



NATION
GROUP



ANNUAL REPORT

2019

NATION MULTIMEDIA GROUP
PUBLIC COMPANY LIMITED



The logo for NATION GROUP, featuring the words "NATION" and "GROUP" in a sans-serif font, with a stylized graphic of blue and green dots to the right.

NATION
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ANNUAL REPORT 2019

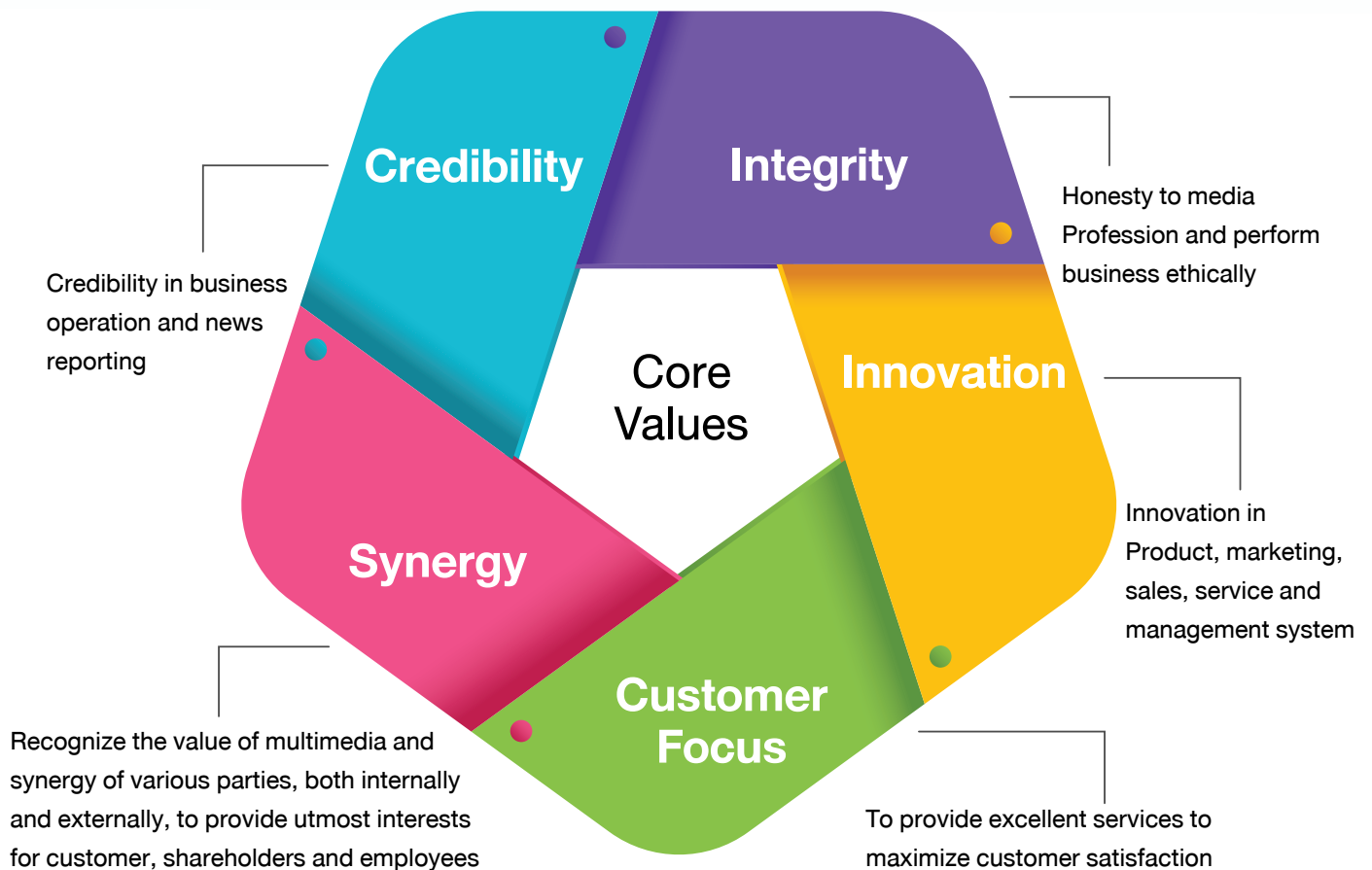
NATION MULTIMEDIA GROUP
PUBLIC COMPANY LIMITED

Vision Statement

The Multimedia group that reaches every household

Mission Statement

To inform, educate, entertain and inspire in the most trustworthy, timely and creative manner



Content

General Information	4
Summary of Financial Data and Investments	8
Chairman's Message	11
The Board of Directors	12
Management Team	22
Business Group Structure 2020	33
Business Network	34
Industry and Competition Overview	48
Risk Factors	51
List of Major Shareholders	59
Good Corporate Governance Report	60
Internal Control and Risk Management	92
Corporate Social and Environmental Responsibility in 2019	93
Awards for Nation Group Companies in 2019	98
Characteristics of the Business	101
Audit Committee Report for the year 2019	102
Report of the Board of Director's Responsibilities to the Financial Report For the year 2019 Nation Multimedia Group Public Company Limited	104
Results of the Consolidated Financial Statements	107
Financial Statement	109
Other Reference Persons	198

General Information

Name

Nation Multimedia Group Public Company Limited

Head Office Address

1854, 9th, 10th, 11st Floor, Debaratna Road, Bangna-Tai, Bangna, Bangkok 10260

Telephone

(662) 338-3333

Fax

(662) 338-3938

SET Listing Date

June 9, 1988

Public Company Registration

December 14, 1993 (PLC No. 0107536001524)

Business Lines

The company and subsidiary companies operate four business units as follows:

1. Publishing Unit consists of

Business Line for Thai-language Business News produces Krungthep Turakij newspaper operated by Nation Multimedia Group Public Company Limited (NMG). Krungthep Turakij is a daily business newspaper, which has been the most trusted for 33 years.

Business Line for Thai-language General News produces Kom Chad Luek newspaper operated by Nation Multimedia Group Public Company Limited (NMG) (ceased publication on April 9, 2020). Kom Chad Luek is a daily newspaper that offers new options to readers by presenting news content from the team of leading columnists with extensive experience from various circles. It is designed with the aim of making every news, every image and every article to be accurate yet colorful, and with a “creative difference” focusing on social responsibility with knowledge that is suitable for everyone in the family.

Business Line for English News produces The Nation newspaper operated by Nation Multimedia Group Public Company Limited (NMG) (ceased publication on April 9, 2019). The Nation ceased printing newspaper editions but has brought its content into a full online platform since July 1, 2019, on the website of nationthailand.com. Readers can follow the news from anywhere in the world via digital devices such as notebooks, tablets, mobile phones for 24 hours.



2. Broadcasting Unit

Broadcasting Unit produces programs for broadcast on television and New Media and is a license holder of 2 digital TV channels as follows:

Nation TV Channel 22 is licensed by NBC Next Vision Company Limited (NNV) (a subsidiary of NBC) operated by NBC.

NOW26 is licensed and operated by Bangkok Business Broadcasting Co., Ltd. (BBB), changed the names of company and channel to Spring26 Co., Ltd. (SPN) on the Spring26 channel on February 15, 2019 (A subsidiary of NMG). It is approved by the National Broadcasting and Telecommunication Commission to return the license and cease broadcasting from August 16, 2019.

3. Event Marketing Unit

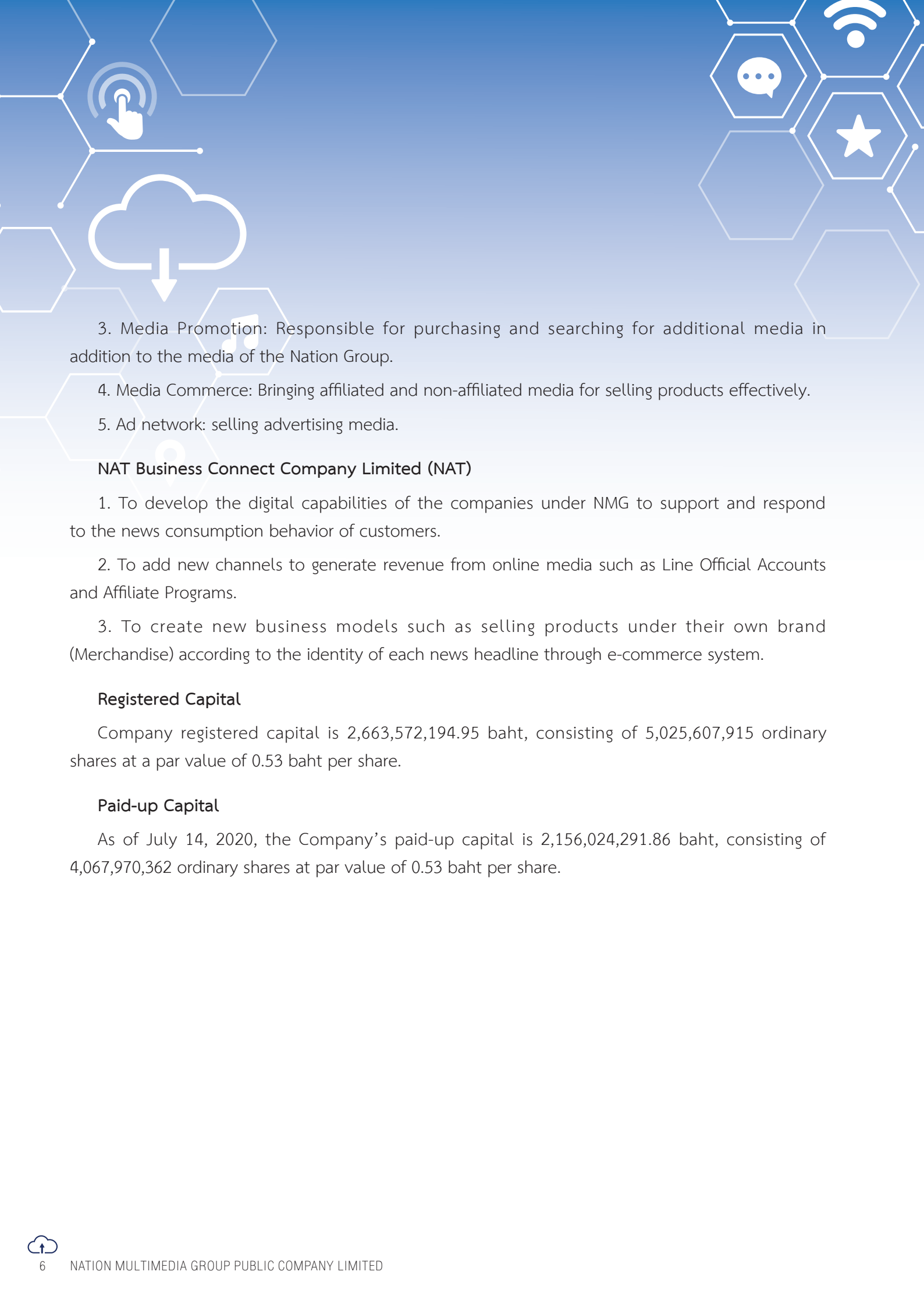
Organizing an event or activity is another business unit of the Nation Group, which is an extension built on the news potential of all affiliated media to expand the role of quality “intermediary” in connecting all sectors. This unit is to lead to sustainable growth of Thai society in the dimensions of enhancing knowledge and understanding on new issues that will have an impact on economy, business, society, politics, culture and health. The unit aims to expand the effect of publishing through media across different platforms of the Nation Group.

4. New Media Unit

New Media Unit is run by the company in a “Digital Disruption” situation that has impacted the overall of the publishing industry during the year 2018-2020. Nation Group adjusts its strategies to increase revenue streams to replace the main media that start to reduce print media revenues. One strategy is to adjust the business structure to be New Media group to be in line with earning through digital media. Another is to deliver news and content, which Nation Group is already a leader as a Content Provider, offering all platforms including online, website, Facebook, Twitter, and applications operated under its subsidiaries as below:

Nation Digital Content Company Limited (NDI)

1. Media Production: Producing digital media for all nations and for other customers.
2. Media Distribution: Owning digital channels for distribution of various media such as website, Facebook, Instagram, YouTube, LINE, Twitter and other related digital media of the Nation Group.



3. Media Promotion: Responsible for purchasing and searching for additional media in addition to the media of the Nation Group.

4. Media Commerce: Bringing affiliated and non-affiliated media for selling products effectively.

5. Ad network: selling advertising media.

NAT Business Connect Company Limited (NAT)

1. To develop the digital capabilities of the companies under NMG to support and respond to the news consumption behavior of customers.

2. To add new channels to generate revenue from online media such as Line Official Accounts and Affiliate Programs.

3. To create new business models such as selling products under their own brand (Merchandise) according to the identity of each news headline through e-commerce system.

Registered Capital

Company registered capital is 2,663,572,194.95 baht, consisting of 5,025,607,915 ordinary shares at a par value of 0.53 baht per share.

Paid-up Capital

As of July 14, 2020, the Company's paid-up capital is 2,156,024,291.86 baht, consisting of 4,067,970,362 ordinary shares at par value of 0.53 baht per share.



Summary of Financial Data and Investments

(Unit : in Million Baht)

1. Data from Consolidated Financial Statements	2019	2018	2017
• Revenues from Sales and Rendering of Services	1,198.93	1,374.39	1,650.66
• Total Income	1,812.88	1,488.44	1,710.85
• Gross Profit Margin	161.91	344.44	168.05
• Profit (Loss) before Interest, Taxes, Depreciation and Amortisation	190.68	1,017.41	(1,579.66)
• Net Profit (Loss)	(2.10)	290.50	(2,378.35)
• Total Assets	1,349.06	3,755.49	4,069.93
• Total Equity	370.15	384.09	134.52
2. Financial Ratios	2019	2018	2017
• Total Debts to Equity (Times)	2.64	8.78	29.26
• Gross Profit Margin (%)	13.50%	25.06%	10.18%
• Net Profit (Loss) on Total Income (%)	-0.12%	19.52%	-139.02%
• Return on Equity (%)	-0.87%	123.06%	-22,617.47%
• Return on Total Assets (%)	-0.08%	7.42%	-45.50%
• Earnings (Loss) per Share (Baht)			
Earnings (loss) per share from continuing operations	0.005	0.11	(0.50)
Loss per share from discontinued operations	-	(0.05)	(0.03)
• Book Value per Share (Baht)	0.09	0.09	0.03

Dividend Policy

The Company has a policy to pay dividend to shareholders of no less than 65 percent of net profit (separate financial statements) after corporate income tax, legal reserve and other reserves. However, the dividend payment is subject to the investment plan, business necessity, and other suitable causes in the future. The Board of Director's resolution to pay dividend must be approved at the shareholder's meeting, except for payment of interim dividend at which the Board of Directors have authority to approve and must report such payment at the next shareholder's meeting.

Investments in direct and indirect Subsidiaries of Nation Multimedia Group PCL. as of 31 December 2019

	Authorised and paid share capital (Million Baht)	Percentage of Investments (%)
PUBLISHING BUSINESS		
Kom Chad Luek Media Co., Ltd.	25	99.99
Krungthep Turakij Media Co., Ltd.	25	99.99
BROADCASTING BUSINESS		
Nation Broadcasting Corporation PCL.	535.44	71.45
NBC Next Vision Co., Ltd. (Invested by Nation Broadcasting Corporation PCL. 99.99%)	800	-
NEW MEDIA BUSINESS		
Nation Digital Content Co., Ltd (formerly, Spring 26 Co., Ltd.)	1,500	99.99
Swenn Corporation Co., Ltd. (formerly, Nation News Network Co., Ltd.)	50	99.99
Springnews Co., Ltd	0.25	99.99
Nat Business Connect Co., Ltd (Invested by Krungthep Turakij Media Co., Ltd. 99.99%)	25	-
Investments in Associated Company of Nation Multimedia Group PCL. as of 31 December 2019		
	Authorised and paid share capital (Million Baht)	Percentage of Investments (%)
Yomiuri-Nation Information Service Limited	4	45

(Registered the liquidation on 1 November 2018 and the process of the liquidation is completed on 8 June 2020)



Chairman's Message

The past year 2019 experienced the year of corporate and business restructuring of Nation Multimedia Group Public Company Limited in order to support technological changes (Disruption) from the sale of investments and non-core businesses of the Group. Such attempts were to reduce the burden of losses and liabilities, and the only remaining core business is media across platforms and leveraging core businesses to generate additional revenue from the traditional media recession.

The Group has also adjusted human resource management both recruiting new personnel and training of existing personnel to be in line with the new media business. This will generate a solid income in the group's core business, along with running the business in line with the Group's strategy leveraging both offline (old media), online (new media) and on-the-ground (event) capabilities. By exploiting its various content strengths, the Group can expand its business in the next three years' business plan (2020-2022).

However, the pandemic of COVID-19 from the fourth quarter of 2019 and continuing in 2020 have not been resolved. It causes impacts in every industry as well as inevitably affects the businesses in the Group's companies.

The Group needed to revise their original three-year roadmap to a faster and more online platform. This plan includes organizational restructuring to accommodate the New Normal by adjusting both ways of thinking, working, and generating revenues. However, it still maintains producing outstanding contents that are fast and reliable in accordance with social and national responsibilities.

I and the management of Nation Multimedia Group Public Company Limited are confident that this corporate reorganization to increase efficiency and prepare for changes that may occur. This will be able to overcome obstacles and lead this organization to steady growth, able to continue to be alongside Thai society for the confidence of shareholders and readers - the media audience of the Nation group to stand together.



Mr. Marut Arthakaivalvatee

Chairman



The Board Directors

4.Mr. Apivut Thongkam
Independent Director and
Chairman of The Audit Committee

5.Mr. Chaiyasit Puvapiromquan
Independent Director
and Member of the Audit Committee

9.Mr. Ka Ming Jacky Lam
Director and Member of the Nomination
and Remuneration Committee

8.Ms.Salinee Wangtal
Independent Director

2.Mr. Shine Bunnag
Director, Vice Chairman
of the Board of Directors No. 1,
Chairman of the Executive Committee
and Chief Executive Officer

6.Mr. Thanachai Santichaikul
Independent Director, Member of the
Audit Committee and Chairman of the
Nomination and Remuneration Committee



3.Mr.Somchai Meesen
Director, Executive Director,
Vice President of the Executive Committee
and Member of the Nomination and
Remuneration Committee

1.Mr.Marut Arthakaivalvatee
Chairman of the Board
of Directors and Advisor to the
Executive Committee

7.Mrs. Warangkana Kalayanapradit
Director, Executive Director
and Executive Officer

The Board Directors

Mr. Marut Arthakaivalvatee

**Chairman of the Board of Directors
and Advisor to the Executive Committee**

Age 66 Years

Address 60/12 Soi Chokchai Ruammit, Chomphon Subdistrict,
Chatuchak District, Bangkok 10900

Qualification Master of Business Administration, Chulalongkorn University
Bachelor of Communication Arts, Chulalongkorn University



Training Course

Thai Institute of Directors (IOD)

- Directors Accreditation Program (DAP) 2009
- Anti-Corruption for Executive Program (ACEP) 2014
Academy of Business Creativity Sripatum University
- Academy of Business Creativity (ABC) Class 2/2014

Digital Transformation for CEO

- Digital Transformation for CEO Class 1/2019

No. of Shares Held as at July 14, 2020

- | | | |
|------------------------------|---|-------|
| - Mr. Marut Arthakaivalvatee | - | Share |
| - Spouse | - | Share |
| - Minor Child | - | Share |

Relationship with NMG's Executive

- N/A -

Experience

- | | |
|------------------------|---|
| Sep 28, 2017 – Present | Chairman of the Board of Directors
And Advisor to the Executive
Committee
Nation Multimedia Group Plc. |
|------------------------|---|

Director of other listed companies

- 2016 – Present Vice Chairman
VGI Plc.
- 2016 – Present Member of the Corporate Governance
Committee
VGI Plc.
- 2012 - Present Member of the Nomination and
Remuneration Committee
VGI Plc.
- 2007 – Present Director
VGI Plc.

Director of other non - listed company

- | | |
|----------------|--|
| 2019 – Present | Director
Ads chaophraya Co., Ltd. |
| 2018 – Present | Director
Supremo Media Co., Ltd. |
| 2017 - Present | Director
VGI Global Media (Malaysia) SDN BHD |
| 2017 – Present | Director
The Icon VGI Co., Ltd. |
| 2016 - Present | Chairman of Executive Committee
and Director
Arrow Media Co., Ltd. |
| 2011 - Present | Director
Point of View (POV) Media Group Co., Ltd. |
| 2009 – Present | Director
VGI Advertising Media Co., Ltd. |

Director of a competing company or a related business company

- N/A -

Year of Directorship

Appointed as a Director since September 28, 2017

The Meeting Attendance / Meeting held (Frequency) in 2019

- | | |
|---|-------|
| The Board of Directors | 11/12 |
| The Annual General Meeting of Shareholders | 1/1 |
| The Extraordinary General Meeting of Shareholders | 1/1 |

The Board Directors

Mr. Shine Bunnag

**Director, Vice Chairman of the Board of Directors No. 1,
Chairman of the Executive Committee and Chief Executive Officer**

Age 39 Years

Address 88/8 Soi Sukhumvit 39 (Phrom Phong), Khlong Tan Nuea Subdistrict,
Wattana District, Bangkok 10110

Qualification - Master of Business Administration
Sasin Graduate Institute of Business Administration,
Chulalongkorn University
- Bachelor of The London School of Economics and Political Science (LSE)



Training Course

Thai Institute of Directors (IOD)

- Director Accreditation Program (DAP) Class 78/2009

No. of Shares Held as at July 14, 2020

- Mr.Shine Bunnag	-	Share
- Spouse Miss Watanya Wongopasi	-	Share
- Minor Child	-	Share

Relationship with NMG's Executive

- N/A -

Experience

Apr 1, 2020 – Present	Chief Executive Officer Nation Multimedia Group Plc.
Jan 11, 2019 – Present	Director, Vice Chairman of the Board of Directors No. 1 and Chairman of the Executive Committee Nation Multimedia Group Plc.

Director of other listed companies

Jul 1, 2020 – Present	The Authorized Director as the Acting President Aqua Corporation Plc.
May 14, 2020 – Present	Director Aqua Corporation Plc.
Oct 1, 2019 – Present	Chairman of the Executive Committee Nation Broadcasting Corporation Plc.
Feb 26, 2019 – Present	Director, Vice Chairman of the Board of Director Nation Broadcasting Corporation Plc.
Feb 26, 2019 – Oct 1, 2019	Member of the Executive Committee Nation Broadcasting Corporation Plc.

Director of other non – listed company

Aug 27, 2019 – Present	Director Swenn Corporation Co., Ltd.
July 6, 2017 – Dec 17, 2018	Director, Chairman of the Board of Directors and Chief Executive Officer Thansettakij Multimedia Co., Ltd.
Jun 22, 2017 – Dec 17, 2018	Director, Chairman of the Board of Directors and Chief Executive Officer News Network Multimedia Co., Ltd.
Jun 5, 2017 – Dec 17, 2018	Director, Chairman of the Board of Directors and Chief Executive Officer Spring News Corporation Co., Ltd.

Director of a competing company or a related business company

- N/A -

Year of Directorship

Appointed as a Director since January 11, 2019

The Meeting Attendance / Meeting held (Frequency) in 2019

The Board of Directors	11/11
The Annual General Meeting of Shareholders	1/1
The Extraordinary General Meeting of Shareholders	1/1



The Board Directors

Mr. Somchai Meesen

**Director, Executive Director
and Vice President of the Executive Committee**

Age 53 Years

Address 29/19, Lanna City Park Village, Soi 7, Pa Tan Road,
Mueang District, Chiang Mai Province 50300

Qualification Master of Political Science (Politics), Thammasart University
Bachelor of Arts (History), Chiang Mai University



Training Course

Thai Institute of Directors Association (IOD)

Director Accreditation Program (DAP) Class 161/2019

No. of Shares Held as at July 14, 2020

- Mr. Somchai Meesen	- Share
- Spouse	- Share
- Minor Child	- Share

Relationship with NMG's Executive

- N/A -

Experience

Apr 1, 2020 – Present	Vice President of the Executive Committee
	Nation Multimedia Group Plc.
Jun 26, 2020 – Present	Member of the Nomination and Remuneration Committee
	Nation Multimedia Group Plc.
Jan 3, 2018 – Present	Director and Executive Director
	Nation Multimedia Group Plc.
Jan 3, 2018 - Apr 1, 2020	Chief Executive Officer
	Nation Multimedia Group Plc.

Director of other listed companies

Jun 4, 2020 – Present	Independent Director
	Global Power Synergy Plc.
Jun 21, 2017 – Dec 2, 2019	Chairman of the Board of Directors
	Max Metal Corporation Plc.
Mar 15, 2018 – Aug 16, 2018	Director and Executive Directors
	Nation International Edutainment Plc.
Feb 7, 2018 – Jan 14, 2019	Director and Vice Chairman of the Board of Director
	Nation Broadcasting Corporation Plc.
Jan 13, 2017 – Jun 21, 2018	Director
	AQ Estate Plc.

Director of other non – listed company

Oct 21, 2019 – Present	Director
	Nat Business Connect Co., Ltd.
Jun 15, 2019 – Present	Director
	Nation Digital Content Co., Ltd.
Jan 2017 – Jun 2018	Director
	AQ Village Co., Ltd.
Jan 2017 – Jun 2018	Director
	Aquarius Estate Co., Ltd.
Jan 2017 – Jun 2018	Director
	Baan Chid tara Co., Ltd.
Mar 2017 – Jun 2018	Director
	Aquarius Hotels and Resorts Co., Ltd.
1994 – 2014	Independent radio operator

Director of a competing company or a related business company

- N/A -

Year of Directorship

Appointed as a Director since January 3, 2018

The Meeting Attendance / Meeting held (Frequency) in 2019

The Board of Directors	12/12
The Annual General Meeting of Shareholders	1/1
The Extraordinary General Meeting of Shareholders	1/1

The Board Directors

Mr. Apivut Thongkam

Independent Director and Chairman of The Audit Committee

Age 58 Years

Address 27 Soi Inthamara 37, Junction 2, Din Daeng Subdistrict,
Din Daeng District, Bangkok 10400

Qualification Master of Laws, American University, USA
Master of Comparative Law, Howard University, USA
Thai Bar Association
Bachelor of Laws, Ramkhamhaeng University



Training Course

Thai Institute of Directors Association (IOD)

- Director Certification Program Course (DCP) Class 89/2007
- Chartered Director Class Course (CDC) Class 3/2008

Digital Transformation for CEO

- Digital Transformation for CEO Class 1/2019

World Intellectual Property Organization, Switzerland

- Diploma in Intellectual Property
Criminal Justice School, Michigan
- Diploma in Computer Crime Trends and Crime, School
of Criminal

Thammasat Association under the Royal Patronage

- Executive Diploma Program “Thammasart for Society”
7th class
- Diploma in Executive Course “Senior Executives of
Thammasart Golf Course for Society” 2nd class

National Defence College National Defense Studies Institute

- Diploma of Advance Security Management Prohram, Class 6
- Nation Defense Collage, NationInstitute of Defense [Wor
Por Or class 54 (Por Ror Or class 24)]

Ministry of Justice

- Training in techniques of negotiation, dispute settlement
and crisis resolution, class 1, Ministry of Justice

Dharmniti Seminar and Training Co., Ltd.

- High-level tax accounting seminars for lawyers and businessmen,
Class 1 Central Tax Court

Denpasa, Indonesia

- High-level tax accounting seminars for lawyers and businessmen,
Class 1 Central Tax Court

Lead Business Institute of Cornell University

- Diploma of Global Business Leaders and Lead Business
Institute of Cornell University 1/2016

No. of Shares Held as at July 14, 2020

- Mr. Apivut Thongkam 1,000 Shares
- Spouse - Share
- Minor Child - Share

Relationship with NMG's Executive

- N/A -

Experience

Jan 3, 2018 – Present Independent Director and Chairman
of the Audit Committee
Nation Multimedia Group Plc.

Director of other listed companies

Present	Independent Director Eternal Energy Plc.
Feb 15, 2018 – Aug 29, 2018	Vice Chairman
Sep 14, 2016 – Aug 29, 2018	Executive Director, Nomination and Remuneration Committee and Chief Executive Officer AQ Estate Plc.
2015 – 2017	Vice Chairman News Network Corporation Plc.
2014	Audit Committee Mill Con Steel Plc.
2013	Chairman of the Audit Committee Krisdamahanakorn Plc.

Director of other non - listed company

2011 - 2014	Appeal Board Social Security Office, Ministry of Labor
2011 - 2013	Honorary Advisor to the Energy Commission House of Representatives

Director of a competing company or a related business company

- N/A -

Year of Directorship

Appointed as a Director since January 3, 2018

The Meeting Attendance / Meeting held (Frequency) in 2019

The Board of Directors	10/12
The Audit Committee	5/5
The Annual General Meeting of Shareholders	1/1
The Extraordinary General Meeting of Shareholders	1/1

The Board Directors

Mr. Chaiyasit Puvapiromquan

Independent Director and Member of the Audit Committee

Age 77 Years

Address 1059 Soi On Nut 46, Suan Luang Subdistrict,
Suan Luang District, Bangkok 10250

Qualification Master of Political Science,
Sukhothai Thammarat Open University
Bachelor of Science Physics, Srinakharinwirot University



Training Course

Thai Institute of Directors Association (IOD)

Directors Accreditation Program (DAP) 2015

King Prajadhipok's Institute

Advanced Certificate Course in Management of Public Economics

No. of Shares Held as at July 14, 2020

- Mr. Chaiyasit Puvapiromquan	-	Share
- Spouse	-	Share
- Minor Child	-	Share

Relationship with NMG's Executive

- N/A -

Experience

Sep 28, 2017 – Present	Independent Director and Member of the Audit Committee Nation Multimedia Group Plc.
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Director of other listed companies

2011– Present	Director Master Ad Plc.
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Director of other non – listed company

2012 - Present	Audit Committee and Evaluation Bansomdejchaopraya Rajabhat University
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Director of a competing company or a related business company

N/A -

Year of Directorship

Appointed as a Director since September 28, 2017

The Meeting Attendance / Meeting held (Frequency) in 2019

The Board of Directors	12/12
The Audit Committee	5/5
The Annual General Meeting of Shareholders	1/1
The Extraordinary General Meeting of Shareholders	1/1

The Board Directors

Mr. Thanachai Santichaikul

Independent Director, Member of the Audit Committee and Chairman of the Nomination and Remuneration Committee

Age 66 year

Address 46 Phatthanakan 65 Road, Intersection 1, Prawet Subdistrict, Prawet District, Bangkok 10250

Qualification Master of Business Administration, Thammasat University
Bachelor of Accountancy, Chulalongkorn University
Advanced Diploma in Auditing of Faculty of Commerce and Accountancy, Chulalongkorn University



Training Course

Thai Institute of Directors (IOD)

- Director Certification Program (DCP) Class 18/2002

King Prajadhipok's Institute

- Graduate Diploma in Politics and Governance in Democratic Systems for Executives Course,
- Class 11/2007 King Prajadhipok's Institute

Capital Market Academy

- Capital Market Academy Leadership Program (CMA) No.1/2005

KPMG Phoomchai Audit Ltd.

- Readiness for Personal Data Protection Act (PDPA)
Transfer Pricing Law

No. of Shares Held as at July 14, 2020

- Mr.Thanachai Santichaikul	-	Share
- Spouse	-	Shares
- Minor Child	-	Share

Relationship with NMG's Executive

- N/A -

Experience

Nov 1, 2018 – Present	Independent Director and Member of the Audit Committee Nation Multimedia Group Plc.
Dec 24, 2018 – Present	Chairman of the Nomination and Remuneration Committee Nation Multimedia Group Plc.

Director of other listed companies

June, 2018 - Present	Managing Director Salee Printing Plc.
May, 2018 - Present	Executive Director Salee Printing Plc.
2013 – Present	Independent Director and Audit Committee Eastern Polymer Group Plc.
2013 – Present	Independent Director and Audit Committee M Pictures Entertainment Plc.

Director of other non – listed company

2018 - Present	Chairman and Independent Director AIM REAL ESTATE MANAGEMENT Co., Ltd.
2016 - Present	Chairman and Independent Director AIM REIT Management Co., Ltd.
2016 - Present	Chairman and Audit Committee Siam Syndicate Technology Co., Ltd.

Director of a competing company or a related business company

- N/A -

Year of Directorship

Appointed as a Director since November 1, 2018

The Meeting Attendance / Meeting held (Frequency) in 2019

The Board of Directors	11/12
The Audit Committee	5/5
The Nomination and Remuneration Committee	2/2
The Annual General Meeting of Shareholders	1/1
The Extraordinary General Meeting of Shareholders	1/1

The Board Directors

Mrs. Warangkana Kalayanapradit

Director, Executive Director and Assistant Chief Executive Officer

Age 60 years

Address 1899/61 Perfect Place Village - Ring Road - Ramkhamhaeng 2
Klong Song Ton Nun Subdistrict, Lat Krabang District
Bangkok 10250

Qualification Master of Art in Political Science, Ramkhamhaeng University
Bachelor of Business Administration (Accounting),
Ramkhamhaeng University



Training Course

Thai Institute of Directors (Thai-IOD)

Director Certification Program (DCP) Class 113/2019
Company Secretary Program (CSP) Class 1/2002

Thailand's Private Sector Collective Action Coalition

Against Corruption

Road to Certify Class 3/2019

No. of Shares Held as at July 14, 2020

- Ms. Warangkana Kalayanapradit	2,760	Share
- Spouse	-	Share
- Minor Child	-	Share

Relationship with NMG's Executive

- N/A -

Experience

Oct 9, 2018 - Present	Assistant Chief Executive Officer Nation Multimedia Group Plc.
Oct 9, 2018 - Aug 19, 2020	Director and Executive Director Nation Multimedia Group Plc.
Jan 17, 2018 - Oct 9, 2018	Independent Director and Member of the Audit Committee Nation Multimedia Group Plc.

Director of other listed companies

Aug 14, 2020 - Present	Director Aqua Corporation Plc.
Jun 1, 2020 - Present	Director and Executive Director Nation Broadcasting Corporation Plc.
2014 - Present	Independent Director and Member of the Audit Committee Salee Printing Plc.
2017 - Mar 2019	Consultant Stonehenge Plc.

Director of other non - listed company

Jun 1, 2020 - Present	Director NAT Business Connect Co., Ltd.
Jun 1, 2020 - Present	Director Swenn Corporation Co., Ltd.
Feb 13, 2019 - Present	Director Around The World Co., Ltd.
Dec 6, 2019 - Present	Director Happy Product and Service Co., Ltd.
Nov 16, 2018 - Present	Director Nation Digital Content Co., Ltd.
2016 - 2019	Director Chalermapat Transport Co., Ltd.

Director of a competing company or a related business company

- N/A -

Year of Directorship

Appointed as a Director since January 17, 2018

The Meeting Attendance / Meeting held (Frequency) in 2019

The Board of Directors	12/12
The Annual General Meeting of Shareholders	1/1
The Extraordinary General Meeting of Shareholders	1/1

The Board Directors

Mrs. Salinee Wangtal

Independent Director

Age 66 year

Address 199/9 Soi 16, Sukhumvit Road, Khlong Toei District, Bangkok 10110

Qualification Master in Finance & International Business, Columbia University, U.S.A
Bachelor of Accounting (Second Class Honor), Faculty of Commerce and Accountancy, Chulalongkorn University



Training Course

Harvard University, U.S.A

- Advance Management Program (AMP)

Thai Institute of Directors Association

- Role of Chairman Program Class 36/2015

No. of Shares Held as at July 14, 2020

- Ms. Salinee Wangtal	-	Share
- Spouse	-	Share
- Minor Child	-	Share

Relationship with NMG's Executive

- N/A -

Experience

Nov 1, 2018 - Present	Independent Director Nation Multimedia Group Plc.
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Director of other listed companies

2014 - Present	Director MBK Life Assurance Plc.
2001 - 2003	Deputy Managing Director TMB Bank Plc.

Director of other non - listed company

2017 - Present	Independent Director and Chairman of the Audit Committee SCB Asset Management Co., Ltd.
2016 - Present	Director Public warehouse Organization
2015 - Sep, 2017	Director Office of Small and Medium Enterprise Promotion
2014 - 2016	Chairman of the Board of Director Small and Medium Enterprise Development Bank of Thailand
2011 - 2014	Assistant Governor - Supervision Group Bank of Thailand

Director of a competing company or a related business company

- N/A -

Year of Directorship

Appointed as a Director since April 10, 2018

The Meeting Attendance / Meeting held (Frequency) in 2019

The Board of Directors	10/12
The Annual General Meeting of Shareholders	1/1
The Extraordinary General Meeting of Shareholders	1/1

The Board Directors

Mr. Ka Ming Jacky Lam

Director and Member of the Nomination and Remuneration Committee

Age 59 years
Address Room 10/39, Baan Sirisathorn Condominium,
 10 Yennakart Road, Thungmahamek, Sathorn, Bangkok
Education The SKH Kai Hau Secondary School in Hong Kong



Tainning

- N/A -

No. of shares held as at July 14, 2020

- Mr. Ka Ming Jacky Lam	-	share
- Spouse	-	hare
- Minor Child	-	share

Relationship with NMG's Executives

- N/A -

Experience

Nov 1, 2018 - Present	Director Nation Multimedia Group Plc.
Dec 24, 2018 - Present	Member of the Nomination and Remuneration Committee Nation Multimedia Group Plc.
Apr 30, 2018 - Nov 28, 2018	Director Nation International Edutainment Plc.

Director of other listed companies

- N/A -

Director of other non - listed company

The owner and managing director of a sport and travelling business specializing in arranging conference and golf activities in Thailand.

Provides clients from China and Hong Kong with in-depth advices on conference and events and venues in Thailand. His family also owns a travelling business in Hong Kong coordinating all business in China and Hong Kong.

Director of a competing company or a related business company

- N/A -

Year of Directorship

Appointed as a Director since November 1, 2018

The Meeting Attendance / Meeting held (Frequency) of 2019

The Board of Directors	8/12
The Nomination and Remuneration Committee	2/2
The Annual General Meeting of Shareholders	1/1
The Extraordinary General Meeting of Shareholders	1/1

Management Team



Mr. Somchai Meesen

Vice President of
the Executive Committee

Mrs. Warangkana Kalayanapradit

Assistant Chief Executive Officer



Mr. Prakrit Chompukam

Assistant Chief Executive Officer

Mr. Supawat Sa-ngun-ngam

Managing Director - Publishing Business



Ms. Mathaya Osathanond

Senior Vice President
Finance and Company Secretary

Ms. Natenapa Pusittanont

Senior Vice President - Accounting



Management Team

Mr.Somchai Meesen

Vice President of the Executive Committee

Age	53 Years
Address	29/19, Lanna City Park Village, Soi 7, Pa Tan Road, Mueang District, Chiang Mai Province 50300
Qualification	Master of Political Science (Politics), Thammasart University Bachelor of Arts (History), Chiang Mai University



Training Course

Thai Institute of Directors Association (IOD)
Director Accreditation Program (DAP) Class 161/2019

No. of Shares Held as at July 14, 2020

- Mr.SomChai Meesen	- Share
- Spouse	- Share
- Minor Child	- Share

Relationship with NMG's Executive

- N/A -

Experience

Apr 1, 2020 – Present	Vice President of the Executive Committee	Nation Multimedia Group Plc.
Jun 26, 2020 – Present	Nomination and Remuneration Committee	Nation Multimedia Group Plc.
Jan 3, 2018 – Present	Director and Executive Director	Nation Multimedia Group Plc.
Jan 3, 2020 - Apr 1, 2020	Chief Executive Officer	Nation Multimedia Group Plc.
Jun 4, 2020 - Present	Independent Director	Global Power Synergy Plc.

Management Team

Mrs. Warangkana Kalayanapradit

Assistant Chief Executive Officer

Age 60 years

Address 1899/61 Perfect Place Village - Ring Road - Ramkhamhaeng 2
Klong Song Ton Nun Subdistrict, Lat Krabang District
Bangkok 10520

Qualification Master of Art in Political Science, Ramkhamhaeng University
Bachelor of Business Administration (Accounting),
Ramkhamhaeng University



Training Course

Thai Institute of Directors (Thai-IOD)

Director Certification Program (DCP) Class 113/2019

Company Secretary Program (CSP) Class 1/2002

Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)

Road to Certify Class 3/2019

No. of Shares Held as at July 14, 2020

- Ms. Warangkana Kalayanapradit	2,760	Share
- Spouse	-	Share
- Minor Child	-	Share

Relationship with NMG's Executive

- N/A -

Experience

Oct 9, 2018 - Present	Assistant Chief Executive Officer	Nation Multimedia Group Plc.
Oct 9, 2018 - Aug 19, 2020	Director and Executive Director	Nation Multimedia Group Plc.
Jan 17, 2018 - Oct 9, 2018	Independent Director and Member of the Audit Committee	Nation Multimedia Group Plc.
Aug 14, 2020 - Present	Director	Aqua Corporation Plc.
Jun 1, 2020 - Present	Director and Executive Director	Nation Broadcasting Corporation Plc.
2014 - Present	Independent Director and Member of the Audit Committee	Salee Printing Plc.

Management Team

Mr. Prakit Chompukam

Assistant Chief Executive Officer

Age 55 Years
Address 210/1 Moo 10 SamrongNuea Subdistrict,
Phra Pradaeng District, Samutprakan 10130
Qualification Bachelor degree of Accounting
Faculty of Accountancy, Bangkok University



Training Course

Thai Institute of Directors (Thai-IOD)
How to Develop a Risk Management Plan (HRP) Class 25/2019

No. of Shares Held as at July 14, 2020

- Mr. Prakit Chompukam	-	Share
- Spouse	-	Share
- Minor Child	-	Share

Relationship with NMG's Executive

- N/A -

Experience

Present	Assistant Chief Executive Office	Nation Multimedia Group Plc.
Jun 1, 2017 - 2018	Assistant Managing Director	Thansettakij Multimedia Co., Ltd.
Nov 1, 2016 - 2017	Senior Director	Spring News Group
Jun 1, 2008 - 2013	Executive Editor – Kom Chad Luek	Nation Multimedia Group Plc.

Management Team

Mr. Supawat Sa-ngun-ngam

Managing Director - Publishing Business

Age 46 Years

Address 193 Soi Charoen Nakhon 34, Charoen Nakhon Road,
Bang Lampu Lang Subdistrict,
Khiong San District, Bangkok 10600

Qualification Master of Business Administration Program
Faculty of Business Administrative, Nation University
Bachelor degree of Accounting
Faculty of Accountancy, Bangkok University



Training Course

Thai Institute of Directors (IOD)

How to Develop a Risk Management Plan (HRP) Class 25/2019

No. of Shares Held as at July 14, 2020

- Mr. Supawat Sa-ngun-ngam	-	Share
- Spouse	-	Share
- Minor Child	-	Share

Relationship with NMG's Executive

- N/A -

Experience

Apr 1, 2019– Present	Managing Director - Publishing Business	Nation Multimedia Group Plc.
Mar 1, 2018 – Mar 31, 2019	Director, Managing Director (MD)	Nation Broadcasting Corporation Plc.
Dec 23, 2016 – Mar 9, 2018	Director, Managing Director (MD)	Krungthep Turakij Media Co., Ltd.
2015 – Dec 22, 2016	Senior Vice President Support section	Nation Broadcasting Corporation Plc.
2012 – 2014	Assistant Senior Vice President Accounting	Nation Broadcasting Corporation Plc.

Management Team

Ms.Mathaya Osathanond

Senior Vice President – Finance and Company Secretary

Age 50 Years
Address 12/2 Moo 2 Samrong Nuea Subdistrict Samut Prakan District,
Samut Prakan 10270
Qualification BA. Accounting, Faculty of Commerce and Accountancy,
Thammasat University



Training Course

Thai Institute of Directors Association

- Directors Certification Program (DCP) No.150
- How to Develop a Risk Management Plan (HRP) Class 25/2019

Federation of Accounting Professions of Thailand

- CFO Current Issues

Thailand's Private Sector Collective Action Coalition Against Corruption

- Road to Certify Class 3/2019

No. of Shares Held as at July 14, 2020

- Ms. Mathaya Osathanond	100,000	Shares
- Spouse	-	Share
- Minor Child	-	Share

Relationship with NMG's Executive

- N/A -

Experience

2013 – Present	Corporate Secretary	Nation Multimedia Group Plc.
2013 – Present	Senior Vice President - Finance	Nation Multimedia Group Plc.
2011 – Nov 28, 2018	Director	Nation Global Edutainment Co., Ltd.
2017 - Sep 19, 2018	Director	NML Co., Ltd.
2008 - Mar 26, 2018	Director	Nation News Network Co., Ltd.

Management Team

Ms. Natenapa Pusittanont

Senior Vice President – Accounting

Age 49 Years

Address 10/94 Yen Akat Road, Thung Maha Mek Subdistrict,
Sathon District, Bangkok 10120

Qualification

- Master's Degree Master of Accountancy (M.Acc.), Chulalongkorn University
- Bachelor's Degree Bachelor of Accounting (B.Acc.) (Financial Accounting) second-class honors University of the Thai Chamber of Commerce
- Certified Public Accountant



Training Course

- TFRS 15 Revenue from Contracts with Customers
- The Preparation of Transfer Pricing Document for examination and clarification with the Revenue Department
- Issues and tax planning of tourism businesses
- Risk management (Basic) COSO ERM 2017

Thai Institute of Directors (Thai-IOD)

- How to Develop a Risk Management Plan (HRP) Class 25/2019

No. of Shares Held as at July 14, 2020

- Ms. Natenapa Pusittanont	10,000	Share
- Spouse	-	Share
- Minor Child	-	Share

Relationship with NMG's Executive

- N/A –

Experience

July 1, 2019 - Present	Senior Vice President Accounting	Nation Multimedia Group Plc.
2015 - Jun 30, 2019	Assistant Senior Vice President Accountin	Nation Multimedia Group Plc.
2017 - Jan 2019	Honorary Member	Nation University
2017 - Jul 2018	Director	Nation U Co., Ltd.
2016 - Mar 2018	Director	Nation International Edutainment Plc.
2016 - Jan 2018	Managing Director	Nation International Edutainment Plc.
2014 - Apr 2018	Director	Nation Global Edutainment Co., Ltd.

The Audit Committee



1.Mr.Apivut Thongkam
Independent Director
and Chairman of The Audit Committee



2.Mr.Thanachai Santichaikul
Independent Director and
Member of the Audit Committee



3.Mr.Chaiyasit Puvapiromquan
Independent Director and
Member of the Audit Committee

Nomination and Remuneration Committee



1.Mr.Thanachai Santichaikul

Chairman of the Nomination
and Remuneration Committee



2.Mr.Somchai Meesen

Member of the Nomination
and Remuneration Committee



3.Mr.Ka Ming Jacky Lam

Member of the Nomination
and Remuneration Committee

Publishing Group

1.Mr.Weerasak Phongaksorn
Executive Editor – Krungthep Turakij

4.Mr.Shine Bunnag
Chairman of Executive Committee
and Chief Executive Officer

3. Mr.Somchai Meesen
Vice President of the Executive Committee

6. Mr.Prakit Chompukam
Assistant to Chief Executive Officer



2. Mr.Supawat Sa-nguan ngam
Managing Director – Publishing Business

5.Ms.Nutwara Seangwarin
Executive Vice President – Publishing Business

Broadcasting (NBC)



1. Mr. Shine Bunnag
Chairman of Executive Committee



2. Mr. Chaichai Pokogwai
Managing Director - NBC



3. Mrs. Lakana Ratwongsakul
Executive Vice Present
Executive Vice - NBC

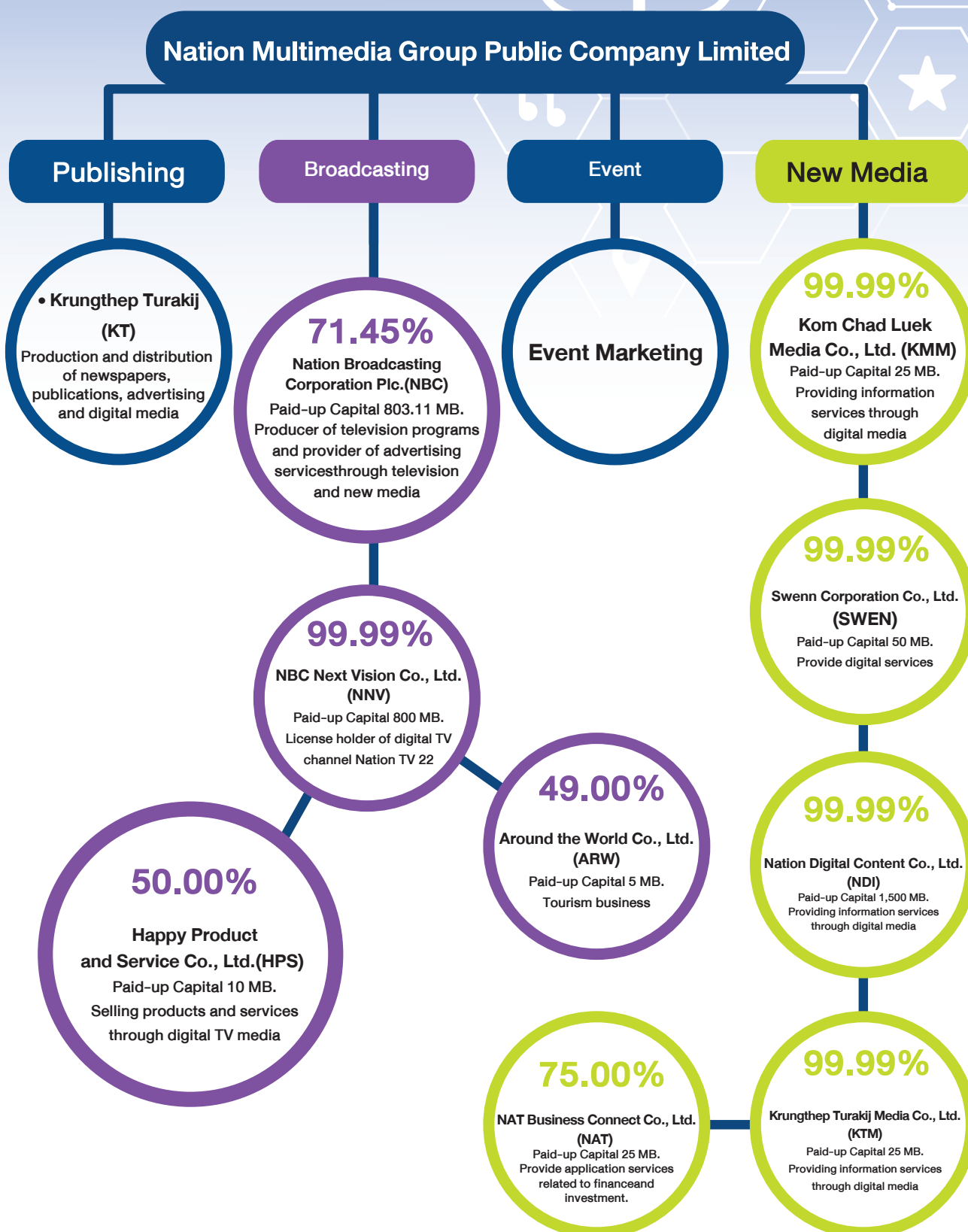


4. Ms. Aeumsree Boonhachairat
Chief Marketing Officer - NBC



5. Ms. Apiradee Pornlert
Vice President

Business Group Structure 2020



Nation Group Business Network

Nation Multimedia Group Public Company Limited and its subsidiaries have adjusted the strategy and business structure to be in line with the technology and news consumption behavior in the digital age of the target groups. The core strength of Nation Group remains the production of credible news content (Content is a King), along with the adjustment of the business model to B2C (Business to Consumer) for direct access to customers, from B2B (Business to Business), with strong branding and strong content and to the right community.

Nation Multimedia Group Public Company Limited (NMG) and its subsidiaries provide content services (as a content provider), accumulating 49 years of experience through challenges and changes that have proven the potential of the Nation Group team. In each challenging period, together with the team the “Nation Group” has driven itself to stand firm and grow in new contexts with 4 business groups.

1. Publishing Unit

Consisting of Krungthep Turakij, Kom Chad Luek and The Nation newspapers.

The Company restructured the publishing business at the beginning of the year 2020. The remaining of the publishing business is the Krungthep Turakit newspaper while The Nation newspaper ceased printing since June 29, 2019. For the Kom Chad Luek newspaper, it ended its printing on April 9, 2020. Both editions adjusted to present the news in the New Media channels through various online media platforms such as websites, facebook pages, Instagram, as well as Line applications and Line News. Special events are organized to promote close relations and memorable experiences among their sponsors and readers as well as to increase the base of readers via every platform.

1.1 Business Unit of Thai-language News

• Krungthep Turakij Newspaper

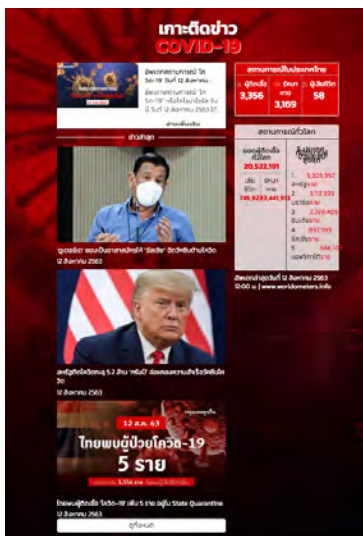
Under Nation Multimedia Group Plc. (NMG)

กรุงเทพธุรกิจ



Krungthep Turakij is a daily business newspaper which has been entrusted by the reading public continuously for 33 years since its inception on October 6, 1987.

The current period of “digital disruption” has sent the overall publishing industry into recession. However, Krungthep Turakij has been able to maintain its position of strength in the media industry by continuing to present news and information that meets high standards of quality and reliability, with deep insights and a diversity of content.



In 2019, Krunghthep Turakij reinforced its leading position as a business daily, with news content covering all aspects of business and the economy. Content has also been expanded to satisfy the needs of readers in the modern era with sections on entertainment, music, society, the environment and emerging technologies.

At the same time, Krunghthep Turakij focuses on its participatory role as an “intermediary,” bring the business and social sectors together in order to foster sustainable growth. The newspaper jointly organizes activities such as seminars, training courses and social activities in conjunction with the other Nation Group media platforms in order to effectively reach and answer the needs of consumers in the digital age.

- www.bangkokbiznews.com

The website of Krunghthep Turakij is one of the country’s leading business news websites with as many as 5,000,000 viewers monthly. The website presents accurate and up-to-the-minute news and information coverage of business, the economy, politics, finance and investment, real estate, automobiles, society and the environment, as well as analyses from experts in diverse fields and a “stock watch” section, offering portfolio stock price movements with up to four devices simultaneously.

- i-Newspaper

The Krunghthep Turakij online newspaper or “i-Newspaper,” presented on the website inews.bangkokbiznews.com, gives readers access to information via communication tools used in the emerging consumer lifestyles of the 5G era. Readers can stay up-to-date on the news from Krunghthep Turakij using modern devices such as mobile phones, tablets, iPads, notebooks and desktop computers, in a timely fashion, anytime and anywhere with news that is fresh and up-to-date.

The outstanding feature of the i-Newspaper is that it has the same content as the printed version of Krunghthep Turakij but it can be read later, has more photographs, audio books, as well as interactive stock indices and videos. The full online newspaper can be downloaded in PDF format together with breaking news from bangkokbiznews.com with a single click.

• Line News

Krungthep Turakij has increased access for its online readers via the Line News application. Readers may subscribe to news from Krungthep Turakij via their smartphones or tablets for free. Subscription is facilitated by simply scanning the QR Code to receive breaking and important news articles from Krungthep Turakij throughout the day. In-depth news at the Krungthep Turakij website can also be accessed by clicking the link.

Some 69,695 people subscribed to Krungthep Turakij Line News during the period January to June 2020.

With 33 years of experience, Krungthep Turakij has accumulated a strong content base, enabling Krungthep Turakij Newspaper to move forward as a full-fledged “Business Experience Provider” complemented with multiple media platforms. “Krungthep Turakij” stands as the country’s number 1 daily business newspaper, that creates a learning community, reaches consumers, and insists on being an authentic medium of society.

1.2 Business Unit of Thai-language General News

• Kom Chad Luek Newspaper

Under Nation Multimedia Group Plc. (NMG)

Kom Chad Luek is a daily newspaper offering readers an innovative choice of news with content from a team of leading experts and columnists from various circles. Kom Chad Luek aims to make every news item, photo and article, both accurate and colorful, and with a “creative difference”, focusing on social responsibility and content suitable for every member of the family.

Throughout 2019, Kad Chom Luek newspaper improved and diversified its news presentation with the addition of special in-depth reports to satisfy the changing demands of readers and to expand the “Kom Chad Luek” platform, ensuring that it is ready to compete in the world of social media as a true newspaper for the masses. In 2020, Kom Chad Luek’s news presentation has been fully adapted to digital news and social media channels, ceasing the printing of “Kom Chad Luek”

คม ชัด ลึก





newspaper from April 9, 2020, in order to restructure and reduce costs of the Company in compliance with technological changes. The details are as below:

- Website: www.komchadluek.net
- Facebook page คอมชัดลึก, which has become highly popular with 3,000,000 views (June 2020) with 2,309,792 likes
- Line News as of June 2020 with a total of 76,321 subscribers

1.3 Business Unit of English-language News

This business unit is operated by Nation Multimedia Group Public Company Limited, presenting daily news English language via digital media channels under the name of “Nation Thailand” on both websites www.nationthailand.com and news reporting on Facebook and Twitter (The Nation newspaper has ceased since June 29, 2019).

2. TV Media Business Unit

This business unit is operated by the Company’s subsidiary: Nation Broadcasting Corporation Public Company Limited or NBC. NBC is a producer and supplier of TV programs in the category of news and information with the various broadcasting channels in order to cover the target groups widely. It first aired on June 1, 2000 on UBC TV Channel 8 and started with “Nation News Update” news program focusing on economic news programs and in-depth analysis of the current economic situations. It was also the first news-based program in Thailand.

On May 1, 2003 Nation TV moved broadcasts from UBC 8 to Thai TV Channel 1 via MMDS system. The signal was transmitted via the Thaicom 5 satellite in the C-Band system and the Thaicom 5 satellite in the Ku-Band system. Those who have satellite dishes in Thailand and Asia could watch it for free on channel 22 without having to pay a monthly fee. On December 27, 2013, NBC NextVision Co., Ltd., a subsidiary of the Company, won the auction for a spectrum license of a digital television business operation in the category of news with standard definition (SD). It is operated under the channel name of Nation TV 22 to present news programs and focus on uniqueness of the channel in producing news programs, information and knowledge, further from co-production of programs on Free TV channels.


The Company has also taken the advantages of the available resources in producing television programs such as news, scoops as well as the high-quality news teams to further expand the business to other relevant services.



TV media business Products and Services

1) The company-operated television stations

The company as founder and the executive has operated the integrated television stations, including the broadcasting program production and procurement, renting airtime, and selling advertising time. The Company's proceeds have been generated from selling advertising time, programs and short documentaries production, and ad time rental. In addition, the Company has carried out the fully serviced digital terrestrial television with the licenses granted by the NBTC.

Name of the Station	Main Concept	Viewing Channel
<p>NationTV launching broadcast in 2014</p> 	<p>24-hour news and information channel, aiming to present news and information accurately, impartially, and timely, unbiased, comprehensive, in-depth analysis by experienced news teams</p>	<ul style="list-style-type: none"> • Settop Box - Channel 22 • Satellite TV - Channel 22 • Local Cable TV • Website www.nationtv.tv • Mobile phone • IOS/Android Applications

2) Television program co-produced with Free TV Television Station

NBC has engaged in the co-production of television programs in category of news and information in the partnership with the Free TV channels. The profit sharing has derived the sales of advertising time, public relation for TV program products and services. In 2019, the Company's TV programs in the co-production with the Free TV channels include as follows.



TV station	Program	Format	Airtime Schedule
Channel 3	This Evening News	Coverage of the daily important events and news occurring during the day or the issues of public interest	Mondays-Sundays 15.45 -17.00 p.m.



In 2019, NBC has continued pursuing the policy to surmount the business by taking the advantages in content and information, competent personnel, availability of equipment, and the reputation of the Company to expand the business to other related businesses for the highest benefits to the Company.

The popular TV program content and scoops that have been in the interest of society have been adopted to create products or activities in various forms in meeting the customer needs and boost the earning potential of the Company.

Also, strengthening the reputation and beneficial image of the Company to be known publicly among the audience and potential customers has been executed more extensively. In 2019, the products and services and activities which the Company has undertaken are as follows.

3. New Media Business

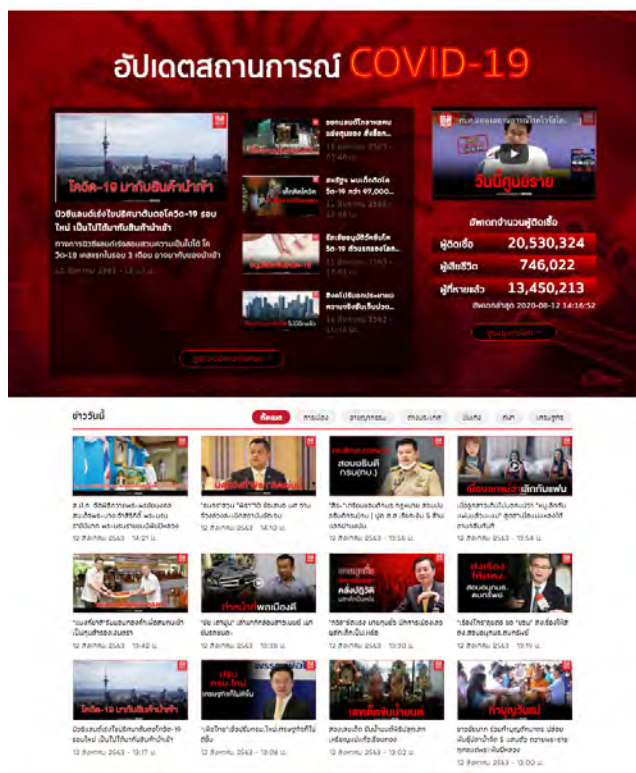
The Company focuses on adopting new forms of social media in building audience engagement through television screens and websites, pioneering and initiating the use of Twitter, Facebook and hashtag by defining topics that are of interest to viewers and inviting them to express their opinions

through various social media formats. It is recognized that the channel's presenters and reporters have the highest number of fans in the social media world in newsgroups. The Company also focuses on generating income from new media channels.

1. Content by the central office: A news presentation style is to be developed by using animated news pages in print media, improving channels for sharing news links, joining Facebook groups, and searching for affiliate pages.

2. Content by the regional offices: Main tasks involve holding regional correspondent meetings, the effective management of the regional content, management of Nation-around-Thailand and Kom Chad Luek Around Thailand, and seeking partners to share regional news.

3. Regional base expansion: Sub-websites are to be branched out from the central website. The website administration unit is to pilot a sub-website at different provinces such as Nation TV-Sri Saket, Phetchabun, and Khon Kaen. These sub-websites aim for developing channels for sharing, creating a provincial page, and providing target pages for the province to create a regional base.



4. Participation of the public: For the public to access information, terms and conditions between companies and users were set clearly with comprehensive membership conditions and provincial target pages are provided to form a public alliance.

5. Collaboration with alliances in opening a group direct sale: Due to the relatively low airtime rental rate, the Company shared airtime with partners instead. The Company has a condition that Nation TV news anchors and hosts are also required to co-host the partner's program. Such collaboration enhances opportunities for news anchors to be seen more often, raises image recognition, and has an impact on increasing viewership.

The TV broadcasts will be published on social media channels in conjunction with certified publishing partners such as Facebook, YouTube, etc.



2.2 Digital TV Channel Spring26 (NOW26)

Operations of Spring 26 Co., Ltd. (Spring26)

Digital TV Channel Spring26 (NOW26) adopted the new name of Spring26 on March 1, 2019. Spring26 digital TV channel is one of two digital television station licenses won in bidding by Nation Group on December 27, 2013. The business is considered to be a diversification from Krungthep Turakij newspaper and the satellite-based Krungthep

Turakij TV. The digital television channel was initially named NOW26 and operated by Bangkok Business Broadcasting Co., Ltd. (renamed Spring 26 Company Limited on February 15, 2019). It began broadcasting as NOW26 on a channel that featured curated documentary programs from leading domestic and international producers.

In 2019, the National Council for Peace and Order, or NCPO, issued the NCPO Order No. 4/2019 allowed digital TV operators to return the digital license long with receiving compensation from the return of the TV license as well.

Therefore, the Board of Directors' Meeting No. 6/2019 held on May 9, 2019, unanimously resolved to approve a subsidiary, Spring 26 Company Limited, the holder of the Spring 26 license, to file a request to the Office of the National Broadcasting and Telecommunications Commission (NBTC) to return the license and request compensation according to the NBTC announcement on criteria methods and conditions for compensation due to the return of spectrum license for digital television services dated 2 May 2019.

The return of the license enabled the Group to reduce its expenditures. Since Spring 26 suffered continuous losses since its inception, and the company had to support funding all along.

The NBTC approved the license return request on June 26, 2019 and scheduled the date to terminate broadcasting on August 16, 2019 at 00:01 AM onwards. NBTC paid compensation for Spring 26 on August 16, 2019. From the obtained proceeds, the Company was able to considerably repay the debts to trade and financial institution creditors so that it could continue business operations.

At present, Spring 26 Co., Ltd. changed its name to Nation Digital Content Co., Ltd. (NDI) on September 19, 2019 to produce digital media for the Nation Group and for customers using the service through websites, Facebook, Instagram, Youtube, LINE, Twitter and other related digital media in the Nation Group.

3. Event Marketing

Event organizing is another business segment of Nation Group, which relies upon the news potential of all media in the group. Event organizing adds another role for the media to act as an “intermediary” in interconnecting various sectors, which can lead to the sustainable growth of Thai society by enhancing a knowledge and understanding of new issues that may have an impact on the economy, business, society, politics, culture and health, and by expanding the results through the media in various platforms of Nation Group.

In 2019, Nation Group organized events in many styles, which were well received by both sponsors and the participants. Examples include:

Seminar held were as below:

- Seminar on “Punching Thai Stocks through Election”
- Seminar on “Property Focus 2019 Property Investment Opportunities”
- Seminar on “Property Focus 2019 episode II: Real estate turning the game, capturing golden opportunities”
- Seminar “5G The New Beginning to Transform the Thai Economy”
- Seminar on “EEC NEXT: Aviation Metropolis, ASEAN Logistics Hub” (Rayong Province)
- Seminar on “EEC NEXT: Thai-Foreign Capital, EEC Pinned”
- Seminar on “Energy Disruption: Thai energy in Disruption Era”
- Seminar on “EV Electric Vehicle Technology Changing the World”
- Seminar on “B10 Oil on Land Reform For the foundation economy “(Nakhon Si Thammarat Province and Surat Thani Province)
- Seminar on “B10 Balancing Oil Palm for Sustainability” (Krabi Province)
- Seminar on “NATION DINNER TALK: Driving the Thai Economy 2020”
- Seminar on “Thailand Economic Outlook: Thai Economy 2020”
- Seminar on “Watching Thai Stocks 2020: Breaking through the Economic Crisis”



Special event (Event)

- “Kom Chad Luek Award 2019” was held on March 3, 2020 at the main auditorium, Thailand Cultural Center, organized for the 16th consecutive year. It is the award presented to individuals in Thai entertainment industry in four branches: Thai songs, Thai movies, TV series and Popular Vote that readers and the general public can vote for.



Cycling activity

- The event of “Ride the Slow Life Amazing Thailand Go Local at Less Visited Cities” was organized at different provinces: Phitsanulok, Ranong, Nakhon Phanom, Prachinburi and Suphanburi. The Nation Group joined forces with the Tourism Authority of Thailand (TAT) and Mitsubishi Electric Kang Yong Wattana Company Limited to encourage participants to experience the beauty of nature and stimulate the economy in less visited cities.



Four Mini-marathon and Fun Run activities were organized which are

- The more you run .. the more you give: Run for the Animals 2019 (2nd Year), to Run for Manatee was an activity to raise fund for the “Marine Biological Center” for manatees and the proceeds shall be used for technology research and development, the conservation, rehabilitation and breeding of rare marine animals to survive in Thai sea.



Kom Chad Luek Running in the Sky Mini Marathon 2019: Bhumibol Bridge 2 was held on the occasion of the 18th anniversary of Kom Chad Luek newspaper, building the unity of the Bangna community network. The mission of this event was also to invite youth citizens, to promote health by spending quality time in mini marathon activities. Annually as the part of the proceeds, 200,000 Baht was donated for SOS Children’s Foundation of Thailand Under royal patronage.





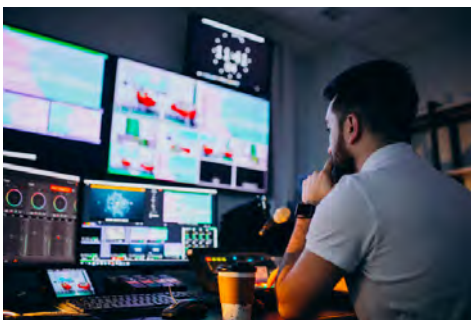
- Nation TV Run 4 Dams Half Marathon Series is an event that invites runners to experience nature at Pasak Cholsit Dam, Lopburi – Saraburi. A Part of the proceeds of the project was donated to purchase medical supplies for Wang Muang Hospital.



- A mini marathon of “SET RUN BANGKOK 2020”, under the concept of “Running for”, was organized in collaboration between the Nation Group with the Ramathibodi Foundation and agencies from both the public and private sectors. A part of the proceeds, at 200,000 Baht, from this even was channeled to “Ramathibodi Foundation” to support the development of medicine and to help the needy people for a better quality of life.

4. New Media Platform

In the “Digital Disruption” situation that affects the overall publishing industry from the end of 2018 to 2020, the Nation Group adjusted its strategies to generate more income to substitute the Nation Group’s main media groups. The business organization was restructured to form a new media business model to be consistent with the revenue generation through digital media of the following subsidiaries.



4.1 Nation Digital Content Co., Ltd. (NDI) (Formerly Spring 26 Co., Ltd.) is a subsidiary of Nation Multimedia Group Co., Ltd. with 99.99% shareholding, formerly operating the digital TV business on Spring 26. After the digital TV broadcast was terminated on August 16, 2019, NDI adjusted its business strategy focusing on digital businesses. The nature of the business consists of 5 business groups as follows:



1. Media Production: Producing digital media for the Nation Group and for customers.

2. Media Distribution: Owning digital channels for media distribution including Website, Facebook, Instagram,



Youtube, LINE, Twitter and other related digital media in the Nation Group.

3. Media Promotion: Purchasing and acquiring additional media in addition to media in the Nation Group for creating broader media promotion.

4. Media Commerce: Obtaining affiliated and non- affiliated media of Nation Group for effective product sales.

5. Ad Network: Establishing the network with Nation Group's affiliated media for to advertising media sales.



4.2 NAT Business Connect Company Limited (NAT)

Nat Business Connect Company Limited (NAT) was established on October 21, 2019 with registered capital of 100 million baht, and paid capital of 25 million baht. NAT is a subsidiary of Krungthep Turakit Media Company Limited (KTM) (75% holding), as a subsidiary of Nation Multimedia Group Plc (NMG) - holding 99.99% shares). It is expected to start operating in 2020.



Nature of the company business

The company focuses on developing content and providing information regarding businesses, financial and investment available from various media in both the Nation Group and its alliances. It aims to provide data services using analytical technology to assist clients in making decisions, making data comprehensible to meet the needs of the users, who are investors and general investment news enthusiasts to have the opportunity to become a stock trader afterwards.

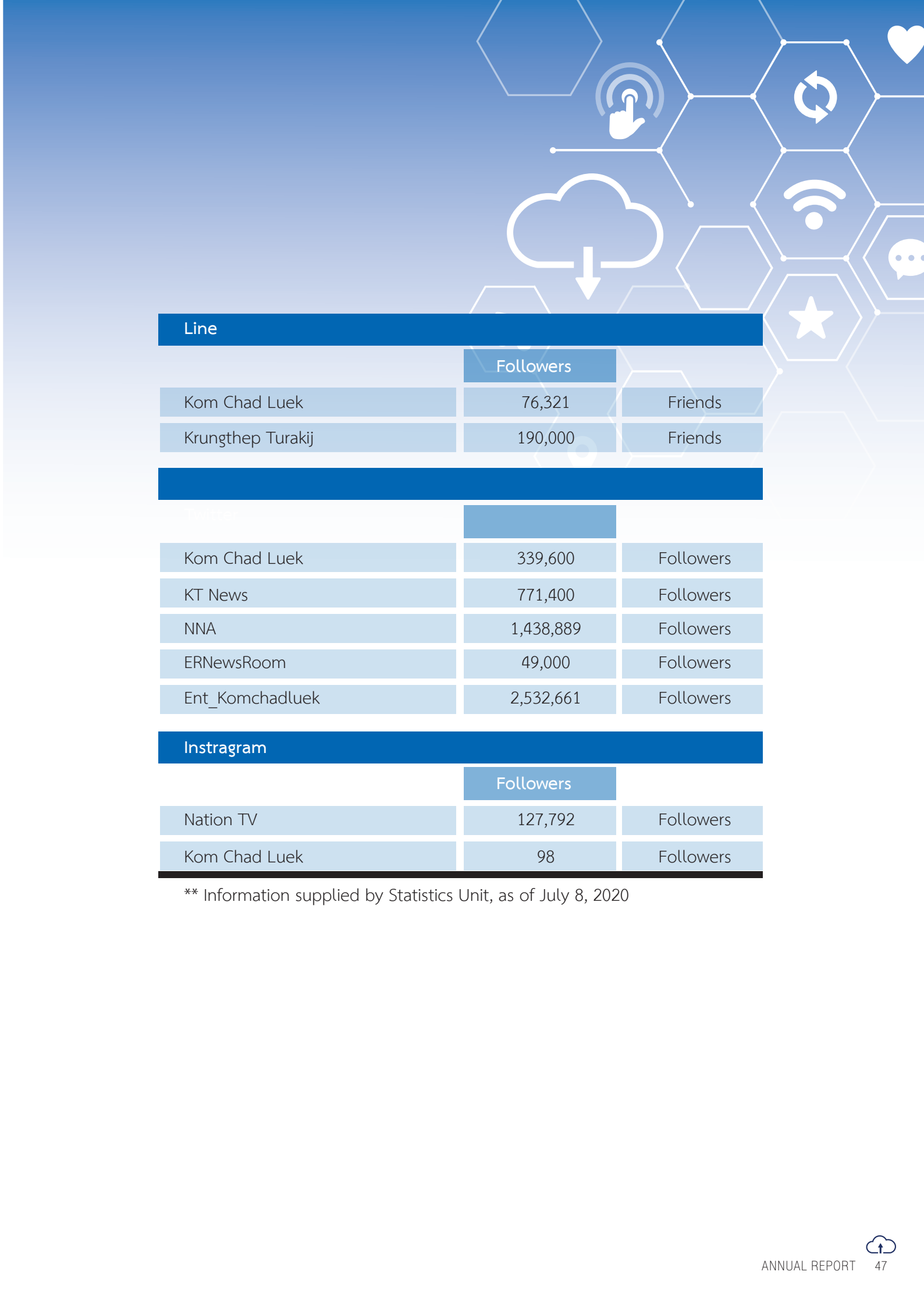


In 2019, all the Nation Group media expanded their online and social media platforms, including websites, Facebook, YouTube, Line, Twitter and Instagram to broaden access to target groups and in response to changing news consumption behavior in the digital age, which demands both fast and accurate information accessible anywhere and at any time around the clock.

Website		
www.Nationtv.tv	203,968	UIP
www.Komchadluek.net	194,604	UIP
www.Bangkokbiznews.com	95,202	UIP
www.Nationmultimedia.com	80,845	UIP

Facebook		
	Followers	
NationTV 22	3,005,785	Fanpage
KhonMorning	2,802,336	Fanpage
komchadluek	2,309,793	Fanpage
Nation Weekend	1,861,950	Fanpage
KhonNation	501,514	Fanpage
bangkokbiznews	370,298	Fanpage
KehtokNation	216,326	Fanpage
ERNEWSROOM	144,407	Fanpage
komchadluektv	98,538	Fanpage
NNAnews24	68,327	Fanpage
KomchadluekAward	43,256	Fanpage
entKCL	6,648	Fanpage
Kom Chad Luek Tua Thai	6,537	Fanpage

YouTube		
	Followers	
Kom Chad Luek Online	5,300	Subscriber
Nation TV	2,180,000	Subscriber



Line		
	Followers	
Kom Chad Luek	76,321	Friends
Krungthep Turakij	190,000	Friends
Kom Chad Luek	339,600	Followers
KT News	771,400	Followers
NNA	1,438,889	Followers
ERNewsRoom	49,000	Followers
Ent_Komchadluek	2,532,661	Followers
Instagram		
	Followers	
Nation TV	127,792	Followers
Kom Chad Luek	98	Followers

** Information supplied by Statistics Unit, as of July 8, 2020

Industry and Competition Overview

Overall Economy

According to the National Economic and Social Development Council (NESD) the Thai economy in 2019, overall, expanded by 2.4 percent, showing a decrease compared with 4.2 percent in 2018. The main contributors were global economic slowdown, uncertainty over trade protection measures, and the appreciation of the Baht causing the export value of goods to drop by 3.2 percent.

For the Thai media industry, Nielsen (Thailand) Co., Ltd. reported ads spending through various media in 2019 worth 122,180 million, an increase of 2.4% compared to 2018.

Comparative advertising budget of all media 2018-2019

(Unit: million baht)

Media	Y2018	SOV%	Y2017	SOV%	DIFF	%Change
Digital TV	67,948	57%	68,044	56%	96	0%
Cable/Sat.	2,434	2%	2,266	2%	(168)	-7%
Total	70,382	59%	70,310	58%	(72)	0%
Radio	4,797	4%	4,735	4%	(62)	-1%
Newspapers	6,100	5%	4,634	4%	(1,466)	-24%
Magazines	1,316	1%	1,054	1%	(262)	-20%
Cinema	7,383	6%	8,838	7%	1,455	20%
Outdoor	6,833	6%	6,929	6%	91	1%
Transit	6,082	5%	6,585	5%	503	8%
In-Store	1,060	1%	1,040	1%	(20)	2%
Internet	15,348	13%	18,055	15%	2,707	18%
Grand Total	119,300	100%	122,180	100%	2,880	2.4%

Source: Nielsen Advertising Information Service

* Data from Digital Advertising Association (Thailand) (DAAT)

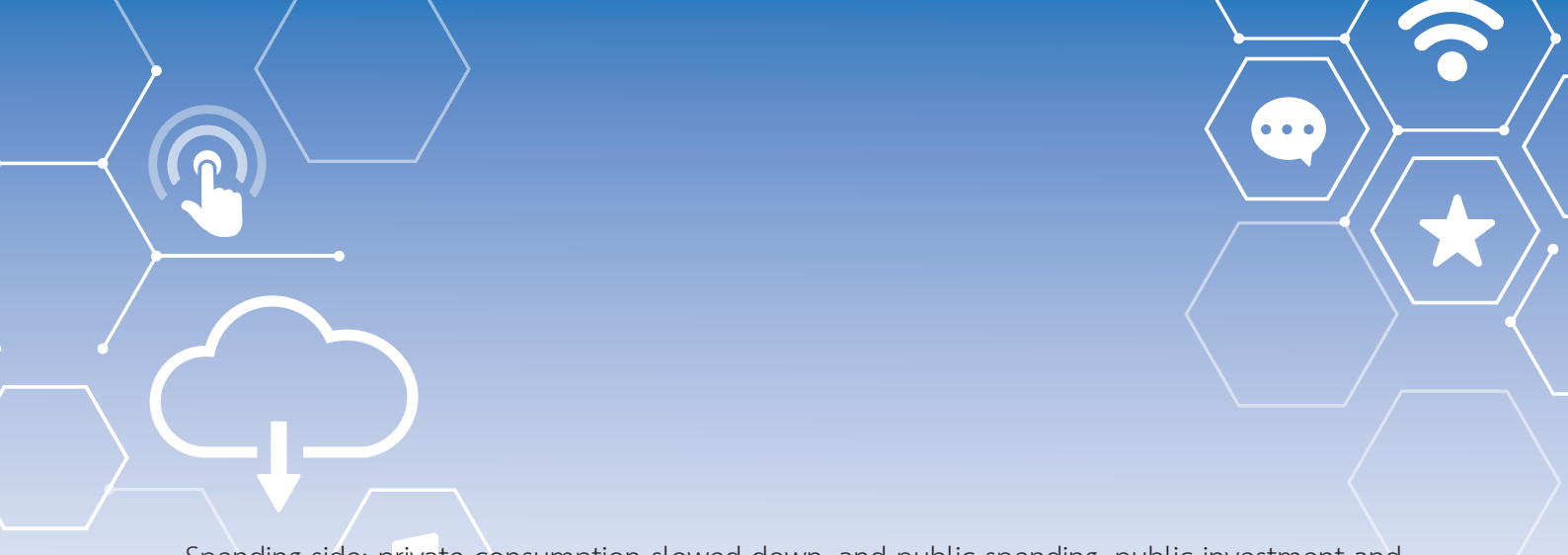


In 2019, TV is still the main media of Thailand, holding the highest market share of 58%, worth 70,310 million Baht, followed by Internet media 18,055 million Baht, cinema media 8,838 million Baht, out-of-home media 6,929 million Baht, mobile media (Transit) 6,585 million Baht Radio media 4,735 Million baht, Print media 4,634 million Baht, Magazines 1,054 million Baht and Media at point of sale 1,040 million Baht.

Although TV media accounts for more than half of the total media market, the growth rate compared to 2018 is considered stable, not growing from the previous year. The media that grew well were cinema, internet, and mobile media (Transit) grew by 20, 18 and 8 percent, respectively. While the print media group was most clearly affected by digital disruption, the rate dropped 24 percent. Nowadays, print media brands have adapted to Online platforms. However, the publications of various media brands are now adapted to the online platform. Some media types are both offline (print edition) and online (digital version, website, and social media) platforms that operate in parallel. The print version has been terminated and transformed into the full online platform. This format change reflects that if “content” and “brand” are strong, they can be delivered on all platforms. TV stations and TV programs have been expanded to viewable online platforms through portable devices such as smartphones, tablets, both live view (real-time). Their audience could also choose to watch the rerun (On-demand), which resulted in a decrease in viewing through the TV channels. Thai Economic Conditions in the First Quarter of 2020 and Outlook for 2020 from the Office of the National Economic and Social Development Council

In the first quarter of 2020, the world economy was affected by the widespread epidemic of COVID-19 and widespread across many countries. The global infection and death toll have increased rapidly since late February and has prompted governments to take strict measures to control and restrict both domestic and international travel, including site closures and suspensions. As a result of suppressing the economic activities that pose a risk of a disease epidemic, the economy has been severely affected since March. Combined with the impact of previous protectionist measures, many countries’ economies in the first quarter of 2020 started to slow down or drop to the lowest in years since the 2009 financial crisis.

The Thai economy in the first quarter of 2020 declined by 1.8 percent, compared with a 1.5 percent expansion in the previous quarter; and Thai economy in the first quarter of 2020 decreased from the fourth quarter of 2019 by 2 percent.

- 
- Spending side: private consumption slowed down, and public spending, public investment and the private sector declined, as well as total exports declined in line with a sharp drop in service exports. Meanwhile, the export of goods expanded.
 - Manufacturing side: production in accommodation, food services, industrial, agriculture, transportation and construction sectors declined while in the fields of wholesale and retail, electricity and gas, finance and insurance, and information expanded.

The Thai economic outlook for 2020 is expected to decline in the range (6.0) - (5.0) as a result of the following:

- 1) The severe decline in the economy and world trade volume
- 2) A severe drop in the number and income from foreign tourists
- 3) The limitation conditions arising from the global COVID-19 epidemic
- 4) The drought problem is expected to decrease by 8.0 percent, private consumption and total investment decrease 1.7 percent and 2.1 percent, respectively. Average inflation was in the percentage range of (1.5) - (0.5) and the current account surpassed 4.9 percent of GDP.

The Monetary Policy Report, June 2020, by the Bank of Thailand reports on Thailand's economic and inflation trends that the Thai economy in 2020 is likely to contract 8.1 percent. As the effect of COVID-19 is more severe than expected, many countries including Thailand have to take measures to control the outbreak. As a result, the economic activities of many sectors around the world have been disrupted, especially in the second quarter. Tourism and Thai exports of goods tend to contract strongly, affecting private consumption through lower income and employment, lower domestic and international demand. As a result, private investment tends to contract considerably. However, government spending would play an important role in the next phase of economic recovery, from the restructuring of the expenditure budget to accelerate economic recovery and rehabilitation, as well as additional funds from measures to maintain and mitigate the impacts of COVID-19 in phase 3. The Thai economy is likely to hit its lowest in the second quarter of this year and has gradually recovered since the third quarter in line with easing of epidemic control measures in many countries around the world, including Thailand. The relaxation of such measures would facilitate the product export sector, the tourism sector, and domestic demand to shrink less. For the year 2021, the Thai economy is likely to return to expand at 5.0 percent, higher than the estimate. This is partly due to the fact that the government tends to pursue additional large-scale employment and investment programs. However, Thailand's economic activity is much lower than the potential level.

Risk Factors

The Company recognizes the importance of risk management and has formulated a plan to manage, track and control risks to a reasonable level. The primary goal of risk management is to manage risks that may bar the Company from achieving its goals, reduce potential risks and damages arising from risks and/or obtain business opportunities. Nation Multimedia Group's business operations encounter risks that pose direct and significant impacts on the Company and investors, as follows:




1. Business Operation Risk

1.1 Risk from the Operation of New Forms of Business and Digital Disruption

Digital innovations are posing a direct impact to numerous businesses in the industrial sector. Changes in digital technology have driven the emergence of new businesses and created disruption among existing businesses. This disruptive model enables businesses to instantly reach their customers whose behaviors change quickly and better respond to the customers' demands. With the use of advanced communication technologies, the emerging businesses are able to present their coverage on various media platforms, while customers have a wider choice of media consumption through new media. They can stay updated with news and information or any topics

of interest conveniently and timely, either via their mobile phones or tablets. Media consumption behavior has changed. Consumers now are switching to online media in place of traditional ones. Among all the media, the print media, which cannot resist the changing times, has been the hardest hit. Its production cost has kept increasing, while its advertising sales, which represent the major source of revenue, have gone down, and been absorbed by other media, especially "online media," which have comparative advantages in lower production cost and faster content feed. Most online content in Thailand is made available for free, encouraging more and more readers to turn to online media, which has in turn prompted customers to spend more on online advertising with either unchanged or smaller budgets. Through online media, their messages can reach target groups more directly and feedback can be evaluated more accurately, owing to the fact that most people today have convenient access to content on their smartphones, anywhere and at any time.

Thus, in order to minimize risks from the operation of the new forms of business and digital disruption, the Company has expanded its platforms and content presentation by not relying on just one fixed model. It has also diversified its media platforms to be in tune with the personalities, characteristics and behaviors of each target group of each media platform. The Company combines the strengths of offline, online and on-ground media to best serve all customer demands. It has also developed a more efficient data management system, as well as applied the latest Information Technology systems and modern communication technologies to support its operations. In addition, it has consistently improved the quality of its news production



process by streamlining the process and integrating new and conventional media, with the content supporting each other, to enable audiences to easily access coverage through all of the Company's channels and platforms. The Company has remained committed to developing content to satisfy the demand of customers of all groups and is trying to adjust and diversify its advertising formats, focusing on the use of multimedia technologies to enhance the value of products and services to ensure that its customers receive the maximum benefits.

The Company recognizes the importance of Big Data, which will greatly benefit e media business in the future, and AI (Artificial Intelligence), which will play a vital role in presenting content to target groups precisely. Big Data and AI systems will promote accurate analyses, which can be effectively used in the formulation of marketing strategies and selection of media platforms to best suit each target group of customers.

Furthermore, the Company has collaborated with several companies and agencies to co-produce content in facilitation of New Digital Platform business operations, as well as consistently developed websites of the Group in order to generate additional revenue from New Media and achieve competitive edges for market penetration to prospective customers in the future.




1.2 Risk from Digital TV Business Operation

The digital TV business in Thailand has started since 2013 with the initial number of digital TVs of up to 24 channels, but the business situation caused the operating results to not be as expected, and at the beginning of 2020, the remaining digital TVs were only 15 channels.

The big change in the digital TV business in 2019 was caused by the National Council for Peace and Order (NCPO) issuing the Order No. 4/2019. The NCPO opened opportunities for digital TV operators to return the channels and they could also receive compensation. As a result, 7 digital TV operators decided to submit a request to return the license to the Office of the National Broadcasting Television and Telecommunications Commission (NBTC).

The Board of Directors Meeting No. 6/2019, held on May 9, 2019, passed a unanimous resolution approving that Spring 26 Company Limited, the holder of Channel 26's Spring License, submitted a request to the National Broadcasting Telecommunications Commission (NBTC) to return a license as well as requested for compensation due to the license return in accordance with the announcement of NBTC regarding criteria, methods and conditions of compensation due to the return of a license to provide digital television services dated May 2, 2019. As a result of returning the license, the Company could reduce its expenses because Spring 26 continuously suffered losses from operation until the present. The company provided the Spring 26 with financial support all along.

NBTC approved the mentioned license renewal on June 26, 2019 and determined the



date of broadcasting cessation to be on August 16, 2019, at 00.01 hrs. NBTC already made the compensation payment to Spring 26 on August 16, 2019. Such compensation received could help the company considerably pay back the debts to trade and financial institution creditors; so, it could run its business continuously.

At present, the Company owns the licenses of Digital TV with Nation TV22 through NBC Next Vision Company Limited (a subsidiary of Nation Broadcasting Corporation Plc or NBC, where the Company holds 71.45% of shares), which is the owner of the license in the News category. Nation TV 22 is the number 1 news station that is outstanding for its reliable news content. To expand the audience base, the Company developed strategies for program production and presentation as well as broadcasting live important situations. However, the operations of most digital TV business operators still could not achieve the goals because digital TV operators have relatively high operating costs. They particularly had to shoulder the digital TV license cost coupled with intense competition in an unfavorable economic environment. As a result, the advertising budget for digital TV media has decreased every year. Moreover, the transition of disruption technology from 3G to 4G and the latest 5G has resulted in the competition of TV businesses on various platforms. This made the digital TV businesses under the NBTC's license even more difficult to operate. They also had to compete to maintain the popularity of channels and programs or ratings as part of ads revenue measure. The rating also determines the ad rate and the decision to advertise by the customers (agency), resulting in the current digital TV business having problems unable to earn expected ad revenues.

Therefore, in order to reduce the impact from the digital TV business that has not yet met the target The Company has expanded the viewing channels through all online platforms, all channels to view programs on websites, applications, and social media such as YouTube, Facebook, fan pages to allow consumers to conveniently access content at anytime and anywhere. It also adjusted the television program schedule to better meet the needs of consumers and focused on generating income from New Media channels by the content from central, regional and the public sectors. Other activities were organized to generate more income from cycling, travel activities, etc. Through all these actions, the Nation TV channel could compete in the digital TV industry more strongly.

2. Production Risk

2.1 Risk from Content Production

Consumption of news via online and social media channels is gaining high popularity at present. This presents a major challenge to the Group's conventional print and television media, since the new media are able to reach out to audiences quickly and create greater communication through repetition, forwarding, copying and commenting. Nonetheless, the Group's editorial teams are well-prepared to cope with this situation. NMG's strengths include presentation of accurate and unbiased news that allows the readers/audience to exercise their judgement, and all-round and in-depth analyses. The Group, therefore, has been publicly recognized as one of the quality media institutes operating in Thailand.

Nation Group is committed to develop its new media platforms, covering websites of Krungthep Turakij, Kom Chad Luek Online, The Nation Thailand, and the digital TV channel. This reflects




the Company's focus on the changing trend of media consumption. Each website of the Group is among the top-ranking websites, with high numbers of views in each category. Furthermore, the Group's editorial teams are highly influential in social media. This is evident in the combined number of followers of all of the Group's media, which is the highest in the media industry. At present, the Group is able to reach out to consumers via all media platforms. No matter what channels consumers choose – newspaper, television, mobile phone, tablet or desktop – they will conveniently receive quality coverage from the Group's effective content production process.

2.2 Key Personnel Retention Risk

As the Company image reflects from its professionalism in the mass media industry, it is well publicly accepted. Personnel plays a vital role in quality content production. The Company realizes the importance of human resources management and development. It is dedicated to developing a team of capable editorial staff by improving their news writing skills, enabling them to create various styles of news, as well as in-depth and comprehensive news, with a focus on credible news sources.

However, business operations in the digital era are highly competitive. The Company needs to adapt to the continuously changing media landscape by developing human resources who have a love for and commitment to the organization, as well as a good understanding of the business. It offers competitive remuneration and benefit packages that are commensurate to those of other companies in the media industry. It also prepares personnel for performing their tasks effectively. At the same time, it stresses the



development of successors, who are promoted and encouraged by top executives to take part in management and decision making. It also emphasizes decentralization of responsibility and obligations. The objectives are to streamline operations, improve performance and reduce redundancy in the working system. These serve as important mechanisms to enable the Company to achieve its goals and sustainable growth, while successfully retaining its core values of credibility, integrity and synergy. Thus, if the Company loses some key personnel, it will barely affect business operations as top executives have assigned and passed on some tasks to lower-level executives. Simultaneously, the Company needs to maintain good collaboration across all media in order to create synergy among the companies in the Group.

3. Management Risk

3.1 Formulation of Management Policy

The media business serves as an important conduit for the dissemination of news and information to the general public in terms of political, economical, and social aspects. It can influence public opinion concerning politics and the economy, and as such requires executives with experience and expertise in the field of journalism in particular. Executives must be able to operate the business with ethics and transparency and play an important role in formulating policy and standpoints to ensure that news is delivered ethically and in an unbiased style. The Board of Directors and the major shareholders of the Company recognize the importance of this issue and place importance on news presentation and non-interference in the news presentation policy. The Board sees the

importance of presenting quality news; therefore, they never interfere with the news presentation policy. They rather set guidelines for the presentation of editorial news for all media in the Group as part of the corporate governance policy of the Company and ensure that operations are carried out in accordance with the policy.

3.2 Internal Control

The Company gives importance to honesty, transparency and accountability in the Company's management and the current Board of Directors / Audit Committee recognize the importance of internal auditing. The Company's internal control system has been strengthened and streamlined to prevent the occurrence of events that may cause damage to the Company, as has occurred in the past. A company with experience in the auditing of businesses similar to that of the Company has been appointed to undertake the Group's internal audit. In 2019, the Company had its sales process and the payment of advertising sales in print media examined and gave some observations and suggestions for the improvement of the work system. The relevant departments have undertaken to improve its operations upon the said recommendation.

For evaluating the adequacy of the internal control system according to the principles of the COSO (The Committee of Sponsoring Organizations of the Treadway Commission), the internal auditor used the assessment form for the internal control system of the Securities and Exchange Commission, which the evaluation results were satisfactory. The results of the evaluation are reported directly to the Audit Committee.

4. Financial Risk includes:

4.1 Risk from Liabilities

As of December 31, 2019, the Company and its subsidiaries had total borrowings of 266.12 million baht, a decrease of 864.62 million baht from 31 December 2018, which was 1,130.74 million baht. The burden of short-term loans is relatively high. But during 2019, the Company sold non-core assets, including the return of the subsidiary's digital TV license (Channel Spring 26), allowing the Company to use the proceeds from the disposal of the assets and the return of the said license for reducing the burden of borrowing considerably. As a result, the Company's interest expenses decreased from 2018 with interest expenses of 138.99 million baht, a decrease in 2019 remaining only 63.79 million baht.

However, as of December 31, 2019, the Company still had a short-term loan amount of 238.52 million baht, which was considered a risk if the company was unable to pay the debt. Therefore, to reduce the risk, the Company made a financial projection with a hypothesis based on caution to recognize the trend of operating results and cash flow.





In addition, to reduce the interest burden on short-term loans, the Company could reserve money for business operations. The company negotiated with the financial institution creditors to request support for the company's business could continue. Each financial institution continues to support the business of the Group.

4.2 Risk from Contingent Liabilities and Payment of Digital TV Licenses

As of December 31, 2019, the Group has an obligation to pay digital TV license fees to the Commission of National Broadcasting and Telecommunications Commission (NBTC) under the name of NBC Next Vision Company Limited or NNV (a subsidiary of Nation Broadcasting Corporation Plc or NBC), a digital TV license holder by NNV. The fourth installment license fee remains Baht 50 million (excluding VAT), due by May 23, 2021, which NNV expects to make a payment from the NBC Group's cash flow.

4.3 Risk of Financing from Outside Sources

The company sold the property and/or investments in subsidiaries of the Company. These sold property and investments were not the Company's main businesses. It was not necessary to rely on or use them in the business of the Company in the future, including its businesses with continuous losses. This enables the Company to have the cash flow to pay off the company's liabilities on time, to help reduce the high-interest burden arising from the mentioned debts, along with having sufficient working capital for continuous business operation.

In 2019, the Company sold land and buildings that were not used in operation or utilized to the full potential. The Company did not have any



plan to develop such land and buildings in a total of 3 locations, namely land and buildings built in Khon Kaen, Samut Prakan, and Bangkok. The money received from the sale of land and buildings was used as working capital and to pay off the loan to reduce the interest burden. In doing so, it helped the Company to increase the financial liquidity of the company by reducing non-performing and low liquidity assets.

In the third quarter of 2019, the company disposed of investments in subsidiaries that the company did not have expertise in such businesses, including Investment in Nation International Company Edutainment Public Company Limited ("NINE"). It was in the total amount of 120,808,387 shares at the selling price, not less than 2.62 baht per share, which is the average cost price that the Company received for NINE's ordinary shares in the total value of 316.52 million baht. It is an offering for general investors who were not connected persons of the company. The proceeds had been used to pay the debts during the year 2019 already. The disposal of such investment in NINE was not a disposal of the Company's main business. Therefore, it did not affect the Company's business operations but helped the company to have cash flow as internal working capital to increase liquidity. Also, it could be used for debt repayment, which helped reduce the Company's interest expense burden as well.

However, the company still has a certain amount of land that is not used in operation. If it can be sold at a reasonable price, the company will use the proceeds to pay the debt to reduce the interest burden further.

In addition, the company has considered the appropriateness in procuring other external

sources of funds, such as the issuance and offering of newly issued ordinary shares, whether it be offered to existing shareholders in proportion to their shareholding (Rights Offering) or offering to specific investors (Private Placement), issuing debentures and issuing bills of exchange (Bill of Exchange), sales of assets, etc. Such methods are used to allocate debt repayment to financial institution creditors as well as to perform various actions that the company deems it necessary.


4.4 Risk from impairment of trade receivables

The provision for bad debts is in accordance with the accounting policy of the Company as stated in the notes to the financial statements that the Company has a debt collection policy and an allowance for doubtful accounts. By considering the amount of debt that is expected to be unable to collect from the debtor, it is estimated from the current position of the debtor together with the debt collection experience in the past. In addition, the company has a policy to set aside an allowance for doubtful accounts proportional to the revenue at 1 percent of advertising revenue. As for the revenue from the sale of publications through agents (Agent), a 30% allowance for book returns in the country is set up and the Company has a policy to reduce the proportion of trade receivables that are older than 12 months as much as possible. The accounts receivable older than 12 months (Consolidated) as of 31 December 2019 amounted to 28.75 million baht and with the maturity of 6-12 months amounting to 6.45 million baht with allowance for loss of debt (Consolidated financial statements) as of December 31, 2019, totaling 37.19 million baht. Furthermore, the company also has a debt collection agency which is responsible for continuously tracking troubled debt.



The risk of material uncertainties related to continuous operations.

For the year ended December 31, 2019, the Group had a net loss of 2.10 million baht. If excluding the recognition of the difference of compensation from the return of the frequency license and operating the television business in the amount of 331.35 million baht and the profit from investments disposal in associates of 180.36 million baht, the Company would have a net loss of 513.81 million baht. In addition, the company had a net loss for the year ended December 31, 2019 of 375.30 million baht and on the same day, the Group and the Company have the total liabilities larger than the total current assets amounted to 218.05 million baht and 497.91 million baht, respectively. The Company had accumulated losses of 3,224.10 million baht and 3,509.30 million baht, respectively, while its capital deficit was 125.27 million baht. In addition, external factors from the current situation to the overall economy and may affect the operations of the Group of Companies. However, such circumstances indicate that there is material uncertainty that may cast significant doubt on the continuous operations capabilities of the Group and the Company, which use policies and



procedures to manage liquidity and other situations. For example, the Group has made plans to reduce operating expenses that enable them to improve the financial position, liquidity, cash flow and results of operations of the Group and the Company, as well as reducing interest expenses, rescheduling debt payment to be more lenient. As a result, the Group has sufficient credit facilities to serve as working capital.

The Group's management is in the process of improving the results of operations and liquidity of the Group and the Company. The policy is to focus on the core business in which the Group has knowledge and expertise. The areas of focus are printed media, related activities organization, television business in the category of news and subject matters that they have expertise in, the production of content programs (Contents) as well as related businesses that have potential to grow and complement the core business of the Group. To be able to continue business and to fully mobilize resources within the group in various fields to the existing news programs that are in line with the core business policy, the Group has improved the form of news and programs presented in various media of the Group to increase advertising revenue, and adjusted the work structure and increase the manpower of the marketing department to expand the customer base. It also had the program production re-structured to be more efficient, TV program chart adjusted to be outstanding, program format changed to increase the number of program viewers, and added income-earning channels such as new media, seminars and events, etc. Besides, the management plans to increase revenue by using Artificial Intelligence technology, including digital segment expansion, modifying the TV programs to make them more attractive and

improving the airtime rental model for all target customers to make it more efficient as well as having positive effects from the mitigation of impacts on the broadcasting business operators.

For the business restructuring of the Group, it focuses on operating its core business which consists of printing media business, television media business, other media. Therefore, the Group disposed of land and buildings in the first and second quarters and had the proceeds to pay off the debt to reduce the interest burden. Also, the Group has plans to adjust the financial structure, securing additional funding sources to increase liquidity and financial strength, such as funding and borrowing from financial institutions with financial costs appropriate to market conditions, etc.

At the Board of Directors' meeting of the Company on March 15, 2019, the Board of Directors passed a resolution approving the Group's reorganization of the print media business group by transferring the operations of 3 subsidiaries, merging them with the operations under the Company. It would be for the benefit of the Group to reduce work steps and redundant workloads; so, the expenses could be reduced. This resolution was effective from April 1, 2019 onwards.

The management of the Group believes that the preparation of the financial statements based on the accounting assumption that the Group and the Company will continue to operate is appropriate. Therefore, the consolidated and separate financial statements do not include any value adjustments of assets and reclassification of assets and liabilities. This may be necessary if the Group and the Company are unable to continue their operations.

List of Major Shareholders

THE TOP TEN SHAREHOLDERS AS OF JULY 14, 2020 ARE RANKED AS FOLLOWS:

Name	Shares	% Holding
1. U-City Public Company Limited	406,390,000	9.99
2. News Network Corporation Public Company Limited	404,985,000	9.96
3. CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	391,972,000	9.64
4. Mr. Sombat Panichewa	290,000,000	7.13
5. Mr. Suthichai Sae-Yoon	212,878,542	5.23
6. Ms. Kanchanarath Wongpan	206,641,200	5.08
7. KIM ENG SECURITIES (HONGKONG) LIMITED	200,000,000	4.92
8. Mr. Pakkawan Wongopasi	185,000,000	4.55
9. General Insurance Fund	141,400,000	3.48
10. DOW JONE & COMPANY.INC.,NEW YORK	120,000,000	2.95
Other	1,508,703,620	37.07
Total	4,067,970,362	100.00

Categories of shareholders As of July 14, 2020

Nationality	Shareholders	Shares	% Shares
Thai	3,987	3,347,742,783	82.30
Foreign	26	720,227,579	17.70
Total	4,013	4,067,970,362	100.00

Good Corporate Governance Report



Corporate Governance Policy

The Board of Directors of Nation Multimedia Group Public Company Limited strongly believes that good corporate governance principles and systems will ensure the Company's effective, transparent and accountable management and raise the level of credibility and confidence in the Company as perceived by shareholders, investors, stakeholders and related parties. Corporate governance also promotes sustainable growth, which will contribute to the Company's success, and enable it to achieve its ultimate goal of rendering the most optimized value to shareholders. The Company has applied the principles of corporate governance issued by the Securities and Exchange Commission (SEC) as a guideline in formulating its corporate governance policy.

In 2020, the Board of Directors' Meeting No. 5/2020 held on May 12, 2020, approved the review of the corporate governance policy and business ethics manual and code of conduct to suit the current situation (The original policy had been in

use since 2016). To comply with the authority and responsibilities of the subcommittee as specified in the charter, The Company's sub-committees consist of the Audit Committee, the Nomination, and Remuneration Committee, and the Executive Committee. The company published such an ethics manual on its website (www.nationgroup.com under the topic of Corporate Governance) for shareholders, investors and all stakeholders to be informed. The policy was also announced to notify the management and employees for acknowledgment and strict adherence to operational guidelines that will lead to the sustainable development and growth of the company. Monitoring of compliance with the corporate governance policy

The Company has been committed to improving its corporate governance policy since the Stock Exchange of Thailand (SET) announced its corporate governance principles for listed companies in 2006. The evaluation results of the Company's performance on corporate governance are as follows:

- The Company scored 96 out of 100 for an evaluation on the Annual General Meeting Checklist, jointly assessed by the Thai Investor Association, the Thai Listed Companies Association and the Securities and Exchange Commission.

- For the Evaluation results of the Thai Private Sector Collective Action Coalition Against Corruption Project, the Company received a certificate of membership from the Thai Private Sector Collective Action Coalition against Corruption (CAC) program, which can confirm that the Company realizes and recognizes the importance of setting up a system to prevent corruption and is ready to conduct business with transparency. The certificate is valid for 3 years from 10 November 2017.

In 2019, the Company's corporate governance principles covered five areas, namely:

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

1) Rights of shareholders

The Company realizes that the shareholders are entitled to the Company's ownership right. Shareholders control the management by appointing the Company's Board of Directors to

act and make key decisions for them as stated in the corporate governance principles. The Company values and respects the shareholders' rights by adhering to the principles regulated by law.

The Company has a policy to treat every shareholder with equality. Realizing that the shareholders are entitled to the rights to receive sufficient and timely information of the Company, Secretary Company Division was set up to provide information and respond to enquiries. The website: www.nationgroup.com publicizes the Company's information for shareholders and investors both in Thai and English. The information provided includes the latest information, an investors' newsletter and shareholders' meetings.

The Company also provides shareholders with opportunities to inquire, request explanations and express their opinions with equality.



Shareholder meeting

The Board of Directors has recognized the importance of holding the Annual General Meeting to allow shareholders to acknowledge the Company's performance, jointly make



decisions on significant Company matters and inspect operations managed by the Board and management. In 2019, the Company not only organized the Annual General Meeting in line with the law and guidelines as suggested in the AGM Checklist manual, published by the Thai Investors Association, the Thai Listed Companies Association, the Securities and Exchange Commission and the Stock Exchange of Thailand but also strictly adhered to the principles of Good Corporate Governance.

The Company has adopted a policy to promote and facilitate shareholders by disclosing the date, time and venue of the meeting in advance together with a map in the invitation to the meeting. A barcode registration system has been adopted as well as technology to count votes and display the meeting's resolutions.

In 2019, the Company organized the Annual General Meeting of Shareholders two times as follows:

1. Annual General Meeting of Shareholders for the year 2019 on April 26 2019

The Meeting was held at the Interlink Tower, meeting room 9B at 14.00 hrs.

Ten out of eight directors attended the meeting. A total of 52 shareholders and shareholders' representatives attended the meeting, representing shareholdings of 2,603,285,195 shares or 63.99 percent of the 4,067,970,362 total issued shares.

2. Extraordinary General Meeting of Shareholders No. 1/2019 on September 27, 2019

The Meeting was held at the Interlink Tower, meeting room 9B, at 10.00 hrs.

The important agenda was to consider and approve the subsidiary to return the digital television license of SPRING 26 channel and approve the financial statements of the Company and its subsidiaries for the year ended December 31, 2018.

10 out of 10 directors attended the meeting.

A total of 77 shareholders and shareholders' representatives attended the meeting, representing shareholdings of 2,320,678,588 shares or 57.05 percent of the 4,067,970,362 total issued shares.

Prior to the General Meeting of Shareholders

The Company posted the meeting invitation letter with information for consideration with complete details disclosed on the Company's website prior to the meeting date. It has appointed Thailand Securities Depository Co., Ltd. to serve as the Company's securities registrar, to circulate meeting invitation letters to the shareholders prior to the meeting date as required by law and the Securities and Exchange Act. The meeting invitation letter provided details of the agenda, rationale, the Board of Director's views on each item of the agenda, and complete and sufficient information for the shareholders to make their decisions as well as previous meeting minutes. As for the meetings that considered financial statements, the annual reports, related documents required were delivered. For the consideration of each agenda item, complete

information provided were clarification of each item, director nomination methods, the Company's articles of association, conditions, criteria and procedures for attending the shareholders' meeting, information on the Independent Directors, meeting procedures and Company's regulations concerning the shareholders' meeting, map of the meeting venue, and proxy form as specified by the Ministry of Commerce. The meeting date and other details were announced in the newspaper for three consecutive days and at least three days prior to the meeting date.

In 2019, the Company provided minority shareholders with opportunities to propose additional meeting agenda items and nominate persons to assume the position of director in advance before the meeting date as follows.

Organizing the 2019 Annual General Meeting of Shareholders on April 26, 2019, the Company provided an opportunity for minority shareholders to propose agenda items and a person to be a director from November 23, 2018 to January 23, 2019 via the website www.set.or.th or www.nationgroup.com. It appeared that no shareholder proposed the name list of persons to hold the position of director. There were also no shareholders proposing additional agenda items. The Company reported the results of shareholders' exercise of the right to nominate persons to be elected as the Company's directors and the right to propose the agenda of the Annual General Meeting of Shareholders through the website of the company on January 30, 2019.

In organizing the Extraordinary General Meeting of Shareholders No. 1/2019 on September 27, 2019, the Company provided an opportunity for minority shareholders to submit questions in advance of the meeting date from September 12, 2019 to September 18, 2019 via the website www.set.or.th or www.nationgroup.com. The Board of Directors and the management could collect information for clarification to the shareholders on the meeting date. However, it appeared that no shareholders raised any questions in advance of the Extraordinary General Meeting of Shareholders.

The Annual Meeting of Shareholders and Extraordinary Meeting of Shareholders in 2019

In determining the date, time and venue for the meeting, the Company gave priority on providing the greatest convenience to shareholders. Meeting registration opened for shareholders and shareholders' representatives one hour in advance of the meeting and attendees were handed out complimentary items. Auditors from KPMG Poomchai Audit Co., Ltd. to the 2019 Annual General Meeting of Shareholders and the Extraordinary Meeting of Shareholders No. 1/2019 and the Company's legal advisor attended the meeting. All shareholders' meetings were chaired by the Chairman of the Board of Directors.



Prior to the meeting

Prior to the meeting, the Company informed shareholders in detail of the rules and practices for the meeting including the vote casting procedure, vote counting and ballot instruction to the assembly. The Chairman gave shareholders opportunities to inquire and express their opinions openly and assigned the President and Executive Directors to answer the inquiries. Summaries of questions from the shareholders, answers and conclusions as well as the other relevant details were recorded in the minutes.

The Company used a barcode system to register attendees, count votes and display resolutions for each agenda item in the meeting.

The Company proposed directors' remunerations for approval at the Annual General Meeting of Shareholders. Information proposed to the shareholders for acknowledgement and approval includes payment for each director in comparison with the preceding year, clearly stated policies and criteria relating to specifications of payments for directors.

The Company suggested that the shareholders unable to attend the Annual General Meeting assign authority to at least one of the Independent Directors of the Company, who has no interest in the issues being considered, to represent and cast votes for them. The Company enclosed proxy forms A, B and C with the meeting invitation letter. The proxy form B allows shareholders to specify their vote for each agenda item. The proxy form C is used when the shareholders are custodians.



After the General Meeting of Shareholders and Extraordinary Meeting of Shareholders in 2019

The Company has disclosed resolutions made by the Annual General Meeting of Shareholders and Extraordinary Meetings of Shareholders for the acknowledgement of shareholders and members of the public through the SET Community Portal system, developed by the Stock Exchange of Thailand, immediately after the meetings or not later than 09.00 of the business day following the meetings, which is in accordance with the Disclosure Rules of the Stock Exchange of Thailand.

2) Equitable treatment of shareholders

The Board of Directors has regularly controlled and checked up on the Company's corporate governance structure to ensure equitable and fair treatment for all shareholders, as well as to ensure that the caretaking process is neither complicated nor incurring unnecessarily high costs. In the meeting of shareholders for 2019, the Company recognized all shareholders equally and undertook the following guidelines to ensure that all shareholders had the right to participate in decision making and to acknowledge the

Company's decisions on important matters as stipulated by the law or the Company's regulations.

In the shareholders' meeting the Company has a policy to not proceed in any way that threatens the rights of all shareholders. No item shall be included in the agenda and no important information shall be exchanged if it's not informed to the shareholders in advance. Moreover, no document containing additional important information shall be provided in the meeting, to ensure the shareholders have sufficient time to make decisions.

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

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

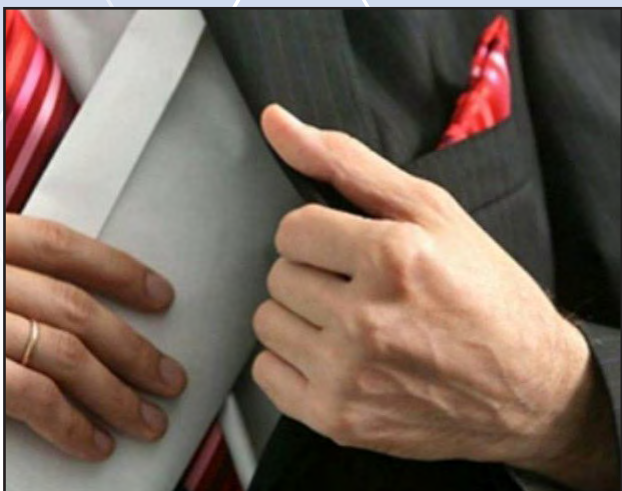
No transactions shall be mutually made with any joint-venture, related companies or related parties who are shareholders of the Company, as it may lead to significant conflicts of interest.



3) Role of Stakeholders

In addition to protecting and preserving the rights of shareholders, the Board of Directors has set a policy to protect the rights of all groups of stakeholders. Apart from the matters that directly affect the business operation, it also extends to matters that the Board deems to be a duty that should be done to society as a whole. Stakeholders are cared for by the Company in their own right and in compliance with the relevant laws. The Board of Directors approved the establishment of a procedure to foster cooperation between stakeholders and the Company to enhance sustainable business for the Company.

Several stakeholder groups are important to the Company, including employees, customers, shareholders, investors, trading partners, creditors, trade competitors, society, government agencies, neighboring communities, etc. The Board of Directors has maintained a policy to protect the rights of each group of stakeholders in accordance with related laws or agreements stakeholders have made with the Company, and has aimed to promote employee involvement in enhancing the performance of the Company to ensure more productive performance and sustainable growth by disclosing relevant, sufficient and timely information to stakeholders. The Company has established organizational ethics and operational guidelines for the Board of Directors, executives and employees of the Company.



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

Ethics on business operation

• **Business operation guidelines**

Nation Multimedia Group Public Company Limited was established in 1971 as Thailand's first English-language newspaper managed by Thais. Over the years, the Company has remained committed to growing alongside Thai society and performing its media duties with objectivity and credibility, and has a strong determination to drive Thailand towards a knowledge-based society. Today, the Company has become one of Thailand's fully-integrated media organizations, with a commitment to perform its duties as a good, creative and dependable media organization under good corporate governance to serve Thai society in the years to come.

Anti-corruption policy

The Company has a policy to operate its business with honesty and professional media ethics, as well as demonstrate a keen sense of

social responsibility and the best interests of all groups of stakeholders in accordance with its corporate governance policy, ethical guidelines and Code of Conduct. The Company therefore has outlined its "Anti-Corruption Policy," which has been approved by the Board of Directors, as clear guidelines to operate the business and develop a sustainable organization, as follows:

1. Nation Group's directors, management and employees are prohibited from conducting or accepting every type of corruption both in direct or indirect manner, including receiving complimentary items or gifts, joining entertainment or hospitality activities, granting financial aid or donations and other forms of benefits from those doing business with the Company, for themselves or their families.

2. The implementation of the Anti-Corruption Policy covers Nation Group's employees, customers and all groups of stakeholders, both in Thailand and abroad, and specifies that evaluation of the risk of corruption in the organization is undertaken annually. The Policy is reviewed at least once a year in order to accord with business changes, rules, regulations, and laws.

3. Operations relating to the Anti-Corruption Policy must be in line with the guidelines stated in the Nation Group's Corporate Governance Policy and ethical guidelines, related regulations and operation manual, as well as additional guidelines that will be further stipulated by the Company.

4. To focus attention on processes which incur a high risk of corruption, Nation Group's directors, management and employees at all levels must conform carefully in the following courses of action:

4.1 Entertainment and hospitality, gifts

Offering gifts or entertainment and hospitality activities must be in compliance with Nation Group's ethical guidelines and Code of Conduct.

4.2 Charitable contributions or aid

Granting contributions or receiving aid must be transparent and in compliance with stipulated laws by confirming that such transactions shall not be claimed as an act of bribery.

4.3 Business relations and procurement process

All types of bribery or illegal payments are prohibited in business transactions, whether they are made with suppliers, contract parties or government agencies. Such transactions must be processed transparently and in compliance with related laws and regulation.

Dissemination of the Anti-Corruption Policy

Nation Group disseminates its Anti-Corruption Policy to its staff and stakeholders through the Internet, e-mail and the www.nationgroup.com website

Policy to prevent intellectual property violation

The Company has determined a policy to maintain information technology security covering prevention of intellectual property and copyright



violation. All employees are required to affix their signatures to accept the terms and conditions of the policy. The Company has consistently conducted tests on information technology and computer network systems so as to prevent the use of pirate software or programs that are not related to work. The Company's policy to prevent intellectual property and copyright violations are as follows:

1. Employees are not allowed to install pirate software, as well as freeware and shareware programs on the Company's computers. Those who need to use additional software other than the readily-installed basic programs have to seek permission and software installation must be undertaken or supervised by staff in charge of monitoring the information technology system.

2. Employees are not allowed to duplicate, counterfeit or use software that violates the copyright law and patent law, and professional ethics, nor use the work or information owned by third parties within the Company. Checks must be made to verify that the intellectual property rights of others are not violated.



Ethical responsibilities

Ethics on responsibilities to the media profession (the “Nation Way”)

Since its establishment, the Company has strictly observed the code of conduct of the media profession. This is a major reason why the Company’s media and staff have earned credibility and trust from society in spite of some difficult periods when there were political pressures. The Company’s staff perform their duties as a credible media organization, closely and consistently adhering to principles.

The “Nation Way” code of conduct was drafted as professional guidelines for the Group’s editorial staff at every level. The content covers the basic ethical standard for “news crews” at every level as well as how they behave in public, both on-duty and off-duty. The Group’s news staff at every level shall strictly observe the following principles without any exceptions so that the Company can continue to maintain the credibility and trust of society.

“Nation Way” Code of Conduct is categorized as follows:


- 1 Ethical requirements of the media professionals
- 2 Ethics of Nation Group’s media
- 3 Responsibilities to the readers, listeners and audience.
- 4 Commitment to the media profession and organization
- 5 Guidelines for news reporting and desirable behavior with sources

- 6 Special privileges and conflicts of interest
- 7 Guidelines for participating in political and social activities
- 8 Guidelines for the advertisement, marketing and sale departments.
- 9 Guidelines for copyright and freelancing jobs
- 10 Guidelines for reporters in various beats
- 11 Guidelines for mistakes recovery
- 12 Guidelines for reporting the Company’s activities
- 13 Guidelines and ethics on Nation Social Media

The Company has measures to prevent problems from libel and defamation charges arising from news reports by providing training courses for staff in the news department to keep them informed of the news reporting guidelines, undesirable statements and pictures. The Company has also reinforced the parties involved to perform accordingly.

Ethics on responsibilities to shareholders

The Company determines to act in a trustworthy manner and ensure the best interests of the shareholders by placing high priority on steady corporate growth and sustainable returns. The Company shall operate in a transparent manner, ethically and within the framework of the law and the Company’s corporate governance policy, and with a credible accounting system. The Company’s Investor Relations Division was



set up to communicate with investors and shareholders who would like to make inquiries and seek explanations on related issues.

Ethics on relations to customers

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

In 2019, the Company consistently organized a series of activities to raise brand awareness and foster relations with target customers, viewers and readers. It acted as an organizer and co-sponsor of seminars, sporting events, awards presentations, rallies and charity events both in Bangkok and several provinces.

Krungthep Turakij newspaper organized a mini-marathon event of "SET RUN BANGKOK 2020" in collaboration with the Ramathibodi Foundation including both public and private agencies under the concept of "running for." The proceeds of this event shall be channeled to the "Ramathibodi Foundation" to support medical development and help the needy to have the opportunity to maintain a better quality of life. Besides, the Krungthep Turakij held seminars throughout the year such as "EEC NEXT: Thai-Foreign Capital EEC Pin", "Thailand Economic Outlook: Thai Economy 2020", and "Insight into Thai Stocks Against COVID."

Kom Chad Luek newspaper organized Kom Chad Luek Award presented to people in the entertainment industry both in front and behind the scenes to promote and encourage people in the entertainment industry to create quality works, promote good development and set standards for the Thai entertainment industry. The award has been granted to quality people regardless of their current popularity or affiliation. This event has been continuously organized for the 15th consecutive year.

Nation TV22 organized several activities, one of which was "the more running, the more giving to the animals 2019 (2nd Year): Run for Manatees." Every 2.5 kilometers running, the Nation will contribute an additional 22 baht donation to the "Phuket Marine Biological Center" for manatees. Another event was "Slow life... Amazing Thailand Go Local" activity. In 2019, Nation TV22 organized The Nation Anniversary Golf Charity 2019 at Thana City Golf Country Club, Bangna. This event consisted of five golf tournaments held in Phitsanulok, Ranong, Prachinburi, Nakhon Phanom and Suphanburi. Also, the project of tutoring to university at Nation TV22 was held in collaboration with Sahaphat Group. Nation Fan Day was also another once-a-year event that provides Nation TV viewers and fans with opportunities to experience up-close and personal with the MCs and news anchors in a warm and friendly atmosphere.

All activities of the Nation Group received a positive response from readers, viewers and major sponsors. Aside from organizing events to



best suit each target group of customers, all of the Group's organized activities were further developed by utilizing social media in all stages of its activities to broadly cover all target groups. In addition, the successful activity outcomes were publicized to society through the social media platforms of the Group.

Ethics on responsibilities to employees


The Company realizes that human resources are the most valuable asset that drives the organization to success. The Company is committed to develop the quality of employees as well as enhance the corporate culture, promote employees' physical and mental health, ensure a positive work environment, promote team work to build up the employees' confidence, and encourage the election of staff representatives to get actively involved in managing staff welfare as stipulated by the law. Furthermore, the Company facilitated the setting up of a "Thai Mass Media Labour Union" according to the Labor Relations Act B.E. 2518 to protect the interests of employees and promote good relations between the employees and the employers as well as among the employees themselves. Additional activities involving the employees include, for example, alms giving to greet the New Year and Meet & Greet activities between the Company's management and staff.

In terms of employee welfare, the Company has paid great attention to labour welfare. Employees are entitled to welfare covering monetary assistance upon receiving treatment at hospitals, in the event of the death of employees' parents, spouses, children or the employees themselves, marital monetary gift, monetary gift

for newborn babies and children's education. The welfare packages also include provident fund, emergency loans, annual medical check-up, accident insurance and group insurance. In 2019, the Company additionally provides health insurance to its employees.

In terms of safety and hygiene in the workplace, the Company has continuously organized training and launched campaigns to raise employees' awareness on maintaining a safe workplace for life and property. Throughout the year 2019, there were no reports of accidents or medical leave during operating hours as most operations were performed at the office. The Company has recognized the importance of the work place, and has constantly maintained working equipment and tools as well as the establishment so that they are always ready to be in service and safe.

In terms of human resources development, the Company has concentrated on upgrading employee capability at all levels by organizing internal training courses such as a Code of Conduct course, and external training courses with other institutes or agencies, enabling them to use the acquired knowledge to improve working efficiency. The Company has organized training courses in conformity with the Skill Development Promotion Act B.E.2545, stipulating that any Company with over 100 employees must organize training courses for employees in the ratio of 50% of the total number of its employees, and apply for training courses certification to the Department of Skill Development. The Company strictly follows the Act when it comes to holding training courses for its employees.



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

Ethics on relations with trade partners

The Company realizes the importance of equality and honesty in business practice as well as the mutual benefits with trade partners. The Company strictly abides by law and regulations as well as good business ethics. The Company's guidelines in this respect are as follows:

1. Directors, executives and employees of the Company shall not receive, claim or accept offers for benefits that are not in accordance with standard trade practices.
2. Act in strict compliance with the law and regulations.
3. Evaluate and select trade partners using standardized criteria.
4. Strictly follow the conditions concerning trade partners. In the event that the Company is unable to follow such conditions, the partner should be informed in advance in order to consider appropriate solutions.

5. Provide accurate and correct information.
6. Support and cooperate with trade partners in the production of high-quality standardized products.
7. Support and cooperate with trade partners in the production of new products and services in order to answer changing customer preferences.
8. Safeguard the confidentiality of trade partners and do not use information for self benefit or the benefit of other parties.

The Company always takes relations with trade partners into consideration in the year under review, the Company had no disputes relating to trade partners.

The Company has set selection criteria for new partners as follows:

1. Have the ability to demonstrate a reliable financial background and potential to grow in the long run.
2. Have the ability to produce or distribute quality products according to the Company's requirements and allow the Company to conduct tests on product quality.
3. Have the ability to support the Company in terms of sales promotions and after-sales services provided to customers.



Ethics on relations with trade competitors

The Company adheres to ethical rules of business, best practices and fairness in regard to competitors, as follows:

1. Comply with the accepted rules of good competition.
2. Refrain from untruthfully discrediting competitors and avoid dishonest methods to damage competitors.
3. Refrain from sourcing the confidential information of competitors through dishonest or inappropriate means, such as offering bribes to competitor's employees, etc.

During the year under review, the Company did not have any disputes relating to trade competitors.

Ethics on relations with creditors

The Company recognizes the importance of equality and honesty in dealing with creditors. To



strictly follow loan contracts made with the banks and financial institutions and to meet repayments due on products and services, as well as capital and interest payments, the Company has established guidelines as follows:

1. Strictly follows terms and conditions stated in loan agreements made with creditors, both in terms of repayment and collateral, and must not use the loan for purposes other than those stated in agreements.
2. Report the Company's financial status that is actual and accurate to creditors honestly.
3. Report to creditors in advance in the event that the Company fails to follow the obligations stated in agreements in order to jointly seek solutions with creditors.

The Company has received syndicated loans from several banks which have long business relations with the Company and ranked the Company as a top-rated customer which has thoroughly followed the terms and conditions of its loan contracts.

In the year under review, the Company had no disputes relating to creditors and financial institutions.

Ethics on social responsibility and environment

The Company has raised employee awareness on conserving the environment and using resources in the most efficient manner through its internal communication process. It has also encouraged employees to take part in a campaign to reduce global warming by changing their behaviors to reduce energy consumption, join in 5S activities,

and other activities concerning conservation of the environment, natural resources and energy held by the Company.

As a fully-integrated media operator, the Company shares national concerns over the quality of life and the information consumption of Thais. Therefore, the Company has a mission to present quality and useful news to society and the public. The Company also participates in efforts to improve the living standards of Thai society. As a business operator in Thailand, the Company cares about the environment. In 2019, the Company was involved in almost all aspects of social contribution activities (details as stated in Social Contribution Activities on page 93).

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

Complaints and suggestions

The Company encourages its management and employees to conduct business with integrity, transparency, fairness and accountability in accordance with good corporate governance and the Company's code of business ethics. As part of this policy, the Company provides channels for comments, complaints and suggestions from

the Company's employees and all groups of stakeholders. Complaints, suggestions and tip-offs concerning various issues can be made to the Audit Committee or the Company's Audit Department Manager via E-mail audit_nmg@nationgroup.com or by mail to the Company at Nation Multimedia Group Public Company Limited 1854, 9th, 10th, 11st Floor, Debaratana Road, Bangna-Tai, Bangna, Bangkok 10260

Operation procedures after receiving complaints

The Internal Audit Department will consolidate complaints and launch initial inspections. If the complaints are found to be grounded, they will be forwarded to the Chief Executive Officer, which will set up a fact-finding committee, with the Human Resources Department acting as the committee's secretary. The committee will subsequently present its findings, together with measures against wrongdoers, to the Chief Executive Officer, the Internal Audit Department Manager and the Audit Committee.

The Audit Committee will provide fairness and safeguard complainants, those in charge of receiving complaints, those who are the subject of complaints and those relating the fact-finding operation by applying protection measures. All involved information will be kept confidential and disclosed only where necessary, with the safety and possible damages to concerned parties taken into consideration.

4) Information disclosure and transparency policies

The Board of Directors ensures that the Company provides its information including



financial reports and non-financial reports in a manner that is accurate, complete, timely and transparent through easy-to-access channels such as the website of the Company and disclosure channels of the Stock Exchange of Thailand and the Securities and Exchange Commission.

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

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

In the past year, the Company has disclosed the Company's financial reports accurately,

completely, timely, in a transparent manner and in accordance with the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand through the information disclosure channels of the Stock Exchange of Thailand and the Company's website. The Company's annual report 2019 provides the following information:

1. Vision, mission and values of the organization
2. List of directors as well as their work and educational backgrounds, their family relationship with the management, their service in other listed companies and their holding of the Company's securities
3. Shareholders' structure
4. Risk factors
5. Corporate Governance Report
6. Directors' remuneration and attendance at board meetings
7. Board of Directors' performance in the past year and the training record of the board
8. Audit Committee's performance in the past year
9. Remuneration policy for directors and high-level management
10. The remuneration for service in the Board of Directors and other assignments of the Company and its subsidiaries
11. Annual report of the Audit Committee
12. The Board's accountability report to the financial statements with the required

content, endorsed by the Chairman of the Board and Chief Executive Officer

13. Explanation and analysis of the financial status of the management
14. Accurate and complete financial statements in accordance with accounting standards
15. Financial statements and operating results

The Company has disclosed the following information at www.nationgroup.com

1. Roles, duties and responsibilities of the directors, sub-committees, Chairman and Chief Executive Officer
2. Corporate Governance Policy
3. Business ethics and Code of Conduct
4. Charter of the Audit Committee
5. Charter of the Nomination and Remuneration Committee
6. Charter of the Board of Directors
7. Charter of the Internal Audit Committee
8. Quarterly and annual financial statements
9. Annual report
10. Human Resource Management Policy
11. Internal Auditing
12. Company Regulations
13. Anti-corruption Policy

Investor Relations Section

Company secretary section is responsible for communicating with shareholders, institutional investors, investors, analysts and related government agencies in an equal and fair manner in order to build strong relations with

them. The investor relations section answers queries related to the Company and its operations for investors through the Company's website, by telephone or via other channels. The Company facilitated the distribution of important information by organizing and participating in the following activities in 2019:

Company Secretary Section can be contacted at:


Address : 1854, 9th , 10th , 11st , Debaratana Road, Bangna-Tai, Bangna, Bangkok 10260

Tel : 02-338-3289-91

Email : corporate_secretary@nationgroup.com

Website : <http://www.nationgroup.com>

The Company recognizes the significance of working in compliance with the regulations required by the Stock Exchange of Thailand, the Securities and Exchange Commission and other relevant laws in an accurate, complete and transparent manner, which passes through sequential consideration and inspection. The Board of Directors appointed Ms. Mathaya Osathanond as the Company Secretary on February 15, 2013. The Company Secretary assists the Chairman in ensuring the Board of Directors, sub-committees and all directors of the Company work in accordance with their roles and duties and in compliance with relevant laws, regulations and rules. The Secretary prepares sufficient necessary documentation and agenda for meetings for the consideration and decisions of the Board, carefully and accurately records the minutes of meetings showing that the Board has considered agenda items carefully, completely, honestly and



responsibly using judgment and with consideration of the business environment and what other businesses might be expected to do in a similar situation. The Secretary is responsible for keeping the register of directors, notice of meetings, minutes of the Board of Directors and Shareholders Meetings, reports of conflicts of interest, reports of share holdings of directors and executives, and to ensure that coordination of activities between the Board of Directors and the management proceeds in line with the Board's resolutions. The Company Secretary has discharged her duties fully and thoroughly.

5) Responsibilities of the Board of Directors

Roles, duties and responsibilities of the Board of Directors

The Board of Directors has an important duty in supervising business operations to ensure the best interests of the Company. The Board of Directors is accountable to the shareholders and independent from the management. The Board of Directors consists of persons with knowledge and experience in different fields including accounting and finance, management, marketing, strategy and law.

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

The Board of Directors considers and approves important matters concerning the Company's operations, including business plans, operating budgets, financial objectives and business strategies as proposed by the Chief Executive Officer. The Board of Directors also monitors the progress of operations according to the specified policies, strategies and plans.


Roles, duties and responsibilities of the Chairman

The Chairman plays important roles in chairing and supervising meetings, allocating time for each agenda to ensure each director will have sufficient time to express their views on significant matters and making decisive casting votes when votes cast on both sides are equal in number. The Chairman holds responsibility as head of the Board of Directors to lay the framework and monitor the determination of the Company's corporate governance policy, as well as acts as the Chairman of the Annual General Meeting.

Counterbalance of non-executive directors

As of June 1, 2020, the Board of Directors consists of 9 members, four of them are independent directors, another three are executive directors of the Company and its subsidiaries, and two are non-executive directors. The number of independent directors and non-executive directors accounts for more than one third of the board to ensure an effective check and balance system in management.

The four independent directors are fully qualified according to the Company's definition of the independent directors, approved by the



board. Three independent directors are members of the Audit Committee. One of them is the Chairman of the Audit Committee and two of them are members of the Audit Committee.

Appointment of the Board of Directors

According to the Company's requirement, one third of the directors shall vacate their offices when their tenures end every year. The Company can re-appoint directors whose tenure ends to the same positions again for another term. The Company does not set requirements on the term limit according to the requirement of the Securities and Exchange Commission. The Company has set a policy stipulating that its directors must not hold the status of director in more than five other listed companies on the Stock Exchange of Thailand concurrently. The Company's directors shall not be directors in competing companies or have conflicts of interest with the Company's business. In the case that the directors hold positions in other companies, those Company names, types of business and positions of the directors shall be disclosed in the director profile. In 2019, none of the Company's directors or executives held positions as directors in more than five listed companies.

Compliance units

The Company has established various units to ensure compliance with the laws related to business operations. The Corporate Secretary Department ensures compliance with regulations of the Stock Exchange of Thailand, the Securities and Exchange Commission as well as related laws. The Company has hired a professional legal consultant with the expertise to serve as a

consultant in the practice of law related to business operations. The Company hired Dharmniti Internal Audit Company Limited as its internal auditor, working from September 30, 2019 to October 11, 2019. The internal auditor shall review and assess the sufficiency of the internal control system in the sales and payment system (advertisements in print media) to develop and improve the efficiency of Company's internal control system.

Sub-committees

The Company's Board of Directors has appointed sub-committees to help screen information by defining the qualifications and scope of responsibilities in each committee's charter.

At present, the Company has three sub-committees, namely the Audit Committee, Nomination and Remuneration Committee and the Executive Board. The duties and responsibilities of the sub-committees are detailed in pages 81-88 Sub-Committees.

Conflicts of interest

The Company acknowledges the importance of the potential for conflicts of interest. Therefore, the Company has announced its conflicts of interest policy which prohibits the Company's directors, management and employees from conducting any business which can come into competition with the Company, as well as getting involved in any transaction that is likely to lead to a conflict of interest with the Company. If it is necessary to undertake such a transaction, the Board of Directors will ensure that the transaction



is transparent, fair and prudent, as if the transaction has been executed with a third party.

Related transactions between the Company and its subsidiaries, or associated companies in 2019 were presented before the Audit Committee each quarter, and the Company disclosed details of transactions, parties, reasons / necessities in the annual report and form 56-1.

The Board of Directors' Meeting

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

Generally, each board meeting takes 2-3 hours. The Chairman gives equal opportunity for all directors to independently express their ideas and opinions. The Board of Directors views that to prevent the unintentional leakage of information, the management will report the results of the Company's operations only in the month that the meeting is being held. Independent directors

and non-executive directors meet regularly to discuss management issues without the presence of operating personnel. Should there be any issues of concern, the management will be notified to solve or improve them.

Evaluation of the Board of Directors' performance

The Board of Directors arranges for performance evaluation of the entire board and sub-committees at least once a year so that the Board of Directors and sub-committees can review their performance as well as operational problems and obstacles during the past year for improved operations.

In 2019, the Board of Directors arrange for the evaluation of the performance of the Board of Directors in two forms: individual self-assessment and evaluation of the performance of the whole board, using the evaluation forms of the Stock Exchange of Thailand and the Thai Institute of Directors (IOD) as a basis. In addition, evaluation of the performance of the Audit Committee was also undertaken. Evaluation scores were divided into 4 = highly agree, 3 = quite agree, 2 = agree, 1 = disagree, 0 = strongly disagree.

The evaluation process began in November 2019 with the Corporate Secretary Office proposing the evaluation form for consideration in the Board of Directors meeting as to whether the form satisfied the rules and criteria. After that, the evaluation form was submitted to the Board of Directors and the Audit Committee to undertake the evaluation and to summarize the score for acknowledgement by each committee. The evaluation results of the Audit Committee were

presented to the Audit Committee Meeting No. 1/2020 on March 2, 2020. The results of the evaluation of the Audit Committee and the Board of Directors were presented to the Board of Directors' Meeting No. 1/2020 on January 28, 2020.

Directors' remuneration

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

The Company's guidelines for the remuneration of the Chief Executive Officer are in accordance with the terms and policies stipulated by the Board of Directors. The remunerations are based on the Company's and individual's performance. The Board of Directors assigned the Executive Board to consider appropriate levels of remuneration for the Chief Executive Officer.

Directors' remuneration for the year 2019, which the Board of Directors proposed to the 2019 Annual General Meeting of Shareholders for 2019, is summarized as follows:

In this regard, the 2019 Annual General Meeting of Shareholders held on 26 April, 2019 resolved to approve the remuneration of the Company's

Position	Annual Remuneration 2018	Annual Remuneration 2019	Unit
Chairman	400,000	400,000	(Baht/Person/Year)
Chairman of the Audit Committee	400,000	400,000	(Baht/Person/Year)
Audit Committee	300,000	300,000	(Baht/Person/Year)
Independent Director	200,000	200,000	(Baht/Person/Year)
Non Executive Director	200,000	200,000	(Baht/Person/Year)
Executive Director	No remuneration	200,000	(Baht/Person/Year)
Chairman of the Nomination and Remuneration Committee*	-	20,000	(Baht/Person/Time)
Member of the Nomination and Remuneration Committee *	-	10,000	(Baht/Person/Time)

Note :* the meeting allowance will be paid in eachtime



directors for the year 2019, with votes of 99.97% Disagree 0.03% 0% Abstain.

Director and management development plan

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

The Company promotes the development of all directors to enhance their efficiency in performing their duties. The Company has set a policy to encourage directors to participate in seminars and training courses organized by the Thai Institute of Directors (IOD), the Stock Exchange of Thailand or other institutes. Topics of seminars and training courses involve development for directors in relation to their duties and responsibilities or new management trends to support continuous development in performing their duties, as well as to enable them to apply acquired knowledge appropriately to consistently improve operations for the benefit of the Company.

Succession plans

The Company's Board of Directors realizes that the organization's efficiency is a result of its staff. The sustainable growth of the Company depends on whether the Company will be able to create qualified personnel to execute the

Company's mission and continue the intention of the founders as well as to pass on good corporate culture to subsequent generations. The Company has therefore instructed the management to give priority to effective management and human resource development with clear directions to achieve the Company's vision, mission and values.



The Company has set a policy to recruit personnel at all management levels appropriately and transparently to ensure it will acquire management who are professional, unbiased, do not get involved in politics and have a thorough understanding of the media culture and business ethics. The Company has succession plans as follows:

1. Chief Executive Officer

When the position of Chief Executive Officer vacates or persons holding such position are unable to perform their duties, the Company may select an executive at the nearest level or deputy position to the vacated position to act as a caretaker up until the selection and recruitment process of the vacated position is completed. Successful candidates must have vision, capability, experience and fit well into the organizational culture. The

Executive Board will consider candidates for the position to propose to the Board of Directors for approval.

2. Vice President

When the management position of vice president vacates or persons holding such position are unable to perform their duties, the Company has succession plans as follows:

1. Analyze the Company's business operations in terms of strategies, policies and plans, as well as business expansion plans.
2. Evaluate readiness of the workforce to be in line with the Company's business strategies both in the short and long term.
3. Formulate a plan to build workforce readiness by developing staff or recruiting new staff in replacement of those resigning.
4. Create a staff recruitment and training development plan in advance, prior to staff's retirement or resignation.
5. Determine qualifications covering desirable knowledge, skills, personalities and attitudes for each work position and create individual development plans.

6. Evaluate employee performance and capability to consider their suitability for the position.

7. Use KPIs in tests and evaluations to measure employee performance and capability.

Sub-committees

The Company's Board of Directors has appointed three sub-committees, the Audit Committee, Nomination and Remuneration Committee and the Board of Executive Directors whose roles and responsibilities are described as follows:

(1) Audit Committee

The Audit Committee must be comprised of independent directors and must be appointed by the Board of Directors or shareholders. Audit Committee members must be able to use their discretion independently. At least one member of the Audit Committee must have expertise in accounting or related financial management in accordance with the requirements of the Stock Exchange of Thailand and be able to read and understand financial statements.

As of December 31, 2019, the Audit Committee comprised three members, as follows:

Order	Name	Position	Qualifications
1	Mr. Apivut Thongkam	Audit Committee Chairman	Independent Director
2	Mr. Chaisit Puvapiromquan	Audit Committee Member	Independent Director
3	Mr. Thanachai Santichaikul	Audit Committee Member	Independent Director with finance and accounting background



Roles, duties and responsibilities of the Audit Committee

1. Review the Company's financial reporting (quarterly and annually) to ensure accuracy and adequate disclosure regarding the Company prior to presenting to the Board of Directors.

2. Review the system of internal control and internal audit to ensure they are appropriate, adequate and effective and consider the independence of the internal audit unit. Also consider and approve the appointment, transfer or dismissal of the head of the internal audit unit or any other unit responsible for the internal audit, including granting approval for hiring an external entity to act as an internal auditor prior to submission to the Board of Directors for approval.

3. Review the Company's system of risk assessment and management to ensure that it is appropriate, adequate and effective.

4. Review the Company's compliance with securities laws, the regulations of the Securities and Exchange Commission, the Stock Exchange of Thailand and other laws relating to the Company's business.

5. Consider the appointment of independent personnel as internal auditors of the Company, set remuneration rates and liaise with auditors concerning the objectives, scope, directions and working plan of the audit as well as the scope of problems encountered during the inspection and any important issues raised by the auditor. Participate in meetings with the auditor but in the absence of management personnel at least once annually.

6. Consider any transactions that may have conflicts of interest to ensure accuracy and completeness in accordance with the laws and regulations of the Stock Exchange of Thailand and ensure correct and complete disclosure of such transactions. This is to ensure that such transactions are reasonable and bring optimal benefit to the Company.

7. Review the accuracy of the Company's referential documents and self-assessment form on anti-corruption measures outlined by Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) campaign.

8. Produce the Audit Committee Report for disclosure in the Company's Annual Report. The Audit Committee Report must be signed by the Chairman of the Audit Committee and include the following information:

- Comments on the accuracy, completeness and reliability of the financial statements of the Company.
- Comments on the adequacy of the system of internal control of the Company.
- Comments on the risk management system of the Company.
- Comments on the Company's compliance with the regulations of the Securities and Exchange Commission, Stock Exchange of Thailand and any other laws relating to the Company's business.
- Comments on the appropriateness of the Company's Auditor.

- Comments on any transactions that may have conflicts of interest.
- The number of Audit Committee meetings held and the attendance of each Audit Committee member.
- Overall opinions and observations of the Audit Committee encountered while undertaking their duties under the charter.
- Any other information that it is felt the shareholders and investors should know about in carrying out the duties and responsibilities assigned by the Board of Directors.

9. Perform other duties as assigned by the Board of Directors and approved by the Audit Committee. In carrying out the duties listed above, the Audit Committee is directly responsible to the Board of Directors while the Board of Directors is responsible for the operations of the Company to external parties.

(2) Nomination and Remuneration Committee

The Board of Directors resolved to appoint the Nomination and Remuneration Committee (Nomination Committee) on December 24, 2018. The Nomination Committee is established to be responsible for recruiting qualified persons to serve as directors and sub-committee members as well as to consider the remuneration of directors and sub-committee members for proposal to the Board of Directors and / or a shareholders' meeting for approval (as the case may be).

The Nomination and Remuneration Committee consists of at least 3 members who do not need to be directors of the Company. The Chairman of the Nomination Committee is an Independent Director of the Company.

As of June 1, 2020, the Nomination and Remuneration Committee comprised three members, as follows:

No.	Name	Position
1	Mr. Thanachai Santichaikul	Chairman of the Nomination and Remuneration Committee
2	Mr. Somchai Meesen	Member of the Nomination and Remuneration Committee
3	Mr. Ka Ming Jacky Lam	Member of the Nomination and Remuneration Committee

Note: Mr. Sontiyen Chuenruetainaidhama resigned as a member of the Nomination and Remuneration Committee, effective from June 1, 2020. The Board of Directors Meeting No. 7/2020 on June 25, 2020 appointed Mr. Somchai Meesen to be a director of the Nomination and Remuneration Committee instead of Mr. Sontiyen Chuenruetainaidhama, effective from June 26, 2020 onwards.



Roles, Duties and Responsibility of the Nomination and Remuneration Committee

Nomination

1. Nomination of directors and sub-committee members must take into account the appropriateness of the number, structure and composition of the Board of Directors, as well as the appropriateness of the size, type and complexity of the business prior to proposal to the Board of Directors and / or a shareholders' meeting for approval (as the case may be).

2. Consider and nominate persons with appropriate qualifications, knowledge, experience and expertise to hold the positions of director and sub-committee member for consideration and approval by the Board of Directors and / or the shareholders' meeting (as the case may be). This includes considering the background of candidates to ensure they are fully qualified according to the specifications of various charters of the Company and related laws, and are not in contravention or inconsistent with laws relating to the business of the Company, in order that the shareholders receive sufficient information about the nominee to make a decision.

3. Consider the independence of each independent director to ensure that the Company's independent directors are fully qualified.

4. In the event that the Nomination and Remuneration Committee nominates directors who have vacated their positions by rotation, the Nomination and Remuneration Committee will consider the contribution of the said director and should present the results of that contribution, including the director's attendance of Board of

Directors meetings and shareholders' meetings, for the consideration of the shareholders.

5. Consider and prepare a development plan for the directors and sub-committee members to enhance the knowledge of both the directors and sub-committee members concerning the business of the Company, as well as their roles, duties and development in various key areas, such as economic and industrial conditions, rules and laws related to the business of the Company, etc.

6. Perform other tasks as assigned by the Board of Directors with the approval of the Nomination Committee.

Determination of Remuneration

1) Consider the remuneration and other benefits (whether in the form of cash, securities or other type) of the Directors and sub-committee members for proposal to the shareholders' meeting for further consideration and approval. However, remuneration should be competitive according to industry norms.

2) Consider the criteria for evaluating the performance of the Board of Directors and sub-committees in order to consider the annual remuneration for proposal to the Board of Directors for approval.

3) Disclose the criteria for determining remuneration and other benefits and prepare the report for determination of remuneration for inclusion in the Company's annual report.

4) Perform other tasks as assigned by the Board of Directors with the approval of the Nomination Committee.

The Nomination Committee is responsible for reviewing and proposing for consideration of the Board of Directors any changes in the scope of authority, duties and responsibilities of the Nomination Committee as appropriate for the situation.

Nomination of Directors

The appointment of directors is subject to review by the Board of Directors. The number of independent directors, Audit Committee members and the appointment of directors require the approval of shareholders, in accordance with the rules of the Company. The Articles of Association of the Company requires that directors are elected in the meeting of shareholders in accordance with the following rules and procedures:

- (a) Shareholders have one voting right per share.
- (b) Each shareholder must exercise the right to vote for directors individually.

(c) Persons who receive the most votes in descending order will be elected as directors, in accordance with the number of positions to be filled. In the event of a tie in the number of votes for the last director position available, the Chairman shall have the deciding vote.

In each Annual General Meeting of Shareholders, one third of all directors on the board must resign from their positions. Those directors that have occupied their positions the longest must resign first. However, outgoing directors may be re-elected to the position once again.

(3) Executive Board

The Executive Board is established by the Board of Directors to assist the Board of Directors in managing and controlling the business of the Company in accordance with any policies, plans, regulations and orders including any stated goals under the framework assigned by the Board of Directors as well as to create confidence among stakeholders and to foster the sustainable growth of the Company.

As of December 31, 2019, the Executive Board comprised three members, as follows:

No.	Name	Position
1.	Mr. Shine Bunnag	Chairman of the Executive Committee and Chief Executive Officer
2.	Mr. Somchai Meesen	Executive Director and Vice President of the Executive Committee
3.	Mrs. Warangkana Kalayanapradit	Assistant to the Chief Executive Officer and Executive Director

Mr. Marut Arthakaivalvatee is consultant to the Executive Board.



Scope of Authority and Responsibility

1 Prepare the vision, strategy, business direction, goals, guidelines, policies, business plans, budget, organizational structure and corporate index for proposal to the Board of Directors for consideration and approval, and proceed as approved by the Board of Directors, including checking and monitoring the results of operations in an efficient and effective manner.

2 Consider the management structure for the business operation of the Company as being appropriate to the current situation.

3 Have the authority to determine the employee salary structure, including the selection, training, appointment, hiring, transfer, determination of wages, compensation and bonus of executive-level staff as well as the dismissal of employees.

4 Consider and scrutinize operational proposals to determine policies for investment, expansion of business activities, public relations, financial planning, annual budget, human resources management and investment in information technology for proposal to the Board of Directors for consideration and approval.

5 Have the authority to appoint a sub-committee or working group to facilitate the operations or management of the Company and set the authority, duties and responsibilities of the working group, including controlling and supervising the operations of the sub-committee or working group appointed to carry out the policies and meet the targets set.


6 Have the authority to proceed according to the policies set by the Board of Directors in relation to business operations, in accordance with the law, and the conditions, rules and regulations of the Company, with the exception of items in which the Executive Board may have conflicts of interest with the Company, subsidiaries or associated companies.

7 Monitor the Company's performance in accordance with the policy framework and goals approved by the Board of Directors and ensure operations are carried out with quality and efficiency.

8 Consider the annual budget allocation according to the management before submitting to the Board of Directors for consideration and approval.

9 Study the feasibility of investing in new projects and have the authority to consider and approve any investments or joint investments with individuals, juristic persons or any other business organization, to participate in bidding auctions, as well as to undertake various projects as the Board of Directors deems appropriate, including undertaking legal acts related to the matter until completed as approved (Corporate Index) and / or as determined by the Board of Directors and / or in accordance with relevant laws and regulations and / or in accordance with the Company's regulations.

10 Approve expenditure of significant investments as specified in the annual expenditure budget according to the Corporate Index and / or as assigned by the Board of Directors and / or as approved by a Board of Directors' resolution in principle.



11 Approve the signing of contracts and / or any transactions relating to the normal business operations of the Company (such as trading, giving or receiving services, investing or entering into joint ventures with other parties for normal business transactions of the Company which are of benefit in achieving the objectives of the Company) within the approved budgetary limits (Corporate Index) determined or approved by the Board of Directors. In the event that the amount exceeds the budget approved by the Board of Directors, the transaction must be presented to the Board of Directors for approval at the next meeting.

12 Consider and approve financial transactions with banks or financial institutions to support normal business operations, such as opening or closing bank accounts, borrowing funds, requesting a credit line, pledging, mortgaging, guaranteeing, and trading and registering ownership of land in accordance with the objectives and for the benefit of the Company's operations. These include juristic acts relating to the matter as approved by the Board of Directors (Corporate Index) and / or as determined by the Board of Directors and / or in accordance with relevant laws and regulations and / or in accordance with the Company's regulations. In the event that the amount exceeds the budget approved by the Board of Directors, the transaction must be presented to the Board of Directors for approval at the next meeting. If the Company's assets are to be used as collateral, approval must be granted by the Company's Board of Directors.

13 Consider the profit and loss of the Company and propose the payment of an

interim or annual dividend to the Board of Directors.

14 Consider and approve the appointment of various consultants or advisors to the Executive Board or advisors to sub-committees or working groups that are necessary for the operations of the Company, as appropriate. Determine and authorize remuneration, allowances, welfare, perquisites and other expenses of the president of the consulting committee, consultant or members of the consulting committee, under the annual budgetary framework approved by the Board of Directors.

15 Review and propose to the Board of Directors amendments to the scope of authority, duties and responsibilities of the Executive Board in accordance with the current circumstances.

16 Perform any other tasks as assigned by the Board of Directors or according to the policies set by the Board of Directors.

17 Authorize one or more persons to act on behalf of the Executive Board. However, the delegation of authority, duties and responsibilities of the Executive Board will not be used or transferred to other parties to approve any items in which the person or persons may have interests or conflicts of interest with the Company (as defined in the announcements of the Securities and Exchange Commission and Stock Exchange of Thailand or the announcement of the Capital Market Supervisory Board) except for the approval of items that are in accordance with the policies and criteria approved in a meeting of the Board of Directors.



Executive directors of the Company may be appointed or dismissed by Board of Directors' meetings or shareholders' meetings of the Company.

Control of cross-transactions between the Company and subsidiaries

The Company maintains a policy concerning cross-transactions between the Company and its subsidiaries with parties that may have conflicts of interest now or in the future. Should such cross-transactions take place, they must follow the normal trading practice of transacting with a third party using market price. In the event that the price cannot be compared with any third party, both transacting parties must consider and set an appropriate price for the products or services. The Audit Committee shall examine the transaction and give its views regarding the necessity of the transaction and the appropriateness of its price.

In 2019, the Company and its subsidiaries undertook cross-transactions with other related parties under market-price conditions. Other cross-transactions, considered for appropriateness and transaction value by the Audit Committee, can be viewed in the accompanying notes to the financial statements.

Control of inside information

Prevention of insider information

The Company maintains a policy to prevent directors and executives from abusing their position to gain personal benefit, which causes damage to other shareholders or all shareholders,

in compliance with Section 241 of the Securities and Exchange Act B.E. 2535, as follows:

1. Directors, management and any staff of the Company with access to inside information shall not disclose inside information to outsiders or to anyone who is not involved.

2. The Company's directors, management and staff involved in conducting financial reports or other related documents shall exercise caution regarding Company securities transactions in the period prior to announcement of the financial results. Should any securities transactions be undertaken during this period, the Company's Board of Directors must be notified immediately.

Information disclosure

The Board of Directors has set guidelines for directors and executives of the Company and its subsidiaries to disclose information on any conflicts of interest and the parties involved, in accordance with Section 89/14 of the Securities and Exchange Act B.E. 2551 and in accordance with the Securities and Exchange Commission Announcement Tor Jor 2/2552. The Company has adhered to the rules since July 11, 2009, as follows:

1. Directors and executives must report any conflicts of interest of their own or of other related parties at least once annually. The Company's secretary is responsible for collecting information relating to conflicts of interest of directors, executives and related parties ready for disclosure to the Board of Directors should they require it for consideration of transactions between companies, with directors and/or executives or involved parties who have conflicts

of interest. The Company secretary will report the interests of directors and executive management for acknowledgement of the Company's Board of Directors in the meeting of the Board of Directors at the end of the year.

2. Directors and executives must report any changes in conflicts of interest of their own or of other related parties to the Company secretary to report to the Board of Directors within 7 days of the change.

In 2019, Report on the Interest of the Company's Directors There is no change from the original that was given to the Company Secretary.

Report on shareholding

The Company's board and management have been notified of their obligation to report their

shareholdings to the Securities and Exchange Commission and the Securities Exchange of Thailand in accordance with Section 59 of the Securities and Exchange Act B.E. 2535 and to report each sale, purchase, transfer or receipt of shares to the Company's board within three working days of the transaction. The Company secretary shall report shareholdings for the Board of Director's acknowledgement in the meeting of the Board of Directors at the end of the year.

In 2019, the Company required the Board of Directors and executives to report their shareholdings in the Meeting of the Board of Directors on March 24, 2020.

In this regard, compare Securities holding report That has changed Between October 21, 2019 and July 14, 2020 as follows:

Name	No. of Shares at close of Registration Book			Shareholding proportion of NMG shares as of Jul 14, 2020 (%)
	As of Jul 14, 2020	As of Oct 21, 2019	Increase (Decrease) in the No. of Shares	
1. Mr. Marut Arthakaivalvatee	-	-	-	-
2. Mr. Shine Bunnag	-	-	-	-
3. Mr. Sontiyon Chuenruetainaidhama (Resigned from director June 1, 2020)	15,000,000	15,000,000	-	0.36
4. Mr. Apivut Thongkam	1,000	1,000	-	-
5. Mr. Chaiyasit Puvapiromquan	-	-	-	-
6. Mr. Thanachai Santichaikul	-	-	-	-
7. Mr. Somchai Meesen	-	-	-	-
8. Mrs. Warangkana Kalayanapradit	2,760	2,760	-	-
9. Mrs. Salinee Wangtal	-	-	-	-
10. Mr. Ka Ming Jacky Lam	-	-	-	-

Note : 1. Paid-up shares of NMG as of July 14, 2020 total 4,067,639,362 shares

2. Directors' shareholdings are inclusive of shares held by spouses (if any).



Auditor's remuneration

(1) Audit fee

The Company, its subsidiaries and joint ventures paid an audit fee for the 2019 financial year of Bt4,480,000 to KPMG Phoomchai Audit Limited.

(2) Non-audit fees

The Company and its subsidiaries received no other services from the Office of the Auditor, Auditor's personnel or any other parties related to the Auditor* in the past fiscal year.

Note: * Parties related to the Office or personnel of the Auditor include:

1. Spouses or children who are dependents of the Auditor's staff.

2. Parties that have control over the Auditor, are under the control of the Auditor or which are under common control with the Auditor, whether directly or indirectly.

3. Parties significantly influenced by the Office of the Auditor.

4. Partners or the equivalent of the Auditor.

5. Spouses or children who are dependents of staff of parties in (4).

6. Parties related to the Auditor as in (1), (4) or (5) who hold significant control or influence, whether directly or indirectly.

Other Aspects of Good Corporate Governance

Meeting Attendance In 2019, meeting attendance was as follows:

No.	Directors	Meeting Attendance/No. of Meeting				
		Board	Audit Committee	Nomination Committee	Annual General Meeting	Extraordinary General Meeting
1	Mr. Marut Arthakaivalvatee (appointed September 28, 2017)	11/12	N/A	N/A	1/1	1/1
2	Mr. Shine Bunnag (appointed January 11, 2019)	11/12	N/A	N/A	1/1	1/1
3	Mr. Sontian Chuenruetainaidhama (appointed January 17, 2018) (Resigned from director June 1, 2020)	11/12	N/A	2/2	1/1	1/1
4	Mr. Apivut Thongkam (appointed January 3, 2018)	11/12	5/5	N/A	1/1	1/1
5	Mr. Chaiyasit Puvapiromquan (appointed September 28, 2017)	12/12	5/5	N/A	1/1	1/1
6	Mr. Thanachai Santichaikul (appointed October 31, 2018)	10/12	5/5	2/2	1/1	1/1
7	Mr. Somchai Meesen (appointed January 3, 2018)	11/12	N/A	N/A	1/1	1/1
8	Mrs. Warangkana Kalayanapradit (appointed January 17, 2018)	12/12	N/A	N/A	1/1	1/1
9	Mrs. Salinee Wangtal (appointed April 10, 2018)	10/12	N/A	N/A	1/1	1/1
10	Mr. Ka Ming Jacky Lam (appointed October 31, 2018)	7/12	N/A	2/2	1/1	1/1

Note: -Board of Directors Meetings, Audit Committee Meetings, and Nomination and Remuneration Committee were held 12 times, 5 times and 2 times respectively in 2019.

-Mr. Sontian Chuenruetainaidhama as the second Vice Chairman has resigned from the Director, the 2nd Vice Chairman and the Nomination and Remuneration Committee, effective June 1, 2020.

The Company therefore recorded the minutes of the meeting and kept the minutes of the meeting approved by the Board of Directors ready for the directors and related persons to review.

Internal Control and Risk Management

The Board of Directors attaches importance to the Company's internal control system. The internal control system covers finance and operations in accordance with relevant laws, rules and regulations, with adequate and effective check-and-balance mechanisms to protect, maintain and take care of the Company's assets. The internal audit unit is responsible for inspecting the operations of all departments to ensure they are accurate, concise and in accordance with specified regulations. An Audit Committee has been established to oversee and supervise the Company's internal control system in compliance with the policies and plans assigned by the Board of Directors and in accordance with the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission.

In 2019, the Board of Directors has been informed of the Audit Committee's report on the review of financial statements and financial reports, as well as the performance of the Company's internal audit unit as a whole. The Board of Directors is of the view that the Company's internal control system as a whole has improved and corrected the past deficiencies and weaknesses to a satisfactory level. The internal audit unit could rationally reassure the reliability of the Company's financial statements. Property is protected from management and employees from improper use. A control system on transactions with persons who may have conflicts and connected persons and on operations in accordance with the specified procedures are in place. The internal control system is concise, adequate and appropriate in five different areas:

internal control, risk assessment, operational control, information and communication system, and monitoring system.

Head of the Internal Audit Unit

The company has appointed Dharmniti Internal Audit Company Limited to act as the Company's internal auditors, which the Audit Committee deems appropriate to perform such duties due to their independence, knowledge and experience in the audit work. For the audit by Dharmniti Internal Audit Company, Khun Kanchana Rittirongkachon, Assistant Vice President of Internal Audit, the Company's Internal Audit Department, shall arrange audit dates and request information necessary for the audit from the relevant departments including following up to respond to observations and recommendations from the audit. In this case, the appointment, removal and transfer of the person holding the position of Internal Audit Supervisor must be approved by the Audit Committee.



Corporate Social and Environmental Responsibility in 2019

Form its inception as a publisher of The Nation English language newspaper in 1971, Nation Group has expanded and diversified, becoming today a fully integrated multimedia enterprise covering online platforms and catering to the changing consumption patterns of people in the digital age, as well as extending its business to encompass organizing events as a means of creating innovative activities and new knowledge for the benefit of society

In adapting to changing consumer behavior, Nation Group continues to adhere strictly to ethical practices and the highest standards of journalism, and has become fully accepted by the general public for its high-quality news and information, provision of knowledge and skills, benefitting the daily lives of people, promotion of professional careers and good deeds, as well as competitions that allow people to build their knowledge and understanding of occurrences in a timely manner.

In 2019, many media organizations, including Nation Group, faced the effects of digital disruption more acutely than ever before. Nonetheless, Nation Group remained committed to performing its duty as a medium connecting Thai people with the global community in times of emergencies or disasters.

1) Some educational activities were organized such as the project of examination tutorial for entering universities. Nation TV22 in collaboration with Sahapat Group organized lesson reviews for students to prepare for university entrance examinations. Approximately 1,000 schools across Thailand participated, totaling 77 provinces; this event was organized for the 21st consecutive year.



2) The Nation Foundation was established to provide scholarships to high school and university students and for education, research, professional knowledge and mass communication, as well as donations to public health organizations. The foundation also held social activities helping victims such as from fires, floods, storms, earthquakes and other natural disasters.





3) Building Eight New Houses to Help Victims of Tropical Storm “Pabuk”

In early 2019, the most severe tropical storm Pabuk in 50 years made landfall on January 4, 2019 at Pak Phanang District, Nakhon Si Thammarat Province, subsequently brought devastation to people and property in many provinces of the southern region. The devastation was particularly severe in Pak Phanang District. Nation Group media closely reported the situation of the Pabuk storm situation and acted as a medium to bring Thai people throughout the country together in giving a helping hand. Nation TV Channel 22 opened an account to collect financial donations to help the victims of Pabuk through the “Nation Foundation”. The activities helped raise a total of 824,059 Baht, boosting morale and helping restore normality to the area.

On January 15, 2019, after the storm had passed, Nation Group joined forces with the Khlong Noi Subdistrict Administrative Organization, Rajabhat University Nakhon Si Thammarat, Nakhon Si Thammarat Association, Citizens’ Council of Nakhon Si Thammarat Province, Citizens Political Development Center, and King Prajadhipok’s Institute, Nakhon Si Thammarat to undertake a survey of damaged homes in the vicinity of Moo 13, Ban Saengwiman Subdistrict, Khlong Noi Sub-

district, Pak Phanang District, Nakhon Si Thammarat Province and to support the budget for the rebuilding of houses.

On February 14, 2019, the funds were used to help build eight houses for the storm victims in the Ban Saengwiman area, Moo 13, Khlong Noi Subdistrict, Pak Phanang District, Nakhon Si Thammarat Province.

On March 11, 2019, the Nation Foundation, along with volunteer network partners, such as the Khlong Noi Subdistrict Administrative Organization, Military Circle 41, Community Organization Development Institute, Network of community organizations and local volunteers in the area and from different districts nearby, jointly delivered eight houses to the people affected by Tropical Storm Pabuk in the Ban Saengwiman area, Moo 13, Khlong Noi Subdistrict, Pak Phanang District, Nakhon Si Thammarat Province.



4) The event of “Ride the Slow Life Amazing Thailand, Go Local, Try visiting the Less Visited Cities” was organized at five different provinces: Phitsanulok, Ranong, Nakhon Phanom, Prachinburi and Suphanburi. The Nation Group joined forces with the Tourism Authority of Thailand (TAT) and

Mitsubishi Electric Kang Yong Wattana Company Limited to encourage participants to experience the beauty of nature and stimulate the economy in less-visited cities, which were not on the top lists of a tourist map. Participating cyclists could enjoy cycling for approximately 30 kilometers to experience livable communities with unique local lifestyles and join together CSR activities to create sustainable benefits for the communities as follows:

- Handed over 6 computers to “Digital Library and Learning Center Project” at Ban Tha Chang School, Ranong Province, as a learning center for the people to make use of it in their free time.

- Donated medical tools and equipment to Noen Hom Health Promoting Hospital Prachinburi

- Improved the area around the learning center at Ban Dong Yen Agricultural Forestry Enterprise, Suphanburi Province, to be a total concrete slab of over 190 square meters from the original ground, equipped with Mitsubishi Electric fans to facilitate tourists who come to study and support for growing organic crops such as Mexican kale, watercress, Jing Zhuhai on the 3 plots of land, and planting 30 Thong-Aura trees around the learning center.



5) “The more you run .. the more you give: Run for the Animals 2019 (2nd Year): to Run for Manatee” was an activity organized on September 1, 2019, with a full run of 90 minutes and no distance limit around Phra Sri Sakaya Tossaponyan Park, Phutthamonthon. At every 2.5 kilometers that runners apply, the Nation Group shall to donate an additional 22 baht to the “Marine Biological Center” for manatees to bring Take advantage of technology research and development. The proceeds shall be used for technology research and development, the conservation, rehabilitation and breeding of rare marine animals to survive in Thai sea.



6) Nation TV Run 4 Dams Half Marathon Series is an event promoting running as it is another popular health and eco-tourism activity. The Nation TV invited runners to experience nature at Pasak Cholsit Dam, Lopburi – Saraburi on June 2, 2019. A Part of the proceeds of the project was donated to purchase medical supplies for Wang Muang Hospital.

For the second dam, the good chances were provided for runners to experience the world’s longest compacted concrete dam, “Khun Dan

Prakan Chon Dam”, in Nakhon Nayok Province, on September 15, 2019. The part of the proceeds was given to the Center for the Professional Promotion and Development Center for the Blind and Redundant Disabilities at “Ban Ruensuk” in Nakhon Nayok province.



8) “Nation anniversary golf 2019” was the charity golf tournament held on October 22, 2019, on the occasion of the 20th anniversary of Nation TV channel 22 at Thana City Golf Country Club. Part of the proceeds of the event was donated to Phra Bat Namphu temple to help patients with HIV. “Sri Thammaracha” building project at Walailak University Hospital, Nakhon Si Thammarat, from the limitations of the treatment of monks in the south, there are 2,563 temples consisting of 19,763 monks and novices, but no monks’ hospitals. There are only 2 monastic residences: Maharat Nakhon Si Thammarat Hospital, which has 24 beds and Phatthalung Hospital, which has 8 beds, including 32 beds. The Nation Group in collaboration with Walailak University and Srithamracha Foundation created a “Sri Thammaracha” building for ill-fated monks. The sick monks from all areas could come to heal and recuperate at this facility, which would be equipped

with more than 90 beds with a total budget of 400 million Baht. The building construction takes 4 years (can be at service around July 2024). On February 9, 2020, a foundation stone laying and cloth offering ceremonies were held for the “Sri Thammaracha” building for fund raising. In addition, Nation Group and PSA Co., Ltd. also organized a 5-round boxing campaign under the name of “Srithamracha + Kiatphet Super Fight Mahakul” at a temporary boxing ring, which was a famous university football field, Thaiburi Sub-district, Tha Sala District, Nakhon Si Thammarat Province. The event held 11 fights with five live matches on Nation TV 22 and invited Thai people to make donation for the support of a “Sri Thamracha” monastic building project.





9) A mini marathon of “SET RUN BANGKOK 2020” was held on February 16, 2020. The distance is 11.7 kilometers and 5.6 kilometers. The route runs from the front of the Mass Rapid Transit Authority of Thailand (Rama 9) building, out of Gate 5, to Thiam Ruammit Road, until the end of the turn left onto Cultural Road to the city planning intersection and returns to the Start-Finish point. This event, under the concept of “Running for”, was organized in collaboration between the Nation Group with the Ramathibodi Foundation and agencies from both the public and private sectors. A part of the proceeds, at 200,000 Baht, from this even was channeled to “Ramathibodi Foundation” to support the development of medicine and to help the needy people for a better quality of life.



10) Kom Chad Luek Running in the Sky Mini Marathon 2019: Bhumibol Bridge 2 was held on the occasion of the 18th anniversary of Kom Chad Luek newspaper, building the unity of the Bangna community network. The mission of this event was also to invite youth citizens, to promote health by spending quality time in mini marathon activities. Annually as the part of the proceeds, 200,000 Baht was donated for SOS Children’s Foundation of Thailand Under royal patronage.



11) The Annual Kom Chad Luek Award Awards was organized by Kom Chad Luek Newspaper for the 16th consecutive year to honor and encourage people in the Thai entertainment industry from the in front and behind the scene who created quality work with great commitment throughout the year. All work was voted on by a panel of scholars, experts and experienced professionals to award quality awards for the entertainers, individuals in the Thai entertainment industry. The awards were presented to individuals in Thai entertainment industry in four branches: Thai songs, Thai movies, TV series and Popular Vote that readers and the general public can vote for. A total of 25 awards, along with the Special Award Project for the Conservation of Thai Culture, were presented. The 16th year event was honored by the Minister of Culture to preside over the ceremony and present excellent awards gracefully.

Awards for Nation Group Companies in 2019

Nation Group's commitment to being "quality media" to create news for Thai society has resulted in the Nation Group's media having receiving awards throughout the year 2019 as follows.



- Nation TV Channel 22 received the Outstanding Press Organization Award Anti-Corruption 2019 from the Anti-Corruption Foundation From presenting news on issues that benefit society, especially anti-corruption, and help prevent corruption continuously.



- Krungthep Turakit Newspaper, the “Green Pulse” column, received the “Khon Dee (Good People) Thailand” award 2019 from the Good People Foundation (Thailand) in the field of journalism, promoting the environment, which helps people become more aware of environmental problems.



- Krungthep Turakit Newspaper received the first prize for an analytical news article ‘Puey Ungphakorn’ award for the year 2019, organized by the Economic Reporters Association for the article titled “It’s time to restructure the Thai economy, creating new opportunities for national development ”by Mr. Nakarin Srilert, journalist of the Krungthep Turakit newspaper.

Characteristics of the Business

Structure of Sales and Service Income

Nation Multimedia Group Public Company Limited and subsidiaries have the structure of revenues from sales of goods and rendering of services grouped by products and services as follows:

(Unit : in Million Baht)

Products / Services	Operated by	2019		2018		2017	
		Amount	%	Amount	%	Amount	%
<ul style="list-style-type: none"> Publishing and distribution of newspapers, new media and providing advertising media / news services 	<ul style="list-style-type: none"> Nation Multimedia Group PCL. Kom Chad Luek Media Co., Ltd.^a Krungthep Turakij Media Co., Ltd. 	503	42%	627	42%	714	40%
Publishing and distribution English newspapers, publishing, new media and providing advertising media / news services	Swenn Corporation Co., Ltd. ^b (formerly, Nation News Network Co., Ltd.)						
Production of TV and radio programmes and providing advertisements through TV, radio and new media forms	<ul style="list-style-type: none"> Nation Digital Content Co., Ltd. (formerly, Spring 26 Co., Ltd.) Nation Broadcasting Corporation PCL. NBC Next Vision Co., Ltd. 	696	58%	608	41%	735	41%
Transportation and delivery services	NML Co., Ltd. (Subsidiary until 19 Sep 18)	-	-	115	8%	143	8%
University and education services	Nation U Co., Ltd. (Subsidiary until 25 Jul 18) Nation University (Subsidiary until 25 Jul 18)	-	-	24	2%	58	3%
Importing, publishing, distributing local and foreign publications, production of TV programmes and providing advertisements through TV media, digital media and character management	Nation International Edutainment PCL. (An associated until 14 Aug 19)	-	-	71	5%	119	6%
Importing, publishing and distribution educational books and comics	Nation Global Edutainment Co., Ltd. (An associated until 14 Aug 19)						
Production of publishing, and books and publishing services.	WPS (Thailand) Co., Ltd. (Subsidiary until 18 Dec 18)	-	-	33	2%	40	2%
Total		1,199	100%	1,478	100%	1,809	100%

a. Terminated the publishing of newspaper "KomChadLuek" on 9 April 2020

b. Terminated the publishing of newspaper "The Nation" on 29 June 2019



Audit Committee Report for the Year 2019


The Audit Committee of Nation Multimedia Group Public Company Limited (the “Company”) consists of three independent directors, with Mr. Apivut Thongkum as the chairman of the committee, Mr. Chaiyasith Puvapiromquan and Mr. Thanachai Santichaikul as members of the committee.

For the year 2019 – 2020 (until the date of this Report), the Audit Committee attended five meetings. Each of the committee members attended all of the meetings in order to perform his/her duties as specified in the Audit Committee Charter, including offering suggestions and opinions as the Audit Committee of the Company. Furthermore, the Audit Committee held joint meetings with the independent auditor and internal auditor (in 2018, the Company appointed Dharmniti Internal Audit Company Limited, as the internal auditor), as well as the executive management in the event that there were any relevant matters to be discussed. The Audit Committee is of the opinion that:

1. The 2019 annual financial statements were appropriate in presenting the complete, adequate, and correct information on the Company’s operating results, which were in conformity with generally accepted accounting principles, as disclosed and noted by the Independent Auditor in the Audit Report. It was made in accordance with accounting and financial reporting standards, along with relevant legal requirements. Key audit matters included recognition of revenue from advertising services, impairment of spectrum licenses and television operations, impairment of investments in subsidiaries, the value of trade accounts receivable, and other current receivables with related parties.

2. The Company’s internal control system and risk management was adequate and efficient. The observations of the auditor and internal auditor were substantially resolved. This has enabled the Board of Directors to supervise the operations of the Company systematically and in accordance with professional standards and business plans.

3. The Audit Committee was informed of and reviewed the related party transactions in the 2019



financial statements and found that normal business transactions with general commercial terms and conditions were reasonable under the framework of the resolution of the meeting of the Board of Directors of the Company no. 5/2020 held on May 12, 2020 (according to Corporate Governance Policy of the Company).

4. The Company has duly complied with the law governing Securities and Exchange, as well as other requirements and laws relevant to the business of the Company.

5. The Company's Independent Auditor for the year 2019 is Ms. Sasithorn Pongadisak, certified public account registration No. 8802 for the second year. She is a suitable person due to her knowledge, independence and experience in auditing for quite a long time.

With respect to the appointment of the Company's Independent Auditor for the year 2020, the Audit Committee proposed that Ms. Sasithorn Pongadisak, certified public account registration No. 8802, as the endorser of the company's financial statements for the third year or Ms. Marisa Tharathornbunpakul, certified public accountant registration no. 5752, or Ms. Pornthip Rimdusit, certified public accountant registration no. 5565 of KPMG Phoomchai Audit Ltd. be appointed as the Company's Independent Auditor for the year 2020 for another term on account of their suitability, knowledge, independence and long experience in account auditing.



(Mr. Apivut Thongkam)

Chairman of the Audit Committee



The Report of the Responsibility

of the Board of Directors to the Financial Statements for the year 2019

of Nation Multimedia Group Limited (PCL)

The Board of Directors would like to inform the shareholders that due to the past 2018, Nation Multimedia Group Public Company Limited (“the Company”) submitted the financial statements for the year 2018 as approved by the the Board of Directors Meeting No. 10/2019 on August 16, 2019, resulting in a delay of the financial statements report for the first quarter of 2019, causing a delay in the financial statements for the year 2019 that the auditor audited.

In addition, in the middle of 2019, the Company had to adjust the accounting items for the return of the Spectrum License for the Subsidiary’s Digital Television Service in accordance with the notification of the Office of the National Broadcasting and Telecommunications Commission (NBTC) regarding regulations, methods, and conditions for compensation arising from the return of the spectrum license for digital television services announced on May 2, 2019 (NBTC’s notification regarding the return of the license).

Additionally, as the order of the Head of the National Council for Peace and Order No. 4/2562 regarding measures to solve the problems of television and telecommunication businesses was issued on April 11, 2019, the Board of Directors passed a resolution in a meeting on May 9, 2019 that Spring26 Co., Ltd. (formerly named Bangkok Business Broadcasting Co., Ltd.), a subsidiary in which the Company held 99.99%, and was the licensee for the use of digital terrestrial television

services in the category of national business services and a standard definition in a general category, under the channel name of SPRING26 (formerly known as NOW26), effective from 25 April 2014 to 24 April 2029 (“License”), returned the License (“Spring license return”).

Hence, Spring submitted a request in writing to the Office of the National Broadcasting and Telecommunications Commission (“NBTC”) to return the license on May 10, 2019. The request for license return did not affect the Group’s main business operations. In addition, the Company still has Nation Broadcasting Corporation Public Company Limited (“NBC”), a subsidiary of the Company, which has been in charge of managing a full-service television station including TV production, program procurement, and broadcasting services and air time sales in the field of news, infotainment, and new media content (New Media). NBC Next Vision Co., Ltd., a subsidiary of NBC, is the licensee of digital television business presenting news and content categories (SD) under the name Nation TV (Channel 22).

Hence, the benefits derived from such measures had an impact on the accounting records of the two subsidiary companies. In the case that Spring 26 company limited requested the return of the license while National Broadcasting Corporation (Plc) continues its operation and obtains the benefit from the fee waiver of the

5th and the 6th installments. The Federation of Accounting Professions Under the Royal Patronage of His Majesty the King has announced the questions and answers about the accounting records from such cases published on July 12, 2019. As the cases mentioned above, therefore, it causes the company to use caution in accounting records to be accurate in accordance with accounting standards in order to provide accurate and truthful information that reflects the actual performances of the company and its subsidiaries.


Furthermore, on June 25, 2020, the Board of Directors' meeting No. 7/2020 approved the annual financial statements 2019 ended December 31, 2019, which were already audited by the auditor. As a result, it caused the delay submission of the financial statements for the 1st and 2nd quarters of 2019 which could not meet the specified period. This delay was due to the fact that the processes and procedures for auditing financial statements for the year 2019 had to be complete before auditing the financial statements for 1st and 2nd quarters of 2020 respectively.

However, the company's quarterly financial statements for the year 2019 and the 2019 annual financial statements have been approved by the Board of Directors as follows.

Financial Statements of 2019	Resolutions of Board of Directors to Approve the Financial Statements	Submission to the SET on
Q1 Financial Statement of 2019	No. 11/2019 on October 4, 2019	October 4, 2019
Q2 Financial Statement of 2019	No. 12/2019 on November 29, 2019	November 29, 2019
Q3 Financial Statement of 2019	No. 3/2020 on March 24, 2020	March 24, 2020
Annual Financial Statements of 2019	No. 7/2020 on June 25, 2020	June 25, 2020

The Board of Directors is aware of their duties and responsibilities as directors of listed companies to oversee the company's financial report. It is to ensure that the report is made by using accurate and complete accounting data with transparent and adequate disclosure so as to maintain the company's assets while preventing fraud and unusual operations. They are responsible for supervising the report of the

connected transactions which might cause conflicts of interest in compliance with the related system and rules. Also, it is to ensure the company adopts the accounting standards generally accepted by the appropriate accounting policies and applies them consistently as well as considering the reasonableness, maximum benefit, compliance with relevant laws and regulations with prudence and caution in preparing the financial statements



and consolidated financial statements of the company and its subsidiaries including financial information that appears in the company's annual report.

Therefore, for stakeholders' confidence in the company's financial reports, the Board of Directors appointed the audit committee consisting of independent directors who are qualified according to the requirements of the Stock Exchange of Thailand and the regulations of the Capital Market Supervisory Board. The audit committee is responsible for reviewing the company's statement of financial position and results of operations to ensure they are correct, complete and sufficient. The statements have to be accurately and completely reported for the disclosure of the connected transactions or items that may have conflicts of interest. Besides, the committee has to ensure the adequacy of the risk management system and the improvement of the operational reporting system as well as internal control, internal audit and the supervision of the company. The systems have to be appropriate, concise and more effective, as well as to be completed sufficiently. Also, there shall be a proper process of monitoring the compliance with laws, rules, regulations, and relevant policies of the Stock Exchange of Thailand and the announcement of the Capital Market Supervisory Board. The audit committee reported their opinion as mentioned above to the board of directors in the audit committee

report, which was appeared in the annual registration statement (56-1) and the annual report of the company.

The Board of Directors were of the opinion that the overall internal control system of the company was at a satisfactory level, which could provide reasonable confidence to the reliability of the financial statements and consolidated financial statements of the company and its subsidiaries for the year ended December 31, 2019. The auditor of the company viewed without conditions that the consolidated financial statements of the company and those of its subsidiaries could demonstrate that their financial positions, operating results, and cash flow are accurate, complete, reliable, reasonable, in compliance with generally accepted accounting standards. Appropriate accounting policies were applied and practiced consistently, which could disclose the information transparently, adequately, and abide by the laws and relevant regulations



(Mr. Marut Arthakaivalvatee)

Chairman of the Board


Results of the Consolidated Financial Statements

The consolidated financial statements of Nation Multimedia Group Public Company Limited and its subsidiaries for the year ended 31 December 2019 represented a profit attributable to owners of the parent of Baht 20.38 million. Excluding, the recognition of the excess of compensation from returning digital television license of Baht 331.35 million, gain on disposal of investment in associate amounting to Baht 180.36 million and impairment losses on assets and the allowance for doubtful accounts amounting to Baht 43.63 million, the Group incurred a net loss of Baht 447.70 million. Compared to the same period of 2018, the profit was Baht 215.20 million if excluding the reversal of impairment loss of assets and the allowance for doubtful accounts amounting of Baht 1,184.53 million, the Group incurred a net loss for the year 2018 of Baht 969.33 million, decreased loss of 54%. The Company would like to clarify a significance change of Group's operation results were summarized as follows

1. Revenue from sales of goods and rendering of services for the year 2019 decreased by 13% compared to the same period of 2018. The main reasons is from consumers have change behavior which affected circulation revenue decreased by 24% and advertising revenues decreased by 1% whereas revenues from event increased by 93%.

2. Excess of compensation from returning digital television license increased of Baht 331.35 million due to on 11 April 2019, the National Council for Peace and Order ("NCPO") has released the order NO. 4/2562 in subject of a measure to solve the problems of the operations of the Television and Telecommunication. On 2 May 2019, the Office of the National Broadcasting and Telecommunications Commission ("NBTC") has released the order of criteria, procedures, and conditions for compensation as a result of the return of the license to use the spectrum to provide Digital Television Services. The service users who had intended to return the license was required to inform in writing within 10 May 2019. The request for a return of such license is considered a request to cancel the license.

A subsidiary has submitted for the returning of it Digital TV license to NBTC, and obtained letter of the approval of the returning on 27 June 2019 and the notice of the date of service termination on 15 August 2019. In this regard, the Group has recognized the excess of such compensation net of the carrying value of digital television license amounting to Baht 331.35 million. According to the notification letter on 26 July 2019, NBTC has issued to approve the compensation for the subsidiary amounting to Baht 890.83 million by deducting the payable of license fee instalment payments no.4



amounting to Baht 215.07 million (included VAT). Therefore, the remaining compensation would be received in amounting to Baht 675.76 million.

3. Gain on disposal of investment in associate increased amounting to Baht 180.36 million. Since the Company disposal of investment in an associate in the third quarter of 2019.

4. Costs and expenses for the year 2019 increased by 144% compared to the same period of 2018. The main reasons were

- Cost and selling expense increased 7% due to cost of employee benefit expense and cost of event increased.
- Administrative expense decreased 42% due to the Company had restructuring of the operations and continuously control the Group's expense. Resulting decreased administrative expense.
- Impairment losses on assets increased 102% due to on 11 April 2019, the National Council for Peace and Order ("NCPO") has released the order NO. 4/2562 in subject of a measure to solve the problems of the operations of the Television and Telecommunication. On 2 May 2019, the Office of the National Broadcasting and Telecommunications Commission ("NBTC") has released the order of criteria, procedures, and conditions for compensation as a result of the return of the license to use the spectrum to provide Digital Television Services. The Group reversed impairment loss of digital television license in consolidated financial statements for the year ended 31 December 2018 amounting to Baht 1,130.36 million.

Conclusion:

The Group reported a profit for the year ended 31 December 2019 represented a profit attributable to owners of the parent of Baht 20.38 million. Excluding, the recognition of the excess of compensation from returning digital television license of Baht 331.35 million, gain on disposal of investment in associate amounting to Baht 180.36 million and impairment losses on assets and the allowance for doubtful accounts amounting to Baht 43.63 million, the Group incurred a net loss of Baht 447.70 million. Compared to the same period of 2018, the profit was Baht 215.20 million if excluding the reversal of impairment loss of assets and the allowance for doubtful accounts amounting of Baht 1,184.53 million, the Group incurred a net loss for the year 2018 of Baht 969.33 million.



Nation Multimedia Group Public Company Limited and its Subsidiaries

Financial statements for the year ended

31 December 2019

and

Independent Auditor's Report



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Independent Auditor's Report

To the Shareholders of Nation Multimedia Group Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Nation Multimedia Group Public Company Limited and its subsidiaries (the "Group") and of Nation Multimedia Group Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2019, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2019 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Material Uncertainty Related to Going Concern

I draw attention to Note 2 to the financial statements, which indicates that for the year ended 31 December 2019, the Group incurred net loss of Baht 2.10 million. If excluded the recognition of the excess of compensation from returning digital television licence amounting to Baht 331.35 million and gain on disposal of investment in associate amounting to Baht 180.36 million, the Group incurred net loss of Baht 513.81 million. In addition, the Company incurred net loss for the year ended 31 December 2019 of Baht 375.30 million. As of that date, the Group's and the Company's total current liabilities exceeded its total current assets by Baht 218.05 million and Baht 497.91 million, respectively and had deficit of Baht 3,224.10 million and Baht 3,509.30 million, respectively. The Company has capital deficiency of Baht 125.27 million. However, these events or conditions, along with other matters as set forth in Notes 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. My opinion to the consolidated and separated financial statements is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, I have determined the matters described below to be the key audit matters to be communicated in my report.

The recognition of revenue from rendering of services	
Refer to Notes 4 (r) and 21	
The key audit matter	How the matter was addressed in the audit
<p>The Group has several types of revenue through various channels. Under agreements with the customers, these contain a variety of terms and conditions, such as type of services, scope of services, the pricing arrangement, sales promotion and discount. These factors may affect the amount and timing of revenue recognition. The revenue recognition depends on judgement and estimation in determining the obligations in each contract's type and reasonable procedures for revenue recognition, including the period of revenue recognition at a point in time or over time. The Group's revenue is significant to the financial statements and has a direct impact on its operating results, which the users of financial statements pay particular attention. Therefore, I have determined this matter to be a key audit matter.</p>	<p>The audit procedures included the following:</p> <ul style="list-style-type: none"> • Understand and assess the effectiveness of internal control related to the revenue recognition; • Apply a sampling method to select service agreements to assess whether revenue recognition was consistent with the terms and conditions of the relevant agreements, including evaluate the appropriateness in distinguish the obligations in each contract's type, procedure for revenue recognition and period of revenue recognition; • Perform testing on sampling basis for revenue transactions incurred during the year and during the periods before and after closed to the year end with related documents; • Perform analysis on revenue by comparison with historical data and industry information; • Evaluating the adequacy of the financial statement's disclosures in accordance with Thai Financial Reporting Standards.
Impairment on digital television licence and investments in subsidiaries and valuation of trade and other accounts receivable with related parties	
Refer to Notes 5, 8, 9, 12, 15 and 16	
The key audit matter	How the matter was addressed in the audit
<p>An indirect subsidiary was granted the commercial digital terrestrial television licence ("licence"). As the high competition in the digital television business in Thailand, there is the risk that operation results of the indirect subsidiary may not be in line with its initial expectations and forecasts.</p> <p>Moreover, the recent trend of the consumer behaviour is changed and the current economic is in the downturn situation. Certain related parties of the Group are operating in the highly competitive businesses.</p>	<p>The audit procedures included the following:</p> <ul style="list-style-type: none"> • Gain an understanding of the determination of cash-generating units and the estimated recoverable amount, which was the higher of its fair value less costs of disposal and value in use, including the preparation of discounted future cash flow along with management approval; • Evaluate the effect of the recoverable amount of the licence the related assets from the significantly changes with an effect on the entity have taken place during the period or will take place in the near future;

Impairment on digital television licence and investments in subsidiaries and valuation of trade and other accounts receivable with related parties	
Refer to Notes 5, 8, 9, 12, 15 and 16	
The key audit matter	How the matter was addressed in the audit
<p>Consequently, these matters affect the operations of subsidiaries and certain related parties which are indicators of impairment of license in the consolidated financial statements and investments in subsidiaries and the risk of recoverable amount of trade and other accounts receivable with related parties in the consolidated and separate financial statement.</p> <p>As there is inherent uncertainty in the estimation and the management has to involve with the high level of judgement to determine the key assumptions used to estimate the recoverable amount of licence and investments in the subsidiaries and determine the recoverability of trade and other accounts receivable with related parties including the amount of allowance for doubtful account of the receivables. As well as, the net book value of license, investments in subsidiaries and trade and other accounts receivable and the reversal of impairment loss of assets is significant. Therefore, I have determined this matter to be a key audit matter.</p>	<ul style="list-style-type: none"> • Assess the discounted cash flow projection approved by management by evaluating the key assumptions and actual operation results and operation plans; as well as assessing the appropriateness of discount rate used by comparing to the weighted average cost of capital of an industry in which the Group operates and testing the computation of discounted cash flow projection; • Evaluate the sensitivity of key assumptions used in the estimation of future cash flows in order to evaluate the effects to the recoverable amount; • Enquire of the responsible management regarding policy and assessment applied for setting the allowance for bad and doubtful debt calculation; • Test on sampling basis, the accuracy of information used in calculation of the allowance for bad and doubtful debt with relevant supporting document and checked mathematical accuracy of the calculation; • Test on sampling basis, of cash receipts subsequent to the end of the year; and • Evaluating the adequacy of the financial statement disclosures in accordance with Thai Financial Reporting Standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.



Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, 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.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.





I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(Sasithorn Pongadisak)
Certified Public Accountant
Registration No. 8802

KPMG Phoomchai Audit Ltd.
Bangkok
25 June 2020

Nation Multimedia Group Public Company Limited and its Subsidiaries
Statement of financial position

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2019	2018	2019	2018
		(in Baht)			
Current assets					
Cash and cash equivalents	6	48,291,009	168,894,780	10,747,138	24,119,651
Current investments	7	2,953,824	229,821	-	-
Trade accounts receivable	5, 8	164,368,393	205,429,267	374,685,346	409,539,665
Accrued income	5	59,096,431	87,316,975	14,628,932	13,891,498
Other receivables	5, 9	46,513,813	68,133,677	51,641,783	547,445,825
Inventories		437,221	2,961,172	402,967	879,812
Revenue department receivable		139,972,829	127,272,990	6,050,740	13,459,862
Input value added tax pending		63,324,278	75,978,504	35,837,037	35,938,803
Total current assets		524,957,798	736,217,186	493,993,943	1,045,275,116
Non-current assets					
Restricted deposits		1,300,000	1,150,000	250,000	-
Investments in associates	10, 11	21,091,763	188,468,389	1,800,000	318,176,708
Investments in subsidiaries	10, 12	-	-	319,839,184	319,589,191
Long-term investments in other companies	7	2,263,045	2,263,045	2,263,045	2,263,045
Investment properties	14	28,292,320	81,083,160	21,233,165	68,967,660
Property, plant and equipment	15	175,519,116	407,103,319	72,264,474	326,065,560
Intangible assets		20,525,142	17,349,706	1,208,730	4,924,500
Digital television licences	16	337,172,124	2,086,895,695	-	-
Withholding tax deducted at source		224,702,624	212,821,255	93,449,384	108,905,702
Other non-current assets		13,233,237	22,135,585	5,289,752	8,651,187
Total non-current assets		824,099,371	3,019,270,154	517,597,734	1,157,543,553
Total assets		1,349,057,169	3,755,487,340	1,011,591,677	2,202,818,669

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

Nation Multimedia Group Public Company Limited and its Subsidiaries
Statement of financial position

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2019	2018	2019	2018
(in Baht)					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	17	191,115,142	620,047,237	191,115,142	620,047,237
Trade accounts payable	5	81,584,696	212,604,079	564,024,815	580,577,936
Other payables	5	53,018,641	70,985,012	31,830,004	34,523,458
Deferred income		22,901,054	32,031,875	22,901,054	-
Advance income		21,709,684	27,581,896	11,301,189	14,466,187
Current portion of digital television licences payable	16	49,899,068	-	-	-
Current portion of long-term loans from financial institutions	17	17,400,000	187,166,667	-	187,166,667
Short-term loans	5, 17	30,000,000	323,527,664	30,000,000	323,527,664
Accrued expenses	5	187,628,996	180,487,299	107,565,460	76,517,810
Output value added tax pending		76,756,768	88,255,198	30,431,991	29,951,344
Other current liabilities		10,993,691	20,128,338	2,733,153	4,459,821
Total current liabilities		743,007,740	1,762,815,265	991,902,808	1,871,238,124
Non-current liabilities					
Digital television licences payable	16	-	1,448,808,000	-	-
Long-term loan from financial institution	17	27,600,000	-	-	-
Deferred tax liabilities	26	6,387,935	8,051,210	6,387,935	8,051,210
Non-current provisions for employee benefit	18	158,842,336	103,501,368	95,502,714	23,423,335
Advance received of advertising income		42,504,073	47,379,504	42,504,073	47,379,504
Other non-current liabilities		567,954	846,325	567,954	846,325
Total non-current liabilities		235,902,298	1,608,586,407	144,962,676	79,700,374
Total liabilities		978,910,038	3,371,401,672	1,136,865,484	1,950,938,498
Equity					
Share capital	19				
Authorised share capital		2,663,572,195	2,663,572,195	2,663,572,195	2,663,572,195
Issued and paid share capital		2,156,024,292	2,156,024,292	2,156,024,292	2,156,024,292
Share premium	19				
Share premium on ordinary shares		1,169,752,222	1,169,752,222	1,169,752,222	1,169,752,222
Share premium on ordinary shares of subsidiaries		80,721,925	80,721,925	-	-
Retained earnings (Deficit)					
Appropriated - Legal reserve	20	32,700,000	32,700,000	32,700,000	32,700,000
Deficit		(3,224,099,076)	(3,235,332,455)	(3,509,298,241)	(3,138,797,363)
Other components of equity	20	25,547,920	32,201,020	25,547,920	32,201,020
Equity attributable to owners of the parent / (capital deficiency)		240,647,283	236,067,004	(125,273,807)	251,880,171
Non-controlling interests	13	129,499,848	148,018,664	-	-
Total equity / (capital deficiency)		370,147,131	384,085,668	(125,273,807)	251,880,171
Total liabilities and equity		1,349,057,169	3,755,487,340	1,011,591,677	2,202,818,669

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

Nation Multimedia Group Public Company Limited and its Subsidiaries
Statement of comprehensive income

		Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2019	2018	2019	2018
		(in Baht)			
Continuing operations					
Revenue					
Revenues from sales of goods and rendering of services	5, 21	1,198,934,934	1,374,386,598	448,981,360	270,871,293
Investment income		439,072	404,723	71,300	52,366
Excess of compensation from returning digital television licence	16	331,354,129	-	-	-
Gain on disposal of investment in associate	11	180,362,385	-	141,265	-
Other income	5, 22	101,788,471	113,652,933	21,750,350	45,000,001
Total revenues		1,812,878,991	1,488,444,254	470,944,275	315,923,660
Expenses					
Costs of sales of goods and rendering of services	5	1,037,023,417	1,029,945,973	251,743,559	118,799,993
Selling expenses	5	206,095,437	132,018,623	107,525,586	20,771,601
Administrative expenses	5	416,286,872	721,959,469	286,845,938	331,476,785
(Reversal of) impairment losses on assets	11, 12, 14, 15, 16	26,369,468	(1,127,053,590)	9,038,773	240,719,875
(Reversal of) losses on allowance for doubtful accounts	8, 9	17,262,315	(57,477,039)	131,759,769	(457,885,926)
Finance costs	5, 25	82,379,445	153,475,373	60,991,350	117,570,463
Total expenses		1,785,416,954	852,868,809	847,904,975	371,452,791
Share of loss of associates	11	(31,221,037)	(3,889,358)	-	-
Profit (loss) before income tax expense from continuing operations					
		(3,759,000)	631,686,087	(376,960,700)	(55,529,131)
Tax (expense) income	26	1,663,275	(71,941,390)	1,663,275	(17,802,913)
Profit (loss) for the year from continuing operations		(2,095,725)	559,744,697	(375,297,425)	(73,332,044)
Discontinued operation					
Loss for the year from discontinued operation, net of tax	10	-	(269,246,785)	-	-
Profit (loss) for the year		(2,095,725)	290,497,912	(375,297,425)	(73,332,044)
Other comprehensive income					
Item that will be reclassified subsequently to profit or loss					
Gains on remeasuring available-for-sale investments		-	86	-	86
Total item that will be reclassified subsequently to profit or loss		-	86	-	86

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

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statement of comprehensive income

		Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2019	2018	2019	2018
		(in Baht)			
<i>Item that will not be reclassified subsequently to profit or loss</i>					
Gains (losses) on remeasurement of defined benefit plan	18	(18,092,827)	12,511,605	(1,856,553)	6,192,664
Total item that will not be reclassified subsequently to profit or loss		(18,092,827)	12,511,605	(1,856,553)	6,192,664
Other comprehensive income (expense) for the year, net of tax		(18,092,827)	12,511,691	(1,856,553)	6,192,750
Total comprehensive income (expense) for the year		(20,188,552)	303,009,603	(377,153,978)	(67,139,294)
Profit (loss) attributable to					
Owners of the parent		20,383,185	215,201,103	(375,297,425)	(73,332,044)
Non-controlling interests		(22,478,910)	75,296,809	-	-
Profit (loss) for the year		(2,095,725)	290,497,912	(375,297,425)	(73,332,044)
Total comprehensive income (expense) attributable to					
Owners of the parent		4,580,279	224,439,809	(377,153,978)	(67,139,294)
Non-controlling interests	13	(24,768,831)	78,569,794	-	-
Total comprehensive income (expense) for the year		(20,188,552)	303,009,603	(377,153,978)	(67,139,294)
Basic earnings (loss) per share					
Earnings (loss) per share from continuing operations	27	0.005	0.11	(0.092)	(0.02)
Loss per share from discontinued operations		-	(0.05)	-	-

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

Nation Multimedia Group Public Company Limited and its Subsidiaries
Statement of changes in equity

	Note	Consolidated financial statements												
		Retained earnings/(Deficit)				Other components of equity								
		Issued and paid-up share capital	Share premium	Share premium of subsidiaries	Warrants	Reserve on acquisition of warrants	Legal reserve	Deficit (in Baht)	Available-for-sale investments	Revaluation surplus	Total other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Year ended 31 December 2018														
Balance at 1 January 2018		2,155,959,049	1,169,694,244	96,939,173	35,345,366	(91,013,286)	32,700,000	(3,556,270,055)	(3,900)	167,164,970	167,161,062	10,515,553	124,004,462	134,520,015
Transactions with owners, recorded directly in equity														
Contributions by and distributions to owners of the parent														
Share options exercised	19	65,243	57,978	-	(221)	-	-	-	-	-	-	123,000	-	123,000
Share-based payment transactions		-	-	-	988,642	-	-	-	-	-	-	988,642	261,489	1,250,131
Total contributions by and distributions to owners of the parent		65,243	57,978	-	988,421	-	-	-	-	-	-	1,111,642	261,489	1,373,131
Change in ownership interest in subsidiary														
Change in ownership interest from loss of control	12	-	-	(16,217,248)	-	-	-	16,217,248	-	-	-	-	(54,817,081)	(54,817,081)
Total change in ownership interest in subsidiary		-	-	(16,217,248)	-	-	-	16,217,248	-	-	-	-	(54,817,081)	(54,817,081)
Total transactions with owners, recorded directly in equity		65,243	57,978	(16,217,248)	988,421	-	-	16,217,248	-	-	-	1,111,642	(54,555,592)	(53,443,950)
Comprehensive income for the year														
Profit		-	-	-	-	-	-	215,201,103	-	-	-	215,201,103	75,296,809	290,497,912
Other comprehensive income		-	-	-	-	-	-	9,238,620	86	-	86	9,238,706	3,272,985	12,511,691
Total comprehensive income for the year		-	-	-	-	-	-	224,439,723	86	-	86	224,439,809	78,569,794	303,009,603
Transfer to deficit														
Transfer to deficit	15	-	-	-	(36,313,787)	91,013,286	-	80,280,629	-	(134,960,128)	(134,960,128)	-	-	-
Balance at 31 December 2018		2,156,024,292	1,169,752,222	80,721,925	-	-	32,700,000	(3,235,332,455)	(3,822)	32,204,842	32,201,020	236,067,004	148,018,664	384,085,668

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



Nation Multimedia Group Public Company Limited and its Subsidiaries
Statement of changes in equity

Consolidated financial statements

	Retained earnings/(Deficit)	Other components of equity										
		Issued and paid-up share capital	Share premium	Share premium of subsidiaries	Legal reserve	Deficit	Available-for-sale investments (in Baht)	Revaluation surplus	Total other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Year ended 31 December 2019												
Balance at 1 January 2019		2,156,024,292	1,169,752,222	80,721,925	32,700,000	(3,235,332,455)	(3,822)	32,204,842	32,201,020	236,067,004	148,018,664	384,085,668
Transactions with owners, recorded directly in equity												
Changes in ownership interests in subsidiary		-	-	-	-	-	-	-	-	-	6,250,015	6,250,015
Acquisition of non-controlling interests without a change in control		-	-	-	-	-	-	-	-	-	6,250,015	6,250,015
Total transactions with owners, recorded directly in equity												
Comprehensive income for the year		-	-	-	-	20,383,185	-	-	-	20,383,185	(22,478,910)	(2,095,725)
Loss		-	-	-	-	(15,802,906)	-	-	-	(15,802,906)	(2,289,921)	(18,092,827)
Other comprehensive expense		-	-	-	-	4,580,279	-	-	-	4,580,279	(24,768,831)	(20,188,552)
Total comprehensive income for the year												
Transfer to deficit	15	-	-	-	-	6,653,100	-	(6,653,100)	(6,653,100)	-	-	-
Balance at 31 December 2019		2,156,024,292	1,169,752,222	80,721,925	32,700,000	(3,224,099,076)	(3,822)	25,551,742	25,547,920	240,647,283	129,499,848	370,147,131

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

Nation Multimedia Group Public Company Limited and its Subsidiaries
Statement of changes in equity

	Separate financial statements							
	Retained earnings/(Deficit)				Other components of equity			
Note	Issued and paid-up share capital	Share premium	Warrants	Legal reserve	Deficit (in Baht)	Available-for-sale investments	Revaluation surplus	Total other components of equity
Year ended 31 December 2018								
Balance at 1 January 2018	2,155,959,049	1,169,694,244	30,742,698	32,700,000	(3,102,743,297)	(3,908)	32,204,842	32,200,934
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
Share options exercised	65,243	57,978	(221)	-	-	-	-	-
Share-based payment transactions	-	-	342,837	-	-	-	-	-
Total contributions by and distributions to owner	65,243	57,978	342,616	-	-	-	-	-
Total transactions with owners, recorded directly in equity								
	65,243	57,978	342,616	-	-	-	-	-
Comprehensive income (expense) for the year								
Loss	-	-	-	-	(73,332,044)	-	-	-
Other comprehensive income	-	-	-	-	6,192,664	86	-	86
Total comprehensive expense for the year	-	-	-	-	(67,139,380)	86	-	86
Transfer to deficit								
	-	-	(31,085,314)	-	31,085,314	-	-	-
Balance at 31 December 2018	2,156,024,292	1,169,752,222	-	32,700,000	(3,138,797,363)	(3,822)	32,204,842	32,201,020
								251,880,171

*This accompanying notes are an integral part of these financial statements.

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statement of changes in equity

	Note	Separate financial statements						
		Retained earnings/(Deficit)			Other components of equity			
		Issued and paid-up share capital	Share premium	Legal reserve	Deficit (in Baht)	Available-for-sale investments	Revaluation surplus	Total other components of equity
Year ended 31 December 2019								
Balance at 1 January 2019		2,156,024,292	1,169,752,222	32,700,000	(3,138,797,363)	(3,822)	32,204,842	32,201,020
Comprehensive expense for the year								
Loss		-	-	-	(375,297,425)	-	-	(375,297,425)
Other comprehensive expense		-	-	-	(1,856,553)	-	-	(1,856,553)
Total comprehensive expense for the year		-	-	-	(377,153,978)	-	-	(377,153,978)
Transfer to deficit	15	-	-	-	6,653,100	-	(6,653,100)	-
Balance at 31 December 2019		2,156,024,292	1,169,752,222	32,700,000	(3,509,298,241)	(3,822)	25,551,742	25,547,920
								(125,273,807)

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

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2019	2018	2019	2018
	(in Baht)			
Cash flows from operating activities				
Profit (loss) for the year	(2,095,725)	290,497,912	(375,297,425)	(73,332,044)
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>				
Tax (benefit) expense	(1,663,275)	78,209,884	(1,663,275)	17,802,913
Finance costs	82,379,445	158,552,496	60,991,350	117,570,463
Depreciation	46,059,817	123,382,894	10,415,611	24,402,503
Amortisation of assets	9,308,977	16,108,628	2,773,865	2,899,524
Amortisation of digital television licences	56,694,968	92,756,265	-	-
Reversal of impairment losses on digital television licences	-	(1,130,362,591)	-	-
(Reversal of) impairment losses and devaluation of inventories	(3,878,742)	(1,794,567)	(22,321)	122,314
Impairment losses on investments in subsidiaries and associates	-	-	-	181,598,020
Impairment loss on long-term investments in other companies	-	1,756,140	-	1,756,140
Impairment losses on property, plant and equipment and investment properties	21,135,468	61,907,945	9,038,773	59,121,876
(Reversal of) impairment losses on intangible assets	5,234,000	(58,598,944)	-	-
Non-current provisions for employee benefit	52,217,616	7,712,399	29,893,969	2,463,126
Share-based payments	-	1,250,131	-	342,837
Loss on fair value adjustment of investments in debt securities	-	132,790	-	11,607
Gain on disposal of investments in debt securities	(622,436)	-	-	-
Gain on disposal of investment in associate	(180,362,385)	-	(141,265)	-
Gain on disposal of warrants	-	(10,830,879)	-	(10,830,879)
Excess of compensation from returning digital television licence	(331,354,129)	-	-	-
Loss on debt waiving and lost control in subsidiaries	-	175,445,825	-	66,706,854
Share of loss of associate, net of income tax	31,221,037	3,889,358	-	-
Bad debts	3,519,328	41,099,445	2,429,859	14,653,621
(Reversal of) doubtful debts expenses	17,262,315	(57,477,039)	131,759,769	(457,885,926)
Reversal of allowance for goods returned	(1,843,098)	(2,875,420)	-	(2,875,420)
Reversal of loss on decline in value of other non-current assets	-	(48,148)	-	(48,148)
(Gain) loss on disposal of property, plant and equipment and investment properties	(7,301,782)	22,204,344	(2,741,759)	(4,910,471)
Loss on written-off of assets	9,314,265	80,387,117	8,525,214	825,274
Investment income	(439,072)	(404,723)	(71,300)	(52,366)
	(195,213,408)	(107,098,738)	(124,108,935)	(59,658,182)
Changes in operating assets and liabilities				
Trade accounts receivable	29,637,041	8,863,930	(15,972,996)	421,995,332
Accrued income	27,432,157	(29,365,465)	(24,025,821)	11,346,033
Other receivables	13,184,155	(52,865,769)	491,753,913	262,166,618
Inventories	5,857,424	31,954,344	499,166	15,260,234
Other current assets	(45,613)	72,797,842	7,510,888	33,061,240

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

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2019	2018	2019	2018
	<i>(in Baht)</i>			
Restricted deposits	(150,000)	(1,071,462)	(250,000)	-
Other non-current assets	8,530,388	(594,498)	2,989,476	1,719,382
Trade accounts payable	(131,019,383)	148,546,995	(16,553,121)	(760,795,772)
Other payables	(29,993,790)	8,369,758	868,767	(4,302,610)
Deferred income and advance income	(15,003,032)	(47,109,304)	19,736,056	(34,486,860)
Accrued expenses	7,040,765	37,920,552	31,047,650	(11,643,778)
Other current liabilities	(20,794,361)	(64,839,586)	(1,246,021)	(21,638,768)
Non-current provisions for employee benefit	(18,542,921)	-	(17,716,601)	-
Other non-current liabilities	(5,153,802)	(18,207,420)	(5,153,802)	(18,207,421)
Net cash from (used in) operating	(324,234,380)	(12,698,821)	349,378,619	(165,184,552)
Taxes paid	(47,791,502)	(71,962,194)	(11,132,381)	(19,673,459)
Withholding tax refunded	31,160,228	39,518,840	21,915,748	23,888,485
Net cash from (used in) operating activities	(340,865,654)	(45,142,175)	360,161,986	(160,969,526)
Cash flows from investing activities				
Proceeds from disposal of investment in associate	316,517,974	-	316,517,974	-
Current investments	(2,724,003)	20,277,060	-	-
Proceeds from disposal of investment in subsidiary	-	664,914,051	-	673,000,000
Proceeds from disposal of warrant	-	10,830,879	-	10,830,879
Acquisition of subsidiaries	-	-	(249,993)	-
Proceeds from disposal of other debt securities	430,922,436	631,000,000	-	-
Acquisition of other debt securities	(430,300,000)	(631,000,000)	-	-
Proceeds from disposal of property, plant and equipment and investment properties	298,293,524	44,523,347	293,291,465	50,255,514
Acquisition of building and equipment	(54,294,395)	(48,071,595)	(12,500,148)	(3,086,359)
Proceeds from sale of intangible assets	-	186,549	-	186,549
Acquisition of programme licences and intangible assets	(27,047,430)	(9,204,207)	(2,068,982)	(2,119,249)
Proceed from return of digital television licences	890,834,580	-	-	-
Digital television licences payments	(273,800,000)	-	-	-
Dividend received	24,303	24,351	24,303	24,351
Interest received	477,152	380,372	46,997	28,015
Net cash from investing activities	1,148,904,141	683,860,807	595,061,616	729,119,700
Cash flows from financing activities				
Proceeds from exercise of share options	-	123,000	-	123,000
Proceeds from investment in subsidiary of non-controlling interest	6,250,015	-	-	-
Bank overdrafts and short-term loans from financial institutions	(428,932,095)	(181,137,514)	(428,932,095)	(181,137,514)

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

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statement of cash flows

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2019	2018	2019	2018
		<i>(in Baht)</i>			
Proceeds from short-term loans		47,000,000	-	47,000,000	-
Repayment of short-term loans		(343,000,000)	(238,000,000)	(343,000,000)	(238,000,000)
Proceeds from long-term loan from financial institution		50,000,000	-	-	-
Repayment of long-term loan from financial institution		(195,000,000)	(18,000,000)	(190,000,000)	(18,000,000)
Interest paid		(64,960,178)	(133,041,392)	(53,664,020)	(116,497,232)
Net cash used in financing activities		(928,642,258)	(570,055,906)	(968,596,115)	(553,511,746)
Net increase (decrease) in cash and cash equivalents		(120,603,771)	68,662,726	(13,372,513)	14,638,428
Cash and cash equivalents at 1 January		168,894,780	186,398,722	24,119,651	9,481,223
Impact from discontinued operations	10	-	(86,166,668)	-	-
Cash and cash equivalents at 31 December	6	48,291,009	168,894,780	10,747,138	24,119,651
Non-cash transactions					
Payables for purchase of building and equipment		19,797,459	1,198,400	6,061,031	10,002,032
Payables for purchase of programme licences and intangible assets		3,291,641	9,863,280	378,780	-
Digital television licences payable		49,899,068	1,448,808,000	-	-
Assets received from rendering of services		1,647,000	6,746,635	-	6,746,635

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

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

Note	Contents
1	General information
2	Use of going concern basis of accounting
3	Basis of preparation of the financial statements
4	Significant accounting policies
5	Related parties
6	Cash and cash equivalents
7	Other investments
8	Trade accounts receivable
9	Other receivables
10	Discontinued operations
11	Investments in associates
12	Investments in subsidiaries
13	Non-controlling interests
14	Investment properties
15	Property, plant and equipment
16	Digital television licences
17	Interest-bearing liabilities
18	Non-current provisions for employee benefits
19	Share capital
20	Reserves
21	Segment information
22	Other income
23	Employee benefit expenses
24	Expenses by nature
25	Finance costs
26	Income tax
27	Earnings (loss) per share
28	Financial instruments
29	Commitments with non-related parties
30	Contingent liabilities
31	Events after the reporting period
32	Thai Financial Reporting Standards (TFRS) not yet adopted

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2019

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 25 June 2020.

1 General information

Nation Multimedia Group Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 1858/121-122, 1858/125-128, 28th, 30th and 31st Floors, Debaratna Road, Bangna-Tai, Bangna, Bangkok.

The Company was listed on the Stock Exchange of Thailand in June 1988.

The principal activities of the Company are the publishing and distribution of newspapers and publishing, providing advertising and news services and others. The principle activities of the Group are the publishing and distribution of newspapers, publishing, digital publishing and advertising media, TV production, providing advertising and news via television and others. For further details of the Company’s associates and subsidiaries as at 31 December 2019 and 2018 are disclosed in Notes 11 and 12.

Nation Digital Content Co., Ltd. (formerly, “Spring 26 Co., Ltd.” or “Bangkok Business Broadcasting Co., Ltd.”), a subsidiary, received the commercial digital terrestrial television licence at national level for a variety channel category in standard-definition for a period of 15 years, commencing from office of the National Broadcasting and Telecommunications Commission (“NBTC”) from 25 April 2014 to 24 April 2029. As described in the Note 16, the National Council for Peace and Order has released the order No.4/2562 in subject of a measure to solve the problems of the operations of the Television and Telecommunication, Nation Digital Content Co., Ltd. has submitted for the returning of it its digital terrestrial television licence to NBTC and obtained letter of the approval of the returning on 27 June 2019.

NBC Next Vision Co., Ltd., an indirect subsidiary, received the commercial digital terrestrial television licence at national level for a news channel category in standard-definition for a period of 15 years, commencing from NBTC from 25 April 2014 to 24 April 2029.

2 Use of going concern basis of accounting

For the year ended 31 December 2019, the Group incurred net loss of Baht 2.10 million. If excluded the recognition of the excess of compensation from returning digital television licence amounting to Baht 331.35 million and gain on disposal of investment in associate amounting to Baht 180.36 million as mentioned in Note 16 and 11, respectively, the Group incurred net loss of Baht 513.81 million (2018: net profit of Baht 290.50 million, resulting from the reversal of impairment loss of assets and the allowance for doubtful accounts of Baht 1,184 million). In addition, the Company incurred net loss for the year ended 31 December 2019 of Baht 375.30 million (2018: Baht 73.33 million). As of that date, the Group’s and the Company’s total current liabilities exceeded its total current assets by Baht 218.05 million and Baht 497.91 million, respectively (2018: Baht 1,026.60 million and Baht 825.96 million, respectively) and had deficit of Baht 3,224.10 million and Baht 3,509.30 million, respectively (2018: Baht 3,235.33 million and Baht 3,138.80 million, respectively). The Company has capital deficiency of Baht 125.27 million (2018: total equity Baht 251.88 million). In addition, the operation of the Group might be affected from the external factors and the current economic crisis. This represents a material uncertainty over the appropriateness of using the going concern basis of accounting of the Group and the Company. The Group and the Company implemented the policy and procedures in an attempt to manage liquidity risk and other circumstances as the Group has

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2019

implemented policies and procedures in cost reduction such as an attempt to improve and develop their internal control process to reduce the operating expenses to be able to improve their financial position, liquidity and cash flow and the operation result of the Group and the Company including reducing interest rate payment, new flexible schedule of payable repayment resulted to the Group has enough credit facilities for working capital in operating.

The Group's management is implementing the action plans to improve the Group's and the Company's performance and liquidity by focusing on its core businesses that the Group has the exact knowledge and expertise. Publishing and related activities and television broadcasting business in a category of news and content as its expertise, and the production of contents, including related business that have the potential to grow and enhance the core businesses of the Group to allow the Group to continue the business operation and mobilize resources within the Group in various areas for existing news items fully in line with the Group's core businesses policy. The Group is reforming the broadcasting presentation and other platforms to gain more advertising revenue, restructuring of the marketing department and increase number of workforces in order to expand the customer base and improving the production and broadcast equipment and restructuring production team to be effective, transforming the television program schedule to be outstanding, modifying the program to increase the number of audience and increase the revenue in other forms such as new media, seminar and events etc. In addition, the management has plan to increase the revenue by implementing Artificial Intelligence technology, expanding the digital media segment, reforming the broadcasting presentation to make its programs more attractive and improving airtime rental format for all target customers to be more effective. In addition, there will be the positive result from retrieving the operators of radio broadcasting and television broadcasting and business of radio broadcasting and television broadcasting as described in Note 16.

For the Group's business restructuring plan, the Group would focus on its core businesses which comprise printing media, television media and other media, etc. Therefore, the Group sold out the land and constructions in the first and second quarter in order to generate cash flows to repay its debts and interest burden, including the Group may consider reorganising its financial structure by increase the Group's liquidity and strengthen its financial status such as fund raising and loan borrowing from financial institution which has the finance cost suitable with the market conditions.

At the Board of Directors' meeting of the Company held on 15 March 2019, the Board of Directors of the Company has approved the resolution of the restructuring of publishing news business unit of 3 subsidiaries by transferring to the Company's operation to reduce the duplicated common tasks efficiently among business unit including cost reduction which effective on 1 April 2019 onwards.

The Group's management believes that the preparation of the financial statements on a going concern basis is appropriate. Accordingly, the consolidated and separate financial statements do not include any adjustments relating to the recoverability and classification of recorded assets amounts or to amounts and classifications of liabilities that may be necessary if the Group and the Company is not able to continue as a going concern.

"C" (Caution) sign criteria

On 14 December 2018, The Stock Exchange of Thailand ("SET") posted a "C" (Caution) sign on the Company's securities traded on the SET due to total equity balance was less than fifty percent of total paid-up share capital. In this regard, the Company has already published a plan to resolve this cause.

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2019

3 Basis of preparation of the financial statements

(a) *Statement of compliance*

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

New and revised TFRS are effective for annual accounting periods beginning on or after 1 January 2019. The initial application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies. There is no material impact on the Group's financial statements. The Group has initially applied TFRS 15 Revenue from Contracts with Customers which replaces TAS 18 Revenue and related interpretations. The details of accounting policies are disclosed in Note 4 (r).

In addition, the Group has not early adopted a number of new and revised TFRS which are not yet effective for the current period in preparing these financial statements. Those new and revised TFRS that are relevant to the Group's operations are disclosed in Note 32.

(b) *Functional and presentation currency*

The financial statements are prepared in Thai Baht, which is the Company's functional currency.

(c) *Use of judgements and estimates*

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group's accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- | | |
|--------------|--|
| 4 (r) and 21 | Revenue recognition: |
| | <ul style="list-style-type: none">• whether performance obligations in a bundled sale of products and services are capable of being distinct;• whether revenue from sales of products and services is recognised over time or at a point in time. |

(ii) Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties at 31 December 2019 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- | | |
|--------------------------|--|
| 8 and 9 | Measurement of allowance for doubtful accounts of trade and other accounts receivable; |
| 11, 12, 14, 15
and 16 | Impairment test: key assumptions underlying recoverable amounts; |
| 18 | Measurement of defined benefit obligations: key actuarial assumptions. |

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interest in associate.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquire.

Changes in the Group’s interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity-accounted investee

The Group’s interest in equity-accounted investee comprises interest in associates.

Associates are the entity in which the Group has significant influence, but not control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group’s share of the profit or loss and other comprehensive income of equity-accounted investee, until the date on which significant influence ceases.

Acquisitions from entities under common control

Business combination under common control are accounted for using a method similar to the pooling of interest method. Under that method the acquirer recognizes assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the moment of the transaction. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or discount from business combinations under common control in shareholder’s equity. The surplus or discount will be transferred to retained earnings upon divestment of the businesses acquired.

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the moment the businesses came under common control, whichever date is later, until control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associate are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

b) *Foreign currencies*

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognised in profit or loss.

c) *Cash and cash equivalents*

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

d) *Trade and other accounts receivable and contract assets*

A receivable is recognised when the Group has an unconditional right to receive consideration. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

A receivable is stated at invoice value less allowance for doubtful accounts which is determined based on an analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

Contract assets are measured at the amount of consideration that the company is entitled to, less impairment losses.

e) *Inventories*

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

Cost comprises all costs of purchase, costs of conversion or other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity.



Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

Finished goods comprise of books, CD, DVD and completed TV programmes. Costs are calculated using the following principles:

Books, CD and DVD TV programmes	Weighted average / first in first out Represent the production costs for both in progress and completed. Costs of the programmes consist of expenses which directly related to the production, are recognised as costs when the rights are delivered and transferred or the programmes are broadcasted, or amortised using the straight-line method based on the estimated broadcasting time
Materials, supplies and others Work in progress for projects	Weighted average / first in first out Comprise cost of preparation, is measured at cost

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

f) Investments

Investments in associates and subsidiaries

Investments in associates and subsidiaries in the separate financial statements of the Company are accounted for using the cost method less accumulated impairment losses. Investments in associates in the consolidated financial statements are accounted for using the equity method.

Investments in other debt and equity securities

Debt securities and marketable equity securities held for trading are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in profit or loss.

Debt securities and marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses, are recognised directly in equity. Impairment losses are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss.

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of financial instruments classified as held-for-trading and available-for-sale is determined as the quoted bid price at the reporting date.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

g) *Investment properties*

Investment properties are land and condominium and improvements which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property and other costs directly attributable to bringing the investment property to a working condition for its intended use.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property. The estimated useful live is as follows:

Condominium and improvements	20 years
------------------------------	----------

No depreciation is provided on investment property which is land.

h) *Property, plant and equipment*

Recognition and measurement

Owned assets

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Excluding land that is measured at revalued amount. The revalued land amount is the fair value determined on the basis of a actual use of the asset as at the date of revaluation and the allowance for impairment.

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

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

Any gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss. When the property, plant and equipment are sold, the amounts included in the revaluation reserve are transferred to retained earnings

Revalued assets

Revaluations are performed by independent professional valuers with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the reporting date.

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2019

Any increase in value, on revaluation, is recognised in other comprehensive income and presented in the revaluation surplus in equity unless it offsets a previous decrease in value recognised in profit or loss in respect of the same asset. A decrease in value is recognised in profit or loss to the extent it exceeds an increase previously recognised in other comprehensive income in respect of the same asset. Upon disposal of a revalued asset, any related revaluation surplus is transferred directly to retained earnings and is not taken into account in calculating the gain or loss on disposal.

Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified as investment property. Property that is being constructed for future use as investment property is accounted for at fair value. Any gain arising on remeasurement is recognised in profit or loss to the extent the gain reverses a previous impairment loss on the specific property, with any remaining gain recognised in other comprehensive income and presented in the revaluation surplus in equity. Any loss is recognised in other comprehensive income and presented in the revaluation surplus in equity to the extent that an amount had previously been included in the revaluation surplus relating to the specific property, with any remaining loss recognised immediately in profit or loss.

Subsequent costs

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

Depreciation

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

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

Land improvements	20 years
Buildings and improvements	20 years
Leasehold improvements	5 - 10 years
Machinery and equipment	10 years
Operating equipment	5 - 10 years
Furniture, fixtures and office equipment	5 years
Vehicles	5 years

No depreciation is provided on freehold land and assets under construction and installation.

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

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

i) Intangible assets

Digital television licences

The carrying amount of digital television licences consists of expenditures that are directly attributable to the acquisitions of the commercial digital terrestrial television licences at national level for a news channel category and a variety standard definition channel category, and are measured at cash price equivalent by discounting the future installments to present value using a market discount rate. The assets are measured at cost less accumulated amortisation and impairment losses. The differences between the cash price equivalent and the total payments to be made are recognised as an interest expenses over the licence fee payment periods. The assets are amortised from the date which they are ready to provide services.

Other intangible assets

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

Subsequent expenditure

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

Amortisation

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

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

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

Digital television licences	15 years
Computer programmes and software licences	3 and 5 years
Programme licences	2 years
Rights for broadcasting	Amortised based on the straight-line basis over the periods specified in the agreements.
Trademark	14 years

No amortisation is provided on computer programmes under installation.

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

j) Impairment

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

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

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

Reversals of impairment

An impairment loss in respect of a financial assets is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

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

k) *Interest-bearing liabilities*

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowing on an effective interest basis.

l) *Trade and other account payable*

Trade and other accounts payable are stated at cost.

m) *Contract liabilities*

A contract liability is the obligation to transfer goods or services to the customer. A contract liability is recognised when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognises the related revenue.

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

n) Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed in profit or loss as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in other comprehensive income. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When a plan is curtailed, the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

o) Share-based payments

The grant-date fair value of equity-settled share-based payment awards granted to employees (paid by equity securities) is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

p) Provisions

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

q) Measurement of fair values

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

r) Revenue

Accounting policies for revenue recognition in 2019

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Sale of goods and services

Revenue from sales of goods is recognised when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for estimated returns, which are estimated based on the historical data.

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2019

Revenue from rendering of services is recognised over time or point in time as the services are provided. The related costs are recognised in profit or loss when they are incurred. Revenue for rendering of services consist of

- The service income from advertising on newspapers are recognised when services are rendered through newspapers, and
- Revenue from television programmes represents the service income from advertising and airtime rental are recognised when services are rendered and programs broadcast, and
- The income from production of television programs which is recognised when the production is completed and delivered, and
- Newspapers subscription income is recognised on a straight-line basis over the relevant subscription period.

For bundled packages, the Group accounts for individual products and services separately if they are distinct (i.e. if a product or service is separately identifiable from other items and a customer can benefit from it) or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices which are determined based on the price list at which the Group sells the products and services in separate transactions.

Barter income

Barter income arises from the exchange of different goods or service, which is recognised at fair value of those goods or service in exchange. Unless the exchange of advertising service, which is recognised at fair value of service in exchange.

Commission revenue

For the contracts that the Group is arranging for the provision of the goods or services on behalf of its customers and does not control the goods or services before the primary sellers or service providers will provide the goods or services to the customers. The Group acts in the capacity of an agent and recognises the net amount of consideration as commission revenue.

Long-term advances received from customers

Long-term advances received from customers is recognised as revenue when the Group transferred control over the goods to the customers. For the advances that contain a significant financing component, they include the interest expense accreted on the contract liability under the effective interest method. The Group uses practical expedient which is not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

Accounting policies for revenue recognition in 2018

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

Sale of goods and rendering of service

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

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

Advertising income

Advertising income is recognised when services are rendered through newspapers, television and media.

Revenue from television programmes

Revenue from television programmes represents the service income from advertising and airtime rental are recognised when services are rendered and programs broadcast, and the income from production of television programs which is recognised when the production is completed and delivered.

Newspapers subscription income

Newspapers subscription income is recognised on a straight-line basis over the relevant subscription period.

Printing income

Printing income is recognised as services are provided.

Commissions

When the Group acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of commission made by the Group.

Barter income

Barter income arises from the exchange of different goods or service, which is recognised at fair value of those goods or service in exchange. Unless the exchange of advertising service, which is recognised at fair value of service in exchange

Tuition fees

Tuition fees are recognised as statement of comprehensive income over the period of each academic year.

s) Rental income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

t) Investment income

Investment income comprises dividend and interest income from investments and bank deposits. Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established. Interest income is recognised in profit or loss as it accrues.

u) Finance costs

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred.

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

v) *Lease payments*

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

Determining whether an arrangement contains a lease

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

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

w) *Income tax*

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except for 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 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 to the extent that it is probable that they will not reverse in the foreseeable future.

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

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

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

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

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. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. 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.

x) *Discontinued operations*

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of comprehensive income is restated as if the operation had been discontinued from the start of the comparative period.

y) *Earnings (loss) per share*

The Group presents basic and diluted earnings (loss) per share (EPS) data for its ordinary shares. Basic EPS per share is calculated by dividing the profit (loss) attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

z) *Related parties*

A related party is a person or entity that has direct or indirect control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or has significant influence over the financial and managerial decision-making of a person or entity.

aa) *Segment reporting*

Segment results that are reported to the Group's CEO (the Chief Operating Decision Maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly cash and cash equivalents, current investment, deferred tax assets, other current liabilities and other non-current provisions for employee benefit.

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

5 Related parties

Relationships with associate and subsidiaries are described in Notes 11 and 12. Other related parties that the Group has significant transaction during the year were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.
Indirect subsidiaries		
Nation University	Thailand	University, a license holding by Nation U Co., Ltd. (The Group sold this investment on 25 July 2018.)
NBC Next Vision Co., Ltd.	Thailand	99.99% shareholding by Nation Broadcasting Corporation Public Company Limited and some common directors
Other related parties		
Thai Portal Co., Ltd.	Thailand	Related party, 19.00% shareholding by Kom Chad Luek Media Co., Ltd.
Spring News Corporation Co., Ltd.	Thailand	Some common shareholder of the Company
Nation Global Edutainment Co., Ltd.	Thailand	99.74% shareholding by Nation International Edutainment Public Company Limited and some common directors (The Group sold this investment on 14 August 2019.)
News Network Corporation Public Company Limited	Thailand	Shareholder of the Company
Thansettakij Multimedia Co., Ltd.	Thailand	Some common shareholder of the Company
Green net 1282 Co., Ltd.	Thailand	Some common shareholder of the Company
Shareholder	Thailand	Shareholder of the Company

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Revenue from sale of goods and rendering of services	General price and negotiable rate
Cost of sale of goods and rendering of services	Actual cost allocation rate and negotiable rate
Sale of equipment	Book value plus margin
Purchase of equipment	Book value plus margin
Dividend income	As announced in the minute of shareholders' meeting
Other income	Negotiable rate
Selling expenses and administrative expenses	Negotiable rate
Interest expense	Rate as specified in the agreement

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

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

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Continuing operations				
Subsidiaries and indirect subsidiaries				
Revenue from sale of goods and rendering of services	-	-	126,906	200,141
Cost of sale of goods and rendering of services	-	-	6,367	11,088
Sale of equipment	-	-	-	47,732
Purchase of equipment	-	-	9,163	-
Other income	-	-	569	3,360
Selling expenses and administrative expenses	-	-	38	4,225
Associates				
Revenue from rendering of services	167	391	152	391
Other income	337	-	320	-
Sale of equipment	9	-	9	-
Selling expenses and administrative expenses	107	-	-	-
Other related parties				
Revenue from rendering of services	57,221	5,750	9,166	-
Cost of sale of goods and rendering	17,178	-	7,355	-
Sale of equipment	-	701	-	-
Purchase of equipment	4,042	-	-	-
Other income	9,575	-	5,258	-
Selling expenses and administrative expenses	23,039	7,138	182	-
Interest expense	2,598	8,278	2,598	8,278
Key management personnel				
Key management personnel compensation				
Wages and salaries	75,309	41,668	39,528	17,142
Defined contribution plans	3,077	1,929	1,872	649
Total key management personnel compensation	78,386	43,597	41,400	17,791

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2019

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Discontinued operations				
Subsidiaries and indirect subsidiaries				
Revenue from sale of goods and rendering of services	-	-	-	8,325
Cost of sale of goods and rendering of services	-	-	-	12,581
Other income	-	-	-	67
Selling expenses and administrative expenses	-	-	-	2,745
Associates				
Revenue from rendering of services	-	3,745	-	11,612
Cost of sale of goods and rendering of services	-	438	-	2,497
Sale of equipment	-	-	-	306
Other income	-	6	-	953
Selling expenses and administrative expenses	-	1	-	360
Key management personnel				
Key management personnel compensation				
Wages and salaries	-	13,507	-	-
Defined contribution plans	-	851	-	-
Total key management personnel compensation	<u>-</u>	<u>14,358</u>	<u>-</u>	<u>-</u>

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

<i>Trade accounts receivable</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Subsidiaries and indirect subsidiaries	-	-	539,043	537,487
Associates	-	1,069	-	1,069
Other related parties	8,323	6,904	-	-
	<u>8,323</u>	<u>7,973</u>	<u>539,043</u>	<u>538,556</u>
Less allowance for doubtful accounts	-	(416)	(215,695)	(176,999)
Net	<u>8,323</u>	<u>7,557</u>	<u>323,348</u>	<u>361,557</u>

The Group and the Company assessed the allowance for doubtful accounts for trade and other accounts receivable with related parties based on the current status of the debtor and considered from the amount expected to be received or paid in the future by netting of the said accounts receivable over trade and other accounts payable.

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

<i>Accrued income</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
		(in thousand Baht)		
Subsidiaries and indirect subsidiaries	-	-	24,514	2,058
Other related parties	10,671	-	2,121	-
	10,671	-	26,635	-
Less allowance for doubtful accounts	-	-	(22,500)	-
Net	10,671	-	4,135	2,058

<i>Other receivables</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
		(in thousand Baht)		
Subsidiaries and indirect subsidiaries	-	-	278,067	701,598
Associates	-	273	-	255
Other related parties	8,544	-	5,061	-
	8,544	273	283,128	701,853
Less allowance for doubtful accounts	-	(160)	(260,819)	(201,250)
Net	8,544	113	22,309	500,603

<i>Trade accounts payable</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
		(in thousand Baht)		
Subsidiaries and indirect subsidiaries	-	-	516,596	543,717
Associates	-	35,231	-	25,321
Other related parties	8,022	2,985	5,075	-
Total	8,022	38,216	521,671	569,038

<i>Other payables</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
		(in thousand Baht)		
Subsidiaries and indirect subsidiaries	-	-	17,555	17,828
Other related parties	3,431	-	415	-
Associates	-	15,306	-	14,474
Total	3,431	15,306	17,970	32,302

<i>Accrued expenses</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
		(in thousand Baht)		
Subsidiaries	-	-	3,560	14,518
Other related parties	3,457	-	957	-
Total	3,457	-	4,517	14,518

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

<i>Short-term loan from related party</i>	Interest rate		Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018	2019	2018
	<i>(% per annum)</i>			<i>(in thousand Baht)</i>		
Shareholder	-	12.00	-	70,000	-	70,000
Less deferred interest			-	(706)	-	(706)
Total short-term loan from related party			-	69,294	-	69,294

Movements during the years ended 31 December of short-term loan from related party were as follows:

	Consolidated financial statements / Separate financial statements			
	At 31 December 2018	Increase	Decrease	At 31 December 2019
		<i>(in thousand Baht)</i>		
Shareholder	70,000	-	(70,000)	-

	Consolidated financial statements / Separate financial statements			
	At 31 December 2017	Increase	Decrease	At 31 December 2018
		<i>(in thousand Baht)</i>		
Shareholder	-	70,000	-	70,000

Significant agreements with related parties

The Company entered into agreements with associates, subsidiaries and indirect subsidiaries to provide services in relation to management, operations, marketing and other services. The Company will receive service fees as specified in the agreements.

The Company entered into an agreement with a subsidiary for rent space and related services. The Company committed to pay the rental and service fees as specified in the agreement. However, the Company terminated this agreement in December 2018.

The Company entered into agreements with subsidiaries to rent out the spaces and provide related services. The subsidiaries committed to pay the rental and service fees as specified in the agreements. However, the Company terminated the two agreements with a subsidiary in October 2018.

The Company entered into an agreement with a subsidiary to receive information technology system services. The Company committed to pay a service fee as specified in the agreement. However, the Company terminated this agreement in December 2018.

A subsidiary entered into agreements with the Company, subsidiaries and related companies to provide services in relation to digital business management services with the service fees as specified in the agreements.

The Company entered into a short-term loan agreement with a shareholder amounting to Baht 70 million. The short-term loan was bill of exchange and repayable within 3 months. The loan bears interest rate at the rate of 12% per annum. The Company has paid interest at the date of short-term loan agreement amounting to Baht 2.01 million. The Company has paid full amount of short-term loan with a shareholder during the year 2019. Moreover, as at 31 December 2018, the Company pledged its an investment in a subsidiary as collateral for this short-term loan (see Note 12).

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Cash on hand	660	906	162	111
Cash at banks - current accounts	820	1,403	410	438
Cash at banks - savings accounts	46,810	115,785	10,175	23,571
Highly liquid short-term investments	1	50,801	-	-
Total	48,291	168,895	10,747	24,120

7 Other investments

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Current investments				
Short-term deposits at financial institutions	2,954	230	-	-
Other long-term investments				
Equity securities available for sale	3	3	3	3
Other non-marketable equity securities	2,260	2,260	2,260	2,260
	2,263	2,263	2,263	2,263
Total	5,217	2,493	2,263	2,263

Movements during the years ended 31 December of marketable equity and debt securities were as follows:

	Consolidated financial statements			
	At 1 January	Purchase	Disposal	At 31 December
	<i>(in thousand Baht)</i>			
Marketable equity and debt securities				
2019				
Current investment				
Trading securities	-	430,300	(430,300)	-
2018				
Current investment				
Trading securities	-	631,000	(631,000)	-
	Separate financial statements			
	At 1 January	Purchase	Disposal	At 31 December
	<i>(in thousand Baht)</i>			
Marketable equity and debt securities				
2018				
Current investment				
Trading securities	-	32,000	(32,000)	-

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

8 Trade accounts receivable

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Related parties					
Within credit terms		8,323	2,301	15,458	32,933
Overdue:					
Less than 3 months		-	3,639	16,770	231
3-6 months		-	2,033	21,707	-
6-12 months		-	-	8,595	-
Over 12 months		-	-	476,513	505,392
		<u>8,323</u>	<u>7,973</u>	<u>539,043</u>	<u>538,556</u>
Less allowance for doubtful accounts		-	(416)	(215,695)	(176,999)
	5	<u>8,323</u>	<u>7,557</u>	<u>323,348</u>	<u>361,557</u>
Other parties					
Within credit terms		100,216	119,524	39,423	18,518
Overdue:					
Less than 3 months		52,261	62,128	12,773	14,422
3-6 months		5,561	5,009	3,157	2,740
6-12 months		6,449	6,354	4,556	5,612
Over 12 months		28,746	35,371	26,858	32,419
		<u>193,323</u>	<u>228,386</u>	<u>86,767</u>	<u>73,711</u>
Less allowance for doubtful accounts		(37,188)	(28,671)	(35,430)	(25,728)
allowance for goods returned		-	(1,843)	-	-
		<u>156,045</u>	<u>197,872</u>	<u>51,337</u>	<u>47,983</u>
Net		<u>164,368</u>	<u>205,429</u>	<u>374,685</u>	<u>409,540</u>
(Reversal of) doubtful debts expense for the year		<u>8,101</u>	<u>(30,699)</u>	<u>48,398</u>	<u>89,458</u>

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

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

9 Other receivables

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Related parties	5	8,544	273	283,128	701,853
Other parties					
Other receivables		38,902	54,544	37,698	54,348
Prepaid expenses		41,398	49,665	27,217	29,101
Advance to employees		3,004	612	1,592	63
		83,304	104,821	66,507	83,512
Total		91,848	105,094	349,635	785,365
Less allowance for doubtful accounts		(45,334)	(36,960)	(297,993)	(237,919)
Net		46,514	68,134	51,642	547,446
(Reversal of) doubtful debts expense for the year		8,374	(26,778)	60,074	(547,344)

10 Discontinued operations

During the year 2018, the Group sold its subsidiary, WPS (Thailand) Co., Ltd, comprising its entire printing service segment and decrease of the Company's shareholding interest in subsidiary, Nation International Edutainment Public Company Limited resulted to the Group has lost the control in its entire edutainment segment. The Group presented to show two discontinued operations separately from continuing operations. The comparative statement of comprehensive income for the year ended 31 December 2018 has been re-presented to show the discontinued operations separately from continuing operations (See Note 12).

	Consolidated financial statements	
	Nation International Edutainment Public Company Limited for the period from 1 January 2018 to 29 November 2018	
	WPS (Thailand) Co., Ltd. for the period from 1 January 2018 to 18 December 2018	
<i>Note</i>	<i>(in thousand Baht)</i>	
Results of discontinued operation		
Revenue	80,198	36,407
Expenses	(178,275)	(201,309)
Results from operating activities	(98,077)	(164,902)
Income tax benefit (expense)	(6,454)	186
Loss for the year	(104,531)	(164,716)
Loss attributable to		
Owners of the parent	(74,259)	(139,184)
Non-controlling interests	(30,272)	(25,532)
Loss for the year	(104,531)	(164,716)
Loss per share (in Baht)		
Basic loss per share	27 (0.02)	(0.03)

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

Consolidated financial statements		
	Nation International Edutainment Public Company Limited for the period from 1 January 2018 to 29 November 2018 (in thousand Baht)	WPS (Thailand) Co., Ltd. for the period from 1 January 2018 to 18 December 2018
Cash flows from (used in) discontinued operation		
Net cash from (used in) operating activities	(62,862)	19,958
Net cash from (used in) investing activities	67,229	(501)
Net cash used in financing activities	(11,487)	(17,713)
Net cash flows from (used in) discontinued operation	(7,120)	1,744

Consolidated financial statements		
	Nation International Edutainment Public Company Limited as at 29 November 2018 (in thousand Baht)	WPS (Thailand) Co., Ltd. as at 18 December 2018
Effect of loss of control and disposal on the financial position of the Group	<i>Note</i>	
Cash and cash equivalents	85,098	1,069
Trade accounts receivables	9,682	12,397
Accrued income	2,169	796
Other receivables	3,616	1,393
Inventories	14,778	20,931
Other current assets	6,527	2,915
Property, plant and equipment	15 13,736	463,471
Intangible assets	49,462	-
Deferred tax assets	4,872	-
Other non-current assets	1,828	16,062
Bank overdrafts and short-term loan from financial institution	17 -	(68,061)
Trade accounts payable	(9,793)	(36,059)
Other payables	(33,183)	(2,724)
Accrued expenses	(12,371)	(3,199)
Other current liabilities	(7,373)	(18,044)
Deferred tax liabilities	-	(19,219)
Non-current provision for employee benefits	18 (13,806)	(8,033)
Other non-current liabilities	(799)	-
Net assets and liabilities	114,443	363,695
Less non-controlling interests	(33,143)	(56,373)
Net of non-controlling interests from subsidiary	81,300	307,322

Consolidated financial statements	
	WPS (Thailand) Co., Ltd. as at 18 December 2018 (in thousand Baht)
Effect of disposal on the financial position of the Group	
Consideration received, satisfied in cash	407,500
Cash and cash equivalents disposed of	(1,069)
Net cash inflows	406,431

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

11 Investments in associates

		Consolidated		Separate	
	<i>Note</i>	financial statements	financial statements	financial statements	financial statements
		2019	2018	2019	2018
			<i>(in thousand Baht)</i>		
At 1 January		188,468	23,226	318,177	1,800
Share of net loss of associates		(31,221)	(3,889)	-	-
Transfer from subsidiary due to loss of control	12	-	169,131	-	179,377
Reversal of allowance for impairment loss		-	-	-	137,000
Disposal of investment		(136,155)	-	(316,377)	-
At 31 December		21,092	188,468	1,800	318,177

Disposal

At the Board of Directors' meeting of the Company held on 16 May 2019, the Board of Directors approved the disposal of investment in Nation International Edutainment Public Company Limited ("NINE"), at a price not exceeding Baht 2.62 per share which determined by the average cost of common shares of NINE, in this regard, the totalling amount would not be exceeding Baht 350 million. This share offering will be made to public investor who are not connected persons of the Company. Later on 27 July 2019, 2 August 2019 and 14 August 2019, the Company has disposed these shares totalling of 120,808,387 shares at the price of Baht 2.62 per share, in amounting to Baht 316.52 million via the Stock Exchange of Thailand under Trade Report method. The Group and the Company recognised a gain on disposal in the statement of comprehensive income for the year ended 31 December 2019 of Baht 180.36 million and Baht 0.14 million, respectively.

Reversal of allowance for impairment loss

In year 2018, the Company reversed of allowance for impairment loss of investment in Nation International Edutainment Public Company Limited ("NINE") of Baht 137.00 million in the separate statement of comprehensive income for the year ended 31 December 2018 due to the recoverable amount of the investment is higher than its carrying value. The recoverable amount determined by the selling price of investment in NINE in July and August 2019 which was the subsequent event after the reporting period of the financial statements for the year ended 31 December 2018.

Security

During August 2019, the Company redeemed all its investment in Nation International Edutainment Public Company Limited, which was used to pledge as collateral for the Company's short-term loans from individuals and the asset management companies (31 December 2018: the Company pledged its investment as collateral amount of 68.52 million shares, at carrying value of Baht 179.44 million).

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2019

Investments in associates as at 31 December 2019 and 2018, and dividend income from the investment for the years then ended was as follows:

Associates	Type of business	Consolidated financial statements						Dividend income	
		Ownership interest		Paid-up capital		Cost		Equity	
		2019	2018	2019	2018	2019	2018	2019	2018
		(%)							
		(in thousand Baht)							
Yomiuri-Nation Information									
Service Limited	Advertising agency	45.00	45.00	4,000	4,000	1,800	1,800	21,092	21,397
Nation International	Importing, publishing								
Edutainment Public	and distributing local								
Company Limited	and foreign								
	publications,								
	production of TV								
	programmes and								
	providing								
	advertisements								
	through TV media,								
	digital media and								
	character								
	management								
		-	33.05	-	365,549	-	169,131	-	167,071
						1,800	170,931	21,092	188,468



Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2019

Associates	Type of business	Ownership interest		Separate financial statements									
		interest (%)		Paid-up capital		Cost		Impairment		At cost - net		Dividend income	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
		(in thousand Baht)											
Yomiuri-Nation Information Service Limited	Advertising agency	45.00	45.00	4,000	4,000	1,800	1,800	-	-	1,800	1,800	-	-
Nation International Edutainment Public Company Limited	Importing, publishing and distributing local and foreign publications, production of TV programmes and providing advertisements through TV media, digital media and character management	-	33.05	-	365,549	-	316,377	-	-	-	316,377	-	-
						<u>1,800</u>	<u>318,177</u>	<u>-</u>	<u>-</u>	<u>1,800</u>	<u>316,377</u>	<u>-</u>	<u>-</u>

Associates were incorporated in Thailand. None of the Group's associates are publicly listed and consequently do not have published price quotations, except for Nation International Edutainment Public Company Limited which is listed on the Market for Alternative Investment. Based on the closing price of Baht 2.02 at 31 December 2018, the fair value of the Group's investment in Nation International Edutainment Public Company Limited was Baht 244.03 million.

Yomiuri-Nation Information Service Limited has registered the liquidation on 1 November 2018 and the process of the liquidation is completed on 8 June 2020.

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2019

The following table summarises the financial information of the associates as included in their own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in the companies.

	Nation International Edutainment Public Company Limited		Yomiuri-Nation Information Service Limited	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Other comprehensive income				
Revenue	42,898	9,766	-	6,855
Loss from continuing operations	(93,547)	(8,462)	(678)	(4,065)
Other comprehensive income	-	2,228	-	-
Total comprehensive expenses (100%)	(93,547)	(6,234)	(678)	(4,065)
Total comprehensive expenses of the Group's interest	(30,917)	(2,060)	(305)	(1,829)
Statement of financial position				
Current assets	-	458,929	47,041	6,208
Non-current assets	-	66,225	-	41,678
Current liabilities	-	(141,978)	(171)	(337)
Non-current liabilities	-	(9,413)	-	-
Net assets (100%)	-	373,763	46,870	47,549
Carrying amount of interest in associates	-	167,071	21,092	21,397

12 Investments in subsidiaries

		Separate financial statements	
	Note	2019	2018
		<i>(in thousand Baht)</i>	
At 1 January		319,589	1,490,564
Additional investment		250	-
Allowance for impairment		-	(318,598)
Reversal of allowance for impairment		-	105,500
Disposals of investments		-	(778,500)
Transfer to investments in associates due to loss of control	11	-	(179,377)
At 31 December		319,839	319,589

Additional investment

At the Board of Directors' meetings of a subsidiary ("Nation Broadcasting Corporation Public Company Limited") held on 4 October 2019, the Board of Directors approved the subsidiary to subscribe for the newly issued ordinary shares in a local company of Baht 15 million, representing 50% of the total issued shares. The indirect subsidiary has registered the increase share capital with The Ministry of Commerce on 7 January 2020.

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

At the Extraordinary general meeting of a subsidiary (Nation Broadcasting Corporation Public Company Limited) held on 18 November 2019, the Shareholders approved change in registered share capital as follows:

- Approved a reduction of the registered share capital of the Company from Baht 720.34 million (divided 720,343,962 ordinary shares at Baht 1 par value) to Baht 535.44 million (divided 535,436,809 ordinary shares at Baht 1 par value) by cutting down the registered share capital of 184,907,153 ordinary shares at Baht 1 par value, which the Company registered the decrease in registered share capital with the Ministry of Commerce on 27 November 2019; and
- Approved an increase in registered share capital by Baht 267.72 million from Baht 535.44 million (divided 535,436,809 ordinary shares at Baht 1 par value) to Baht 803.16 million (divided 803,155,214 ordinary shares at Baht 1 par value) to offer to the existing shareholders proportionate to their respective shareholdings (Rights Offering) at the ratio of 2 existing ordinary shares for 1 newly-issued ordinary share held with the price of Baht 0.53 per share. The subsidiary has registered the increase in registered and paid-up share capital with the Ministry of Commerce on 4 March 2020. The Company received the rights offering to subscribe of ordinary shares in a subsidiary at the ratio of 2 ordinary shares for newly-issued ordinary share totalling 191,284,800 shares at Baht 0.53 per share in amounting to Baht 101.38 million, resulted to retain the Company's ownership interest in the subsidiary of 71.45%.

At the Board of Directors' meetings of a subsidiary ("Krungthep Turakij Media Co., Ltd.") held on 15 October 2019 and 18 November 2019, the Board of Directors approved the subsidiary to invest in the ordinary shares in a local company of Baht 18.75 million, representing 75% of authorised shares. The indirect subsidiary has registered with the Ministry of Commerce on 20 November 2020.

Proceeding of assets divestment for business restructuring

At the extraordinary meeting of the shareholders of the Company held on 28 February 2018, the shareholders approved the assets divestment for business restructuring of the Group which comprised investments in Nation U Co., Ltd., WPS (Thailand) Co., Ltd., and NML Co., Ltd., including land and constructions of the said companies. However, the shareholders resolved not to approve the disposal of investment in Bangkok Business Broadcasting Co., Ltd.

At the extraordinary meeting of the shareholders of the Company held on 19 June 2018, the shareholders approved to revoke the assets divestment pursuant to the resolution of the extraordinary meeting of the shareholders of the Company held on 28 February 2018 due to there is no buyer interested in purchasing each property by bidding process at a price not lower than the based price.

The disposal of investments in subsidiaries

At the Board of Directors' meeting of the Company held on 19 July 2018, the Board of Directors approved the disposal of investment in Nation U Co., Ltd., which is a subsidiary that owns and operates of Nation University, in the amount of 30,599,999 shares, representing 90% of the total shares of the subsidiary at a price of Baht 8.3824 per share, totaling Baht 256.50 million. Then, the disposal of this investment was completed on 25 July 2018. The carrying value of the net asset of Nation U Co., Ltd. in the Group's financial statements on the disposal date was Baht 364.92 million. The Group recognised a decreased in non-controlling interest of Baht 25.55 million and a increase in retained earnings of Baht 36.07 million, and a loss from disposal of Baht 108.42 million, which is included in "Administrative expenses" in the statement of comprehensive income for the year ended 31 December 2018.

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

At the Board of Directors' meeting of the Company held on 17 August 2018, the Board of Directors approved the disposal of investment in NML Co., Ltd, a subsidiary, in the amount of 4,999,500 shares, representing 99.99% of the total shares of the subsidiary at a price of Baht 1.80 per share, totalling Baht 9 million. Then, the disposal of this investment was completed on 19 September 2018. The carrying amount of NML Co., Ltd.'s net assets in the Group's financial statements on date of disposal had capital deficiency of Baht 17.56 million and loss from disposal and debt reduction was Baht 13.69 million which is included in "Administrative expenses" in the consolidated statement of comprehensive income. The Company recognised a loss from disposal and debt waving of Baht 66.71 million which is included in "Administrative expenses" in the separate statement of comprehensive income for the year ended 31 December 2018.

At the Board of Directors' meeting of the Company held on 12 December 2018, the Board of Directors approved the disposal of investment in WPS (Thailand) Co., Ltd., a subsidiary in the amount of 42,250,000 shares, representing 84.50% of the total shares of the subsidiary at a price of Baht 9.645 per share, totaling Baht 407.50 million. Then, the disposal of this investment was completed on 18 December 2018. The carrying amount of WPS (Thailand) Co., Ltd.'s net assets in the Group's financial statements on the date of disposal was 548.52 million and decrease in non-controlling interest of Baht 100.56 million and decrease in retained earnings and of Baht 58.07 million and loss from disposal of Baht 141.02 million which is included in "Administrative expenses" in the consolidated statement of comprehensive income. The Company recognised a loss from disposal of Baht 15.00 million which is included in "Administrative expenses" in the separate statement of comprehensive income for the year ended 31 December 2018.

Partial disposal of interest in subsidiary with a change of control

At the extraordinary meeting of the shareholders of Nation International Edutainment Public Company Limited, a subsidiary, held on 30 October 2018, the shareholders of the subsidiary approved the following matters:

- The shareholders of the subsidiary approved a reduction of the subsidiary's registered share capital from Baht 259.25 million (divided into 259,250,000 ordinary shares at Baht 1 per share) to Baht 170.05 million (divided into 170,049,286 ordinary shares at Baht 1 per share) by decreasing of 89,200,714 ordinary shares at Baht 1 per share.
- The shareholders of the subsidiary approved an increase of the subsidiary's registered share capital by Baht 220.50 million from Baht 170.05 million (divided into 170,049,286 ordinary shares at Baht 1 per share) to Baht 390.55 million (divided into 390,549,286 ordinary shares at Baht 1 per share) to offer to Private Placement at Baht 1.40 per share, totalling Baht 308.70 million. The Group did not have additional investment in the said subsidiary. In this regard, on 29 November 2018, the subsidiary received the paid-up share capital 195,500,000 ordinary shares by Baht 273.70 million. The increase of the subsidiary's share capital resulted in a decrease of the Company's ownership interest in the subsidiary from 71.04% to 33.05%.

The decrease of the Company's ownership interest in the subsidiary resulted to the Group has lost control in the subsidiary thereby ceased to be a subsidiary and became an associated company since 29 November 2018. The carrying amount of Nation International Edutainment Public Company Limited's net assets in the Group's financial statements on the date of losing the control was Baht 81.45 million. The fair value of the Group's retained interest in the associate at the date when control was lost was Baht 169.13 million, which became the carrying value of the Group's interest in the associate at that date. The Group recognised an increase in non-controlling interests of Baht 71.29 million; an increase in retained earnings of Baht 204.36 million and recognised in statement of comprehensive income of Baht 87.68 million in the comprehensive income for the year ended 31 December 2018.

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the financial statements For the year ended 31 December 2019

Investments in subsidiaries as at 31 December 2019 and 2018, and dividend income from those investments for the year then ended, were as follows:

Type of business	Ownership interest 2019	Ownership interest 2018 (%)	Separate financial statements				At cost - net		Dividend income	
			Paid-up capital	Cost	Impairment	(in thousand Baht)	2019	2018	2019	2018
			2019	2018	2019	2018	2019	2018	2019	2018
Direct subsidiaries										
Nation Broadcasting Corporation Public Company Limited	71.45	71.45	535,437	535,437	989,589	(695,000)	294,589	294,589	-	-
Swenn Corporation Co., Ltd. (formerly, Nation News Network Co., Ltd.)	99.99	99.99	50,000	50,000	50,000	(50,000)	-	-	-	-
Kom Chad Luek Media Co., Ltd.	99.99	99.99	25,000	25,000	99,990	(99,990)	-	-	-	-
Krunghthep Turakij Media Co., Ltd.	99.99	99.99	25,000	25,000	25,000	-	25,000	25,000	-	-
Nation Digital Content Co., Ltd (formerly, Spring 26 Co., Ltd.)	99.99	99.99	1,500,000	1,500,000	1,499,000	(1,499,000)	-	-	-	-
Springnews Co., Ltd	99.99	-	250	-	-	-	250	-	-	-
Total			2,663,829	2,663,579	(2,343,990)	(2,343,990)	319,839	319,589	-	-

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

Type of business	Ownership interest 2019	Ownership interest 2018	Separate financial statements			Impairment 2019	At cost - net 2019	Dividend income 2019
			Paid-up capital	Cost	(in thousand Baht)			
			2019	2018		2019	2018	2018
Indirect subsidiaries								
<i>Held by Nation Broadcasting Corporation Public Company Limited</i>								
NBC Next Vision Co., Ltd.	-	-	800,000	800,000	-	-	-	-
<i>Held by Krungthep Thaksin Media Co., Ltd</i>								
Nat Business Connect Co., Ltd.	-	-	25,000	-	-	-	-	-

All direct and indirect subsidiaries were incorporated in Thailand.



Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

None of the Group's subsidiaries are publicly listed and consequently do not have published price quotations, except for Nation Broadcasting Corporation Public Company Limited which are listed on the Market for Alternative Investment. Based on the closing price of Baht 0.48, at 31 December 2019 (2018: Baht 0.46), the fair value of the Group's investments in the said companies were Baht 183.63 million (2018: Baht 175.97 million).

Impairment testing

Management of the Company performed impairment test of carrying amount of investments in subsidiaries. The recoverable amount was based on higher amount between the fair value and value in use, determined by discounted future cash flows to be generated from the continuing operations of the CGU according to the business plan and discount rate which is calculated by weighted average cost of capital.

CGU: Investment in Nation Broadcasting Public Company Limited ("NBC")

Based on the impairment test of the carrying amount of the investment in Nation Broadcasting Corporation Public Company Limited at 31 December 2018, the recoverable amount was determined by fair value. The carrying amount of investment in NBC was higher than the recoverable amount by Baht 153 million. The Company recognised an impairment loss on such investment of Baht 153 million in the separate financial statements for the year ended 31 December 2018.

Subsequently in 2019, the management determined the recoverable amount based on value in use as at 31 December 2019. The management has considered that the existing recognised amount of allowance for impairment in such investment is still appropriate.

The key assumptions used in the estimation of recoverable amount as at 31 December 2019 were as follows:

Key assumptions	Separate financial statements (%)
Discount rate	10.99
Growth rate	3.00

The discount rate was a pre-tax measure based on the rate of 10 - 30 years government bonds issued by the government in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.

These assumptions were based on management of the Company's judgement and past experiences and business plan, as well as the future prediction that is believed to be reasonable in the present situation. Changes in the information or new noticeable information may lead to the change in the assumptions and the discount rate for the estimation of the discounted future cash flows as well as the sensitivity to the assumption of the recoverable amount.

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

Security

As at 31 December 2019 and 2018, the Group pledged investments in direct and indirect subsidiaries as collateral for overdrafts and short-term loans and long-term loan from financial institution as follows:

Subsidiaries	Consolidated financial statements / Separate financial statements			
	2019		2018	
	Number of shares (thousand shares)	At cost - net (in thousand Baht)	Number of shares (thousand shares)	At cost - net (in thousand Baht)
Nation Broadcasting Corporation Public Company Limited	382,553	294,589	382,024	294,181
NBC Next Vision Co., Ltd.	80,000	-	-	-
Total	462,553	294,589	382,024	294,181

Furthermore, a subsidiary who held investment in NBC Next Vision Co., Ltd. pledged its investment in NBC Next Vision Co., Ltd., totaling 79,999,997 shares, as collateral for the subsidiary's long-term loan from the financial institution.

13 Non-controlling interests

The following table summarises the information relating to each of the Group's subsidiaries that has a material non-controlling interest, before any intra-group eliminations:

	Nation Broadcasting Corporation Public Company Limited	31 December 2019		Total
		Other individually immaterial subsidiaries (in thousand Baht)	Intra-group eliminations	
Non-controlling interests percentage	28.55%			
Statement of financial position				
Current assets	177,856			
Non-current assets	513,270			
Current liabilities	(190,090)			
Non-current liabilities	(69,151)			
Net assets	431,885			
Carrying amount of non-controlling interests	123,303	6,164	33	129,500
Statement of comprehensive income				
Revenue	492,824			
Loss for the year	(81,456)			
Other comprehensive income	(8,020)			
Total comprehensive income	(89,476)			
Total comprehensive income allocated to non-controlling interests	(25,545)	(81)	857	(24,769)

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2019

	31 December 2019			
	Nation Broadcasting Corporation Public Company Limited	Other individually immaterial subsidiaries (in thousand Baht)	Intra-group eliminations	Total
Statement of cash flows				
Cash flows from operating activities	(3,659)			
Cash flows from investing activities	(126,855)			
Cash flows from financing activities	38,556			
Net increase in cash and cash equivalents	(91,958)			
Dividends to non-controlling interests	-	-	-	-
31 December 2018				
	Nation Broadcasting Corporation Public Company Limited	Other individually immaterial subsidiaries (in thousand Baht)	Intra-group eliminations	Total
Non-controlling interests percentage	28.55%			
Statement of financial position				
Current assets	261,723			
Non-current assets	936,714			
Current liabilities	(103,062)			
Non-current liabilities	(574,014)			
Net assets	521,361			
Carrying amount of non-controlling interests	148,849	(14)	(816)	148,019
Statement of comprehensive income				
Revenue	423,527			
Profit for the year	387,909			
Other comprehensive income	11,464			
Total comprehensive income	399,373			
Total comprehensive income allocated to non-controlling interests	114,021	7	(35,458)	78,570
Statement of cash flows				
Cash flows from operating activities	56,872			
Cash flows from investing activities	7,969			
Cash flows from financing activities	(6,389)			
Net increase in cash and cash equivalents	58,452			
Dividends to non-controlling interests	-	-	-	-

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

14 Investment properties

		Consolidated financial statements			Separate financial statements		
	Note	Land	Condominium and improvements	Total (in thousand Baht)	Land	Condominium and improvements	Total
Cost							
At 1 January 2018		44,678	32,089	76,767	44,678	20,950	65,628
Additions		-	12,069	12,069	-	12,069	12,069
Transfer from property, plant and equipment	15	-	14,608	14,608	-	6,480	6,480
Disposals		-	(2,187)	(2,187)	-	(2,187)	(2,187)
At 31 December 2018 and 1 January 2019		44,678	56,579	101,257	44,678	37,312	81,990
Disposals		(44,678)	(12,598)	(57,276)	(44,678)	(5,808)	(50,486)
At 31 December 2019		-	43,981	43,981	-	31,504	31,504
Depreciation and impairment losses							
At 1 January 2018		-	6,112	6,112	-	3,423	3,423
Depreciation charge for the year		-	1,772	1,772	-	1,214	1,214
Transfer from property, plant and equipment	15	-	1,989	1,989	-	870	870
Impairment losses		4,700	5,708	10,408	4,700	2,922	7,622
Disposals		-	(107)	(107)	-	(107)	(107)
At 31 December 2018 and 1 January 2019		4,700	15,474	20,174	4,700	8,322	13,022
Depreciation charge for the year		-	2,496	2,496	-	1,725	1,725
Impairment losses		-	1,039	1,039	-	1,039	1,039
Disposals		(4,700)	(3,320)	(8,020)	(4,700)	(815)	(5,515)
At 31 December 2019		-	15,689	15,689	-	10,271	10,271
Net book value							
At 31 December 2018		39,978	41,105	81,083	39,978	28,990	68,968
At 31 December 2019		-	28,292	28,292	-	21,233	21,233

Fair value of investment property of the Group and the Company as at 31 December 2019 of Baht 42.02 million and Baht 28.17 million respectively (2018: Baht 97.02 million and Baht 83.17 million, respectively) was determined by independent professional valuers with the market at comparative method. The fair value measurement for investment properties has been categorised as a Level 3 fair value.

Security

At 31 December 2018, the Group's and the Company's properties with a net book value of Baht 39.88 million were partially secured credit facilities from a financial institution (see Note 17) and a bank guarantee from a financial institution (see Note 29).

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2019

15 Property, plant and equipment

Consolidated financial statements										
		Land and improvements	Building and improvements	Leasehold improvements	Machinery and equipment	Operating equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	Total
						(in thousand Baht)				
<i>Cost / revaluation</i>										
At 1 January 2018		795,281	582,617	132,837	850,038	387,477	266,371	83,925	1,522	3,100,068
Additions		-	-	11,311	-	29,456	6,059	14,918	-	61,744
Transfer to investment property	14	-	(14,608)	-	-	-	-	-	-	(14,608)
Disposals / written-off		-	(6,946)	(32,741)	-	(104,113)	(12,797)	(36,940)	-	(193,537)
Transfer out due to loss of control in subsidiaries		-	-	-	-	-	-	-	-	-
At 31 December 2018 and 1 January 2019		(412,493)	(531,040)	(47,377)	(848,402)	(20,285)	(34,279)	(15,727)	(1,522)	(1,911,125)
Additions		382,788	30,023	64,030	1,636	292,535	225,354	46,176	-	1,042,542
Transfer		-	-	2,336	-	15,226	2,041	6,541	48,397	74,541
Disposals / written-off		-	(1,661)	1,661	-	16,350	(16,350)	-	-	-
At 31 December 2019		(322,461)	(28,362)	(2,958)	(1,636)	(257)	(11,453)	(3,614)	-	(370,741)
		60,327	-	65,069	-	323,854	199,592	49,103	48,397	746,342

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2019

Consolidated financial statements

	Land and improvements	Building and improvements	Leasehold improvements	Machinery and equipment	Operating equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	Total
	<i>(in thousand Baht)</i>								
Depreciation and impairment losses									
At 1 January 2018	49,405	348,947	84,801	572,051	272,798	251,389	58,092	-	1,637,483
Depreciation charge for the year	114	20,446	9,386	40,275	38,663	3,974	8,753	-	121,611
Impairment losses	51,500	-	-	-	-	-	-	-	51,500
Transfer to investment property	-	(1,989)	-	-	-	-	-	-	(1,989)
Disposals / written-off	-	(4,642)	(24,437)	-	(60,123)	(10,144)	(29,215)	-	(128,561)
Transfer out due to loss of control in subsidiaries	12	(10,950)	(20,214)	(610,962)	(14,700)	(27,952)	(9,718)	-	(1,044,605)
At 31 December 2018 and 1 January 2019	90,069	12,653	49,536	1,364	236,638	217,267	27,912	-	635,439
Depreciation charge for the year	35	404	5,090	63	27,894	3,215	6,863	-	43,564
Impairment losses	-	-	9,455	-	9,890	529	222	-	20,096
Transfer	-	6,920	(135)	-	9,584	(16,369)	-	-	-
Disposals / written-off	(90,104)	(19,977)	(1,449)	(1,427)	(252)	(11,453)	(3,614)	-	(128,276)
At 31 December 2019	-	-	62,497	-	283,754	193,189	31,383	-	570,823
Net book value									
At 31 December 2018	292,719	17,370	14,494	272	55,897	8,087	18,264	-	407,103
At 31 December 2019	60,327	-	2,572	-	40,100	6,403	17,720	48,397	175,519

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2019

Separate financial statements

	Land and improvements	Building and improvements	Leasehold improvements	Machinery and equipment	Operating equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	Total
<i>(in thousand Baht)</i>									
Cost / revaluation									
At 1 January 2018	382,788	39,092	67,860	1,635	77,482	181,306	52,619	-	802,782
Additions	-	-	-	-	-	2,428	2,197	-	4,625
Transfer to investment property	-	(6,480)	-	-	-	-	-	-	(6,480)
Disposals / written-off	-	(4,251)	(28,626)	-	(77,482)	(6,055)	(36,940)	-	(153,354)
At 31 December 2018									
and 1 January 2019	382,788	28,361	39,234	1,635	-	177,679	17,876	-	647,573
Additions	-	-	1,028	-	-	2,420	5,111	-	8,559
Disposals / written-off	(322,461)	(28,361)	(2,911)	(1,635)	-	(10,621)	(3,614)	-	(369,603)
At 31 December 2019	60,327	-	37,351	-	-	169,478	19,373	-	286,529
Depreciation and impairment losses									
At 1 January 2018	38,454	14,524	43,759	1,201	43,181	175,434	41,076	-	357,629
Depreciation charge for the year	114	1,762	7,550	163	7,347	2,702	3,550	-	23,188
Impairment losses	51,500	-	-	-	-	-	-	-	51,500
Transfer to investment property	-	(870)	-	-	-	-	-	-	(870)
Disposals / written-off	-	(547)	(24,368)	-	(50,528)	(5,282)	(29,215)	-	(109,940)
At 31 December 2018 and									
1 January 2019	90,068	14,869	26,941	1,364	-	172,854	15,411	-	321,507
Depreciation charge for the year	35	403	3,668	64	-	2,255	2,266	-	8,691
Impairment losses	-	-	8,000	-	-	-	-	-	8,000
Disposals / written-off	(90,103)	(15,272)	(2,910)	(1,428)	-	(10,606)	(3,614)	-	(123,933)
At 31 December 2019	-	-	35,699	-	-	164,503	14,063	-	214,265

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

Separate financial statements

	Land and improvements	Building and improvements	Leasehold improvements	Machinery and equipment	Operating equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	Total
<i>Net book value</i>									
At 31 December 2018	292,720	13,492	12,293	271	-	4,825	2,465	-	326,066
At 31 December 2019	60,327	-	1,652	-	-	4,975	5,310	-	72,264

(in thousand Baht)

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2019

The gross amount of the Group's and the Company's fully depreciated building and equipment that were still in use as at 31 December 2019 amounted to Baht 379.01 million and Baht 166.49 million, respectively (2018: Baht 320.81 million and Baht 179.62 million, respectively).

Security

At 31 December 2019, the Group's and the Company's properties with a net book value of Baht 53.48 million (2018: Baht 235.00 million) were partially secured credit facilities from a financial institution (see Note 17) and a bank guarantee from a financial institution (see Note 29).

Transfer of revaluation surplus to deficit

During year of 2019, the Company has disposed land and land improvements amounting to Baht 232.26 million (2018: Baht 164.67 million). The amount recognised in components of equity of Baht 6.65 million (2018: Baht 134.96 million) in revaluation surplus were transferred to deficit.

Measurement of fair value

Fair value hierarchy

The fair value of land was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

The fair value measurement for investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Market comparative method	Quoted market prices of similar asset that are observable and in the similar area.	The estimated fair value will increase (decrease) if the rate per square metre increase (decrease).

Impairment testing

Management of the indirect subsidiary performed impairment test of carrying amount of assets related to the licences. The recoverable amount was based on its value in use, determined by discounted future cash flows to be generated from the continuing use of assets until expiration date of licences based on its business plan and discount rate which is calculated by weighted average cost of capital (see Note 16 for further details of the impairment loss).

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

16 Digital television licences

	Consolidated financial statements (in thousand Baht)
<i>Cost</i>	
At 1 January 2018	3,135,672
At 31 December 2018 and 1 January 2019	3,135,672
Decrease from the exemption of the license fee	(429,912)
Decrease from return license	(1,950,461)
At 31 December 2019	755,299
<i>Amortisation and impairment losses</i>	
At 1 January 2018	2,086,383
Amortisation for the year	92,756
Reversal of impairment losses	(1,130,363)
At 31 December 2018 and 1 January 2019	1,048,776
Amortisation for the year	56,695
Decrease from return license	(687,344)
At 31 December 2019	418,127
<i>Net book value</i>	
At 31 December 2018	2,086,896
At 31 December 2019	337,172

- a) *The National Council for Peace and Order ("NCPO") in subject of a measure to solve the problems of the operations of the Television and Telecommunication*

On 11 April 2019, the National Council for Peace and Order ("NCPO") has released the order No. 4/2562 in subject of a measure to solve the problems of the operations of the Television and Telecommunication, the significant details are as follows:

1. Exemption of the last instalment of the exceeding amount of the minimum payment. In addition, NCPO No.4/2562 specified the licensees made the remaining license fee payment within 120 days from the date of this announcement has been effectively enforced. Later on, 17 June 2019, the indirect subsidiary received the letter from the National Broadcasting and Telecommunications Commission ("NBTC"), notified the subsidiary to settle the remaining fee within 8 August 2019. If the settlement did not settle within specify period, the indirect subsidiary must pay for the interest at the rate of 7.5% per annum within 23 May 2021.

On 5 August 2019, the indirect subsidiary submitted the letter to inform NBTC regarding the indirect subsidiary's intention to make the instalment payment for the remaining licences fee payable of Baht 122.80 million. The payment will be divided into 2 periods and settled within December 2019. Later on 15 November 2019, the indirect subsidiary submitted the letter to inform NBTC again regarding the indirect subsidiary's intention to postpone the settlement of the remaining licences fee payable amounting to Baht 50.00 million in which the indirect subsidiary will settle according to the requirement of NCPO's order No.4/2562.

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2019

2. Providing a subsidy for the network rental expenditures in accordance with a national commercial digital terrestrial television broadcasting network service to the licensees over the remaining period of the licenses. The subsidy effectively commences after termination of the measure to relieve in accordance with paragraph one, no. 8 of NCPO No. 9/2561 in subject of a measure to relieve a license fee payment burden to the operators of sound transmission, television transmission and sound broadcasting and television broadcasting. Therefore, the Office of the NBTC will provide the subsidy to any licensees granted the licenses of a national commercial digital terrestrial television broadcasting network service according to actual amount as specified in the agreement which is not exceeded at the rate of NBTC approval.

b) The National Broadcasting and Telecommunications Commission in subject of Criteria, Procedures, and Conditions for Compensation as a result of the return of the License Digital Television Service

On 2 May 2019, the Office of the National Broadcasting and Telecommunications Commission ("NBTC") has released the order of criteria, procedures, and conditions for compensation as a result of the return of the license to use the spectrum to provide Digital Television Services. The service users who had intended to return the license was required to inform in writing by 10 May 2019. The request for a return of such license is considered a request to cancel the license.

At the Board of Directors' meeting of the Company's subsidiary "Nation Digital Content Co., Ltd." held on 9 May 2019, the Board of Directors of the Company's subsidiary has resolved of submission of the request for returning the license to NBTC. On 10 May 2019, the subsidiary has informed in writing NBTC of returning the license.

On 27 June 2019, NBTC has issued to the subsidiary for the notification letter of approval to return the license and the notice of the date of service termination on 15 August 2019, including the conditions of compensation for service users before dissolution from the NBTC. In consideration of, the subsidiary recorded the reduction of net book value of digital television license payable and net book value of the license to reflect the present value of cash flow of the subsidiary that would be changed for the fifth and sixth installments of the digital television license of the exceeding amount of the minimum payment amounting to Baht 703.64 million (the digital television license payable of Baht 728.00 million, deducted of deferred interest amounting to Baht 24.36 million). In this regard, the Group has recognised the excess of such compensation net of the carrying value of digital television license in account "Excess of compensation from returning digital television licence" amounting to Baht 331.35 million in the consolidated statement of comprehensive income. According to the notification letter on 26 July 2019, NBTC has issued to approve the compensation for the subsidiary amounting to Baht 890.83 million by deducting the payable of license fee instalment payments no. 4 amounting to Baht 215.07 million (included VAT). Therefore, the remaining compensation would be received in amounting to Baht 675.76 million. Later, the subsidiary received compensation from NBTC on 16 August 2019.

In addition, NBC Next Vision Co., Ltd., the indirect subsidiary, has decided not to return the digital terrestrial television licence. As a result, NBC Next Vision Co., Ltd. will be exempted for the installment of the license fee including a subsidy for the network rental expenditures and other benefits. In consideration of, the indirect subsidiary recorded the reduction of net book value of digital television license payable and net book value of the license to reflect the present value of cash flow of the indirect subsidiary that would be changed for the fifth and sixth installments of the digital television license of the exceeding amount of the minimum payment amounting to Baht 429.91 million (the digital television license payable of Baht 447.20 million and deducted of deferred interest amounting to Baht 17.29 million) and adjusted amortisation from the remaining of net book value of the license after adjustment in relation to the remaining economic useful lives. As at 31 December 2019, NBC Next Vision Co., Ltd. has the outstanding balance of digital television licences payable with present value of payments amounting to Baht 49.90 million.

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

The above events were the subsequent events after the reporting period of the financial statements for year ended 31 December 2018. The management determined that the recoverable amount exceeds its carrying amount of licences of Nation Digital Content Co., Ltd. and NBC Next Vision Co., Ltd. Therefore, the Group considered to reverse the impairment loss of two licences in the financial statements for the year ended 31 December 2018 amounting to Baht 1,130.36 million.

During the year ended 31 December 2019, the subsidiary and indirect subsidiary received the support of rental expenditures in accordance with a national commercial digital terrestrial television broadcasting network service and expenses for transmission of TV signals that are provided in general with satellite from NBTC and recognised in account "Other income" amounting to Baht 52.98 million (2018: Baht 58.14 million) in the consolidated statement of comprehensive income.

Impairment testing

The management of the subsidiary and indirect subsidiary performed impairment test of carrying amount of the licences and assets related to the licences. The recoverable amounts were determined based on its value in use. The value in use was determined by discounted future cash flows to be generated from the continuing use of assets until expiration date of licences based on its business plan and discount rate which is calculated by weighted average cost of capital.

The key assumptions used in the estimation of value in use as at 31 December as follows:

Key assumptions	Consolidated financial statements	
	2019	2018
		(%)
Discount rate	10.99	10.99
Terminal growth rate	3.00	2.00 - 3.00

The discount rate was a pre-tax measure based on the rate of 11 year government bonds issued by the government in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.

These assumptions are based on management of the subsidiary and indirect subsidiary's judgment and past experience and business plan, as well as the future prediction that is believed to be reasonable in the present situation. Changes in the information or new noticeable information may lead to the change in the assumptions and the discount rate for the estimation of the discounting future cash flows along with sensitivity of key assumptions effect to the recoverable amount.

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

Digital television licences payable as at 31 December 2019 and 2018 were as follows:

	Consolidated financial statements					
	2019			2018		
	Future payments	Interest	Present value of payments (in thousand Baht)	Future payments	Interest	Present value of payments
Within one year	49,899	-	49,899	-	-	-
After one year but within five years	-	-	-	911,400	(46,353)	865,047
Over five years	-	-	-	587,600	(3,839)	583,761
Total	49,899	-	49,899	1,499,000	(50,192)	1,448,808

Change of digital television licences payable for the year ended 31 December 2019 and 2018 were as follows:

	Consolidated financial statements		
	2019		Total
	Nation Digital Content Co., Ltd.	NBC Next Vision Co., Ltd. (in thousand Baht)	
Digital television licence payable at 1 January	897,910	550,898	1,448,808
Payment of the licence fee.	(201,000)	(72,800)	(273,800)
Interest paid	6,727	1,713	8,440
Decrease from the exemption of the digital television licence fee	(703,637)	(429,912)	(1,133,549)
Digital television licence payable at 31 December	-	49,899	49,899

	Consolidated financial statements		
	2018		Total
	Nation Digital Content Co., Ltd.	NBC Next Vision Co., Ltd. (in thousand Baht)	
Digital television licence payable at 1 January	885,749	543,434	1,429,183
Interest paid	12,161	7,464	19,625
Digital television licence payable at 31 December	898,910	550,898	1,448,808

On 8 August 2019, NBC Next Vision Co., Ltd. paid partial of the licence fee instalment payment no. 4 amounting to Baht 72.80 million. Therefore, the remaining of overdue licence fee instalment payment no. 4 is outstanding amounting to Baht 50.00 million. In this regard, the indirect subsidiary must pay the interest to NBTC for the outstanding over due licence fee instalment no. 4 at the rate of 7.5% per annum.

As at 31 December 2019, the indirect subsidiary had the outstanding letter of guarantee issued by a financial institution placed to NBTC for the remaining licence fee amounting to Baht 50.00 million (2018: the subsidiary and indirect subsidiary had the outstanding amount of Baht 1,499.00 million).

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

17 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
<i>Note</i>	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Current				
Bank overdrafts				
Secured	9,275	-	9,275	-
Unsecured	45,040	91,684	45,040	91,684
	<u>54,315</u>	<u>91,684</u>	<u>54,315</u>	<u>91,684</u>
Short-term loans from financial institutions				
Secured	71,300	-	71,300	-
Unsecured	65,500	528,363	65,500	528,363
	<u>136,800</u>	<u>528,363</u>	<u>136,800</u>	<u>528,363</u>
Bank overdrafts and short-term loans from financial institutions	<u>191,115</u>	<u>620,047</u>	<u>191,115</u>	<u>620,047</u>
Current portion of long-term loan from financial institution				
Secured	<u>17,400</u>	<u>187,167</u>	<u>-</u>	<u>187,167</u>
Short-term loans from related party				
Secured	-	69,294	-	69,294
Short-term loans from individuals and asset management companies				
Secured	-	254,234	-	254,234
Unsecured	30,000	-	30,000	-
	<u>30,000</u>	<u>254,234</u>	<u>30,000</u>	<u>254,234</u>
Short-term loans	<u>30,000</u>	<u>323,528</u>	<u>30,000</u>	<u>323,528</u>
Total current interest-bearing liabilities	<u>238,515</u>	<u>1,130,742</u>	<u>221,115</u>	<u>1,130,742</u>
Non-current				
Long-term loan from financial institution				
Secured	<u>27,600</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total non-current interest-bearing liabilities	<u>27,600</u>	<u>-</u>	<u>-</u>	<u>-</u>

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

The periods to maturity of interest-bearing liabilities as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Within one year	238,515	1,130,742	221,115	1,130,742
After one year but within five years	27,600	-	-	-
Total	266,115	1,130,742	221,115	1,130,742

Secured interest-bearing liabilities as at 31 December were secured on the following assets:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Carrying amount:				
Land and constructions, machinery and equipment	53,480	235,000	53,480	235,000
Investment properties	-	39,978	-	39,978
Investments in subsidiaries and associate	294,589	463,312	294,589	473,617
Total	348,069	738,290	348,069	748,595

Short-term loans from financial institutions and others

As at 31 December 2019, the Group and the Company entered into short-term loan agreements with financial institutions amounting to Baht 136.80 million (2018: Baht 528.36 million). These secured and unsecured short-term loans bear interest at the rate of 4.15% - 8.35% per annum (2018: 3.65% - 13.00% per annum).

As at 31 December 2019, the Company entered into short-term loan agreement with individual amounting to Baht 30 million (2018: short-term loan agreements with individuals and asset management companies amounting to Baht 254.23 million). This unsecured loan will be due on 30 June 2020 and bear interest at the Minimum Loan Rate (MLR) reference to a financial institution (2018: 6.00% - 15.00% per annum). The interest shall be monthly repaid.

Long-term loan from financial institution

On 9 May 2016, the Company entered into a loan agreement with a local financial institution of Baht 300 million to use as its working capital. This loan has interest rate at the Minimum Loan Rate minus 1% (MLR - 1%) and shall be monthly repaid. The Company is committed to comply with certain conditions and restriction prescribed in the loan agreements which are maintaining the debt to equity ratio and the debt service coverage ratio. Later on 16 August 2019, the Company paid all of the outstanding principal and interest and transfer collateral (land and constructions) of the Company to be collateral for the short-term loans from financial institutions.

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2019

On 9 August 2019, the subsidiary entered into long-term loan agreements with a local financial institution of Baht 100 million to use in granting a loan to its indirect subsidiary for the digital television license fee payment. In August 2019, the subsidiary has drawn down a loan of Baht 50 million. Such loan bears interest at the Minimum Loan Rate minus 1% (MLR - 1%) and shall be monthly repaid within 3 years commencing from August 2019 to July 2022. In this regard, the subsidiary was committed to comply with certain conditions and restriction prescribed in the loan agreements i.e. maintaining the debt to equity ratio and the debt service coverage ratio. This loan is secured by investment in indirect subsidiary as described in Note 12. Later on 14 April 2020, the subsidiary received the approval waiver letter to change the terms of the repayment of loan principle from a financial institute by exempt the repayment for 1 year since April 2020 onwards.

As at 31 December 2019, the Group and the Company had unutilised credit facilities totalling Baht 21.25 million and Baht 15.27 million, respectively (2018: Baht 49.11 million and Baht 48.37 million, respectively).

Changes in liabilities arising from financing activities

	Consolidated Financial Statements		
	Bank		
	overdrafts	Other loans	Total
	(in thousand Baht)		
Balance at 1 January 2019	91,684	1,039,058	1,130,742
Changes from financing cash flows	(37,369)	(827,258)	(864,627)
Balance at 31 December 2019	54,315	211,800	266,115

	Separate Financial Statements		
	Bank		
	overdrafts	Other loans	Total
	(in thousand Baht)		
Balance at 1 January 2019	91,684	1,039,058	1,130,742
Changes from financing cash flows	(37,369)	(872,258)	(909,627)
Balance at 31 December 2019	54,315	166,800	221,115

	Note	Consolidated Financial Statements		
		Bank		
		overdrafts	Other loans	Total
		(in thousand Baht)		
Balance at 1 January 2018		95,712	1,525,462	1,621,174
Changes from financing cash flows		14,033	(436,404)	(422,371)
Changes from loss of control in subsidiaries	10	(18,061)	(50,000)	(68,061)
Balance at 31 December 2018		91,684	1,039,058	1,130,742

	Separate Financial Statements		
	Bank		
	overdrafts	Other loans	Total
	(in thousand Baht)		
Balance at 1 January 2018	82,579	1,475,106	1,557,685
Changes from financing cash flows	9,105	(436,048)	(426,943)
Balance at 31 December 2018	91,684	1,039,058	1,130,742

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2019

18 Non-current provisions for employee benefits

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Defined benefit plan	<u>158,842</u>	<u>103,501</u>	<u>95,503</u>	<u>23,423</u>
Defined benefit plan				
The Group and the Company operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plan exposes the Group to actuarial risks, such as longevity risk and interest rate risk.				
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Present value of the defined benefit obligations				
At 1 January	103,501	137,980	23,423	43,507
Include in profit or loss:				
Current services costs	19,637	9,963	5,304	2,463
Past service cost	32,581	-	24,590	-
Interest on obligations	<u>3,573</u>	<u>3,719</u>	<u>2,022</u>	<u>1,027</u>
	<u>55,791</u>	<u>13,682</u>	<u>31,916</u>	<u>3,490</u>
Included in other comprehensive income:				
Actuarial loss (gain)				
- Demographic assumptions	-	745	-	218
- Financial assumptions	17,843	6,412	10,119	1,454
- Experience adjustment	<u>250</u>	<u>(19,669)</u>	<u>(8,262)</u>	<u>(7,865)</u>
	<u>18,093</u>	<u>(12,512)</u>	<u>1,857</u>	<u>(6,193)</u>
Others				
Transfer in (out)	-	-	56,024	(17,381)
Transfer out due to loss of control in subsidiaries	-	(35,649)	-	-
Benefit paid	<u>(18,543)</u>	<u>-</u>	<u>(17,717)</u>	<u>-</u>
	<u>(18,543)</u>	<u>(35,649)</u>	<u>38,307</u>	<u>(17,381)</u>
At 31 December	<u>158,842</u>	<u>103,501</u>	<u>95,503</u>	<u>23,423</u>

On 5 April 2019, the Labor Protection Act was amended to include a requirement that an employee, who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Group has therefore amended its retirement in accordance with the changes in the Labor Protection Act in 2019. As a result of this change, the Group and the Company recognised the provision for retirement benefits as well as past service cost increased to Baht 32.58 million and Baht 24.59 million, respectively.

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

<i>Principle actuarial assumptions</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
				(%)
Discount rate	1.19 - 2.51	1.76 - 4.16	1.19 - 2.51	1.76 - 4.16
Future salary growth	4.0 - 7.0	4.0 - 8.0	4.0 - 7.0	4.0 - 8.0

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2019, the weighted-average duration of the defined benefit obligation was 15 years (2018: 14 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant.

<i>Effect to the defined benefit obligation at 31 December</i>	Consolidated financial statements			
	1% increase in assumption		1% decrease in assumption	
	2019	2018	2019	2018
				(in thousand Baht)
Discount rate	(15,576)	(10,078)	18,089	11,616
Future salary growth	17,367	11,293	(15,308)	(10,009)
Future mortality	(527)	(304)	586	334

<i>Effect to the defined benefit obligation at 31 December</i>	Separate financial statements			
	1% increase in assumption		1% decrease in assumption	
	2019	2018	2019	2018
				(in thousand Baht)
Discount rate	(8,908)	(2,247)	10,229	2,583
Future salary growth	9,824	2,512	(8,755)	(2,231)
Future mortality	(279)	(64)	308	70

19 Share capital

	Par value per share (in Baht)	2019		2018	
		Number	Baht	Number	Baht
			(in thousand shares / in thousand Baht)		
Authorised					
At 1 January					
- ordinary shares	0.53	5,025,608	2,663,572	5,025,608	2,663,572
At 31 December					
- ordinary shares	0.53	5,025,608	2,663,572	5,025,608	2,663,572
Issued and paid-up					
At 1 January					
- ordinary shares	0.53	4,067,971	2,156,024	4,067,848	2,155,959
Exercise of share options	0.53	-	-	123	65
At 31 December					
- ordinary shares	0.53	4,067,971	2,156,024	4,067,971	2,156,024

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

At the Board of Directors' meeting of the Company held on 4 October 2019, the Board of Directors' passed the following resolutions:

- Approved to transfer of legal reserve of Baht 32.70 million and premium on ordinary shares of Baht 1,169.75 million to compensate the deficit as of 31 March 2019.
- Approved the reduction of the registered share capital of the Company from Baht 2,663.57 million (divided 5,025,607,915 ordinary shares at Baht 0.53 par value) to Baht 2,156.02 million (divided 4,067,970,362 ordinary shares at Baht 0.53 par value) by cutting down the registered share capital of 957,637,553 ordinary shares at Baht 0.53 par value.
- Approved the increase in registered share capital by Baht 7,186.75 million from Baht 2,156.02 million (divided 4,067,970,362 ordinary shares at Baht 0.53 par value) to Baht 9,342.77 million (divided 17,627,871,568 ordinary shares at Baht 0.53 par value) to offer to the existing shareholders proportionate to their respective shareholdings (Rights Offering) at the ratio of 3 existing ordinary shares for 10 newly-issued ordinary shares held with the price of Baht 0.06 per share.

Such transfer of reserve, reduction and increase in registered share capital is subject to final approval in the shareholders' meeting.

On 12 November 2019, the Company notified to The Stock Exchange of Thailand for the postponement on the Extraordinary General Meeting of Shareholders on 18 November 2019 regarding the increase of capital for allocation to existing shareholders proportionate to their respective shareholdings. The Company will further notify the schedule of Extraordinary General Meeting of Shareholders within 20 December 2019.

At the Board of Directors' meeting of the Company held on 29 November 2019, the Board of Directors' passed the resolution to cancel the resolution of the Board of Directors' meeting No. 11/2019 held on 4 October 2019 as follows:

- Cancelled to transfer of legal reserve of Baht 32.70 million and premium on ordinary shares of Baht 1,169.75 million to compensate the deficit as of 31 March 2019.
- Cancelled the reduction of the registered share capital of the Company from Baht 2,663.57 million (divided 5,025,607,915 ordinary shares at Baht 0.53 par value) to Baht 2,156.02 million (divided 4,067,970,362 ordinary shares at Baht 0.53 par value) by cutting down the registered share capital of 957,637,553 ordinary shares at Baht 0.53 par value.
- Cancelled the increase in registered share capital by Baht 7,186.75 million from Baht 2,156.02 million (divided 4,067,970,362 ordinary shares at Baht 0.53 par value) to Baht 9,342.77 million (divided 17,627,871,568 ordinary shares at Baht 0.53 par value) to offer to the existing shareholders proportionate to their respective shareholdings (Rights Offering) at the ratio of 3 existing ordinary shares for 10 newly-issued ordinary shares held with the price of Baht 0.06 per share.
- Cancelled the determination of the Extraordinary General Meeting of Shareholders No. 2/2019 and the date for determination of list of shareholders entitled to attend the meeting.

Share premium

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

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

20 Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

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

Other components of equity

Fair value changes in available-for-sale investments

The fair value changes in available-for-sale investments account within equity comprise the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

Valuation surplus

The valuation surplus account within equity comprises the cumulative net change in the valuation of property, plant and equipment included in the financial statements at valuation until such property, plant and equipment is sold or otherwise disposed of.

Movements in reserves

Movements in reserves are shown in the statements of changes in equity.

21 Segment information

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

- Segment 1 Publishing and advertising
- Segment 2 Broadcasting and new media
- Segment 3 Printing services (This segment was sold in December 2018)
- Segment 4 Edutainment (This segment has been lost the control in December 2018)
- Segment 5 Others

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

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2019

Information about reportable segments

	Consolidated financial statements											
	Publishing and advertising		Broadcasting and new media		Printing services		Edutainment		Others		Total	
					(Discontinued operation)		(Discontinued operation)					
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	(in thousand Baht)											
External revenue	502,978	627,637	695,957	607,684	-	33,197	-	70,511	-	139,065	1,198,935	1,478,094
Inter-segment revenue	135,522	83,784	51,027	6,863	-	136,950	-	7,424	-	45,864	186,549	280,885
Other income	203,527	12,533	410,416	73,203	-	3,210	-	9,687	1	28,322	613,944	126,955
Total revenue	842,027	723,954	1,157,400	687,750	-	173,357	-	87,622	1	213,251	1,999,428	1,885,934
Profit (loss) before income tax	(149,525)	(335,545)	177,398	983,218	-	(164,902)	-	(98,077)	(411)	(12,098)	27,462	372,596
<i>Disaggregation of revenue</i>												
Major products and service lines												
Advertising	370,564	437,844	680,166	606,652	-	-	-	-	-	-	1,050,730	1,044,496
Sales of books	122,437	164,928	-	-	-	-	-	41,061	-	-	122,437	205,989
Others	9,977	24,865	15,791	1,032	-	33,197	-	29,450	-	139,065	25,768	227,609
Total revenue	502,978	627,637	695,957	607,684	-	33,197	-	70,511	-	139,065	1,198,935	1,478,094
Timing of revenue recognition												
At a point in time	435,582	571,835	572,160	506,763	-	33,197	-	70,511	-	115,004	1,007,742	1,297,310
Over time	67,396	55,802	123,797	100,921	-	-	-	-	-	24,061	191,193	180,784
Total revenue	502,978	627,637	695,957	607,684	-	33,197	-	70,511	-	139,065	1,198,935	1,478,094
Interest income	71	57	342	290	-	1	-	3,268	1	34	414	3,650
Interest expense	(61,726)	(119,182)	(20,652)	(33,874)	-	(4,225)	-	(357)	(1)	(419)	(82,379)	(158,057)
Depreciation and amortisation	(14,015)	(30,006)	(41,354)	(51,455)	-	(63,961)	-	(16,270)	-	(9,088)	(55,369)	(170,785)
Amortisation of digital television licence	-	-	(56,695)	(92,756)	-	-	-	-	-	-	(56,695)	(92,756)
Share of loss of investment in associates	(31,221)	(3,889)	-	-	-	-	-	-	-	(31,221)	(3,889)	(3,889)

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

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Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

<i>For the year ended 31 December</i>	Separate financial statements Publishing and advertising	
	2019	2018
	<i>(in thousand Baht)</i>	
Disaggregation of revenue		
Major products and service lines		
Advertising	275,774	31,909
Sales of books	86,781	3,198
Service	59,457	166,943
Sales of other goods	-	57,816
Others	26,969	11,005
Total revenue	448,981	270,871
Timing of revenue recognition		
At a point in time	419,808	269,165
Over time	29,173	1,706
Total revenue	448,981	270,871

The Group is operated principally in Thailand. There are no material revenues derived from foreign countries.

Reconciliation of reportable segment revenue and profit or loss

<i>For the year ended 31 December</i>	Consolidated financial statements	
	2019	2018
	<i>(in thousand Baht)</i>	
Profit or loss		
Total profit before income tax for reportable segments	27,462	372,596
Elimination of discontinued operations	-	262,979
Share of loss of investment in associates	(31,221)	(3,889)
Consolidated profit (loss) before income tax	(3,759)	631,686

22 Other income

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Subsidy for television network rental and broadcasting satellite	16	52,978	58,139	-	-
Service and rental income		6,365	7,636	6,365	9,123
Revenue from sales of scraps		1,272	5,121	1,255	5,109
Income from return of paid provident fund		2,347	3,670	252	1,936
Others		38,826	39,087	13,878	28,832
Total		101,788	113,653	21,750	45,000

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2019

23 Employee benefit expenses

		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Wages and salaries		484,883	439,648	196,628	106,256
Defined benefit plan	18	52,218	9,963	29,894	2,463
Transportation and allowances		49,504	45,994	14,524	5,760
Voluntary resignation plan		42,069	12,694	2,501	1,071
Defined contribution plan		25,273	23,543	11,325	6,153
Social security		9,261	8,981	3,092	1,560
Share-based payment transactions		-	1,250	-	343
Others		32,910	11,286	14,948	4,891
Total		696,118	553,359	272,912	128,497

Defined contribution plan

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

24 Expenses by nature

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

		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Cost of production and services		352,894	356,403	58,118	33,300
Change in finished goods and work in progress		(2,524)	(65,155)	(477)	(15,383)
Raw materials and supplies used		114,184	68,486	79,542	65,808
Employee benefit expenses	23	696,118	553,359	272,912	128,497
Depreciation and amortisation		112,064	174,290	13,189	27,302
Transportation expenses		77,831	172,947	46,603	4,604
Consultant and professional fees		64,064	36,114	46,623	28,644
Maintenance and utility expenses		58,269	40,885	8,576	10,364
Selling and marketing		52,988	50,577	24,200	1,953
Other rental and service expenses		50,209	48,940	29,836	43,907
Office expenses		19,527	13,752	14,085	11,131
Utility expenses		12,517	12,486	10,794	11,800
Loss on disposal/written-off of assets		9,314	161,055	8,525	1,805
Other rental expenses		6,594	5,722	5,556	5,722
Loss on debt waiving and lost control in subsidiaries		-	175,446	-	66,707
Bad debts		3,519	41,099	2,430	14,654
Others		31,838	37,518	25,603	30,233
Total cost of sale of goods and rendering of services, selling expenses and administrative expenses		1,659,406	1,883,924	646,115	471,048

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

25 Finance costs

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Interest expense					
Related parties	5	2,598	8,278	2,598	8,278
Bank loans and overdrafts		52,758	111,095	48,781	106,132
Interest expense from digital television licences payable	16	8,440	19,625	-	-
Total interest expense		63,896	138,998	51,379	114,410
Other finance costs		18,583	14,477	9,612	3,160
Total		82,379	153,475	60,991	117,570

26 Income tax

Income tax recognised in profit or loss

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Deferred tax expense				
Movements in temporary differences	(1,663)	71,941	(1,663)	17,803
Total tax (income) expense	(1,663)	71,941	(1,663)	17,803

Reconciliation of effective tax rate

	Consolidated financial statements			
	2019		2018	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit (loss) before income tax expense		(3,759)		631,686
Income tax using the Thai corporation tax rate	20	(752)	20	126,337
Expenses not deductible for tax purposes		8,172		(205,394)
Expenses for tax incentives		(41,995)		(234)
Temporary differences for which no deferred tax assets were recognised		20,327		19,297
Current year losses for which no deferred tax asset was recognised		14,248		131,935
Reversal from previously recognised deferred tax expenses		(1,663)		-
Total	44.24	(1,663)	11.39	71,941

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

	Separate financial statements			
	2019	2018		
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Loss before income tax expense		(376,961)		(55,529)
Income tax using the Thai corporation tax rate	20	(75,392)	20	(11,106)
Income not subject to tax		-		351
Expenses not deductible for tax purposes		3,800		15,743
Expenses for tax incentives		(22,833)		(234)
Temporary differences for which no deferred tax assets were recognised		30,741		(50,362)
Current year losses for which no deferred tax asset was recognised		63,684		63,411
Reversal from previously recognised deferred tax expenses		(1,663)		-
Total	0.44	(1,663)	32.06	17,803

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

	Consolidated financial statements		
	At 1 January 2019	Credited to: Profit or loss (in thousand Baht)	At 31 December 2019
Deferred tax liabilities			
Property, plant and equipment	(8,051)	1,663	(6,388)
Total	(8,051)	1,663	(6,388)
Net		1,663	
	Consolidated financial statements		
	At 1 January 2018	Charged to: Profit or loss (in thousand Baht)	At 31 December 2018
Deferred tax assets			
Trade accounts receivable	8,876	(8,876)	-
Marketable securities	1	(1)	-
Inventories	3,157	(3,157)	-
Other current assets	6,941	(6,941)	-
Provisions for employee benefits	26,662	(26,662)	-
Digital television licences	40,646	(40,646)	-
Loss carry forward	35,520	(35,520)	-
Total	121,803	(121,803)	-
Deferred tax liabilities			
Property, plant and equipment	(57,513)	49,462	(8,051)
Upfront fee of long-term loan from financial institution	(400)	400	-
Total	(57,913)	49,862	(8,051)
Net		(71,941)	

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

	At 1 January 2019	Separate financial statements Credited to:		At 31 December 2019
		Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax liabilities				
Property, plant and equipment	(8,051)	1,663	-	(6,388)
Total	(8,051)	1,663	-	(6,388)
Net	(8,051)	1,663	-	(6,388)

	At 1 January 2018	Separate financial statements (Charged) / Credited to:		At 31 December 2018
		Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax assets				
Trade accounts receivable	2,560	(2,560)	-	-
Marketable securities	1	(1)	-	-
Other current assets	6,941	(6,941)	-	-
Provisions for employee benefits	8,701	(8,701)	-	-
Total	18,203	(18,203)	-	-
Deferred tax liabilities				
Property, plant and equipment	(8,051)	-	-	(8,051)
Upfront fee of long-term loan from financial institution	(400)	400	-	-
Total	(8,451)	400	-	(8,051)
Net	9,752	(17,803)	-	(8,051)

Deferred tax assets have not been recognised in respect of the following items:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
		(in thousand Baht)		
Trade account receivables	7,438	6,186	50,225	40,545
Accrued income	158	-	4,658	-
Other receivables	9,067	7,392	59,599	47,584
Inventories	905	1,689	20	24
Investments in subsidiaries	-	-	468,798	468,798
Long-term investment in other companies	954	954	954	954
Investment in related parties	1,218	1,218	-	-
Investment properties	1,969	2,986	1,308	2,040
Property, plant and equipment	4,940	20,570	1,600	18,900
Intangible assets	3,123	2,076	43	-
Digital television licences	14,808	43,177	-	-
Provision for employee benefits	31,768	20,700	19,101	4,685
Loss carry forward	502,878	839,238	171,715	238,188
Total	579,226	946,186	778,021	821,718

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

The tax losses expire in 2020-2024. The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group and the Company can utilise the benefits therefrom.

Nation Multimedia Group Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2019

27 Earnings (loss) per share

Basic earnings (loss) per share

The calculations of basic earnings (loss) per share for the years ended 31 December 2019 and 2018 were based on the profit (loss) for the years attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements			Separate financial statements		
	2019		2018		2018	
	Continuing operations	Discontinued operation	Total	Continuing operations	Discontinued operation	Total
Profit (loss) attributable to ordinary shareholders of the Company (basic)	20,383	-	20,383	428,644	(213,443)	215,201
				(in thousand Baht / thousand shares)		
				(375,297)	-	(375,297)
				(73,332)	-	(73,332)
Number of ordinary shares outstanding at 1 January	4,067,971	4,067,971	4,067,971	4,067,971	4,067,971	4,067,971
Effect of shares options exercised	-	-	-	63	-	63
Weighted average number of ordinary shares outstanding (basic)	4,067,971	4,067,971	4,067,971	4,067,911	4,067,911	4,067,911
Earnings (loss) per share (basic) (in Baht)	0.005	-	0.005	0.11	(0.05)	0.06
				(0.092)	-	(0.092)
				(0.02)	-	(0.02)

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

28 Financial instruments

Financial risk management policies

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

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

Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital and also monitors the level of dividends to ordinary shareholders.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because debt securities and loans interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from borrowings and digital television licences payable.

The effective interest rates of interest-bearing financial liabilities as at 31 December and the periods in which those liabilities mature or re-price were as follows:

	Effective interest rates (% per annum)	Consolidated financial statements		
		Within 1 year	After 1 year but within 5 years (in thousand Baht)	Total
2019				
Current				
Bank overdrafts	6.75 - 7.43	54,315	-	54,315
Short-term loans from financial institutions	4.15 - 8.35	136,800	-	136,800
Current portion of long-term loan from financial institution	5.25 - 5.35	17,400	-	17,400
Short-term loans from individuals and asset management companies	6.00	30,000	-	30,000
Non-current				
Long-term loan from financial institution	5.25 - 5.35	-	27,600	27,600
Total		238,515	27,600	266,115

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

	Effective interest rates (% per annum)	Consolidated financial statements		
		Within 1 year	After 1 year but within 5 years (in thousand Baht)	Total
2018				
Current				
Bank overdrafts	6.87 - 7.68	91,684	-	91,684
Short-term loans from financial institutions	3.65 - 13.00	528,363	-	528,363
Current portion of long-term loan from financial institution	5.25	187,167	-	187,167
Short-term loan from related party	12.00	69,294	-	69,294
Short-term loans from individuals and asset management companies	6.00 - 15.00	254,234	-	254,234
Total		1,130,742	-	1,130,742

	Effective interest rates (% per annum)	Separate financial statements		
		Within 1 year	After 1 year but within 5 years (in thousand Baht)	Total
2019				
Current				
Bank overdrafts	6.75 - 7.43	54,315	-	54,315
Short-term loans from financial institutions	4.15 - 8.35	136,800	-	136,800
Short-term loans from individuals and asset management companies	6.00	30,000	-	30,000
Total		221,115	-	221,115

2018				
Current				
Bank overdrafts	6.87 - 7.68	91,684	-	91,684
Short-term loans from financial institutions	3.65 - 13.00	528,363	-	528,363
Current portion of long-term loan from financial institution	5.25	187,167	-	187,167
Short-term loan from related party	12.00	69,294	-	69,294
Short-term loans from individual and asset management companies	6.00 - 15.00	254,234	-	254,234
Total		1,130,742	-	1,130,742

Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases of goods and services which are denominated in foreign currencies.

At 31 December, the Group and the Company were exposed to foreign currency risk in respect of financial liabilities denominated in the following currency:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(in thousand Baht)			
United States Dollars				
Trade accounts payable	-	4,691	-	4,691

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

Credit risk

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

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

Liquidity risk

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

Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount	Consolidated financial statements			
		Fair value			Total
		Level 1	Level 2	Level 3	
		(in thousand Baht)			
31 December 2019					
<i>Financial assets measured at fair value</i>					
Equity securities available-for-sale	3	3	-	-	3
<i>Financial liabilities not measured at fair value</i>					
Long-term loan from financial institution	45,000	-	-	47,146	47,146
31 December 2018					
<i>Financial assets measured at fair value</i>					
Equity securities available-for-sale	3	3	-	-	3
<i>Financial liabilities not measured at fair value</i>					
Long-term loan from financial institution	187,167	-	-	187,167	187,167

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

	Carrying amount	Separate financial statements			
		Fair value			Total
		Level 1	Level 2	Level 3	
		(in thousand Baht)			
31 December 2019					
<i>Financial assets measured at fair value</i>					
Equity securities-available-for sale	3	3	-	-	3
31 December 2018					
<i>Financial assets measured at fair value</i>					
Equity securities available-for-sale	3	3	-	-	3
<i>Financial liabilities not measured at fair value</i>					
Long-term loan from financial institution	187,167	-	-	187,167	187,167

Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 3 fair values for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used. Related valuation processes are described in Note 4 (q).

Type	Valuation technique
Investments in marketable unit trusts classified as trading investments and available-for-sale investments	The net asset value as of the reporting date
Long-term loan from financial institution	Discounted cash flow

29 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<i>(in thousand Baht)</i>				
Future minimum lease payments under non-cancellable operating leases				
Within one year	121,696	332,470	17,926	40,330
After one year but within five years	424,061	746,869	2,110	36,877
After five years	195,341	500,360	-	-
Total	741,098	1,579,699	20,036	77,207
Other commitments				
Bank guarantees	78,077	1,640,269	22,611	34,074
Total	78,077	1,640,269	22,611	34,074

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

Significant agreements

- a) The Company and its subsidiaries entered into lease and service agreements for their office premises and facilities with a local company for the period of 3 years, expiring in various periods up to 30 November 2020. The Company and its subsidiaries agreed to pay rental and service fees at the rate specified in the agreements.
- b) An indirect subsidiary entered into a news supply agreement with a foreign company for a period of 5 years, commencing from 1 June 2016 to 31 May 2021 with an option for renewal. The indirect subsidiary agreed to pay a fee at the rate specified in the agreement.
- c) An indirect subsidiary entered into service agreements with two local companies to employ the service in combining both video and audio television signals, along with other related services, including TV signals compression and transmission of TV signals to a C-band and Ku-band satellite for periods ranging from 3 years and 1 months to 5 years and 11 months, expiring in various periods up to 15 September 2022. The indirect subsidiary committed to pay the fees at the rate specified in the agreements
- d) An indirect subsidiary entered into a Standard Definition Terrestrial Digital Television Network Services agreement with Thai Royal Army Radio and Television Station for a period of 14 years and 5 months, commencing from 16 January 2014 to 31 May 2028. The indirect subsidiary has obligations to pay the service fee amounting to Baht 3.50 million per month from 1 June 2018 to 31 May 2020 and amounting to Baht 4.72 million per month from 1 June 2020 onwards. NBTC will providing for these fees over the remaining period of the licence.
- e) A subsidiary entered into a service agreement for ratings measurement in television audiences of television channels in Thailand with a local association for a period of 6 years, commencing from 17 December 2015 to 30 September 2021. A subsidiary agreed to pay a service fee at the rate specified in the agreement. During the year 2017, the service provider had an addendum changing the expiring periods from 30 September 2021 to 30 September 2023 and all the other provision of the agreement remain unchanged. A subsidiary terminated the agreements on 31 December 2019.
- f) A subsidiary entered into lease and service agreements for its office premises and facilities with a local company for a period of 7 years 3 months, expiring on 30 November 2026. The subsidiary agreed to pay rental and service fees at the rate specified in the agreements.
- g) On 20 December 2019, a subsidiary entered into lease agreement for office premises, commencing from 1 January 2020 to 31 December 2021. The subsidiary agreed to pay rental fees at the rate specified in the agreements.

30 Contingent liabilities

On 18 September 2018, a former employee as plaintiff filed a lawsuit against the Company and the Provident Fund to the Central Labor Court. This would require the payment of approximately Baht 47.8 million. On 30 April 2019, the court rendered a judgement dismissed the case. The plaintiff has no right to demand the Company and the Provident Fund to pay the said payment. On 17 February 2020, the Court of Appeal has decided to not consider the petition. Later on 16 April 2020, the plaintiff filed the petition with the Supreme Court. The lawsuit is under being the Supreme Court accept the petition or not. However, the Company has not recorded any provision against this claim in the financial statements as at 31 December 2019.

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

31 Events after the reporting period

a) Approved investment in a local company of the indirect subsidiary.

At the Board of Directors' meetings of a subsidiary ("Nation Broadcasting Corporation Public Company Limited") held on 28 January 2020, the Board of Directors approved the subsidiary to acquire in the newly issued ordinary shares in a local company of Baht 2.45 million, representing the subsidiary's equity interest in the indirect subsidiary of 49%. As a result, the Group obtained control of an indirect subsidiary on 13 February 2020.

b) Impact of the Coronavirus Disease 2019 ("COVID-19") outbreak

During 2020, the Group's business was significantly affected by the Coronavirus Disease 2019 ("COVID-19") outbreak, resulting in significant decrease in revenue. However, management will put the great efforts to reduce such effects by restructuring of the Group's operations to serve the change of consumer behavior according to the current situation including the improvement of the operating processes, cost reduction and other options. As of the reporting date, the situation of outbreak is still on going, resulting in estimation uncertainty on the potential impact.

On 31 March 2020, the management has assessed the situation from impact of the outbreak of COVID-19, then the management considered to terminate the publishing of newspaper "KomChadLuek" on 9 April 2020.

c) Purchase of right to use trademark and assets of subsidiary

On 31 March 2020, a subsidiary entered into agreement to purchase the right to use trade name "Kobsanam" and related assets amounting of Baht 25 million.

d) The Nation Broadcasting and Telecommunications Commission in subject of terms and requirements for the annual payment of Broadcasting Research and Development Fund Television Business and Telecommunications

On 1 May 2020, the Nation Broadcasting and Telecommunications Commission has announced in the subject of the terms and requirements for the annual payment of Broadcasting Research and Development Fund Television Business and Telecommunications for the benefit of the public of the licensees (issue No. 2) by reduction of the annual rate of remittance to the Broadcasting Research and Development Fund Television Business and Telecommunications for the benefit of the public of the licensees.

e) Issuance and offering for sale of short-term debt instrument in the form of Bill of Exchange (B/E) and/or obtaining loans

At the Board of Director's meeting of the Company held on 12 May 2020, the Board of Directors approved the issuance and offering for sale of short-term debt instrument in the form of Bill of Exchange (B/E) and/or obtaining loans in the limit of Baht 100 million with the assets as collateral (if any) in order to use as working capital for the operations by offering to the domestic institutional investor and/or foreign institutional investor and/or high net worth investor in accordance with the Notification of the Securities and Exchange Commission and/or Notification of Capital Market Supervisory Board and/or other relevant regulations.

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

f) Approval of disposal business and trademark "KomChadLuek"

At the Board of Directors' meetings of Company held on 25 May 2020, the Board of Directors approved the disposal of "KomChadluek" business and trademark amounting to Baht 70 million to a subsidiary.

g) Approval of the subsidiary to acquisition of assets, investment and increase in registered share capital

At the Board of Directors' meeting of a subsidiary ("Nation Broadcasting Corporation Public Company Limited") held on 25 May 2020, the Board of Director passed the following resolutions;

- Approved to purchase trademark "Komchadluek" amounting to Baht 70 million from the Company.
- Approved to invest in coffee business in the amount of Baht 9.00 million.
- Approved to invest in ordinary shares in the Company amounting to Baht 250 million, representing 99.998% of authorized shares.
- Approved an increase of the Company's registered share capital by Baht 321.26 million from Baht 803.16 million (divided into 803,155,214 ordinary shares at Baht 1 per share) to Baht 1,124.42 million (divided into 1,124,417,300 ordinary shares at Baht 1 per share) to offer to the existing shareholders proportionate to their respective shareholdings (Rights Offering) at the ratio of 5 existing ordinary shares for 2 newly-issued ordinary share held with the price of Baht 0.53 per share. Such increase in registered share capital is subject to final approval in the shareholders' meeting.

h) Repayment of loans and entering into loans agreements

During the year of 2020 up to the reporting date, the Company repaid its short-term loans from others amounting to Baht 30 million and entered into short-term loans from others amounting to Baht 70 million in May 2020 from the approval of issuance and offering for sale of short-term debt instrument as described in no. e).

32 Thai Financial Reporting Standards (TFRS) not yet adopted

New and revised TFRS, which are relevant to the Group's operations, expected to have material impact on the consolidated and separate financial statements when initially adopted, and will become effective for the financial statements in annual reporting periods beginning on or after 1 January 2020, are as follows:

TFRS	Topic
TFRS 7*	Financial Instruments: Disclosures
TFRS 9*	Financial Instruments
TFRS 16	Leases
TAS 32*	Financial Instruments: Presentation
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation
TFRIC 19*	Extinguishing Financial Liabilities with Equity Instruments

* TFRS - Financial instruments standards

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2019

(a) TFRS - Financial instruments standards

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. When these TFRS are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

(b) TFRS 16 Leases

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognises a right-of-use asset and a lease liability, with recognition exemptions for short-term leases and leases of low-value items. As a result, the Group will recognise assets and liabilities for its operating leases. As at 31 December 2019, the Group's future minimum lease payments under non-cancellable operating leases amounted to Baht 191.44 million. When this TFRS is effective, some accounting standards and interpretations which are currently effective will be cancelled.

Management is currently considering the potential impact from these TFRS on the financial statements in the initial period adopted.





Other Reference Persons

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Certified Public Accountant

- | | |
|--------------------------------|-----------------------|
| 1. Mrs.Sasithorn Pongadisak | Registration No. 8802 |
| 2. Ms.Marisa Tarathornbunpakul | Registration No. 5752 |
| 3. Mr.Thanit Osathalert | Registration No. 5155 |

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Audit Fee

1. The audit fee of the Company and subsidiaries for the year 2019 is Bt4,480,000
2. Non-audit fee -None-

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ANNUAL REPORT

2019