Nation Multimedia Group Public Company Limited and its Subsidiaries

Financial statements for the year ended
31 December 2016
and
Independent Auditor's Report

KPMG Phoomchai Audit Ltd.
Empire Tower, 50th-51st Floors
1 South Sathorn Road, Yannawa
Sathorn, Bangkok 10120, Thailand
Tel +66 2677 2000, Fax +66 2677 2222

บริษัท เคพีเอ็มจี ภูมิไชย สอบบัญชี จำกัด
ชั้น 50-51 เอ็มไพร์ทาวเวอร์
1 ถนนสาทรใต้ แขวงยานนาวา
เขตสาทร กรุงเทพฯ 10120
โทร +66 2677 2000 แฟกซ์ +66 2677 2222

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 2016, 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 2016 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 under the Royal Patronage of His Majesty the King 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.

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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.

Impairment of investments in subsidiaries	
Refer to Note 3(f), 3(j) and 13 to the consolidated and separate financial statements.	
The key audit matter	**How the matter was addressed in the audit**
The Company's portfolio of investments in subsidiaries consists of publishing and advertising, printing, edutainment, broadcasting and new media, and other businesses. According to the recent trend of changes in consumer behaviour, it affects publishing and advertising businesses including broadcasting and new media businesses of the Group. This includes the competition in digital television business and the current economic downturn. Consequently, these matters affect the operations of subsidiaries. Since the consideration of impairment of investments depends on the management's judgements and assumptions in respect to the forecast of operating results, discount rate and key assumptions used to estimate the recoverable amount of each aforementioned business. Therefore, I considered this matter to be a key audit matter.	In evaluating the impairment consideration of investments in subsidiaries, my audit procedures included, among others: • gaining an understanding of the preparation of discounted cash flow projection along with management approval including the determination of cash-generating units of the Group; • considering the determination of cash-generating units of the Group; • considering the discounted cash flow projection approved by management by evaluating the key assumptions used in the discounted cash flow projection with the actual operating results and the business plan, as well as assessing the appropriateness of discount rate used by comparing to the weighted average cost of capital of an industry which the Group operates in and testing the computation of discounted cash flow projection; • evaluating the sensitivity analysis on key assumptions used in the estimation of future cash flows, in order to evaluate the effects to the recoverable amount; and • evaluating the adequacy of financial statements disclosures in accordance with Thai Financial Reporting Standards.

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Impairment of digital television licences	
Refer to Note 3(i), 3(j) and 19 to the consolidated and separate financial statements.	
The key audit matter	**How the matter was addressed in the audit**
A direct subsidiary and an indirect subsidiary obtained the commercial digital terrestrial television licences at national level for a variety standard definition channel category and a news channel category, respectively. Currently, the transition to digital television era has resulted in highly competitive market in television business. In this situation, it impacts on the operating results of the direct and indirect subsidiaries. From the above situation, management of the direct and indirect subsidiaries have evaluated the impairment of digital television licences by involving judgements with respect to which assumptions to be used to estimate the recoverable amount. Moreover, the recoverable amount of digital television licences was based on value in use, which was estimated by discounting the expected future cash flows from the use of assets. These estimations use several key assumptions. I have determined this matter to be a key audit matter due to the size and complexity of the significant judgements in determining the assumptions used to estimate the recoverable amount.	In evaluating the impairment of digital television licences consideration of management, my audit procedures included, among others: • gaining an understanding of the preparation of discounted cash flow projection along with management approval; • assessing the discounted cash flow projection approved by management by evaluating the key assumptions used in discounted cash flow projection with the actual operating results and the business plan; as well as assessing the appropriateness of discount rate used by comparing to the weighted average cost of capital of an industry which the Group operates in and testing the computation of discounted cash flow projection; • evaluating the sensitivity of key assumptions used in the estimation of future cash flows, in order to evaluate the effects to the recoverable amount of digital television licences; and • evaluating the adequacy of the financial statements 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.

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 judgement 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.

(Patamavan Vadhanakul)
Certified Public Accountant
Registration No. 9832

KPMG Phoomchai Audit Ltd.
Bangkok
24 February 2017

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Assets	*Note*	2016	2015	2016	2015
			(in Baht)		
Current assets					
Cash and cash equivalents	*5*	233,693,922	207,525,311	26,768,246	17,758,285
Current investments	*6*	422,376,193	822,149,643	49,288,713	2,549
Trade accounts receivable	*7*	398,048,724	588,556,740	1,168,238,871	1,083,108,218
Accrued income	*4*	790,269,095	782,780,106	581,402,511	572,796,914
Other receivables	*8*	89,842,411	85,826,136	927,673,352	649,800,574
Inventories	*9*	136,926,036	379,967,569	26,223,637	69,698,118
Other current assets	*10*	381,309,520	288,077,194	111,994,386	90,942,998
Total current assets		**2,452,465,901**	**3,154,882,699**	**2,891,589,716**	**2,484,107,656**
Non-current assets					
Restricted deposits	*11*	861,618	2,682,654	-	-
Investment in associate	*12*	23,156,526	22,076,249	1,800,000	1,800,000
Investments in subsidiaries	*13*	-	-	3,627,879,275	2,993,311,391
Long-term investment in related party	*15*	-	-	-	-
Long-term investments in other companies	*6*	7,415,844	10,342,497	7,415,844	10,342,497
Investment properties	*16*	75,446,583	44,677,757	64,495,244	44,677,757
Property, plant and equipment	*17*	1,485,520,797	1,646,419,498	489,345,282	528,224,191
Intangible assets	*18*	174,142,242	115,517,353	7,511,243	11,691,160
Digital television licences	*19*	2,574,170,702	2,783,779,533	-	-
Deferred tax assets	*20*	112,053,123	262,921,978	21,352,550	92,414,477
Other non-current assets	*21*	170,996,910	193,917,736	119,661,041	144,612,919
Total non-current assets		**4,623,764,345**	**5,082,335,255**	**4,339,460,479**	**3,827,074,392**
Total assets		**7,076,230,246**	**8,237,217,954**	**7,231,050,195**	**6,311,182,048**

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

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Liabilities and equity	*Note*	2016	2015	2016	2015
			(in Baht)		
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	*22*	939,430,992	590,384,836	882,980,198	519,497,304
Trade accounts payable	*23*	99,264,197	133,706,003	1,509,797,797	1,177,449,030
Other payables	*24*	146,135,435	119,649,313	56,323,020	58,849,300
Current portion of digital television					
licences payable	*27*	584,068,719	556,203,640	-	-
Current portion of long-term loans					
from financial institutions	*22*	120,000,000	-	120,000,000	-
Short-term loans	*22*	160,000,000	-	160,000,000	-
Current portion of finance lease liabilities	*22*	1,066,172	1,561,041	1,066,172	1,561,041
Accrued expenses	*25*	187,344,952	216,231,989	462,397,122	453,716,428
Income tax payable		50,181	1,369,142	-	-
Other current liabilities	*26*	248,669,057	236,238,259	68,380,403	62,525,062
Total current liabilities		**2,486,029,705**	**1,855,344,223**	**3,260,944,712**	**2,273,598,165**
Non-current liabilities					
Digital television licences payable	*27*	1,130,069,671	1,714,138,390	-	-
Long-term loans from financial institutions	*22*	158,833,333	-	158,833,333	-
Finance lease liabilities	*22*	-	1,270,784	-	1,270,784
Deferred tax liabilities	*20*	20,909,398	17,826,173	-	-
Employee benefit obligations	*28*	167,252,750	163,856,203	47,684,856	52,165,755
Other non-current liabilities	*29*	105,061,289	130,431,918	81,903,868	100,734,575
Total non-current liabilities		**1,582,126,441**	**2,027,523,468**	**288,422,057**	**154,171,114**
Total liabilities		**4,068,156,146**	**3,882,867,691**	**3,549,366,769**	**2,427,769,279**
Equity					
Share capital	*30*				
Authorised share capital		2,663,572,195	2,663,572,195	2,663,572,195	2,663,572,195
Issued and paid-up share capital		2,155,959,049	2,155,848,809	2,155,959,049	2,155,848,809
Additional paid in capital	*30, 31*				
Premium on ordinary shares		1,169,694,244	1,169,344,804	1,169,694,244	1,169,344,804
Premium on ordinary shares of subsidiaries		96,604,862	95,397,593	-	-
Warrants	*31*	30,012,457	18,665,439	25,057,328	14,511,236
Reserve on acquisition of warrants of the Company	*31*	(91,013,286)	(91,013,286)	-	-
Retained earnings (Deficit)					
Appropriated					
Legal reserve	*32*	32,700,000	32,700,000	32,700,000	32,700,000
Unappropriated (Deficit)		(708,949,691)	522,640,169	302,504,532	515,258,325
Other components of equity	*32*	(4,231,727)	(4,250,405)	(4,231,727)	(4,250,405)
Equity attributable to owners of the Company		**2,680,775,908**	**3,899,333,123**	**3,681,683,426**	**3,883,412,769**
Non-controlling interests	*14*	327,298,192	455,017,140	-	-
Total equity		**3,008,074,100**	**4,354,350,263**	**3,681,683,426**	**3,883,412,769**
Total liabilities and equity		**7,076,230,246**	**8,237,217,954**	**7,231,050,195**	**6,311,182,048**

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	
		For the year ended 31 December		For the year ended 31 December	
	Note	2016	2015	2016	2015
			(in Baht)		
Income					
Revenue from sale of goods and rendering of services	*4*	2,097,392,625	3,014,589,717	643,348,059	856,296,735
Investment income	*4, 34*	22,603,972	28,809,932	103,381,011	39,345,302
Gain on disposal of investments	*13*	1,228,398	61,521,601	-	63,717,401
Other income	*4, 35*	60,837,862	60,115,007	26,633,741	45,001,315
Total income		**2,182,062,857**	**3,165,036,257**	**773,362,811**	**1,004,360,753**
Expenses					
Cost of sale of goods and rendering of services	*4*	2,000,459,926	2,209,914,777	232,680,711	274,259,188
Selling expenses	*4, 36*	212,949,366	296,531,100	104,317,588	172,173,343
Administrative expenses	*4, 37*	690,177,550	566,961,134	411,802,657	334,493,855
Loss on business restructuring of subsidiaries	*13*	204,445,292	-	-	-
Finance costs	*40*	152,358,315	166,022,727	41,169,374	27,150,693
Total expenses		**3,260,390,449**	**3,239,429,738**	**789,970,330**	**808,077,079**
Share of profit of investment in associate	*12*	1,080,277	319,829	-	-
Profit (loss) before income tax expense		**(1,077,247,315)**	**(74,073,652)**	**(16,607,519)**	**196,283,674**
Income tax (expense) benefit	*41*	(163,780,961)	101,035,433	(71,669,895)	62,829,833
Profit (loss) for the year		**(1,241,028,276)**	**26,961,781**	**(88,277,414)**	**259,113,507**

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

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statement of comprehensive income

	Note	Consolidated financial statements For the year ended 31 December 2016	2015	Separate financial statements For the year ended 31 December 2016	2015
		(in Baht)			
Other comprehensive income					
Item that will not be reclassified to profit or loss					
Defined benefit plan actuarial losses	*28*	(11,968,306)	-	(3,063,185)	-
Income tax on other comprehensive income	*20, 41*	2,393,661	-	612,637	-
		(9,574,645)	**-**	**(2,450,548)**	**-**
Items that are or may be reclassified subsequently to profit or loss					
Net change in fair value of available-for-sale investments	*6*	386,247	(6,262,943)	386,247	(6,262,943)
Net change in fair value of available-for-sale investments transferred to profit or loss	*6*	(362,900)	(30,105,160)	(362,900)	(30,105,160)
Income tax on other comprehensive income	*20, 41*	(4,669)	7,273,621	(4,669)	7,273,621
		18,678	**(29,094,482)**	**18,678**	**(29,094,482)**
Other comprehensive income (loss) for the year, net of income tax		**(9,555,967)**	**(29,094,482)**	**(2,431,870)**	**(29,094,482)**
Total comprehensive income (loss) for the year		**(1,250,584,243)**	**(2,132,701)**	**(90,709,284)**	**230,019,025**
Profit (loss) attributable to					
Owners of the Company		(1,102,845,279)	35,582,435	(88,277,414)	259,113,507
Non-controlling interests		(138,182,997)	(8,620,654)	-	-
Profit (loss) for the year		**(1,241,028,276)**	**26,961,781**	**(88,277,414)**	**259,113,507**
Total comprehensive income (loss) attributable to					
Owners of the Company		(1,109,560,462)	6,487,953	(90,709,284)	230,019,025
Non-controlling interests		(141,023,781)	(8,620,654)	-	-
Total comprehensive income (loss) for the year		**(1,250,584,243)**	**(2,132,701)**	**(90,709,284)**	**230,019,025**
Earnings (loss) per share	*42*				
Basic earnings (loss) per share		(0.271)	0.010	(0.022)	0.070
Diluted earnings (loss) per share		(0.271)	0.008	(0.022)	0.061

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		Other component of equity			
	Note	Issued and paid-up share capital	Share premium	Share premium of subsidiaries	Warrants	Reserve on acquisition of warrants of the Company	Legal reserve	Unappropriated	Fair value changes in available-for-sale investments	Equity attributable to owners of the Company	Non-controlling interests	Total equity
		(in Baht)										
Year ended 31 December 2015												
Balance at 1 January 2015		**1,757,662,976**	**802,589,749**	**94,328,676**	**14,287,705**	**-**	**19,700,000**	**592,911,367**	**24,844,077**	**3,306,324,550**	**455,371,690**	**3,761,696,240**
Transactions with owners, recorded directly in equity												
Contribution by and distribution to owners of the Company												
Shares options exercised	*30, 31*	398,185,833	366,755,055	1,676,877	(14,285,427)	-	-	-	-	752,332,338	677,024	753,009,362
Share-based payment transactions	*31*	-	-	-	18,744,496	-	-	-	-	18,744,496	816,951	19,561,447
Dividends to owners of the Company	*43*	-	-	-	-	-	-	(92,853,633)	-	(92,853,633)	-	(92,853,633)
Dividends to non-controlling interests of subsidiaries		-	-	-	-	-	-	-	-	-	(9,683,459)	(9,683,459)
Total contribution by and distribution to owners of the Company		**398,185,833**	**366,755,055**	**1,676,877**	**4,459,069**	**-**	**-**	**(92,853,633)**	**-**	**678,223,201**	**(8,189,484)**	**670,033,717**
Changes in ownership interests in subsidiaries												
Disposals of non-controlling interest without a change in control	*13*	-	-	(800,217)	62	-	-	-	-	(800,155)	(3,986,690)	(4,786,845)
Acquisitions of non-controlling interest without a change in control		-	-	192,257	(81,397)	-	-	-	-	110,860	20,442,278	20,553,138
Total changes in ownership interests in subsidiaries		**-**	**-**	**(607,960)**	**(81,335)**	**-**	**-**	**-**	**-**	**(689,295)**	**16,455,588**	**15,766,293**
Total transactions with owners, recorded directly in equity		**398,185,833**	**366,755,055**	**1,068,917**	**4,377,734**	**-**	**-**	**(92,853,633)**	**-**	**677,533,906**	**8,266,104**	**685,800,010**
Comprehensive income (loss) for the year												
Profit or loss		-	-	-	-	-	-	35,582,435	-	35,582,435	(8,620,654)	26,961,781
Other comprehensive income (loss)		-	-	-	-	-	-	-	(29,094,482)	(29,094,482)	-	(29,094,482)
Total comprehensive income (loss) for the year		**-**	**-**	**-**	**-**	**-**	**-**	**35,582,435**	**(29,094,482)**	**6,487,953**	**(8,620,654)**	**(2,132,701)**
Transfer to legal reserve	*32*	-	-	-	-	-	13,000,000	(13,000,000)	-	-	-	-
Reserve on acquisition of warrants of the Company	*31*	-	-	-	-	(91,013,286)	-	-	-	(91,013,286)	-	(91,013,286)
Balance at 31 December 2015		**2,155,848,809**	**1,169,344,804**	**95,397,593**	**18,665,439**	**(91,013,286)**	**32,700,000**	**522,640,169**	**(4,250,405)**	**3,899,333,123**	**455,017,140**	**4,354,350,263**

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 component of equity			
	Note	Issued and paid-up share capital	Share premium	Share premium of subsidiaries	Warrants	Reserve on acquisition of warrants of the Company	Legal reserve	Unappropriated (Deficit)	Fair value changes in available-for-sale investments	Equity attributable to owners of the Company	Non-controlling interests	Total equity
							(in Baht)					
Year ended 31 December 2016												
Balance at 1 January 2016		**2,155,848,809**	**1,169,344,804**	**95,397,593**	**18,665,439**	**(91,013,286)**	**32,700,000**	**522,640,169**	**(4,250,405)**	**3,899,333,123**	**455,017,140**	**4,354,350,263**
Transactions with owners, recorded directly in equity												
Contribution by and distribution to owners of the Company												
Shares options exercised	*30, 31*	110,240	349,440	-	(251,680)	-	-	-	-	208,000	-	208,000
Share-based payment transactions	*31*	-	-	-	11,756,029	-	-	-	-	11,756,029	379,285	12,135,314
Issue of ordinary shares of non-controlling interests of subsidiary	*13*	-	-	-	-	-	-	-	-	-	17,000,000	17,000,000
Dividends to owners of the Company	*43*	-	-	-	-	-	-	(122,025,831)	-	(122,025,831)	-	(122,025,831)
Dividends to non-controlling interests of subsidiaries		-	-	-	-	-	-	-	-	-	(16,985,245)	(16,985,245)
Total contribution by and distribution to owners of the Company		**110,240**	**349,440**	**-**	**11,504,349**	**-**	**-**	**(122,025,831)**	**-**	**(110,061,802)**	**394,040**	**(109,667,762)**
Change in ownership interest in subsidiary												
Acquisitions of non-controlling interest without a change in control	*13*	-	-	1,207,269	(157,331)	-	-	15,111	-	1,065,049	12,910,793	13,975,842
Total change in ownership interest in subsidiary		**-**	**-**	**1,207,269**	**(157,331)**	**-**	**-**	**15,111**	**-**	**1,065,049**	**12,910,793**	**13,975,842**
Total transactions with owners, recorded directly in equity		**110,240**	**349,440**	**1,207,269**	**11,347,018**	**-**	**-**	**(122,010,720)**	**-**	**(108,996,753)**	**13,304,833**	**(95,691,920)**
Comprehensive income (loss) for the year												
Profit or loss		-	-	-	-	-	-	(1,102,845,279)	-	(1,102,845,279)	(138,182,997)	(1,241,028,276)
Other comprehensive income (loss)		-	-	-	-	-	-	(6,733,861)	18,678	(6,715,183)	(2,840,784)	(9,555,967)
Total comprehensive income (loss) for the year		**-**	**-**	**-**	**-**	**-**	**-**	**(1,109,579,140)**	**18,678**	**(1,109,560,462)**	**(141,023,781)**	**(1,250,584,243)**
Transfer to legal reserve	*32*	-	-	-	-	-	-	-	-	-	-	-
Balance at 31 December 2016		**2,155,959,049**	**1,169,694,244**	**96,604,862**	**30,012,457**	**(91,013,286)**	**32,700,000**	**(708,949,691)**	**(4,231,727)**	**2,680,775,908**	**327,298,192**	**3,008,074,100**

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		Other component of equity	
	Note	Issued and paid-up share capital	Share premium	Warrants	Legal reserve	Unappropriated	Fair value changes in available-for-sale investments	Total equity
					(in Baht)			
Year ended 31 December 2015								
Balance at 1 January 2015		**1,757,662,976**	**802,589,749**	**11,726,446**	**19,700,000**	**361,998,451**	**24,844,077**	**2,978,521,699**
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners of the Company								
Shares options exercised	*30, 31*	398,185,833	366,755,055	(13,646,864)	-	-	-	751,294,024
Share-based payment transactions	*31*	-	-	16,431,654	-	-	-	16,431,654
Dividends to owners of the Company	*43*	-	-	-	-	(92,853,633)	-	(92,853,633)
Total contributions by and distributions to owner of the Company		**398,185,833**	**366,755,055**	**2,784,790**	**-**	**(92,853,633)**	**-**	**674,872,045**
Total transactions with owners, recorded directly in equity		**398,185,833**	**366,755,055**	**2,784,790**	**-**	**(92,853,633)**	**-**	**674,872,045**
Comprehensive income (loss) for the year								
Profit or loss		-	-	-	-	259,113,507	-	259,113,507
Other comprehensive income (loss)		-	-	-	-	-	(29,094,482)	(29,094,482)
Total comprehensive income (loss) for the year		**-**	**-**	**-**	**-**	**259,113,507**	**(29,094,482)**	**230,019,025**
Transfer to legal reserve	*32*	-	-	-	13,000,000	(13,000,000)	-	-
Balance at 31 December 2015		**2,155,848,809**	**1,169,344,804**	**14,511,236**	**32,700,000**	**515,258,325**	**(4,250,405)**	**3,883,412,769**

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		Other component of equity	
	Note	Issued and paid-up share capital	Share premium	Warrants	Legal reserve	Unappropriated	Fair value changes in available-for-sale investments	Total equity
					(in Baht)			
Year ended 31 December 2016								
Balance at 1 January 2016		**2,155,848,809**	**1,169,344,804**	**14,511,236**	**32,700,000**	**515,258,325**	**(4,250,405)**	**3,883,412,769**
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners of the Company								
Shares options exercised	*30, 31*	110,240	349,440	(251,680)	-	-	-	208,000
Share-based payment transactions	*31*	-	-	10,797,772	-	-	-	10,797,772
Dividends to owners of the Company	*43*	-	-	-	-	(122,025,831)	-	(122,025,831)
Total contributions by and distributions to owner of the Company		**110,240**	**349,440**	**10,546,092**	**-**	**(122,025,831)**	**-**	**(111,020,059)**
Total transactions with owners, recorded directly in equity		**110,240**	**349,440**	**10,546,092**	**-**	**(122,025,831)**	**-**	**(111,020,059)**
Comprehensive income (loss) for the year								
Profit or loss		-	-	-	-	(88,277,414)	-	(88,277,414)
Other comprehensive income (loss)		-	-	-	-	(2,450,548)	18,678	(2,431,870)
Total comprehensive income (loss) for the year		**-**	**-**	**-**	**-**	**(90,727,962)**	**18,678**	**(90,709,284)**
Transfer to legal reserve	*32*	-	-	-	-	-	-	-
Balance at 31 December 2016		**2,155,959,049**	**1,169,694,244**	**25,057,328**	**32,700,000**	**302,504,532**	**(4,231,727)**	**3,681,683,426**

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	
	For the year ended 31 December		For the year ended 31 December	
	2016	2015	2016	2015
	(in Baht)			
Cash flows from operating activities				
Profit (loss) for the year	(1,241,028,276)	26,961,781	(88,277,414)	259,113,507
Adjustments for				
Depreciation	202,460,891	203,084,848	49,982,232	45,621,225
Amortisation of assets	106,856,703	119,346,385	6,133,553	11,359,032
Amortisation of digital television licences	209,608,831	209,044,770	-	-
Investment income	(22,603,972)	(28,809,932)	(103,381,011)	(39,345,302)
Finance costs	152,358,315	166,022,727	41,169,374	27,150,693
Bad and doubtful debts expense	6,680,120	5,194,126	3,324,986	3,342,617
Reversal of allowance for goods return	(2,545,742)	(9,456,585)	(536,218)	(2,108,427)
Loss on decline in value of inventories (reversal of)	127,380,630	4,070,674	(19,462)	(112,734)
Impairment loss from long-term investment in other company	2,950,000	-	2,950,000	-
(Gain) loss on disposal of investments in subsidiary	-	(31,341,723)	4,456,274	(33,606,192)
Gain on disposal of long-term investments in other companies	(362,900)	(30,105,160)	(362,900)	(30,105,160)
Gain on disposal of investments in debt securities	(865,968)	(70,031)	(298,677)	(6,055)
Unrealised (gain) loss on valuation adjustment of investments in debt securities	(280,643)	(4,687)	(13,837)	6
Reversal of impairment loss on investment property	-	(6,677,757)	-	(6,677,757)
Gain on disposal of building and equipment	(796,461)	(641,478)	(631,761)	(543,727)
Loss on written-off of assets	17,459,221	774,407	4,898,525	1,881
Employee benefit obligations	(11,828,151)	11,726,981	(5,767,136)	3,184,490
Share-based payment transactions	12,135,314	19,561,447	10,797,772	16,431,654
Share of profit of investment in associate, net of income tax	(1,080,277)	(319,829)	-	-
Income tax expense (benefit)	163,780,961	(101,035,433)	71,669,895	(62,829,833)
	(279,721,404)	557,325,531	(3,905,805)	190,869,918
Changes in operating assets and liabilities				
Trade accounts receivable	163,776,595	(33,977,492)	(88,554,761)	(242,166,410)
Accrued income	(7,488,989)	(354,829,690)	(8,605,597)	(291,935,494)
Other receivables	(6,097,077)	(5,110,418)	(276,964,246)	(209,681,129)
Inventories	115,659,107	2,571,902	43,492,147	12,872,693
Other current assets	(82,796,475)	(74,275,254)	(24,320,118)	(26,493,954)
Restricted deposits	1,821,036	648,254	-	-
Other non-current assets	5,264,757	12,818,861	5,870,808	1,841,164
Trade accounts payable	(39,471,572)	15,399,250	332,348,767	381,273,118
Other payables	(2,234,551)	(77,765,059)	(29,350,254)	(24,754,901)
Accrued expenses	(13,139,112)	(29,975,134)	8,449,384	213,363,237
Other current liabilities	12,430,798	26,227,033	5,855,341	(2,170,985)
Employee benefit obligations	(1,848,560)	(3,500,530)	(140,000)	(1,521,590)
Other non-current liabilities	(25,370,629)	(23,106,741)	(18,830,707)	(20,910,840)
Cash generated from (used in) operating activities	(159,216,076)	12,450,513	(54,655,041)	(19,415,173)
Income tax paid	(66,261,227)	(55,115,233)	(21,510,959)	(24,819,877)
Witholding tax refunded	60,748,025	-	43,430,929	-
Net cash used in operating activities	**(164,729,278)**	**(42,664,720)**	**(32,735,071)**	**(44,235,050)**

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	
	For the year ended 31 December		For the year ended 31 December	
	2016	2015	2016	2015
	(in Baht)			
Cash flows from investing activities				
Interest received	25,320,078	28,354,508	40,249	591,066
Dividends received	36	840,152	103,340,762	38,754,236
Current investments	598,302,300	(102,580,838)	-	-
Purchase of investments in debt securities	(1,301,400,000)	(185,516,000)	(308,000,000)	(29,802,000)
Net cash inflow on disposal of investments in debt securities	1,104,017,760	160,521,912	259,026,350	29,805,500
Proceeds from short-term loan to related party	-	-	-	42,000,000
Digital television licences payments	(647,600,000)	(473,800,000)	-	-
Purchase of building and equipment	(27,574,311)	(166,751,861)	(12,964,969)	(85,238,121)
Sale of building and equipment	1,971,099	5,186,316	698,171	1,840,503
Purchase of programme licences	(174,335,587)	(94,697,957)	-	-
Purchase of intangible assets	(10,827,295)	(11,549,219)	(1,130,610)	(1,452,260)
Net cash inflow on disposal of long-term investments in other companies	362,900	30,675,160	362,900	30,675,160
Net cash from (used in) investing activities	**(431,763,020)**	**(809,317,827)**	**41,372,853**	**27,174,084**
Cash flows from financing activities				
Interest paid	(55,207,841)	(43,260,848)	(38,918,554)	(23,912,295)
Dividends paid to owners of the Company	(122,025,831)	(92,853,633)	(122,025,831)	(92,853,633)
Dividends paid to non-controlling interests of subsidiaries	(16,985,245)	(9,683,459)	-	-
Bank overdrafts and short-term loans from financial institutions	349,046,156	(38,295,748)	363,482,894	(45,161,728)
Short-term loans	160,000,000	-	160,000,000	-
Finance lease payments	(1,850,172)	(3,160,967)	(1,850,172)	(3,160,967)
Proceeds from long-term loan from financial institution	300,000,000	-	300,000,000	-
Repayment of long-term loan from financial institution	(20,000,000)	(117,600,000)	(20,000,000)	(117,600,000)
Proceeds from exercise of share options	208,000	752,332,338	208,000	751,294,024
Net cash inflow on disposal of investment in subsidiary	13,975,842	49,496,994	13,975,842	49,496,994
Net cash outflow on acquistions of investments in subsidiaries	-	-	(653,000,000)	(504,786,908)
Net cash outflow on acquisition of warrants of the Company	-	(91,013,286)	-	-
Proceeds from paid-up share capital of non-controlling interests	-	677,024	-	-
Cash paid for upfront fee of long-term loan from financial institution	(1,500,000)	-	(1,500,000)	-
Acquisition of non-controlling interests	17,000,000	-	-	-
Net cash from financing activities	**622,660,909**	**406,638,415**	**372,179**	**13,315,487**
Net increase (decrease) in cash and cash equivalents	**26,168,611**	**(445,344,132)**	**9,009,961**	**(3,745,479)**
Cash and cash equivalents at 1 January	207,525,311	652,869,443	17,758,285	21,503,764
Cash and cash equivalents at 31 December	**233,693,922**	**207,525,311**	**26,768,246**	**17,758,285**
Non-cash transactions				
Payables for purchase of building and equipment	305,742	1,968,599	6,918,519	14,462,729
Payables for purchase of programme licences	22,242,415	33,191,884	-	-
Payables for purchase of intangible assets	3,218,552	3,573,200	391,400	-
Digital television licences payable	1,714,138,390	2,270,342,030	-	-
Barter assets from rendering of services	8,776,475	-	30,738,178	-

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

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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 24 February 2017.

1 General information

Nation Multimedia Group Public Company Limited, the "Company", is incorporated in Thailand and has its registered office at 1858/121-122, 124-128, 28th-31st Floors, Bangna-Trad Road, Kwang Bangna, Khet Bangna, Bangkok, Thailand.

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. Details of the Company's associate and subsidiaries as at 31 December 2016 and 2015 are given in notes 12 and 13.

2 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 ("FAP"); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The FAP has issued new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2016. The initial application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies. These changes have no material effect on the financial statements.

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2017 and have not been adopted in the preparation of these financial statements. Those new and revised TFRS that are relevant to the Group's operations are disclosed in note 48.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items.

Items	***Measurement bases***
Investments in debt securities	Fair value
Available-for-sale financial assets	Fair value
Defined benefit liability	Present value of the defined benefit obligations as explained in Note 3 (m)
Warrants	Fair value

(c) Functional and presentation currency

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

(d) 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 accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties that have a risk of resulting in material adjustments to the amounts recognised in the financial statements is included in the following notes:

Notes 9	Measurement of net realisable value of inventories;
Notes 13 and 19	Impairment test: key assumptions underlying recoverable amounts;
Note 20	Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
Note 28	Measurement of defined benefit obligations: key actuarial assumptions; and
Note 31	Measurement of share-based payments.

Measurement of fair values

A number of the Group’s accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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 such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuations are reported to the Group Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses market observable 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 (unadjusted) 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 (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 28 employee benefit obligations;
- Note 31 share-based payment arrangements; and
- Note 44 financial instruments.

3 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.

Acquisitions from entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements.

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 acquiree.

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 shareholder. 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 associate.

Associate is the entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interest in associate is accounted for using the equity method. It is recognised initially 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.

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 equity-accounted investee 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 purpose of the statement of cash flows.

(d) Trade and other accounts receivable

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(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.

Finished goods comprise of books, CD, DVD and completed TV programmes are determined by the following principles:

Books, CD and DVD	-	Weighted average / first in first out
TV programmes	-	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
Raw materials	-	Specific identification / weighted average
Store, supplies and others	-	Weighted average / first in first out
Work in progress for projects	-	Comprise cost of preparation, is stated at cost
Printing and books in progress	-	Weighted average

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

An allowance is made for all deteriorated, damaged, obsolete and slow-moving inventories.

(f) Investments

Investments in associate and subsidiaries

Investments in associate and subsidiaries in the separate financial statements of the Company are accounted for using the cost method. Investment in associate in the consolidated financial statements is accounted for using the equity method.

Investments in other debt and equity securities

Marketable debt 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.

Marketable equity securities, other than those securities held for trading, 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.

(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 stated 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 in straight-line basis over the estimated useful lives of each property. The estimated useful lives are 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 stated at cost less accumulated depreciation and impairment losses.

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.

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 net within income or expense in profit or loss.

Leased assets

Leases in terms of which the Group substantially assumes all the risks and rewards of ownership are classified as finance leases. Equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the 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	5 - 30	years
Buildings and improvements	5 - 20 and 30 - 35	years
Leasehold improvements	5 - 10 years and amortised over the term of the lease	
Machinery and equipment	3 - 15	years
Operating equipment	5 - 10	years
Furniture, fixtures and office equipment	2 - 10	years
Books	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.

(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 instalments to present value using a market discount rate. The assets are stated 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, which 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 - 5 years
Licence fees - books	Based on the higher amount of amortisation between a straight-line basis over three to seven years and calculation based on the numbers of books published or sold under the licence agreements
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.

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 settlement value being recognised in profit or loss over the period of the borrowing on an effective interest basis.

(l) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(m) Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed 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 OCI. 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.

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.

Share-based payments

The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognised as an expense, with a corresponding increase in shareholder, 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.

(n) 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.

(o) Revenue

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

Sale of goods and services rendered

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.

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.

Rental income

Rental income is recognised in profit or loss on a straight-line basis over the term of the lease.

Tuition fees

Tuition fees are recognised as revenue over the period of each academic year.

Investments

Revenue from investments comprises dividend and interest income from investments and bank deposits.

Dividend income

Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established.

Interest income

Interest income is recognised in profit or loss as it accrues.

(p) Finance costs

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

(q) Lease payments

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

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

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.

(r) Income tax

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

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of 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.

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

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

(s) Earnings (loss) per share

The Group presents basic and diluted earnings (loss) per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(t) 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.

4 Related parties

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

Relationships with associate and subsidiaries are described in notes 12 and 13. Relationship with key management, indirect subsidiaries and other related party 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.
Nation Edutainment Co., Ltd.	Thailand	99.99% shareholding by Nation International Edutainment Public Company Limited, some common directors (transferred business and completed the liquidation on 17 October 2016)
Nation Kids Co., Ltd.	Thailand	99.99% shareholding by Nation International Edutainment Public Company Limited, some common directors (registered the liquidation on 27 December 2016 and in the process of liquidation)
NBC Nextmedia Co., Ltd.	Thailand	99.99% shareholding by Nation Broadcasting Corporation Public Company Limited, some common directors (registered the liquidation on 28 September 2016 and in the process of liquidation)
NBC Next Screen Co., Ltd.	Thailand	99.99% shareholding by Nation Broadcasting Corporation Public Company Limited, some common directors (registered the liquidation on 27 December 2016 and in the process of liquidation)
NBC Next Vision Co., Ltd.	Thailand	99.99% shareholding by Nation Broadcasting Corporation Public Company Limited, some common directors
Nation Global Edutainment Co., Ltd.	Thailand	99.47% shareholding by Nation International Edutainment Public Company Limited, some common directors
Other related party		
Thai Portal Co., Ltd.	Thailand	Related party, 19.00% shareholding by Kom Chad Luek Media Co., Ltd.

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 market price and negotiable rate
Cost of sale of goods and rendering of services	Actual cost allocation rate and negotiable rate which approximates market price
Sale of equipment	Book value plus margin
Purchase of equipment	Book value plus margin
Interest income on loan	Approximated loan rate of financial institutions
Dividend income	As announced in the minute of shareholders' meeting
Other income	Negotiable rate
Selling and administrative expenses	Negotiable rate

Significant transactions for the years ended 31 December with related parties were as follows:

	Consolidated financial statements		**Separate financial statements**	
Year ended 31 December	2016	2015	2016	2015
	(in thousand Baht)			
Subsidiaries and indirect subsidiaries				
Revenue from sale of goods and rendering of services	-	-	534,868	682,530
Cost of sale of goods and rendering of services	-	-	35,666	35,445
Sale of equipment	-	-	1,436	7,757
Purchase of equipment	-	-	1,013	27,840
Interest income from loan	-	-	-	485
Dividend income	-	-	103,341	37,914
Other income	-	-	15,090	21,737
Selling and administrative expenses	-	-	12,033	16,563
Associate				
Revenue from rendering of services	5,227	4,993	122	122
Key management personnel				
Key management personnel compensation				
Wages and salaries	67,781	81,213	30,070	37,506
Defined contribution plans	3,846	4,513	1,079	1,268
Others	-	3,405	-	980
Total key management personnel compensation	71,627	89,131	31,149	39,754

Balances as at 31 December with related parties were as follows:

Trade accounts receivable from related parties	**Consolidated financial statements**		**Separate financial statements**	
	2016	2015	2016	2015
	(in thousand Baht)			
Subsidiaries and indirect subsidiaries	-	-	1,014,960	869,328
Associate	231	223	11	11
Other related party	67	67	-	-
	298	**290**	**1,014,971**	**869,339**
Less allowance for doubtful accounts	(67)	(67)	-	-
Net	**231**	**223**	**1,014,971**	**869,339**
Bad and doubtful debts expense for the year	-	-	-	-

Accrued income - related parties	**Consolidated financial statements**		**Separate financial statements**	
	2016	2015	2016	2015
	(in thousand Baht)			
Subsidiaries and indirect subsidiaries	-	-	65,488	61,214
Other related party	-	6	-	6
Total	**-**	**6**	**65,488**	**61,220**

Other receivables from related parties	**Consolidated financial statements**		**Separate financial statements**	
	2016	2015	2016	2015
	(in thousand Baht)			
Subsidiaries and indirect subsidiaries	-	-	887,353	599,796
Associate	349	335	-	-
Other related parties	17,345	17,488	-	143
	17,694	**17,823**	**887,353**	**599,939**
Less allowance for doubtful accounts	(17,345)	(17,345)	-	-
Net	**349**	**478**	**887,353**	**599,939**
Bad and doubtful debts expense for the year	-	-	-	-

Movements during the years ended 31 December of short-term loan to related party were as follows:

Short-term loan to related party	**Consolidated financial statements**		**Separate financial statements**	
	2016	2015	2016	2015
	(in thousand Baht)			
Subsidiary				
At 1 January	-	-	-	42,000
Decrease	-	-	-	(42,000)
At 31 December	-	-	-	-

Trade accounts payable - related parties	**Consolidated financial statements**		**Separate financial statements**	
	2016	2015	2016	2015
	(in thousand Baht)			
Subsidiaries and indirect subsidiaries	-	-	1,495,243	1,142,322
Associate	8	64	-	64
Total	**8**	**64**	**1,495,243**	**1,142,386**

Other payables - related parties	**Consolidated financial statements**		**Separate financial statements**	
	2016	2015	2016	2015
	(in thousand Baht)			
Subsidiaries and indirect subsidiaries	-	-	24,862	27,966
Associate	12	2	-	-
Total	**12**	**2**	**24,862**	**27,966**

Accrued expenses - related parties	**Consolidated financial statements**		**Separate financial statements**	
	2016	2015	2016	2015
	(in thousand Baht)			
Subsidiaries	**-**	**-**	**399,703**	**401,729**

Significant agreements with related parties

Short-term loan agreement

The Company entered into a short-term loan agreement with a subsidiary ("WPS (Thailand) Co., Ltd.") amounted to Baht 42 million. The loan was a promissory note and repayable at call. This loan bears interest at the average Minimum Loan Rate (average MLR) of loans of the Company from various financial institutions plus 0.5% per annum. The Company fully received the loan repayment during 2015.

Other agreements

The Company entered into agreements with subsidiaries and indirect subsidiaries to provide services in relation to management, operations, marketing and other services. The Company will receive the service fees as specified in the agreements.

5 Cash and cash equivalents

	Consolidated financial statements		**Separate financial statements**	
	2016	2015	2016	2015
	(in thousand Baht)			
Cash on hand	1,664	1,719	288	225
Cash at banks - current accounts	3,901	3,497	1,136	2,336
Cash at banks - savings accounts	106,597	85,116	25,344	15,197
Highly liquid short-term investments	121,532	117,193	-	-
Total	**233,694**	**207,525**	**26,768**	**17,758**

Cash and cash equivalents of the Group and the Company as at 31 December 2016 and 2015 were denominated entirely in Thai Baht.

6 Other investments

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	(in thousand Baht)			
Current investments				
Short-term deposits at financial institutions	3,630	257,581	-	-
Promissory notes	195,148	539,500	-	-
Debt securities held for trading	223,598	25,069	49,289	3
	422,376	**822,150**	**49,289**	**3**
Other long-term investments				
Equity securities available for sale	2,800	2,776	2,800	2,776
Other non-marketable equity securities	4,616	7,566	4,616	7,566
	7,416	**10,342**	**7,416**	**10,342**
Total	**429,792**	**832,492**	**56,705**	**10,345**

Other investments of the Group and the Company as at 31 December 2016 and 2015 were denominated entirely in Thai Baht.

As at 31 December 2016, the Group entered into short-term loan agreements with local financial institutions amounting to Baht 195.15 million *(2015: Baht 539.50 million)*. The loans were promissory notes and were repayable over 6 - 9 months *(2015: 4 months - 1 year)*. The loans bear interest at the rate of 1.65% - 6.00% per annum *(2015: 1.80% - 4.40% per annum)*.

Movements during the years ended 31 December of marketable equity and debt securities were as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	(in thousand Baht)			
Current investment				
Trading securities				
At 1 January	25,069	-	3	-
Purchases during the year	1,301,400	185,516	308,000	29,802
Sales during the year	(1,103,152)	(160,452)	(258,728)	(29,799)
Valuation adjustment	281	5	14	-
At 31 December	**223,598**	**25,069**	**49,289**	**3**
Other long-term investment				
Available for sale securities				
At 1 January	2,776	39,714	2,776	39,714
Sales during the year	-	(570)	-	(570)
Valuation adjustment	24	(36,368)	24	(36,368)
At 31 December	**2,800**	**2,776**	**2,800**	**2,776**

7 Trade accounts receivable

		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
		(in thousand Baht)			
Related parties	*4*	298	290	1,014,971	869,339
Other parties		471,982	664,458	192,923	252,430
Total		**472,280**	**664,748**	**1,207,894**	**1,121,769**
Less allowance for doubtful accounts		(65,475)	(64,889)	(34,374)	(32,844)
allowance for goods return		(8,756)	(11,302)	(5,281)	(5,817)
Net		**398,049**	**588,557**	**1,168,239**	**1,083,108**
Bad and doubtful debts expense for the year		**7,354**	**5,482**	**3,960**	**3,670**

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	(in thousand Baht)			
Related parties				
Within credit terms	231	223	164,711	26,140
Overdue:				
Less than 3 months	-	-	45,935	86,240
3-6 months	-	-	115,356	152,922
6-12 months	-	-	167,921	192,504
Over 12 months	67	67	521,048	411,533
	298	**290**	**1,014,971**	**869,339**
Less allowance for doubtful accounts	(67)	(67)	-	-
	231	**223**	**1,014,971**	**869,339**
Other parties				
Within credit terms	214,457	298,564	77,667	35,000
Overdue:				
Less than 3 months	158,507	261,368	58,195	157,806
3-6 months	22,011	29,703	15,460	21,959
6-12 months	10,061	7,229	6,531	3,548
Over 12 months	66,946	67,594	35,070	34,117
	471,982	**664,458**	**192,923**	**252,430**
Less allowance for doubtful accounts	(65,408)	(64,822)	(34,374)	(32,844)
allowance for goods return	(8,756)	(11,302)	(5,281)	(5,817)
	397,818	**588,334**	**153,268**	**213,769**
Net	**398,049**	**588,557**	**1,168,239**	**1,083,108**

The normal credit term granted by the Group ranges from 7 days to 90 days.

Trade accounts receivable of the Group and the Company as at 31 December 2016 and 2015 were denominated entirely in Thai Baht.

8 Other receivables

		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
		(in thousand Baht)			
Related parties	*4*	**349**	**478**	**887,353**	**599,939**
Other parties					
Other receivables		56,598	58,055	53,160	55,708
Prepaid expenses		78,362	65,399	34,397	39,051
Advance to employees		2,198	7,477	500	3,475
Others		72	2,789	-	-
		137,230	**133,720**	**88,057**	**98,234**
Less allowance for doubtful accounts		(47,737)	(48,372)	(47,737)	(48,372)
		89,493	**85,348**	**40,320**	**49,862**
Total		**89,842**	**85,826**	**927,673**	**649,801**

9 Inventories

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	(in thousand Baht)			
Finished Goods	86,629	281,818	-	526
Raw materials	30,444	44,324	24,255	36,257
Store, supplies and others	8,554	10,620	289	280
Work in progress	9,619	10,571	-	-
Raw materials in transit	1,680	32,635	1,680	32,635
Total	**136,926**	**379,968**	**26,224**	**69,698**
Inventories recognised as an expense in 'cost of sale of goods and rendering of services':				
- Cost of sale of goods and rendering of services	2,065,260	2,206,873	232,681	274,259
- Write-down to net realisable value	-	3,042	-	-
- Reversal of write-down	(64,800)	-	-	-
Net total	**2,000,460**	**2,209,915**	**232,681**	**274,259**

At the Board of Director's meeting of a subsidiary ("Nation International Edutainment Public Company Limited") held on 3 August 2016, the Board of Directors of the subsidiary approved the business restructuring of the publishing and distributing of publications of a subsidiary and an indirect subsidiary (together referred to as "group of subsidiary"). The management of the group of subsidiary involved judgement in the classification of inventories based on its distribution channel and future business plan and recognised loss on decline in value of inventories for the year ended 31 December 2016 amounting to Baht 193.48 million in the consolidated statement of comprehensive income as disclosed in Note 13.

10 Other current assets

		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
		(in thousand Baht)			
Input value added tax pending		178,716	154,061	89,096	66,182
Withholding tax deducted at source		59,751	45,770	21,492	24,761
Refundable value added tax		139,104	82,861	-	-
Programme licences	*18*	1,837	5,382	-	-
Others		1,902	3	1,406	-
Total		**381,310**	**288,077**	**111,994**	**90,943**

11 Restricted deposits

As at 31 December 2016, fixed deposits of subsidiary and indirect subsidiary of Baht 0.86 million *(2015: Baht 2.68 million)* have been pledged as collateral for letters of guarantee issued by a local financial institution.

12 Investment in associate

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	(in thousand Baht)			
At 1 January	22,076	21,756	1,800	1,800
Share of net profit of associate	1,080	320	-	-
At 31 December	**23,156**	**22,076**	**1,800**	**1,800**

During the year ended 31 December 2016 there were no acquisitions and disposals of investment in associate.

Investment in associate as at 31 December 2016 and 2015, and dividend income from the investment for the years then ended was as follows:

				Consolidated financial statements / Separate financial statements							
Name of associate	Type of business	Ownership Interest		Paid-up capital		Cost		Equity		Dividend income	
		2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
		(%)				*(in thousand Baht)*					
Yomiuri-Nation Information Service Limited	Advertising agency	45.00	45.00	4,000	4,000	**1,800**	**1,800**	**23,156**	**22,076**	**-**	**-**

Associate was incorporate in Thailand. None of the Group's associate is publicly listed and consequently does not have published price quotations.

The following table summarises the financial information of the associate 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 these companies.

	Associate	
	2016	2015
	(in thousand Baht)	
Revenue	18,135	13,925
Net profit (100%)	2,401	710
Group's share of total net profit (45% hold)	**1,080**	**320**
Current assets	10,541	26,885
Non-current assets	42,686	23,862
Current liabilities	(1,108)	(1,021)
Non-current liabilities	(661)	(668)
Net assets (100%)	51,458	49,058
Group's share of net assets (45% hold)	23,156	22,076
Carrying amount of interest in associate	**23,156**	**22,076**

13 Investments in subsidiaries

	Separate financial statements	
	2016	2015
	(in thousand Baht)	
At 1 January	2,993,311	2,504,415
Acquisitions	653,000	504,787
Disposals	(18,432)	(15,891)
At 31 December	**3,627,879**	**2,993,311**

Business restructuring of the group of subsidiary

At the Board of Directors' meeting of a subsidiary ("Nation International Edutainment Public Company Limited") held on 3 August 2016, the Board of Directors of the subsidiary approved the business restructuring of the publishing and distributing of publications of a subsidiary and an indirect subsidiary (together referred to as "a group of subsidiary") in accordance with the current situation. As a results, the group of subsidiary recognised loss on decline in value of inventories and written-off the licences for publications for the year ended 31 December 2016 amounting to Baht 193.48 million and Baht 10.97 million in the consolidated statement of comprehensive income, respectively. Currently, the group of subsidiary is in process of discussing and assessing the business valuation by business alliances for the investment.

The merger of the indirect subsidiaries

At the Board of Directors' meeting of a subsidiary ("Nation International Edutainment Public Company Limited.") held on 10 February 2016, the Board of Directors of the subsidiary approved the merger of indirect subsidiaries, Nation Global Edutainment Co., Ltd. and Nation Edutainment Co., Ltd., which was the entire business transfer under the common controls for the restructuring of the group of subsidiary's business operations.

Pursuant to the terms of the entire business transfer agreement, Nation Edutainment Co., Ltd. agreed to transfer its entire assets and liabilities to Nation Global Edutainment Co., Ltd., which Nation Global Edutainment Co., Ltd. paid the compensation of Baht 47 million to Nation Edutainment Co., Ltd. at the transfer date on 30 June 2016. Thereafter, Nation Edutainment Co., Ltd. registered the liquidation with the Ministry of Commerce on 30 June 2016 and completed the liquidation on 17 October 2016.

Acquisitions

2016

At the extraordinary meeting of the shareholders of an indirect subsidiary ("Nation Global Edutainment Co., Ltd.") held on 1 June 2016, the shareholders of the indirect subsidiary approved an increase in the registered share capital from Baht 50 million (divided into 50,000 ordinary shares at Baht 1,000 per share) to Baht 97 million (divided into 97,000 shares at Baht 1,000 per share) to the shareholders of an indirect subsidiary ("Nation Edutainment Co., Ltd."). The indirect subsidiary has fully received the paid-up share capital on 30 June 2016 and registered the increase in share capital with the Ministry of Commerce on 4 July 2016.

At the extraordinary meeting of the shareholders of a subsidiary ("Nation U Co., Ltd.") held on 12 July 2016, the shareholders of the subsidiary approved an increase in the registered share capital from Baht 170 million (divided into 17,000,000 ordinary shares at Baht 10 per share) to Baht 340 million (divided into 34,000,000 ordinary shares at Baht 10 per share) and called up 50% of share capital amounting to Baht 85 million by offering to the existing shareholders proportionately. The Company invested in ordinary shares of the subsidiary amounting to Baht 76.50 million. The subsidiary registered the increase in share capital with the Ministry of Commerce on 26 July 2016.

At the extraordinary meeting of the shareholders of an indirect subsidiary ("NBC Next Vision Co., Ltd.") held on 8 September 2016, the shareholders of the indirect subsidiary approved an increase in the registered share capital from Baht 500 million (divided into 50,000,000 ordinary shares at Baht 10 per share) to Baht 800 million (divided into 80,000,000 ordinary shares at Baht 10 per share) by offering to the existing shareholders proportionately. A subsidiary ("Nation Broadcasting Corporation Public Company Limited") invested in ordinary shares of the indirect subsidiary amounting to Baht 300 million. The indirect subsidiary registered the increase in share capital with the Ministry of Commerce on 21 September 2016.

At the Board of Directors' meeting of a subsidiary ("Nation U Co., Ltd.") held on 17 November 2016, the Board of Directors approved to call up additional 50% of share capital amounting to Baht 85 million. The Company invested in ordinary shares of the subsidiary amounting to Baht 76.50 million. The subsidiary registered the increase in share capital with the Ministry of Commerce on 16 December 2016.

At the extraordinary meeting of the shareholders of a subsidiary ("Bangkok Business Broadcasting Co., Ltd.") held on 13 December 2016, the shareholders of the subsidiary approved an increase in the registered share capital from Baht 1,000 million (100,000,000 ordinary shares at Baht 10 per share) to Baht 1,500 million (150,000,000 ordinary shares at Baht 10 per share) by offering to the existing shareholders proportionately. The Company invested in ordinary shares of the subsidiary amounting to Baht 500 million. The subsidiary registered the increase in share capital with the Ministry of Commerce on 28 December 2016.

2015

During 2015, the Company made an additional investment in ordinary shares of a subsidiary ("Nation Broadcasting Corporation Public Company Limited") totalling 1,541,400 shares for a consideration of Baht 4.79 million, resulting in an increase in the Company's proportionate share of investment in the subsidiary from 71.26% to 71.45% of the issued and paid-up share capital.

At the extraordinary meeting of the shareholders of a subsidiary ("Bangkok Business Broadcasting Co., Ltd.") held on 17 September 2015, the shareholders of the subsidiary approved an increase in the registered share capital from Baht 500 million (divided into 50,000,000 ordinary shares at Baht 10 per share) to Baht 1,000 million (divided into 100,000,000 ordinary shares at Baht 10 per share) by offering to the existing shareholders proportionately. The Company invested in ordinary shares of the subsidiary amounting to Baht 500 million, resulting in an increase in the Company's proportionate share of investment in the subsidiary from 99.80% to 99.90% of the issued and paid-up share capital. The subsidiary registered the increase in share capital with the Ministry of Commerce on 25 September 2015.

At the extraordinary meeting of the shareholders of an indirect subsidiary ("NBC Next Vision Co., Ltd.") held on 17 September 2015, the shareholders of the indirect subsidiary approved an increase in the registered share capital from Baht 300 million (divided into 30,000,000 ordinary shares at Baht 10 per share) to Baht 500 million (divided into 50,000,000 ordinary shares at Baht 10 per share) by offering to the existing shareholders proportionately. A subsidiary ("Nation Broadcasting Corporation Public Company Limited") invested in ordinary shares of the indirect subsidiary amounting to Baht 200 million. The indirect subsidiary registered the increase in share capital with the Ministry of Commerce on 24 September 2015.

Disposals

2015

At the extraordinary meeting of a shareholders of an indirect subsidiary ("Nine Be Bright Co., Ltd.") held on 7 October 2015, the resolution was passed to approve the liquidation of the indirect subsidiary. The indirect subsidiary registered the liquidation with the Ministry of Commerce on 20 October 2015 and completed to liquidate on 23 December 2015. The Group recognised a loss of Baht 0.59 million on disposal of such investment in the consolidated statements of comprehensive income for the year ended 31 December 2015.

Partial disposal of interest in subsidiary without a change of control

During 2016, the Company sold part of investment in a subsidiary ("Nation International Edutainment Public Company Limited") by 4.14% amounting to Baht 13.98 million, resulting in a decrease in the Company's proportionate of investment in the subsidiary from 76.49% to 72.35% of the issued and paid-up share capital, whilst retaining control over the subsidiary. The Group and the Company recognised gain and loss on sale of the investment of Baht 1.21 million and Baht 4.46 million, in the consolidated statement of changes in equity and separate statement of comprehensive income for the year ended 31 December 2016, respectively.

The following summarises the effect of the change in the Group's ownership interest in Nation International Edutainment Public Company Limited:

	2016
	(in thousand Baht)
Group's ownership interest at 1 January	372,962
Effect of decrease in Group's ownership interest	(12,769)
Share of comprehensive income	(165,314)
Group's ownership interest at 31 December	**194,879**

During 2015, the Company sold part of investment in a subsidiary ("Nation International Edutainment Public Company Limited") amounting to Baht 49.49 million, resulting in a decrease in the Company's proportionate of investment in the subsidiary from 80.06% to 76.49% of the issued and paid-up share capital, whilst retaining control over the subsidiary. The Group and the Company recognised gain and loss on sale of the investment of Baht 31.35 million and Baht 33.61 million in the consolidated and separate financial statements for the year ended 31 December 2015, respectively.

Dividends

2016

At the annual general meeting of the shareholders of a subsidiary ("Nation International Edutainment Public Company Limited") held on 25 April 2016, the shareholders of the subsidiary approved the appropriation of dividends from the 2015 operating results of Baht 0.022 per share, amounting to Baht 3.74 million. The dividends were paid to the shareholders in May 2016.

At the annual general meeting of the shareholders of a subsidiary ("Nation Broadcasting Corporation Public Company Limited") held on 26 April 2016, the shareholders of the subsidiary approved the appropriation of dividends from the 2015 operating results of Baht 0.08 per share, amounting to Baht 42.84 million. The dividends were paid to the shareholders in May 2016.

At the annual general meeting of the shareholders of a subsidiary ("Krungthep Turakij Media Co., Ltd.") held on 27 April 2016, the shareholders of the subsidiary approved the appropriation of dividends from the 2015 operating results of Baht 195 per share, amounting to Baht 48.75 million. The dividends were paid to the shareholders in May 2016.

At the annual general meeting of the shareholders of a subsidiary ("WPS (Thailand) Co., Ltd.") held on 28 April 2016, the shareholders of the subsidiary approved the appropriation of dividends from the 2015 operating results of Baht 0.50 per share, amounting to Baht 25 million. The dividends were paid to the shareholders in May 2016.

2015

At the annual general meeting of the shareholders of a subsidiary ("Nation Broadcasting Corporation Public Company Limited") held on 27 April 2015, the shareholders of the subsidiary approved the appropriation of dividends from the 2014 operating results of Baht 0.08 per share, amounting to Baht 42.78 million. The dividends of Baht 0.06 per share, amounting to Baht 32.08 million were paid to the shareholders as the interim dividends during 2014. The remaining dividends of Baht 0.02 per share, amounting to 10.70 million were paid to the shareholders in May 2015.

At the annual general meeting of the shareholders of a subsidiary ("Nation International Edutainment Public Company Limited") held on 28 April 2015, the shareholders of the subsidiary approved the appropriation of dividends from the 2014 operating results of Baht 0.07 per share, amounting to Baht 11.90 million. The dividends were paid to the shareholders in May 2015.

At the annual general meeting of the shareholders of a subsidiary ("WPS (Thailand) Co., Ltd.") held on 30 April 2015, the shareholders of the subsidiary approved the appropriation of dividends from the 2014 operating results of Baht 0.50 per share, amounting to Baht 25 million. The dividends were paid to the shareholders in May 2015.

Impairment testing

Management of the Company performed impairment test of carrying amount of investments in subsidiaries. The recoverable amount was based on its value in use, determined by discounted future cash flows to be generated according to the business plan and discount rate which is calculated by weighted average cost of capital.

These assumptions were based on management's judgement and based on the 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.

Based on the impairment test, the recoverable amount was higher than its carrying amount. Therefore, the Group did not recognise impairment loss.

Investments in subsidiaries as at 31 December 2016 and 2015, and dividend income from those investments for the year then ended were as follows:

		Separate financial statements											
Name of subsidiaries	Type of business	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income	
		2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
		(%)		*(in thousand Baht)*									
Nation Broadcasting Corporation Public Company Limited	Production of TV and radio programmes and providing advertisements through TV media, radio media, and new media forms	71.45	71.45	535,437	535,437	989,589	989,589	-	-	989,589	989,589	30,604	7,620
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	72.35	76.49	170,048	170,048	322,192	340,624	-	-	322,192	340,624	2,862	9,169
Nation News Network Co., Ltd.	Publishing and distribution of English newspaper, publishing, digital media publishing and advertising media	99.99	99.99	50,000	50,000	50,000	50,000	-	-	50,000	50,000	-	-
NML Co., Ltd.	Delivery of newspaper and publishing	99.99	99.99	50,000	50,000	50,000	50,000	40,000	40,000	10,000	10,000	-	-
Kom Chad Luek Media Co., Ltd.	Publishing and distribution of newspaper, publishing, digital media publishing and advertising media	99.99	99.99	25,000	25,000	99,990	99,990	96,392	96,392	3,598	3,598	-	-
Krungthep Turakij Media Co., Ltd.	Publishing and distribution of newspaper, publishing, digital media publishing and advertising media	99.99	99.99	25,000	25,000	25,000	25,000	-	-	25,000	25,000	48,750	-

		Separate financial statements											
Name of subsidiaries	Type of business	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income	
		2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
		(%)						*(in thousand Baht)*					
Bangkok Business Broadcasting Co., Ltd.	Production of TV programmes and providing advertisements through TV media	99.90	99.90	1,500,000	1,000,000	1,499,000	999,000	-	-	1,499,000	999,000	-	-
Nation U Co., Ltd.	Establish a private university and academic training	90.00	90.00	340,000	170,000	306,000	153,000	-	-	306,000	153,000	-	-
WPS (Thailand) Co., Ltd.	Production of newspaper, and books and publishing service	84.50	84.50	500,000	500,000	422,500	422,500	-	-	422,500	422,500	21,125	21,125
Total						**3,764,271**	**3,129,703**	**136,392**	**136,392**	**3,627,879**	**2,993,311**	**103,341**	**37,914**

All subsidiaries were incorporated in Thailand.

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 and Nation International Edutainment Public Company Limited which are listed on the Market for Alternative Investment. Based on the closing price of Baht 1.82 and Baht 1.57, respectively, as at 31 December 2016 *(2015: Baht 2.60 and Baht 2.30, respectively)*, the fair value of the Group's investments in the said companies were Baht 696.25 million and Baht 193.16 million, respectively *(2015: Baht 994.64 million and Baht 299.15 million, respectively).*

14 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:

	31 December 2016				
	Nation Broadcasting Corporation Public Company Limited	Nation International Edutainment Public Company Limited	Other individually immaterial subsidiaries	Intra-group eliminations	**Total**
			(in thousand Baht)		
Non-controlling interest percentage	28.55%	27.65%			
Current assets	602,137	353,256			
Non-current assets	1,241,745	23,237			
Current liabilities	(394,454)	(97,099)			
Non-current liabilities	(469,299)	(12,255)			
Net assets	**980,129**	**267,139**			
Carrying amount of non-controlling interest	279,827	73,864	124,478	(150,871)	**327,298**
Revenue	536,524	182,214			
Profit (loss)	(275,463)	(213,857)			
Other comprehensive income (loss)	(19,124)	(2,584)			
Total comprehensive income (loss)	**(294,587)**	**(216,441)**			
Profit (loss) allocated to non-controlling interest	(78,645)	(59,131)	(106)	(301)	**(138,183)**
Other comprehensive income allocated to non-controlling interest	(5,460)	(714)	123	3,195	**(2,856)**

	31 December 2016				
	Nation Broadcasting Corporation Public Company Limited	Nation International Edutainment Public Company Limited	Other individually immaterial subsidiaries	Intra-group eliminations	**Total**
			(in thousand Baht)		
Cash flows from operating activities	(77,607)	(43,717)			
Cash flows from investing activities	176,195	10,352			
Cash flows from financing activities	(47,348)	(14,211)			
Net increase (decrease) in cash and cash equivalents	**51,240**	**(47,576)**			
Dividends to non-controlling interest	12,231	879	3,875	-	**16,985**

	31 December 2015				
	Nation Broadcasting Corporation Public Company Limited	Nation International Edutainment Public Company Limited	Other individually immaterial subsidiaries	Intra-group eliminations	**Total**
			(in thousand Baht)		
Non-controlling interest percentage	28.55%	23.51%			
Current assets	1,104,687	603,161			
Non-current assets	1,335,087	56,241			
Current liabilities	(444,445)	(163,374)			
Non-current liabilities	(678,829)	(8,994)			
Net assets	**1,316,500**	**487,034**			
Carrying amount of non-controlling interest	375,861	114,502	110,842	(146,188)	**455,017**
Revenue	846,151	227,623			
Profit (loss)	(20,558)	(18,533)			
Other comprehensive income (loss)	(47,153)	-			
Total comprehensive income (loss)	**(67,711)**	**(18,533)**			
Profit (loss) allocated to non-controlling interest	(5,869)	(4,357)	1,817	17,030	**8,621**
Other comprehensive income allocated to non-controlling interest	(13,462)	-	-	13,462	-

	31 December 2015				
	Nation Broadcasting Corporation Public Company Limited	Nation International Edutainment Public Company Limited	Other individually immaterial subsidiaries	Intra-group eliminations	**Total**
			(in thousand Baht)		
Cash flows from operating activities	12,321	6,805			
Cash flows from investing activities	(279,846)	(148,334)			
Cash flows from financing activities	(14,080)	(12,557)			
Net decrease in cash and cash equivalents	**(281,605)**	**(154,086)**			
Dividends to non-controlling interest	3,074	2,734	3,875	-	**9,683**

15 Long-term investment in related party

Long-term investment in related party as at 31 December 2016 and 2015, and dividend income from the investment for the year then ended was as follows:

		Consolidated financial statements													
	Type of business	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income			
		2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015		
		(%)				*(in thousand Baht)*									
Thai Portal Co., Ltd.	Internet services	19.00	19.00	100,000	100,000	**6,092**	**6,092**	**6,092**	**6,092**	**-**	**-**	**-**	**-**		

16 Investment properties

	Consolidated financial statements			Separate financial statements		
	Land	Condominium and improvements	Total	Land	Condominium and improvements	Total
Cost						
At 1 January 2015	44,678	-	44,678	44,678	-	44,678
At 31 December 2015 and 1 January 2016	**44,678**	**-**	**44,678**	**44,678**	**-**	**44,678**
Additions	-	31,145	31,145	-	20,006	20,006
At 31 December 2016	**44,678**	**31,145**	**75,823**	**44,678**	**20,006**	**64,684**
Depreciation and impairment losses						
At 1 January 2015	6,678	-	6,678	6,678	-	6,678
Reversal of impairment losses	(6,678)	-	(6,678)	(6,678)	-	(6,678)
At 31 December 2015 and 1 January 2016	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation charge for the year	-	376	376	-	189	189
At 31 December 2016	**-**	**376**	**376**	**-**	**189**	**189**
Net book value						
At 1 January 2015	**38,000**	**-**	**38,000**	**38,000**	**-**	**38,000**
At 31 December 2015 and 1 January 2016	**44,678**	**-**	**44,678**	**44,678**	**-**	**44,678**
At 31 December 2016	**44,678**	**30,769**	**75,447**	**44,678**	**19,817**	**64,495**

Investment property, which is land, was revalued as at 31 December 2016 and 2015 by Knight Frank Chartered (Thailand) Co., Ltd., a firm of independent professional valuers, at open market values on an existing use basis. The appraised value was Baht 48.60 million *(2015: Baht 48.60 million)*.

During 2016, the Group and the Company received barter condominium and improvements from rendering of services totalling Baht 31.15 million and Baht 20.01 million, respectively. The Group believes that fair value of investment property, which is condominium and improvements, is not different from the acquisition date, therefore, the Group did not determine the fair value by external independent property valuer as at 31 December 2016.

Measurement of fair value

Fair value hierarchy

The fair value of investment property 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 independent valuers provide the fair value of the Company’s investment property portfolio every 3 years.

The fair value measurement for investment property of Baht 48.60 million 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
Comparative method	Quoted market prices of similar land that are observable and in the similar area.	The estimated fair value will increase (decrease) if the rate per square increase (decrease).

17 Property, plant and equipment

	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
	Consolidated financial statements								
					(in thousand Baht)				
Cost									
At 1 January 2015	589,351	556,775	111,832	847,417	388,302	287,510	64,894	81,788	2,927,869
Additions	-	379	6,921	26	26,478	14,014	22,554	83,503	153,875
Transfers	-	4,719	49,888	-	107,665	1,655	-	(163,927)	-
Disposals / written-off	-	-	(1,336)	-	(136,250)	(18,612)	(6,692)	(1,234)	(164,124)
At 31 December 2015 and 1 January 2016	**589,351**	**561,873**	**167,305**	**847,443**	**386,195**	**284,567**	**80,756**	**130**	**2,917,620**
Additions	1,003	22,270	598	470	7,414	5,240	9,320	1,151	47,466
Transfers	-	-	167	-	480	-	-	(647)	-
Disposals / written-off	-	-	(12,260)	-	(630)	(9,812)	(2,554)	-	(25,256)
At 31 December 2016	**590,354**	**584,143**	**155,810**	**847,913**	**393,459**	**279,995**	**87,522**	**634**	**2,939,830**
Depreciation									
At 1 January 2015	8,993	250,011	42,743	421,893	252,871	222,885	27,524	-	1,226,920
Depreciation charge for the year	800	31,457	19,106	53,073	56,596	30,069	11,984	-	203,085
Disposals / written-off	-	-	(1,306)	-	(135,202)	(17,692)	(4,604)	-	(158,804)
At 31 December 2015 and 1 January 2016	**9,793**	**281,468**	**60,543**	**474,966**	**174,265**	**235,262**	**34,904**	**-**	**1,271,201**
Depreciation charge for the year	807	32,727	23,241	50,472	54,769	25,320	14,748	-	202,084
Disposals / written-off	-	-	(7,349)	-	(384)	(8,747)	(2,496)	-	(18,976)
At 31 December 2016	**10,600**	**314,195**	**76,435**	**525,438**	**228,650**	**251,835**	**47,156**	**-**	**1,454,309**

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
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	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)				
Net book value									
At 1 January 2015									
Owned assets	580,358	306,764	69,089	425,524	135,431	60,363	37,370	81,788	1,696,687
Assets under finance leases	-	-	-	-	-	4,262	-	-	4,262
	580,358	**306,764**	**69,089**	**425,524**	**135,431**	**64,625**	**37,370**	**81,788**	**1,700,949**
At 31 December 2015 and 1 January 2016									
Owned assets	579,558	280,405	106,762	372,477	211,930	47,921	45,852	130	1,645,035
Assets under finance leases	-	-	-	-	-	1,384	-	-	1,384
	579,558	**280,405**	**106,762**	**372,477**	**211,930**	**49,305**	**45,852**	**130**	**1,646,419**
At 31 December 2016									
Owned assets	579,754	269,948	79,375	322,475	164,809	27,653	40,366	634	1,485,014
Assets under finance lease	-	-	-	-	-	507	-	-	507
	579,754	**269,948**	**79,375**	**322,475**	**164,809**	**28,160**	**40,366**	**634**	**1,485,521**

	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
					(in thousand Baht)				
Cost									
At 1 January 2015	342,532	28,361	55,820	1,635	15,624	193,563	43,743	5,374	686,652
Additions	-	-	3,603	-	29,530	3,458	11,990	50,186	98,767
Transfers	-	-	24,557	-	28,871	898	-	(54,326)	-
Disposals	-	-	-	-	(225)	(7,529)	(3,018)	(1,234)	(12,006)
At 31 December 2015 and 1 January 2016	**342,532**	**28,361**	**83,980**	**1,635**	**73,800**	**190,390**	**52,715**	**-**	**773,413**
Additions	-	10,731	598	-	2,915	1,408	500	-	16,152
Disposals / written-off	-	-	(11,812)	-	(131)	(5,347)	(2,015)	-	(19,305)
At 31 December 2016	**342,532**	**39,092**	**72,766**	**1,635**	**76,584**	**186,451**	**51,200**	**-**	**770,260**
Depreciation									
At 1 January 2015	113	4,866	19,083	710	1,492	162,027	21,610	-	209,901
Depreciation charge for the year	114	1,254	9,615	163	12,133	14,605	7,737	-	45,621
Disposals	-	-	-	-	(34)	(7,496)	(2,803)	-	(10,333)
At 31 December 2015 and 1 January 2016	**227**	**6,120**	**28,698**	**873**	**13,591**	**169,136**	**26,544**	**-**	**245,189**
Depreciation charge for the year	114	1,618	12,725	164	14,807	11,624	8,741	-	49,793
Disposals / written-off	-	-	(6,914)	-	(51)	(5,087)	(2,015)	-	(14,067)
At 31 December 2016	**341**	**7,738**	**34,509**	**1,037**	**28,347**	**175,673**	**33,270**	**-**	**280,915**

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2016

	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
					(in thousand Baht)				
Net book value									
At 1 January 2015									
Owned assets	342,419	23,495	36,737	925	14,132	27,274	22,133	5,374	472,489
Assets under finance leases	-	-	-	-	-	4,262	-	-	4,262
	342,419	**23,495**	**36,737**	**925**	**14,132**	**31,536**	**22,133**	**5,374**	**476,751**
At 31 December 2015 and 1 January 2016									
Owned assets	342,305	22,241	55,282	762	60,209	19,870	26,171	-	526,840
Assets under finance leases	-	-	-	-	-	1,384	-	-	1,384
	342,305	**22,241**	**55,282**	**762**	**60,209**	**21,254**	**26,171**	**-**	**528,224**
At 31 December 2016									
Owned assets	342,191	31,354	38,257	598	48,237	10,271	17,930	-	488,838
Assets under finance lease	-	-	-	-	-	507	-	-	507
	342,191	**31,354**	**38,257**	**598**	**48,237**	**10,778**	**17,930**	**-**	**489,345**

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 2016 amounted to Baht 421.35 million and Baht 151.94 million, respectively *(2015: Baht 348.11 million and Baht 138.36 million, respectively).*

Security

At 31 December 2016, the Group's and the Company's properties with a net book value of Baht 791.07 million and Baht 354.05 million, respectively *(2015: Baht 833.27 million and Baht 354.05 million, respectively)* were secured partial credit facilities from a financial institution (see note 22) and a bank guarantee from a financial institution (see note 45).

18 Intangible assets

	Note	Consolidated financial statements 2016	Consolidated financial statements 2015	Separate financial statements 2016	Separate financial statements 2015
		(in thousand Baht)			
Current portion included in "other current assets"	*10*	1,837	5,382	-	-
Non-current portion		174,142	115,517	7,511	11,691
Total		**175,979**	**120,899**	**7,511**	**11,691**

Consolidated financial statements

	Computer programmes and software licences	Licence fees - books	Rights for broadcasting	Trademark	Computer programmes under installation	Total
			(in thousand Baht)			
Cost						
At 1 January 2015	230,372	170,992	83,853	700	3,084	489,001
Additions	2,519	11,909	115,815	-	694	130,937
Transfers	3,778	-	-	-	(3,778)	-
Written-off	-	(98,727)	(73,764)	-	-	(172,491)
At 31 December 2015 and 1 January 2016	**236,669**	**84,174**	**125,904**	**700**	**-**	**447,447**
Additions	1,605	5,614	163,386	-	3,253	173,858
Written-off	-	(69,848)	(10,989)	-	-	(80,837)
At 31 December 2016	**238,274**	**19,940**	**278,301**	**700**	**3,253**	**540,468**
Amortisation						
At 1 January 2015	208,110	140,371	31,606	-	-	380,087
Amortisation charge for the year	12,952	21,265	84,686	49	-	118,952
Written-off	-	(98,727)	(73,764)	-	-	(172,491)
At 31 December 2015 and 1 January 2016	**221,062**	**62,909**	**42,528**	**49**	**-**	**326,548**
Amortisation charge for the year	7,512	10,471	88,393	49	-	106,425
Written-off	-	(57,495)	(10,989)	-	-	(68,484)
At 31 December 2016	**228,574**	**15,885**	**119,932**	**98**	**-**	**364,489**

	Consolidated financial statements					
	Computer programmes and software licences	Licence fees - books	Rights for broadcasting	Trademark	Computer programmes under installation	Total
			(in thousand Baht)			
Net book value						
At 1 January 2015	**22,262**	**30,621**	**52,247**	**700**	**3,084**	**108,914**
At 31 December 2015 and 1 January 2016	**15,607**	**21,265**	**83,376**	**651**	**-**	**120,899**
At 31 December 2016	**9,700**	**4,055**	**158,369**	**602**	**3,253**	**175,979**

	Separate Financial statements		
	Computer programmes and software licences	Computer programmes under installation	Total
		(in thousand Baht)	
Cost			
At 1 January 2015	217,627	3,084	220,711
Additions	759	694	1,453
Transfer	3,778	(3,778)	-
At 31 December 2015 and 1 January 2016	**222,164**	**-**	**222,164**
Additions	1,229	293	1,522
At 31 December 2016	**223,393**	**293**	**223,686**
Amortisation			
At 1 January 2015	199,507	-	199,507
Amortisation charge for the year	10,966	-	10,966
At 31 December 2015 and 1 January 2016	**210,473**	**-**	**210,473**
Amortisation charge for the year	5,702	-	5,702
At 31 December 2016	**216,175**	**-**	**216,175**
Net book value			
At 1 January 2015	**18,120**	**3,084**	**21,204**
At 31 December 2015 and 1 January 2016	**11,691**	**-**	**11,691**
At 31 December 2016	**7,218**	**293**	**7,511**

19 Digital television licences

	Consolidated financial statements
	(in thousand Baht)
Cost	
At 1 January 2015	3,135,672
At 31 December 2015 and 1 January 2016	**3,135,672**
At 31 December 2016	**3,135,672**
Amortisation	
At 1 January 2015	142,848
Amortisation for the year	209,045
At 31 December 2015 and 1 January 2016	**351,893**
Amortisation for the year	209,608
At 31 December 2016	**561,501**
Net book value	
At 1 January 2015	**2,992,824**
At 31 December 2015 and 1 January 2016	**2,783,779**
At 31 December 2016	**2,574,171**

A subsidiary ("Bangkok Business Broadcasting Co., Ltd."), was the winner of the auction for commercial digital terrestrial television licence ("licence") at national level for a variety standard definition channel category at a bid price of Baht 2,200 million (exclusive of VAT). The subsidiary was required to make payment of licence fee under the following payment conditions:

1) For the minimum bid price amounting to Baht 380 million, the payment is divided into 4 instalments and has to be made within 3 years from the date of acquiring the licence as specified by Nation Broadcasting and Telecommunications Commission ("NBTC").
2) For the exceeding amount of the minimum bid price amounting to Baht 1,820 million, the payment is divided into 6 instalments and has to be made within 5 years from the date of acquiring the licence as specified by NBTC.

The subsidiary paid the first instalment, which was 50% of minimum bid price and 10% of the exceeding of the minimum bid price, totalling Baht 334 million, excluded value added tax and net of guarantee deposit amounting to Baht 38 million on 29 October 2013. The subsidiary placed the letter of guarantee issued by financial institution for the remaining licence fee amounting to Baht 1,828 million to NBTC on 7 February 2014. Such remaining licence fee will be paid annually in the amount as specified in the agreement expiring on 25 April 2019.

As at 31 December 2016, the outstanding balance of letter of guarantee was Baht 1,130 million *(2015: Baht 1,532 million).*

An indirect subsidiary ("NBC Next Vision Co., Ltd."), was the winner of the auction for commercial digital terrestrial television licence ("licence") at national level for a news channel category at a bid price of Baht 1,338 million (exclusive of VAT). The indirect subsidiary was required to make payment of licence fee under the following payment conditions:

1) For the minimum bid price amounting to Baht 220 million, the payment is divided into 4 instalments and has to be made within 3 years from the date of acquiring the licence as specified by NBTC.
2) For the exceeding amount of the minimum bid price amounting to Baht 1,118 million, the payment is divided into 6 instalments and has to be made within 5 years from the date of acquiring the licence as specified by NBTC.

The indirect subsidiary paid the first instalment, which was 50% of minimum bid price and 10% of the exceeding of the minimum bid price, totalling Baht 199.80 million, excluded value added tax and net of guarantee deposit amounting to Baht 22 million on 29 October 2013. The indirect subsidiary placed the letter of guarantee issued by financial institution for the remaining licence fee amounting to Baht 1,116.20 million to NBTC on 7 February 2014. Such remaining licence fee will be paid annually in the amount as specified in the agreement expiring on 25 April 2019.

As at 31 December 2016, the outstanding balance of letter of guarantee was Baht 692.80 million *(2015: Baht 938.40 million).*

On 25 April 2014, the subsidiary and the indirect subsidiary received the commercial digital terrestrial television licences at national level for a period of 15 years, commencing from 25 April 2014 to 24 April 2029.

On 20 December 2016, National Council for Peace and Order (NCPO) issued and order under Section 44 to promote the business of radio broadcasting, television broadcasting and telecommunications for public interest. The order allows the licence holders, who were unable to comply with the initial terms and conditions of licence fees payments from the fourth instalment onwards, to extend the payment term by providing a written notification to NBTC in advance. In case NBTC deems the requests appropriate, those licence holders are able to pay the rest of licence fees in accordance with the terms and conditions within this order, which are extended. On 23 January 2017 and 24 January 2017, the subsidiary and the indirect subsidiary have provided the written notifications to NBTC for payments of the licence fees which are being given due consideration by NBTC.

Impairment test of Digital television licences

Management of the subsidiary and indirect subsidiary performed impairment test of currying amount of digital television licences ("licences"). The recoverable amount was based on its value in use, determined by discounted future cash flows the 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 discount rate was a pre-tax measure based on the rate of 10-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 the subsidiary and indirect subsidiary management's judgement and past experience 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.

Based on the impairment test, the recoverable amount was higher than its carrying amount. Therefore, the Group did not recongnise impairment loss in the consolidated financial statements.

20 Deferred tax

Deferred tax assets and liabilities as at 31 December were as follows:

	Consolidated financial statements			
	Assets		Liabilities	
	2016	2015	2016	2015
	(in thousand Baht)			
Total	126,450	272,879	35,306	27,783
Set off of tax	(14,397)	(9,957)	(14,397)	(9,957)
Net deferred tax assets (liabilities)	**112,053**	**262,922**	**20,909**	**17,826**

	Separate financial statements			
	Assets		Liabilities	
	2016	2015	2016	2015
	(in thousand Baht)			
Total	22,048	92,835	695	420
Set off of tax	(695)	(420)	(695)	(420)
Net deferred tax assets (liabilities)	**21,353**	**92,415**	**-**	**-**

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

	Consolidated financial statements			
		(Charged) / Credited to:		
	At 1 January 2016	Profit or loss	Other comprehensive income	**At 31 December 2016**
		(in thousand Baht)		
Deferred tax assets				
Trade accounts receivable	11,762	(1,056)	-	10,706
Marketable securities	1,063	-	(5)	1,058
Inventories	16,024	(4,967)	-	11,057
Other current assets	6,492	590	-	7,082
Provisions	31,938	(1,757)	2,393	32,574
Digital television licences	31,297	13,028	-	44,325
Loss carry forward	174,303	(154,655)	-	19,648
Total	**272,879**	**(148,817)**	**2,388**	**126,450**
Deferred tax liabilities				
Property, plant and equipment	27,783	7,290	-	35,073
Upfront fee of long-term loan from financial institution	-	233	-	233
Total	**27,783**	**7,523**	**-**	**35,306**
Net	**245,096**	**(156,340)**	**2,388**	**91,144**

	Consolidated financial statements			
		(Charged) / Credited to:		
	At 1 January 2015	Profit or loss	Other comprehensive income	**At 31 December 2015**
		(in thousand Baht)		
Deferred tax assets				
Trade accounts receivable	15,345	(3,583)	-	11,762
Marketable securities	-	-	1,063	1,063
Inventories	15,190	834	-	16,024
Other current assets	6,492	-	-	6,492
Investment property	1,336	(1,336)	-	-
Provisions	28,896	3,042	-	31,938
Share-based payments	3,008	(3,008)	-	-
Digital television licences	13,617	17,680	-	31,297
Loss carry forward	51,940	122,363	-	174,303
Total	**135,824**	**135,992**	**1,063**	**272,879**
Deferred tax liabilities				
Marketable securities	6,211	-	(6,211)	-
Property, plant and equipment	43	27,740	-	27,783
Upfront fee of long-term loans from financial institutions	289	(289)	-	-
Total	**6,543**	**27,451**	**(6,211)**	**27,783**
Net	**129,281**	**108,541**	**7,274**	**245,096**

	Separate financial statements			
		(Charged) / Credited to:		
	At 1 January 2016	Profit or loss	Other comprehensive income	**At 31 December 2016**
		(in thousand Baht)		
Deferred tax assets				
Trade accounts receivable	4,275	(472)	-	3,803
Marketable securities	1,063	-	(5)	1,058
Inventories	572	(4)	-	568
Other current assets	6,492	590	-	7,082
Provisions	10,433	(1,509)	613	9,537
Loss carry forward	70,000	(70,000)	-	-
Total	**92,835**	**(71,395)**	**608**	**22,048**
Deferred tax liabilities				
Property, plant and equipment	420	42	-	462
Upfront fee of long-term loan from financial institution	-	233	-	233
Total	**420**	**275**	**-**	**695**
Net	**92,415**	**(71,670)**	**608**	**21,353**

	Separate financial statements			
		(Charged) / Credited to:		
	At 1 January 2015	Profit or loss	Other comprehensive income	**At 31 December 2015**
		(in thousand Baht)		
Deferred tax assets				
Trade accounts receivable	5,208	(933)	-	4,275
Marketable securities	-	-	1,063	1,063
Inventories	574	(2)	-	572
Other current assets	6,492	-	-	6,492
Investment property	1,336	(1,336)	-	-
Provisions	9,707	726	-	10,433
Share-based payments	2,345	(2,345)	-	-
Loss carry forward	3,408	66,592	-	70,000
Total	**29,070**	**62,702**	**1,063**	**92,835**
Deferred tax liabilities				
Marketable securities	6,211	-	(6,211)	-
Property, plant and equipment	259	161	-	420
Upfront fee of long-term loans from financial institutions	289	(289)	-	-
Total	**6,759**	**(128)**	**(6,211)**	**420**
Net	**22,311**	**62,830**	**7,274**	**92,415**

Deferred tax assets have not been recognised in respect of the following items:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	(in thousand Baht)			
Account receivables	671	-	671	-
Inventories	30,436	-	-	-
Loss carried forwards	343,804	7,925	90,093	1,386
Total	**374,911**	**7,925**	**90,764**	**1,386**

The subsidiaries recognised deferred tax assets from losses because management considered it probable that future taxable profits would be available which the related deferred tax assets can be utilised.

The tax losses expire in 2017-2021. 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.

21 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	(in thousand Baht)			
Withholding tax deducted at source	141,778	168,109	107,096	134,697
Deposits	16,902	13,160	4,490	1,273
Golf membership	6,025	6,457	6,025	6,457
Merchandises under barter trade	3,639	4,553	2,050	2,186
Others	2,653	1,639	-	-
Total	**170,997**	**193,918**	**119,661**	**144,613**

22 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	(in thousand Baht)			
Current				
Bank overdrafts				
Unsecured	47,539	53,983	42,057	35,000
Short-term loans from financial institutions				
Unsecured	891,892	536,402	840,923	484,497
Bank overdrafts and short-term loans from financial institutions	**939,431**	**590,385**	**882,980**	**519,497**
Current portion of long-term loan from financial institution				
Secured	120,000	-	120,000	-
Current portion of long-term loan	**120,000**	**-**	**120,000**	**-**

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
		(in thousand Baht)		
Other short-term loans payable				
Unsecured	160,000	-	160,000	-
Short-term loans	**160,000**	**-**	**160,000**	**-**
Current portion of finance lease liabilities	**1,066**	**1,561**	**1,066**	**1,561**
Total current interest-bearing liabilities	**1,220,497**	**591,946**	**1,164,046**	**521,058**
Non-current				
Long-term loan from financial institution				
Secured	158,833	-	158,833	-
Long-term loan	**158,833**	**-**	**158,833**	**-**
Finance lease liabilities	**-**	**1,271**	**-**	**1,271**
Total non-current interest-bearing liabilities	**158,833**	**1,271**	**158,833**	**1,271**

The periods to maturity of interest-bearing liabilities, excluding finance lease liabilities, as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
		(in thousand Baht)		
Within one year	1,219,431	590,385	1,162,980	519,497
After one year but within five years	158,833	-	158,833	-
Total	**1,378,264**	**590,385**	**1,321,813**	**519,497**

Secured interest-bearing liability as at 31 December was secured on the following assets:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
		(in thousand Baht)		
Properties, machine and equipment	**785,631**	**827,210**	**354,049**	**354,049**

Short-term loans from financial institutions and others

As at 31 December 2016, the Group and the Company entered into short-term loan agreements with financial institutions amounting to Baht 891.89 million and Baht 840.92 million, respectively *(2015: Baht 536.40 million and Baht 484.50 million, respectively)*. These short-term loans bear interest at the rate of 2.65% to 7.50% per annum *(2015: 2.50% to 4.70% per annum)*.

As at 31 December 2016, the Company entered into short-term loan agreements with private lenders amounting to Baht 160 million. The loans were bills of exchange and were repayable over 1 - 3 months. The loans bear interest at the rate of 8.00% to 15.00% per annum.

Long-term loans from financial institutions

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 repaid by monthly within 3 years commencing from November 2016 to April 2019.

The loan was secured by properties, printing machines and parts of equipment of the Company and a subsidiary. As at 31 December 2016, the outstanding balance of loan was Baht 278.83 million.

On 22 November 2012, the Company entered into a Syndicate Loan Agreement with two local financial institutions for stand by credit of Baht 300 million for expanding the investment in satellite TV, investment in licences of Nation University including improvements of office space and information technology of the Company.

These loans have various interest rates and term of repayments separated by tranches as follows:

a) Tranche 1 in the amount of Baht 145 million bears interest at the average Minimum Loan Rate minus 1% (MLR - 1%). This loan shall be repaid within 3 years commencing from January 2014 to December 2016.

b) Tranche 2 in the amount of Baht 155 million bears interest at the average Minimum Loan Rate minus 1% (MLR - 1%). This loan shall be repaid within 3 years commencing from January 2014 to December 2016.

The loan was secured by properties, printing machines and parts of equipment of the Company and a subsidiary. The Company fully repaid the loan during 2015.

As at 31 December 2016, the Group and the Company had overdrafts and other credit facilities with local financial institutions totalling Baht 4,084 million and Baht 1,947.60 million, respectively *(2015: Baht 4,506.93 million and Baht 1,667.60 million, respectively)*.

As at 31 December 2016, the Group and the Company had unutilised credit facilities totalling Baht 873.26 million and Baht 759.69 million, respectively *(2015: Baht 1,185.16 million and Baht 1,075.79 million, respectively)*.

Finance lease liabilities

Finance lease liabilities as at 31 December were payable as follows:

	Consolidated financial statements / Separate financial statements					
	2016			2015		
	Future minimum lease payments	Interest	Present value of minimum lease payments	Future minimum lease payments	Interest	Present value of minimum lease payments
	(in thousand Baht)					
Within one year	1,073	7	1,066	1,646	85	1,561
After one year but within five years	-	-	-	1,277	6	1,271
Total	**1,073**	**7**	**1,066**	**2,923**	**91**	**2,832**

Interest-bearing liabilities of the Group and the Company as at 31 December 2016 and 2015 were denominated entirely in Thai Baht.

23 Trade accounts payable

		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
		(in thousand Baht)			
Related parties	*4*	8	64	1,495,243	1,142,386
Other parties		99,256	133,642	14,555	35,063
Total		**99,264**	**133,706**	**1,509,798**	**1,177,449**

The currency denomination of trade accounts payable as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	(in thousand Baht)			
Thai Baht	96,783	117,542	1,508,118	1,161,285
United Stated Dollars	2,481	16,164	1,680	16,164
Total	**99,264**	**133,706**	**1,509,798**	**1,177,449**

24 Other payables

		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
			(in thousand Baht)		
Related parties	*4*	**12**	**2**	**24,862**	**27,966**
Others					
Advance received		119,995	93,320	27,729	25,488
Other payables		22,647	20,785	3,238	5,319
Payables for purchase of assets		3,481	5,542	494	76
		146,123	**119,647**	**31,461**	**30,883**
Total		**146,135**	**119,649**	**56,323**	**58,849**

The Group's and the Company's other payables as at 31 December 2016 and 2015 were denominated entirely in Thai Baht.

25 Accrued expenses

		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
			(in thousand Baht)		
Related parties	*4*	**-**	**-**	**399,703**	**401,729**
Others					
Accrued rebate		54,755	54,417	31,386	36,636
Accrued revenue sharing		17,147	14,760	-	-
Accrued annual broadcasting or television licence fees		4,189	47,615	-	-
Accrued licence fees		25,901	28,105	-	-
Accrued project expenses		4,417	5,406	-	3,137
Others		80,936	65,929	31,308	12,214
		187,345	**216,232**	**62,694**	**51,987**
Total		**187,345**	**216,232**	**462,397**	**453,716**

26 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
		(in thousand Baht)		
Output value added tax pending	226,746	213,353	59,565	55,493
Revenue department payable	7,217	2,779	5,931	25
Accrued withholding tax	8,209	11,816	2,294	6,216
Others	6,497	8,290	590	791
Total	**248,669**	**236,238**	**68,380**	**62,525**

27 Digital television licences payable

Digital television licences payable to NBTC as at 31 December were as follows:

	Consolidated financial statements					
	2016			2015		
	Future payments	Interest	Present value of payments	Future payments	Interest	Present value of payments
	(in thousand Baht)					
Within one year	647,600	63,531	584,069	647,600	91,397	556,203
After one year but within five years	1,175,200	45,130	1,130,070	1,822,800	108,661	1,714,139
Total	**1,822,800**	**108,661**	**1,714,139**	**2,470,400**	**200,058**	**2,270,342**

Change of digital television licences payable as at 31 December were as follows:

		Consolidated financial statements	
	Note	2016	2015
		(in thousand Baht)	
Present value at 1 January		2,270,342	2,628,922
Payment of the digital television licences		(647,600)	(473,800)
Interest expense	*40*	91,397	115,220
Present value at 31 December		**1,714,139**	**2,270,342**

28 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	(in thousand Baht)			
Statement of financial position obligation for:				
Post-employment benefits	**167,253**	**163,856**	**47,685**	**52,166**
Year ended 31 December				
Statement of comprehensive income:				
Recognised in profit or loss:				
Post-employment benefits	**(6,723)**	**17,999**	**(4,165)**	**5,153**
Recognised in other comprehensive income:				
Actuarial losses recognised in the year	**11,968**	**-**	**3,063**	**-**

The Group and the Company operate defined benefit pension 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 expose the Group to actuarial risks, such as longevity risk and interest rate risk.

Movement in the present value of the defined benefit obligations.

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	(in thousand Baht)			
Defined benefit obligations at 1 January	163,856	149,358	52,166	48,534
Include in profit or loss:				
Current services costs	13,485	11,727	3,674	3,184
Interest on obligations	5,105	6,272	1,602	1,969
Curtailment gain	(25,313)	-	(9,441)	-
	(6,723)	**17,999**	**(4,165)**	**5,153**
Included in other comprehensive income:				
Actuarial losses	11,968	-	3,063	-
	11,968	**-**	**3,063**	**-**
Others				
Transfer in (out)	-	-	(3,239)	-
Benefit paid	(1,848)	(3,501)	(140)	(1,521)
	(1,848)	**(3,501)**	**(3,379)**	**(1,521)**
Defined benefit obligations at 31 December	**167,253**	**163,856**	**47,685**	**52,166**

Actuarial gains and losses recognised in other comprehensive income arising from:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	(in thousand Baht)			
Demographic assumptions	(10,028)	-	(3,127)	-
Financial assumptions	20,071	-	6,822	-
Experience adjustment	1,925	-	(632)	-
Total	**11,968**	**-**	**3,063**	**-**

Actuarial assumptions

The followings were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	(%)			
Discount rate	2.9 - 3.9	3.9 - 4.1	2.9	4.1
Future salary growth	4.0 - 7.0	4.0 - 7.0	4.0 - 7.0	4.0 - 7.0

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2016, the weighted-average duration of the defined benefit obligation was 15 years *(2015: 18 years).*

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Consolidated financial statements		**Separate financial statements**	
	(in thousand Baht)			
Defined benefit obligation				
31 December 2016	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(15,803)	18,224	(4,933)	5,676
Future salary growth (1% movement)	21,522	(18,806)	6,675	(5,840)
Mortality improvement (1% movement)	927	(1,033)	273	(304)

	Consolidated financial statements		**Separate financial statements**	
	(in thousand Baht)			
Defined benefit obligation				
31 December 2015	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(16,962)	19,662	(5,765)	6,677
Future salary growth (1% movement)	19,233	(16,943)	6,532	(5,759)
Mortality improvement (1% movement)	833	(923)	274	(303)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

29 Other non-current liabilities

	Consolidated financial statements		**Separate financial statements**	
	2016	2015	2016	2015
	(in thousand Baht)			
Advance received for advertising	79,601	98,478	79,601	98,478
Security deposits	7,295	7,477	2,303	2,257
Others	18,165	24,477	-	-
Total	**105,061**	**130,432**	**81,904**	**100,735**

30 Share capital

	Par value per share *(in Baht)*	2016 Number	2016 Baht	2015 Number	2015 Baht
		(in thousand shares / 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	4,067,640	2,155,849	3,316,346	1,757,663
Exercise of share options	0.53	208	110	751,294	398,186
At 31 December					
- ordinary shares	0.53	**4,067,848**	**2,155,959**	**4,067,640**	**2,155,849**

Issue of ordinary shares

On 13 May 2016, 208,000 ordinary shares were issued as a result of the exercise of vested share options arising from 2013 share option programme granted to the directs, management and/or employees of the Company and/or its subsidiaries for consideration totalling Baht 0.21 million. As a result, the Company had share premium amounting to Baht 0.10 million. The Company registered the paid-up share capital from the share options exercised with the Ministry of Commerce on 23 May 2016.

On 19 November 2015, 7,402,400 ordinary shares were issued as a result of the exercise of vested share options arising from the 2013 share option programme granted to the directors, management and/or employees of the Company and/or its subsidiaries for consideration totalling Baht 7.40 million. As a result, the Company had share premium amounting to Baht 3.48 million. The Company registered the paid-up share capital from the share options exercised with the Ministry of Commerce on 27 November 2015.

On 18 June 2015, 740,015,624 ordinary shares were issued as a result of the exercise of warrants for a consideration totalling Baht 740.02 million. As a result, the Company had share premium amounting to Baht 347.81 million. The Company registered the paid-up share capital from the warrants exercised with the Ministry of Commerce on 26 June 2015.

On 21 May 2015, 3,876,000 ordinary shares were issued as a result of the exercise of vested share options arising from the 2013 share option programme granted to the directors, management and/or employees of the Company and/or its subsidiaries for consideration totalling Baht 3.88 million. As a result, the Company had share premium amounting to Baht 1.82 million. The Company registered the paid-up share capital from the share options exercised with the Ministry of Commerce on 25 May 2015.

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.

31 Warrants

NMG-WB

At the annual general meeting of the shareholders of the Company held on 25 April 2013, the shareholders approved an issuance of warrants to the directors, management and/or employees of the Company and/or its subsidiaries of 82,387,015 units. The details are as follows:

Description	Details
Type of warrants	No value
Terms of warrants	5 years from the issuance date of warrant
Propose to sell to	The Company and/or subsidiaries' directors, management and/or employees
Issue and sell quantities	82,387,015 units
Exercise ratio	1 warrant to 1 ordinary share
Exercise price	Baht 1 per ordinary share
Exercise period and proportion	The date 15^{th} of November and May in each year, to exercise not more than 20% each year

The fair value of the warrant is measured using a Black-Scholes Model with the following financial assumptions:

Grant date share price (Baht)	1.61
Exercise price warrant (Baht)	1.00
Historical volatility in 3 years at the allotment date	83.94%
The expected period, that shareholders will completely use their right on warrant	5 years
Historical dividend yield in 3 years	0.00%
Risk free interest rate (3 years Government bond yield) at the allotment date	3.02%

The condition for subscription is comprised of each employee of the Company and/or its subsidiaries as of each offering date.

On 15 August 2013, the Company granted the rights and notified terms and conditions for exercising the rights to the directors, management, and/or employees of the Company and/or its subsidiaries.

NINE-WA

At the annual general meeting of the shareholders of a subsidiary ("Nation International Edutainment Public Company Limited") held on 23 April 2013, the shareholders of the subsidiary approved an issuance of warrants to the directors, management, and/or employees of the company and/or its subsidiaries of 4,250,000 units. The details are as follows

Description	Details
Type of warrants	No value
Terms of warrants	5 years from the issuance date of warrant
Propose to sell to	The company and/or subsidiaries' directors, management and/or employees
Issue and sell quantities	4,250,000 units
Exercise ratio	1 warrant to 1 ordinary share
Exercise price	Baht 4 per ordinary share
Exercise period and proportion	The date 15th of November and May in each year, to exercise not more than 20% each year

The fair value of the warrant is measured using a Black-Scholes Model with the following financial assumptions:

Grant date share price (Baht)	4.74
Exercise price warrant (Baht)	4.00
Historical volatility in 3 years at the allotment date	81.75%
The expected period, that shareholders will completely use their right on warrant	5 years
Historical dividend yield in 3 years	2.93%
Risk free interest rate (3 years Government bond yield) at the allotment date	3.02%

The condition for subscription is comprised of each employee of the company and/or its subsidiaries as of each offering date.

On 15 August 2013, the subsidiary granted the rights and notified terms and conditions for exercising the rights to the directors, management, and/or employees of the company and/or its subsidiaries.

NBC-WB

At the annual general meeting of the shareholders of a subsidiary ("Nation Broadcasting Corporation Public Company Limited") held on 24 April 2013, the shareholders of the subsidiary approved an issuance of warrants to the directors, management, and/or employees of the company and/or its subsidiaries of 8,798,905 units. The details are as follows:

Description	Details
Type of warrants	No value
Terms of warrants	5 years from the issuance date of warrant
Propose to sell to	The company and/or subsidiaries' directors, management and/or employees
Issue and sell quantities	8,798,905 units
Exercise ratio	1 warrant to 1 ordinary share
Exercise price	Baht 3 per ordinary share
Exercise period and proportion	The date 15th of November and May in each year, to exercise not more than 20% each year

The fair value of the warrant is measured using a Black-Scholes Model with the following financial assumptions:

Grant date share price (Baht)	3.62
Exercise price warrant (Baht)	3.00
Historical volatility in 3 years at the allotment date	49.69%
The expected period, that shareholders will completely use their right on warrant	5 years
Historical dividend yield in 3 years	5.31%
Risk free interest rate (3 years Government bond yield) at the allotment date	3.02%

The condition for subscription is comprised of each employee of the company and/or its subsidiaries as of each offering date.

On 15 August 2013, the subsidiary granted the rights and notified terms and conditions for exercising the rights to the directors, management, and/or employees of the company and/or its subsidiaries.

As the Thai Financial Reporting Standards 2 (TFRS 2): Share-based Payment was effective for the share-based payment awards granted on or after 1 January 2011. Therefore, according to TFRS 2, ESOP has to be measured by using the fair value of the warrants on the grant date.

The expense for share-based payment transactions for the year ended 31 December 2016 were Baht 12.14 million and Baht 10.80 million for the consolidated and separate financial statements, respectively *(2015: Baht 19.56 million and Baht 16.43 million, respectively)*.

Movements during the year ended 31 December of warrants were as follows:

	Consolidated financial statements			
	2016		2015	
	Number of warrants	Grant date fair value	Number of warrants	Grant date fair value
	(in thousand units / thousand Baht)			
At 1 January	14,799	18,665	11,364	14,288
Issued warrants during the year	15,483	16,917	18,551	20,543
Exercised warrants during the year	(208)	(252)	(12,007)	(14,286)
Forfeited warrants during the year	(5,600)	(5,318)	(3,109)	(1,880)
At 31 December	**24,474**	**30,012**	**14,799**	**18,665**

	Separate financial statements			
	2016		2015	
	Number of warrants	Grant date fair value	Number of warrants	Grant date fair value
	(in thousand units / thousand Baht)			
At 1 January	11,993	14,511	9,691	11,726
Issued warrants during the year	13,003	14,130	16,284	17,986
Exercised warrants during the year	(208)	(252)	(11,278)	(13,647)
Forfeited warrants during the year	(4,079)	(3,332)	(2,704)	(1,554)
At 31 December	**20,709**	**25,057**	**11,993**	**14,511**

NMG-W3

The outstanding unexercised warrants as at 31 December were as follows:

Unexercised warrants as at 1 January 2016	Issued warrants	Exercised warrants	Unexercised warrants as at 31 December 2016	Exercise price	Expiry date
	(million units)			*(Baht / share)*	
904	-	-	904	1	5 years from the grant date

Unexercised warrants as at 1 January 2015	Issued warrants	Exercised warrants	Unexercised warrants as at 31 December 2015	Exercise price	Expiry date
	(million units)			*(Baht / share)*	
1,644	-	740	904	1	5 years from the grant date

At the annual general meeting of the shareholders of the Company held on 25 April 2013, the shareholders approved an issuance and offering of warrants to the Company's existing shareholders who subscribed for additional ordinary shares in a ratio of 1 warrant for 1 existing ordinary share, without the offering price and approved an increase in the registered share capital from Baht 873.30 million (divided into 1,647,740,300 ordinary shares at Baht 0.53 per share) to Baht 2,663.57 million (divided into 5,025,607,915 ordinary shares at Baht 0.53 per share) by issuing of not exceeding 3,377,867,615 ordinary shares at Baht 0.53 per share to reserve for the increase in share capital and exercise of warrants as referred above.

During the first quarter of 2015, a subsidiary ("Nation Broadcasting Corporation Public Company Limited") invested in the warrants of 82,237,800 units, amounting to Baht 91.01 million.

32 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.

33 Segment information

The Group has five 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 Printing services
- Segment 3 Edutainment
- Segment 4 Broadcasting and new media
- 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.

Information about reportable segments

	Publishing and advertising		Printing services		Edutainment		Broadcasting and new media		Others		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	(in thousand Baht)											
External revenue	921,397	1,285,953	60,141	54,339	145,448	178,517	789,099	1,314,930	181,308	180,851	2,097,393	3,014,590
Inter-segment revenue	129,048	121,537	216,315	270,897	15,176	12,659	7,347	4,481	97,516	127,293	465,402	536,867
Other income	22,313	88,919	5,923	5,895	15,842	16,381	18,924	21,056	21,668	18,195	84,670	150,446
Total segment revenue	**1,072,758**	**1,496,409**	**282,379**	**331,131**	**176,466**	**207,557**	**815,370**	**1,340,467**	**300,492**	**326,339**	**2,647,465**	**3,701,903**
Interest income	90	171	2	3	8,893	8,525	13,431	19,163	188	108	22,604	27,970
Interest expense	(38,100)	(23,694)	(2,771)	(2,885)	(26)	(46)	(18)	-	-	-	(40,915)	(26,625)
Depreciation and amortisation	(35,067)	(43,811)	(74,298)	(77,355)	(9,387)	(21,580)	(168,566)	(160,069)	(22,000)	(19,616)	(309,318)	(322,431)
Amortisation of digital television licences	-	-	-	-	-	-	(209,608)	(209,045)	-	-	(209,608)	(209,045)
Segment profit (loss) before income tax	(209,908)	119,630	21,398	33,688	(197,494)	(10,264)	(647,717)	(187,134)	(44,606)	(30,314)	(1,078,327)	(74,394)
Share of profit of investment in associate	1,080	320	-	-	-	-	-	-	-	-	1,080	320
Capital expenditures	14,911	12,688	2,181	789	5,623	13,450	195,440	238,857	3,168	19,028	221,323	284,812
Segment assets as at 31 December	1,506,310	1,744,440	665,265	745,348	317,421	609,642	4,292,033	4,832,375	295,201	305,413	7,076,230	8,237,218
Segment liabilities as at 31 December	1,816,550	1,045,815	128,492	143,753	38,029	50,533	2,028,461	2,582,316	56,624	60,451	4,068,156	3,882,868

Reconciliation of reportable segment profit or loss

	2016	2015
	(in thousand Baht)	
Profit or loss		
Total loss for reportable segments	(1,078,327)	(74,394)
Share of profit of investment in associate	1,080	320
Consolidated loss before income tax	**(1,077,247)**	**(74,074)**

Geographical segments

The Group is managed and operated principally in Thailand. There are no material revenues derived from, or assets located in foreign countries.

34 Investment income

		Consolidated financial statements		**Separate financial statements**	
	Note	2016	2015	2016	2015
			(in thousand Baht)		
Dividend income					
Subsidiaries	*4, 13*	-	-	103,341	37,914
Other parties		-	840	-	840
		-	**840**	**103,341**	**38,754**
Interest income					
Subsidiary	*4*	-	-	-	485
Other parties		22,604	27,970	40	106
		22,604	**27,970**	**40**	**591**
Total		**22,604**	**28,810**	**103,381**	**39,345**

35 Other income

		Consolidated financial statements		**Separate financial statements**	
	Note	2016	2015	2016	2015
			(in thousand Baht)		
Income from sales of scraps		12,491	14,782	8,811	9,981
Gain on disposal of building and equipment		-	-	-	542
Reversal of impairment loss on investment property	*16*	-	6,678	-	6,678
Others		48,347	38,655	17,823	27,800
Total		**60,838**	**60,115**	**26,634**	**45,001**

36 Selling expenses

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	(in thousand Baht)			
Distribution	6,829	9,970	6,460	11,890
Marketing	92,034	151,282	26,353	69,141
Personnel	97,053	112,598	66,203	82,472
Others	17,033	22,681	5,302	8,670
Total	**212,949**	**296,531**	**104,318**	**172,173**

37 Administrative expenses

		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
		(in thousand Baht)			
Personnel		268,872	191,096	156,229	134,818
Management remuneration	*4*	71,627	89,131	31,149	39,754
Administrative		260,490	201,295	189,177	122,393
Depreciation		48,975	48,130	20,603	20,253
Amortisation of assets		17,564	13,969	5,425	10,658
Bad and doubtful debts expense	*7, 8*	6,719	5,155	3,325	3,343
Others		15,931	18,185	5,895	3,275
Total		**690,178**	**566,961**	**411,803**	**334,494**

38 Employee benefit expenses

		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
		(in thousand Baht)			
Wages and salaries		790,169	803,856	218,877	227,799
Contribution to defined contribution plan		42,321	41,839	12,811	13,187
Post-employment benefits	*28*	(11,828)	11,727	(5,767)	3,184
Share-based payment transactions	*31*	12,135	19,561	10,797	16,432
Voluntary resignation plan		84,644	-	28,790	-
Others		138,982	216,707	42,100	75,643
Total		**1,056,423**	**1,093,690**	**307,608**	**336,245**

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.

39 Expenses by nature

The statements of 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	2016	2015	2016	2015
		(in thousand Baht)			
Cost of production and services		452,751	522,582	22,956	26,990
Change in finished goods and work in progress		(28,278)	(5,614)	(43,492)	(12,873)
Raw materials and supplies used		188,420	238,937	101,099	131,658
Loss on decline in value of inventories (reversal of)		(64,818)	4,928	(18)	(13)
Transportation expenses		166,781	172,061	9,936	6,671
Administrative expenses	*37*	260,490	201,295	189,177	122,393
Distribution and marketing	*36*	98,863	161,252	32,813	81,031
Employee benefit expenses	*38*	1,056,423	1,093,690	307,608	336,245
Depreciation and amortisation	*16, 17, 18, 19*	518,926	531,476	56,116	56,980
Others		254,029	152,800	72,606	31,844
Total cost of sale of goods and rendering of services, selling expenses and administrative expenses		**2,903,587**	**3,073,407**	**748,801**	**780,926**

40 Finance costs

		Consolidated financial statements		**Separate financial statements**	
	Note	2016	2015	2016	2015
		(in thousand Baht)			
Interest expense					
Bank loans and overdrafts		40,831	26,432	38,016	23,501
Other parties		84	193	84	193
Interest expense from digital television licences payable	*27*	91,397	115,220	-	-
Total interest expense		**132,312**	**141,845**	**38,100**	**23,694**
Other finance costs		20,046	24,178	3,069	3,457
Total		**152,358**	**166,023**	**41,169**	**27,151**

41 Income tax expenses

Income tax recognised in profit or loss

		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
		(in thousand Baht)			
Current tax expense					
Current year		7,441	31,907	-	-
Adjustment of prior year		-	(24,401)	-	-
		7,441	**7,506**	**-**	**-**
Deferred tax expense	*20*				
Movements in temporary differences		156,340	(108,541)	71,670	(62,830)
Total income tax expense		**163,781**	**(101,035)**	**71,670**	**(62,830)**

Income tax recognised in other comprehensive income

	Consolidated financial statements					
	2016			2015		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
	(in thousand Baht)					
Available-for-sale financial assets	24	(5)	19	(36,368)	7,274	(29,094)
Defined benefit plan actuarial losses	(11,968)	2,393	(9,575)	-	-	-
Total	**(11,944)**	**2,388**	**(9,556)**	**(36,368)**	**7,274**	**(29,094)**

	Separate financial statements					
	2016			2015		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
	(in thousand Baht)					
Available-for-sale financial assets	24	(5)	19	(36,368)	7,274	(29,094)
Defined benefit plan actuarial losses	(3,063)	613	(2,450)	-	-	-
Total	**(3,039)**	**608**	**(2,431)**	**(36,368)**	**7,274**	**(29,094)**

Reconciliation of effective tax rate

	Consolidated financial statements			
	2016		2015	
	Rate (%)	*(in thousand Baht)*	Rate (%)	*(in thousand Baht)*
Loss before income tax expense		(1,077,247)		(74,074)
Income tax using the Thai corporation tax rate	20	(215,449)	20	(14,815)
Effect of different tax rates		(132)		-
Income not subject to tax		-		(191)
Expenses not deductible for tax purposes		9,337		12,795
Expenses for tax incentives		(114)		(2,635)
Temporary differences for which no deferred tax assets was recognised		31,107		-
Losses for which no deferred tax asset was recognised		167,001		4,770
Recognition of previously unrecognised tax losses		(2)		(107,350)
Profit allocation to non-controlling interests		-		1,724
Over provided in prior year		-		(24,401)
Reversal from previously recognised deferred tax expenses		172,033		29,068
Total	**15**	**163,781**	**136**	**(101,035)**

	Separate financial statements			
	2016		2015	
	Rate (%)	*(in thousand Baht)*	Rate (%)	*(in thousand Baht)*
Profit (loss) before income tax expense		(16,608)		196,284
Income tax using the Thai corporation tax rate	20	(3,322)	20	39,257
Income not subject to tax		(20,668)		(7,751)
Expenses not deductible for tax purposes		6,394		5,876
Expenses for tax incentives		(112)		-
Temporary differences for which no deferred tax assets was recognised		671		-
Losses for which no deferred tax asset was recognised		18,707		1,386
Recognition of previously unrecognised tax losses		-		(107,350)
Reversal from previously recognised deferred tax expenses		70,000		5,752
Total	**432**	**71,670**	**32**	**(62,830)**

Income tax reduction

Revenue Code Amendment Act No. 42 B.E. 2559 dated 3 March 2016 grants a reduction of the corporate income tax rate to 20% of net taxable profit for accounting periods which begin on or after 1 January 2016.

42 Earnings (loss) per share

Basic earnings (loss) per share

The calculations of basic earnings (loss) per share for the years ended 31 December 2016 and 2015 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**	
	2016	2015	2016	2015
	(in thousand Baht / thousand shares)			
Profit (loss) attributable to ordinary shareholders of the Company (basic)	**(1,102,845)**	**35,582**	**(88,277)**	**259,114**
Number of ordinary share outstanding at 1 January	**4,067,640**	**3,316,346**	**4,067,640**	**3,316,346**
Effect of shares options exercised on 23 May	127	-	127	-
Effect of shares options exercised on 25 May	-	2,347	-	2,347
Effect of warrants exercised on 26 June	-	383,186	-	383,186
Effect of shares options exercised on 27 November	-	710	-	710
Weighted average number of ordinary shares outstanding (basic)	**4,067,767**	**3,702,589**	**4,067,767**	**3,702,589**
Earnings (loss) per share (basic) ***(in Baht)***	**(0.271)**	**0.010**	**(0.022)**	**0.070**

Diluted earnings (loss) per share

The calculations of diluted earnings (loss) per share for the years ended 31 December 2016 and 2015 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 after adjusting for the effects of all dilutive potential ordinary shares as follows:

	Consolidated financial statements		**Separate financial statements**	
	2016	2015	2016	2015
	(in thousand Baht / thousand shares)			
Profit (loss) attributable to ordinary shareholders of the Company (basic)	**(1,102,845)**	**35,582**	**(88,277)**	**259,114**
Weighted average number of ordinary shares outstanding (basic)	4,067,767	3,702,589	4,067,767	3,702,589
Effect of exercise of shares options	-	564,783	-	564,783
Weighted average number of ordinary shares outstanding (diluted)	**4,067,767**	**4,267,372**	**4,067,767**	**4,267,372**
Earnings (loss) per share (diluted) ***(in Baht)***	**(0.271)**	**0.008**	**(0.022)**	**0.061**

The Company has not assumed the conversion of the warrants (NMG-W3) and the warrants issued to the directors, management and/or employees of the Company and/or its subsidiaries (NMG-WB) in the calculation of diluted loss per share due to the loss from operating results attributable to ordinary shareholders in the consolidated and separate financial statements for the year ended 31 December 2016.

The Company has not assumed the conversion of the warrants issued to the directors, management and/or employees of the Company and/or its subsidiaries (NMG-WB) in the calculation of diluted earnings per share due to the exercise prices (including fair value of services to be rendered per warrant) are higher than the weighted average market prices in the consolidated and separate financial statements for the year ended 31 December 2015.

43 Dividends

At the annual general meeting of the shareholders of the Company held on 27 April 2016, the shareholders approved the appropriation of dividends from the 2015 operating results of Baht 0.03 per share, amounting to Baht 122.03 million. The dividends were paid to the shareholders in May 2016.

At the annual general meeting of the shareholders of the Company held on 29 April 2015, the shareholders approved the appropriation of dividends from the 2014 operating results of Baht 0.028 per share, amounting to Baht 92.85 million. The dividends were paid to the shareholders in May 2015.

44 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's 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, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interest 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 rate are mainly fixed. The Group is primarily exposed to interest rate risk from borrowings and digital television licences payable (see Note 22 and 27).

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	Within 1 year	After 1 year but within 5 years	Total
		Consolidated financial statements		
	(% per annum)		*(in thousand Baht)*	
2016				
Current				
Bank overdrafts	MOR	47,539	-	47,539
Short-term loans from financial institutions	2.65 - 7.50	891,892	-	891,892
Current portion of long-term loan from financial institution	MLR minus 1%	120,000	-	120,000
Other short-term loans payable	8.00 - 15.00	160,000	-	160,000
Non-current				
Long-term loan from financial institution	MLR minus 1%	-	158,833	158,833
Total		**1,219,431**	**158,833**	**1,378,264**
2015				
Current				
Bank overdrafts	MOR	53,983	-	53,983
Short-term loans from financial institutions	2.50 - 4.70	536,402	-	536,402
Total		**590,385**	-	**590,385**

	Effective interest rates	Within 1 year	After 1 year but within 5 years	Total
		Separate financial statements		
	(% per annum)		*(in thousand Baht)*	
2016				
Current				
Bank overdrafts	MOR	42,057	-	42,057
Short-term loans from financial institutions	2.65 - 7.50	840,923	-	840,923
Current portion of long-term loan from financial institution	MLR minus 1%	120,000	-	120,000
Other short-term loans payable	8.00 - 15.00	160,000	-	160,000
Non-current				
Long-term loan from financial institution	MLR minus 1%	-	158,833	158,833
Total		**1,162,980**	**158,833**	**1,321,813**
2015				
Current				
Bank overdrafts	MOR	35,000	-	35,000
Short-term loans from financial institutions	2.50 - 4.06	484,497	-	484,497
Total		**519,497**	-	**519,497**

Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases which are denominated in foreign currencies. The Group will primarily utilises forward exchange contracts with maturities of less than one year in case that the Group will receive the benefits from the contracts to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases, denominated in foreign currencies, for the subsequent period.

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	
	2016	2015	2016	2015
	(in thousand Baht)			
United States Dollars				
Trade accounts payable	**2,481**	**16,164**	**1,680**	**16,164**

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, Management does not anticipate material losses from its debt collection.

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 for financial instruments measured at fair value. 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.

	Consolidated financial statements				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
	(in thousand Baht)				
31 December 2016					
Financial assets measured at fair value					
Debt securities held for trading	223,598	-	223,598	-	223,598
Equity securities available for sale	2,800	2,800	-	-	2,800
Foreign currency forward contract	-	-	18,548	-	18,548
31 December 2015					
Financial assets measured at fair value					
Debt securities held for trading	25,069	-	25,069	-	25,069
Equity securities available for sale	2,776	2,776	-	-	2,776

	Separate financial statements				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
31 December 2016					
Financial assets measured at fair value					
Debt securities held for trading	49,289	-	49,289	-	49,289
Equity securities available for sale	2,800	2,800	-	-	2,800
Foreign currency forward contract	-	-	18,548	-	18,548
31 December 2015					
Financial assets measured at fair value					
Debt securities held for trading	3	-	3	-	3
Equity securities available for sale	2,776	2,776	-	-	2,776

Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investments in marketable unit trusts classified as trading investments and available-for-sale investments	The net asset value as of the reporting date.	Not applicable	Not applicable
Forward exchange contract	Closing rates at end of period	Not applicable	Not applicable

45 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	(in thousand Baht)			
Capital commitment				
Leasehold improvements and equipment	**-**	**130**	**-**	**-**
Future minimum lease payments under non-cancellable operating leases				
Within one year	212,595	214,776	39,242	46,988
After one year but within five years	607,963	637,770	7,338	52,198
After five years	772,999	890,276	-	-
Total	**1,593,557**	**1,742,822**	**46,580**	**99,186**
	(in thousand)			
Other commitments				
Unused letter of credit *(USD)*	523	894	523	894
Forward contract *(USD)*	523	-	523	-
Total	**1,046**	**894**	**1,046**	**894**
Unused letters of credit *(THB)*	21,243	42,131	20,054	41,105
Guarantee credit lines of subsidiaries with financial institutions *(THB)*	85,000	85,000	85,000	85,000
Bank guarantees *(THB)*	2,001,747	2,693,415	36,567	35,366
Total	**2,107,990**	**2,820,546**	**141,621**	**161,471**

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 2017 with an option for renewal. 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) A subsidiary and an indirect subsidiary entered into service agreements covering television broadcasting satellite services with two local companies. The details are as follows:

Contract period	Periods	Total fee *(in million USD)*
25 April 2014 to 30 June 2017	3 years and 2 months	0.63
25 April 2014 to 30 June 2017	3 years and 2 months	0.02
25 April 2014 to 31 October 2019	5 years and 6 months	1.12
25 April 2014 to 31 October 2019	5 years and 6 months	0.03
25 April 2014 to 31 October 2019	5 years and 6 months	1.12
25 April 2014 to 31 October 2019	5 years and 6 months	0.03
25 April 2014 to 31 March 2020	5 years and 11 months	0.92
25 April 2014 to 31 March 2020	5 years and 11 months	0.03

d) An indirect subsidiary entered into a warehouse rental agreement with a local company. The indirect subsidiary agreed to pay rental fee at the rate as specified in the agreement. The agreement had a period of 1 year, expiring on 31 December 2017.

e) A subsidiary and an indirect subsidiary entered into Standard Definition Terrestrial Digital Television Network Services agreements with Thai Royal Army for a period of 14 years and 5 months, commencing from 16 January 2014 to 31 May 2028. The subsidiary and the indirect subsidiary committed to pay the licence fees for such channels totalling approximately Baht 1,569.47 million.

f) A subsidiary entered into lease and service agreements for office and studio premises with a local company for a period of 3 years, commencing from 1 December 2014 to 30 November 2017 with an option to be renewal for a total period of 15 years. The subsidiary agreed to pay rental and service fees at the rate specified in the agreements.

g) The Company entered into a building space rental agreement for studio premises with an institution of education for a period of 3 years and 11 months, commencing from 1 February 2015 to 31 December 2018. The Company agreed to pay a rental fee at the rate specified in the agreement.

h) The Company entered into a land rental agreement with a local company for a car parking area. The Company agreed to pay a rental fee at the rate as specified in the agreement. The agreement had a period of 3 years, expiring on 28 February 2018.

i) A subsidiary entered into car rental agreements with two local companies. The subsidiary agreed to pay rental fees at the rate specified in the agreements. The agreements had a period of 3 - 4 years, expiring in various periods up to 29 April 2019.

j) 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. The subsidiary agreed to pay a service fee at the rate specified in the agreement.

k) 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 15 January 2016 to 30 September 2021. The subsidiary agreed to pay a service fee at the rate specified in the agreement.

An indirect subsidiary has a commitment in respect of a letter of guarantee issued by a local financial institution for electricity usage, which the indirect subsidiary’s properties and construction thereon had been pledged as collateral (Note 17).

46 Other matters

The Company, a subsidiary ("Krungthep Turakij Media Co., Ltd."), directors and employees of the Group were accused of defamation through advertisements, guilty against the Computer Crime Act B.E. 2550 and others in the criminal lawsuit with the claim of Baht 2,343 million. As at 31 December 2016, the lawsuit is under the consideration of Court of First Instance. The management and the legal consultant believe that the court's judgement will be favourable to the Company, the subsidiary, directors and employees of the Group and there will be no significant impact to the financial statements as a result of the lawsuit.

The Company and directors of the Group were accused of breach of the Public Limited Company Act B.E. 2535 in the civil lawsuit with the claim of Baht 42.5 million. However, at 6 October 2016, the Phrakhanong Provincial Court rendered a civil lawsuit judgement to dismiss the Company and directors of the Group who were accused. At 31 December 2016, the lawsuit is under the consideration of Court of Appeal. The management and legal consultant believe that the court's judgement will be favourable to the Company and directors of the Group and there will be no significant impact to the financial statements as a result of the lawsuit.

The Company and directors of the Group were accused of violating the Securities and Exchange Act B.E. 2535 in the civil lawsuit with the claim of Baht 51.9 million. At 31 December 2016, the lawsuit is under the consideration of Court of First Instance. The management and legal consultant believe that the court's judgement will be favourable to the Company and directors of the Group and there will be no significant impact to the financial statements as a result of the lawsuit.

On 16 May 2016, the Phrakhanong Provincial Court rendered a civil lawsuit judgement of the revocation of the resolutions from the meeting of the Company held on 29 April 2015 and declared the meeting and the resolutions in the 2015 annual general meeting of the shareholders of the Company held on 29 April 2015 to be void. At 31 December 2016, the lawsuit is under the consideration of Court of Appeal. The management and legal consultant believe that the Company shall not assume any responsibility for compensation and there will be no significant impact to the financial statements as a result of the lawsuit.

On 16 November 2016, the Company was accused in the civil lawsuit judgement of the revocation of the resolutions from the extra ordinary meeting of the Company No. 1/2016 since the resolution violated the Securities and Exchange Act B.E. 2535. At 31 December 2016, the lawsuit is under the consideration of Court of First Instance. The management and legal consultant believe that the Company shall not assume any responsibility for compensation and there will be no significant impact to the financial statements as a result of the lawsuit.

47 Event after the reporting period

At the Board of Directors' meeting of a subsidiary ("WPS (Thailand) Co.,Ltd.") held on 15 February 2017, the Board of Directors of the subsidiary approved the appropriation of dividends from the 2016 operating results of Baht 0.35 per share, amounting to Baht 17.50 million. The dividend payments will be approved at the annual general meeting of the shareholders.

48 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS have been issued but are not yet effective and have not been applied in preparing these financial statements. Those new and revised TFRS that may be relevant to the Group's operations, which become effective for annual financial periods beginning on or after 1 January 2017, are set out below. The Group does not plan to adopt these TFRS early.

TFRS	Topic
TAS 1 (revised 2016)	Presentation of Financial Statements
TAS 2 (revised 2016)	Inventories
TAS 7 (revised 2016)	Statement of Cash Flows
TAS 8 (revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2016)	Events After the Reporting Period
TAS 12 (revised 2016)	Income Taxes
TAS 16 (revised 2016)	Property, Plant and Equipment
TAS 17 (revised 2016)	Leases
TAS 18 (revised 2016)	Revenue
TAS 19 (revised 2016)	Employee Benefits
TAS 21 (revised 2016)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2016)	Related Party Disclosures
TAS 27 (revised 2016)	Separate Financial Statements
TAS 28 (revised 2016)	Investments in Associates and Joint Ventures
TAS 33 (revised 2016)	Earnings Per Share
TAS 34 (revised 2016)	Interim Financial Reporting
TAS 36 (revised 2016)	Impairment of Assets
TAS 37 (revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2016)	Intangible Assets
TAS 40 (revised 2016)	Investment Property
TAS 105 (revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 107 (revised 2016)	Financial Instruments: Disclosure and Presentation
TFRS 2 (revised 2016)	Share-based Payment
TFRS 3 (revised 2016)	Business Combinations
TFRS 8 (revised 2016)	Operating Segments
TFRS 10 (revised 2016)	Consolidated Financial Statements
TFRS 13 (revised 2016)	Fair Value Measurement
TSIC 27 (revised 2016)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 31 (revised 2016)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (revised 2016)	Intangible Assets - Web Site Costs
TFRIC 4 (revised 2016)	Determining Whether an Arrangement Contains a Lease
TFRIC 10 (revised 2016)	Interim Financial Reporting and Impairment
TFRIC 18 (revised 2016)	Transfers of Assets from Customers
FAP Announcement no. 5/2559	Accounting guidance for derecognition of financial assets and financial liabilities

The Group has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.