

(Translation)

14 November 2016

Subject: Clarification on the reason that the auditor did not reach any conclusion of the Interim Financial Statements for the three-month and nine-month periods ending 30 September 2016

Attention: President
Stock Exchange of Thailand

Reference is made to the fact that Nation Broadcasting Corporation Public Company Limited (the “**Company**”) had prepared the Interim Financial Statements for the three-month and nine-month periods ending 30 September 2016, and that the auditor had performed its duty in reviewing such Interim Financial Statements but did not reach any conclusion of such Interim Financial Statements from the following facts:

(1) The Company had postponed the Extraordinary General Meeting of Shareholders No. 1/2016, on 7 November 2016, due to the quorum of meeting was not constituted according to the laws and the Articles of Association of the Company as informed earlier. The reason that Nation Multimedia Group Public Company Limited (“**NMG**”), (the major shareholder holding shares in the amount of 71.45 percent of total shares sold), could not attend such Extraordinary General Meeting of Shareholders No. 1/2016 and caused that the quorum of meeting of the Company was not constituted due to the objection of the application for registration of the appointment of directors of NMG has been submitted to the Ministry of Commerce. NMG, therefore, could not provide the Affidavit presenting the new names of authorized directors of NMG along with the proxy documents in accordance with the criteria on the proxy documents required.

(2) Although the Company still has the directors but they are not able to convene the Board of Directors’ meeting, due to the number of the remaining directors of the Company is less than half of the total number of the directors, then a quorum of the Board of Directors’ meeting cannot be constituted to consider any other matters, and such remaining directors are not the authorized directors of the Company.

Due to the above facts, the Company would like to clarify that the reason for the auditor’s not to reach any conclusion of such Interim Financial Statements is neither due to the inaccuracy of the information nor the deficiency in the preparation of such information, but it is because of the limitation of current situation. As a result of the Company was unable to convene the Board of Directors’ meeting to consider and approve the procedures with respect to the auditor in support of the reviewing process and the provision of opinions of the auditor as follows:

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1. Documentation evidencing the Board of Directors' resolution resolving to approve the Interim Financial Statements for the three-month and nine-month periods ending 30 September 2016;
2. Documentation evidencing that the Board of Directors has taken into account the appropriateness of the preparation of the estimated discounted cash flow in the estimate of impairment of the book value of the license for use of the frequency and the license for the operation the television business of the subsidiary.
3. Documentation evidencing the issuance of the letter on the executives' responsibilities on the Interim Financial Statements for the three-month and nine-month periods ending 30 September 2016.

In this regard, after NMG has already registered the change of directors, the Company will convene the Extraordinary General Meeting of Shareholders No. 1/2016, as postponed from 7 November 2016, as soon as possible, to appoint the directors in order to eliminate any reason that obstructs the performance of duties of the auditor, and will inform you of the progress on the matter accordingly.

Please be informed accordingly.

Sincerely yours,

Miss Vipaporn Aunsuk
Senior Vice President – Accounting
For and on behalf of the Company