue and offering are made to the existing shareholders on a pro rata basis. However, in case the existing shareholders do not subscribe for the new shares on a pro rata basis for the whole amount, but other existing shareholders subscribe for the shares in excess of rights without any unsubscribed shares

remaining and Warrants No.3 are fully exercised by other parties (Case 1.3), the existing shareholders will be affected by earning dilution equal to 66.67%. The earning dilution effect could rise to 67.21% in case there is the issue and offering of the ESOP Warrants No.2 and the ESOP Warrant Holders are allowed to exercise the whole ESOP Warrants (Case 3.3).

(c) Price Dilution

Formula of price dilution calculation = $(P_o - P_n) / P_o$

Where:

Pa	=	Weighted average price over 7 business days before the date of the Board of Directors' meeting on February 15, 2013 (6-8 and 11-14 February, 2013), which is Baht 2.66 per share
Ps	=	The rights offering price of Baht 1.00 per share
Pw	=	The exercise price of the Warrants No.3 issued and offered to the existing shareholders who have subscribed for the new shares, which is Baht 1.00 per share
Pesop	=	The exercise price of the ESOP Warrants No.2, which is Baht 1.00 per share

P_o in each case is as follows:

Po Case 1.1	=	$[(Pa \times Qa) + (Ps \times Qs) + (Pw \times Qw)] / (Qa + Qs + Qw)$
Po Case 1.2	=	$[(Pa \times Qa) + (Ps \times Qs)] / (Qa + Qs)$
Po Case 1.3	=	$[(Pa \times Qa)] / Qa$
Po Case 2	=	$[(Pa \times Qa)] / Qa$
Po Case 3.1	=	$[(Pa \times Qa) + (Ps \times Qs) + (Pw \times Qw)] / (Qa + Qs + Qw)$
Po Case 3.2	=	$[(Pa \times Qa) + (Ps \times Qs)] / (Qa + Qs)$
Po Case 3.3	=	$(Pa \times Qa) / Qa$

P_n = The average price of total shares after the offering of new ordinary shares to the existing shareholders and the exercise of Warrants No.3 and/or after the offering of the ESOP Warrants No.2, as the case may be, as follows:

Pn Cases 1.1 – 1.3	=	$[(Pa \times Qa) + (Ps \times Qs) + (Pw \times Qw)] / (Qa + Qs + Qw)$
Pn Case 2	=	$[(Pa \times Qa) + (Pesop \times Qesop)] / (Qa + Qesop)$
Pn Cases 3.1 – 3.3	=	$[(Pa \times Qa) + (Ps \times Qs) + (Pw \times Qw) + (Pesop \times Qesop)] / (Qa + Qs + Qw + Qesop)$

Price Dilution	Case1.1	Case1.2	Case1.3	Case 2	Case3.1	Case3.2	Case3.3
	0.00%	15.11%	41.58%	2.97%	0.58%	15.60%	41.92%

In case there is only the issue and offering of the new ordinary shares cum warrants No.3 to the existing shareholders and the existing shareholders do not fully subscribe for the new shares, but other existing shareholders subscribe for the shares in excess of rights without any unsubscribed shares remaining and the warrants No.3 are fully exercised by other parties (Case 1.3), the existing shareholders will be affected by price dilution equal to 41.58%. The price dilution effect could rise to 41.92% in case there is the issue and offering of the ESOP Warrants No.2 and the ESOP Warrant Holders fully exercise the ESOP Warrants (Case 3.3).

3. The NMG-W3, the NMG-W3 Register Book and NMG-W3 Holders

3.1 The Registrar shall have the duty to issue the Warrant Certificates to all NMG-W3 Holders. In case of the Warrant Certificates deposited with the TSD, the name of TSD shall be registered in the NMG-W3 register book, the Registrar shall issue the Warrant Certificate or Replacement Warrant Certificate to the NMG-W3 Holders in the form prescribed by the Registrar.

3.2 NMG-W3 Holders

- General case

Rights under the NMG-W3 shall be vested in the individuals or juristic persons whose names appeared in the NMG-W3 Register Book at that time or on the first date of the closing date of NMG-W3 (in the case of closing of NMG-W3 Register Book).

- In the case of TSD registered as NMG-W3 Holder

Rights under the NMG-W3 shall be vested in the individuals or juristic persons whose names appeared in the notice of TSD to the Registrar as the NMG-W3 Holders which were registered in the NMG-W3 Register Book at TSD at that time or on the first date of the closing date of NMG-W3 (in the case of closing of NMG-W3 Register Book).

3.3 In the case where TSD is registered as the NMG-W3 Holder, if the actual NMG-W3 Holder wants to register its name in the Warrant Certificate as the holder. The Registrar shall issue the Warrant Certificate in the name of the person who deposited the NMG-W3 with TSD and register such name and number of NMG-W3 in the NMG-W3 Register Book as notified by TSD. Upon issuance of NMG-W3 and registration of the name and number of NMG-W3 in the NMG-W3 Register Book as such, the Registrar shall correct the number of warrants held by TSD by subtracting the number of NMG-W3 reallocated to the actual NMG-W3 Holder as notified by TSD from the total number of NMG-W3 held in the name of TSD. If the Registrar fails to make such correction for whatever reasons, it shall be deemed that the number of NMG-W3 held in the name of TSD shall be less the number of NMG-W3 reallocated and registered in the name of the actual NMG-W3 Holder.

4. Exercise Right of Warrants

4.1 Notification Period for the Exercise of Warrant

- Notification period of each exercise date (except for the final exercise date)

The NMG-W3 Holders who intend to exercise their rights to purchase the Company's ordinary shares shall notify their intention within 5 business days prior to each exercise date during 9.00 hrs. to 16.00 hrs. and follow the procedures to exercise warrant as described in Section 4 of terms and condition of NMG-W3.

The Company will inform the NMG-W3 Holders on the notification period, the exercise ratio and the exercise price through the information service system of the SET not less than 7 days prior to each notification period.

- Notification period of the final exercise date

The warrant holders of NMG-W3 who intend to exercise their rights to purchase the Company's ordinary shares shall notify their intention within 15 business days prior to the final exercise date of warrants during 9.00 hrs. to 16.00 hrs. and shall follow the exercise procedures as described in Section 4 of terms and condition of NMG-W3.

The Company shall send a notice by registered mail to all of NMG-W3 Holders whose names appeared in the NMG-W3 Register Book on the closing date which shall not be less than 21 days before the maturity date. In addition, during such 21 – day period before the maturity date, the Company shall notify to the SET to suspend the trading of NMG-W3 (or the SP sign shall be posted by the SET) provided that the SET shall post the SP sign 3 days prior to the closing date of NMG-W3 Register Book.

4.2 Exercise Date of Warrant

- Exercise date of warrant (except the final exercise date)

NMG-W3 Holders can exercise right to purchase the Company's ordinary shares on on 15th of December and June each year. In this regards, the First Exercise Date shall be on December 15, 2013. In case that the Exercise Date falls on the Company's holiday, the Exercise Date shall be moved forward to prior business day.

- Final exercise date of warrant

NMG-W3 Holders can exercise the right to purchase the Company's ordinary shares on the date falling fifth anniversary of the issuing date of warrant which is on June 19, 2018. If such date falls on the date which is the Company's holiday, such date shall be moved forward to prior business day.

4.3 Exercise of warrants Procedures

4.3.1 Persons and Place to exercise warrants

Corporate Secretary Department
Nation Multimedia Group Public Company Limited
TCIF Tower, 27 Floor, Meeting Room A
No. 1858/118-119,121-122,124-130,
Bangna-Trad Road, Kwang Bangna, Khet Bangna, Bangkok
Tel. 0-2338-3289-92 Fax. 0-2338-3904

4.3.2 Exercise Procedures

The NMG-W3 Holders who intend to exercise their rights to purchase the ordinary shares shall comply with the following conditions and procedures;

- (1) The NMG-W3 Holders who intend to exercise the right must accurately complete and sign the notification form (in case of a juristic person, the notification form must be signed by the authorized person(s) of such juristic person with company seal (if applicable)) and submit the form together with warrant certificates of NMG-W3 or substitute document and the following documents;

- Thai individual: A certified true copy of the valid Identification Card, Civil Servant Identification Card or State Enterprise Employee Card. In case of the Civil Servant Identification Card or State Enterprise Employee Card, a certified true copy of his/her house registration is also required, and in case of child, the parents' confirmation letter together with a certified true copy of the identification card of parents and a certified true copy of the house registration containing the child's name are also required.
- Foreign individual: A certified true copy of the alien certificate or passport.
- Juristic Person Incorporated in Thailand: A copy of the Affidavit issued by the Ministry of Commerce not more than 6 months prior to the exercise date, certified by the authorized person(s) of such juristic person and affixed with the seal of the juristic person (if any) together with a certified true copy of the valid identification card, civil servant identification card, state enterprise employee (in the case of civil servant and state enterprise employee identification card, a certified true and correct copy of the house registration is also required). In the case where authorized person is non-Thai, a certified true and correct copy of the alien certificate or passport (as the case may be) is also required.
- Juristic Person Incorporated outside Thailand: Copies of the Certificate of Incorporation, Memorandum of Association, and Affidavit, issued not more than 12 months prior to the exercise date, certified by the authorized person(s) of such juristic person and affixed with the seal of the juristic person (if any) together with a certified true copy of alien certificate or passport (as the case may be) of such authorized person(s) of such juristic persons.

Copies of documents referred to above which were certified true and correct shall be notarized by the notary public and legalized by the official at the Thai embassy or Thai Consul of the country where the documents as such were prepared or certified true and correct. The notarization and legalization as such shall be done within 12 months prior to the maturity date.

As for NMG-W3 in the form of scriptless, any holder thereof wanting to exercise its right to purchase the ordinary share of the Company shall express its intention and fill out the form for a revocation of NMG-W3 or an issuance of the replacement certificate of NMG-W3 or NMG-W3 as required by the TSD by submitting the same to the securities company acting as its broker and the securities company shall notify the TSD to revoke the warrant certificate of NMG-W3 and the revocation as such shall be used as evidence to purchase the ordinary share of the Company for the exercise of right as provided.

- (2) NMG-W3 Holders shall submit the completed application and comply with the conditions as prescribed in the "Exercise Procedures" in Clause 4.3 and follow the conditions as prescribed in "Exercise Right of Warrant" in Clause 4.1.
- (3) The number of share purchased from the exercise right of warrant should be an integer number while 1 unit of warrant has the right to purchase 1 ordinary share of the Company except for the case of an adjustment of the exercise ratio in Clause 6.
- (4) Payment should be made in whole of the exercise amount as specified in the notification form. The payment can be made in form of cash, transfer, personal cheque, draft, or cashier cheque (Bank cheque). In case payment is made by personal cheque, draft or cashier cheque, such personal cheque, draft or cashier cheque (Bank cheque) must be collectable in cash in Bangkok when called within 1 business days from each notification date. Cheque, draft, or cashier cheque (Bank cheque) must be crossed cheque payable to "Nation Multimedia Group Plc. for Share Subscription", Saving Account No.333-1-73586-2, Bank of Ayudhya Public Company Limited, Bangna-Trad Road Branch. NMG-W3 Holders shall also write their names, address, and telephone numbers on the back of personal cheque, draft, or cashier cheque (Bank cheque). The exercise of warrant is complete upon the collection of payment to the Company.
- (5) NMG-W3 Holders shall be responsible for duty stamp or other related tax. NMG-W3 Holders shall also comply with any regulations or other laws that govern the exercise the right of warrant for new ordinary share.

- (6) If the Company does not receive warrant certificates at the amount specified in the notification form or does not receive the payment in an amount equal to the amount as specified in the notification form or finds that information filled in the notification form is inaccurate or incomplete or does not receive a proper amount of duty stamp required by laws, the Company will allow NMG-W3 Holders to correct such errors within each exercise date. Otherwise, the notification of intention to exercise the right of warrants shall be deemed to expire without exercise and the Company shall refund the exercise amount without any interest together with warrant certificate or temporary warrant certificate by registered mail within 14 days from each exercise date. However, the NMG-W3 Holders can re-submit the notification form on the next exercise date, except for the final exercise date on which the rights to exercise is expired and cannot be exercised later.

If the warrant holder does not pay the exercised amount or duty stamp in full, the Company reserves its right to proceed with one of the following alternatives as it sees fit:

- (a) Deem that the notice of intention to exercise the right of warrant shall have been nullified without any exercise of right as such; or
- (b) Deem that the number of shares subscribed is equivalent to the corresponding number of shares which could have been purchased by the amount paid to the Company at the prevailing exercise price; or
- (c) Demand the warrant holder to make payment for the balance of the exercise amount due for payment within the notification period. If the Company does not receive a payment (representing the balance of the exercise amount and/or the unpaid tax) within such period in full, it shall be deemed that the notice of intention to exercise the right of warrant shall have been nullified without any exercise of right as such.

In case of (a) or (c) (for the case that warrant holder does not pay the remaining balance) occurs, the Company shall refund the exercise amount without any interest together with warrant certificate or replacement warrant certificate by the registered mail within 14 days from the date following each exercise date. In case of (b), the Company shall notify the NMG-W3 Holders regarding their exercised amount as deemed as partial exercise and send the unexercised warrant by the registered mail within 30 days from the date following each exercise date. However, the unexercised warrant certificate is valid until the final exercise date.

- (7) When the NMG-W3 Holders has fully complied with the conditions as prescribed in the notification form by deliver all of the evidence representing the amount of warrants that they have allotted and

the complete and accurate notification form together with a payment, the intention to exercise the right of warrants cannot be cancelled unless a written consent from the Company is obtained.

- (8) Upon a lapse of the last day for the exercise of right, if the warrant holder of NMG-W3 still fails to exercise its right or fails to fully comply with procedures required for an exercise of right as such, it shall be deemed that the warrant of NMG-W3 has been nullified without any exercise of right and the warrant holder of NMG-W3 shall no longer be entitled to exercise its right to purchase ordinary shares of the Company.
- (9) Upon a lapse of each and any exercise date, the Company shall notify the names of new shareholders holding ordinary shares as a result of an exercise of right under NMG-W3 to the TSD who has been acting as the registrar of the Company and register such names and corresponding capital increase resulting from the exercise of warrant with the Ministry of Commerce in accordance with the corresponding number of shares newly issued as a result of the exercise right of warrants, within 14 days from the date the Company received the payment representing the exercise of right to purchase ordinary shares in full or from the maturity date.

From the date that the notification of intention to exercise the right is submitted to the date before names of NMG-W3 Holders are recorded in the share register book, the rights of the exercising NMG-W3 Holders shall be deemed as other NMG-W3 Holders who do not notify the intention to exercise the warrants.

4.4 Status of Warrant during the Notification Period

During the day the NMG-W3 Holders completed their notification of their intention to exercise warrants and the day the Company register the increased capital, the Company shall regard the aforementioned NMG-W3 Holders in the same status as other NMG-W3 Holders who have not declared their intention to exercise their warrants. Starting from the day the Ministry of Commerce acknowledged the register of the increased paid-up capital of the Company, the Company shall regard the aforementioned NMG-W3 Holders in the same status as shareholders of the Company.

In the case where there is a right adjustment during the period where the Company has not yet registered the new shares (resulted from the exercise of warrants) with the Ministry of commerce, the rights of NMG-W3 Holders who had already exercised their rights will be adjusted accordingly. The Company will proceed on issuing additional shares to the NMG-W3 Holders as soon as possible to ascertain that the NMG-W3 Holders receive a number of shares as they would have received if they were to exercise warrants subsequent to the right adjustment. The NMG-W3 Holders may receive the additional shares after the previously received shares, but not later than 15 days from the right adjustment date.

4.5 Other Conditions for Exercising of Warrant

The NMG-W3 Holders may exercise their right without any limitation except for the case that such the exercise causes the foreign holding of shares to exceed 30.00% of the paid up capital of the Company. The Company reserves its right to reject any share transfer that will result in the violation of such foreign shareholding ratio.

5. Warrant Registrar

Thailand Securities Depository Company Limited
62 The Stock Exchange of Thailand Building 4th and 7th Floor,
Ratchadapisek Road, Klongtoey, Bangkok 10110
Tel: 0-2229-2888 Fax: 0-2654-5427

The Registrar shall be responsible for closing the warrant register book. The warrant register book must consist of the full names, nationalities and addresses of the NMG-W3 Holders as well as the details as required by the TSD. Shall there be any cases of inconsistency of any information, the Company will treat the information in the NMG-W3 Register Book as correct information.

The NMG-W3 Holders shall have the duty to report on any change or error in the particulars recorded in the warrant register book, and the Registrar shall make a rectification or correction accordingly. The Company reserves the right to replace the Registrar, provided that a notice thereof must be given to the NMG-W3 Holders prior to the date of such replacement.

6. Adjustment of Exercise Price and Exercise Ratio

6.1 The Company will not extend the term nor adjust the exercise price and exercise ratio of NMG-W3, except for the case as stated in 1 (1)-(6). In such cases, the adjustment can be made throughout the terms of warrants which shall not reduce the warrant holder's benefits in case of the occurrence of the following events;

(1) In case the Company changes the par value of its share as a result of a division or consolidation of its issued ordinary shares

The Company shall adjust the exercise price and exercise ratio which became effective before the effectiveness of the change in par value of the ordinary shares of the Company as such (which was effective on the date of registration of such change at the Ministry of Commerce) so that the entitlement of any holder of NMG-W3 is adjusted by and reflects the change in par value as such.

(a) Exercise price shall be adjusted in accordance with the following formula;

$$\text{Price 1} = \text{Price 0} \times [(\text{Par1})/(\text{Par0})]$$

(b) Exercise ratio shall be adjusted in accordance with the following formula;

$$\text{Ratio 1} = \text{Ratio 0} \times [(\text{Par0})/(\text{Par1})]$$

where; Price 1 = New exercise price after the adjustment

Price 0 = Exercise price before the adjustment

Ratio 1 = New exercise ratio after the adjustment

Ratio 0 = Exercise ratio before the adjustment

Par 1 = New par value of ordinary share after the adjustment

Par 0 = Par value of ordinary share before the adjustment

- (2) The Company offers new ordinary shares to existing shareholders and/or to the public and/or to limited persons (a private placement) at an average price per share below 90% of "the Market Price of the Ordinary Shares".

The adjustment of the exercise price and the exercise ratio shall be effective immediately on the first day that the shareholders have not obtained the right to subscribe for newly issued ordinary shares (the first day that the SET posts a "XR" sign) in the event that the offering is made to existing shareholders (a "rights issue"), and/or the first offering day of new ordinary shares to the general public, and/or the first day that has been agreed to sell and purchase new ordinary shares offering to limited persons (a private placement) (as the case may be). For the purpose of comparison, the average price of newly issued ordinary share and the Market Price of the Ordinary Shares shall be compared at the same basis of registered par value. With this regard, the average price of newly issued ordinary shares is calculated by dividing total proceeds received from the offering (net of relevant expense, if any) by total number of newly issued shares.

"The Market Price of the Ordinary Shares" is equal to the "The Weighted Average Market Price of the Ordinary Shares". "The Weighted Average Market Price of the Ordinary Shares" is equivalent to the total trading value of the Company's issued shares in the SET divided by the total number of shares that has been traded during 7 (seven) consecutive business days of the SET (exclusive of weekend and public holiday, if any) before the Calculation Date. In case there is no trading transaction during 7 (seven) consecutive business days for calculation of "The Market Price of the Ordinary Shares" as such, the Company will determine the "fair price" for such calculation instead.

"The Calculation Date" defined as the first date that the shareholders have not obtained the right to subscribe for the newly issued ordinary shares and/or convertible securities (the first day that the SET posts a "XR" sign) in the event that the offering is made to existing shareholders (a "rights issue"), the first

date of public offering, and/or the first date that has been agreed to sell and purchase newly issued ordinary shares to a private placement, as the case may be.

(a) Exercise price shall be adjusted in accordance with the following formula;

$$\text{Price 1} = \text{Price 0} \times \left[\frac{(A1 \times MP) + B1X}{(MP \times (A1 + B1))} \right]$$

(b) Exercise ratio shall be adjusted in accordance with the following formula;

$$\text{Ratio 1} = \text{Ratio 0} \times \left[\frac{(MP \times (A1 + B1))}{(A1 \times MP) + B1X} \right]$$

where: Price 1	=	New exercise price after the adjustment
Price 0	=	Exercise price before the adjustment
Ratio 1	=	New exercise ratio after the adjustment
Ratio 0	=	Exercise ratio before the adjustment
MP	=	"The Market Price of Ordinary Share" as specified in (2)
A1	=	Numbers of paid up ordinary shares as of the date prior to the closing date of share register book for the right to subscribe newly issued ordinary shares and/or the first date of public offering of newly issued ordinary shares and/or the first day that has been agreed to sell and purchase newly issued ordinary shares to a private placement
B1	=	Total number of newly issued ordinary shares offered to existing shareholders and/or public offering and/or private placement
B1X	=	Net proceeds from the offering of newly issued ordinary shares, net of relevant expenses, if any, to existing shareholders and/or public and/or limited persons

(3) Company offers any newly issued securities to existing shareholders and/or the public and/or limited persons (a private placement), where such securities are convertible/changeable into ordinary shares or which provide a right to subscribe for ordinary shares (i.e. convertible debentures or warrants to purchase ordinary shares), with the average price per share of such newly issued ordinary shares reserved for such securities being below 90% of "the Market Price of the Ordinary Shares".

The adjustment of the exercise price and the exercise ratio shall be effective immediately on the first date the ordinary shareholders have not obtained a right to subscribe for such securities convertible/changeable into ordinary shares or which provide a right to subscribe for ordinary shares (the first day the SET posts "XW" sign in case of right issue), and/or the first date of public offering, and/or to a private placement (as the case may be).

The average price per share of newly issued ordinary shares reserved for those securities can be calculated from the net proceeds from the offering of such securities plus the money received from exercise of the rights to purchase ordinary shares (assume all securities are exercised) then divided by the total number of newly issued shares reserved for the exercise of such securities.

- (a) Exercise price shall be adjusted in accordance with the following formula;

$$\text{Price 1} = \text{Price 0} \times [(A2 \times MP) + B2X / (MP \times (A2+B2))]$$

- (b) Exercise ratio shall be adjusted in accordance with the following formula;

$$\text{Ratio 1} = \text{Ratio 0} \times [(MP \times (A2+B2)) / ((A2 \times MP) + B2X)]$$

where: Price 1 = New exercise price after the adjustment

Price 0 = Exercise price before the adjustment

Ratio 1 = New exercise ratio after the adjustment

Ratio 0 = Exercise ratio before the adjustment

MP = "The Market Price of Ordinary Share" as specified in (2)

A2 = Numbers of paid up ordinary shares as at the date prior to the closing date of share register book for the right to subscribe securities convertible/changeable to ordinary shares or the first date of public offering or the first day that has been agreed to sell and purchase securities convertible/changeable to ordinary shares to a private placement

B2 = Total number of new ordinary shares reserved for the exercise of convertible /changeable securities

B2X = Net proceeds from the offering of securities convertible/changeable to ordinary shares of the Company to existing shareholders and/or the public and/or a private placement plus proceeds from the exercise of such securities

(4) The Company makes a stock dividend payment (all or partial) to shareholders of the Company.

The adjustment of the exercise price and the exercise ratio shall be effective immediately on the first date that the shareholders do not have a right to such stock dividend (the first date that the SET posts a "XD" sign).

- (a) Exercise price shall be adjusted in accordance with the following formula;

$$\text{Price 1} = \text{Price 0} \times [(A3) / (A3+B3)]$$

(b) Exercise ratio shall be adjusted in accordance with the following formula;

$$\text{Ratio 1} = \text{Ratio 0} \times \left[\frac{A3+B3}{A3} \right]$$

where: Price 1 = New exercise price after the adjustment

Price 0 = Exercise price before the adjustment

Ratio 1 = New exercise ratio after the adjustment

Ratio 0 = Exercise ratio before the adjustment

A3 = Numbers of paid up ordinary shares as of the date prior to the closing date of share register book for the right to receive stock dividend

B3 = Total number of new ordinary shares reserved for the stock dividend

(5) The Company pays cash dividends more than 65% of its net profit after tax of the separate financial statement of the Company for the operation of any accounting year during the term of the NMG-W3.

The percentage of cash dividend paid to the shareholders shall be calculated from the actual cash dividend paid of each accounting year divided by the net profits after tax deduction from the same accounting year.

(a) Exercise price shall be adjusted in accordance with to the following formula;

$$\text{Price 1} = \text{Price 0} \times \left[\frac{MP-(D-R)}{MP} \right]$$

(b) Exercise ratio shall be adjusted in accordance with to the following formula;

$$\text{Ratio 1} = \text{Ratio 0} \times \left[\frac{MP}{MP-(D-R)} \right]$$

where: Price 1 = New exercise price after the adjustment

Price 0 = Exercise price before the adjustment

Ratio 1 = New exercise ratio after the adjustment

Ratio 0 = Exercise price before the adjustment

MP = "The Market Price of Ordinary Share" as specified in (2)

D = Actual dividend paid per share

R = Dividend per share calculated by assuming the Company pays 65% of the net profit after tax

The adjustment of the exercise price and the exercise ratio shall be effective immediately on the first date that the shareholders do not have a right to such cash dividend (the first date that the SET posts a "XD" sign).

- (6) Upon the occurrence of any event which causes the warrant holders to lose their rights and benefits and such event is not prescribed in (1) to (5) above or in the event that market price of the Company's ordinary share is undetermined as ordinary shares are not traded in the stock market.

The Company will adjust and fix the new exercise price and/or the new exercise ratio of warrants to ensure that the rights of the warrant holders are no less favorable. The consideration will be final and the Company will inform the SEC and the SET within 15 days from the date the Company has final consideration (or within 15 days from the occurrence of event which causes the adjustment of exercise price and/or exercise ratio.)

6.2 The adjustment of the exercise price and the exercise ratio following (1) to (6) is independent from each other and the calculation as such shall be made in chronological order of the events in comparison with the market price of the ordinary shares of the Company. In addition, the adjustment will be made respectively to the occurrence of such events. In case that several events occur at the same time, the adjustment will be made in accordance to the following order, (1) (5) (4) (2) (3) and (6) and in each calculation for adjustment the exercise price shall remain intact at 3 decimal place for exercise and 5 decimal place for exercise ratio.

6.3 The adjustment of the exercise price and the exercise ratio following (1) to (6) that results in higher exercise price and/or lower exercise ratio will be disregarded, except for the consolidation of share

6.4 Shall there be any fraction of share resulting from exercise of warrant in each exercise period (calculated by using 5 decimal places of new exercise ratio), such the fraction will be disregarded and/or there is fraction of Baht resulting from the multiplication between exercise price and number of shares to be subscribed (using 3 decimal places of exercise price), such fraction of money will also be disregarded. Such the cases occur, the Company shall not be responsible for any compensation.

6.5 In the case that the new exercise price after adjustment is lower than the par value of the Company's ordinary shares, the new exercise price shall be determined at the par value, however, the new exercise ratio shall be in accordance to the formulas prescribed in (1) to (6), as the case may be.

6.6 Shall the occurrence of events for warrant adjustment occur, the Company will immediately notify the adjustment of the exercise price and the exercise ratio according to (1) to (6) together with causes and details of the calculation to the warrant holders via the information service system of the SET (SET SMART/ ELCID) as well as notify to the SEC within 15 day after the occurrence of such events

7. In case that the Company is unable to provide the Allotted Shares for the exercise of warrants

7.1 Compensation

In the event that the Company is unable to provide sufficiently ordinary shares for the exercise of warrants, the Company will compensate only to the NMG-W3 Holders who notify their intention to exercise their rights in each notification period and follow the prescribed procedures except in the case that specified in the transferring restriction. The Company shall close the NMG-W3 Register Book within 30 days from the exercise date that the Company is unable to provide sufficient ordinary shares for the purpose to determine the list of warrant holders. In this case, the closing of warrant register book shall not affect the trading price of warrants.

7.2 Compensatory Payment

The compensation that the Company agrees to compensate to the NMG-W3 Holders pursuant to the above Clause shall be made by way of crossed cheque sent by registered mail to the NMG-W3 Holders at the address specified in notification form within 30 days after each exercise date, without interest. If the Company cannot return the money to those warrant holders within the specified period, the Company shall pay the interest of 7.5% per year calculated from the unsubscribed amount of warrants from the day beyond the 30 day period until the day the NMG-W3 Holders receive the money. However, if the Company has sent the crossed cheque by registered mail to the NMG-W3 Holders at the address as specified in notification form correctly, it shall be deemed that the warrant holders receive their unsubscribed amount so that the warrant holders shall not have the right to claim for any interest or compensation.

7.3 Calculation of the compensation

Compensation to the NMG-W3 Holders according to Clause 7.1 shall be calculated according to the following formula;

$$\text{Compensation per 1 unit of NMG-W3} = B \times [MP - \text{Price}]$$

Where: B = Number of ordinary share which is unable to be sufficiently allotted and/or increased according to exercise ratio of each unit of NMG-W3

MP = "Market Price of Ordinary Share" as specified in Clause 6.1 (2)

Price = Exercise price of NMG-W3 of Baht 1.00 per share or the exercise price according to the adjustment of exercise price

8. Transfer Restriction

8.1 Warrant transfer

The warrant has no transferring restrictions except in case of such transferring occurs during the closing date of NMG-W3 Register Book. The Company may close the NMG-W3 Register Book for the transfer of NMG-W3 in the following condition;

- (1) For the final exercise date, the Company will close the NMG-W3 Register Book within 21 days prior to the final exercise date.
- (2) In case that the Company does not have sufficient ordinary shares for the exercise of warrant.

If the closing date of the warrant register book is not a business day of the SET, it shall be postponed to the prior business day.

The transfer of NMG-W3 shall become effective upon registering such transfer in the NMG-W3 Register Book.

8.2 Transferring restrictions of the new ordinary shares resulting from the exercise of NMG-W3 in case NMG-W3 Holders are foreigner

- (1) The Article of Association of the Company stated that "there is no limitation on the transfer of the Company's shares except the transfer of such shares causes the foreign share holding to exceed 30% of the company's paid-up capital". The Company reserves its right to reject any share transfer that will result in the violation of the foreign shareholding limit.

The Company reserves the right to change the Article of Association regarding the share transfer after the issue of NMG-W3. Any changes as such may effect the exercise of right under NMG-W3 only after the registration of the amendment of Article of Association with the Ministry of Commerce.

- (2) The Company shall not issue new ordinary shares to foreign NMG-W3 Holders if such issue causes foreign shareholding to violate the limit as stated in the Company's Article of Association.
- (3) If the aforementioned transfer restriction causes the foreign NMG-W3 Holders, who exercise their rights, to be unable to exercise warrants as specified in the notification form either partially or in whole, the Company shall allow the exercise of rights only for the amount that comply with the transfer restriction. For the amount of warrants that cannot be exercised due to transfer restriction, foreign NMG-W3 Holders may request the Company to act either of the followings:
 - (a) Return NMG-W3 certificates and the balance of the exercise price of NMG-W3 (which could not be exercised by a non-Thai warrant holder) without interest via registered mail within 14 days from each exercise date.

(b) Hold notification form, NMG-W3 certificates or substitute document, and payment for the amount of NMG-W3 which cannot be exercised in order that the Company shall be able to allow the exercise of right to purchase ordinary shares partially or in whole when the exercise of warrant comply with the transfer restriction regarding foreign shareholding limit.

Any foreign NMG-W3 Holders shall clearly notify its to the Company to proceed with either case No. (a) or (b) in the notification form on the date that the NMG-W3 Holders express their intention to exercise.

(5) The Company will allow the exercise of NMG-W3 or the substitute document, either partially or in whole, for the amount of warrants which cannot be exercised according to No. (3) (b) on the first exercise date that such exercise complies with the transfer restriction. However, if the amount of NMG-W3 to be exercised during such exercise period exceeds the number of shares to be exercised according to the transfer restriction regarding foreign shareholding limit, the Company shall allow the exercise of foreign NMG-W3 Holders in the order of their express of intention on and the complete notification that the Company received of each exercise.

(6) In case that foreign NMG-W3 Holder cannot exercise their right to purchase ordinary shares of the Company due to the foreign shareholding limit, such NMG-W3 Holder shall not have any right to any claims and the Company shall not be held liable for any damages arisen therefore in any way whatsoever.

If NMG-W3 Holder notifies the Company according to No. (3) (b) and on the last exercise date such warrant holder is unable to exercise the right to purchase ordinary shares of the Company due to the foreign limit restriction, such NMG-W3 shall be deemed expire. Foreign warrant holder shall not have any right to claim and the Company will not have to pay any compensation in any cases.

9. Delivery of Ordinary Shares Resulting from the Exercise of NMG-W3

In case the NMG-W3 Holders exercise their right, the NMG-W3 Holders can choose either alternative provided by the Company as follows:

9.1 In case the NMG-W3 Holders would like the Company to issue a share certificate bearing the name of the NMG-W3 Holder, TSD will deliver a share certificate according to the entitled amount that the NMG-W3 Holders exercise their right by registered mail at the address as specified in the NMG-W3 Register Book within 15 business days from each exercise date. In this case, the NMG-W3 Holders who exercise their right to purchase ordinary shares as such may not immediately be able to sell the ordinary shares in the SET until the receipt of those share certificates which may be received after the SET has approved the trading date of the ordinary shares as such.

9.2 In case the NMG-W3 Holders would like the Company to deposit the newly subscribed shares into the security trading account which the NMG-W3 Holders have opened with the securities company, TSD will deposit allotted shares in the account "Thailand Securities Depository Company Limited for Depositors" and record the number of shares in the account of such securities company. At the same time, the securities company will record the number of shares deposited by the NMG-W3 Holders and issue the evidence of deposit of the allotted shares to the NMG-W3 Holders within 7 business days from each exercise date. In this case, the NMG-W3 Holders can sell the ordinary share in the SET immediately upon the SET approves the trading date of shares.

In this case, the name of securities trading account must be the same as the NMG-W3 Holders. Otherwise, the Company reserves the right to issue a share certificate identified the NMG-W3 Holders' name as pursuant to clause 9.1 instead.

9.3 In case the NMG-W3 Holders would like the Company to deposit the newly issued ordinary shares with TSD in the issuer account number 600, TSD will deposit the Allotted Shares in the account "Thailand Securities Depository Company Limited for Depositors" and record the number of shares in the issuer account number 600 and issue a deposit slip to the NMG-W3 Holders within 7 business days from each exercise date. In case the NMG-W3 Holders would like to sell their shares, they have to contact the securities company acting as their broker to withdraw the shares from the issuer account number 600 and deposit them into the security trading account. In this case, the NMG-W3 Holders will be subject to a fee specified by TSD and/or the securities company. The NMG-W3 Holders can sell the ordinary share in the SET after the SET approves the trading date of shares and shares are withdrawing from the issuer account number 600.

During the period commencing from the date the NMG-W3 Holders notified their intention to exercise warrants to the day the Company completes its registration of capital increase, the Company shall treat the aforementioned NMG-W3 Holders in the same status as other NMG-W3 Holders who have not notified their intention to exercise their warrants. Such status will subsist unless and until the name of such NMG-W3 Holder is registered as a shareholder at the Ministry of Commerce following the exercise of such NMG-W3.

In the case where there is a right adjustment during the period where the Company has not yet registered the new shares (resulted from the exercise of warrants) with the Ministry of commerce, the rights of NMG-W3 Holders who had already exercised their rights will be adjusted accordingly. The Company will proceed to issue additional shares to the NMG-W3 Holders as soon as possible to ascertain that the NMG-W3 Holders receive a number of shares as they would have received if they were to exercise warrants subsequent to the adjustment. The NMG-W3 Holders may receive the additional shares later than the ordinary shares received previously, but it shall not be later than 15 days from the date of adjustment.

10. Status of New Ordinary Shares as a Result of Exercise of NMG-W3

The ordinary share issued as a result of exercising the NMG-W3 will rank *pari passu* as the existing ordinary shares of the Company on the day the Registrar recorded the names of the NMG-W3 Holders as shareholders in the share register book and the Ministry of Commerce acknowledges the registration of the paid-up capital increase of the Company. In the case the Company declares a dividend payment or any benefits prior to the date at which the Registrar recorded the names of the NMG-W3 Holders as shareholders in the share register book, such the NMG-W3 Holders have no right to receive the dividend payment or any benefits that have been declared.

11. Amendment of the Warrant Terms

11.1 Amendment of contents, which are minor or to comply with the legal requirements.

Amendments or changes of the terms, which may affect the rights, but are minor for the NMG-W3 Holders, such as the adjustment in exercise procedure, or the adjustment of some parts that are significantly be beneficial to the NMG-W3 Holders, or the parts that have no negative impacts to the rights of the NMG-W3 Holders, or the adjustment that are required by relevant laws and regulations regarding the securities and stock market, or other relevant laws, rules, regulations, or relevant SEC's general rules, orders, regulations and announcements. It is allowed that, the Company may adopt these amendments or changes, without having to obtain prior consent of the NMG-W3 Holders in the general meeting, provided that the Company has already informed the SEC.

11.2 The amendments or changes that are material

Any amendments or changes of terms of right other than the ones provided in Clause 11.1 shall be approved by Company and the NMG-W3 Holders in their general meeting as provided in Clause 12.8 or 12.10 as the case may be.

11.3 Notice of amendments or changes of terms of right

The Warrants Issuer shall notify all of the NMG-W3 Holders on the amendments or changes of right and will deliver the amended version of Warrant Terms to the NMG-W3 Holders upon receipt of the request which shall not be later than 15 days from the date of receipt of the written request.

11.4 The amendments of right or changes of terms of the Warrant Terms must not contradict with all the relevant laws.

The amendments of right or changes of terms, in any case, must not be in contradiction with any laws related to securities and stock market, including other relevant laws. (if any)

12. Meeting of NMG-W3 Holders

12.1 Meeting of the NMG-W3 Holders

Upon occurrence of following events, the Company shall convene the meeting of NMG-W3 Holders within 30 days from the date of the occurrence of such events:

- (1) In case there is a proposed material change or amendment as provided in Clause 11.2, whether by the Company or NMG-W3 Holders, the NMG-W3 Holders is not entitle to propose any change on the extension of warrants maturity period or the adjustment in the exercise price or exercise ratio that may adversely affect rights or benefits of the shareholders of the Company or the amendments that violate any resolutions of the shareholders of the Company, unless approved otherwise by the shareholders.
- (2) In case there is an event that could significantly affect NMG-W3 Holders' benefits or the Company's capability in upholding or complying with its obligations under the Warrant Terms. If the Company does not convene a meeting within 30 days after the occurrence of the aforementioned events in (1) and (2), NMG-W3 Holders who have not exercised their rights or have partially exercised their rights holding altogether at least 25% of total issued warrants may jointly submit a petition to request the Company to convene al meeting of NMG-W3 Holders. The reason for convening the meeting as such must be clearly stated in such petition and the Company must hold a meeting of NMG-W3 Holders within 30 days from the date of receipt of such petition.

12.2 Eligible persons to attend the meeting of NMG-W3 Holders

Eligible persons to attend the meeting of NMG-W3 Holders consist of:

- (1) The NMG-W3 Holders and the Company
- (2) The financial advisor, the legal advisor or any persons who determined related persons to the agenda that will be considered, as requested by the NMG-W3 Holders or the Company, in order to present or provide opinion to the Meeting
- (3) Any persons that the Chairman of the Meeting allows to attend the Meeting as the observers

12.3 Notice of Meeting

In order to call for a meeting of NMG-W3 Holders, the Company shall send a notice of meeting specifying the venue of meeting, date, time and the agenda that will be considered in the meeting, and then will send to each of the NMG-W3 Holders whose names and addresses appeared in the NMG-W3 Register Book on the closing date, not less than 7 days prior to the meeting date.

12.4 The proxy

In the meeting of NMG-W3 Holder, the NMG-W3 Holders may give proxy to any persons to attend the meeting and vote on their behalf. However, those NMG-W3 Holders must submit the proxy to the Chairman

of the Meeting or to the individual who is appointed by the Chairman of the meeting before the meeting starts.

12.5 The quorum

The meeting of NMG-W3 Holders must have the NMG-W3 Holders or their proxy not less than 25% of the total number of NMG-W3 Holders who have not yet exercised their rights to constitute a valid quorum for the meeting

12.6 Chairman of the meeting

The Chairman of the Company or a Director of the Company shall preside over the meeting as a Chairman of the meeting of NMG-W3 Holders.

12.7 Cancellation of the meeting

12.7.1 In the event that after 45 minutes have lapsed, and the number of NMG-W3 Holders attending the meeting does not reach the required quorum, it will be considered that the meeting is adjourned.

(1) In case the NMG-W3 Holders' meeting is called by the resolution of the Company's Board of Directors, the new meeting date will be fixed, but not less than 7 days or more than 14 days from the first meeting date of NMG-W3 Holders. The Company will then proceed to send the notice of meeting to all NMG-W3 Holders, as per details and methods as stated above.

(2) In case the meeting of NMG-W3 Holders is called by the NMG-W3 Holders, the new meeting as stated in (1) shall not be rearranged.

(3) In case this meeting is rearranged from the previous Meeting as result of a lack of quorum of such first meeting, the new meeting as stated in clause (1) will not be rearranged.

12.7.2 The Registrar will sent a new notice of meeting that will specify the location, date, time, the agenda that will be considered in the meeting, and the quorum needed in the new meeting to each of NMG-W3 Holders according to the names and addresses appeared in the NMG-W3 Register Book on the closing date of the book, not less than 3 days prior to the new meeting date.

12.8 The resolutions of the meeting

The resolutions adopted by the NMG-W3 Holders in the meeting shall comprise of majority affirmative votes of total units of NMG-W3 Holders and proxies who attend the Meeting and eligible to vote in such agenda. Any resolution adopted in the Meeting by the NMG-W3 Holders shall be binding upon all of the NMG-W3 Holders, irrespective of their presence in the meeting.

12.9 The minute of the NMG-W3 Holders' Meeting

The Company will make the minutes of all meetings within 14 days from the date of meeting of NMG-W3 Holders. The minutes as such shall be certified by the Chairman of such meeting. The minutes shall be kept at the Company and it shall be deemed that the minutes certified by the Chairman is complete and binding all of the NMG-W3 Holders, irrespective of their presence in the meeting. Upon request by the NMG-W3 Holder, the Company shall send a copy of the minutes to the NMG-W3 as requested, but the expenses therefore shall be borne by the requesting NMG-W3 Holders as such.

12.10 The written resolutions

In case the meeting of NMG-W3 Holders is to be convened as required by the Warrant Terms, the Company may request the NMG-W3 to adopt the written resolution in lieu of the resolution to be adopted in the actual meeting, but the resolution as such shall be approved by the majority of the NMG-W3 Holders who have not yet exercised their rights under the NMG-W3 by signing their respective names to adopt such resolution (whether in one document or otherwise) and the resolution shall be delivered to the Chairman of the Board of Directors or designated person. The resolution adopted according to this Clause 12.10 may not be revoked by the NMG-W3 Holders unless otherwise consented by the Company and such resolution shall be binding upon all of the NMG-W3 Holders (irrespective of whether the NMG-W3 have affixed their names in such resolution).

12.11 Expenses

All costs and expenses for NMG-W3 Holders' Meeting under this Warrant Covenant shall be borne by the Company.

13. Applicable Laws and Regulations

This Warrant Terms shall be governed and interpreted in accordance with the Thai Laws.

The warrant issuer

Nation Multimedia Group Public Company Limited



Ms. Duangkamol Chotana

President

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