

PORTFOLIO DIVERSIFICATION



Bandwidth
Management



Content Provider

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Billboard



Horizontal Directional
Drilling – HDD



ANNUAL REPORT 2013



LIVE
inc.

LIVE INCORPORATION PUBLIC CO., LTD.

OUR BUSINESS UNIT

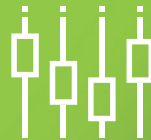


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Unit : Million Baht

	2012	2013
<u>FINANCIAL HIGHLIGHTS</u>		
Total Assets	265.234	652.861
Total Liabilities	130.907	115.409
Shareholders' Equity	141.223	542.446
Total Revenue	297.911	318.466
Net Profit (Loss)	4.894	63.679
<u>FINANCIAL RATIO</u>		
Current Ratio (Times)	1.36	3.99
Gross Profit on Total Revenue (%)	40.68%	47.70%
Net Profit on Total Revenue (%)	1.64%	20.00%
Return on Total Assets (%)	1.95	13.87
Debt to Shareholders' Equity (Times)	0.93	0.21
Net Profit (loss) per Share (Baht)	0.002	0.018
Book Value (Baht)	0.057	0.154

To Our Shareholders,

The year 2013 was another exciting year for LIVE Incorporation Public Company Limited, following our major intra-organizational changes introduced in 2012, as we saw our first continued growth achievement and constant generation of investment returns. Despite intense competition, and the beginning of digital television era, including emergence of a host of major events throughout the entire year, our Company managed to weather unscathed, thrived firmly and was ultimately capable of impressively delivering creditable results.

In the year, LIVE Group registered an annual net profit of 63.68 million baht. The figures represented an annual growth rate of 1,202.25%. In contrast to the net profit, annual overall expenses for the year dropped to 33.60 million baht, or a decrease of 11.45% from their 2012 counterpart. Overall revenues throughout the year stood at 318.47 million baht.

In 2014, despite unfavorable domestic situations, as you are well aware, I personally believe that the Company will be able to go strong on track and in line with its 3-year strategic business plan (2012 – 2014). In the past 2013, we managed to achieve satisfactory earning growth as well as efficiently introducing human resource management structure to our organization. The construction of our new office building has been implemented in full swing since 2013. The ongoing project is currently at its final stage with a good progress in line with the time scale predetermined last year. In addition, the Company also embarked upon new business activities with promising returns on investment on a long-term basis.

One of the major developments during 2013 was a joint venture between LIVE Incorporation Public Company Limited and Strega Company Limited, a reputable and industry-leading professional horizontal directional drilling (HDD) business operator to provide pipe installation service of all types without earth surface opening. I feel quite confident about satisfactory returns on investment for all shareholders to be generated out of this mutual fruitful cooperation.

Our Company remains focused on adherence to good corporate governance principles. Simultaneously, we give equitable treatment to all concerned parties; from shareholders, trading partners to business alliances, society, environment and to employees. The effectiveness of these practices, made in parallel with our achievement of profitability, is confirmed by the outcome of the corporate governance survey conducted annually by the Thai Institute of Directors (IOD). We have constantly achieved higher scores each year, as evident from “Very Good” approval rating granted by the IOD in 2013 when compared to “Good” rated in 2012. In addition, the Company is committed to being an organization dedicated to social responsibility as well as projecting strong corporate image and creating organizational values – all with the aim of operating our business with sustainable growth.

I would like to thank all management members of LIVE Group for their managerial performance that has made the past 2013 another successful year with satisfactory goal achievement and growth performance. I would also like to extend my thanks to our employees and all stakeholders for their devotion and efforts and for serving as a major driver behind our growth with a tendency towards further prosperity in the future.

On behalf of the Board and the management of LIVE Incorporation Public Company Limited, I would like to take this opportunity to thank all shareholders for their unwavering trust and confidence in our potential over the years. Your continued trust and support in the long term will be highly appreciated.



(Mr. Subhakorn Bhalakula)

Chairman

April 2014

Dear Shareholders of LIVE Incorporation Public Company Limited

The audit committee of Live Incorporation Public Company Limited comprised of 3 members, namely, Mr. Subhakorn Bhalakula as the chairman, Dr. Jatuporn Sangkhawan as the vice chairman and Miss Chanantorn Atsawaphubadi as the committee member. They were all independent directors and experts in various fields and did perform their tasks and express their opinions liberally.

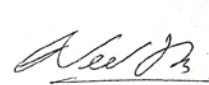
In the Meeting of Audit Committee No.9 on October 14th, 2013, Mr. Komsan Woradamrong was appointed to be Senior Internal Auditor since October 15th, 2013. Due to he has experience in the field of internal audit for 7 years and understands the Company's activities and operations, he was considered to be able to work appropriately and adequately in the above mentioned responsibility.

The consideration and approval of the appointment, removal, and rotation for the position of Senior Internal Auditor need to get an approval from the Audit Committee.

Audit Committee performed the duty in accordance with the scope of duties and responsibilities which were assigned by the Board of Directors. Such work was made under the regulations of the Securities Exchange of Thailand. In the year 2013, the audit committee carried out the following duties.

1. **Reviewing the 2013's Quarterly and Yearly Financial Reports.** The audit committee showed their opinions towards the Financial Report making and disclosure process which covered sufficient significant yet reliable data and they believed those reports were produced in accordance with the generally accepted accounting standards. Auditors were invited to attend all meetings to make clarifications and replies before the audit committee's issuance of opinions. The audit committee also followed up the preparation for the changes of the accounting standards that might affect the Financial Reports.
2. **Supervising the Operations.** The audit committee oversaw the corporate work in line with the relevant rules, regulations and laws including the resolutions of the Board of Directors and the Securities Exchange of Thailand. Any transaction in need of the opinions of the audit committee was forwarded to their meetings for consideration.
3. **Overseeing the Internal Audit.** The audit committee took care of the internal audit section's independent operations, provided its audit guidelines, reviewed its interim internal audit results and approved its 2013's audit plans.
4. **Reviewing and Giving Opinions to the Related Transactions.** The audit committee took the related or conflict of interest transactions and the data disclosure into consideration and believed that those items were carried reasonably under the normal business conditions at the utmost corporate advantages. That included the correct, complete and adequate transaction revealing.
5. **Reviewing and Assessing the Sufficiency of the Internal Control System.** The audit committee contemplated the internal audit system as per the guideline of the Securities Exchange Committee and the Securities Exchange of Thailand and viewed that the Company had strict and sufficient internal control and risk management system and did not find any significant problem or flaws.
6. **Following up the Operating Progresses as per the Corporate Business Plans.** The audit committee checked whether the operations advanced in line with the Company and its subsidiaries' business plans so as to prevent the external risks and lodged their advices to the management to cope with the economic situations.
7. **Following up and accelerating the debt negotiation and reduction.** The audit committee followed up and accelerated the management team to proceed with the debt negotiation and reduction as well as the completion of the payment.

8. **Following up the company and its subsidiaries lawsuits.** The audit committee continuously followed up on the progression of the company and its subsidiaries lawsuits.
 9. **Following up on the new facility land leasing contract.** The audit committee followed up land leasing contract of the company new facility.
 10. **Selecting the Auditors and Designating their Remuneration.** The audit committee selected the auditors and forwarded it to the Board of Directors and the following shareholders' meetings in request for approval.
- For Financial Statements Year 2013, the audit committee had the similar viewpoint as the Board of Directors, whose opinions are shown in its report on the responsibility for the Financial Report.



(Mr. Subhakorn Bhalakula)

Chairman of Audit Committee

Name	Live Incorporation Public Company Limited
Security Trading Name	LIVE
Registration Number	0107537002290
Type of Business	Entertainment and advertising businesses operated through the following 4 main business lines: <ol style="list-style-type: none"> 1. Satellite television channel management service 2. Television program production 3. Television broadcast system, studio and equipment service 4. Advertising, billboard production and rental service.
Dividend policy	Not less than 50% of annual net profit after tax and legal reserve or as appropriate

Specific Data :

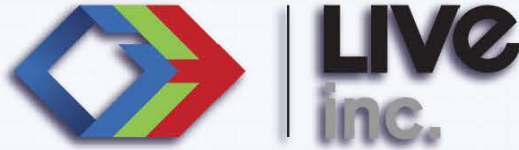
Establishment Date	12 November 1987
Public Company Registration date	21 June 1994
Registered Capital	Baht 648,522,876.00 with Baht 566,503,327.60 in paid-up capital
Number of Common Shares and Par Value	6,485,228,760 Shares at par value of Baht 0.10
Restriction on foreign shareholders	49% of registered capital

Number of Employees in Company and Subsidiaries as at 31 December 2013

Employees of Company	72
Employees of subsidiaries	147

LOCATION

Head office	390 Ramkamhaeng Road, Khwaeng Huamark, Khet Bangkok, Bangkok 10240 Tel No.: 0-2736-3850, Fax No.: 0-2736-3851 Company Secretary Tel No. 0-2736-3850 Ext 4302 Fax No. 0-2736-3851 Email address : secretary@live.co.th
Investor Relation	Tel No. 0-2308-5555 Ext 5525 Fax No. 0-2374-1516 Email address : ir@live.co.th
Website	http://www.live.co.th



วิสัยทัศน์ร่วม SHARED VISION

เสริมสร้างศักยภาพธุรกิจเดิมให้มีความแข็งแกร่งและเติบโตอย่างยั่งยืน ต่อเนื่อง
และสามารถสร้างผลตอบแทนให้กับผู้มีส่วนได้เสียขององค์กร
รวมถึงสามารถขยายธุรกิจใหม่ที่สร้างผลตอบแทนที่คุ้มค่าและความเสี่ยงต่ำ
Strengthen a sustainable and continuous growth of our existing businesses
and be able to create values to our stakeholders while expanding to new businesses
with maximum return and minimum risk

พันธกิจ MISSION

มุ่งเน้นสร้างสรรค์ธุรกิจซึ่งจะช่วยเพิ่มคุณค่าสูงสุดให้กับผู้มีส่วนได้เสียในระยะยาว
Focus on business initiatives that have the best chance of creating long term value
for our stakeholders

เสริมสร้างความสัมพันธ์ที่สร้างสรรค์กับกลุ่มลูกค้าและพันธมิตรทางการค้าอย่างต่อเนื่อง
Strengthen direct and personal connection with our customers and business partners

เสริมสร้างให้พนักงานและองค์กรให้มีสมรรถนะที่สามารถแข่งขันได้ รวมทั้งมีจริยธรรม
ในการดำเนินธุรกิจ

Develop our employees and organization to be able to compete in the marketplace with integrity

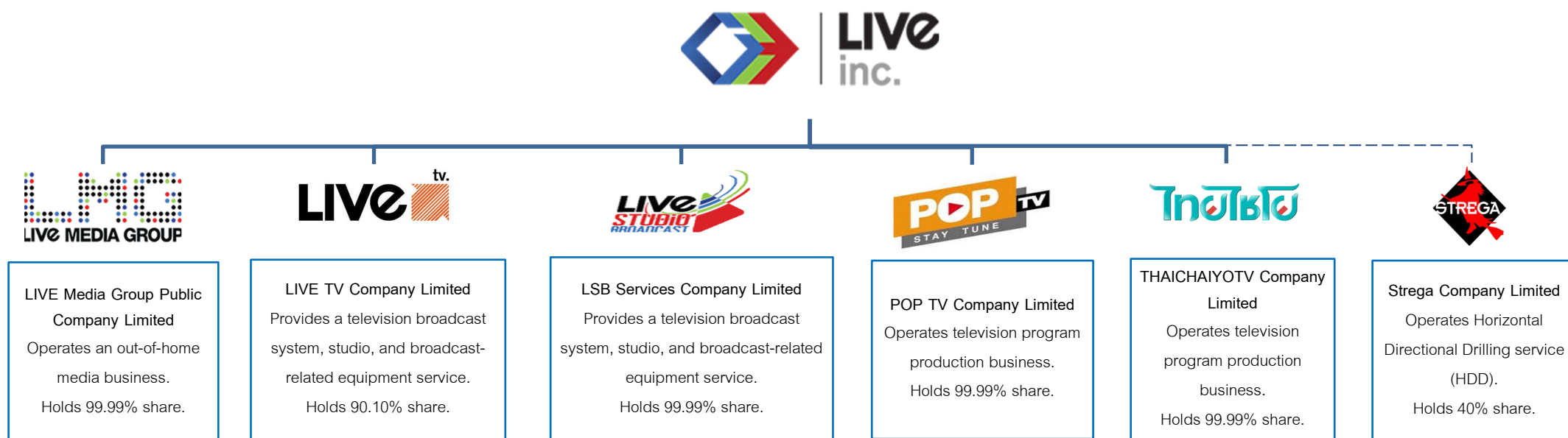
ส่งเสริมการดำเนินธุรกิจอย่างมีธรรมาภิบาล และรับผิดชอบต่อสังคม สิ่งแวดล้อม
Encourage the way we do business with ethic and social & environmental responsibilities

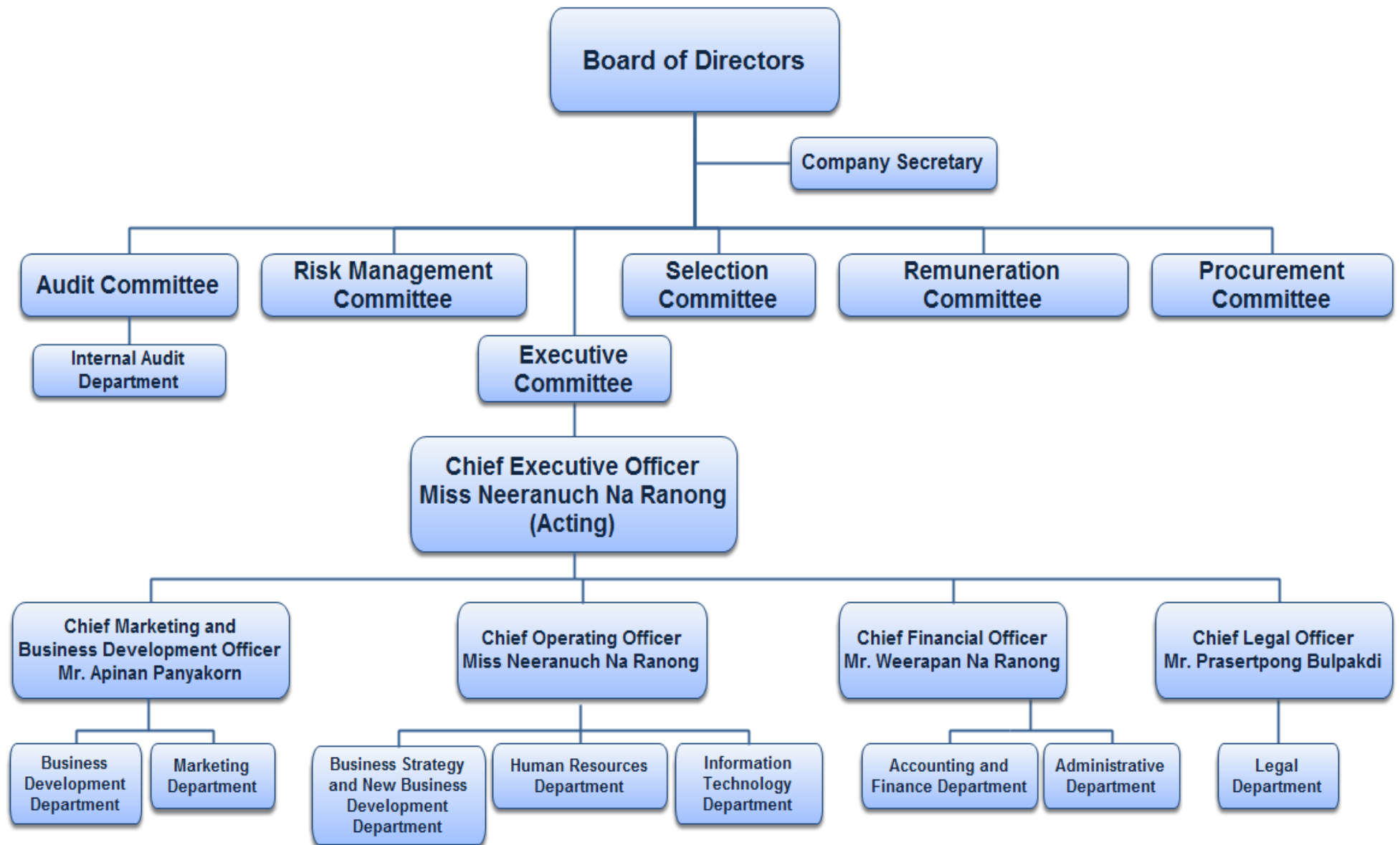
คุณค่าหลัก CORE VALUES

LEADING CHANGE	เป็นผู้นำการเปลี่ยนแปลง
INNOVATION	มีความคิดริเริ่ม สร้างสรรค์
VALUE ADDED	สร้างคุณค่า/ มูลค่าเพิ่ม
ENTREPRENEURSHIP	มีความเป็นเจ้าของ
INTEGRITY	มีจริยธรรม จรรยาบรรณ
NEVER SATISFIED	ไม่หยุดอยู่กับที่ มีการพัฒนาอย่างต่อเนื่อง
COLLABORATION	มีความร่วมมือร่วมใจ

Quality = Quality in Everything We Do - คุณภาพในทุกๆเรื่องทุกๆด้านที่ปฏิบัติและดำเนินการ

Business Structure and Shareholding Proportion in Major Subsidiaries and Associated Company





1. **Mr. Subhakorn Bhalakula** Age: 56 Years

Position: Chairman of the Board of Directors/Chairman of Audit Committee/Chairman of the Selection Committee and Independent Director

Education: Master of Law, Ramkhamhaeng University
Bachelor of Law, Thammasat University

IOD Training: ACP16/2007, DAP 19/2004, DCP 69/2006

Working Experience: Present: Director and Chairman of Audit Committee, Country Group Development Public Company Limited
Director, Krung Thai Law Company Limited
Chairman of Board of Director and Chairman of Audit Committee, LIVE Incorporation Public Company Limited

Directorship in other listed companies: 1

2. **Mr. Jatuporn Sungkhawan** Age: 55 Years

Position: Director/Vice Chairman of Audit Committee/Chairman of Risk Management Committee/Chairman of Remuneration Committee and Independent Director

Education: Bachelor of Science in Agriculture Economics, Kasetsart University
Master of Business Administration (Major in Finance), Kasetsart University
Doctoral of Business Administration, Nova Southeastern University, Fort Lauderdale, USA

IOD Training: DCP 103/2013

Working Experience: Present: Director, LIVE Incorporation Public Company Limited
Managing Director, International Advisory Associates Company Limited
Chairperson of Master of Business Administration, Southeast Bangkok College
Special Expert of Human Resource Management, Office Extension and Training
Kamphaengsaen, Kasetsart University

Directorship in other listed companies: -None-

3. **Miss Chanantorn Atsawaphubadi** Age: 52 Years

Position: Director/ Audit Committee/ Remuneration Committee / and Independent Director

Education: Bachelor of Business Administration (Major in Accounting), Ramkhamhaeng University
Bachelor of Management (Major in Banking), Sukhothai Thammathirat Open University

IOD Training: DCP 103/2013

Working Experience: Present: Director, LIVE Incorporation Public Company Limited
Director, Act Five Auditing Company Limited
Director, Progressive Consultant Company Limited
Director, Audit for You Company Limited
Director, Account and Law to You Company Limited

Directorship in other listed companies: -None-

4. **Miss Neeranuch Na Ranong** Age: 56 years
- Position: Director/Chief Executive Director/Chairman of Procurement Committee/ Vice Chairman Risk Management Committee/ and Vice Chairman of the Selection Committee
- Education: Master of Business Administration, Kasetsart University
Bachelor in Law, Ramkhamhaeng University
- IOD Training: ACP 16/2007, DCP 69/2006, DAP 48/2005
- Working Experience: Present: Director, LIVE Incorporation Public Company Limited
Director, EMC Public Company Limited
Director, Live Media Group Public Company Limited.
Director, POP TV Company Limited
Director, Thaichaiyo TV Company Limited
Director, LSB Services Company Limited
Director, Strega Company Limited
Director, International Advisory Associations Company Limited
Senior Director, Kiatnakin Securities Company Limited
- Directorship in other listed companies: 1
5. **Mr. Prasertpong Bulpakdi** Age: 51 Years
- Position: Director/Executive Director/Selection Committee/ and Procurement Committee
- Education: Bachelor of Law, Ramkhamhaeng University
- IOD Training: DAP 40/2005, FND 22/2005, DCP 69/2006
- Working Experience: Present:
Director, Ping Pan Property Co. Ltd. Director, LIVE Incorporation Public Company Limited
Director, Live Media Group Public Company Limited
Director, Live TV Company Limited
Director, Ping Pan Property Company Limited
Director, Luang Debnarin Law Office Company Limited
Director, Mintana Company Limited
- Directorship in other listed companies: -None-
6. **Mr. Apinan Panyakorn** Age: 49 Years
- Position: Director/Executive Director/ Procurement Committee/ and Selection Committee
- Education: Bachelor in Business Administration, Assumption University
Master of Business Administration, University of the Thai Chamber of Commerce
- IOD Training: ACP 16/2007, DCP 69/2006, DAP 40/2005, FND 22/2005
- Working Experience: Present: Director, LIVE Incorporation Public Company Limited
Director, Live Media Group Public Company Limited
Director, ThaichaiyoTV Company Limited
Director, POP TV Company Limited
Director, LSB Services Company Limited
Director, Strega Company Limited

Director, Udom Medical Equipment Company Limited

Director, Dental Innovation Company Limited

Director, Orange Dental Lab Company Limited

Directorship in other listed companies: -None-

7. **Mr. Weerapan Na Ranong** Age: 52 Years

Position: Director/Executive Director/Risk Management Committee/ and Remuneration Committee

Education: Master of Business Administration, Ramkhamhaeng University

Bachelor of Accounting and Finance, University of the Thai Chamber of Commerce

IOD Training: DAP 103/2013

Working Experience: Present: Director, LIVE Incorporation Public Company Limited

Director, Strega Company Limited

Directorship in other listed companies: -None-

8. **Miss Chaya Sookcharat** Age: 64 Years

Position: Director

Education: Bachelor of Business Administration, Kasetsart University

IOD Training: -None-

Working Experience: Present: Director, LIVE Incorporation Public Company Limited

Director, LIVE Estate Company Limited

Managing Director, Thai Plastwood Company Limited

Managing Director, Chattakarn Company Limited

Managing Director, CS Goodwin Company Limited

Directorship in other listed companies: -None-

The Company's management structure as at December 31st, 2013 consisted of (1) the Board of Directors, (2) Five sub-committees appointed by the Board of Directors i.e. Audit Committee, Remuneration Committee, Selection Committee, Risk Management Committee and Procurement Committee, and (3) Executive Board and Management as described below:

(1) Board of Directors

A company's board of directors should comprise one chairman and directors in number that is appropriate for operational efficiency and shall not be less than 5 people in total. In addition, at least half of the directors should be non-executive directors and at least one-third of the directors should be independent directors. In addition, for good corporate governance, the Board should be chaired by an independent director.

According to the Company's regulations, at every Annual General Meeting of Shareholders, at least one-third of the directors shall have to retire from office. If the number of directors to retire is not a multiple of three, then, the nearest number to one-third shall retire. Those directors who have retired from office may be reappointed.

As at December 31, 2012, LIVE Board of Directors comprised 8 directors as follows:

No.	Director Name	Position
1	Mr. Subhakorn Bhalakula	Chairman of the Board and Audit Committee/Independent director
2	Miss. Neeranuch Na Ranong	Director/Chief of Executive director
3	Mr. Prasertpong Bulpakdi	Director/Executive director
4	Mr. Apinan Panyakorn	Director/Executive director
5	Mr. Suttirod Eaktaraphiphat	Director
6	Mr. Weeraphan Na Ranong	Director
7	Mr. Jatuporn Sungkhawan	Vice Chairman of Audit Committee/Independent director
8	Miss. Chananyathorn Atsawaphubadi	Audit Committee/Independent director

Mr. Tharakorn Junkerd is the Secretary to the Board.

Qualifications of an Independent Director

1. Holding no more than 1% of the total voting shares of the Company, its subsidiaries, associated companies or juristic persons with potential conflict of interest, including shares held by his/her related persons.
2. Not being an executive director, nor an employee, staff or advisor with monthly salary or not being a controlling person of the Company, its subsidiaries, associated companies or juristic persons with potential conflict of interest during the past 2 years.
3. Not having relationship by blood, by marriage or by legal registration with any management, major shareholder or controlling person or person being nominated as management or controlling person of the Company or its subsidiaries.
4. Not having business relationship with the Company, its subsidiaries, associated companies or juristic persons with potential conflict of interest which may impede his/her ability to provide independent opinions. In addition, he/she must never be a major shareholder, non-independent director or management of any parties connected to the Company, its subsidiaries, associated companies or juristic persons with potential conflict of interest during the past 2 years.
5. Not being an auditor for the Company, its subsidiaries, associated companies or juristic persons with potential conflict of interest and not being a major shareholder, non-independent director, management or managing partner of an accounting firm with auditor(s) performing auditing for the Company, its subsidiaries, associated companies or juristic persons with potential conflict of interest during the past 2 years.

6. Not being a professional service provider who has received over Baht 2 million for providing services such as legal advisory or financial advisory services to the Company, its subsidiaries, associated companies or juristic persons with potential conflict of interest. If the professional service provider is a juristic person, he/she must not be a major shareholder, non-independent director, management or managing partner of such service provider except he/she has not performed the mentioned activities for at least 2 years.
7. Not being appointed as a representative of the Company's directors, major shareholders or shareholders who are related to the Company's major shareholders.
8. Not having other characteristics which may impede the ability to provide independent opinions with regard to the Company's operation.

Authorized Director

The authorized signatory shall be Miss Neeranuch Na Ranong co-signing with Mr. Prasertpong Bulpakdi or Mr. Apinan Panyakorn altogether 2 directors in conjunction with the Company's seal.

Authority and Responsibilities of Board of Directors

The Company has reviewed the authority and responsibilities of the Board of Directors for consistency with the Good Corporate Governance Policy with details as follows:

1. Manage operations of the Company, subsidiary and associated companies to the extent permitted by applicable laws as well as the objectives and rules set out by the Company, subsidiary and associated companies. For issues subject to prior consent of shareholders, as required by laws, Board of Directors shall have to seek approval from shareholders prior to implementation.
2. Consider, review and approve the annual business plan and budget.
3. Consider, revise and advise on business policy and direction as proposed by the management.
4. Monitor and supervise to ensure that the management's performance is effective and in accordance with the Company's policies.
5. Ensure that the management presents important materials which must be implemented in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC") and the Stock Exchange of Thailand ("SET").
6. Review and approve connected transactions of the Company, its subsidiaries, associated companies or connected companies that require no prior consent of shareholders. Ensure that all connected transactions are appropriately executed and for the overall benefit of the Company, as well as ensure that the information is disclosed in accordance with guidelines and approaches as stipulated by applicable laws.
7. Review and approve acquisition and disposition of assets, business acquisition and business joint venture that do not violate the criteria set by the Stock Exchange of Thailand.
8. Review and approve investment projects over Baht 50 million in value.
9. Set up efficient internal control and internal audit systems.
10. Ensure that written good corporate governance policy is in place and is approved by the Board.
11. Create the code of ethics or statement of business conduct in writing and ensure that it has been adopted.
12. Make decisions regarding significant changes in business policy and procedures involving accounting practice, risk management and fund management.
13. Make decisions regarding major changes in business and financial management control systems.

14. Approve the employment of Chief Executive Officer and the management as proposed by Board of Executive Directors. Approve proposed budget allocation for salary and bonus adjustment or annual salary adjustment formula for management and employees.
15. Approve the appointment/termination of directors and Company's secretary. The said persons will perform advisory roles in the area of applicable laws and regulations inquired by Board of Directors; to oversee Board of Directors' performance as well as to perform coordinating roles in the realization of Board of Directors' resolutions.
16. Appoint sub-committees and set the scope of their authority and responsibilities.
17. Appoint company's director or management member to hold directorship in subsidiary or associated company.
18. Ensure that all new directors attend the compulsory orientation program which is designed to convey the company's expectation on their roles, duties and responsibilities in capacity as directors; as well as to provide knowledge on good corporate governance guidelines and policy and insight to the Company's business operations and to provide organized visit to sections/business units to prepare them for directorship.
19. Provide all directors with new knowledge, in the area of good corporate governance, industry trends, business, technology and innovation by encouraging every director to attend appropriate seminars and courses organized by Thai Institute of Directors Association and other recognized institutes to enhance their directorship performance.

(2) Sub-Committees Appointed by Board of Directors

The Company has 5 sub-committees which have been appointed by the Board of Directors i.e. Audit Committee, Remuneration Committee, Selection Committee, Risk Management Committee and Procurement Committee. The details are follows:

a) Audit Committee

In order to ensure full compliance with SET-related and business-related laws and regulations as well as to maintain complete, accurate and transparent information disclosure, Board of Directors has appointed Audit Committee to assist in governing the Company in such aspects. The Audit Committee is to be composed of 3 independent directors in minimum and each director has 2 years of tenure.

As of December 31st, 2013, Audit Committee was composed of the following 3 members:

No.	Name	Position
1	Mr. Subhakorn Bhalakula	Chairman of Audit Committee
2	Mr. Jatuporn Sungkhawan	Vice Chairman of Audit Committee
3	Miss. Chananyathorn Atsawaphubadi	Audit Committee

Mr. Komsan Woradamrong is the secretary to the Audit Committee.

All committee members of Audit Committee are independent directors who have been appointed by the Meeting of the Board of Directors. They are not representatives of the Board to perform decision making in matters involving business operations of the Company, its subsidiaries, affiliated companies, same-class subsidiaries or juristic persons with potential conflict of interest nor are they directors of the Company, its subsidiaries, affiliated companies, or same-class registered subsidiaries. They possess appropriate qualifications and experiences to perform their functions as audit committee. In addition, one of the Audit Committee members, namely, Mr. Jatuporn Sungkhawan has appropriate qualifications and experience to review the reliability of the financial reports.

Authority and Responsibilities of Audit Committee

The Company has reviewed the authority and responsibilities of Audit Committee for consistency with the Good Corporate Governance Policy with details as follows:

1. Review the Company's financial reports to ensure fair presentation, accuracy and adequate disclosure of material information through coordination with independent auditors and executives in charge. Prepare quarterly and annual financial reports. During the performance of auditing tasks by independent auditors, Audit Committee may give suggestions for their review/audit of any necessary or significant items.
2. Review the Company's administration of internal control and internal audit systems to ensure their suitability and effectiveness. Review the independence of Internal Audit Department. Consider to grant approval for appointment, relocation and employment discontinuance of Head of Internal Audit Department or any other departments in charge of internal audit tasks.
3. Review the Company's compliance status and performance against securities and stock exchange laws, rules and regulations of The Stock Exchange of Thailand, or legislative requirements directly related to the activities of the Company.
4. Recruit and appoint appropriate persons to perform the roles of independent auditors, along with proposing their appropriate remuneration on the basis of professional credibility, the Company's available resources, the amount of tasks assigned to the audit firm, and previous professional backgrounds of independent auditors in charge. Attend meeting session with independent auditors without the presence of Board of Directors at least once a year.
5. Review connected transactions or items with potential conflict of interest to ensure their compliance with relevant laws and regulations of The Stock Exchange of Thailand. This revision is intended to ensure the reasonableness of the items and to preserve the best interest of the Company.
6. Perform any other tasks assigned by Board of Directors, as mutually agreed upon by both the Board of Directors and Audit Committee including financial policy review, risk management policy review and review of business ethics performance among management members. In conjunction with the management, Audit Committee also conducts reviews of important reports subject to public disclosure, such as the management discussion and analysis, as required by relevant laws.
7. Prepare reports on Audit Committee task implementations to be published in the Company's annual report. The reports, signed by Chairman of Audit Committee, must contain the following information in minimum:
 - Opinion on the accuracy, completeness and credibility of the Company's financial reports
 - Opinion on the adequacy of the Company's internal control system
 - Opinion on the Company's compliance of securities and stock exchange laws, rules and regulations of The Stock Exchange of Thailand, or legislative requirements directly related to the activities of the Company
 - Opinion on the qualifications, professional background and auditing performance of independent auditors
 - Opinion on the items with potential conflict of interests
 - Number of Audit Committee meeting sessions held and attendance rate of each committee member
 - Overall opinions and remarks based on their duty performance in conformity with Audit Committee Charter
 - Report on any other issues deemed important and reasonably subject to disclosure to shareholders and investors under Audit Committee's scope of responsibilities as authorized by Board of Directors
8. Report task implementation status to Board of Directors on quarterly basis in minimum.

9. Possess authority to perform auditing and investigating roles as deemed necessary so as to examine problematic issues. Be authorized to seek independent professional consulting services from external sources, when necessary, on the Company's costs in order to successfully achieve targeted goals of duty performance.

b) Remuneration Committee

In order to have in place a committee directly in charge of determining fair remuneration and benefits acceptable to employees, management, shareholders and other concerned parties which will create motivation to drive the Company's long-term and stable growth, Board of Directors has appointed Remuneration Committee to perform those roles. Remuneration Committee is composed of 3 directors in minimum and chaired by independent director. As a minimum requirement, half of the committee composition must be independent directors. Each committee member has one-year tenure.

As of December 31st, 2013, Remuneration Committee was composed of the following 3 members:

No.	Name	Position
1	Mr. Jatuporn Sungkhawan	Chairman of Remuneration Committee
2	Miss. Chananyathorn Atsawaphubadi	Remuneration Committee
3	Mr. Weeraphan Na Ranong	Remuneration Committee and secretary to Remuneration Committee

Mr. Tharakorn Junkerd is the secretary to Remuneration Committee.

Authority and Responsibilities of Remuneration Committee

The Company has reviewed the authority and responsibilities of Remuneration Committee for consistency with the Good Corporate Governance Policy with details as follows:

1. Appropriately determine remuneration, both monetary and non-monetary, for the Board of Directors and Sub-committees based on their roles, responsibilities and performance compared to applicable remuneration offered by companies in similar industry and to propose to the Board for approval and for proposal to the Meeting of Shareholders.
2. Provide clarification and answer regarding director's remuneration in the meeting of shareholders.
3. Determine standard rates of salary, remuneration and fringe benefits applicable to employee of all levels, comparable to those paid in the same industry and appropriately commensurate with costs of living.
4. Determine conditions of annual salary increase in agreement with individual performance appraisal and the Company's operating performance.
5. Possess the authority to access relevant documentation and to seek cooperation from concerned persons in order to make decision.
6. Perform other duties related to setting up remuneration on a case-by-case basis as assigned by Board of Directors.

c) Selection Committee

In order to ensure appropriate selection of the Company's directors, Board of Directors has appointed Selection Committee comprising at least 4 directors half of which have to be independent directors and the Chairman of Selection Committee has to be an independent director. Each director shall have one-year tenure.

As of December 31st, 2013, Selection Committee was composed of the following 4 members:

No.	Name	Position
1	Mr. Subhakorn Bhalakula	Chairman of Selection Committee
2	Miss. Neeranuch Na Ranong	Vice Chairman of Selection Committee
3	Mr. Prasertpong Bulpakdi	Selection Committee
4	Mr. Apinan Panyakorn	Selection Committee

Mr. Suttirod Eaktaraphiphat was the Secretary to the Selection Committee.

Authority and Responsibilities of Selection Committee

The Company has reviewed the authority and responsibilities of Selection Committee for consistency with the Good Corporate Governance Policy with details as follows:

1. Review the structure and composition of the Board of Directors and monitor the term of the directors.
2. Determine criteria and policy in selection of directors, sub-committee members to replace directors who have retired by rotation or to fill any vacant positions for approval and appointment by Board of Directors and/or Meeting of Shareholders.
3. Identify, evaluate and recruit individuals qualified for Board membership.
4. Recommend and propose the performance evaluation approach of the directors to the Board of Directors and involve in the evaluation process and monitoring the improvements according to the evaluation outcome.
5. Perform any ad-hoc selection-related activities as assigned by Board of Directors.

d) Risk Management Committee

In order for the Company to operate its business in sustainable and secure manners and to make decisions with care and thoroughness for the maximum performance benefits, the Board of Directors has appointed a Risk Management Committee to provide feedback and recommendations to the Company. This committee shall be composed of at least 3 directors, with at least one director being an independent director and chaired by an independent director. Each committee member has one year tenure.

As of December 31st, 2013, Risk Management Committee was composed of the following 3 members:

No.	Name	Position
1	Mr. Jatuporn Sungkhawan	Chairman of Risk Management Committee
2	Miss. Neeranuch Na Ranong	Vice Chairman of Risk Management Committee
3	Mr. Weeraphan Na Ranong	Risk Management Committee

Mr. Suttirod Eaktaraphiphat is the secretary to Risk Management Committee.

Authority and Responsibilities of Risk Management Committee

The Company has determined the authority and responsibilities of the Risk Management Committee in accordance with the Good Corporate Governance Policy with details as follows:

1. Determine the policy framework, strategy and guidelines in devising the risk management plan to be in line with the Company's overall strategy and propose to the Board of Directors for consideration of the overall risk management covering significant areas of risk.

2. Scrutinize the risk management plan to ensure identification of the source of risk, measurement tools, performance indicators, monitoring mechanism, assessment, reporting and controls to maintain the risk within the appropriate and acceptable level.
3. Review the adequacy of the policy, strategic plan, action plan and the overall system concerning risk management including the productivity and efficiency of the operations and the compliance with the specified risk management policy.
4. Set up corporate-wise risk management structure according to the work process and corporate structure.
5. Monitor and oversee to ensure proper implementation of the risk management plan, policy, strategic plan and action plan as well as evaluate the actual performance against the specified plan or goal at least on a quarterly basis.
6. Provide report on things that need improvement and change based on the committee's opinions to the Board of Directors for the benefits of the overall risk management to ensure better integration and compliance to the Stock Exchange of Thailand and international standards.
7. Regularly report on things that need improvement and change to the Audit Committee to ensure compliance with the established policy and strategy.
8. Appoint a working team to increase efficiency in risk management as applicable and necessary.
9. Perform other tasks as assigned by the Board of Directors.

e) Procurement Committee

In order to have in place a committee specifically responsible for determining appropriate and fair procedures, methods and rules in connection with corporate procurement functions, thereby beneficial to the Company's operations and other parties concerned, Board of Directors has appointed Procurement Committee to perform those roles. The Committee shall comprise at least 2 directors, each of which shall have one-year tenure.

As of December 31st, 2013, Procurement Committee was composed of the following 4 members:

No.	Name	Position
1	Miss. Neeranuch Na Ranong	Chairman of Procurement Committee
2	Mr. Prasertpong Bulpakdi	Vice Chairman of Procurement Committee
3	Mr. Apinan Panyakorn	Procurement Committee
4	Mr. Weeraphan Na Ranong	Procurement Committee

Mr. Tharakorn Junkerd is the secretary to Procurement Committee.

Authority and Responsibilities of Procurement Committee

The Company has determined the authority and responsibilities of Procurement Committee for consistency with the Good Corporate Governance Policy with details as follows:

1. Determine standard procurement procedures, methods and rules applicable for companies within the group and promote standard, fair and transparent procurement practice comparable to the general practice in the same industry and consistent with business situations.
2. Study and review procurement deals worth between Baht 1 million and Baht 5 million to submit the conclusions for final approval from Board of Executive Directors.
3. Possess the authority to access relevant documentation and to seek cooperation from concerned persons in order to make decision.
4. Gather opinions and suggestions from internal and external sources in order to make decision.

5. Perform other procurement-related duties as assigned by Board of Directors.

(3) Executive Board and the Management

Executive Board

Board of Directors has appointed Executive Board to assist in governing the Company's operations. The Executive Board shall consist of 4 members from the Company's directors and management team. Each executive director is authorized to oversee and manage line of business operations commensurate with his/her field of specialization, personal interest, professional capability and suitability.

As of December 31st, 2013, Executive Board was composed of the following 4 members:

No.	Name	Position
1	Miss. Neeranuch Na Ranong	Chief of Executive Board
2	Mr. Prasertpong Bulpakdi	Executive Director
3	Mr. Apinan Panyakorn	Executive Director
4	Mr. Weeraphan Na Ranong	Executive Director

Mr. Tharakorn Junkerd was the Secretary to the Board.

Authority and Responsibilities of Executive Board

The Company has reviewed and amended the authority and responsibilities of Executive Board for consistency with the Good Corporate Governance Policy which were approved by the Board of Directors Meeting no. 4/2008, on May 15, 2008, with details as follows:

1. Determine business strategy, policy, plan and budget and submit to Board of Directors for review and approval.
2. Possess the authority to take decision-making and commanding roles within the scope, authority and responsibilities designated by Board of Directors in accordance with the Company's rules governing approval authority and execution, as approved in Board of Directors' meeting.
3. Periodically review business performance for prompt issue resolution in order to achieve the Company's business goals.
4. Monitor performance of subsidiaries and affiliated companies to ensure consistency with defined business plans and policies.
5. Consider and propose annual salary adjustment budget, employee bonus budget and employee benefits to Board of Directors.
6. Perform duties and implement tasks in line with policy and directions devised by Board of Directors. Assign, follow up and oversee the management of the Company and its subsidiaries.
7. Perform other duties as assigned from time to time by Board of Directors.

Management

a. Management Team

As of December 31st, 2013, the Company had 5 management members as set forth below:

No.	Name	Position	Accountability
1	Miss Neeranuch Na Ranong	Acting Chief Executive Director and Chief Operating Officer	Responsible for Human Resources Management, Information Technology, and Business Strategy and New Business Development functions
2	Mr. Prasertpong Bulpakdi	Executive Director	Responsible for Legal function
3	Mr. Apinan Panyakorn	Executive Director	Responsible for Business Development and Marketing functions
4	Mr. Weeraphan Na Ranong	Business Development Director	Responsible for Finance & Accounting Management, and Administrative functions
5	Mr. Suttirod Eaktaraphiphat	Accounting and Finance Director	Responsible for Finance & Accounting Management

Company Secretary

The Board of Directors appointed Mr. Tharakorn Chankerd as the Company Secretary on January 27, 2012 per resolutions of the Board of Directors Meeting No. 1/2012. Company Secretary is a support function and is responsible for management to ensure maximum efficiency according to the Securities and Exchange Act and good corporate governance principles. The roles and responsibilities of the Company Secretary include:

1. Perform according to Section 89/15 of the Securities and Exchange Act by:
 - preparing and keeping the following documents:
 - a register of directors;
 - a notice calling director meeting, a minute of meeting of the board of directors
and an annual report of the company;
 - a notice calling shareholder meeting and a minute of shareholders' meeting;
 - keeping a report on interest filed by a director or an executive;
 - performing any other acts as specified in the notification of the Capital Market Supervisory Board.
2. Provide recommendations and support to the Board of Directors regarding laws and applicable regulations for efficiency, compliance with laws and regulations and best practices.
3. Oversee to ensure operations are in compliance with good corporate governance and to ensure that the policies and recommendation of the directors are effective.
4. Oversee that the Company, the Board and management are in compliance with the laws and applicable regulations including Public Company Limited Act, Securities and Exchange Act, regulations and notices of the Stock Exchange of Thailand and Securities and Exchange Commission, Anti-Corruption Act B.E. 2542 and applicable resolutions of the cabinet.
5. Oversee that the Board of Directors and management properly and carefully perform their duties taking into account shareholders' rights and fair treatment to shareholders.
6. Communicate with shareholders and treat shareholders in an appropriate manner.
7. Communicate with relevant regulatory authorities.

Selection of Directors, Management and Company Secretary

Director Selection Process

The Board has approved the appointment of Selection Committee comprising 4 directors. The Selection Committee shall be responsible for setting up guidelines and policies for selecting directors for the Company and sub-committees. The Committee shall also be responsible for setting up qualifications as well as performing the search, selection and proposing qualified candidates as replacement for retired directors or vacant positions, to Board of Directors and/or Meeting of Shareholders, for approval, whichever case may be.

In addition, per regulations of the Company, the selection of directors has to be according to the followings:

1. Each shareholder shall have the votes equal to the number of shares he/she holds.
2. Each shareholder may use his/her votes described in item 1. to vote for one person or multiple persons for directorship, but he/she may not split up the votes unequally for the purpose of voting.
3. Candidates receiving highest votes shall be elected sequentially based on the number of votes and up to the number of directors required to be appointed or elected at that time. In the event, multiple persons receive equal vote counts and selecting all of them will exceed the number of directors required, then, the Meeting Chairperson will have the decisive vote.

Management Selection Process

The Company's Articles of Association on the Company's authority defines that appointment of senior management i.e. department director level and above shall be under the authorization of Executive Board.

Remuneration for Directors and Management

Remuneration Committee shall be responsible for reviewing and providing recommendation with regard to remuneration for directors and sub-committee based on the policy that remuneration shall be appropriate and comparable to that in business of similar nature or similar size taken into account each director's roles and responsibilities.

Director's Remuneration

In 2013, the monetary remuneration consisting of monthly salary, meeting allowance and annual bonus approved for Board of Directors and sub-committees for 2013 according to the 2013 Annual General Meeting of Shareholders on April 26, 2013 was Baht 4,000,000 maximum, details as set forth below:

1. Monthly salary was paid to non-executive directors at Baht 20,000 per month.
2. Annual Bonus with a rate of 2 percent of Net Profit.
3. Meeting allowance paid to board members per session were as follows:
 - a) Chairman of the Board and Chairman of Audit Committee shall receive meeting allowance of Baht 12,000 per meeting.
 - b) Directors and Directors of Audit Committee shall receive meeting allowance of Baht 10,000 per meeting.
 - c) Other sub-committees shall receive remuneration as follows:
 - Chairman of sub-committee shall receive meeting allowance of Baht 8,500 per meeting.
 - Director of sub-committee shall receive meeting allowance of Baht 5,000 per meeting.

However, in order to help ease the burden of the Company's expenditure in 2012, all non-executive directors voluntarily decided to continue to waive their entitled monthly salary as they did in 2010. Therefore in 2011, the Company remunerated the board members only in the form of meeting allowance, as detailed below:

The meetings attendance of Board of Directors and others Committees in 2013 (as of December 31st, 2013)

Name	Position	Board of Director	Audit Committee	Selection Committee	Remuneration Committee	Risk Management Committee	Procurement Committee
1. Mr. Subhakorn Bhalakula	Chairman of Board of Directors, Chairman of Selection Committee, Chairman of Audit Committee, and Independent Director	13/13	11/11	1/1	-	-	-
2. Mr. Jatuporn Sungkhawan	Director, Vice Chairman of Audit Committee, Chairman of Risk Management Committee, Chairman of Remuneration Committee, and Independent Director	12/13	10/11	-	2/2	2/2	-
3. Miss. Chananyathorn Atsawaphubadi	Director, Audit Committee, Remuneration Committee, and Independent Director	13/13	11/11	-	2/2	-	-
4. Miss. Neeranuch Na Ranong	Director, Chairman of Executive Director, Vice Chairman of Risk Management Committee, Vice Chairman of Selection Committee, and Chairman of Procurement Committee	13/13	-	1/1	-	2/2	2/2
5. Mr. Apinan Panyakorn	Director, Executive Director, Selection Committee, and Procurement Committee	11/13	-	1/1	-	-	2/2
6. Mr. Prasertpong Bulpakdi	Director, Executive Director, Selection Committee, and Procurement Committee	12/13	-	1/1	-	-	2/2
7. Mr. Weeraphan Na Ranong	Director, Executive Director, Risk Management Committee, and Remuneration Committee	12/13	-	-	2/2	2/2	-
8. Miss Chaya Sookcharat	Director	4/13	-	-	-	-	-

Meeting Allowance, Director's Remuneration, and Bonus in 2013 (including all committees)

No.	Director	Meeting Allowance for the Board	Director's Remuneration	Bonus	Other Sub-Committees		Total
					Meeting Allowance	Remuneration	
1	Mr. Subhakorn Bhalakula	276,000	320,000	176,456	-	-	772,456
2	Mr. Jatuporn Sungkhawan	210,000	240,000	176,456	-	-	626,456
3	Miss. Chananyathorn Atsawaphubadi	230,000	240,000	153,442	-	-	623,442
4	Miss. Neeranuch Na Ranong	120,000	-	214,829	-	-	334,829
5	Mr. Apinan Panyakorn	100,000	-	161,122	-	-	261,122
6	Mr. Prasertpong Bulpakdi	110,000	-	161,122	-	-	271,122
7	Mr. Weeraphan Na Ranong	110,000	240,000	168,788	-	-	518,788
8	Miss Chaya Sookcharat	30,000	160,000	61,374	-	-	251,374
				Total			3,659,589

Remuneration for Management

Executive director does not receive any monetary remuneration for holding executive director position other than the remuneration he/she receives for his/her management position in the Company or subsidiary company. Total monetary remuneration for the Company's management in the form of salary, fuel allowance in 2013 equaled Baht 2,947,373.00

Other Remuneration

-None-

The first 10 major shareholders as at December 6, 2013 (Source: Thailand Securities Depository Company Limited)

1. Miss. Katekarn Tokarunyasake	334,000,080 Shares	7.72%
2. Mrs. Manothip Chakwantum	287,717,988 Shares	6.65%
3. Miss. Chitsiri Thanapat	178,000,046 Shares	4.12%
4. Mr. Dilok Thanapat	170,000,068 Shares	3.93%
5. Mr. Panit Chandhornsupawong	134,096,000 Shares	3.10%
6. Mr. Chayut Leeissaranukul	128,591,484 Shares	2.97%
7. Mr. Nantaphan Mahatthanathan	102,000,000 Shares	2.36%
8. Thai NVDR Company Limited	100,656,854 Shares	2.33%
9. Mr. Umnuay Pichitpongchai	84,500,040 Shares	1.95%
10. Miss Kaniittha Phromsakha Na Sakonnakhon	72,602,782 Shares	1.68%
Total	1,592,165,342 Shares	36.81%

Period (Month)	Change and Development Description
January	1. The Company established LSB Services Company Limited (LSB) as a new subsidiary on January 25, 2013 with registered capital of 5,000,000 baht to become commercially engaged in providing broadcasting system, broadcasting equipment and studio rental services.
April	1. The Company made changes to its authorized signatories from “countersign of the following two persons; namely Ms. Neeranuch Na Ranong and Mr. Prasertpong Bulpakdi or Mr. Apinan Panyakorn or Mr. Suttirod Eaktaraphiphat in conjunction with the affixing of the corporate seal” to “countersign of the following two persons; namely Ms. Neeranuch Na Ranong and Mr. Prasertpong Bulpakdi or Mr. Apinan Panyakorn in conjunction with the affixing of the corporate seal”.
May	1. LIVE Media Group Public Company Limited (LMG), or otherwise referred to as a subsidiary, made an investment in an erection of a billboard frame on KM 147 on Asia Highway in Nakhonsawan.
June	1. The Company and its subsidiary; namely LIVE Incorporation Public Company Limited (LIVE), LIVE Media Group Public Company Limited (LMG), LSB Services Company Limited (LSB), THAICHAITYOTV Company Limited (Thaichaiyo TV) and POP TV Company Limited (POP TV) redesigned their corporate websites.
July	<p>1. The Company entered into a share purchase agreement with Strega Company Limited to acquire 40,000 common shares from Ms. Kanittha Brahmasakha Na Sakonnakorn. The total value involved in the agreement is 140,000,000 baht or equivalent to 40% of Strega total shares. Dual payment scheme was applied in the transaction; namely 1. a cash of 20,000,000 baht; and 2. LIVE common shares worth 120,000,000 baht in lieu of cash payment. The transaction is considered an asset acquisition and disposition by listed company.</p> <p>2. The Company appointed 3 directors as board members of Strega Company Limited. They are Ms. Neeranuch Na Ranong, Mr. Apinan Panyakorn and Mr. Weerapan Na Ranong.</p> <p>3. The Company increased and decreased its registered capital and resulted in a total registered capital of 749,665,736 baht, which was divided into 7,496,657,360 shares at the par value of 0.10 baht and a paid-up capital of 339,468,848.20 baht.</p>

	<p>4. The Company selected New Star International Company Limited as a contractor responsible for construction project for its new office building.</p>
September	<p>1. The Board resolved to introduce an employee provident fund to the Company, appoint MFC Asset Management Public Company Limited as fund manager and appoint Ms. Neeranuch Na Ranong as employer representative and Ms. Peeramon Boonyasaosuk as employee representative.</p> <p>2. The Company acquired 200,000 additional common shares from Strega Company Limited at 100 baht per share, worth totally 20,000,000 baht, for the purpose of maintaining the Company's shareholding proportion in Strega.</p> <p>3. The Company received a dividend of 20,000,000 baht from Strega Company Limited.</p> <p>4. THAICHAITYOTV Company Limited (Thaichaiyo TV) and POP TV Company Limited (POP TV), or otherwise referred to as subsidiaries, held a press conference at the Activity Ground, 6th Floor, Siam Discovery Center, to unveil the re-launch of their television channels; "Thaichaiyo Channel" and "POP Channel", to refresh their program formats.</p>
November	<p>1. The Board resolved to appoint Ms. Neeranuch Na Ranong as Vice Chairman of LIVE Incorporation Public Company Limited (LIVE).</p> <p>2. The Company issued and offered warrants to purchase 870,000,000 units of LIVE common share, otherwise referred to as a LIVE-W2, to existing shareholders. Exercise ratio is 1 unit of warrant is entitled to purchase of 1 additional common share at the exercise price of 0.10 baht per share.</p> <p>3. The Company decreased its registered capital from 749,665,736 baht to 648,522,876 baht by means of disposition of 1,011,428,600 unsubscribed common shares at the par value of 0.10 baht, worth totally 101,142,860 baht.</p>
December	<p>1. The Board resolved to appoint Mr. Weerapan na Ranong as Executive Director, effective December 18, 2013.</p> <p>2. LIVE Media Group Public Company Limited (LMG), or otherwise referred to as a subsidiary, made an investment in erection of 4 billboard frames. Two of the new billboard frames are intended for outdoor advertising billboards while the remaining ones are intended for LED advertising billboards.</p>

Determined to run the business under the good governance and social responsibility principle as a media and entertainment firm with various media channels, the Company together with other agencies has carried out many social contributions that included the flood relief donations and activities done by its personnel. The Firm has embedded the understanding and consciousness into its managerial policies and put them into following internal and external practices.

Responsibilities for the Customers

The Company has adhered and respected its promises made with the clients, kept their confidentiality and data and replied to their demands with quality and standard yet esthetic entertainment and content work for their optimal satisfaction.

Responsibilities for the Trade Partners

The Company has built the good relationship with its trade counterparts and business allies mingled the fair business advantages into the mutual respectful practices so as to build the cooperative confidence and long term business alliance.

Responsibilities for the Employees

Dedicated to create the learning firms in the Group, the Company has developed the know-how, adroitness, working ethics and the quality of the manpower with the aim to roll out the professional services of each business group and keep good and quality employees for long term.

Responsibilities for the Society

The Company has been sincere to the society and stringently obeyed the governmental business rules and laws and handed out social contributions for sustainable social development.

Responsibilities for Shareholders

Loving to conduct the good governing and reliable business, the Company has built its financial status firm to create highest values of its stakes for all shareholders.

Responsibilities for the Rivals

Over its transparent, ethical and fair competitive business practices, the Company has not used any corrupted means to seek the rivals' trade secrets like giving out bribes to the competitors' employees, etc. and has not lodged false blames to ruin their business fame.

LIVE Incorporation Public Company Limited has a policy to conduct the business according to the Vision and Mission of the Company which determined to focus on strengthening the existing businesses to grow strongly, continuously, and competitive. It must be able to make a return to stakeholders. In addition, the Company is also looking to invest and extend a new business which can make a worthy profit with low risk and the Company needs to create strategies creatively to improve a service and performance. Moreover, focus on making good relationship with partners and encouraging employees for initiative, teamwork, and social responsibility are also needed as well.

Vision

Our important vision is to strengthen a sustainable and continuous growth of our existing businesses and be able to create values to our stakeholders while expanding to a new business which results in worthy return and low risk.

Mission

- Provide a service and broadcasting a satellite television program to meet an audience's need and to be well-known internationally.
- Develop worldwide network of business partners that results in mutual benefits for both parties.
- Focus on business initiatives that have the best opportunity of creating long term value for our stakeholders.
- Strengthen direct and personal connection with our customers and business partners.
- Encourage our employees to have a mind of initiative, teamwork, and also social responsibility.

Major Changes and Developments

In 2013, the important changes and developments are the Company registered a new subsidiary which is LSB Services Company Limited on 25 January 2013 with a registered capital of 5,000,000 baht to operate a service of broadcast system and equipments including studio for rent. In July, the Company made a contract to of trading a share of Strega Company Limited of 40,000 shares or 40 percent of all shares and a total amount was 140,000,000 baht which had 2 payment methods, 20,000,000 of cash and LIVE's common stock of 120,000,000 baht. In addition, the Company increased and decreased the registered capital to 749,665,736 baht with 7,496,657,360 shares at 0.10 of par value, paid up capital of 339,468,848.20 baht. In the last quarter of 2013, the Company issued and offered the Warrants to purchase ordinary shares on LIVE Incorporation Public Company Limited No. 2 (LIVE-W2) with amount of 870,000,000 units and issued and offered to the existing shareholders with the exercise ratio of 1 warrant to 1 ordinary share, the exercise price is 0.10 baht. The registered capital decreased from 749,665,736 baht to 648,552,876 baht by cancelling 1,011,428,600 outstanding shares with a par value of 0.10 baht and a total amount of 101,142,860 baht.

Business Structure

LIVE Incorporation Public Company Limited operates core business in 4 categories and 1 associated business which are;

1. Core business satellite television channel management service (Bandwidth Management)
2. Core business satellite television program production (Content Provider)
3. Core business television broadcast system, studio, and equipment service (Broadcast & Studio)
4. Core business advertising, billboard production, and rental service (Billboard)
5. Associated business horizontal directional drilling (HDD)

Details of each business will be explained as follows;

1. Core business Satellite Television Channel Management Service

LIVE Incorporation Public Company Limited (“LIVE”) operates a satellite television channel management and production and produces a television program “Vlike” channel which earns income from sale of broadcasting time and advertising.

2. Core business Satellite Television Program Production

POP TV Company Limited (“POP TV”) and THAICHAIO TV Company Limited (“Thaichaiyo TV”) operate a television program channel and produce television programs for 24-hour broadcast. The programs are in the category of entertainment and/or Thai and international in the form of both live and taped broadcast.

3. Core business Television Broadcast System, Studio, and Equipment Service

LSB Services Company Limited (“LSB”) operates a television broadcast system, studio, and broadcast-related equipment service instead. Studio and broadcast-related equipment rental service is also available.

4. Core business Advertising, billboard production, and rental service

LIVE Media Group Public Company Limited (“LMG”) operates an out-of-home media, for example, an advertising billboard in various areas from Bangkok main streets to its perimeter.

5. Associated business Horizontal Directional Drilling (HDD)

Strega Company Limited (“Strega”) operates Horizontal Directional Drilling service (HDD) for the installation of underground cable and pipes without open-cutting.

Revenue Structure

Unit: Thousand Baht

Product Line/Business Group	Operated by	Holding Percentage by the Company	2011 Revenue	%	2012 Revenue	%	2013 Revenue	%
Revenue from Bandwidth Management Service	LIVE Incorporation Public Company Limited		44,696	15.11	183,142	61.48	213,612	67.23
Revenue from Anti-virus Software Sales	Active Media (Thailand) Company Limited*	40.00	13,873	4.69	-	-	-	-
Revenue from Activity Arrangement	LIVE Incorporation Public Company Limited and LIVE TV Company Limited	90.10	10,598	3.58	-	-	-	-
Revenue from Television Program	POP TV Company Limited and THAICHAIYOTV Company Limited	99.99	165,652	55.99	35,534	11.93	28,115	8.85
Revenue from Advertising Spot Rental	LIVE Media Group Public Company Limited	99.99	58,160	19.66	56,403	18.93	62,066	19.54
Revenue from Profit (Loss) Allocation through Investment in Associated Company	Strega Company Limited	40%	-	-	-	-	(752)	(0.24)
Other Revenues			2,884	0.97	22,832	7.66	14,673	4.62
Total			295,863	100.00	297,911	100.00	317,714	100.00

*Active Media (Thailand) Company Limited discontinued its operations on March 9, 2011.

1. Revenue from Bandwidth Management Service

(LIVE Incorporation Public Company Limited ("Company"))

Product/Service Description

The business currently engaged by the Company is divided into 2 categories:

1. Bandwidth management service ("Bandwidth") for satellite television
2. Television program production for "Vlike Channel" from which the Company generates revenue from airtime rental ("Airtime") and advertising media ("Sponsor")

Market and Competition

The year 2013 saw growth in satellite television market in all directions with a tendency towards continued growth momentum in the years to come. This is evident from the fact that the number of satellite television channels has currently soared to over 200 channels from less than 50 channels at the beginning of the industry. Number of audiences who view programs via satellite television also jumped from a mere 4-5 million households during the emergence period of the industry to over 12 million households at present, with a tendency towards further growth. Another contributory factor that had impacts upon the increase in number of satellite television channels is the launch of an additional Thaicom-6 satellite. The general public views the latest Thaicom-6 satellite launch as a drawback to the satellite television industry, as there will be more business competitors entering into the fray. However, Thaicom 6 is intended for not only the satellite television but also the emerging digital television era, which relies on satellite network to connect signals from each antenna location, presumably in excess of 1,000 locations countrywide. The remaining capability of Thaicom 6 will also cater to satellite communication needs among the other business sectors, for example bandwidth utilization for communications with oil rigs. In addition, as overseas bandwidth had been switched to meet domestic demand in Thailand while the overseas demand for the bandwidth still exists and resultantly has become unmet, there is a possibility that the newly available bandwidth of the Thaicom 6 might be utilized to meet those unmet overseas demand. Aside from the reasons given above, there is another convincing reason to believe that technological evolution might raise concerns over bandwidth inadequacy in the long run. Namely, while most current broadcast systems via satellite are of standard definition television system, high definition television system, which calls for exponential bandwidth requirement, has increasingly become popular among consumers. Set-top box service providers have currently switched to market high-definition products and discontinued sales and service for standard definition products. This phenomenon suggests that the number of television channels remains unchanged while bandwidth demand increases as a result of greater demand for higher-quality imagery.

In addition, the Company deploys the following revenue-generating strategies:

1. Generate profit from existing business with an emphasis on market, customer, competitor, internal and external weaknesses and strengths in order to provide differences to customers and trading partners.
2. Lay the foundation for human resource management to enhance personnel potential. In this regard, professional human resource practice is applied by means of performance appraisal, efficient personnel development program, including design and establishment of organized compensation system.

At present, the Company's major competitors are:

- PSI whose service is centered around bandwidth, C-Band and Ku-Band rental services without engaging in airtime business.
- MV TV that offers its own bandwidth and C-Band rental services, without Ku-Band offer and places strong emphasis on airtime business.

At present, bandwidth market customers can be classified into different categories based on channel management and revenue source as follows:

- Channels with less emphasis on revenue generation; their main revenues are generated from subsidy. Some examples of the channels under this category include religious channel, TM TV, WB TV and White Channel.
- Channels with strong emphasis on advertising and PR for their own products; their main revenues are generated from product sales; the main use of the channels are for communications with their employees and customers. Some examples of the channels under this category include Giffarine and JC TV.
- Channels with strong emphasis on online commerce or airtime business. Some examples of the channels under this category include MITI 4.

- Channels mainly specialized for selling advertising spots. Some examples of the channels under this category include Sanook TV.
- Channels that collect service fees from their target audiences ("PayTV").

2. Revenue from Television Program

(LIVE Incorporation Public Company Limited ("Company"), POP TV Company Limited ("POP TV") and THAICHAIYOTV Company Limited ("Thaichaiyo TV"))

Product/Service Description

POP TV Company Limited is commercially active in television media and engaged in television program production under "POP TV" channel. The produced television programs are broadcast on a free-to-air basis through transmissions of frequency in C Band frequency ranges via satellite. Audiences can view the programs through various types of set-top box, for example PSI Channel 161, GMM Z Channel 34, Sun Box Channel 51, Big4 Channel 40, CTH Channel 224, other set-top boxes with frequency 3480 and symbol rate 30,000, including cable TV system available countrywide, Internet Protocol Television (IPTV), and through other future transmission devices/channels. POP TV offers trendy music and lifestyle programs that are broadcast on a 24-hour basis under the slogan "POP TV STAYS TUNE AS YOUR COMPAINION!" Most programs are produced internally and in the form of both live and taped broadcast. The live broadcast program allows full audience participation, song request, game playing or live chat with host on a real-time basis. The primary target audiences are those teenagers with age range around 19 years old while the secondary target audiences are those teenagers aged between 12-25 years old with fun, trendy and music-loving lifestyle preference. In addition, programs created by external producers are also broadcast on POP TV channel through legal right arrangement. POP TV channel also places strong emphasis on customer base expansion to those audiences in the emerging online networks, for example Facebook, Instagram, YouTube, Twitter, Socialcam, Website: pop.tv.co.th and applications that run on iOS and Android operating systems.

POP TV classifies its competitors into two groups:

- Primary competitor: Bang Channel, MV TV
- Secondary competitor: You Channel

THAICHAIYOTV Company Limited is engaged in television media business and produces television programs under commercial name of "Thaichaiyo TV" channel. The programs are broadcast through transmissions of frequency in C-Band and Ku-Band. The channel produces music programs in the category of Thai folk and public way of life for 24-hour broadcast. The 8-year milestone of Thaichaiyo TV channel based on this concept is driven by the following resolution:

1. To preserve original Thai folk songs as a timeless national asset and safeguard them against extinction.
2. To act as a medium for, and a channel of, communications of works created by artists under minor and major recording companies in order to bring their works to public recognition.
3. To be among the top-rated television channels and entertain audiences countrywide.

The main policy adopted by Thaichaiyo TV is to regain its top-rated position in the television audience measurement carried out by AGB Nielsen Media Research (Thailand). The policy, when materialized, will ease purchase decision among advertising agencies to run their ads on our channel. In 2014, we aim to be rated as among the top 20 satellite television channels out of over 300 active players in Thailand.

Thaichaiyo TV is equipped with team members to systematically select and create quality programs to serve audiences countrywide. Aside from professional expertise, Thaichaiyo TV enjoys strong cooperation from other business alliances to make its works available to the target audiences. The channel employs seasoned and highly skilled marketing, PR and technical teams to handle each divisional function.

Thaichaiyo TV classifies its competitors into two groups:

- Primary competitor: Fan TV and Star Max Channel
- Secondary competitor: Sabaidee TV

Market and Competition

The overall landscape of satellite television business through the past 5 years has been characterized by obviously more intense competition. The stiffer competition is driven primarily by greater interest in the industry among business operators, as demonstrably evident from constant increase in the number of new channels. The greater availability of the satellite television channels enables the audiences to select their content/option preference out of a wider choice. The number of advertising agreements entered into with the channels also grows in parallel with those greater choice made available.

At present, the channels are putting strenuous efforts to have an advantage over their competitors through careful content selection and production in the manner more relevant to the interest of their target audiences. This approach is applied to both internally developed content and imported one, for example game show, series and many others. Success in the business will be achieved by means of provision of informative and diverse program content that can effectively capture strong attention of the target audiences to the extent that encourages them to stay focused on the content without switching to other channels, or to minimize their channel switching. This will result in an achievement of high popularity rating, a key to marketing success and channel survival amidst today's intense industry competition.

In addition, social media has played an increasingly important role in the business world. Entertainment and cable television businesses are no exception. Social media is considered the fastest way to access main target groups as well as being an efficient tool to disseminate information. The social media in question ranges from Facebook Fanpage to Twitter, including the booming Instagram that boasts over 150 million users worldwide.

Both POP TV and Thaichaiyo TV, hereinafter referred to as "television program producer", deploy the following business strategies:

1. Television program creativity, development and quality control

The television program producer is readily equipped with high-caliber team members who carry with them hands-on experience sufficient to create works that meet the required quality level prior to sending out to public audience. In creating any program, the television program producer puts strong emphasis on public audience and designs program content in a manner that integrates academic aspect into entertainment. Therefore, the produced program constantly responds to required form and market demand.

Nevertheless, the program must comply with legal and moral requirements while being advantageous to the society at large.

2. Distribution, revenue generation and promotional campaign

The television program producer adopts advertising package approach so as to allow customers to deliver their advertising spots in various programs. Alternatively, advertising service is offered in the form of presentation of customers' product information during the broadcast of any given program. Such presentation ranges from installation of advertising signage/media on podium, quick camera scan at customers' product right before entering into program content, to name but a few. In addition, airtime rental is another revenue-generating method used by the television program producer. Remaining time left after running each program is offered to target customers for rental in order to generate revenues. This business practice serves as another income augmentation for the television program producer. This is on the ground that there are many business operators who either do not have channels to release their accomplished programs to public audience or are not sufficiently funded to rent the whole frequency channel for such release. Therefore, the airtime rental service is another way to augment income for the television program producer given that the current television program channels have audience base in excess of 9 million households.

Aside from the above-mentioned options, the television program producer has under its management another business unit directly linked to its core business functions. This business unit is called Live Digital, which refers to digital content ("Digital Content"). Airtime in the available television program channels is exploited to create additional business value in different ways, for example audience participation through short message (SMS) and call-in ring tone invitation. A portion of the revenues generated from these activities go to the television program producer.

The television program producer classifies its customers into two groups:

- Agency: This group refers to those firms that buy advertising airtime from the television program producer and provide their customers, essentially product owners, with professional advertising consulting service which embraces planning and airtime allocation.
- Direct Customer: This group refers to business operators who buy advertising airtime directly from the television program producer.

3. Revenue from Advertising Spot Rental

(LIVE Media Group Public Company Limited ("LMG"))

Product/Service Description

LMG operates an out-of-home media and currently offers 2 types of advertising media:

Billboard

LMG owns advertising billboards or so called "outdoor billboard" in various areas from Bangkok main streets to its perimeter i.e. New Petchburi Road, Expressway 1 around the Port Authority of Thailand, Expressway 2 around Chan Road, Rama IX Road, Ratchawipa Road, Phra Khanong, Happyland, Pattanakarn Road, Motorway leading to Suvarnabhumi Airport, Saraburi, Nakhonsawan and Petchburi etc.

In addition, in 2013 LMG expanded its business presence to Thailand's major regional cities by investments in erection of 8 additional billboard frames. The accomplishment has raised the number of LMG-owned billboards to 30 in total at 2013 year-end. LMG views the increase in the billboard frame number and the widened customer base in domestic major regional cities as ways to generate more revenue.

Building Wrap

Building Wrap is the advertising to be presented on the external walls of major buildings or towers on major roads. The advertisement will be printed via ink-jet printer on transparent stickers which will stick to the building's glass. Currently, LMG enters into two contracts with Sinobrit Building on Vibhavadi-Rangsit Road and ITF Building on Silom Road.

Market and Competition

As out-of-home advertising media market demonstrates higher growth potential in parallel with the majority population's out-of-home lifestyle in preference to in-home counterpart. This data interpretation is based on the annual 2012 investment figures in the out-of-home advertising media, which amounted to 10,217 million baht and subsequently grew to 10,711 million baht in 2013. It is highly likely that the industry competition will be more intensified due to limited availability of commercially viable areas in regional provinces or landmark sites. As a result, a lot of high-potential areas have already been heavily utilized by competitors as evident from strong presence of their advertising media placement.

LMG deploys the following competitive strategies to compete with its competitors:

1. Selection of advertising media placement location: Making choice of placement location is a crucial part of this business. All customers prefer to have their ads to command high-density consumer exposure. Due to this reason, LMG opts for major roads, or roads with heavy vehicular traffic, or urban downtown areas both in Bangkok and regional provinces as its placement locations.
2. Service charge is determined by taking into account advertising media size and placement location.

3. Service is provided via agency and direct arrangement with target customer.
4. Sales promotional campaign for long-term advertising agreement will be subject to suitable discount rates in order to maintain customer base and forge stronger commercial relationship with customer.

Major Competitors:

- Master Ad Public Company Limited (MACO)
- Hello Bangkok Trivision Company Limited (Hello Bangkok)
- Union Power Jet Company Limited (UPJ)
- S. Thana Printing Company Limited (S. Thana)

LMG's major customers are identified according to their business types, for example real estate, beautification establishment, automobile, daily essential, shoe and activity. LMG classifies its customers into two groups:

- Agency: This group refers to those firms that buy advertising airtime from the television program producer and provide their customers, essentially product owners, with professional advertising consulting service which embraces planning and airtime allocation.
- Direct Customer: This group refers to business operators who buy advertising airtime directly from the television program producer.

4. Revenue from Profit (Loss) Allocation from Investment in Associated Company (Strega Company Limited ("STREGA"))

Product/Service Description

Strega operates its business as a horizontal directional drilling contractor to install underground cables and pipes of all types without open cut. As Strega's business involves drilling and installation works only, most of its projects are implemented on a sub-contractual basis. Strega provides its service to construction contractors or other contractors that handle contracted large-scale cable, natural gas pipeline or crude oil pipeline installation projects to complement their lack of drilling expertise necessary for such installation underneath roadway, canal or river. These drilling works require specialized machinery and skills.

Market and Competition

Horizontal directional drilling (HDD) is a specialized industry involving underground pipeline installation without impacts on earth surface. This is an alternative pipeline installation approach in an environment where laying underground pipeline by opening earth surface is technically unsuitable.

Following the successful installation of small natural gas pipeline underneath a river bed in 1972, the HDD industry has been constantly thriving both in commercial and technological terms ever since. The HDD was later introduced in Thailand by foreign contractors in charge of natural gas pipeline installation project. In technical terms, the HDD is commonly regarded as a technique suitable for pipeline installation works in river terrain and along highway route.

The HDD business is classified into 4 main markets; natural gas and crude oil pipelines, water pipeline, telecommunications pipeline and electrical pipeline. Based on Strega's direct experience in the industry, pipeline installation works for natural gas and crude oil provide the best gross profit margin. This is based on comparison with water, telecommunications and electrical counterparts that involve trading competition among HDD small contractors and provide less attractive profit margin. In addition, given the fact that the majority of water, telecommunications and electrical pipeline installation projects are usually implemented in densely populated areas with limited timescale for completing the works, Strega generally avoids entering the fray in these three markets, with the exception of large-scale project, which will be considered on a case-by-case basis.

According to the estimates released by the Energy Policy and Planning Office, Ministry of Energy, the maximum increase in electrical energy demand in Thailand during 2013 – 2016 will be at 4.81% per year on average. The estimates also indicate the domestic demand for crude oil in the next 5 years, which will be expanded by approximately 15% whereas domestic demand for

natural gas will grow by 19% by that time. In addition, these estimates will be subject to, and closely linked to, the extent of the Thai economic growth.

In addition, there is a tendency for natural gas and oil industry in Thailand to switch from conventional road transport to pipeline transport. This tendency bodes well for the domestic natural gas and crude oil pipeline installation industry in terms of continued growth potential. Strega also generates the majority of its above-stated profit out of natural gas and oil projects.

Major Competitors

- World Multi Link Company Limited is commercially engaged in water pipeline installation by HDD technique or telephone line pipeline installation. The firm is equipped with horizontal tunnel drilling equipment for handling of 12-ton to 300-ton missions. At present, the firm works in partnership with Punj Lloyd Limited.
- T.M.I. Drill and Construction Company Limited is an underground pipeline installation service provider for energy industry (natural gas, crude oil, electricity and telecommunications). The firm also provides advisory, consulting, survey and design services. In addition, it is capable of performing coordination roles with its clients and relevant state enterprises, for example TOT Public Company Limited, Metropolitan Electricity Authority, Provincial Electricity Authority and Department of Highways. The firm owns various small-sized well drilling equipment used in crude oil industry and large equipment with 65-ton capacity. The service provided by the firm is an underground pipeline installation by means of open cut, HDD and pipe jacking.

Major Trading Partners

- PTT Public Company Limited is the sole buyer, distributor and owner, including administrator and developer of natural gas pipeline network in Thailand. PTT's domestic major projects are composed of onshore natural gas transmission pipeline; the 4th route (Rayong-Gangkoy), Nakhonsawan onshore natural gas transmission pipeline installation (Ayudhya-Nakhonsawan) and Nakhonratchasima onshore natural gas transmission pipeline (Saraburi-Nakhonratchasima). The overall value of the three projects is approximately 8 billion baht.
- TRC Construction Public Company Limited is a construction contractor specialized in pipeline installation. Most of the firm's works are subcontracted by PTT. The firm stands a good chance to enter into sub-contractual agreement with PTT on a continued basis. Each subcontracted project involves HDD works.
- Gulf JP Company Limited is currently developing approximately 12 power plants to be constructed in the future. Among them are Hi-tech Cogeneration Power Plant in Ayudhya and Rayong Electric Generating Power Plant at the Eastern Seaboard Industrial Estate in Rayong.

Description	Year 2011		Year 2012		Year 2013	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from event organization business	10.60	3.58%	-	-	-	-
Revenue from TV program production business	34.19	11.56%	5.22	1.75%	2.47	0.78%
Revenue from advertising spots	47.49	16.05%	45.81	15.38%	51.12	16.05%
Revenue from advertising media production	10.67	3.61%	10.59	3.55%	10.94	3.44%
Revenue from TV advertising	131.46	44.43%	30.32	10.18%	25.65	8.05%
Revenue from production and license sales - net	13.87	4.69%	-	-	-	-
Revenue from digital channel service management	44.70	15.11%	183.14	61.47%	213.61	67.08%
Revenue from liabilities written off	-	-	-	-	2.69	0.84%
Revenue from debt renegotiation	-	-	18.18	6.10%	9.70	3.05%
Other income	2.88	0.97%	4.65	1.56%	2.28	0.72%
Total revenue	295.86	100.00%	297.91	100.00%	318.46	100.00%

LIVE realizes the importance of risk management amidst the changes with consequential impacts upon our business operations. In our business, the risk management is considered a major contributing factor critical to the attainment of our business objectives, while also being viewed as one of the key components in good governance. Driven by the recognized importance, LIVE established our own risk management committee. The committee plays an important role in considering the risk management issues at the policy level, developing strategy, assessing as well as prioritizing risk exposure throughout our organization by taking into account all current internal and external risk factors. Nevertheless, operational risk is among a host of inevitable circumstances that we confront. Therefore, we place emphasis on prevention of any potential damages that may ensue as a consequence of the operational risk. During the year, workshop sessions were held and attended by cross-functional teams of concerned personnel from various departments and the management members. The purpose of the workshop events are to ensure that any identified operational risks are dealt with in a proactive manner, thereby keeping them manageable and under control. Among a number of efforts taken in the workshop include precautionary measures against potential loss of promising business opportunities. Such measures will in turn facilitate effective implementation of our organizational goals and ultimately lead to good governance and to sustainable value engineering to LIVE.

The Company's Major Risk can be divided into 2 topics as follows;

1. LIVE Group's Business Operation Risks which are divided into External and Internal Factors
2. Security Holders Investment Risks

LIVE Group's Business Operation Risks

External Risk Factors

- Risks associated with law enforcement

The recent enforcement of the Broadcasting and Television Services Act needs to be amended due to it does not cover all business operations which always change new technology such as a change of technology from Analog system to Digital system. Currently, the risk that has already occurred is the law enforcement had the regulation that was not work for the practical part. It led to the change of law or changed it to be the exception instead which also affected to the Company.

Thus, the above mentioned issues are the risks that the Company needs to prepare itself for the future possible issues.

- Political Risk

Current political situation has a conflict continuously for a period of time and tends to be prolonged. It leads to the uncertainty of investment fund spending of the Company's customer group. It is because money they invested might not worthwhile. Thus, the customers would spend money carefully.

- Risks associated with changes in technology

Technology is considered a major contributing factor with both negative and positive impacts upon our business operations while concurrently creating investment risks for us. Namely, at present, new technology is regularly invented with fast innovations. This is evident in the case of the transformation of analog to digital technology. Another concrete example is the emergence of Worldwide Interoperability for Microwave Access (WiMax) which makes limitless connectivity possible and leads to the availability of various new media. Such this technological advancement is therefore regarded as crucial in terms of potential impacts upon our new investment initiatives. We need to seriously take into account all potential risks in connection with the technological advancement to assess commercial viability and acceptable profitability of our investment initiatives.

Risk mitigation guidelines having been in place include close monitoring of new technology emergence and preparedness to adjust our position in response to any ensuing impacts. Capitalizing on current available technology to generate stable and predictable flow of revenue through the most secure investment option is another action point being taken. In addition, technological capability currently in hands can also enhance our opportunities to step into new business frontiers. We have

positioned ourselves to gain maximum benefits out of the entire available frequency channels in order to create business value. At the same time, we take an effort to maintain our ability to respond to, and are in readiness for, potential technological changes.

- Risks associated with business operations and marketing conditions

LIVE focuses efforts on, and is commercially active in, provision of satellite television services. Our available frequency channels are managed to generate revenue. Our business operations involve a wide variety of factors, for example, trading partners, corporate assets, television broadcasting equipment and systems and personnel.

Current market atmosphere of the industry is characterized by intensified competition among players with a tendency towards constantly growing intensification. This is particularly evident in the frequency channels, a new media breakthrough being on great demand among both players and target consumers. LIVE has carved a certain market share for this new media breakthrough. In direct proportion to burgeoning market, more players have entered into the fray, thereby leading to a more intensely competitive business landscape. Being under such difficult circumstance, we are subject to high-risk exposure. Nevertheless, a number of appropriate mitigating actions have been in place. With our long presence and established reputation in the industry, we have been fully equipped with knowledge and technical capability to broadcast program content on a continued basis. This is our unique strength unparalleled to other new players. Furthermore, we are stepping up our focus on driving down cost base to remain superior to other players in terms of lower overheads. Sophisticated modern equipment and breadth of high-caliber people available to us are both our cutting edge. Given our positioning and corporate capability, we therefore put emphasis on these strengths to mitigate the risks associated with marketing competition and to ward off marketing pressures that ensue. Another concrete mitigating action taken to deal with the business and marketing risks is to enter into long-term contractual agreements with customers.

- Risks associated with cancellation of, or alterations made to, contractual agreements by trading parties

As LIVE's business involves frequency channel management, television program production, and provision of advertising services via various media (for example television and billboard), it is inevitable for us to face risks associated with contractual agreement discontinuation or contractual agreement renewal with demanded alteration of certain terms essentially in a manner less advantageous to us, or even contractual agreement cancellation before scheduled expiration. All these unfavorable situations undoubtedly have adverse impacts upon our revenue.

Nevertheless, we have adopted certain risk controls and actions to handle these difficulties. Initiatives related to product and/or service quality enhancement as well as strong public recognition of positive corporate image is implemented to gain unwavering trust from our trading partners. In the mean time, we seek to forge business relationship with new trading partners to either further broaden existing customer base or replace those trading partners who opt to discontinue/prematurely cancel the contractual agreements.

- Risks associated with interest rates and FOREX volatility

LIVE's revenue and expense are substantially in Thai currency. Only a small portion of them is generated and incurred in foreign currency, essentially those of frequency channel services. Throughout our presence in the industry, none of financial derivatives have been used for risk management purpose given relatively low monetary value of our transaction. In addition, Thai currency over the past years has not been highly volatile to the extent that requires the use of those financial instruments. However, we realize the importance of the use of appropriate financial instruments for the prevention of financial risks. We will opt to capitalize on any of those financial instruments whenever we are in situations detrimental to the welfare of our business operations.

With regard to interest rates, we are not susceptible to any high risks due to the fact that we have no long-term loan commitments with any financial institutions. We do have some short-term loan commitments with certain financial institutions and individuals for a relatively small proportion. When compared to overall working capital requirements of our business operations, high interest rate from short-term loans does not have any significant adverse impact on us.

- Risks associated with social changes

Today's rapid social changes cause risks of gaining real insight into, and access to, actual customer needs. This is particularly true considering the fact that the majority of our products, identified as our core business, for example television program production, call for best understanding of customers for the purpose of fulfilling maximum satisfaction. This fact indicates social risks LIVE is facing in the form of lifestyle changes among Thai citizens in the present era. Feeling the ripples of the problems that are stemmed from the ongoing social changes, we have therefore reacted proactively by hiring professional personnel specialized in identifying and satisfying customer needs to mitigate the risks associated with Thai social changes in the long run.

- Risks associated with economy

Current economy is being plagued by a host of adverse impacts from various contributing factors, ranging from natural disaster to economic volatility, increased cost of living and to domestic and overseas pressures. During 2013, the major contributing factors influential to our economic risks were those related to economic volatility. This circumstance has direct impact on LIVE, especially in the case of obviously lower revenue incurred from our trading partners. Our mitigating action to the economic risks is to focus more on business-to-business approach. The approach will allow greater revenue certainty despite a decrease in the amount of revenue.

Internal Risk Factors

- Risks associated with business management

As the nature of LIVE's business is subject to constant change in business structure, the way our business is managed needs to be adjusted accordingly. This inevitable change could deviate the true understanding of organizational structure among our personnel. Meanwhile, internal communications are also at risks to become problematic. Our risk mitigation guidelines having been in place are to run our business activities in the form of multiple business units. This practice will allow greater independence and enhanced work flow efficiency within our organization.

- Risks associated with personnel

Highly competitive business environment has encouraged LIVE to stay alert in terms of human resources. We are dependent on specific knowledge and capability of our personnel, a mechanism vital for driving our organization towards corporate goals. We therefore have made improvements in both HR management system and HR development system to become more functionally complete.

In 2013, we introduced a number of changes to our organizational structure created strategic plan for organizational goal succession where the goals are cascaded to management lines and departmental levels. Other measures include quality-oriented and KPI-linked performance appraisal, appropriate compensation system as well as skill and capability improvement program for career progression to management level. Another measure vital for our personnel management is to foster the sense of job security and morale among all employees through presentation of monetary reward in order to recognize their devotion and commitment made to our organization.

- Risks associated with expense management

LIVE also attaches great importance to corporate expense management as it is one of the major factors critical to the attainment of our financial goals. Therefore, efficient management is highly necessary and must be in place to effectively handle all incurred expenses. Among those expense items to be critically managed include sales and administrative expense, operational expense among departments, to name but a few.

Security Holders Investment Risks

- Risk associated with Security Price

The Company performance would affect directly to the Company's security market price. Thus, if there is any business operation risks occur as mentioned above, the Company performance would reduce in accordance with risk factors. It would lead to a decrease of the Company's security market price by market mechanism.

- Risk associated with the Company's dividend

As the Company's 3 Years Strategic Plan, the Company planned to pay a dividend to shareholders within 2015. This could be possible with a normal situation that that Company performance would not be affected from any risks.

However, the Company specified the policy to deal with possible occurred risks and diversify the Company's investment to a new business with growth, potential, and generate sustainable return in order to control risks that would affect the security holder's investment which affected by the Company performance. It would cause Security Holders Investment Risks both security price and the Company's dividend.

Corporate Governance Principle and Policy

The Board of Directors understands the importance of good corporate governance because it strongly believes that good corporate governance can help the Company achieve its corporate commitment in becoming a leading efficient organization equipped with good corporate governance and management excellence. In addition, good corporate governance is also a critical success factor to the Company's continuous business growth and stability which will impact the confidence of shareholders, investors and all relevant parties as well as long-term business value of the Company.

Therefore in 2007, the Company performed review of its procedures and directions involving corporate governance so as to raise its standards of good corporate governance and in accordance with requirements stipulated by the Stock Exchange. Thus, the Board of Directors Meeting No. 12/2007 on December 21, 2007 passed a resolution to approve the Company's good corporate governance policy. The Company announced its enforcement of the policy in conjunction with the Business Ethics Guideline approved by the resolution of the Board Meeting No. 1/2008 February 14, 2008, to set up as ethical boundaries and guidelines for business practices among directors, management and employees. Our good corporate governance policy covers key matters as directed by the Stock Exchange of Thailand in 2009 and can be broken down into 5 sections, as follows:

- Section 1 Good Corporate Governance Policy
- Section 2 Shareholder's Rights and Equitable Treatment
- Section 3 Rights of Stakeholders
- Section 4 Information Disclosure and Transparency
- Section 5 Responsibilities of Board of Directors

Section 1 Good Corporate Governance Policy

The Company has always placed emphasis on good corporate governance in parallel with business operations and has developed written good corporate governance policy and business ethics guideline for governing the Company and its subsidiaries' business. The Board has also distributed the policy and guidelines to its directors, executives and employees at all levels to ensure their understanding and compliance. The Company strongly believes that good corporate governance can help the Company achieve its corporate commitment and that the principles of good corporate governance can serve as business operation framework that embraces accountability, transparency and competitiveness while adhering to business ethics. Furthermore, adherence to good corporate governance principles not only helps lower potential business risks but also enhances long-term organizational competitiveness with focus on maximizing the benefits for shareholders.

Section 2 Shareholder's Rights and Equitable Treatment

1. Rights of Shareholders

LIVE recognizes the rights and equality of shareholders, and thus has made it a policy to treat all shareholders on an equal basis as well as to protect and ensure their fundamental rights. Every shareholder has an equal right to trade or transfer shares, the right to receive profit sharing or dividend, and to receive accurate, sufficient and timely information for decision making with regard to the Company's operations as well as the right to attend meetings and vote on important issues such as director remuneration, appointment/dismissal of directorship, appointment of independent auditor and other issues with potential impacts upon the Company, including dividend allocation, decrease/increase in capital, etc. Before each meeting of shareholders, the Company will send invitation letter along with supporting documents as well as other relevant information for decision making, regulations and procedures for meeting attendance and voting process to each shareholder in advance.

The Company will facilitate and encourage all shareholders to exercise their rights in meeting attendance and casting their votes without charging any cost or using complex process. Shareholders may vote to appoint director(s) on an individual basis. In fixing director's remuneration, shareholders can review remuneration policy and criteria for each director, and may

freely ask questions or voice their opinions. The Company will ensure that appropriate directors are present in meetings to answer shareholders' questions/concerns and nothing will be in place to restrict shareholders from attending the meetings.

The Company will publish the meeting invitation letter as well as supporting documents on the Company's website prior to sending out hard-copy documents so as to allow shareholders enough time to review them in order to make appropriate decision and to allow shareholders to propose meeting agenda or post questions in advance via the Company's website.

At the Board of Directors' Meeting No. 12/2013 on November 13th, 2013, a resolution was passed to grant shareholders the rights to propose meeting agenda and director candidates to be considered during the 2011 Annual General Meeting of Shareholders in advance. The shareholders were given opportunity to submit their suggestions between November 14th, 2013 and January 31st, 2014. However, there was no agenda or director candidate proposed during such period.

In 2013, the Company administered three Shareholders Meetings, the Annual General Meeting of Shareholder for 2013 was on Friday 26th April 2013 at 2:00 p.m., the Extraordinary Meeting of the Shareholders No. 1/2013 was on July 5th, 2013 at 2:00 p.m., and the Extraordinary Meeting of the Shareholders No. 2/2013 was on November 25th, 2013 at 2:00 p.m. They were held at IEC Building, where the Company is located, for the shareholders' convenience.

The Company sent meeting invitation, agenda, relevant documentation, meeting rules and voting procedures to shareholders prior to the date of meeting. The said information was sent to shareholders on April 20, 2010 for the first meeting session and on May 4, 2010 for the rescheduled session. In addition, the meeting invitation was publicized in newspapers for 3 consecutive days and on the Company's website (<http://www.live.co.th>) 3 days prior to the date of meeting.

Chairman of Board of Directors acted as Chairman of the Meeting during the 2013 Annual General Meeting of Shareholders and the Extraordinary General Meeting No. 1/2013 and No.2/2013. Total 6/8, 8/8, and 6/8 directors attended the meeting respectively as well of Chairman of Board of Directors, Chairman of Audit Committee, Chairman of Remuneration Committee, Chairman of Procurement Committee and Chairman of Selection Committee. Prior to the commencement of the meeting, Chairman of the Meeting gave an explanation on voting procedures and following the consideration of each agenda, voting results were announced on immediate basis.

During the meeting, all Chairman, directors and parties involved in the Company's business operations such as Chief Financial Officer, Chief Management Information Officer, Chief Operations Officer etc. were present to explain and answer questions raised by shareholders before they were to cast the votes for each agenda. According to the policy, the Company also allowed shareholders to cast their votes to select director(s) on an individual basis. On significant issues, representative of shareholders would be invited to witness the counting of the votes. In the meeting, the Company did not include any agenda which was not known to shareholders in advance.

After each meeting of shareholders, the Company would prepare minutes of the meeting and send to shareholders as well as publish it via the Stock Exchange's and Company's websites within 14 days from the meeting date so shareholders might verify the information.

2. Conflict of Interest

The Company has made it an important policy not to allow directors, management and employees to seek personal gains from their positions or to engage in business in direct competition with the Company as described in the Business Ethics guideline. The Company has set guidelines as the framework for the employees pertaining to storage and protection of unauthorized usage of confidential internal information or of data which impact business operations or share price for personal gain. The

guidelines also prohibit disclosure of trade secrets to people external to the Company especially competitors even when those employees do not longer hold any position with the Company.

According to the Company's policy, directors, executives and employees should avoid transactions that are connected with the Company which may lead to conflict of interest. If such transaction is unavoidable, the Board shall ensure that the transaction is carried out with transparency and fairness similar to transaction carried out with third parties. However, directors, executives or employees having an interest in the transaction must not be involved in its approval process. If a transaction is considered as a connected transaction according to the Notification of the Stock Exchange of Thailand, the Board shall ensure strict compliance with the rules and procedures regarding information disclosure by listed companies for such transaction.

The Company devises policy to prevent directors, executives and employees of the Company and its subsidiaries from direct or indirect unauthorized disclosure of internal information undisclosed to the public, for personal gains or for the benefits of third parties. In addition, directors, executives and employees of the Company who have received the Company's financial data may not use such data for the period of 1 month before its public disclosure and they will be informed to avoid or suspend trading of the Company's stocks before the financial reports are made public. Directors and executives are also informed of their responsibility to report their holding of the Company's stocks as well as the change in the shareholding proportion to the Securities and Exchange Commission according to Article 59 and Article 275 (Penalty) of Securities and Exchange Act B.E. 2535. The Company will impose the maximum penalty on its directors, executives and employees, should they use internal information for their personal gains, directly or indirectly.

In 2013, no directors, executives or employees of the Company or its subsidiaries violate the policy regarding use of internal data. In addition, appropriate directors and executives have duly reported their shareholding and change of shareholding to the Securities and Exchange Commission.

Section 3 Rights of Stakeholders

LIVE recognizes the support all related stakeholders have contributed in strengthening Company's business competitiveness as well as profitability, both of which are regarded as sustainable mutual wealth. Thus, LIVE values all related stakeholder groups and treats them in compliance with legal or contractual agreements and will not act in violation of their rights.

Furthermore, LIVE has requirements for operating information disclosure via different communication channels to make it known to those stakeholders. Information on company's operations is disclosed on Form 56-1, annual report and corporate website. The Company also provides communication channel to receive feedback, opinions and complaints directly from stakeholders in case of any unfair treatment.

a. Shareholder or Investor

LIVE is determined to run its business for maximum returns to shareholders by means of efficient business management and internal control in order to grow and stay profitable in sustainable manner. In addition, Company also seeks to maintain superior business competitiveness by prudently taking into account current and future potential business risks.

b. Employee

LIVE views employees as valuable corporate asset. Therefore, capable and experienced employees are hired and retained. They are provided with training necessary for their continued improvements in professional skills and expertise. Company promotes good workplace atmosphere and treats each employee equitably and fairly.

c. Customer

LIVE recognizes the critical importance of customers on successful business operations. Because of this, customer satisfaction is an area of great emphasis and is achieved by means of delivery of high-quality product in response to customers' needs and expectation in fair and professional manner. Realizing the importance of customers, Company dedicates its expertise and experiences to ensure good customer care, to maintain customer confidentiality and to gain trust among customers. Customers' confidential data are maintained under strict confidence and disclosed only in case of legal compliance or prior consent by concerned parties.

d. Partner

LIVE works with its partners equitably and fairly according to contractual requirements and conditions. The Company's policy aims to avoid any action that may lead to dishonesty or violation of partners' rights established by applicable laws or mutual agreement.

e. Community, Society and Environment

LIVE is committed to treating society and environment with high standards. LIVE is enthusiastically active in issues with impacts upon society at large and therefore takes part in activities beneficial to community and environment on regular basis. Furthermore, Company provides sponsorship for charity initiatives and activities while also promoting environmental awareness among employees.

Stakeholders may file their complaint, recommendation or question regarding good corporate governance policy and business ethics to the Company's secretary via regular mail to the Company's head office or via telephone at 0 2736 3850 or via email at secretary@live.co.th.

Section 4 Information Disclosure and Transparency

1. Information Disclosure

The Board of Directors ensures that disclosure of financial and non-financial information to the public is in compliance with the rules and regulations set out by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) and in complete, adequate, regular and timely manner. This is aimed to ensure equitable treatment of shareholders and stakeholders and to reflect actual operation and financial status of the Company.

The information presented in quarter and annual financial statements is accurate and complete and is in accordance with generally accepted accounting standards, disclosed in timely manner and audited by independent auditors. In addition, Board of Directors also provides report indicating its responsibilities for those financial statements which is exhibited alongside the independent auditor's report in the Company's annual report. All financial statements are presented for final approval during annual general meeting of shareholders.

2. Investor Relation

In addition to the emphasis on disclosure of information according to the requirement stipulated by the Stock Exchange and SEC, Board of Directors also continuously communicates relevant information to shareholders and investors through different communication channels in order to provide knowledge, understanding and good relationship between the Company and investors, shareholders, analysts and institutions via Director of Business Developments and Investor Relations Department. Moreover, information in both Thai and English, is also presented on corporate website at www.live.co.th to facilitate equitable and thorough furnish of information to various groups of stakeholders. Interested person may obtain the corporate information directly from Investor Relations Unit at 0-2308-5555 Ext. 4302 or via e-mail at ir@live.co.th.

Section 5 Responsibilities of Board of Directors

1. Leadership and Vision

Board of Directors is composed of qualified members equipped with relevant expertise in different disciplines and carry with them capability and experiences beneficial to business operations. Board members play roles in judgement of, and approval for, corporate vision, commitment, strategies, goals, strategic plans, directions and policies. The Board also follows up and ensures that the management's work performance is in line with strategic work plans, in compliance with applicable laws, rules and requirements directed by relevant regulatory agency and governmental authority and in agreement with resolutions passed in meeting of shareholders. In addition, the Board is responsible for determination of appropriate internal control and risk management systems by taking into account preservation of the best interests of the Company and stakeholders and following good corporate governance principles in order to add value to business and to maximize investment returns to shareholders.

In 2013, the Company focused on its vision to become a world-class media and entertainment company which operates, develops, produces, manages copyright and distributes diverse entertainment media including movies, TV programs, music as well as concert events for global audiences. The Board has asked the management team to develop and present the goals, strategic plans and directions required to achieve those goals. There were discussion and feedback session before they were jointly approved.

2. Business Ethics

In conducting business for the best interest of shareholders, the Company has placed importance on how to achieve such success or benefits, taking into account the good corporate governance principles and policies. Directors, executives and employees have been instructed to operate based on the business ethics. They have also been informed about the importance of such principles and to strictly obey them for the sustainable growth of the Company.

The Company has developed a written Business Ethics Guidelines which has been approved by the resolution of the Board's meeting no. 1/2008 held on February 14, 2008. Directors, executives and employees have to acknowledge, understand and comply with these guidelines. In addition, the Board of Directors has continuously devised appropriate processes to ensure strict compliance.

3. Composition of Board of Directors

The Company requires that the Selection Committee will select and consider people with skill, experience, and specific qualifications required for the Company's business and present for approval as director(s) by the meeting of shareholders. Board of Directors should comprise directors in number as defined by the meeting of shareholders but should not be less than 5 members and should have diverse experiences. The minimum number of independent directors must be at one-third of the total number of directors on the board. In addition, in order to be able to fulfill their roles, each director must not hold directorship in more than 5 registered companies unless approved by the Board or meeting of shareholders. It is the responsibility of each director to disclose his/her directorship with other companies to the Board. Moreover, if an executive holds directorship at other companies, he/she is responsible to disclose such information to the Board as well. Currently, no directors hold directorship with more than 5 companies.

4. Roles and Responsibilities of Board of Directors

The Company has clearly defined the scope of responsibilities of the Board in the good corporate governance policy approved at the meeting of the Board.

5. Meeting of the Board

Board of Directors performs duties through its meeting. A minimum of 6 board meeting sessions are held annually to ensure efficient governance of business operations.

Chairman of Board of Directors is responsible for managing the performance of directors, defining meeting agenda in conjunction with Chief Executive Officer, ensuring advance distribution of meeting agenda and relevant documentation among directors to allocate appropriate time for data analysis and facilitate subsequent vote cast; and ensuring clear, adequate and appropriate presentation of material data and suggestions in such meeting documentation. During the board meeting, Chairman of Board of Directors is responsible for time management for data presentation, discussion, inquiry and conclusion of each agenda to facilitate directors' judgment and resolution.

During each board meeting, any director with conflict of interests or vested interests in the issue under consideration has to leave the session during considering such issue. Board of Directors will have the meeting minutes systematically documented and filed.

Board of Directors held the total of 13 meeting sessions through the entire 2013. Individual attendance statistics are shown below:

Director	Title	Meeting Attendances
1. Mr. Subhakorn Bhalakula	Chairman of Board of Directors/Independent Director	13/13
2. Mr. Jatuporn Sungkhawan	Independent Director	12/13
3. Miss Chananyathorn Atsawaphubadi	Independent Director	13/13
4. Miss Neeranuch Na Ranong	Director	13/13
5. Mr. Prasertpong Bulpakdi	Director	12/13
6. Mr. Apinan Panyakorn	Director	11/13
7. Mr. Weeraphan Na Ranong	Director	12/13
8. Miss Chaya Sookcharat*	Director	4/13

6. Performance Evaluation of Directors

The Board has appointed the Selection Committee to evaluate the performance of the Board of Directors and sub-committees. This will enable the Board to consider, review past performance as well as issues and obstacles and analyze the result of the directors' performance evaluation and consider recommendations for future improvements.

7. Balance of Power of Non-Executive Directors

The Company requires that Board of Directors comprise one chairman and directors in number and size appropriate to organizational nature and efficient business operations and shall not be less than 5 members in total. In addition, at least half of the Board must be independent directors and/or non-executive directors. As minimum requirement, the number of independent directors must be at one-third of the total number of directors on the board; and at least 3 independent directors must be Audit Committee members. The qualifications must be according to the notification of the Stock Exchange of Thailand and/or notification of the Securities and Exchange Commission on qualifications and scope of work of Audit Committee to ensure fair and accurate review and balance of power. As of December 31st, 2013, the Company's Board of Directors was composed of 8 members who are equipped with proven professional backgrounds, as follows:

- 3 Independent directors

- 4 Executive directors
- 1 Directors

The 3 independent directors are also members of Audit Committee with complete qualifications according to the notification of the Stock Exchange of Thailand on qualifications and scope of work of Audit Committee in order to perform audit functions and balance of power for fair business management. The 3 Audit Committee members possess experiences and knowledge sufficient to perform their functions. Moreover, one of its Audit Committee, Mr. Jatuporn Sungkhawan, to be specific, is experienced and knowledgeable enough to review the reliability of financial reports.

8. Aggregation or Segregation of Positions

The Company has clearly segregated different functions by clearly defining approval and operational functions of the Company and its subsidiaries based on transaction type. The classification of functions consists of management, human resource management, finance and investment, business and marketing, and operation expenses. In addition, Chairman of Board of Directors and Chief Executive Officer are different persons. Each has its own clearly defined roles and responsibilities to maintain good balance between management functions and the practice of good corporate governance. Furthermore, Chairman of Board of Directors is also an independent director.

9. Sub-committees

The Company has appointed a number of sub-committees to monitor the Company's business and to improve operational performance. The Board of Directors has clearly defined the scope of authority of the 5 sub-committees, namely, Audit Committee, Remuneration Committee, Selection Committee, Risk Management Committee and Procurement Committee.

- 1) Audit Committee is composed of 3 independent directors in minimum with roles and responsibilities as described in the Audit Committee Appointment Order. In 2013, the Audit Committee held 11 meeting sessions with full attendance by all committee members in each session, except for Mr. Jatuporn Sungkhawan who attended 10 sessions.
- 2) Remuneration Committee is composed of 3 Company's directors in minimum and chaired by an independent director and most members are independent directors. The Committee will perform roles and responsibilities as described in the Remuneration Committee Appointment Order. In 2013, the Remuneration Committee met in 2 meeting only.
- 3) Selection Committee is composed of at least 4 directors and chaired by an independent director and most members are independent directors. The Committee will perform roles and responsibilities as described in the Selection Committee Appointment Order. In 2013, the Selection Committee held 1 meeting session.
- 4) Risk Management Committee is composed of at least 3 directors and chaired by an independent director and most members are independent directors. The Committee will perform roles and responsibilities as described in the Selection Committee Appointment Order. In 2013, the Risk Management Committee held 2 meeting session.
- 5) Procurement Committee is composed of at least 2 directors with roles and responsibilities as described in the Procurement Committee Appointment Order. In 2013, Procurement Committee met in 2 meeting sessions with full attendance by all committee members in each session.

10. Internal Control and Audit

LIVE recognizes that having adequately good and tight internal control system will reduce loss of resources, time and business opportunity while increasing work output and performance. Because of this, the Company has created extensive internal control system where finance, operations, compliance controls as well as consistent auditing/balance mechanism between shareholders and corporate assets are incorporated. Approval authority hierarchy, verifiable and balanced responsibilities

between management and employees and written work rules are also among the components of such internal control system. In addition, the company has set up independent Internal Audit Unit, directly report to Audit Committee, to evaluate work performance among all operational and supporting sections against corporate requirements.

Board of Directors regularly has been informed by Audit Committee of review results of financial statements/reports and work performance of Internal Audit Unit on a regular basis and has found no significant non-compliance in the company's financial statements and that actual operations are in line with required procedures. The review also finds adequate and appropriate maintenance of internal control system and that corporate assets are effectively safeguarded from unauthorized use by management members or employees for their personal gains.

11. Board of Directors' Report

Board of Directors is responsible for preparing report on business operating results and major corporate events during the year to shareholders and for ensuring the availability of appropriate and efficient risk management and internal control systems. Board of Directors has appointed Audit Committee to ensure the quality of financial statements and the efficiency of internal control system and other business processes in accordance with generally accepted accounting standards as well as transparent disclosure of data.

12. Knowledge and Skills Enhancements for the Board and Executives

The Company's policy promotes and encourages all directors and executives to attend training at Thai Institute of Directors Association (IOD) and other institutions for relevant courses. This is to enhance the knowledge related to roles and responsibilities of directors and executives for better performance.

The Board and executives recognize the importance of attending seminars on knowledge and skills enhancement for directorship and management such as Directors Accreditation Program (DAP) Group 62 - 64 and Group 68 in 2007, Directors Certification Program (DCP) Group 93 in 2007. Finance for Non-Finance Director (FND) Group 38 in 2007. Understanding the Fundamental of Financial Statement (UFS) Group 12 in 2007 and Audit Committee Program (ACP) Group 16 in 2007 etc. In 2013, Mr. Jatuporn Sungkhawan, Mr. Weeraphan Na Ranong, and Miss. Chananyathorn Atsawaphubadi attended seminar of Directors Certification Program (DCP) Group 103 in 2013 and the secretary attended Company Secretary Program (CSP) Group 49/2013.

13. Director Orientation

The Company requires that all new directors attend compulsory directorship orientation program which is designed to convey the company's expectation of their roles, duties and responsibilities in capacity as directors. During the session, new directors will learn about good corporate governance guidelines and policy as well as knowledge and insight into the company's business operations and to participate in organized visit to sections/business units to ready themselves for directorship.

14. Use of Internal Data

The Board of Directors meeting no. 1/2008 on February 14, 2008, passed the resolution to develop a written Business Ethics Guideline which covers the policy on the use of internal data. It also dictates that directors, executives and employees of the Company and subsidiaries have to keep the Company's confidential information and are prohibited from using internal data for personal gains. So far, no directors, executives or employees have violated this policy. In addition, all directors and executives who are required to report their holding of Company's shares and change in shareholding proportion, have duly reported appropriate information to Securities and Exchange Commission and the Stock Exchange.

1. Connected transactions with potential conflict of interest in 2013

Person with Potential Conflict	Nature of Transaction and Relationship	Transaction Value (Million Baht)	
		Year 2013	Year 2012
Infinity Pro Company Limited owned by Mr.Panit Chandhornsupawong who is the major shareholder of LIVE Incorporation Public Company Limited and a son of Miss Neeranuch Na Ranong who is Chief Executive Director of LIVE Incorporation Public Company Limited. Mr.Panit Chandhornsupawong holds 99.97% share in Infinity Pro Company Limited.	LIVE Incorporation Public Company Limited rented land from Infinity Pro Company Limited at:	3.09	1.55
	Beginning of the period of the advance payment of land rental fee	0.71	-
	End period of the prepaid of the advance payment of the land rental fee	0.62	0.71

Pricing Policies and Terms between the Party

- Pricing Policy

Rental price must appropriate. Average cost per square meter must not exceed the rental fee per square meter of the current office. In which this connected transaction of the lease land is under all criteria. While comparing with other lease lands, they do not meet the required conditions. Therefore, it is necessary to choose the connected transaction instead of doing with other parties.

- Terms between the Party

1. **Terms of lease period**

The Company entered into a land lease contract for the period of 5 years which is relatively short period of time to build office buildings for long-term use. However, due to the addendum to the agreement that allows for renewal the lease at an incremental of 3 years, the Company is able to renew the contract up to 10 years. With this regard, the building construction period is consider to be a medium-term use and by comparing the average cost of current rental fee, average cost of lease land per square meter and cost of office buildings construction on such land lease is more economical and within the acceptable range.

2. **Terms of payments**

The rental fee specified in the lease contract is by monthly with a yearly payment in advance. In property business, the lessee usually collect rental fee by yearly due to the lease is for a long-term period and convenient in terms of for fee collection. This is based on the normal market conditions for this business.

3. **Other Terms and Conditions**

Other terms and conditions are considered normal for a lease of property and do not put the Company in disadvantageous situation. The Company also has the right to purchase the land in the future, if the landowner wants to sell.

As the Company entered into a land leasehold agreement for the purpose of builds an office building, which was deemed as a connected transaction and such transaction has been completed, an approval is sought for the ratification of the connected transaction.

In considering the appropriateness of the transaction and necessity of acquiring the location for office building construction, the independent financial advisor has an opinion that the location, size and shape of land, and rental rate are appropriate comparable to transaction with a third party in the Board meeting. The Company and its subsidiaries would benefit from business operation by renting out the studios. Currently, the Company has adequate funds to finance such operation. Despite the fact that the lease price is higher than the appraised price by the independent property appraiser, but falls within the range of highest and lowest market price referred to the comparative data of the independent property appraiser and that the present value of the cost of leased land and office building construction is lower than the current office rental fee, the price, term of lease period, term of payment, and other terms are considered acceptable.

Therefore, it is the opinion of the independent financial advisor that the shareholders should approve the ratification of the connected transaction. However, if the shareholders have the resolution not to approve the ratification of such transaction, the Company shall terminate the leasehold agreement and the lessor shall refund all advanced lease fee received to the Company pursuant the terms of the agreement that specified, "in the event of the agreement is concerned as connected transaction, both parties shall pursue the Notification of Stock Exchange of Thailand Re: Disclosure of Information and the Other Acts of Listed Companies concerning connected transaction 2003." If the shareholders have the resolution not to approve the connected transaction, this shall consider as a failure from the mentioned terms of the agreement that the lessor shall terminate the agreement and shall refund the rental fee to the Company.

The shareholders should consider all the information enclosed with this report in order to consider for making the decision for this resolution. The consideration in approving the ratification of the connected transaction mostly depends on the discretion of the shareholders and the decision of the shareholders. ACAP Corporate Services Co., Ltd. as the independent financial advisor hereby certifies that the opinions have prudently been provided in accordance with the professional standards and principles, with due respect to the benefits of the shareholders.

Opinion of the Audit Committee and Board of Directors

The Board Meeting (exclude the directors who have benefits with the transactions) has considered and commented that entering into such a connected transaction is reasonable because this is operated for the Company's benefits.

Audit Committee has the same opinion with the Board.

In the Audit Committee Meeting No. 11/2013 on December 18th, 2013, the Audit Committee together with the management team conducted assessment of the 2012 internal control system based on the internal control adequacy assessment form created by the management team. Assessment of the internal control system of the Company and its subsidiaries was performed in the following 5 areas:

- ❖ Organization and environment
- ❖ Risk management
- ❖ Management operation control
- ❖ Information and data communication systems
- ❖ Monitoring and assessment systems

The Board found that the Company had in place, proper and adequate internal control measures to prevent unauthorized and illegal usage of the Company's and its subsidiaries' assets and there was no significant flaw found within the system.

Regarding management of the internal control system, the auditor of the Company is Karin Audit Company Limited who audited Quarterly and Year 2013 Financial Statements. The auditor has given observations to the management team for internal control of accounting transactions related to individuals and external affairs which are about the consideration of loan between its subsidiary and the third party as well as proper documentation so as to comply with the Company's sale policy and to be used as evidence in accounting entry. These were for the improvement of internal control by management team. The auditor has reported the observations to the Audit Committee during the financial statements review meeting and the Audit Committee has requested the management team to implement internal process improvements to ensure that the Company has, in place, protective measures for its assets from potential damages.

The Company gives emphasis on effective internal control system which can adequately protect or reduce potential risks, and has appointed the internal audit department to perform audit review of the operations in various departments according to the annual audit plan approved by the Audit Committee. The objectives are to ensure effective and productive operation performance and to ensure that the Company makes the most of the resources as well as to ensure that the operations and financial reporting are accurate, reliable and timely. In addition, it also looks to ensure that policies and regulations are followed. In order for the internal audit department to be able to independently perform the audit review and provide the needed counterbalance, the Company specifies that the internal audit department directly reports the audit report to the Audit Committee.

1. The Overall Operating Results

In 2013, Thailand's economic overview and global economic was likely to slowdown but the Company can conduct the business satisfactorily which improved the operating results when compared with a year 2012. This result was because of the Company's restructuring and new business plans in each business unit to be appropriate and easy to plan for the control of revenue, cost and expense effectively. By the year of 2013 and 2012, the Company gained the net profit of 63.68 million baht and 4.89 million baht respectively which increased from the net profit of 2012 at a percentage of 1,202.25. The Company operates 4 core business categories which are Satellite Television Channel Management Service, Satellite Television Program production, Television Broadcast System, Studio, and Equipment Service, and Advertising, Billboard Production and Rental Service.

2. The Operating Results of Each Business Group

2.1 Revenue

- Revenue Structure

LIVE service revenues come from 5 core groups, namely, TV program production, advertising space rental, advertising media production, TV commercials and satellite TV channel management service. The service revenue structure for 2013 and 2012 are summarized below:

	2013		2012		Increase (Decrease)	
	Bt ml	%	Bt ml	%	Bt ml	%
Revenue from TV program production	2.47	0.81	5.22	1.90	(2.75)	(52.68)
Revenue from advertisement space rental	51.12	16.83	45.81	16.65	5.31	11.59
Revenue from advertisement media production	10.94	3.60	10.59	3.85	0.35	3.31
Revenue from TV commercials	25.65	8.44	30.32	11.02	(4.67)	(15.40)
Revenue from signal channel rental	213.61	70.32	183.14	66.58	30.47	16.64
Total of the sale income	303.79	100.00	275.08	100.00	28.71	10.44

Revenue from TV Program Production

LIVE had Bt 2.47 million in revenue from TV program production in 2013, a decrease of Bt 2.75 million or 52.68% from 2012. This is because in 2012, there were more music channels which made less market shares, so the revenue were reduced.

Revenue from Advertisement Space Rental

One of its subsidiaries had the advertisement space rental income in 2013 in the amount of Bt 51.12 million, increased from 2012 by Bt 5.31 million or 11.59 percent because the increasing of in the advertisement board construction.

Revenue from Advertisement Media Production

One subsidiary firm cherished the advertisement production income Bt 10.94 million in 2013, an increase by Bt 0.35 million or 3.31 percent from the year 2012, following to the income from the advertisement rental business.

Revenue from TV Commercials

One subsidiary had the income from program sponsors worth Bt 25.65 million in 2013, down by Bt 4.67 million or 15.40 percent from the year earlier, because of the appointment of sale agency for 2 channels made an increase revenue.

Revenue from satellite TV channel management service

One of the subsidiaries had 213.61 million baht in revenue from frequency channel management service in 2013, increase from 2012 for 30.47 million baht or 16.64 percent due to additions of frequency channels in 2012.

2.2 Sale and Administrative Cost and Expenses

- The sale cost recorded of 165.56 million baht in 2013, down by Bt 10.16 million or 5.75 percent from 2012, due to lower of production cost of 2.20 million baht and a decrease of sport program channel license fee of 9.16 million baht.
- The sale and administrative expenses in 2013 were Bt 92.75 million, down by Bt 21.60 million or 18.89 percent from the earlier year, because the lower expenses which included the reduction in the salary and added interests by Bt 7.28 million, the loss of subsidiaries dissolution of 17.53 million baht.

2.3 The financial cost in 2013 totaled 0.55 million baht, down by Bt 1.85 million or 77.08 percent from 2012, as a result of repayment of short-term loan.

2.4 The income tax for 2013 was Bt -6.98 million, decreased from 2012 at Bt 8.26 million or 645.31 percent because of the Company had an adjustment of the accounting standard of Income Tax and the Company had tax losses that can be used for the later years. The Company can have the deferred tax assets and reduce income tax of Bt 9.79 million made to offset against income tax of the subsidiaries of Bt. 2.81 million. Therefore, the tax is reduced.

3. Financial Status

3.1 Total Assets

- The Company and its subsidiaries owned the total assets worth Bt 652.86 million, up by Bt 387.63 million or 146.15 per cent from 2012. Following was the assets structure.

- Current assets: 51.11 percent
- Deposits of financial institutions with the guarantee: 5.19 percent
- Investments in subsidiaries and associated company: 15.51 percent
- Fixed assets for the operations: 13.98 percent
- Pre-paid service fee: 3.22 percent
- Rights fee for finding benefits: 3.20 percent
- Withholding tax deducted at source: 2.26 percent
- Deferred income tax assets: 2.20 percent
- Non-current assets: 3.33 percent
- Quality of Assets

The **current assets** in 2013 amounted to Bt 333.65 million, an increase by Bt 201.06 million or 151.64 percent from the year 2012. Below are the significant current assets.

- Cash and cash equivalents : Bt 226.81 million in 2013, an increase by Bt 141.40 million or 165.55 percent from the year earlier because LIVE received 258.09 million baht of increased capital which was used as its working capital.
- Account receivable and other accounts receivable – related company – net: Bt 16.08 million in 2013, increased by Bt 15.27 million or 1,885.19 percent from the year 2012 due to an increase of receivable advance pay of 16.08 million baht.

- Short-term loans and accrued interest and advance paid to non related company – net: Bt 42.33 million in 2013, increased by Bt 42.33 million or 100.00 per cent from 2012 due to the given loans to non related company to invest in construction an advertisement billboard and sold the rights to subsidiary to generate revenue to the subsidiary.

Non-current Assets: Bt 319.21 million in 2013, down by Bt 186.57 million or 140.66 percent from 2012. Following are the important non-current assets.

- Deposits of financial institutions with the guarantee – net: Bt 33.87 million in 2013, increased by Bt 30.24 million or 833.06 percent from 2012, due to the Company had a deposit to guarantee the limit to the associated company with the amount of 29.0 million baht and subsidiary had a deposit to guarantee the lease of 1.21 million baht.

- Investments in subsidiaries and associated company – net: Bt 101.25 million in 2013 increased from 2012 at 101.25 million baht or 100.00 percent due to the investment in Strega Company Limited with the proportion of 40 percent which adjusted to the fair value.

- Fixed assets for the operations – net: Bt 91.26 million in 2013, down by 1.60 million baht from 2012 or 1.72 percent. It was because of the advertisement billboard construction and depreciation during the year.

- Pre-paid service fee: Bt 21.05 million in 2013 which increased from 2012 of 18.41 million baht or a percentage of 697.35, due to the advance payment of land for the new office building and including the construction.

- Rights fee for finding benefits: Bt 20.88 million in 2013 increased by 20.88 million baht from 2012 or 100.00 percent because in 2013 there was a contract of subsidiary to the rights of advertisement billboard with a non related company to earn more revenue to subsidiary.

- Withholding tax deducted at source: Bt 14.75 million in 2013 increased by 0.67 million from 2012 or 4367 percent, due to 2013 there was more revenue and received payment from 2012 so there was more Withholding tax deducted at source.

- Deferred income tax assets: Bt 14.39 million in 2013, up by Bt 11.23 million or 355.58 percent from 2012, due to an adjustment of the accounting standard of Income Tax and the Company had tax losses that can be used for the later years which made the Company must set up the income tax assets.

3.2 Liquidity

Cash Flows

- Cash flow for the operations in 2013, the amount was Bt 36.22 million due to profit from its operating performance and a Bt 54.16 million of 2012.

- Cash flow for the investments in 2013, the amount was Bt 150.86 million due to the deposit for guarantee of subsidiary by 30.24 million baht and a Short-term loans and accrued interest and advance paid to non related company by 42.33 million baht and a payment for new billboard production and other fixed assets for the amount of Bt 17.54 million. The Rights fee for finding benefits for advertisement billboard to subsidiary by 16.70 million baht and investment for associated company with 38.00 million baht.

- Cash flow from financing activities in 2013, the amount was Bt 256.04 million due to increased capital of Bt 258.09 million.

- Liquidity Ratio

The company's financial liquidity in 2013 is better than that in 2012. This is due to the increased capital of Bt 258.09 million and the Company had an improvement of a profitability ratio because of more revenue and a decrease of cost and expense of sale and administration.

Investment Expense

In 2013, LIVE and its subsidiaries invested 17.54 million baht more in new billboards than that in 2012 and invest in associated company by 38.00 million baht.

Source of Financing

Debts and the appropriateness of the Capital Structure

The ratio of liabilities to capital decreased from 0.93 times in 2012 to 0.21 times in 2013. This is because in 2013, the Company pay creditors including restructure debt negotiations which reduced debt from 130.91 million baht to 115.41 million baht or 15.50 million baht decreased. The equity was increased from the capital increase of 258.09 million baht.

4. Future Operating and Financial Factors and Influences

Contributing factors with significant impacts upon our overall business operations

- Signal transmission capability of Thaicom 6 satellite increases the availability of frequency channels for satellite television to the extent that it can sufficiently meet market demand. Therefore, frequency channel rental fees are to be cheaper and affect our revenues accordingly.
- The appointment of the National Broadcasting and Telecommunications Commission (NBTC) leads to introduction of new industry rules and regulations that will have impacts upon competition environment in the market and drive our cost base up.
- New technology and digital television emergence have direct impacts upon our competitiveness and cost base.
- ASEAN Economic Community (AEC) is an alternative to our business expansion on regional scale with advantage of governmental support.
- Domestic and international economic conditions are of critical importance to advertising/PR budgeting among our customers.

Additional Clarification of Key Accounting Policies

1) Revenue Recognition

LIVE's policy on revenue recognition can be described as follows:

- Revenue from sales of goods comprises the invoiced value for the sale of goods and services net of output tax, rebates and discounts. Revenue from sales of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer.
- Revenues from production of television programmes represent the service income from advertising, promotion and production of television programmes and are stated on the basis of the invoiced value, after deducting discounts and allowances. Service income from advertising and promotion is recognised when services have been broadcasted. Service income from production of television programme is recognised when the production is completed.
- Subscription fees received in advance is recorded as deferred revenue and recognised as income when services are rendered according to the terms in which the service.
- Revenues from marketing activities are recognised when the activities are commenced.
- Revenues from barter transactions on goods or service are recognised when the goods and service are exchange the value of the barter is measured at fair value.
- Revenues from space rental, advertising space rental, service income and management fees are recognized in accordance with the rental and service agreements.
- Interest income is recognised on a time proportion basis taking account of the principal outstanding and the effective rate over the period to maturity when it is determined that such income will accrue to the Group.

- Revenues from the rent recognized on an accrual basis.
- Dividend income - when the Group's right to receive payment is established.

2) Investment

Investments other than investments in subsidiaries and associate are classified into the following two categories: trading and general investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis. Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price are classified as trading investments and included in current assets; for the purpose of these financial statements short term is defined as three months. Investments in non-marketable equity securities are classified as general investments.

Purchases and sales of investments are recognised on the trade date, which is the date that the Group commits to purchase or sell the investments. Trading investment is subsequently carried at fair value. Realized and unrealized gains and losses arising from changes in the fair value of trading investments are included in the income statement in the period in which they arise.

Trading investments are traded in active markets and valued at market value at the close of business on the balance sheet date by reference to the Stock Exchange of Thailand quoted bid price. In the statement of income, the unrealized gains and losses of trading investments.

General investments are carried at cost less impairment.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to the statement of comprehensive income.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of income. When disposing of part of the Group's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weight average carrying amount of the total holding of the investment.

3) Trade accounts receivable

Trade accounts receivable are carried at original invoice amount less allowance for doubtful receivables based on a review of all outstanding amounts at the year end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written off during the year in which they are identified.

4) Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is determined by weighted average method in Live TV Company Limited. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory. Net realizable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

5) Investments in subsidiaries and associate

Subsidiaries

Subsidiaries, which are those entities in which the Company has power to govern the financial and operating policies, are consolidated.

Subsidiaries are consolidated from the date on which control is transferred to the Company and are no longer consolidated from the date that control ceases. The purchase method of accounting is used to account for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the assets given up, shares issued or liabilities undertaken at the date of acquisition plus costs directly attributable to the acquisition. The excess of the cost of acquisition over the fair value of the net assets of the subsidiary.

In the separate financial statements, investments in subsidiaries are reported by using the cost method of accounting.

Associate

Investment in associate company is undertakings in which the Company generally has between 20% and 50% of the voting rights, or over which the Company has significant influence, but which it does not control. Unrealized gains on transactions between the Company and its associate undertakings are eliminated to the extent of the Company's interest in the associate undertakings; unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The Company's investment in associate undertakings includes goodwill on acquisition. Equity accounting is discontinued when the carrying amount of the investment in an associate undertaking reaches zero, unless the Company has incurred obligations or guaranteed obligations in respect of the associate undertaking.

Investments in associate are reported by using the cost method of accounting in the separate financial statement and reported by using the equity method in the consolidated financial statements.

6) Intangible assets

Licenses

Film, program and Asia series rights are stated at acquisition cost less accumulated amortisation. Licenses are recorded as assets and liabilities for rights acquired and obligations incurred under license agreements when the license period begins, the cost of each program is known or reasonably determinable, the program material is accepted and it is available for the first showing.

Sports content licenses and general entertainment licenses are amortised using the straight-line method over the period of the license or the number of transmission specified in the agreements.

Amortisations of film and program rights are included in "Cost of services". The costs of in-house programs are recorded as expenses when incurred.

Computer software

Costs associated with developing or maintaining computer software programmers are recognised as an expense as incurred. Costs that are directly associated with identifiable and unique software products controlled by the Group and will probably generate economic benefits exceeding costs beyond one year.

Expenditure which enhances or extends the performance computer software programmers beyond their original specifications is recognised as a capital improvement and added to the original cost of the software. Computer software development costs recognised as assets are amortized using the straight-line method over their useful lives, not exceeding a period of ten years.

The Board of Directors of the Company understands its roles and responsibilities it has as the directors of a listed company in the Stock Exchange of Thailand in ensuring that in 2013 financial statements which have been generated will contain accurate and complete significant accounting information and transparent enough to maintain the Company's assets and prevent potential fraudulent or irregular operations. In addition, the Board will ensure that the generally accepted accounting standards have been followed. The Company has consistently adopted and employed appropriate accounting policies as well as considered the justifications and the prudence in preparing its subsidiaries financial statements and all pertinent information which are presented in its 2013 annual report.

Therefore, in order for all stakeholders to have confidence in the Company's financial reports, the Board has appointed as Audit Committee which consists of independent directors with complete qualifications as stipulated by the Stock Exchange of Thailand to review and ensure that the Company's financial statements and operations are properly accurate and connected transactions or conflict of interest have been revealed in order to maintain transparency, accuracy and completeness. In addition, the Audit Committee will review that there is sufficient risk management, as well as appropriate and efficient internal control, internal audit and management, and to ensure the adequate and sufficient compliance of the relevant laws, rules, and policies including regulations of the Stock Exchange of Thailand.

The Board of Directors feels that the individual and consolidated financial statements of 2013 ended 31 December 2013 which have been jointly reviewed with the management and the auditor have presented the financial status, operation performance and cash flow accurately, completely, creditably and appropriately in consistent with the generally adopted accounting standards. In addition, the accounting policy has been appropriately implemented and consistently adopted and all pertinent information has been transparently and sufficiently disclosed according to the related rules and regulations.



(Miss. Neeranuch Na Ranong)

(Mr. Apinan Panyakorni)

AUDITOR'S REPORT

To The Shareholders of Live Incorporation Public Company Limited

- 1) I have audited the accompanying of financial statements of consolidated and separate statements of financial position of Live Incorporation Public Company Limited and its subsidiaries, which comprise the statement of financial position as at December 31, 2013, the consolidated and separate statements of comprehensive income, the consolidated and separate of changes in equity and the consolidated and separate cash flows statements for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated and Separate Financial Statements

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

Auditor's Responsibility

- 3) My responsibility is to express an opinion on these consolidated and separate financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.
- 4) An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
- 5) I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Basis for qualified opinion

6) The significant missed statement

- a) In during year 2013, a subsidiary has entered into the right of exploitation agreements with a company, totaling amounts by Baht of 22.7 million by the period of 3-5 years. (Note 21) (such company has registered on July 1, 2013 with the share capital by Baht of 1 million). Such company has allow a subsidiary for the right of exploitation to use 6 billboards, which are a such company's assets by 4 billboards and are a subsidiary's assets by 2 billboards (as at December 31, 2013, book value of a subsidiary's assets amount by Baht of 4). and the subsidiary make insurance for a whole billboards. As at December 31, 2013, a subsidiary has advance payment to such company by Baht of 2 million and the Company has loans to such company by Baht of 40 million and have been pledged by billboards of such company (by have been obtained some of the billboards construction permit), and pledged by such company's director (Note 11). The Company's directors has considerate that it will be worthy investing, which for provide the location and billboard to a subsidiary, and such company has low capital. The Company has to loan for it by has no any control and not receive such company's financial statement. The Company received 2 postdate cheques (dated on April 21 and May 12, 2014), Baht of 40 million each. As above described, could be considered that the Company has the control over such company comply with the Announcement no. Or-Chor6/2547 about the financial statement consolidation. It is required by the Financial Reporting Standards that the Company has to include such company's financial statements in the Company's consolidated financial statements. The effects of this departure from Financial Reporting Standards have not been quantified. In addition, I have already informed such matter to the Board of Audit Committee on November 13, 2013 and on February 24, 2014.
- b) As described in Note 37.2, on September 3, 2012, a subsidiary has been sued to pay for the damages expense from stopped service render. The Court judged the adjudication on July 29, 2013, and the Company's lawyer has concluded such adjudication that a subsidiary has to cancel service render to the plaintiff and if the subsidiary does not proceed or not be able to proceed, a subsidiary has to pay for the damages expense by Baht of 277,500 per month since the sue date (September 3, 2012) until August 19, 2014. And on December 26, 2013, the Company's lawyer has letter to inform to the plaintiff and plaintiff's lawyer about the adjudication compliance (cancellation of signal withhold and deliver the signal channel to the plaintiff), and a letter of notification of a delivery of bandwidth to provide a service as promised in the contract was sent to the plaintiff again on January 21, 2014 as well as the argument was filed to the Civil Court Ministry of Justice for paying the attorney's fee and other costs according to the judgment of the court and also reporting the completion of compliance with the judgment to the court. The Company's lawyer has an opinion that a subsidiary has not to pay for such damage expense due to the judgment of the court imposed the conditions for the subsidiary to act gradually by firstly ordering the subsidiary to terminate a suspension of service usage and deliver the bandwidth. After proceeding these actions, the subsidiary shall not be liable for a damage payment. If the subsidiary does not proceed or cannot proceed the actions, the subsidiary shall be liable for a damage payment as the judgment since the date of filing to the contract's expiry date. The judgment does not enforce the subsidiary to be liable to pay for damage since the date of filing to the date of delivery of bandwidth. So, a subsidiary has not recorded for liability as such adjudication in the financial statement.

My legal counsel has an opinion that; the adjudication of the Court is recover the plaintiff because the contract termination of the defendant was fault and the suspense of service caused damage to the plaintiff. Therefore the Court order the defendant to terminate the contract since the day following the filing date (September 4, 2012) until the expiry date of contract (August 19, 2014). If the defendant failed to comply with the Court's order, the defendant has to pay damage at the rate of Baht 277,500 per month. As the defendant cancelled the contract on January 20, 2014, it is still not fully comply with the judgment of every moment. Because of the cancellation of the suspension of the service in the first period from the day following the filing date (September 4, 2012) to the date of termination of the contract (January 20, 2014) has not complied with the judgment. (it is unable to do as the condition of the Civil Court's judgement. So the defendant is still obliged to pay compensation at the rate of Baht 277,500 per month after the date of September 4, 2012 to January 20, 2014 (the date of termination) to the plaintiff. As the dissented from the opinion of the legal counsel of both parties, I have suggested the subsidiary to inquire the Court to extend the judgment of the court. When the subsidiary has to provide a provision for loss in the financial statements based on the opinion of my legal counsel, the liabilities would be increased by Baht 4 million and net income would be decreased by Baht 4 million (Baht 0.001 per share).

7) Insufficient and inappropriate audit evidence

- a) I could not audit the properly audit evidence of short-term loan and advance payment to a company, as the Consolidated statement amount by Baht of 42.33 million, 6.5% of total assets. The Company's management has no any formal information of financial position, financial statement, and any business plan of such company in order to supporting the realizable value of such balance and the appropriate allowance for doubtful account. I could not satisfied by another procedure and I could not conclude that it has to adjust for such account or not.

And I have sent the confirmation to such company's registered address by registered mail. The mails were returned by 2 times due to "no receiver & turn back". I asked to the Company and has been told that such address is the located of such company but not have any staff in sometime and asked me to send to the address of such company's director. I have sent to the new informed address by the third and fourth confirmed. I have not received yet such confirmation. And on February 24, 2014, I received it by facsimile.

- b) I have not yet received the confirmation of account - other receivable – related person amount by Baht of 16 million (Note 8.1), which occurred from withholding tax as the stock purchase transaction. I could not satisfied by another procedure and I could not conclude that it has to adjust for such account or not.
- c) Investment in associate was accounted for under the equity method which was calculated on the basis of financial information for the year ended December 31, 2013 of such associate provided by the Company's management. The financial information has not yet been audited by the auditor. Investment in such associate as at December 31, 2013 amount by Baht of 101.25 million and equity in loss by Baht of 0.75 million. The scope of limitation for any review on those statements is caused by circumstance since the Company has not yet received the audited financial statements.

Qualified opinion

- 8) In my opinion, except for, not included such company's financial statement into the consolidated financial statement and under recorded of liability from case in sue, in basis for qualified opinion paragraph of the significant misstatement, and except for the matter discussed in basis for qualified opinion paragraph of insufficient and inappropriate audit evidence, the accompanying consolidated financial statements and the company financial statement referred to above present fairly, in all material respects, the financial positions as at December 31, 2013, and the consolidated and company's results of their operations and their cash flows for the year then ended of Live Incorporation Public Company Limited and its subsidiaries and of Live Incorporation Public Company Limited in accordance with the Financial Report Standard.

Emphasis of matter and events

- 9) Without additional qualifying my opinion, I draw attention to the matters disclosed in the notes to financial statements as follow :
- a. Note to financial information no. 6, the financial statements describing the effect of the Company and its subsidiaries' adoption from January 1, 2013 of certain new accounting policies. The statement of financial position as at December 31, 2012, which are included as comparative information, are components of the audited consolidated and separate financial statements as at and for the year ended December 31, 2012. Furthermore, the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity and cash flows for the year ended December 31, 2012 which are included as comparative information, have also been adjusted as described in note 6.
 - b. Note to financial information no. 14.3, the Company has guaranteed for a associated company's credit line with financial institutions amounting of Baht 130.78 million. (the guaranteed credit line), it's during the propose to the such company's board of director to considered for the charging for a guarantee fee. At present, have no any progress.



(Ms.Kannika Wipaturat)

C.P.A. (Thailand)

Registration No. 7305

Karin Audit Company Limited

Bangkok, Thailand

February 24, 2014

LIVE INCORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2013

		Baht			
		Consolidated financial statements			Separated financial statements
		December 31,	December 31,	January 1,	December 31,
		2013	2012	2012	2013
			"Restated"	"Restated"	
Notes					
ASSETS					
Current assets					
Cash and cash equivalents	9	226,812,485	85,414,249	10,827,632	211,856,658
Trade and other accounts receivable					
- related parties - net	8.1, 10	16,082,705	810,800	3,297,543	38,379,321
Trade and other accounts receivable					
- others - net	10	40,836,282	41,034,555	58,095,046	7,516,579
Short - term loans and accrued interest income					
to related parties - net	8.1	-	-	-	5,222,554
Short - term loans and accrued interest income					
and advance payment to other	11	42,325,479	-	-	40,325,479
Deferred film production cost - net	12	-	-	-	-
Film and program rights - net	18	1,125,000	-	16,837,846	1,125,000
Other current assets - net		6,460,198	5,339,879	2,396,119	643,999
Total current assets		333,642,149	132,599,483	91,454,186	305,069,590

LIVE INCORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2013

		Baht			
		Consolidated financial statements			Separated financial statements
		December 31,	December 31,	January 1,	December 31,
		2013	2012	2012	2013
			"Restated"	"Restated"	2012
		Notes			
Non - current assets					
Restricted deposits at financial institutions	13	33,870,304	3,626,992	15,751,432	29,000,000
Investments in subsidiaries					
and associated company - net	14	101,252,272	-	-	166,087,983
Investments in other company - net	15	-	-	-	-
Leasehold improvement and equipment - net	16	91,260,197	92,863,216	95,044,014	6,285,957
Assets not used in operations - net	17	-	-	-	-
Intangible assets - net	18	4,937,993	774,337	8,743,138	4,420,839
Goodwill - net	19	-	-	-	-
Prepaid rental expenses	22	21,051,350	2,637,500	-	21,051,350
Advance payment for right exploitation	21	20,883,684	-	-	-
Prepaid satellite service charge		11,602,781	11,602,781	9,934,897	11,602,781
Withholding tax deducted at source		14,751,536	14,081,664	6,996,199	8,292,934
Deferred tax assets	23	14,389,768	3,160,307	3,147,472	14,323,735
Other non-current assets	20	5,219,040	3,887,822	5,310,472	1,944,681
Total non - current assets		319,218,925	132,634,619	144,927,624	263,010,260
Total assets		652,861,074	265,234,102	236,381,810	568,079,850

LIVE INCORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2013

		Baht			
		Consolidated financial statements			Separated financial statements
		December 31, 2013	December 31, 2012 "Restated"	January 1, 2012 "Restated"	December 31, 2013
					December 31, 2012
	Notes				
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>					
Current liabilities					
Account payable factoring		-	-	8,868,662	-
Trade and other accounts payable - related parties	8.1	-	-	2,428,063	760,677
Trade and other accounts payable - others		70,361,596	86,982,236	155,177,008	13,562,994
Short - term loans and accrued interest expenses					19,429,808
from related parties	8.1	-	-	5,109,849	-
Short - term loans from other persons	24	512,293	512,293	42,512,293	512,293
Current portion of					
- Long - term loan from financial institution		-	-	9,601,494	-
- Liabilities under financial lease agreements	25	1,412,495	910,948	218,058	634,280
- Liabilities under hire purchase agreements	26	409,134	364,925	563,857	-
Income tax payable		1,197,709	-	-	-
Other current liabilities		9,708,742	8,847,986	6,792,149	4,941,727
Total current liabilities		83,601,969	97,618,388	231,271,433	19,651,294
					25,067,371

LIVE INCORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2013

		Baht			
		Consolidated financial statements			Separated financial statements
		December 31, 2013	December 31, 2012 "Restated"	January 1, 2012 "Restated"	December 31, 2013 2012
Notes					
Non - current liabilities					
		-	-	5,111,169	-
		-	-	-	-
Long - term loan from financial institution - net		-	-	-	-
Liabilities under financial lease agreements - net	25	2,741,953	1,979,245	151,201	1,540,923
Liabilities under hire purchase agreements - net	26	-	478,055	750,441	-
Deposit from rental for digital channel service		20,700,000	29,233,333	9,183,333	13,900,000
Provisions for employee benefit obligations	27	2,126,419	1,598,018	1,603,718	1,345,048
Deferred tax liabilities	23	5,986,771	-	-	-
Non - current liabilities		251,595	-	-	-
Total non - current liabilities		31,806,738	33,288,651	16,799,862	16,785,971
Total liabilities		115,408,707	130,907,039	248,071,295	36,437,265
Shareholders' equity					
Common shares - Baht 0.10 per value					
Authorized common shares					
6,485,228,760 common shares					
as at December 31, 2013 and 9,299,557,745	28				
common shares as at December 31, 2012	28				
and 2011		648,522,876	929,955,775	929,955,775	648,522,876

LIVE INCORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2013

	Notes	Baht				
		Consolidated financial statements			Separated financial statements	
		December 31, 2013	December 31, 2012 "Restated"	January 1, 2012 "Restated"	December 31, 2013	December 31, 2012
Issued and paid-up common shares						
4,325,228,760 common shares						
as at December 31, 2013 and 2,911,998,954	28					
common shares as at December 31, 2012	28					
and 1,620,000,707 common shares as at						
December 31, 2011	28	432,522,876	291,199,896	162,000,071	432,522,876	291,199,896
Premium on common shares	28	166,155,341	8,000,000	8,000,000	166,155,341	8,000,000
Advance received from share subscriptions	28	38,365,508	299,912	4,178,839	38,365,508	299,912
Revaluation deficit on investments		(7,316,679)	(7,316,679)	(22,149,980)	-	-
Deficit		(87,280,895)	(150,960,366)	(155,855,000)	(105,401,140)	(202,774,158)
Shareholders' equity of parent company - net		542,446,151	141,222,763	(3,826,070)	531,642,585	96,725,650
Non - controlling interests		(4,993,784)	(6,895,700)	(7,863,415)	-	-
Shareholders' equity		537,452,367	134,327,063	(11,689,485)	531,642,585	96,725,650
Total liabilities and shareholders' equity		652,861,074	265,234,102	236,381,810	568,079,850	147,320,031

LIVE INCORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2013

	Notes	Baht			
		Consolidated financial statements		Separated financial statements	
		2013	2012	2013	2012
			"Restated"		
Revenues					
Revenues from television media		28,115,361	35,533,822	2,400,000	285,000
Revenues from digital channel					
service management		213,611,370	183,142,566	183,855,291	133,260,659
Rental income on advertising space		62,065,957	56,402,657	-	-
Other income					
- Management service income		-	-	3,600,000	1,800,000
- Reversal of allowance for doubtful account		-	-	10,314,121	-
- Liabilities written off		2,693,038	-	347,831	-
- Revenue from debt compromise		9,699,179	18,179,094	285,478	-
- Dividend income		-	-	20,000,000	-
- Others		2,280,821	4,652,454	2,885,850	2,575,511
Total revenues		318,465,726	297,910,593	223,688,571	137,921,170
Expenses					
Cost of sales and services		(166,560,149)	(176,725,072)	(88,132,961)	(68,204,683)
Selling expenses		(4,024,899)	(8,356,605)	(1,017,884)	(1,700)
Administrative expenses		(73,895,178)	(65,691,191)	(42,458,653)	(14,613,907)
Management remuneration	8.2	(10,261,241)	(8,467,774)	(7,925,803)	(4,495,526)
Share of profit (loss) from investment in associated company	14.1	(752,029)	-	-	-
Other expenses	31	(3,814,011)	(31,830,353)	(999,700)	(63,236,238)
Total expenses		(259,307,507)	(291,070,995)	(140,535,001)	(150,552,054)
Profit (loss) before finance costs and income tax		59,158,219	6,839,598	83,153,570	(12,630,884)
Finance costs		(557,430)	(2,396,344)	(104,287)	(1,102,263)
Profit (loss) before income tax		58,600,789	4,443,254	83,049,283	(13,733,147)
Income tax	32	6,980,598	(1,277,144)	14,323,735	-
Profit (loss) for the years		65,581,387	3,166,110	97,373,018	(13,733,147)
Other comprehensive income for the years		-	-	-	-
Total comprehensive income for the years		65,581,387	3,166,110	97,373,018	(13,733,147)
Total comprehensive income attributable to:					
Equity holders of the parent company		63,679,471	4,894,634	97,373,018	(13,733,147)
Non - controlling interests		1,901,916	(1,728,524)	-	-
		65,581,387	3,166,110	97,373,018	(13,733,147)
Basic earnings (loss) per share	29				
Basic earnings (loss) - Equity holders					
of the parent company		0.018	0.002	0.028	(0.006)
Weighted average number of					
common shares (Shares)		3,513,061,510	2,465,682,937	3,513,061,510	2,465,682,937
Diluted earnings (loss) per share	29				
Diluted earnings (loss) - Equity holders					
of the parent company		0.015	0.001	0.023	(0.004)
Weighted average number of					
common shares (Shares)		4,205,045,123	3,360,518,889	4,205,045,123	3,360,518,889

LIVE INCORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2013

Baht							
Note	Attributable to shareholders of the parent						Net
	Issued and paid-up common shares	Premium on common shares	Advance received from share subscription	Revaluation deficit on investments	Retained earnings (deficit)	Non - controlling interests	
Balance as at January 1, 2012 (As previously reported)	162,000,071	8,000,000	4,178,839	(22,149,980)	(159,002,472)	(7,863,415)	(14,836,957)
Cumulative effect of change in accounting policy	6	-	-	-	3,147,472	-	3,147,472
Balance as at January 1, 2012 (After Adjustment)	162,000,071	8,000,000	4,178,839	(22,149,980)	(155,855,000)	(7,863,415)	(11,689,485)
Advance received from share subscription	28	-	(3,878,927)	-	-	-	(3,878,927)
Increase in share capital	28	129,199,825	-	-	-	-	129,199,825
Share of loss on subsidiaries' dissolution	-	-	-	14,833,301	-	2,696,239	17,529,540
Total comprehensive income	-	-	-	-	4,894,634	(1,728,524)	3,166,110
Balance as at December 31, 2012	291,199,896	8,000,000	299,912	(7,316,679)	(150,960,366)	(6,895,700)	134,327,063
Advance received from share subscription	28	-	38,065,596	-	-	-	38,065,596
Increase in share capital	28	141,322,980	-	-	-	-	141,322,980
Premium on common shares	-	158,155,341	-	-	-	-	158,155,341
Total comprehensive income	-	-	-	-	63,679,471	1,901,916	65,581,387
Balance as at December 31, 2013	432,522,876	166,155,341	38,365,508	(7,316,679)	(87,280,895)	(4,993,784)	537,452,367

LIVE INCORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
SEPARATE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2013

		Baht				
	Note	Issued and paid-up common shares	Premium on common shares	Advance received from share subscription	Retained earnings (deficit)	Net
Balance as at January 1, 2012		162,000,071	8,000,000	4,178,839	(189,041,011)	(14,862,101)
Advance received from share subscription	28	-	-	(3,878,927)	-	(3,878,927)
Increase in share capital	28	129,199,825	-	-	-	129,199,825
Total comprehensive income for the period		-	-	-	(13,733,147)	(13,733,147)
Balance as at December 31, 2012		291,199,896	8,000,000	299,912	(202,774,158)	96,725,650
Advance received from share subscription	28	-	-	38,065,596	-	38,065,596
Increase in share captital	28	141,322,980	-	-	-	141,322,980
Premium on common shares	28	-	158,155,341	-	-	158,155,341
Total comprehensive income for the period		-	-	-	97,373,018	97,373,018
Balance as at December 31, 2013		432,522,876	166,155,341	38,365,508	(105,401,140)	531,642,585

LIVE INCORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Baht			
	Consolidated financial statements		Separated financial statements	
	2013	2012	2013	2012
Cash flows from operating activities				
Profit (loss) before income tax	58,600,789	4,443,254	83,049,283	(13,733,147)
Adjustments to:				
Unrealized gain on exchange rate	425,569	(76,694)	-	-
Bad debts and doubtful accounts (reversal)	2,354,874	5,821,486	(10,314,121)	94,757,668
Share of loss on subsidiaries' dissolution	-	17,529,540	-	-
Share of profit (loss) from investment in associated company	20,752,029	-	-	-
Loss on impairment of investment in subsidiary	-	-	999,700	999,700
Loss on provision for liabilities of subsidiaries (reversal of)	-	-	-	(32,521,130)
Gain (loss) on disposal of investment in subsidiaries	-	(213,142)	-	-
Depreciation	20,045,991	24,972,072	1,184,888	72,322
Gain on disposal of assets	(33,920)	(297,873)	-	-
Loss on write-off film and program rights	-	11,292,193	-	-
Loss on impairment of assets	853,907	6,369,532	-	-
Amortization of intangible assets	626,698	13,322,575	410,408	9,838
Amortization of prepaid rental	3,090,000	-	3,090,000	-
Amortization of right exploitation	2,065,712	-	-	-
Write-off withholding tax deducted at source	38,840	163,500	-	-
Employee benefit expenses	528,401	(5,700)	318,038	874,143
Dividend income	-	-	(20,000,000)	-
Liabilities written off	(2,693,038)	-	(347,831)	-
Revenue from debt renegotiation	(9,699,179)	(18,179,094)	(285,478)	-
Interest expenses	305,835	2,358,935	104,287	1,102,264
Interest income	(1,182,735)	-	(1,873,807)	-
Estimated loss on litigation case	251,595	-	-	-
Profit (loss) from operating activities before changes in operating assets and liabilities	96,331,368	67,500,584	56,335,367	51,561,658
Decrease (increase) in operating assets				
Trade and other account receivable - related parties	(15,306,272)	1,095,878	(24,339,849)	(41,923,122)
Trade and other account receivable - other parties	(11,922,212)	10,506,158	(1,428,431)	(9,213,866)
Film and program rights	(1,125,000)	(34,353,823)	-	-
Other current assets	(1,120,520)	589,775	3,787	632,092
Prepaid satellite service charge	-	(1,667,884)	-	(11,602,781)
Prepaid rental expenses	(19,537,149)	-	(21,503,850)	-
Other non-current assets	(1,700,000)	-	-	(2,079,590)
Increase (decrease) in operating liabilities				
Trade and other account payable - related parties	-	(1,711,709)	(760,677)	428,358
Trade and other account payable - other parties	(5,721,653)	(10,191,855)	(5,038,964)	14,554,937
Compensation for employee termination	-	-	-	-
Other current liabilities	860,758	(519,542)	1,328,466	578,903
Deposit from rental for digital channel service	(3,400,000)	20,050,000	(7,300,000)	24,500,000
Cash receipt (paid) from operating activities	37,359,320	51,297,582	(2,704,151)	27,436,589
Cash receipt for interest income	1,182,735	-	1,099,773	-
Cash paid for interest expenses	-	(9,237,337)	-	(535,353)
Cash paid for income tax and withholding tax deducted at source	(10,587,651)	(9,815,688)	(4,563,923)	(3,729,011)
Proceeds from tax refund	8,268,537	553,443	323,625	435,924
Net cash provided by (used in) operating activities	36,222,941	32,798,000	(5,844,676)	23,608,149

LIVE INCORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013

	Notes	Baht			
		Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
Cash flows from investing activities					
(Increase) decrease in short - term loans and accrued interest income to related companies		-	-	2,168,048	(59,609,912)
Increase short-term loan and accrued interest income and advance payment to other		(42,325,479)	-	(40,325,479)	-
Increase in restricted deposits at financial institutions		(30,243,311)	(385,560)	(29,000,000)	-
Cash paid for addition investment in subsidiaries and associates		(38,000,000)	-	(46,629,700)	(1,999,400)
Cash paid for purchase of equipment		(17,544,469)	(37,243,495)	(2,998,534)	(2,154,982)
Cash paid for purchase of Intangible assets		(4,790,354)	(90,785)	(5,866,754)	(90,785)
Cash paid for advance payment of right exploitation		(16,697,796)	-	-	-
Proceeds from disposal of equipment		339,714	6,896,300	-	-
(Increase) decrease in deposits and guarantee		(1,597,718)	(510,051)	(1,760,590)	-
Dividend income		-	-	20,000,000	-
Net cash provided by (used in) investing activities		(150,859,413)	(31,333,591)	(104,413,009)	(63,855,079)
Cash flows from financing activities					
Decrease in account payable factoring		-	(8,868,662)	-	-
Increase (decrease) in short - term loans from related parties		-	1,522,269	(751,333)	(24,398,230)
Decrease in short - term loans from other person		-	(42,000,000)	-	-
Cash paid for long - term loan from financial institution		-	(2,202,663)	-	-
Cash paid for liabilities under financial lease and hire purchase agreements		(2,050,926)	(649,634)	(504,584)	-
Proceeds from increase in share capital		258,085,634	125,320,898	258,085,634	125,320,898
Net cash provided by financing activities		256,034,708	73,122,208	256,829,717	100,922,668
Net increase in cash and cash equivalents		141,398,236	74,586,617	146,572,032	60,675,738
Cash and cash equivalents, beginning of years	9	85,414,249	10,827,632	65,284,626	4,608,888
Cash and cash equivalents, end of years		<u>226,812,485</u>	<u>85,414,249</u>	<u>211,856,658</u>	<u>65,284,626</u>

SUPPLEMENTAL CASH FLOW INFORMATION

Supplemental cash flows information statement for the year ended December 31, 2013 were as follows:

- 1 Payable for acquisition of equipment decreased amounting to Baht 0.52 million and Baht 0.19 million in the consolidated and separate financial statements, respectively.
- 2 During the period, the company have entered into hire purchase agreement to purchase vehicle totalling of Baht 2.58 million, in the consolidated and separate financial statements.
- 3 The Company offset account receivable amounting to Baht 9.80 million with deposits from rental for channel service amounting to Baht 5.13 million and unearned revenue amounting to Baht 0.92 million and other payables amounting to Baht 3.75 million in the consolidated financial statements.
- 4 The Company offset account receivable amounting to Baht 3.30 million with deposits from rental for channel service in separate financial statements.
- 5 Advances received from share subscription increase amounting to Baht 38.07 million in the Consolidated and separate financial statements.
- 6 The Company investment in Strega Co., Ltd, paid ordinary shares of 145,102,782 shares of the Company by fair value amount of Baht 0.5476, amount of Baht 79.45 million. (Note 14.1)

LIVE INCORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013

- 7 In the year 2013, the Company had purchased a common shares of associates Company (Note 14.1) at the date of the acquisition of the net assets acquired and paid as follows.

	Thousand Baht
Net asset fair value	134,768
Significant influence interest	(80,861)
Goodwill	49,181
The purchase consideration	103,088
Issued shares capital swap investment in associated	(79,458)
Acquisition - related cost - included in administrative expense	(3,630)
Capital increase by the same proportion in associated company	18,000
Cash paid to acquire significant influence	38,000

Supplemental cash flows information statement for the year ended December 31, 2012 were as follows:

- 1 Film and program rights payable decreased amounting to Baht 34.71 million in the consolidated financial statements.
- 2 Deposits with financial institutions as collateral decreased by offset payment with long - term loans from financial institutions amounting to Baht 12.51 million in the consolidated financial statements.
- 3 Payable for acquisition of equipment decreased amounting to Baht 4.18 million and increase to Baht 0.009 million in the consolidated and separate financial statements, respectively.
- 4 Advances received from share subscription decreased amounting to Baht 3.88 million in the Consolidated and separate financial statements.
- 5 The Company has offset accrued expense with advance payment in related companies by Baht 0.34 million in separate financial statements.
- 6 Vehicle increase amounting to Baht 2.70 million under financial lease agreements.

1. PGENERAL INFORMATION

General information

Live Incorporation Public Company Limited was incorporated as a public limited company under the Public Limited Companies Act on June 21, 1994. The Company domiciles and operates with the principal activity to Medias service provider. Its registered address is at 390, Ramkhamhaeng Road, Huamark, Bangkok, Bangkok.

2. BASIS OF PREPARATION

2.1. Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act, B.E. 2543, being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses in the reported periods. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

An English version of the consolidated and separate financial statements has been prepared from the financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language financial statements shall prevail.

The financial statements are prepared and presented in Thai Baht. All financial information presented in Thai Baht has been rounded to the nearest thousand or million unless otherwise stated.

2.2. Basis of consolidated financial statements

- a) The consolidated financial statements include the financial statements of Live Incorporation Public Company Limited and subsidiaries.
- b) "The Company" represents "Live Incorporation Public Company Limited" while "The Group" represents "Live Incorporation Public Company Limited and subsidiaries" as follows :

Companies	Country of registration	Percentage of holding		Business type
		December 31, 2013	December 31, 2012	
<u>Subsidiaries</u>				
Digital Right Pictures Public Company Limited ⁽¹⁾	Thailand	-	-	Selling video tapes and video compact discs
In and On Studio Company Limited ⁽¹⁾	Thailand	-	-	Events organizer
Live Radio Company Limited ⁽¹⁾	Thailand	-	-	Implement on radio
Popstarz Management Company Limited ⁽¹⁾	Thailand	-	-	Providing artist, production and distribution of audio products
Trillion Television Company Limited ⁽²⁾	Thailand	30.00	30.00	Television program
Live TV Company Limited	Thailand	90.10	90.10	Television program producer via cable T.V. provider
Live Media Group Public Company Limited	Thailand	99.99	99.99	Rental services for advertising space
Thaichaiyo TV Company Limited	Thailand	99.99	99.99	Television program producer via cable T.V. provider
POP TV Company Limited	Thailand	99.99	99.99	Television program producer via cable T.V. provider
LSB Services Company Limited	Thailand	99.99	-	Service provider in broadcasting, rental services for studio and broadcasting equipment

(1) Dissolution of subsidiaries is in the settlement process.

(2) Completed the registration for liquidation on October 18, 2013.

- c) Subsidiaries are fully consolidated as from the date of acquisition (being the date on which the Company obtains control and continue to be consolidated) until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared for the same reporting period as the parent Company, using consistent significant accounting policies.
- e) Outstanding balances and transactions between the Company and its subsidiaries have been eliminated in the consolidated financial statements.

- f) Non - controlling interests represent the portion of net income or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated statements of comprehensive income and within equity in the consolidated statement of financial position.

3. ADOPTION OF NEW ACCOUNTING STANDARDS

- 3.1. The FAP has issued the following new and revised TFRS relevant and effective for accounting periods beginning on or after January 1, 2013:

TAS 12	Income Taxes
TAS 20 (Revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates
TFRS 8	Operating Segments
TSIC 10	Government Assistance - No Specific Relation to Operating Activities
TSIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
FAP Announcement 34/2555	Accounting guidance for Transfers of financial Assets.

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 6.

In addition to the above new and revised TFRS, as at December 31, 2013 the FAP had issued a number of other new and revised TFRS which are effective for financial statements beginning on or after January 1, 2014 and have not been adopted in the preparation of these financial statements.

- 3.2. Those new and revised TFRS that are applicable, which become effective for annual financial periods beginning on or after January 1, in the year indicated in the following table, are as follows:

<u>TFRS</u>	<u>Topic</u>	<u>Year effect</u>
TAS 1 (revised 2012)	Presentation of financial statements	2014
TAS 7 (revised 2012)	Statement of Cash Flows	2014
TAS 12 (revised 2012)	Income Taxes	2014
TAS 17 (revised 2012)	Leases	2014
TAS 18 (revised 2012)	Revenue Recognition	2014
TAS 19 (revised 2012)	Employee Benefits	2014
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates	2014

<u>TFRS</u>	<u>Topic</u>	<u>Year effect</u>
TAS 24 (revised 2012)	Related Party Disclosures	2014
TAS 28 (revised 2012)	Investments in Associates	2014
TAS 31 (revised 2012)	Interests in Joint Ventures	2014
TAS 34 (revised 2012)	Interim Financial Reports	2014
TAS 36 (revised 2012)	Impairment of Assets	2014
TAS 38 (revised 2012)	Intangible Assets	2014
TFRS 2 (revised 2012)	Share-based Payment	2014
TFRS 3 (revised 2012)	Business Combinations	2014
TFRS 4	Insurance Contracts	2016
TFRS 5 (revised 2012)	Non-current Assets held for Sale and Discontinued Operations	2014
TFRS 8 (revised 2012)	Operating Segments	2014
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	2014
TFRIC 4	Determining whether an Arrangement contains a Lease	2014
TFRIC 5	Rights to Interests arising from commissioning, Restoration and Environmental Rehabilitation Funds	2014
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies	2014
TFRIC 10	Interim Financial Reporting and Impairment	2014
TFRIC 12	Service Concession Arrangements	2014
TFRIC 13	Customer Loyalty Programmes	2014
TFRIC 17	Distributions of Non-cash Assets to Owners	2014
TFRIC 18	Transfers of Assets from Customers	2014
TIC 15	Operating Leases-Incentives	2014
TIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	2014
TIC 29	Service Concession Arrangements – Disclosure	2014
TIC 32	Intangible Assets-Web Site Costs	2014

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

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with financial institutions, other short-term highly liquid investments with maturities of three months or less from the date of acquisition.

4.2 Investments

Investments other than investments in subsidiaries and associate are classified into the following two categories: trading and general investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis. Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price are classified as trading investments and included in current assets; for the purpose of these financial statements short term is defined as three months. Investments in non-marketable equity securities are classified as general investments.

Purchases and sales of investments are recognised on the trade date, which is the date that the Group commits to purchase or sell the investments. Trading investment is subsequently carried at fair value. Realized and unrealized gains and losses arising from changes in the fair value of trading investments are included in the statement of comprehensive income in the period in which they arise.

Trading investments are traded in active markets and valued at market value at the close of business on the statements of financial position date by reference to the Stock Exchange of Thailand quoted bid price. In the statement of comprehensive income, the unrealized gains and losses of trading investments.

General investments are carried at cost less impairment.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to the statement of comprehensive.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of comprehensive. When disposing of part of the Group's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weight average carrying amount of the total holding of the investment.

4.3 Trade accounts receivable

Trade accounts receivable are carried at original invoice amount less allowance for doubtful receivables based on a review of all outstanding amounts at the year end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written off during the year in which they are identified.

4.4 The Group Accounting - Investments in subsidiaries and associate

(1) Subsidiaries

Subsidiaries, which are those entities in which the Company has power to govern the financial and operating policies, are consolidated.

Subsidiaries are consolidated from the date on which control is transferred to the Company and are no longer consolidated from the date that control ceases. The purchase method of accounting is used to account for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the assets given up, shares issued or liabilities undertaken at the date of acquisition plus costs directly attributable to the acquisition. The excess of the cost of acquisition over the fair value of the net assets of the subsidiary.

In the separate financial statements, investments in subsidiaries are reported by using the cost method of accounting.

(2) Associate

Investment in associate company is undertakings in which the Company generally has between 20% and 50% of the voting rights, or over which the Company has significant influence, but which it does not control. Unrealized gains on transactions between the Company and its associate undertakings are eliminated to the extent of the Company's interest in the associate undertakings; unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The Company's investment in associate undertakings includes goodwill on acquisition. Equity accounting is discontinued when the carrying amount of the investment in an associate undertaking reaches zero, unless the Company has incurred obligations or guaranteed obligations in respect of the associate undertaking.

Investments in associate are reported by using the cost method of accounting in the separate financial statement and reported by using the equity method in the consolidated financial statements.

4.5 Leasehold improvement and equipment

Leasehold improvement and equipment are initially recorded at cost. All assets are stated at historical cost less accumulated depreciation.

Depreciation of leasehold improvement and equipment is calculated on the straight-line method over their estimated useful lives are as follows :

	No. of Years
Leasehold improvement	According to period of rental agreement
Billboard	3 - 10
Equipment	5 - 10
Public utilities system	5
Fixtures and office equipment	3 - 5
Vehicles	5

When assets are sold or retired, the group will eliminate their costs and accumulated depreciation from the accounts and any gain or loss resulting from their disposal is included in the statement of comprehensive income.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Estimated recoverable amount is the higher of the anticipated discounted cash flows from the continuing use of the asset and the amount obtainable from the sale of the asset less any costs of disposal.

Repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Major renovations are depreciated over the remaining useful life of the related asset.

4.6 Intangible assets

- Licenses

Sports content licenses and general entertainment licenses are amortised using the straight-line method over the period of the license.

Amortisations of film and program rights are included in “Cost of services”. The costs of in-house programs are recorded as expenses when incurred.

- Computer software

Costs associated with developing or maintaining computer software programmers are recognised as an expense as incurred. Costs that are directly associated with identifiable and unique software products controlled by the Group and will probably generate economic benefits exceeding costs beyond one year.

Expenditure which enhances or extends the performance computer software programmers beyond their original specifications is recognised as a capital improvement and added to the original cost of the software. Computer software development costs recognised as assets are amortized using the straight-line method over their useful lives, not exceeding a period of ten years.

4.7 Goodwill

Goodwill is initially measured at cost, which is the excess of the cost of the business combination over the Group’s share in the net fair value of the acquiree’s identifiable assets, liabilities and contingent liabilities. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the statement of comprehensive income.

Goodwill is carried at cost less any impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

4.8 Impairment of assets

Leasehold improvement and equipment, assets not used in operations, intangible assets and other non-financial assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

4.9 Leases

Leases of assets which substantially transfer all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated to the principal and to the finance charges so as to achieve a constant rate on the finance balance outstanding. The outstanding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the statement of comprehensive income over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The equipment acquired under finance leases is depreciated over the useful life of the asset. The assets acquired under finance lease are depreciated over the shorter of the useful life of the asset the lease term.

Leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired any payment required to be made to the lessor by way of the penalty is recognised as an expense in the period in which the termination takes place.

4.10 Employee benefits

The Group operates a provident fund that is a defined contribution plan. The assets of which are held in a separate trust fund. The provident fund is funded by payments from employees and by the Group. Contributions to the provident fund are charged to the statement of comprehensive income in the year to which they relate.

Post-employment benefit plan other than a defined contribution plan. The Company's obligation in respect of post employment benefits under defined benefit plans recognized in the financial statements based on calculations by a independent actuary using the projected unit credit method estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

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

Short-term employee benefits

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

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

4.11 Provision

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

4.12 Revenue recognition

The revenues are recognised as follow:

- Revenues from production of television programmes represent the service income from advertising, promotion and production of television programmes and are stated on the basis of the invoiced value, after deducting discounts and allowances. Service income from advertising and promotion is recognised when services have been broadcasted. Service income from production of television programme is recognised when the production is completed.
- Revenues from barter transactions on goods or service are recognised when the goods and service are exchange the value of the barter is measured at fair value.
- Revenues from space rental, advertising space rental, service income and management fees are recognized in accordance with the rental and service agreements.
- Rental income - on an accrual basis
- Interest income is recognised on a time proportion basis taking account of the principal outstanding and the effective rate over the period to maturity when it is determined that such income will accrue to the Group.
- Dividend income - when the Company's right to receive payment is established.

4.13 Foreign currency translation

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated to Thai Baht at the exchange rate prevailing at the statements of financial position date. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

4.14 Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

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

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 entities to the extent that it is probable that they will not reverse in the foreseeable future.

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

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

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

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

4.15 Basic earnings (loss) per share

Basic earnings (loss) per share are calculated by dividing the net profit (loss) attributable to shareholders by the weighted average number of common shares during the year.

4.16 Diluted earnings (loss) per share

Diluted earnings (loss) per share is calculated by dividing net profit (loss) for the years after adjusting the effects of all transactions relating to dilutive potential common shares by the weighted average number of common shares to be issued for conversion of all dilutive potential common shares into common shares.

4.17 Financial instruments

Financial assets carried on the statements of financial position include cash and cash equivalents, accounts receivable, accrued income, loans to and certain parts of other current assets. Financial liabilities carried on the statements of financial position include accounts payable, income tax payable, liabilities under finance lease and hire purchased agreement, loans from and certain parts of other current liabilities. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

The Group is not party to any derivative financial instruments.

4.18 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

4.19 Change in estimated accounting

Consolidated

The Subsidiary has reviewed a useful of billboard on land leased changes from 5 years to 10 years, by based on useful life of assets and effective from January 1, 2013 and depreciation for the year ended December 31, 2013 decreasing by Baht of 7.20 million.

5. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ. Significant judgments and estimates are as follows:

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgment regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Impairment of equity investments

The Group treats available-for-sale investments and other investments as impaired when the management judges that there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgment.

Leasehold improvement and equipment / depreciation

In determining depreciation of leasehold improvement and equipment, the management is required to make estimates of the useful lives and salvage values of the Group’s leasehold improvement and equipment and to review estimate useful lives and salvage values when there are any changes.

In addition, the management is required to review leasehold improvement and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and other intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Estimates

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

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the financial statements is included in the following.

Note 27 Discount rate, salary increase rate, employee turnover rate and mortality rate.

6. CUMULATIVE EFFECT OF THE CHANG IN ACCOUNTING POLICIES DUE TO THE ADOPTION OF NEW ACCOUNTING STANDARD

During the current year, the Company made the change described in Note 4 to the financial statements to its significant accounting policies, as a result of the adoption of TAS 12 *Income Taxes*. The cumulative effect of the change in the accounting policies has been separately presented in the statements of changes in shareholders' equity.

The amounts of adjustments affecting the statements of financial position.

	Baht			
	December 31, 2012		January 1, 2012	
	Consolidated financial statement	Separated financial statement	Consolidated financial statement	Separated financial statement
Statements of financial position				
Increase in deferred tax assets	3,160,307	-	3,147,472	-
Decrease in deficit	3,160,307	-	3,147,472	-

The amounts of adjustments affecting the statements of comprehensive income for the year ended December 31, 2012 are summarized below.

	Baht	
	Consolidated financial statement	Separated financial statement
Statement of comprehensive income		
Increase (Decrease) in income tax	(12,835)	-
Increase (Decrease) in total comprehensive income		
for the year	12,835	-
Increase (Decrease) in basic earnings per share	0.000	-
Increase (Decrease) in diluted earnings per share		
(Baht)	0.000	-

7. CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sells assets to reduce debt.

As at December 31, 2013 and 2012, debt to equity ratio in the consolidated financial statement is 0.21:1 and 0.97:1 respectively, (the separated financial statement ; debt to equity ratio is 0.07:1 and 0.52:1)

8. RELATED PARTY TRANSACTIONS

Relationship and pricing policy

Related Companies

Digital Right Pictures Public Company Limited
In and On Studio Company Limited
Live Radio Company Limited
Popstarz Management Company Limited

Live TV Company Limited
Live Media Group Public Company Limited
Trillion Television Company Limited
Thaichaiyo TV Company Limited
POP TV Company Limited
LSB Services Company Limited
Box Office Entertainment Company Limited
Strega Company Limited
Twin Cherries Company Limited

Future Marketing Communication Group
Company Limited
Infinity Pro Co., Ltd.

Related person

Mr. Pakapon Sansirikul
Ms. Kanittha Brahmasakha Na Sakonnakhon

Relationships

Subsidiary until May 10, 2012
Subsidiary until May 4, 2012
Subsidiary until May 4, 2012
Subsidiary of Live TV Co., Ltd.
until May 4, 2012
Subsidiary
Subsidiary
Subsidiary
Subsidiary
Subsidiary
Subsidiary
Associated
Associated
Shareholding of subsidiary / Directorship in
the subsidiary
Shareholding of subsidiary / Directorship in
the subsidiary
Major shareholder and director son of director
Shareholder of subsidiary
Shareholder of subsidiary and associated
(Strega Company Limited)

The pricing policies between the Group with related person and parties are as follows:

	Pricing policies	
	2013	2012
Revenues from television media	Approximate to those charged to third parties	Approximate to those charged to third parties
Revenues from digital channel service management	At cost + 5% And Mutually agreed price by contract on a monthly 800,000 baht.	At cost + 5% And Mutually agreed price by contract on a monthly 800,000 baht.
Revenues income on advertising space	Market price	Approximate to those charged to third parties
Management service income	Baht 300,000 per month	Baht 300,000 per month
Interest income	1.00% - 3.00 per annum	1.00% - 9.25% , MOR per annum
Other income	Mutually agreed price	Mutually agreed price
Dividend income	Same price with a third party that has declared.	-
Cost of service	Mutually agreed price by contract on a monthly 200,000 - 800,000 baht	Mutually agreed price
Administrative expenses	Mutually agreed price by contract on a monthly 32,000 - 300,000 baht	Mutually agreed price by contract on a monthly 20,000 - 300,000 baht
Land rental	Baht 2.25 - 3.60 million per annum	Baht 2.25 - 3.60 million per annum
Interest expenses	1.00%,3.00% per annum	1.00% – 9.25%, MOR per annum
Guarantee	Free of charge	Free of charge
Managements' remuneration	Approved at the annual general meeting 2013	Approved at the annual general meeting 2012

8.1. Outstanding balance between the Group with related parties

Outstanding balance between the Group with related parties as at December 31, 2013 and 2012 are as follows:

	Baht			
	Consolidated		Separated	
	financial statements		financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Trade and other account receivable related parties				
Trade accounts receivable				
Digital Right Pictures PCL.	263,587,402	263,587,402	263,587,402	263,587,402
Live TV Co., Ltd.	-	-	27,335,167	22,312,422
Twin Cherries Co., Ltd.	-	347,500	-	-
Thaichaiyo TV Co., Ltd.	-	-	9,458,800	6,291,423
POP TV Co., Ltd.	-	-	16,514,380	5,992,000
Future Marketing Communication Group Co., Ltd.	-	347,500	-	-
We Bangkok Co., Ltd.	-	115,800	-	-
Total	263,587,402	264,398,202	316,895,749	298,183,247
<u>Less</u> Allowance for doubtful accounts	(263,587,402)	(263,587,402)	(297,124,253)	(290,040,132)
Net	-	810,800	19,771,496	8,143,115
Accrued income				
Digital Right Pictures PCL.	10,153,894	10,153,894	10,153,894	10,153,894
Live TV Co., Ltd.	-	-	359,520	3,512,431
Live Media Group PCL.	-	-	2,315,480	1,951,003
Popstarz Management Co., Ltd.	84,513	-	-	-
Total	10,238,407	10,153,894	12,828,894	15,617,328
<u>Less</u> Allowance for doubtful accounts	(10,232,878)	(10,153,894)	(10,298,245)	(13,451,156)
Net	5,529	-	2,530,649	2,166,172
Prepaid expenses				
Box Office Entertainment Co., Ltd.	11,359,200	11,359,200	-	-
<u>Less</u> Allowance for doubtful accounts	(11,359,200)	(11,359,200)	-	-
Net	-	-	-	-

	Baht			
	Consolidated		Separated	
	financial statements		financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Advance payment				
Live TV Co., Ltd.	-	-	-	7,639,282
Popstarz Management Co., Ltd.	34,366	10,520	10,520	10,520
Thaichaiyo TV Co., Ltd.	-	-	-	6,200
POP TV Co., Ltd.	-	-	-	15,913
Ms. Kanittha Brahmasakha Na Sakonnakhon - withholding tax	16,077,176	-	16,077,176	-
Total	16,111,542	10,520	16,087,696	7,671,915
<u>Less</u> Allowance for doubtful accounts	(34,366)	(10,520)	(10,520)	(7,639,282)
Net	16,077,176	-	16,077,176	32,633
Trade and other accounts receivable - related parties	16,082,705	810,800	38,379,321	10,341,920
Prepaid land rental				
Infinity Pro Co., Ltd.	615,000	705,000	615,000	705,000
Short - term loans and accrued interest income to related parties				
Short - term loans to				
Digital Right Pictures PCL. *	141,272,934	141,272,934	141,272,934	141,272,934
In and On Studio Co., Ltd. *	12,763,982	12,763,982	12,763,982	12,763,982
Live Radio Co., Ltd. *	101,217,567	101,217,567	101,217,567	101,217,567
Popstarz Management Co., Ltd. *	4,272,998	-	-	-
Live TV Co., Ltd.	-	-	64,300,000	74,261,637
POP TV Co., Ltd.	-	-	5,400,000	2,100,000
Thaichaiyo TV Co., Ltd.	-	-	1,000,000	-
Live Media Group PCL.	-	-	3,500,000	-
Total	259,527,481	255,254,483	329,454,483	331,616,120

	Baht			
	Consolidated financial statements		Separated financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Associated Companies				
Strega Co., Ltd.	-	-	-	-
	259,527,481	255,254,483	329,454,483	331,616,120
<u>Less</u> Allowance for doubtful accounts	(259,527,481)	(255,254,483)	(324,954,483)	(331,616,120)
Net	-	-	4,500,000	-
Accrued interest income				
Digital Right Pictures PCL.	24,786,979	24,786,979	24,786,979	24,786,979
Live Radio Co., Ltd.	6,516,587	6,516,587	6,516,587	6,516,587
Live TV Co., Ltd.	-	-	2,202,193	1,485,447
POP TV Co., Ltd.	-	-	47,749	2,680
Thaichaiyo TV Co., Ltd.	-	-	630	-
Live Media Group PCL.	-	-	5,178	-
Total	31,303,566	31,303,566	33,559,316	32,791,693
Associated Companies				
Strega Co., Ltd.	-	-	-	-
Total	31,303,566	31,303,566	33,559,316	32,791,693
<u>Less</u> Allowance for doubtful accounts	(31,303,566)	(31,303,566)	(32,836,762)	(32,791,693)
Net	-	-	722,554	-
Short - term loans and accrued interest income to related parties	-	-	5,222,554	-
<i>*Interest charge is ceased.</i>				
Trade and other account payable related parties				
Trade accounts payable				
Trillion Television Co., Ltd.	-	-	-	371,825
Accrued expenses				
Live TV Co., Ltd.	-	-	-	21,400
Live Media Group PCL.	-	-	-	367,452
Total	-	-	-	388,852
Trade and other accounts payable - related parties	-	-	-	760,677

	Baht			
	Consolidated		Separated	
	financial statements		financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Accrued interest expenses from related parties				
Live Media Group PCL.	-	-	-	751,333

The movement of short - term loans to related parties in the separate financial statements for the years ended December 31, 2013 are as follow:

	Baht			
	Balance as at January 1, 2013	Movement		Balance as at December 31, 2013
		Addition	Deduction	
<u>Short - term loans to related parties</u>				
Digital Right Pictures PCL.	141,272,934	-	-	141,272,934
In and On Studio Co., Ltd.	12,763,982	-	-	12,763,982
Live Radio Co., Ltd.	101,217,567	-	-	101,217,567
Live TV Co., Ltd.	74,261,637	2,000,000	(11,961,637)	64,300,000
POP TV Co., Ltd	2,100,000	3,300,000	-	5,400,000
Thaichaiyo TV Co., Ltd.	-	1,000,000	-	1,000,000
Live Media Group PCL.	-	3,500,000	-	3,500,000
<i>Associated Companies</i>				
Strega Co., Ltd.	-	6,000,000	(6,000,000)	-
Total	331,616,120	15,800,000	(17,961,637)	329,454,483

8.2. Revenues and expenses transaction between the Group with related parties

Revenues and expenses transaction between the Group with related parties for the years ended December 31, 2013 and 2012 are as follows:

	Baht			
	Consolidated		Separated	
	financial statements		financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Revenues from digital channel service management				
Live TV Co., Ltd.	-	-	10,675,453	29,909,964
Thaichaiyo TV Co., Ltd.	-	-	6,400,000	5,879,834
POP TV Co., Ltd.	-	-	9,600,000	5,600,000
Total	-	-	26,675,453	41,389,798
Management service income				
Live Media Group PCL.	-	-	3,600,000	1,800,000
Dividend income				
Strega Co., Ltd	-	-	20,000,000	-
Interest income				
Live TV Co., Ltd.	-	-	716,746	1,348,118
POP TV Co., Ltd.	-	-	45,068	2,680
Thaichaiyo TV Co., Ltd.	-	-	630	-
Live Media Group PCL.	-	-	5,178	-
Strega Co., Ltd	-	-	6,411	-
Total	-	-	774,033	1,350,798
Other income				
Live Media Group PCL.	-	-	288,000	20,451
Thaichaiyo TV Co., Ltd.	-	-	360,000	-
POP TV Co., Ltd.	-	-	234,000	-
Total	-	-	882,000	20,451
Cost of services				
Live TV Co., Ltd.	-	-	800,000	-
Selling expenses				
Live Media Group PCL.	-	-	-	343,413
Live TV Co., Ltd.	-	-	60,000	240,000
Total	-	-	60,000	583,413

	Baht			
	Consolidated		Separated	
	financial statements		financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Land rental				
Infinity Pro Co., Ltd.	3,090,000	1,545,000	3,090,000	1,545,000
Doubtful accounts				
Live TV Co., Ltd.	-	-	(23,503,709)	85,060,670
POP TV Co., Ltd.	-	-	13,179,068	7,702,680
Popstarz Management Co., Ltd.	34,366	-	10,520	-
Total	34,366	-	(10,314,121)	92,763,350
Interest expenses				
Live Media Group PCL.	-	-	-	1,102,263
Total	-	-	-	1,102,263

Remuneration of directors and executives

During the years ended December 31, 2013 and 2012, the Company and subsidiaries had benefit expense

Payable to the directors and management as follows;

Short – term benefits	10,110,369	8,149,503	7,840,006	4,267,031
Post – employment benefits	150,872	318,271	85,797	228,495
Total	10,261,241	8,467,774	7,925,803	4,495,526
Estimated liability - employee benefit – part of management	534,022	383,150	326,560	240,763

9. CASH AND CASH EQUIVALENTS

	Baht			
	Consolidated		Separated	
	financial statements		financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Cash	45,133	51,215	8,536	11,907
Deposits held at call with banks	226,767,352	85,363,034	211,848,122	65,272,719
Total	226,812,485	85,414,249	211,856,658	65,284,626

10. TRADE ACCOUNTS AND OTHER ACCOUNTS RECEIVABLE - NET

	Baht			
	Consolidated financial statements		Separated financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
<u>Related parties</u>				
Trade accounts receivable				
Not yet due	-	-	1,980,277	2,378,669
Overdue				
Less than 3 months	-	-	3,913,080	5,824,323
3 - 6 months	-	-	8,553,464	26,392,853
6 - 12 months	-	-	16,767,762	-
More than 12 months	263,587,402	264,398,202	285,681,166	263,587,402
Total	263,587,402	264,398,202	316,895,749	298,183,247
<u>Less</u> Allowance for doubtful accounts	(263,587,402)	(263,587,402)	(297,124,253)	(290,040,132)
Net	-	810,800	19,771,496	8,143,115
Other accounts receivable				
Accrued Income	10,238,407	10,153,894	12,828,894	15,617,328
Advance payment (Note 8.1)	16,111,542	10,520	16,087,696	7,671,915
Total	26,349,949	10,164,414	28,916,590	23,289,243
<u>Less</u> Allowance for doubtful accounts	(10,267,244)	(10,164,414)	(10,308,765)	(21,090,438)
Net	16,082,705	-	18,607,825	2,198,805
Total trade and other accounts receivable - related parties - net	16,082,705	810,800	38,379,321	10,341,920

	Baht			
	Consolidated		Separated	
	financial statements		financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
<u>Other parties</u>				
Trade accounts receivable				
Not yet due	12,656,556	7,580,864	-	1,390,750
Overdue				
Less than 3 months	10,692,038	6,110,371	1,658,500	3,052,000
3 - 6 months	1,209,100	321,000	-	-
6 - 12 months	856,000	2,343,330	856,000	-
More than 12 months	77,973,061	87,432,621	51,867,563	51,727,563
Total Trade accounts receivable	103,386,755	103,788,186	54,382,063	56,170,313
Postdated check	1,500,000	-	-	-
Total Trade accounts receivable and Postdated check	104,886,755	103,788,186	54,382,063	56,170,313
<u>Less</u> Allowance for doubtful accounts	(76,332,522)	(74,801,275)	(51,727,563)	(51,727,563)
Net	28,554,233	28,986,911	2,654,500	4,442,750
Other accounts receivable				
Accrued income	10,512,214	11,209,057	5,003,510	6,145,454
Other account receivable	17,431,870	16,951,376	16,826,222	16,842,305
Prepaid expenses	6,138,817	5,797,343	1,210,786	231,457
Advance payment	722,125	612,845	261,486	166,106
Total	34,805,026	34,570,621	23,302,004	23,385,322
<u>Less</u> Allowance for doubtful accounts	(22,522,977)	(22,522,977)	(18,439,925)	(18,439,925)
Net	12,282,049	12,047,644	4,862,079	4,945,397
Total trade and other accounts receivable - other parties - net	40,836,282	41,034,555	7,516,579	9,388,147

11. SHORT - TERM LOAN AND ACCRUED INTEREST EXPENSE AND ADVANCE PAYMENT TO OTHER

	Baht		
	Principle	Accrued expense	Total
Beginning at January 1, 2013	-	-	-
Increase / borrowing during the year	60,000,000	325,479	60,325,479
Repaid during the year	(20,000,000)	-	(20,000,000)
Ending at December 31, 2013	40,000,000	325,479	40,325,479

On October 1, 2013, the Company has entered into loan agreement to other party by received the promissory notes amount by Baht of 60 million, with interest rate charged by 3% per annum, guarantee with the billboards (by have been detained some of the billboards construction permit) and by such company's director (a subsidiary has obtained for all billboard insurance). The repayment during year by Baht of 20 million. The balance as at December 31, 2013 amount by Baht of 40 million, has received by 2 postdate cheques, 20 million each, dated on April 21, 2014 and May 12, 2014.

In during year 2013, a subsidiary has advance payment for such company.

	Advance Payment
Beginning at January 1, 2013	-
Add increase during the year	2,000,000
Repaid during the year	-
Ending at December 31, 2013	2,000,000

The Company and subsidiary believed that will receive such loan and advance payment by considerate the letter of intent about the slowly investing budget of such company. However, such company still continuing the projects but might has to use more period of time. And loan guaranteed by postdate cheques as discussed above, which could require a legal claim for sue and default interest as agreement. The Company has not yet received such company's financial statement and business plan.

12. DEFERRED FILM PRODUCTION COST – NET

	Baht			
	Consolidated financial statements		Separated financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Deferred film production cost	10,567,157	10,567,157	10,567,157	10,567,157
<u>Less</u> Allowance for obsolescence	<u>(10,567,157)</u>	<u>(10,567,157)</u>	<u>(10,567,157)</u>	<u>(10,567,157)</u>
Net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

13. RESTRICTED DEPOSITS AT FINANCIAL INSTITUTIONS

As at December 31, 2013 and 2012, The Company and subsidiaries held restricted deposits pledged as collateral for letter of guarantee from rental (Note 36.2.2) with financial institutions amounting of Baht 33.87 million and Baht 3.63 million, respectively and to pledged as collateral for credit facilities to an associate. (Note 14.3)

14. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATED COMPANIES - NET

	Separated financial statements							
	Paid-up capital (Million Baht)		Proportion of shareholding (%)		At cost (Thousand Baht)		Dividend income (Thousand Baht)	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
<u>Subsidiaries</u>								
Digital Right Pictures PCL. *	576.00	576.00	99.99	99.99	494,130	494,130	-	-
In and On Studio Co., Ltd. *	20.00	20.00	99.99	99.99	19,998	19,998	-	-
Live Radio Co., Ltd. *	100.00	100.00	97.50	97.50	97,500	97,500	-	-
Live TV Co., Ltd.	154.00	154.00	90.10	90.10	138,750	138,750	-	-
Live Media Group PCL.	45.00	45.00	99.99	99.99	145,283	145,283	-	-
Trillion Television Co., Ltd. **	2.00	2.00	30.00	30.00	-	600	-	-
Thaichaiyo TV Co., Ltd.	1.00	1.00	99.99	99.99	1,000	1,000	-	-
POP TV Co., Ltd.	1.00	1.00	99.99	99.99	1,000	1,000	-	-
LSB Seivces Co., Ltd.	5.00	-	99.99	-	5,000	-	-	-
<u>Associated company</u>								
Box Office Entertainment Co., Ltd.	100.00	100.00	40.00	40.00	19,500	19,500	-	-
Strega Co., Ltd.	55.00	-	40.00	-	121,088	-	20,000	-
Total					1,043,249	917,761	20,000	-
<u>Less</u> Allowance for impairment loss on value of investments					(877,161)	(876,761)	-	-
Net					<u>166,088</u>	<u>41,000</u>	<u>20,000</u>	<u>-</u>

* Subsidiary is in the settlement process.

** Trillion Television Co., Ltd. completed the registration for liquidation on October 18, 2013.

14.1 The movement of Investments in associated are as follow :

	Baht			
	Consolidated financial statements		Separated financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
As at beginning	19,500,489	19,500,489	19,500,489	19,500,489
Purchase/Increase investment	122,004,301	-	121,088,283	-
Loss from investments	(752,029)	-	-	-
Dividend income	(20,000,000)	-	-	-
As at Ending	120,752,761	19,500,489	140,588,772	19,500,489
<u>Less</u> Allowance for impairment				
loss on value of investments	(19,500,489)	(19,500,489)	(19,500,489)	(19,500,489)
Net	101,252,272	-	121,088,283	-

The Extraordinary General Meeting held on July 5, 2013, by purchasing 40,000 ordinary shares, representing 40% of the total shares in such company, from Ms. Kanittha Brahmasakha Na Sakonnakhon, the existing shareholder, at the price of Baht 140,000,000. The payment shall be made by cash of Baht 20,000,000 and by 145,102,782 newly issued ordinary shares of the company at the par value of Baht 0.10 and offer price of Baht 0.827 per share (the offer price is based on the average market price of the company shares during 14 business days prior to the date of the Board of Directors Meeting) totaling by Baht of 120 million. The meeting also resolved to authorize the Chief of Executive Board to execute all agreements related to the transaction and to take any action related thereto (Note 28). The Company records investment in such associated company by fair value of the Company's share, average by 14 days before and after the date of such associated company's share registered transferred average price of Baht 0.5476 per share.

Associated company additional share capital

The Board of Directors Meeting on September 19, 2013 has resolved to invest in additional share capital of Strega Co., Ltd. by 200,000 shares, par value by Baht of 100 each, totaling by Baht of 20,000,000 (percentage of holding by 40%) which follow the Annual General Meeting of such company on October 16, 2013, with the paid-up by 90% of total.

Net asset of associated company as the following:

	(Unit : Baht)		
	Carrying amounts	Fair value adjustments	Recognised values
Cash and cash equivalents	6,758,597	-	6,758,597
Trade and other account receivable	87,069,115	-	87,069,115
Property, plant and equipment	109,690,699	58,546,420	168,237,119
Bank overdrafts	(12,524,623)	-	(12,524,623)
Trade and other account payable	(12,202,701)	-	(12,202,701)
Unearned revenue	(64,673,359)	-	(64,673,359)
Long term loan	(37,672,709)	-	(37,672,709)
Deferred tax liabilities net of revaluation of assets	-	(11,709,284)	(11,709,284)
Other assets/(liabilities), net	11,485,802	-	11,485,802
Net assets	87,930,821	46,837,136	134,767,957
Percentage of investing			40%
Net asset value by the percentage			53,907,183
Goodwill			49,181,101
Gain on a bargain purchase			103,088,284

And as the independent financial advisor report, the fair value of such associated company's share evaluated by Discounted Cash Flow Approach (DCF), valuation as at May 31, 2013 by percentage of the Company's held amounting to Baht 120.90 million.

During year 2013, the company incurred acquisition – related cost of Baht 3.63 million, relating to external legal fee, advisory fee and due diligence costs. These amounts have been included in administrative expense in the consolidated statement of comprehensive income.

14.2 Summarized financial information of associated company

The significant financial information of a associated company are summarized below.

(Unit : Baht)

	Consolidated				
	Paid-up share capital as at December 31, 2013	Total assets as at December 31, 2013	Total liabilities as at December 31, 2013	Total revenues for the years ended December 31, 2013	Profit(Loss) for the years ended December 31, 2013
Strega Co., Ltd	55,000,000	392,857,765	310,177,095	161,098,822	13,371,988

Financial statements of such associated company as at December 31, 2013 The company has not received audited financial statements by auditor of such associated company.

14.3 Guarantee

Credit facility	Credit line (Million Baht)	Guarantee by	Fee
Long – term loan	55.50	By associated company's assets and the Company has made a request to change as guarantor by the Company.	Currently, the proposed Board meeting Strega Co., Ltd and no progress whatsoever.
Total	55.50		
Letter of guarantee	68.00	By associated company's assets and by the Company, and by fixed deposit of the Company amounting to Baht 20.0 million. (Note 13).	
Liabilities under hire purchase agreements	42.78	By the Company.	
Bank overdraft	20.00	By associated company's assets and by the Company and by fixed deposit of the Company amounting to Baht 9.0 million. (Note 13).	
Total	130.78		

14.4 Associated company pay for the dividend

According to the Extraordinary General Meeting of Shareholders of such company held on October 16, 2013, resolved to pay for the dividend by 100,000 shares, Baht of 500.00 each, totaling amount by Baht of 20.00 million.

15. INVESTMENTS IN OTHER COMPANY - NET

Consolidated financial statements / Separated financial statements

	Paid-up capital (Million Baht)		Proportion of shareholding (%)		At cost (Thousand Baht)	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
UMG Entertainment Co., Ltd. (Cinema hall)	100.00	100.00	15.00	15.00	15,000	15,000
<u>Less</u> Allowance for impairment loss on value of investments					(15,000)	(15,000)
Net					-	-

16. LEASEHOLD IMPROVEMENT AND EQUIPMENT – NET

Consolidated financial statements

	Baht							
	<u>Leasehold improvement</u>	<u>Billboard</u>	<u>Equipment</u>	<u>Public utilities system</u>	<u>Fixtures and office equipment</u>	<u>Vehicles</u>	<u>Billboard installment</u>	<u>Total</u>
For the year ended December 31, 2012								
Beginning net book value	17,755,256	12,599,604	56,136,216	9	5,856,353	2,696,576	-	95,044,014
<u>Add</u> Acquisitions	24,000	11,153,555	1,907,629	-	289,235	3,449,000	18,935,814	35,759,233
<u>Less</u> Disposals	(6,393,524)	(1)	(8,401)	-	(73,889)	(341,161)	-	(6,816,976)
Assets of subsidiary at deconsolidated date	-	-	-	-	-	-	(6,150,983)	(6,150,983)
Depreciation	<u>(2,697,861)</u>	<u>(8,009,663)</u>	<u>(11,312,306)</u>	<u>-</u>	<u>(2,407,745)</u>	<u>(544,497)</u>	<u>-</u>	<u>(24,972,072)</u>
Ending net book value	<u>8,687,871</u>	<u>15,743,495</u>	<u>46,723,138</u>	<u>9</u>	<u>3,663,954</u>	<u>5,259,918</u>	<u>12,784,831</u>	<u>92,863,216</u>
As at December 31, 2012								
Cost	22,487,941	68,726,462	107,898,338	599,371	13,860,535	7,517,739	12,784,831	233,875,217
<u>Less</u> Accumulated depreciation	<u>(13,800,070)</u>	<u>(52,982,967)</u>	<u>(61,175,200)</u>	<u>(599,362)</u>	<u>(10,196,581)</u>	<u>(2,257,821)</u>	<u>-</u>	<u>(141,012,001)</u>
Net book value	<u>8,687,871</u>	<u>15,743,495</u>	<u>46,723,138</u>	<u>9</u>	<u>3,663,954</u>	<u>5,259,918</u>	<u>12,784,831</u>	<u>92,863,216</u>

	Baht							
	<u>Leasehold improvement</u>	<u>Billboard</u>	<u>Equipment</u>	<u>Public utilities system</u>	<u>Fixtures and office equipment</u>	<u>Vehicles</u>	<u>Billboard installment</u>	<u>Total</u>
For the year ended December 31, 2013								
Beginning net book value	8,687,871	15,743,495	46,723,138	9	3,663,954	5,259,918	12,784,831	92,863,216
<u>Add</u> Acquisitions	-	-	2,026,827	-	720,086	3,736,704	12,828,790	19,312,407
<u>Less</u> Disposals	-	(563,656)	-	-	(3,073)	(302,704)	-	(869,433)
Assets of subsidiary at deconsolidated date	-	25,613,621	-	-	-	-	(25,613,621)	-
Depreciation	(2,248,794)	(2,792,627)	(11,487,810)	-	(1,563,805)	(1,952,957)	-	(20,045,993)
Ending net book value	<u>6,439,077</u>	<u>38,000,833</u>	<u>37,262,155</u>	<u>9</u>	<u>2,817,162</u>	<u>6,740,961</u>	<u>-</u>	<u>91,260,197</u>
As at December 31, 2013								
Cost	22,487,941	88,576,172	109,925,165	599,371	14,491,358	9,937,401	-	246,017,408
<u>Less</u> Accumulated depreciation	(16,048,864)	(50,575,339)	(72,663,010)	(599,362)	(11,674,196)	(3,196,440)	-	(154,757,211)
Net book value	<u>6,439,077</u>	<u>38,000,833</u>	<u>37,262,155</u>	<u>9</u>	<u>2,817,162</u>	<u>6,740,961</u>	<u>-</u>	<u>91,260,197</u>

Separated financial statements

	Baht					
	<u>Leasehold improvement</u>	<u>Equipment</u>	<u>Public utilities system</u>	<u>Fixtures and office equipment</u>	<u>Vehicles</u>	<u>Total</u>
For the year ended December 31, 2012						
Beginning net book value	-	-	9	-	-	9
<u>Add</u> Acquisitions	-	1,883,629	-	280,035	-	2,163,664
<u>Less</u> Depreciation	-	(57,349)	-	(14,973)	-	(72,322)
Ending net book value	-	1,826,280	9	265,062	-	2,091,351
As at December 31, 2012						
Cost	-	1,883,629	599,371	280,035	-	2,763,035
<u>Less</u> Accumulated depreciation	-	(57,349)	(599,362)	(14,973)	-	(671,684)
Net book value	-	1,826,280	9	265,062	-	2,091,351

Baht

	<u>Leasehold improvement</u>	<u>Equipment</u>	<u>Public utilities system</u>	<u>Fixtures and office equipment</u>	<u>Vehicles</u>	<u>Total</u>
For the year ended December 31, 2013						
Beginning net book value	-	1,826,280	9	265,062	-	2,091,351
<u>Add</u> Acquisitions	-	1,316,397	-	629,097	3,434,000	5,379,494
<u>Less</u> Depreciation	-	(558,079)	-	(113,120)	(513,689)	(1,184,888)
Ending net book value	-	<u>2,584,598</u>	<u>9</u>	<u>781,039</u>	<u>2,920,311</u>	<u>6,285,957</u>
As at December 31, 2013						
Cost	-	3,200,026	599,371	909,133	3,434,000	8,142,530
<u>Less</u> Accumulated depreciation	-	(615,428)	(599,362)	(128,094)	(513,689)	(1,856,573)
Net book value	-	<u>2,584,598</u>	<u>9</u>	<u>781,039</u>	<u>2,920,311</u>	<u>6,285,957</u>

As at December 31, 2013, the Group and the Company has fully depreciated of leasehold improvement and equipment which are still in use, the cost of such assets has amounted to Baht 47.53 million and Baht 0.60 million, respectively (December 31, 2012: Baht 48.04 million and Baht 0.60 million, respectively).

As at December 31, 2013, leased assets included above, where the Group is a lessee under hire purchase agreements and finance lease agreements, comprise equipment and vehicle under installation with net book value of Baht 6.18 million and Baht 2.92 million in the consolidated and separated financial statements, respectively. (December 31, 2012 : Baht 4.64 million in the consolidated financial statements).

17. ASSETS NOT USED IN OPERATIONS - NET

	Baht			
	Consolidated		Separated	
	financial statements		financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Equipment for broadcast	-	1,492,916	-	-
Fixtures and office equipment	-	224,779	-	-
<u>Less</u> Accumulated depreciation	-	(1,164,957)	-	-
Allowance for impairment	-	(552,738)	-	-
Net	-	-	-	-

18. INTANGIBLE ASSETS – NET

	Baht			
	Consolidated		Separated	
	financial statements		financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Current (film and program rights)	1,125,000	-	1,125,000	-
Non - current	4,937,993	774,337	4,420,839	89,493
Total	6,062,993	774,337	5,545,839	89,493

Consolidated financial statements

	Baht				
	Deferred Copyrights	Copyrights	Computer software	Developed software	Total
For the year ended December 31, 2012					
Beginning net book value	-	24,237,446	909,538	434,000	25,580,984
<u>Add</u> Acquisitions	-	-	90,785	-	90,785
<u>Less</u> Amortization	-	(13,379,253)	(225,986)	-	(13,605,239)
<u>Less</u> Amortization of decommissioning	-	(10,858,193)	-	(434,000)	(11,292,193)
Net book value	-	-	774,337	-	774,337
As at December 31, 2012					
Cost	-	162,804,204	2,120,562	-	164,924,766
<u>Less</u> Accumulated amortization	-	(155,218,504)	(1,346,225)	-	(156,564,729)
Allowance for impairment	-	(7,585,700)	-	-	(7,585,700)
Net book value	-	-	774,337	-	774,337

	Baht				
	Deferred Copyrights	Copyrights	Computer software	Developed software	Total
For the year ended December 31, 2013					
Beginning net book value	-	-	774,337	-	774,337
<u>Add</u> Acquisitions	1,125,000	-	4,790,354	-	5,915,354
<u>Less</u> Amortization	-	-	(626,698)	-	(626,698)
Ending net book value	<u>1,125,000</u>	<u>-</u>	<u>4,937,993</u>	<u>-</u>	<u>6,062,993</u>
As at December 31, 2013					
Cost	1,125,000	162,804,204	6,500,508	-	170,429,712
<u>Less</u> Accumulated amortization	-	(162,804,204)	(1,562,515)	-	(164,366,719)
Net book value	<u>1,125,000</u>	<u>-</u>	<u>4,937,993</u>	<u>-</u>	<u>6,062,993</u>

Separated financial statements

	Baht		
	<u>Copyrights</u>	<u>Computer software</u>	<u>Total</u>
For the year ended December 31, 2012			
Beginning net book value	-	8,546	8,546
<u>Add</u> Acquisitions	-	90,785	90,785
<u>Less</u> Amortization	-	(9,838)	(9,838)
Ending net book value	-	89,493	89,493
As at December 31, 2012			
Cost	7,585,700	89,493	7,675,193
<u>Less</u> Accumulated amortization	-	-	-
Allowance for impairment	(7,585,700)	-	(7,585,700)
Net book value	-	89,493	89,493
For the year ended December 31, 2013			
Beginning net book value	-	89,493	89,493
<u>Add</u> Acquisitions	1,125,000	4,741,754	5,866,754
<u>Less</u> Amortization	-	(410,408)	(410,408)
Ending net book value	1,125,000	4,420,839	5,545,839
As at December 31, 2013			
Cost	23,235,551	5,409,372	28,644,923
<u>Less</u> Accumulated amortization	(14,324,237)	(988,533)	(15,312,770)
Allowance for impairment	(7,786,314)	-	(7,786,314)
Net book value	1,125,000	4,420,839	5,545,839

19. GOODWILL - NET

	Baht			
	Consolidated financial statements		Separated financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Goodwill	7,108,183	7,108,183	-	-
<u>Less</u> Allowance for impairment	(7,108,183)	(7,108,183)	-	-
Net	-	-	-	-

20. OTHER NON-CURRENT ASSETS

	Baht			
	Consolidated financial statements		Separated financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Deposits and guarantee	8,080,423	8,323,316	6,506,064	4,765,473
<u>Less</u> Allowance for doubtful accounts	(4,581,383)	(4,581,383)	(4,581,383)	(4,581,383)
Net	3,499,040	3,741,933	1,924,681	184,090
Other	1,720,000	145,889	20,000	-
Total	5,219,040	3,887,822	1,944,681	184,090

21. RIGHT OF EXPLOITATION

In during year 2013, a subsidiary has entered into the right of exploitation agreements with a company, totaling amounts by Baht of 22.7 million by the period of 3-5 years. (such company has registered on July 1, 2013 with the share capital by Baht of 1 million). Such company has allow a subsidiary for the right of exploitation to use 6 billboards, which are a such company's assets by 4 billboards and are a subsidiary's assets by 2 billboards (as at December 31, 2013, book value of a subsidiary's assets amount by Baht of 4). Located on land under the terms of the contract (which the company has a contract with the owner of the land) to the income, and / or for the benefit of customers, and / or other persons. And pay compensation to the exercise of such installments. Completion of the final installment payment on September. 1, 2015, for an amount to be paid as follows.

	Baht	
	Payment required	Commitment
	the contract	As at December
		31, 2013
Payable within year 2013	18,969,200	2,515,400
Payable within year 2014	1,861,800	1,861,800
Payable within year 2015	1,874,400	1,874,400
Total amount payable	22,705,400	6,251,600
<u>Less</u> As at December 31, 2013		
amount to paid	(16,453,800)	-
Remaining payment	6,251,600	6,251,600

A subsidiary has recognized expense for the years ended December 31, 2013 by Baht of 2.02 million. Recognized the exercise of remuneration. As an expense over the period of the exercise.

And on August 1, 2013, a subsidiary has entered into the coordinator of billboard agreement with such company, the service fee by Baht of 100,000 per month, starting from July 30, 2013, no commit the period of agreement and state for cancellation in advance by 30 days. (For the year 2013 the Company recorded expense under the contract as per the statement of comprehensive income totaling Baht 0.60 million paid in the amount of Baht 0.60 million).

As at December 31, 2013, a subsidiary has advance payment to such company by Baht of 2 million and the Company loans to such company by Baht of 40 million as describe on note 11.

The Company's director has considerate that it will be worthy investing, which for provide the location and billboard to a subsidiary, and such company has low capital. The Company has to loan for it by has no any control and not receive such company's financial statement.

22. PREPAID RENTAL EXPENSE

Consists of :

	Baht			
	Consolidated financial statements		Separated financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Prepaid rental expense	615,000	705,000	615,000	705,000
Construction under building	20,436,350	1,932,500	20,436,350	1,932,500
Total	21,051,350	2,637,500	21,051,350	2,637,500

The Company has entered into a land lease with a related company. For the construction of new office (See Notes 8 and 36.1.5) and contract building contractor with an unrelated company (see Note 36.1.6). Determine the anticipated new office buildings will be completed by the year 2014, the Company plans to use its existing assets. The original lease agreement (currently) will expire by the end of May 2014, the Company has the intention and renew the existing property. And under a written request to extend the contract period.

23. DEFERRED TAX ASSETS

As at December 31, 2013 and 2012, the components of deferred tax asset are as follows:

	Baht			
	Consolidated financial statements		Separated financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Deferred tax assets				
Total	14,389,768	3,160,307	14,323,735	-
Net deferred tax assets	14,389,768	3,160,307	14,323,735	-
Deferred tax liabilities				
Total	5,986,771	-	-	-
Net deferred tax liabilities	5,986,771	-	-	-

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

	Baht				
	Consolidated financial statements				
	As at	(Charged) / credited to			As at
	January	Profit	Comprehensive		December
	1, 2013	or loss	income	Equity	31, 2013
Deferred tax assets					
Allowance for doubtful accounts	3,128,222	(3,107,070)	-	-	21,152
Provision for long-term employee benefits	29,710	284,180	-	-	313,890
Differences in depreciation for tax and accounting.	2,375	(2,375)	-	-	-
Loss carry forward less than 5 years	-	14,054,726	-	-	14,054,726
Total	3,160,307	11,229,461	-	-	14,389,768
Deferred tax liabilities					
Differences in depreciation for tax and accounting.	-	(1,440,754)	-	-	(1,440,754)
Deferred tax liabilities the valuation of assets - net. (Note 14)	-	-	-	-	(4,546,017)
Net deferred tax liabilities	-	(1,440,754)	-	-	(5,986,771)
Total revenue (expense) (Note 32)					
Income tax		9,788,707			

Baht					
Separated financial statements					
As at	(Charged) / credited to				As at
January	Profit	Comprehensive			December
1, 2013	or loss	income	Equity		31, 2013
Provision for long-term					
employee benefits	-	269,009	-	-	269,009
Loss carry forward less than 5 years	-	14,054,726	-	-	14,054,726
Total	-	14,323,735	-	-	14,323,735

Deferred tax assets arising from temporary differences and unused tax losses that have not been recognised in the financial statements were as follows:

Baht				
	Consolidated financial statements		Separated financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Allowance for doubtful accounts	130,000	-	-	-
Employee benefit obligations	111,393	289,893	-	205,402
Loss carry forward	52,786,762	76,375,880	-	24,331,049
Net deferred tax assets (Asset)	53,028,155	76,665,773	-	24,536,451

As at December 31, 2013 and 2012, The consolidated financial statement have deductible temporary differences totaling Baht 53.03 million and 76.67 million, respectively (Separate: Baht 0.00 million and 24.54 million, respectively). On which deferred tax assets have not been recognized as the Company's management considers that there is uncertainty whether the Company will have sufficient future taxable income to utilize such items and/or they might not be used to offset taxable income in the future.

24. SHORT - TERM LOANS FROM OTHER PERSONS

	Baht			
	Consolidated		Separated	
	financial statements		financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Short - term loans from other persons	512,293	512,293	512,293	512,293
Interest rate of per annum (%)	-	-	-	-

25. LIABILITIES UNDER FINANCIAL LEASE AGREEMENTS – NET

	Baht			
	Consolidated		Separated	
	financial statements		financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Liabilities under financial lease agreements	4,438,045	3,278,074	2,394,771	-
<u>Less</u> : Deferred interest	(283,597)	(387,881)	(219,568)	-
	4,154,448	2,890,193	2,175,203	-
<u>Less</u> : Current portion	(1,412,495)	(910,948)	(634,280)	-
Net	2,741,953	1,979,245	1,540,923	-

26. LIABILITIES UNDER HIRE PURCHASE AGREEMENTS – NET

	Baht			
	Consolidated		Separated	
	financial statements		financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Liabilities under hire purchase agreements	409,134	912,908	-	-
<u>Less</u> : Deferred interest	-	(69,928)	-	-
	409,134	842,980	-	-
<u>Less</u> : Current portion	(409,134)	(364,925)	-	-
Net	-	478,055	-	-

27. PROVISION OF EMPLOYEE BENEFIT OBLIGATIONS

The Group operates a post employment benefit and pension based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits and other long term benefit to employees based on pensionable remuneration and length of service.

Movement in the present value of the defined benefit obligations as at December 31, 2013 and 2012

	Baht			
	Consolidated financial statements		Separated financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Defined benefit obligations	1,598,017	1,603,718	1,027,010	152,867
Current service costs and interest	528,402	(5,700)	318,038	874,143
Defined benefit obligations at	<u>2,126,419</u>	<u>1,598,018</u>	<u>1,345,048</u>	<u>1,027,010</u>

Expense recognised in profit or loss for the years ended December 31, 2013 and 2012

	Baht			
	Consolidated financial statements		Separated financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Current service costs	462,894	(53,228)	275,828	842,786
Interest on obligation	65,508	47,528	42,210	31,357
Total	<u>528,402</u>	<u>(5,700)</u>	<u>318,038</u>	<u>874,143</u>

The above expense recognised in the statements of comprehensive income is recognised in the following line items for the years ended December 31, 2013 and 2012:

	Baht			
	Consolidated financial statements		Separated financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Cost of sales	130,396	(356,953)	-	-
Selling expenses	14,047	(7,091)	-	-
Administrative expenses	298,162	40,073	232,241	645,648
Managements' remuneration	85,797	318,271	85,797	228,495
Total	<u>528,402</u>	<u>(5,700)</u>	<u>318,038</u>	<u>874,143</u>

Principal actuarial assumptions at the reporting date for the years ended December 31, 2013 and 2012:

	Consolidated financial statements/Separated financial statements
	2013/2012
Discount rate	4.11%
Salary increase rate	3.94%
Mortality rate	80%
	(Thai Mortality Ordinary Table B.E.2551)

28. SHARE CAPITAL

- 28.1 The Extraordinary General Meeting of Shareholders No. 2/2013 which was held on November 25, 2013, has resolved as follows :

Approved changes to the number of ordinary shares outstanding from the exercise of warrants to purchase common shares of the Company period 1 (“LIVE-W1”) Number of 1,881,428,600 shares with a par of Baht 0.10. To be reallocated The appropriation of the outstanding common shares in the amount of 870 million shares at 0.10 baht par. Projects to support the exercise of the issuance of warrants to purchase common stock of the Company. period 2 (“LIVE-W2”)

Approved to decrease the number of 749,665,736 baht. Balance of Baht 648,522,876 By the cut ordinary shares have not been sold out. Which is the outstanding common shares of the change in terms of allocated projects to support the exercise of issued warrants to purchase common stock of the Company period 2 (“LIVE-W2”) Number of 1,011,428,600 ordinary shares of par total of 101,142,860 baht to 0.10 baht.

To issue 870,000,000 units of the Company’s stock warrant No.2 by Live Incorporation: called LIVE-W2 in the number of 870,000,000 units to their existing shareholders. The existing shareholders shall purchase the common shares of Live Incorporation PCL. As at December 9, 2013. at selling price of Baht 0 per share: in a ratio of 5 former common shares equivalent to 1 warrant. 1 warrant can be used to buy 1 new common share with exercise price of Baht 0.10. The book closing date is on December 6, 2013. By the Company to allocated, 864,971,737 units are allocated to the existing shareholders and 5,028,263 units of the remaining of the Warrants as a result of the fraction being rounded down after the expiration of the Warrants (December 8, 2016)

As of December 27, 2013 warrants to purchase Ordinary shares unit 864,971,737 of its common units are allowed to be traded on the Stock Exchange of Thailand. By requiring the exercise every three months of the first exercise date and the exercise date is on the last date of March 31, 2014 and on December 8, 2016, respectively.

The approval to issue and offer the Warrant (“LIVE-W2”) with the average price per new issued share lower than 90% of the market price, according to the Rights and Duties of the Issuer and Holders of Warrants to Purchase Ordinary Shares (LIVE-W1), the exercise price and exercise ratio of LIVE-W1 shall be changed as follows :

Old Exercise Price	0.1735 Baht per shares
Old Exercise Ratio	1 Warrant for 1.1524 Ordinary Shares
New Exercise Price	0.1509 Baht per shares
New Exercise Ratio	1 Warrant for 1.3250 Ordinary Shares

28.2 The Extraordinary General Meeting of Shareholders No. 1/2013 which was held on July 5, 2013, has resolved as follows :

- Approve the reduction of registered capital from Baht 929,955,774.50 to Baht 735,155,457.80 by reducing 1,948,003,167 ordinary shares which have not been issued, at the par value of Baht 0.10, totaling Baht 194,800,316.70.
- Approve the investment in Strega Co., Ltd by purchasing 40,000 ordinary shares, representing 40% of the total shares in such company, from Ms. Kanittha Brahmasakha Na Sakonnakhon, the existing shareholder, at the price of Baht 140,000,000. The payment shall be made by cash of Baht 20,000,000 and by 145,102,782 newly issued ordinary shares of the company at the par value of Baht 0.10 and offer price of Baht 0.827 per share (the offer price is based on the average market price of the company shares during 14 business days prior to the date of the Board of Directors Meeting), totaling amounting by Baht of 120,000,000. The meeting also resolved to authorize the Chief of Executive Board to execute all agreements related to the transaction and to take any action related thereto (Note 14.1).
- Approve the increase of registered capital by Baht 14,510,278.20, from Baht 735,155,457.80 to Baht 749,665,736, by issuing 145,102,782 ordinary shares at the par value of Baht 0.10 and resolved to allot the newly issued shares to Ms. Kanittha Brahmasakha Na Sakonnakhon, the existing shareholder of Strega Co., Ltd. as a payment for the ordinary shares of Strega Co., Ltd, at the offer price of Baht 0.827 per share and on July 18, 2013, the Company has registered the increase paid-up share capital to such person with the ministry of commerce (held on the Company’s share capital by 4.74%).

28.3 According to the 2012 Annual General Meeting of Shareholders held on April 30, 2012, resolved to change the condition of the allocation of 2,752,165,140 shares remaining from the first to allot 2,752,165,140 shares to shareholders in proportion with their shareholdings (Right Offering) at the ratio of 1 existing share to 1.3056 new shares (any fractions/remainder shall be disregarded). The offering price will be Baht 0.10 per share.

On January 20, 2012, the Company registered the increased paid-up share capital with the Ministry of Commerce from Share 1,620,000,707 to Share 2,107,836,981 owing that the Company received the payment of paid-up share capital of Baht 48,783,627.40 in accordance with the resolution of the extraordinary shareholders’ meeting held on December 2, 2011.

On July 9, 2012, the Company registered the increased paid-up share capital with the Ministry of Commerce from Share 2,107,836,981 to Share 2,911,998,954 owing that the Company received the payment of paid-up share capital of Baht 80,416,197.30 in accordance with the resolution of the extraordinary shareholders' meeting held on April 30, 2012.

- 28.4 According to the resolution in the extraordinary shareholders' meeting on December 2, 2011 has approved a resolution to allot additional common shares from Baht 383,977,851.90 (3,839,778,519 common shares with a par value of Baht 0.10 per share) to Baht 929,955,774.50 (9,299,557,745 common shares with a par value of Baht 0.10 per share) by allot additional 3,240,001,414 common shares with a par value of Baht 0.10 per share to their existing shareholders in a ratio of 1 former common shares equivalent to 2 common shares newly common shares at price of Baht 0.10 per share and allot additional 2,219,777,812 common shares with a par value of Baht 0.10 per share to reserve for the adjustment of rights under warrants (LIVE-W1) and the Company has adjusted the exercise of warrants (LIVE-W1) to warrant a unit can be used to buy common shares at 1.1524 new common shares and warrant can be used to buy 1 new common share at the exercise price of Baht 0.1735 the Company registered with the Department of Business Development on December 9, 2011.

As at December 31, 2011 the Company in record received from existing shareholder's amount to Baht 4,178,838.80.

The Board of Directors Meeting on March 16, 2012 has resolved to amend the conditions of newly issued common stock as the resolution from the Extraordinary Shareholders' Meeting no. On December 2, 2011 for the remaining 2,752,165,140 shares after the first right exercise. The Board of Directors has resolved as follows:

1. The resolution to allocate newly issued of 2,752,165,140 common shares at par value of 0.10 Baht to the shareholders by right offering at the ratio of 1 existing share for 1.3056 new shares (any fractions/remainder shall be disregarded). The offering price will be 0.10 Baht per share. In case that there are newly issued common stocks remained from the allocation to shareholders, the Company will allocate them to shareholders who present their intention to exercise their excess right until the shares are totally allocated or not be able to allocate due to remainder or until there is no any shareholders wish to buy such shares.
 2. In case that there are shares remaining from allocation according to right offering or excess right as mentioned in clause 1, it would be offered for private placement or public offering and/or as deemed appropriate by the Board of Directors, the Board of Directors will consider and determine terms on allocating such newly issued common shares.
- 28.5 According to resolution in the Board of Directors' meeting No. 1/2009, held on January 7, 2009 has determined offering date (on January 22, 2009) for sale warrants, issued at first time by Live Incorporation: called LIVE-W1 in the number of 2,300,000,000 units to their existing shareholders. The existing shareholders shall purchase the common shares of Live Incorporation PCL. at selling price of Baht 0 per share: in a ratio of 2 former common shares equivalent to 1 warrant. 1 warrant can be used to buy 1 new common share with exercise price of Baht 0.20. The book closing date is on January 23, 2009. As a result, 2,299,780,337 units of warrants are allocated to existing shareholders and remaining 219,663 units of warrants are already cancelled.

On February 16, 2009, 2,299,780,337 share warrants of the Company were approved to be traded in the Stock Exchange of Thailand and can be exercised in each quarter. The first and last exercise dates will be on March 31, 2009 and January 21, 2014, respectively.

	Unit
Share warrants	2,299,780,337
Warrants exercised	
As at March 31, 2009	(2,020)
As at September 30, 2009	(505)
As at September 30, 2011	(80,000,000)
As at December 31, 2012	(1,500,000)
As at March 31, 2013	(355,768,694)
As at June 30, 2013	(61,587,199)
As at September 30, 2013	(681,566,731)
As at December 31, 2013	(189,571,644)
Warrants had not been exercised As at December 31, 2013	<u>929,783,544</u>
As at January 21, 2014	<u>(821,596,658)</u>
Outstanding Warrants	<u>108,186,886</u>

After the date of the financial statements The Company has received from the exercise of ordinary shares 164,273,073.53 baht. The Company registered the increase in share capital for shares from the exercise with the Department of Business Development. On February 6, 2014 common shares. 1,088,622,091 shares The shares will be allowed to make the purchase - sale. Stock Exchange of Thailand on 13 February 2014.

As at December 31, 2013 The Company has received from the exercise of ordinary shares 38,065,595.61 baht. The Company registered the increase in share capital for shares from the exercise with the Department of Business Development. January 6, 2014 is 251,182,425 ordinary shares of the stock. The shares will be allowed to make the purchase - sale. Stock Exchange of Thailand on 10 January 2014.

As at September 30, 2013, The Company recorded cash receipt from warrants exercise of Baht 126,260,291.18 After end of period, The Company recorded cash receipt from warrants exercise of Baht 10,013,120.46. The Company registered the increase in paid-up share capital from such exercise with the Department of Business Development on October 4, 2013 for 785,437,496 common shares. The increase share capital was approved to be traded in Stock Exchange of Thailand on October 9, 2013.

As at June 30, 2013, The Company recorded cash receipt from warrants exercise of Baht 12,313,830.62 The Company registered the increase in paid-up share capital from such exercise with the Department of Business Development on July 3, 2013 for 70,973,088 common shares. The increase share capital was approved to be traded in Stock Exchange of Thailand on July 8, 2013.

As at March 31, 2013, The Company recorded cash receipt from warrants exercise of Baht 71,132,890.25 The Company registered the increase in paid-up share capital from such exercise with the Department of Business Development on April 2, 2013 for 409,987,840 common shares. The increase share capital was approved to be traded in Stock Exchange of Thailand on April 5, 2013.

As at December 31, 2012, The Company recorded cash receipt from warrants exercise of Baht 299,912.10 The Company registered the increase in paid-up share capital from such exercise with the Department of Business Development on January 4, 2013 for 1,728,600 common shares. The increase share capital was approved to be traded in Stock Exchange of Thailand on January 21, 2013.

29. EARNINGS (LOSS) PER SHARE

Diluted earnings (loss) per share is calculated by dividing the net profit (loss) attributable to equity holders of the parent by the weighted average number of ordinary shares assuming conversion of warrants to ordinary shares.

	For the years ended December 31,			
	Consolidated		Separated	
	financial statements		financial statements	
	2013	2012	2013	2012
Weighted average number of common shares (basic) (shares)	3,513,061,510	2,465,682,937	3,513,061,510	2,465,682,937
Effect of conversion of warrants (shares)	691,983,613	894,835,952	691,983,613	894,835,952
Weighted average number of common shares (diluted) (shares)	4,205,045,123	3,360,518,889	4,205,045,123	3,360,518,889

30. SEGMENT INFORMATION

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

Segment performance is considered by revenue and gross profit, and is also measured based on the group operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements.

The Group operating business which are almost carried on in Thailand and operating core business, is as follows:

- A) Revenues from television media
- B) Rental income on advertising space
- C) Revenues from digital channel management

The details of segment information in the Group for the years ended December 31, 2013 are as follows:

Million Baht						
	A)	B)	C)	Total	Eliminated	Total
For the years ended December 31, 2013						
Revenues	30.52	64.86	243.49	338.87	(35.07)	303.80
Cost of sales and services	(29.60)	(30.08)	(137.06)	(196.74)	30.18	(166.56)
Gross profit (loss)	0.92	34.78	106.43	142.13	(4.89)	137.24
Assets segment as at December 31, 2013						
Leasehold improvement and equipment - net by segment	0.38	40.94	50.01	91.33	(0.07)	91.26
Intangible assets - net	-	0.05	4.89	4.94	-	4.94
Other assets						556.66
Total						652.86

The details of segment information in the Group for the years ended December 31, 2012 (Revised) are as follows:

Million Baht						
	A)	B)	C)	Total	Eliminated	Total
For the years ended December 31, 2012						
Revenues	36.17	56.75	227.53	320.45	(45.37)	275.08
Cost of sales and services	(54.94)	(36.95)	(130.87)	(222.76)	46.03	(176.73)
Gross profit (loss)	(18.77)	19.80	96.66	97.69	0.66	98.35
Assets segment as at December 31, 2012						
Leasehold improvement and equipment - net by segment	9.66	32.29	51.02	92.97	(0.11)	92.86
Intangible assets - net	0.68	-	0.09	0.77	-	0.77
Other assets						171.60
Total						265.23

31. OTHER EXPENSES

Other expenses for the years ended December 31, 2013 and 2012 are as follows:

	Baht			
	Consolidated financial statements		Separated financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Bad debt and doubtful accounts	2,354,874	5,821,486	-	94,757,668
Loss on impairment of assets	853,907	6,369,532	-	-
Loss on impairment of investment in subsidiaries	-	-	999,700	999,700
Loss on provision for liabilities of subsidiaries (reversal of) *	-	-	-	(32,521,130)
Loss on of write – off film and program right	-	11,292,193	-	-
Loss on foreign exchange rate	-	1,429,292	-	-
Compensation expense for employee termination	269,560	6,578,665	-	-
Others	335,670	339,185	-	-
Total	3,814,011	31,830,353	999,700	63,236,238

* In year 2012 the Company has reversed of provision for liabilities of subsidiary, as the Group loan to repay external debt. The Company has recorded its allowance in full amount already.

32. Income tax

During the year ended December 31, 2013 and 2012, income tax expense as follows;

	Baht			
	Consolidated financial statements		Separated financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Income tax				
Income tax for the year	2,808,109	1,289,979	-	-
Defer income tax:				
Deferred income tax effects of temporary difference and the reversal of temporary differences (Note 23)	(9,788,707)	(12,835)	(14,323,735)	-
Operating expense (income) tax presented in the statement of comprehensive income	<u>(6,980,598)</u>	<u>1,277,144</u>	<u>(14,323,735)</u>	<u>-</u>

Income tax recognized directly in equity

	Baht			
	Consolidated financial statements			
	Percentage	2013	Percentage	2012
Profit before income tax expense		25,196,865		4,800,957
Income tax using the Thai corporation tax rate	20	5,039,373	23	1,104,220
Income not subject to tax		(2,502,139)		-
Expense not deductible for tax		270,875		185,759
Total	11	<u>2,808,109</u>	27	<u>1,289,979</u>

Baht				
Separated financial statements				
	Percentage	2013	Percentage	2012
Profit before income tax expense		<u>83,049,283</u>		<u>(13,733,147)</u>
Income tax using the Thai corporation tax rate	20	16,609,857	23	(3,158,624)
Income not subject to tax		(2,219,776)		(7,509,036)
Expense not deductible for tax		955,458		22,288,655
Loss carry forward less than 5 years		<u>(74,633,760)</u>		<u>(97,792,643)</u>
Total		<u><u>(59,288,221)</u></u>		<u><u>(86,171,648)</u></u>

Income tax reduction

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

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

33. EXPENSES BY NATURE

Expenses by nature for the years ended December 31, 2013 and 2012 are as follows:

	Baht			
	Consolidated financial statements		Separated financial statements	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Staff costs	23,953,327	24,452,875	12,082,842	7,198,745
Depreciation and amortization	26,721,148	56,119,872	4,685,296	82,160
Cost of services	176,034,892	84,763,039	88,132,961	68,204,683
Rental expenses	8,565,581	4,847,169	6,129,066	1,658,453
NBTC fee (Note 36.1.8)	3,935,676	-	2,326,676	-
Other expenses (Note 31)	3,814,011	31,830,353	999,700	63,236,238

34. REGISTERED PROVIDENT FUND PLAN

The Group established a contributory registered provident fund in accordance with the Provident Fund Act.B.E. 2530. Under the plan, the Group and employees contribute to the fund at certain percentage of the employee's basic salary. The Company appointed a fund manager to manage the fund in accordance with the terms and conditions prescribed in the Ministerial Regulation No.2 (B.E. 2532) issued under the Provident Fund Act B.E.2530.

35. FINANCIAL INSTRUMENTS

35.1 Liquidity risk

Liquidity risk, or funding risk, is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

35.2 Foreign currency risk

The Group is exposed to the foreign currency risk because of their foreign currency transactions. The Group does not enter into any foreign currency derivative contract to hedge the currency risk.

As at December 31, 2013, the subsidiary has financial assets and liabilities in foreign currency which are not hedged as follow:

	Currency	Subsidiary
Other accounts receivable	US. Dollar	3,000
Deposits	US. Dollar	4,800
Film and program rights payable	US. Dollar	182,500

35.3 Interest rate risk

The Group were exposed to interest risks because it held deposits to and loan from financial institutions, loans from and loans to related parties and factoring payable. However, The Group believed that the future fluctuation on market interest rate would not provided significant effect to their operation and cash flow; therefore, no financial derivative was adopted to manage such risks.

35.4 Credit risk

Credit risk is the risk that the counterparts are unable or unwilling to meet a commitment that they entered into with the Group. This risk is controlled by the application of credit approvals, limits and monitoring procedures. The maximum credit risk exposure is the carrying amount of accounts receivable after deduction of allowance for doubtful accounts, and allowance for goods returned as presented in the notes to interim financial statements. As disclosed in the Group's notes to interim financial statements, the information was indicated that the Group is facing credit risk regarding the ability of monitoring debtors.

35.5 Fair value of financial instruments

Fair value is defined as the amount that could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction. Fair values are obtained from quoted market prices, discounted cash flow models or net asset values as appropriate.

The following methods and assumptions are used to estimate the fair value of each class of financial assets and liabilities.

Cash and cash equivalents, accounts receivable and payable, accrued income, loans to and loans from, accrued expenses, liabilities under hire purchase agreements and financial lease agreements the carrying values approximate their fair values due to relatively short-term maturity of these financial instruments.

Investments in non - marketable securities - a reasonable estimate of fair value, which has been calculated based on the underlying net asset base for such investments, approximated their carrying value stated in the consolidated statements of financial position and the separated statements of financial position.

36. COMMITMENTS AND CONTINGENT LIABILITIES

As at December 31, 2013, the Group has commitments according to agreements and contingent liabilities as follows:

36.1 Commitments according to agreements

36.1.1 The Group have commitment to paid for rental and service as follows:

Year	Million Baht	
	Company	Subsidiaries
2014	7.83	9.86
2015	7.43	3.59
2016	3.35	1.26

36.1.2 The Company has commitment from rental for satellite signal agreement as specified in the agreement until August 2017.

36.1.3 The Company has commitment from building design agreement and professional fee in conduction of office building construction amounting to Baht 0.66 million. and installment by the period of office building construction agreement.

36.1.4 The Company and Subsidiary has commitment from consultant agreement amounting to Baht 6.59 million.

36.1.5 As of July 1, 2012, the Company has rental land agreement for 5 year with the related company in order to build new office building. The rental fee shall be paid in an annual basis as follow,

Years	Amount (Million Baht)
2014	3.00
2015	3.30
2016	3.60
2017	1.80

After the ended of rental land agreement, Lesser agreed to prolong the rental period term to 3 years in each time. In every 3-years prolong period, lessor can increase the rental fee by 10% of the current rental fee. To be eligible to do that, tenant shall notify lessor in advance by letter no more than 3 months.

At the extraordinary shareholders' meeting of Live Incorporation Public Company Limited No.1/2012 on October 31, 2012, the shareholders approved the rental land contract.

- 36.1.6 The Board of directors meeting held on August 5, 2013 has resolved to a construction agreement to build an office building on leased land (Note 36.1.5) with a none-related company, amount of more than Baht 70.00 million (including VAT). The Company has commitment from construction agreement amounting to Baht 42.50 million.
- 36.1.7 Obligation for right of exploitation agreement amounting to Baht 6.25 million as discussed in the note 21.
- 36.1.8 License from the National broadcasting or telecommunications.

The Company and two subsidiaries have got an International Direct Dialing License from the National Broadcasting and Telecommunications Commission (NBTC) to provide telecommunication services as follows ;

Company	Period
Live Incorporation Co., Ltd. license	
Radio or television broadcasting business	September 2, 2013 – September 1, 2028
License for the radio or television	
Network services (not using radio)	
License from the national broadcasting or telecommunications	January 21, 2013 – January 20, 2014, Proceed license renewal
V like channel	
Thaichaiyo TV Co., Ltd. license	
License from the national broadcasting or telecommunications	January 21, 2013 – January 20, 2014, Proceed license renewal
ThaiChaiyo Channel	
Pop TV Co., Ltd license	
License from the national broadcasting or telecommunications	January 21, 2013 – January 20, 2014, Proceed license renewal
POP TV Channel	

The Company and its subsidiaries are obligated to comply with statutory requirements and the NBTC. Permit the Company and its subsidiaries have been.

36.2 Contingent liabilities

- 36.2.1 The Company has contingent liability from guarantee for associated' credit line amounting to Baht 130.78 million (Note 14.3)
- 36.2.2 The Subsidiaries has contingent liability from letter of guarantee issued by bank for guarantee rental agreements amounting of Baht 2.26 million, which are guaranteed by deposits at financial institutions (Note 13).

37. LAWSUIT

- 37.1 On December 3, 2012, A subsidiary has been sued to the bankruptcy Court by creditor in the default of the payment for the rights to broadcasting amounting of Baht 17.53 million plus interest rate of 18% per annum since the default date until the payment is made, at present during the investigation of the Plaintiff, The Company's management believes that the results will not have a significant impact on the financial statements. The Company's law consultant has the opinion And on January 16, 2014, a subsidiary and such account payable has debt restructuring and a subsidiary agreed to repayment for such payable by amount of Baht 7 million, and finally on March 25, 2014.
- 37.2 On September 3, 2013, a subsidiary has been sued to pay for the damages expense from stopped service render. The Court judged the adjudication on July 29, 2013, and the Company's lawyer has concluded such adjudication that a subsidiary has to cancel service render to the plaintiff and if the subsidiary does not proceed or not be able to proceed, a subsidiary has to pay for the damages expense by Baht of 277,500 per month since the sue date (September 3, 2012) until August 19, 2014. And on December 26, 2013, the Company's lawyer has letter to inform to the plaintiff and plaintiff's lawyer about the adjudication compliance (cancellation of signal withhold and deliver the signal channel to the plaintiff), and a letter of notification of a delivery of bandwidth to provide a service as promised in the contract was sent to the plaintiff again on January 21, 2014 as well as the argument was filed to the Civil Court Ministry of Justice for paying the attorney's fee and other costs according to the judgment of the court and also reporting the completion of compliance with the judgment to the court. The Company's lawyer has an opinion that a subsidiary has not to pay for such damage expense due to the judgment of the court imposed the conditions for the subsidiary to act gradually by firstly ordering the subsidiary to terminate a suspension of service usage and deliver the bandwidth. After proceeding these actions, the subsidiary shall not be liable for a damage payment. If the subsidiary does not proceed or cannot proceed the actions, the subsidiary shall be liable for a damage payment as the judgment since the date of filing to the contract's expiry date. The judgment does not enforce the subsidiary to be liable to pay for damage since the date of filing to the date of delivery of bandwidth. So, a subsidiary has not recorded for liability as such adjudication in the financial statement.

38. EVENTS AFTER THE REPORTING PERIOD

The Company has loans to an associated company – Strega Company Limited, by the promissory note by 3 issues, at call, amount by Baht of 45 million, interest charged by 6.875% per annum, according to, the resolution of Board of director No. 11/2013, December 13, 2013 and No. 1/2014, January 14, 2014, respectively. And on February 10, 2014 the associated payment of principal and interest amount by Baht of 10.06 million. (Interest amount by Baht of 0.06 million)

39. RECLASSIFICATION

Certain amounts in the financial statements for the year ended December 31, 2012, have been reclassified to conform to the current period, which no effect on net income or shareholders' equity previously reported. The Company's management believes that the results will not have a significant impact on the financial statements.

40. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Board of directors on February 24, 2014.

Share Registrar (Ordinary Share)

Thailand Securities Depository Co., Ltd.
62 The Stock Exchange of Thailand Building, Ratchadapisek Road,
Khwaeng Klongtoey, Khet Klongtoey, Bangkok 10110
Telephone: 0-2229-2800, Fax: 0-2359-1259
Call center 0-2229-2888
<http://www.tsd.co.th>

Auditor

Ms. Kannika Wipanurat, Certificated Public Accountant with Registration no. 7305
Grand Audit Co., Ltd.
6 Fl., Room B1, Boonmitr Building, 138 Silom Road, Bangrak, Bangkok 10500
Telephone: 0-2634-2484-6, Fax: 0-2634-2668

Legal Advisor

Damrongtham Law Office
63 Sukhumvit Soi 8, Klongtoey, Bangkok 10110
Telephone: 0-2653-1133, Fax: 0-2653-1135

Others

(To report on lost share certificates, change in shareholders' information and shareholders services)
Counter Service located on the first floor of the Stock Exchange of Thailand Building,
Telephone: 0-2229-2888 (Call center)
Or Securities Issuer Services Unit, Registration Services Department
Thailand Securities Depository Co., Ltd.
2/7 Moo 4 (North Park Development Project), Vibhavadee Rangsit Road,
Khwaeng Tung Song Hong, Khet Laksi, Bangkok 10210
Telephone: 0-2596-9302-12, Fax: 0-2832-4994-6

Live Radio Co., Ltd.
 390 Ramkamhaeng Rd., Khwaeng Hua Mark, Khet Bangkapi Bangkok
 10240
 Tel No. 0-2736-3850
 Fax No. 0-2736-3851
 Type of Business Radio Broadcasting_(Dissolution of subsidiaries is in the settlement process.)
 No. of ordinary shares 1,000,000 Shares
 Par value 100 Baht
 Portions of Shares held 97.5%

Digital Right Pictures Public Co., Ltd.
 390 Ramkamhaeng Rd., Khwaeng Hua Mark, Khet Bangkapi Bangkok
 10240
 Tel No. 0-2736-3850
 Fax No. 0-2736-3851
 Type of Business Production and distribution of movies products (Dissolution of subsidiaries is in the settlement process.)
 No. of ordinary shares 57,600,000 Shares
 Par value 10 Baht
 Portions of Shares held 99.9%

Live TV Co., Ltd.
 390 Ramkamhaeng Rd., Khwaeng Hua Mark, Khet Bangkapi Bangkok
 10240
 Tel No. 0-2736-3850
 Fax No. 0-2736-3851
 Type of Business Production of TV programs for Pay TV
 No. of ordinary shares 1,540,000 Shares
 Par value 100 Baht
 Portions of Shares held 90.1%

Trillion Television Co., Ltd.
 390 Ramkamhaeng Rd., Khwaeng Hua Mark, Khet Bangkapi Bangkok
 10240
 Tel No. 0-2736-3850
 Fax No. 0-2736-3851
 Type of Business Production of TV program, promotion and distribution of advertising media (Completed the registration for liquidation on October 18, 2013.)
 No. of ordinary shares 200,000 Shares
 Par value 10 Baht
 Portions of Shares held 30%

Live Media Group Public Co., Ltd.
 390 Ramkamhaeng Rd., Khwaeng Hua Mark, Khet Bangkapi Bangkok
 10240
 Tel No. 0-2736-3850
 Fax No. 0-2736-3851
 Type of Business Provision of advertising service creation and leasing of advertising billboards
 No. of ordinary shares 450,000 Shares
 Par value 100 Baht
 Portions of Shares held 99.9%

Box Office Entertainment Co., Ltd.
 55/39 Ratchadapisek Rd., Khwaeng Dindaeng, Khet Dindaeng, Bangkok 10400
 Tel No. 0-2639-0485-6
 Fax No. 0-2639-0489
 Type of Business Import copyrights of foreign movies and production of Thai movies
 No. of ordinary shares 1,000,000 Shares
 Par value 100 Baht
 Portions of Shares held 40%

In and On Studio Co., Ltd.

390 Ramkamhaeng Rd., Khwaeng Hua Mark, Khet Bangkapi Bangkok
10240

Tel No.	0-2736-3850
Fax No.	0-2736-3851
Type of Business	Concert organizer (Dissolution of subsidiaries is in the settlement process.)

No. of ordinary shares	2,000,000 Shares
Par value	10 Baht
Portions of Shares held	99.9%

UMG Entertainment Co., Ltd.

388 SPP Building 9th Floor, Paholyothin Rd., Khwaeng Samsen-nai,
Khet Phya Thai, Bangkok 10400

Tel No.	0-2617-2799
Fax No.	0-2279-8314
Type of Business	Movie theatres

No. of ordinary shares	10,000,000 Shares
Par value	10 Baht
Portions of Shares held	15%

Thaichaiyo TV Co., Ltd.

390 Ramkamhaeng Rd., Khwaeng Hua Mark, Khet Bangkapi Bangkok
10240

Tel No.	0-2736-3850
Fax No.	0-2736-3851
Type of Business	Sattellite TV
No. of ordinary shares	10,000 Shares
Par value	100 Baht
Portions of Shares held	99.9%

POP TV Co., Ltd.

390 Ramkamhaeng Rd., Khwaeng Hua Mark, Khet Bangkapi Bangkok
10240

Tel No.	0-2736-3850
Fax No.	0-2736-3851
Type of Business	Sattellite TV
No. of ordinary shares	10,000 Shares
Par value	100 Baht
Portions of Shares held	99.9%

LSB Services Co., Ltd.

390 Ramkamhaeng Rd., Khwaeng Hua Mark, Khet Bangkapi Bangkok
10240

Tel No.	0-2736-3850
Fax No.	0-2736-3851
Type of Business	Service provider in broadcasting, rental services for studio and broadcasting equipment

No. of ordinary shares	50,000 Shares
Par value	100 Baht
Portions of Shares held	99.9%

Strega Co., Ltd.

8/58 Moo 8, Bungkamproi, Lumlukka, Patumthani 12150

Tel No.	0-2987-9667, 0-2569-2258-9
Fax No.	0-2987-9668
Type of Business	Horizontal Directional Drilling (HDD)

No. of ordinary shares	600,000 Shares
Par value	100 Baht
Portions of Shares held	40.0%

OUR NEW OFFICE



LIVE INCORPORATION PUBLIC CO., LTD.

390 Ramkhamhaeng Rd., Huamark,

Bangkapi, Bangkok 10240

Tel. 0-2736-3850 Fax. 0-736-3851

www.live.co.th