

**Nation International Edutainment Public Company
Limited and its Subsidiaries**

Interim financial statements
for the three-month and six-month periods ended
30 June 2013

and

Independent auditor's report
on review of interim financial information

Independent auditor's report on review of interim financial information

To the Board of Directors of Nation International Edutainment Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Nation International Edutainment Public Company Limited and its subsidiaries, and of Nation International Edutainment Public Company Limited, respectively, as at 30 June 2013; the consolidated and separate statements of comprehensive income for the three-month and six-month periods ended 30 June 2013, changes in equity and cash flows for the six-month period ended 30 June 2013; and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with the Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

Emphasis of Matter

Without qualifying my conclusion, I draw attention to note 3 to the interim financial information describing the effect of the Company and its subsidiaries' adoption from 1 January 2013 of certain new accounting policies. The consolidated and separate statements of financial position as at 31 December 2012, which are included as comparative information, are components of the audited consolidated and separate financial statements as at and for the year ended 31 December 2012 after making the adjustments described in note 3. I have audited these adjustments and, based on my audit, in my opinion, such adjustments are appropriate and have been properly applied. Furthermore, the consolidated and separate statements of comprehensive income for the three-month and six-month periods ended 30 June 2012, changes in equity and cash flows for the six-month period ended 30 June 2012, which are included as comparative information, have also been adjusted as described in note 3. I have reviewed these adjustments and, based on my review, nothing has come to my attention to indicate that such adjustments are not appropriate and properly applied.

(Winid Silamongkol)
Certified Public Accountant
Registration No. 3378

KPMG Phoomchai Audit Ltd.
Bangkok
7 August 2013

Nation International Edutainment Public Company Limited and its Subsidiaries
Statement of financial position

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
Assets		30 June	31 December	30 June	31 December
		2013	2012	2013	2012
		(Unaudited)	(Restated)	(Unaudited)	(Restated)
		<i>(in thousand Baht)</i>			
<i>Current assets</i>					
Cash and cash equivalents		8,545	6,799	5,920	4,568
Trade accounts receivable	5	141,586	120,371	60,313	40,838
Accrued income		28,808	8,221	18,687	4,057
Other receivables from related parties	4	17,356	15,496	34,753	32,284
Short-term loan to related party	4	-	-	3,000	3,000
Inventories		126,654	119,083	37,471	36,184
Other current assets		22,907	28,091	15,542	21,771
Total current assets		345,856	298,061	175,686	142,702
<i>Non-current assets</i>					
Investments in subsidiaries	6	-	-	25,614	25,614
Investment in jointly-controlled entity	7	-	-	25,046	25,046
Equipment	8	7,552	6,692	5,772	4,470
Intangible assets	9	48,756	43,403	18,784	14,382
Restricted deposits	10	-	2,536	-	-
Deferred tax assets	3, 11	17,130	15,617	6,174	5,621
Other non-current assets		2,720	2,549	2,020	1,967
Total non-current assets		76,158	70,797	83,410	77,100
Total assets		422,014	368,858	259,096	219,802

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

Nation International Edutainment Public Company Limited and its Subsidiaries
Statement of financial position

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		30 June	31 December	30 June	31 December
		2013	2012	2013	2012
		(Unaudited)	(Restated)	(Unaudited)	(Restated)
		<i>(in thousand Baht)</i>			
Liabilities and equity					
<i>Current liabilities</i>					
Bank overdrafts		12,263	11,130	2,667	1,276
Trade accounts payable	12	170,931	130,669	81,078	57,757
Other payables to related parties	4	14,727	9,763	13,713	8,594
Current portion of long-term loan from financial institution		-	4,604	-	-
Accrued expenses	4	21,313	20,039	7,403	6,621
Income tax payable		5,799	1,310	4,242	-
Other current liabilities		8,489	5,271	6,706	4,419
Total current liabilities		233,522	182,786	115,809	78,667
<i>Non-current liabilities</i>					
Employee benefit obligations	13	5,159	2,572	3,224	878
Other non-current liabilities		514	440	95	95
Total non-current liabilities		5,673	3,012	3,319	973
Total liabilities		239,195	185,798	119,128	79,640
<i>Equity</i>					
Share capital:	14				
Authorised share capital		259,250	85,000	259,250	85,000
Issued and paid-up share capital		85,000	85,000	85,000	85,000
Premium on ordinary shares		18,352	18,352	18,352	18,352
Retained earnings					
Appropriated					
Legal reserve		8,500	8,500	8,500	8,500
Unappropriated		70,966	71,207	28,116	28,310
Equity attributable to owners of the Company		182,818	183,059	139,968	140,162
Non-controlling interests		1	1	-	-
Total equity		182,819	183,060	139,968	140,162
Total liabilities and equity		422,014	368,858	259,096	219,802

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

Nation International Edutainment Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		Three month period ended 30 June		Three month period ended 30 June	
		2013	2012	2013	2012
			(Restated)		(Restated)
		<i>(in thousand Baht)</i>			
<i>Income</i>	4				
Revenue from sale of goods		70,978	60,577	26,838	19,970
Revenue from rendering of services		24,390	23,390	38,302	22,074
Investment income		799	600	67	187
Other income		1,004	6,201	1,784	1,521
Total income		97,171	90,768	66,991	43,752
<i>Expenses</i>					
Cost of sale of goods and rendering of services	4	69,607	60,478	43,996	27,026
Selling expenses	4	11,105	5,586	8,135	4,734
Administrative expenses	4	8,199	9,904	4,571	5,957
Management benefit expenses		1,915	2,580	1,123	1,387
Finance costs		473	548	179	166
Total expenses		91,299	79,096	58,004	39,270
Profit before income tax expense		5,872	11,672	8,987	4,482
Income tax expense		-1,621	-2,958	-2,616	-1,508
Profit for the period		4,251	8,714	6,371	2,974
Other comprehensive income					
Defined benefit plan actuarial losses	13	-	-	-	-
Income tax on other comprehensive income		-	-	-	-
Other comprehensive income for the period, net of income tax		-	-	-	-
Total comprehensive income for the period		4,251	8,714	6,371	2,974

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

Nation International Edutainment Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
		Three month period		Three month period	
		ended 30 June		ended 30 June	
<i>Note</i>	2013	2012	2013	2012	
		(Restated)		(Restated)	
		<i>(in thousand Baht)</i>			
Profit attributable to:					
Owners of the Company	16	4,251	8,714	6,371	2,974
Non-controlling interests		-	-	-	-
Profit for the period		4,251	8,714	6,371	2,974
Total comprehensive income attributable to:					
Owners of the Company		4,251	8,714	6,371	2,974
Non-controlling interests		-	-	-	-
Total comprehensive income for the period		4,251	8,714	6,371	2,974
Basic earnings per share <i>(in Baht)</i>	16	0.05	0.10	0.08	0.03

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

Nation International Edutainment Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		Six month period ended 30 June		Six month period ended 30 June	
		2013	2012	2013	2012
			(Restated)		(Restated)
		<i>(in thousand Baht)</i>			
<i>Income</i>	4				
Revenue from sale of goods		143,584	127,047	53,306	45,781
Revenue from rendering of services		50,119	47,907	60,940	44,528
Investment income		1,521	1,206	119	384
Other income		2,275	7,476	3,545	2,874
Total income		197,499	183,636	117,910	93,567
<i>Expenses</i>					
Cost of sale of goods and rendering of services	4	134,057	122,086	71,091	55,884
Selling expenses	4	21,612	12,115	15,613	9,665
Administrative expenses	4	17,982	20,584	10,234	12,467
Management benefit expenses		3,599	5,442	2,039	2,820
Finance costs		897	1,026	279	313
Total expenses		178,147	161,253	99,256	81,149
Profit before income tax expense		19,352	22,383	18,654	12,418
Income tax expense		-5,202	-5,811	-4,557	-3,509
Profit for the period		14,150	16,572	14,097	8,909
Other comprehensive income					
Defined benefit plan actuarial losses	13	-2,051	-	-1,926	-
Income tax on other comprehensive income	11	410	-	385	-
Other comprehensive income for the period, net of income tax		-1,641	-	-1,541	-
Total comprehensive income for the period		12,509	16,572	12,556	8,909

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Nation International Edutainment Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
		Six month period		Six month period	
		ended 30 June		ended 30 June	
<i>Note</i>	2013	2012	2013	2012	
		(Restated)		(Restated)	
		<i>(in thousand Baht)</i>			
Profit attributable to:					
Owners of the Company	16	14,150	16,572	14,097	8,909
Non-controlling interests		-	-	-	-
Profit for the period		14,150	16,572	14,097	8,909
Total comprehensive income attributable to:					
Owners of the Company		12,509	16,572	12,556	8,909
Non-controlling interests		-	-	-	-
Total comprehensive income for the period		12,509	16,572	12,556	8,909
Basic earnings per share <i>(in Baht)</i>	16	0.17	0.19	0.17	0.10

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Nation International Edutainment Public Company Limited and its Subsidiaries
Statement of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Six month period		Six month period	
	ended 30 June		ended 30 June	
2013	2012	2013	2012	
	(Restated)		(Restated)	
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the period	14,150	16,572	14,097	8,909
<i>Adjustments for</i>				
Depreciation	1,082	868	633	388
Amortisation of intangible assets	14,081	14,593	4,808	3,512
Investment income	(1,521)	(1,206)	(119)	(384)
Employee benefit obligations	536	1,358	420	865
Finance costs	897	1,026	279	313
Bad and doubtful debts expense	669	291	-	12
Loss on (reversal of) obsolete stocks	(1,767)	(3,157)	(378)	946
Loss on disposal of equipment	-	33	-	343
Income tax expense	5,202	5,811	4,557	3,509
	<u>33,329</u>	<u>36,189</u>	<u>24,297</u>	<u>18,413</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	(21,884)	(9,987)	(19,475)	9,123
Accrued income	(20,587)	395	(14,630)	(175)
Other receivables from related parties	(1,860)	(1,499)	(2,469)	(3,320)
Inventories	(5,804)	(9,733)	(909)	(2,215)
Other current assets	5,184	(7,453)	6,229	(6,730)
Restricted deposit	2,536	(4)	-	-
Other non-current assets	(171)	(204)	(53)	-
Trade accounts payable	40,262	18,586	23,321	(1,315)
Other payables to related parties	4,964	2	5,119	(49)
Accrued expenses	1,274	4,060	782	1,948
Other current liabilities	3,218	-3,117	2,287	(297)
Employee benefit obligations	-	-2,942	-	-2,942
Other non-current liabilities	74	-	-	-
	<u>40,535</u>	<u>24,293</u>	<u>24,499</u>	<u>12,441</u>
Cash generated from operating activities				
Income tax paid	(1,816)	(6,388)	(483)	(4,277)
Net cash from operating activities	<u>38,719</u>	<u>17,905</u>	<u>24,016</u>	<u>8,164</u>

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

Nation International Edutainment Public Company Limited and its Subsidiaries
Statement of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Six month period		Six month period	
	ended 30 June		ended 30 June	
2013	2012	2013	2012	
	(Restated)		(Restated)	
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Interest received	1,521	1,206	119	384
Purchase of equipment	-1,942	-3,509	-1,935	-3,063
Sale of equipment	-	425	-	5
Purchase of intangible assets	-19,434	-17,531	-9,210	-4,245
Net cash used in investing activities	-19,855	-19,409	-11,026	-6,919
<i>Cash flows from financing activities</i>				
Interest paid	(897)	(1,026)	(279)	(313)
Dividends paid to owners of the Company	(12,750)	(12,750)	(12,750)	(12,750)
Bank overdrafts	1,133	4,885	1,391	-
Repayment of long-term loan from financial institution	(4,604)	(2,459)	-	-
Net cash used in financing activities	-17,118	-11,350	-11,638	-13,063
Net increase (decrease) in cash and cash equivalents	1,746	-12,854	1,352	-11,818
Cash and cash equivalents at 1 January	6,799	29,446	4,568	26,456
Cash and cash equivalents at 30 June	8,545	16,592	5,920	14,638

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

Nation International Edutainment Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

		Consolidated financial statements						
		Retained earnings			Equity		Total	
Note	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	attributable to owners of the Company	Non-controlling interests	equity	
<i>(in thousand Baht)</i>								
Six month period ended 30 June 2012								
		85,000	18,352	8,500	40,131	151,983	1	151,984
		85,000	18,352	8,500	59,006	170,858	1	170,859
		85,000	18,352	8,500	59,006	170,858	1	170,859
Transactions with owners, recorded directly in equity								
<i>Contributions by and distributions to owners of the Company</i>								
		-	-	-	(12,750)	(12,750)	-	(12,750)
		-	-	-	(12,750)	(12,750)	-	(12,750)
		-	-	-	(12,750)	(12,750)	-	(12,750)
		-	-	-	(12,750)	(12,750)	-	(12,750)
		-	-	-	(12,750)	(12,750)	-	(12,750)
		-	-	-	(12,750)	(12,750)	-	(12,750)
		-	-	-	(12,750)	(12,750)	-	(12,750)
		-	-	-	(12,750)	(12,750)	-	(12,750)
		-	-	-	(12,750)	(12,750)	-	(12,750)
		-	-	-	(12,750)	(12,750)	-	(12,750)
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		-	-	-	(12,750)	(12,750)	-	(12,750)
		-	-	-	(12,750)	(12,750)	-	

Nation International Edutainment Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

Consolidated financial statements							
Retained earnings							
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Equity attributable to owners of the Company	Non-controlling interests	Total equity
<i>Note</i>							
<i>(in thousand Baht)</i>							
Six month period ended 30 June 2013							
	85,000	18,352	8,500	55,590	167,442	1	167,443
	Balance at 1 January 2013 - as reported						
3	-	-	-	15,617	15,617	-	15,617
	85,000	18,352	8,500	71,207	183,059	1	183,060
	Balance at 1 January 2013 - restated						
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners of the Company</i>							
17	-	-	-	(12,750)	(12,750)	-	(12,750)
	Dividends to owners of the Company						
	Total contributions by and distributions to owners of the Company			(12,750)	(12,750)	-	(12,750)
	-	-	-	(12,750)	(12,750)	-	(12,750)
	Total transactions with owners, recorded directly in equity						
	-	-	-	(12,750)	(12,750)	-	(12,750)
	Comprehensive income for the period						
	Profit or loss			14,150	14,150	-	14,150
	Other comprehensive income			(1,641)	(1,641)	-	(1,641)
	-	-	-	12,509	12,509	-	12,509
	Total comprehensive income for the period						
	-	-	-	12,509	12,509	-	12,509
	Balance at 30 June 2013			70,966	182,818	1	182,819
	85,000	18,352	8,500	70,966	182,818	1	182,819

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

Nation International Edutainment Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Note	Separate financial statements				Total Equity
		Issued and paid-up share capital	Share premium	Retained earnings		
				Legal reserve	Unappropriated	
<i>(in thousand Baht)</i>						
Six month period ended 30 June 2012						
Balance at 1 January 2012 - as reported		85,000	18,352	8,500	24,419	136,271
Impact of changes in accounting policies	3	-	-	-	6,665	6,665
Balance at 1 January 2012 - restated		85,000	18,352	8,500	31,084	142,936
Transactions with owners, recorded directly in equity						
<i>Contributions by and distributions to owners of the Company</i>						
Dividends to owners of the Company	17	-	-	-	(12,750)	(12,750)
<i>Total contributions by and distributions to owners of the Company</i>		-	-	-	(12,750)	(12,750)
Total transactions with owners, recorded directly in equity		-	-	-	(12,750)	(12,750)
Comprehensive income for the period						
Profit or loss		-	-	-	8,909	8,909
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the period		-	-	-	8,909	8,909
Balance at 30 June 2012		85,000	18,352	8,500	27,243	139,095

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

Nation International Edutainment Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Note	Separate financial statements			Total Equity	
		Issued and paid-up share capital	Share premium	Retained earnings		
			Legal reserve	Unappropriated		
<i>(in thousand Baht)</i>						
Six month period ended 30 June 2013						
Balance at 1 January 2013 - as reported		85,000	18,352	8,500	22,689	134,541
Impact of changes in accounting policies	3	-	-	-	5,621	5,621
Balance at 1 January 2013 - restated		85,000	18,352	8,500	28,310	140,162
Transactions with owners, recorded directly in equity						
<i>Contributions by and distributions to owners of the Company</i>						
Dividends to owners of the Company	17	-	-	-	(12,750)	(12,750)
<i>Total contributions by and distributions to owners of the Company</i>		-	-	-	(12,750)	(12,750)
Total transactions with owners, recorded directly in equity		-	-	-	(12,750)	(12,750)
Comprehensive income for the period						
Profit or loss		-	-	-	14,097	14,097
Other comprehensive income		-	-	-	(1,541)	(1,541)
Total comprehensive income for the period		-	-	-	12,556	12,556
Balance at 30 June 2013		85,000	18,352	8,500	28,116	139,968

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

Nation International Edutainment Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2013 (Unaudited)

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Nation International Edutainment Public Company Limited and its Subsidiaries
Notes to the interim financial statements
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These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issued by the Board of Directors on 7 August 2013.

1 General information

Nation International Edutainment Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 1858/123-124, 29th Bangna-Trad Road, Kwang Bangna, Khet Bangna, Bangkok, Thailand.

The Company was listed on the Market for Alternative Investment in November 2010.

The parent company during the financial period was Nation Multimedia Group Public Company Limited (78.46% shareholding), which was incorporated in Thailand.

The principal businesses of the Company are importing, publishing and distributing local and foreign publications, production of TV programs and providing advertisements through TV media, digital media and character management. Details of the Company’s subsidiaries and jointly-controlled entity as at 30 June 2013 and 31 December 2012 were as follows:

Name of the entities	Type of business	Country of incorporation	Percentage of ownership interest	
			30 June 2013	31 December 2012
<i>Subsidiaries</i>				
Nation Edutainment Co., Ltd.	Publishing	Thailand	99.99	99.99
Nation Kids Co., Ltd.	Production of TV programs and providing advertisements through TV media	Thailand	99.99	99.99
<i>Jointly-controlled entity</i>				
Nation Egmont Edutainment Co., Ltd.	Publishing	Thailand	49.99	49.99

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2009) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (FAP); and applicable rules and regulations of the Thai Securities and Exchange Commission.

Nation International Edutainment Public Company Limited and its Subsidiaries
Notes to the interim financial statements
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The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2012. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2012.

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

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

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

In addition to the above new and revised TFRS, as at 30 June 2013 the FAP had issued a number of new interpretations which are effective for financial statements beginning on or after 1 January 2014 and have not been adopted in the preparation of these interim financial statements. Those new interpretations that are relevant to the Group's operations are disclosed in note 20.

Except for the changes in accounting policy discussed in note 3, the accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2012.

(b) *Functional and presentation currency*

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

(c) *Use of estimates and judgements*

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

In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2012. Changes principally derive from the adoption of new and revised TFRS from 1 January 2013.

Nation International Edutainment Public Company Limited and its Subsidiaries
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Judgements

The key judgements made in applying accounting policies that have the most significant effect on the amounts recognised in these interim financial statements are as follows:

Note 11	Current and deferred tax
Note 13	Employee benefit obligations

3 Changes in accounting policies

(a) Overview

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

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

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

(b) Accounting for income tax

The principal change introduced by TAS 12 is the requirement to account for deferred tax assets and liabilities in the financial statements.

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

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

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

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

Nation International Edutainment Public Company Limited and its Subsidiaries
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(d) Presentation of information on operating segments

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

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

The change in basis of presentation and disclosure of segment information has resulted in the Group presenting segment information (Note 15) in respect of the following segments: publishing and others.

4 Related parties

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

Relationships with related parties were as follows:

Name of entities	Country of incorporation /nationality	Nature of relationships
Nation Multimedia Group Public Company Limited	Thailand	Parent, 78.46% shareholding in the Company, some common directors
Nation Edutainment Co., Ltd.	Thailand	Subsidiary, 99.99% shareholding, some common directors
Nation Kids Co., Ltd.	Thailand	Subsidiary, 99.99% shareholding, some common directors
Nation Egmont Edutainment Co., Ltd.	Thailand	Jointly-controlled entity, 49.99% shareholding, some common directors
Nation Broadcasting Corporation Public Company Limited	Thailand	59.91% shareholding by parent, some common directors
Kom Chad Luek Media Co., Ltd.	Thailand	99.99% shareholding by Parent, some common directors
NML Co., Ltd.	Thailand	99.99% shareholding by Parent, some common directors
Nation News Network Co., Ltd.	Thailand	99.99% shareholding by parent, some common directors

Nation International Edutainment Public Company Limited and its Subsidiaries
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Name of entities	Country of incorporation /nationality	Nature of relationships
Krungthep Turakij Media Co., Ltd.	Thailand	99.99% shareholding by parent, some common directors
Nation U Co., Ltd.	Thailand	90% shareholding by parent, some common directors
WPS (Thailand) Co., Ltd.	Thailand	84.50% shareholding by parent, some common directors
Nation University	Thailand	University, a license holding by Nation U Co., Ltd.
Yomiuri-Nation Information Service Limited	Thailand	45% shareholding by Parent, some common directors
Egmont International Holding A/S	Denmark	Shareholder of Nation Egmont Edutainment Co., Ltd., 49% shareholding

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

Transactions	Pricing policies
Sales of goods and rendering of services	General market price
Interest income on loan	Approximates loan rate of financial institution
Other income	Negotiable rate which approximates market price
Cost of sales of goods and rendering of services	Negotiable rate which approximates market price
Selling and administrative expenses	Negotiable rate

Significant transactions for the three-month and six-month periods ended 30 June 2013 and 2012 with related parties were as follows:

Three-month period ended 30 June	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Parent				
Sales of goods and rendering of services	962	2,065	713	859
Cost of sales of goods and rendering of services	3,694	3,955	2,944	3,503
Selling and administrative expenses	1,223	1,748	1,063	1,554
Subsidiaries				
Sales of goods and rendering of services	-	-	15,598	-
Interest income on loan	-	-	52	53
Other income	-	-	240	259

Nation International Edutainment Public Company Limited and its Subsidiaries
Notes to the interim financial statements
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<i>Three-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Jointly-controlled entity				
Sales of goods and rendering of services	18,367	19,258	9	211
Cost of sales of goods and rendering of services	858	1,000	1,715	1,999
Interest income on loan	778	455	-	-
Other income	521	473	1,042	944
Selling and administrative expenses	799	882	694	757
Other related parties				
Sales of goods and rendering of services	1,196	907	1,196	809
Cost of sales of goods and rendering of services	31,307	28,667	12,893	12,337
Selling and administrative expenses	1,893	1,312	1,054	540
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Parent				
Sales of goods and rendering of services	1,989	5,236	1,387	2,197
Cost of sales of goods and rendering of services	7,980	8,381	6,636	7,374
Selling and administrative expenses	2,825	3,745	2,516	3,222
Subsidiaries				
Sales of goods and rendering of services	-	-	15,604	-
Interest income on loan	-	-	104	107
Other income	-	-	479	611
Jointly-controlled entity				
Sales of goods and rendering of services	36,991	36,790	20	497
Cost of sales of goods and rendering of services	3,234	1,116	6,467	2,232
Interest income on loan	1,500	918	-	-
Other income	1,030	1,054	2,060	2,107
Selling and administrative expenses	1,583	1,677	1,291	1,416
Other related parties				
Sales of goods and rendering of services	2,911	3,511	2,911	3,145
Cost of sales of goods and rendering of services	66,048	55,303	26,604	24,875
Selling and administrative expenses	3,756	2,718	2,145	1,187

Nation International Edutainment Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2013 (Unaudited)

Balances as at 30 June 2013 and 31 December 2012 with related parties were as follows:

<i>Trade accounts receivable from related parties</i>	Consolidated financial statements		Separate financial statements	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
	<i>(in thousand Baht)</i>			
Parent				
Nation Multimedia Group Public Company Limited	1,236	2,581	1,130	2,407
Subsidiary				
Nation Kids Co., Ltd.	-	-	16,682	-
Jointly-controlled entity				
Nation Egmont Edutainment Co., Ltd.	77,038	63,918	851	855
Other related parties				
Yomiuri-Nation Information Service Limited	231	268	231	268
Nation Broadcasting Corporation Public Company Limited	7	208	7	208
Kom Chad Luek Media Co., Ltd.	71	34	71	34
Krungthep Turakij Media Co., Ltd.	381	125	377	122
Others	87	261	86	260
	<u>79,051</u>	<u>67,395</u>	<u>19,435</u>	<u>4,154</u>
Less allowance for doubtful accounts	(67)	(67)	(67)	(67)
allowance for goods returned	(188)	-	-	-
Net	<u>78,796</u>	<u>67,328</u>	<u>19,368</u>	<u>4,087</u>
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Bad and doubtful debts expense for the Three-month period ended 30 June	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Six-month period ended 30 June	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

<i>Other receivables from related parties</i>	Consolidated financial statements		Separate financial statements	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
	<i>(in thousand Baht)</i>			
Parent				
Nation Multimedia Group Public Company Limited	877	1,016	713	842
Subsidiaries				
Nation Edutainment Co., Ltd.	-	-	2,368	3,376
Nation Kids Co., Ltd.	-	-	-	5
Jointly-controlled entity				
Nation Egmont Edutainment Co., Ltd.	15,357	13,665	30,552	27,246

Nation International Edutainment Public Company Limited and its Subsidiaries
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<i>Other receivables from related parties</i>	Consolidated financial statements		Separate financial statements	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
	<i>(in thousand Baht)</i>			
Other related parties				
Krungthep Turakij Media Co., Ltd.	555	412	555	412
Nation Broadcasting Corporation Public Company Limited	54	44	54	44
Kom Chad Luek Media Co., Ltd.	280	163	280	163
Nation News Network Co., Ltd.	157	125	157	125
Others	76	71	74	71
	<u>17,356</u>	<u>15,496</u>	<u>34,753</u>	<u>32,284</u>
<i>Less allowance for doubtful accounts</i>	-	-	-	-
Net	<u>17,356</u>	<u>15,496</u>	<u>34,753</u>	<u>32,284</u>
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Bad and doubtful debts expense for the Three-month period ended 30 June	-	-	-	-
Six-month period ended 30 June	-	-	-	-

<i>Short-term loan to related party</i>	Interest rate		Consolidated financial statements		Separate financial statements	
	2013	2012	30 June 2013	31 December 2012	30 June 2013	31 December 2012
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
Subsidiary						
Nation Edutainment Co., Ltd.	7.00	6.15 - 6.40	-	-	3,000	3,000

Movements during the six-month periods ended 30 June 2013 and 2012 of short-term loan to related party were as follows:

<i>Short-term loan to related party Six-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Subsidiary				
At 1 January	-	-	3,000	3,000
Increase	-	-	-	-
Decrease	-	-	-	-
At 30 June	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>3,000</u>

Nation International Edutainment Public Company Limited and its Subsidiaries
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<i>Trade accounts payable to related parties</i>	Consolidated financial statements		Separate financial statements	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
	<i>(in thousand Baht)</i>			
Parent				
Nation Multimedia Group Public Company Limited	22,428	17,001	13,177	9,136
Subsidiary				
Nation Kids Co., Ltd.	-	-	4,071	-
Jointly-controlled entity				
Nation Egmont Edutainment Co., Ltd.	3,461	80	6,786	92
Other related parties				
WPS (Thailand) Co., Ltd.	109,999	78,052	24,106	17,674
NML Co., Ltd.	6,758	4,678	6,195	3,757
Nation Broadcasting Corporation Public Company Limited	5,262	1,912	5,262	1,912
Krungthep Turakij Media Co., Ltd.	2,351	1,108	2,294	1,033
Others	766	100	671	16
Total	151,025	102,931	62,562	33,620
<i>Other payables to related parties</i>	Consolidated financial statements		Separate financial statements	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
	<i>(in thousand Baht)</i>			
Parent				
Nation Multimedia Group Public Company Limited	10,769	5,972	9,608	5,074
Subsidiary				
Nation Edutainment Co., Ltd.	-	-	38	38
Jointly-controlled entity				
Nation Egmont Edutainment Co., Ltd.	1,717	1,574	1,980	1,413
Other related parties				
Nation Broadcasting Corporation Public Company Limited	1,722	1,453	1,650	1,394
Nation News Network Co., Ltd.	24	22	24	22
Krungthep Turakij Media Co., Ltd.	252	379	252	373
Others	243	363	161	280
Total	14,727	9,763	13,713	8,594

Nation International Edutainment Public Company Limited and its Subsidiaries
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<i>Accrued expenses</i>	Consolidated financial statements		Separate financial statements	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
	<i>(in thousand Baht)</i>			
Parent				
Nation Multimedia Group Public Company Limited	70	-	58	-
Other related parties				
WPS (Thailand) Co., Ltd.	1,975	1,614	97	491
NML Co., Ltd.	392	57	-	57
Total	2,437	1,671	155	548

Significant agreement with related party

Short-term loan agreement

In 2011, the Company has entered into a short-term loan agreement with Nation Edutainment Co., Ltd., a subsidiary amounted to Baht 3 million. The loan is repayable at call and bears interest at the average Minimum Loan Rate (average MLR) from four financial institutions.

5 Trade accounts receivable

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		30 June 2013	31 December 2012	30 June 2013	31 December 2012
		<i>(in thousand Baht)</i>			
Related parties	4	79,051	67,395	19,435	4,154
Other parties		76,328	65,654	43,994	39,542
Total		155,379	133,049	63,429	43,696
<i>Less</i> allowance for doubtful accounts		(3,787)	(3,118)	(613)	(613)
allowance for goods returned		(10,006)	(9,560)	(2,503)	(2,245)
Net		141,586	120,371	60,313	40,838
		2013	2012	2013	2012
		<i>(in thousand Baht)</i>			
Bad and doubtful debts expense for the Three-month period ended 30 June		178	73	-	5
Six-month period ended 30 June		669	291	-	12

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Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
	<i>(in thousand Baht)</i>			
Related parties				
Within credit terms	21,060	21,515	18,444	2,958
Overdue:				
Less than 6 months	19,291	39,382	11	682
6-12 months	36,925	6,002	407	453
Over 12 months	1,775	496	573	61
	79,051	67,395	19,435	4,154
Less allowance for doubtful accounts	(67)	(67)	(67)	(67)
allowance for goods returned	(188)	-	-	-
	78,796	67,328	19,368	4,087
Other parties				
Within credit terms	51,150	55,066	33,588	31,273
Overdue:				
Less than 6 months	22,663	9,044	10,160	8,066
6-12 months	25	758	41	20
Over 12 months	2,490	786	205	183
	76,328	65,654	43,994	39,542
Less allowance for doubtful accounts	(3,720)	(3,051)	(546)	(546)
allowance for goods returned	(9,818)	(9,560)	(2,503)	(2,245)
	62,790	53,043	40,945	36,751
Net	141,586	120,371	60,313	40,838

The normal credit term granted by the Group ranges from 15 days to 90 days.

6 Investments in subsidiaries

<i>Six-month period ended 30 June</i>	Separate financial statements	
	2013	2012
	<i>(in thousand Baht)</i>	
At 1 January	25,614	26,364
Acquisitions	-	-
At 30 June	25,614	26,364

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Investments in subsidiaries as at 30 June 2013 and 31 December 2012, and dividend income from those investments for the six-month periods ended 30 June 2013 and 2012 were as follows:

Name of subsidiaries	Type of business	Separate financial statements										Dividend income for the six-month period ended	
		Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		30	30
		30 June 2013	31 December 2012	30 June 2013	31 December 2012	30 June 2013	31 December 2012	30 June 2013	31 December 2012	30 June 2013	31 December 2012	June 2013	June 2012
		(%)						(in thousand Baht)					
Subsidiaries													
Nation Edutainment Co., Ltd.	Publishing	99.99	99.99	41,250	41,250	25,364	25,364	-	-	25,364	25,364	-	-
Nation Kids Co., Ltd.	Production of TV programs and providing advertisements through												
	TV media	99.99	99.99	250	250	250	250	-	-	250	250	-	-
Total						<u>25,614</u>	<u>25,614</u>	<u>-</u>	<u>-</u>	<u>25,614</u>	<u>25,614</u>	<u>-</u>	<u>-</u>

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7 Investment in jointly-controlled entity

<i>Six-month period ended 30 June</i>	Separate financial statements	
	2013	2012
	<i>(in thousand Baht)</i>	
At 1 January	25,046	25,046
Acquisitions	-	-
At 30 June	<u>25,046</u>	<u>25,046</u>

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Investment in jointly-controlled entity as at 30 June 2013 and 31 December 2012, and dividend income from the investment for the six-month periods ended 30 June 2013 and 2012 were as follows:

Name of jointly-controlled entity	Type of business	Separate financial statements										Dividend income for the six-month period ended	
		Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		30	30
		30	31	30	31	30	31	30	31	30	31	30	30
		June	December	June	December	June	December	June	December	June	December	June	June
		2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
		(%)						(in thousand Baht)					
<i>Jointly-controlled entity</i>													
Nation Egmont Edutainment Co., Ltd.	Publishing	49.99	49.99	50,000	50,000	<u>25,046</u>	<u>25,046</u>	<u>-</u>	<u>-</u>	<u>25,046</u>	<u>25,046</u>	<u>-</u>	<u>-</u>

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8 Equipment

Acquisitions, disposals and transfers of equipment during the six-month periods ended 30 June 2013 and 2012 were as follows:

<i>Six-month period ended 30 June</i>	Consolidated financial statements			
	2013		2012	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
	<i>(in thousand Baht)</i>			
Leased assets improvements	-	-	-	457
Furniture, fixtures and office equipment	63	-	3,449	1
Vehicle	1,879	-	60	-
Total	1,942	-	3,509	458

<i>Six-month period ended 30 June</i>	Separate financial statements			
	2013		2012	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
	<i>(in thousand Baht)</i>			
Leased assets improvements	-	-	-	348
Furniture, fixtures and office equipment	56	-	3,063	-
Vehicle	1,879	-	-	-
Total	1,935	-	3,063	348

9 Intangible assets

During the six-month period ended 30 June 2013, the Group and the Company acquired intangible assets at the total cost of Baht 19.43 million and Baht 9.21 million, respectively (*2012: Baht 17.53 million and Baht 4.24 million, respectively*).

10 Restricted deposits

As at 31 December 2012, savings account of a subsidiary held with a local financial institution of Baht 2.54 million has been pledged as collateral for credit facility of long-term loan from financial institution of Baht 10 million.

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11 Deferred tax

Deferred tax assets and liabilities as at 30 June 2013 and 31 December 2012 were as follows:

	Consolidated financial statements		Separate financial statements	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
	<i>(in thousand Baht)</i>			
Deferred tax assets	17,130	15,617	6,174	5,621
Deferred tax liabilities	-	-	-	-
Deferred tax assets	<u>17,130</u>	<u>15,617</u>	<u>6,174</u>	<u>5,621</u>

Movements in deferred tax assets and liabilities during the six-month periods ended 30 June 2013 and 2012 were as follows:

	At 1 January 2013	Consolidated financial statements (Charged) / Credited to:		At 30 June 2013
		Profit or loss	Other comprehensive income	
	<i>(in thousand Baht)</i>			
<i>Deferred tax assets</i>				
Trade accounts receivable	2,535	223	-	2,758
Inventories	9,739	(353)	-	9,386
Other current assets	1	-	-	1
Provisions	515	107	410	1,032
Loss carry forward	2,934	1,019	-	3,953
Total	<u>15,724</u>	<u>996</u>	<u>410</u>	<u>17,130</u>
<i>Deferred tax liabilities</i>				
Trade accounts payable	107	(107)	-	-
Total	<u>107</u>	<u>(107)</u>	<u>-</u>	<u>-</u>
Net	<u>15,617</u>	<u>1,103</u>	<u>410</u>	<u>17,130</u>

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	Consolidated financial statements			At 30 June 2012
	At 1 January 2012	(Charged) / Credited to:		
		Profit or loss	Other comprehensive income	
		<i>(in thousand Baht)</i>		
<i>Deferred tax assets</i>				
Trade accounts receivable	2,899	(58)	-	2,841
Other receivables from related parties	44	(42)	-	2
Inventories	12,024	(631)	-	11,393
Other current assets	24	(1)	-	23
Provisions	1,203	(391)	-	812
Loss carry forward	2,808	(675)	-	2,133
Total	19,002	(1,798)	-	17,204
<i>Deferred tax liabilities</i>				
Trade accounts payable	127	(14)	-	113
Total	127	(14)	-	113
Net	18,875	(1,784)	-	17,091
Separate financial statements				
	(Charged) / Credited to:			At 30 June 2013
	At 1 January 2013	Profit or loss	Other comprehensive income	
		<i>(in thousand Baht)</i>		
<i>Deferred tax assets</i>				
Trade accounts receivable	571	52	-	623
Inventories	4,981	(75)	-	4,906
Provisions	176	84	385	645
Total	5,728	61	385	6,174
<i>Deferred tax liabilities</i>				
Trade accounts payable	107	(107)	-	-
Total	107	(107)	-	-
Net	5,621	168	385	6,174

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	At 1 January 2012	Separate financial statements (Charged) / Credited to:		At 30 June 2012
		Profit or loss <i>(in thousand Baht)</i>	Other comprehensive income	
Deferred tax assets				
Trade accounts receivable	564	26	-	590
Other receivables from related parties	2	-	-	2
Inventories	5,318	189	-	5,507
Provisions	908	(415)	-	493
Total	6,792	(200)	-	6,592
Deferred tax liabilities				
Trade accounts payable	127	(14)	-	113
Total	127	(14)	-	113
Net	6,665	(186)	-	6,479

12 Trade accounts payable

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2013	31 December 2012	30 June 2013	31 December 2012
<i>(in thousand Baht)</i>					
Related parties	4	151,025	102,931	62,562	33,620
Other parties		19,906	27,738	18,516	24,137
Total		170,931	130,669	81,078	57,757

13 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
<i>(in thousand Baht)</i>				
Statement of financial position obligations for:				
Post-employment benefits	5,159	2,572	3,224	878
<i>(in thousand Baht)</i>				
Three-month period ended 30 June				
Statement of comprehensive income:				
Recognised in profit or loss:				
Post-employment benefits	268	200	210	151
Recognised in other comprehensive income:				
Actuarial losses recognised in the period	-	-	-	-

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<i>Six-month period ended 30 June</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Statement of comprehensive income:				
Recognised in profit or loss:				
Post-employment benefits	<u>536</u>	<u>400</u>	<u>420</u>	<u>302</u>
Recognised in other comprehensive income:				
Actuarial losses recognised in the period	<u>2,051</u>	<u>-</u>	<u>1,926</u>	<u>-</u>

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

Movement in the present value of the defined benefit obligations:

<i>Six-month period ended 30 June</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Defined benefit obligations at 1 January	2,572	6,014	878	4,542
Transfer in	-	958	-	563
Benefits paid by plan	-	(2,942)	-	(2,942)
Current service costs and interest	536	400	420	302
Actuarial losses in other comprehensive income	2,051	-	1,926	-
Defined benefit obligations at 30 June	<u>5,159</u>	<u>4,430</u>	<u>3,224</u>	<u>2,465</u>

Expense recognised in profit or loss:

<i>Three-month period ended 30 June</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Current service costs	220	122	181	91
Interest on obligation	48	78	29	60
Total	<u>268</u>	<u>200</u>	<u>210</u>	<u>151</u>

<i>Six-month period ended 30 June</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Current service costs	440	244	362	182
Interest on obligation	96	156	58	120
Total	<u>536</u>	<u>400</u>	<u>420</u>	<u>302</u>

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

	Consolidated		Separate	
	financial statements		financial statements	
<i>Three-month period ended 30 June</i>	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Cost of sales of goods and rendering of services	90	59	51	26
Administrative expenses	178	141	159	125
Total	268	200	210	151

	Consolidated		Separate	
	financial statements		financial statements	
<i>Six-month period ended 30 June</i>	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Cost of sales of goods and rendering of services	180	118	102	52
Administrative expenses	356	282	318	250
Total	536	400	420	302

Actuarial losses recognised in other comprehensive income:

	Consolidated		Separate	
	financial statements		financial statements	
<i>Six-month period ended 30 June</i>	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
Included in retained earnings:				
At 1 January	-	-	-	-
Recognised during the period	2,051	-	1,926	-
At 30 June	2,051	-	1,926	-

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

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2013	31 December 2012	30 June 2013	31 December 2012
	<i>(%)</i>			
Discount rate	4.1	4.7	4.1	4.7
Future salary increases	4.0 - 7.0	4.0 - 7.0	4.0 - 7.0	4.0 - 7.0

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

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14 Share capital

<i>Six-month period ended 30 June</i>	Par value per share (in Baht)	2013		2012	
		Number (in thousand shares)	Baht (in thousand Baht)	Number (in thousand shares)	Baht (in thousand Baht)
Authorised					
At 1 January					
- ordinary shares	1	85,000	85,000	85,000	85,000
Increase of new shares	1	<u>174,250</u>	<u>-</u>	<u>174,250</u>	<u>-</u>
At 30 June					
- ordinary shares	1	<u>259,250</u>	<u>85,000</u>	<u>259,250</u>	<u>85,000</u>
Issued and paid-up					
At 1 January					
- ordinary shares	1	<u>85,000</u>	<u>85,000</u>	<u>85,000</u>	<u>85,000</u>
At 30 June					
- ordinary shares	1	<u>85,000</u>	<u>85,000</u>	<u>85,000</u>	<u>85,000</u>

At the annual general meeting of the shareholders of the Company held on 23 April 2013, the shareholders have passed the following matters:

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

Date of original grant	12 July 2013
No. of warrants granted (Units)	85,000,000
Life of warrants	5 years from the issuance date
Exercisable	The dated 15 th of December and June in each year
Exercise price per 1 ordinary share (Baht)	4
Exercise ratio (warrants to ordinary shares)	1:1

- b) Approved the issuance and offering of warrants under the Employee Stock Option Program (ESOP) to the directors, management and/or employees of the Company and/or subsidiaries. Details of warrants are as follows:

Date of original grant	15 August 2013
No. of warrants granted (Units)	4,250,000
Life of warrants	5 years from the issuance date
Exercisable	The dated 15 th of November and May in each year
Exercise price per 1 ordinary share (Baht)	4
Exercise ratio (warrants to ordinary shares)	1:1

- c) Approved an increase in the registered share capital from Baht 85 million (85,000,000 ordinary shares with a par value of Baht 1 per share) to Baht 259.25 million (259,250,000 ordinary shares with a par value of Baht 1 per share) by issuing 174,250,000 ordinary shares with a par value of Baht 1 per share to reserve for the increase in share capital and exercise of warrants as referred above. The Company registered the increase in share capital with the Ministry of Commerce on 2 May 2013.

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15 Segment information

Information about reportable segments:

<i>Segments</i>	Publishing		Others		Total	
	2013	2012	2013	2012	2013	2012
<i>Six-month period ended 30 June</i>						
			<i>(in thousand baht)</i>			
External revenue	<u>132,310</u>	<u>128,096</u>	<u>61,393</u>	<u>46,858</u>	<u>193,703</u>	<u>174,954</u>
Segment profit before income tax	<u>17,294</u>	<u>21,577</u>	<u>2,058</u>	<u>806</u>	<u>19,352</u>	<u>22,383</u>
Segment assets as at 30 June/31 December	<u>322,037</u>	<u>319,747</u>	<u>99,977</u>	<u>49,111</u>	<u>422,014</u>	<u>368,858</u>

16 Basic earnings per share

The calculations of basic earnings per share for the three-month and six-month periods ended 30 June 2013 and 2012 were based on the profit for the periods attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the periods as follows:

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
<i>Three-month period ended 30 June</i>				
	<i>(in thousand Baht / thousand shares)</i>			
Profit for the period attributable to ordinary shareholders of the Company (basic)	<u>4,251</u>	<u>8,714</u>	<u>6,371</u>	<u>2,974</u>
Number of ordinary shares outstanding	<u>85,000</u>	<u>85,000</u>	<u>85,000</u>	<u>85,000</u>
Basic earnings per share (in Baht)	<u>0.05</u>	<u>0.10</u>	<u>0.08</u>	<u>0.03</u>
<i>Six-month period ended 30 June</i>				
	<i>(in thousand Baht / thousand shares)</i>			
Profit for the period attributable to ordinary shareholders of the Company (basic)	<u>14,150</u>	<u>16,572</u>	<u>14,097</u>	<u>8,909</u>
Number of ordinary shares outstanding	<u>85,000</u>	<u>85,000</u>	<u>85,000</u>	<u>85,000</u>
Basic earnings per share (in Baht)	<u>0.17</u>	<u>0.19</u>	<u>0.17</u>	<u>0.10</u>

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17 Dividends

At the annual general meeting of the shareholders of the Company held on 24 April 2012, the shareholders approved the appropriation of dividends from the 2011 operations result of Baht 0.15 per share, amounted to Baht 12.75 million. The dividend was paid to shareholders during the year 2012.

At the annual general meeting of the shareholders of the Company held on 23 April 2013, the shareholders approved the appropriation of dividends from the 2012 operating result and retained earnings of Baht 0.15 per share, amounted to Baht 12.75 million. The dividend was paid to shareholders in May 2013.

18 Commitments with non-related parties

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2013	2012	2013	2012
	<i>(in thousand Baht)</i>			
<i>Non-cancellable operating lease commitments</i>				
Within one year	14,932	14,489	13,438	12,188
After one year but within five years	26,574	31,304	26,427	30,431
Total	41,506	45,793	39,865	42,619
<i>Other commitment</i>				
Bank guarantees	2,490	1,839	2,059	1,660

- a) The Company has entered into lease and service agreements for its office premises and facilities with a local company for the period of 2 years and 10 months, commencing from 1 February 2012 to 30 November 2014 with an option to renew.
- b) The jointly-controlled entity has entered into the warehouse rental agreements with two local companies. The jointly-controlled entity agrees to pay rental fees at the rate specified in the agreements. The agreements have durations for 3 years, expiring on 31 December 2013 and 9 September 2014, respectively.
- c) The Company has entered into a rights for broadcasting agreement with a local company for the period of 2 years, commencing from 15 July 2012 to 15 July 2014.
- d) The Company has entered into service agreement covering television broadcasting satellite service with a local company. The detail is as follows:

<u>Contract date</u>	<u>Contract period</u>	<u>Periods</u>	<u>Total fee</u>
22 May 2012	16 June 2012 to 30 June 2017	5 years	USD 1.36 million

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19 Events after the reporting period

The Company has offered to sell increasing shares to existing shareholders a ratio of 1 new share for 1 existing ordinary shares at price of Baht 4 per share in totalling 85,000,000 shares (85,000,000 ordinary shares with a par value of Baht 1 per share) and amounting to Baht 340 million. As a result, the Company's issued and paid-up share capital has increased from Baht 85 million (85,000,000 ordinary shares with a par value of Baht 1 per share) to Baht 170 million (170,000,000 ordinary shares with a par value of Baht 1 per share), and the share premium amounted Baht 255 million. The Company registered the increase in share capital with the Ministry of Commerce on 11 July 2013.

20 Thai Financial Reporting Standards (TFRS) not yet adopted

The Group has not adopted the new interpretations that have been issued as of the reporting date but are not yet effective. The new interpretations that are applicable to the Group, which become effective for annual financial periods beginning on or after 1 January in the year indicated in the following table, are as follows:

TFRS	Topic	Year effective
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	2014
TFRIC 4	Determining whether an Arrangement contains a Lease	2014
TFRIC 10	Interim Financial Reporting and Impairment	2014

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