

Vision Statement

The Multimedia group that reaches every household



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

Mission Statement



Credibility: Credibility in business

operation and news reporting

Integrity: Honesty to media profession

and perform business ethically

Synergy: Recognize the value of

multimedia and synergy of various parties, both internally and externally, to provide

utmost interests for customers, shareholders and employees

Customer Focus: To provide excellent services to maximize customer satisfaction

Innovation: Innovation in product, marketing, sales, service and management system

Core Values



Content

4	General Information
6	Summary of Financial Data and Investments
9	Chairman's message
10	The Board of Directors
21	Management Team
32	Business Group Structure 2018
33	Business Network
45	Industry and Competition Overview
46	Risk Factors
52	List of Major Shareholders
53	Good Corporate Governance Report
75	Internal Control and Risk Management
76	Corporate Social and Environmental Responsibility in 2018
79	Awards for Nation Group Companies in 2018
82	Characteristics of the Business
83	Audit Committee's Report for the year 2018
84	Report of the Board of Director's Responsibilities to the Financial Report for the year 2018 Nation Multimedia Group Public Company Limited
86	Results of the Consolidated Financial Statements
87	Financial Statement
188	Other Reference Persons

General Information

Name Nation Multimedia Group Public Company Limited

Head Office Address 1858/121-122, 1858/125-128, 28th, 30th, 31st Floor,

Debaratna Road, Bangna-Tai, Bangna, Bangkok 10260

Telephone (66) 2338-3333

Fax (66) 2338-3938

SET Listing Date June 9, 1988

Public Company Registration December 14, 1993 (PLC No. 0107536001524)

Business Lines

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

1. Publishing

• Thai-language News Business Unit

Production of Krungthep Turakij Thai language daily newspaper together with related businesses including news websites, training programs, seminars, special events, news updates and information services, I-Newspaper application and the website www.bangkokbiznews.com via social media. Operated by Krungthep Turakij Media Company Limited (KTM).

· General Thai-language News Business Unit

Production of the Thai-language newspaper Kom Chad Luek with expanded platforms through social media and online via the website www.komchadluek.net

· English-language News Business Unit

Production of The Nation newspaper and website www.nationmultimedia.com as well as distribution of news reports via Facebook and Twitter.

2. Broadcasting Business Unit

Bangkok Business Broadcasting Company Limited (BBB), currently renamed as Spring 26 Company Limited, is a subsidiary of NMG and holder of licence of the general SD digital TV channel Spring 26 (NOW26) presenting variety programs, news and quality entertainment focusing on fun and creative content, and providing experience and learning through content that covers four main categories, including news, documentaries, sports and variety.

Nation Broadcasting Corporation Public Company Limited (NBC) is the founder and operator of a full-cycle TV broadcasting business including program production, procurement and sale of air time for news and entertainment programs, production of radio programs, and New Media. NBC Next Vision Company Limited (a subsidiary of NBC) is the holder of licence of the SD News digital TV channel under the name Nation TV (Channel 22). It is being approved to return the license and to end the broadcasting on August 16, 2019.

3. Event Marketing

Event organizing is undertaken jointly by all media and publicized across all platforms under Nation Group.

4. New Media

All media of Nation Group are utilized across multiple online and social media platforms, including websites, Facebook, YouTube, Line, Twitter and Instagram.

Registered Capital

Baht 2,663,572,194.95 consisting of 5,025,607,915 Shares at Baht 0.53 par value

Paid-up Capital

As of February 8, 2019, the Company has paid-up capital of Baht 2,156,024,291.86 consisting of 4,067,970,362 Shares at Baht 0.53 par value

Summary of Financial Data and Investments

(Unit: in Million Baht)

			(Office in Willion Barit)
Data from Consolidated Financial Statements	2018	2017	2016 (restated)
Revenues from Sales and Rendering of Services	1,374.39	1,650.66	2,021.67
Total Income	1,488.44	1,710.85	2,106.34
Gross Profit Margin	344.44	168.05	21.21
Profit (Loss) before Interest, Taxes, Depreciation and Amortisation	1,017.41	(1,579.66)	(488.56)
Net Profit (Loss)	290.50	(2,378.35)	(1,317.66)
Total Assets	3,755.49	4,069.93	6,385.43
Total Equity	384.09	134.52	2,317.32
2. Financial Ratios	2018	2017	2016 (restated)
Total Debts to Equity (Times)	8.78	29.26	1.76
Gross Profit Margin (%)	25.06%	10.18%	1.05%
Net Profit (Loss) on Total Income (%)	19.52%	-139.02%	-62.56%
Return on Equity (%)	123.06%	-22,617.47%	-59.27%
Return on Total Assets (%)	7.42%	-45.50%	-18.81%
Earnings (Loss) per Share (Baht)	0.06	(0.53)	(0.29)
Book Value per Share (Baht)	0.09	0.03	0.57

Dividend Policy

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

Investments in Direct and Indirect Subsidiaries of Nation	Multimedia Group PCL.	as of 31 December 2018	
	Authorised and paid share capital (Million Baht)	Percentage of Investments (%)	
PUBLISING BUSINESS			
Nation News Network Co., Ltd.	50	99.99	
Kom Chad Luek Media Co., Ltd.	25	99.99	
KrungthepTurakij Media Co., Ltd.	25	99.99	
BROADCASTING BUSINESS			
Bangkok Business Broadcasting Co., Ltd.	1,500	99.93	
Nation Broadcasting Corporation PCL.	535.44	71.45	
NBC Next Vision Co., Ltd. (Invested by Nation Broadcasting Corporation PCL. 99.99%)	800	-	
Investments in Associated Companies of Nation Multimedia Group PCL. as of 31 December 2018			
Yomiuri-Nation Information Service Co., Ltd.	4	45	
Nation International Edutainment PCL.	365.55	33.05	





The year 2018 was a period of major adjustment in the management and operations of Nation Group, undertaken to ensure the Company is prepared for the rapid economic and technological changes we went through. Undoubtedly, these drastic changes are set to continue over the next 1-2 years.

Nation Group has sold off its investments in non-core businesses to reduce the financial burden of supporting subsidiary companies. Proceeds from the sale of these businesses have been used to reduce some of the Company's financial burdens. What remains is the Company's longstanding core business, which is firmly founded upon the extensive expertise and experience of its executives and staff. To further develop and strengthen the business, the Company has divided its operations into four distinct but interconnected categories comprising print media and newspapers, television broadcasting, new online media, and events and seminars. After about half a year of management and operational reorganization, the executive team and board of directors are confident that the Group will experience steady growth under its new directions, expanding its television viewer base, maintaining its print media reader base, and creating a strong fan base for its online new media, as well as organizing seminars, sports and other events to build brand awareness and boost revenues.

However, Nation Group is far more than just a business organization. Today the Company is recognized as a leading media institution, presenting accurate and comprehensive content that has served the people and the nation for almost 50 years, and become the pride of all its shareholders, executives and employees.

Mr.Marut Arthakaivalvatee

Chairman

The Board Directors



- Mr.Marut Arthakaivalvatee
 Chairman of the Board of Directors and Advisor to the Executive Committee
- Mr.Shine Bunnag
 Director, Vice Chairman of the Board of Directors No.1 and Chairman of the Executive Committee
- 3. Mr.Sontiyan Chuenruetainaidhama Vice Chairman of the Board of Director No.2 and Nomination and Remuneration Committee
- 4. Mr.Somchai Meesen
 Director, Executive Director and Chief Executive Officer
- Mr.Apivut Thongkam
 Independent Director and Chairman of The Audit Committee

- Mr.Chaiyasit Puvapiromquan
 Independent Director and Member of the Audit Committee
- Mr.Thanachai Santichaikul Independent Director, Member of the Audit Committee and the Chairman of the Nomination and Remuneration Committee
- 8. Mrs.Warangkana Kalayanapradit
 Director, Executive Director and Assistant to Chief Executive Officer
- 9. Mrs.Salinee Wangtal Indepentednt Director
- Mr.Ka Ming Jacky Lam
 Director and Nomination and Remuneration Committee



Age 64 years

Address 60/12 Soi ChokchaiRuammit, Chomphon Subdistrict,

Chatuchak District, Bangkok 10900

Qualification Master of Business Administration,

Chulalongkorn University

Bachelor of Communication Arts,

Chulalongkorn University

Training Courses

Thai Institute of Directors

• Directors Accreditation Program (DAP) 2009

• Anti-Corruption for Executive Program (ACEP) 2014

Academy of Business Creativity Sripatum University

· Academy of Business Creativity (ABC) Class 2/2014

No. of Shares Held as at February 8, 2019

Mr.Marut Arthakaivalvatee
 Spouse
 Minor Child
 Share

Relationship with NMG's Executive

N/A

Experience

• Sep 28, 2017 - Present Chairman of the Board of Directors

and Advisor to the Executive Committee

Nation Multimedia Group Plc.

Director of other listed companies

• 2016 - Present Vice Chairman

VGI Global Media Plc.

• 2016 - Present Member of the Corporate Governance

Commitee

VGI Global Media Plc.

2012 - Present Member of the Nomination and

Remuneration Commitee

VGI Global Media Plc.

• 2007 - Present Director

VGI Global Media Plc.

Director of other non - listed company

• 2018 - Present Director

Supremo Media Co., Ltd.

• 2017 - Present Director

VGI Global Media(Malaysia) SDN BHD

• 2017 - Present Director

The Icon VGI Co., Ltd.



Mr.Marut Arthakaivalvatee

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

• 2016 - Present Director and Chairman of

Executive Director

Arrow Media

• 2011 - Present Director

Point of View (POV) Media Group Co., Ltd.

• 2009 - Present Director

VGI Advertising Media Co., Ltd.

Director of a competing company or a related business company

N/A

Year of Directorship

Appointed as a Director since September 28, 2017

The Meeting Attendance / Meeting held (Frequency) in 2018

Board of Directors 16/16
Annual General Meeting of Shareholders 1/1
Extraordinary General Meeting of Shareholders 3/3



Mr.Shine Bunnag

Director, Vice Chairman of the Board of Directors No.1 and Chairman of the Executive Committee Age 37 years

Qualification Master of Business Administration

Sasin Graduate Institute of Business Administration,

Chulalongkorn University

Bachelor of The London School of Economics

and Political Science (LSE)

Training Course

Thai Institute of Directors

• Director Accreditation Program (DAP) No. 78/2009

No. of Shares Held as at January 11, 2019

· Mr.Shine Bunnag

• Spouse Miss Watanya Wongopasi - Share

· Minor Child - Share

Relationship with NMG's Executive

N/A

Experience

• Jan 11, 2019 - Present Director, Vice Chairman of

the Board of Directors No.1

and Chairman of

the Executive Committee

Nation Multimedia Group PLC.

Director of other listed companies

• July 6, 2017 - Dec 17, 2018 Chairman, Chief Executive

Officer, and Executive Director

Thansettakij Multimedia Co., Ltd.

• Jun 22, 2017 - Dec 17, 2018 Chairman, Chief Executive Officer,

and Executive Director

News Network Multimedia Co., Ltd.

• May 5, 2017 - Dec 17, 2018 Chairman, Chief Executive Officer,

and Executive Director

Spring News Corporation Co., Ltd.

Director of other non - listed company

N/A

Director of a competing company or a related business company

Year of Directorship

Appointed as a Director since January 11, 2019

The Meeting Attendance / Meeting held (Frequency) in 2018

Board of Directors N/A Annual General Meeting of Shareholders N/A



Age 57 years

Address 90/142 Moo 9, KrathuengLom Subdistrict,

Sam Phran District, Nakhon Pathom Province 73220

Qualification Bachelor of Laws, Ramkhamhaeng University

Training Course

Thai Institute of Directors Association (IOD)

• Director Accreditation Program (DAP) Class 161/2019

No. of Shares Held as at February 8, 2019

• Mr.Sontiyan Chuenruetainaidhama 15,000,000 Shares

• Spouse - Share

• Minor Child - Share

Relationship with NMG's Executive

N/A

Experience

• Jan 17, 2019 - Present Vice Chairman of

the Board of Director No.2

Nation Multimedia Group Plc.

Dec 24, 2018 - Present
 Nomination and Remuneration

Committee

Nation Multimedia Group Plc.

Director of other listed companies

• Feb 7, 2018 - Present Chairman Director

Nation Broadcasting Corporation Plc.

• 2017 - Jan 17, 2018 Director

News Network Corporation Plc.

Director of other non - listed company

2011 - Present Chairman of the network group

Network Surveillance and

Prevent Royal Institution

• 2007 - Present Chairman of the Board of Directors

and Executive Vice President

Green Panyayan Publishing Co., Ltd.

• 2010 - Aug 10, 2018 Director

Local Development Foundation

• 2010 - Jan 11, 2018 Chairman of the Board of Directors

and Executive Vice President

Green Net 1282 Co., Ltd.

Director of a competing company or a related business company

N/A

Year of Directorship

Appointed as a Director since January 17, 2019

The Meeting Attendance / Meeting held (Frequency) in 2018

Board of Directors 9/15
Annual General Meeting of Shareholder 1/1
Extraordinary General Meeting of Shareholders 2/3



Mr.Sontiyan Chuenruetainaidhama

Vice Chairman of the Board of Director No.2 and Nomination and Remuneration Committee



Mr.Somchai Meesen

Director, Executive Director and Chief Executive Officer

50 years

29/19, Lanna City Park Village, Soi 7, Pa Tan Road, Address

Mueang District, Chiang Mai Province 50300

Qualification Master of Political Science (Politics),

Thammasart University Bachelor of Arts (History), Chiang Mai University

Training Course

Thai Institute of Directors Association (IOD)

• Director Accreditation Program (DAP) Class 161/2019

No. of Shares Held as at February 8, 2019

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

Relationship with NMG's Executive

N/A

Experience

· Jan 3, 2018 - Present Director and Executive Director

> and Chief Executive Officer Nation Multimedia Group Plc.

Director of other listed companies

 Mar 15, 2018 - Present Director

Nation International Edutainment Plc.

• 2007 - Present Chairman of the Board of Directors

Max Metal Corporation Plc.

• Feb 7, 2018 - Jan 14, 2019 Director and Vice Chairman of

the Board of Director

Nation Broadcasting Corporation Plc.

• Jan 13, 2017 - Jun 21, 2018 Director

AQ Estate Plc.

Director of other non - listed company

• Jan 2017 - Present Director

AQ Village Co., Ltd.

• Jan 2017 - Present Director

Aquarius Estate Co., Ltd.

· Jan 2017 - Present Director

Baan Chidtara Co., Ltd.

· Mar 2017 - Present

Aquarius Hotels and Resorts Co., Ltd.

• 1994 - 2014 Independent radio operator

Director of a competing company or a related business company

N/A

Year of Directorship

Appointed as a Director since January 3, 2018

The Meeting Attendance / Meeting held (Frequency) in 2018

Board of Directors 16/16 Annual General Meeting of Shareholders 1/1 Extraordinary General Meeting of Shareholders 3/3

The Board Directors

Age 57 years

Address 27 Soi Inthamara 37, Junction 2, Din Daeng Subdistrict,

Din Daeng District, Bangkok 10400

Qualification Master of Laws, American University, USA

Master of Comparative Law, Howard University, USA

Thai Bar Association

Bachelor of Laws, Ramkhamhaeng University

Training Courses

Thai Institute of Directors Association(IOD)

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

World Intellectual Property Organization, Switzerland

· Diploma in Intellectual Property

Criminal Justice School, Michigan

• Diploma in Computer Crime Trends and Crime, School of Criminal

Thammasat Association under the Royal Patronage

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

National Defence College National Defense Studies Institute

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

Ministry of Justice

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

Dharmniti Seminar and Training Co., Ltd.

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

Denpasa, Indonesia

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

Lead Business Institute of Cornell University

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

No. of Shares Held as at February 8, 2019

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

Relationship with NMG's Executive

N/A

Experience

Jan 3, 2018 - Present Independent Director and Chairman of the Audit Committee

Nation Multimedia Group Plc. Director of other listed companies

Present Independent Director and Chairman
 of the Audit Committee

Eternal Energy Plc.



Mr.Apivut Thongkam

Independent Director and Chairman of The Audit Committee

• Feb 15 ,2018 - Aug 29, 2018 Vice Chairman

• Sep 14, 2016 - Aug 29, 2018 Executive Director,

Nomination and

Remuneration Committee and Chief Executive Officer

AQ Estate Plc.

• 2015 - 2017 Vice Chairman

2014 Audit Committee
 Mill Con Steel Plc.

2013 Chairman of the Audit Committee

Krisdamahanakorn Plc.

News Network Corporation Plc.

Director of other non - listed company

2011 - 2014 Appeal Board

Social Security Office,

Ministry of Labor

2011 - 2013 Honorary Advisor to the Energy

Commission

House of Representatives

Director of a competing company or a related business company

N/A

Year of Directorship

Appointed as a Director since January 3, 2018

The Meeting Attendance / Meeting held (Frequency) in 2018

Board of Directors 15/16
Audit Committee 5/5
Annual General Meeting of Shareholders 1/1
Extraordinary General Meeting of Shareholders 3/3





Mr.Chaiyasit Puvapiromquan

Independent Director and Member of the Audit Committee

Age 76 years

Address 1059 Soi On Nut 46, SuanLuang Subdistrict,

SuanLuang District, Bangkok 10250

Qualification Master of Political Science,

Sukhothai Thammathirat Open University

Bachelor of Science Physics, Srinakarinwirot Universty

Training Course

Thai Institute of Directors Association(IOD)

• Directors Accreditation Program (DAP) 2015

King Prajadhipok's Institute

· Advanced Certificate Course in Management of Public Economics

No. of Shares Held as at February 8, 2019

Mr.Chaiyasit Puvapiromquan
 Spouse
 Minor Child
 Share

Relationship with NMG's Executive

N/A

Experience

Member of the Audit Committee

Nation Multimedia Group Plc.

Director of other listed companies

• 2011 - Present Director

Master Ad Plc.

Director of other non - listed company

2012 - Present Audit Committee and Evaluation

Bansomdejchaopraya Rajabhat University

Director of a competing company or a related business company

N/A

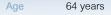
Year of Directorship

Appointed as a Director since September 28, 2017

The Meeting Attendance / Meeting held (Frequency) in 2018

Board of Directors	14/16
Audit Committee	5/5
Annual General Meeting of Shareholders	1/1
Extraordinary General Meeting of Shareholders	3/3





Address 46 Phatthanakan 65 Road, Intersection 1,

Prawet Subdistrict, Prawet District, Bangkok 10250

Qualification Master of Business Administration, Thammasat University

Bachelor of Accountancy, Chulalongkorn University

Advanced Diploma in Auditingof Faculty of Commerce

and Accountancy, Chulalongkorn University

Training Courses

Thai Institute of Directors

• Director Certification Program (DCP) No.18/2002

King Prajadhipok's Institute

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

Capital Market Academy

• Capital Market Academy Leadership Program (CMA) No.1

No. of Shares Held as at February 8, 2019

Mr.Thanachai Santichaikul - Share
 Spouse 1,920 Shares
 Minor Child - Share

Relationship with NMG's Executive

• Nov 1, 2018 - Present

N/A

Experience

Member of the Audit Committee

Nation Multimedia Group Plc.

Dec 24, 2018 - Present

Chairman of the Nomination and
Remuneration Committee

Nation Multimedia Group Plc.

Independent Director and

Director of other listed companies

2013 - Present

June, 2018 - Present Managing Director Salee Printing Plc.
 May, 2018 - Present Executive Director Salee Printing Plc.
 2016 - Present Chairman Siam Syndicate Technology Plc.
 2013 - Present Independent Director and Audit Committee Eastern Polymer Group Plc.

Audit Committee

Indepentdent Director and

M Pictures Entertainment Plc.



Mr.Thanachai Santichaikul

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

Director of other non - listed company

• 2016 - Present Chairman

AIM REIT Management Co., Ltd.

Director of a competing company or a related business company

N/A

Year of Directorship

Appointed as a Director since November 1, 2018

The Meeting Attendance / Meeting held (Frequency) in 2018

Board of Directors 5/5
Audit Committee 2/2
Annual General Meeting of Shareholders N/A
Extraordinary General Meeting of Shareholders N/A



Mrs.Warangkana Kalayanapradit

Director, Executive Director and Assistant to Chief Executive Officer

59 years Age

301/177 Soi Ramkhamhaeng 68 (Suphaphong), Address

HuaMak District, Bang Kapi District, Bangkok 10240

Qualification Master of Art in Political Science,

Ramkhamhaeng University

Bachelor of Business Administration (Accounting),

Ramkhamhaeng University

Training Courses

Thai Institute of Directors

- Director Certification Program (DCP) No.113/2009
- Company Secretary Program (CSP) No.1/2002

No. of Shares Held as at February 8, 2019

 Mrs.Warangkana Kalayanapradit 2,760 Share · Spouse - Share · Minor Child - Share

Relationship with NMG's Executive

N/A

Experience

		Nation Multimedia Group Plc.
		Assistant to Chief Executive Officer
•	Oct 9, 2018 - Present	Director, Executive Director and

• Jan 17, 2018 - Oct 9, 2018 Independent Director and

> Member of the Audit Committee Nation Multimedia Group Plc.

Director of other listed companies

• 2014 - Present Independent Director and Member of the Audit Committee

Salee Printing Plc.

• 2017 - Mar 2019 Management Consultant and

> Construction Stonehenge Plc.

Director of other non - listed company

• 2016 - Present Director

Chalermpat Transport Co., Ltd.

• 2016 - 2017 Financial Accounting Consultant

CTV Chon Co., Ltd.

Director of a competing company or a related business company

N/A

Year of Directorship

Appointed as a Director since January 17, 2018

The Meeting Attendance / Meeting held (Frequency) in 2018

Board of Directors	15/15
Audit Committee	3/3
Annual General Meeting of Shareholders	1/1
Extraordinary General Meeting of Shareholders	3/3



Age 65 years

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

Bangkok 10110

Qualification Master in Finance & International Business,

Columbia University, U.S.A

Bachelor of Accounting (Second Class Honor),

Faculty of Commerce and Accountancy,

Chulalongkorn University

Training Courses

Harvard University, U.S.A

Advance Management Program

Thai Institute of Directors Association

• Role of Chairman Program class 36/2015

No. of Shares Held as at February 8, 2019

Mrs.Salinee Wangtal
 Spouse
 Minor Child
 Share
 Share

Relationship with NMG's Executive

N/A

Experience

Nation Multimedia Group Plc.

Director of other listed companies

• 2014 - Present Director

MBK Life Assurance Plc.

• 2001 - 2003 Deputy Managing Director

TMB Bank Plc.

Director of other non - listed company

• 2017 - Present Independent Director and

Chairman of the Audit Committee

Siam Commercial Bank

• 2016 - Present Director

Public warehouse Organization

• 2015 - Sep, 2017 Director

Office of Small and Medium

Enterprise Promotion

• 2014 - 2016 Chairman of the Board of Director

Small and Medium Enterprise Development Bank of Thailand

2011 - 2014 Assistant Governor - Supervision

Group

Bank of Thailand



Mrs.Salinee Wangtal

Indepentdent Director

Director of a competing company or a related business company

N/A

Year of Directorship

Appointed as a Director since April 10, 2018

The Meeting Attendance / Meeting held (Frequency) in 2018

Board of Directors 11/11
Annual General Meeting of Shareholders 1/1
Extraordinary General Meeting of Shareholders 2/3



Mr.Ka Ming Jacky Lam

Director and Nomination and Remuneration Committee

58 years

Address Room 10/39, Baan Sirisathorn Condominium,

10 Yennakart Road, Thungmahamek, Sathorn, Bangkok

The SKH Kai Hau Secondary School in Hong Kong Education

Training Course

No. of shares held as at February 8, 2019

 Mr.Ka Ming Jacky Lam - share · Spouse - share • Minor Child - share

Relationship with NMG's Executives

N/A

Experience

• Aug 24, 2018 - Present Director

Nation Multimedia Group Plc.

• Dec 24, 2018 - Present Nomination and Remuneration

Committee

Nation Multimedia Group Plc.

• Apr 30, 2018 - Nov 28, 2018 Director

Nation International Edutainment Plc.

Director of other listed companies

N/A

Director of other non - listed company

- The owner and managing director of a sport and travelling business specializing in arranging conference and golf activities in Thailand.
- · Provides clients from China and Hong Kong with in-depth advices on conference and events and venues in Thailand.
- · His family also owns a travelling business in Hong Kong coordinating all business in China and Hong Kong.

Director of a competing company or a related businesss company

N/A

Year of Directorship

Appointed as a Director since October 31, 2018

The Meeting Attendance / Meeting held (Frequency) of 2018

Board of Directors Annual General Meeting of Shareholders N/A Extraordinary General Meeting of Shareholders N/A

Management Team



Mr.Supawat Sa-nguan ngam Managing Director - Publish Business Mr.Prakit Chompukam Assistant to Chief Executive Office Mr.Phornpayoon Issarasak Na Ayuthaya Assistant to Chief Executive Officer - Corporate Communication

Ms.Mathaya Osathanond Senior Vice President - Finance and Company Secretary Ms.Natenapa Pusittanont Senior Vice President - Account



Mr.Supawat Sa-nguan-ngam

Managing Director - Publishing Business

45 years Age

193 Soi Charoen Nakhon 34, Charoen Nakhon Road, Address

Bang Lamphu Lang Subdistrict, Khlong San District

Bangkok 10600

Qualification Master of Business Administration Program

Faculty of Business Administrative, Nation University

Bachelor degree of Accounting

Faculty of Accountancy, Bangkok University

Training Course

N/A

No. of Shares Held as at February 8, 2019

• Mr.Supawat Sa-nguan-ngam Share

• Spouse Share

• Minor Child Share

Relationship with NMG's Executive

N/A

Experience

Nation Multimedia Group Plc.

• Mar 1, 2018 - Mar 31, 2019 Director, Managing Director (MD)

Nation Broadcasting Corporation Plc.

Dec 23, 2016 - Present Director, Managing Director (MD)

Nation Broadcasting Corporation Plc.

2016 - Present Senior Vice President Support section

Nation Broadcasting Corporation Plc.

• 2012 - 2014 Assistant Senior Vice President Accounting

Nation Broadcasting Corporation Plc.



Age 54 years

Address 210/1 Moo 10 SamrongNuea Subdistrict,

Phra Pradaeng District, Samutprakan 10130

Qualification Master of Business Asministration Program

Faculty of Business Administrative, Nation University

Bachelor degree of Accounting

Faculty of Accountancy, Bangkok University

Training Course

N/A

No. of Shares Held as at February 8, 2019

• Mr.Prakit Chompukam - Share

• Spouse - Share

Minor Child
 Share

Relationship with NMG's Executive

N/A

Experience

Present Assistant to Chief Executive Office
 Nation Multimedia Group Plc.

• Jun 1, 2017 - 2018 Assistant Managing Director

Thansettakij Multimedia Co., Ltd.

• Nov 1, 2016 - 2017 Senior Director

Spring News Group

• Jun 1, 2018 - 2013 Executive Editor - Kom Chad Luek

Nation Multimedia Group Plc.



Mr.Prakit Chompukam

Assistant to Chief Executive Office



Mr.Phornprayoon Issarasak Na Ayuthaya

Assistant to Chief Executive Officer - Corporate Communication

Age 67 years

Address 17/4 Windmill Park, Bangphliyai Subdistrict,

Bang Phli District, Samutprakan

Qualification Master of Business Administration Program (Marketing)

Faculty of Business Administrative,

National Institute of Development Administration (NIDA)

Bachelor degree of Business Management

Faculty of Accountancy, Thammasat University

Training Course

N/A

No. of Shares Held as at February 8, 2019

 Mr.Phornprayoon Issarasak Na Ayuthaya - Share

 Spouse - Share

• Minor Child - Share

Relationship with NMG's Executive

N/A

Experience

• March 1, 2019 - Present Assistant to Chief Executive Officer-

Corporate Communication

Nation Multimedia Group Plc.

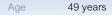
May 1, 2018 - Feb 28, 2019 Managing Director

Bangkok Business Broadcasting Co.,Ltd.

• 2015 - April 30, 2018 Director, Executive Director

Spring News Corporation Co.,Ltd.





Address 12/2 Moo 2 SamrongNuea Subdistrict

SamutPrakan District, SamutPrakan 10270

Qualification BA. Accounting, Faculty of Commerce and Accountancy,

Thammasat University

Training Courses

Thai Institute of Directors Association

• Directors Certification Program (DCP # 150)

Federation of Accounting Professions of Thailand

· CFO Current Issues

No. of Shares Held as at February 8, 2019

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

Relationship with NMG's Executive

N/A

Experience

• Jan 11, 2019 - Present Secretary of the Nomination and

Remuneration Committee

Nation Multimedia Group Plc.

• 2013 - Present Corporate Secretary

Nation Multimedia Group Plc.

2013 - Present Senior Vice President - Finance

Nation Multimedia Group Plc.

• 2011 - Nov 28, 2018 Director

Nation Global Edutainment Co., Ltd.

• 2008 - Mar 26, 2018 Director

Nation News Network Co., Ltd.

• 2017 - Sep 19, 2018 Director

NML Co., Ltd.



Ms.Mathaya Osathanond

Senior Vice President - Finance and Company Secretary



Ms.Natenapa Pusittanont

Senior Vice President - Account

Age 48 years

Address 10/94 Yen Akat Road, Thung Maha Mek Subdistrict,

Sathron District, Bangkok 10120

Qualification Master's Degree Master of Accountancy (M.Acc.),

Chulalongkorn University

Bachelor's Degree Bachelor of Accounting (B.Acc.)

(Financial Accounting) second-class honors University

of the Thai Chamber of Commerce

Certified Public Accountant

Training Course

Federation of Accounting Professions of Thailand

- Overview of Financial Reporting Standards, Class 3/61
- Overview of Thai Standards on Auditing (TSAs), Class 4/61
- Simple style financial statement, version 4/61
- Interesting topics when changing the standard set from TFRS for NPAEs to TFRSs

No. of Shares Held as at February 8, 2019

• Ms.Natenapa Pusittanon 10,000 Shares • Spouse Share • Minor Child Share

Relationship with NMG's Executive

N/A

Experience

• Ju	ly 1, 2019 - Present	Senior Vice President Accounting
		Nation Multimedia Group Plc.
• 20	15 - Present	Assistant Senior Vice President Accounting
		Nation Multimedia Group Plc.
• 20	16 - Jan 2018	Managing Director
		Nation International Edutainment Plc.
• 20	16 - Mar 2018	Director
		Nation International Edutainment Plc.
• 20	17 - Jan 2019	Honorary Member
		Nation University
• 20	17 - Jul 2018	Director
		Nation U Co., Ltd.
• 20	14 - Apr 2018	Director

Nation Global Edutainment Co., Ltd.

The Audit Committee



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

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

Nomination and Remuneration Committee



Mr.Sontiyan Chuenruetainaidhama

Nomination and Remuneration

Mr.Thanachai Santichaikul Chairman of the Nomination and Remuneration Committee Mr.Ka Ming Jacky Lam Nomination and Remuneration

Executives of Affiliated Companies





3

1. Mr.Shine Bunnag

2. Mr.Sontiyan Chuenruetainaidhama

3. Mr.Somchai Meesen

4. Mrs. Warangkana Kalayana pradit

5. Mr.Prakit Chompukam

6. Mr.Phornprayoon Issarasak Na Ayuthaya

7. Mr.Supawat Sa-Nguan Ngam

8. Mr.Chatchai Pokogwai

9. Mr.Chutchai Tawandharong

10. Ms.Aeumsree Boonhachairat

11. Mr.Peerawatt Chotithammo

12. Ms.K-Nidta Nimpisan

13. Mrs.Lakana Ratwongsakul

14. Ms.Nutwara Seangwarin

15. Mr.Weerasak Phongaksorn

16. Ms.Apiradee Pornlert

17. Ms.Mathaya Osathanond

18. Ms.Natenapa Pusittanont

Chairman of Executive Committee

Chairman and Executive Chairman - NBC

Chief Executive Officer

Assistant to Chief Executive Officer

Assistant to Chief Executive Officer

Assistant to Chief Executive Officer - Corporate Communication

Managing Director - Publishing Business

Managing Director - NBC

Managing Director - Spring 26

Chief Marketing Officer - NBC

Executive Vice President - Spring 26

Executive Vice President - Spring 26

Executive Vice President - NBC

Executive Vice President - Publishing Business

Executive Editor - Krungthep Turakij

Vice President

Senior Vice President - Finance and Company Secretary

Senior Vice President - Account

Publishing Group



Mr.Weerasak Phongaksorn Executive Editor - Krungthep Turakij Mr.Somchai Mesen Chief Executive Officer Ms.Nutwara Seangwarin
Executive Vice President - Publishing Business

Mr.Shine Bunnag
Chairman of Executive Committee

Mr.Supawat Sa-ngun ngam Managing Director - Publishing Business Mr.Prakit Chompukam
Assistant to Chief Executive Officer

Broadcasting

Mr.Chatchai Pokogwai Managing Director - NBC

Mr.Peerawatt Chotithammo Executive Vice President - Spring 26 Mr.Chutchai Tawandharong
Managing Director - Spring 26



Mrs.Lakana Ratwongsakul Executive Vice President - NBC

Ms.Aeumsree Boonhachaira

Ms.Apiradee Pornlert
Vice President

Chief Marketing Officer - NBC

Ms.K-Nidta Nimpisan
Executive Vice President - Spring 26

Mr.Sontiyan Chuenruetainaidhama

Chairman and Executive Chairman - NBC

Business Group Structure 2018

Nation Multimedia Group Public Company Limited

Print Media Broadcasting ____ Event | New Media 99.99% 71.45% Nation Broadcasting Corporation Plc. Thai-language Business News Facebook **Event Marketing** (NBC) KrungthepTurakij Media Co., Ltd. Paid-up Capital 535.44 MB. (KTM) Paid-up Capital 25 MB. Operator of digital TV channel Special Event KrungthepTurakij Newspaper Nation TV 22, producer of Youtube Marketing television programs and provider of advertising services through television and new media 99.99% Instagram 99.99% Thai-language General News Kom Chad Luek Media Co., Ltd. NBC Next Vision Co., Ltd. (KMM) (NNV) Line Paid-up Capital 25 MB. Paid-up Capital 800 MB. Kom Chad Luek Newspaper License holder of digital TV channel Nation TV 22 Website 99.93% 99.99% Spring 26 Co., Ltd. (Spring26) English-language News [Bangkok Business Nation News Network Co., Ltd. Twitter Broadcasting Co., Ltd. (BBB)] Paid-up Capital 1,500 MB. Paid-up Capital 50 MB. Holder of licence and The Nation Newspaper operatorof digital television channelSpring 26, producer of news, documentary, sport and variety programs 45.00% Education, Entertainment and Yomiuri-Nation Information Service Co., Ltd. International Business (YNIS) Nation International Edutainment Plc. Paid-up Capital 4 MB. (NINE) Paid-up Capital 365.55 MB. 99.74% Nation Global Edutainment Co., Ltd. One World Media Co., Ltd. Paid-up Capital 200 MB. Paid-up Capital 60 MB.

Nation Group Business Network

2018 has been a year in which every industry has been shaken by the effects of digital technology or "digital disruption." Nation Multimedia Group Public Company Limited has adjusted its business structure and strategies to be compatible with emerging technologies and the evolving news consumption behavior of its target groups in the digital age. With this backdrop of change, Nation Group continues to drive its business by producing reliable and credible content through four business segments:

กรุงเทพธุรกิจ







1. Publishing

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

Nation Group has linked all three newspapers to online media through various platforms including websites, Instagram, as well as the Line and Line News applications. Special events are organized by each newspaper to promote close relations and memorable experiences among the Nation Group newspapers, their sponsors and their readers, as well as to increase the base of readers via every platform.

1.1 Thai-language News

· Krungthep Turakij Newspaper

Under Krungthep Media Company Limited (KTM)

Krungthep Turakij is a daily business newspaper which has been entrusted by the reading public continuously for 32 years since its inception on October 6, 1987.

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

In 2018, Krungthep Turakij reinforced its leading position as a business daily, with news content covering all aspects of business and the economy. Content has also been expanded to satisfy the needs of readers in the modern era with sections on entertainment, music, society, the environment and emerging technologies.

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

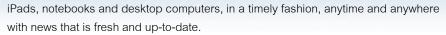
• www.bangkokbiznew.com

The website of Krungthep Turakij is one of the country's leading business news websites with as many as 6,199,613 viewers monthly. The website presents accurate and up-to-theminute news and information coverage of business, the economy, politics, finance and investment, real estate, automobiles, society and the environment, as well as analyses from experts in diverse fields and a "stock watch" section.

I-Newspaper

The Krungthep Turakij online newspaper or "I-Newspaper," presented on the website inews.bangkokbiznews.com, gives readers access to information via communication tools used in the emerging consumer lifestyles of the 5G era. Readers can stay up-to-date on the news from Krungthep Turakij using modern devices such as mobile phones, tablets,





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

Line News

Since October 2018, Krungthep Turakij has increased access for its online readers via the Line News application. Readers may subscribe to news from Krungthep Turakij via their smartphones or tablets for free. Subscription is facilitated by simply scanning the QR Code to receive breaking and important news articles from Krungthep Turakij throughout the day. In-depth news at the Krungthep Turakij website can also be accessed by clicking the link.

Some 14,841 people subscribed to Krungthep Turakij Line News during the period October 2018 to April 2019.

Events

Another strength of Krungthep Turakij is in organizing events and special activities such as seminars and training courses, which is another branch of business that builds on a strong news database. The events business has been developed to facilitate the transfer of knowledge or experience in business in various ways and using Krungthep Turakij newspaper as a medium for mobilizing knowledge, opinions, and seeking solutions to economic and social issues. Areas of focus include macroeconomic issues, national reform, development of national strategies, finance, investment and sustainable social development.

Examples of events, training courses and special activities organized by Krungthep Turakij in 2018 include:

- "Thailand Economic Outlook 2019" seminar was major national-level event attracting participants at the cutting edge of Thailand's business arena to present their ideas and visions. The event was honoured by the presence of the Deputy Prime Minister, Dr. Somkid Jatusripitak, who delivered a lecture on "Thailand's Economic Outlook 2019."
- "EEC What will Thais Get?" seminar, held in the three provinces of Chonburi, Rayong and Chachoengsao, was honored by presence of the Minister of Industry, Dr. Uttama Saowanayon and Dr. Kanit Sangsubhan, Secretary General of the Eastern Economic Corridor Policy Development Committee (EEC), as well as representatives of public and private organizations in the area as speakers.
 - Bangkok's New Center seminar, transforming the metropolis.
- Thai Stocks, Boom or Bust seminar (held in four regions Songkhla, Udon Thani, Chiang Mai and Bangkok)
 - Krungsri Business Forum 2018 seminar
 - Bio Economy seminar, a new and sustainable future
 - SCB Investment Center seminar













- The first "Bangkok Run in the City 2018", a running event held in the city center at the Thailand Skytrain Building, which earned proceeds of 200,000 Baht for the "Ramathibodi Foundation" and attracted more than 4,000 participants.

Krungthep Turakij's 32 years in business have helped it amass a strong base of information and knowledge, enabling the newspaper to draw upon its strengths and move forward as a 'Business Experience Provider'. Together with its expertise across several media platforms, this has helped reinforce Krungthep Turakij's position as the No. 1 daily business newspaper in the country, creating a learning community, reaching consumers and serving as a true medium for society.

1.2 Thai-language General News

· Kom Chad Luek Newspaper

Under Kom Chad Luek Media Company Limited (KMM)

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

Throughout 2018, Kom Chad Luek newspaper improved and diversified its news presentation with the addition of special in-depth reports to satisfy the changing demands of readers and to expand the "Kom Chad Luek" platform, ensuring that it is ready to compete in the world of social media as a true newspaper for the masses.

Since the first issue of the newspaper on October 16, 2001 to the present, Kom Chad Luek has steadily expanded, adding digital news and social media to its growing platforms:

- Website: www.komchadluek.net
- Facebook page คมซัดลึก, which has become highly popular with 10,382,205 views (June 2019) with 2,198,203 likes
- Line News has been in operation from November 2018 to April 2019 with a total of 9,121 subscribers

Events

Kom Chad Luek newspaper organized various activities throughout the year, focusing on quality entertainment, sports and fitness. These activities helped generate revenues and brought benefit to society in many ways. Activities included:

- "Kom Chad Luek Awards," presented to individuals in the Thai entertainment industry in five areas: TV drama, movies, international Thai music, folk songs and pop songs. Awards are presented based on popular voting. The awards, first organized in 2004, have been organized continuously and are now in their 15th year.
- "Kom Chad Luek Mini-marathon 2018," held for the fourth year running at Bhumibol Bridge 2, with 200,000 Baht in proceeds donated to the SOS Children's Villages Thailand Foundation under royal patronage. Over 2,500 runners participated in this year's event.
- "Kom Chad Luek World Cup 2018" with the book "100 Facts About the World Cup" as well as a microsite and the "Cheer 2018 World Cup" event.











1.3 English-language News

Under Nation News Network Company Limited (NNN)

• The Nation newspaper (founded on July 1, 1971)

NNN is the publisher of the English-language daily newspaper and digital media under the banner of "The Nation". Digital media include the website www.nationmultimedia. com as well as news reporting on Facebook and Twitter.

Events

As an internationally recognized English-language newspaper, The Nation organized a number of international seminars which received strong support from both sponsors and readers.

In 2018, The Nation organized "Election 2018/9: What does it mean for Asia?" in collaboration with the Asia News Network.

2. TV Media Business

The Nation Broadcasting Corporation ("NBC") is a producer and supplier of TV programs in the category of news and information with the various broadcasting channels in order to cover the target groups widely. The Company has also taken the advantages of the available resources in producing television programs such as news, scoops as well as the high-quality news teams to further expand the business to other relevant services.

TV media business Products and Services

1) The company-operated television stations

The company as founder and the executive has operated the integrated television stations, including the broadcasting program production and procurement, renting airtime, and selling advertising time. The Company's proceeds have been generated from selling advertising time, programs and short documentaries production, and ad time rental.

In addition, the Company has carried out the fully-serviced digital terrestrial television with the licenses granted by the NBTC.

Name of the Station	Main Concept	Viewing Channel
1. NationTV launching	24-hour news and information	- Settop Box - Channel 22
broadcast in 2014	channel, aiming to present	- Satellite TV - Channel 22
	news and information accurately,	- Local Cable TV
(N)	impartially, and timely, unbiased,	- Website www.nationtv.tv
	comprehensive, in-depth analysis	- Mobile phone
Nation	by experienced news teams	

Co-production of TV programs and Free TV stations

The Company has engaged in the co-production of television programs in category of news and information in the partnership with the Free TV channels. The profit sharing has derived the sales of advertising time, public relation for TV program products and services. In 2015, the Company's TV programs in the co-production with the Free TV channels include as follows.



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



Related Business

In 2018, the Company has continued pursuing the policy to surmount the business by taking the advantages in content and information, competent personnel, availability of equipment, and the reputation of the Company to expand the business to other related businesses for the highest benefits to the Company.

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

Also, strengthening the reputation and beneficial image of the Company to be known publicly among the audience and potential customers has been executed more extensively. In 2018, the products and services and activities which the Company has undertaken are as follows.



Products and Services	Plans
Organizing special activities	 The "Nation Bike Thailand 2018" for the 5th year to campaign Thailand to the bike city, and health enhancement Mother Earth Gratitude 2018, activity to promote good people. Charity Golf Activity "Run for Animals" activity Anti-corruption activity

3. New Media Business

The company has further developed its products and services in content providing through new media platforms continuously, for example, websites, social network, and such mobile devices as mobile phones, smartphones, tablets, smart TVs. This could support the changes of the way modern people receive information through various media. This includes the development of new informational presentations to keep up with the fast-changing technology.

Besides, the company has supported digital TV operations to create a different TV viewing experience for consumers, for example, continuously watching programs from all channels and having new products or services from the new model businesses.













New Media Business Product or Service

Website business

The company has created a website to offer products and services distributed by the Company through the Company's websites which have publicized the information, news and knowledge. In 2018, the Company's websites are follows.

Website	Description
www.nationtv.tv	The website involves TV program presentation executed by the NationTV station
www.oknation.net	Blog that the general public are able to participate in providing information and feedback
http://breakingnews.nationtv.tv	The website involves short new presentation executed by the NationTV station and the NationNew, proposed to other websites of the Nation Group and other website alliances.

Audience Relations Activity

In addition to modern media networks that contribute to disseminate the information for the digital NationTV22, the Company also organizes audience relation activities to promote good relations between stations and viewers who is the Nation TV fan through the "Special Day for Special People" activity. The NationTV 22 presented a new fun phenomenon which is held once a year. The "NATION TV Fan Day 2018" is an entertainment meeting between the Nation TV 22 moderators and home viewers through the presentation style that emphasizes fun and friendly, for example, simulation for TV program, "Tell, but not Know" in live and mini concerts from "Hope Family", Chompoo Fruti and Suthep Prayoonpitak by inviting the NationTV 22 fans to enjoy a variety of fun activities such as a brain ten and to win great prizes in listening to the future of Thailand after the 2019 election and opening the stage for national politicians to have compete for the exclusive vision.

Digital TV Channel Spring26 (NOW26)
Operations of Spring 26 Co., Ltd. (Spring26)

1. Nature of Business

Spring26 digital TV channel is one of two digital television station licenses won in bidding by Nation Group on December 27, 2013. The business is considered to be a diversification from Krungthep Turakij newspaper and the satellite-based Krungthep Turakij TV. The digital television channel was initially named NOW26 and operated by Bangkok Business Broadcasting Co., Ltd. (renamed Spring 26 Company Limited on February 15, 2019) before adopting the new name of Spring26 on March 1, 2019.

Spring26 is a standard definition (SD) variety television channel that has been recognized since its inception under the name NOW26 as the No.1 documentary channel, featuring programs from leading overseas and domestic documentary producers.











Over the past year, Spring26 has become the first and only digital TV station with live prime-time Muay Thai programming seven days a week, together with diverse news content and variety programs. This has sparked a new phenomenon in the domestic television sector and has been well received by audiences nationwide, placing the channel among the top 10-ranked digital television stations in the country.

Spring26 broadcasts four program categories:

1. Documentaries

In 2018, Spring26 announced its marketing stance as the No. 1 documentary television station, collaborating with leading international documentary producers such as National Geographic from the United States, the BBC from the United Kingdom, Arte and Francecom from France, NHK from Japan and many other documentary production studios focusing on nature and wildlife from around the world.

Spring26 has also collaborated with Thai documentary producers, such as Tongpa Documentary Photographers, Jackumentary Co., and Extreme Photography, which received the 2018 Outstanding Documentary Award in the White TV Awards Contest of the Chamnong Rangsikun Foundation. This year, Spring26 has launched outdoor adventure reality programs Kon Pajan Phrai and Human Planet, produced by the BBC and National Geographic, to penetrate into the target audiences who love adventure and excitement. Most recently, the channel launched Bear Grylss wildlife documentaries for children to attract viewers.

2. News

As a member of Nation Group, Spring26 has the capacity to create quality news programs and effectively meet differentiated audience needs. The channel possesses AR and Virtual Studio technologies, as well as the most advanced augmented reality system in the country, which, together with the "news selection" concept of presentation, could create a new identity for the channel. Several other news programs also differentiate the channel from its competitors, including in-depth programs such as Inside Thailand, Chuwit Dab Kreuang Chon, etc.

3. Sports

Spring26 is the only television station offering live Max Muay Thai programs during prime time viewing, seven days a week. The program has become recognized as the best Thai boxing program with the greatest number of viewers among live television broadcasts. Sports programs include Max Muay Thai Fighter, Max Muay Thai Battle, The Champion, Thai Boxing Unleashed and more. The channel has also teamed up with the Football Association of Thailand to provide live coverage of the E Sport Thailand E League Pro, which represents the first full television coverage of E sports in Thailand.

4. Entertainment

For variety and entertainment programs, Spring26 continues to focus on nationwide audiences with programs that reach every locality and emphasize fun and mixed skills





game shows to help lighten the load of the people, promote careers and support tourism.

Spring26 targets two main groups, as follows:

1. Customers

- Advertising agencies, who provide advertising planning services and allocate advertising time on behalf of customers, product owners or various other services. Customers in this group buy advertising time and public relations in the form of packages, with varied formats, for many programs and over different time periods. Packages may cover periods of 1 month, 3 months, 6 months or 1 year, with advanced payment.
- Companies purchasing advertising directly, who generally have their own advertising and public relations guidelines. These companies buy advertising time from the Company directly, in the same manner as advertising agencies.
- TV sales companies, who have generally displayed strong purchasing power and rapid growth rates over the past year. This category of customers is likely to form the main revenue base of the station in future. Advertising time is purchased in the form of advertising spots of 1-2 minutes' duration, short product features for periods of 5-10 minutes, and longer co-productions of 30-60 minutes in length.



The main target group of Spring26 embraces urban residents, housewives, farmers, working people and local business owners. The group could also be described as the "rural and urban masses", which can be further categorized as follows:

- Residents of Bangkok and other urban conurbations with monthly incomes of not less than 20,000 Baht
- Small and Medium Sized Enterprises or SMEs
- Housewives, labourers and farmers
- Viewers nationwide who habitually shop at hypermarkets such as Tesco Lotus and Big C.

Marketing and Competition **Industry Overview**

In 2018, the digital television business experienced fierce competition among digital TV operators and the original analog television operators, which both continue to broadcast in parallel. Subscriber TV, cable TV and satellite TV operators make up additional competitors.

2018 Advertising Budgets

The Nielsen Company (Thailand) Limited reported that overall advertising expenditure across various media in 2018 totaled 105,455 million baht, an increase from 2017 of









3.91 percent. Most of the advertising budget is still absorbed by the main media with analog and digital television accounting for 67,935 million baht, an increase of 8.05 percent from the previous year.

2018 Annual Television Advertising Budgets

TV Type	Budget amount (millions of Baht)	Change (%)
Analog/Digital	67,935	1 8.05%
Cable/Satellite	2,434	₹ 16.44%

Source: The Nielsen Company (Thailand) Limited

Other media using advertising budgets include cinemas with 7,312 million baht, an increase of 7.28 percent; outdoor media with 6,833 million baht, an increase of 7.03 percent; newspapers with 6,100 million baht, a decrease of 20.84 percent; mobile media with 6,067 million baht, an increase of 3.25 percent; radio media with 4,802 million baht, an increase of 7.28 percent; cable TV / satellite TV with 2,434 million baht, a decrease of 16.44 percent; internet media with 1,605 million baht, an increase of 6.08 percent; magazine media with 1,315 million baht, a decrease of 33.65 percent; and in-store media with 1,054 million baht, an increase of 11.42 percent.

Note: Information from the Digital Advertising Association of Thailand (DAAT).



Business Development Strategies

Digital television channel Spring26 has been broadcast officially for more than four years, from its launch in April 2014 to the present. A lot of welcoming feedback has been received from audiences. Initially this came from the existing viewers of Krungthep Turakij TV, who were primarily interested in the economy and investment. However, with the addition of variety and entertainment programs, documentaries, reality shows and sports coverage such as Muay Thai, which is broadcast live every day, the audience base has expanded considerably, from viewers based mainly in Bangkok to new audiences based in the provinces and spread across many regions.

In addition to boxing, a clear marketing stance with a variety format embracing varied content such as documentaries, news, variety shows and sports is an important factor in increasing familiarity of Spring26 among audiences in the metropolitan area and upcountry. Spring26 is also developing an Interactive TV technology project by applying IT and communications technology on social platforms such as LINE to help viewers and advertisers connect with each other through various types of presentations. This will be an important turning point for the television industry that will help boost revenues and improve competitiveness for the channel in the long term. These strategies have enabled Spring26 to gradually improve its ratings position among digital television stations, from 14th to 10th rank by the end of 2018, with further improvements anticipated in 2019.



3. Event Marketing

Event organizing is another business segment of Nation Group, which relies upon the news potential of all media in the group. Event organizing adds another role











for the media to act as an "intermediary" in interconnecting various sectors, which can lead to the sustainable growth of Thai society by enhancing knowledge and understanding of new issues that may have an impact on the economy, business, society, politics, culture and health, and by expanding the results through the media in various platforms of Nation Group.

In 2018, Nation Group organized events in many styles, which were well received by both sponsors and the participants. Examples include:

"TaenKhunPaenDin" Awards

Organized annually since 2007, the TaenKhunPaenDin Awards recognize and honour role models of society who encourage and inspire others to work towards a sustainable and peaceful society.

"Pan Fan the Bundit Season 5"

This is a social reality project organized through the cooperation of the Pidthong Foundation, a Royal initiative project, the Rakkaew Foundation, the Association of the Council of University Presidents of Thailand and Nation Group. The project aims to encourage students to use their innovativeness and knowledge to create benefits for society through concrete implementation of sustainable community development projects in areas such as the economy, society, environment and culture. Each season, the project invites students to join the social project contest. The 10 teams selected in the first round are eligible to join the workshop to put their projects into practice in the community. The projects are also featured on the NOW 26 television channel to inspire a wider audience.

International and national seminars

Nation Group organizes seminars covering a variety of modern issues, for the benefit of society. The seminars have received good feedback from both organizations and brands sponsoring and participating in the events. In 2018, Nation Group organized 16 seminars, as follows:

Next Step Thailand: EEC. Connecting Thailand to the world.

Bangkok's New Center. Bang Sue Central Station: Transforming Bangkok

The EEC: What Do Thais Get? Three seminars organized in the three provinces of the EEC: Chachoengsao, Chonburi and Rayong.

Thai stocks, sink or swim? A series of four seminars in Songkhla, Udon Thani, Chiang Mai and Bangkok.

Thailand Economic Outlook 2019 dinner talk. The future directions of the Thaileconomy.

"Election 2018/9: What does it mean for Asia?"

With its growing reputation as an event organizer, several organizations entrusted Nation Group to organize their own tailor-made seminars. These included:

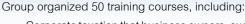
Krungsri Business Forum 2018

Bio Economy seminar for a sustainable future

SCB Investment Center

Training Courses in various fields. This business segment of Nation Group has become well recognized at meeting the needs of target groups in the public and private sectors that are seeking to facilitate knowledge transfer in various areas. In 2018, Nation





Corporate taxation that business owners, executives and accountants should know about.

Labour law that business owners, executives and HR should know about.

Taxes on employee wages and welfare, that business owners, executives, HR and accountants must know about.

Techniques for developing salary structures (practical)

Culture Story... Happy organizations

Strategic business planning

Understanding people: 5 elements for HR

Service business management excellence

Leader & manager as a coach

Design thinking for innovation

Angry customer handling program

How to win in negotiations



Five-province boxing tournaments. Boxing matches were held in Srisaket, Rayong, Bueng Kan, twice in Bangkok, and Ratchaburi.



The cycling series "Slow Life – Cycle for the Environment" in Wonderful Destinations

was held six times throughout the year between February and August 2018 in six provinces, including Loei (Chiang Khan District), Nan, Trang, Trat, Buri Ram and Ratchaburi provinces. The series aimed to present the unique nature and attractions of these beautiful areas of Thailand.

Nation Bike Thailand 2018 comprising three events in Nakhon Ratchasima, Maha Sarakham and Songkhla.

Mini-marathons and fun runs, with portions of the proceeds donated to charity. In 2018 Nation Group organized two running events, including:

Run for the Animals

A 10.5-km mini-marathon and a 5-km fun run, held at Phutthamonthon Sai 4. A portion of the proceeds was donated to the Sueb Nakhasathien Foundation.

2018 Kom Chad Luek Mini-marathon: Bhumibol Bridge 2

A 10.5-km mini-marathon and a 5-km fun run, with the start and finish at the Bang Ya Phraek Health Park in Samut Prakan province and a route passing over Bhumibol Bridge 2 with views of the city and the Chao Phraya River from a height of 50 meters. A portion of the proceeds was donated to the SOS Children's Villages Thailand Foundation under royal patronage.

4. New Media

In 2018, all the Nation Group media expanded their online and social media platforms, including websites, Facebook, YouTube, Line, Twitter and Instagram to broaden access to target groups and in response to changing news consumption behavior in the digital age, which demands both fast and accurate information accessible anywhere and at any time around the clock.







	Website	
www.nationtv.tv	98,445	UIP/per day
www.komchadluek.net	105,509	UIP/per day
www.bangkokbiznews.com	164,877	UIP/per day
www.Nationmultimedia.com	12,818	UIP/per day
	Facebook	
NationTV 22	2,904,187	Fanpage
KhonMorning	2,781,883	Fanpage
komchadluek	2,198,203	Fanpage
Nation Weekend	1,851,965	Fanpage
KhonNation	429,123	Fanpage
bangkokbiznews	282,409	Fanpage
KebtokNation	209,259	Fanpage
ERNEWSROOM	143,002	Fanpage
komchadluektv	90,575	Fanpage
nnanews24	66,787	Fanpage
KomChadLuekAward	43,430	Fanpage
entKCL	6,627	Fanpage
Kom Chad Luek Tua Thai	3,676	Fanpage
clipdedkomchadluek	3,114	Fanpage
	YouTube	
Kom Chad Luek Online	7,464	Subscribers
Nation TV	888,859	Subscribers
	Line	
Kom Chad Luek	14,185	Followers
Krungthep Turakij	30,217	Follwers
Trungulep Turakij	·	1 Oliwers
	Twitter	
Kom Chad Luek	271,153	Followers
KT News	729,643	Followers
NNA	1,443,519	Followers
ERNewsRoom	43,204	Followers
Ent_Komchadluek	6,727	Followers
NationTV	2,447,294	Followers
	Instragram	
Nation TV	115,377	Followers
Kom Chad Luek		Channel recently launched

 $^{^{\}star\star}$ Information supplied by Kom Chad Luek, as of July 3, 2019

Industry and Competition Overview

Overall Economy

According to the National Economic and Social Development Council (NESDC), the Thai economy in 2018, overall, expanded by 4.1 percent, up from 4 percent in 2017. The main contributors were the expansion of spending for consumption, increase of investment from both the public and private sectors, recovering tourism industry and the upcoming scheduled general election. All helped boost the business sector's confidence in the economy and spurred investment by the private sector.

The expansion of the Thai eonomy in 2018 brought positive effects to the advertising sector. The overall advertising industry in 2018 recorded a total value of 105,455 million baht, rising by approximately 4 percent, compared to 101,485 million baht in the previous year.

Comparative advertising budget of all media 2017-2018

(Unit: million baht)

Media	Y2018	SOV% Y2018	Y2017	SOV% Y2018	DIFF 2017-2018	% Change
Analog TV	38,517	37%	40,968	40%	(2,450)	-6%
Digital TV	29,417	28%	21,906	22%	7,511	34%
Cab/Sat TV	2,434	2%	2,913	3%	(479)	-16%
Cinema	7,312	7%	6,816	7%	496	7%
Outdoor	6,833	6%	6,384	6%	448	7%
Newspapers	6,100	6%	7,706	8%	(1,606)	-21%
Transit	6,067	6%	5,876	6%	191	3%
Radio	4,802	5%	4,476	4%	325	7%
Internet	1,605	2%	1,513	1%	92	6%
Magazines	1,315	1%	1,982	2%	(667)	-34%
In-Store	1,054	1%	946	1%	108	11%
Grand Total	105,455	100%	101,485	100%	3,970	4%

Source: The Nielsen Company (excludes Classifieds & House Ads)

In 2018, the digital TV media recorded the highest growth in advertising, while cable and satellite TV, newspapers and magazine media saw a decline in spending. Advertising budget expenditure in 2019 was likely to increase, supported by the positive factor of the general election, which would stimulate the economy and increase consumer purchasing power. Digital media are expected to experience the highest growth rate of all media, given that the conventional media and content producers are transforming themselves and expanding into online media, with their content presented across all platforms, including websites, applications and social media. The transformation is an effort to reach consumers conveniently, anytime and anywhere.

Print media experienced the greatest change in 2018 with newspaper advertising expenditure of 6,100 million Baht, falling from the previous year by 21 percent due to the disruptive impact of online media. Consumer behavior has begun to change, forcing businesses to adapt to the evolving situation, especially the role played by technology.

Based on data from the NESDC, the Thai economy is expected to grow by 3.5-4.5 percent in 2019 due to the expansion of household spending and investment from the private and state sectors, improved tourism sector and clearer directions of the country following the general election. If the transition of the government proceeds smoothly, it will promote a good climate for spending and investment, as well as continuous budget approval which will impact the economy significantly. The advertising industry in 2019 is likely to grow, especially digital and outdoor media. The main factor leading to the growth of digital advertising is an increase in the number of internet and smartphone users. The growth in media outside the home is due to expansion of the mass transit networks as well as the switch to digital advertising, which can display more advertisements. Nonetheless, television media is still the most important media in Thailand, capable of reaching people across the country and creating product brand awareness.

Risk Factors



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

1. Business Operation Risk

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

Digital innovations are posing a direct impact to numerous businesses in the industrial sector. Changes in digital technology have driven the emergence of new businesses and created disruption among existing businesses. With the use of advanced communication technologies, the emerging businesses are able to present their coverage on various media platforms, while customers have a wider choice of media consumption through new media. They can stay updated with news and information or any topics of interest conveniently and timely, either via their mobile phones or tablets. Media consumption behavior has changed. Consumers now are switching to online media in place of traditional ones. Among all the media, the print media, which cannot resist the changing times, has been the hardest hit. Its production cost has kept increasing, while its advertising sales, which represent the major source of revenue, have gone down, and been absorbed by other media, especially "online media," which have comparative advantages in lower production cost and faster content feed. Most online content in Thailand is made available for free, encouraging more and more readers to turn to online media, which has in turn prompted customers to spend more on online advertising with either unchanged or smaller budgets. Through online media, their messages can reach target groups more directly and feedback can be evaluated more accurately, owing to the fact that most people today have convenient access to content on their smartphones, anywhere and at any time.

Thus, in order to minimize risks from the operation of the new forms of business and digital disruption, the Company has diversified its media platforms and content to be in tune with the personalities, characteristics and behaviors of each target group of each media platform. The Company combines the strengths of offline, online and onground media to best serve all customer demands. It has also developed a more efficient data management system, as well as applied the latest Information Technology systems and modern communication technologies to support its operations. In addition, it has consistently improved the quality of its news production process by streamlining the process and integrating new and conventional media, with the content supporting each other, to enable audiences to easily access coverage through all of the Company's channels and platforms. The Company has remained committed to developing content to satisfy the demand of customers of all groups and is trying to adjust and diversify its advertising formats, focusing on the use of multimedia technologies to enhance the value of products and services to ensure that its customers receive the maximum benefits.

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



of marketing strategies and selection of media platforms to best suit each target group of customers.

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

1.2 Risk from Digital TV Business Operation

Most digital TV business operators still have not achieved their revenue targets, as they have to shoulder high production costs, particularly payments of digital TV licensing fees that are considerably higher than the base price, and as a consequence of the National Broadcasting and Telecommunication Commission (NBTC)'s inability to achieve its digital TV business operation goals. The increasing popularity of digital media among consumers, coupled with the wider use of online marketing campaigns and communication strategies through New Media, particularly on the internet, has encouraged customers to transfer a large portion of their advertising budget to online media. Eyeballs, or the number of viewers watching a particular television channel, which is shifting from TV to online media, together with the availability of as many as 24 digital TV channels, has created tough competition in the digital TV business. With almost unchanged advertising budgets together with the rising number of digital TV channels and intense competition to secure good ratings, which not only serves as indicators of revenue from advertising sales and degree of popularity, but also a factor to determine a channel's advertising rates and agency's advertising placements, all 24 digital TV channels have been unable to meet their advertising sales targets.

As the Group is holding digital TV operating licenses for two channels, including Nation TV 22, which is a standard definition (SD) news channel and SPRING26, which is an SD variety channel, it faces risks from digital TV business operation. In an attempt to lower the risk of unsatisfactory performance, the Group has expanded its channels to cover all online media platforms, including websites, mobile applications and social media, allowing audiences to access its content conveniently, anytime and anywhere. Moreover, the Group has made adjustments to programs on its two channels to better answer the demands of the audiences, and has clearly positioned and differentiated itself from other channels, as follows: Nation TV 22 Channel is Thailand's number 1 news station that is

well-known for its credible and accurate news coverage. To expand its audience base, the channel has continuously developed creative strategies for production and presentation of programs, as well as produces live programs to report important up-to-the-minute incidents. It aims to generate revenue from New Media platforms, drawing on a content pool from the Group's news center, regional news centers and the civil sector. It also held Nation Bike, tourism activities and many other activities to increase revenues. With these strategies, the Channel is expected to compete strongly in the digital TV industry.

According to a survey, SPRING26 channel's main target audience is rural people, mostly men. The channel's programs, therefore, are produced primarily to satisfy male viewers' interests, covering areas such as agriculture, extreme sports and especially boxing. The live telecast of Max Muay Thai on Monday – Friday has proven successful, driving up the channel's ratings from 12th rank in March 2018 to 10th rank in December of the same year. The channel plans to place greater emphasis on programs that will potentially attract mass viewers to compete efficiently with competitors, by producing its own programs and co-producing programs, as well as buying content from other producers. Regarding investment in content, the Channel not only expects better ratings, but also focuses on revenue generation that can cover the costs.

Recently, the government subsidized digital TV operators by releasing remedial measures as follows:

- Waving MUX rental fees from May 2020 onwards
- Waving the last two license payments (the 5th and 6th installments) in replacement of a 3-year suspension.

These measures are anticipated to pose positive effects on operation of the Company's two digital TV channels.





However, to help the digital TV operators, the government has guidelines to assist them according to the NCPO Chief's Order No. 4/2019 dated April 11, 2019, as follows.

- Exempt from the Network Rental Fee (MUX) from May 2020 onwards.
- Exempt from the license fees that are not due for the last 2 payments, which are installments 5th and 6th, formerly allowing the 3-year suspension of repayment.
- Licensee can request to return the license in writing to the Office of the National Broadcasting and Telecommunications Commission within 30 days from the date of entry into force, and the Office of the National Broadcasting and Telecommunications Commission shall consider compensation for the mentioned licensee.

The Board of Directors Meeting No. 6/2019, held on May 9, 2019, passed a unanimous resolution approving that Spring 26 Company Limited, the holder of Channel 26's Spring License, submitted a request to the National Broadcasting Telecommunications Commission (NBTC) to return a license as well as requested for compensation due to the license return in accordance with the announcement of NBTC regarding criteria, methods and conditions of compensation due to the return of a license to provide digital television services dated May 2, 2019. As a result of returning

the license, the company could reduce its expenses because Spring 26 continuously suffered losses from operation until the present. The company provided the Spring 26 with financial support all along. Therefore, the money received from the license return could be used for the repayment of a large amount of trade and financial institution debts.

NBTC has notified the approval of the mentioned license renewal on June 26, 2019 and determined the date of broadcasting cessation to be on August 16, 2019, at 00.01 hrs. NBTC already made the compensation payment to Spring 26 on August 16, 2019. Such compensation received could help the company reduce its debts, enabling it to pay back the debts to creditors and be able to run its business continuously.

2. Production Risk

2.1 Risk from Content Production

Consumption of news via online and social media channels is gaining high popularity at present. This presents a major challenge to the Group's conventional print and television media, since the new media are able to reach out to audiences quickly and create greater communication through repetition, forwarding, copying and commenting. Nonetheless, the Group's editorial teams are well-prepared to cope with this situation. NMG's strengths include presentation of accurate and unbiased news that allows the readers/

audience to exercise their judgement, and all-round and in-depth analyses. The Group, therefore, has been publicly recognized as one of the quality media institutes operating in Thailand.

Nation Group is committed to developing its new media platforms, covering websites of The Nation, Krungthep Turakij and Kom Chad Luek newspapers, as well as those of the two digital TV channels of Nation TV 22 and Spring26. This reflects the Company's focus on the changing trend of media consumption. Each website of the Group is among the top-ranking websites, with high numbers of views in each category. Furthermore, the Group's editorial teams are highly influential in social media. This is evident in the combined number of followers of all of the Group's media, which is the highest in the media industry. At present, the Group is able to reach out to consumers via all media platforms. No matter what channels consumers choose - newspaper, television, mobile phone, tablet or desktop - they will conveniently receive quality coverage from the Group's effective content production process.

2.2 Key Personnel Retention Risk

Nation Group is publicly accredited for its media professionalism. As personnel play a significant role in the quality of content production, the Company has attached importance to human resources management and development. It is dedicated to develop a team of capable editorial staff by improving their news writing skills, enabling them to create various styles of news, as well as in-depth and comprehensive news, with a focus on credible news sources. By emphasizing teamwork instead of being dependent on individuals, the Company faces lower risk of losing key editorial individuals and the subsequent impact on the Company.

Business operations in the digital era are highly competitive. The Company needs to adapt to the continuously changing media landscape by developing human resources who have a love for and commitment to the organization, as well as a good understanding of the business. It offers competitive remuneration and benefit packages that are commensurate to those of other companies in the media industry. It also prepares personnel for performing their tasks effectively. At the same time, it stresses the development of successors, who are promoted and encouraged by top executives to take part in management and decision making. It also emphasizes decentralization of responsibility and obligations. The objectives are to streamline operations, improve performance and reduce redundancy in the working system. These serve as important mechanisms to enable the Company to achieve its goals and

sustainable growth, while successfully retaining its core values of credibility, integrity and synergy. Thus, if the Company loses some key personnel, it will barely affect business operations as top executives have assigned and passed on some tasks to lower-level executives. Simultaneously, the Company needs to maintain good collaboration across all media in order to create synergy among the companies in the Group.

3. Management Risk

3.1 Formulation of Management Policy

The media business serves as an important conduit for the dissemination of news and information to the general public. It can influence public opinion concerning politics and the economy, and as such requires executives with experience and expertise in the field of journalism in particular. Executives must be able to operate the business with ethics and transparency, and play an important role in formulating policy and standpoints to ensure that news is delivered ethically and in an unbiased style. The Board of Directors and the major shareholders of the Company recognize the importance of this issue and place importance on news presentation and non-interference in the news presentation policy. The Board has set guidelines for the presentation of editorial news for all media in the Group as part of the corporate governance policy of the Company and ensures that operations are carried out in accordance with the policy.

3.2 Internal Control

The Company gives importance to honesty, transparency and accountability in the Company's management and the current Board of Directors / Audit Committee recognize the importance of internal auditing. The Company's internal control system has been strengthened and streamlined to prevent the occurrence of events that may cause damage to the Company, as has occurred in the past. A company with experience in the auditing of businesses similar to that of the Company has been appointed to undertake the Group's internal audit, as follows:

- 1. Review and evaluate the adequacy of the Company's internal control system according to the guidelines of the Committee of Sponsoring Organizations of the Treadway Commission ("COSO").
- Review and assess the Company's exposure to risk. The Company has established a comprehensive process to identify risk, consistent with the business type, for use as guidelines for managing risk.

The Company has appointed an external company to act as the internal auditor to assess internal control systems and potential risks. This company has proceeded to cover all components according to the principles of COSO to evaluate the adequacy of the internal control system as specified by the Securities and Exchange Commission. The company appointed to carry out the internal audit will coordinate with the Company's internal audit department and will report to the Audit Committee for further acknowledgment.

4. Financial Risk includes:

4.1 Risk from Liabilities

As of December 31, 2018, the Company and its subsidiaries had borrowings from financial institutions, individuals and securities companies amounting to 1,130.74 million Baht. Short term loans and overdraft facilities used for working capital, trust receipts and short-term promissory notes totaled 620.05 million Baht.

The Company is exposed to risk if it is unable to pay its debts. In order to reduce levels of risk, the Company has prepared financial projections based upon principles of caution in order to predict likely trends, performance and cash flow.

However, from the sale of non-core assets during the year 2018, the Company was able to reduce its loan burden, promissory notes and bills of exchange by 438 million Baht, from 1,266 million Baht at the beginning of the year to 828 million Baht remaining as of December 31, 2018. This resulted in savings on loan interest of 2.90 million Baht per month or 34.80 million Baht per year.

In addition to reducing interest payments on short-term loans, the Company was able to reserve money for use in expanding its business. In the first quarter of 2019, the Company negotiated with its creditor banks, securities companies and bills of exchange creditors to request support for the ongoing business of the Company. The directions of this support are in the process of negotiation and execution.

4.2 Risk from Contingent Liabilities and Payment of Digital TV Licenses

Two subsidiaries of the Company are obliged to pay digital license fees to the National Broadcasting and Telecommunications Commission (NBTC), as follows:

- 1. Payment of digital TV license fees in the standard definition general category of 2,200 million baht (excluding VAT). Payment has already been made for installments 1 to 4.1 totaling 1,271 million baht (excluding VAT). The remaining amount comprises installments 4.2, 5 and 6, totaling 929 million baht (excluding VAT).
- 2. Payment of digital TV license fees in the standard definition news category of 1,338 million baht (excluding VAT). Payment has already been made for installments 1 to 4.1 totaling 768 million baht (excluding VAT). The remaining amount comprises installments 4.2, 5 and 6, totaling 570 million baht (excluding VAT).

However, following the order of the head of the National Council for Peace and Order (NCPO) announced in the Government Gazette on May 23, 2018, the NBTC is considering suspension of the license fee for the use of spectrum to provide digital television services for a period of three years from the May 2018 payment installment to the May 2020 installment (with interest of 1.50 percent per year). The assistance measure will improve the Company's cash flow situation and result in suspension of payment of license fees amounting to around 186 million Baht per year (excluding VAT) for Spring26 and 114 million Baht per year (excluding VAT) for NNV. Under the assistance measure, payment of the license fee would be postponed until May 2021.

In addition to this assistance measure, the Special Meeting No. 1/2562 of the NBTC, convened on January 15, 2019, approved in principle guidelines for the recall and reallocation of the 700 MHz spectrum as well as the compensation of those affected by the recall.

One of the assistance measures is waiver of the payment of the last two fee installments of the price that is beyond the base price. Implementation of the measures will significantly improve the Company's cash flow as it will exempt payment of the remaining digital TV license fees from network rental fees (MUX) as of May 2020.

In accordance with the NCPO Chief's Order No. 4/2019 dated April 11, 2019, and the announcement of the NBTC dated May 2, 2019 regarding criteria, methods and conditions of compensation due to the return of a license to provide digital television services, with the exemption from paying the last 2 license fees of the price that exceeds the minimum, these measures brought about a favorable impact to the company's cash flow to quite an extent



as the remaining digital TV license fee burden will be waived as well as being exempt from having to pay for the Network Rental Fee (MUX) from May 2020.

4.4 Risk from External Sources of Finance

The Company has secured other external sources of finance, such as credit lines, overdrafts and promissory notes from various banks and financial institutions. As of December 31, 2018, the Company and its subsidiaries had a total credit line of 669.15 million Baht of which 620.04 million Baht has been used and another 49.11 million Baht is available for use as a revolving credit line whenever additional working capital is needed or in the event that a financial institution requires repayment of a loan. The Company is therefore exposed to risk in procuring external sources of funds for use as working capital or for the repayment of promissory notes to financial institutions.

Therefore, in order to reduce the risks or impacts that may occur, the Company considered selling assets and / or investments in subsidiaries of the Company that do not constitute the core business and which are not necessary for the business of the Company in the future, as well as those businesses making continuous losses. This improves the Company's cash flow, allows it to pay off its debts within the payment schedule and helps reduce the high interest burden caused by such liabilities. The Company will also have sufficient working capital for its business operations. In 2018, the Company sold its non-core business investments in subsidiary companies, including Nation U Co., Ltd., which is licensed to operate Nation University; NML Co., Ltd., which is engaged in the transportation business; and WPS (Thailand) Co., Ltd.,

which is engaged in the printing business. Disposal of the investments in those companies, which are not engaged in the core business of the Company, does not affect the Company's business operations in any way. The sale of assets also helps reduce the Company's debt burden and ensures that sufficient working capital is available for continuing business operations.

During the first and second quarters of 2018, the Company also sold two unused assets, namely land and buildings in Khon Kaen and Samut Prakan provinces. The funds generated were used as working capital and to pay off some long-term loans to reduce the Company's interest burden.

The Company still owns a number of land plots that do not contribute to operations and is in the process of selling them. If these can be sold for a reasonable price, the Company will use the proceeds to pay its debts and reduce its interest burden.

Nonetheless, the Company is continuing negotiations with its financial institution creditors to solve its financial problems and undertaking various measures as necessary.

4.5 Risk from Impairment of Trade Accounts Receivable

Provision for bad debts is in accordance with the Company's accounting policy, as specified in the notes to the financial statements. The Company has a debt collection policy and an allowance for doubtful accounts. The Company considers the amount of debt that is expected to be irretrievable by considering the current status of the debtor, together with experience of any previous debt collection. The Company has also established a policy to set allowance for doubtful accounts at a proportion of 1 percent of the advertising revenue. The Company sets aside 30 percent of the allowance for returned goods on the revenue from sales of publications through agents in the country. The Company has a policy to reduce the proportion of accounts receivable that are over 12 months old by as much as possible. Debts older than 12 months (consolidated financial statements) as of December 31, 2018 amounted to 35.37 million Baht while those aged 6-12 months, amounted to 6.35 million Baht. Allowances for doubtful debts (consolidated financial statements) as of December 31, 2018 totaled 28.67 million Baht and allowances for goods returned 1.84 million Baht. In addition, the Company also has a debt collection agency which continuously monitors doubtful debts.

List of Major Shareholders

THE TOP TEN SHAREHOLDERS AS OF JULY 24, 2019ARE RANKED AS FOLLOWS:

Name	Shares	% Holding
1. U-City Public Company Limited	406,390,000	9.99
2. News Network Corporation Public Company Limited	404,985,000	9.95
3. CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	391,972,000	9.64
4. Mr. SombatPanichewa	290,000,000	7.13
5. Mr. SuthichaiSae-Yoon	212,878,542	5.23
6. Ms.KanchanarathWongpan	206,641,200	5.08
7. Mr. PakkawanWongopasi	185,000,000	4.55
8. KIM ENG SECURITIES (HONGKONG) LIMITED	172,104,000	4.23
9. General Insurance Fund	141,400,000	3.48
10. DOW JONE & COMPANY.INC.,NEW YORK	120,000,000	2.95
Other	1,536,599,620	37.77
Total	4,067,970,362	100.00

Categories of shareholders As of July 24, 2019

Nationality	Shareholders	Shares	% Shares
Thai	4,193	3,378,638,783	83.05
Foreign	24	689,331,579	16.95
Total	4,217	4,067,970,362	100.00

Good Corporate Governance Report



Corporate Governance Policy

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

The Company's Board of Directors has therefore established a corporate governance policy and is in charge of enforcing strict compliance. The policy was reviewed by the Company's Board of Directors on May 9, 2016, and announced to all employees for acknowledgement and strict adherence.

Communication of the corporate governance policy

The Board of Directors well recognizes the practice of corporate governance to coincide with the Company's vision and commitment. As a main factor that drives operations is the employees of the Company and subsidiaries, the policy has been communicated to employees by publicizing through the internal website and publishing 'Nation's Way' as a handbook for employees in addition to information in the website to follow the procedure in their operations. Management has closely monitored and ensured that all aspects of the policies have been

put into practice. In addition, in order to develop understanding with all stakeholders, the Company has publicized good corporate governance principles through the Company's website for interested persons and investors' acknowledgement.

Monitoring of compliance with the corporate governance policy

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

The Company scored 84.5 out of 100 for an evaluation on the Annual General Meeting Checklist, jointly assessed by the Thai Investor Association, the Thai Listed Companies Association and the Securities and Exchange Commission.

For an evaluation on the Company's participation in Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) campaign, the Company has been awarded membership certification by the CAC, affirming that it recognizes the importance of anti-corruption policy implementation and is ready to operate with transparency. The certification is valid for a 3-year period, starting from November 10, 2017.

In 2018, the Company's corporate governance principles covered five areas, namely:

- 1. Rights of shareholders
- 2. Equitable treatment of shareholders
- 3. Role of stakeholders

- 4. Information disclosure and transparency policies
- 5. Board of Directors' responsibilities

1. Rights of shareholders

The Company realizes that the shareholders are entitled to the Company's ownership right. Shareholders control the management by appointing the Company's Board of Directors to act and make key decisions for them as stated in the corporate governance principles. The Company values and respects the shareholders' rights by adhering to the principles regulated by law.

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

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

Shareholders' Meetings

Organizing Annual Shareholders' Meetings

The Board of Directors has recognized the importance of holding the Annual General Meeting to allow shareholders to acknowledge the Company's performance, jointly make decisions on significant Company matters and inspect operations managed by the Board and management. In 2017, the Company not only organized the Annual General Meeting in line with the law and guidelines as suggested in the AGM Checklist manual, published by the Thai Investors Association, the Thai Listed Companies Association, the Securities and Exchange Commission and the Stock Exchange of Thailand but also strictly adhered to the principles of Good Corporate Governance.

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

In 2018, the Company organized the Annual General Meeting of Shareholders four times as follows:

 Annual General Meeting of Shareholders for the year 2018 on April 9, 2018

At the Nation University Building, Bangkok Campus, meeting room, 7th floor, at 14.00 hrs. Eight out of eight directors attended the meeting. A total of 84 shareholders and shareholders' representatives attended the meeting, representing shareholdings of 2,273,611,072 shares or 55.89 percent of the 4,067,639,262 total issued shares.

 Extraordinary General Meeting of Shareholders No. 1/2561 on February 28, 2018

At the Nation University Building, Bangkok Campus, meeting room, 7th floor, at 10.00 hrs. The meeting was organized to consider the Group's business restructuring. Six out of eight directors attended the meeting. A total of 107 shareholders and shareholders' representatives attended the meeting, representing shareholdings of 2,657,003,766 shares or 65.32 percent of the 4,067,639,262 total issued shares

 Extraordinary General Meeting of Shareholder No. 2/2561 on June 19, 2018

At the Nation University Building, Bangkok Campus, meeting room, 7th floor, at 14.00 hrs. The meeting was organized to consider the revocation of the disposal of assets that were not related to the Company's core businesses. Eight out of eight directors attended the meeting. A total of 87 shareholders and shareholders' representatives attended the meeting, representing shareholdings of 1,867,118,387 shares or 45.90 percent of the 4,067,639,262 total issued shares.

4. Extraordinary General Meeting of Shareholders No. 3/2561 on October 31, 2018

At the Interlink Tower, meeting room 9B, at 14.00 hrs. The meeting was organized to consider the approval of



the Company's financial statements for the year 2017 and the addition of the number of directors from eight to 10. Seven out of eight directors attended the meeting. A total of 63 shareholders and shareholders' representatives attended the meeting, representing shareholdings of 1,714,189,636 shares or 42.14 percent of the 4,067,970,362 total issued shares.

Prior to the General Meeting of Shareholders

The Company posted the meeting invitation letter with complete information on the Company's website prior to the meeting date. It has appointed Thailand Securities Depository Co., Ltd. to serve as the Company's registrar, to circulate meeting invitation letters to the shareholders. The meeting invitation letter provided details of the agenda, rationale, the Board of Director's views on each item of the agenda, and complete and sufficient information for the shareholders to make their decisions as well as previous meeting reports, annual reports, related documents required for the consideration of each agenda item, clarification of procedures, information on the Independent Directors, procedures and Company regulations concerning attendance of the shareholders' meeting, map of the meeting venue, reply form and authorization documents as specified by the Ministry of Commerce. The meeting date and other details were announced in the newspaper for three consecutive days and at least three days prior to the meeting date. The Company provided minority shareholders with opportunities to propose additional meeting agendas and nominate persons to assume the position of director in advance from November 23, 2018 to January 23, 2019 through the website www.set.co.th or www.nationgroup.com. No additional agendas or nomination of persons to assume the position of director were proposed.



The Company posted results of shareholders' exercising the rights to nominate persons to assume the position of director and propose additional agendas in the Annual General Meeting of Shareholders on the Company's website on January 30, 2019.

The General Meeting of Shareholders and Extraordinary Meeting of Shareholders

In determining the date, time and venue for the meeting, the Company gave priority on providing the greatest convenience to shareholders. Meeting registration opened for shareholders and shareholders' representatives one hour in advance of the meeting and attendees were handed out complimentary items. Auditors from KPMG Poomchai Audit Co., Ltd. and the Company's legal counseling firm attended the meeting. All shareholders' meetings were chaired by the Chairman of the Board of Directors.

Prior to the meeting

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

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

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

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

After the General Meeting of Shareholders and Extraordinary Meeting of Shareholders

The Company has disclosed resolutions made by the Annual General Meeting of Shareholders and Extraordinary Meetings of Shareholders 1,2 and 3 for the year 2018 for the acknowledgement of shareholders and members of the public through the SET Community Portal system, developed by the Stock Exchange of Thailand, immediately after the meetings or not later than 09.00 of the business day following the meetings, which is in accordance with the Disclosure Rules of the Stock Exchange of Thailand.

2. Equitable treatment of shareholders

The Board of Directors has regularly controlled and checked up on the Company's corporate governance structure to ensure equitable and fair treatment for all shareholders, as well as to ensure that the caretaking process is neither complicated nor incurring unnecessarily high costs. In the meeting of shareholders for 2018, the Company recognized all shareholders equally and undertook the following guidelines to ensure that all shareholders had the right to participate in decision making and to acknowledge the Company's decisions on important matters as stipulated by the law or the Company's regulations.

- In the shareholders' meeting the Company has a policy to not proceed in any way that threatens the rights of all shareholders. No item shall be included in the agenda and no important information shall be exchanged if it's not informed to the shareholders in advance. Moreover, no document containing additional important information shall be provided in the meeting, to ensure the shareholders have sufficient time to make decisions.
- All shareholders have a right to vote as per the number of shares one holds. Each share counts for 1 vote and there is no special voting right.
- Shareholders who are unable to attend the meeting in person may authorize an independent director who has no conflict of interest with the meeting agenda to attend and cast the ballot. Shareholders can download the proxy form from the Company's website.
- No transactions shall be mutually made with any joint-venture, related companies or related parties who are shareholders of the Company, as it may lead to significant conflicts of interest.



3. Role of Stakeholders

Apart from caretaking and ensuring the shareholders' rights, the Board of Directors has set a policy to take care of all stakeholders, not only concerning the impact of the business operations, but also on the community. The rights of stakeholders are protected in compliance with relevant laws. The Board of Directors approved the establishment of a procedure to foster cooperation between stakeholders and the Company to enhance sustainable business for the Company.

Several stakeholder groups are important to the Company, including employees, customers, shareholders, investors, trading partners, creditors, trade competitors, society, government agencies, neighboring communities, etc. The Board of Directors has maintained a policy to protect the rights of each group of stakeholders in accordance with related laws or agreements stakeholders have made with the Company, and has aimed to promote employee involvement in enhancing the performance of the Company to ensure more productive performance and sustainable growth by disclosing relevant, sufficient and timely information to stakeholders. The Company has established organizational ethics covering various areas and reviews these on a regular basis (most recent revision was May 9, 2016).

Issues regarding good corporate governance for the 2015 Annual General Meeting of Shareholders

Following the issue in which the Chairman of the Company refused entry to certain groups of shareholders to the meeting to exercise their right to vote in the 2015 Annual General Meeting of Shareholders. On May 16, 2016, the Phrakhanong Provincial Court ruled that the 2015 Annual General Meeting of Shareholders and all resolutions passed in the Meeting were nullified. On May 16, 2017, the Appeal Court upheld most of the verdict delivered

by the Phrakhanong Provincial Court, but delivered a vacated judgment to revoke resolutions passed in the 2015 Annual General Meeting of Shareholders. On July 14, 2017, the Company subsequently filed an appeal with the High Court to reverse the decision of the Appeal Court. The High Court, on February 12, 2019 upheld the verdict delivered by the Appeal Court to revoke resolutions passed in the 2015 Annual General Meeting of Shareholders.

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

Ethics on business operation

Business operation guidelines

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

Anti-corruption policy

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

- Nation Group's directors, management and employees are prohibited from conducting or accepting every type of corruption both in direct or indirect manner, including receiving complimentary items or gifts, joining entertainment or hospitality activities, granting financial aid or donations and other forms of benefits from those doing business with the Company, for themselves or their families.
- 2. The implementation of the Anti-Corruption Policy covers Nation Group's employees, customers and all groups of stakeholders, both in Thailand and abroad, and specifies that evaluation of the risk of corruption in the

- organization is undertaken annually. The Policy is reviewed at least once a year in order to accord with business changes, rules, regulations, and laws.
- 3. Operations relating to the Anti-Corruption Policy must be in line with the guidelines stated in the Nation Group's Corporate Governance Policy and ethical guidelines, related regulations and operation manual, as well as additional guidelines that will be further stipulated by the Company.
- 4. To focus attention on processes which incur a high risk of corruption, Nation Group's directors, management and employees at all levels must conform carefully in the following courses of action:
 - 4.1 Entertainment and hospitality, gifts

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

4.2 Charitable contributions or aid

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

4.3 Business relations and procurement process

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

Dissemination of the Anti-Corruption Policy

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

Policy to prevent intellectual property violation

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

 Employees are not allowed to install pirate software, as well as freeware and shareware programs on



the Company's computers. Those who need to use additional software other than the readily-installed basic programs have to seek permission and software installation must be undertaken or supervised by staff in charge of monitoring the information technology system.

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

Ethical responsibilities

Ethics on responsibilities to the media profession (the "Nation Way")

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

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

"Nation Way" Code of Conduct is categorized as follows:

- 1 Ethical requirements of the media professionals
- 2 Ethics of Nation Group's media

- 3 Responsibilities to the readers, listeners and audience.
- 4 Commitment to the media profession and organization
- 5 Guidelines for news reporting and desirable behavior with sources
- 6 Special privileges and conflicts of interest
- 7 Guidelines for participating in political and social activities
- 8 Guidelines for the advertisement, marketing and sale departments.
- 9 Guidelines for copyright and freelancing jobs
- 10 Guidelines for reporters in various beats
- 11 Guidelines for mistakes recovery
- 12 Guidelines for reporting the Company's activities
- 13 Guidelines and ethics on Nation Social Media

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

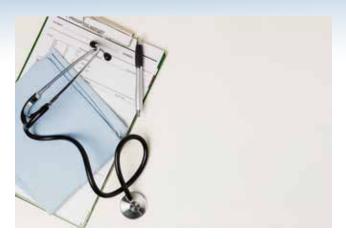
Ethics on responsibilities to shareholders

The Company determines to act in a trustworthy manner and ensure the best interests of the shareholders by placing high priority on steady corporate growth and sustainable returns. The Company shall operate in a transparent manner, ethically and within the framework of the law and the Company's corporate governance policy, and with a credible accounting system. The Company's Investor Relations Division was set up to communicate with investors and shareholders who would like to make inquiries and seek explanations on related issues.

Ethics on relations to customers

The Company ensures that the customers and public shall be satisfied with the Company's quality products and services with reasonable prices. Besides, the Company determines to continuously and seriously enhance its standards as well as maintain a positive and sustainable relationship with its customers. In 2018, the Company consistently organized a series of activities to raise brand awareness and foster relations with target customers, viewers and readers. It acted as an organizer and co-sponsor of seminars, sporting events, awards presentations, rallies and charity events both in Bangkok and several provinces.

Krungthep Turakij newspaper organized various activities and seminars throughout the year. Highlights included



"How Thais will benefit from the EEC project?, which was held in Chonburi, Rayong and Chachoengsao provinces. The seminars were attended by Industry Minister Uttama Savanayana and Kanit Sangsubhan, secretary-general of the Eastern Economic Corridor Policy Committee, with representatives from the government and private agencies acting as speakers. Another highlight was "Thailand Economic Outlook 2019," a national level seminar bringing together important figures and leading business persons who shared their economic views, with Deputy Prime Minister Dr. Somkid Jatusripitak acting as a keynote speaker. The newspaper, for the first time, also held Bangkok Run in The City 2018, which was a running activity in the heart of the city to raise funds for the Ramathibodi Foundation. The activity attracted around 4,000 participants and donated 200,000 baht to the Foundation.

Kom Chad Luek newspaper's highlight activities included the "Kom Chad Luek World Cup 2018," in which a special publication about the World Cup was produced and the microsite "Cheering World Cup 2018" was developed, and the 4th Kom Chad Luek Mini Marathon: Bhumibol 2 Bridge, aiming to raise funds for the SOS Foundation of Thailand under the Royal Patronage. The running activity attracted around 2,500 participants and raised 200,000 baht for the Foundation.

Nation TV22's highlight activities include Run for The Animals 2018, which was held under the wildlife conservation theme at Buddha Monthon. The activity aimed to raise funds for the Seub Nakhasathien Foundation. It attracted around 2,500 participants and donated 200,000 baht to the Foundation. Another highlight was Cycling Slow life... Amazing Thailand Go Local," which was held in the five provinces of Phitsanulok, Ranong, Prachinburi, Nakhon Phanom and Suphanburi to promote tourism in less-visited areas, allowing participants to experience the unique identities, customs, cultures and ways of life of local people, as

well as savor a variety of native dishes and enjoy shopping for locally-made products.

All activities of the Nation Group received a positive response from readers, viewers and major sponsors. Aside from organizing events to best suit each target group of customers, the Group utilized social media in all stages of its activities to broadly cover all target groups. In addition, the successful outcome of the activities was publicized to society through the social media platforms of the Group.

Ethics on responsibilities to employees

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

In terms of employee welfare, the Company has paid great attention to labour welfare. Employees are entitled to welfare covering monetary assistance upon receiving treatment at hospitals, in the event of the death of employees' parents, spouses, children or the employees themselves, marital monetary gift, monetary gift for newborn babies and children's education. The welfare packages also include provident fund, emergency loans, annual medical check-up, accident insurance and group insurance. In 2019, the Company additionally provides health insurance to its employees.

In terms of safety and hygiene in the workplace, the Company has continuously organized training and launched campaigns to raise employees' awareness on maintaining a safe workplace for life and property. Throughout the year 2018, there were no reports of accidents or medical leave during operating hours as most operations were performed at the office. The Company has recognized the importance of the work place, and has constantly maintained working equipment and tools as well as

the establishment so that they are always ready to be in service and safe.

In terms of human resources development, the Company has concentrated on upgrading employee capability at all levels by organizing internal training courses such as a Code of Conduct course, and external training courses with other institutes or agencies, enabling them to use the acquired knowledge to improve working efficiency. The Company has organized training courses in conformity with the Skill Development Promotion Act B.E.2002, stipulating that any Company with over 100 employees must organize training courses for employees in the ratio of 50% of the total number of its employees, and apply for training courses certification to the Department of Skill Development. The Company strictly follows the Act when it comes to holding training courses for its employees.

In 2018, the Company held training courses for 522 employees, accounting for 58.32 percent of its total employee number of 895 (average employee number for the 12-month period), with a total of 3,132 training hours or 3.50 hours/person/year.

Respect for human rights

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

Ethics on relations with trade partners

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

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

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

The Company always takes relations with trade partners into consideration, such as cooperation with trade partners to provide delivery and distribution services of printed materials by NML which is one of the Company's subsidiaries and to utilize each department's resources to the optimum.

In the year under review, the Company had no disputes relating to trade partners.

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

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

Ethics on relations with trade competitors

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



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

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

Ethics on relations with creditors

The Company recognizes the importance of equality and honesty in dealing with creditors. To strictly follow loan contracts made with the banks and financial institutions and to meet repayments due on products and services, as well as capital and interest payments, the Company has established guidelines as follows:

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

The Company has received syndicated loans from several banks which have long business relations with the Company and ranked the Company as a top-rated customer which has thoroughly followed the terms and conditions of its loan contracts. In the year under review, the Company had no disputes relating to creditors and financial institutions.

Ethics on social responsibility and environment

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

As a fully-integrated media operator, the Company shares national concerns over the quality of life and the information

consumption of Thais. Therefore, the Company has a mission to present quality and useful news to society and the public. The Company also participates in efforts to improve the living standards of Thai society. As a business operator in Thailand, the Company cares about the environment. In 2018, the Company was involved in almost all aspects of social contribution activities (details as stated in Social Contribution Activities on page 76).

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

Complaints and suggestions

The Company encourages its management and employees to conduct business with integrity, transparency, fairness and accountability in accordance with good corporate governance and the Company's code of business ethics. As part of this policy, the Company provides channels for comments, complaints and suggestions from the Company's employees and all groups of stakeholders. Complaints, suggestions and tip-offs concerning various issues can be made to the Audit Committee or the Company's Audit Department Manager via E-mail audit_nmg@nationgroup.com or by mail to the Company at Nation Multimedia Group Public Company Limited 1858/121-122, 1858/125-128, 28th, 30th, 31st Floor, Debaratana Road, Bangna-Tai, Bangna, Bangkok 10260



Operation procedures after receiving complaints

- The Internal Audit Department will consolidate complaints and launch initial inspections. If the complaints are found to be grounded, they will be forwarded to the Chief Executive Officer, which will set up a fact-finding committee, with the Human Resources Department acting as the committee's secretary. The committee will subsequently present its findings, together with measures against wrongdoers, to the Chief Executive Officer, the Internal Audit Department Manager and the Audit Committee.
- The Audit Committee will provide fairness and safeguard complainants, those in charge of receiving complaints, those who are the subject of complaints and those relating the fact-finding operation by applying protection measures. All involved information will be kept confidential and disclosed only where necessary, with the safety and possible damages to concerned parties taken into consideration.

Information disclosure and transparency policies

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

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

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



or accepting the Company's securities by using the Company's confidential data and/or inside information in a manner to cause harm to the Company either directly or indirectly.

In the past year, the Company has disclosed the Company's financial reports accurately, completely, timely, in a transparent manner and in accordance with the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand through the information disclosure channels of the Stock Exchange of Thailand and the Company's website. The Company's annual report 2018 provides the following information:

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

- Accurate and complete financial statements in accordance with accounting standards
- 15. Financial statements and operating results

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

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

Investor Relations Section

The Investor Relations section is responsible for communicating with shareholders, institutional investors, investors, analysts and related government agencies in an equal and fair manner in order to build strong relations with them. The investor relations section answers queries related to the Company and its operations for investors through the Company's website, by telephone or via other channels. The Company facilitated the distribution of important information by organizing and participating in the following activities in 2018:

 Publicize the Company's financial status through its newspapers and website four times.

The Investor Relations Section can be contacted at:

Address: 1858/121-122, 1858/125-128, 28th, 30th, 31st, Debaratana Road, Bangna-Tai, Bangna, Bangkok 10260

Tel: 02-338-3289-90

Email: investor@nationgroup.com Website: http://www.nationgroup.com

Company Secretary Department

The Company recognizes the significance of working in compliance with the regulations required by the Stock Exchange of Thailand, the Securities and Exchange Commission and other relevant laws in an accurate, complete and transparent manner,

which passes through sequential consideration and inspection. The Board of Directors appointed Ms. Mathaya Osathanond as the Company Secretary on February 15, 2013. The Company Secretary assists the Chairman in ensuring the Board of Directors, sub-committees and all directors of the Company work in accordance with their roles and duties and in compliance with relevant laws, regulations and rules. The Secretary prepares sufficient necessary documentation and agenda for meetings for the consideration and decisions of the Board, carefully and accurately records the minutes of meetings showing that the Board has considered agenda items carefully, completely, honestly and responsibly using judgment and with consideration of the business environment and what other businesses might be expected to do in a similar situation. The Secretary is responsible for keeping the register of directors, notice of meetings, minutes of the Board of Directors and Shareholders Meetings, reports of conflicts of interest, reports of share holdings of directors and executives, and to ensure that coordination of activities between the Board of Directors and the management proceeds in line with the Board's resolutions. The Company Secretary has discharged her duties fully and thoroughly.

Responsibilities of the Board of Directors

Roles, duties and responsibilities of the Board of Directors

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

The Board of Directors has clearly stipulated the duties and responsibilities of the Board of Directors, Board of Executive Directors, Chairman and Chief Executive Officer to ensure



the independent judgments of the board to serve the best interests of the Company and shareholders. Besides, a monitoring and supervision procedure is in place to ensure the Company operates in a manner consistent with the relevant laws and business ethics stipulated by the board

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

Roles, duties and responsibilities of the Chairman

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

Counterbalance of non-executive directors

As of February 18, 2019, the Board of Directors consists of 10 members, four of them are independent directors, another three are executive directors of the Company and its subsidiaries, and three are non-executive directors. The number of independent directors and non-executive directors accounts for more than one third of the board to ensure an effective check and balance system in management.



The four independent directors are fully qualified according to the Company's definition of the independent directors, approved by the board. Three independent directors are members of the Audit Committee. One of them is the Chairman of the Audit Committee and two of them are members of the Audit Committee.

Appointment of the Board of Directors

According to the Company's requirement, one third of the directors shall vacate their offices when their tenures end every year. The Company can re-appoint directors whose tenure ends to the same positions again for another term. The Company does not set requirements on the term limit according to the requirement of the Securities and Exchange Commission. The Company has set a policy stipulating that its directors must not hold the status of director in more than five other listed companies on the Stock Exchange of Thailand concurrently. The Company's directors shall not be directors in competing companies or have conflicts of interest with the Company's business. In the case that the directors hold positions in other companies, those Company names, types of business and positions of the directors shall be disclosed in the director profile. In 2018, none of the Company's directors or executives held positions as directors in more than five listed companies.

Compliance units

The Company has established various units to ensure compliance with the laws related to business operations. The Legal Department ensures compliance with regulations of the Stock Exchange of Thailand, the Securities and Exchange Commission as well as related laws. The Legal Department monitors operations to ensure they adhere to related business law.

In the second half of 2018, the Company hired JP Thip Audit Company Limited as its internal auditor to review and assess the adequacy of the internal control system in the revenue and payments receivables system, expenses and payments system, purchasing and recruitment system, cash management and advance payment system, human resource management system, fixed asset management system and IT General Controls system in order to improve the efficiency of the Company's internal control system.

Sub-committees

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



At present, the Company has three sub-committees, namely the Audit Committee, Nomination and Remuneration Committee and the Executive Board. The duties and responsibilities of the sub-committees are detailed in Section 9.2 Sub-Committees.

Conflicts of interest

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

Related transactions between the Company and its subsidiaries, or associated companies in 2018 were presented before the Audit Committee each quarter, and the Company disclosed details of transactions, parties, reasons / necessities in the annual report and form 56-1.

The Board of Directors' Meeting

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

to update the progress on any particular issue, he or she can inform their intention to the Chairman of the board or the Company Secretary.

Generally, each board meeting takes 3-4 hours. The Chairman gives equal opportunity for all directors to independently express their ideas and opinions. The Board of Directors views that to prevent the unintentional leakage of information, the management will report the results of the Company's operations only in the month that the meeting is being held. Independent directors and non-executive directors meet regularly to discuss management issues without the presence of operating personnel. Should there be any issues of concern, the management will be notified to solve or improve them.

Evaluation of the Board of Directors' performance

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

In 2018, the Board of Directors arrange for the evaluation of the performance of the Board of Directors in two forms: individual self-assessment and evaluation of the performance of the whole board, using the evaluation forms of the Stock Exchange of Thailand and the Thai Institute of Directors (IOD) as a basis. In addition, evaluation of the performance of the Audit Committee was also undertaken. Evaluation scores were divided into 4 = highly agree, 3 = quite agree, 2 = agree, 1 = disagree, 0 = strongly disagree.

The evaluation process began in December 2018 with the Corporate Secretary Office proposing the evaluation form for consideration in the Board of Directors meeting as to whether the form satisfied the rules and criteria. After that, the evaluation form was submitted to the Board of Directors and the Audit Committee to undertake the evaluation and to summarize the score for acknowledgement by each committee. The evaluation results of the Audit Committee were presented to the Audit Committee Meeting No. 2/2562 on January 29, 2019. The results of the evaluation of the Audit Committee and the Board of Directors were presented to the Board of Directors' Meeting No. 2/2562 on January 29, 2019.

Directors' remuneration

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

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

Directors' remuneration for the year 2018, which the Board of Directors proposed to the 2018 Annual General Meeting of Shareholders for 2018, is summarized as follows:

Name/Position	Annual Remuneration 2017	Annual Remuneration 2018
Chairman*	400,000	400,000
Chairman of the Audit Committee	400,000	400,000
Audit Committee	300,000	300,000
Independent Director	200,000	200,000
Non Executive Director	200,000	200,000
Executive Director*	No remuneration	No remuneration

Remark: * Directors who are employees of the Company or its subsidiaries are not entitled to specified remuneration. According to the 2018 General Meeting of Shareholders on April 9, 2018, the Meeting resolved to approve remuneration payment for the Company's directors in 2018, with 97.73% in favor of the payment, 0.01 not in favor, and 2.26% abstentions.

Director and management development plan

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

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

Succession plans

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

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

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

1. Chief Executive Officer

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

2. Vice President

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

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

Sub-committees

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

(1) Audit Committee

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

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

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

Roles, duties and responsibilities of the Audit Committee

- Review the Company's financial reporting (quarterly and annually) to ensure accuracy and adequate disclosure regarding the Company prior to presenting to the Board of Directors.
- 2. Review the system of internal control and internal audit to ensure they are appropriate, adequate and effective and consider the independence of the internal audit unit. Also consider and approve the appointment, transfer or dismissal of the head of the internal audit unit or any other unit responsible for the internal audit, including granting approval for hiring an external entity to act as an internal auditor prior to submission to the Board of Directors for approval.
- Review the Company's system of risk assessment and management to ensure that it is appropriate, adequate and effective.
- Review the Company's compliance with securities laws, the regulations of the Securities and Exchange Commission, the Stock Exchange of Thailand and other laws relating to the Company's business.
- 5. Consider the appointment of independent personnel as internal auditors of the Company, set remuneration rates and liaise with auditors concerning the objectives, scope, directions and working plan of the audit as well as the scope of problems encountered during the inspection and any important issues raised by the auditor. Participate in meetings with the auditor but in the absence of management personnel at least once annually.

- 6. Consider any transactions that may have conflicts of interest to ensure accuracy and completeness in accordance with the laws and regulations of the Stock Exchange of Thailand and ensure correct and complete disclosure of such transactions. This is to ensure that such transactions are reasonable and bring optimal benefit to the Company.
- Review the accuracy of the Company's referential documents and self-assessment form on anti-corruption measures outlined by Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) campaign.
- 8. Produce the Audit Committee Report for disclosure in the Company's Annual Report. The Audit Committee Report must be signed by the Chairman of the Audit Committee and include the following information:
 - Comments on the accuracy, completeness and reliability of the financial statements of the Company.
 - Comments on the adequacy of the system of internal control of the Company.
 - Comments on the risk management system of the Company.
 - Comments on the Company's compliance with the regulations of the Securities and Exchange Commission, Stock Exchange of Thailand and any other laws relating to the Company's business.
 - Comments on the appropriateness of the Company's Auditor
 - Comments on any transactions that may have conflicts of interest.



- The number of Audit Committee meetings held and the attendance of each Audit Committee member.
- Overall opinions and observations of the Audit Committee encountered while undertaking their duties under the charter.
- Any other information that it is felt the shareholders and investors should know about in carrying out the duties and responsibilities assigned by the Board of Directors.
- 9. Perform other duties as assigned by the Board of Directors and approved by the Audit Committee. In carrying out the duties listed above, the Audit Committee is directly responsible to the Board of Directors while the Board of Directors is responsible for the operations of the Company to external parties.

2) Nomination and Remuneration Committee

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

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

Order	Name	Position
1	Mr.Thanachai Santichaikul	Chairman of the Nomination and Remuneration Committee
2	Mr.Sontiyan Chuenruetainaidhama	Director of the Nomination and Remuneration Committee
3	Mr.Ka Ming Jacky Lam	Director of the Nomination and Remuneration Committee

Roles, Duties and Responsibility of the Nomination and Remuneration Committee

- 1 Nomination of directors and sub-committee members must take into account the appropriateness of the number, structure and composition of the Board of Directors, as well as the appropriateness of the size, type and complexity of the business prior to proposal to the Board of Directors and / or a shareholders' meeting for approval (as the case may be).
- 2 Consider and nominate persons with appropriate qualifications, knowledge, experience and expertise to hold the positions of director and sub-committee member for consideration and approval by the Board of Directors and / or the shareholders' meeting (as the case may be). This includes considering the background of candidates to ensure they are fully qualified according to the specifications of various charters of the Company and related laws, and are not in contravention or inconsistent with laws relating to the business of the Company, in order that the shareholders receive sufficient information about the nominee to make a decision.
- 3 Consider the independence of each independent director to ensure that the Company's independent directors are fully qualified.
- 4 In the event that the Nomination and Remuneration Committee nominates directors who have vacated their positions by rotation, the Nomination and Remuneration Committee will consider the contribution of the said director and should present the results of that contribution, including the director's attendance of Board of Directors meetings and shareholders' meetings, for the consideration of the shareholders.

- 5 Consider and prepare a development plan for the directors and sub-committee members to enhance the knowledge of both the directors and sub-committee members concerning the business of the Company, as well as their roles, duties and development in various key areas, such as economic and industrial conditions, rules and laws related to the business of the Company, etc.
- 6 Perform other tasks as assigned by the Board of Directors with the approval of the Nomination Committee.

Determination of Remuneration

- Consider the remuneration and other benefits (whether in the form of cash, securities or other type) of the Directors and sub-committee members for proposal to the shareholders' meeting for further consideration and approval. However, remuneration should be competitive according to industry norms.
- 2) Consider the criteria for evaluating the performance of the Board of Directors and sub-committees in order to consider the annual remuneration for proposal to the Board of Directors for approval.
- Disclose the criteria for determining remuneration and other benefits and prepare the report for determination of remuneration for inclusion in the Company's annual report.
- 4) Perform other tasks as assigned by the Board of Directors with the approval of the Nomination Committee.

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

Nomination of Directors

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

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

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

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



3) Executive Board

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

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

Order	Name	Position
1.	Mr.Shine Bunnag	Chairman of the Executive Board
2.	Mr.Somchai Meesen	Chief Executive Officer and Executive Director
3.	Mrs.Warangkana Kalayanapradit	Assistant to the Chief Executive Officer and Executive Director

Mr. Marut Arthakaivalvatee is consultant to the Executive Board.

Scope of Authority and Responsibility

- 1 Prepare the vision, strategy, business direction, goals, guidelines, policies, business plans, budget, organizational structure and corporate index for proposal to the Board of Directors for consideration and approval, and proceed as approved by the Board of Directors, including checking and monitoring the results of operations in an efficient and effective manner.
- 2 Consider the management structure for the business operation of the Company as being appropriate to the current situation.
- 3 Have the authority to determine the employee salary structure, including the selection, training, appointment, hiring, transfer, determination of wages, compensation and bonus of executive-level staff as well as the dismissal of employees.
- 4 Consider and scrutinize operational proposals to determine policies for investment, expansion of business activities,

- public relations, financial planning, annual budget, human resources management and investment in information technology for proposal to the Board of Directors for consideration and approval.
- 5 Have the authority to appoint a sub-committee or working group to facilitate the operations or management of the Company and set the authority, duties and responsibilities of the working group, including controlling and supervising



- the operations of the sub-committee or working group appointed to carry out the policies and meet the targets set.
- 6 Have the authority to proceed according to the policies set by the Board of Directors in relation to business operations, in accordance with the law, and the conditions, rules and regulations of the Company, with the exception of items in which the Executive Board may have conflicts of interest with the Company, subsidiaries or associated companies.
- 7 Monitor the Company's performance in accordance with the policy framework and goals approved by the Board of Directors and ensure operations are carried out with quality and efficiency.
- 8 Consider the annual budget allocation according to the management before submitting to the Board of Directors for consideration and approval.
- 9 Study the feasibility of investing in new projects and have the authority to consider and approve any investments or joint investments with individuals, juristic persons or any other business organization, to participate in bidding auctions, as well as to undertake various projects as the Board of Directors deems appropriate, including undertaking legal acts related to the matter until completed as approved (Corporate Index) and / or as determined by the Board of Directors and / or in accordance with relevant laws and regulations and / or in accordance with the Company's regulations.
- 10 Approve expenditure of significant investments as specified in the annual expenditure budget according to the Corporate Index and / or as assigned by the Board of Directors and / or as approved by a Board of Directors' resolution in principle.



- 11 Approve the signing of contracts and / or any transactions relating to the normal business operations of the Company (such as trading, giving or receiving services, investing or entering into joint ventures with other parties for normal business transactions of the Company which are of benefit in achieving the objectives of the Company) within the approved budgetary limits (Corporate Index) determined or approved by the Board of Directors. In the event that the amount exceeds the budget approved by the Board of Directors, the transaction must be presented to the Board of Directors for approval at the next meeting.
- 12 Consider and approve financial transactions with banks or financial institutions to support normal business operations, such as opening or closing bank accounts, borrowing funds, requesting a credit line, pledging, mortgaging, guaranteeing, and trading and registering ownership of land in accordance with the objectives and for the benefit of the Company's operations. These include juristic acts relating to the matter as approved by the Board of Directors (Corporate Index) and / or as determined by the Board of Directors and / or in accordance with relevant laws and regulations and / or in accordance with the Company's regulations. In the event that the amount exceeds the budget approved by the Board of Directors, the transaction must be presented to the Board of Directors for approval at the next meeting. If the Company's assets are to be used as collateral, approval must be granted by the Company's Board of
- 13 Consider the profit and loss of the Company and propose the payment of an interim or annual dividend to the Board of Directors.
- 14 Consider and approve the appointment of various consultants or advisors to the Executive Board or advisors to sub-committees or working groups that are necessary for the operations of the Company, as appropriate. Determine and authorize remuneration, allowances, welfare, perquisites and other expenses of the president of the consulting committee, consultant or members of the consulting committee, under the annual budgetary framework approved by the Board of Directors.
- 15 Review and propose to the Board of Directors amendments to the scope of authority, duties and responsibilities of the Executive Board in accordance with the current circumstances.

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

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

Control of cross-transactions between the Company and subsidiaries

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

In 2018, the Company and its subsidiaries undertook crosstransactions with other related parties under market-price conditions. Other cross-transactions, considered for appropriateness and transaction value by the Audit Committee, can be viewed in the accompanying notes to the financial statements.

Control of inside information Prevention of insider information

The Company maintains a policy to prevent directors and executives from abusing their position to gain personal benefit, which causes damage to other shareholders or all shareholders, in compliance with Section 241 of the Securities and Exchange Act B.E. 2535, as follows:

- Directors, management and any staff of the Company with access to inside information shall not disclose inside information to outsiders or to anyone who is not involved.
- 2. The Company's directors, management and staff involved in conducting financial reports or other related documents shall exercise caution regarding Company securities transactions in the period prior to announcement of the financial results. Should any securities transactions be undertaken during this period, the Company's Board of Directors must be notified immediately.

Information disclosure

The Board of Directors has set guidelines for directors and executives of the Company and its subsidiaries to disclose information on any conflicts of interest and the parties involved, in accordance with Section 89/14 of the Securities and Exchange Act B.E. 2551 and in accordance with the Securities and Exchange Commission Announcement Tor Jor 2/2552. The Company has adhered to the rules since July 1, 2009, as follows:

- 1. Directors and executives must report any conflicts of interest of their own or of other related parties at least once annually. The Company's secretary is responsible for collecting information relating to conflicts of interest of directors, executives and related parties ready for disclosure to the Board of Directors should they require it for consideration of transactions between companies, with directors and/or executives or involved parties who have conflicts of interest. The Company secretary will report the interests of directors and executive management for acknowledgement of the Company's Board of Directors in the meeting of the Board of Directors at the end of the year.
- Directors and executives must report any changes in conflicts of interest of their own or of other related parties to the Company secretary to report to the Board of Directors within 7 days of the change.

In 2018, since most of the directors were appointed to replace those who had resigned following implementation of the Company's restructuring plan, the report on conflicts of interest submitted to the Company's Secretary has remained unchanged.

Report on shareholding

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

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

In 2018, the Company required the Board of Directors and executives to report their shareholdings in the Meeting of the Board of Directors on April 1, 2019.



During the year 2018, the Company reported increases (decreases) in the shareholdings of its directors and management between April 1, 2019 and December 17, 2018, as follows:

	No. of Share	s at close of Reg	istration Book	
Name	As of July 24, 2019	As of Dec 17, 2018	Increase (Decrease) in the No. of Shares	Shareholding proportion of NMG shares as of July 24, 2019 (%)
1. Mr.Marut Arthakaivalvatee	-	-	-	-
2. Mr.Shine Bunnag	-	-	-	-
3. Mr.Sontiyan Chuenruetainaidhama	15,000,000	15,000,000	-	0.36
4. Mr.Apivut Thongkam	1,000	1,000	-	-
5. Mr.Chaiyasit Puvapiromquan	-	-	-	-
6. Mr.Thanachai Santichaikul	1,920	1,920	-	-
7. Mr.Somchai Meesen	-	-	-	-
8. Mrs.Warangkana Kalayanapradit	2,760	2,760	-	-
9. Mrs.Salinee Wangtal	-	-	-	-
10. Mr.Ka Ming Jacky Lam	-	-	-	-

Note:

- 1. Paid-up shares of NMG as of April 1, 2018 total 4,067,639,262 shares.
- 2. Directors' shareholdings are inclusive of shares held by spouses (if any).

Auditor's remuneration

(1) Audit fee

The Company, its subsidiaries and joint ventures paid an audit fee for the 2018 financial year of Baht 5,050,000 to KPMG Phoomchai Audit Limited.

(2) Non-audit fees

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

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

- 1. Spouses or children who are dependents of the Auditor's staff.
- 2. Parties that have control over the Auditor, are under the control of the Auditor or which are under common control with the Auditor, whether directly or indirectly.
- 3. Parties significantly influenced by the Office of the Auditor.
- 4. Partners or the equivalent of the Auditor.
- 5. Spouses or children who are dependents of staff of parties in (4).
- 6. Parties related to the Auditor as in (1), (4) or (5) who hold significant control or influence, whether directly or indirectly.

Other Aspects of Good Corporate Governance Meeting Attendance

In 2018, meeting attendance was as follows:

	~ .	Meeting Attendand	e/No. of Meeting
Order	Directors	Directors' Meeting	Directors' Meeting
1	Mr.Marut Arthakaivalvatee (appointed September 28, 2017)	16/16	N/A
2	Mr.Shine Bunnag (appointed January 11, 2019)	N/A	N/A
3	Mr.Sontiyan Chuenruetainaidhama (appointed January 17, 2018)	9/15	N/A
4	Mr.Apivut Thongkam (appointed January 3, 2018)	15/16	5/6
5	Mr.Chaiyasit Puvapiromquan (appointed September 28, 2017)	14/16	5/6
6	Mr.Thanachai Santichaikul (appointed October 31, 2018)	5/5	2/2
7	Mr.Somchai Meesen (appointed January 3, 2018)	16/16	N/A
8	Mrs.Warangkana Kalayanapradit (appointed January 17, 2018)	15/15	3/3
9	Mrs.Salinee Wangtal (appointed April 10, 2018)	11/11	N/A
10	Mr.Ka Ming Jacky Lam (appointed October 31, 2018)	5/5	N/A

Internal Control and Risk Management



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

In 2018, the Board of Directors acknowledged the report of the Audit Committee regarding the review of financial statements and financial reports, performance of the internal audit unit and the evaluation of the internal control system of the Company in five different aspects, including internal control of the organization, risk assessment, operation control, information and communication systems, and follow-up system. The Board of Directors is of the opinion that the overall internal control system of the Company is satisfactory. The Company has provided adequate personnel to operate efficiently and is able to give reasonable assurance of the accuracy of the financial statements. There is adequate protection of assets and prevention of their use illegally by executives and employees, including prevention of transactions with persons who may have conflicts of interest or vested interests.

The Company's inability to submit the financial statements for the year 2017 within the specified period, as well as the three subsequent quarterly interim financial statements and the annual financial statements for 2018 within the specified period, resulted from the new directors and executives, who were in office in the period September 2017-January 2018, finding unusual financial information in the 2017 annual financial statements, with significant accrued income that may not have corresponded to the actual results or operations. The Company subsequently informed KPMG Phoomchai Audit Ltd., the Company's auditor, to check the information related to the recording of significant accrued income that may have been false. The Board of Directors would like to stress that the Company has given importance to this matter and has appointed a working group to consider, investigate and collect relevant evidence from the case of the significant accrued income records. This was undertaken to ensure the factual accuracy of the 2017 annual financial statements, to ensure that they reflect the actual performance of the Company and the true value of the shares of the Company.

The cause of the delays in submitting the financial statements arose because of the time taken to check the outstanding accrued income records, which involved numerous parties and many related documents. The Company was required to check documents, collect evidence and request the cooperation of all concerned parties, including coordinating with the auditor throughout the duration of the audit process, to record any significant accrued income that may have been falsified. The Company hired and appointed an independent legal advisor to take legal action against four former directors and executives involved in the possible falsification of significant accrued income records. In addition, the Company undertook a review of various operating processes with related departments, especially concerning advertising revenue, in order to be more concise and to improve the internal control system. These measures will be documented and put into practice henceforth.

Head of the Internal Audit

The Company has appointed JP Tip Audit Company Limited to act as its internal auditor. The Audit Committee deems the company suitable for this task as it is independent and has appropriate experience and expertise in auditing work. The appointment, removal or transfer of the head of the internal audit must be approved by the Audit Committee.

Corporate Social and Environmental Responsibility

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

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

In 2017, many media organizations, including Nation Group, faced the effects of digital disruption more acutely than ever before. Nonetheless, Nation Group remained committed to performing its duty as a medium connecting Thai people with the global community in times of emergencies or disasters.



1. Joining forces to help disaster victims in Laos

In July 2018, when the earth-filled saddle dam in Laos collapsed causing devastation at Sanamxay District, Attapeu Province, Nation TV Channel 22 and other Nation Group media presented news of the developments continuously and acted as a representative of the Thai people to help raise funds for the victims. Using the "Joining forces to help disaster victims in Laos" account, Nation TV Channel 22 was able to raise 2,383,856 Baht within just five days. Executives of Nation Group presented the funds to the Ambassador of Laos, Mr. Seng Soukhathivong, at the Embassy of the Lao People's Democratic Republic in Thailand, so that he could further disburse the funds to victims of the disaster.



2. A helping hand for victims of Tropical Storm Pabuk

In late 2018, southern Thailand geared up for the arrival of the unseasonal Tropical Storm Pabuk, which was thought to be the most violent storm to hit the country in more than 50 years. Pabuk made landfall on January 4, 2019 at Pak Phanang District, Nakhon Si Thammarat, and subsequently brought devastation to people and property in many provinces of the southern region. The devastation was particularly severe in Pak Phanang District. Nation Group media followed the Pabuk storm situation closely and acted as a medium to bring Thai people throughout the country together in giving a helping hand. Nation TV Channel 22 opened an account to collect financial donations from all over the country to help the victims of Pabuk through the "Nation Foundation". The activities helped raise a total of 824,059 baht from January 7 to February 26, 2019, boosting morale and helping restore normality to the area.

On January 15, 2019, after the storm had passed, Nation Group joined forces with the Khlong Noi Subdistrict Administrative Organization, Rajabhat University Nakhon Si Thammarat, Nakhon Si Thammarat Association, Citizens' Council of Nakhon Si Thammarat Province, Citizens Political Development Center, and King Prajadhipok's Institute, Nakhon Si Thammarat to undertake a survey of damaged homes in the vicinity of Moo 13, Ban Saengwiman Subdistrict, Khlong Noi Subdistrict, Pak Phanang District, Nakhon Si Thammarat Province and to support the budget for the rebuilding of houses.

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



3. Nation Bike Thailand 2018 cycling series

In 2018, Nation Group organized a number of activities to mobilize various sectors to join hands in improving and strengthening Thai society. One such activity was the charity cycling event series "Nation Bike Thailand 2018," which aimed to promote friendship and kindness among people. One project in the series was "Nation Bike Thailand 2018 – Chuan Pan Khorat... Baan Eng," in which Nation Group joined Nakhon Ratchasima Province, Central Plaza Nakhon Ratchasima and Mitsubishi Motors (Thailand) Co., Ltd. to organize a 40-km charity cycling event to welcome in the New Year. Proceeds from the event after deducting expenses were donated to the Maharat Nakhon Ratchasima Hospital and the Debaratana Nakhon Ratchasima Hospital.

4. "Slow Life - Cycle for the Environment" in wonderful destinations



The cycling event series "Slow Life – Cycle for the Environment" was held six times throughout the year in six provinces, including Loei (Chiang Khan District), Nan, Trang, Trat, Buri Ram and Ratchaburi provinces. The series was the result of a collaboration among Nation Group, Mitsubishi Electric Kang Yong Watana Co., Ltd. and the Tourism Authority of Thailand (TAT).



The project encouraged participants to cycle for better health in pleasant environments and communities of rural Thailand to experience tourism attractions in the area and the hospitality of the local people. Participants also got involved in a variety of environmental conservation activities such as tree planting, improving the landscape, installing lighting, planting sea grasses for dugongs, etc.

5. Nation Anniversary Golf Charity 2018

In 2018, Nation TV Channel 22 celebrated its 19th year of operations by organizing the "Nation Anniversary Golf Charity 2018" tournament on October 19, 2018 at the Thana City Country Club, Bangna. A portion of the proceeds from the event were donated to the Nation Foundation for use in helping disaster victims in times of emergency.









6. "TanKhunPaenDin"

As a leading representative of the Thai media, Nation Group focuses on the promotion of good deeds in Thai society, which ultimately benefit the nation as a whole. Nation Group has organized the "TanKhunPaenDin" project since 2007, honoring and recognizing role models in society who inspire others to perform good deeds. The efforts of these people are presented through Kom Chad Luek newspaper and Nation TV Channel 22 television station, so that their good deeds will continue to inspire and motivate other members of society.

2018 Awards and Accolades

Despite the current period of digital disruption that has heavily impacted the media sector, Nation Group continues maintain the highest standards in working towards a better society. In 2018, Nation Group media received three awards:

1. "2018 Good People Thailand" award in the media category.



2. "Outstanding Social Contribution Awards".

Kom Chad Luek newspaper received two awards for its "Sai Truoj Rawang Pai" and "Pert Chong Song Thai" columns and "Asa Kla Dee" program on Nation TV Channel 22. The awards were presented by the Good People (Thailand) Foundation and CP All Plc.











3. The Judprakai section of Krungthep Turakij newspaper received the "2018 Media for Human Rights" award, from Amnesty International Thailand, for its series "Detainees and Refugees in Roi Et Province".



Characteristics of the Business

Structure of Sales and Service Income

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

(Unit: in Million Baht)

Products / Services	Operated by	201	8	201	7	201 (resta	
		Amount	%	Amount	%	Amount	%
Publishing and distribution of newspapers, publishing, digital publishing and providing advertising media / news services	 Nation Multimedia Group PCL. Kom Chad Luek Media Co., Ltd. Krungthep Turakij Media Co., Ltd. 	627	42%	714	40%	868	43%
Publishing and distribution English newspapers, publishing, digital publishing and advertising media	Nation News Network Co., Ltd.						
Production of TV and radio programmes and providing advertisements through TV, radio and new media forms	 Bangkok Business Broadcasting Co., Ltd. Nation Broadcasting Corporation PCL. NBC Next Vision Co., Ltd. NBC Nextmedia Co., Ltd. (liquidated and completed liquidation on 23 Jun 17) NBC Next Screen Co., Ltd. (liquidated and completed liquidation on 12 Dec 17) Nation Kids Co., Ltd. (liquidated and completed liquidation on 29 Jun 17) 	608	41%	735	41%	767	38%
Transportation and delivery services	• NML Co., Ltd. (Subsidiary until 19 Sep 18)	115	8%	143	8%	114	6%
University and education services	Nation U Co., Ltd. (Subsidiary until 25 Jul 18) Nation University (Subsidiary until 25 Jul 18)	24	2%	58	3%	67	3%
Importing, publishing, distributing local and foreign publications, production of TV programmes and providing advertisements through TV media, digital media and character management	Nation International Edutainment PCL. (Ceased to be a subsidiary and became an associated company since 29 Nov 18)	71	5%	119	6%	146	7%
Importing, publishing and distribution educational books and comics	Nation Global Edutainment Co., Ltd. (Ceased to be a subsidiary and became an associated company since 29 Nov 18)						
Production of publishing, and books and publishing services.	WPS (Thailand) Co., Ltd. (Subsidiary until 18 Dec 18)	33	2%	40	2%	60	3%
	Total	1,478	100%	1,809	100%	2,022	100%

Audit Committee Report for the Year 2018

The Audit Committee of Nation Multimedia Group Public Company Limited (the "Company") consists of three independent directors, with Mr.Apivut Thongkum as the chairman of the committee, Mr.Chaiyasith Puvapiromquan and Mr.Thanachai Santichaikul as members of the committee (Mr.Thanachai was appointed on November 1, 2018), and Ms.Warangkana Kanlayanapradit, acting as a committee member from January 17, 2018 - October 9, 2018.

For the year 2018 - 2019 (until the date of this Report), the Audit Committee attended seven meetings. Each of the committee members attended all of the meetings in order to perform his/her duties as specified in the Audit Committee Charter, including being informed and providing opinions as the Audit Committee of the Company regarding the Accrued Revenue Record of which the significance may be fraudulent. Furthermore, the Audit Committee held joint meetings with the independent auditor and internal auditor (in 2018, the Company appointed JP Tip Audit Company Limited, as the internal auditor), as well as the executive management in the event that there were any relevant matters to be discussed. The Audit Committee is of the opinion that:

- 1. The interim financial statements for the first three quarters of 2018 and the financial statements for the year 2018 were appropriate in presenting the complete, adequate, and correct information on the Company's operating results, which were in conformity with generally-accepted accounting principles, as disclosed and noted by the Independent Auditor in the Audit Report. It was made in accordance with accounting and financial reporting standards, along with relevant legal requirements. The review and inspection of material information in the making of the financial statements was in conformity with the financial reporting standards and neither suspicious conduct nor transactions were found.
- 2. The Company's internal control system and risk management system were appropriate, adequate and efficient, as disclosed in the Audit Report. The Report was prepared by JP Tip Audit Company Limited, acting as the internal auditor responsible

for conducting examinations and evaluations on the adequacy of the Company's internal control system based on the COSO 2013 (the Committee of Sponsoring Organization of the Treadway Commission) framework, which is outlined by the Securities and Exchange Commission. The internal auditor made remarks and recommendations for improving the Company's internal control system and the Company's relevant units accordingly made improvements to the Company's internal control system following the given remarks and recommendations.

- 3. The Audit Committee was informed of and reviewed the related party transactions in 2018 and found that those were normal business transactions with general commercial terms and conditions that were reasonable. No irregular transaction was found and those were under the framework of the resolution of the meeting of the Board of Directors of the Company no. 5/2016 held on May 9, 2016 (according to Corporate Governance Policy of the Company).
- 4. From 2018 to 2019 (until the date of this report), the Company has duly complied with the law governing Securities and Exchange, as well as other requirements and laws relevant to the business of the Company.
- 5. The Company's Independent Auditor for the year 2018 was Ms.Sasithorn Pongadisak, certified public account registration No. 8802. This was her first year as the company's Independent Auditor. She is knowledgeable, independent, and has extensive experience in auditing and is, therefore, a suitable candidate for the position.

With respect to the appointment of the Company's Independent Auditor for the year 2019, the Audit Committee proposed that Ms.Sasithorn Pongadisak, certified public account registration No. 8802 or Ms.Marisa Tharathornbunpakul, certified public accountant registration no. 5752, or Mr.Thanit Osathalert, certified public accountant registration no. 5155 of KPMG Phoomchai Audit Ltd. be appointed as the Company's Independent Auditor for the year 2019 for another term on account of their suitability, knowledge, independence and long experience in account auditing.

(Mr.Apivut Thongkum)

The Report of the Responsibility of the Board of Directors to the Financial Statements for the year 2018 of Nation Multimedia Group Limited (PCL)

The Board of Directors hereby announces to its shareholders that as it has already been aware that in the year 2018, Nation Multimedia Group Limited ("Company") delayed submitting its annual financial statements for the year ended 2018. As the meeting of the Board of Directors no. 9/2018 approved the financial statements on August 24, 2018, it caused the delay in the submission of financial statements of the first three quarters of 2018. The late submission did not meet the specified period and it also caused the delay of the financial statements of 2018 to be audited and adjusted by the auditor to meet the standards of professional accounting for the consolidated financial statements for the year 2018. Apart from issues mentioned above, in 2018 and early 2019 there are important reasons that caused the Company to update several accounting items as follows:

- 1 In the year 2018, the Company sold several items of assets, such as investments in subsidiaries consisting of 1) selling investment in a subsidiary company, namely Nation U Co., Ltd. (NU) holding Nation University license, MNL Co., Ltd. (NML) operating the transportation service business, WPS Co., Ltd. (Thailand) (WPS) operating printing businesses, 2) selling partial land and buildings that are not utilized such as the sales of land in Khon Kaen province, on Bangna-Trad km. 29.5 and on Bangna-Trad km. 5. The transactions of the mentioned assets were undertaken based on the policy of the Company to focus on the core business that the Company has expertise in which is a print media business, television media production and news content production. Besides, these sales could enable the Company to reduce its liabilities. So, the Company could plan for debt payments to creditors, trade creditors and financial institutions, which could strengthen the financial position of the Company.
- 2 Reduction of the Company's shareholding proportion in its subsidiary, Nation International Edutainment Public Company Limited (NINE), was undertaken. NINE increased its share capital to initiate the private placement, but the Company did not wish to increase the capital of NINE. As a result, its shareholding in NINE was from 71.04 percent to be 30.05 percent.
- 3 According to the announcement of the Office of the National Broadcasting and Telecommunications Commission (NBTC) regarding rules, procedures and conditions for compensation payments due to the return of the license to use the digital spectrum to provide digital television services made on 2 May 2019 (announcement of the NBTC regarding the return of the license) together with the Chief Order of National Council for Peace and Order 4/2019 regarding measures to solve the problems

of television and telecommunications business operations dated April 11, 2019, the Board of Directors meeting held on May 9, 2019 resolved to approve the license return of Spring 26 company limited, formerly known as Bangkok Bistro Broadcasting Co., Ltd., ("Spring's license return transaction"). Spring 26 was a subsidiary of the company, which held 99.93% of shares and was licensed to use digital spectrum for terrestrial television services under a national business service type and general category with normal sharpness definition using the name of SPRING 26 (formerly named NOW26) effective from 25 April 2014 until 24 April 2029 ("license"). This is due to the fact that the Spring has notified the Office of the National Broadcasting and Telecommunications Commission ("NBTC") in writing of the license return on May 10, 2019. The license return request does not affect the Company's core business operations as the Company still has Nation Broadcasting Corporation Public Company Limited ("NBC"), as a subsidiary of the Company. NBC carries out a complete operational management of its television channel encompassing TV program production, sourcing of TV programs and sales of airtime for news content, entertainment, and new media. The Company also has, a subsidiary of NBC, NBC Next Vision Co., Ltd. which is a licensed operator of digital television business broadcasting news content programs (SD) under the name of Nation TV (Channel 22).

Hence, the benefits derived from such measures had an impact on the accounting records of the two subsidiary companies. In the case that Spring 26 company limited requested the return of the license while National Broad casting Corporation (Plc) continues its operation and obtains the benefit from the fee waiver of the 5th and the 6th installments. The Federation of Accounting Professions Under the Royal Patronage of His Majesty The King has announced the questions and answers about the accounting records from such cases published on July 12, 2019. As the cases mentioned above, therefore, it causes the Company to use caution in accounting records to be accurate in accordance with accounting standards in order to provide accurate and truthful information that reflects the actual performances of the Company and its subsidiaries.

Furthermore, on 16 August, 2019, the Board of Directors' meeting No. 10/2019 approved the annual financial statements 2018 ended December 31, 2018, which were already audited by the auditor. As a result, it caused the delay submission of the financial statements for the 1st and 2nd Quarters of 2019 which could not meet the specified period. This delay was due to the fact that the process and procedures for auditing financial statements for the year 2018 had to be complete before auditing the financial statements for 1st and 2nd quarters of 2019 respectively.

However, the Company's quarterly financial statements for the year 2018 and the 2018 annual financial statements have been approved by the Board of Directors as follows.

Financial Statements of 2018	Resolutions of Board of Directors to Approve the Financial Statements	Submission to the SET on
Q1 Financial Statement of 2018	No. 13/2018 on November 13, 2018	November 13, 2018
Q2 Financial Statement of 2018	No. 15/2018 on December 12, 2018	December 12, 2018
Q3 Financial Statement of 2018	No. 2/2019 on January 29, 2019	January 29, 2019
Annual Financial Statements of 2018	No. 10/2019 on August 16, 2019	August 16, 2019

The Board of Directors is aware of their duties and responsibilities as directors of listed companies to oversee the company's financial report. It is to ensure that the report is made by using accurate and complete accounting data with transparent and adequate disclosure so as to maintain the Company's assets while preventing fraud and unusual operations. They are responsible for supervising the report of the connected transactions which might cause conflicts of interest in compliance with the related system and rules. Also, it is to ensure the Company adopts the accounting standards generally accepted by the appropriate accounting policies and applies them consistently as well as considering the reasonableness, maximum benefit, compliance with relevant laws and regulations with prudence and caution in preparing the financial statements and consolidated financial statements of the Company and its subsidiaries including financial information that appears in the Company's annual report.

Therefore, for stakeholders' confidence in the Company's financial reports, the board of directors appointed the audit committee consisting of independent directors who are qualified according to the requirements of the Stock Exchange of Thailand and the regulations of the Capital Market Supervisory Board. The audit committee is responsible for reviewing the Company's statement of financial position and results of operations to ensure they are correct, complete and sufficient. The statements have to be accurately and completely reported for the disclosure of the connected transactions or items that may have conflicts

of interest. Besides, the committee has to ensure the adequacy of the risk management system and the improvement of the operational reporting system as well as internal control, internal audit and the supervision of the Company. The systems have to be appropriate, concise and more effective, as well as to be completed sufficiently. Also, there shall be a proper process of monitoring the compliance with laws, rules, regulations, and relevant policies of the Stock Exchange of Thailand and the announcement of the Capital Market Supervisory Board. The audit committee reported their opinion as mentioned above to the Board of Directors in the audit committee report, which was appeared in the annual registration statement (56-1) and the annual report of the Company.

The Board of Directors were of the opinion that the overall internal control system of the Company was at a satisfactory level, which could provide reasonable confidence to the reliability of the financial statements and consolidated financial statements of the Company and its subsidiaries for the year ended December 31, 2018. The auditor of the Company viewed without conditions that the consolidated financial statements of the Company and those of its subsidiaries could demonstrate that their financial positions, operating results, and cash flow are accurate, complete, reliable, reasonable, in compliance with generally accepted accounting standards. Appropriate accounting policies were applied and practiced consistently, which could disclose the information transparently, adequately, and abide by the laws and relevant regulations.

(Mr.Marut Arthakaivalvatee) Chairman of the Board

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Results of the Consolidated Financial Statements

The consolidated financial statements of Nation Multimedia Group Public Company Limited and its subsidiaries for the year ended 31 December 2018 represented a profit from continuing operations of Baht 559.74 million. Compared to the same period of 2017, the loss was Baht 2,241.90 million increased by 125%. Including, the loss from discontinued operations for the year 2018 of Baht 269.24 million, the group represented a net profit of Baht 290.50 million compared to the same period of 2017, the loss was Baht 2,378.35 million, increased by 112%. Excluding, the reversal of impairment loss of assets and the allowance for doubtful accounts of Baht 1,184.53 million, the group incurred a net loss of Baht 894.03 million. The Company would like to clarify a significance change of Group's operation results were summarized as follows

- Revenue from sales of goods and rendering of services for the year 2018 decreased by 17% compared to the same period of 2017. The main reason was from economic slowdown which affected advertising revenue to decrease by 15% and circulation revenues decreased by 26%.
- Costs and expenses for the year 2018 decreased by 81% compared to the same period of 2017. The main reasons were:
 - Cost of goods sold and rendering of services decreased by 31% in line with the decrease in revenue from sales of goods and rendering of services.
 - Distribution costs and administrative expenses increased by 5% due to loss on disposal and written-off of assets of Baht 161 million.
 - On 11 April 2019, the National Council for Peace and Order ("NCPO") has released the order NO. 4/2562 in subject of a measure to solve the problems of the operations of the Television and Telecommunication. On 2 May 2019, the Office of the National Broadcasting and Telecommunications Commission ("NBTC") has released the order of criteria, procedures, and conditions for compensation as a result of the return of the license to use the spectrum to provide Digital Television Services. The service users who had intended to return the license was required to inform in writing within 10 May 2019. The request for a return

of such license is considered a request to cancel the license.

In this regard, a subsidiary has submitted for the returning of its Digital TV license to NBTC, and obtained letter of the approval of the returning on 27 June 2019. Therefore, the Group has determined the recoverable amount from the fair value less costs of disposal which is the compensation, according to the notification letter to approve the compensation from NBTC dated 26 July 2019, deduct with related costs of returning the license. The management determined that the recoverable amount exceeds its carrying amount of asset. Therefore, the Group has considered to reverse the impairment loss of Digital TV license in the consolidated financial statements for the year ended 31 December 2018 amounting to Baht 643.66 million. On 26 July 2019, NBTC has issued the notification letter to approve the compensation for the subsidiary amounting to Baht 890.83 million by deducting the payable of license fee installment payments no.4 amounting to Baht 215.07 million (included VAT). Therefore, the remaining compensation would be received in amounting Baht 675.76 million.

In addition, the indirect subsidiary has decided not to return the Digital TV license. As a result, such indirect subsidiary will be exempted for the installment of the license fee including a subsidy for the network rental expenditures in accordance with a national commercial digital terrestrial television broadcasting network service to the licensees over the remaining period of the licenses. The subsidy effectively commences after termination of the measure to relieve in accordance with paragraph one, no. 8 of NCPO No. 9/2561. Therefore, the Group has considered to reverse of impairment loss of Digital TV license in the consolidated financial statements as at 31 December 2018 amounting to Baht 486.70 million.

During 2018, the Company disposed its investments for business restructuring, which comprised investments in Nation U Co., Ltd., NML Co., Ltd., WPS (Thailand) Co., Ltd. and the decrease of the Company's ownership interest in Nation International Edutainment Public Co., Ltd. thereby it ceased to be subsidiary (71.04%) and became an associated company (33.05%).

Conclusion:

The Group reported a net profit for the year ended 31 December 2018 was Baht 290.50 million, resulting from the reversal of impairment loss of assets and the allowance for doubtful accounts of Baht 1,184.53 million. Compared to the same period of 2017, the loss was Baht 2.378.35 million.

Financial statements for the year ended 31 December 2018 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 2018, 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 2018 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 incurred net profit of Baht 290.50 million, resulting from the reversal of impairment loss of assets and the allowance for doubtful accounts of Baht 1,184.53 million and the Company incurred a net loss of Baht 73.33 million (included the reversal of the allowance for doubtful accounts of Baht 457.89 million) for the year ended 31 December 2018 and as of that date, the Group and the Company's total current liabilities exceeded its total current assets by Baht 1,026.60 million and Baht 825.96 million, respectively and the Group and the Company had deficit of Baht 3,235.33 million and Baht 3,138.80 million, respectively. However, these events or conditions, along with other matters as set forth in Notes 2 and 37, 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.

The recognition of revenue from rendering of services

Refer to Note 4 (p)

The key audit matter

The Group has several types of revenue through various channels. Under agreements with the customers, these contain a variety of terms and conditions, such as type of services, scope of services, the pricing arrangement, sales promotion and discount. These factors may affect the amount and timing of revenue recognition. The Group's revenue is significant to the financial statements and has a direct impact on its operating results, which the users of financial statements pay particular attention. Therefore, I have determined this matter to be a key audit matter.

How the matter was addressed in the audit

The audit procedures included the following:

- Understand and assess the effectiveness of internal control including relevant information technology system related to the revenue recognition;
- Apply a sampling method to select service agreements to assess whether revenue recognition was consistent with the terms and conditions of the relevant agreements;
- Perform testing on sampling basis for revenue transactions incurred during the year and during the periods before and after closed to the year end with related documents;
- Perform analysis on revenue by comparison with historical data and industry information.

Impairment and reversal of impairment loss on digital television licence and investments in subsidiaries and valuation of trade and other accounts receivable with related parties

Refer to Notes 5, 8, 9, 12 16 17 and 37

The key audit matter

A subsidiary and indirect subsidiary were granted the commercial digital terrestrial television licence ("licence"). As a result of high competition in the digital television business in Thailand, there is the risk that operation results of the subsidiary and indirect subsidiary may not be in line with its initial expectations and forecasts.

Moreover, the recent trend of the consumer behaviour is changed and the current economic is in the downturn situation. Certain related parties of the Group are operating in the high competitive businesses.

Consequently, these matters affect the operations of subsidiaries and certain related parties which are indicators of impairment of license in the consolidated financial statements and investments in subsidiaries which owns the license in the separate financial statements and the risk of recoverable amount of trade and other accounts receivable with related parties in the consolidated and separate financial statements.

How the matter was addressed in the audit

The audit procedures included the following:

- Gain an understanding of the determination of cash-generating units and the estimated recoverable amount, which was the higher of its fair value less costs of disposal and value in use, including the preparation of discounted future cash flow along with management approval;
- Evaluate the effect of the recoverable amount of digital television licence the related assets from the significantly changes with an effect on the entity have taken place during the period or will take place in the near future accordance with the of criteria, procedures, and conditions from the National Council for Peace and the National Broadcasting and Telecommunications Commission ("NBTC") for the television licence holders including the notification letter to approve the compensation from NBTC dated 26 July 2019;
- Assess the discounted cash flow projection approved by management by evaluating the key assumptions and actual operation results and operation plans; as well as assessing the





Impairment and reversal of impairment loss on digital television licence and investments in subsidiaries and valuation of trade and other accounts receivable with related parties

Refer to Notes 5, 8, 9, 12 16 17 and 37

The key audit matter

However, the Thai Financial Reporting Standards requires the determination in assessing whether there is any observable indication that the asset's value has increased with a favourable or unfavourable effect on the entity have taken place during the period or will take place in the near future in assessing whether an impairment loss recognised in prior periods may no longer exist or may have decreased. In this regard, there are significantly changes legally in procedures, and conditions and the benefits from the announcement order No. 4/2562 of the National Council for Peace and Order in subject of a measure to solve the problems of the operations of the Television and Telecommunication and the announcement of the National Broadcasting and Telecommunications Commission in subject of criteria, procedures, and Conditions for Compensation as a result of the return of the License Digital Television Service as described in Note 37 which were events after the reporting period which was determined that the recoverable amount exceeds their carrying amount of assets. Therefore, for the year ended 31 December 2018, the Group has reversed the impairment loss of the license of Baht 1,130.36 million in consolidated financial statements. The Company has reversed the allowance for doubtful account of other accounts receivable with related parties of Baht 491.96 million in separate financial statements.

As there is inherent uncertainty in the estimation and the management has to involve with the high level of judgement to determine the key assumptions used to estimate the recoverable amount of licence and investments in the subsidiaries and determine the recoverability of trade and other accounts receivable with related parties including the amount of allowance for doubtful account of the receivables. As well as, the net book value of license, investment in subsidiary and trade and other accounts receivable and the reversal of impairment loss of assets and allowance for doubtful accounts are significant.

Therefore, I have determined this matter to be a key audit matter.

How the matter was addressed in the audit

- appropriateness of discount rate used by comparing to the weighted average cost of capital of an industry in which the Group operates and testing the computation of discounted cash flow projection;
- Evaluate the sensitivity of key assumptions used in the estimation of future cash flows in order to evaluate the effects to the recoverable amount;
- Enquire of the responsible management regarding policy and assessment applied for setting the allowance for bad and doubtful debt calculation;
- Test on sampling basis, the accuracy of information used in calculation of the allowance for bad and doubtful debt with relevant supporting document and checked mathematical accuracy of the calculation;
- Test on sampling basis, of cash receipts subsequent to the end of the year; and
- Evaluating the adequacy of the financial statement disclosures in accordance with Thai Financial Reporting Standards.



Other Information

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

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

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

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

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

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

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

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

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

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

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

• Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

Anthon P.

(Sasithorn Pongadisak) Certified Public Accountant Registration No. 8802

KPMG Phoomchai Audit Ltd. Bangkok 16 August 2019

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

		Conso	lidated	Sepa	rate
		financial s	statements	financial s	tatements
		31 Dec	ember	31 Dec	ember
Assets	Note	2018	2017	2018	2017
			(in B	aht)	
Current assets					
Cash and cash equivalents	6	168,894,780	186,398,722	24,119,651	9,481,223
Current investments	7	229,821	125,421,715	-	-
Trade accounts receivable	5, 8	205,429,267	274,767,764	409,539,665	932,770,606
Accrued income	5	87,316,975	77,069,842	13,891,498	25,237,531
Other receivables	5, 9	68,133,677	59,605,476	547,445,825	339,142,823
Inventories	17	2,961,172	68,115,945	879,812	16,262,360
Revenue department receivable		127,272,990	138,464,703	13,459,862	-
Input value added tax pending		75,978,504	147,236,967	35,938,803	82,459,905
Other current assets			90,715		
Total current assets		736,217,186	1,077,171,849	1,045,275,116	1,405,354,448
Non-month of the					
Non-current assets		1 150 000	479 (29		
Restricted deposits	1.1	1,150,000	478,638	-	1 000 000
Investments in associates	11 10, 12	188,468,389	23,226,005	318,176,708	1,800,000
Investments in subsidiaries	10, 12	-	- 319,589,191 		1,490,563,920 - 4,019,185 62,205,134
Long-term investment in related party	7	2 262 045			
Long-term investments in other companies	15	2,263,045			
Investment properties		81,083,160			
Property, plant and equipment	16, 17	407,103,319	1,462,585,494	326,065,560	445,152,717
Intangible assets	17	17,349,706	66,983,615	4,924,500	5,443,928
Digital television licences	17	2,086,895,695	1,049,289,369	-	- 0.751.725
Deferred tax assets	18	-	77,316,597	100 005 702	9,751,725
Witholding tax deducted at source		212,821,255	213,353,593	108,905,702	113,576,200
Other non-current assets		22,135,585	24,851,379	8,651,187	10,989,936
Total non-current assets		3,019,270,154	2,992,758,423	1,157,543,553	2,143,502,745
Total assets		3,755,487,340	4,069,930,272	2,202,818,669	3,548,857,193
		:			

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

		Conso	lidated	Sepa	rate
		financial	statements	financial s	tatements
		31 Dec	cember	31 Dec	ember
Liabilities and equity	Note	2018	2017	2018	2017
			(in B	aht)	
Current liabilities					
Bank overdrafts and short-term loans from					
financial institutions	19	620,047,237	864,673,663	620,047,237	801,184,751
Trade accounts payable	5, 20	212,604,079	105,023,638	580,577,936	1,341,373,708
Other payables	5	70,985,012	67,394,508	34,523,458	38,087,710
Deferred income		32,031,875	38,068,532	-	-
Advance income		27,581,896	57,449,625	14,466,187	36,884,390
Current portion of digital television licences payable	22	-	297,964,168	-	-
Current portion of long-term loans from					
financial institutions	19	187,166,667	156,000,000	187,166,667	156,000,000
Short-term loans	5, 19	323,527,664	553,500,223	323,527,664	553,500,223
Accrued expenses	5, 21	180,487,299	166,496,782	76,517,810	90,282,158
Output value added tax pending		88,255,198	178,133,657	29,951,344	51,371,219
Other current liabilities		20,128,338	15,961,494	4,459,821	4,678,714
Total current liabilities		1,762,815,265	2,500,666,290	1,871,238,124	3,073,362,873
Non-current liabilities					
Digital television licences payable	22	1,448,808,000	1,131,218,342	-	-
Long-term loan from financial institution	19	-	47,000,000	-	47,000,000
Deferred tax liabilities	18	8,051,210	31,230,072	8,051,210	-
Non-current provisions for employee benefit	23	103,501,368	137,980,447	23,423,335	43,507,442
Advance received of advertising income		47,379,504	64,264,205	47,379,504	64,264,205
Other non-current liabilities		846,325	23,050,901	846,325	2,169,045
Total non-current liabilities		1,608,586,407	1,434,743,967	79,700,374	156,940,692
Total liabilities		3,371,401,672	3,935,410,257	1,950,938,498	3,230,303,565
Equity					
Share capital	24		2 ((2 572 105	2 ((2 572 105	
Authorised share capital		2,663,572,195	2,663,572,195	2,663,572,195	2,663,572,195 2,155,959,049
Issued and paid share capital		2,156,024,292	2,155,959,049	2,156,024,292	
Share premium	24, 25				
Share premium on ordinary shares		1,169,752,222	1,169,694,244	1,169,752,222	1,169,694,244
Share premium on ordinary shares of subsidiaries		80,721,925	96,939,173	-	-
Warrants	25	-	35,345,366	-	30,742,698
Reserve on acquisition of warrants	25	-	(91,013,286)	-	-
Retained earnings (Deficit)					
Appropriated - Legal reserve	26	32,700,000	32,700,000	32,700,000	32,700,000
Deficit		(3,235,332,455)	(3,556,270,055)	(3,138,797,363)	(3,102,743,297)
Other components of equity	26	32,201,020	167,161,062	32,201,020	32,200,934
Equity attributable to owners of the parent		236,067,004	10,515,553	251,880,171	318,553,628
Non-controlling interests	13	148,018,664	124,004,462	-	-
Total equity		384,085,668	134,520,015	251,880,171	318,553,628
Total liabilities and equity		3,755,487,340	4,069,930,272	2,202,818,669	3,548,857,193

Statement of comprehensive income

		Consoli	dated	Sepa	ırate
		financial st	tatements	financial s	statements
		Year ended 3	1 December	Year ended 3	31 December
	Note	2018	2017	2018	2017
			(in Bah	it)	
Continuing operations			,		
Revenue					
Revenues from sales of gooods and rendering					
of services	5	1,374,386,598	1,650,658,366	270,871,293	450,044,175
Investment income	12	404,723	2,681,833	52,366	14,836,163
Other income	5, 28	113,652,933	57,508,881	45,000,001	33,241,648
Total revenues		1,488,444,254	1,710,849,080	315,923,660	498,121,986
Expenses					
Costs of sales of goods and rendering of services	5	1,029,945,973	1,482,607,819	118,799,993	187,770,788
Distribution costs	5	132,018,623	183,227,012	20,771,601	91,465,755
Administrative expenses	5	721,959,469	624,209,279	331,476,785	337,621,912
(Reversal of) impairment losses on assets	7, 12, 15,				
	16, 17	(1,127,053,590)	1,479,091,000	240,719,875	2,177,075,980
(Reversal of) losses on allowance for doubtful					
accounts	8, 9	(57,477,039)	(7,032,695)	(457,885,926)	816,419,997
Finance costs	31	153,475,373	169,153,104	117,570,463	114,772,222
Total expenses		852,868,809	3,931,255,519	371,452,791	3,725,126,654
Share of profit (loss) of associates	11	(3,889,358)	69,479		
Profit (loss) before income tax expense from					
continuing operations		631,686,087	(2,220,336,960)	(55,529,131)	(3,227,004,668) (2,492,660) (3,229,497,328)
Tax expense	32	(71,941,390)	(21,566,253)	(17,802,913)	
Profit (loss) for the year from continuing operations		559,744,697	(2,241,903,213)	(73,332,044)	
Discontinued operation					
Loss for the year from discontinued operation,					
net of tax	10	(269,246,785)	(136,449,307)	-	<u> </u>
Due 64 (leas) fou the second		200 407 012	(2.250.252.520)	(52 222 044)	(2.220.405.220)
Profit (loss) for the year		290,497,912	(2,378,352,520)	(73,332,044)	(3,229,497,328)
04					
Other comprehensive income					
Items that will be reclassified subsequently					
to profit or loss					
Gains (losses) on remeasuring available-for-sale	7	97	(592.260)	9.6	(592.260)
investments	7	86	(582,369)	86	(582,369)
Net change in fair value of available-for-sale	7		5.067.142		5.065.142
investments transferred to profit or loss	7	-	5,867,143	-	5,867,143
Income tax relating to items that will be reclassified	10.22		(1.056.055)		(1.056.055)
subsequently to profit or loss	18, 32	- -	(1,056,955)	-	(1,056,955)
Total items that will be reclassified subsequently		0.0	4 225 046	0.0	4 225 010
to profit or loss		86	4,227,819	86	4,227,819

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

		Consol	idated	Sep	arate
		financial s	tatements	financial	statements
		Year ended 3	1 December	Year ended	31 December
	Note	2018	2017	2018	2017
			(in Bai	ht)	
Items that will not be reclassified subsequently to					
profit or loss					
Gain on revaluation of assets	16	-	204,927,351	-	40,256,052
Gains (losses) on remeasurement of defined benefit plan	23	12,511,605	(111,208)	6,192,664	-
Income tax relating to items that will not be					
subsequently to profit or loss	18, 32		(19,876,247)		(8,051,210)
Total items that will not be reclassified subsequently					
to profit or loss		12,511,605	184,939,896	6,192,664	32,204,842
Other comprehensive income for the year,					
net of tax		12,511,691	189,167,715	6,192,750	36,432,661
Total comprehensive income (expense) for the year	;	303,009,603	(2,189,184,805)	(67,139,294)	(3,193,064,667)
Profit (loss) attributable to					
Owners of the parent		215,201,103	(2,156,485,358)	(73,332,044)	(3,229,497,328)
Non-controlling interests	13	75,296,809	(221,867,162)		
Profit (loss) for the year	:	290,497,912	(2,378,352,520)	(73,332,044)	(3,229,497,328)
Total comprehensive income (expense) attributable to					
Owners of the parent		224,439,809	(1,985,192,656)	(67,139,294)	(3,193,064,667)
Non-controlling interests	13	78,569,794	(203,992,149)	-	-
Total comprehensive income (expense) for the year	:	303,009,603	(2,189,184,805)	(67,139,294)	(3,193,064,667)
Basic earnings (loss) per share	33				
Earnings (loss) per share from continuing operations		0.11	(0.50)	(0.02)	(0.79)
Loss per share from discontinued operations	;	(0.05)	(0.03)	-	-
	;				

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

Consolidated financial statements

						!	Retained earr	Retained earnings/(Deficit)	Other	Other components of equity	quity			
											Total	Equity		
		Issued and				Reserve on			Available-		other	attributable to	Non-	
		paid-up		Share premium		acquisition of	Legal		for-sale	Revaluation	components	owners of	controlling	Total
	Note	share capital	Share premium	of subsidiaries	Warrants	warrants	reserve	Deficit	investments	snldms	of equity	the parent	interests	equity
								(in Baht)						
Year ended 31 December 2017														
Balance at 1 January 2017		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)		(4,231,727)	1,990,040,989	327,275,046	2,317,316,035
Transactions with owners, recorded directly in equity														
Distributions to owners of the parent														
Share-based payment transactions	25	•	•	,	5,386,344	٠		,		,	,	5,386,344	(118,754)	5,267,590
Dividends to non-controlling interests of subsidiaries	13	-	•	-				-		-			(2,712,500)	(2,712,500)
Total distributions to owners of the parent	•	-	•	-	5,386,344			-		-	-	5,386,344	(2,831,254)	2,555,090
Change in ownership interest in subsidiary														
Change of owership without a change in control	12		·	334,311	(53,435)	٠						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														
Loss								(2,156,485,358)				(2,156,485,358)	(221,867,162)	(2,378,352,520)
Other comprehensive income	٠			1				(100,087)	4,227,819	167,164,970	171,392,789	171,292,702	17,875,013	189,167,715
Total comprehensive 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

Consolidated financial statements

						I	Retained earr	Retained earnings/(Deficit)	Othe	Other components of equity	quity			
											Total	Family		
		Land				December			Assistable		1 Otal	cquity c#=ibutoble to	No.	
		Issued allu				Neserve on			Available-	,	office	aut ioutable to	-IIONI	
		paid-up		Share premium		acquisition of	Legal		for-sale	Revaluation	components	owners of	controlling	Total
	Note	share capital	Share premium	of subsidiaries	Warrants	warrants	reserve	Deficit	investments	surplus	of equity	the parent	interests	equity
								(in Baht)						
Year ended 31 December 2018 Balance at 1 January 2018		2.155.959.049	1.169.694.244	96.939.173	35.345.366	(91.013.286)	32,700,000	(3.556.270.055)	(3.908)	167.164.970	167.161.062	10.515.553	124.004.462	134.520.015
		1010010011		2116000	operator at co	(operator)	200100 1120	(cooks = tocots)	(90.49)	0.04.04			100,600	
Transactions with owners, recorded directly in equity	•													
Contributions by and distributions to owners of														
the parent														
Share options exercised	24, 25	65,243	57,978	ı	(221)	,		•		,	,	123,000	ı	123,000
Share-based payment transactions	25	•		1	988,642	•		1			,	988,642	261,489	1,250,131
Total contributions by and distributions to														
owners of the parent		65,243	57,978		988,421			,			i	1,111,642	261,489	1,373,131
Change in ownership interest in subsidiary														
Change in ownership from loss of control	12			(16,217,248)				16,217,248	,	,		,	(54,817,081)	(54,817,081)
Total change in ownership interest in subsidiary		·	·	(16,217,248)		,		16,217,248		1	ı		(54,817,081)	(54,817,081)
Total transactions with owners, recorded directly														
in equity		65,243	57,978	(16,217,248)	988,421			16,217,248				1,111,642	(54,555,592)	(53,443,950)
Comprehensive income for the year														
Profit		1	,					215,201,103			1	215,201,103	75,296,809	290,497,912
Other comprehensive income		1		1	1		-	9,238,620	98		98	9,238,706	3,272,985	12,511,691
Total comprehensive income for the year		,	1	1	1	,		224,439,723	98		98	224,439,809	78,569,794	303,009,603
Transfer to deficit	16, 25	·			(36,333,787)	91,013,286		80,280,629		(134,960,128)	(134,960,128)			,
Balance at 31 December 2018		2.156.024.292	1.169.752.222	80.721.925		,	32.700.000	(3.235.332.455)	(3.822)	32.204.842	32.201.020	236.067.004	148.018.664	384.085.668
								(Salisationia)	(Fresha)					

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

Separate financial statements

				•	Retained ear	Retained earnings/(Deficit)	Other	Other components of equity	uity	
									Total	
		Issued and					Available-		other	
		paid-up			Legal	Unappropriated	for-sale	Revaluation	components	Total
	Note	share capital	Share premium	Warrants	reserve	(Deficit)	investments	surplus	of equity	equity
						(in Baht)				
Year ended 31 December 2017										
Balance at 1 January 2017		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										
Distributions to owners										
Share-based payment transactions	25	'	,	5,685,370	•	,	,	1	'	5,685,370
Total distributions to owner	I	'	·	5,685,370	'	,	'	•	'	5,685,370
Total transactions with owners, recorded directly										
in equity	ı		,	5,685,370	,		1			5,685,370
Comprehensive income (expense) for the year										
Loss		ı	1		•	(3,229,497,328)	1	1		(3,229,497,328)
Other comprehensive income	ı	1	1			1	4,227,819	32,204,842	36,432,661	36,432,661
Total comprehensive expense for the year	ı	1			•	(3,229,497,328)	4,227,819	32,204,842	36,432,661	(3,193,064,667)
Balance at 31 December 2017	II	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 changes in equity

					Separat	Separate financial statements	nts			
					Retained ear	Retained earnings/(Deficit)	Other	Other components of equity	equity	
									Total	
		Issued and					Available-		other	
		paid-up			Legal		for-sale	Revaluation	components	Total
	Note	share capital	Share premium	Warrants	reserve	Deficit	investments	surplus	of equity	equity
						(in Baht)				
Year ended 31 December 2018										
Balance at 1 January 2018		2,155,959,049	1,169,694,244	30,742,698	32,700,000	(3,102,743,297)	(3,908)	32,204,842	32,200,934	318,553,628
Transactions with owners, recorded directly in equity	ž									
Contributions by and distributions to owners										
Share options exercised	24, 25	65,243	57,978	(221)	ı	1	1	ı	ı	123,000
Share-based payment transactions	25	1	1	342,837	1	•	'	•	'	342,837
Total contributions by and distributions to owner	·	65,243	57,978	342,616			•			465,837
Total transactions with owners, recorded directly										
in equity	•	65,243	57,978	342,616		1				465,837
Comprehensive income (expense) for the year										
Loss		•	•	•	•	(73,332,044)	1	•	,	(73,332,044)
Other comprehensive income	•	'	1	'	1	6,192,664	98	'	98	6,192,750
Total comprehensive expense for the year	•	1	1	1		(67,139,380)	98		98	(67,139,294)
Iransfer to deficit	57	1	1	(31,085,314)		31,085,314			1	
Balance at 31 December 2018		2,156,024,292 1,169,752,222	1,169,752,222	1	32,700,000	(3,138,797,363)	(3,822)	32,204,842	32,201,020	251,880,171

Nation Multimedia Group Public Company Limited and its Subsidiaries Statement of cash flows

Statement of cash flows	Consolidated financial statements Year ended		Separate financial statements Year ended	
	31 December		31 December	
	2018	2017	2018	2017
	2010	(in Bai		2017
Cash flows from operating activities				
Profit (loss) for the year	290,497,912	(2,378,352,520)	(73,332,044)	(3,229,497,328)
Adjustments to reconcile profit (loss) to cash receipts (payments)				
Tax expense	78,209,884	24,166,071	17,802,913	2,492,660
Finance costs	158,552,496	173,896,095	117,570,463	114,772,222
Depreciation	123,382,894	176,247,396	24,402,503	44,128,400
Amortisation of assets	16,108,628	116,645,610	2,899,524	3,409,765
Amortisation of digital television licences	92,756,265	178,631,333	-	-
(Reversal of) impairment losses on digital television licences	(1,130,362,591)	1,346,250,000	-	-
(Reversal of) impairment losses on inventories	(2,828,735)	7,990,000	-	-
Impairment losses on investments in subsidiaries and associates	-	-	181,598,020	2,131,499,980
Impairment loss from long-term investments in other companies	1,756,140	-	1,756,140	-
Impairment losses on investment properties	10,407,945	4,521,000	7,621,876	2,576,000
Impairment losses on property, plant and equipment	51,500,000	51,350,000	51,500,000	43,000,000
(Reversal of) impairment losses on intangible assets	(58,598,944)	68,980,000	-	-
Non-current provisions for employee benefit	7,712,399	(32,752,277)	2,463,126	(5,326,875)
Share-based payments	1,250,131	5,267,590	342,837	5,685,370
Gain on fair value adjustment of investments in debt securities	132,790	(312,623)	11,607	(98,665)
Gain on disposal of investments in debt securities	-	(2,069,984)	-	(640,927)
Gain on disposal of debt security in private fund	-	(4,607,349)	-	-
Loss on disposal of long-term investments in other companies	-	5,914,027	-	5,914,027
Profit from sale of warrants	(10,830,879)	-	(10,830,879)	-
Loss on return of investment in subsidiary	-	-	-	1,981,680
Loss on debt waiving and lost control in subsidiaries	175,445,825	-	66,706,854	-
Share of (profit) loss of associate, net of income tax	3,889,358	(69,479)	-	-
Bad debts	41,099,445	9,680,129	14,653,621	4,449,679.00
(Reversal of) doubtful debts expenses	(57,477,039)	(7,032,695)	(457,885,926)	816,419,997
Reversal of allowance for goods returned	(2,875,420)	(3,421,847)	(2,875,420)	(2,405,803)
(Reversal of) losses on inventories devaluation	1,034,168	(1,254,155)	122,314	(2,840,311)
(Reversal of) loss on decline in value of other non-current assets	(48,148)	1,239,059	(48,148)	-
Loss on disposal of investment properties	979,432	2,110,442	979,432	2,110,442
(Gain) loss on disposal of property, plant and equipment	21,224,912	(232,471)	(5,889,903)	1,989,172
Loss on written-off of assets	80,387,117	12,895,897	825,274	-
Investment income	(404,723)	(8,710,466)	(52,366)	(14,836,163)
	(107,098,738)	(253,031,217)	(59,658,182)	(75,216,678)
Changes in operating assets and liabilities				
Trade accounts receivable	8,863,930	122,710,895	421,995,332	154,530,046
Accrued income	(29,365,465)	22,399,115	11,346,033	(11,358,718)
Other receivables	(52,865,769)	28,242,451	262,166,618	(150,407,017)
Inventories	31,954,344	62,074,246	15,260,234	12,801,588
Other current assets	72,797,842	35,618,771	33,061,240	8,686,038
Restricted deposits	(1,071,462)	382,980	-	-
Other non-current assets	(594,498)	4,434,383	1,719,382	1,466,470
Trade accounts payable	148,546,995	12,813,790	(760,795,772)	(168,424,089)
Other payables	8,369,758	42,914,836	(4,302,610)	6,356,683
Deferred income and advance income	(47,109,304)	(36,626,286)	(34,486,860)	(2,993,352)
Accrued expenses	37,920,552	(20,694,709)	(11,643,778)	19,569,691
Other current liabilities	(64,839,586)	(54,573,906)	(21,638,768)	(12,330,470)
Non-current provisions for employee benefit	-	(468,500)	-	-
Other non-current liabilities	(18,207,420)	(17,746,183)	(18,207,421)	(15,470,618)
Net cash used in operating	(12,698,821)	(51,549,334)	(165,184,552)	(232,790,426)
Taxes paid	(71,962,194)	(71,180,414)	(19,673,459)	(21,487,381)
Withholding tax refunded	39,518,840	57,578,833	23,888,485	35,543,328
Net cash used in operating activities	(45,142,175)	(65,150,915)	(160,969,526)	(218,734,479)

Nation Multimedia Group Public Company Limited and its Subsidiaries Statement of cash flows

		Consolidated financial statements Year ended 31 December		Separate financial statements Year ended 31 December	
	Note	2018	2017	2018	2017
			(in Bai	it)	
Cash flows from investing activities					
Proceeds from sale of long-term investment in other company		-	2,767,406	-	2,767,406
Current investments		20,277,060	73,356,823	-	-
Proceeds from disposal of investment in subsidiary		664,914,051	-	673,000,000	-
Proceeds from sale of warrant		10,830,879	-	10,830,879	-
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		631,000,000	1,453,080,262	-	502,028,305
Acquisition of other debt securities		(631,000,000)	(1,227,100,000)	-	(452,000,000)
Proceeds from sale of investment properties		1,100,000	8,709,460	1,100,000	8,709,460
Proceeds from sale of building and equipment		43,423,347	2,418,707	49,155,514	448,222
Acquisition of building and equipment		(48,071,595)	(8,409,175)	(3,086,359)	(2,467,962)
Acquisition of programme licences		(1,512,309)	(73,493,468)	-	-
Proceeds from sale of intangible assets		186,549	-	186,549	-
Acquisition of intangible assets		(7,691,898)	(18,170,297)	(2,119,249)	(1,312,919)
Digital television licences payments		-	(323,800,000)	-	-
Dividend received		24,351	24,322	24,351	14,811,822
Interest received		380,372	8,748,877	28,015	24,341
Net cash from (used in) investing activities		683,860,807	(97,259,734)	729,119,700	73,008,675
Cash flows from financing activities					
Proceeds from change in ownership interest in					
subsidiary without a change in control		-	3,833,695	_	3,833,695
Proceeds from exercise of share options		123,000	-	123,000	-
Bank overdrafts and short-term loans from		-,		.,	
financial institutions		(181,137,514)	315,242,671	(181,137,514)	308,204,554
Proceeds from short-term loans		-	180,000,000	-	180,000,000
Repayment of short-term loans		(238,000,000)	(166,000,000)	(238,000,000)	(166,000,000)
Repayment of long-term loan from financial institution		(18,000,000)	(75,000,000)	(18,000,000)	(75,000,000)
Repayment of finance lease		-	(1,072,880)	-	(1,072,880)
Cash paid for up front fee of long-term loan from financial institution		-	(2,000,000)	-	(2,000,000)
Dividends paid to non-controlling interests of subsidiaries		-	(2,712,500)	-	-
Interest paid		(133,041,392)	(137,175,537)	(116,497,232)	(119,526,588)
Net cash from (used in) financing activities		(570,055,906)	115,115,449	(553,511,746)	128,438,781
Net increase (decrease) in cash and cash equivalents		68,662,726	(47,295,200)	14,638,428	(17,287,023)
Cash and cash equivalents at 1 January		186,398,722	233,693,922	9,481,223	26,768,246
Impact from discontinued operations	10	(86,166,668)	-	-	20,700,210
Cash and cash equivalents at 31 December	6	168,894,780	186,398,722	24,119,651	9,481,223
N to the second					
Non-cash transactions Payables for purchase of building and equipment		1,198,400	1,864,015	10,002,032	8,462,552
Payables for purchase of programme licences		9,863,280	14,945,860	10,002,032	0,702,332
Digital television licences payable		1,448,808,000	1,429,182,510	-	-
Assets received from rendering of services		6,746,635	7,539,287	6,746,635	7,539,287
Assets received from removing or services		0,740,033	1,339,401	0,740,033	1,339,461

Nation Multimedia Group Public Company Limited and its Subsidiaries Notes to the financial statements

For the year ended 31 December 2018

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

Notes to the financial statements

For the year ended 31 December 2018

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 16 August 2019.

1 General information

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

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

The principal activities of the Company are the publishing and distribution of newspapers and publishing, providing advertising and news services and others. The principle activities of the Group are the publishing and distribution of newspapers, publishing, digital publishing and advertising media, TV production, providing advertising and news via television and others. For further details of the Company's associates and subsidiaries as at 31 December 2018 and 2017 are disclosed in Notes 11 and 12.

Bangkok Business Broadcasting Co., Ltd., a subsidiary, received the commercial digital terrestrial television licences at national level for a variety channel category in standard-definition for a period of 15 years, commencing from 25 April 2014 to 24 April 2029.

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

2 Use of going concern basis of accounting

For the year ended 31 December 2018, the Group incurred net profit Baht 290.50 million, resulting from the reversal of impairment loss of assets and the allowance for doubtful accounts of Baht 1,184.53 million and the Company incurred net loss of Baht 73.33 million (included the reversal of the allowance for doubtful accounts of Baht 457.89 million) (2017: Baht 3,229.50 million), and as of that date, the Group's and the Company's total current liabilities exceeded its total current assets by Baht 1,026.60 million and Baht 825.96 million, respectively (2017: Baht 1,423.49 million and Baht 1,668.01 million, respectively) and had deficit of Baht 3,235.33 million and Baht 3,138.80 million, respectively (2017: Baht 3,556.27 million and Baht 3,102.74 million, respectively). This represents a material uncertainty over the appropriateness of using the going concern basis of accounting of the Group and the Company. The Group and the Company implemented the policy and procedures in an attempt to manage liquidity risk and other circumstances such as reducing interest rate payment, new flexible schedule of payable repayment resulted to the Group has enough credit facilities for working capital in operating.

The Group's management is implementing the action plans to improve the Group's and the Company's performance and liquidity by focusing on its core businesses that the Group has the exact knowledge and expertise. Publishing and related activities and television broadcasting business in a category of news and content as its expertise, and the production of contents, including related business that have the potential to grow and enhance the core businesses of the Group to allow the Group to continue the business operation and mobilize resources within the Group in various areas for existing news items fully in line with the Group's core businesses policy. The Group is reforming the broadcasting presentation and other platforms to gain more advertising revenue, restructuring of the marketing

Notes to the financial statements

For the year ended 31 December 2018

department and increase number of workforces in order to expand the customer base and improving the production and broadcast equipment and restructuring production team to be effective, transforming the television program schedule to be outstanding, modifying the program to increase the number of audience and increase the revenue in other forms such as new media, seminar and events etc. In addition, the management has plan to increase the revenue by implementing Artificial Intelligence technology, expanding the digital media segment, reforming the broadcasting presentation to make its programs more attractive and improving airtime rental format for all target customers to be more effective. In addition, there will be the positive result from retrieving the operators of radio broadcasting and television broadcasting and business of radio broadcasting and television broadcasting as described in Notes 17 and 37.

For the Group's business restructuring plan, the Group would focus on its core businesses which comprise printing media, television media and other media, etc. Therefore, the Group is considering to sell out the property and/or investments in subsidiaries that are non-core business during the third to fourth quarter of 2018 as described in Notes 12 and 37 and other assets in the future in order to generate cash flows to repay its debts and interest burden, including the Group may consider reorganising its financial structure and additional source of capital by increase the Group's liquidity and strengthen its financial status such as fund raising and loan borrowing from financial institution which has the finance cost suitable with the market conditions.

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

"C" (Caution) sign criteria

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

3 Basis of preparation of the financial statements

Statement of compliance (a)

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

New and revised TFRS effective for annual accounting periods beginning on or after 1 January 2018. The initial application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies. These changes have no material effect on the financial statements.

In addition to the above new and revised TFRS, a number of new and revised TFRS which are not yet effective for current periods. The Group has not early adopted these standards in preparing these financial statements. Those new and revised TFRS that are relevant to the Group's operations are disclosed in Note 38.

Notes to the financial statements

For the year ended 31 December 2018

(b) Basis of measurement

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

Items Measurement bases

Investments in debt securities Fair value Available-for-sale investments Fair value

Land Revaluation to fair value

Defined benefit liability Present value of the defined benefit obligations

as explained in Note 4 (m)

Warrants Fair value

(c) Functional and presentation currency

The financial statements are prepared and 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 significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the year ending 31 December 2019 is included in the following notes:

Note 12 Determining the fair value less cost to sell of the disposal group on the basis

of significant unobservable inputs;

Notes 8, 9, 11, 12, 15,

16 and 17 Impairment test: key assumptions underlying recoverable amounts;

Note 18 Recognition of deferred tax assets: availability of future taxable profit

against which tax losses carried forward can be used; and

Note 23 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.

Notes to the financial statements

For the year ended 31 December 2018

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.

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

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

- Note 16 Property, plant and equipment;
- Note 25 Share-based payment arrangements;
- Note 34 Financial instruments.

4 Significant accounting policies

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

a) Basis of consolidation

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

Subsidiaries

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

Non-controlling interests

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

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

Notes to the financial statements

For the year ended 31 December 2018

Loss of control

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

Interests in equity-accounted investee

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

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

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

Acquisitions from entities under common control

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

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

Transactions eliminated on consolidation

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

b) Foreign currencies

Foreign currency transactions

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

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

Notes to the financial statements

For the year ended 31 December 2018

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

Foreign currency differences are generally recognised in profit or loss.

c) Cash and cash equivalents

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

d) Trade and other accounts receivable

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

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

e) **Inventories**

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

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

Finished goods comprise of books, CD, DVD and completed TV programmes. 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

Specific identification / weighted average Raw materials

Materials, 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.

22

Notes to the financial statements

For the year ended 31 December 2018

f) Investments

Investments in associates and subsidiaries

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

Investments in other debt and equity securities

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.

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.

Notes to the financial statements

For the year ended 31 December 2018

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

Condominium and improvements

20 years

No depreciation is provided on investment property which is land.

h) Property, plant and equipment

Recognition and measurement

Owned assets

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

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

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

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

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.

Notes to the financial statements

For the year ended 31 December 2018

Reclassification to investment property

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

Subsequent costs

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

Depreciation

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

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

Land improvements	5 - 30	years
Buildings and improvements	5 - 20 and 30 - 35	years
Leasehold improvements	5 - 10 years and amortised over the term of the	e lease
Machinery and equipment	3 - 15	years
Operating equipment	5 - 10	years
Furniture, fixtures and office equipment	2 - 10	years
Vehicles	5	years

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

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

i) Intangible assets

Digital television licences

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

Notes to the financial statements

For the year ended 31 December 2018

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.

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.

Notes to the financial statements

For the year ended 31 December 2018

Calculation of recoverable amount

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

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

Reversals of impairment

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

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

k) Interest-bearing liabilities

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

l) Trade and other account payable

Trade and other accounts payable are stated at cost.

m) 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.

Notes to the financial statements

For the year ended 31 December 2018

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

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

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

Termination benefits

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

Short-term employee benefits

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

Share-based payments n)

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 nonmarket 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.

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.

Notes to the financial statements

For the year ended 31 December 2018

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.

Revenue from television programmes

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

Newspapers subscription income

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

Printing income

Printing income is recognised as services are provided.

Commissions

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

Barter income

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

Rental income

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

Notes to the financial statements

For the year ended 31 December 2018

Tuition fees

Tuition fees are recognised as statement of comprehensive income 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.

Dividend income

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

Interest income and other income

Interest income and other income are 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.

Lease payments r)

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease.

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

Determining whether an arrangement contains a lease

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

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

Notes to the financial statements

For the year ended 31 December 2018

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 items recognised directly in equity or in other comprehensive income.

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

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

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

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

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

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Notes to the financial statements

For the year ended 31 December 2018

t) Discontinued operations

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

Earnings (loss) per share u)

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

v) Segment reporting

Segment results that are reported to the Group's CEO (the Chief Operating Decision Maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly cash and cash equivalents, current investment deferred tax assets, other current liabilities and other non-current provisions for employee benefit.

5 **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.

Notes to the financial statements

For the year ended 31 December 2018

Relationships with associate and subsidiaries are described in Notes 11 and 12. Relationship with key management, indirect subsidiaries and other related parties were as follows:

	Country of incorporation/	
Name of entities Key management personnel	nationality Thailand	Nature of relationships Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.
Indirect subsidiaries		
Nation University	Thailand	University, a license holding by Nation U Co., Ltd. (The Group sold this investment on 25 July 2018.)
NBC Next Vision Co., Ltd.	Thailand	99.99% shareholding by Nation Broadcasting Corporation Public Company Limited and some common directors
Other related parties		
Thai Portal Co., Ltd.	Thailand	Related party, 19.00% shareholding by Kom Chad Luek Media Co., Ltd.
Spring News Corporation Co., Ltd	. Thailand	Some common shareholder of the Company
Nation Global Edutainment Co., Ltd.	Thailand	99.74% shareholding by Nation International Edutainment Public Company Limited and some common directors
Shareholder	Thailand	Shareholder of the Company

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

Pricing policies
General price and negotiable rate
Actual cost allocation rate and negotiable rate
Book value plus margin
Book value plus margin
As announced in the minute of shareholders' meeting
Negotiable rate
Negotiable rate
Rate as specified in the agreement

Nation Multimedia Group Public Company Limited and its Subsidiaries Notes to the financial statements For the year ended 31 December 2018

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

Year ended 31 December	Consoli financial st 2018	tatements 2017	Sepa financial s 2018	
		(in thousar	nd Baht)	
Continuing operations Subsidiaries and indirect subsidiaries				
Revenue from sale of goods and rendering of services	_	_	200,141	343,198
Cost of sale of goods and rendering			200,111	3 13,170
of services	-	-	11,088	24,086
Sale of equipment	-	-	47,732	235
Purchase of equipment	-	-	-	1,363
Other income	-	-	3,360	10,402
Distribution costs and administrative				
expenses	-	-	4,225	7,468
Associates				
Revenue from rendering of services	391	122	391	122
Other related parties				
Revenue from rendering of services	5,750	_	-	-
Sale of equipment	701	-	-	-
Distribution costs	7,138	_	-	-
Interest expense	8,278	4,700	8,278	4,700
Key management personnel				
Key management personnel compensation				
Wages and salaries	41,668	35,140	17,142	16,965
Defined contribution plans	1,929	2,124	649	864
Total key management personnel				
compensation _	43,597	37,264	17,791	17,829
Discontinued operations Subsidiaries and indirect subsidiaries				
Revenue from sale of goods and rendering				
of services	-	-	8,325	3,966
Cost of sale of goods and rendering				
of services	-	-	12,581	4,687
Dividend income	-	-	-	14,788
Other income	-	-	67	402
Distribution costs and administrative expenses	_	_	2,745	2,469
capenses			2,713	2,109
Associates	2.745	4.504	11.612	11.260
Revenue from rendering of services	3,745	4,504	11,612	11,368
Cost of sale of goods and rendering	420		2.407	11.006
of services	438	-	2,497	11,086
Sale of equipment	-	-	306	2.225
Other income	6	-	953	3,235
Distribution costs and administrative expenses	1	-	360	1,965

Notes to the financial statements

For the year ended 31 December 2018

	Consolidated financial statements		Separate financial statements		
Year ended 31 December	2018	2017	2018	2017	
	(in thousand Baht)				
Key management personnel					
Key management personnel compensation					
Wages and salaries	13,507	6,240	-	-	
Defined contribution plans	851	458	-	-	
Total key management personnel	_				
compensation	14,358	6,698			

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

Trade accounts receivable -	Consolidated financial statements		Separate financial statements	
related parties				
	2018	2017	2018	2017
		(in thousa	nd Baht)	
Subsidiaries and indirect subsidiaries	-	-	537,487	915,634
Associates	1,069	181	1,069	11
Other related parties	6,904	67	-	-
•	7,973	248	538,556	915,645
Less allowance for doubtful accounts	(416)	(67)	(176,999)	(82,701)
Net	7,557	181	361,557	832,944
Doubtful debts expense for the year	349		94,298	82,701

The Group and the Company assessed the allowance for doubtful accounts for trade and other accounts receivable with related parties based on the current status of the debtor and considered from the amount expected to be received or paid in the future by netting of the said accounts receivable over trade and other accounts payable.

Accrued income - related parties	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
		(in thousa	nd Baht)	
Subsidiaries and indirect subsidiaries		-	2,058	4,472
Other receivables - related parties	Consoli	dated	Separate	
	financial st	atements	financial s	tatements
	2018	2017	2018	2017
		(in thousa	and Baht)	
Subsidiaries and indirect subsidiaries	-	` -	701,598	1,043,755
Associates	273	345	255	9
Other related parties	_	17,345	-	-
•	273	17,690	701,853	1,043,764
Less allowance for doubtful accounts	(160)	(17,345)	(201,250)	(738,870)
Net	113	345	500,603	304,894
(Reversal of) doubtful debts expense for the year	(17,185)		(537,620)	738,870

Notes to the financial statements

For the year ended 31 December 2018

Trade accounts payable -	ounts payable – related parties		Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017	
		2016	(in thousa		2017	
			(in inousu	na Bani)		
Subsidiaries and indirect s	subsidiaries	_	_	543,717	1,332,737	
Associates		35,231	_	25,321	-	
Other related parties		2,985	_	-	-	
Total	-	38,216	-	569,038	1,332,737	
Other payables - related p	parties	Consolic	lated	Sepa	rate	
		financial sta	atements	financial st	tatements	
		2018	2017	2018	2017	
			(in thousar	nd Baht)		
Subsidiaries and indirect s	subsidiaries	_	_	17,828	33,923	
Associates		15,306	-	14,474	-	
Total	- -	15,306	-	32,302	33,923	
Accrued expenses - relate	ed parties	Consolidated		Separate		
Tier wed expenses Tenne	ou pur ties	financial sta		financial st		
		2018	2017	2018	2017	
			(in thousar			
Subsidiaries	<u>-</u>		-	14,518	19,474	
Short-term loan from		Consolic		Sepa	rate	
related party	Interest rate	financial sta		financial st		
	2018 2017	2018	2017	2018	2017	
	% per annum)	= 0.000	(in thousa	/	= 0.000	
	12.00 12.00	70,000	70,000	70,000	70,000	
Less deferred interest	-	(706)	(1,305)	(706)	(1,305)	
Total short-term loan from related party	<u>-</u>	69,294	68,695	69,294	68,695	

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

	Consolidated financial statements		Separate financial statements	
Short-term loan from other related party				
	2018	2017	2018	2017
		(in thousa		
Shareholder				
At 1 January	70,000	-	70,000	-
Increase	-	70,000	-	70,000
At 31 December	70,000	70,000	70,000	70,000

Notes to the financial statements

For the year ended 31 December 2018

Significant agreements with related parties

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

The Company entered into an agreement with a subsidiary for rent space and related services. The Company committed to pay the rental and service fees as specified in the agreement. However, the Company terminated this agreement in December 2018.

The Company entered into agreements with subsidiaries to rent out the spaces and provide related services. The subsidiaries committed to pay the rental and service fees as specified in the agreements. However, the Company terminated the two agreements with a subsidiary in October 2018.

The Company entered into an agreement with a subsidiary to receive information technology system services. The Company committed to pay a service fee as specified in the agreement. However, the Company terminated this agreement in December 2018.

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 its an investment in a subsidiary as collateral for this short-term loan (see Note 12).

6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Cash on hand	906	1,390	111	323
Cash at banks - current accounts	1,403	3,492	438	458
Cash at banks - savings accounts	115,785	62,238	23,571	8,699
Highly liquid short-term investments	50,801	119,279	-	1
Total	168,895	186,399	24,120	9,481

7 Other investments

	Consolidated		Separate	
	financial s	tatements	financial statements	
	2018	2017	2018	2017
		(in thousa	nd Baht)	
Current investments				
Short-term deposits at financial institutions	230	3,471	-	-
Debt securities held for trading (Private fund)		121,951		
_	230	125,422		
Other long-term investments				
Equity securities available for sale	3	3	3	3
Other non-marketable equity securities	2,260	4,016	2,260	4,016
	2,263	4,019	2,263	4,019
Total	2,493	129,441	2,263	4,019

Notes to the financial statements

For the year ended 31 December 2018

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

	Consolidated financial statements 2018 2017		Separate financial statement 2018 2017	
Current investment		(in thousand	Dani)	
Trading securities				
At 1 January	_	223,598	_	49,289
Purchases during the year	631,000	346,900	32,000	105,000
Sales during the year	(631,133)	(331,046)	(32,012)	(113,781)
Transfer during the year	(031,133)	, , ,	(32,012)	(40,606)
Valuation adjustment	133	(239,765) 313	12	(40,000) 98
At 31 December	133	313	12	96
At 31 December				
Trading securities (Private fund)				
At 1 January	121,951	-	-	-
Transfer during the year	-	121,951	-	-
Sales during the year	(123,870)	-	-	-
Valuation adjustment	1,919	-	-	-
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	-	(86,295)	-	-
Transfer during the year		(121,951)		
At 31 December	_	_		_
Other long-term investment Available-for-sale securities				
At 1 January	3	2,800	3	2,800
Sales during the year	-	(8,082)	-	(8,082)
Valuation adjustment	-	5,285	-	5,285
At 31 December	3	3	3	3

Nation Multimedia Group Public Company Limited and its Subsidiaries Notes to the financial statements For the year ended 31 December 2018

8 Trade accounts receivable

		Consoli	dated	Sepa	ırate	
		financial sta	atements	financial s	statements	
	Note	2018	2017	2018	2017	
			(in thousar	nd Baht)		
Related parties	5	7,973	248	538,556	915,645	
Other parties		228,386	339,640	73,711	133,270	
Total		236,359	339,888	612,267	1,048,915	
Less allowance for doubtful acc	ounts	(29,087)	(59,786)	(202,727)	(113,269)	
allowance for goods return	ed	(1,843)	(5,334)	_	(2,875)	
Net	_	205,429	274,768	409,540	932,771	
(Reversal of) doubtful debts expe	nse					
for the year		(30,699)	(5,689)	89,458	78,894	

Aging analyses for trade accounts receivable were as follows:

	Consoli financial st		Sepa financial st	
	2018	2017	2018	2017
		(in thousa	nd Baht)	
Related parties				
Within credit terms	2,301	181	32,933	92,812
Overdue:				
Less than 3 months	3,639	-	231	76,683
3-6 months	2,033	-	-	125,347
6-12 months	-	-	-	112,373
Over 12 months		67	505,392	508,430
	7,973	248	538,556	915,645
Less allowance for doubtful accounts	(416)	(67)	(176,999)	(82,701)
	7,557	181	361,557	832,944
Other parties				
Within credit terms	119,524	152,976	18,518	51,576
Overdue:				
Less than 3 months	62,128	94,224	14,422	36,413
3-6 months	5,009	15,017	2,740	4,365
6-12 months	6,354	7,885	5,612	4,237
Over 12 months	35,371	69,538	32,419	36,679
	228,386	339,640	73,711	133,270
Less allowance for doubtful accounts	(28,671)	(59,719)	(25,728)	(30,568)
allowance for goods returned	(1,843)	(5,334)	-	(2,875)
-	197,872	274,587	47,983	99,827
Net	205,429	274,768	409,540	932,771

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

Notes to the financial statements

For the year ended 31 December 2018

9 Other receivables

		Consoli	dated	Sepa	rate
		financial st	atements	financial s	tatements
	Note	2018	2017	2018	2017
			(in thousa	nd Baht)	
Related parties	5_	273	17,690	701,853	1,043,764
Other parties					
Other receivables		54,544	53,269	54,348	52,088
Prepaid expenses		49,665	50,958	29,101	28,524
Advance to employees		612	1,426	63	30
•	_	104,821	105,653	83,512	80,642
Total		105,094	123,343	785,365	1,124,406
Less allowance for doubtful accounts	_	(36,960)	(63,738)	(237,919)	(785,263)
Net	=	68,134	59,605	547,446	339,143
(Reversal of) doubtful debts expense					
for the year	_	(26,778)	(1,344)	(547,344)	737,526

10 **Discontinued operations**

During the year 2018, the Group sold its subsidiary, WPS (Thailand) Co., Ltd, comprising its entire printing service segment and decrease of the Company's shareholding interest in subsidiary, Nation International Edutainment Public Company Limited resulted to the Group has lost the control in its entire edutainment segment. The Group presented to show two discontinued operations separately from continuing operations as at 31 December 2018 and 2017 as described below (see Note 12 for further details of the subsidiary).

As at 18 December 2018, the Group sold its subsidiary, WPS (Thailand) Co., Ltd, comprising its entire printing service segment. This segment was not a discontinued operation or classified as held for sale as at 31 December 2017 and the comparative statement of comprehensive income has been represented to show the discontinued operations separately from continuing operations.

Notes to the financial statements

For the year ended 31 December 2018

WPS (Thailand) Co., Ltd.		Consolidated finate For the period from	nncial statements
	Note	1 January 2018 to 18 December 2018	For the year ended 31 December 2017
Des last Pare d'est les estes		(in thousa	and Baht)
Results of discontinued operation		26 407	42.051
Revenue		36,407 (201,309)	43,951 (208,191)
Expenses Results from operating activities		(164,902)	(164,240)
Income tax benefit		186	1,505
Loss for the year		(164,716)	(162,735)
Loss attributable to		(104,710)	(102,703)
Owners of the parent		(139,184)	(137,511)
Non-controlling interests		(25,532)	(25,224)
Loss for the year		(164,716)	(162,735)
Boss for the year		(101,710)	(102,700)
Loss per share (in Baht)			
Basic loss per share	33	(0.03)	(0.03)
Cash flows from (used in) discontinued operation			
Net cash from operating activities		19,958	15,820
Net cash used in investing activities		(501)	(1,618)
Net cash used in financing activities		(17,713)	(14,240)
Net cash flows from (used in) discontinued			
operation		1,744	(38)
WPS (Thailand) Co., Ltd.		Consolidated fina As at	ancial statements As at
		1 13 at	
	Note	18 December 2018	31 December 2017
Effect of disposal on the financial position	Note		31 December 2017
Effect of disposal on the financial position of the Group	Note	18 December 2018	31 December 2017
	Note	18 December 2018	31 December 2017
of the Group Cash and cash equivalents Trade accounts receivables	Note	18 December 2018 (in thousa	31 December 2017 and Baht)
of the Group Cash and cash equivalents Trade accounts receivables Accrued income	Note	18 December 2018 (in thousa) 1,069 12,397 796	31 December 2017 and Baht) 674 11,218 4,254
of the Group Cash and cash equivalents Trade accounts receivables Accrued income Other receivables	Note	18 December 2018 (in thousa) 1,069 12,397 796 1,393	31 December 2017 and Baht) 674 11,218 4,254 371
of the Group Cash and cash equivalents Trade accounts receivables Accrued income Other receivables Inventories	Note	18 December 2018 (in thousa) 1,069 12,397 796 1,393 20,931	31 December 2017 and Baht) 674 11,218 4,254 371 16,133
of the Group Cash and cash equivalents Trade accounts receivables Accrued income Other receivables Inventories Other current assets		18 December 2018 (in thousa) 1,069 12,397 796 1,393 20,931 2,915	31 December 2017 and Baht) 674 11,218 4,254 371 16,133 2,067
of the Group Cash and cash equivalents Trade accounts receivables Accrued income Other receivables Inventories Other current assets Property, plant and equipment	Note	18 December 2018 (in thousa) 1,069 12,397 796 1,393 20,931 2,915 463,471	31 December 2017 and Baht) 674 11,218 4,254 371 16,133 2,067 542,623
of the Group Cash and cash equivalents Trade accounts receivables Accrued income Other receivables Inventories Other current assets Property, plant and equipment Other non-current assets		18 December 2018 (in thousa) 1,069 12,397 796 1,393 20,931 2,915	31 December 2017 and Baht) 674 11,218 4,254 371 16,133 2,067
of the Group Cash and cash equivalents Trade accounts receivables Accrued income Other receivables Inventories Other current assets Property, plant and equipment Other non-current assets Bank overdrafts and short-term loan from	16	18 December 2018 (in thousa) 1,069 12,397 796 1,393 20,931 2,915 463,471 16,062	31 December 2017 and Baht) 674 11,218 4,254 371 16,133 2,067 542,623 11,858
of the Group Cash and cash equivalents Trade accounts receivables Accrued income Other receivables Inventories Other current assets Property, plant and equipment Other non-current assets Bank overdrafts and short-term loan from financial institution		18 December 2018 (in thousa) 1,069 12,397 796 1,393 20,931 2,915 463,471 16,062 (68,061)	31 December 2017 and Baht) 674 11,218 4,254 371 16,133 2,067 542,623 11,858 (63,489)
of the Group Cash and cash equivalents Trade accounts receivables Accrued income Other receivables Inventories Other current assets Property, plant and equipment Other non-current assets Bank overdrafts and short-term loan from financial institution Trade accounts payable	16	18 December 2018 (in thousa) 1,069 12,397 796 1,393 20,931 2,915 463,471 16,062 (68,061) (36,059)	31 December 2017 and Baht) 674 11,218 4,254 371 16,133 2,067 542,623 11,858 (63,489) (27,568)
of the Group Cash and cash equivalents Trade accounts receivables Accrued income Other receivables Inventories Other current assets Property, plant and equipment Other non-current assets Bank overdrafts and short-term loan from financial institution Trade accounts payable Other payables	16	18 December 2018 (in thousa) 1,069 12,397 796 1,393 20,931 2,915 463,471 16,062 (68,061) (36,059) (2,724)	31 December 2017 and Baht) 674 11,218 4,254 371 16,133 2,067 542,623 11,858 (63,489) (27,568) (1,639)
of the Group Cash and cash equivalents Trade accounts receivables Accrued income Other receivables Inventories Other current assets Property, plant and equipment Other non-current assets Bank overdrafts and short-term loan from financial institution Trade accounts payable Other payables Accrued expenses	16	18 December 2018 (in thousa) 1,069 12,397 796 1,393 20,931 2,915 463,471 16,062 (68,061) (36,059) (2,724) (3,199)	31 December 2017 and Baht) 674 11,218 4,254 371 16,133 2,067 542,623 11,858 (63,489) (27,568) (1,639) (2,864)
of the Group Cash and cash equivalents Trade accounts receivables Accrued income Other receivables Inventories Other current assets Property, plant and equipment Other non-current assets Bank overdrafts and short-term loan from financial institution Trade accounts payable Other payables	16	1,069 12,397 796 1,393 20,931 2,915 463,471 16,062 (68,061) (36,059) (2,724) (3,199) (18,044)	31 December 2017 and Baht) 674 11,218 4,254 371 16,133 2,067 542,623 11,858 (63,489) (27,568) (1,639) (2,864) (15,056)
of the Group Cash and cash equivalents Trade accounts receivables Accrued income Other receivables Inventories Other current assets Property, plant and equipment Other non-current assets Bank overdrafts and short-term loan from financial institution Trade accounts payable Other payables Accrued expenses Other current liabilities	16	18 December 2018 (in thousa) 1,069 12,397 796 1,393 20,931 2,915 463,471 16,062 (68,061) (36,059) (2,724) (3,199)	31 December 2017 and Baht) 674 11,218 4,254 371 16,133 2,067 542,623 11,858 (63,489) (27,568) (1,639) (2,864) (15,056) (19,405)
of the Group Cash and cash equivalents Trade accounts receivables Accrued income Other receivables Inventories Other current assets Property, plant and equipment Other non-current assets Bank overdrafts and short-term loan from financial institution Trade accounts payable Other payables Accrued expenses Other current liabilities Deferred tax liabilities	16 19	1,069 12,397 796 1,393 20,931 2,915 463,471 16,062 (68,061) (36,059) (2,724) (3,199) (18,044) (19,219)	31 December 2017 and Baht) 674 11,218 4,254 371 16,133 2,067 542,623 11,858 (63,489) (27,568) (1,639) (2,864) (15,056)
of the Group Cash and cash equivalents Trade accounts receivables Accrued income Other receivables Inventories Other current assets Property, plant and equipment Other non-current assets Bank overdrafts and short-term loan from financial institution Trade accounts payable Other payables Accrued expenses Other current liabilities Deferred tax liabilities Non-current provision for employee benefits	16 19	18 December 2018 (in thousa) 1,069 12,397 796 1,393 20,931 2,915 463,471 16,062 (68,061) (36,059) (2,724) (3,199) (18,044) (19,219) (8,033)	31 December 2017 and Baht) 674 11,218 4,254 371 16,133 2,067 542,623 11,858 (63,489) (27,568) (1,639) (2,864) (15,056) (19,405) (7,432)
of the Group Cash and cash equivalents Trade accounts receivables Accrued income Other receivables Inventories Other current assets Property, plant and equipment Other non-current assets Bank overdrafts and short-term loan from financial institution Trade accounts payable Other payables Accrued expenses Other current liabilities Deferred tax liabilities Non-current provision for employee benefits Net assets and liabilities	16 19	18 December 2018 (in thousa) 1,069 12,397 796 1,393 20,931 2,915 463,471 16,062 (68,061) (36,059) (2,724) (3,199) (18,044) (19,219) (8,033) 363,695	31 December 2017 and Baht) 674 11,218 4,254 371 16,133 2,067 542,623 11,858 (63,489) (27,568) (1,639) (2,864) (15,056) (19,405) (7,432) 451,745
of the Group Cash and cash equivalents Trade accounts receivables Accrued income Other receivables Inventories Other current assets Property, plant and equipment Other non-current assets Bank overdrafts and short-term loan from financial institution Trade accounts payable Other payables Accrued expenses Other current liabilities Deferred tax liabilities Non-current provision for employee benefits Net assets and liabilities Less non-controlling interests Net of non-controlling interests from subsidiary	16 19	18 December 2018 (in thousal 1,069 12,397 796 1,393 20,931 2,915 463,471 16,062 (68,061) (36,059) (2,724) (3,199) (18,044) (19,219) (8,033) 363,695 (56,373) 307,322	31 December 2017 and Baht) 674 11,218 4,254 371 16,133 2,067 542,623 11,858 (63,489) (27,568) (1,639) (2,864) (15,056) (19,405) (7,432) 451,745 (70,020)
Of the Group Cash and cash equivalents Trade accounts receivables Accrued income Other receivables Inventories Other current assets Property, plant and equipment Other non-current assets Bank overdrafts and short-term loan from financial institution Trade accounts payable Other payables Accrued expenses Other current liabilities Deferred tax liabilities Non-current provision for employee benefits Net assets and liabilities Less non-controlling interests Net of non-controlling interests from subsidiary Consideration received, satisfied in cash	16 19	18 December 2018 (in thousal 1,069 12,397 796 1,393 20,931 2,915 463,471 16,062 (68,061) (36,059) (2,724) (3,199) (18,044) (19,219) (8,033) 363,695 (56,373) 307,322	31 December 2017 and Baht) 674 11,218 4,254 371 16,133 2,067 542,623 11,858 (63,489) (27,568) (1,639) (2,864) (15,056) (19,405) (7,432) 451,745 (70,020)
of the Group Cash and cash equivalents Trade accounts receivables Accrued income Other receivables Inventories Other current assets Property, plant and equipment Other non-current assets Bank overdrafts and short-term loan from financial institution Trade accounts payable Other payables Accrued expenses Other current liabilities Deferred tax liabilities Non-current provision for employee benefits Net assets and liabilities Less non-controlling interests Net of non-controlling interests from subsidiary	16 19	18 December 2018 (in thousal 1,069 12,397 796 1,393 20,931 2,915 463,471 16,062 (68,061) (36,059) (2,724) (3,199) (18,044) (19,219) (8,033) 363,695 (56,373) 307,322	31 December 2017 and Baht) 674 11,218 4,254 371 16,133 2,067 542,623 11,858 (63,489) (27,568) (1,639) (2,864) (15,056) (19,405) (7,432) 451,745 (70,020)

Notes to the financial statements

For the year ended 31 December 2018

As at 29 November 2018, the Group has lost the control in its subsidiary, Nation International Edutainment Public Company Limited ("NINE"), comprising its entire edutainment segment. This segment was not a discontinued operation or classified as held for sale as at 31 December 2017 and the comparative statement of comprehensive income has been re-presented to show the discontinued operations separately from continuing operations.

Nation International Edutainment Public Company Limited		Consol financial s	
		For the period from	
		1 January 2018 to	For the year ended
	Note	29 November 2018	31 December 2017
		(in thousa	and Baht)
Results of discontinued operation		,	,
Revenue		80,198	135,524
Expenses		(178,275)	(105,134)
Results from operating activities		(98,077)	30,390
Income tax expenses		(6,454)	(4,104)
Profit (loss) for the year		(104,531)	26,286
Profit (loss) attributable to			
Owners of the parent		(74,259)	18,676
Non-controlling interests		(30,272)	7,610
Profit (loss) for the year		(104,531)	26,286
Earnings (loss) per share (in Baht)			
Basic earnings (loss) per share	33	(0.02)	0.01
Cash flows from discontinued operation			
Net cash used in operating activities		(62,862)	(61,616)
Net cash from investing activities		67,229	133,482
Net cash used in financing activities		(11,487)	(477)
Net cash flows from (used in) discontinued		(11,107)	(1,7)
operation		(7,120)	71,389

Notes to the financial statements

For the year ended 31 December 2018

Nation International Edutainment Public Company Limited		Consol financial s	
		As at	As at
	Note	29 November 2018	31 December 2017
		(in thousa	and Baht)
Effect of loss of control on the financial			
position of the Group			
Cash and cash equivalents		85,098	92,218
Current investments		-	103,025
Trade accounts receivables		9,682	63,142
Accrued income		2,169	2,867
Other receivables		3,616	7,284
Inventories		14,778	18,649
Other current assets		6,527	671
Restrict deposits		-	400
Property, plant and equipment	16	13,736	1,121
Intangible assets		49,462	12,617
Deferred tax assets		4,872	11,326
Other non-current assets		1,828	502
Trade accounts payable		(9,793)	(8,394)
Other payables		(33,183)	(1,984)
Accrued expense		(12,371)	(9,844)
Other current liabilities		(7,373)	(5,585)
Non-current provision for employee benefits	23	(13,806)	(12,721)
Other non-current liabilities	-	(799)	(849)

11 **Investments in associates**

Net assets and liabilities

Less non-controlling interests

Net of non-controlling interests from subsidiary

		Consoli	dated	Separ	ate
		financial st	atements	financial sta	atements
	Note	2018	2017	2018	2017
			(in thousa	nd Baht)	
At 1 January		23,226	23,156	1,800	1,800
Share of net profit (loss) of associates		(3,889)	70	-	-
Transfer from subsidiary due to loss of control	12	169,131	-	179,377	-
Reversal of allowance for impairment loss		-	-	137,000	-
At 31 December		188,468	23,226	318,177	1,800

274,445

(79,479)

194,966

114,443

(33,143)

81,300

Reversal of allowance for impairment loss

The Company reversed of allowance for impairment loss of investment in Nation International Edutainment Public Company Limited ("NINE") of Baht 137.00 million in the separate statement of comprehensive income due to the recoverable amount of the investment is higher than its carrying value. The recoverable amount determined by the selling price of investment in NINE in July and August 2019 as mentioned in Note 37.

Security

As at 31 December 2018, the Group pledged its investment in Nation International Edutainment Public Company Limited, an associate, amount of 68.52 million shares, totalling Baht 179.44 million as collateral for the Company's short-term loans from individuals and the asset management companies.

Nation Multimedia Group Public Company Limited and its Subsidiaries For the year ended 31 December 2018 Notes to the financial statements

Investments in associates as at 31 December 2018 and 2017, and dividend income from the investment for the years then ended was as follows:

		Dividend income	2017				1	ı
		Dividen	2018		ı		•	ı
		ity	2017		23,226		ı	23,226
ints		Equity	2018	nd Baht)	21,397		167,071	188,468
ncial stateme		st	2017	(in thousand Baht)	1,800		1	1,800
Consolidated financial statements		Cost	2018		1,800		169,131	170,931
Cons		capital	2017		4,000		Ī	
		Paid-up capital	2018		4,000		365,549	
	Ownership	interest	2017	(9	45.00		1	
	Owne	inte	2018	(%)	45.00		33.05	
		Type of business			on Advertising agency	Importing, publishing and distributing local and foreign publications, production of TV programmes and providing advertisements through TV media, digital media and character	management	
		Associates			Yomiuri-Nation Information Service Limited	Nation International Edutainment Public Company Limited		

Nation Multimedia Group Public Company Limited and its Subsidiaries For the year ended 31 December 2018 Notes to the financial statements

		Dividend income	2017														1	1
		Dividenc	2018														1	ı
		- net	2017			1,800											1	1,800
		At cost - net	2018			1,800											316,377	318,177
nts		ment	2017	ıd Baht)		ı												1
Separate financial statements		Impairment	2018	(in thousand Baht)		ı												
parate finan		st	2017			1,800												1,800
Se		Cost	2018			1,800											316,377	318,177
		capital	2017			4,000											ı	
		Paid-up capital	2018			4,000											365,549	
	Ownership	rest	2017	(%)		45.00												
	Owne	interest	2018	0		45.00											33.05	
		Type of business				Advertising agency	Importing, publishing and distributing	local and foreign	publications,	production of TV	programmes and	providing	advertisements	through TV media,	digital media and	character	management	
		Associates			Yomiuri-Nation Information	Service Limited	Nation International Edutainment	Public Company	Limited									

Nation International Edutainment Public Company Limited which is listed on the Market for Alternative Investment. Based on the closing price of Baht 2.02 at Associates were incorporated in Thailand. None of the Group's associates are publicly listed and consequently do not have published price quotations, except for 31 December 2018, the fair value of the Group's investment in Nation International Edutainment Public Company Limited was Baht 244.03 million.

Yomiuri-Nation Information Service Limited has registered the liquidation on 1 November 2018 and it is in the process of the liquidation.

Notes to the financial statements

For the year ended 31 December 2018

The following table summarises the financial information of the associates as included in their own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in the companies.

	Nation Int	ernational	Yomiuri-	Nation
	Edutainme	ent Public	Information	n Service
	Company	Limited	Limi	ted
	2018 2017		2018	2017
		(in thouse	and Baht)	
Other comprehensive income				
Revenue	9,766		6,855	12,004
Profit (loss) from continuing operations	(8,462)		(4,065)	155
Other comprehensive income	2,228	-	-	-
Total comprehensive income (expenses) (100%)	(6,234)	-	(4,065)	155
Total comprehensive income (expenses) of				
the Group's interest	(2,060)	(2,060) -		70
Statement of financial position				
Current assets	458,929	-	6,208	10,924
Non-current assets	66,225	-	41,678	42,576
Current liabilities	(141,978)	-	(337)	(1,135)
Non-current liabilities	(9,413)	-	-	(752)
Net assets (100%)	373,763	-	47,549	51,613
Carrying amount of interest in associates	167,071	-	21,397	23,226

12 **Investments in subsidiaries**

		Sepa	rate
		financial s	tatements
	Note	2018	2017
		(in thousa	ınd Baht)
At 1 January		1,490,564	3,627,879
Allowance for impairment		(318,598)	(2,131,500)
Reversal of allowance for impairment		105,500	-
Disposals of investments		(778,500)	(5,815)
Transfer to investments in associates due to loss of control	11	(179,377)	
At 31 December		319,589	1,490,564

Proceeding of assets divestment for business restructuring

At the extraordinary meeting of the shareholders of the Company held on 28 February 2018, the shareholders approved the assets divestment for business restructuring of the Group which comprised investments in Nation U Co., Ltd., WPS (Thailand) Co., Ltd., and NML Co., Ltd., including land and constructions of the said companies. However, the shareholders resolved not to approve the disposal of investment in Bangkok Business Broadcasting Co., Ltd.

At the extraordinary meeting of the shareholders of the Company held on 19 June 2018, the shareholders approved to revoke the assets divestment pursuant to the resolution of the extraordinary meeting of the shareholders of the Company held on 28 February 2018 due to there is no buyer interested in purchasing each property by bidding process at a price not lower than the based price.

Notes to the financial statements For the year ended 31 December 2018

The disposal of investments in subsidiaries

At the Board of Directors' meeting of the Company held on 19 July 2018, the Board of Directors approved the disposal of investment in Nation U Co., Ltd., which is a subsidiary that owns and operates of Nation University, in the amount of 30,599,999 shares, representing 90% of the total shares of the subsidiary at a price of Baht 8.3824 per share, totaling Baht 256.50 million. Then, the disposal of this investment was completed on 25 July 2018. The carrying value of the net asset of Nation U Co., Ltd. in the Group's financial statements on the disposal date was Baht 364.92 million. The Group recognised a decreased in non-controlling interest of Baht 25.55 million and a increase in retained earnings of Baht 36.07 million, and a loss from disposal of Baht 108.42 million which is included in "Administrative expense" in the consolidated statement of comprehensive income.

At the Board of Directors' meeting of the Company held on 17 August 2018, the Board of Directors approved the disposal of investment in NML Co., Ltd, a subsidiary, in the amount of 4,999,500 shares, representing 99.99% of the total shares of the subsidiary at a price of Baht 1.80 per share, totalling Baht 9 million. Then, the disposal of this investment was completed on 19 September 2018. The carrying amount of NML Co., Ltd.'s net assets in the Group's financial statements on date of disposal had capital deficiency of Baht 17.56 million and loss from disposal and debt reduction was Baht 13.69 million which is included in "Administrative expenses" in the consolidated statement of comprehensive income. The Company recognised a loss from disposal and debt waving of Baht 66.71 million which is included in "Administrative expenses" in the separate statement of comprehensive income.

At the Board of Directors' meeting of the Company held on 12 December 2018, the Board of Directors approved the disposal of investment in WPS (Thailand) Co., Ltd., a subsidiary in the amount of 42,250,000 shares, representing 84.50% of the total shares of the subsidiary at a price of Baht 9.645 per share, totalling Baht 407.50 million. Then, the disposal of this investment was completed on 18 December 2018. The carrying amount of WPS (Thailand) Co., Ltd.'s net assets in the Group's financial statements on the date of disposal was 548.52 million and decrease in non-controlling interest of Baht 100.56 million and decrease in retained earnings and of Baht 58.07 million and loss from disposal of Baht 141.02 million which is included in "Administrative expenses" in the consolidated statement of comprehensive income. The Company recognised a loss from disposal of Baht 15.00 million which is included in "Administrative expenses" in the separate statement of comprehensive income.

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.

Partial disposal of interest in subsidiary with a change of control

At the extraordinary meeting of the shareholders of Nation International Edutainment Public Company Limited, a subsidiary, held on 30 October 2018, the shareholders of the subsidiary approved the following matters:

- The shareholders of the subsidiary approved a reduction of the subsidiary's registered share capital from Baht 259.25 million (divided into 259,250,000 ordinary shares at Baht 1 per share) to Baht 170.05 million (divided into 170,049,286 ordinary shares at Baht 1 per share) by decreasing of 89,200,714 ordinary shares at Baht 1 per share.

Nation Multimedia Group Public Company Limited and its Subsidiaries Notes to the financial statements For the year ended 31 December 2018

The shareholders of the subsidiary approved an increase of the subsidiary's registered share capital by Baht 220.50 million from Baht 170.05 million (divided into 170,049,286 ordinary shares at Baht 1 per share) to Baht 390.55 million (divided into 390,549,286 ordinary shares at Baht 1 per share) to offer to Private Placement at Baht 1.40 per share, totalling Baht 308.70 million. The Group did not have additional investment in the said subsidiary. In this regard, on 29 November 2018, the subsidiary received the paid-up share capital 195,500,000 ordinary shares by Baht 273.70 million. The increase of the subsidiary's share capital resulted in a decrease of the Company's ownership interest in the subsidiary from 71.04% to 33.05%.

The decrease of the Company's ownership interest in the subsidiary resulted to the Group has lost control in the subsidiary thereby ceased to be a subsidiary and became an associated company since 29 November 2018. The carrying amount of Nation International Edutainment Public Company Limited 's net assets in the Group's financial statements on the date of losing the control was Baht 81.45 million. The fair value of the Group's retained interest in the associate at the date when control was lost was Baht 169.13 million, which became the carrying value of the Group's interest in the associate at that date. The Group recognised a increase in non-controlling interests of Baht 71.29 million; an increase in retained earnings of Baht 204.36 million and recognised in statement of comprehensive income of Baht 87.68 million.

Nation Multimedia Group Public Company Limited and its Subsidiaries For the year ended 31 December 2018 Notes to the financial statements

Investments in subsidiaries as at 31 December 2018 and 2017, and dividend income from those investments for the year then ended, were as follows:

					Separate finar	Separate financial statements	s						
	Type of business	Ownership interest	interest	Paid-up capital	apital	Cost		Impairment	ment	At cost - net	- net	Dividend income	ome
		2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
		(%)	~					(in thousand Baht)	ınd Baht)				
Direct subsidiaries													
Nation Broadcasting	Production of TV and radio												
Corporation Public	programmes and providing												
Company Limited	advertisements through TV												
	media, radio media, and												
	new media forms	71.45	71.45	535,437	535,437	685,686	685,686	(695,000)	(542,000)	294,589	447,589	1	
Nation International	Importing, publishing and												
Edutainment Public	distributing local and												
Company Limited	foreign publications,												
	production of TV												
	programmes and providing												
	advertisements through TV												
	media, digital media and												
	character management	1	71.04	1	170,048	1	316,377	1	1	1	316,377	1	1
Nation News Network	Publishing and distribution												
Co., Ltd.	of English newspaper,												
	publishing, digital media												
	publishing and advertising												
	media	66.66	66.66	50,000	50,000	50,000	50,000	(50,000)	(40,000)	1	10,000	1	,
NML Co., Ltd.	Delivery of newspaper and												
	publishing		66.66	ı	50,000		50,000		(41,000)	ı	6,000	1	
Kom Chad Luek	Publishing and distribution												
Media Co., Ltd.	of newspaper, publishing,												
	digital media publishing												
	and advertising media	66.66	66.66	25,000	25,000	066'66	066,66	(066,66)	(96,392)	ı	3,598	ı	1
Krungthep Turakij	Publishing and distribution												
Media Co., Ltd.	of newspaper, publishing,												
	digital media publishing												
	and advertising media	66.66	66.66	25,000	25,000	25,000	25,000			25,000	25,000	1	

Nation Multimedia Group Public Company Limited and its Subsidiaries Notes to the financial statements For the year ended 31 December 2018

					Separate fi	Separate financial statements	tents						
	Type of business	Ownershi	Ownership interest	Paid-up capital	capital	Cost	st	Impairment	ment	At cost - net	- net	Dividend income	income
		2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
		<i>ئ</i>	(%)					(in thousand Baht)	nd Baht)				
Direct subsidiaries													
Bangkok Business	Production of TV												
Broadcasting	programmes and												
Co., Ltd.	providing advertisements												
	through TV media	99.93	99.93	1,500,000	1,500,000	1,499,000	1,499,000	(1,499,000) $(1,499,000)$	(1,499,000)	ı	1		ı
Nation U Co., Ltd.	Establish a private												
	University and												
	academic training		90.00	ı	340,000	ı	306,000	ı	(49,500)	1	256,500		ı
WPS (Thailand)	Production of newspaper,												
Co., Ltd.	and books and												
	publishing service		84.50	1	500,000	1	422,500	1	1		422,500		14,788
Total						2,663,579	3,758,456	(2,343,990)	(2,267,892)	319,589	1,490,564		14,788

Nation Multimedia Group Public Company Limited and its Subsidiaries Notes to the financial statements For the year ended 31 December 2018

	Dividend income	2017									•							•
	Dividen	2018																•
	t - net	2017																1
	At cost - net	2018									ı							
Separate financial statements	ment	2017	nd Baht)								ı							
	Impairment	2018	(in thousand Baht)								ı							
	Cost	2017									1							
		2018									1							•
	Paid-up capital	2017									800,000							200,000
		2018									800,000							1
	Ownership interest	2017	(%)								1							•
		2018																
	Type of business				54)			Production of TV	programme and	advertisements	through TV media	Ī			Importing, publishing	and distributing	children's books	for edutainment
				Indirect subsidiaries	Held by Nation Broadcasting	Corporation Public	Company Limited	NBC Next Vision	Co., Ltd.			Held by Nation International	Edutainment Public	Company Limited	Nation Global	Edutainment	Co., Ltd.	

All direct and indirect subsidiaries were incorporated in Thailand.

Notes to the financial statements

For the year ended 31 December 2018

None of the Group's subsidiaries are publicly listed and consequently do not have published price quotations, except for Nation Broadcasting Corporation Public Company Limited which are listed on the Market for Alternative Investment. Based on the closing price of Baht 0.46, at 31 December 2018 (2017: Baht 1.17), the fair value of the Group's investments in the said companies were Baht 175.97 million (2017: Baht 447.59 million).

Impairment testing

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

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

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

Subsequently in 2018, the Company recognised an additional impairment loss on such investment of Baht 153 million in the separate financial statements due to the carrying amount of investment in NBC was higher than the recoverable amount which determined by fair value.

CGU 2: Investment in Nation International Edutainment Public Company Limited ("NINE")

Based on the impairment test of the carrying amount of the investment in Nation International Edutainment Public Company Limited, the recoverable amount was determined by fair value in the first quarter of 2018. The carrying amount of investment in NINE was higher than the recoverable amount by Baht 137 million. As the operating result was not meet the forecasted expectation and to be reflected the NINE's current performance and of NINE's fair value, the Company recognised an impairment loss on such investment of Baht 137 million in the separate financial statements until the date that the Group has lost control in NINE.

Notes to the financial statements

For the year ended 31 December 2018

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 fully recognised an impairment loss of Baht 1,499 million on such investment in the separate financial statements for the year ended 31 December 2017.

Subsequently in 2018, the management determined the recoverable amount which was based on value in use. The full amount of allowance for impairment in such investment is still appropriate as at 31 December 2018.

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

CGU 4: 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 of 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.

Subsequently in 2018, the Company recognised an additional impairment loss on the investment of Baht 10 million in the separate financial statements due to the carrying amount of investment in NNN was higher than the recoverable amount which determined by value in use.

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

CGU 5: Investment in Kom Chad Luek Media Co., Ltd. ("KMM")

Based on the impairment test of the carrying amount of investment in Kom Chad Luek Media Co., Ltd., the recoverable amount was based on value in use, determined by discounted future cash flow. The carrying amount of investment in KMM was higher than the recoverable amount. The Company recognised an additional impairment loss on the investment of Baht 3.60 million in the separate financial statements for the year ended 31 December 2018.

Notes to the financial statements

For the year ended 31 December 2018

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

Key assumptions	Separate finan	cial statements
	2018	2017
	(%	6)
Discount rate	9.02	9.02
Terminal growth rate	0.00	0.00

CGU 6: Investment in NML Co., Ltd. ("NML")

As described in above, 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 7: Investment in Nation U Co., Ltd. ("NU")

As described above, 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 as well as the sensitivity to the assumption of the recoverable amount.

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 2018.

Notes to the financial statements

For the year ended 31 December 2018

Security

As at 31 December 2018 and 2017, the Company pledged investments in subsidiaries as collateral for short-term borrowings from related party, individuals, asset management companies and financial institutions as follows:

	2	018	2017			
Subsidiaries	Number of shares (thousand shares)	At cost - net (in thousand Baht)	Number of shares (thousand shares)	At cost - net (in thousand Baht)		
Nation Broadcasting Corporation Public Company Limited	382,024	294,181	382,024	446,951		
Nation International Edutainment Public Company Limited	-	-	118,389	310,057		
Krungthep Turakij Media Co., Ltd. Bangkok Business Broadcasting	-	-	250	25,000		
Co., Ltd. Nation U Co., Ltd.	- -	- -	149,900 10,000	83,824		
WPS (Thailand) Co., Ltd.	-	-	42,250	422,500		
Total	382,024	294,181	702,813	1,288,332		

Furthermore, as at 31 December 2017 a subsidiary who held investment in Bangkok Business Broadcasting Co., Ltd. pledged its investment in Bangkok Business Broadcasting Co., Ltd. totaling 99,997 shares as collateral for the Company's short-term loans from financial institution.

Notes to the financial statements

For the year ended 31 December 2018

13 **Non-controlling interests**

The following table summarises the information relating to each of the Group's subsidiaries that has a material non-controlling interest, before any intra-group eliminations:

	Nation Broadcasting Corporation Public Company Limited	31 December 20 Other individually immaterial subsidiaries (in thousand Ba	Total	
Non-controlling interests				
percentage	28.55%			
Statement of financial position				
Current assets	261,723			
Non-current assets	936,714			
Current liabilities	(103,062)			
Non-current liabilities	(574,014)			
Net assets	521,361			
Carrying amount of non-	4.40.0.40	(4. f)	(017)	
controlling interests	148,849	(14)	(816)	148,019
Statement of comprehensive income	400 505			
Revenue	423,527			
Profit for the year	387,909			
Other comprehensive income	11,464			
Total comprehensive income	399,373			
Profit allocated to				
non-controlling interests	114,021		(35,458)	78,570
Statement of cash flows Cash flows from operating				
activities	56,872			
Cash flows from investing	,			
activities	7,969			
Cash flows from financing				
activities	(6,389)			
Net increase in cash and				
cash equivalents	58,452			
Dividends to non-controlling interests		<u> </u>		

Notes to the financial statements

For the year ended 31 December 2018

	Nation Broadcasting Corporation Public Company Limited	Nation International Edutainment Public Company Limited	Other individually immaterial subsidiaries n thousand Bah	Intra-group eliminations	Total
Non-controlling interests percentage	28.55%	28.96%			
Statements of financial position					
Current assets	256,447	295,270			
Non-current assets	542,076	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-	24.540	5 0.450	0.4.200	(54.513)	124.004
controlling interests	34,740	79,479	84,298	(74,513)	124,004
Statement of comprehensive income					
Revenue	539,092	158,273			
Profit (loss) for the year	(916,238)	7,179			
Other comprehensive income	58,337	-			
Total comprehensive income					
(expenses)	(857,901)	7,179			
Total comprehensive income		,			
(expenses) allocated to non-controlling interests	(244,931)	2,079	(19,356)	58,216	(203,992)
non controlling interests	(211,561)	2,017	(17,000)	30,210	(200,552)
Statement of cash flows					
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 increase (decrease) in cash and cash equivalents	(75,770)	71,389			
Distant to many to B					
Dividends to non-controlling interests			2,713		2,713

Nation Multimedia Group Public Company Limited and its Subsidiaries For the year ended 31 December 2018 Notes to the financial statements

14 Long-term investment in related party

Long-term investment in related party as at 31 December 2018 and 2017, and dividend income from the investment for the year then ended was as follows:

	dend	income	2018 2017			•
	Divi	ince	2018			1
		st - net	2018 2017			1
		At co	2018			'
		ment	2017	l Baht)		(6,092)
Consolidated financial statements		Impair	2018	(in thousand Baht)		(6,092)
financial			2018 2017			6,092
solidated		Cost	2018			6,092
Con		Paid-up capital	2017			100,000
		Paid-up	2018			100,000
	Ownership	erest	2018 2017	6		19.00 19.00
		inte	2018	(%)		19.00
		Type of	business		Internet	services
						Thai Portal Co., Ltd.

Nation Multimedia Group Public Company Limited and its Subsidiaries Notes to the financial statements For the year ended 31 December 2018

15 Investment properties

Condominium and and improvements Total Land improvements Total Land Intervent Total Land Intervent Intervent Land Intervent Intervent Land Intervent Intervent Land Intervent Intervent Intervent Land Intervent Inte				Consolidated			Separate		
Cost Additions - 44,678 and 1 January 2017 31,145 and 11,205 and 12,149 75,823 and 13,249 44,678 and 13,249 20,006 and 12,149 and 12,149 64,684 and 13,249 At 31 December 2017 and 1 January 2018 Additions 44,678 and 12,069 and 12,069 76,767 and 14,678 and 12,069 20,950 and 12,069 65,628 and 12,069 Transfer from property, plant and equipment 16 and 14,608			fi	nancial stateme	nts	fii	financial statements		
Cost Additions - 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 and 1 January 2018 44,678 32,089 76,767 44,678 20,950 65,628 Additions - 12,069 12,069 - 12,069 12,069 Transfer from property, plant and equipment 16 - 14,608 14,608 - 6,480 6,480				Condominium			Condominium		
(in thousand Baht) Cost At 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 and 1 January 2018 44,678 32,089 76,767 44,678 20,950 65,628 Additions - 12,069 12,069 - 12,069 12,069 Transfer from property, plant and equipment 16 - 14,608 14,608 - 6,480 6,480				and			and		
Cost At 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 and 1 January 2018 44,678 32,089 76,767 44,678 20,950 65,628 Additions - 12,069 12,069 - 12,069 12,069 Transfer from property, plant and equipment 16 - 14,608 14,608 - 6,480 6,480		Note	Land	improvements			improvements	Total	
At 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 and 1 January 2018 44,678 32,089 76,767 44,678 20,950 65,628 Additions - 12,069 12,069 - 12,069 12,069 Transfer from property, plant and equipment 16 - 14,608 14,608 - 6,480 6,480					(in thousa	ınd Baht)			
Additions - 12,149 12,149 - 12,149 12,149 Disposals - (11,205) (11,205) - (11,205) (11,205) At 31 December 2017 and 1 January 2018 44,678 32,089 76,767 44,678 20,950 65,628 Additions - 12,069 12,069 - 12,069 12,069 Transfer from property, plant and equipment 16 - 14,608 14,608 - 6,480 6,480									
Disposals - (11,205) (11,205) - (11,205) (11,205) At 31 December 2017 and 1 January 2018 44,678 32,089 76,767 44,678 20,950 65,628 Additions - 12,069 12,069 - 12,069 12,069 Transfer from property, plant and equipment 16 - 14,608 14,608 - 6,480 6,480			44,678			44,678			
At 31 December 2017 and 1 January 2018 44,678 32,089 76,767 44,678 20,950 65,628 Additions - 12,069 - 12,069 - 12,069 Transfer from property, plant and equipment 16 - 14,608 - 6,480 6,480			=			-			
and 1 January 2018 44,678 32,089 76,767 44,678 20,950 65,628 Additions - 12,069 12,069 - 12,069 12,069 Transfer from property, plant and equipment 16 - 14,608 - 6,480 6,480				(11,205)	(11,205)		(11,205)	(11,205)	
Additions - 12,069 12,069 - 12,069 Transfer from property, plant and equipment 16 - 14,608 14,608 - 6,480 6,480			44.650	22 000	54.545	44.650	20.050	(5 (30	
Transfer from property, plant and equipment 16 - 14,608 14,608 - 6,480 6,480			44,678			44,678			
plant and equipment 16 - 14,608 14,608 - 6,480 6,480			=	12,069	12,069	-	12,069	12,069	
		16		14 608	14.608		6.480	6.480	
		10	_			_			
At 31 December 2018 44,678 56,579 101,257 44,678 37,312 81,990		•	44 678			44.678			
11,070 30,577 101,227 11,070 01,570	THE DECEMBER 2010	•	11,070	30,377	101,237	11,070	07,012	01,550	
Depreciation and	Depreciation and								
impairment losses									
At 1 January 2017 - 376 - 189 189			_	376	376	-	189	189	
Depreciation charge for									
the year - 1,600 1,600 - 1,043 1,043			-	1,600	1,600	-	1,043	1,043	
Impairment losses - 4,521 - 2,576 2,576	Impairment losses		-	4,521	4,521	-	2,576	2,576	
Disposals (385) (385) (385)	Disposals		-	(385)	(385)		(385)	(385)	
At 31 December 2017	At 31 December 2017								
and 1 January 2018 - 6,112 - 3,423 3,423			-	6,112	6,112	-	3,423	3,423	
Depreciation charge for	Depreciation charge for								
the year - 1,772 - 1,214 1,214	the year		-	1,772	1,772	-	1,214	1,214	
Transfer from property,	Transfer from property.								
plant and equipment 16 - 1,989 1,989 - 870 870		16	-	1,989	1,989	-	870	870	
Impairment losses 4,700 5,708 10,408 4,700 2,922 7,622	Impairment losses		4,700	5,708	10,408	4,700	2,922	7,622	
Disposals - (107) - (107) - (107)	1		-	•	-	-		-	
At 31 December 2018 4,700 15,474 20,174 4,700 8,322 13,022		•	4,700			4,700			
		•							
Net book value	Net book value								
At 1 January 2017 44,678 30,769 75,447 44,678 19,817 64,495	At 1 January 2017		44,678	30,769	75,447	44,678	19,817	64,495	
At 31 December 2017		'							
and 1 January 2018 44,678 25,977 70,655 44,678 17,527 62,205	and 1 January 2018		44,678	25,977	70,655	44,678	17,527	62,205	
At 31 December 2018 39,978 41,105 81,083 39,978 28,990 68,968		!							

During 2018, the Group and the Company received barter condominium and improvements from rendering of services totalling Baht 12.07 million which the price was determined by independent professional valuers, with the market comparative method.

Fair value of investment property of the Group and the Company as at 31 December 2018 of Baht 97.02 million and Baht 83.17 million respectively (2017: Baht 80.45 million and Baht 72.00 million, respectively) was determined by independent professional valuers with the market at comparative method. The fair value measurement for investment properties has been categorised as a Level 3 fair value.

Security

At 31 December 2018, the Group's and the Company's properties with a net book value of Baht 39.98 million (2017: Baht 44.68 million) were partially secured credit facilities from a financial institution (see Note 19) and a bank guarantee from a financial institution (see Note 35).

Nation Multimedia Group Public Company Limited and its Subsidiaries Notes to the financial statements For the year ended 31 December 2018

16 Property, plant and equipment

Consolidated financial statements

Total	2,942,790 9,968 204,927 - (57,617) 3,100,068 61,744 (14,608)	(1,911,125) 1,042,542
Assets under construction and installation	3,594 888 - (2,960) - - 1,522	(1,522)
Vehicles	87,522 1,419 - - (5,016) 83,925 14,918	(15,727) 46,176
Furniture, fixtures and office equipment	279,995 1,662 - - (15,286) 266,371 6,059	(34,279)
d Operating equipment (in thousand Baht)	393,459 2,836 - 2,960 (11,778) 387,477 29,456	(20,285)
Machinery and equipment (in th	847,913 2,130 - - (5) - 850,038	(848,402)
Leasehold improvements	155,810 1,033 - - (24,006) 132,837 11,311	(47,377) (47,377) (64,030
Building and improvements	584,143 (1,526) 582,617 - (14,608)	(531,040)
Land and Note improvements	590,354 204,927 - - 79 5,281	(412,493) 382,788
Note	15	12
	Cost / revaluation At 1 January 2017 Additions Surplus on revaluation Transfers Disposals / written-off At 31 December 2017 and 1 January 2018 Additions Transfer to investment property Disposals / written-off	Transfer out due to loss of control in subsidiaries At 31 December 2018

Nation Multimedia Group Public Company Limited and its Subsidiaries Notes to the financial statements For the year ended 31 December 2018

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	Note i	Land and Note improvements	Building and improvements	Leasehold improvements	Machinery and equipment (in	d Operating equipment (in thousand Baht)	office equipment	Vehicles	construction and installation	Total
Depreciation and impairment										
losses										
At 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	1		51,350
Disposals / written-off		-	(1,098)	(12,118)	(5)	(10,896)	(15,207)	(3,500)	•	(42,824)
At 31 December 2017 and	I									
1 January 2018		49,405	348,947	84,801	572,051	272,798	251,389	58,092	ı	1,637,483
Depreciation charge for the year		114	20,446	9,386	40,275	38,663	3,974	8,753		121,611
Impairment losses		51,500		•	ı	1	1	ı	•	51,500
Transfer to investment property	15	1	(1,989)	ı	ı	ı	,	1	ı	(1,989)
Disposals / written-off		1	(4,642)	(24,437)	•	(60,123)	(10,144)	(29,215)	ı	(128,561)
Transfer out due to loss of										
control in subsidiaries	12	(10,950)	(350,109)	(20,214)	(610,962)	(14,700)	(27,952)	(9,718)	1	(1,044,605)
At 31 December 2018		690,06	12,653	49,536	1,364	236,638	217,267	27,912	•	635,439

Nation Multimedia Group Public Company Limited and its Subsidiaries Notes to the financial statements For the year ended 31 December 2018

				Total			1,487,974	507	1,488,481		1,462,585		407,103
		Assets under	construction	and installation			3,594	-	3,594		1,522		1
				Vehicles			40,366	-	40,366		25,833		18,264
ements	Furniture,	fixtures and	office	equipment			27,653	507	28,160		14,982		8,087
Consolidated financial statements			Operating	t equipment (in thousand Baht)			164,809	-	164,809		114,679		55,897
Consolidated			Machinery and Operating	equipment (in ti			322,475	-	322,475		277,987		272
			Leasehold	improvements			79,375	1	79,375		48,036		14,494
			Building and	improvements			269,948	-	269,948		233,670		17,370
			Land and	improvements			579,754	'	579,754		745,876		292,719
					Net book value	At 1 January 2017	Owned assets	Assets under finance leases		At 31 December 2017 and 1 January 2018	Owned assets	At 31 December 2018	Owned assets

Nation Multimedia Group Public Company Limited and its Subsidiaries Notes to the financial statements For the year ended 31 December 2018

Leasehold Machinery and Operating equipment equipment equipment equipment (in thousand Baht) 72,766 1,635 76,584 -							Furniture, fixtures and		Assets under	
Note improvements in the contract improvement in the contract improvement in the contract improvement in th		Land and		Leasehold	Machinery and	Operating	office	,	construction	
342,532 39,092 72,766 1,635 76,584 1 (4,906)		Note improvements		improvements	equipment (in th	equipment ousand Baht)	equipment	Vehicles	and installation	Total
342,532 39,092 72,766 1,635 76,584 1 - - - - 1,500 - - - - (602) - - - - - (602) - - - - (6,480) - - - - - - - - - - - - - <td></td>										
40,256 - <td></td> <td>342,532</td> <td>39,092</td> <td>72,766</td> <td>1,635</td> <td>76,584</td> <td>186,451</td> <td>51,200</td> <td>1</td> <td>770,260</td>		342,532	39,092	72,766	1,635	76,584	186,451	51,200	1	770,260
40,256 - (4,906) - (602) 382,788 39,092 67,860 1,635 77,482 1 15 - (6,480) - - - - - (6,480) -		1	1	1		1,500	1,093	1,419	1	4,012
382,788 39,092 67,860 1,635 77,482 1	ion	40,256		1	1	1	1	ı	•	40,256
382,788 39,092 67,860 1,635 77,482 1 15 - (6,480) -	off		1	(4,906)	1	(602)	(6,238)	1	•	(11,746)
382,788 39,092 67,860 1,635 77,482 1 - <td< td=""><td>017</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>	017									
15	918	382,788	39,092	67,860	1,635	77,482	181,306	52,619	1	802,782
15 - (6,480) -<		•		1	1	1	2,428	2,197	•	4,625
15	ent									
- (4,251) (28,626) - - (77,482) - 1,635 - 1 1 - 1 - 1 - <td></td> <td> 15</td> <td>(6,480)</td> <td>1</td> <td></td> <td></td> <td>1</td> <td>ı</td> <td>•</td> <td>(6,480)</td>		15	(6,480)	1			1	ı	•	(6,480)
382,788 28,361 39,234 1,635 - 1 341 7,738 34,509 1,037 28,347 1 113 1,786 12,032 164 15,211 1 38,000 5,000 - <td< td=""><td>off</td><td>•</td><td>(4,251)</td><td>(28,626)</td><td>1</td><td>(77,482)</td><td>(6,055)</td><td>(36,940)</td><td>•</td><td>(153,354)</td></td<>	off	•	(4,251)	(28,626)	1	(77,482)	(6,055)	(36,940)	•	(153,354)
341 7,738 34,509 1,037 28,347 1 113 1,786 12,032 164 15,211 38,000 5,000 - - - - - (2,782) - (377) 38,454 14,524 43,759 1,201 43,181 1 114 1,762 7,550 163 7,347 51,500 - - - - 51,500 - - - - 690,068 14,869 26,941 1,364 - 1,364	018	382,788	28,361	39,234	1,635		177,679	17,876	1	647,573
341 7,738 34,509 1,037 28,347 1 113 1,786 12,032 164 15,211 - - - - - - - - (377) x 114 1,762 43,759 1,201 43,181 1 x 114 1,762 7,550 163 7,347 - 51,500 - - - - - - 90,068 14,869 26,941 1,364 - 1,364 - 1,364	npairment									
x x <td></td> <td></td> <td>1</td> <td></td> <td></td> <td>0</td> <td>1</td> <td></td> <td></td> <td>0</td>			1			0	1			0
113 1,786 12,032 164 15,211 38,000 - - - - - - - (3,77) 38,454 14,524 43,759 1,201 43,181 1 114 1,762 7,550 163 7,347 51,500 - - - - 15 - (870) - - 90,068 14,869 26,941 1,364 - 13,64		341	7,738	34,509	1,037	28,347	175,673	33,270	•	280,915
38,454 14,524 43,759 1,201 43,181 1 18,454 14,524 43,759 1,201 43,181 1 51,500 (870) (547)	or the year	113	1,786	12,032	164	15,211	5,974	7,806	ı	43,086
38,454 14,524 43,759 1,201 43,181 1 114 1,762 7,550 163 7,347 51,500 - - - 15 - (870) - - (547) (24,368) - 90,068 14,869 26,941 1,364 -		38,000	5,000	1	•	1	1	ı	ı	43,000
38,454 14,524 43,759 1,201 43,181 1 114 1,762 7,550 163 7,347 51,500	off	•		(2,782)	1	(377)	(6,213)	1	•	(9,372)
e year 14,524 43,759 1,201 43,181 1 e year 114 1,762 7,550 163 7,347 51,500)17 and									
e year 114 1,762 7,550 163 7,347 51,500		38,454	14,524	43,759	1,201	43,181	175,434	41,076	,	357,629
51,500	or the year	114	1,762	7,550	163	7,347	2,702	3,550	•	23,188
15		51,500		•			1	ı	ı	51,500
15	ent									
- (547) (24,368) - (50,528) - (50,528) - 14,869 26,941 1.364 - 1			(870)	1		ı	ı	ı	ı	(870)
90,068 14,869 26,941 1,364 - 1	JJo	•	(547)	(24,368)	1	(50,528)	(5,282)	(29,215)	•	(109,940)
1	018	890,06	14,869	26,941	1,364	,	172,854	15,411	•	321,507

Separate financial statements

Nation Multimedia Group Public Company Limited and its Subsidiaries Notes to the financial statements For the year ended 31 December 2018

Separate financial statements

Total	488,838	489,345	326,066
Assets under construction and installation			
Vehicles	17,930	17,930	2,465
Furniture, fixtures and office equipment	10,271	5,872	4,825
and Operating nt equipment (in thousand Baht)	48,237	48,237	1
Machinery and Operating equipment (in thousand Baht	598	598	271
Leasehold	38,257	38,257	12,293
Building and improvements	31,354	31,354	292,720 13,492
Land and improvements	342,191	342,191	292,720
	Net book value At 1 January 2017 Owned assets Assets under finance leases	At 31 December 2017 and 1 January 2018 Owned assets	At 31 December 2018 Owned assets

Notes to the financial statements

For the year ended 31 December 2018

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 2018 amounted to Baht 320.81 million and Baht 179.62 million, respectively (2017: Baht 466.04 million and Baht 189.28 million, respectively).

Security

At 31 December 2018, the Group's and the Company's properties with a net book value of Baht 235.00 million (2017: Baht 750.82 million and Baht 354.05 million, respectively) were partially secured credit facilities from a financial institution (see Note 19) and a bank guarantee from a financial institution (see Note 35).

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 with the market comparative method.

On 31 December 2018, the fair value of the Group's and the Company's land have been assessed at Baht 344.27 million and the carrying amount of land were Baht 291.02 million.

Measurement of fair value

Fair value hierarchy

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

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

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Market comparative method	Quoted market prices of similar asset that are observable and in the similar area.	The estimated fair value will increase (decrease) if the rate per square metre increase (decrease).

Nation Multimedia Group Public Company Limited and its Subsidiaries Notes to the financial statements

For the year ended 31 December 2018

Impairment testing

As described in the Note 37, the Board of Directors of the Company held on 5 April 2018, the Board of Directors approved the disposal of land and constructions of the Company. The recoverable amount of assets, determined by fair value less distribution cost, was lower than the carrying amount of Baht 51.5 million. The Company recognised the impairment loss of Baht 51.5 million in the consolidated and separate financial statements for the year ended 31 December 2018.

At the Board of Directors of the Company held on 19 December 2017 and 16 January 2018, the Board of Directors 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 construction by Baht 43 million. The Company recognised an impairment loss of Baht 43 million in the consolidated and separate financial statements for the year ended 31 December 2017.

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 17 for further details of the impairment loss).

17 **Digital television licences**

statements
(in thousand Baht
Cost
At 1 January 2017 3,135,672
At 31 December 2017 and 1 January 2018 3,135,672
At 31 December 2018 3,135,672
Amortisation and impairment losses
At 1 January 2017 561,501
Amortisation for the year 178,632
Impairment losses 1,346,250
At 31 December 2017 and 1 January 2018 2,086,383
Amortisation for the year 92,756
Reversal of impairment losses (1,130,363)
At 31 December 2018 1,048,776
Net book value
At 1 January 2017 2,574,171
At 31 December 2017 and 1 January 2018 1,049,289
At 31 December 2018 2,086,896

Notes to the financial statements

For the year ended 31 December 2018

On 23 May 2018, The National Council for Peace and Order ("NCPO") issued an order No. 9/2561 to retrieve the operators of radio broadcasting and television broadcasting and business of radio broadcasting and television broadcasting, under Section 265 of Constitution of the Kingdom of Thailand together with Section 44 of Constitution of the Kingdom of Thailand (interim), which has the following significant orders:

- 1) To allow the holders of the license for operating a national commercial digital terrestrial television broadcasting service from National Broadcasting and Telecommunications Commission ("license holders"), who were unable to comply with the terms and conditions of license fee payment from the fifth instalment onwards in accordance with the order of NCPO No.76/2559 dated 20 December 2016, for promoting the business of radio broadcasting, television broadcasting and telecommunication for public interest, by providing a written notification to office of the National Broadcasting and Telecommunications Commission ("NBTC"), to impose the moratorium of the remaining license fee payment up to three years from the approval date by the office of the NBTC. On 5 June 2018, the subsidiary and indirect subsidiary received the letter of approval from the office of the NBTC for the moratorium of license fee payment in accordance with the terms and conditions within the order;
- 2) To order NBTC and the office of the NBTC, or the Executive Committee of the Broadcasting and Telecommunications Research and Development Fund for the Public Interest, depending on circumstances, to provide support of rental expense in accordance with a national commercial digital terrestrial television broadcasting network service for fifty percent of the network rental expense to the license holders for twenty four months from the date of this order.

During the year ended 31 December 2018, the subsidiary and indirect subsidiary received a subsidy for rental expenditures in accordance with a digital terrestrial television broadcasting network service according to such order of the NCPO and recorded in "Other income" account amounting to Baht 24.50 million in the consolidated statement of comprehensive income (2017: nil).

As at 31 December 2018, the subsidiary and indirect subsidiary had the outstanding letter of guarantee issued by a financial institution placed to NBTC for the remaining licence fee amounting to Baht 1,499 million (2017: Baht 1,499 million). Subsequently on 25 June 2019, the subsidiary and indirect subsidiary have withdrawn the said letter of guarantee amounting to Baht 1,175 million from the NBTC according to the order No. 4/2562 of NCPO as mentioned in Note 37.

Impairment testing

During the year ended 31 December 2018 and 2017, the management of the subsidiary and indirect subsidiary performed impairment test of carrying amount of the licences and assets related to the licences. The recoverable amounts were determined based on the higher of fair value less costs of disposal and its value in use. The value in use was determined by discounted future cash flows to be generated from the continuing use of assets until expiration date of licences based on its business plan and discount rate which is calculated by weighted average cost of capital.

Notes to the financial statements

For the year ended 31 December 2018

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

Key assumptions	Consol	idated
	financial s	tatements
	2018	2017
	(%)	<i>(</i> o)
Discount rate	10.99	11.82 - 12.64
Terminal growth rate	2.00 - 3.00	2.00 - 2.20

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.

CGU 1: Digital television licence for a variety standard definition channel category of Bangkok Business Broadcasting Co., Ltd.

During the year ended 31 December 2017, the management performed the impairment test of Digital TV license and its related assets, as 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 2017 as follows:

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

As described in the Note 37, the National Council for Peace and Order ("NCPO") has released the order No.4/2562 in subject of a measure to solve the problems of the operations of the Television and Telecommunication. In this regard, Bangkok Business Broadcasting Co., Ltd. has submitted for the returning of it Digital TV license to NBTC, and obtained letter of the approval of the returning on 27 June 2019. Therefore, the Group has determined the recoverable amount from the fair value less costs of disposal which is the compensation, according to the notification letter to approve the compensation from NBTC dated 26 July 2019, deduct with related costs of returning the license. The management determined that the recoverable amount exceeds its carrying amount of asset. Therefore, the Group has considered to reverse the impairment loss of Digital TV license in the consolidated financial statements for the year ended 31 December 2018 amounting to Baht 643.66 million.

Notes to the financial statements

For the year ended 31 December 2018

CGU 2: Digital television licence for a news channel category of NBC Next Vision Co., Ltd.

During the year ended 31 December 2017, the management performed the impairment test of Digital TV license and its related assets, as 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 2017 as follows:

	Consolidated financial statements (in thousand Baht)
Impairment losses	
Digital television licence	560,740
Intangible assets	6,660
Total	567,400

As described in the Note 37, the National Council for Peace and Order ("NCPO") has released the order No.4/2562 in subject of a measure to solve the problems of the operations of the Television and Telecommunication. In this regard, NBC Next Vision Co., Ltd. has decided not to return the Digital TV license. As a result, NBC Next Vision Co., Ltd. will be exempted for the installment of the license fee including a subsidy for the network rental expenditures. The management performed the impairment test of Digital TV license and its related assets by determined the recoverable amount from the value in use included with the benefits accordance with the above order of NCPO. The management determined that the recoverable amount exceeds its carrying amount of asset. Therefore, the Group has considered to reverse of impairment loss of Digital TV license in the consolidated financial statements as at 31 December 2018 amounting to Baht 486.70 million.

18 Deferred tax

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

		Consolidated finan	cial statements		
	Ass	sets	Liabili	ties	
	2018	2017	2018	2017	
		(in thousan	d Baht)		
Total	-	104,000	(8,051)	(57,913)	
Set off of tax	-	(26,683)	-	26,683	
Net deferred tax assets					
(liabilities)		77,317	(8,051)	(31,230)	
		Separate financia	al statements		
	As	sets	Liabilities		
	2018	2017	2018	2017	
		(in thousand	l Baht)		
Total	-	18,203	(8,051)	(8,451)	
Set off of tax	<u> </u>	(8,451)		8,451	
Net deferred tax assets					
(liabilities)		9,752	(8,051)		

Notes to the financial statements

For the year ended 31 December 2018

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

			ancial statements / Credited to:	
	At 1 January 2018	Profit or loss	Other comprehensive income	At 31 December 2018
	2010		and Baht)	2010
Deferred tax assets				
Trade accounts receivable	8,876	(8,876)	-	-
Marketable securities	1	(1)	-	-
Inventories	3,157	(3,157)	-	-
Other current assets	6,941	(6,941)	-	-
Provisions for employee benefits	26,662	(26,662)	-	-
Digital television licences	40,646	(40,646)	-	-
Loss carry forward	17,717	(17,717)		
Total	104,000	(104,000)		
Deferred tax liabilities				
Property, plant and equipment	(57,513)	49,462	-	(8,051)
Upfront fee of long-term loan	(400)	400		
from financial institution	(400)	400		(0.051)
Total =	(57,913)	49,862		(8,051)
Net		(54,138)		
			ancial statements / Credited to:	
	At 1 January 2017	Profit or loss	Other comprehensive income	At 31 December 2017
		(in thous	and Baht)	
Deferred tax assets	40 -05	(4.000)		0.0=4
Trade accounts receivable	10,706	(1,830)	(1.057)	8,876
Marketable securities	1,058	(7,000)	(1,057)	1
Inventories	11,057	(7,900)	-	3,157
Other current assets Provisions for employee benefits	7,082 32,574	(141)	-	6,941 26,662
Digital television licences	44,325	(5,912) (3,679)	-	40,646
Loss carry forward	19,648	(1,931)	_	17,717
Total	126,450	$\frac{(1,331)}{(21,393)}$	(1,057)	104,000
=	120,100	(21,000)	(1,007)	101,000
Deferred tax liabilities				
Property, plant and equipment	(35,073)	(2,564)	(19,876)	(57,513)
Upfront fee of long-term loan from financial institution	(233)	(167)	_	(400)
Total	(35,306)	(2,731)	(19,876)	(57,913)
- -		_		

Nation Multimedia Group Public Company Limited and its Subsidiaries Notes to the financial statements For the year ended 31 December 2018

	At	(Chargeu)	/ Credited to: Other	At
	1 January	Profit or	comprehensive	31 December
	2018	loss	income	2018
	2010		sand Baht)	2010
Deferred tax assets		(*** *****		
Trade accounts receivable	2,560	(2,560)	_	-
Marketable securities	1	(1)	_	-
Other current assets	6,941	(6,941)	-	-
Provisions for employee benefits	8,701	(8,701)	-	-
Total	18,203	(18,203)		-
				
Deferred tax liabilities				
Property, plant and equipment	(8,051)	-	_	(8,051)
Upfront fee of long-term loan	. , ,			
from financial institution	(400)	400	_	-
Total	(8,451)	400		(8,051)
Net	9,752	(17,803)		(8,051)
		Separate finai		
			/ Credited to:	
	At			At
	At 1 January		/ Credited to:	At 31 December
		(Charged) Profit or loss	/ Credited to: Other comprehensive income	
	1 January	(Charged) Profit or loss	/ Credited to: Other comprehensive	31 December
Deferred tax assets	1 January 2017	Profit or loss (in thous	/ Credited to: Other comprehensive income	31 December 2017
Trade accounts receivable	1 January 2017 3,803	(Charged) Profit or loss	Other comprehensive income sand Baht)	31 December 2017 2,560
Trade accounts receivable Marketable securities	1 January 2017 3,803 1,058	Profit or loss (in thous (1,243)	/ Credited to: Other comprehensive income	31 December 2017
Trade accounts receivable Marketable securities Inventories	1 January 2017 3,803 1,058 568	Profit or loss (in thous (1,243)	Other comprehensive income sand Baht)	31 December 2017 2,560 1
Trade accounts receivable Marketable securities Inventories Other current assets	1 January 2017 3,803 1,058 568 7,082	(Charged) Profit or loss (in thous) (1,243) - (568) (141)	Other comprehensive income sand Baht)	31 December 2017 2,560 1 - 6,941
Trade accounts receivable Marketable securities Inventories Other current assets Provisions for employee benefits	3,803 1,058 568 7,082 9,537	(Charged) Profit or loss (in thous (1,243) - (568) (141) (836)	Other comprehensive income sand Baht) - (1,057)	2,560 1 - 6,941 8,701
Trade accounts receivable Marketable securities Inventories Other current assets	1 January 2017 3,803 1,058 568 7,082	(Charged) Profit or loss (in thous) (1,243) - (568) (141)	Other comprehensive income sand Baht)	31 December 2017 2,560 1 - 6,941
Trade accounts receivable Marketable securities Inventories Other current assets Provisions for employee benefits Total	3,803 1,058 568 7,082 9,537	(Charged) Profit or loss (in thous (1,243) - (568) (141) (836)	Other comprehensive income sand Baht) - (1,057)	2,560 1 - 6,941 8,701
Trade accounts receivable Marketable securities Inventories Other current assets Provisions for employee benefits Total Deferred tax liabilities	1 January 2017 3,803 1,058 568 7,082 9,537 22,048	(Charged) Profit or loss (in thous) (1,243) (568) (141) (836) (2,788)	/ Credited to: Other comprehensive income sand Baht) - (1,057) (1,057)	2,560 1 - 6,941 8,701 18,203
Trade accounts receivable Marketable securities Inventories Other current assets Provisions for employee benefits Total Deferred tax liabilities Property, plant and equipment	3,803 1,058 568 7,082 9,537	(Charged) Profit or loss (in thous (1,243) - (568) (141) (836)	Other comprehensive income sand Baht) - (1,057)	2,560 1 - 6,941 8,701
Trade accounts receivable Marketable securities Inventories Other current assets Provisions for employee benefits Total Deferred tax liabilities Property, plant and equipment Upfront fee of long-term loan	1 January 2017 3,803 1,058 568 7,082 9,537 22,048	(Charged) Profit or loss (in thous) (1,243) (568) (141) (836) (2,788)	/ Credited to: Other comprehensive income sand Baht) - (1,057) (1,057)	31 December 2017 2,560 1 - 6,941 8,701 18,203
Trade accounts receivable Marketable securities Inventories Other current assets Provisions for employee benefits Total Deferred tax liabilities Property, plant and equipment Upfront fee of long-term loan from financial institution	1 January 2017 3,803 1,058 568 7,082 9,537 22,048 (462) (233)	(Charged) Profit or loss (in thous) (1,243) (568) (141) (836) (2,788) 462 (167)	/ Credited to: Other comprehensive income sand Baht) - (1,057) (1,057) (8,051)	31 December 2017 2,560 1 - 6,941 8,701 18,203 (8,051) (400)
Trade accounts receivable Marketable securities Inventories Other current assets Provisions for employee benefits Total Deferred tax liabilities Property, plant and equipment Upfront fee of long-term loan	1 January 2017 3,803 1,058 568 7,082 9,537 22,048	(Charged) Profit or loss (in thous) (1,243) (568) (141) (836) (2,788)	/ Credited to: Other comprehensive income sand Baht) - (1,057) (1,057)	31 December 2017 2,560 1 - 6,941 8,701 18,203

Nation Multimedia Group Public Company Limited and its Subsidiaries Notes to the financial statements

For the year ended 31 December 2018

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

	Consolidated		Separate	
	financial	statements	financial statements	
	2018	2017	2018	2017
		(in thousar	nd Baht)	
Trade account receivables	6,186	4,148	40,545	20,669
Other receivables	7,392	12,748	47,584	150,539
Inventories	1,689	5,198	24	-
Investments in subsidiaries	-	-	468,798	453,578
Long-term investment in other companies	954	603	954	603
Investment in related parties	1,218	1,218	-	-
Investment properties	2,986	904	2,040	515
Property, plant and equipment	20,570	10,270	18,900	8,600
Intangible assets	2,076	13,796	-	-
Digital television licences	43,177	269,250	-	-
Provision for employee benefits	20,700	-	4,685	-
Loss carry forward	839,238	707,269	238,188	174,777
Total	946,186	1,025,404	821,718	809,281

The tax losses expire in 2019-2023. 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.

19 **Interest-bearing liabilities**

		Consoli	idated	Sepa	arate
		financial st	tatements	financial statements	
	Note	2018	2017	2018	2017
			(in thousa	nd Baht)	
Current			•	Ź	
Bank overdrafts					
Unsecured		91,684	95,712	91,684	82,579
Short-term loans from financial					
institutions					
Secured		-	200,000	-	200,000
Unsecured		528,363	568,962	528,363	518,606
	-	528,363	768,962	528,363	718,606
Bank overdrafts and short-term	_		<u> </u>		·
loans from financial institutions	_	620,047	864,674	620,047	801,185
Current portion of long-term loan from financial institution					
Secured	-	187,167	156,000	187,167	156,000

Nation Multimedia Group Public Company Limited and its Subsidiaries Notes to the financial statements For the year ended 31 December 2018

		Consolidated		Separate	
		financial statements		financial statements	
	Note	2018	2017	2018	2017
			(in thousa	and Baht)	
Short-term loans from related party			,	,	
Secured	5	69,294	68,695	69,294	68,695
Short-term loans from individuals and asset management companies		ŕ	·	ŕ	
Secured Secured		254,234	395,460	254,234	395,460
Unsecured		-	89,345	-	89,345
		254,234	484,805	254,234	484,805
Short-term loans		323,528	553,500	323,528	553,500
Total current interest-bearing					
liabilities		1,130,742	1,574,174	1,130,742	1,510,685
Non-current					
Long-term loan from financial institution					
Secured			47,000		47,000
Total non-current interest-bearing					
liabilities	;	-	47,000		47,000

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

	Consolidated		Separate	
	financial s	statements	financial statements	
	2018	2017	2018	2017
		(in thousa	nd Baht)	
Within one year	1,130,742	1,574,174	1,130,742	1,510,685
After one year but within five years	-	47,000	-	47,000
Total	1,130,742	1,621,174	1,130,742	1,557,685

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

	Consolidated financial statements		Sepa financial s	rate statements
	2018	2017	2018	2017
		(in thousar	nd Baht)	
Carrying amount:				
Land and constructions, machinery and				
equipment	235,000	706,143	235,000	309,371
Investment properties	39,978	44,678	39,978	44,678
Investments in subsidiaries and associates	463,312	1,288,332	473,617	1,288,332
Total	738,290	2,039,153	748,595	1,642,381

Notes to the financial statements

For the year ended 31 December 2018

Short-term loans from financial institutions and others

As at 31 December 2018, the Group and the Company entered into short-term loan agreements with financial institutions amounting to Baht 528.36 million (2017: Baht 768.96 million and Baht 718.61 million, respectively). These unsecured short-term loans bear interest at the rate of 3.65% - 13.00% per annum (2017: 2.90% - 11.00% per annum).

As at 31 December 2018, the Company entered into short-term loan agreements with individuals and asset management companies amounting to Baht 254.23 million (2017: Baht 484.81 million). The loans were bills of exchange and were repayable over 1 - 3 months. The loans bear interest at the rate of 6.00% to 15.00% per annum (2017: 6.00% - 15.00% per annum). Short term loans were secured by investments in subsidiaries and investment in associates (see Notes 11 and 12).

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. Subsequently on 30 April 2018, the Company has additional amendment of loan agreement to commit of repayment term from January 2019 to October 2019. In this regard, 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. As at 31 December 2018, the Company could not maintain the above financial ratios. However, the Company has the additional amendment of loan agreement that has to pay only interest from loan on monthly basis from April 2019 to September 2019 and repayment all of the outstanding principal and interest in October 2019.

The loan was secured by land and constructions of the Company. As at 31 December 2018, the outstanding balance of the loan was Baht 187.17 million (2017: Baht 203 million).

As at 31 December 2018, the Group and the Company had unutilised credit facilities totalling Baht 49.11 million and Baht 48.37 million, respectively (2017: Baht 709.06 million and Baht 599.44 million, respectively).

Changes in liabilities arising from financing activities

		Consolidat	ted Financial S	tatements
			Other loans	
		Bank	and	
	Note	overdrafts	borrowings	Total
		(ii	n thousand Bah	t)
Balance at 1 January 2018		95,712	1,525,462	1,621,174
Changes from financing cash flows		14,033	(436,404)	(422,371)
Changes from loss of control in subsidiaries	10	(18,061)	(50,000)	(68,061)
Balance at 31 December 2018		91,684	1,039,058	1,130,742
		Separat	e Financial Sta	tements
		-	Other loans	
		Bank	and	
		overdrafts	borrowings	Total
		(ii	n thousand Bah	t)
Balance at 1 January 2018		82,579	1,475,106	1,557,685
Changes from financing cash flows		9,105	(436,048)	(426,943)
Balance at 31 December 2018		91,684	1,039,058	1,130,742

Nation Multimedia Group Public Company Limited and its Subsidiaries Notes to the financial statements For the year ended 31 December 2018

Trade accounts payable **20**

		Consol	idated	Sep	arate	
		financial statements			statements	
	Note	2018	2017	2018	2017	
		(in thousand Baht)				
Related parties	5	38,216	-	569,038	1,332,737	
Other parties		174,388	105,024	11,540	8,637	
Total	_	212,604	105,024	580,578	1,341,374	

Accrued expenses 21

		Conso	lidated	Separate	
		financial s	statements	financial s	tatements
	Note	2018	2017	2018	2017
			(in thouse	and Baht)	
Related parties	5 _			14,518	19,474
Other parties					
Accrued office expenses		66,216	58,582	54,726	34,912
Accrued rebate		40,230	50,104	3,880	26,125
Provision for liability payable		15,957	6,297	2,269	5,991
Accrued revenue sharing		14,654	9,148	-	-
Accrued penalty of late payment of					
network rental		14,156	2,065	-	-
Accrued production programme					
costs		13,427	14,386	-	-
Accrued annual broadcasting or					
television licence fees		7,518	9,551	-	-
Accrued licence fees		1,971	10,813	-	-
Others		6,350	5,551	1,125	3,780
	_	180,487	166,497	62,000	70,808
Total	_	180,487	166,497	76,518	90,282

22 Digital television licences payable

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

		Cor	nsolidated fin	ancial stateme	ents	
		2018			2017	
			Present			Present
	Future		value of	Future		value of
	payments	Interest	payments	payments	Interest	payments
			(in thous	and Baht)		
Within one year	-	-	-	323,800	(25,836)	297,964
After one year but						
within five years	911,400	(46,353)	865,047	1,175,200	(43,981)	1,131,219
After five years	587,600	(3,839)	583,761			
Total	1,499,000	(50,192)	1,448,808	1,499,000	(69,817)	1,429,183

Notes to the financial statements

For the year ended 31 December 2018

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

		Consolidated			
		financial statements			
	Note	2018	2017		
		(in thousa	and Baht)		
Present value at 1 January		1,429,183	1,714,139		
Payment of the digital television licences		-	(323,800)		
Interest expense	31	19,625	38,844		
Present value at 31 December	_	1,448,808 1,429,183			

23 Non-current provisions for employee benefits

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
		(in thousa	nd Baht)	
Statement of financial position				
Non-current provision for:				
Post-employment benefits	103,501	137,980	23,423	43,507
Year ended 31 December				
Statement of comprehensive income:				
Recognised in profit or loss:				
Post-employment benefits	13,682	(28,915)	3,490	(4,120)
Recognised in other comprehensive				
income:				
Actuarial losses (gains) recognised in the year	(12,512)	111_	(6,193)	
Cumulative actuarial losses recognised	128,936	141,448	41,666	47,859

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		Separate		
	financial	financial statements		financial statements	
	2018	2017	2018	2017	
		nd Baht)			
At 1 January	137,980	167,253	43,507	47,685	
Include in profit or loss:					
Current services costs	9,963	10,701	2,463	2,923	
Interest on obligations	3,719	3,837	1,027	1,207	
Curtailment gain	-	(43,453)	-	(8,250)	
-	13,682	(28,915)	3,490	(4,120)	

Notes to the financial statements

For the year ended 31 December 2018

	Consolidated		Separate	
	financial s	statements	financial statements	
	2018	2017	2018	2017
		(in thousa	nd Baht)	
Included in other comprehensive income:		,	ŕ	
Defined benefit plan actuarial losses (gains)	(12,512)	111	(6,193)	_
,	(12,512)	111	(6,193)	-
Others				
Transfer out	-	-	(17,381)	(58)
Transfer out due to loss of control in			, , ,	, ,
subsidiaries	(35,649)	-	-	_
Benefit paid	-	(469)	-	_
	(35,649)	(469)	(17,381)	(58)
At 31 December	103,501	137,980	23,423	43,507

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

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
		(in thousar	nd Baht)	
Demographic assumptions	745	49	218	-
Financial assumptions	6,412	559	1,454	-
Experience adjustment	(19,669)	(497)	(7,865)	
Total	(12,512)	111	(6,193)	

Actuarial assumptions

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

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
			(%)	
Discount rate	1.76 - 4.16	2.9 - 3.9	1.76 - 4.16	2.9
Future salary growth	4.0 - 8.0	4.0 - 7.0	4.0 - 8.0	4.0 - 7.0
Employee turnover	2.0 - 22.0	2.0 - 20.0	2.0 - 22.0	2.0 - 20.0

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

At 31 December 2018, the weighted-average duration of the defined benefit obligation was 14 years (2017: 15 years).

Notes to the financial statements

For the year ended 31 December 2018

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

	Consolidated		Separate	
	financial	statements	financial statements	
	Increase	Decrease	Increase	Decrease
		(in thousa	nd Baht)	
At 31 December 2018				
Discount rate (1% movement)	(10,078)	11,616	(2,247)	2,583
Future salary growth (1% movement)	11,293	(10,009)	2,512	(2,231)
Employee turnover (20% movement)	(7,911)	9,057	(1,724)	1,924
Future mortality rate (1% movement)	(304)	334	(64)	70
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)
Employee turnover (20% movement)	(11,440)	13,373	(4,024)	4,638
Future mortality rate (1% movement)	(680)	759	(230)	256

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.

24 Share capital

	Par value	2018		2017	
	per share	Number	Baht	Number	Baht
	(in Baht)	(in	thousand shares	/ in thousand Bal	nt)
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	4,067,848	2,155,959
Exercise of share options	0.53	123	65		
At 31 December			·	·	
- ordinary shares	0.53	4,067,971	2,156,024	4,067,848	2,155,959

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.

Notes to the financial statements

For the year ended 31 December 2018

25 Warrants

1) Warrant NMG-WB

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

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

Grant date share price (Baht)	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.

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

Consolidated/ Separate financial statements

	Consolidated/ Separate illiancial statements				
	2018		20	17	
	Number	Grant date	Number	Grant date	
	of warrants	fair value	of warrants	fair value	
	(in thousand units /		in thousand Baht)		
At 1 January	25,408	30,743	20,709	25,057	
Issued warrants during the year	5,966	7,219	12,402	13,181	
Forfeited warrants during the year	(5,683)	(6,876)	(8,703)	(7,495)	
Expired warrants	(25,691)	(31,086)		_	
At 31 December	-	-	24,408	30,743	

Notes to the financial statements

For the year ended 31 December 2018

2) Warrant NMG-W3

The outstanding unexercised warrants NMG-W3 as at 31 December were as follows:

**		Consolidate	d / Separat	e financial statemen	ts	
Unexercised warrants as at 1 January 2018	Issued warrants	Exercised warrants	Expired	Unexercised warrants as at 31 December 2018	Exercise price	Expiry date
			(million ı		(Baht / share)	
903.6		(0.1)	(903.5)		1	19 June 2018
		Consolidate	d / Separat	e financial statemen	ts	
Unexercised warrants as at 1 January 2017	Issued warrants	Exercised warrants	Expired	Unexercised warrants as at 31 December 2017	Exercise price	Expiry date
			(million ı	ınits)	(Baht/share)	
903.6	-	-	-	903.6	1	19 June 2018

3) Warrant NINE-WA

Warrants of the subsidiaries ("Nation International Edutainment Public Company Limited") were issued to the directors, management and/or employees of the subsidiary and/or its subsidiaries of the subsidiary 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 subsidiary and/or its subsidiaries of the subsidiary as of each offering date.

Notes to the financial statements

For the year ended 31 December 2018

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 subsidiary and/or its subsidiary of the subsidiary.

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

	(Consolidated fin	ed financial statements		
	20	18	20	17	
	Number	Grant date	Number	Grant date	
	of warrants	fair value	of warrants	fair value	
	(thousand units /	in thousand Bahi	')	
At 1 January	1,538	2,994	1,492	2,957	
Issued warrants during the year	220	428	406	645	
Forfeited warrants during the year	-	-	(360)	(608)	
Expired warrants	(1,758)	(3,422)			
At 31 December		-	1,538	2,994	

4) Warrant NINE-W1

The outstanding unexercised warrants NINE-W1 as at 31 December 2018 were as follows:

			Consoli	dated financial state	ments	
Unexercised				Unexercised		
warrants as at	Issued	Exercised		warrants as at	Exercise	
1 January 2018	warrants	warrants	Expired	31 December 2018	price	Expiry date
			(million ı	inits)	(Baht / share)	
						11 July
84.96		(1)	(83.96)	-	4	2018
			Consoli	dated financial state	ments	
Unexercised				Unexercised		
warrants as at	Issued	Exercised		warrants as at	Exercise	
1 January 2017	warrants	warrants	Expired	31 December 2017	price	Expiry date
			(million 1	inits)	(Baht / share)	
						11 July
84.96				84.96	4	2018

5) Warrant NBC-WB

Warrants of the subsidiaries ("Nation Broadcasting Corporation Public Company Limited") were issued to the directors, management, and/or employees of the subsidiary and/or its subsidiaries of the subsidiary 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

Notes to the financial statements

For the year ended 31 December 2018

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)	3.02 %
at the allotment date	

The condition for subscription is comprised of each employee of the subsidiary and/or its subsidiaries of the subsidiary 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 subsidiary and/or its subsidiary of the subsidiary.

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

	Consolidated financial statements						
	20	18	20	17			
	Number	Grant date	Number	Grant date			
	of warrants	fair value	of warrants	fair value			
	(iı	n thousand units	/ in thousand Bai	ht)			
At 1 January	1,830	1,608	2,273	1,998			
Issued warrants during the year	376	330	1,376	919			
Forfeited warrants during the year	(128)	(112)	(1,819)	(1,309)			
Expired warrants	(2,078)	(1,826)	<u> </u>				
At 31 December	-	-	1,830	1,608			

6) Warrant NBC-W1

The outstanding unexercised warrants NBC-W1 as at 31 December were as follows:

Unexercised warrants as at 1 January 2018	Issued warrants	Exercised warrants	Consoli Expired (million to	Unexercised warrants as at 31 December 2018	Exercise price (Baht/share)	Expiry date
			(miiiion i	mus)	(Dani / Share)	11 July
177			(177)		3	2018
Unexercised			Consoli	dated financial state Unexercised	ements	
warrants as at	Issued	Exercised		warrants as at		Expiry
1 January 2017	warrants	warrants	Expired (million i	31 December 2017 <i>units)</i>	Exercise price (Baht / share)	date
						11 July
<u> </u>				177	3	2018

The expense for share-based payment transactions for the year ended 31 December 2018 of Baht 1.25 million and Baht 0.34 million in the consolidated and separate financial statements, respectively (2017: Baht 5.27 million and Baht 5.69 million, respectively).

Notes to the financial statements

For the year ended 31 December 2018

26 Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account ("Legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Other components of equity

Fair value changes in available-for-sale investments

The fair value changes in available-for-sale investments account within equity comprise the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

Valuation surplus

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

Movements in reserves

Movements in reserves are shown in the statements of changes in equity.

27 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 (This segment was sold in December 2018.)
- Segment 3 Edutainment (This segment has been lost the control in December 2018.)
- 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.

Nation Multimedia Group Public Company Limited and its Subsidiaries Notes to the financial statements For the year ended 31 December 2018

Information about reportable segments

	Publishing and	ng and	Printing servi	services	Edutainment	ıment	Broadcasting	sting				
	advertising	tising	(Discontinued)	tinued)	(Discontinued)	inued)	and new media	media	Others	ers	To	Total
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
						(in thousand Baht)	nd Baht)					
External revenue	627,637	713,522	33,197	40,150	70,511	119,320	607,684	735,300	139,065	200,760	1,478,094	1,809,052
Inter-segment revenue	83,784	87,765	136,950	157,090	7,424	15,372	6,863	10,580	45,864	80,832	280,885	351,639
Other income	12,533	19,671	3,210	3,801	6,687	16,204	73,203	24,877	28,322	16,719	126,955	81,272
Total segment revenue	723,954	820,958	173,357	201,041	87,622	150,896	687,750	770,757	213,251	298,311	1,885,934	2,241,963
Profit (loss) before												
income tax	(335,545)	(196,070)	(164,902)	(164,240)	(98,077)	30,390	983,218	(1,970,002)	(12,098)	(54,334)	372,596	(2,354,256)
Interest income	57	58	,	1		6,021	290	2,480	34	126	381	8,686
Interest expense	(119,182)	(147,953)	ı	(3,957)		(984)	(33,874)	(20,620)	(419)	(280)	(153,475)	(173,896)
Depreciation and												
amortisation	(30,006)	(23,959)	,	(69,495)	•	(5,569)	(51,455)	(176,355)	(9,088)	(17,515)	(90,549)	(292,893)
Amortisation of digital												
television licence	1	1	1	1	1	1	(92,756)	(178,631)	1		(92,756)	(178,631)
Share of profit (loss) of												
investment in associates	(3,889)	69						ı		ı	(3,889)	69
Other material non-cash items:												
- Reversal of impairment												
(loss) on assets	(59,122)	(45,576)	•	1		1	1,186,176	(1,433,515)	•	1	1,127,054	(1,479,091)
Capital expenditures	46,829	3,675	1	2,523	ı	14,387	11,576	70,013	1	519	58,405	91,117
Segment assets												
as at 31 December	1,068,501	829,678		589,197		313,822	2,686,986	2,076,844		260,389	3,755,487	4,069,930
Segment liabilities												
as at 31 December	1,597,213	1,999,803		137,452		39,377	1,774,189	1,705,997		52,781	3,371,402	3,935,410

Notes to the financial statements

For the year ended 31 December 2018

Reconciliation of	of re	portable	segment	revenue	and	profit	or l	loss

	2018	2017
	(in thousa	nd Baht)
Revenue		
Total revenue from reportable segments	1,697,035	2,074,731
Other revenue	188,899	167,232
	1,885,934	2,241,963
Elimination of inter-segment revenue	(280,885)	(351,639)
Elimination of discontinued operations	(116,605)	(179,475)
Consolidated revenue	1,488,444	1,710,849
Profit or loss		
Total profit (loss) for reportable segments	372,596	(2,354,256)
Elimination of discontinued operations	262,979	133,850
Unallocated amount:		
- Share of profit (loss) of investment in associate	(3,889)	69
Consolidated profit (loss) before income tax	631,686	(2,220,337)

Geographical segments

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

28 Other income

		Consoli	idated	Separate	
		financial st	tatements	financial st	atements
	Note	2018	2017	2018	2017
			(in thousa	nd Baht)	
Subsidy for television network					
rental and broadcasting satellite	17, 35	58,139	16,928	-	-
Revenue from donations		10,334	12,472	-	-
Service and rental income		7,636	1,312	9,123	10,839
Revenue from sales of scraps		5,121	15,160	5,109	15,100
Income from Provident fund		3,670	4,853	1,936	566
Others		28,753	6,784	28,832	6,737
Total	-	113,653	57,509	45,000	33,242

Employee benefit expenses 29

		Consol	lidated	Separate	
		financial s	tatements	financial st	tatements
	Note	2018	2017	2018	2017
			(in thousa	nd Baht)	
Wages and salaries		439,648	526,439	106,256	176,310
Transportation and allowances		45,994	56,698	5,760	14,102
Defined contribution plan		23,543	28,149	6,153	10,103
Voluntary resignation plan		12,694	196,948	1,071	42,308
Defined benefit plan	23	9,963	(32,752)	2,463	(5,327)
Social security		8,981	11,787	1,560	3,137
Share-based payment transactions	25	1,250	5,386	343	5,685
Others	_	11,286	17,827	4,891	6,627
Total	=	553,359	810,482	128,497	252,945

Nation Multimedia Group Public Company Limited and its Subsidiaries Notes to the financial statements For the year ended 31 December 2018

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.

30 Expenses by nature

The statements of comprehensive income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	Consolidated		Separate	
	financial statements		financial st	
	2018	2017	2018	2017
		(in thouse	and Baht)	
Cost of production and services	356,403	496,335	33,300	38,764
Change in finished goods and				
work in progress	(65,155)	(68,810)	(15,383)	(9,961)
Raw materials and supplies used	68,486	76,847	65,808	73,383
Transportation expenses	150,998	185,174	3,090	5,628
Maintenance and utility expenses	40,885	62,507	10,364	20,888
Distribution and marketing	72,526	108,222	3,467	35,998
Employee benefit expenses	553,359	810,482	128,497	252,945
Depreciation and amortisation	174,290	395,974	27,302	47,538
Other rental expenses	5,722	8,876	5,722	8,876
Other rental and service expenses	48,940	48,707	43,907	44,666
Office expenses	13,752	14,444	11,131	10,501
Consultant and professional fees	36,114	41,291	28,644	34,152
Utility expenses	12,486	13,570	11,800	12,469
Loss on debt waiving and lost				
control in subsidiaries	175,446	-	66,707	-
Loss on disposal/written-off of				
assets	161,055	18,276	1,805	12,568
Bad debts	41,099	9,680	14,654	4,450
Others	37,518	68,469	30,233	23,993
Total cost of sale of goods and				
rendering of services,				
distribution costs and				
administrative expenses	1,883,924	2,290,044	471,048	616,858

Nation Multimedia Group Public Company Limited and its Subsidiaries Notes to the financial statements

For the year ended 31 December 2018

31 **Finance costs**

		Consol	idated	Separate	
		financial s	tatements	financial st	atements
	Note	2018	2017	2018	2017
			(in thousa	nd Baht)	
Interest expense					
Related parties	5	8,278	4,700	8,278	4,700
Bank loans and overdrafts		111,095	109,461	106,132	106,135
Interest expense from digital					
television licences payable	22	19,625	38,844	-	-
Interest expense from finance					
lease		-	7	-	7
Total interest expense		138,998	153,012	114,410	110,842
Other finance costs		14,477	16,141	3,160	3,930
Total		153,475	169,153	117,570	114,772

32 Income tax expenses

Income tax recognised in profit or loss

	Consolidated		Separate	
	financial s	tatements	financial st	atements
	2018	2017	2018	2017
		(in thousa	ınd Baht)	
Current tax expense				
Under provided in prior years		42		
	_	42	_	_
Deferred tax expense				
Movements in temporary differences	71,941	21,524	17,803	2,493
Total income tax expense	71,941	21,566	17,803	2,493

Income tax recognised in other comprehensive income

		Con	solidated fi	nancial state	ements	
		2018			2017	
	Before	Tax	Net of	Before	Tax	Net of
	tax	expense	tax	tax	expense	tax
		_	(in thou	isand Baht)	_	
Remeasuring of available-for-sale						
investments	-	_	-	5,285	(1,057)	4,228
Gain on revaluation of assets	-	-	-	204,927	(19,876)	185,051
Defined benefit plan						
actuarial gain (loss)	12,512		12,512	(111)		(111)
Total	12,512	-	12,512	210,101	(20,933)	189,168

Nation Multimedia Group Public Company Limited and its Subsidiaries Notes to the financial statements For the year ended 31 December 2018

		Se	eparate fina	ncial statem	ents	
		2018			2017	
	Before	Tax	Net of	Before	Tax	Net of
	tax	expense	tax	tax	expense	tax
			(in thou	sand Baht)		
Remeasuring of available-for-sale						
investments	-	-	-	5,285	(1,057)	4,228
Gain on revaluation of						
assets	-	-	-	40,256	(8,051)	32,205
Defined benefit plan						
actuarial gain (loss)	6,193		6,193			
Total	6,193	_	6,193	45,541	(9,108)	36,433

Reconciliation of effective tax rate

	(Consolidated finar	icial state	ements
		2018		2017
	Rate	(in thousand	Rate	(in thousand
	(%)	Baht)	(%)	Baht)
Profit (loss) before income tax expense		631,686		(2,220,337)
Income tax using the Thai corporation tax rate	20	126,337	20	(444,067)
Expenses not deductible for tax purposes		(205,394)		14,210
Expenses for tax incentives		(234)		(32)
Temporary differences for which no				
deferred tax assets was recognised		19,297		255,412
Current year losses for which no deferred tax				
asset was recognised		131,935		196,001
Under provided in prior years		-		42
Total	11.39	71,941	0.97	21,566

		Separate financi	al statem	ents
		2018		2017
	Rate	(in thousand	Rate	(in thousand
	(%)	Baht)	(%)	Baht)
Loss before income tax expense		(55,529)		(3,227,005)
Income tax using the Thai corporation tax rate	20	(11,106)	20	(645,401)
Income not subject to tax		351		(2,962)
Expenses not deductible for tax purposes		15,743		2,285
Expenses for tax incentives		(234)		(32)
Temporary differences for which no				
deferred tax assets was recognised		(50,362)		599,058
Current year losses for which no deferred tax				
asset was recognised		63,411		49,545
Total	32.06	17,803	0.08	2,493

Nation Multimedia Group Public Company Limited and its Subsidiaries For the year ended 31 December 2018 Notes to the financial statements

33 Earnings (loss) per share

Basic earnings (loss) per share

The calculations of basic earnings (loss) per share for the years ended 31 December 2018 and 2017 were based on the profit (loss) for the years attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the years as follows:

		2018	Consolidated fir	Consolidated financial statements	ots 2017			2018	Separate financial statements	cial statements	2017	
	Continuing operations	Discontinued operation	Total	Continuing operations	Discontinued operation	Total	Continuing operations	Discontinued operation	Total	Continuing operations	Discontinued operation	Total
Profit (loss) attributable to ordinary shareholders of the Company (basic)	428,644	(213,443)	215,201	(2,037,650)	(118,835)	(in thousand Baht. (2,156,485)	(in thousand Baht / thousand shares) (2,156,485) (73,332)		(73,332)	(3,229,497)	,	(3,229,497)
Number of ordinary shares outstanding at 1 January Effect of shares options exercised	4,067,848	4,067,848	4,067,848	4,067,848	4,067,848	4,067,848	4,067,848	4,067,848	4,067,848	4,067,848	4,067,848	4,067,848
Weighted average number of ordinary shares outstanding (basic)	4,067,911	4,067,911	4,067,911	4,067,848	4,067,848	4,067,848	4,067,911	4,067,911	4,067,911	4,067,848	4,067,848	4,067,848
Earnings (loss) per share (basic) (in Baht)	0.11	(0.05)	0.06	(0.50)	(0.03)	(0.53)	(0.02)	,	(0.02)	(0.79)		(0.79)

For the year ended 31 December 2018, the Company did not present the diluted earnings (loss) per share due to the Company's warrants already expired.

Notes to the financial statements

For the year ended 31 December 2018

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.

34 Financial instruments

Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital and also monitors the level of dividends to ordinary shareholders.

Interest rate risk

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

The effective interest rates of interest-bearing financial liabilities as at 31 December and the periods in which those liabilities mature or re-price were as follows:

	Effective interest rates (% per annum)	Within 1 year	After 1 year but within 5 years on thousand Baht,	Total
2018	(70 pc. annum)	(2)	i iliousulu Bulli,	,
Current				
Bank overdrafts	6.87 - 7.68	91,684	-	91,684
Short-term loans from financial institutions	3.65 - 13.00	528,363	-	528,363
Current portion of long-term loan from				
financial institution	5.25	187,167	-	187,167
Short-term loan from related party	12.00	69,294	-	69,294
Short-term loans from individuals and				
asset management companies	6.00 - 15.00	254,234	-	254,234
Total		1,130,742	-	1,130,742

Nation Multimedia Group Public Company Limited and its Subsidiaries Notes to the financial statements For the year ended 31 December 2018

	Effective interest	Consolida Within	ted financial s After 1 year but within	tatements
	rates	1 year	5 years	Total
	(% per annum)	•	ı thousand Bah	t)
2017				
Current				0
Bank overdrafts	6.87 - 7.68	95,712	-	95,712
Short-term loans from financial institutions Current portion of long-term loan from	2.90 - 11.00	768,962	-	768,962
financial institution	5.25	156,000	-	156,000
Short-term loan from related party Short-term loans from individuals and	12.00	68,695	-	68,695
asset management companies	6.00 - 15.00	484,805	-	484,805
Non-current	5.25		47.000	47.000
Long-term loan from financial institution Total	5.25	1,574,174	47,000 47,000	47,000 1,621,174
		Separat	e financial stat	tements
	Effective	******	After 1 year	
	interest	Within	but within	T-4-1
	rates (% per annum)	1 year	5 years 1 thousand Bah	Total
2018	(70 per annum)	(11	i inousana Dan	<i>i)</i>
Current				
Bank overdrafts	6.87 - 7.68	91,684	-	91,684
Short-term loans from financial institutions	3.65 - 13.00	528,363	-	528,363
Current portion of long-term loan from financial institution	5.25	187,167	_	187,167
Short-term loan from related party	12.00	69,294	_	69,294
Short-term loans from individual and	12.00	05,25.		03,23.
asset management companies	6.00 - 15.00	254,234		254,234
Total		1,130,742		1,130,742
2017				
Current	6.07 7.60	00.550		02.550
Bank overdrafts	6.87 - 7.68	82,579	-	82,579
Short-term loans from financial institutions Current portion of long-term loan from	2.90 - 11.00	718,606	-	718,606
financial institution	5.25	156,000		156,000
Short-term loan from related party Short-term loans from individual and	12.00	68,695	-	68,695
asset management companies	6.00 - 15.00	484,805	-	484,805
Non-current	_ ,			
Long-term loan from financial institution	5.25		47,000	47,000
Total		1,510,685	47,000	1,557,685

Notes to the financial statements

For the year ended 31 December 2018

Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases of goods and services which are denominated in foreign currencies.

At 31 December, the Group and the Company were exposed to foreign currency risk in respect of financial liabilities denominated in the following currency:

	Consolidated financial statements		Separate financial statements		
	2018	2017	2018	2017	
	(in thousand Baht)				
United States Dollars					
Trade accounts payable	4,691	8,431	4,691	-	

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the Group's customer base, The management does not anticipate material losses from its debt collection for the receivables which has not provided allowance for doubtful debt.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Notes to the financial statements

For the year ended 31 December 2018

Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying	Consolidated financial statements				
	amount		Fai	r value		
	amount	Level 1	Level 2 in thousand B	Level 3	Total	
31 December 2018		(*	ii iiiotistiiitti E			
Financial assets measured at						
fair value						
Equity securities available-for-sale <i>Financial liabilities not measured at</i>	3	3	-	-	3	
fair value						
Long-term loan from financial						
institution	187,167	-	-	187,167	187,167	
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	
Financial liabilities not measured at						
fair value						
Long-term loan from financial institution	202 000			202 000	202.000	
institution	203,000	-	-	203,000	203,000	
	Comming	Separate financial statements				
	Carrying amount	Fair value Level 1 Level 2 Level 3 Total				
21 D 1 2010		(in thousand Baht)				
31 December 2018 Financial assets measured at						
fair value						
Equity securities-available-for sale	3	3	-	-	3	
Financial liabilities not measured at						
fair value						
Long-term loan from financial institution	187,167	_	_	187,167	187,167	
nistration	107,107			107,107	107,107	
31 December 2017						
Financial assets measured at						
<i>fair value</i> Equity securities available-for-sale	3	3	_	_	3	
Financial liabilities not measured at	5	5	_	-	J	
fair value						
Long-term loan from financial	202.000			202.000	202.000	
institution	203,000	-	-	203,000	203,000	

Notes to the financial statements

For the year ended 31 December 2018

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 3 (d).

Type Valuation technique

The net asset value as of the reporting date

Investments in marketable unit trusts classified as trading investments and available-for-sale investments

Long-term loan from financial institution Discounted cash flow

35 Commitments with non-related parties

	Consolidated financial statements		Separate		
			financial sta	tements	
	2018	2017	2018	2017	
		(in thousand Baht)			
Future minimum lease payments under non-cancellable operating leases					
Within one year	332,470	196,763	40,330	47,568	
After one year but within five years	746,869	636,990	36,877	77,107	
After five years	500,360	625,357	<u>-</u>	-	
Total	1,579,699	1,459,110	77,207	124,675	
Other commitments					
Unused letters of credit	-	1,251	-	1,251	
Guarantee credit lines of subsidiaries					
with financial institutions	-	85,000	-	85,000	
Bank guarantees	1,640,269	1,650,805	34,074	34,876	
Total	1,640,269	1,737,056	34,074	121,127	

Significant agreements

- a) The Company and its subsidiaries entered into lease and service agreements for their office premises and facilities with a local company for the period of 3 years, expiring in various periods up to 30 November 2020 with an option for renewal. The Company and its subsidiaries agreed to pay rental and service fees at the rate specified in the agreements.
- b) An indirect subsidiary entered into a news supply agreement with a foreign company for a period of 5 years, commencing from 1 June 2016 to 31 May 2021 with an option for renewal. The indirect subsidiary agreed to pay a fee at the rate specified in the agreement.
- c) A subsidiary and an indirect subsidiary entered into service agreements covering television broadcasting satellite services with two local companies for periods ranging from 7 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 at the rate specified in the agreements. During the year 2018, the subsidiary and an indirect subsidiary received the support of this service fees from NBTC and recorded in account "Other income" amounting to Baht 33.64 million in consolidated statement of comprehensive income (2017: Baht 16.93 million).

Notes to the financial statements

For the year ended 31 December 2018

- d) A subsidiary and an indirect subsidiary entered into a Standard Definition Terrestrial Digital Television Network Services agreement with Thai Royal Army Radio and Television Station for a period of 14 years and 5 months, commencing from 16 January 2014 to 31 May 2028. The subsidiary and an indirect subsidiary has obligations to pay the service fee amounting to Baht 3.50 million per month from 1 June 2018 to 31 May 2020 and amounting to Baht 4.72 million per month from 1 June 2020 onwards.
- e) The Company entered into a land rental agreement with a local company and has agreed to pay the rental fee at the rate as stipulated in the agreement. The agreement has a period of 1 year expiring on 28 February 2019.
- f) A subsidiary entered into a service agreement for ratings measurement in television audiences of television channels in Thailand with a local association for a period of 6 years, commencing from 17 December 2015 to 30 September 2021. A subsidiary agreed to pay a service fee at the rate specified in the agreement. During the year 2017, the service provider had an addendum changing the expiring periods from 30 September 2021 to 30 September 2023 without other changes in term of agreement.
- g) 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. A subsidiary agreed to pay a service fee at the rate specified in the agreement. During the year 2017, the service provider had an addendum changing the expiring periods from 30 September 2021 to 30 September 2023 without other changes in term of agreement.
- h) An indirect subsidiary entered into agreement with a local company which give rights to use trademarks to an indirect subsidiary for the period of 3 year, commencing from 31 May 2018 to 31 May 2021. An indirect subsidiary has agreed to allocate income of rights to use trademarks at the rate specified in the agreement.
- i) An indirect subsidiary entered into agreements with a local company to broadcast live sport event through television station including new media for a period of 3 years, commencing from 1 June 2018 to 31 May 2021. An indirect subsidiary has agreed to allocate income of advertising's sales and sponsors at the rate specified in the agreement.

36 Contingent liabilities

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. Subsequently on 2 April 2018, the court dismissed the plaintiff's complaint on the subsidiary's case. However, 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.

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, on 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 civil case about revoking revolution in 2015 Annual General Meeting of the Company to the end before a new verdict according to the case. Later, the result of this civil case has judgment of The Supreme Court upheld The Court of Appeal to revoke resolution in the 2015 Annual General Meeting of the Company.

Notes to the financial statements

For the year ended 31 December 2018

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. However, on 11 September 2018 the court of First Instance rendered a civil lawsuit judgement to dismiss the Company out.

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. On 12 February 2019, The Supreme Court rendered a judgement to upheld The Court of Appeal to revoke the resolutions in the 2015 Annual General Meeting of the Company.

On 18 September 2018, a former employee as plaintiff filed a lawsuit against the Company and the Provident Fund to the Central Labor Court. This would require the payment of approximately Baht 47.8 million As at 31 December 2018. On 30 April 2019, the court rendered a judgement that plaintiff has no right for receiving this contributions funds and benefits from provident fund., the case is currently extending the time to appeal. The Company has not recorded any provision against this claim in the financial statements for year ended 31 December 2018.

37 Events after the reporting period

a) Disposal of the Company's assets

At the Board of Directors' meeting of the Company held on 29 January 2019, the Board of Directors has resolved to dispose its land and buildings amounting to Baht 12.0 million. The disposal of this land was completed on 31 March 2019.

At the Board of Directors' meeting of the Company held on 5 April 2019, the Board of Directors has resolved to dispose the two plots of land and buildings amounting to Baht 275 million. The disposal of those land and buildings were completed on 25 April 2019.

b) Repayment of loans and amendment of loan agreement

During the year of 2018 up to the reporting date, the Company

- Repaid its short-term loan from certain individuals and asset management companies and financial institution totalling Baht 92.00 million
- Repaid partially its long-term loan from financial institution of Baht 116.20 million
- Pledged land and buildings and investment in associate with the net book value of Baht 53.48 million and Baht 77.39 million, respectively, as collateral
- Changed the collateral of secured investment in associate with secured investment in subsidiary at carrying value of Baht 294.59 million

c) Changing of a subsidiary's company's name

At the extraordinary meeting of the shareholders of the subsidiary held on 14 February 2019, the shareholders of the subsidiary has resolved to change its company's name from Bangkok Business Broadcasting Co., Ltd. to Spring 26 Co., Ltd. The subsidiary has registered the change of company's name with Ministry of Commerce on 15 February 2019.

Notes to the financial statements For the year ended 31 December 2018

d) Restructuring of publishing news

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

e) Labor Protection Act

On 5 April 2019, the Labor Protection Act was amended to include a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Company has therefore amended its retirement plan in accordance with the changes in the Labor Protection Act in the year 2019. As a result of this change, the provision for retirement benefits as well as past service cost recognised during the year 2019 in the consolidated and separate financial statements increase by an amount of Baht 32.58 million and Baht 7.16 million, respectively.

f) The National Council for Peace and Order ("NCPO") in subject of a measure to solve the problems of the operations of the Television and Telecommunication

On 11 April 2019, the National Council for Peace and Order ("NCPO") has released the order No. 4/2562 in subject of a measure to solve the problems of the operations of the Television and Telecommunication, by virtue of Section 265 of Constitution of the Kingdom of Thailand in conjunction with Section 44 of Constitution of the Kingdom of Thailand (interim), the significant details which related to the Group, are as follows:

- 1. Determining that any licensees granted the licenses of spectrum for providing the digital television service ("licensees") who intend to return the licenses, are able to notify by giving a written letter for the license return to the Office of the NBTC within 30 days from the date of this order has been effectively enforced. Determining the Office of the NBTC considers for compensation to the licensees in accordance with the announcement of the Office of the NBTC dated on 2 May 2019 in the subject of the terms, requirements, and conditions for compensation because of returning the licenses of spectrum for providing the digital television service and in consideration of the benefits which the licensees received during they had the operations and made the license fee payment.
- 2. Determining the Office of the NBTC considers for calling back the spectrum of 700 MHz during 674 790 MHz from the licensees besides the licensees who intend to return by themselves according to No.1 and determining the Office of the NBTC considers for the arrangement for replacement costs, indemnities or compensations to the licensees who has been called back the spectrum.
 - 2.1 The licensees will be exempted for the final instalment of the license fee from the minimum payment or the original fee and the last two instalments of the exceeding amount of the minimum payment or the original fee in accordance with the announcement and the process with the following:
 - a. In case of the licensees who have not made any license fee payment up to the instalment payment pursuant to no. 2.1, the licensees will have to make all the payments of the license fee in full before the instalment payment pursuant to no. 2.1 within 120 days from the date of this announcement has been effectively enforced.
 - b. In case of the licensees who have made the license fee payment after the instalment payments pursuant to no. 2.1, those licensees are entitled to refund the license fee.

Notes to the financial statements

For the year ended 31 December 2018

- 2.2 Providing a subsidy for the network rental expenditures in accordance with a national commercial digital terrestrial television broadcasting network service to the licensees over the remaining period of the licenses. The subsidy effectively commences after termination of the measure to relieve in accordance with paragraph one, no. 8 of NCPO No. 9/2561 in subject of a measure to relieve a license fee payment burden to the operators of sound transmission, television transmission and sound broadcasting and television broadcasting. Therefore, the Office of the NBTC will provide the subsidy to any licensees granted the licenses of a national commercial digital terrestrial television broadcasting network service according to actual amount as specified in the agreement which is not exceeded at the rate of NBTC approval.
- 3. In case of the licensees jointly incorporating an organisation that complies audience measurement and television ratings in television channels to support the digital television industry, the Office of the NBTC considers for subsidy allocation for using and supporting so.
- g) The National Broadcasting and Telecommunications Commission in subject of Criteria, Procedures, and Conditions for Compensation as a result of the return of the License Digital Television Service

On 2 May 2019, the Office of the National Broadcasting and Telecommunications Commission ("NBTC") has released the order of criteria, procedures, and conditions for compensation as a result of the return of the license to use the spectrum to provide Digital Television Services. The service users who had intended to return the license was required to inform in writing within 10 May 2019. The request for a return of such license is considered a request to cancel the license. The service user would still be required to broadcast as permitted until receiving the approval to return the license or cancel the operation and receive the notice of the date of service termination including the conditions of compensation for service users before dissolution from the NBTC. The NBTC will pay compensation as a result of the return of the license to the service users within 60 days from the date of the termination of the service.

At the Board of Directors' meeting of the Company's subsidiary "Spring 26 Co., Ltd" (formerly, Bangkok Business Broadcasting Co., Ltd) held on 9 May 2019, the Board of Directors of the Company's subsidiary has resolved of submission of the request for returning the license to NBTC. On 10 May 2019, the subsidiary has informed in writing NBTC of returning the license.

On 27 June 2019, NBTC has issued to the subsidiary for the notification letter of approval to return the license and the notice of the date of service termination on 15 August 2019, including the conditions of compensation for service users before dissolution from the NBTC. On 26 July 2019, NBTC has issued the notification letter to approve the compensation for the subsidiary amounting to Baht 890.83 million by deducting the payable of license fee instalment payments no. 4 amounting to Baht 215.07 million (included VAT). Therefore, the remaining compensation would be received in amounting to Baht 675.76 million. The NBTC will provide the said compensation for the subsidiary within 60 days from the date that the subsidiary files a request to return the license.

h) Disposal of investment in Nation International Edutainment Public Company Limited ("NINE")

At the Board of Directors' meeting of the Company held on 16 May 2019, the Board of Directors approved the disposal of investment in Nation International Edutainment Public Company Limited, at a price not exceeding Baht 2.62 per share which determined by the average cost of common shares, in this regard, the totalling amount would not be exceeding Baht 350 million. Later, the Company has disposed these such shares on 27 July 2019 in the amount of 17,350,000 shares, on 2 August 2019 in the amount of 17,350,000 shares and on 14 August 2019 in amount of 86,108,387 shares, totalling of 120,808,387 shares at the price of Baht 2.62 per share, in amounting to Baht 316.52 million.

Notes to the financial statements

For the year ended 31 December 2018

38 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS which relevant to the Group's operations are expected to have significant impact on the consolidated and separate financial statements on the date of initial application. Those TFRS become effective for annual financial reporting periods beginning on or after 1 January of the following years.

TFRS	Topic	Effective
TFRS 7*	Financial Instruments: Disclosures	2020
TFRS 9*	Financial Instruments	2020
TFRS 15	Revenue from Contracts with Customers	2019
TFRS 16	Leases	2020
TAS 32*	Financial Instruments: Presentation	2020
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation	2020
TFRIC 19*	Extinguishing Financial Liabilities with Equity Instruments	2020

^{*} TFRS - Financial instruments standards

(a) TFRS 15 Revenue from Contracts with Customers

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.

The Group has made a preliminary assessment of the potential impact of adopting and initially applying TFRS 15 on the consolidated and separate financial statements, it would be expected to has no significant impact on consolidated and separates financial statements.

(b) TFRS - Financial instruments standards

These TFRS establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting.

Management is presently considering the potential impact of adopting and initially applying TFRS - Financial instruments standards on the consolidated and separate financial statements.

(c) TFRS 16 Leases

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard, i.e. lessors continue to classify leases as finance or operating leases.

Management is presently considering the potential impact of adopting and initially applying TFRS 16 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 2018

Reclassification of accounts 39

Certain accounts in the 2017 financial statements have been reclassified to conform to the presentation in the 2018 financial statements as follows:

	2017						
		Consolidated			Separate		
	financial statements			financial statements			
	Before		After	Before		After	
	reclassi-	reclassi-	reclassi-	reclassi-	reclassi-	reclassi-	
	fication	fication	fication	fication	fication	fication	
			(in thouse	and Baht)			
Statement of financial position			V	,			
Revenue department							
receivable	_	138,465	138,465	_	-	_	
Input value added tax		,	,				
pending	_	147,237	147,237	_	82,460	82,460	
Other current assets	285,792	(285,702)	90	82,460	(82,460)	_	
Deferred income	95,518	(57,450)	38,068	36,884	(36,884)	_	
Advance income	-	57,450	57,450	-	36,884	36,884	
Advance receiving of		2.,	.,		2 0,00	2 0,00	
revenue	_	64,264	64,264	_	64,264	64,264	
Non-current liabilities	87,315	(64,264)	23,051	66,433	(64,264)	2,169	
	3.,2.22	-	,	00,100	-	_,,	
Statement of comprehensive income							
Administrative expense (Reversal of) loss on allowance for doubtful	617,176	7,033	624,209	1,154,042	(816,420)	337,622	
accounts	-	(7,033)	(7,033)	-	816,420	816,420	

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Group's business.

Other Reference Persons

Security Registrar (Common Share)

Thailand Securities Depository Company Limited

93 The Stock Exchange of Thailand Building 14th, Rachadapisek Road,

Dindaeng, Bangkok 10400

Tel. (66)2009 - 9991

Certified Public Accountant -

1. Ms.Sasithorn Pongadisak Registration No. 8802

2. Ms.Marisa Tarathornbunpakul Registration No. 5752

3. Mr.Thanit Osathalert Registration No. 5155

KPMG Phoomchai Audit Ltd.

1 Empire Tower, 50th - 51st Floor, Sathorn Road, Yannawa, Bangkok 10120

Tel. (66) 2677 -2000

Audit Fee

- 1. The audit fee of the Company and subsidiaries for the year 2018 is Bt5,050,000
- 2. Non-audit fee

-None-

Legal Consultants

Pow & Associates Law Office Limites -

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