

**Nation Multimedia Group Public Company Limited
and its Subsidiaries**

Financial statements for the year ended
31 December 2017
and
Independent Auditor's Report



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Independent Auditor's Report

To the Shareholders of Nation Multimedia Group Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Nation Multimedia Group Public Company Limited and its subsidiaries (the "Group") and of Nation Multimedia Group Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2017, 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 2017 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

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

Material Uncertainty Related to Going Concern

I draw attention to Note 2 to the financial statements, which indicates that the Group and the Company incurred a net loss of Baht 2,378.35 million and Baht 3,229.50 million, respectively during the year ended 31 December 2017 and, as of that date, the Group and the Company's total current liabilities exceeded its current assets by Baht 1,423.49 million and Baht 1,668.01 million, respectively and the Group and the Company had deficit of retained earnings of Baht 3,556.27 million and Baht 3,102.74 million, respectively. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group and the Company's ability to continue as a going concern. My opinion to the consolidated and separated financial statements is not modified in respect of these matters.

Key Audit Matters

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

Revenue from advertising services recognition	
Refer to Note 5 (P) to the consolidated and separate financial statements.	
The key audit matter	How the matter was addressed in the audit
The Group has revenue from advertising services as a major revenue of the Group. It was a key performance indicator in terms of business operations which the management and the users of the financial statements pay particular attention. The establishment of scope of services, the pricing arrangements, terms and conditions as stipulated in the service agreements as well as relevant respective internal controls are relatively complex, which could be subject to either accidental errors or deliberate fraud. Therefore, I have determined this matter to be a key audit matter.	My audit procedures included: • gain an understanding of internal control processes related to the control over processes of revenue • accessing and testing of the IT system with respect to revenue cycle • assess design and implementation of control over processes of revenue • perform testing on accounting and supporting documents for revenue recognition and accrued income • perform analysis on revenue by comparison with historical data and industry information

Valuation of investments in subsidiaries and trade and other current accounts receivable with related parties	
Refer to Notes 10, 11 and 16 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 and the current economic downturn, it affects publishing and broadcast media advertising businesses. This includes the competition in digital television business. Consequently, these matters affect the operations of subsidiaries which are indicators of impairment on the investments in subsidiaries and trade and other current accounts receivable with related parties. The consideration of value of investments and trade and other current accounts receivable with related parties depends on the management's judgements to determine assumptions in respect to the forecast of operating results, discount rate and key assumptions used to estimate the recoverable amount of each aforementioned investments in subsidiaries and trade and other current accounts receivable with related parties. Therefore, I considered this matter to be a key audit matter.	In evaluating the impairment assessment performed by management, my audit procedures included, among others: • gaining an understanding of the determination of cash-generating units of the Group and the estimated recoverable amount, which was the higher of its fair value less costs to sell and value in use, including the preparation of discounted future cash flow along with management approval; • considering the determination of cash-generating units of the Group; • considering the discounted future cash flow approved by management by evaluating the key assumptions and actual operating results and the business plans, 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 future cash flow; • evaluating the sensitivity of 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. 

Impairment of digital television licences	
Refer to Notes 20, 21 and 22 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 (“licence”) at national level for a variety standard definition channel category and a news channel category, respectively. Transitioning to digital television era has resulted in high competition in the television industry. There is risk that operation results may not be in line with initial expectations and forecasts, and that the licence asset may possibly be impaired. This would impact on the operating results of the direct and indirect subsidiaries which own the licences. Management of the direct and indirect subsidiaries use significant judgements in determining key assumptions used to estimate the recoverable amount of the licences. I have determined this matter to be a key audit matter.	In evaluating the impairment of digital television licences consideration of management, my audit procedures included, among others: - gaining an understanding of estimated recoverable amount from the preparation of discounted future cash flow along with management approval; - assessing the discounted future cash flow approved by management by evaluating the key assumptions used in discounted future cash flow 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 future cash flow; - 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.

Emphasis of Matter

I draw attention to Notes 3 and 4 to the financial statements, which describes the following matters. My opinion is not modified in respect of these matters.

- As discussed in note 3, the management of the Group adjusted the transactions related to revenue recognition in previous years and restated the relevant financial statements. I have audited these adjustments and found that such adjustments are appropriated and have been properly applied.
- I draw attention to note 4 describing the effect of the change in accounting policy for property, plant and equipment in 2017.

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 August 2018

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated			Separate		
		financial statements			financial statements		
		31 December	31 December	1 January	31 December	31 December	1 January
Assets	Note	2017	2016	2016	2017	2016	2016
			(restated)	(restated)		(restated)	(restated)
(in Baht)							
Current assets							
Cash and cash equivalents	8	186,398,722	233,693,922	207,525,311	9,481,223	26,768,246	17,758,285
Current investments	9	125,421,715	422,376,193	822,149,643	-	49,288,713	2,549
Trade accounts receivable	10	274,767,764	398,048,724	588,556,740	932,770,606	1,168,238,871	1,083,108,218
Accrued income	3, 7	77,069,842	99,468,957	167,704,292	25,237,531	13,878,813	29,157,336
Other current receivables	11	59,605,476	89,842,411	85,826,136	339,142,823	927,673,352	649,800,574
Inventories	12	68,115,945	136,926,036	379,967,569	16,262,360	26,223,637	69,698,118
Other current assets	13	285,792,385	321,558,486	242,306,751	82,459,905	90,502,258	66,182,620
Total current assets		1,077,171,849	1,701,914,729	2,494,036,442	1,405,354,448	2,302,573,890	1,915,707,700
Non-current assets							
Restricted deposits	14	478,638	861,618	2,682,654	-	-	-
Investment in associate	15	23,226,005	23,156,526	22,076,249	1,800,000	1,800,000	1,800,000
Investments in subsidiaries	16	-	-	-	1,490,563,920	3,627,879,275	2,993,311,391
Long-term investment in related party	18	-	-	-	-	-	-
Long-term investments in other companies	9	4,019,185	7,415,844	10,342,497	4,019,185	7,415,844	10,342,497
Investment properties	19	70,654,548	75,446,583	44,677,757	62,205,134	64,495,244	44,677,757
Property, plant and equipment	4, 20	1,462,585,494	1,488,481,024	1,646,419,498	445,152,717	489,345,282	528,224,191
Intangible assets	21	66,983,615	171,182,015	115,517,353	5,443,928	7,511,243	11,691,160
Digital television licences	22	1,049,289,369	2,574,170,702	2,783,779,533	-	-	-
Deferred tax assets	23	77,316,597	112,053,123	262,921,978	9,751,725	21,352,550	92,414,477
Withholding tax deducted at source		213,353,593	201,529,222	213,879,317	113,576,200	128,588,112	159,457,033
Other non-current assets		24,851,379	29,218,722	25,808,862	10,989,936	12,565,057	9,916,264
Total non-current assets		2,992,758,423	4,683,515,379	5,128,105,698	2,143,502,745	4,360,952,607	3,851,834,770
Total assets		4,069,930,272	6,385,430,108	7,622,142,140	3,548,857,193	6,663,526,497	5,767,542,470

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			Separate		
		financial statements			financial statements		
		31 December	31 December	1 January	31 December	31 December	1 January
Liabilities and equity	Note	2017	2016	2016	2017	2016	2016
			(restated)	(restated)		(restated)	(restated)
		(in Baht)					
Current liabilities							
Bank overdrafts and short-term loans							
from financial institutions	24	864,673,663	549,430,992	590,384,836	801,184,751	492,980,198	519,497,304
Trade accounts payable	25	105,023,638	99,264,197	133,706,003	1,341,373,708	1,509,797,797	1,177,449,030
Other current payables	26	67,394,508	26,139,951	26,328,803	38,087,710	28,594,237	25,695,733
Deferred income		95,518,157	119,995,484	93,320,510	36,884,390	27,728,783	33,153,567
Current portion of digital television							
licences payable	28	297,964,168	584,068,719	556,203,640	-	-	-
Current portion of long-term loans							
from financial institutions	24	156,000,000	120,000,000	-	156,000,000	120,000,000	-
Short-term loans	24	553,500,223	550,000,000	-	553,500,223	550,000,000	-
Current portion of							
finance lease liabilities	24	-	1,066,172	1,561,041	-	1,066,172	1,561,041
Accrued expenses	3, 27	166,496,782	187,344,952	216,231,989	90,282,158	70,623,925	69,632,279
Current tax payable	3	-	8,108	417,749	-	-	-
Output value added tax pending		178,133,657	226,745,927	213,353,190	51,371,219	59,565,068	55,492,454
Other current liabilities		15,961,494	21,923,130	22,885,069	4,678,714	8,815,335	7,032,608
Total current liabilities		2,500,666,290	2,485,987,632	1,854,392,830	3,073,362,873	2,869,171,515	1,889,514,016
Non-current liabilities							
Digital television licences payable	28	1,131,218,342	1,130,069,671	1,714,138,390	-	-	-
Long-term loans from							
financial institutions	24	47,000,000	158,833,333	-	47,000,000	158,833,333	-
Finance lease liabilities		-	-	1,270,784	-	-	1,270,784
Deferred tax liabilities	23	31,230,072	20,909,398	17,826,173	-	-	-
Non-current provisions for							
employee benefit	29	137,980,447	167,252,750	163,856,203	43,507,442	47,684,856	52,165,755
Other non-current liabilities	30	87,315,106	105,061,289	130,431,918	66,433,250	81,903,868	100,734,575
Total non-current liabilities		1,434,743,967	1,582,126,441	2,027,523,468	156,940,692	288,422,057	154,171,114
Total liabilities		3,935,410,257	4,068,114,073	3,881,916,298	3,230,303,565	3,157,593,572	2,043,685,130
Equity							
Share capital	31						
Authorised share capital		2,663,572,195	2,663,572,195	2,663,572,195	2,663,572,195	2,663,572,195	2,663,572,195
Issued and paid share capital		2,155,959,049	2,155,959,049	2,155,848,809	2,155,959,049	2,155,959,049	2,155,848,809
Share premium	31, 32						
Share premium on ordinary shares		1,169,694,244	1,169,694,244	1,169,344,804	1,169,694,244	1,169,694,244	1,169,344,804
Share premium on							
ordinary shares of subsidiaries		96,939,173	96,604,862	95,397,593	-	-	-
Warrants	32	35,345,366	30,012,457	18,665,439	30,742,698	25,057,328	14,511,236
Reserve on acquisition of warrants	32	(91,013,286)	(91,013,286)	(91,013,286)	-	-	-
Retained earnings (Deficit)							
Appropriated							
Legal reserve	33	32,700,000	32,700,000	32,700,000	32,700,000	32,700,000	32,700,000
Unappropriated (Deficit)	3	(3,556,270,055)	(1,399,684,610)	(91,467,016)	(3,102,743,297)	126,754,031	355,702,896
Other components of equity	33	167,161,062	(4,231,727)	(4,250,405)	32,200,934	(4,231,727)	(4,250,405)
Equity attributable to							
owners of the parent		10,515,553	1,990,040,989	3,285,225,938	318,553,628	3,505,932,925	3,723,857,340
Non-controlling interests	3, 17	124,004,462	327,275,046	454,999,904	-	-	-
Total equity		134,520,015	2,317,316,035	3,740,225,842	318,553,628	3,505,932,925	3,723,857,340
Total liabilities and equity		4,069,930,272	6,385,430,108	7,622,142,140	3,548,857,193	6,663,526,497	5,767,542,470

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

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statement of comprehensive income

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		Year ended		Year ended	
		31 December		31 December	
		2017	2016	2017	2016
			(restated)		(restated)
		<i>(in Baht)</i>			
Revenues	7				
Revenues from sales					
and rendering of services	3	1,809,052,334	2,021,668,301	450,044,175	627,152,987
Investment income	35	8,710,466	22,603,972	14,836,163	103,381,011
Other income		72,561,446	62,066,260	33,241,648	26,633,741
Total revenues		1,890,324,246	2,106,338,533	498,121,986	757,167,739
Expenses					
Costs of sales of goods					
and rendering of services	7	1,699,707,927	2,000,459,926	187,770,788	232,680,711
Distribution costs	7, 36	212,045,387	212,949,366	91,465,755	104,317,588
Administrative expenses	3, 7, 37	679,839,765	694,099,023	1,154,041,909	408,852,657
Impairment losses on assets	9, 12, 16, 19				
	20, 21, 22	1,479,091,000	2,950,000	2,177,075,980	2,950,000
Loss on business restructuring					
of subsidiaries	16	-	204,445,292	-	-
Finance costs	40	173,896,095	152,358,315	114,772,222	41,169,374
Total expenses		4,244,580,174	3,267,261,922	3,725,126,654	789,970,330
Share of profit of associate	15	69,479	1,080,277	-	-
Loss before income tax expense		(2,354,186,449)	(1,159,843,112)	(3,227,004,668)	(32,802,591)
Tax expense	3, 41	(24,166,071)	(157,818,808)	(2,492,660)	(71,669,895)
Loss for the year	3	(2,378,352,520)	(1,317,661,920)	(3,229,497,328)	(104,472,486)
Other comprehensive income					
Items that will be reclassified					
 subsequently to profit or loss					
Gains (losses) on remeasuring					
available for sale investments	9	2,568,564	386,247	(582,369)	386,247
Net change in fair value of available for sale					
investments transferred to profit or loss	9	2,716,210	(362,900)	5,867,143	(362,900)
Income tax relating to items that will be					
reclassified subsequently to profit or loss	23, 41	(1,056,955)	(4,669)	(1,056,955)	(4,669)
Total items that will be reclassified					
 subsequently to profit or loss		4,227,819	18,678	4,227,819	18,678

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

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statement of comprehensive income

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		Year ended		Year ended	
		31 December		31 December	
		2017	2016 (restated)	2017	2016 (restated)
<i>(in Baht)</i>					
Items that will not be reclassified subsequently to profit or loss					
Gain on revaluation of assets	4, 20	204,927,351	-	40,256,052	
Losses on remeasurement of defined benefit plan	29	(111,208)	(11,968,306)	-	(3,063,185)
Income tax relating to items that will be reclassified subsequently to profit or loss	4, 23, 41	<u>(19,876,247)</u>	<u>2,393,661</u>	<u>(8,051,210)</u>	<u>612,637</u>
Total items that will not be reclassified subsequently to profit or loss		<u>184,939,896</u>	<u>(9,574,645)</u>	<u>32,204,842</u>	<u>(2,450,548)</u>
Other comprehensive income (expense) for the year, net of tax	3	<u>189,167,715</u>	<u>(9,555,967)</u>	<u>36,432,661</u>	<u>(2,431,870)</u>
Total comprehensive income (expense) for the year	3	<u>(2,189,184,805)</u>	<u>(1,327,217,887)</u>	<u>(3,193,064,667)</u>	<u>(106,904,356)</u>
Profit (loss) attributable to					
Owners of the parent		(2,156,485,358)	(1,179,473,013)	(3,229,497,328)	(104,472,486)
Non-controlling interests		<u>(221,867,162)</u>	<u>(138,188,907)</u>	<u>-</u>	<u>-</u>
Loss for the year		<u>(2,378,352,520)</u>	<u>(1,317,661,920)</u>	<u>(3,229,497,328)</u>	<u>(104,472,486)</u>
Total comprehensive income (expense) attributable to					
Owners of the parent		(1,985,192,656)	(1,186,188,196)	(3,193,064,667)	(106,904,356)
Non-controlling interests		<u>(203,992,149)</u>	<u>(141,029,691)</u>	<u>-</u>	<u>-</u>
Total comprehensive income (expense) for the year		<u>(2,189,184,805)</u>	<u>(1,327,217,887)</u>	<u>(3,193,064,667)</u>	<u>(106,904,356)</u>
Loss per share					
Basic and diluted loss per share	3, 42	<u>(0.53)</u>	<u>(0.29)</u>	<u>(0.79)</u>	<u>(0.03)</u>

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 (restated)												
						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	Legal reserve	Unappropriated (Deficit)	Available for sale investments	Equity attributable to owners of the parent	Non-controlling interests	Total equity
							(in Baht)					
Year ended 31 December 2016												
Balance at 1 January 2016 - as reported		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
Accounting adjustments	3	-	-	-	-	-	-	(614,107,185)	-	(614,107,185)	(17,236)	(614,124,421)
Balance at 1 January 2016 - restated		2,155,848,809	1,169,344,804	95,397,593	18,665,439	(91,013,286)	32,700,000	(91,467,016)	(4,250,405)	3,285,225,938	454,999,904	3,740,225,842
Transactions with owners, recorded directly in equity												
Contributions by and distributions to owners of the parent												
Share options exercised	31, 32	110,240	349,440	-	(251,680)	-	-	-	-	208,000	-	208,000
Share-based payment transactions	32	-	-	-	11,756,029	-	-	-	-	11,756,029	379,285	12,135,314
Issue of ordinary shares of non-controlling interest of subsidiary	16	-	-	-	-	-	-	-	-	-	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	-	-	-	-	-	-	-	-	-	(16,985,245)	(16,985,245)
Total contributions by and distributions to owners of the parent		110,240	349,440	-	11,504,349	-	-	(122,025,831)	-	(110,061,802)	394,040	(109,667,762)
Change in ownership interest in subsidiary												
Acquisition of non-controlling interest without a change in control	16	-	-	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 (expense) for the year												
Profit or loss		-	-	-	-	-	-	(1,179,473,013)	-	(1,179,473,013)	(138,188,907)	(1,317,661,920)
Other comprehensive income (expense)		-	-	-	-	-	-	(6,733,861)	18,678	(6,715,183)	(2,840,784)	(9,555,967)
Total comprehensive income (expense) for the year		-	-	-	-	-	-	(1,186,206,874)	18,678	(1,186,188,196)	(141,029,691)	(1,327,217,887)
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	(1,399,684,610)	(4,231,727)	1,990,040,989	327,275,046	2,317,316,035

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 (restated)														
						Deficit		Other components of equity						
		Issued and		Share premium		Reserve on		Legal		Available	Total	Equity		
Note		paid-up	Share premium	of subsidiaries	Warrants	acquisition of	Deficit	reserve	for sale	Revaluation	other	attributable to	Non-	Total
		share capital				warrants	(in Baht)		investments	surplus	components	owners of	controlling	equity
Year ended 31 December 2017														
Balance at 31 December 2016 - as reported		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)	-	(4,231,727)	2,680,775,908	327,298,192	3,008,074,100
Accounting adjustments	3	-	-	-	-	-	-	(690,734,919)	-	-	-	(690,734,919)	(23,146)	(690,758,065)
Balance at 31 December 2016 - restated		2,155,959,049	1,169,694,244	96,604,862	30,012,457	(91,013,286)	32,700,000	(1,399,684,610)	(4,231,727)	-	(4,231,727)	1,990,040,989	327,275,046	2,317,316,035
Transactions with owners, recorded directly in equity														
Contributions by and distributions to owners of the parent														
Share-based payment transactions	32	-	-	-	5,386,344	-	-	-	-	-	-	5,386,344	(118,754)	5,267,590
Dividends to non-controlling interests of subsidiaries	17	-	-	-	-	-	-	-	-	-	-	-	(2,712,500)	(2,712,500)
Total contributions by and distributions to owners of the parent		-	-	-	5,386,344	-	-	-	-	-	-	5,386,344	(2,831,254)	2,555,090
Change in ownership interest in subsidiary														
Acquisition of non-controlling interest without a change in control														
	16	-	-	334,311	(53,435)	-	-	-	-	-	-	280,876	3,552,819	3,833,695
Total change in ownership interest in subsidiary		-	-	334,311	(53,435)	-	-	-	-	-	-	280,876	3,552,819	3,833,695
Total transactions with owners, recorded directly in equity		-	-	334,311	5,332,909	-	-	-	-	-	-	5,667,220	721,565	6,388,785
Comprehensive income (expense) for the year														
Profit or loss		-	-	-	-	-	-	(2,156,485,358)	-	-	-	(2,156,485,358)	(221,867,162)	(2,378,352,520)
Other comprehensive income (expense)		-	-	-	-	-	-	(100,087)	4,227,819	167,164,970	171,392,789	171,292,702	17,875,013	189,167,715
Total comprehensive income (expense) for the year		-	-	-	-	-	-	(2,156,585,445)	4,227,819	167,164,970	171,392,789	(1,985,192,656)	(203,992,149)	(2,189,184,805)
Balance at 31 December 2017		2,155,959,049	1,169,694,244	96,939,173	35,345,366	(91,013,286)	32,700,000	(3,556,270,055)	(3,908)	167,164,970	167,161,062	10,515,553	124,004,462	134,520,015

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statement of changes in equity

Separate financial statements (restated)								
				Retained earnings		Other component of equity		
	Note	Issued and paid-up share capital	Share premium	Warrants	Legal reserve (in Baht)	Unappropriated	Available for sale investments	Total equity
Year ended 31 December 2016								
Balance at 1 January 2016 - as reported		2,155,848,809	1,169,344,804	14,511,236	32,700,000	515,258,325	(4,250,405)	3,883,412,769
Accounting adjustments	3	-	-	-	-	(159,555,429)	-	(159,555,429)
Balance at 1 January 2016 - restated		2,155,848,809	1,169,344,804	14,511,236	32,700,000	355,702,896	(4,250,405)	3,723,857,340
Transactions with owners, recorded directly in equity								
<i>Contributions by and distributions to owners</i>								
Share options exercised	31, 32	110,240	349,440	(251,680)	-	-	-	208,000
Share-based payment transactions	32	-	-	10,797,772	-	-	-	10,797,772
Dividends to owners of the Company	43	-	-	-	-	(122,025,831)	-	(122,025,831)
<i>Total contributions by and distributions to owners</i>		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 (expense) for the year								
Profit or loss		-	-	-	-	(104,472,486)	-	(104,472,486)
Other comprehensive income (expense)		-	-	-	-	(2,450,548)	18,678	(2,431,870)
Total comprehensive income (expense) for the year		-	-	-	-	(106,923,034)	18,678	(106,904,356)
Balance at 31 December 2016		2,155,959,049	1,169,694,244	25,057,328	32,700,000	126,754,031	(4,231,727)	3,505,932,925

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 (Restated)					
					Retained earnings (Deficit)		Other components of equity			
	Note	Issued and paid-up share capital	Share premium	Warrants	Legal reserve	Unappropriated (Deficit) (in Baht)	Available for sale investments	Revaluation surplus	Total other components of equity	Total equity
Year ended 31 December 2017										
Balance at 31 December 2016 - as reported		2,155,959,049	1,169,694,244	25,057,328	32,700,000	302,504,532	(4,231,727)	-	(4,231,727)	3,681,683,426
Accounting adjustments	3	-	-	-	-	(175,750,501)	-	-	-	(175,750,501)
Balance at 31 December 2016 - restated		2,155,959,049	1,169,694,244	25,057,328	32,700,000	126,754,031	(4,231,727)	-	(4,231,727)	3,505,932,925
Transactions with owners, recorded directly in equity										
<i>Contributions by and distributions to owners</i>										
Share-based payment transactions	32	-	-	5,685,370	-	-	-	-	-	5,685,370
<i>Total contributions by and distributions to owner</i>		-	-	5,685,370	-	-	-	-	-	5,685,370
Total transactions with owners, recorded directly in equity		-	-	5,685,370	-	-	-	-	-	5,685,370
Comprehensive income (expense) for the year										
Profit or loss		-	-	-	-	(3,229,497,328)	-	-	-	(3,229,497,328)
Other comprehensive income		-	-	-	-	-	4,227,819	32,204,842	36,432,661	36,432,661
Total comprehensive income (expense) for the year		-	-	-	-	(3,229,497,328)	4,227,819	32,204,842	36,432,661	(3,193,064,667)
Balance at 31 December 2017		2,155,959,049	1,169,694,244	30,742,698	32,700,000	(3,102,743,297)	(3,908)	32,204,842	32,200,934	318,553,628

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

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
Note	2017	2016 (restated)	2017	2016 (restated)
	(in Baht)			
Cash flows from operating activities				
Loss for the year	(2,378,352,520)	(1,317,661,920)	(3,229,497,328)	(104,472,486)
<i>Adjustments to reconcile loss to cash receipts (payments)</i>				
Tax expense	24,166,071	157,818,808	2,492,660	71,669,895
Finance costs	173,896,095	152,358,315	114,772,222	41,169,374
Depreciation	176,247,396	202,460,891	44,128,400	49,982,232
Amortisation of assets	116,645,610	106,856,703	3,409,765	6,133,553
Amortisation of digital television licences	178,631,333	209,608,831	-	-
Impairment losses on digital television licences	1,346,250,000	-	-	-
Impairment losses on inventories	7,990,000	-	-	-
Impairment losses on investments in subsidiaries	-	-	2,131,499,980	-
Impairment loss from long-term investments in other companies	-	2,950,000	-	2,950,000
Impairment losses on investment properties	4,521,000	-	2,576,000	-
Impairment losses on property, plant and equipment	51,350,000	-	43,000,000	-
Impairment losses on intangible assets	68,980,000	-	-	-
Non-current provisions for employee benefit	(32,752,277)	(11,828,151)	(5,326,875)	(5,767,136)
Share-based payments	5,267,590	12,135,314	5,685,370	10,797,772
Gain on fair value adjustment of investments in debt securities	(312,623)	(280,643)	(98,665)	(13,837)
Gain on disposal of investments in debt securities	(2,069,984)	(865,968)	(640,927)	(298,677)
Gain on disposal of debt security in private fund	(4,607,349)	-	-	-
(Gain) loss on disposal of long-term investments in other companies	5,914,027	(362,900)	5,914,027	(362,900)
Loss on return of investment in subsidiary	-	-	1,981,680	4,456,274
Share of profit of associate, net of income tax	(69,479)	(1,080,277)	-	-
Bad and doubtful debts expenses	2,647,434	6,680,120	820,869,676	3,324,986
Reversal of allowance for goods returned	(3,421,847)	(2,545,742)	(2,405,803)	(536,218)
(Reversal of) losses on inventories devaluation	(1,254,155)	127,380,630	(2,840,311)	(19,462)
Loss on decline in value of other non-current assets	1,239,059	-	-	-
Loss on disposal of investment properties	2,110,442	-	2,110,442	-
(Gain) loss on disposal of equipment	(232,471)	(796,461)	1,989,172	(631,761)
Loss on written-off of assets	12,895,897	24,330,694	-	4,898,525
Investment income	(8,710,466)	(22,603,972)	(14,836,163)	(103,381,011)
	(253,031,217)	(355,445,728)	(75,216,678)	(20,100,877)
Changes in operating assets and liabilities				
Trade accounts receivable	122,710,895	163,776,595	154,530,046	(88,554,761)
Accrued income	22,399,115	68,235,335	(11,358,718)	15,278,523
Other current receivables	28,242,451	(6,097,077)	(150,407,017)	(276,964,246)
Inventories	62,074,246	115,659,107	12,801,588	43,492,147
Other current assets	35,618,771	(82,796,475)	8,686,038	(24,320,118)
Restricted deposits	382,980	1,821,036	-	-
Other non-current assets	4,434,383	5,264,757	1,466,470	5,870,808
Trade accounts payable	12,813,790	(39,471,572)	(168,424,089)	332,348,767
Other current payables	42,914,836	(28,909,526)	6,356,683	(31,590,544)
Deferred income	(36,626,286)	26,674,975	(2,993,352)	2,240,290
Accrued expenses	(20,694,709)	(13,139,112)	19,569,691	760,336
Other current liabilities	(54,573,906)	12,430,798	(12,330,470)	5,855,341
Non-current provisions for employee benefit	(468,500)	(1,848,559)	-	(140,000)
Other non-current liabilities	(17,746,183)	(25,370,629)	(15,470,618)	(18,830,707)
Net cash used in operating	(51,549,334)	(159,216,075)	(232,790,426)	(54,655,041)
Taxes paid	(71,180,414)	(66,261,227)	(21,487,381)	(21,510,959)
Withholding tax refunded	57,578,833	60,748,025	35,543,328	43,430,929
Net cash used in operating activities	(65,150,915)	(164,729,277)	(218,734,479)	(32,735,071)

The cash flows from operating activities are an integral part of these financial statements.

Nation Multimedia Group Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	Year ended		Year ended	
	31 December		31 December	
Note	2017	2016	2017	2016
		(restated)		(restated)
	(in Baht)			
Cash flows from investing activities				
Proceeds from sale of long-term investment in other company	2,767,406	362,900	2,767,406	362,900
Current investments	73,356,823	598,302,300	-	-
Proceeds from sale of debt security in private fund	181,923,695	-	-	-
Acquisition of debt securities in private fund	(177,316,346)	-	-	-
Proceeds from sale of other debt securities	1,453,080,262	1,104,017,760	502,028,305	259,026,350
Acquisition of other debt securities	(1,227,100,000)	(1,301,400,000)	(452,000,000)	(308,000,000)
Proceeds from sale of investment properties	8,709,460	-	8,709,460	-
Proceeds from sale of equipment	2,418,707	1,971,099	448,222	698,171
Acquisition of building and equipment	(8,409,175)	(27,574,311)	(2,467,962)	(12,964,969)
Acquisition of programme licences	(73,493,468)	(174,335,587)	-	-
Acquisition of intangible assets	(18,170,297)	(10,827,295)	(1,312,919)	(1,130,610)
Digital television licences payments	(323,800,000)	(647,600,000)	-	-
Dividend received	24,322	36	14,811,822	103,340,762
Interest received	8,748,877	25,320,078	24,341	40,249
Net cash from (used in) investing activities	(97,259,734)	(431,763,020)	73,008,675	41,372,853
Cash flows from financing activities				
Proceeds from change in ownership interest in subsidiary without a change in control	3,833,695	13,975,842	3,833,695	13,975,842
Proceeds from exercise of share options	-	208,000	-	208,000
Acquisition of non-controlling interests	-	17,000,000	-	-
Bank overdrafts and short-term loans from financial institutions	315,242,671	199,046,155	308,204,554	213,482,894
Proceeds from short-term loans	180,000,000	310,000,000	180,000,000	310,000,000
Repayment of short-term loans	(166,000,000)	-	(166,000,000)	-
Proceeds from long-term loan from financial institution	-	300,000,000	-	300,000,000
Repayment of long-term loan from financial institution	(75,000,000)	(20,000,000)	(75,000,000)	(20,000,000)
Repayment of finance lease	(1,072,880)	(1,850,172)	(1,072,880)	(1,850,172)
Cash paid for up front fee of long-term loan from financial institution	(2,000,000)	(1,500,000)	(2,000,000)	(1,500,000)
Investment in subsidiary	-	-	-	(653,000,000)
Dividends paid to owners of the Company	-	(122,025,831)	-	(122,025,831)
Dividends paid to non-controlling interests of subsidiaries	(2,712,500)	(16,985,245)	-	-
Interest paid	(137,175,537)	(55,207,841)	(119,526,588)	(38,918,554)
Net cash from financing activities	115,115,449	622,660,908	128,438,781	372,179
Net increase (decrease) in cash and cash equivalents	(47,295,200)	26,168,611	(17,287,023)	9,009,961
Cash and cash equivalents at 1 January	233,693,922	207,525,311	26,768,246	17,758,285
Cash and cash equivalents at 31 December	186,398,722	233,693,922	9,481,223	26,768,246
Non-cash transactions				
Payables for purchase of building and equipment	1,864,015	305,742	8,462,552	6,918,519
Payables for purchase of programme licences	14,945,860	22,242,415	-	-
Payables for purchase of intangible assets	-	3,218,552	-	391,400
Digital television licences payable	1,429,182,510	1,714,138,390	-	-
Assets received from rendering of services	7,539,287	8,776,475	7,539,287	30,738,178

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

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

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Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the 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 August 2018.

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.

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

The principal activities of the Company are the publishing and distribution of newspapers and publishing, providing advertising and news services and others. The principle activities of the Group are the publishing, distribution and delivery of newspapers, publishing, digital publishing and advertising media, TV production, providing advertising and news via television and others and university. Details of the Company’s associate and subsidiaries as at 31 December 2017 and 2016 are given in notes 15 and 16.

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 revised TFRS effective for annual accounting periods beginning on or after 1 January 2017. The initial application of these 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 revised TFRS, The FAP has issued TFRS 15 *Revenue from Contracts with Customers* which is effective for annual periods beginning on or after 1 January 2019. The Group has not early adopted this standard in preparing these interim financial statements.

TFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Revenue should be recognised when (or as) an entity transfers control over goods or services to a customer, measured at the amount to which the entity expects to be entitled. It replaces existing revenue recognition standards as follows:

- TAS 11 (revised 2017) *Construction Contracts*,
- TAS 18 (revised 2017) *Revenue*,
- TSIC 31 (revised 2017) *Revenue-Barter Transactions Involving Advertising Services*,
- TFRIC 13 (revised 2017) *Customer Loyalty Programmes*,
- TFRIC 15 (revised 2017) *Agreements for the Construction of Real Estate*, and
- TFRIC 18 (revised 2017) *Transfers of Assets from Customers*.

Management is presently considering the potential impact of adopting and initially applying TFRS 15 on the consolidated and separate financial statements.

Nation Multimedia Group Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

(b) Basis of measurement

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

<i>Items</i>	<i>Measurement bases</i>
Investments in debt securities	Fair value
Available-for-sale investments	Fair value
Property, plant and equipment	Revaluation to fair value
Defined benefit liability	Present value of the defined benefit obligations as explained in Note 5 (m)
Warrants	Fair value

(c) Functional and presentation currency

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

(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 a material adjustment to the amounts recognised in the financial statements is included in the following notes:

Notes 6 and 16	Determining the fair value less cost to sell of the disposal group on the basis of significant unobservable inputs;
Note 12	Measurement of net realisable value of inventories;
Notes 10, 11, 16, 20, 21 and 22	Impairment test: key assumptions underlying recoverable amounts;
Note 23	Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used; and
Note 29	Measurement of defined benefit obligations: key actuarial assumptions.

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

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Significant valuations are reported to the Group's Audit Committee.

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

- Level 1: quoted prices (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 20 Property, plant and equipment;
- Note 32 share-based payment arrangements; and
- Note 44 financial instruments.

Use of going concern basis of accounting

During the year ended 31 December 2017, the Group and the Company incurred net losses of Baht 2,378.35 million and Baht 3,229.50 million, respectively (*2016 (restated): Baht 1,317.66 million and Baht 104.47 million, respectively*) and, as of that date, the Group's and the Company's current liabilities exceeded its current assets by Baht 1,423.49 million and Baht 1,668.01 million, respectively (*2016 (restated): Baht 784.07 million and Baht 566.60 million, respectively*) and had deficit of retained earnings of Baht 3,556.27 million and Baht 3,102.74 million, respectively (*2016 (restated): deficit of Baht 1,399.68 million and retained earnings of Baht 126.75 million*). This represents a material uncertainty over the appropriateness of using the going concern basis of accounting.

The Group's management has given careful consideration to the Group's and the Company's financial position and liquidity by executing the plan for co-operate within the Group to raise revenue from digital media segment and events and reforming the broadcasting presentation and other platforms to make its brand's loyalty to gain more advertising revenue. This included the implementation of plans to control expenses, such as improving and developing of internal systems to reduce operating costs, reducing the unused office space, reducing the news production costs in order to continually improve the financial position, liquidity, cash flows and performance of the Group and the Company. Moreover, the Group and the Company have implemented policies and procedures in an attempt to manage its liquidity risk including obtaining the lenders' waiver of breaches of the terms of the loan agreement from financial institution and accelerated the sale of assets and investments in non-core subsidiaries to repay debts (see note 46), including the negotiation with financial institutions' creditors to schedule repayment in accordance with the plan to sell assets and investments. This has made the Group and the Company to pay less interest and manage their debt levels in line with current business liquidity.

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

3 Accounting adjustments

The Board of Directors and management have publicly disclosed that they had doubts concerning the recognition of advertising revenue during 2017 and previous years. In this respect, the directors and management of the Company have investigated the Group's and the company's processes and procedures over the recognition of advertising revenues. As a result, the management have noted that some previously recognised advertising revenue had not been adequately supported with proper evidences and was not in accordance with the Group's processes and procedures. Consequently, management has adjusted and restated the relevant financial statements as follows.

	Effects of accounting adjustments		
	As previously reported	Adjustments (in thousand Baht)	As restated
Consolidated statement of financial position			
At 1 January 2016			
Accrued income	782,780	(615,076)	167,704
Current tax payable	1,370	(952)	418
Non-controlling interests	455,017	(17)	455,000
Retained earnings (Deficits)	522,640	(614,107)	(91,467)
Consolidated statement of financial position			
At 31 December 2016			
Accrued income	790,269	(690,800)	99,469
Current tax payable	50	(42)	8
Non-controlling interests	327,298	(23)	327,275
Deficits	(708,950)	(690,735)	(1,399,685)
Separate statement of financial position			
At 1 January 2016			
Accrued income	572,797	(543,640)	29,157
Accrued expenses	453,716	(384,084)	69,632
Retained earnings	515,258	(159,555)	355,703
Separate statement of financial position			
At 31 December 2016			
Accrued income	581,403	(567,524)	13,879
Accrued expenses	462,397	(391,773)	70,624
Retained earnings	302,505	(175,751)	126,754

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	Effects of accounting adjustments		
	As previously reported	Adjustments (in thousand Baht)	As restated
Consolidated statement of comprehensive income			
For the year ended 31 December 2016			
Revenues from sales and rendering of services	2,097,393	(75,725)	2,021,668
Tax expenses	(163,781)	5,962	(157,819)
Administrative expense	(687,228)	(6,871)	(694,099)
Loss for the year	(1,241,028)	(76,634)	(1,317,662)
Other comprehensive income (expense) for the year, net of tax	(9,556)	-	(9,556)
Total comprehensive income for the year	(1,250,584)	(76,634)	(1,327,218)
Basic and diluted loss per share (Baht)	(0.27)	(0.02)	(0.29)
Separate statement of comprehensive income			
For the year ended 31 December 2016			
Revenues from sales and rendering of services	643,348	(16,195)	627,153
Loss for the year	(88,277)	(16,195)	(104,472)
Other comprehensive income (expense) for the year, net of tax	(2,432)	-	(2,432)
Total comprehensive income for the year	(90,709)	(16,195)	(106,904)
Basic and diluted loss per share (Baht)	(0.02)	(0.01)	(0.03)

4 Change in accounting policy

On 30 December 2017, the Group and the Company have changed its accounting policy relating to measurement after recognition of land from cost model to revaluation model. The change in accounting policy has been applied prospectively. The fair value of the Group's and the Company's land have been assessed at Baht 741.97 million and Baht 344.27 million, respectively. The carrying amount of land were Baht 537.04 million and Baht 304.01 million, respectively. The impacts on the 2017 financial statements were as follows:

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	Consolidated financial statements <i>(in thousand Baht)</i>	Separate financial statements
Statement of financial position		
At 31 December 2017		
Increase in property, plant and equipment	204,927	40,256
Increase in deferred tax liability	19,876	8,051
Increase in shareholders' equity	167,165	32,205
Increase in non-controlling interests	17,886	-
Increase in total equity	185,051	32,205
Statement of comprehensive income		
For the year ended 31 December 2017		
Gain on revaluation of assets	204,927	40,256
Income tax relating to items that will not be reclassified subsequently to profit or loss	<u>(19,876)</u>	<u>(8,051)</u>
Other comprehensive income (expense) for the year - net of income tax	<u>185,051</u>	<u>32,205</u>

5 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.

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Loss of control

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

Interests in equity-accounted investee

The Group's interest in equity-accounted investee comprises interest in associate.

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

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

Transactions eliminated on consolidation

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

(b) Foreign currencies

Foreign currency transactions

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

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

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

Foreign currency differences are generally recognised in profit or loss.

(c) Cash and cash equivalents

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

(d) Trade accounts receivable and other current receivable

Trade and other current 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.

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(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. Costs are calculated using 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 measured 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 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 less accumulated impairment losses. 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 or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses, are recognised directly in equity. Impairment losses are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss.

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

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

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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 measured at cost less accumulated depreciation and impairment losses.

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

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

Condominium and improvements	20 years
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No depreciation is provided on investment property which is land.

(h) Property, plant and equipment

Recognition and measurement

Owned assets

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

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

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

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

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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.

Revalued assets

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

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

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.

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(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 measured at cost less accumulated amortisation and impairment losses. The differences between the cash price equivalent and the total payments to be made are recognised as an interest expenses over the licence fee payment periods. The assets are amortised from the date which they are ready to provide services.

Other intangible assets

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

Subsequent expenditure

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

Amortisation

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

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

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

Digital television licences	15 years
Computer programmes and software licences	3 and 5 years
Programme licences	2 years
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.

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

(l) Trade and other current account payable

Trade and other current accounts payable are stated at cost.

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(m) Employee benefits

Defined contribution plans

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

Defined benefit plans

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

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

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in Other Comprehensive Income (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.

Termination benefits

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

Short-term employee benefits

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

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

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(o) 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.

(p) Revenue

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

Sale of goods and rendering of service

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

Advertising income

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

Newspapers subscription income

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

Printing income

Printing income is recognised as services are provided.

Commissions

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

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. Unearned tuition fees for next semester presented as “advance income” under current liabilities in the statement of financial position.

Investments

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

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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.

(q) Finance costs

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

(r) 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.

(s) Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except for 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.

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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.

(t) Loss per share

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

(u) 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.

6 Proceeding of assets divestment for business restructuring

At the Board of Directors' meeting of the Company held on 19 December 2017 and 16 January 2018, the Board of Directors approved to propose the shareholders' meeting to consider and approve the disposal of assets for business restructuring of the Group which comprised investments in 4 subsidiaries; Nation U Co., Ltd., Bangkok Business Broadcasting Co., Ltd., WPS (Thailand) Co., Ltd., and NML Co., Ltd. including land and constructions of the Company.

The abovementioned disposal of assets shall be made by means of a bidding process and shall then transfer the asset to the highest bidder, under the condition that the price of each asset shall not be lower than the base price approved by the shareholders' meeting. The based price for sale of shares in each subsidiary will be fixed at the price with a discount not exceeding 10 percent of the value appraised by the financial advisor and asset appraiser. The based price for sale of land and constructions will be fixed at the value appraised by the asset appraiser. The details of assets were as follows:

	Net carrying amount as at 31 December 2017	Value appraised by financial advisor and /or asset appraiser ¹ (in thousand Baht)	Base price used in bidding (adjusted at 16 January 2018)
Investments in subsidiaries			
Nation U Co., Ltd.	256,500	353,180	317,860
Bangkok Business Broadcasting Co., Ltd.	-	65,670	59,100 ²
WPS (Thailand) Co., Ltd.	422,500	505,520	593,320 ³
NML Co., Ltd.	10,000	44,150	39,740
	<u>689,000</u>	<u>968,520</u>	<u>1,010,020</u>

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	Net cost amount as at 31 December 2017	Value appraised by financial advisor and /or asset Appraiser ¹ (in thousand Baht)	Base price used in bidding (adjusted at 16 January 2018)
Property, plant and equipment			
Land and buildings on Bang Na Trad Road, Km. 29.5	287,839	288,040	288,040
Land and buildings in Chiang Mai Province	20,463	51,590	51,590
Land and buildings in Khon Kaen Province	2,504	14,840	14,840
Land and buildings in Songkhla Province	3,700	6,080	6,080
	<u>314,506</u>	<u>360,550</u>	<u>360,550</u>
Investment property			
Land on Bang Na-Trad Road, Km. 5	44,678	52,850	52,850
	<u>44,678</u>	<u>52,850</u>	<u>52,850</u>
Total	<u>1,186,524</u>	<u>1,381,920</u>	<u>1,423,420</u>

¹ Value of investments in subsidiaries as shown in the table above is calculated proportionately in accordance with the actual shareholding of the Company in each subsidiary.

² The base price of investment in Bangkok Business Broadcasting Co., Ltd. as shown in the table above does not include the outstanding debts between the subsidiary and the Company, whereby the Company will require the highest bidder to process the subsidiary to make full repayment of such outstanding debts to the Company.

³ The base price of investment in WPS (Thailand) Co., Ltd. as shown in the table above is value of investment determined by the financial advisor and the average price of value of the assets assessed by the asset appraiser with discount of 10 percent.

The financial advisor determined the fair value of each business according to the discounted cash flow method taking into account of the past performance and future operation, trends of business, industry, economic situation. The expected value of the subsidiary is assessed from discounted cash flow according to the shareholding of the Company in each subsidiary.

The asset appraiser determined the fair value of land and constructions of the Company using the market comparative method by comparing the quoted market prices of similar assets that are observable, in the similar area and in the same period of appraiser.

The Company shall then commence the bidding process after the extraordinary meeting of the shareholders of the Company approve the Company to enter into the transaction for asset divestment. The Company shall complete such disposal within a period of no more than six months after it is granted the approval.

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At the extraordinary meeting of the shareholder of the Company held on 28 February 2018, the shareholder approved the assets divestment for business restructuring of the Group which comprised investments Nation U Co., Ltd., WPS (Thailand) Co., Ltd., and NML Co., Ltd including land and constructions of the Company. However, the shareholders resolved not to approve the disposal of investment in Bangkok Business Broadcasting Co., Ltd. and at the extraordinary meeting of shareholders of the Company held on 19 June 2018, the shareholders approved to revoke the assets divestment pursuant to the resolution of the extraordinary meeting of the shareholders of the Company held on 28 February 2018 (see notes 16 and 46).

However, some of investments in subsidiaries including land and constructions of such companies were used as collateral for borrowings (see notes 16 and 24). Therefore, the Company obliged to use cash receive from the proceeds of assets to repay the secured debts relating to such assets.

7 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 15 and 16. Relationship with key management, indirect subsidiaries and other related parties 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.
<i>Indirect subsidiaries</i>		
Nation University	Thailand	University, a license holding by Nation U Co., Ltd.
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	99.74% shareholding by Nation International Edutainment Public Company Limited, some common directors
<i>Other related parties</i>		
Thai Portal Co., Ltd.	Thailand	Related party, 19.00% shareholding by Kom Chad Luek Media Co., Ltd.
Shareholder	Thai	Shareholder of the Company

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The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Sale of goods and rendering of services	General price and negotiable rate
Cost of sale of goods and rendering of services	Actual cost allocation rate and negotiable rate
Sale of equipment	Book value plus margin
Purchase of equipment	Book value plus margin
Dividend income	As announced in the minute of shareholders' meeting
Other income	Negotiable rate
Distribution costs and administrative expenses	Negotiable rate
Interest expense	Rate as specified in the agreement

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

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Subsidiaries and indirect subsidiaries				
Sale of goods and rendering of services	-	-	358,532	527,397
Cost of sale of goods and rendering of services	-	-	39,859	35,666
Sale of equipment	-	-	235	1,436
Purchase of equipment	-	-	1,363	1,013
Dividend income	-	-	14,788	103,341
Other income	-	-	14,039	15,090
Distribution costs and administrative expenses	-	-	11,902	12,033
Associate				
Rendering of services	4,626	5,227	122	122
Key management personnel				
Key management personnel compensation				
Wages and salaries	41,380	67,781	16,965	30,070
Defined contribution plans	2,582	3,846	864	1,079
Total key management personnel compensation	<u>43,962</u>	<u>71,627</u>	<u>17,829</u>	<u>31,149</u>
Other related party				
Interest expense	4,700	-	4,700	-

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

Trade accounts receivable - related parties	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Subsidiaries and indirect subsidiaries	-	-	915,634	1,014,960
Associate	181	231	11	11
Other related party	67	67	-	-
	248	298	915,645	1,014,971
Less allowance for doubtful accounts	(67)	(67)	(82,701)	-
Net	181	231	832,944	1,014,971
Bad and doubtful debts expense for the year	-	-	82,701	-
Accrued income - related parties	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Subsidiaries and indirect subsidiaries	-	-	4,472	5,283
Other current receivables - related parties	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Subsidiaries and indirect subsidiaries	-	-	1,043,755	887,353
Associate	345	349	9	-
Other related party	17,345	17,345	-	-
	17,690	17,694	1,043,764	887,353
Less allowance for doubtful accounts	(17,345)	(17,345)	(738,870)	-
Net	345	349	304,894	887,353
Bad and doubtful debts expense for the year	-	-	738,870	-
Trade accounts payable - related parties	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Subsidiaries and indirect subsidiaries	-	-	1,332,737	1,495,243
Associate	-	8	-	-
Total	-	8	1,332,737	1,495,243
Other current payables - related parties	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Subsidiaries and indirect subsidiaries	-	-	33,923	24,862
Associate	-	12	-	-
Total	-	12	33,923	24,862

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Accrued expenses - related parties		Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016 (restated)
		<i>(in thousand Baht)</i>			
Subsidiaries		<u>-</u>	<u>-</u>	<u>19,474</u>	<u>7,929</u>
Short-term loan from related party		Consolidated financial statements		Separate financial statements	
Interest rate		2017	2016	2017	2016
(% per annum)		<i>(in thousand Baht)</i>			
Shareholder	12.00 -	70,000	-	70,000	-
Less deferred interest		<u>(1,305)</u>	<u>-</u>	<u>(1,305)</u>	<u>-</u>
Total short-term loan from related party		<u>68,695</u>	<u>-</u>	<u>68,695</u>	<u>-</u>

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

Short-term loan from other related party		Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
Shareholder					
At 1 January		-	-	-	-
Increase		<u>70,000</u>	<u>-</u>	<u>70,000</u>	<u>-</u>
At 31 December		<u>70,000</u>	<u>-</u>	<u>70,000</u>	<u>-</u>

Significant agreements with related parties

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 service fees as specified in the agreements.

The Company entered into an agreement with a subsidiary for rent space and related services. The Company committed to pay rental and service fees as specified in the agreement.

The Company entered into agreements with subsidiaries and an indirect subsidiary to rent out the spaces and provide related services. The subsidiaries and indirect subsidiary committed to pay rental and service fees as specified in the agreements.

The Company entered into an agreement with a subsidiary to receive information technology system services. The company committed to pay a service fee as specified in the agreement.

The Company entered into a short-term loan agreement with a shareholder amounting to Baht 70 million. The short-term loan was bill of exchange and repayable within 3 months. The loan bears interest rate at the rate of 12% per annum. The Company has paid interest at the date of short-term loan agreement amounting to Baht 2.01 million. Furthermore, the Company pledged investment in subsidiary as collateral for this short - term loan (see note 16).

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8 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Cash on hand	1,390	1,664	323	288
Cash at banks - current accounts	3,492	3,901	458	1,136
Cash at banks - savings accounts	62,238	106,597	8,699	25,344
Highly liquid short-term investments	119,279	121,532	1	-
Total	186,399	233,694	9,481	26,768

9 Other investments

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
<i>Current investments</i>				
Short-term deposits at financial institutions	3,471	3,630	-	-
Promissory notes	-	195,148	-	-
Debt securities held for trading	-	223,598	-	49,289
Debt securities held for trading (Private fund)	121,951	-	-	-
	125,422	422,376	-	49,289
<i>Other long-term investments</i>				
Equity securities available for sale	3	2,800	3	2,800
Other non-marketable equity securities	4,016	4,616	4,016	4,616
	4,019	7,416	4,019	7,416
Total	129,441	429,792	4,019	56,705

As at 31 December 2016, the Group entered into promissory notes with local financial institutions amounting to Baht 195.15 million. The promissory notes were repayable over 6 - 9 months. The loans bear interest at the rate of 1.65% - 6.00% per annum. The Group fully received these promissory notes during 2017.

During 2017, two subsidiaries established the private funds by engaging an independent assets management company for the purpose of cash management of the subsidiaries. These private funds invested in equity and debt securities in response to capital market conditions. As at 31 December 2017, the value of private funds outstanding totalling Baht 123.34 million (including cash and cash equivalents of Baht 1.33 million).

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

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Current investment				
Trading securities				
At 1 January	223,598	25,069	49,289	3
Purchases during the year	346,900	1,301,400	105,000	308,000
Sales during the year	(331,046)	(1,103,152)	(113,781)	(258,728)
Transfer during the year	(239,765)	-	(40,606)	-
Valuation adjustment	313	281	98	14
At 31 December	-	223,598	-	49,289
Trading securities (Private fund)				
At 1 January	-	-	-	-
Transfer during the year	121,951	-	-	-
At 31 December	121,951	-	-	-
Available for sale securities				
At 1 January	-	-	-	-
Purchases during the year	880,200	-	347,000	-
Sales during the year	(1,119,965)	-	(387,606)	-
Transfer during the year	239,765	-	40,606	-
At 31 December	-	-	-	-
Available for sale securities (Private fund)				
At 1 January	-	-	-	-
Purchases during the year	208,246	-	-	-
Sales during the year	(88,047)	-	-	-
Transfer during the year	(121,951)	-	-	-
Valuation adjustment	1,752	-	-	-
At 31 December	-	-	-	-
Other long-term investment				
Available for sale securities				
At 1 January	2,800	2,776	2,800	2,776
Sales during the year	(8,082)	-	(8,082)	-
Valuation adjustment	5,285	24	5,285	24
At 31 December	3	2,800	3	2,800

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10 Trade accounts receivable

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
Related parties	7	248	298	915,645	1,014,971
Other parties		339,640	471,982	133,270	192,923
Total		339,888	472,280	1,048,915	1,207,894
Less allowance for doubtful accounts		(59,786)	(65,475)	(113,269)	(34,374)
allowance for goods returned		(5,334)	(8,756)	(2,875)	(5,281)
Net		274,768	398,049	932,771	1,168,239
Bad and doubtful debts expense for the year		3,992	7,354	83,344	3,960

Aging analyses for trade accounts receivable were as follows:

		Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
Related parties					
Within credit terms		181	231	92,812	164,711
Overdue:					
Less than 3 months		-	-	76,683	45,935
3-6 months		-	-	125,347	115,356
6-12 months		-	-	112,373	167,921
Over 12 months		67	67	508,430	521,048
		248	298	915,645	1,014,971
Less allowance for doubtful accounts		(67)	(67)	(82,701)	-
		181	231	832,944	1,014,971
Other parties					
Within credit terms		152,976	214,457	51,576	77,667
Overdue:					
Less than 3 months		94,224	158,507	36,413	58,195
3-6 months		15,017	22,011	4,365	15,460
6-12 months		7,885	10,061	4,237	6,531
Over 12 months		69,538	66,946	36,679	35,070
		339,640	471,982	133,270	192,923
Less allowance for doubtful accounts		(59,719)	(65,408)	(30,568)	(34,374)
allowance for goods returned		(5,334)	(8,756)	(2,875)	(5,281)
		274,587	397,818	99,827	153,268
Net		274,768	398,049	932,771	1,168,239

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

In 2017, the Company recorded allowance for doubtful accounts for trade accounts receivable with related parties amounting to Baht 82.70 million by assessed the current status and the recoverability of outstanding receivables with related parties.

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11 Other current receivables

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
Related parties	7	17,690	17,694	1,043,764	887,353
Other parties					
Other receivables		52,900	56,598	52,088	53,160
Prepaid expenses		50,958	78,362	28,524	34,397
Advance to employees		1,426	2,198	30	500
Others		369	72	-	-
		105,653	137,230	80,642	88,057
Total		123,343	154,924	1,124,406	975,410
Less allowance for doubtful accounts		(63,738)	(65,082)	(785,263)	(47,737)
Net		59,605	89,842	339,143	927,673

In 2017, the Company recorded allowance for doubtful accounts for other current receivables with related parties amounting to Baht 738.87 million by assessed the current status and the recoverability of outstanding receivables with related parties.

12 Inventories

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Finished Goods	31,680	86,629	-	-
Raw materials	22,937	30,444	15,268	24,255
Store, supplies and others	8,596	8,554	994	289
Work in progress	4,903	9,619	-	-
Raw materials in transit	-	1,680	-	1,680
Total	68,116	136,926	16,262	26,224
Inventories recognised as an expense in 'cost of sale of goods and rendering of services:				
- Cost of sale of goods and	1,700,963	1,990,050	190,611	232,681
- Write-down to net realisable value	2,074	10,559	-	-
- Reversal of write-down	(3,329)	(149)	(2,840)	-
Net total	1,699,708	2,000,460	187,771	232,681

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 amounted to Baht 193.48 million in the consolidated statement of comprehensive income (see note 16).

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Impairment testing

Management of the subsidiary and indirect subsidiary performed impairment test of carrying amount of inventories related to the licences. The recoverable amount was based on its value in use, determined by discounted future cash flows to be generated from the continuing use of assets until expiration date of licences based on its business plan and discount rate which is calculated by weighted average cost of capital (see note 22 for further details of the impairment loss).

13 Other current assets

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
Input value added tax pending		147,237	178,716	82,460	89,096
Refundable value added tax		138,464	139,104	-	-
Programme licences	21, 22	91	1,837	-	-
Others		-	1,901	-	1,406
Total		285,792	321,558	82,460	90,502

14 Restricted deposits

As at 31 December 2017, fixed deposits of subsidiary and indirect subsidiary of Baht 0.48 million (2016: Baht 0.86 million) have been pledged as collateral for letters of guarantee issued by a local financial institution.

15 Investment in associate

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
At 1 January	23,156	22,076	1,800	1,800
Share of net profit of associate	70	1,080	-	-
At 31 December	23,226	23,156	1,800	1,800

During the year ended 31 December 2017 there were no acquisitions and disposals of investment in associate.

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Investment in associate as at 31 December 2017 and 2016, and dividend income from the investment for the years then ended was as follows:

		Consolidated financial statements									
Name of associate	Type of business	Ownership interest		Paid-up capital		Cost		Equity		Dividend income	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
		(%)		(in thousand Baht)							
Yomiuri-Nation Information Service Limited	Advertising agency	45.00	45.00	4,000	4,000	1,800	1,800	23,226	23,156	-	-

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

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Associate	Ownership Interest		Paid-up capital		Separate financial statements							
	2017		2016		Cost		Impairment		At cost - net		Dividend income	
	(%)				2017	2016	2017	2016	2017	2016	2017	2016
<i>(in thousand Baht)</i>												
Yomiuri-Nation Information Service Limited	45.00	45.00	4,000	4,000	1,800	1,800	-	-	1,800	1,800	-	-

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

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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 the company.

	Associate	
	2017	2016
	<i>(in thousand Baht)</i>	
Revenue	12,004	18,135
Total comprehensive income (100%)	155	2,401
Group's share of total comprehensive income	70	1,080
Current assets	10,924	10,541
Non-current assets	42,576	42,686
Current liabilities	(1,135)	(1,108)
Non-current liabilities	(752)	(661)
Net assets (100%)	51,613	51,458
Group's share of net assets	23,226	23,156
Carrying amount of interest in associate	23,226	23,156

16 Investments in subsidiaries

	Separate financial statements	
	2017	2016
	<i>(in thousand Baht)</i>	
At 1 January	3,627,879	2,993,311
Additions	-	653,000
Allowance for impairment	(2,131,500)	-
Disposals	(5,815)	(18,432)
At 31 December	1,490,564	3,627,879

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 "group of subsidiary") in accordance with the current situation and focusing on the publishing and distributing of certain profitable publications. According to the aforementioned operation's 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 amounted to Baht 193.48 million and Baht 10.97 million in the consolidated statement of comprehensive income, respectively.

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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 control 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.

As a result of the merger, 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 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.

Additions

At the extraordinary meeting of the shareholders of an indirect subsidiary ("Nation Global Edutainment Co., Ltd.") held on 20 May 2017, the shareholders of the indirect subsidiary approved an increase in the registered share capital from Baht 97 million (divided into 97,000 ordinary shares at Baht 1,000 per share) to Baht 200 million (divided into 200,000 ordinary shares at Baht 1,000 per share). The indirect subsidiary registered the increase in share capital with the Ministry of Commerce on 5 June 2017.

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.

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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.

Return of investments

At the extraordinary meeting of the shareholders of an indirect subsidiary (“Nation Kids Co., Ltd.”) held on 26 December 2016, the shareholders of the indirect subsidiary approved the extraordinary resolution of the liquidation. The indirect subsidiary registered the liquidation with the Ministry of Commerce on 27 December 2016 and completed to liquidate on 29 June 2017.

At the extraordinary meeting of the shareholders of an indirect subsidiary (“NBC Nextmedia Co., Ltd.”) held on 27 September 2016, the shareholders of the indirect subsidiary approved the extraordinary resolution of the liquidation. The indirect subsidiary registered the liquidation with the Ministry of Commerce on 28 September 2016 and completed to liquidate on 23 June 2017.

At the extraordinary meeting of the shareholders of an indirect subsidiary (“NBC Next Screen Co., Ltd.”) held on 26 December 2016, the shareholders of the indirect subsidiary approved the extraordinary resolution of the liquidation. The indirect subsidiary registered the liquidation with the Ministry of Commerce on 27 December 2016 and completed to liquidate on 12 December 2017.

Partial disposal of interest in subsidiary without a change of control

During 2017, the Company sold 1.31% of its interest in a subsidiary (“Nation International Edutainment Public Company Limited”) for Baht 3.83 million in cash, reducing its ownership interest from 72.35% to 71.04%, whilst retaining control over the subsidiary. The carrying amount of the subsidiary’s net assets in the Group’s financial statements on the date of sale was Baht 267.79 million. The Group recognised an increase in non-controlling interest of Baht 3.50 million. The Group and the Company recognised gain and loss on sale of the investment of Baht 0.33 million and Baht 1.98 million, in the consolidated statement of changes in equity and separate statement of comprehensive income for the year ended 31 December 2017, respectively.

During 2016, the Company sold 4.14% of its interest in a subsidiary (“Nation International Edutainment Public Company Limited”) for Baht 13.98 million in cash, reducing its ownership interest from 76.49% to 72.35%, whilst retaining control over the subsidiary. The carrying amount of the subsidiary’s net assets in the Group’s financial statements on the date of sale was Baht 309.23 million. The Group recognised an increase in non-controlling interest of Baht 12.77 million. 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.

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

	2017 (in thousand Baht)	2016
Group's ownership interest at 1 January	194,879	372,962
Effect of decrease in Group's ownership interest	(3,499)	(12,769)
Share of other comprehensive income	5,261	(165,314)
Group's ownership interest at 31 December	196,641	194,879

Security

During the year 2017, the Company pledged investments in subsidiaries as collateral for short-term borrowings from related party, individuals and asset management companies (see note 24) as follows:

Subsidiaries	Number of shares (thousand shares)	At cost - net (in thousand Baht)
Nation Broadcasting Corporation Public Company Limited	382,024	446,951
Nation International Edutainment Public Company Limited	118,389	310,057
Krungthep Turakij Media Co., Ltd.	250	25,000
Bangkok Business Broadcasting Co., Ltd.	149,900	-
Nation U Co., Ltd.	10,000	8,382
WPS (Thailand) Co., Ltd.	42,250	422,500
Total	702,813	1,212,890

Dividends

2017

At the annual general meeting of the shareholders of a subsidiary ("WPS (Thailand) Co., Ltd.") held on 27 April 2017, the shareholders of the subsidiary approved the appropriation of dividends from the 2016 operating results and retained earnings of Baht 0.35 per share, amounting to Baht 17.50 million. The dividends were paid to shareholders in May 2017.

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 42.83 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.

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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.

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Investments in subsidiaries as at 31 December 2017 and 2016, and dividend income from those investments for the year then ended, were as follows:

		Separate financial statements											
		Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
		(%)		(in thousand Baht)									
Direct subsidiaries													
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	542,000	-	447,589	989,589	-	30,604
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	71.04	72.35	170,048	170,048	316,377	322,192	-	-	316,377	322,192	-	2,862
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	40,000	-	10,000	50,000	-	-
NML Co., Ltd.	Delivery of newspaper and publishing	99.99	99.99	50,000	50,000	50,000	50,000	41,000	40,000	9,000	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

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		Separate financial statements											
	Type of business	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
		(%)		(in thousand Baht)									
Direct subsidiaries													
Bangkok Business Broadcasting Co., Ltd.	Production of TV programmes and providing advertisements through TV media	99.93	99.93	1,500,000	1,500,000	1,499,000	1,499,000	1,499,000	-	-	1,499,000	-	-
Nation U Co., Ltd.	Establish a private University and academic training	90.00	90.00	340,000	340,000	306,000	306,000	49,500	-	265,500	306,000	-	-
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	14,788	21,125
Total						3,758,456	3,764,271	2,267,892	136,392	1,490,564	3,627,879	14,788	103,341

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	Type of business	Separate financial statements										Dividend income	
		Ownership interest		Paid-up capital		Cost		Impairment		At cost - net			
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
<i>Indirect subsidiaries</i>													
<i>Held by Nation Broadcasting Corporation Public Company Limited</i>													
NBC Nextmedia Co., Ltd. (liquidated and completed liquidation on 23 June 2017)	New media advertising	-	-	-	10,000	-	-	-	-	-	-	-	-
NBC Next Screen Co., Ltd. (liquidated and completed liquidation on 12 December 2017)	Production of TV programme and advertisements through TV media	-	-	-	250	-	-	-	-	-	-	-	-
NBC Next Vision Co., Ltd.	Production of TV programme and advertisements through TV media	-	-	800,000	800,000	-	-	-	-	-	-	-	-
<i>Held by Nation International Edutainment Public Company Limited</i>													
Nation Kids Co., Ltd (liquidated and completed liquidation on 29 June 2017)	Production of TV programme and advertisements through TV media	-	-	-	1,000	-	-	-	-	-	-	-	-
Nation Global Edutainment Co., Ltd.	Importing, publishing and distributing children’s books for edutainment	-	-	200,000	97,000	-	-	-	-	-	-	-	-

All direct and indirect subsidiaries were incorporated in Thailand.

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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 1.17 and Baht 1.59, respectively at 31 December 2017 (2016: Baht 1.82 and Baht 1.57, respectively), the fair value of the Group's investments in the said companies were Baht 447.59 million and Baht 192.09 million, respectively (2016: Baht 696.25 million and Baht 193.16 million, respectively).

Impairment testing

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

CGU 1: Investment in Nation Broadcasting Public Company Limited ("NBC")

Based on the impairment test of the carrying amount of investment in Nation Broadcasting Public Company Limited, the recoverable amount was determined by fair value which is the closing price as at 31 December 2017. The carrying amount of investment in NBC was higher than the recoverable amount by Baht 542 million. The Company recognised an impairment loss on the investment of Baht 542 million in the separate financial statements for year ended 31 December 2017.

CGU 2: Investment in Nation News Network Co., Ltd. ("NNN")

Based on the impairment test of the carrying amount of investment in Nation News Network Co., Ltd., the recoverable amount was based on value in use, determined by discounted future cash flow. The carrying amount of investment in NNN was higher than the recoverable amount by Baht 40 million. The Company recognised an impairment loss on the investment of Baht 40 million in the separate financial statements for the year ended 31 December 2017.

The key assumptions used in the estimation of recoverable amount as at 31 December were as follows:

Key assumptions	Separate financial statements	
	2017	2016
	(%)	
Discount rate	9.02	9.10
Terminal growth rate	0.00	0.00

CGU 3: Investment in Bangkok Business Broadcasting Co., Ltd. ("BBB")

Based on the impairment test of the carrying amount of investment in Bangkok Business Broadcasting Co., Ltd., the recoverable amount was based on value in use, determined by discounted future cash flow. The carrying amount of investment in BBB was higher than the recoverable amount. The Company recognised an impairment loss on the investment in full amount in the separate financial statements for the year ended 31 December 2017.

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The key assumptions used in the estimation of recoverable amount as at 31 December were as follows:

Key assumptions	Separate financial statements	
	2017	2016
	(%)	
Discount rate	11.82	9.51
Terminal growth rate	2.00	3.00

CGU 4: Investment in NML Co., Ltd. (“NML”)

As described in the note 46, The Board of Directors of the Company approved the proceeding of divestment of investment in NML Co., Ltd, amounting to Baht 9 million. Therefore, the recoverable amount of investment in NML was determined by fair value less costs to sell which was lower than the carrying amount by Baht 41 million. The Company recognised an additional impairment loss on the investment of Baht 1 million in the separate financial statements for the year ended 31 December 2017.

CGU 5: Investment in Nation U Co., Ltd. (“NU”)

As described in the note 46, The Board of Directors of the Company approved the proceeding of divestment of investment in Nation U Co., Ltd, amounting to Baht 256.50 million. Therefore, the recoverable amount of investment in NU was determined by fair value less costs to sell which was lower than the carrying amount by Baht 49.50 million. The Company recognised an impairment loss on the investment of Baht 49.50 million in the separate financial statements for the year ended 31 December 2017.

The discount rate was a pre-tax measure based on the rate of 10 - 30 years government bonds issued by the government in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.

These assumptions were based on management of the Company’s judgement and past experiences and business plan, as well as the future prediction that is believed to be reasonable in the present situation. Changes in the information or new noticeable information may lead to the change in the assumptions and the discount rate for the estimation of the discounted future cash flows.

Moreover, management of the Company performed impairment tests of carrying amount of other investments in subsidiaries which have impairment indicators. The recoverable amounts were 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. Based on the impairment test, the recoverable amounts of other investments in subsidiaries were higher than or equal to its carrying amount. Therefore, the Group did not recognise impairment loss on other investments in subsidiaries in the separate financial statements for the year ended 31 December 2017.

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17 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 2017				
	Nation Broadcasting Corporation Public Company Limited	Nation International Edutainment Public Company Limited	Other individually immaterial subsidiaries (in thousand Baht)	Intra-group eliminations	Total
Non-controlling interests percentage	28.55%	28.96%			
Current assets	276,195	295,270			
Non-current assets	522,328	25,967			
Current liabilities	(216,425)	(33,223)			
Non-current liabilities	(460,415)	(13,570)			
Net assets	121,683	274,444			
Carrying amount of non-controlling interests	34,740	79,479	84,298	(74,513)	124,004
Revenue	539,092	158,273			
Profit (loss)	(916,238)	7,179			
Other comprehensive income	58,337	-			
Total comprehensive income (loss)	(857,901)	7,179			
Profit (loss) allocated to non-controlling interests	(261,586)	2,079	(37,231)	74,871	(221,867)
Other comprehensive income (loss) allocated to non-controlling interests	16,655	-	17,875	(16,655)	17,875

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	31 December 2017				
	Nation Broadcasting Corporation Public Company Limited	Nation International Edutainment Public Company Limited	Other individually immaterial subsidiaries <i>(in thousand Baht)</i>	Intra-group eliminations	Total
Cash flows from operating activities	(43,655)	(61,616)			
Cash flows from investing activities	(28,413)	133,482			
Cash flows from financing activities	(3,702)	(477)			
Net decrease in cash and cash equivalents	<u>(75,770)</u>	<u>71,389</u>			
Dividends to non-controlling interests	-	-	2,713	-	2,713

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	31 December 2016				
	Nation Broadcasting Corporation Public Company Limited	Nation International Edutainment Public Company Limited	Other individually immaterial subsidiaries (in thousand Baht)	Intra-group eliminations	Total
Non-controlling interests 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 interests	279,827	73,864	124,180	(150,596)	327,275
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 interests	(78,645)	(59,131)	(133)	(280)	(138,189)
Other comprehensive income (loss) allocated to non-controlling interests	(5,460)	(714)	123	3,210	(2,841)

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	31 December 2016				
	Nation Broadcasting Corporation Public Company Limited	Nation International Edutainment Public Company Limited	Other individually immaterial subsidiaries (in thousand Baht)	Intra-group eliminations	Total
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 interests	12,231	879	3,875	-	16,985

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18 Long-term investment in related party

Long-term investment in related party as at 31 December 2017 and 2016, 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	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
		(%)						(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	-	-	-	-

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19 Investment properties

	Consolidated financial statements Condominium and improvements			Separate financial statements Condominium and improvements		
	Land		Total (in thousand Baht)	Land		Total
Cost						
At 1 January 2016	44,678	-	44,678	44,678	-	44,678
Additions	-	31,145	31,145	-	20,006	20,006
At 31 December 2016 and 1 January 2017	44,678	31,145	75,823	44,678	20,006	64,684
Additions	-	12,149	12,149	-	12,149	12,149
Disposals	-	(11,205)	(11,205)	-	(11,205)	(11,205)
At 31 December 2017	44,678	32,089	76,767	44,678	20,950	65,628
Depreciation and impairment losses						
At 1 January 2016	-	-	-	-	-	-
Depreciation charge for the year	-	376	376	-	189	189
At 31 December 2016 and 1 January 2017	-	376	376	-	189	189
Depreciation charge for the year	-	1,600	1,600	-	1,043	1,043
Impairment losses	-	4,521	4,521	-	2,576	2,576
Disposals	-	(385)	(385)	-	(385)	(385)
At 31 December 2017	-	6,112	6,112	-	3,423	3,423
Net book value						
At 1 January 2016	44,678	-	44,678	44,678	-	44,678
At 31 December 2016 and 1 January 2017	44,678	30,769	75,447	44,678	19,817	64,495
At 31 December 2017	44,678	25,977	70,655	44,678	17,527	62,205

Fair value of investment property, which is land of the Group and the Company as at 31 December 2017 of Baht 52.85 million (2016: Baht 48.60 million) was determined by independent professional valuers, at comparative method.

The fair value of investment property, which is condominiums and improvements of the Group and the Company as at 31 December 2017 of Baht 27.60 million and Baht 19.15 million, respectively, was determined by independent professional valuer, at comparative method.

The fair value measurement for investment properties has been categorised as a Level 3 fair value.

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 believed that fair value of investment property, which is condominium and improvements, was 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.

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Measurement of fair value

Fair value hierarchy

The fair value of investment properties were 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 Group's investment property portfolio every 3 years.

The fair value measurement for investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of investment properties, 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 asset that are observable and in the similar area.	The estimated fair value will increase (decrease) if the rate per square metre increase (decrease).

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20 Property, plant and equipment

	Consolidated financial statements								
	Land and improvements	Building and improvements	Leasehold improvements	Machinery and equipment	Operating equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	Total
	(in thousand Baht)								
Cost / revaluation									
At 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	4,111	50,426
Transfers	-	-	167	-	480	-	-	(647)	-
Disposals / written-off	-	-	(12,260)	-	(630)	(9,812)	(2,554)	-	(25,256)
At 31 December 2016 and 1 January 2017	590,354	584,143	155,810	847,913	393,459	279,995	87,522	3,594	2,942,790
Additions	-	-	1,033	2,130	2,836	1,662	1,419	888	9,968
Surplus on revaluation	204,927	-	-	-	-	-	-	-	204,927
Transfers	-	-	-	-	2,960	-	-	(2,960)	-
Disposals / written-off	-	(1,526)	(24,006)	(5)	(11,778)	(15,286)	(5,016)	-	(57,617)
At 31 December 2017	795,281	582,617	132,837	850,038	387,477	266,371	83,925	1,522	3,100,068
Depreciation and impairment losses									
At 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 and 1 January 2017	10,600	314,195	76,435	525,438	228,650	251,835	47,156	-	1,454,309
Depreciation charge for the year	805	30,850	20,351	46,618	48,272	13,316	14,436	-	174,648
Impairment losses	38,000	5,000	133	-	6,772	1,445	-	-	51,350
Disposals / written-off	-	(1,098)	(12,118)	(5)	(10,896)	(15,207)	(3,500)	-	(42,824)
At 31 December 2017	49,405	348,947	84,801	572,051	272,798	251,389	58,092	-	1,637,483

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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
<i>Net book value</i>									
At 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 and 1 January 2017									
Owned assets	579,754	269,948	79,375	322,475	164,809	27,653	40,366	3,594	1,487,974
Assets under finance leases	-	-	-	-	-	507	-	-	507
	579,754	269,948	79,375	322,475	164,809	28,160	40,366	3,594	1,488,481
At 31 December 2017									
Owned assets	745,876	233,670	48,036	277,987	114,679	14,982	25,833	1,522	1,462,585

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	Separate financial statements								Total
	Land and improvements	Building and improvements	Leasehold improvements	Machinery and equipment	Operating equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	
	<i>(in thousand Baht)</i>								
<i>Cost / revaluation</i>									
At 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 and 1 January 2017	342,532	39,092	72,766	1,635	76,584	186,451	51,200	-	770,260
Additions	-	-	-	-	1,500	1,093	1,419	-	4,012
Surplus on revaluation	40,256	-	-	-	-	-	-	-	40,256
Disposals / written-off	-	-	(4,906)	-	(602)	(6,238)	-	-	(11,746)
At 31 December 2017	382,788	39,092	67,860	1,635	77,482	181,306	52,619	-	802,782
<i>Depreciation and impairment losses</i>									
At 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 and 1 January 2017	341	7,738	34,509	1,037	28,347	175,673	33,270	-	280,915
Depreciation charge for the year	113	1,786	12,032	164	15,211	5,974	7,806	-	43,086
Impairment losses	38,000	5,000	-	-	-	-	-	-	43,000
Disposals / written-off	-	-	(2,782)	-	(377)	(6,213)	-	-	(9,372)
At 31 December 2017	38,454	14,524	43,759	1,201	43,181	175,434	41,076	-	357,629

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Separate financial statements									
	Land and improvements	Building and improvements	Leasehold improvements	Machinery and equipment	Operating equipment (in thousand Baht)	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	Total
Net book value									
At 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 and 1 January 2017									
Owned assets	342,191	31,354	38,257	598	48,237	10,271	17,930	-	488,838
Assets under finance leases	-	-	-	-	-	507	-	-	507
	342,191	31,354	38,257	598	48,237	10,778	17,930	-	489,345
At 31 December 2017									
Owned assets	344,334	24,568	24,101	434	34,301	5,872	11,543	-	445,153

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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 2017 amounted to Baht 466.04 million and Baht 189.28 million, respectively (2016: Baht 421.35 million and Baht 151.94 million, respectively).

Security

At 31 December 2017, the Group's and the Company's properties with a net book value of Baht 750.82 million and Baht 354.05 million, respectively (2016: Baht 785.63 million and Baht 354.05 million, respectively) were partially secured credit facilities from a financial institution (see note 24) and a bank guarantee from a financial institution (see note 45).

Revaluation

On 30 December 2017, the Group and the Company have changed its accounting policy relating to measurement after recognition of land from cost model to revaluation model. The fair value of the Group's and the Company's land have been assessed at Baht 741.97 million and Baht 344.27 million, respectively. The carrying amount of land were Baht 537.04 million and Baht 304.01 million, respectively. The fair value of land was determined by independent valuers at comparative method (see note 4).

Measurement of fair value

Fair value hierarchy

The fair value of land was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

The fair value measurement for land 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 land, 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 asset that are observable and in the similar area.	The estimated fair value will increase (decrease) if the rate per square metre increase (decrease).

Impairment testing

As described in the note 6, the Board of Directors of the Company approved to propose to the shareholders' meeting to consider and approve the proceeding of divestment of assets for business restructuring of the Group by determine the based price of land and constructions of the Company as the condition in bidding process at the value appraised by the asset appraiser. The appraised value was lower than the carrying amount of land and constructions by Baht 43 million. The Company recognised an impairment loss of land and constructions by Baht 43 million in the separate financial statements for the year ended 31 December 2017.

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In addition, management of the subsidiary and indirect subsidiary performed impairment test of carrying amount of assets related to the licences. The recoverable amount was based on its value in use, determined by discounted future cash flows to be generated from the continuing use of assets until expiration date of licences based on its business plan and discount rate which is calculated by weighted average cost of capital (see note 22 for further details of the impairment loss).

21 Intangible assets

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
Current portion included in “other current assets”	13	91	1,837	-	-
Non-current portion		66,984	171,182	5,444	7,511
Total		67,075	173,019	5,444	7,511

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	Computer programmes and software licences	Programme licences	Licence fees - books	Rights for broadcasting (in thousand Baht)	Trade mark	Computer programmes under installation	Total
Cost							
At 1 January 2016	236,669	-	84,174	125,904	700	-	447,447
Additions	1,605	-	5,614	163,386	-	293	170,898
Written-off	-	-	(69,848)	(34,109)	-	-	(103,957)
At 31 December 2016 and 1 January 2017	238,274	-	19,940	255,181	700	293	514,388
Additions	11,076	1,185	2,691	66,197	-	-	81,149
Transfer	293	-	-	-	-	(293)	-
Written-off	(1,450)	-	-	(17,047)	-	-	(18,497)
At 31 December 2017	248,193	1,185	22,631	304,331	700	-	577,040
Amortisation and impairment losses							
At 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)	(34,109)	-	-	(91,604)
At 31 December 2016 and 1 January 2017	228,574	-	15,885	96,812	98	-	341,369
Amortisation charge for the year	5,263	474	4,032	106,406	49	-	116,224
Impairment losses	228	-	-	68,752	-	-	68,980
Written-off	(1,450)	-	-	(15,158)	-	-	(16,608)
At 31 December 2017	232,615	474	19,917	256,812	147	-	509,965
Net book value							
At 1 January 2016	15,607	-	21,265	83,376	651	-	120,899
At 31 December 2016 and 1 January 2017	9,700	-	4,055	158,369	602	293	173,019
At 31 December 2017	15,578	711	2,714	47,519	553	-	67,075

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	Separate Financial statements		
	Computer programmes and software licences	Computer programmes under installation <i>(in thousand Baht)</i>	Total
Cost			
At 1 January 2016	222,164	-	222,164
Additions	1,229	293	1,522
At 31 December 2016 and 1 January 2017	223,393	293	223,686
Additions	922	-	922
Transfer	293	(293)	-
At 31 December 2017	224,608	-	224,608
Amortisation			
At 1 January 2016	210,473	-	210,473
Amortisation charge for the year	5,702	-	5,702
At 31 December 2016 and 1 January 2017	216,175	-	216,175
Amortisation charge for the year	2,989	-	2,989
At 31 December 2017	219,164	-	219,164
Net book value			
At 1 January 2016	11,691	-	11,691
At 31 December 2016 and 1 January 2017	7,218	293	7,511
At 31 December 2017	5,444	-	5,444

Impairment testing

Management of the subsidiary and indirect subsidiary performed impairment test of carrying amount of rights for broadcasting and software licences related to the licences. The recoverable amount was based on its value in use, determined by discounted future cash flows to be generated from the continuing use of assets until expiration date of licences based on its business plan and discount rate which is calculated by weighted average cost of capital (see note 22 for further details of the impairment loss).

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22 Digital television licences

	Consolidated financial statements <i>(in thousand Baht)</i>
Cost	
At 1 January 2016	3,135,672
At 31 December 2016 and 1 January 2017	3,135,672
At 31 December 2017	3,135,672
Amortisation and impairment losses	
At 1 January 2016	351,893
Amortisation for the year	209,608
At 31 December 2016 and 1 January 2017	561,501
Amortisation for the year	178,632
Impairment losses	1,346,250
At 31 December 2017	2,086,383
Net book value	
At 1 January 2016	2,783,779
At 31 December 2016 and 1 January 2017	2,574,171
At 31 December 2017	1,049,289

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 payments 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 a 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 2017, the outstanding balance of letter of guarantee was Baht 929 million (2016: Baht 1,130 million).

An indirect subsidiary (“NBC Next Vision Co., Ltd.”), was the winner of the auction for commercial digital terrestrial television 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 payments under the following payment conditions:

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- 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 a 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 2017, the outstanding balance of letter of guarantee was Baht 570 million (2016: Baht 692.80 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 an 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. During the year 2017, the subsidiary and the indirect subsidiary received the official letters from NBTC which approves the subsidiary and the indirect subsidiary to repay the rest of licence fees together with its interest of payments in accordance with the terms and conditions within the order.

The details of digital television licence fees payments of the subsidiary and the indirect subsidiary to NBTC, as revised, were as follows:

	<i>(in million Baht)</i>
1 st instalment (within 30 days from the date being informed as auction winner)	593.8
2 nd instalment (within 30 days from the maturity 1 year from receiving the licences)	473.8
3 rd instalment (within 30 days from the maturity 2 years from receiving the licences)	647.6
4 th instalment (within 30 days from the maturity 3 years from receiving the licences)	323.8
5 th instalment (within 30 days from the maturity 4 years from receiving the licences)	323.8
6 th instalment (within 30 days from the maturity 5 years from receiving the licences)	293.8
7 th instalment (within 30 days from the maturity 6 years from receiving the licences)	293.8
8 th instalment (within 30 days from the maturity 7 years from receiving the licences)	293.8
9 th instalment (within 30 days from the maturity 8 years from receiving the licences)	293.8
Total	<u>3,538.0</u>

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On 23 May 2018, The National Council for Peace and Order (“NCPO”) has released the order No. 9/2561 in subject of a measure to relieve a license fee payment burden to the operators of the sound transmission, television transmission and sound broadcasting and television broadcasting, by virtue of Section 265 of Constitution of the Kingdom of Thailand and Section 44 of Constitution of the Kingdom of Thailand (interim), in the following significant detail:

- 1) Determining that any licensees granted the licenses of spectrum for providing the digital television service from the National Broadcasting and Telecommunications Commission (“licensee”) and failed to comply with the terms and conditions of the license fee payment from the fifth instalment onwards in accordance with the terms, requirements, and conditions of the NCPO’s Order No. 76/2559 dated 20 December 2016 in the subject of promotion of the sound transmission, television transmission and telecommunications businesses for the public interest, are able to request by giving a written letter to the Office of the National Broadcasting and Telecommunications Commission (“Office of the NBTC”) to impose the moratorium on making the licence fee payment for not over three years from the approval date by the Office of the NBTC and thereafter on 12 June 2018, received the letter of the approval from the Office of the NBTC for the moratorium of the licence fee payment in accordance with the terms and conditions thereunder;
- 2) Determining that NBTC and the Office of the NBTC, or the Executive Committee of the Broadcasting and Telecommunications Research and Development Fund for the Public Interest, as the case may be, provide a subsidy to spend for the network rental expenditures in accordance with a digital terrestrial television broadcasting network service at the rate of fifty percent of the network rental expenditures spent by the licensees for twenty four months from the date of this order that has been effectively enforced.

Impairment testing

Management of the subsidiary and indirect subsidiary performed impairment test of carrying amount of assets related to the licences. The recoverable amounts were based on its value in use, determined by discounted future cash flows to be generated from the continuing use of assets until expiration date of licences based on its business plan and discount rate which is calculated by weighted average cost of capital.

The key assumptions used in the estimation of value in use as at 31 December as follows:

Key assumptions	Consolidated financial statements	
	2017	2016
	(%)	
Discount rate	11.82 - 12.64	9.51
Terminal growth rate	2 - 2.20	3.00

The discount rate was a pre-tax measure based on the rate of 11-year government bonds issued by the government in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.

These assumptions are based on management of the subsidiary and indirect subsidiary’s judgment and past experience and business plan, as well as the future prediction that is believed to be reasonable in the present situation. Changes in the information or new noticeable information may lead to the change in the assumptions and the discount rate for the estimation of the discounting future cash flows along with sensitivity of key assumptions effect to the recoverable amount.

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CGU 1: Digital television licence for a variety standard definition channel category

Base on the impairment test, the carrying amount of the CGU 1 was determined to be higher than its recoverable amount. Therefore, the Group recognised an impairment loss in the consolidated financial statements for the year ended 31 December as follows:

	Consolidated financial statements	
	2017	2016
	<i>(in thousand Baht)</i>	
Impairment losses		
Digital television licence	785,510	-
Intangible assets	62,320	-
Inventories	7,990	-
Building and equipment	8,350	-
Total	864,170	-

CGU 2: Digital television licence for a news channel category

Base on impairment test, the carrying amount of the CGU 2 was determined to be higher than its recoverable amount. Therefore, the Group recognised an impairment loss in the consolidated financial statements for the year ended 31 December as follows:

	Consolidated financial statements	
	2017	2016
	<i>(in thousand Baht)</i>	
Impairment losses		
Digital television licence	560,740	-
Intangible assets	6,660	-
Total	567,400	-

23 Deferred tax

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

	Consolidated financial statements			
	Assets		Liabilities	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Total	104,000	126,450	57,913	35,306
Set off of tax	(26,683)	(14,397)	(26,683)	(14,397)
Net deferred tax assets (liabilities)	77,317	112,053	31,230	20,909

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	Separate financial statements			
	Assets		Liabilities	
	2017	2016	2017	2016
		(in thousand Baht)		
Total	18,203	22,048	8,451	695
Set off of tax	(8,451)	(695)	(8,451)	(695)
Net deferred tax assets (liabilities)	9,752	21,353	-	-

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

	Consolidated financial statements		
	(Charged) / Credited to:		
	At 1 January 2017	Profit or loss	Other comprehensive income
		(in thousand Baht)	
			At 31 December 2017
Deferred tax assets			
Trade accounts receivable	10,706	(1,830)	8,876
Marketable securities	1,058	-	1
Inventories	11,057	(7,900)	3,157
Other current assets	7,082	(141)	6,941
Provisions	32,574	(5,912)	26,662
Digital television licences	44,325	(3,679)	40,646
Loss carry forward	19,648	(1,931)	17,717
Total	126,450	(21,393)	104,000
Deferred tax liabilities			
Property, plant and equipment	35,073	2,564	57,513
Upfront fee of long-term loan from financial institution	233	167	400
Total	35,306	2,731	57,913
Net	91,144	(24,124)	46,087

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	At 1 January 2016	Consolidated financial statements (Charged) / Credited to:		At 31 December 2016
		Profit or loss (in thousand Baht)	Other comprehensive income	
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
Separate financial statements				
	At 1 January 2017	(Charged) / Credited to:		At 31 December 2017
		Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax assets				
Trade accounts receivable	3,803	(1,243)	-	2,560
Marketable securities	1,058	-	(1,057)	1
Inventories	568	(568)	-	-
Other current assets	7,082	(141)	-	6,941
Provisions	9,537	(836)	-	8,701
Total	22,048	(2,788)	(1,057)	18,203
Deferred tax liabilities				
Property, plant and equipment	462	(462)	8,051	8,051
Upfront fee of long-term loan from financial institution	233	167	-	400
Total	695	(295)	8,051	8,451
Net	21,353	(2,493)	(9,108)	9,752

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	At 1 January 2016	Separate financial statements (Charged) / Credited to:		At 31 December 2016
		Profit or loss (in thousand Baht)	Other comprehensive income	
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

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

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Trade account receivables	-	671	16,540	671
Other current receivables	-	-	147,774	-
Inventories	5,193	34,951	-	-
Investment in subsidiaries	-	-	426,300	-
Investment properties	904	-	515	-
Property, plant and equipment	10,270	-	8,600	-
Intangible assets	13,796	-	-	-
Digital television licences	269,250	-	-	-
Loss carry forward	707,269	477,911	174,777	125,243
Total	1,006,682	513,533	774,506	125,914

The subsidiaries recognised deferred tax assets from tax losses because management considered it probable that future taxable profits would be available against which such losses can be used.

The tax losses expire in 2018-2022. 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.

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24 Interest-bearing liabilities

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
Current					
Bank overdrafts					
Unsecured		95,712	47,539	82,579	42,057
Short-term loans from financial institutions					
Secured		200,000	-	200,000	-
Unsecured		568,962	501,892	518,606	450,923
		<u>768,962</u>	<u>501,892</u>	<u>718,606</u>	<u>450,923</u>
Bank overdrafts and short-term loans from financial institutions		<u>864,674</u>	<u>549,431</u>	<u>801,185</u>	<u>492,980</u>
Current portion of long-term loan from financial institution					
Secured		156,000	120,000	156,000	120,000
Current portion of long-term loan		<u>156,000</u>	<u>120,000</u>	<u>156,000</u>	<u>120,000</u>
Short-term loans from related party					
Secured	7	68,695	-	68,695	-
Short-term loans from individuals and asset management companies					
Secured		484,805	550,000	484,805	550,000
Short-term loans		<u>553,500</u>	<u>550,000</u>	<u>553,500</u>	<u>550,000</u>
Current portion of finance lease liability					
		<u>-</u>	<u>1,066</u>	<u>-</u>	<u>1,066</u>
Total current interest-bearing liabilities		<u>1,574,174</u>	<u>1,220,497</u>	<u>1,510,685</u>	<u>1,164,046</u>
Non-current					
Long-term loan from financial institution					
Secured		47,000	158,833	47,000	158,833
Long-term loan		<u>47,000</u>	<u>158,833</u>	<u>47,000</u>	<u>158,833</u>
Total non-current interest-bearing liabilities		<u>47,000</u>	<u>158,833</u>	<u>47,000</u>	<u>158,833</u>

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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	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Within one year	1,574,174	1,219,431	1,510,685	1,162,980
After one year but within five years	47,000	158,833	47,000	158,833
Total	<u>1,621,174</u>	<u>1,378,264</u>	<u>1,557,685</u>	<u>1,321,813</u>

Secured interest-bearing liabilities as at 31 December were secured on the following assets:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Carrying amount:				
Land and constructions, machine and equipment	750,821	785,631	354,049	354,049
Investment in subsidiaries	1,364,230	-	1,364,230	-
Total	<u>2,115,051</u>	<u>785,631</u>	<u>1,718,279</u>	<u>354,049</u>

Short-term loans from financial institutions and others

As at 31 December 2017, the Group and the Company entered into short-term loan agreements with financial institutions amounting to Baht 768.96 million and Baht 718.61 million, respectively (2016: Baht 501.89 million and Baht 450.92 million, respectively). These unsecured short-term loans bear interest at the rate of 2.90% - 11.00% per annum (2016: 2.80% - 7.15% per annum).

As at 31 December 2017, the Company entered into short-term loan agreements with individuals and asset management companies amounting to Baht 484.81 million (2016: Baht 550 million). The loans were bills of exchange and were repayable over 1 - 3 months. The loans bear interest at the rate of 6% - 15% per annum (2016: 2.65% - 15% per annum). Short term loans were secured by investments in subsidiaries (see note 16).

Long-term loan from financial institution

On 9 May 2016, the Company entered into a Loan Agreement with a local financial institution of Baht 300 million to use as its working capital. This loan has interest rate at the Minimum Loan Rate minus 1% (MLR - 1%) and shall be repaid by monthly within 3 years commencing from November 2016 to April 2019. The Company is committed to comply with certain conditions and restriction prescribed in the loan agreements which are maintaining the debt to equity ratio and the debt service coverage ratio.

The loan was secured by land and constructions, printing machines and parts of equipment of the Company and a subsidiary. As at 31 December 2017, the outstanding balance of the loan was Baht 203 million.

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Breach of loan covenant

During 2017, the Company had loss on operations resulting the Company could not maintain the debt to equity ratio and the debt service coverage ratio as prescribed in the loan agreement. However, the Company had already obtained the debt covenant waiver confirmation letter from the financial institution for the year ended 31 December 2017.

As at 31 December 2017, the Group and the Company had overdrafts and other credit facilities with local financial institutions totalling Baht 3,525.53 million and Baht 1,735.60 million, respectively (2016: Baht 4,084 million and Baht 1,947.60 million, respectively).

As at 31 December 2017, the Group and the Company had unutilised credit facilities totalling Baht 709.06 million and Baht 599.44 million, respectively (2016: Baht 873.26 million and Baht 759.69 million, respectively).

Finance lease liability

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

	Consolidated financial statements / Separate financial statements					
	2017			2016		
	Future minimum lease payments	Interest	Present value of minimum lease payments (in thousand Baht)	Future minimum lease payments	Interest	Present value of minimum lease payments
Within one year	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,073</u>	<u>7</u>	<u>1,066</u>

25 Trade accounts payable

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
Related parties	7	-	8	1,332,737	1,495,243
Other parties		<u>105,024</u>	<u>99,256</u>	<u>8,637</u>	<u>14,555</u>
Total		<u>105,024</u>	<u>99,264</u>	<u>1,341,374</u>	<u>1,509,798</u>

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26 Other current payables

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
Related parties	7	-	12	33,923	24,862
Others					
Other payables		65,531	22,647	3,971	3,238
Payables for purchase of assets		1,864	3,481	194	494
		<u>67,395</u>	<u>26,128</u>	<u>4,165</u>	<u>3,732</u>
Total		<u>67,395</u>	<u>26,140</u>	<u>38,088</u>	<u>28,594</u>

27 Accrued expenses

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
		<i>(restated)</i>			
Related parties	7	-	-	19,474	7,929
Others					
Accrued rebate		46,390	54,755	26,125	31,386
Accrued revenue sharing		10,048	17,147	-	-
Accrued annual broadcasting or television licence fees		9,551	4,189	-	-
Accrued licence fees		13,741	25,901	-	-
Others		86,767	85,353	44,683	31,309
		<u>166,497</u>	<u>187,345</u>	<u>70,808</u>	<u>62,695</u>
Total		<u>166,497</u>	<u>187,345</u>	<u>90,282</u>	<u>70,624</u>

28 Digital television licences payable

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

	Consolidated financial statements					
	2017			2016		
	Future payments	Interest	Present value of payments <i>(in thousand Baht)</i>	Future payments	Interest	Present value of payments
Within one year	323,800	25,836	297,964	647,600	63,531	584,069
After one year but within five years	1,175,200	43,981	1,131,219	1,175,200	45,130	1,130,070
Total	<u>1,499,000</u>	<u>69,817</u>	<u>1,429,183</u>	<u>1,822,800</u>	<u>108,661</u>	<u>1,714,139</u>

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

	Consolidated financial statements	
	<i>Note</i>	
	2017	2016
	<i>(in thousand Baht)</i>	
Present value at 1 January	1,714,139	2,270,342
Payment of the digital television licences	(323,800)	(647,600)
Interest expense	40 38,844	91,397
Present value at 31 December	<u>1,429,183</u>	<u>1,714,139</u>

29 Non-current provisions for employee benefits

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Statement of financial position				
Non-current provision for:				
Defined benefit plan	<u>137,980</u>	<u>167,253</u>	<u>43,507</u>	<u>47,685</u>
Year ended 31 December				
Statement of comprehensive income:				
Recognised in profit or loss:				
Defined benefit plan	<u>(28,915)</u>	<u>(6,723)</u>	<u>(4,120)</u>	<u>(4,165)</u>
Recognised in other comprehensive income:				
Actuarial losses recognised in the year	111	11,968	-	3,063
Cumulative actuarial losses recognised	<u>141,448</u>	<u>141,337</u>	<u>47,859</u>	<u>47,859</u>

Define benefit plan

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

The defined benefit plan exposes the Group to actuarial risks, such as longevity risk and interest rate risk. Movement in the present value of the defined benefit obligations.

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
At 1 January	167,253	163,856	47,685	52,166
Include in profit or loss:				
Current services costs	10,701	13,485	2,923	3,674
Interest on obligations	3,837	5,105	1,207	1,602
Curtailment gain	<u>(43,453)</u>	<u>(25,313)</u>	<u>(8,250)</u>	<u>(9,441)</u>
	<u>(28,915)</u>	<u>(6,723)</u>	<u>(4,120)</u>	<u>(4,165)</u>

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	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Included in other comprehensive income:				
Actuarial loss	111	11,968	-	3,063
	111	11,968	-	3,063
Others				
Transfer out	-	-	(58)	(3,239)
Benefit paid	(469)	(1,848)	-	(140)
	(469)	(1,848)	(58)	(3,379)
At 31 December	137,980	167,253	43,507	47,685

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

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Demographic assumptions	49	(10,028)	-	(3,127)
Financial assumptions	559	20,071	-	6,822
Experience adjustment	(497)	1,925	-	(632)
Total	111	11,968	-	3,063

Actuarial assumptions

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

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(%)</i>			
Discount rate	2.9 - 3.9	2.9 - 3.9	2.9	2.9
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 2017, the weighted-average duration of the defined benefit obligation was 15 years (2016: 15 years).

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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	
	Increase	Decrease	Increase	Decrease
	<i>(in thousand Baht)</i>			
At 31 December 2017				
Discount rate (1% movement)	(11,674)	13,475	(4,176)	4,802
Future salary growth (1% movement)	15,917	(13,895)	5,626	(4,922)
Mortality improvement (1% movement)	680	(759)	230	(256)
At 31 December 2016				
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)

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.

30 Other non-current liabilities

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Advance received for advertising	64,264	79,601	64,264	79,601
Security deposits	7,493	7,295	2,169	2,303
Others	15,558	18,165	-	-
Total	87,315	105,061	66,433	81,904

31 Share capital

	Par value per share <i>(in Baht)</i>	2017		2016	
		Number	Baht	Number	Baht
		<i>(in thousand shares / in thousand Baht)</i>			
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	4,067,848	2,155,959	4,067,640	2,155,849
Exercise of share options	0.53	-	-	208	110
At 31 December					
- ordinary shares	0.53	4,067,848	2,155,959	4,067,848	2,155,959

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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 directors, 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.

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.

32 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.

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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 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)	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 15 th of November and May in each year, to exercise not more than 20% each year

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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.

The expense for share-based payment transactions for the year ended 31 December 2017 of Baht 5.27 million and Baht 5.69 million in the consolidated and separate financial statements, respectively (2016: Baht 12.14 million and Baht 10.80 million, respectively).

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

	Consolidated financial statements			
	2017		2016	
	Number of warrants	Grant date fair value	Number of warrants	Grant date fair value
	<i>(in thousand units / in thousand Baht)</i>			
At 1 January	24,474	30,012	14,799	18,665
Issued warrants during the year	17,787	20,250	15,483	16,917
Exercised warrants during the year	-	-	(208)	(252)
Forfeited warrants during the year	(13,485)	(14,917)	(5,600)	(5,318)
At 31 December	28,776	35,345	24,474	30,012

	Separate financial statements			
	2017		2016	
	Number of warrants	Grant date fair value	Number of warrants	Grant date fair value
	<i>(in thousand units / in thousand Baht)</i>			
At 1 January	20,709	25,057	11,993	14,511
Issued warrants during the year	15,732	17,367	13,003	14,130
Exercised warrants during the year	-	-	(208)	(252)
Forfeited warrants during the year	(11,033)	(11,681)	(4,079)	(3,332)
At 31 December	25,408	30,743	20,709	25,057

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NMG-W3

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

Unexercised warrants as at 1 January 2017	Issued warrants (million units)	Exercised warrants	Unexercised warrants as at 31 December 2017	Exercise price (Baht / share)	Expiry date
904	-	-	904	1	5 years from the grant date
Unexercised warrants as at 1 January 2016	Issued warrants (million units)	Exercised warrants	Unexercised warrants as at 31 December 2016	Exercise price (Baht / share)	Expiry date
904	-	-	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.

33 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.

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Valuation surplus

The valuation surplus account within equity comprises the cumulative net change in the valuation of property, plant and equipment included in the financial statements at valuation until such property, plant and equipment is sold or otherwise disposed of.

34 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.

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Information about reportable segments

	Publishing and advertising		Printing services		Edutainment		Broadcasting and new media		Others		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	<i>(in thousand Baht)</i>											
External revenue	713,522	867,551	40,150	60,141	119,320	145,448	735,300	767,220	200,760	181,308	1,809,052	2,021,668
Inter-segment revenue	87,765	129,048	157,090	216,315	15,372	15,176	10,580	7,347	80,832	97,516	351,639	465,402
Other income	19,670	22,313	3,801	5,923	16,205	15,842	24,877	18,924	16,719	21,668	81,272	84,670
Total segment revenue	820,957	1,018,912	201,041	282,379	150,897	176,466	770,757	793,491	298,311	300,492	2,241,963	2,571,740
Segment profit (loss) before income tax	(332,286)	(270,625)	(13,868)	21,398	16,235	(197,494)	(1,970,002)	(669,596)	(54,334)	(44,606)	(2,354,255)	(1,160,923)
Interest income	58	90	1	2	6,021	8,893	2,480	13,431	126	188	8,686	22,604
Interest expense	(112,908)	(38,100)	(3,662)	(2,771)	-	(26)	(1,262)	(18)	-	-	(117,832)	(40,915)
Depreciation and amortisation	(23,959)	(35,067)	(69,495)	(74,298)	(5,569)	(9,387)	(176,355)	(168,566)	(17,515)	(22,000)	(292,893)	(309,318)
Amortisation of digital television licence	-	-	-	-	-	-	(178,631)	(209,609)	-	-	(178,631)	(209,609)
Share of profit of investment in associate	69	1,080	-	-	-	-	-	-	-	-	69	1,080
Other material non-cash items:												
- Impairment loss on assets	(45,576)	-	-	-	-	-	(1,433,515)	-	-	-	(1,479,091)	-
Capital expenditures	3,675	4,180	2,523	2,181	14,387	5,623	70,013	184,617	519	3,168	91,117	199,769
Segment assets as at 31 December	907,349	815,510	589,197	665,265	236,151	317,421	2,076,844	4,292,033	260,389	295,201	4,069,930	6,385,430
Segment liabilities as at 31 December	2,000,383	1,816,508	137,452	128,492	38,797	38,029	1,705,997	2,028,461	52,781	56,624	3,935,410	4,068,114

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Reconciliation of reportable segment revenue and profit or loss

	2017 (in thousand Baht)	2016
Revenue		
Total revenue from reportable segments	2,074,731	2,373,583
Other revenue	167,232	198,158
	<u>2,241,963</u>	<u>2,571,741</u>
Elimination of inter-segment revenue	(351,639)	(465,402)
Consolidated revenue	<u>1,890,324</u>	<u>2,106,339</u>
Profit or loss		
Total loss for reportable segments	(2,354,255)	(1,160,923)
Unallocated amount:		
- Share of profit of investment in associate	69	1,080
Consolidated loss before income tax	<u>(2,354,186)</u>	<u>(1,159,843)</u>

Geographical segments

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

35 Investment income

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
<i>Dividend income</i>					
Subsidiaries	7, 16	-	-	14,788	103,341
Other party		24	-	24	-
		<u>24</u>	<u>-</u>	<u>14,812</u>	<u>103,341</u>
<i>Interest income</i>					
Other parties		8,686	22,604	24	40
Total		<u>8,710</u>	<u>22,604</u>	<u>14,836</u>	<u>103,381</u>

36 Distribution costs

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Distribution	2,393	6,829	3,169	6,460
Marketing	120,361	92,034	32,829	26,353
Personnel	78,499	97,053	52,512	66,203
Others	10,792	17,033	2,956	5,302
Total	<u>212,045</u>	<u>212,949</u>	<u>91,466</u>	<u>104,318</u>

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37 Administrative expenses

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
Personnel		356,333	268,872	150,065	156,229
Management compensation	7	43,962	71,627	17,829	31,149
Administrative		201,659	260,490	141,127	189,177
Depreciation		40,429	48,975	18,071	20,603
Loss on written off of assets		12,896	24,330	-	4,899
Bad and doubtful debts expense	10, 11	2,647	6,680	820,870	3,325
Others		21,914	13,125	6,080	3,471
Total		679,840	694,099	1,154,042	408,853

38 Employee benefit expenses

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
Wages and salaries		592,217	790,169	176,310	218,877
Defined contribution plan		32,049	42,321	10,103	12,811
Defined benefit plan	29	(32,752)	(11,828)	(5,327)	(5,767)
Share-based payment transactions	32	5,268	12,135	5,686	10,798
Voluntary resignation plan		201,173	84,644	42,308	28,790
Others		95,562	138,982	23,865	42,099
Total		893,517	1,056,423	252,945	307,608

During the year 2017 and 2016, the Group announced voluntary resignation plans for business restructuring of the Group. The Group and the Company had expenditures related to the voluntary resignation plans as at 31 December 2017 amounted to Baht 201.17 million and Baht 42.31 million, respectively (2016: Baht 84.64 million and Baht 28.79 million, respectively).

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.

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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	
	<i>Note</i>	2017	2016	2017	2016 (restated)
			<i>(in thousand Baht)</i>		
Cost of production and services		427,191	452,751	22,712	22,956
Change in finished goods and work in progress		(239,651)	(22,665)	(15,642)	(43,492)
Raw materials and supplies used		137,513	188,420	73,383	101,099
Transportation expenses		188,515	166,781	5,628	9,936
Other services expenses		84,575	91,699	20,888	14,014
Administrative expenses	37	201,659	260,490	141,127	189,177
Distribution and marketing	36	122,754	98,863	35,998	32,813
Employee benefit expenses	38	893,517	1,056,423	252,945	307,608
Depreciation and amortisation	19, 20, 21, 22	471,524	518,927	47,538	56,116
Bad and doubtful debts expense	37	2,647	6,680	820,870	3,325
Others		301,349	89,139	27,831	52,299
Total cost of sale of goods and rendering of services, distribution costs and administrative expenses		2,591,593	2,907,508	1,433,278	745,851

40 Finance costs

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2017	2016	2017	2016
			<i>(in thousand Baht)</i>		
Interest expense					
Related parties	7	4,700	-	4,700	-
Bank loans and overdrafts		109,798	40,831	106,135	38,016
Interest expense from digital television licences payable	28	38,844	91,397	-	-
Interest expense from finance lease		7	84	7	84
Total interest expense		153,349	132,312	110,842	38,100
Other finance costs		20,547	20,046	3,930	3,069
Total		173,896	152,358	114,772	41,169

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41 Income tax expenses

Income tax recognised in profit or loss

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
Current tax expense					
Current year		-	7,441	-	-
Adjustment for prior years		42	(5,962)	-	-
		<u>42</u>	<u>1,479</u>	<u>-</u>	<u>-</u>
Deferred tax expense	23				
Movements in temporary differences		24,124	156,340	2,493	71,670
Total income tax expense		<u>24,166</u>	<u>157,819</u>	<u>2,493</u>	<u>71,670</u>

Income tax recognised in other comprehensive income

Consolidated financial statements						
	Before tax	2017 Tax (expense) benefit	Net of tax	Before tax	2016 Tax (expense) benefit	Net of tax
	<i>(in thousand Baht)</i>					
Available-for-sale financial assets	5,285	(1,057)	4,228	24	(5)	19
Revaluation of property, plant and equipment	204,927	(19,876)	185,051	-	-	-
Defined benefit plan actuarial losses	(111)	-	(111)	(11,968)	2,393	(9,575)
Total	<u>210,101</u>	<u>(20,933)</u>	<u>189,168</u>	<u>(11,944)</u>	<u>2,388</u>	<u>(9,556)</u>

Separate financial statements						
	Before tax	2017 Tax (expense) benefit	Net of tax	Before tax	2016 Tax (expense) benefit	Net of tax
	<i>(in thousand Baht)</i>					
Available-for-sale financial assets	5,285	(1,057)	4,228	24	(5)	19
Revaluation of property, plant and equipment	40,256	(8,051)	32,205	-	-	-
Defined benefit plan actuarial losses	-	-	-	(3,063)	613	(2,450)
Total	<u>45,541</u>	<u>(9,108)</u>	<u>36,433</u>	<u>(3,039)</u>	<u>608</u>	<u>(2,431)</u>

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Reconciliation of effective tax rate

	Consolidated financial statements			
		2017		2016
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Loss before income tax expense		(2,354,186)		(1,159,843)
Income tax using the Thai corporation tax rate	20	(470,837)	20	(231,969)
Effect of different tax rates		-		(132)
Expenses not deductible for tax purposes		1,173		11,904
Expenses for tax incentives		(32)		(114)
Temporary differences for which no deferred tax assets was recognised		264,462		31,107
Losses for which no deferred tax asset was recognised		229,358		180,954
Recognition of previously unrecognised tax losses		-		(2)
Reversal from previously recognised deferred tax expenses		-		172,033
Adjustments for prior years		42		(5,962)
Total	1.03	24,166	13.61	157,819

	Separate financial statements			
		2017		2016
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Loss before income tax expense		(3,227,005)		(32,803)
Income tax using the Thai corporation tax rate	20	(654,401)	20	(6,561)
Income not subject to tax		(2,962)		(20,668)
Expenses not deductible for tax purposes		2,295		6,394
Expenses for tax incentives		(32)		(112)
Temporary differences for which no deferred tax assets was recognised		599,058		671
Losses for which no deferred tax asset was recognised		49,535		21,946
Reversal from previously recognised deferred tax expenses		-		70,000
Total	0.08	2,493	218.49	71,670

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 2017.

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42 Loss per share

Basic loss per share

The calculations of basic loss per share for the years ended 31 December 2017 and 2016 were based on the 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	
	2017	2016	2017	2016
	<i>(in thousand Baht / thousand shares)</i>			
Loss attributable to ordinary shareholders of the Company (basic)	<u>(2,156,485)</u>	<u>(1,179,473)</u>	<u>(3,229,497)</u>	<u>(104,472)</u>
Number of ordinary share outstanding at 1 January	4,067,848	4,067,640	4,067,848	4,067,640
Effect of shares options exercised on 23 May	-	127	-	127
Weighted average number of ordinary shares outstanding (basic)	<u>4,067,848</u>	<u>4,067,767</u>	<u>4,067,848</u>	<u>4,067,767</u>
Loss per share (basic) (in Baht)	<u>(0.53)</u>	<u>(0.29)</u>	<u>(0.79)</u>	<u>(0.03)</u>

Diluted loss per share

The Group and the Company did not assume 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, as the exercise prices (including fair value of services to be rendered per warrant) were higher than the weighted average market prices in the consolidated and separate financial statements for the year ended 31 December 2017.

The Group and the Company did not assume the conversion of the warrants (NMG-W3) in the calculation of diluted loss per share as they were antidilutive, and did not assume 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 loss per share, as the exercise prices (including fair value of services to be rendered per warrant) were higher than the weighted average market prices in the consolidated and separate financial statements for the year ended 31 December 2016.

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.

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.

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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 and also monitors the level of dividends to ordinary shareholders.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because debt securities and loans interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from borrowings and digital television licences payable (see notes 24 and 28).

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:

		Consolidated financial statements		
		Effective interest rates	After 1 year but within 5 years	Total
		(% per annum)	(in thousand Baht)	
2017				
Current				
Bank overdrafts	MOR	95,712	-	95,712
Short-term loan from related party	12	68,695	-	68,695
Short-term loans from financial institutions	2.90 - 11.00	768,962	-	768,962
Current portion of long-term loan from financial institution	MLR minus 1%	156,000	-	156,000
Other short-term loans from individuals and asset management companies	6 - 15	484,805	-	484,805
Non-current				
Long-term loan from financial institution	MLR minus 1%	-	47,000	47,000
Total		1,574,174	47,000	1,621,174

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		Consolidated financial statements			
		Effective interest rates (% per annum)	Within 1 year	After 1 year but within 5 years (in thousand Baht)	Total
2016					
Current					
Bank overdrafts	MOR	47,539	-	47,539	
Short-term loans from financial institutions	2.80 - 7.15	501,892	-	501,892	
Current portion of long-term loan from financial institution	MLR minus 1%	120,000	-	120,000	
Other short-term loans from individuals and asset management companies	2.65 - 15.00	550,000	-	550,000	
Non-current					
Long-term loan from financial institution	MLR minus 1%	-	158,833	158,833	
Total		1,219,431	158,833	1,378,264	

		Separate financial statements		
	Effective interest rates (% per annum)	Within 1 year	After 1 year but within 5 years (in thousand Baht)	Total
2017				
Current				
Bank overdrafts	MOR	82,579	-	82,579
Short-term loan from related party	12	68,695	-	68,695
Short-term loans from financial institutions	2.90 - 11.00	718,606	-	718,606
Current portion of long-term loan from financial institution	MLR minus 1%	156,000	-	156,000
Other short-term loans from individuals and asset management companies	6 - 15	484,805	-	484,805
Non-current				
Long-term loan from financial institution	MLR minus 1%	-	47,000	47,000
Total		1,510,685	47,000	1,557,685

2016					
Current					
Bank overdrafts	MOR		42,057	-	42,057
Short-term loans from financial institutions	2.80 - 7.15		450,923	-	450,923
Current portion of long-term loan from financial institution	MLR minus 1%		120,000	-	120,000
Other short-term loans from individuals and asset management companies	2.65 - 15.00		550,000	-	550,000
Non-current					
Long-term loan from financial institution	MLR minus 1%		-	158,833	158,833
Total			1,162,980	158,833	1,321,813

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Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases which are denominated in foreign currencies. The Group will primarily utilise forward exchange contracts with maturities of less than one year 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	
	Note	2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
<i>United States Dollars</i>					
Trade accounts payable	25	8,431	2,481	-	1,680
Gross expense		8,431	2,481	-	1,680
Carry forward		-	(523)	-	(523)
Net expense		8,431	1,958	-	1,157

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. 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.

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Consolidated financial statements					
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		(in thousand Baht)			
31 December 2017					
Financial assets measured at fair value					
Debt securities held for trading (Private fund)	121,951	-	121,951	-	121,951
Equity securities available for sale	3	3	-	-	3
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 contracts	-	-	(90)	-	(90)
Separate financial statements					
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		(in thousand Baht)			
31 December 2017					
Financial assets measured at fair value					
Equity securities available for sale	3	3	-	-	3
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 contracts	-	-	(90)	-	(90)

Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 fair values for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used. Related valuation processes are described in Note 2 (d).

Type	Valuation technique
Investments in marketable unit trusts classified as trading investments and available-for-sale investments	The net asset value as of the reporting date
Forward exchange contracts	Closing rates at end of year

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45 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
<i>Future minimum lease payments under non-cancellable operating leases</i>				
Within one year	196,763	212,595	47,568	39,242
After one year but within five years	636,990	607,963	77,107	7,338
After five years	625,357	772,999	-	-
Total	1,459,110	1,593,557	124,675	46,580
	<i>(in thousand)</i>			
<i>Other commitments</i>				
Unused letter of credit (USD)	-	523	-	523
Unused letters of credit (THB)	1,251	21,243	1,251	20,054
Guarantee credit lines of subsidiaries with financial institutions (THB)	85,000	85,000	85,000	85,000
Bank guarantees (THB)	1,650,805	2,001,747	34,876	36,567
Total	1,737,056	2,107,990	121,127	141,621

Significant agreements

- The Company and its subsidiaries entered into lease and service agreements for their office premises and facilities with a local company for the period of 3 years, expiring in various periods up to 30 November 2020 with an option for renewal. The Company and its subsidiaries agreed to pay rental and service fees at the rate specified in the agreements.
- 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.
- A subsidiary and an indirect subsidiary entered into service agreements covering television broadcasting satellite services with two local companies for periods ranging from 9 months to 5 years and 11 months, expiring in various periods up to 31 March 2020. The subsidiary and indirect subsidiary committed to pay the fees for such television broadcasting totalling USD 3.03 million.
- 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 Baht 1,569.47 million.
- A subsidiary entered into lease and service agreements for its 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. The subsidiary terminated the agreements on 1 May 2017.

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- f) 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.
- g) 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.
- h) A subsidiary entered into car rental agreements with three 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 22 May 2021.
- i) 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. During the year 2017, the service provider entered into an amendment of the agreement to change the expiry date of the agreement from 30 September 2021 to 30 September 2023 and all other provision of the agreement remain unchanged.
- 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 15 January 2016 to 30 September 2021. The subsidiary agreed to pay a service fee at the rate specified in the agreement. During the year 2017, the service provider entered into an amendment of the agreement to change the expiry date of the agreement from 30 September 2021 to 30 September 2023 and all other provision of the agreement remain unchanged.

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 land and construction thereon had been pledged as collateral (see note 20).

46 Events after the reporting period

a) Proceeding of assets divestment for business restructuring

As described in note 6, at the extraordinary meeting of the shareholders of the Company held on 28 February 2018, the shareholders approved the assets divestment for business restructuring of the Group which comprised investments in Nation U Co., Ltd., WPS (Thailand) Co., Ltd. and NML Co., Ltd. including land and constructions of the Company. However, the shareholders resolved not to approve the disposal of investment in Bangkok Business Broadcasting Co., Ltd. Furthermore, the assets divestment which has been approved from the shareholders shall be made by means of a bidding process and complete within a period of no more than six months after it is granted the approval.

At the extraordinary meeting of the shareholders of the Company held on 19 June 2018, the shareholders of the Company approved to revoke the assets divestment pursuant to the resolution of the extraordinary meeting of the shareholders' of the Company held on 28 February 2018, which comprised investments Nation U Co., Ltd., WPS (Thailand) Co., Ltd., and NML Co., Ltd. including land and constructions of the Company due to there is no buyer interested in purchasing each property by bidding process at a price not lower than the based price.

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b) The disposal of investments in subsidiaries

At the Board of Directors' meeting of the Company held on 19 July 2018, the Board of Directors approved the disposal of investment in Nation U Co., Ltd. which is a subsidiary that owner and business operation of Nation University in the amount of 30,599,999 shares, representing 90% of the total shares of the subsidiary at a price of Baht 8.3824 per share, totalling Baht 256.50 million in accordance with the share purchase agreement dated 13 July 2018.

At the Board of Directors' meeting of the Company held on 17 August 2018, the Board of Directors approved the disposal of investment in NML Co., Ltd, a subsidiary in the amount of 4,999,500 share, representing 90% of the total shares of the subsidiary at a price of Baht 1.80 per share, totalling Baht 9 million. The management is in the process negotiating with the buyer in the share purchase agreement and other agreements.

c) An increase in share capital of a subsidiary

At the Board of the Directors' meeting of a subsidiary ("Nation International Edutainment Public Company Limited") held on 17 August 2018, the Board of Directors of the subsidiary approved an increase in the registered share capital from Baht 170,049,286 (divided into 170,049,286 ordinary shares at Baht 1 per share) to Baht 390,549,286 (divided into 390,549,286 ordinary shares at Baht 1 per share) to offer to Private Placement as specified in the meeting at Baht 1.40 per share, totalling Baht 308,700,000, which is considered as a connected transaction. The subsidiary will propose to the shareholders meeting for the approval.

d) The announcement of "C" (Caution) sign from new regulations of the Stock Exchange of Thailand

In accordance with the Stock Exchange of Thailand's ("SET") new regulations effective starting from 2 July 2018, One of the criteria that the Company's securities traded on the SET which has the Group's and the Company's total equity less than 50% of the Group's and the Company's total paid-up share capital, the "C" (Caution) sign will be posted on the next business day after the issuance of these reviewed interim financial statements for the three-month and six-month periods ended 30 June 2018 ("notified date"). Investors will only be allowed to purchase the Company's securities with a Cash Balance account on the next business day after the notified date onwards, as long as the "C" sign remains posted. Such listed company has to provide information and plan to resolve the issue within 15 days after the "C" sign to inform shareholders, investors and relevant parties.

47 Other matters

The Company, a subsidiary ("Krungthep Turakij Media Co., Ltd."), directors and employees of the Group were accused of defamation through advertisements, breaches of 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 2017, the lawsuit is under the consideration of Court of First Instance. On 1 June 2018, the plaintiff sued all defendants. The Court allowed the plaintiff to withdraw the case and release the case from the case file. The case is finally resolved. Moreover, on 2 April 2018, the court dismissed the plaintiff's complaint on the subsidiary's case.

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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, as at 6 October 2016, the Phrakhanong Provincial Court rendered a civil lawsuit judgement to dismiss the case against the Company and directors of the Group. The judgement was appealed by plaintiff in January 2017 then the plaintiff filed a petition to withdraw the appeal in February 2018. In July 2018, the Court of Appeal dismissed the case. However, the Court of First Instance is awaiting for the outcome of the case to the end before a new verdict according to the case. The management and legal consultant believe that the Court shall allow the withdrawal of the appeal for the Company and the lawsuit will be ended as the judgement of Court of First Instance.

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 2017, 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 2017, the Court of Appeal rendered a civil lawsuit judgement to revoke the resolutions in the 2015 Annual General Meeting of the shareholders of the Company held on 29 April 2015 then, the Company filed a petition to the court in July 2017. At 31 December 2017, 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.

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48 Reclassification of accounts

Certain accounts in the 2016 financial statement have been reclassified to conform to the presentation in the 2017 financial statements as follows:

	2016					
	Consolidated financial statements			Separate financial statements		
	Before Reclass.	Reclass.	After Reclass. (in thousand Baht)	Before Reclass.	Reclass.	After Reclass.
Statement of financial position						
Other current assets	381,310	(59,751)	321,559	111,994	(21,492)	90,502
Property, plant and equipment	1,485,521	2,960	1,488,481	-	-	-
Intangible assets	174,142	(2,960)	171,182	-	-	-
Withholding tax deducted at source	-	201,529	201,529	-	128,588	128,588
Other non-current assets	170,997	(141,778)	29,219	119,661	(107,096)	12,565
Bank overdrafts and short-term loans from financial institutions	939,431	(390,000)	549,431	882,980	(390,000)	492,980
Short-term loans	160,000	390,000	550,000	160,000	390,000	550,000
Other current payables	146,135	(119,995)	26,140	56,323	(27,729)	28,594
Deferred income	-	119,995	119,995	-	27,729	27,729
Output value added tax pending	-	226,746	226,746	-	59,565	59,565
Other current liabilities	248,669	(226,746)	21,923	68,380	(59,565)	8,815
		<u>-</u>			<u>-</u>	
Statement of comprehensive income						
Gain on disposal of investments	1,228	(1,228)	-	-	-	-
Other income	60,838	1,228	62,066	-	-	-
Administrative expenses	690,178	(2,950)	687,228	411,803	(2,950)	408,853
Impairment losses on assets	-	2,950	2,950	-	2,950	2,950
		<u>-</u>			<u>-</u>	