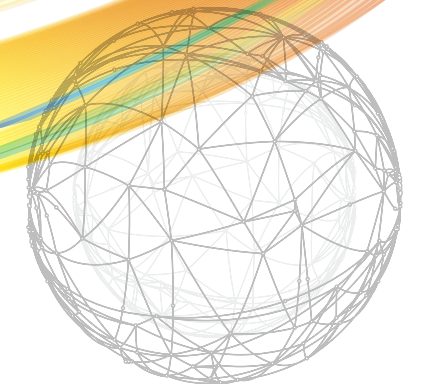


ANNUAL REPORT 2017

# NEWS NETWORK



## ANNUAL REPORT 2017 (EN)

WWW.NEWSNETWORK.CO.TH

**NEWS  
NETWORK**

**News Network Corporation Public Company Limited.**  
333 Lao Peng Nguan 1 Tower, 18th Floor, Zone A,  
Soi Choeiphuang, Vibhavadi-Rangsit Road, Chomphon,  
Chatuchak, Bangkok 10900, Thailand  
Tel: +66(2) 273 8351-8 Fax: +66(2) 273 8359  
Website: <http://www.newsnetwork.co.th>



บริษัท นิวส์ เน็ตเวิร์ค คอร์ปอเรชั่น จำกัด (มหาชน)  
News Network Corporation Public Company Limited.







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# GENERAL INFORMATION

## The Name of the Company Issued Securities

NEWS NETWORK CORPORATION PUBLIC COMPANY LIMITED

## Symbol of Securities

NEWS

## Registered in the Stock Exchange

8 October 2004

## Address

333 Lao Peng Nguan 1 Tower, 18th Floor, Zone A,  
Soi Choeiphuang, Vibhavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900  
Tel. +66 (2) 273-8351-8 Fax. +66 (2) 273-8359 <http://www.newsnetwork.co.th>

## Type of Business and Nature of Operation

Develop, sell, training, services and supports in information technology

## Capital

Capital 281,961,297,580 THB / Paid-up 67,886,863,391 THB ( at December 31st, 2017)

Shares at Par Value 1 THB

## Securities Registration

Thailand Securities Depository (Thailand) Co., Ltd.  
93 The Stock Exchange of Thailand Building, 14th Floor,  
Rachadapisek Road, Din daeng, Bangkok 10400, Thailand

## Certified Auditor

CWWP Company Limited. By Miss Wanraya Puttasatien,  
CPA. No. 4387 or Miss Jantra WongSriudomporn  
CPA. No. 4996 or Mr.Chardsakul Aonmongkol  
CPA. No. 1795 or Miss Waraporn Intaraprasit CPA. No. 7881  
128/150-153 Phayatai Plaza Buiding, 14th Floor,  
Phayatai Road, Thungphayatai, Ratchatavee, Bangkok 10400, Thailand.  
Tel +66 (2) 214 6464 Fax +66 (2) 215 4772



# MESSAGE FROM THE CHAIRMAN

Mr.Meechai Ruchuphant  
Chairman



## Message from the Chairman

In the year 2017, an important changes occurred within the advertisement sector, namely, the advertisement budget as a whole continue to show deficit as year 2016 by decreasing from Baht 107,923 million to Baht 101,445 million, or approximately 6%, which decreased for two consecutive years. The total television advertisement volume decreased from Baht 67,544 million to Baht 62,783 million, or approximately 7%, over 65% of which are advertisements in analog television. While the advertisement volume in the digital media continue to increase. The total value in year 2017 reaches Baht 12,195 million, represent an increase of 29%, indicating a significant trend of changes on spending budget on different type of media. News Network Corporation Public Company Limited and its subsidiaries fully aware of such changes and modify our business strategy for the previous year. Thus enable us to accommodate the significant changes. The Company's total revenues from operation (excluding other income) was Baht 374.342 million, increase from Baht 278.243 million in 2016, representing an increase of Baht 96.099 million or 35%. The revenue ratio comprise of 59% from media segment, 30% from new media, and 11% from technology segment and distribution and providing services for tools and equipment for health and environment segment. Notably, the revenue from new media has increased more than threefold from the previous year.

As at 31 December 2017, the Company's total asset was Baht 1,379.653 million, a decrease of 36.67% from previous year, due to expenditure on the operation of digital television, radio, and Thansettakij newspaper, couple with the diminishing value of long term investment calculated by the market price. The main obstacle being the existence of large number of entrepreneurs in digital television segment as well as the behavior alteration of advertising budget administrator that have the tendency to move the budget from television to online digital system. Therefore, the entrepreneurs exercise extreme effort to command other income other than advertisement revenue, in addition to increase their rating by investing large sum of money to purchase the contents, domestically and overseas, including the production of high quality contents such as TV Shopping and attempting to generate more revenues from digital media.

For liability and shareholders' equity: The Company's total liabilities was Baht 1,110.169 million, a decrease of 27.22% from the previous year as the result from the decrease of current liabilities by payment made to creditors from capital increase. Long-term liabilities also decrease due to decrease of license fees for digital television frequency license, however, there was increase in obligation in employee benefits. Total shareholders' equity amount to Baht 269.484 million, a decrease of 58.73% from the previous year, as a result from the loss from operation.



In the past year, the Company managed to reduce the gross loss to Baht 160.669 million, a decrease of 35.24% from the previous year. However, the Company experienced an increase of 23.62% in administrative expense and an increase of 109.62% in financial costs, thus incurring Baht 572.748 million of net loss for year, a decrease of 62% from the previous year. However, the Company plan to reduce operation cost by cessation of operation that not generate profit, namely, Radio 98.5 Mhz and substitute by broadcasting via the “SPRINGNEWS TV” application and website. The Company also plan to negotiate to reduce expenditure in purchasing contents from CNN as well as increasing revenue by seeking alliance in program production for Spring News, generate more revenue from digital media, outdoor advertisement and organizing events and activities. Hence integrating the further development and adding value to various media. The Company anticipate that such important step shall be the turning point to increase the revenue as well as reduce the expenditure significantly. Such significant attitude should ensure profit for the Company in the future.

Finally, on behalf of the Company’s directors. I would like to confirm the directors’ determination to manage the Company for the shareholders’ best benefit according to the Fiduciary Duty principle. We would make decisions carefully (Duty of Care), honestly (Duty of Loyalty), act in accordance to the law and the objectives, the rules and regulations and the shareholders’ resolutions (Duty of Obedience), disclose accurate, complete and transparent information (Duty of Disclosure) for the Company to grow in the stable and continuous manner in the future, which will directly earn the benefit to the shareholders. I would like to express my thanks all shareholders, business affiliations, financial institutions as well as related government sectors, business partners and clients for your trust and support of the Company.

Mr.Meechai Ruchuphant  
Chairman





## BOARD OF DIRECTOR/MANAGEMENT

Mr. Meechai Ruchuphant  
Chairman



Adjunct Professor Prasobsook Boondech  
Vice Chairman



Mr. Apivut Thongkam  
Vice Chairman  
( Resing on December 26,2017 )



Mr. Pinit Wuthipand  
Director and Chairman of Audit Committee



Mr. Chirasak Thanesnant  
Director and Audit Committee



Air Marshal Chartchai Rodboonpha  
Director and Audit Committee



Mr. Suthichai Bunnag  
Director



Pol.Gen. Dr. Ruangsak Jritake  
Director



Mr. Sonthiyan Chuenruetainaidhama  
Director  
( Resing on January 12,2018 )



# BOARD OF DIRECTOR/MANAGEMENT

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Capt. M.R. Chularangsri Yugala  
Director



Mr. Arak Ratboriharn  
Director and Chief Executive Officer



Miss. Watanya Wongopasi  
Director and President



Mr. Ruknung Phaholyothin  
Managing Director



Mr. Pranot Kosakarn  
Chief Financial Officer  
Corporate Secretary



## CSR Activities 2017





## CSR Activities 2017

Pursuant to the flooding situation in the Northeastern of Thailand in particular to the area of Sakon Nakhon Province from Tropical Storm Sonca which caused the heavy rain and water-overflowing of Hua Sai Reservoir that submerged the area of Muang Sakon Nakhon District. There were over 7,000 families suffered from the flooding and lacking of water, food, and health supports.

Spring News Volunteer Foundation under the association with News Network Corporation Public Company Limited, Spring News Corporation Co., Ltd., Spring News Television Co., Ltd., News Network Multimedia Co., Ltd., Thansettakij Multimedia Co., Ltd. and T-news, received the donation, e.g. food, consumer products, etc, including the charity through the Spring News Volunteer Foundation, in order to support the flood victims in Sakon Nakhon Province.

On 30 July 2017, News Network Group; News, Spring News TV Digital Channel 19, Thansettakij Newspaper, Spring Radio, Spring News Volunteer and T-news, arranged 1,500 survival bags, which each contained rice, dried food, instant noodles, medicines, drinking water, matches, candles, and other supplies, were donated through "Spring News Volunteer Foundation", to the flood victims in the area of Sakon Nakhon Province with the Royal Thai Air Force and Army authorities.









# VISION AND MISSION

## VISION


To network, enhance standard, step to worldwide.

## MISSION

- Keep being professional.
- Keep developing and seeking opportunities.
- Keep connecting alliance and create business network.
- Keep reinforcing for permanent growth business.
- Keep being center of every sectors.
- Keep benefiting for public.
- Keep being a leader of anti-corruption.
- Keep promoting environmental, health and safety.




## Details on the Board of Directors and Management.

	<b>Mr.Meechai Ruchuphant</b> Chairman Portion of Share Holding-	
	Education	: Honorary Doctorate Degree, Faculty of Law, Sisaket Rajabhat University. : Honorary Doctorate Degree, Faculty of Law, Roi Et Rajabhat University. : Honorary Doctorate Degree, Faculty of Public Administration, Burapha University. : Honorary Doctorate Degree, Faculty of Political Science, Mahasarakham University. : Honorary Degree, Faculty of Education, King Mongkut's Institute of Technology Lad Krabang . : Honorary Member, Faculty of Law. : Doctorate Degree, Faculty of Law, Bangkok University. : Doctorate Degree, Faculty of Law, Ramkhamhaeng University. : Doctorate Degree, Faculty of Law, Sri Pathum University. : Honorary Member, National Defense College, Class 36. : Honorary Doctorate Degree, Faculty of Law, Adamson University, Philippines. : Legislative Internship Program, Texas, USA. : Master's Degree, Comparative Law, Southern Methodist University. : Faculty of Law, Thammasat University.
	ExperiencePresent	: Chairman, News Network Corporation PCL. : Chairman of Constitution Drafting Commission. : Legislative Chairman of Committee 1, Office of the Council of State. : Council President, Phranakorn Rajabhat University, 2008-present. : Honorary Doctorate Degree, 20 December 2006-present. : Council President, Rajabhat Rajanagarinda University, 2012-present. : Council President, Rajamangala University of Technology suvamabhumi, February 20, 2013-present.
	Last Position	: Legislative Secretary, Office of the Council of State : President of the Draftsman Committee, Office of the Council of State




		: Draftsman Committee (Level 10), Office of the Council of State
		: Council President, Chiang Mai University
		: Council President, King Mongkut's Institute of Technology Ladkrabang
		: President, Committee of Law Amendments for National Development
		: Council President, Mahasarakham University
		: Council President, ValayaAlongkorn Rajabhat University
		: Council President, King Prajadhipok's Institute
		: President of the Committee of Parliamentary Members
	Political Career	: Legal Advisor to the Prime Minister (During SanyaThammasak's term as Prime Minister)
		: Legal Advisor to the Prime Minister (During (M.R.) Kukrit Pramoj's term as Prime Minister)
		: Legal Advisor to the Prime Minister (During (M.R.) Seni Pramoj's term as Prime Minister)
		: Legal Advisor to the Prime Minister (During Thanin Kraivichien's term as Prime Minister)
		: Deputy Secretary of the Prime Minister – Political Affairs (During Kreangsak Chamanunt's term as Prime Minister)
		: Minister of the Office of the Prime Minister (During General Prem Tinsulanonda's term as Prime Minister)
		: Deputy Prime Minister
	Legislative Career	: Member of the Legislative Branch
		: Member of the Senate
		: Member of the Legislative Branch
		: Member of the Senate
		: President of the Senate
		: Member of the Legislative Branch
		: President of the Legislative Branch



	Adjunct Professor Prasobsook Boondech Vice chairman Portion of Share Holding -	
	Education	: Bachelor's Degree, Faculty of Law, Thammasat University : Barrister-at-Law, the Thai Bar Under the Royal Patronage : Barrister-at-Law (England), the Lincoln's Inn
	Training	: Department of News Analysis, Management Training : School of Psychological Warfare, Management Training : National Institute of Development Administration, Management Development Course : The National Judicial College (U.S.A), General Jurisdiction : OCSC Management Executive Course, Second Curriculum, Class 12 : National Defense College, National Defense Course, Class 41 : Capital Market Academy, Class 10
	Experience Present	: Vice chairman News Network Corporation PCL.
	Last Position	: Member of the Office of the Council of State : President of the Senate : President of the Court of Appeal : President of the Court of Appeal, District 5 : Judge, Leader of the Supreme Court Committee : Chief Judge of the Central Intellectual Property and International Trade Court : Judge of the Supreme Court : Judge of the Court of Appeal, District 3 : Secretary General of the Office of the Judicial Affairs : Chief Judge of the Songkhla Court : Head of the Academic Department, Office of the Judicial Affairs : Judge of the Tak Court : Lecturer, Faculty of Law, Thammasat University



	Mr. Apivut Thongkam Vice chairman Portion of Share Holding -	
	Education	: Bachelor of Law, Ramkhamhaeng University : Thai Barrister at Law : Master of International Law, American University, USA : Master of Comparative Law, Howard University, USA : Certificate in Intellectual Property World Intellectual Property Organization, Switzerland : Certificate in Trend and Problem of Computer Crime from School of Criminal Justice, University of Michigan : Certificate in Executive Program "Thammasat Leadership Program" (TLP) Class 7 : Diploma in Advanced Security Management Program "Class 6" National Defense College, National Defense Studies Institute : Diploma of National Defense College The Joint State Private Sector Course Class 24 of the year 2011-2012 National Defense College, National Defense Studies Institute [NDC. Class 54 (Diploma, National Defense College, The Joint State Private Sector Course Class 24)]
	Training	: DCP course, class 89/2007 Thai Institute of Directors : DCP course, class 3/2008 Thai Institute of Directors
	Experience Present	: Vice chairman News Network Corporation Public Company Limited. (Resigned on December 26, 2017) : Independent Director Eternal Energy Public Company Limited : Vice chairman and Director, AQ Estate Public Company Limited.
	Last Position	: Expert member of the Committee for Foreign Business Operation according to Foreign Business Operation Act 1999 (B.E. 2542) Years 2007-2010 : Committees of Information Technology and Communication of the New Parliament Years 2009 : Subcommittee for Information Technology and Communication System of the New Parliament Year 2009 : Subcommittee of Committee on Monetary, Finance, Banking and Financial Institutions, Senate Year 2010




		: Extraordinary Committee for Trademark Bill Secretariat of the House of Representatives Years 2012 – 2013
		: Honorary Advisory to Committee on Energy House of Representatives Years 2011 – 2013
		: Chairman of the Audit Committee of Krisdamahanakorn Public Company Limited
		: Audit Committee of Mill Con Steel Public Company Limited
		: Former Special Professor, Master of Business Administration, Management in SMEs Program, Ramkhamhaeng University



	Mr. Pinit Wuthipand Chairman of Audit Committee Director Portion of Share Holding -	
	Education	: Bachelor of Accountancy, Thammasat University
	Training	: Training course Directors Certification Program.
		: Training course Directors Accreditation Program.
	Experience Present	: Chairman of Audit Committee / Director, News Network Corporation PCL.
		: Chairman of Audit Committee / Independent Director, SiamGeneral Factoring Public Company Limited.
		: Internal Audit, Rangsit University.
		: Director, CVN Associates Co.,Ltd.
	Last Position	: Chairman of Audit Committee / Independent Director, RPCG Public Company Limited
		: Chairman of Audit Committee/Independent Director, Paolo Medic Co.,Ltd.
		: Chairman of Audit Committee/Independent Director, Health Network Co.,Ltd.
		: Audit and Evaluation Subcommittee, Software Industry Promotion Agency.
		: Audit Committee/Independent Director, Siam General Factoring Public Company Limited.
		: Advisor to Deputy Minister of Education.
		: Advisor, Eastern Asia University.
		: Director, Office of the Rector, Rangsit University.
		: Assistant to the Rector for Administration, Rangsit University.
		: Director of Office of Property Management, Rangsit University.




	Mr. ChirasakThanesnant Director / Audit Committee Portion of Share Holding -	
	Education	: Bachelor of Laws, Thammasart University.
		: M.A. (International Relations ), Boston University, USA.
		: 23 <sup>rd</sup> Senior Executive Program of Civil Service Commission Office.
		: 40 <sup>th</sup> Directors Certification Program in year 1997, National Defence College.
	Experience Present	: Director / Audit Committee News Network Corporation Public Company Limited.
	Last Position	: Clerical staff, Department of Consular Affairs, Office of the Permanent Secretary.
		: Attache / ( Diplomatic service officer 3),Passport Division, Office of the Permanent Secretary.
		: Attache / (Diplomatic service officer 3 ), The Royal Thai Embassy at Moscow.
		: Third secretary (Diplomatic service officer 4), The Royal Thai Embassy at Moscow.
		: Third secretary (Diplomatic service officer 4 ), Office of the Secretary to the Minister.
		: Second secretary (Diplomatic service officer 5), Office of the Secretary to the Minister.
		: First secretary (Diplomatic service officer 6), Office of the Secretary to the Minister.
		: First secretary (Diplomatic service officer 6 ), The Royal Thai Embassy at Bonn.
		: First secretary (Diplomatic service officer 6), Legal Affairs Division, Department of Treaties and Legal Affairs.
		: Counselor (Diplomatic service officer 7), Translation Division, Department of Treaties and Legal Affairs.
		: Director (Diplomatic service officer 7), Protocol Division, Department of Protocol.
		: Director (Diplomatic service officer 8 ), Protocol Division, Department of Protocol.
		: Minister-Counselor (Diplomatic service officer 8), The Royal Thai Embassy at Stockholm.
		: Minister (Diplomatic service officer 9), The Royal Thai Embassy at Phnom Penh.
		: Assistant to Permanent Secretary, (Diplomatic service officer 9 ), Office of the Permanent Secretary




		: Deputy Director-General (Diplomatic Service Executive 9), Consular Affairs Department
		: Ambassador Extraordinary and Plenipotentiary (Diplomatic service officer 10 ) of Thailand to Pretoria
		: Ambassador Extraordinary and Plenipotentiary (Diplomatic service officer 10 ) of Thailand to New Delhi




	Mr.Suthichai Bunnag Director Portion of Share Holding -	
	Education	: Master of Journalism and Mass Communication ThammasatUniversity
		:Bachelor of Journalism and Mass Communication Thammasat University
		: Mini MBA. Kasetsart University
		: Diploma, Television Production Australia Film and Television School
	Training	Training course Director Accreditation Program
	Experience Present	: Director, News Network Corporation Public Company Limited.
		: Chairman, Springnews Corporation Co.,Ltd.
		: Director, Sync Technologies Co.,Ltd.
		: Chairman, RuamMueRuam Jai Co., Ltd.
		: Chairman, Springnews Television Co.Ltd.
	Last Position	: Audit Committee, Solution Corner (1998) PCL.
		: Director, Panorama Worldwide Co.,Ltd.
		: Vice President - MCOT Public Company Limited.
		: Director of Modernnine TV, MCOT Public Company Limited.
		: Director of M.C.O.T Radio Station
		: Assistant Director of Thainews agency M.C.O.T
		: Journalist Thai Television Company Limited



	Pol.Gen. Dr.Ruangsak Jritake Director Portion of Share Holding -	
	Education	: Doctorate degree - Doctor of Public Administration (Public Administration) Faculty of Political Science Bangkokthonburi University
		: Master's Degree - Master of Arts (Governance) Faculty of Political Science, ChulalongkornUniversitty
		: Bachelor Degree - Bachelor of Public Administration Royal Police Cadet Academy (Class 31)
		: Tertiary Education Armed Forces Academies Preparatory School (Class 15)
	Experience Present	: Director News Network Corporation Public Company Limited
		: Member of National Reform Steering Assembly
	Last Position	: Deputy Inspector, BangrakMetropolitan Police Station
		: Deputy Inspector, Aircraft Control Section,Command 2, Immigration Division
		: Inspector, General Service Officer, Bangrak MetropolitanPolice Station
		: Deputy Superintendent - Personnel, General Staff Division Narcotics Suppression Bureau
		: Superintendent, Crime Prevention Department Academic Division, Royal Police Cadet Academy
		: Deputy Commander, Investigation Division
		: Deputy Commander, Admission Division, Office of Human Resources
		: Commander, Admission Division, Office of Human Resources
		: Deputy Commissioner, Office of Human Resources
		: Deputy Commissioner, Office of the Commissioner General, Royal Thai Police
		: Inspector General
		: Commissioner, Police Education Bureau
		: Assistant Commissioner General
		: Deputy Commissioner General




	Mr.Sontian Chuenruetainaidhama Director Portion of Share Holding -	
	Education	: Bachelor Degree - Bachelor of Laws, Ramkhamhaeng University
	Experience Present	: Director News Network Corporation Public Company Limited (Resigned on January 12, 2018)
		: President and Managing Director T-News News Agency
		: President and Managing Director Green Panyayan Publishing T-Multimedia Group
		: President – Green Property 1282 Company Limited
		: Committee – Local Development Foundation
		: President ChuenruetainaidhamaSamnuekRak Ban Kerd Foundation
	Last Position	: President and Managing Director The Brio Mall Company Limited
		: President and Managing Director Brio Restaurant Company Limited
		: University Affairs Committee Walailak University, Nakhonsithammarat




	Mr. Arak Ratboriharn Chief Executive Officer / Director Portion of Share Holding -	
	Education	: Master of Accounting (Finance and Accounting), Thammasat University
		: Bachelor of Accounting (Cost Accounting), Chulalongkorn University
	Training	: Training course Director Accreditation Program
	Experience Present	: Director and Chief Executive Officer, News Network Corporation Public Company Limited.
		: Acting Chief Executive Officer Aqua Corporation Public Company Limited.
		: Director, Springnews Corporation Co.Ltd.
		: Director, Sync Technologies Co.,Ltd.
		: Director, RuamMueRuam Jai Co., Ltd.
		: Director, Springnews Television Co.Ltd.
		: Director, Environmental Solution Integrator Co.,Ltd.
		: Director, Newsnetwork MultimediaCo.Ltd.
		: Director, thansettakij Multimedia Co.Ltd.
		: Director, Central Laboratory (Thailand) Co.,Ltd.
	Last Position	: Chief Financial Officer, State Railway of Thailand
		: Director and to Act of President Express Transportation Organization
		: Managing Director, Ruamkij Advisory Co., Ltd.
		: Director, The Institute of Social and Economic Policy (ISEP)
		: Vice President, Investment Banking National Finance Public Company Limited.
		: Assistant Representative Mitsubishi Bank (Bangkok Representative Office)
		: Chief of Credit Team, Credit Division SITCA Finance and Securities Co., Ltd.
		: Industrial Finance Corporation of Thailand (IFCT)




	Capt. M.R. Chularangsri Yugala Director Portion of Share Holding -	
	Education	: Infantry School Infantry Officer Basic Course– Class 132
		: Civil Affairs School, Directorate of Civil Affairs, Royal Thai Army Promoting Ideas of Patriotism Class 4
		: Territorial Defense School, Army Reserves Training Center DefenceCivilian Officers Training Class 93 under the Ministry of Defence's regulations on Rank Promotion
		: Bachelor Degree - Bachelor of Science in Business and Administration University of Northern Virginia (London Campus)
		: Bellerbys College Business A Level Enrichment Programme Art A Level Enrichment Programme Business with Marketing Foundation
		: Chitralada School
	Experience Present	:Director News Network Corporation Public Company Limited
		: Managing Director – Chularangsri Company Limited
		: Partner – Oneday Hostel Bangkok
	Last Position	: Founder – Permanent Five Company Limited



	Miss. Watanya Wongopasi Director Portion of Share Holding -	
	Education	: Bachelor of English Language and Literature, Faculty of Liberal Arts, Thammasat University
	Experience Present	: Director, News Network Corporation Public Company Limited.
		: Director, Spring Corporation Co.Ltd.
		: Director, RuamMueRuam Jai Co., Ltd.
		: Director, Springnews Television Co.Ltd.
		: Director, Newsnetwork Multimedia Co.Ltd.
		: Director, thansettakij Multimedia Co.Ltd.
	Last Position	: Director, News Network Corporation Public Company Limited.
		: Advisor Investment, ktmico Securities (Thailand) Public Company Limited.
		: Advisor Investment, KGI Securities (Thailand) Public Company Limited.
		: Director, AQUA Television Co., Ltd.



	Air Marshal Chartchai Rodboonpha Independent Director/ Audit Committee Portion of Share Holding -	
	Education	: Bachelor Degree - Bachelor of Arts in Economics Adelphi University, New York, U.S.A. (Year 1976)
		: Master's Degree - Master of Business Administration (Emphasis: Management) Marshall University, West Virginia, U.S.A. (Year 1978)
		: Bachelor Degree - Bachelor of Accountancy, Bangkok University (Year 2000)
		: Officer Training School 2 - Class 3, Year 1979
		: Squadron Officer School - Class 58, Year 1987
		: Air Command and Staff College-Class 34, Year 1990
		: Thai Air War College - Class 36, Year 2002
		: Anti-Corruption Strategic Management for Senior Executives - Class No.3,Office of the National Anti-Corruption Commission SanyaDharmasakti
	Experience Present	:Independent Director/Audit Committee News Network Corporation Public Company Limited
		: Senior Expert, Royal Thai Air Force
	Last Position	: Deputy Director, Academic and Auditing System Division Royal Thai Air Force Audit Agency
		: Director, Academic and Auditing System Division Royal Thai Air Force Audit Agency
		: Chief of the Directorate of Finance, Royal Thai Air Force
		: Deputy Director, Directorate of Finance, Royal Thai Air Force
		: Auditor General of the Royal Thai Air Force Internal Audit Office
	Special Experience	: Civil Investigation Committee on Missing Fund of Wing 7 Air Force Base, Year 1983
		: Fact-Finding Committee on Tort Liabilities from Missing Low- Price Goods, Year 1983
		: Thai-Swedish Joint Cooperation Committee for the Gripen 39C/DAircraft Purchasing Project, Operational Level (National Program Office : NPO)
		: Budget and Financial Manager 10 July 2008 to 9 October 2009,Judge, Military Court



	Mr. Ruknung Phaholyothin Managing Director (Administrative) Portion of Share Holding -	
	Education	: Master of Business Administration, Major in Marketing, National Institute of Development Administration
		: Bachelor of Education, Kasetsart University
	Experience Present	: Managing Director (Administrative), News Network Corporation Public Company Limited.
		: Director, Environmental Solution Integrator Company Limited.
	Last Position	: Assistance to Executive Chairman, Thonburi Automotive Assembly Plant Company Limited.
		: Managing Director, Thonburi Samplan Company Limited.
		: General Manager, Thonburi Bus Service Company Limited.
		: Director of Asset Management Department, Committee of Asset Management and Asset Evaluation, Ploy Asset Management Company Limited.
		: Executive Director of Commercial Credit Department, Phatratthanakij Capital Public Company Limited.
		: Deputy Director of Commercial Credit Department, Phatratthanakij Capital Public Company Limited.



	Mr. Pranot Kosakarn Chief Financial Officer Corporate Secretary Portion of Share Holding -	
	Education	: Mini MBA Modern Management Program Chulalongkorn University.
		: Bachelor Degree in Financial and Banking from the University of Thai Chamber of Commerce (first class honour)
	Experience Present	: Chief Financial Officer, Corporate Secretary, News Network Corporation Public Company Limited.
		: Director, Environmental Solution Integrator Company Limited.
	Last Position	: Private investor in gold bullion.
		: Vice President, IVS&IB Operation Department TMB Bank Public Company Limited.
		: AVP, Research and Investment Advisory Division, SICCO Securities Public Company Limited.
		: Entrepreneur – Tiger prawn and Gouramis Farming
		: Director, Treasury Department and Funding Department, GE Asia Finance (Public) Co., Ltd.



## NATURE OF BUSINESS OPERATION

### 1. Historical Background

News Network Corporation Public Company Limited's business activities are distribution, installation and development of software information system, provide consultation and development of information technology system integrator, including computer network system, acquisition of hardware and software development according to customer's specification (Tailor Made). The Company's main customers are government sectors and large state enterprises. The Company have customer service standard that comply with ISO 9001:2008 quality systems. To establish confidence for our products and trust in our services, it is our determination to design and develops the processing system including our products and services to achieve standard quality. Furthermore, the Company recognized the important of the growth in media business and set the objective for the investment in the media business that emphasis on comprehensive media for news category with the aim to become "the No. 1 most popular news station in Thailand on all platforms with responsibility and become the News Center of ASEAN".

Currently the company has Baht 281,961,297,580 of registered capital and Baht 67,886,863,391 of paid up capital.

### 2. Significant Changes and Developments

- |      |   |
|------|---|
| 2010 | <ul style="list-style-type: none"><li>● Expanded business extent and founded more subsidiaries – Spring Corporation Company Limited and Solution Corner International Company Limited</li><li>● Being qualified by BVQI (Thailand) Limited that the company's working processes passed ISO 9001: 2008 standard</li><li>● In April, the company had raised registered capital of Baht 50 million to Baht 325 million and to 424,424,386 Baht. In October, it was raised to 303, 051, 600 Baht owing to the same shareholders' reinvestment as the paid-up capital of 303,051,600 Baht in order to support the business growth.</li></ul>   |
| 2011 | <ul style="list-style-type: none"><li>● In January, The Company relocated its headquarter office to 333 Lao PengNguan 1 Tower, 18<sup>th</sup> Floor, Zone A, SoiChoeiphuang, Vibhavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900, to support increasing staff.</li><li>● In January, Spring Corporation Co.,Ltd (Subsidiaries) in acquiring the existing ordinary shareholder of RuamMueRuam Jai Co., Ltd. (RMRJ) acquired 99.99% of the paid-up registered capital of RMRJ.</li><li>● Former name Solution Corner InternationCo.,Ltd.(Subsidiaries) was registered with new name Sync Technologies Co.,Ltd.Since February 21, 2011</li><li>● In June, Decrease of the Company's registered capital from 424,424,386 to Baht 424,424,384Baht.</li></ul> |



- In July, Increase of the Company's registered capital from 424,424,384 to Baht 2,912,369,800 Baht owing to the same shareholders' reinvestment as the paid-up capital of 1,515,258,000 Baht in order to support the business growth.
  - In September, Spring Corporation Co.,Ltd (Subsidiaries) increase of the Company's registered capital from 100 Million Baht to 200 Million Baht owing to the same shareholders' reinvestment.
  - In December, United State of America Department of Commerce that the company's working processes passed Excellence in Trade Certificate Gold Award For Achievement in Promoting Trade Between the United States and Thailand for 2011.
- 2012
- In December, Spring Corporation Co.,Ltd (Subsidiaries) to invest in the new company, named Spring News Television Co.,Ltd
  - In December, Sync Technologies Co.,Ltd (Subsidiaries) has been authorized as the Exclusive Distributor by AHAINC CO., LTD. who is the reputable manufacturer for Smart Class Room Technology products.
- 2013
- In February, Solution Corner(1998) PCL.,in acquiring the existing ordinary shareholder of Environmental Solution Integrator Co., Ltd. (ESI) acquired 90% of the paid-up registered capital.
  - In February, Decrease of the Company's registered capital from 2,912,369,800 to Baht 2,212,369,800 Baht. And increase the share capital from 2,212,369,800 to Baht 3,712,369,800 Baht
  - In August, the company has approved the renewal of the 3(Re-Certification) by Bureau Veritas Certification (Thailand) Ltd. Whether a company's workflow standard ISO 9001:2008
  - In December, Spring News Television Co., Ltd. participated the auction for national digital television service licenses organized by the National Broadcasting and Telecommunication commission (NBTC). The license for which Spring News Television plans to bid was news and documentary
- 2014
- In February, Decrease of the Company's registered capital from 3,712,369,800 to Baht 3,299,369,800 Baht. And increase the share capital from 3,299,369,800 to Baht 6,524,094,143 Baht
  - In October, Increase of the Company's registered capital from 6,524,094,143 Baht to 100,680,660,688 บาท
- 2015
- In April, the company changed its name from Solution Corner (1998) Public Company Limited to News Network Corporation Public Company Limited and change trading name from "SLC" to "NEWS"



- 2016
- In April, the company decrease its registered capital from Baht 43,684,661,600 to Baht 43,479,374,400 and subsequently increased the share capital from 43,479,374,400 to Baht 73,479,374,400 Baht
  - In September, News Network Multimedia Co., Ltd. (Subsidiary) has been licensed to use the 'Thansettakij' trademark for carrying on the business of publishing and distributing Thansettakij Newspaper for a period of 30 years.
  - In December, Spring News Corporation Co., Ltd. (Subsidiary) entered into the short form agreement with Turner Broadcasting System Asia Pacific, Inc., an sole-exclusive operator of CNN International Channel, Asia-Pacific Region, for exchange of information and technology
- 2017
- In July, the company decrease its registered capital from Baht 73,479,374,700 to Baht 42,540,504,235 and increase the share capital from 2,212,369,800 to Baht 3,712,369,800 Baht

### 3. Overview of the Business Operation

The company's main business is the leading provider of information technology with the following business structure divided as follows:

#### Television and New Media Business Segment

Spring News Corporation Co., Ltd.'s business operation is sourcing and producing television program with the emphasis on the production of news and informative programs. The programs are broadcast on news station in Digital Television under the name "SPRINGNEWS Channel 19" and SPRINGNEWS Satellite Television Station. The most popular programs are Prakotkarn Khao Jing, Khluk Wong Nai Inside Khao, Joh Luek Thua Thai Inside Thailand, Joh Luek Thua Thai Tonight, Lap Luang Prang Exclusive, International News Room, SPRING REPORT and Ton Reuang with Supachok Opasakul. The program contents are also simulcast via the new media such as website, online media and media on mobile phone. Furthermore, its business activities included being an agency for selling news photos and contents to program producers or licensee holders of Digital Terrestrial Television Broadcasting License.

For the operation of Spring News Corporation Company Limited, the Digital Terrestrial Television Broadcasting commenced on 24 April 2014 by converting from its Satellite Television Broadcasting, which existed since 2010, to a more competitive industry in the Digital Televisions with a significantly higher revenue sharing than Satellite Television industry. We have continuously execute the preparation for the auction of the Licensing for Commercial Digital Terrestrial Television Channels for the news category by utilizing our knowledges, skills and experiences earned from managing the Spring News Channel Satellite Television, which became popular within a very short period of time. These experience enable us to enter into a competitive environment of the Media Broadcasting industry that has the capability of reaching the general public similar to Free Television. The most important element is the program schedule that has been set to be suitable for the target viewers with the age range of 30-years old or older, residing within the metropolitan



areas and interested in following the news content programs. This would gain their interest in watching our channel. We have prepared for the acquisition of state of the art instruments and technology for television program production, re-organization of the entity and management, preparation for staff training and seminars on modern news production. We utilize the professional skills and experiences for the operation of the Digital Terrestrial Television Channel.

In the year 2018, the operation target has been determined according to the organization's vision. We aimed to be "the No. 1 most popular news station in Thailand on all platforms with responsibility and become the News Center of ASEAN", The targets for the 4 facets of our operations comprise of:-

1. To be *No.1 News Station* by creating distinct screen presentation, method of presentation and drive to propel the society development. We aim to expand the viewer base to new group of viewers, create brand loyalty and increasing our interaction with the audience. The required Key Performance Indicator (KPI) will be determined such as distinctly increase the market share and earn tangible results such as being widely known and more people loving the Spring News Channel.

2. To be the *News Center for ASEAN* by expanding the alliances for news and high quality contents with high potential domestically and internationally so we can maintain the quality and versatility of the news and contents. All of which lead to the exchange of news coverage with effective reduction of management cost.

3. To concentrate on *Personnel Development* by strengthen the opportunity for co-operation, especially for new employees. Our staff are encouraged to dedicate themselves and become fearless and determine to overcome obstacles arise from the competitive environment in news industry. We offer mentoring, supervising, encouraging and sharing of experiences from knowledgeable senior news staff. Therefore, the staff can work together professionally and strengthen the organizational culture.

4. To *reduce cost, cut the expenses and increase the revenue to the target revenue* and finding co-producers for certain time period in the effort to reduce content production cost and correspond to the television viewing behavior by determining 4 master plans that will facilitate the organization development in respect of program creation, generating revenue, controlling cost and expenditure and effective utilization of internal resources. The specific time frame should be clearly scheduled.

The operation plans to achieve the targets according to the organization's vision for year 2018 in the 4 facets are as follow: -

1. News Production

- 1.1 Targets

- To be *No. 1 News Station* in Thailand on all platforms with responsibility and become the News Center of ASEAN.

- 1.1.1 To create distinct screen presentation, method of presentation and drive to propel the society development. To expand the viewer base to new group of viewers.



- 1.1.2 To create brand loyalty and increasing our interaction with the audience. To persist on the prompt presentation of genuine news with reliability
- 1.1.3 To increase the provincial audiences by engaging more provincial news. Recognize the importance of provincial news as well as distress of provincial public at large for recognition and ratification by the respective authorities promptly, and long-term solutions by the government sectors' policies.
- 1.2 Operation Plan
  - 1.2.1 To update the news program by quarterly assessment which analyzing popularity rating and comparing with competitive programs of others TV station.
  - 1.2.2 To establish 5 dedicate teams that are ready to rapidly present the report of incidents with high mobility so the news reporting can be updated around the clock.
  - 1.2.3 To establish special team of news reporter for fieldwork armed with appropriate equipment and state of the art technology. The staff with comprehensive skills will be able to report the incidence spontaneously and continuously in the event of cessation of scheduled program in favour of the incident.
  - 1.2.4 To co-operate with alliances with potential, and established domestic and international network. To exchange news contents and encourage the expansion of viewer base.
  - 1.2.5 To establish a team to create online Viral content for increasing online news coverage, and be able to reach a specific group of news subscribers spontaneously. To attract more online viewers by organizing various activities.

## 2. Strategy and Creativity

### 2.1 Targets

- 2.1.1 To produce creative program as a form of community service by focusing on certain news topic and contents, which encourage changes for better society.
- 2.1.2 To organize activities on special occasions to maintain the Station's program rating within the top 5 programs with highest rating.
- 2.1.3 To develop presentation of the program to be attractive, modern, and support the media in every platforms.

### 2.2 Operation Plan

- 2.2.1 To produce, promote and tie-in social related content for broadcasting in multi-platform media.
- 2.2.2 To organize special occasion events to increase rating, engage social responses, maintain and strengthen relationship with our sponsors.
- 2.2.3 To seek alliances at the provincial, international and ASEAN levels.



2.2.4 To develop the programs that have passed the assessment so their standards become higher. It would then facilitate the sales and marketing of such programs.

2.2.5 To develop the daily weather forecast format as 3D AR, branding presentation that every function can be used.

### 3. Technology

#### 3.1 Targets

3.1.1 To increase mobile network equipment to support up to 500,000 users.

3.1.2 To create innovation for modern and update news presentation by utilizing equipment and various applications for speedy and rapid support, thus result in responding to the increasing needs of the new generation who interested in learning the news via Social media.

3.1.3 To create Network monitor system to monitor the system operation at all time, which eventually save both working time and personnel expenses.

#### 3.2 Operation Plan

3.2.1 To improve Wireless Lan and Network Monitoring systems.

3.2.2 To develop Mobile Application to accommodate viewers who use Smart Phones for access.

3.2.3 To acquire equipment to support View Point, Wireless Microphone, 4G Wi-Fi cameras, and News Delivery work flow.

### 4. Sales and Public Relations

4.1 To increase the revenues generated from Social Media

4.2 To organize special projects to increase revenues and attract more viewers

4.3 To organize activities to strengthen relationship with alliances and build the brand image for the station.

The Company believe that the execution of these operation plans to achieve the targets according to the organization vision is representing an important step to strengthen Spring News TV Station to command credibility as well as accepting our news presentation for its accuracy and versatility. We are determine to adhere to Media Professionalism and Ethics. Our aim is to receiving popularity and becoming No. 1 News Station of the country. Such capability should generate revenues that exceeding operation cost. We pride ourselves to be the genuine news station, presenting actual incidence, foreseeing the future and remain in the heart of people forever.



Spring News Television Co., Ltd. (Spring News Corporation Co., Ltd. (a subsidiary company) hold 99.99% of the share.) The registered share capital is Baht 1,000 million. It has been granted license from National Broadcasting and Telecommunications Commission as follow: -

Digital Terrestrial Television Broadcasting License in National Business Service category, news channel category. The company is the fourth winner for the auction at Baht 1,318.00 million. The license is for the period of 15 years, commencing from 25 April 2014 to 24 April 2029. The 24-hour broadcasting of Digital Terrestrial Television Broadcasting commenced on 8 May 2014 under the name "SPRINGNEWS TV station Channel 19". For the initial stage, the company entered into a rental agreement for using the digital television network with MCOT Public Company Limited for the term of 5 years, commencing from 1 July 2014 to 30 June 2019. For the production of television programs, SPRINGNEWS TV station emphasis on producing not less than 70% of news and information category and manage the broadcast schedule to gain the popularity to reach the top 3 most popular in the news category within the first year.

Ruam Mue Ruam Jai Co., Ltd. "RMRJ" (News Network Corporation Public Co., Ltd. hold 93.17% of the share and Spring News Corporation Co., Ltd. (a subsidiary company) hold 6.83% of the share, aggregating to 99.99% shareholding ratio). The registered share capital is Baht 1 million. Its business activities were television program production and managing advertising media, which broadcast in free television stations and SPRINGNEWS TV station. Currently, Ruam Mue Ruam Jai Co., Ltd has ceased its operation.

News Network Multimedia Co., Ltd. "NNM" It conducts business activities in various sections of digital media; production of news contents and programs, execution of public relation media operation for government sectors and private enterprises, including co-operate with alliances for the expansion of new media platform to support the growth of the digital media business in the future.

Green Net 1282 Co., Ltd. "GNET" Its business activity is news and information content services via short message service (SMS) to mobile phone.

Thansettakij Multimedia Co., Ltd. "TSM" Its business activities are print media business, and organizer for technical seminar and training.

#### Group of Innovation Technology Solution

The company offers innovative solutions related to modifications or the goods cumulative for various innovations in order to meet the needs of modern and exotic for customers as well as bring new technologies to help to provide service and management efficiently, or the presentation shall be fast, clear, economical, and more attractive to help added value to products or services for clients.



## Digital Signage Solution

Digital Signage Solution is a digital media format, and it is a new signage model which can replace sign board as it can present information of goods and services in form of static or animated pictures to attract the attention of the spectator as customers can adjust needed contents or contents which they wish to present or publish at any given time. Moreover, they can modify the displayed content rapidly without waiting for someone to install it. The displayed content can be controlled at any installation points by using Centralize Management.

Additionally, the company offers analysis, design and development of application to connect to the Digital Signage Solution in association with the movement detector devices like Kinect, LEAP Motion and portable devices such as Smart Phone, and Tablet to provide public relation or advertising to make it more interesting , attractive, and engaging more customer groups.

## Hardware products and system development and implementation

The company sells peripheral equipment, computer and information technology, along with the software product. This is a sale for project that has requirement for the company to be the one who install information technology system, including both hardware and software. Moreover, the company provide services to design, supply, develop, and install computer system and information networks such as storage system, information security system, and network connections for both inside and outside the organization (such as Intranet, LAN, WAN, Unified Communication), and management software system and information technology, etc.



## RESEARCH AND DEVELOPMENT

According to the major Company's business being in volatile industry, we have effortfully paid more attention to a research and software development. We had put the budget in the research and software development in order to create and developed new product, of which some are developed from our original ones, We attempted to enhance their ability and capacity and modern to serve the users' technological requirement in order to preserve customer loyalty and fulfill the new customer needs, leading to the customer base expansion in the short run. Besides, human resources development considered as an important matter in this field of business, therefore we attempted to have our personnel assigned on training and evaluation test in order to enhance working skills and take specialist certification examination. Thus we have improved our products and services constantly by using new technology to serve the various kinds of customer. In addition, this policy is applied to all the companies in our group.

Moreover, the Company also considers the importance of broadcasting industry marketing. We do more research about computer program using in broadcasting industry (photo, sound, and Multi Medias) which has never been developed by any company efficiency and match with entrepreneur's requirement.



## BUSINESS GOAL

The Company recognized the marketing opportunity in the growing media and technology sectors. It desires to expand the competency to support the continuously growing consumption by increasing the number of employees with expertise to develop and improve the current software to extend its capabilities to cover more tasks and increase the effectiveness.

For the media segment, the Company determined the operation target according to the organization's vision that aimed to be "the No. 1 most popular news station in Thailand on all platforms with responsibility and become the News Center of ASEAN". The Company has intended to strengthen and expand the business in the short, intermediate and long term plans to appropriately execute in correspond with the situation in the time period so the determined target can be achieved.

For the technology and electronic segment, the Company aims to develop innovative products that coherent with the existing products. There is also an intention to invest in expansion of the business with the following plans: -

1. Use SI (Systems Integration), the operation concerning to consulting and problems resolving for the entire IT system, as a business expansion tool. The Company takes a role as the systems integrator for an entire IT system relevant to customer demand, operated by the programming experts.

The Company concentrates on more specific technological services integrating component subsystems and solutions of the customers into a whole which accelerates, improves the data transfer and analysis, and also helps decreasing the cost.

2. Develop and provide application software to cover overall purposes of government and private sector that are in the need of organization management through information technology. In additional, the Company emphasizes on the wide-range application software development for all user targets which is able to apply for the other similar users' task.

3. Expand the business range to the computer tools and utilities market – trading or renting a vast mass of computer in all sizes, especially the government sector and large organizations.



## MARKET AND COMPETITION

The media segment faced with continuous change of trend and requirement of audiences. Previously audiences received news via the mainstream media such as television or radio. Hence, the competitors only limited to the market's major operators. The current trend, however, of news consumption via the new media or various social media network have increased by nearly 200%. Therefore, small operators or general public are also capable of producing similar programs or contents. Due to such un-limitation nature, the number of competitors in media segment has increased twofold. Thus it is necessary to perform analysis and modification of content as well as the extension of communication channel to reach and respond for the audiences' satisfaction.

For the technology and electronic segment, the cost is mainly for intellectual property cost. It rely very much on personal capabilities of the employees. Highly sophisticated and expensive equipment and tools are not essential. Large profit margin attracts substantial number of new entrepreneurs to this highly competitive business. Those who remain in the market must have the knowledge, capability and experience in such business as well as capable and knowledgeable staff to develop software system that differentiate themselves from competitors so they are able to satisfy the customers and be the leader in development to gain advantage over competitors. Furthermore, there are restriction in access to customers in government sectors which require the bidding method in service provider selection process. The entrepreneurs shall propose the system and cost for each project for their consideration. Entrepreneurs with government projects experience bearing good track records, sufficient funds and capability to provide confidence as well as good customer relation from the previous projects have advantage over other competitors. Previously, the Company established good relationship with customers all along.



## RISK FACTORS

### The Case of the Company relied on expert employees

Due to the nature of the business, the Group Companies have to rely on employees with different field of specialty such as mass communication, communication technology, information technology system and programming. Should the Company lose such personnel in one way or other, it will affect the main revenue of the Company. The severity of which depend on the number of personnel and amount of work load loss as well as time period required for the acquisition of new staff or development of replacement staff. In the past, employee resignation and acquisition of new staff occurred quite often. However, Company has never experienced short of staff to the extent of interfering with the operation or delayed delivery. Nevertheless, the Company has measure to reduce risk from such personnel leaving by dividing business units as well as distribution of roles and responsibilities as well as set up the plans for human resources development continually to prevent business halted. There are supervisors overseeing the personnel development plans.

Furthermore, each specialist is assigned with different tasks. In any projects, the Company will assign several programmers to develop the program not the sole individual taking the whole task in order to reduce the risk. Likewise, the Company also has the policy to sustain and support all staff to strengthen the bound between them and the Company, and provides them the reasonable salary rate and social welfare to influence them working for the Company in the long run. The Company even reserves 5 more percent of System Analysis division workforce exceeding the entire workforce in Programmer division, aims to sustain the efficiency and systematization of programmers training, and also invents knowledge-based leaning for newly recruited programmers to cope with the whole task progresses within 2-4 weeks.

Thus, in case some programmers resign, the Company is able to replace them with the newly recruited ones instantly. For System Analysis division, the Company provides the policy to support any promising programmers to be the experts in their field by selecting from qualified programmers with tangible knowledge and the outstanding self-developed skill. Moreover, the Company has the entire staff in System Analysis division to sign an agreement not to accept any works from their customers for 2 years after resigning or being discharged.

### Risks of replica software

Some products might be able to copy and change its source code to use in other purposes without authorities. The company has prevented this by add more password to protect its source code and has an agreement with its customers not uses its software out of the agreement.



## Risks on high and many competitors

There also are new comers in this business all the time and may use the low-price strategy, therefore the company has the policy to develop high technology software to increase its performances and be used by many organizations who want to maintain their efficiencies and link their own work with the company. At the same time to keep the market share, the company always develops new and reliable software. Besides the company's software can work on web application but other programs still work on client/server.

## Utmost Volatile Technology Business

Total income of the Company is totally based on hardware and software considering as one of the utmost volatile products. Nevertheless, the Company has attempted to prevent the effects of aforementioned matter as the followings:

- 1) No stocking policy, in each project the company will order hardware products enough for the customers' orders and send all to them.
- 2) Software product, the company will order whenever it suits the good price or good bargain enough for the next changed technology.
- 3) Software product was developed by the company itself, and was assigned to selected persons. They would develop and research to meet the new technology all the time. As the company never have any problems in this issue.
- 4) The company always set up the training to improve and keep to new technology as the company never has any problems in this issue.

## Incidental Data Loss

In case of the uncontrollable situation such as arson, black out that can damage the data or developing programs, however the company has asked the programmers to keep all data in the central unit daily and set up the supply electricity in case of emergency so the staff can keep the data in time and also keep the data in the vault of the bank as well.

## Major Income Relied on Government Sector Clients

In the year 2015, the company derived 80% of the total revenues from bidding government sector's contracts. This portion of revenues depends on the capability to win the bidding for projects. The uncertainty of which depends on the budget of that particular department as well as government's various policies. However, the Company has exceptional records for previous projects due to the capability to comply with the projects' conditions and great track records. Our trustworthy reputation has been accepted by the governments sector. The government has the policy to introduce the information technology system to be utilized in various departments to enhance their effectiveness. Therefore, it is considered an excellence opportunity for the Company with a history of performing large quantity of governmental jobs for reference in future auction. Nevertheless, the Company has prepare numerous new products to present to customers in



various private institutions or group of individuals. This has been performed via two subsidiary companies. Sync technologies Co., Ltd. (Sync) which focus on educational information technology system for comprehensive coverage of educational system starting with consultation, design, installation, administration and maintenance and services including training of utilization. Environmental Solution Integrator Co., Ltd. (ESI), which its business activities are import and distribution of analytical equipment for monitoring safety and health hazard risk in factory and environment, design and install monitoring system as well as measuring the quality of toxic substance in the air for the permanent and temporary monitoring stations well as well as mobile test unit, Consultancy service business and sell environmental management equipment for building, plant, or industrial estate. While the revenues of Spring News Corporation Co., Ltd., another subsidy company, which constitute over 50% of total revenues of the Group Companies, derived mostly from private sector. Thus it diversified the business operation risk.

### Risks on Security

In case of the employee can get in to the data and change the programs even though set up the password to control in each computer, the company has set up the password systems so it could be checked that who used this computer and when. The company also set up the authorized systems to allow the users in using the data in proper levels. And in the employment condition, it has the agreement that the employee cannot pass out any information to the third party and also has the compensation for any violation.

### Late payment

Technically, software development for project clients charge within 45-90 days differed according to types of programs and project size after works examination. Eighty percent of the clients, however, is government sector that may cause the payment delay for two months due to its obligatory red tape that affects to the Company's liquidity problems. Nevertheless, the annual government expenditure support assures the Company of non-bad debt issue occurrence. Previously, the Company has provided bad-debt provision policy by consideration on each client regarding to interval and debt value relevant to clients' payment history and current financial status.



## INCOME STRUCTURE

The revenues structure for News Network Corporation Public Company Limited and its subsidiaries can be classified according to the goods and services categories as follows: -

Unit  
Thousand  
Bah

Goods and Services	Operator	2017		2016		2015	
		Amount	%	Amount	%	Amount	%
Technology Products Software Products Hardware Products Maintenance and Other Services	News Network Corporation Public Company Limited Sync Technologies Co., Ltd.	4,489	1.20	12,148	4.37	27,656	13.00
Digital Television and Radio Media Products Digital Television Advertising TV Program Production Radio Advertising Newspaper Business Online advertising	Spring New Corporation Co., Ltd.  Spring News Television Co., Ltd. RuamMueRuam Jai Co., Ltd. News Network Multimedia Co., Ltd. Thansettakij MultimediaCo., Ltd., Green Net 1282 Co., Ltd.	333,739	89.15	198,638	71.39	139,643	65.63
Health and Environment ProductsGoods and Services	Environmental Solution Integrator Co., Ltd.	36,114	9.65	67,457	24.24	45,469	21.37
Total		374,342	100.00	278,243	100.00	212,768	100.00



Remark : - The structure of revenues of News Network Corporation Public Co., Ltd. and its subsidiaries: in 2017 the Company's main business activities is media segment. Its operation cover comprehensive multi-platform media with the coverage on digital television, radio, newspaper, magazine and online advertising. The emphasis is on the digital television as news agency operation under SPRINGNEWS Channel 19 and the radio SPRINGRADIO. The Company has the determination to modernize, increase the broadcasting potential, and expand additional method of reaching viewers. With the inclusion of the print media, Thansettakij newspaper and the online advertisement on various social media platform, these activities generated 89.15% of the revenue.

- 1.20% of the revenue generated from technology product distribution and consultation on information system design segment, including network system service. Also, 9.65% of the revenue generated from distribution of tools and equipment, and providing project installation services for health and environment segment.



## INTERNAL AUDIT

The company puts the internal audit to be the priority and has assigned the scopes of duties for the management and employees in writing clearly. Likewise, the company has set up the asset control systems and assigned people to separately respond. Furthermore the company has also set up the internal audit to find any errors and does cross checking. The company has agreed to prepare reports to the audit committee to consider as well as given any opinions to the company committee to help adjust the internal audit systems. Besides the internal audit has to report to the audit committee directly for the ease in assessment. This would be divided into 5 departments as follows:

The Audit Committee had monitored and evaluated the Company's internal control system in each specific field as follow:

### 1. Organization and Environment

The Company sets forth the evaluable, distinct operational objectives being reviewed, considers the possibility of objectives on a periodical basis regarding personnel's incentive motivation or compensation, as well as provides the appropriate organization chart, authority manual and ethical conduct in writing for personnel's operation.

### 2. Risk Management

Internal and external risk assessment is required in order to conduct financial projection and annual budget; as such risks affect the Company's business conduct. The Company therefore has monthly reviewed a report of comparison and budget under the monitoring of internal audit on a periodical basis.

### 3. Compliance by the Management

The Company has determined scope, responsibility, authority, and approval amount of each management in writing. Clear segregation of duties is made on transaction approval, accounting entry, assets supervision and storage. Transactions relevant to executive personnel and relatives are monitored and reviewed all lists thereof by executive administrators. The Company specifically focuses on its subsidiaries' business conduct by appointing committees and directors to monitor and manage it, approving annual work program, and following up with its subsidiaries' business conduct in a periodical basis. To be compliance with enforced laws, the Company has acknowledged executive directors the laws related to business conduct as they must comply to, and reviewed its compliance by directors and internal audit.

### 4. Information Technology System and Communication

The Company has valuable information in various topics to support the management's decisions. Documents are well filed. Accounting entries and supplemental documents are properly and completely classified in compliance with the generally accepted accounting principles and to be in line with the business nature.



## 5. Monitoring System

The Company sets up a consistent reporting and monitoring system in case its performances contrary to the objectives; the management has to pass the resolution with specific monitoring session. Its Internal Control Department has revised, evaluated internal control system, and followed up especially high-risk level activities in line with risk management system. The monitoring plan has been set beforehand to review subsidiaries and their activities frequency related to the risk evaluation.

This complies with the Board of Directors' opinions that there is a sufficient and an effective internal control system in the company.

In 2017, Audit Committee comprises of 3 independent directors to review and monitor internal control system in compliance with the law on Securities and Exchange and Stock Exchange of Thailand regulations. The Audit Committee holds meetings at least 4 times a year, prepares the Company's Annual Report to be considered by audit committee in line with Stock Exchange of Thailand regulations, and assigns the Company's internal audit to prepare, evaluate, and monitor internal control system for the purposes as follow:

1. To improve internal control system efficiency.
2. To establish policy, process, and revenue recognition in conformity with generally accepted accounting principles.
3. To prevent risks regarding enterprise asset management.
4. To scrutinize and prepare business conduct manual containing regulations in line with internal control system.
5. To establish and bring forward systematic operations in order to lessen time and overall operational processes.



## Related party transactions

1. Related entities or person or those having relationship with the Company: The values incurred on inter-transactions, both assets and liabilities, are as follow: -

Related entity or person/ Relationship with the Company	Relationship	Nature of transaction	Value of related party transaction for the period ended 31 December 2017  (Baht)		Value of related party transaction for the period ended 31 December 2016  (Baht)		Reasons and necessities of transactions
			Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	
Sync Technologies Co., Ltd.	The Company hold shares at 99.99% and common directors	Short-term loan	-	10,000,000	-	8,000,000	Reserve fund for subsidiary's working capital
	Other receivables	Allowance for doubtful debt	-	-8,000,000	-	-5,500,000	
	Accrued income	Accrued expense	-	107,895	-	18,190	Normal course of business
	Accrued interest receivable		-	12,000	-	-	Normal course of business
			-	363,562	-	104,795	Normal course of business



Related entity or person/ Relationship with the Company	Relationship	Nature of transaction	Value of related party transaction for the period ended 31 December 2017  (Baht)		Value of related party transaction for the period ended 31 December 2016  (Baht)		Reasons and necessities of transactions
			Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	
Spring News Corporation Co., Ltd.	The Company hold shares at 99.99% and common directors	Short-term loan	-	1,456,500,000	-	1,201,500,000	Reserve fund for subsidiary's working capital  and lending to indirect subsidiary to pay for license fee of digital television frequency license for Spring News Television Co., Ltd.
		Allowance for doubtful debt		- 1,296,500,000		- 1,201,500,000	
	Trade receivables	Asset rental	-	424,490	-	45,957	Normal course of business



Related entity or person/ Relationship with the Company	Relationship	Nature of transaction	Value of related party transaction for the period ended 31 December 2017  (Baht)		Value of related party transaction for the period ended 31 December 2016  (Baht)		Reasons and necessities of transactions
			Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	
	Other receivables	Expense advance	-	690,480	-	104,860	Normal course of business
	Accrued income		-	100,000	-	-	Normal course of business
	Accrued interest receivable		-	84,781,164		26,130,411	Normal course of business
	Trade payables	Service fee	-	1,633,025	-	1,149,659	Normal course of business
Environmental Solution  Integrator Co., Ltd.	The Company hold shares	Short-term loan	-	71,900,000	-	62,000,000	Reserve fund for
	at 90% and common directors	Allowance for doubtful debt		-61,819,380		-47,519,380	subsidiary's working capital



Related entity or person/ Relationship with the Company	Relationship	Nature of transaction	Value of related party transaction for the period ended 31 December 2017  (Baht)		Value of related party transaction for the period ended 31 December 2016  (Baht)		Reasons and necessities of transactions
			Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	
	Trade receivables	Sales of goods	-	2,891,236	-	2,891,236	Normal course of business
	Other receivables	Expense advance	-	1,311,820	-	1,130,240	Normal course of business
	Accrued income		-	73,000	-	-	Normal course of business
	Accrued interest receivable		-	2,146,959		1,529,123	Normal course of business
News Network Multimedia Co., Ltd.	The Company hold shares at 99.99% and common directors		-	100,500,000		52,500,000	Reserve fund for subsidiary's working capital



Related entity or person/ Relationship with the Company	Relationship	Nature of transaction	Value of related party transaction for the period ended 31 December 2017  (Baht)		Value of related party transaction for the period ended 31 December 2016  (Baht)		Reasons and necessities of transactions
			Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	
		Other receivables	-	1,288,152	-	16,050	Normal course of business
		Accrued income	-	15,000	-	-	Normal course of business
		Accrued interest receivable	-	4,382,192	-	1,225,753	Normal course of business
Thansettakij Multimedia Co., Ltd.	Indirect subsidiary	Other receivables		53,500	-	-	Normal course of business
	News Network	Accrued income		50,000	-	-	Normal course of business
	Multimedia Co., Ltd. hold shares at 80%						



Related entity or person/ Relationship with the Company	Relationship	Nature of transaction	Value of related party transaction for the period ended 31 December 2017  (Baht)		Value of related party transaction for the period ended 31 December 2016  (Baht)		Reasons and necessities of transactions
			Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	
Ruam Mue. Ruam Jai Co., Ltd.	Indirect subsidiary Spring News Corporation Co., Ltd. hold shares at 99.99% and common directors	Short-term loan	-	10,000,000	-	-	Reserve fund for subsidiary's working capital
		Allowance for doubtful debt		-		-	
		Accrued interest receivable		383,562	-	-	Normal course of business
		Allowance for doubtful debt		-	-	-	



Related entity or person/ Relationship with the Company	Relationship	Nature of transaction	Value of related party transaction for the period ended 31 December 2017  (Baht)		Value of related party transaction for the period ended 31 December 2016  (Baht)		Reasons and necessities of transactions
			Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	
Spring News Television Co., Ltd.	Indirect subsidiary  Spring News Corporation Co., Ltd. hold shares at 99.99% and common directors	Other receivables	-	-	-	54,906	Normal course of business
Green Net 1282 Co., Ltd.	The Company hold shares at 99.99% and common directors			20,800,000		13,300,000	Reserve fund for subsidiary's working capital



Related entity or person/ Relationship with the Company	Relationship	Nature of transaction	Value of related party transaction for the period ended 31 December 2017  (Baht)		Value of related party transaction for the period ended 31 December 2016  (Baht)		Reasons and necessities of transactions
			Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	
		Other receivables	-	1,199,664	-	2,755,198	Normal course of business
		Accrued income		40,000	-	-	Normal course of business
		Accrued interest receivable	-	549,452	-	545,438	Normal course of business
T-News TV Co., Ltd.	Affiliate of Green Net 1282 Co., Ltd.  The Company have joint	Short-term loan	-	-	28,000,000	24,000,000	Reserve fund for working capital
		Allowance for doubtful debt	-	-	-24,000,000	-24,000,000	



Related entity or person/ Relationship with the Company	Relationship	Nature of transaction	Value of related party transaction for the period ended 31 December 2017  (Baht)		Value of related party transaction for the period ended 31 December 2016  (Baht)		Reasons and necessities of transactions
			Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	
	venture agreement in	Trade receivables	-	-	270,987	-	Normal course of business
	accordance to the	Other receivables	-	-	983,865	-	Normal course of business
	board of						
	directors' resolution,	Accrued income	-	-	25,500	-	Normal course of business
	awaiting restructuring	Accrued interest receivable	-	-	1,100,913	907,397	Normal course of business
	of						
	T-News TV Co., Ltd.	Trade payables	-	-	214,000	-	Normal course of business
		Other payables	-	-	21,305	5,607	Normal course of business



Related entity or person/ Relationship with the Company	Relationship	Nature of transaction	Value of related party transaction for the period ended 31 December 2017  (Baht)		Value of related party transaction for the period ended 31 December 2016  (Baht)		Reasons and necessities of transactions
			Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	
Green Property 1282 Co., Ltd.	Affiliate of	Rental deposit	90,000	-	90,000	-	Normal course of business
	Green Net 1282 Co., Ltd.	Other payables	196,445		92,687		Normal course of business
Green Panyayan Publishing Co., Ltd.	Affiliate of  Green Net 1282 Co., Ltd.	Trade payables	-	-	17,188	-	Normal course of business
T-News Press Co., Ltd.	Affiliate of  Green Net 1282 Co., Ltd.	Trade receivables	1,209,635	-	-	-	Normal course of business



Related entity or person/ Relationship with the Company	Relationship	Nature of transaction	Value of related party transaction for the period ended 31 December 2017  (Baht)		Value of related party transaction for the period ended 31 December 2016  (Baht)		Reasons and necessities of transactions
			Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	
JK Thai Trading Co., Ltd.	Affiliate of  Green Net 1282 Co., Ltd.	Trade receivables	-	-	90,884	-	Normal course of business
Media Expertise International  (Thailand) Co., Ltd.	Related company by a  relative of the subsidiary's director as a director	Trade payables  Accrued expense	-  -	-  -	314,977  1,118,707	-  -	Normal course of business  Normal course of business
Khun Arak Ratboriharn	Director	Other receivables  Other payables	-  -	-  -	3  100	-  -	



Related entity or person/ Relationship with the Company	Relationship	Nature of transaction	Value of related party transaction for the period ended 31 December 2017  (Baht)		Value of related party transaction for the period ended 31 December 2016  (Baht)		Reasons and necessities of transactions
			Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	
Khun Watanya Wong-Opasri	Director	Other receivables  Short-term loan   Accrued interest payable	-  2,000,000  12,658	-  -  -	3  -  -	-  -  -	Normal course of business  Normal course of business
Khun Suthichai Bunnag	Director	Other receivables	-	-	3	-	
Khun Ruknung Phaholyothin	Director	Short-term loan  Accrued interest payable	1,500,000  7,397	-  -	-  -	-  -	Normal course of business  Normal course of business



Related entity or person/ Relationship with the Company	Relationship	Nature of transaction	Value of related party transaction for the period ended 31 December 2017  (Baht)		Value of related party transaction for the period ended 31 December 2016  (Baht)		Reasons and necessities of transactions
			Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	
Khun Yuth Shinsupakkul	Creditor - Short-term loan	Short-term loan	9,965,638	-	-	-	Normal course of business
Khun Suppachai Sasomboon	Shareholder of indirect subsidiary Thansettakij Multimedia Co., Ltd.,	Accrued expense	125,000	-	125,000	-	Normal course of business



Related entity or person/ Relationship with the Company	Relationship	Nature of transaction	Value of related party transaction for the period ended 31 December 2017  (Baht)		Value of related party transaction for the period ended 31 December 2016  (Baht)		Reasons and necessities of transactions
			Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	
Khun Suchai Meekhantong	Shareholder of indirect subsidiary Thansettakij Multimedia Co., Ltd.,	Accrued expense	125,000	-	125,000	-	Normal course of business
Khun Tatchapong Thamputthipong	Director  Green Net 1282 Co., Ltd.	Trade receivables	-	-	3,200	-	Normal course of business



Related entity or person/ Relationship with the Company	Relationship	Nature of transaction	Value of related party transaction for the period ended 31 December 2017  (Baht)		Value of related party transaction for the period ended 31 December 2016  (Baht)		Reasons and necessities of transactions
			Consolidated Financial Statements	Separate Financial Statements	Consolidated Financial Statements	Separate Financial Statements	
Khun Woranat Boonprik	Former director of a subsidiary	Loan receivable	-	-	2,500,000	-	Reserve fund for working capital
		Accrued interest payable	-	-	684,394	-	Normal course of business
		Accrued expense	-	-	226,951	-	Normal course of business



## 2. Approval Process for Inter-Transaction with Related Party

For incurring the inter-transaction between the Company, its subsidiaries and parties that may have conflict of interest, interested parties or parties that may have conflict of interest in the future, the Company has the policy to determine that inter-transaction process be processed as the normal course of business or at the price comparable to outside parties. In case the price cannot be compare to those of outside parties, the mutually-agreed price will be used to determine the appropriate prices for goods and service. The directors considered and approved the inter-transactions according to their scope of duties and responsibilities. The said inter-transaction is then presented to the audit committee to consider the necessity and reasonability of the transaction.

During the year 2017, the Company and its subsidiaries have incurred inter-transactions for both assets and liabilities. They also incurred inter-transactions with related parties with the conditions to apply the market price or comparable price. The audit committee has already considered the appropriateness and the value of the inter-transactions. Additional information can be found in the note to financial statements.



## GOOD CORPORATE GOVERNANCE

### Policy

The company committee must concern on the important of the policy related to the control of the company including the structures and the authorizes of the company committee, the right and fairness of the shareholders and stakeholders. Likewise the committee also response in controlling and disclose any information correctly to the shareholders and public. It must maintain the good attention and risks management for the investors' interest as well as also practice in good moral and good governances for all parties.

### Rights of Shareholders

The Company is well aware and values the rights of shareholders. It also facilitates the exercise of the shareholders' rights that they are entitled to indiscriminately. The Company has the policy to provide accurate company's information and news by the mean of shareholders' meeting, which is held at least once every year. All shareholders have the right to provide recommendations and participate in decision making for any major changes of the Company. It support and facilitate all shareholders equally. The shareholders' meeting is held at the date, time and venue that the shareholders have convenience access and the prior notice of the meeting is provided with the detail of the required document necessary for the meeting participation. The Company has the policy to facilitate the shareholders who are unable to attend the meeting where the shareholders can appoint other persons or the Company's independent directors as proxy to vote on their behalf. At every shareholders' meeting, the Company's Board of Directors and the Audit Committee shall attend the meeting. They are available to answer any question raised by the shareholders. The Company's President or the representative as the chairman of the meeting shall allow sufficient time for the shareholders to appropriately raise questions and recommendations to the meeting in line with the meeting's agenda and proposed matters.

### Equitable Treatment of Shareholders

The Company has the policy to facilitate all shareholders, which they are treated equally and fairly in reviewing and expressing opinion on the Company's operation. It is also the Company's policy to comply with the Company's rules and regulations thus providing alternative for the shareholders who unable to attend the meeting where the Company always enclosed proxy form with the prior notice of meeting. The shareholders can appoint either Independent Directors, Audit Committee or other persons as their proxy to attend the shareholders' meeting and to vote on their behalf.



## Conflict of Interest

In order to prevent the conflict of interest that may incurred from transactions and ensure transparency, the Company assigned the Board of Directors to consider the approval for the transactions that may incurred conflict of interest and the person that may have interest in the said transaction shall refrain from voting. For the related-party transactions within the scope of the rules, pronouncements, orders, conditions or regulation issued by the Stock Exchange of Thailand, the Company shall comply with the rules and regulations stipulated by the Stock Exchange of Thailand. The Company is monitoring the usage of the inside information and only the personnel involved will have access to the inside information. The executives are prohibited from using the inside information for their personal gain. Also the Company's executives shall report on the changes of their securities to the Securities and Exchange Commission in accordance to Section 59 of the Securities and Exchange Act B.E. 2535.

## Rights of Stakeholders

The Company is well aware and value the rights of every sections of the stakeholders; from outside stakeholders, including the shareholders, employees, customers, business partners and/or creditors, trade competitors and the general public. The details for each section are as follow: -

- Employees : The Company focus on encouraging the on-going development of knowledge and skills for all levels of employees. The employees are treated equally and receiving the same opportunities. The appropriate compensations and welfares are awarded fairly. The provident fund has been established to provide additional benefit to the employees. They are treated in accordance with the rules and regulations under the Labor Law and Welfare Regulations, in addition to being respected for their personal rights and duties. The good working environment is created for the employees' health, and safety for their lives and belongings. They are encouraged to perform work under the mutual good values and unity within the organization.
- Business Partners and Creditors : The Company strictly upholds and complies with the terms and conditions entered into with the business partners and/or creditors. The requesting for, receiving or accepting assets or other benefits that are deceitful should be made to the business partners and/ or creditors. Should the terms and conditions could not be complied or any indication of the dishonest act has incurred, the business



partners and/or creditors shall be informed immediately to work together in solving the problems and preventing damages.

- Customers : The Company attend to the customers and take responsibilities in producing qualities goods with high standards. It respond to the customers' requirements and emphasis on the important of the qualities of the goods and services, reasonable pricing and timely delivery.
- Business Competitors : The Company has the policy to treat all business competitors equally and honestly. The business competition should be conducted with ethics and pursuant to the related laws and regulations. The rules and regulations for the competitions should be complied.
- General Public : The Company is well aware that business operation should have social responsibilities. It determined to be responsible for the environment and the community at both customers and the Company's locations. It also complies with the laws and related regulations.

## Disclosure and Transparency

The Company ensure that all important information relevant to the company, both financial and non-financial that are specified in the regulations of the Stock Exchange of Thailand, is disclosed correctly, accurately, on a timely basis and transparently for the benefits of the shareholders, investors and analysts. The Company constantly updated the information and news so they are always current information and news.

## Financial Reporting Quality

The Board of Directors have supervise and monitor that the financial reports prepared by the Company contain accurate and complete significant accounting information with transparency. It should conformed to the generally accepted accounting standards, and appropriate accounting policies are applied on the regular basis. The Board of Directors has set up the effective risk management and internal control systems. The Audit Committee has been appointed to monitor the quality of the financial reporting and the internal audit system. The Board of Directors has prepared Report of Board of Directors' Responsibilities for the Financial Reporting and the Audit Committee has presented the audit report as published in the Company's annual report.

## Relationship with Investors

The Company established Investor Relation department as the representative in communicating with the shareholders, institution shareholders, investors, securities analysts and the general public.



The information is published on multi-channels such as the Stock Exchange of Thailand, the Securities and Exchange Commission, including the Company's website at [www.newsnetwork.co.th](http://www.newsnetwork.co.th). The investors can request for the Company's information via the Company's website at [www.newsnetwork.co.th](http://www.newsnetwork.co.th) or send email to our E-Mail Address at [ir@newsnetwork.co.th](mailto:ir@newsnetwork.co.th) or telephone number 02-273-8351.

## Sub-Committee

### Structure of the Board of Directors

The Board of Directors have the policy to comply with the Best Practice for Directors of Listed Companies regarding the duties and responsibilities of the Board of Directors. They shall conduct their duties honestly, comply with all laws, the objects and the articles of association of the Company, be accountability to shareholders, determine to carry on the business continuously, implement and direct the Company's policies, monitor and supervise its operations with effectiveness and efficiency. The Board of Directors also responsible for the financial reporting. The Board of Directors meetings shall be held regularly. The Audit Committee has been appointed to monitor the Company's internal control system to ensure the transparency in the operation thus maximize the benefit of the Company and the shareholders. The Board of Directors comprised of 12 directors, including the Audit Committee. The Audit Committee comprised of 4 independent directors representing minority shareholders, which is exceeding one-third of the total number of directors. This complied with the good corporate governance determined for the public limited company and should be sufficient for reviewing the management and operation of the Company. For the effective corporate governance, the term of office for the directors is 3 years. The one-third of the directors with the longest term in the office will retire on rotation.

### The Board of Directors' Meeting

The Board of Directors set to meet at least 4 times in one year. Additional meetings are also held such as operation plan for the year. The President, Chief Operating Office and Deputy Chief Operating Officer of Accounting and Finance Department are overseeing and approving the agendas. The Board of Directors' meeting shall have concise agenda and sufficient supporting documents. These documents shall be sent to the Board of Directors at least 7 days prior to the meeting so the directors have enough time to learn about the issues. The directors can request additional information from the Company's secretary.

It is the President's policy to encourage the careful exercise of discretion and allocate sufficient time for the meeting; therefore, the management has the abilities to propose and discuss significant matters thoroughly. The Board of Directors has assigned the Company's secretary to hold the responsibility of supporting the preparation of the agenda, sending invitation letters, organize the meeting, record the details of the meeting and prepare meeting's minutes. In 2016, the Board of Directors held a total of 10 meetings. The details of the attendance of individual directors are disclosed under the Management Structure.



## Nomination and Appointment of Company Directors

The company directors shall be appointed by the Annual General Meeting of shareholders. One-third of the company directors shall retired from office at every Annual General Meeting of shareholders. If the number of company directors to be retired is not multiple of three, the number of company directors nearest to one-third shall vacate their office. The company directors to be retired by rotation shall be considered from the ones who have the longest term in office. The company directors that retire by rotation are eligible for re-nomination.

In 2016, the Company established the nomination committee to search for eligible director candidates. The criteria for eligible candidate is based on person with knowledge, skills, experiences, and vision that benefit the Company's operations. The director candidates shall also possessed of qualifications under the criteria stipulated in the Section 68 of the Public Limited Company Act B.E. 2535, the related Notifications of Capital Market Supervisory Board and the Securities and Exchange Commission. The details of such director candidates shall be proposed to the shareholders' meeting for consideration of appointment, by applying the following criteria: -

- 1) Each shareholder has votes in a number equal to number of shares held.
- 2) Each shareholder may exercise the votes under (1) to elect one or more persons as the directors, but the votes are not distributable.
- 3) The candidates who obtained the highest votes in descending order in a number equal to that of directors to be appointed are elected directors of the company. In the event of a tie at a lower place, which would make the number of directors greater than that required, the chairperson of the Annual General Meeting shall exercise a casting vote.

At every Annual General Meeting, one-third of the existing company directors shall retired from office. If the number of company directors to be retired is not multiple of three, the number of company directors nearest to one-third shall vacate their office. The company directors that retire by rotation are eligible for re-nomination.

In case of the vacancy in the office of company directors other than vacating office on expiration of term of office, the Board of Directors shall select legible person, who has full qualification and not have any prohibited characteristics under Public Limited Companies Act, to fill the vacated position in the next Board of Directors' meeting, except the remaining term of office is less than two months. The replacement director shall be in office for the remaining period of the director being replaced. The resolution of the Board of Directors shall be approved by not less than three quarter of the remaining directors.



## Monitoring of Operations by Subsidiaries

It is the Company's policy for management of the subsidiary companies by appointing representative, which is the company directors or executives to be the directors or executives of the subsidiary companies. They jointly participate in management of the subsidiaries, supervise and implement the policies of management.

## Monitoring of Insider Information Utilization

The Company has the policy for preventing the personnel from revealing insider information to outsider or for personal interest, including security trading. The Company's policy and method of supervising internal information usage are as follow;-

- 1) Inform the directors and executives of duty in reporting for any share holdings by them and their spouses, including their off springs that has not reached sui juris. They are also aware of the penalty according to the Securities and Exchange Act B.E. 2535 and the rules and regulations of the Stock Exchange of Thailand.
- 2) Determine that the executives shall report any alteration of share holdings to the Securities and Exchange Commission as well as forwarding a copy of the said report to the Company within the same day as reporting to the Securities and Exchange Commission.
- 3) Sending circular to inform executives that the executives who have acknowledge significant information which affecting the alteration of stock price shall refrain from trading the Company's securities within one month prior to the financial statements and information thereon are disclosed to the public, and forbidding disclosure of such significant information to other person.



## Auditor Fee

### 1. Audit Fee

The Company and its subsidiaries paid audit fee to CWWP Co., Ltd. for the fiscal year 2017 as follow: -

News Network Corporation Public Co., Ltd.	Amount	1,350,000	Baht
Subsidiaries	Amount	<u>2,315,000</u>	Baht
Total Audit Fee	Amount	<u>3,665,000</u>	Baht

### 2. Non-Audit Fee

-None-



## ETHICAL CONDUCT

### News Network Corporation Public Company Limited

The Company's business ethical conduct is listed as the followings:

Prestigious service

In accordance of the Company business ethics, it is necessary to stipulate the business ethics frame as the principles of conduct for executive directors and employees to adhere as follows:

#### Ethical responsibility to employees

Employees are the priceless resource and the main factor to the Company accomplishment. Thus, the Company immerses itself into the great workplace environment and organizational culture innovation, teamwork support, fair and equitable treatment to employees, and the individual respect providing. Employment, appointment, and relocation of employees, are considered based on merit system basis and the most efficient human resource allocation.

The Company is responsible for maintaining a safe workplace environment for employees' life and assets and rigorously adhering Labor Protection Act.

#### Ethical responsibility to shareholders

The Company is concentrated in being the business satisfactory representative of the shareholders with regard to bring them contentment, considering on the Company's sustainable long-term growth and great continual return on investment with the information transparency and dependability.

#### Ethical competition

##### Competitive information

The Company has no any competitive policies of achieving competitors' information illegally or against ethics rules.

##### Independent and righteous competition

The Company supports and encourages the independent and righteous competition policy against monopolize trade.

#### Ethical responsibility to partnerships and creditors

Any dealings with partnerships must not cause the Company disreputation nor against laws, considering on business equality and partnerships' mutual interests.

The Company mainly adheres to the creditor's contract and conditions thereof regarding disbursement of capital and interest, and debenture security.



## Ethical social responsibility

The Company place the important on social and environmental responsibility on the same level as business development. The Company has taken action in both aspect simultaneously all alongby mutual support between business and surrounding society, including paying attention to the social environment which is an important factor for sustainable company growth in business, social development and environmental responsibility. The Company has set its vision, mission and strategy for sustainable business as follows;-

**Vision:** The Company take action in its social responsibility with determined and constantly exploring to develop the working system including products and various services to standardized quality. The Company provide prompt service delivery will create high level of satisfaction for customers, with consideration of environmental conservation. The utilization of modern information technology has been apply for transferring beneficial and unbiased news and information to the society.

**Mission;** The Company develop its business for growth, encourage jobs creation and increase its potential and strength in technology and providing information for the public. Simultaneously, the Company fully aware of its responsibility to give back to the society by assisting and take care of the society and environment thus maintain and sustain the society's livable and good quality.

**Strategy:** The Company utilize technology and various channelto publicize news and information in every formats, taking the role to representand care for community, society as well as care for the environment. Building good awareness for everyone to realize the important of society and environment, including participating, sharing and helping each other in the community.

## Ethical responsibility to customers

The Company attempts to deliver satisfaction and confidence to the customers through its reasonable, great products and services, and to strengthen customers' relationship under the following procedure manual:

### Products and services

Generate high-quality products and services with firm determination to elevate productivity standards in continual, earnest manner, and accurately reveal its sorts of products and services information.

### Customer information security and confidentiality

Committees, directors, and employees in all section shall not disclose customers' personal information to third parties without approval from the customers or the Company authorities, except as required by laws and regulations.



## Customer services

Committees, directors, and employees in all section prioritize clients by understanding, speculating, and responding toward the needs and satisfactory of clients and stakeholders with equality and esteem. Generating truly customer loyalty is the foundation of the Company, which advances the Company to the accomplishment in long-term profitability.

## Ethical responsibility to obligation

Committees, directors, and employees in all section have to understand, perceive their own obligation, manage resources for achieving the objective, own self-determination and respect the consequences without burdening the others.

### Self-obligation

- realizing their own part can affect the success and failure of tasks.
- gaining a strong sense of coherence and overcoming business obstacles.
- allowing supervisors' performance evaluation willingly.

### Task responsibility

- concentrating and being accountable on assigned tasks.
- not forsaking assignment or tasks, even though they are found disinteresting.
- acknowledging the faults and learning from them.
- bracing for a part of significant changes leading to task accomplishment.

### Self-determination without forsaking assignments or burdening the others

- considering both advantages and disadvantages before making any decision.
- not pushing workloads onto the others as a negligence matter.
- being responsible for self-determination and following consequences.
- being accountable for obligation and assigned conductivity before appointing tasks to the others.

## Teamwork encouragement

Diversity in perspectives, abilities, and competencies of committees, directors, and employees in all section has to be integrated in furtherance of overcoming obstacles and heading towards the accomplishment.

### Providing reliance, respect, and honor to colleagues

- coordinating team colleagues with companionship, respect, and honor.
- trusting and reposing in competencies of team colleagues.
- treating one another with goodwill and courteousness.
- being open-minded, accepting, and complimenting team colleagues.
- not falsely claiming teamwork achievement as one's own.
- cooperating one another and between section by considering on the Company's Accomplishment.



## Freedom of conscience

- consulting and considering with team colleagues.
- respecting the opinions and perspectives of the others regardless of competence, age, and position.
- not concluding or judging the others' thoughts unless acknowledging the facts.
- withstanding the interruption, and forgiving team colleagues for their faults or misbehavior.
- being prompted to adjust the point of view with the others in favor of resolving the problems.

## Withstand and help one another resolving problems when contradiction or crisis occurs in team

- reviewing contradiction as the generator of various opinions or alternatives that are beneficial to assignment.
- resolving problems through an openly consult to seek the most appropriate solution.
- reminding that the teamwork success is as well as the Company.
- allowing team colleagues to amend the errors instead of censuring.
- accepting majority vote, even under different perspective.

## Provide friendly professional environment

- assisting team colleagues even it is not assigned task.
- being attentive to team colleagues' condition.
- enjoying teamwork with colleagues, and being optimistic with a sense of humor.
- valuing leisure time and participating in teamwork activities and events.

## Competence

Committees, directors, and employees in all section attempt to elevate the necessary competence by appraising their existing abilities and skills to cope with responsible assignments, and keep practicing self-development for excellence in the meantime.

## Perform a competency evaluation and be evaluated regularly for work excellence

- evaluating own advantages and defects for better competence and skill improvement.
- accepting performance evaluation without bias for further self-development.
- elevating own knowledge, competence, and skill appropriate for each tasks.

## Perform a continual self-development for changes

- exploring expertise and innovative technologies as possible.
- attempting to adapt knowledge and experience from trainings and seminars to the utmost Interest.
- developing own proficiency as an ideal for team colleagues and the others.
- tracing external organizations' changes for improving own expertise and skill.



## Encourage, develop, and support subordinates to achieve utmost proficiency

- giving subordinates a recent duty for developing versatile skills.
- valuing and concentrating on regular performance and proficiency evaluation.
- retrieving outstanding advantages and skills of subordinates to the maximum benefit.
- regularly training and instructing subordinates.

## Efficiency and economization

Committees, directors, and employees in all sections should have to activate foremost self-development and operational improvement by planning prevention approach, evaluation of alternatives, and resolution. All aim for achieving the expected objectives under economization in time and resources.

### Explicit objective

- carrying out tasks relevant to the main objective, vision, and core value of the Company.
- possessing the business objective and earnestly striving after it.
- setting the challenging, measurable, and possible objectives.

### Improve work procedure to the instant, accurate, and advanced one

- prioritizing tasks by urgency and attempting to settling them consecutively.
- exploring performance improvement regularly.
- accepting criticism or suggestion of the others to improve work process.
- examining and developing the Company's performance efficiency equivalent to the other leading firms.

### Resource management

- being punctual at work and on appointments.
- devoting own abilities and proficiency for the accomplishment.
- carrying out tasks with the best effort within timeframe.
- utilizing equipment, tools and budget of the Company in a discreet manner.
- preserving the Company's equipment and tools.

## Creativity

Committees, directors, and employees in all section are determined to generate creativity improving the Company's performance by lateral thinking and practices as to achieve innovative progress, which is compromising to expand the Company's competitive capacity. Some claimed that success is an obstacle to creativity generating as a result of the organizations are fixated on the past success and deny new aspects.

## Internal information retrieval for own benefits or the others'

Committees, directors, and employees in all section shall not use significant, non-publicly disclosed internal information and for own benefits or the others'.



## Participation in political activities

Committees, directors, and employees in all section have freedom to participate in political activities under the Constitutional. Nonetheless committees, directors, or employees shall not arrogate their position to themselves or utilize any assets, devices, or tools for political actions.

## Information or interview provided for media or public

Any information regarding the Company provided must be based on the valid and accurate fact with caution. Personnel irrelevant to such duty or assignment shall not provide any information or interview in regard to the Company affecting its reputation and performance for media or public.

## Conflict of interests

### Payment or benefit acquirement

Committees, directors, or employees who are relevant to any benefit or interests causing own performance limitation, and affecting the benefit of clients and the Company must perform as follows:

1. Committees, directors, or employees in all section shall not privately acquire any payment or interests from the Company's clients, partnerships, or persons in the name of the Company.
2. Committees, directors, or employees in all sections shall not collect nor accept loan of the Company's clients or partnerships, except of banks or financial institutions as the customer thereof.
3. Committees, directors, or employees in all section shall not solicit or accept any gifts of high monetary value.

### Outside employment or activities

Any private practices of committees, directors, and employees must not affect to their duty and performance of the Company in either the name of their own, families', or juristic person's. Such personnel needs to disclose private practices to the Company under its regulations.

Committees, directors, and employees shall not conduct or be a part of any business competing with the Company's, regardless such personnel acquires direct or indirect benefit from it.

## Laws, rules, and regulations adherence

Committees, directors, and employees in all section must behave ethically in accordance with all applicable laws and regulations without conspiracy, assist, or any acts against laws.

## The Company's assets maintenance

Committees, directors, and employees in all section are responsible for maintaining the Company's assets for its optimum benefit without the own use or the others'



## Supervision and report

Committees, directors, and employees in all section must follow the ethical conduct. In case any acts against it have been found, report such acts to supervisors, human resources officers, internal auditors, or audit committees, depending on circumstances.

Directors and supervisors conduct the supervision, monitoring, and supporting subordinates to adhere the ethical conduct, nonetheless it might not cover all cases, if any questions or inquiry arise, consult the superiors.

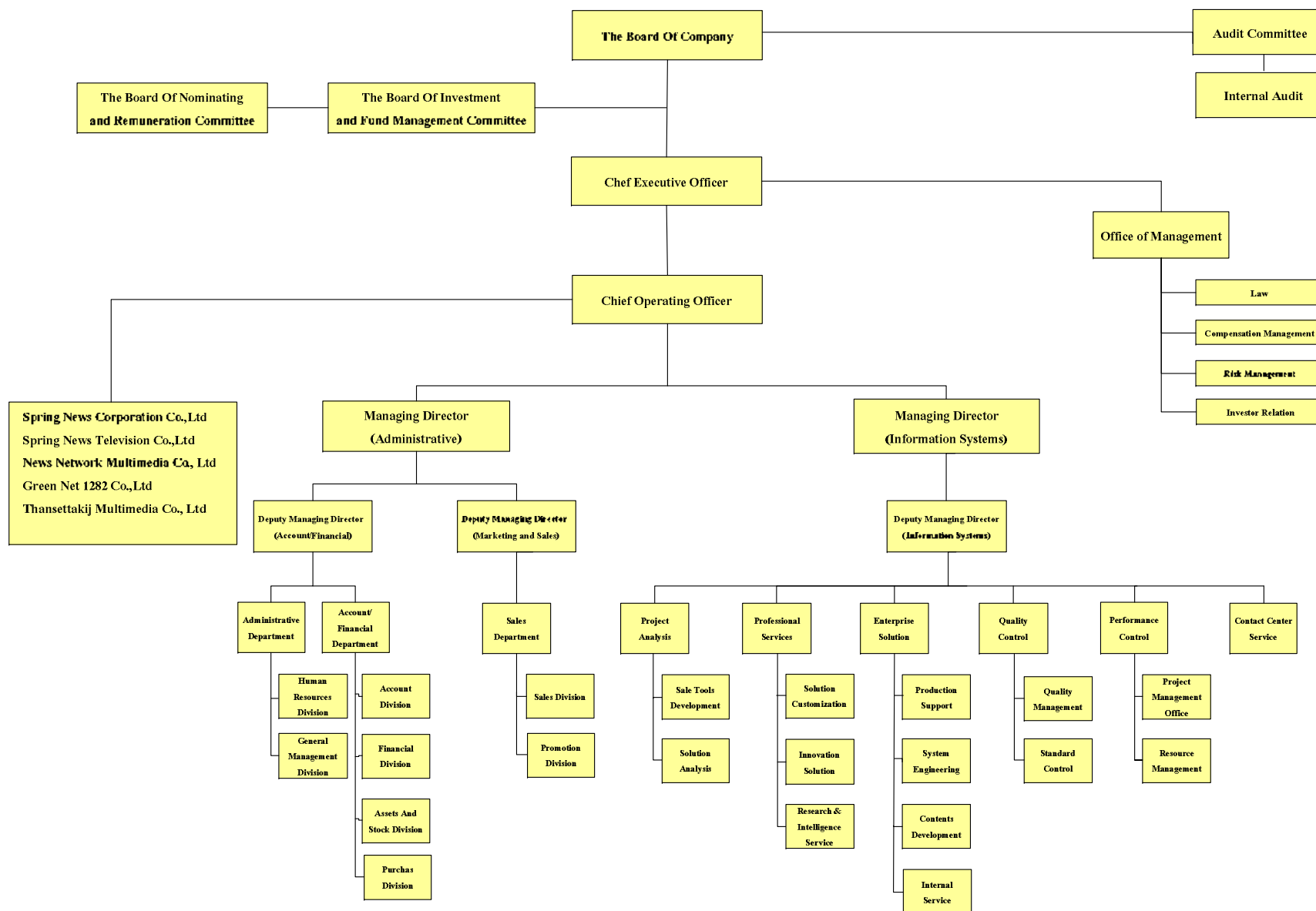


The top ten list of Shareholders as show in the registration book as at January 9, 2018 are asfollowing

Shareholders	No.of shares hold	Percentage
1. Mr. Siritaj Rojanapruk	15,476,913,911	22.80
2. Miss Kanjanarat Wongpan	6,069,230,769	8.94
3. Ms. Kingkarakade Chuenruetainaidhama	5,769,230,769	8.50
4. Mr.Pisit Pipatvilaikul	2,815,679,500	4.15
5. Mr. Pakawan Wongopasi	2,209,000,000	3.25
6. Chaophraya Insurance Public Company Limited	1,570,000,000	2.313
7. Mr.Sombat Panichcheva	1,412,043,300	2.08
8. Mr. Chairat Kovitmongkokwa	1,400,000,000	2.06
9. Mr. Chamnong Puttima	1,370,000,000	2.02
10. Ms. Wannee Rojanavanichayakorn	999,900,000	1.47
11. Another	28,794,865,142	42.42
Total	67,886,863,391	100



## Organization Chart





## MANAGEMENT STRUCTURE

### 1. Board Structure

There are 4 groups of the committee

1.1 The Board of Company on March 31, 2018 comprises with 10 directors as following:

1.	Mr. Meechai Ruchuphant	Chairman
2.	Adjunct Professor Prasobsook Boondech	Vice Chairman
3.	Mr. Arak Ratboriharn	Director
4.	Mr. Suthichai Bunnag	Director
5.	Pol.Gen. Dr.Ruangsak Jritake	Director
6.	Miss Watanya Wongopasi	Director
7.	Capt. M.R. Chularangsri Yugala	Director
8.	Mr. Pinit Wuthipand	Director and Chairman of Audit Committee
9.	Mr. Chirasak Thanasant	Director and Audit Committee
10.	Air Marshal Chartchai Rodboonpha	Director and Audit Committee

### Scope of the Board of Directors' Duties and Responsibilities

1. Administer the Company in compliance with the laws, the Company's objectives, and articles of association including the shareholders' resolution, with honesty, being conscientious and watchful of the Company's interest.
2. Implement and direct the policy for operation, including monitoring and supervising the executives' management and administration to be in accordance with the assigned policy with effectiveness and efficiency. Except the followings matters that the Board of Directors shall be granted approval from the shareholders meeting prior to the execution, such as sale or transfer the Company's business operation, either entirely or significant portion to other party, purchase or accept the transfer of business operations from other private company or public limited company, alter the Memorandum of Association or the Articles of Association, increase or decrease the registered share capital, and issuance of debentures.
3. Able to appoint or assign one or more directors or other person to perform any action on behalf of the Board of Directors as deemed appropriated. The Board of Directors is able to cancel, modify or alter such authority.
4. Supervise the management to efficiency execute the operation in conforming to the policy. Notify the management to present important issues which may affect the Company's operation. Oversee and



manage the risks and the transactions with related entities to be considered and compliance with the rules and regulation of The Securities and Exchange Commission and The Stock Exchange of Thailand.

5. Ensure the internal control system and internal audit are in place and effective. Set up the internal audit department to monitor the internal operation, execute, follow up, and co-ordinate with the Audit Committee for the benefit of shareholders.
6. Perform duty by utilizing knowledge, skills and experiences for benefit for the Company's operations. Be accountability to shareholders and disclose the information to the investors and general public accurately and completely. Be ethical and transparent in policy implementation and business management.

### Audit Committee

On March 31 2018 . The audit committee comprises with 3 persons whose names are as follows:

- |                                    |                             |
|------------------------------------|-----------------------------|
| 1. Mr. Pinit Wuthipand             | Chairman of Audit Committee |
| 2. Mr. ChirasakThanesnant          | Audit Committee             |
| 3. Air Marshal ChartchaiRodboonpha | Audit Committee             |

### Scope of the Audit Committee's Duties and Responsibilities

The Audit Committee has the duty and responsibility according to the regulations and guidelines of the Securities and Exchange Commission and the Securities Exchange of Thailand. They report directly to the Company's Board of Directors. The details are as follow: -

1. Review the accuracy and sufficiency of the Company's financial reporting.
2. Review the existence of appropriate and effective internal control system as well as internal audit system. Consider particularly the independent of internal audit department. Grant approval in engagement, transfer or lay off the head of internal audit department or other department responsible for internal audit.
3. Review the Company's compliance to the rules and regulations of the Securities and Exchange Act, the regulation of the Stock Exchange of Thailand, and the laws that related to the Company's operation.
4. Consider, select and propose for approve the engagement of independent person as the external auditors, proposing the compensation to be paid to the external auditors in connection with their engagement. The Audit Committee shall hold at least 1 meeting per year with the external auditor without any management attending the said meeting.
5. Consider any transaction with related entities or transactions that may incur conflict of interest. The transactions shall be compliance with the rules and regulations of the Stock Exchange of Thailand. This is to ensure the said transactions are reasonable and for the Company's greatest benefit.
6. Prepare the report of the Audit Committee and disclose the said report in the Company's annual report.
7. Perform other duties as assigned by the Board of Directors with the prior approval of the Audit Committee.



## Nominating and Remuneration Committee

On March 31 2018 . The Nominating and Remuneration committee consists of 2 persons whose names are as follows:

- |                          |                      |
|--------------------------|----------------------|
| 1. Mr.Chirasak Thanasant | Nomination Committee |
| 2. Mr.SuthichaiBunnag    | Nomination Committee |

## Scope of Duties of the Nominating Committee

1. To define criteria and recruitment process to recruit directors and appoint the executives whose title is equal to deputy managing director and above to support and assist the executive to manage the organization effectively.

2. To define and recommend the remuneration criteria of the directors including monthly remuneration, allowance and director's pension remuneration meeting to the board of directors prior to the consideration and approval of the Annual General Meeting.

3. To review the remuneration made to the directors of the company's subsidiaries to get approval from the board of directors.

4. To Set the indicators for the incentive payments and salary adjustment of managing directors.

5. To define the policy and criteria to pay bonuses, incentives to the employees and executives which rely on the company's performance and other company's remunerations in the same industry.

6. To define the policy and criteria for annual salary adjustment which rely on the economic conditions.

7. To define the policy and criteria for the succession planning of the managing director and deputy managing director in Information System, Accounting and Finance and Sales and Marketing.

8. To consider the insurance policy to the directors and executives officers to protect all liabilities occurrence

## The Investment and Fund Management Committee

The Investment and Fund Management Committee comprises of 4 directors as follows:

- |                                   |  |
|-----------------------------------|--|
| 1. Mr.Arak Ratbiriarn             | Chairman of Implementation of the Investment Committee |
| 2. Mr.Suthichai Bunnag            | Director of Implementation of the Investment Committee |
| 3. Miss Watanya Wongopasi         | Director of Implementation of the Investment Committee |
| 4. Capt. M.R. Chularangsri Yugala | Director of Implementation of the Investment Committee |



## Scope of duties of The Investment and Fund Management Committee

1. Determining strategies and policies of the company's investment in compliance with the company's policies and approving criteria and requirements for the company's investment and business offers.
2. Reviewing tender offers, investment offers, and assets acquisition offers, including appropriate fund resources.
3. Determining all risks in relevant to the company's investment and financial
4. Perform and operate all aspects of the company's investment under the policies and directions instructed by the Board of Directors.
5. Assigning and appointing legal advisories, financial advisories or relevant specialists for suggesting and providing advises in relevant to the investments for the purpose of the benefits of the group of the company.
6. Other duties and responsibilities as occasionally assigned by the company's Board of Directors and under the resolutions of the shareholders general meeting.

## Management Name List

The company's management comprises with 4 persons whose names are as follow:

- |    |                          |  |
|----|--------------------------|--|
| 1. | Mr. Arak Ratboriharn     | Chief Executive Officer                      |
| 2. | Miss Watanya Wongopasi   | President                                    |
| 3. | Mr. Ruknung Phaholyothin | Managing Director (Administrative)           |
| 4. | Mr. Pranot Kosakarn      | Chief Financial Officer, Corporate Secretary |

## Scope of duties and responsibilities of Chief Executive Officer

1. To assign strategies and procedures to complete the assignments of the Board of Directors.
2. Control and supervise to complete the assignments effectively.
3. Find the channel in any related businesses as well as new businesses to increase the company's income and employees' interest to be approved by the Company's Board of Directors.
4. Issue any orders, regulations, and memorandums to fulfill the policies.
5. To approve and/or to assign to sign an agreement any normal practices of company's businesses not exceeding to 5 Million Baht.
6. To cooperate and work on the assignments under the committee's policies.
7. To cooperate between the management and employees concerning on the policy that is approved by the company committee.



8. To organize the Company's structure and management including appointing, employing, reshuffling, dismissing, determining salary and remuneration, considering performance, bonus, welfare and terminating all employees excepted for executive position.

9. To responsible of the Company's business operations which not against the government laws, rules, regulations, and company's regulations.

By the way, this is under the laws and company's regulations might comply or not conflict to company's objectives, shareholders' resolutions, and SET and SEC regulations such as acquisition and disposition of assets of listed company, standard, procedure of disclosure in cases of any conflict of interest.



Details of the Company's committees subsidiary on January 31, 2018.

Name		News Network Corporation PCL.					Sync Technologi es Co.,Ltd.	Environmental Solution Integrator Co.,Ltd.	Springnews Corporation Co.,Ltd.	Springnews Television Co.,Ltd	Ruam Mue Ruam Jai Co.,Ltd.	News Network Multimedia Co.,Ltd	Gnet 1282 Co.,Ltd.	Thansettakij Multimedia Co.,Ltd							
NO.	Name	Director	Executive	Audit Committee nomination and Remuneration Committee	Investment and Fund Management Committee	Director	Executive	Director	Executive	Director	Executive	Director	Executive	Director	Executive	Director	Executive	Director	Executive	Director	Executive
1	Mr. Meechai Ruchuphant	★																			
2	Adjunct Professor Prasobsook Boondech	✓																			
3	Mr. Chirasak Thanesnant	✓		✓	★																
4	Mr. Suthichai Bunnag	✓			✓	✓				✓		✓	✓			✓					
5	Pol.Gen. Dr.Ruangsak Jritake	✓																			
6	Mr. Pinit Wuthipand	✓		★																	
7	Mr. Arak Ratboriharn	✓	✓			★	✓		✓		✓		✓		✓		✓		✓		
8	Miss Watanya Wongopasi	✓	✓			✓				✓	✓	✓	✓	✓	✓	✓				✓	✓
9	Capt.M.R. Chularangsri Yugala	✓				✓															
10	Air Marshal ChartchaiRodboonpha	✓		✓																	



Name		News Network Corporation PCL.					Sync Technologi es Co.,Ltd.	Environmental Solution Integrator Co.,Ltd.	Springnews Corporation Co.,Ltd.	Springnews Television Co.,Ltd	Ruam Mue Ruam Jai Co.,Ltd.	News Network Multimedia Co.,Ltd	Gnet 1282 Co.,Ltd.	Thansettakij Multimedia Co.,Ltd						
NO.	Name	Director	Executive	Audit Committee	nomination and Remuneration Committee	Investment and Fund Management Committee	Director	Executive	Director	Executive	Director	Executive	Director	Executive	Director	Executive	Director	Executive	Director	Executive
11	Mr. Ruknung Phaholyothin		✓				✓	✓	✓	✓										
12	Mr. Pranot Kosakarn		✓				✓	✓	✓	✓							✓			
13	Mr.Shine Bunnag										✓	✓							✓	
14	Mr.Phornprayoon Issarasak Na Ayuthaya										✓				✓					
15	Mr. Rattanaburee Atisapt										✓		✓		✓					
16	Mr. Patchara Sarnpimpa																✓	✓		
17	Mr. Thanachai Theerapattanawong																✓			
18	Mr. Thanachai Santichaikul												✓				✓			
19	Miss Oytip Choltichanun													✓		✓				✓
20	Mr.Kosol Songniem													✓		✓		✓		✓
21	Mrs.Hansa Thanomsing													✓		✓		✓		



Name		News Network Corporation PCL.					Sync Technologi es Co.,Ltd.	Environmental Solution Integrator Co.,Ltd.	Springnews Corporation Co.,Ltd.	Springnews Television Co.,Ltd	Ruam Mue Ruam Jai Co.,Ltd.	News Network Multimedia Co.,Ltd	Gnet 1282 Co.,Ltd.	Thansettakij Multimedia Co.,Ltd							
NO.	Name	Director	Executive	Audit Committee nomination and Remuneration Committee	Investment and Fund Management Committee	Director	Executive	Director	Executive	Director	Executive	Director	Executive	Director	Executive	Director	Executive	Director	Executive	Director	Executive
22	Mr.Bakbun Bunlert										✓		✓		✓						✓
23	Miss Kingkarakade Chuenruetainaidhama																	✓	✓		
24	Mr.Watin Chartikul																	✓	✓		
25	Mr.Eakkapan Panthai																		✓		
26	Mr.Chatcharin Surapat																		✓		
27	Mr.Udon Sangarun																		✓		
28	Mr.Sathaporn Kuasakul																		✓		
29	Miss Voraluck Ingkamanee																		✓		
30	Miss Darunee Chuenruetainaidhama																		✓		
31	Mr. Boonpalsanan Dhanadhamtakul																		✓		



Remark ★ = Chairman ✓ = Committee, Executive Director, Audit Committee, nomination and Remuneration Committee , Directors Subsidiary Committee, Risk Management Committee, Strategic Committee, Management Structuring Committee and Investment and Fund Management Committee.

### The Company's subsidiary authorized persons

1. News Network Corporation PCL. By Mr. Arak Ratboriharn, Mr. Suthichai Bunnug, Miss Watanya Wongopasi and Mr. Apivut Thongkam, two of these four directors jointly signing with the company's seal affixed.
2. Sync Technologies Co., Ltd. by the joint signature of two of these directors and affix the company's common seal are binding the company.
3. Environmental Solution Integrator Co., Ltd. by the joint signature of two of these directors and affix the company's common seal are binding the company.
4. Springnews Corporation Co., Ltd. By Mr. Suthichai Bunnug or Mr. Arak Ratboriharn or Miss Watanya Wongopasi jointly signing with the company's seal affixed, or Mr. Suthichai Bunnug or Mr. Arak Ratboriharn or Miss Watanya Wongopasi, one of these three directors jointly signing with one of the directors other than named above, totalling two directors, with the company's seal affixed.
5. Ruam Mue Ruam Jai Co., Ltd. by the joint signature of two of these directors and affix the company's common seal are binding the company.
6. Springnews Television Co., Ltd. by the joint signature of two of these directors and affix the company's common seal are binding the company.
7. News Network Multimedia Co., Ltd. By Mr. Suthichai Bunnug or Mr. Arak Ratboriharn or Miss Watanya Wongopasi jointly signing with the company's seal affixed, or Mr. Suthichai Bunnug or Mr. Arak Ratboriharn or Miss Watanya Wongopasi, one of these three directors jointly signing with one of the directors other than named above, totalling two directors, with the company's seal affixed.
8. Greenet 1282 Co., Ltd. by two directors jointly signing with the company's seal affixed
9. Thansettakij Multimedia Co., Ltd. by two directors jointly signing with the company's seal affixed



## Nomination and Appointment of Company Directors

The company directors shall be appointed by the Annual General Meeting of shareholders. One-third of the company directors shall retired from office at every Annual General Meeting of shareholders. If the number of company directors to be retired is not multiple of three, the number of company directors nearest to one-third shall vacate their office. The company directors to be retired by rotation shall be considered from the ones who have the longest term in office. The company directors that retire by rotation are eligible for re-nomination.

In 2017, the Company established the nomination committee to search for eligible director candidates. The criteria for eligible candidate is based on person with knowledge, skills, experiences, and vision that benefit the Company's operations. The director candidates shall also possessed of qualifications under the criteria stipulated in the Section 68 of the Public Limited Company Act B.E. 2535, the related Notifications of Capital Market Supervisory Board and the Securities and Exchange Commission. The details of such director candidates shall be proposed to the shareholders' meeting for consideration of appointment, by applying the following criteria: -

- 1) Each shareholder has votes in a number equal to number of shares held.
- 2) Each shareholder may exercise the votes under (1) to elect one or more persons as the directors, but the votes are not distributable.
- 3) The candidates who obtained the highest votes in descending order in a number equal to that of directors to be appointed are elected directors of the company. In the event of a tie at a lower place, which would make the number of directors greater than that required, the chairperson of the Annual General Meeting shall exercise a casting vote.

At every Annual General Meeting, one-third of the existing company directors shall retired from office. If the number of company directors to be retired is not multiple of three, the number of company directors nearest to one-third shall vacate their office. The company directors that retire by rotation are eligible for re-nomination.

In case of the vacancy in the office of company directors other than vacating office on expiration of term of office, the Board of Directors shall select legible person, who has full qualification and not have any prohibited characteristics under Public Limited Companies Act, to fill the vacated position in the next Board of Directors' meeting, except the remaining term of office is less than two months. The replacement director shall be in office for the remaining period of the director being replaced. The resolution of the Board of Directors shall be approved by not less than three quarter of the remaining directors.



## REMUNERATION

The director remuneration policy has been clearly and transparently established by the Board of Directors. for consideration before presenting to the shareholders meeting for consideration and approval.

### The Remuneration of Directors Policy and Payment Criteria

#### 1. Monthly Remuneration

The Chairman	35,000	Baht/ month
Non Executive Director	30,000	Baht/ month
Executive Director	Non monthly Remuneration	

#### 2. Per Meeting Attendance

##### 2.1 The Board of Directors Meeting

The Executive Directors	6,000	Baht/ time
-------------------------	-------	------------

##### 2.2 The Audit Committee

The Chairman	8,000	Baht/ time
Audit Committee	6,000	Baht/ time
Bonus	none	

##### 2.3 The Nominating and Remuneration Committee

The Chairman	8,000	Baht/ time
Director	6,000	Baht/ time

##### 2.4 The Directors subsidiary Committee and /or other committees.

The Chairman	8,000	Baht/ time
Director	6,000	Baht/ time



## Remuneration of the Director

The Company's directors shall receive the remuneration as the Company and audit committees for the 2017 fiscal year stated as the following individuals:-

Unit: Baht

No.	Name	Monthly remuneration	Per Meeting Attendance of Directors	Per Meeting Attendance of The Investment and Fund Management Committee	Per Meeting Attendance of Nominating and Remuneration Committee	Per Meeting Attendance of Audit Committee	Total
1.	Mr. Meechai Ruchuphant	420,000.00	-	-	16,000.00	-	436,000.00
2.	Mr. Apivut Thongkam	360,000.00	-	-	-	-	360,000.00
3.	Adjunct Professor Prasobsook Boomdech	360,000.00	-	-	-	-	360,000.00
4.	Mr. Arak Ratboriharn	-	66,000.00	-	-	-	66,000.00
5.	Mr. Suthichai Bunnag	360,000.00	-	-	12,000.00	-	372,000.00
6.	Mr. Pinit Wuthipand	360,000.00	-	-	-	56,000.00	416,000.00
7.	Mr. Chirasak Thanasant	360,000.00	-	-	12,000.00	42,000.00	414,000.00
8.	Miss. Watanya Wongopasi	-	42,000.00	-	-	-	42,000.00
9.	Pol.Gen. Dr. Ruangsak Jritake	360,000.00	-	-	-	-	360,000.00
10.	Capt. M.R. Chularangsri Yugala	360,000.00	-	-	-	-	360,000.00
11.	Mr. Sontyan Chuenruetainaidhama	360,000.00	-	-	-	-	360,000.00
12.	Air Marshal Chartchai Rodboonpha	280,645.16	-	-	-	36,000.00	316,645.16
Total							3,448,645.16

Remark - Air Marshal Chartchai Rodboonpha was appointed as the director held on March 21, 2017.



## The Board of Directors Report on the Financial Statements

The Board of Directors fully takes a responsibility to the Financial Statements and the entire related financial information presented in this annual report of News Network Corporation Public Company Limited. The aforementioned financial statements have been prepared in accordance with Thai Generally Accepted Accounting Principles, using appropriate accounting policies consistently employed by the Company after applying prudent judgment and best estimation. Important information is adequately disclosed in the remark to the financial statements.

The Board of Directors has provided for and maintained an efficient internal control system to ensure that accounting records are accurate, complete and adequate to protect the Company's assets and uncover weaknesses in order to prevent fraud or materially irregular operations.

To accomplish this task, the Board of Directors has appointed an audit committee, which consists fully of Independent Directors and the committee is, inter alia responsible for the quality of financial statements and internal control systems, whose comments on these issues are readily included in the Audit Committee Report in this annual report.

The financial statements of the company are audited by CWWP Company Limited. Due to the referenced audit, the Board has provided all the consequential records and data to the Audit Committee. Thus, the Audit Committee is able to audit and express opinion in accordance with auditing standards which is included in the Audit Committee Report attaching with the Company Annual Report.

The Company Board of Directors is unanimous in its opinion that Company's Internal Control System is in appropriate and sufficient level to its financial statements' reliability given on December 31, 2017.

Mr. Meechai Ruchuphant

Chairman



## Report of Audit Committee

The Board of Directors had appointed the Audit Committee comprising of 3 non-executive directors, and one of the Audit Committee has expertise in finance and accounting. The Audit Committees are independent directors as following:

Mr.PinitWuthipand	as Chairman of Audit Committee
Mr. Chirasak Thaneshant	as Audit Committee
Air Marshal ChartchaiRodboonpha	as Audit Committee

In 2017, the Audit Committee held 7 ordinary meetings on a regular basis which of its result was quarterly reported to the Board of Directors for acknowledgment on operating the business. The meeting result is summarized as follows:

### Financial Statement Report

The Audit Committee, the auditor, management division and Internal Audit had reviewed the Company's quarterly, the yearly financial statements, and the consolidated financial statements of the Company and its subsidiaries. The Audit Committee considered the important aspects, and subsequent hearings from the management and the external auditor to ensure the Company financial budget process correctness, reliability, with the right of financial statement users to adequate disclosure in time, and in compliance with generally accepted accounting principles including laws and regulations of Stock Exchange of Thailand and Securities and Exchange Commission. The Audit Committee, the auditor, management division and Internal Audit had furthermore reviewed the preparation to ensure that the Company is capable of following the International Financial Reporting Standards (IFRS).

### Related transaction or conflict of interest transaction

The Audit Committee had considered and given opinions about related transaction, or conflict of interest transaction among the Company and its subsidiaries, concerning whether the execution of the transactions is reasonable and in line with the conditions of the Stock Exchange of Thailand, with recognition on shareholders' benefits.

### Internal Control System and Risk Management

The Audit Committee had reviewed the adequacy of the Internal Control Systems of the Company and its subsidiaries, based on the reports of the Internal Audit and the auditor, concerning evaluation criteria for adequacy and efficiency of the Internal Control System, the risk management, and the business operations of the management in compliance with well-established policies and the delegation of the authority. Audit Committee had duly made a review and opinions that the Company has adequately provided its Internal Control System ISO 9001:2008.



## Compliance

The Audit Committee had reviewed the Company's business operation to ensure that it is in compliance with laws of Securities and The Stock Exchange of Thailand, and in time regulations of the Stock Exchange of Thailand and related laws.

## Good Corporate Governance

The Audit Committee had monitored and reviewed whether the administration of the business of the Company was in compliance with the Good Corporate Governance to ensure transparency of operation and increase stakeholders' confidence.

## Internal Audit Governance

The Audit Committee had considered the independence of the Internal Audit, its scope of responsibilities, annual audit plan, audit report, and tracked the implementation of important issues mentioned in the internal audit report. The Audit Committee provided some advices regarding the improvement and streamlines of the audit performance, and considered the appropriateness of budget, workforce, personnel training and development, and annual performance appraisal of the Internal Audit.

## Considering the appointed Auditor and Compensation

The Audit Committee had considered the appointment of the auditor and the annual auditor remuneration for the financial year 2017 based on the performance and status of the auditor, significant constraints or the regulation of Stock Exchange of Thailand or other related organizations. The purpose of the meetings was to ensure the independence of the auditor and the neutrality on work performance.

The Audit Committee had examined the auditors' work performance of CWWP Company Limited. from the accounting period of previous year and considered the auditor's remuneration with the Boards of Directors. The Audit Committee deemed that the auditors had good understanding of the Company's businesses, practiced in a neutral and independence manner and regularly delivered its work on time. The Annual General Meeting of Shareholders for the year 2017 therefore had appointed CWWP Company Limited. as the Company's auditor for another period and its auditors as the followings:

- |                              |   |
|------------------------------|---|
| 1. Ms.Wanraya Puttasatien    | Certified Public Accountant license number 4387 |
| 2. Mr.Chardsakul Aonmongkol  | Certified Public Accountant license number 1795 |
| 3. Ms.Waraporn Intaraprasit  | Certified Public Accountant license number 7881 |
| 4. Ms.Jantra WongSriudomporn | Certified Public Accountant license number 4996 |



The Audit Committee deemed that during the accounting period of the year 2017, the Company had put in place the appropriate and adequate Internal Control Systems, established procedures assuring its operation is in compliance with the related laws through good corporate governance and adequate disclosure of reliable Company's financial report information.

The Audit Committee's operation during the 2017 fiscal year was accorded the full assistance and co-operation of the related staff and management. Therefore, The Audit Committee would like to show its utmost gratefulness towards the aforementioned ones.

(Mr.Pinit Wuthipand)

Chairman of Audit Committee



## Financial Position and Operating Result

The Company and its subsidiaries' business activities comprises of: - 1. Technology product distribution and consultation on information system design segment, including network system service, 2. Media segment; consists of a news station in digital television under the name of "SPRINGNEWS Channel 19", radio SPRINGRADIO FM 98.5 MHz, newspaper and online media, 3. Distribution of tools and equipment, and providing project installation services for health and environment segment,

The operation for year 2017: The Company focus on the media segment as the core business activity. The total revenues from operation increased by Baht 96.10 million, or 34.54% as the revenues from media segment increased by Baht 135.10 million. This was direct effect of the Group Companies' adjustment on the revenue generating strategy that emphasize on the revenue from the new media and revenue from organizing activities, seminar, conference and exhibition. Distribution of tools and equipment, and providing project installation services for health and environment segment's revenue decreased by Baht 31.34 million and Technology product distribution and consultation on information system design segment's revenue decreased by Baht 7.66 million. These are the result of the economic and market situation, thus the private enterprises postponed their investment plan. The bidding for various government projects are in the bidding and consideration for approval processes. The Company is still conducting the business under the operation plan and anticipating the increment of the revenue.

For the year 2017, the Company generated Baht 407.25 million of total revenues, incurred Baht 977.64 million of operating expenses and resulted in Baht 570.39 million net loss

(Unit : Million Baht)	2017	2016	Increase / (Decrease)	
	Amount	Amount	Amount	%
Revenue from operation	374.34	278.24	96.10	34.54
Other income	32.91	69.25	-36.34	-52.48
Operating expenses	-977.64	-1,854.55	-876.91	-47.28
Net profit (loss)	-570.39	-1,507.06	-936.67	-62.15

## 2. Analysis, Operating Result and Profitability

### 2.1 Analysis of Revenues

For the year 2017, the Company has the total revenues amounting to Baht 407.25 million, increase from Baht 347.49 million in 2016, representing an increase of Baht 59.76 million, or 17.20%. Baht 374.34 million is revenues from sales of goods and services, and Baht 32.91 million from other income.



Revenues from operation for the year 2017 amounting to Baht 374.34 million, increase from Baht 278.24 million in 2016, representing an increase of Baht 96.10 million, or 34.54%. It is due to Baht 333.74 million of revenues generated from media segment, which comprises of digital television, radio, newspaper and online media. Baht 36.11 million of revenues generated from distribution of tools and equipment, and providing project installation services for health and environment segment and Baht 4.49 million of revenues generated from technology product distribution and consultation on information system design segment.

Other income was Baht 32.91 million, decrease from Baht 69.25 million in 2016, representing a decrease of Baht 36.34 million, or 52.48%. The other income consists of interest income, dividend income, other service revenue unrelated to the main revenue sources and rental fee.

### Revenues from Operation – Classified by Segments

Revenues from operation can be classified into 3 segments; 1. Technology product distribution and consultation on information system design segment, 2. Media segment, 3. Distribution of tools and equipment, and providing project installation services for health and environment segment.

Segment  (Unit : Million Baht)	2017	2016	Increase / (Decrease)	
	Amount	Amount	Amount	Amount
Technology product distribution and consultation on information system design segment	4.49	12.15	-7.66	-63.05
Media segment	333.74	198.64	135.10	68.01
Distribution of tools and equipment, and providing project installation services for health and environment segment	36.11	67.45	-31.34	-46.46
Total revenues from operation	374.34	278.24	96.10	34.54
Other income	32.91	69.25	-36.34	-52.48
Total revenues	407.25	347.49	59.76	17.20

### Technology product distribution and consultation on information system design segment

In 2017, the revenues from operation was Baht 4.49 million, decrease from Baht 12.15 million in 2016, representing a decrease of Baht 7.66 million, or 63.05%. It is the result of various government projects required long duration in processing the budget for individual project. The country's economic and politic situation, current market situation, including budget allocation by the government have caused the Company to unable to win the bid from the government sectors as anticipated. Therefore, the Company's revenue has



diminished. Fortunately, the Company has been awarded projects from private enterprises but these projects could not generate significant amount of revenues for the Company.

News Network Corporation Public Company Limited: For the year 2017, the Company earned Baht 1.65 million of revenues from operation, decrease from Baht 7.07 million in 2016, representing a decrease of Baht 5.42 million, or 71.43%. Baht 1.14 million was revenue from program maintenance, and Baht 0.51 million was revenue from asset for rent.

Sync Technologies Co., Ltd.: For the year 2017, the company earned Baht 3.35 million of revenues from operation, decrease from Baht 8.83 million in 2016, representing a decrease of Baht 5.48 million, or 62.06%. Baht 0.77 million was revenues from sales and Baht 2.58 million was revenues from services. It was a result from the company's inability to win the bid for projects as anticipated.

### Media Segment

In 2017, the Company emphasized on the media segment as the main business activity. The operation is multi-platform media covering all facets of the media; digital television, radio, newspaper, magazine and online media. For the year 2017, the media segment earned Baht 333.74 million of revenues from operation, increase from Baht 198.64 million in 2016, representing an increase of Baht 135.10 million, or 68.01%. The operations performed under Spring News Corporation Co., Ltd. and its subsidiaries, News Network Multimedia Co., Ltd. and its subsidiaries, and Green Net 1282 Co., Ltd.

Spring News Corporation Co., Ltd. generated revenues from providing information and news, news and television program production airing on the digital television channel "SPRINGNEWS Channel 19", and including new media.

Spring News Television Co., Ltd., a subsidiary of Spring News Corporation Co., Ltd., is a licensee of digital television frequency license for news station under the name "SPRINGNEWS Channel 19". The company generated revenue from advertising fee.

For the year 2017, Spring News Corporation Co., Ltd. and its subsidiary, Spring News Television Co., Ltd. earned Baht 102.92 million of revenues from operation, decrease from Baht 128.89 million in 2016, representing a decrease of Baht 25.97 million, or 20.15%. The advertising revenue has decreased, which was not what the companies anticipated. It was a result of the fierce competition in the digital television media and the companies' advertising rates were lower in comparison with other companies' media, therefore, the companies' advertising revenue decreased although the companies had modernized the broadcasting system to be state-of-the-art and improve the content of the news report to keep up with the current event, and sourcing interesting programs to strengthen the news report and presentation. It is anticipated that in 2018 the companies would generate more advertising fee at the ratio which assist the companies to grow and expand the operation in other facets.



News Network Multimedia Co., Ltd. is operating a radio media under the name of “SPRINGRADIO” FM98.5 MHz. The company has been granted license to operate radio media from the National Broadcasting and Telecommunication Commission (NBTC).

For the year 2017, the company earned Baht 14.22 million of revenues from operation, increase from Baht 13.66 million in 2016, representing an increase of Baht 0.56 million. The company earned increasing revenues but still not as previously anticipated. Since the audiences’ behavior keep changing to correspond with the advance technology, such as YouTube, Facebook, thus effect the radio media. The company consistently adapted to the audiences’ behavior and widen its medium so the audiences can tune in via various channel. The communication between the audiences and the hosts is necessary to build good relationship which effect the advertising revenue.

Thansettakij Multimedia Co., Ltd., a subsidiary of News Network Multimedia Co., Ltd., is distributor of print media under the name of “THANSETTAKIJ NEWSPAPER”. The company entered into a trademark right agreement for “THANSETTAKIJ NEWSPAPER” for the period of 30 years. The operation commenced on 6 September 2016.

For the year 2017, the company earned Baht 101.32 million of revenues from operation, increase from Baht 21.54 million in 2016, representing an increase of Baht 79.78 million, or 370.38%. Baht 12.25 million was revenues from sales of newspaper, Baht 59.30 million was revenues from advertising fee, and Baht 29.77 million was revenues from organizing activities, seminar, conference, and new media.

Green Net 1282 Co., Ltd., for 2017, it emphasized on the online business operation. It provides online advertisement services for various social media platforms, information and news on mobile phones, the Internet and SMS, and distribution of books and magazines.

For the year 2017, the company earned Baht 111.50 million of revenues from operation, increase from Baht 34.71 million in 2016, representing an increase of Baht 76.79 million, or 221.23%. Baht 4.79 million was revenues from sales of goods and Baht 106.71 million was revenues from services. The company earned higher revenue from the revenue of online advertisement services for various social media platforms.

#### Distribution and Providing Services for Tools and Equipment for Health and Environment Segment

Environmental Solution Integrator Co., Ltd. Distribution and Providing Services for Tools and Equipment for Health and Environment for air, noise and public hazard, which required specialist experiences. The company’s revenues consist of: the sales of environment instruments, design consultation and construction services for air quality monitoring station, maintenance services for emission monitoring system and administration service for environmental monitoring and control center.

For the year 2017, the company has Baht 36.18 million of revenues from operation, decrease from Baht 67.59 million in 2016, representing a decrease of Baht 31.41 million, or 46.47%. Baht 8.28 million was



revenues from sales and Baht 27.90 million was revenues from services. It was a result from the company's inability to win the bid for projects from the government sectors as previously anticipated. The company expected increasing revenues and growth for 2018 since the company received favorable responds from both the government sectors and private enterprises on the works in the past years. The company has improved the structure to strengthen the operation thus increase its ability to compete with other companies in the same business segment.

### Other Income

	2017	2016	Increase / (Decrease)	
(Unit : Million Baht)	Amount	Amount	Amount	%
Interest income	10.97	16.72	-5.75	-34.39
Dividend income/ Share of gain	0.15	12.34	-12.19	-98.78
Gain on sales of assets	0.06	-	0.06	100.00
Gain (loss) from selling securities	0.80	0.33	0.47	142.42
Actuarial gain (loss)	2.72	-	-	100.00
Rental income	1.23	1.71	-0.48	-28.07
Other income	16.98	38.15	-21.17	-55.49
	32.91	69.25	-36.34	-52.48

In 2017, the Group Companies has Baht 32.91 million of other income, decrease from Baht 69.25 million in 2016, representing a decrease of Baht 36.34 million, or 52.48%. It consisted of interest income, dividend income/ share of gain, other income not related to the main income and revenues from leasing the unit located on 17th floor, Phaholyothin Place building.

## 2.2 Analysis of Operating Expenses

News Network Corporation Public Company Limited and its subsidiaries. For the year 2017, the Company incurred the total operating expenses at Baht 977.64 million, decrease from Baht 1,854.55 million in 2016, representing a decrease of Baht 876.91 million, or 47.28%



	2017	2016	Increase / (Decrease)	
(Unit : Million Baht)	Amount	Amount	Amount	Amount
Cost of sales and services	535.01	526.35	8.66	1.65
Selling and administrative expenses	293.20	258.90	34.30	13.25
Bad debt and doubtful debt	1.84	43.07	-41.23	-95.73
Loss from impairment of investment	-	0.07	-0.07	-100.00
Loss from impairment of goodwill	-	2.00	-2.00	-100.00
Loss from impairment of television frequency license	-	953.90	-953.90	-100.00
Financial costs	147.59	70.41	77.18	109.62
Share of gain (loss) in joint venture	-	-0.15	0.15	-100.00
Total operating expenses	977.64	1,854.55	-876.91	-47.28
Corporate income tax	2.36	-	2.36	100.00
Total expenses	980.00	1,854.55	-874.55	-47.16

### Costs of Sales and Services

For the year 2017, the Group Companies have the total cost of sales and cost of services at Baht 535.01 million, increased from Baht 526.35 million in 2016, representing an increase of Baht 8.66 million, or 1.65%. The ratio of the cost of sales and cost of services to the revenues from sales and services is 142.92% in 2017, decreased from 2016 which the ratio was 189.17%. This was result from the Company's increment of the revenue and the execution of operational control, thus decrease the ratio of the cost of sales and cost of services.

Baht 8.66 million increase in costs of sales and services incurred from the media segment, which only increase by 1.65% compare to the ratio of revenue that increase by 34.54%. It was a result from the operation control to achieve higher efficiency thus the cost only increase slightly. For the segments of technology product distribution and consultation on information system design, and distribution of tools and equipment, and providing project installation services for health and environment, the costs of sales and services has increase or decrease depending on the revenues from sales and services.

### Selling and Service Expenses

For the year 2017, the Group Companies have the total selling and service expenses at Baht 293.20 million, increase from Baht 258.90 million in 2016, representing an increase of Baht 34.30 million, or 13.25%. It was a result from the promotional and commission expenses, which help to increase the sales volume of the Group Companies, including the administrative expenses, where the Company reorganized



the management structure and internal control, and improve the work process to be more efficient. Also the Company recorded Baht 1.84 million of doubtful debt and bad debt.

### Financial Expenses

For the year 2017, the Group Companies have the total financial cost at Baht 147.59 million, increase from Baht 70.41 million in 2016, representing an increase of Baht 77.18 million, or 109.62%. This was resulting from the interest expenses for the private placement capital increase payable.

### Corporate Income Tax

For the year 2017, the Company has Baht 2.36 million of corporate income tax obligation, incurring from media segment.

## 2.3 Profit from Operation

The Company's gross profit margin for 2017 is -42.92% and for 2016 is -89.17% in comparison to the revenues from operation. Furthermore, the Company still incurred loss from operation result. For the year 2017 and 2016, the Company has the operating profit margin at -112.94% and -516.33% respectively. The main reason the Company incurred operating loss consecutively is the Company carried high cost of the sales and services, and the selling and administrative expenses for the media segment. Even though the Company can generate increasing amount of annual revenues and set the restriction for the expenses, in 2017 the Company incurred losses from operation, excluding financial cost, at Baht 422.80 million, decrease from Baht 1,436.65 million in 2014, representing a decrease of Baht 1,013.85 million, or 70.57 %. This was the result of the year 2016's recording the entire amount of Baht 953.90 million in impairment of television frequency license.

## 2.4 Net Profit

In 2017, the Company incurred Baht 570.39 million of net loss, equivalent to 153.00 % of the total revenues, decreased from Baht 1,507.06 million of net loss in 2016, equivalent to Baht 541.64 million of total revenues.

## **3. Analysis of Financial Position**

The financial positions of News Network Corporation Public Company Limited and its subsidiaries for the periods ended 31 December 2017 and 2016 are as follows: -



(Unit : Million Baht)	2017	2016	Increase / (Decrease)	
	Amount	Amount	Amount	Amount
Total assets	1,379.65	2,178.39	-798.74	-36.67
Total liabilities	1,110.17	1,525.34	-415.17	-27.22
Shareholders' equity	269.48	653.05	-383.57	-58.74

## Asset Management

### Analysis of Assets

As at 31 December 2017 and 2016, the Company has the total assets amounting to Baht 1,379.65 million and Baht 2,178.39 million respectively, representing a decrease of Baht 798.74 million, or 36.67%.

For 2016, the Company has the total assets amounting to Baht 2,178.39 million; consisted of Baht 767.08 million in current assets and Baht 1,411.31 million in non-current assets, equivalent to 35.21% and 64.79% of the total assets respectively. The current assets consisted of Baht 287.41 million in cash and cash equivalents, Baht 3.89 million in temporary investment, Baht 258.51 million in obligated bank deposit, Baht 187.09 million in trade and other account receivables, Baht 12.39 million in inventories, Baht 4.37 million in short-term loan to related party and accrued interest, and Baht 13.42 million in other current assets. The non-current assets consisted of Baht 488.23 million in obligated bank deposit, Baht 499.03 million in long-term investment, Baht 389.70 million in tools and equipment for operation and intangible assets, which included investment property located on 17<sup>th</sup> Floor, Phaholyothin Place Building having Baht 5.81 million in book value and the appraised value is Baht 23.68 million. Currently, it is leased to outside party to earn income for the Company.

For 2017, the Company has the total assets amounting to Baht 1,379.65 million; consisted of Baht 533.01 million in current assets and Baht 846.64 million in non-current assets, equivalent to 38.63 % and 61.37 % of the total assets respectively. In 2017, the Company's total assets had decreased by Baht 798.74 million from the 2016 total assets. The current assets consisted of Baht 24.40 million in cash and cash equivalents, Baht 1.05 million in temporary investment, Baht 234.97 million in obligated bank deposit, Baht 258.40 million in trade and other account receivables, Baht 6.32 million in inventories, and Baht 8.92 million in other current assets. The non-current assets consisted of Baht 251.78 million in obligated bank deposit, Baht 214.64 million in long-term investment, Baht 214.32 million in tools and equipment for operation, Baht 125.01 million in intangible assets, and Baht 40.89 million in other non-current assets.

The Company has the return on asset ratio for 2017 and 2016 at -41.51% and -69.18%. The return on fixed asset ratio for 2017 and 2016 are -274.2% and -674.34%. The total asset turnover ratio for 2017 is 0.27 time, and for 2016 is 0.13 time. The return on asset has increased because the asset management become more efficient in relation to the sales volume. The management has carefully estimate revenues,



expenses, growth rate, and future cash flow that reflect the economic situation's effect on the Group Companies' current segments, especially media segment. Nevertheless, the return from the asset management cannot yet yield maximum efficiency because it would take some time for the Company's operation and the competition in the same business segment to obtain the reasonable result.

### Trade Account Receivables and Other Receivables

(Unit : Million Baht)	2017	2016	Increase / (Decrease)	
	Amount	Amount	Amount	Amount
Trade account receivables	109.50	77.66	31.84	41.00
Other receivables	148.90	141.84	7.06	4.98
	258.40	219.50	38.90	17.72
Trade account receivables – classified by aging				
Unbilled	20.46	25.18	-4.72	-18.75
Trade account receivables within due period	46.34	32.03	14.31	44.68
Classified by overdue periods as follows: -				
- Less than 3 months	21.66	24.14	-2.48	-10.27
- 3-6 months	5.43	1.58	3.85	243.67
- 6-12 months	18.55	0.15	18.40	12,266.67
- More than 12 months	36.11	34.12	1.99	5.83
	148.55	117.20	31.35	26.75
Allowance for doubtful debt	-39.05	-39.54	-0.49	-1.24
	109.50	77.66	31.84	41.00

As at 31 December 2017 and 31 December 2016, the Company has net trade account receivable amounting to Baht 109.50 million and Baht 77.66 million respectively, representing an increase of Baht 31.84 million, or 41.00 %. The trade account receivable turnover for 2017 and 2016 are 1.68 times and 1.41 times respectively. The average collection period for 2017 is 217 days and for 2016 is 258 days. The Company's average collection periods are within due period to 3 months and more than 12 months; the debtors are government sectors and private enterprises and involving large amount of money. The Company followed up on debt collection but have not received payments, thus the Company has filed for debt litigations.



The Company offer credit terms to customers. Usually, the Company offer 30-day credit term for clients that are private enterprises or individual person and 45-day credit term for clients that are government sectors.

When analyzing the aging according to the overdue periods, the trade account receivables within the due period for 2017 and 2016 are amounting to Baht 20.46 million and Baht 25.18 million respectively, representing a decrease of Baht 4.72 million, or 18.75% from 2016.

Aging less than 3 months: In the year 2017 and 2016, the debts with aging less than 3 months amounting to Baht 21.66 Million and Baht 24.14 million respectively, representing a decrease of Baht 2.48 million, or 10.27% from 2016. The debt payments have been made within credit terms.

Aging between 3 - 6 months: In the year 2017 and 2016, the debts with aging more than 3 months but less than 6 months amounting to Baht 5.43 million and Baht 1.58 million respectively, representing an increase of Baht 3.85 million, or 243.67% from 2016. However, it does not have significant effect on the cash flow since the debt is not substantial.

Aging between 6 - 12 months: In the year 2017 and 2016, the debts with aging more than 6 months but less than 12 months amounting to Baht 18.55 million and Baht 0.15 million respectively, representing an increase of Baht 18.40 million from 2016. The debtors may encountered some financial problems from the effect of the economy, however, the debtors can be contacted and the payment periods have been extended. For certain debtors, the Company has considered setting the allowance for doubtful debt because the Company anticipated the said debtors could not be able to repay the debt within this year.

Aging more than 12 months: The Company has set the provision for the entire amount as allowance for doubtful debt. The debtors consist of both government sectors and private enterprises because there were problem in the deliveries under the technology product segment.

The Company estimate the provision of the allowance for doubtful debt from the individual debtor's repayment abilities and time period required to repay, for both government sectors and private enterprises.

## Other Receivables

For 2017 and 2016, the Company has other receivables at Baht 148.90 million and Baht 141.84 million respectively, representing an increase of Baht 7.06 million, or 4.98%. It comprised of prepaid expenses, accrued interest, deposits and bonds, accrued income, Revenue Department receivables, and other receivables. The detail of other receivable has been disclosed in the 2017 financial statements under section 9 "Trade and Other Receivables" on page 31-32.



## Inventories

	2017	2016	Increase /(Decrease)	
(Unit : Million Baht)	Amount	Amount	Amount	Amount
Technology product distribution and consultation on information system design segment	-	-	-	-
Media segment	4.34	9.24	-4.90	-53.03
Distribution of tools and equipment, and providing project installation services for health and environment segment	1.98	3.14	-1.16	-36.94
	6.32	12.38	-6.06	-48.95

As at 31 December 2017 and 31 December 2016, the Company has total inventories amounting to Baht 6.32 million and Baht 12.38 million respectively, representing a decrease of Baht 6.06 million, or 48.95% from 2016. Baht 4.34 million was inventories of media segment, which are books and magazines. Baht 1.98 million was inventories of distribution of tools and equipment, and providing project installation services for health and environment segment, which are tools and spare parts.

Technology product distribution and consultation on information system design segment recorded the entire amount of provision for obsolete inventory, since these technology products are more than 1 year old. Technology products should be constantly modernized to keep up with current trend.

For the year 2017, media segment has Baht 4.34 million of inventories, which are books and magazines, decrease from Baht 9.24 million in 2016, representing a decrease of Baht 4.90 million, or 53.03%. The sales volume is growing continuously with higher inventory turnover ratio.

For the year 2017, distribution of tools and equipment, and providing project installation services for health and environment segment has Baht 1.98 million of inventories, decrease from Baht 3.14 million in 2016, representing a decrease of Baht 1.16 million, or 36.94%. These are tool and spare parts that sufficiently reserved in accordance to individual project's agreements and the project terms range from 1 – 3 years. A portion of inventories are products awaiting delivery to clients.

The inventory turnover ratio of the Group Companies is increasing. The inventory turnover for 2017 and 2016 are 42 days and 81 days respectively, or at the rate 8.65 times and 4.46 times respectively. It showed that the sales of good can be managed faster. The Company has adjusted the cost of inventories to the net realizable value for the inventories with comparable prices.

Recording of allowance for obsolete inventory, the goods under the technology product distribution and consultation on information system design segment. The technology products rely on being modernized



thus the product life cycle is short. The Company has the policy to record the allowance for obsolete inventory at 6 months – 2 years depending on the manufacturers' need to present new products to the market and the end-users' requirements, and they are written off by considering the status of individual product.

## Investment, Goodwill and Impairment

The Company invested in subsidiaries. As at 31 December 2017, the Company has Baht 55.30 million of net investment in subsidiaries (in the separate financial statements), equivalent to 99.99%. The investment in subsidiaries have been disclosed in the note to financial statements section 15 on page 40.

Investment in Spring News Corporation Co., Ltd. at Baht 1,999.99 million: as at 31 December 2017, the Company recorded the entire amount as impairment of investment. The Company recorded Baht 199.999 million of impairment of investment in 2012, Baht 300 million in 2015, and the remaining Baht 1,499.99 million in 2016. Since the said company's deficit exceeds capital, considering the future return on investment and the company's ability to generate profit, there is a tendency that the company could not operate to gain profit in a short period of time. An independent financial advisor appraised the fair value of the investment basing on the information and assumptions of the management on the estimates regarding the revenues, expenses, growth rate and estimate future cash flow, therefore, the Company has to record the entire amount of investment in Spring News Corporation Co., Ltd. as impairment.

In 2012, Spring News Corporation Co., Ltd. invested in another subsidiary (indirect subsidiary), Spring News Television Co., Ltd., which is a licensee of digital television frequency license for news station under the name "SPRINGNEWS Channel 19". The registered share capital is Baht 5 million. In 2016, the Company recorded the entire amount of Baht 953.90 million for digital television frequency license as impairment of investment. The said impairment of the license has been appraised by an independent financial advisor on its the fair value basing on the information and assumptions of the management on the estimates regarding the revenues, expenses, growth rate and estimate future cash flow that reflect the current economic and digital television segment situations.

Investment in Green Net 1282 Co., Ltd.: as at 31 December 2017, the remaining value is Baht 11.85 million. The Company's shareholding ratio is 99.99% and the registered share capital is Baht 19 million. The Company considered the operating result of Green Net 1282 Co., Ltd. from its financial statements and statement of cash flows. As at 31 December 2017, Green Net 1282 Co., Ltd. has Baht 7.45 million of deficit, a decrease from Baht 20.48 million in 2016, representing a decrease of Baht 13.03 million. It was a result from the company's adjustment of the sales strategy in 2017, thus the value of the investment has increase. In 2016, the Company recorded the entire amount of Baht 20.19 million of investment in Green Net 1282 Co., Ltd. as impairment. If the company's operating result continue to consistently generate annual profit, the Company could reverse the said impairment of investment.



- **Property, Plant and Equipment**

As at 31 December 2017 and 31 December 2016, the Company has property, plant and equipment amounting to Baht 208.86 million and Baht 223.49 million respectively, representing a decrease of Baht 14.63 million, or 6.55% from 2016. It is a result of depreciation, the value of property, plant, and airing tools and equipment in the media segment.

- **Liabilities**

As at 31 December 2017, the Company has Baht 1,110.17 million of total liabilities, which consisted of current liabilities amounting to Baht 873.90 million and non-current liabilities amounting to Baht 236.27 million, representing a decrease from 31 December 2016 at Baht 415.17 million, or 27.22%. The Company repaid the creditor from the private placement capital increase, and paid the trade accounts and other payable.

Shareholders' Equity

- Capital Structure

As at 31 December 2017, the Company has Baht 9.48 million of shareholders' equity, which consisted of 281,961,297,580 ordinary shares at the par value of Baht 1 per share. The issued and paid up capital consisted of 67,886,863,391 ordinary shares.

As at 31 December 2017, the Company's capital structure consisted of Baht 1,110.17 million of total liabilities and Baht 269.48 million of shareholders' equity. The debt to equity ratio is the ratio that show the Company's ability to repay long-term debt. For 2017, the company's debt to equity ratio increased from 2.34 times in 2016 to 4.12 times in 2017, represented a higher debt to equity ratio. It implied that the shareholders have a chance in receiving higher returns. Also, the Company has low financial risk because the Company's working capital which financed from borrowing incurred lower financial cost than financing from the ordinary shares. The Company has applied concise and careful control over the financial management. Its good operation also contribute to higher growth rate, thus minimizing the risk factors.

## Liquidity and Adequacy of Capital Analysis of Cash Flow

As at 31 December 2017 and 31 December 2016, the Company has net cash flow provided from and (used in) operating activities at Baht -330.70 million and Baht 382.87 million respectively. For net cash flow from investing activities in 2017; the Company has Baht -2.25 million of net cash flow provided from and (used in) investing activities. The Company received Baht 259.99 million from the release of obligated bank deposit, Baht 0.15 million of dividend income. The Company paid Baht 241.60 million for television license payable, and Baht 69.94 million of net cash flow provided from and (used in) financing activities. In 2017, the Company has cash inflow from receiving Baht 473.55 million from share subscription fee for new



ordinary shares issuance, cash inflow from receiving Baht 164.5 million of short-term loans from related person and other entities, repaid Baht 302.60 to private placement capital increase payable, paid Baht 80.94 million of interest expenses, repaid Baht 113.24 million of short-term loan from other entities, and paid Baht 36.44 million for asset payable. In summary, for 2017 the Company's cash flow decreased by Baht 263.01 million.

### The Company's Liquidity

For 2017 and 2016, the Company has the liquidity ratios at 0.61 time and 0.49 time respectively. The liquidity of the Company is below the acceptable standard. The expenditure shall be closely monitored so the Company's liquidity can be continue seamlessly, and urgently source for funds to be used as the working capital. Considering the operation of the Company and its subsidiaries, the remaining cash flow could be insufficient to pay for the Company and its subsidiaries' operating expenses for the year 2018, which anticipated to incur high cost and expenses for sales and services. For the Company to maintain the high level of liquidity, it needed to finance additional funds or short-term loans from other sources to be used as the working capital. For the payment of the license fees for the digital television license, the Company pledged the bank deposits as collateral for the entire amount.



News Network CorporationPublic Company and its Subsidiaries

Balance Sheet

Unit : Baht

	2017 Baht	%	2016 Baht	%	2015 Baht	%
<b>ASSETS</b>						
<b>CURRENT ASSETS</b>						
Cash and Cash Equivalents	24,398,721	1.77%	287,413,519	13.19%	148,901,984	4.43%
Current Investments	1,045	0.00%	3,889,033	0.18%	3,559,020	0.11%
Bank Deposit Used as Collateral	234,972,000		258,512,000		258,512,000	
Trade and Other Current Receivables	258,399,659	18.73%	187,094,210	8.59%	152,798,520	4.54%
Unbilled Work in Progress	305,960	0.02%	1,143,983	0.05%	1,092,300	0.03%
Finance Lease Receivables Due within One Year	-	-	-	-	-	-
Short-term Loans to Related Companies	-	0.00%	4,000,000	0.18%	24,000,000	0.71%
Short-term Loans to Other Companies and Persons	-	0.00%	37,829	0.00%	149,728	-
Short-term Loans to Employee	318,344	0.02%	333,535	0.02%	303,880	-
Inventories	6,317,576	0.46%	12,386,564	0.57%	14,273,466	0.42%
Current Tax Assets	8,295,888	-	12,271,549	-	10,346,202	0.31%
<b>Total Current Assets</b>	<b>533,009,193</b>	<b>38.63%</b>	<b>767,082,222</b>	<b>35.21%</b>	<b>613,937,098</b>	<b>18.26%</b>
<b>NON-CURRENT ASSETS</b>						
Finance Lease Receivables	-	-	-	-	-	0.00%
Bank Deposit Used as Collateral	251,776,952	18.25%	488,228,618	22.41%	745,006,563	22.15%
Investments in Subsidiaries	-	-	-	-	-	-
Investments in Joint Venture	-	0.00%	-	-	1,437,794	-
Long-term Investments	214,642,800	15.56%	499,033,350	22.91%	662,828,700	-
Assets-for-Rent	175,622	0.01%	335,738	0.02%	670,545	0.02%
Investment Property	5,290,872	0.38%	5,806,088	0.27%	6,321,304	0.19%
Equipment	208,857,159	15.14%	223,487,773	10.26%	244,892,855	7.28%
Goodwill	-	-	-	-	-	-
Intangible Assets	125,014,569	9.06%	160,071,624	7.35%	33,917,053	1.01%
License to Use the Frequency for Television Service	-	0.00%	-	0.00%	1,031,379,297	-
Deferred Tax Asset	356,197		-		-	
Other Non-Current Assets	40,529,760	2.94%	34,348,679	1.58%	22,593,434	0.67%
<b>TOTAL NON-CURRENT ASSETS</b>	<b>846,643,932</b>	<b>61.37%</b>	<b>1,411,311,870</b>	<b>64.79%</b>	<b>2,749,047,545</b>	<b>81.74%</b>
<b>TOTAL ASSETS</b>	<b>1,379,653,125</b>	<b>100.00%</b>	<b>2,178,394,091</b>	<b>100.00%</b>	<b>3,362,984,642</b>	<b>100.00%</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>						
<b>CURRENT LIABILITIES</b>						
Bank Overdrafts	2,205,302	0.16%	149,912	0.01%	480,888	0.01%
Trade and Other Current Payables	277,428,471	20.11%	198,760,457	9.12%	177,578,404	5.28%
Current Portion of License to Use the Frequency for Television Service Payable	205,395,512	14.89%	216,807,384	9.95%	205,992,764	-
Current Portion of Liabilities under Finance Lease Agreements	1,227,908	0.09%	1,105,118	0.05%	1,266,705	0.04%
Short-term Loans from Related Persons	13,465,638	0.98%	2,500,000	0.11%	2,500,000	0.07%
Short-term Loans from Other Companies	204,744,278		198,863,863		-	
Short-term Loans from Other Person	1,300,000	0.09%	1,300,000	0.06%	1,300,000	-
Income Tax Payable	2,016,219		-		-	
Provisions of Liabilities	3,115,637	0.23%	3,059,989	0.14%	2,665,299	0.08%
Provision in Joint Venture	-	0.00%	26,590	-	-	-
Creditor from Capital Increase	163,000,000	11.81%	465,600,000	-	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>873,898,964</b>	<b>63.34%</b>	<b>1,088,173,314</b>	<b>49.95%</b>	<b>391,784,060</b>	<b>11.65%</b>
<b>NON-CURRENT LIABILITIES</b>						
License to Use the Frequency for Television Service Payable	216,178,776	15.67%	421,574,287	19.35%	638,381,672	18.98%
Finance Lease Agreements Liabilities	1,719,972	0.12%	1,061,369	0.05%	1,719,887	0.05%
Non-Current Provisions for Employee Benefit	17,777,272	1.29%	13,830,664	0.63%	3,618,412	0.11%
Deferred Tax Liabilities	594,257	0.04%	703,940	0.03%	93,676	-
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>236,270,276</b>	<b>17.13%</b>	<b>437,170,261</b>	<b>20.07%</b>	<b>643,813,646</b>	<b>19.14%</b>
<b>TOTAL LIABILITIES</b>	<b>1,110,169,240</b>	<b>80.47%</b>	<b>1,525,343,575</b>	<b>70.02%</b>	<b>1,035,597,706</b>	<b>30.79%</b>



News Network Corporation Public Company and its Subsidiaries

Balance Sheet

Unit : Baht

	2017	%	2016	%	2015	%
<b>SHAREHOLDERS' EQUITY</b>						
Share Capital						
Authorized Share Capital						
281,961,297,580 Ordinary Shares, par value of 1.00 Baht each	281,961,297,580	20437.12%	-		-	
14,695,874,880 Ordinary Shares, par value of 5.00 Baht each	-		73,479,374,400	3373.10%	-	
8,736,932,320 Ordinary Shares, par value of 5.00 Baht each	-		-		43,684,661,600	1298.98%
Issued and Paid-Up Share Capital						
67,886,863,391 Ordinary Shares, par value of 1.00 Baht each	67,886,863,391	4920.57%	-	0.00%	-	
6,292,021,080 Ordinary Shares, par value of 5.00 Baht each	-		31,460,105,400		31,460,105,400	935.48%
Share Discount on Ordinary Shares	(62,783,929,576)	-4550.70%	(26,830,723,462)	-1231.67%	(26,830,723,462)	-797.82%
Share Subscription Received in Advance	-		4,126			
Retained Earnings (Deficit)						
Appropriated						
Legal Reserve	2,790,000	0.20%	2,790,000	0.13%	2,790,000	0.08%
Retained Earnings (Deficit)	(3,983,903,607)	-288.76%	(3,416,169,390)	-156.82%	(1,910,714,176)	-56.82%
Other Components of Shareholders' Equity	(838,199,017)	-60.75%	(553,808,467)	-25.42%	(390,013,117)	-11.60%
<b>TOTAL SHAREHOLDERS' EQUITY OF THE COMPANY</b>	283,621,191	20.56%	662,198,208	30.40%	2,331,444,646	69.33%
Non-Controlling Interests	(14,137,306)	-1.02%	(9,147,691)	-0.42%	(4,057,709)	-0.12%
<b>TOTAL SHAREHOLDERS' EQUITY</b>	269,483,885	19.53%	653,050,516	29.98%	2,327,386,937	69.21%
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	1,379,653,125	100.00%	2,178,394,091	100.00%	3,362,984,642	100.00%



News Network CorporationPublic Company and its Subsidiaries  
Statements of comprehensive income

Unit : Baht

	2017 Baht	%	2016 Baht	%	2015 Baht	%
Revenue from Sales and Services	374,341,641	100.00%	277,774,866	99.83%	212,143,850	99.71%
Revenue from Assets for Rent	-	0.00%	468,000	0.17%	624,000	0.00
<b>TOTAL REVENUES</b>	<b>374,341,641</b>	<b>100.00%</b>	<b>278,242,866</b>	<b>100.00%</b>	<b>212,767,850</b>	<b>100.00%</b>
Cost of Sales and Services	(534,895,763)	-142.89%	(526,038,603)	-189.06%	(501,837,763)	-235.86%
Cost of Assets for Rent	(115,040)	-0.03%	(309,163)	-0.11%	(336,357)	-0.00
<b>TOTAL COST</b>	<b>(535,010,803)</b>	<b>-142.92%</b>	<b>(526,347,766)</b>	<b>-189.17%</b>	<b>(502,174,120)</b>	<b>-236.02%</b>
<b>GROSS PROFIT(LOSS)</b>	<b>(160,669,162)</b>	<b>-42.92%</b>	<b>(248,104,900)</b>	<b>-89.17%</b>	<b>(289,406,270)</b>	<b>-136.02%</b>
Interest Income	10,968,245	2.93%	16,717,928	6.01%	30,184,838	14.19%
Other Income	21,944,424	5.86%	52,532,641	18.88%	25,684,511	12.07%
Selling and Service Expenses	(69,808,048)	-18.65%	(78,197,904)	-28.10%	(83,498,786)	-39.24%
Administrative Expenses	(223,390,359)	-59.68%	(180,703,788)	-64.94%	(175,030,444)	-82.26%
(Doubtful Debts and Bad Debts) Reversal	(1,843,164)	-0.49%	(43,069,051)	-15.48%	(45,045,421)	-21.17%
Loss on Impairment of Investments	-	0.00%	(71,719)	-0.00	-	-
Loss on Impairment of Goodwill	-	0.00%	(2,002,493)	-0.72%	(10,798,049)	-5.08%
Loss on Impairment of License to Use the Frequency for Television Service	-	0.00%	(953,903,800)	-4.48	-	-
Finance Costs	(147,594,132)	-39.43%	(70,409,167)	-25.30%	(58,691,433)	-27.58%
Share of Profit (Loss) in Joint Venture	-	0.00%	156,513	0.06%	(562,206)	-0.00
<b>PROFIT (LOSS) BEFORE INCOME TAXES (EXPENSES) REVENUES</b>	<b>(570,392,194)</b>	<b>-152.37%</b>	<b>(1,507,055,740)</b>	<b>-541.63%</b>	<b>(607,163,261)</b>	<b>-285.36%</b>
Income Tax (Expense) Revenue	(2,355,658)	-0.63%	(22,264)	-0.00	(74,512)	-0.00
<b>PROFIT (LOSS) FOR THE YEAR</b>	<b>(572,747,853)</b>	<b>-153.00%</b>	<b>(1,507,078,004)</b>	<b>-541.64%</b>	<b>(607,237,773)</b>	<b>-285.40%</b>
<b>OTHER COMPREHENSIVE INCOME</b>						
Components of other comprehensive income that will be reclassified to profit or loss						
Gain (Loss) on Remeasurement of Available-for-Sale Investments						
Net of Income Tax	(284,390,550)	-75.97%	(163,795,350)	-58.87%	(275,143,547)	-129.32%
Total components of other comprehensive income items that will be reclassified to profit or loss - net of income tax	(284,390,550)	-75.97%	(163,795,350)	-58.87%	(275,143,547)	-129.32%
<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>						
Gain (Loss) on Remeasurement of Defined Benefit Plans						
- Net of Income Tax	24,020	0.01%	(3,216,577)	-1.16%	821,214	0.39%
Total items that will not be subsequently reclassified to profit or loss - net of income tax	24,020	0.01%	(3,216,577)	-1.16%	821,214	0.39%
Total Components of other comprehensive income (expense) for the year - net of income tax	(284,366,530)	-75.96%	(167,011,927)	-60.02%	(274,322,333)	-128.93%
<b>TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR</b>	<b>(857,114,382)</b>	<b>-228.97%</b>	<b>(1,674,089,931)</b>	<b>-601.66%</b>	<b>(881,560,106)</b>	<b>-414.33%</b>
<b>PROFIT (LOSS) ATTRIBUTABLE :</b>						
Equity Holders of the Company	(567,666,934)	99.11%	(1,502,245,941)	99.68%	(605,714,882)	99.75%
Non-Controlling Interests	(5,080,918)	0.89%	(4,832,063)	0.32%	(1,522,891)	0.10%
<b>PROFIT (LOSS) FOR THE YEAR</b>	<b>(572,747,853)</b>	<b>100.00%</b>	<b>(1,507,078,004)</b>	<b>100.00%</b>	<b>(607,237,773)</b>	<b>100.00%</b>
<b>TOTAL COMPREHENSIVE INCOME (EXPENSE) ATTRIBUTABLE :</b>						
Equity holders of the Company	(852,124,767)	99.42%	(1,669,250,564)	99.71%	(880,037,215)	99.83%
Non-Controlling Interests	(4,989,615)	0.58%	(4,839,367)	0.29%	(1,522,891)	0.09%
<b>TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR</b>	<b>(857,114,382)</b>	<b>100.00%</b>	<b>(1,674,089,931)</b>	<b>100.00%</b>	<b>(881,560,106)</b>	<b>100.00%</b>
<b>BASIC EARNINGS (LOSS) PER SHARE</b>	<b>(0.0177)</b>		<b>(0.0477)</b>		<b>(0.0970)</b>	



News Network Corporation Public Company and its Subsidiaries

Statement of cash flows

Unit : Baht

	2017	2016	2015
	Baht	Baht	Baht
CASH FLOW FROM OPERATING ACTIVITIES			
Profit (Loss) before Income Tax	(570,392,194)	(1,507,055,740)	(607,163,261)
Adjustment to Profit (Loss) before Income Taxes for Cash Received (Paid) from Operations			
Depreciation and Amortization	82,941,199	67,935,030	65,353,387
Amortization of License to Use the Frequency for Television Service	-	77,475,498	77,475,498
(Reversal of) Doubtful Debts-Trade and Other Current Receivables	236,308	12,688,149	(185,846)
(Reversal of) Doubtful Debts-Financial Lease Receivables	-	-	45,181,528
(Reversal of) Doubtful Debts-Short-term Loans to Related Companies	-	24,000,000	-
(Reversal of) Doubtful Debts-Short-term Loans to Other Companies and Persons	761,329	76,500	22,093
(Reversal of) Doubtful Debts-Short-term Loans to Employee	6,000	-	-
Doubtful Debts-Other Non-Current Assets	839,527	97,800	-
Bad Debts	-	6,206,601	27,646
Written-off Withholding Tax to Expense	1,972,365	2,312,113	136,028
(Gain) Loss from Selling of Trading Securities	(87,921)	-	-
(Gain) Loss from Change of Fair Value of Trading Securities	(712,000)	(330,000)	-
(Reversal of) Loss from Declining in Value of Inventories	3,678,354	1,866,657	(486,834)
Loss from Damaged/Lost Inventories	-	25,973	138,723
Transfer Inventories to Expense	-	445,294	800,000
Loss on Impairment of Investments	-	-	-
(Gain) from Selling of Securities	-	71,719	(2,504,027)
Written-off Investment to Expense	-	-	-
Share of (Profit) Loss in Joint Venture	-	(156,513)	562,206
Loss on Written-off Assets	312,780	2,540,424	380,790
Loss on Written-off Assets-for-Rent	3	268	42,604
Loss on Impairment of Goodwill	-	2,002,493	10,798,049
Loss on Impairment of License to Use the Frequency for Television Service	-	953,903,800	-
(Gain) Loss on Sale of Fixed Assets	90,465	34,126	129,954
(Gain) Loss on Sale of Assets-for-Rent	-	-	10,068
Loss on Impairment of Intangible Assets	-	582,872	-
Transfer Fixed Assets to Expense	32,000	24,000	-
(Gain) Loss on Unrealized Exchange Rate	(4,496)	2,755	(1,375)
Provisions of Liabilities	55,649	973,332	-
(Reversal of) Provisions of Liabilities in Joint Venture	(26,590)	-	-
Employee Benefit Obligation	4,131,436	3,377,807	645,252
Deferred Interest of License to Use the Frequency for Television Service	24,792,616	35,607,236	44,857,289
Letter of Guarantee Fee	5,804,573	8,365,381	-
Amortized Transaction Cost	1,136,137	4,873,863	-
Dividend Income	(147,000)	(12,368,050)	(11,339,580)
Interest Income	(10,968,245)	(16,717,928)	(30,184,838)
Interest Expense	115,860,806	21,562,688	2,950,246
Profit (Loss) from Operation Activities before Changes in Operating Assets and Liabilities	(339,686,901)	(309,575,853)	(402,354,399)
(Increase) Decrease in Operating Assets			
Current Investment in Trading Securities	4,687,910	(14)	1,041,980
Trade and Other Current Receivables	(77,319,830)	(58,564,143)	(9,834,538)
Unbilled Work in Progress	838,023	(51,683)	(860,787)
Short-term Loans to Employee	9,191	(29,655)	555,976
Inventories	2,390,634	(451,021)	402,537
Other Non-Current Assets	1,070,117	(3,818,956)	(4,260,432)
Increase (Decrease) in Operating Liabilities			
Trade and Other Current Payables	73,987,347	(10,225,314)	23,220,926
Provisions of Liabilities	-	(578,642)	(2,236,762)
Non-Current Provisions for Employee Benefit	-	(1,237,248)	(1,940,523)
	(334,023,509)	(384,532,529)	(396,266,021)



News Network Corporation Public Company and its Subsidiaries

Statement of cash flows

Unit : Baht

	2017 (Baht)	2016 (Baht)	2015 (Baht)
<b>CASH FLOW FROM OPERATING ACTIVITIES (CONTINUOUS)</b>			
Interest Income Received	10,015,382	13,932,144	36,867,235
Withholding Tax Received	2,208,458	-	1,215,953
Tax Refund Received	-	-	15,711,486
Withholding Tax Paid	(8,901,344)	(12,271,549)	(10,346,202)
<b>NET CASH PROVIDED FROM (USED IN) OPERATING ACTIVITIES</b>	<b>(330,701,012)</b>	<b>(382,871,934)</b>	<b>(352,817,549)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
(Increase) Decrease in Deposit at Bank Used as Collateral	259,991,666	256,777,946	185,311,588
Cash Received from Selling of Available-for-Sale Investments	-	-	137,504,027
Cash Received from Dividend Income	147,000	12,368,050	11,339,580
Cash Payment for Short-term Loans to Related Companies	(2,000,000)	(6,300,000)	(34,417,000)
Cash Received from Short-term Loans to Related Companies	6,000,000	2,300,000	9,741,812
Cash Payment for Short-term Loans to Other Company and Persons	-	-	(10,000,000)
Cash Received from Short-term Loans to Other Companies and Person	76,500	35,399	10,000,000
Cash Payment for Investment in Subsidiary Companies	-	-	(30,811,196)
Cash Payment for Investment in Joint Venture	-	-	(2,000,000)
Cash Received from Investment in Joint Venture	-	1,549,177	-
Cash Payment for Purchase of Fixed Assets	(22,184,631)	(10,191,304)	(67,719,549)
Cash Received from Disposal of Fixed Assets	48,583	46,287	998,243
Cash Received from Sale of Assets-Held-for-Sale	-	-	4,000
Cash Received from Disposal of Assets-for-Rent	-	-	-
Cash Payment for Purchase of Intangible Assets	(2,956,755)	(130,459,527)	(24,865,300)
Cash Payment for License to Use the Frequency for Television Service	(241,600,000)	(241,600,000)	(175,800,000)
Cash Received from Interest Income	224,956	341,918	-
<b>NET CASH PROVIDED FROM (USED IN) INVESTING ACTIVITIES</b>	<b>(2,252,681)</b>	<b>(115,132,054)</b>	<b>9,286,205</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Increase (Decrease) in Bank Overdrafts	2,055,389	(330,975)	(1,112,716)
Cash Received from Short-term Loan from Financial Institution	258,512,000	258,512,000	-
Cash Payment for Short-term Loan from Financial Institution	(258,512,000)	(258,512,000)	-
Cash Received from Short-term Loan from Related Persons	46,500,000	-	1,300,000
Cash Payment from Short-term Loan from Related Persons	(35,500,000)	-	(1,300,000)
Cash Received for Short-term Loans from Related Companies	-	-	669,500
Cash Payment for Short-term Loans to Related Companies	-	-	(699,500)
Cash Received from Short-term Loan from Other Companies	118,000,000	295,000,000	-
Cash Payment for Short-term Loan from Other Company	(113,244,538)	(95,000,000)	-
Cash Payment for Transaction Costs	-	(6,010,000)	-
Cash Payment for Fixed Asset Account Payable	(36,442,287)	-	-
Cash Payment for Liabilities under Finance Lease Agreements	(1,433,337)	(1,456,937)	(1,768,776)
Cash Received from Issuance of Ordinary Shares	473,547,751	-	90,000,004
Cash Received from Investment of Non-Controlling Interests	-	250,008	-
Cash Received from Share Subscription Received in Advance	-	4,126	-
Cash Received from Creditor from Capital Increase	-	465,600,000	-
Cash Payment from Creditor from Capital Increase	(302,600,000)	-	-
Cash Payment for Interest Expense	(80,944,082)	(21,540,699)	(2,313,637)
<b>NET CASH PROVIDED FROM (USED IN) FINANCING ACTIVITIES</b>	<b>69,938,895</b>	<b>636,515,523</b>	<b>84,774,875</b>
<b>NET CASH AND CASH EQUIVALENTS INCREASE (DECREASE)</b>	<b>(263,014,798)</b>	<b>138,511,535</b>	<b>(258,756,470)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>287,413,519</b>	<b>148,901,984</b>	<b>409,958,453</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>24,398,721</b>	<b>287,413,519</b>	<b>151,201,984</b>



News Network CorporationPublic Company Limited and its Subsidiaries

Financial Ratios

Unit : Baht

	Unit	2017	2016	2015
<b>Liquidity Ratio</b>				
Current Ratio	times	0.61	0.49	1.05
Quick Ratio	times	0.60	0.48	1.01
Account Receivable Turnover	times	1.68	1.41	1.19
Average Collection Period	days	217	258	307
Inventory Turnover	times	8.65	4.46	4.12
Average Carrying Period or Inventory's Days	days	42	81	88
Payable Turnover	times	2.25	2.80	3.39
Payable Payment Period	days	162	130	107
Cash Cycle	days	97	210	288
<b>Profitability Ratio</b>				
Gross Profit Margin or Gross Profit Rate	%	-42.92	-89.17	-136.02
Operating Profit Margin or Operating Profit Rate	%	-112.94	-516.33	-257.78
Net Profit Margin	%	-153.00	-541.64	-285.40
Return on Equity (ROE)	%	-212.54	-230.78	-26.09
<b>Efficiency Ratio</b>				
Return on Assets (ROA)	%	-41.51	-69.18	-18.06
Return on Fixed Assets	%	-274.23	-674.34	-247.96
Total Asset Turnover	times	0.27	0.13	0.06
<b>Leverage Ratio or Financial Ratio</b>				
Debt to Equity Ratio	times	4.12	2.34	0.44
Interest Coverage Ratio	times	2.86	20.40	9.35
Dividend Payout Ratio	%	-	-	-



(TRANSLATION)  
INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Board of Directors of NEWS NETWORK CORPORATION PUBLIC COMPANY LIMITED

**Opinion**

I have audited the accompanying consolidated and separate financial statements of News Network Corporation Public Company Limited and its subsidiaries (the Group), and the separate of News Network Corporation Public Company Limited (The Company), which comprise the consolidated and separate statements of financial position as at 31 December 2017, and the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in shareholders' equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of News Network Corporation Public Company Limited and its subsidiaries and the separate of News Network Corporation Public Company Limited as at 31 December 2017, and its consolidated and separate financial performance and its consolidated and separate 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 regarding the audit of the consolidated and separate financial statements which is promulgated by the Federation of Accounting Professions, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



### Material Uncertainty Relating to Going Concern

I draw attention to note to the financial statements no. 1.2, for the year ended 31 December 2017, the Group and the Company had a net loss in amount of Baht 572.75 million, and Baht 209.86 million, respectively, and as at 31 December 2017, the Group had current liabilities exceeded its current assets by Baht 340.89 million. This indicated a material uncertainty which may cause significant doubt about the Group and the Company's ability to continue as a going concern. However, my opinion is not modified in this matter.

### Key Audit Matters

Key audit matters are those matters that, in my professional judgment, 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, except the matter I indicated in *Material Uncertainty Relating to Going Concern*. I have determined the matters described below to be the key audit matters to be communicated in my report.

#### Revenue recognition

The Group has the strategy to increase the total sales for advertising by organizing special events together with proposing the advertising project multimedia for customer's requirement such as television, radio and newspapers. The agreements entered into with numerous customers, whereas the terms and conditions stipulated in the agreements or memorandums entered into with customers varied depending on the advertising formats on individual media type, the determined time of advertisement, the price stipulations for individual customer and also the determination of advertising rate across the media of the Group. Therefore, my audit is concentrated on this matter since the said strategy on the sales of advertising have risks regarding the amounts and the time period for revenue recognition.

Therefore, my audit procedures have included the understanding of the revenue recognition process and related internal control system of the Group that involved the revenue cycles of the sales for advertising by organizing special events together with proposing the advertising project multimedia and sampling select sales agreements or memorandums entered into with customers to review the revenue recognition to ensure the revenue is recognized at the appropriate amount, the customers' advertisements have been executed in accordance with the terms and conditions stipulated in sales agreements or memorandums entered into with customers and review the revenue recognition to ensure it conform to the Groups' policies on revenue recognition and in accordance with the financial reporting standards.



The valuation of loan to subsidiaries

As in notes to the financial statements No. 44.3, the Company provided loans to several subsidiaries. In the separate financial statements as at 31 December 2017, the Company provided loans to subsidiaries in amount of Baht 1,669.70 million and the allowance for doubtful debt in amount of Baht 1,366.32 million. The said loans are provided to be used as working capital, however, the operating results of subsidiaries are still at loss. The loans provided shall be stated at the net realizable value, which depends on the appropriateness of the allowance for doubtful debt, a material matter requiring the management's high judgmental. In the process to determine the allowance for doubtful debt of the loans provided, the management shall exercise high judgmental regarding the valuation of the financial positions, forecast of the operation results, estimation of future cash flows, and assess the future operation plans of the subsidiaries, which have direct impact on the net realizable value of the loans provided. My audit is concentrated on the matter.

Therefore, my audit procedures have included the understanding of the management's process of determination of policies for considering the net realizable value of the loans provided, assess the reasonableness of the assumptions applied in the preparation of the future operation plans and the estimation of future cash flow, the consideration of the abilities of repayment for individual subsidiary and the consideration of the repayment of loans received after the end of accounting period.

Other matters

The consolidated and separate financial statements of News Network Corporation Public Company Limited and its subsidiaries and the separate of News Network Corporation Public Company Limited for the year ended 31 December 2016, was audited by another in the same firm with me which expressed an unmodified opinion while drawing attention to the material on the Group's ability to continue as a going concern, as report date on 28 February 2017.



## **Other Information**

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

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

My responsibility associated to auditing consolidated and separate financial statements, is to read the other information and consider whether the other information is materially inconsistent with the consolidated and separate financial statements together with my knowledge obtained from auditing 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.

## **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 statement in accordance with Thai Financial Reporting Standards 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 of the consolidated and separate financial statements, management is responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matter relating 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 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 Thai Standards on Auditing 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 Thai Standards on Auditing, 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 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 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 by giving notice 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 as it should be or not

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and 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 important matters, including 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 information.

(Miss Waraporn Intaraprasit)

Certified Public Accountant Registration No. 7881

CWWP Company Limited

Bangkok,

26 February 2018



## NEWS NETWORK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

As at 31 December 2017

		CONSOLIDATED FINANCIAL STATEMENTS			SEPARATE FINANCIAL STATEMENTS		
	Note	31 December 2017	31 December 2016	1 January 2016	31 December 2017	31 December 2016	1 January 2016
		Baht	Baht	Baht	Baht	Baht	Baht
ASSETS							
CURRENT ASSETS							
Cash and Cash Equivalents	7	24,398,720.67	287,413,518.98	148,901,983.66	5,812,297.08	233,426,574.70	123,633,237.42
Current Investments	8	1,044.72	3,889,033.43	3,559,019.80	-	3,888,000.00	3,558,000.00
Bank Deposit Used as Collateral	241	234,972,000.00	258,512,000.00	258,512,000.00	-	-	-
Trade and Other Current Receivables	9	258,399,658.93	187,094,210.05	152,798,519.60	106,971,837.40	42,462,813.38	68,372,667.83
Unbilled Work in Progress	10	305,960.08	1,143,983.08	1,092,299.71	305,960.08	1,143,983.08	1,092,299.71
Finance Lease Receivables Due within One Year	11	-	-	-	-	-	-
Short-term Loans to Related Companies	44.3	-	4,000,000.00	24,000,000.00	303,380,620.45	82,780,620.45	1,537,880,620.45
Short-term Loans to Other Companies and Persons	12	-	37,828.80	149,727.81	-	-	-
Short-term Loans to Employee		318,344.45	333,534.95	303,879.64	282,316.29	242,676.91	127,754.91
Inventories	13	6,317,576.09	12,386,563.68	14,273,465.75	-	-	179,367.76
Current Tax Assets		8,295,888.03	12,271,548.63	10,346,201.67	294,360.24	1,382,496.50	395,120.35
Total Current Assets		533,009,192.97	767,082,221.60	613,937,097.64	417,047,391.54	365,327,165.02	1,735,239,068.43
NON-CURRENT ASSETS							
Finance Lease Receivables	11	-	-	-	-	-	-
Bank Deposit Used as Collateral	14	251,776,951.97	488,228,617.60	745,006,563.40	2,667,655.94	3,829,235.25	3,775,972.26
Investments in Subsidiaries	15	-	-	-	55,299,760.00	95,999,940.00	730,187,681.15
Investments in Joint Venture	17	-	-	1,437,793.58	-	-	-
Long-term Investments	18	214,642,800.00	499,033,350.00	662,828,700.00	214,642,800.00	499,033,350.00	662,828,700.00
Assets-for-Rent	19	175,622.29	335,738.06	670,545.07	46.93	115,089.73	504,125.17
Investment Property	20	5,290,871.98	5,806,087.85	6,321,303.71	5,290,871.98	5,806,087.85	6,321,303.71
Equipment	21	208,857,159.10	223,487,773.30	244,892,854.80	2,077,428.02	2,157,058.28	4,038,701.45
Goodwill	22	-	-	-	-	-	-
Intangible Assets	23	125,014,569.15	160,071,623.86	33,917,053.27	59,479.13	102,991.50	160,955.45
License to Use the Frequency for Television Service	241	-	-	1,031,379,297.28	-	-	-
Deferred Tax Asset	25	356,197.40	-	-	-	-	-
Other Non-Current Assets		40,529,759.66	34,348,678.92	22,593,433.73	4,791,163.90	5,702,823.04	5,311,770.03
TOTAL NON-CURRENT ASSETS		846,643,931.55	1,411,311,869.59	2,749,047,544.84	284,829,205.90	612,746,575.65	1,413,129,209.22
TOTAL ASSETS		1,379,653,124.52	2,178,394,091.19	3,362,984,642.48	701,876,597.44	978,073,740.67	3,148,368,277.65



## NEWS NETWORK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

As at 31 December 2017

	Note	CONSOLIDATED FINANCIAL STATEMENTS			SEPARATE FINANCIAL STATEMENTS		
		31 December 2017	31 December 2016	1 January 2016	31 December 2017	31 December 2016	1 January 2016
		Baht	Baht	Baht	Baht	Baht	Baht
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>							
<b>CURRENT LIABILITIES</b>							
Bank Overdrafts		2,205,301.57	149,912.49	480,887.73	-	-	-
Trade and Other Current Payables	27	277,428,470.64	198,760,457.11	177,578,403.88	65,081,387.39	18,166,047.17	18,907,274.92
Current Portion of License to Use the Frequency for Television Service Payable	24.2	205,395,511.55	216,807,384.16	205,992,764.05	-	-	-
Current Portion of Liabilities under Finance Lease Agreements	31	1,227,908.09	1,105,118.35	1,266,704.88	129,175.92	407,740.31	390,092.90
Short-term Loans from Related Persons	44.3	13,465,637.69	2,500,000.00	2,500,000.00	-	-	-
Short-term Loans from Other Companies	28	204,744,278.33	198,863,863.02	-	-	-	-
Short-term Loans from Other Person	29	1,300,000.00	1,300,000.00	1,300,000.00	-	-	-
Income Tax Payable		2,016,218.88	-	-	-	-	-
Provisions of Liabilities	32	3,115,637.24	3,059,988.74	2,665,299.09	3,115,637.24	2,996,490.42	2,665,299.09
Provision in Joint Venture	17	-	26,590.29	-	-	-	-
Creditor from Capital Increase	30	163,000,000.00	465,600,000.00	-	163,000,000.00	465,600,000.00	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>873,898,963.99</b>	<b>1,088,173,314.16</b>	<b>391,784,059.63</b>	<b>231,326,200.55</b>	<b>487,170,277.90</b>	<b>21,962,666.91</b>
<b>NON-CURRENT LIABILITIES</b>							
License to Use the Frequency for Television Service Payable	24.2	216,178,775.95	421,574,287.49	638,381,671.62	-	-	-
Finance Lease Agreements Liabilities	31	1,719,971.51	1,061,369.49	1,719,886.76	-	129,176.35	536,916.78
Non-Current Provisions for Employee Benefit	33	17,777,271.54	13,830,663.91	3,618,411.63	5,715,333.00	2,524,458.00	1,900,281.00
Deferred Tax Liabilities	25	594,256.64	703,939.71	93,676.12	-	-	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>236,270,275.64</b>	<b>437,170,260.60</b>	<b>643,813,646.13</b>	<b>5,715,333.00</b>	<b>2,653,634.35</b>	<b>2,437,197.78</b>
<b>TOTAL LIABILITIES</b>		<b>1,110,169,239.63</b>	<b>1,525,343,574.76</b>	<b>1,035,597,705.76</b>	<b>237,041,533.55</b>	<b>489,823,912.25</b>	<b>24,399,864.69</b>
<b>SHAREHOLDERS' EQUITY</b>							
Share Capital	34						
Authorized Share Capital							
281,961,297,580 Ordinary Shares, par value of 1.00 Baht each		281,961,297,580.00	-	-	281,961,297,580.00	-	-
14,695,874,880 Ordinary Shares, par value of 5.00 Baht each		-	73,479,374,400.00	-	-	73,479,374,400.00	-
8,736,932,320 Ordinary Shares, par value of 5.00 Baht each		-	-	43,684,661,600.00	-	-	43,684,661,600.00
Issued and Paid-Up Share Capital							
67,886,863,391 Ordinary Shares, par value of 1.00 Baht each		67,886,863,391.00	-	-	67,886,863,391.00	-	-
6,292,021,080 Ordinary Shares, par value of 5.00 Baht each		-	31,460,105,400.00	31,460,105,400.00	-	31,460,105,400.00	31,460,105,400.00
Share Discount on Ordinary Shares		(62,783,929,576.07)	(26,830,723,462.00)	(26,830,723,462.00)	(62,783,929,576.07)	(26,830,723,462.00)	(26,830,723,462.00)
Share Subscription Received in Advance		-	4,126.20	-	-	4,126.20	-
Retained Earnings (Deficit)							
Appropriated							
Legal Reserve		2,790,000.00	2,790,000.00	2,790,000.00	2,790,000.00	2,790,000.00	2,790,000.00
Retained Earnings (Deficit)		(3,983,903,606.99)	(3,416,169,389.76)	(1,910,714,175.64)	(3,812,623,682.09)	(3,600,051,716.83)	(1,128,124,356.09)
Other Components of Shareholders' Equity		(838,199,016.81)	(553,808,466.81)	(390,013,116.81)	(828,265,068.95)	(543,874,518.95)	(380,079,168.95)
<b>TOTAL SHAREHOLDERS' EQUITY OF THE COMPANY</b>		<b>283,621,191.13</b>	<b>662,198,207.63</b>	<b>2,331,444,645.55</b>	<b>464,835,063.89</b>	<b>488,249,828.42</b>	<b>3,123,968,412.96</b>
Non-Controlling Interests	16	(14,137,306.24)	(9,147,691.20)	(4,057,708.83)	-	-	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>269,483,884.89</b>	<b>653,050,516.43</b>	<b>2,327,386,936.72</b>	<b>464,835,063.89</b>	<b>488,249,828.42</b>	<b>3,123,968,412.96</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>1,379,653,124.52</b>	<b>2,178,394,091.19</b>	<b>3,362,984,642.48</b>	<b>701,876,597.44</b>	<b>978,073,740.67</b>	<b>3,148,368,277.65</b>



## NEWS NETWORK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 31 December 2017

	Note	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		31 December 2017	31 December 2016	31 December 2017	31 December 2016
		Baht	Baht	Baht	Baht
Revenue from Sales and Services		374,341,641.16	277,774,866.25	1,142,434.56	6,093,510.59
Revenue from Assets for Rent		-	468,000.00	507,570.00	983,400.00
<b>TOTAL REVENUES</b>		<b>374,341,641.16</b>	<b>278,242,866.25</b>	<b>1,650,004.56</b>	<b>7,076,910.59</b>
Cost of Sales and Services		(534,895,763.09)	(526,038,602.64)	(544,766.71)	(4,366,764.11)
Cost of Assets for Rent		(115,039.80)	(309,163.37)	(115,039.80)	(309,163.37)
<b>TOTAL COST</b>		<b>(535,010,802.89)</b>	<b>(526,347,766.01)</b>	<b>(659,806.51)</b>	<b>(4,675,927.48)</b>
<b>GROSS PROFIT (LOSS)</b>		<b>(160,669,161.73)</b>	<b>(248,104,899.76)</b>	<b>990,198.05</b>	<b>2,400,983.11</b>
Interest Income		10,968,245.38	16,717,927.62	77,174,771.58	93,521,757.24
Other Income		21,944,424.34	52,532,641.43	4,749,220.12	18,780,713.53
Selling and Service Expenses		(69,808,047.98)	(78,197,904.43)	(1,954,464.07)	(2,823,778.74)
Administrative Expenses		(223,390,358.51)	(180,703,788.05)	(50,314,256.34)	(50,378,092.19)
(Doubtful Debts and Bad Debts) Reversal		(1,843,164.03)	(43,069,050.63)	(113,213,093.98)	(910,812,567.56)
Loss on Impairment of Investments		-	(71,719.06)	(40,700,000.00)	(1,622,385,396.15)
Loss on Impairment of Goodwill		-	(2,002,492.90)	-	-
Loss on Impairment of License to Use the Frequency for Television Service		-	(953,903,799.57)	-	-
Finance Costs		(147,594,131.78)	(70,409,167.45)	(86,593,044.62)	(33,650.98)
Share of Profit (Loss) in Joint Venture		-	156,512.62	-	-
<b>PROFIT (LOSS) BEFORE INCOME TAXES (EXPENSES) REVENUES</b>		<b>(570,392,194.31)</b>	<b>(1,507,055,740.18)</b>	<b>(209,860,669.26)</b>	<b>(2,471,730,031.74)</b>
Income Tax (Expense) Revenue	39	(2,355,658.36)	(22,263.59)	-	-
<b>PROFIT (LOSS) FOR THE YEAR</b>		<b>(572,747,852.67)</b>	<b>(1,507,078,003.77)</b>	<b>(209,860,669.26)</b>	<b>(2,471,730,031.74)</b>
Other Comprehensive Income (Expense)					
Components of other comprehensive income that will be reclassified to profit or loss					
Gain (Loss) on Remeasurement of Available-for-Sale Investments - Net of Income Tax		(284,390,550.00)	(163,795,350.00)	(284,390,550.00)	(163,795,350.00)
Total components of other comprehensive income items that will be reclassified to profit or loss - net of income tax		(284,390,550.00)	(163,795,350.00)	(284,390,550.00)	(163,795,350.00)
Components of other comprehensive income that will not be reclassified to profit or loss					
Gain (Loss) on Remeasurement of Defined Benefit Plans - Net of Income Tax		24,020.40	(3,216,577.00)	(2,711,296.00)	(197,329.00)
Total components of other comprehensive income that will not be reclassified to profit or loss - net of income tax		24,020.40	(3,216,577.00)	(2,711,296.00)	(197,329.00)
Total Components of other comprehensive income (expense) for the year - net of income tax		(284,366,529.60)	(167,011,927.00)	(287,101,846.00)	(163,992,679.00)
<b>TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR</b>		<b>(857,114,382.27)</b>	<b>(1,674,089,930.77)</b>	<b>(496,962,515.26)</b>	<b>(2,635,722,710.74)</b>
<b>PROFIT (LOSS) ATTRIBUTABLE TO:</b>					
Equity Holders of the Company		(567,666,934.43)	(1,502,245,941.02)		
Non-Controlling Interests		(5,080,918.24)	(4,832,062.75)		
<b>PROFIT (LOSS) FOR THE YEAR</b>		<b>(572,747,852.67)</b>	<b>(1,507,078,003.77)</b>		
<b>TOTAL COMPREHENSIVE INCOME (EXPENSE) ATTRIBUTABLE TO:</b>					
Equity Holders of the Company		(852,124,767.23)	(1,669,250,564.12)		
Non-Controlling Interests		(4,989,615.04)	(4,839,366.65)		
<b>TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR</b>		<b>(857,114,382.27)</b>	<b>(1,674,089,930.77)</b>		
<b>BASIC EARNINGS (LOSS) PER SHARE</b>	35	<b>(0.0177)</b>	<b>(0.0477)</b>	<b>(0.0065)</b>	<b>(0.0786)</b>

Notes to the financial statements are an integral part of these statements.



NEWS NETWORK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
For the year ended 31 December 2017  
CONSOLIDATED FINANCIAL STATEMENTS

Note	Issued and Paid-up Share Capital	Share Discount on Ordinary Shares	Share Subscription Received in Advance	Retained Earnings (Deficit)		Other Components of Shareholders' Equity			Total Shareholder's Equity of the Company	Non-Controlling Interests	Total
				Appropriated Legal Reserve	Unappropriated	Other Comprehensive Income (Expense)					
						Gains (Loss) on Remeasurement of Available- Investments-Net of Income Tax	Discount on Changes of Interest in Subsidiary	Total Other Components of Equity			
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Balance as at 1 January 2016	31,460,105,400.00	(26,830,723,462.00)	-	2,790,000.00	(1,910,741,75.64)	(380,079,168.95)	(9,933,947.86)	(390,013,116.81)	2,331,444,645.55	(4,057,708.83)	2,327,386,936.72
Transactions with owners											
Contributions by and distributions to owners of the Company											
Share Subscription Received in Advance	-	-	41,26.20	-	-	-	-	-	41,26.20	-	41,26.20
Investment from Non-Controlling Interests	-	-	-	-	-	-	-	-	-	250,007.50	250,007.50
Increase from Business Combination	-	-	-	-	-	-	-	-	-	(500,623.22)	(500,623.22)
Total contributions by and distributions to owners of the Company	-	-	41,26.20	-	-	-	-	-	41,26.20	(250,615.72)	(246,489.52)
Total transactions with owners of the Company	-	-	41,26.20	-	-	-	-	-	41,26.20	(250,615.72)	(246,489.52)
Comprehensive income (expense) for the year											
Profit (loss) for the year	-	-	-	-	(1,502,245,941.02)	-	-	-	(1,502,245,941.02)	(4,832,062.75)	(1,507,078,003.77)
Other comprehensive income (expense) for the year	-	-	-	-	(3,209,273.10)	(163,795,350.00)	-	(163,795,350.00)	(167,004,623.10)	(7,303.90)	(167,011,927.00)
Total comprehensive income (expense) for the year	-	-	-	-	(1,505,455,214.12)	(163,795,350.00)	-	(163,795,350.00)	(1,669,250,564.12)	(4,839,366.65)	(1,674,089,930.77)
Balance as at 31 December 2016	31,460,105,400.00	(26,830,723,462.00)	41,26.20	2,790,000.00	(3,416,169,389.76)	(543,874,518.95)	(9,933,947.86)	(553,808,466.81)	662,198,207.63	(9,147,691.20)	653,050,516.43
Transactions with owners											
Contributions by and distributions to owners of the Company											
Issuance of additional ordinary shares	36,426,757,991.00	(35,953,206,114.07)	(41,26.20)	-	-	-	-	-	473,547,750.73	-	473,547,750.73
Total contributions by and distributions to owners of the Company	36,426,757,991.00	(35,953,206,114.07)	(41,26.20)	-	-	-	-	-	473,547,750.73	-	473,547,750.73
Total transactions with owners of the Company	36,426,757,991.00	(35,953,206,114.07)	(41,26.20)	-	-	-	-	-	473,547,750.73	-	473,547,750.73
Comprehensive income (expense) for the year											
Profit (loss) for the year	-	-	-	-	(567,666,934.43)	-	-	-	(567,666,934.43)	(5,080,918.24)	(572,747,852.67)
Other comprehensive income (expense) for the year	-	-	-	-	(67,282.80)	(284,390,550.00)	-	(284,390,550.00)	(284,457,832.80)	91,303.20	(284,366,529.60)
Total comprehensive income (expense) for the year	-	-	-	-	(567,734,217.23)	(284,390,550.00)	-	(284,390,550.00)	(852,124,767.23)	(4,989,615.04)	(857,114,382.27)
Balance as at 31 December 2017	67,886,863,391.00	(62,783,929,576.07)	-	2,790,000.00	(3,983,903,606.99)	(828,265,068.95)	(9,933,947.86)	(838,199,016.81)	283,621,191.13	(14,137,306.24)	269,483,884.89



NEWS NETWORK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2017

SEPARATE FINANCIAL STATEMENTS

	Note	Issued and Paid-up Share Capital	Share Discount on Ordinary Shares	Share Subscription Received in Advance	Retained Earnings (Deficit)		Other Components of Shareholders' Equity	Total
					Appropriated Legal Reserve	Unappropriated	Gains (Loss) on Revaluing Available-for-Sale Investments- Net of Income Tax	
		Baht	Baht	Baht	Baht	Baht	Baht	Baht
Balance as at 1 January 2016		31,460,105,400.00	(26,830,723,462.00)	-	2,790,000.00	(1,128,124,356.09)	(380,079,168.95)	3,123,968,412.96
Transactions with owners								
Contributions by and distributions to owners of the Company								
Share Subscription Received in Advance		-	-	4126.20	-	-	-	4126.20
Issuance of additional ordinary shares	34	-	-	-	-	-	-	-
Total contributions by and distributions to owners of the Company		-	-	4126.20	-	-	-	4126.20
Total transactions with owners of the Company		-	-	4126.20	-	-	-	4126.20
Comprehensive income (expense) for the year								
Profit (loss) for the year		-	-	-	-	(2,471,730,031.74)	-	(2,471,730,031.74)
Other comprehensive income (expense) for the year		-	-	-	-	(197,329.00)	(163,795,350.00)	(163,992,679.00)
Total comprehensive income (expense) for the year		-	-	-	-	(2,471,927,360.74)	(163,795,350.00)	(2,635,722,710.74)
Balance as at 31 December 2016		31,460,105,400.00	(26,830,723,462.00)	4126.20	2,790,000.00	(3,600,051,716.83)	(543,874,518.95)	488,249,828.42
Transactions with owners								
Contributions by and distributions to owners of the Company								
Issuance of additional ordinary shares	34	36,426,757,991.00	(35,953,206,114.07)	(4126.20)	-	-	-	473,547,750.73
Total contributions by and distributions to owners of the Company		36,426,757,991.00	(35,953,206,114.07)	(4126.20)	-	-	-	473,547,750.73
Total transactions with owners of the Company		36,426,757,991.00	(35,953,206,114.07)	(4126.20)	-	-	-	473,547,750.73
Comprehensive income (expense) for the year								
Profit (loss) for the year		-	-	-	-	(209,860,669.26)	-	(209,860,669.26)
Other comprehensive income (expense) for the year		-	-	-	-	(2,711,296.00)	(284,390,550.00)	(287,101,846.00)
Total comprehensive income (expense) for the year		-	-	-	-	(212,571,965.26)	(284,390,550.00)	(496,962,515.26)
Balance as at 31 December 2017		67,886,863,391.00	(62,783,929,576.07)	-	2,790,000.00	(3,812,623,682.09)	(828,265,068.95)	464,835,063.89

Notes to the financial statements are an integral part of these statements.



NEWS NETWORK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF CASH FLOWS  
For the year ended 31 December 2017

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
Note	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Baht	Baht	Baht	Baht
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (Loss) before Income Taxes	(570,392,194.31)	(1,507,055,740.18)	(209,860,669.26)	(2,471,730,031.74)
Adjustment to Profit (Loss) before Income Taxes for Cash Received (Paid) from Operations				
Depreciation and Amortization	82,941,198.61	67,935,030.47	1,845,563.96	2,832,355.67
Amortization of License to Use the Frequency for Television Service	-	77,475,497.71	-	-
(Reversal of) Doubtful Debts-Trade and Other Current Receivables	236,307.96	12,688,149.46	613,093.98	1,836,589.39
(Reversal of) Doubtful Debts-Short-term Loans to Related Companies	-	24,000,000.00	112,600,000.00	902,790,000.00
(Reversal of) Doubtful Debts-Short-term Loans to Other Companies and Persons	761,328.80	76,500.00	-	-
(Reversal of) Doubtful Debts-Short-term Loans to Employee	6,000.00	-	-	-
Doubtful Debts-Other Non-Current Assets	839,527.27	97,800.00	-	-
Bad Debts	-	6,206,601.17	-	6,185,978.17
Written-off Withholding Tax to Expense	1,972,365.22	2,312,112.73	425,920.88	-
(Gain) Loss from Selling of Trading Securities	(87,921.00)	-	(87,921.00)	-
(Gain) Loss from Change of Fair Value of Trading Securities	(712,000.00)	(330,000.00)	(712,000.00)	(330,000.00)
(Reversal of) Loss from Declining in Value of Inventories	3,678,354.04	1,866,657.13	-	(214,605.04)
Loss from Damaged/Lost Inventories	-	25,972.80	-	25,972.80
Transfer Inventories to Expense	-	445,293.50	-	368,000.00
Loss on Impairment of Investments	-	71,719.06	40,700,000.00	1,622,385,396.15
Written-off Investment to Expense	-	-	180.00	-
Share of (Profit) Loss in Joint Venture	-	(156,512.62)	-	-
Loss on Written-off Assets	312,780.20	2,540,423.99	-	130,629.38
Loss on Written-off Assets-for-Rent	3.00	267.84	-	267.84
Loss on Impairment of Goodwill	-	2,002,492.90	-	-
Loss on Impairment of License to Use the Frequency for Television Service	-	953,903,799.57	-	-
(Gain) Loss on Sale of Fixed Assets	90,464.92	34,125.90	(1,999.00)	(8,591.00)
(Gain) Loss on Sale of Assets-for-Rent	-	-	(17,997.00)	-
Loss on Impairment of Intangible Assets	-	582,871.70	-	-
Transfer Fixed Assets to Expense	32,000.00	24,000.00	-	-
(Gain) Loss on Unrealized Exchange Rate	(4,495.78)	2,755.44	-	-
Provisions of Liabilities	55,648.50	973,331.83	119,146.82	909,833.51
(Reversal of) Provisions of Liabilities in Joint Venture	(26,590.29)	-	-	-
Employee Benefit Obligation	4131,435.63	3,377,807.16	479,579.00	426,848.00
Deferred Interest of License to Use the Frequency for Television Service	24,792,615.85	35,607,235.98	-	-
Letter of Guarantee Fee	5,804,573.12	8,365,380.82	-	-
Amortized Transaction Cost	1,136,136.99	4,873,863.01	-	-
Dividend Income	(147,000.00)	(12,368,050.00)	(147,000.00)	(12,368,050.00)
Interest Income	(10,968,245.38)	(16,717,927.62)	(77,174,771.58)	(93,521,757.24)
Interest Expense	115,860,805.82	21,562,687.64	86,593,044.62	33,650.98
Profit (Loss) from Operation Activities before Changes in Operating Assets and Liabilities	(339,686,900.83)	(309,575,852.61)	(44,625,828.58)	(40,247,513.13)

Notes to the financial statements are an integral part of these statements.



## NEWS NETWORK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENTS OF CASH FLOWS

For the year ended 31 December 2017

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
Note	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Baht	Baht	Baht	Baht
(Increase) Decrease in Operating Assets				
Current Investment in Trading Securities	4,687,909.71	(13.63)	4,687,921.00	-
Trade and Other Current Receivables	(77,319,829.56)	(58,564,142.50)	(1,745,511.54)	(4,977,364.10)
Unbilled Work in Progress	838,023.00	(51,683.37)	838,023.00	(51,683.37)
Short-term Loans to Employee	9,190.50	(29,655.31)	(39,639.39)	(114,922.00)
Inventories	2,390,633.55	(451,021.36)	-	-
Other Non-Current Assets	1,070,117.28	(3,818,956.24)	(278,620.00)	2,150,922.11
Increase (Decrease) in Operating Liabilities				
Trade and Other Current Payables	73,987,347.27	(10,225,313.83)	11,346,207.27	(741,227.75)
Provisions of Liabilities	-	(578,642.18)	-	(578,642.18)
Non-Current Provisions for Employee Benefit	-	(1,237,248.00)	-	-
Cash Received (Paid) from Operation Activities	(334,023,509.08)	(384,532,529.03)	(29,817,448.23)	(44,560,430.42)
Interest Income Received	10,015,382.48	13,932,143.99	204,864.53	799,866.95
Tax Refund Received	2,208,458.12	-	2,146,854.77	-
Withholding Tax Paid	(8,901,343.58)	(12,271,548.63)	(294,360.25)	(1,382,496.50)
NET CASH PROVIDED FROM (USED IN) OPERATING ACTIVITIES	(330,701,012.06)	(382,871,933.67)	(27,760,089.19)	(45,143,059.97)
CASH FLOWS FROM INVESTING ACTIVITIES				
(Increase) Decrease in Deposit at Bank Used as Collateral	259,991,665.63	256,777,945.80	1,161,579.31	(53,262.99)
Cash Received from Dividend Income	147,000.00	12,368,050.00	147,000.00	12,368,050.00
Cash Payment for Short-term Loans to Related Companies	(2,000,000.00)	(6,300,000.00)	(343,900,000.00)	(317,100,000.00)
Cash Received from Short-term Loans to Related Companies	6,000,000.00	2,300,000.00	11,500,000.00	869,410,000.00
Cash Received from Short-term Loans to Other Companies and Person	76,500.00	35,399.01	-	-
Cash Payment for Investment in Subsidiary Companies	-	-	-	(988,197,655.00)
Cash Received from Investment in Joint Venture	-	1,549,177.43	-	-
Cash Payment for Purchase of Fixed Assets	(22,184,630.67)	(10,191,304.35)	(1,092,166.66)	(119,403.47)
Cash Received from Disposal of Fixed Assets	48,583.18	46,287.17	2,000.00	8,600.00
Cash Received from Disposal of Assets-for-Rent	-	-	18,000.00	-
Cash Payment for Purchase of Intangible Assets	(2,956,755.44)	(130,459,526.98)	-	-
Cash Payment for License to Use the Frequency for Television Service	(241,600,000.00)	(241,600,000.00)	-	-
Cash Received from Interest Income	224,955.90	341,917.71	12,793,300.59	113,439,686.51
NET CASH PROVIDED FROM (USED IN) INVESTING ACTIVITIES	(2,252,681.40)	(115,132,054.21)	(319,370,286.76)	(310,243,984.95)

Notes to the financial statements are an integral part of these statements.



NEWS NETWORK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF CASH FLOWS  
For the year ended 31 December 2017

	Note	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		31 December 2017	31 December 2016	31 December 2017	31 December 2016
		Baht	Baht	Baht	Baht
CASH FLOWS FROM FINANCING ACTIVITIES					
Increase (Decrease) in Bank Overdrafts		2,055,389.08	(330,975.24)	-	-
Cash Received from Short-term Loan from Financial Institution		258,512,000.00	258,512,000.00	-	-
Cash Payment for Short-term Loan from Financial Institution		(258,512,000.00)	(258,512,000.00)	-	-
Cash Received from Short-term Loan from Related Persons		46,500,000.00	-	-	-
Cash Payment from Short-term Loan from Related Persons		(35,500,000.00)	-	-	-
Cash Received from Short-term Loan from Other Companies		118,000,000.00	295,000,000.00	-	-
Cash Payment for Short-term Loan from Other Company		(113,244,537.79)	(95,000,000.00)	-	-
Cash Payment for Transaction Costs		-	(6,010,000.00)	-	-
Cash Payment for Fixed Asset Account Payable		(36,442,287.27)	-	-	-
Cash Payment for Liabilities under Finance Lease Agreements		(1,433,337.16)	(1,456,936.72)	(423,744.26)	(423,744.00)
Cash Received from Issuance of Ordinary Shares		473,547,750.73	-	473,547,750.73	-
Cash Received from Investment of Non-Controlling Interests		-	250,007.50	-	-
Cash Received from Share Subscription Received in Advance		-	4126.20	-	4126.20
Cash Received from Creditor from Capital Increase		-	465,600,000.00	-	465,600,000.00
Cash Payment from Creditor from Capital Increase		(302,600,000.00)	-	(302,600,000.00)	-
Cash Payment for Interest Expense		(80,944,082.44)	(21,540,698.54)	(51,007,908.15)	-
NET CASH PROVIDED FROM (USED IN) FINANCING ACTIVITIES		69,938,895.15	636,515,523.20	119,516,098.32	465,180,382.20
NET CASH AND CASH EQUIVALENTS INCREASE (DECREASE)		(263,014,798.31)	138,511,535.32	(227,614,277.62)	109,793,337.28
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	7	287,413,518.98	148,901,983.66	233,426,574.70	123,633,237.42
CASH AND CASH EQUIVALENTS AT ENDING OF THE YEAR	7	24,398,720.67	287,413,518.98	5,812,297.08	233,426,574.70



**NEWS NETWORK CORPORATION PUBLIC COMPANY LIMITED  
AND ITS SUBSIDIARY COMPANIES  
NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 31 December 2017**

## **1. General Information**

### **1.1 Company Information and Nature of Business**

The Company was registered on 3 February 1998, and on 23 March 2004, as a public company with registration number 0107547000290. The registered office is situated at Lao Peng Nguan 1 Building, 18th Floor, Zone A, 333 Soi Choeiphuang, Vibhavadi-Rangsit Road, Jomphon Sub-district, Chatuchak District, Bangkok, Thailand.

The Company operates in the business of software development and procurement of hardware and system integrator services while the subsidiaries operate in the business of television and radio service media, internet service, mass communication, program production, on-line media distribution of publishing and trading and service of examining tools and equipments in occupational health and sales of books.

### **1.2 Going Concern**

According to the consolidated financial statements, the Group had net losses for the year ended 31 December 2017 and 2016 in amount of Baht 572.75 million and Baht 1,507.08 million, respectively. As at 31 December 2017 and 2016, the Group's current liabilities exceeded its current assets by Baht 340.89 million and Baht 321.09 million, respectively. According to the separate financial statements, the Company had net losses for the year ended 31 December 2017 and 2016 in amount of Baht 209.86 million and Baht 2,471.73 million, respectively. This indicated a material uncertainty which may cause significant doubt about the Group's abilities to continue as a going concern. However, the consolidate and separate financial statements have been prepared in the going concern basis of accounting and the Group have business plan as follows:

#### **Business Plan of the Group**

The Company plans to supply funds from short-term borrowing using the assets as collateral, plan to disposal of assets, including the planned funding by increasing its registered capital by the 2018. To finance the payment of creditor from capital increase thus reduces the financial cost obligation. The remaining fund will be used as the working capitals for the Group and the Company's operation.



The Group's information technology system business operation, from the sales of technology-related goods, providing consultation, design and installation services for information technology system for the projects involving environment and occupational health. Anticipates the revenues to be continue in the year 2018. The costs and expenses will be controlled carefully.

The Group's media business operation, the revenues anticipated to be increase in the year 2018 from the increment in the amount of advertising sales in all media. Also other revenue generating activities have been created, such as the air time, revenues from on-line media, organize projects or events for current public interests. Furthermore, the alliances are formed for the production of their programs to reduce the cost and the careful expenses controls, together with the organizing of the continuous events related to the news and various programs contributed to the promotions for the wider audience reached. Therefore, the Group of subsidiaries can decrease the lost and gradually paid off the debt owing to the parent company, as well as financing from short-term borrowing to strengthen its liquidity. The subsidiary's short-term borrowing which maturity by the 2018. The subsidiary is negotiating to extend the period of repayment. And plans to gradually installment loans with creditors.

## 2. Basis of Preparation for the Financial Statements

- 2.1 The financial statements have been prepared in accordance with Financial Reporting Standards of Thailand including related interpretations and guidelines promulgated by the Federation of Accounting Professions, applicable rules and regulations of the Securities and Exchange Commission.
- 2.2 The financial statements were presented in compliance with the notification of Department of Business Development regarding Brief particulars must be contained in financial statements.
- 2.3 In order to prepare the financial statements to comply with financial reporting standards, the Company's management had to make some estimates and suppositions which may have an effect on the amount shown for revenues, expenses, assets and liabilities and also on the disclosures concerning assets and contingent liabilities, therefore the actual result may differ from the estimated amount.
- 2.4 The financial report in Thai language is the official statutory financial report of the Company. The financial report in English language has been translated from the Thai language financial report.



### 3 Basis of Preparation for the Consolidation of Financial Statements

3.1 In preparation of the consolidated financial statements, the Company will only take its subsidiary companies which is under the main control of NEWS NETWORK CORPORATION PUBLIC COMPANY LIMITED into account, after having eliminated the remaining balances and transactions among themselves. The Company holds shares in subsidiary companies, both directly and indirectly, with the percentage as follows:

Company's Name	Percentage of Shareholdings		Country of incorporation	Type of business
	As at 31 December 2017	As at 31 December 2016		
<u>Subsidiaries directly held by the Company</u>				
Sync Technologies Co., Ltd.	99.99	99.99	Thailand	Distribution and service in technology products
Spring New Corporation Co., Ltd.	99.99	99.99	Thailand	Mass communication service and television program production
Ruam Mue Ruamjai Co., Ltd.	93.17	93.17	Thailand	Mass communication service and news and television program production
Environmental Solution Integrator Co., Ltd.	90.00	90.00	Thailand	Distribution and installation services for the projects involving environment and occupational health
News Network Multimedia Co., Ltd.	99.99	99.99	Thailand	Radio and new media service
Green Net 1282 Co., Ltd.	99.99	99.99	Thailand	Information provider via mobile phone, internet, electronic media and distribution of books.
<u>Subsidiaries indirectly held by the Company</u>				
Spring News Television Co., Ltd.	99.99	99.99	Thailand	Television services to digital system
Ruam Mue Ruamjai Co., Ltd.	6.83	6.83	Thailand	Mass communication service and news and television program production
Thansettakij Multimedia Co., Ltd.	80.00	80.00	Thailand	Publishing production and distribution

3.2 Investments in subsidiary companies with the shareholdings from 99.99% are treated as holdings of 100% in preparation of consolidated financial statements.

3.3 The accounting period ended of the above subsidiary companies is the same as the NEWS NETWORK CORPORATION PUBLIC COMPANY LIMITED.

3.4 In preparation of the consolidated financial statements, the Company has written off the amount of asset, liability, and inter-transactions.

3.5 Accounting policies for the subsidiary company are the same policies as the Company's.



#### 4 Adoption of New Financial Reporting Standard

The Group adopted conceptual the new accounting standards, financial reporting standards, interpretations of accounting standards, interpretations of financial reporting standards and accounting guidance, which are effective for accounting period beginning on or after 1 January 2017, with no impact on the current financial statements.

#### 5. New Financial Reporting Standards Not Yet Effective

New accounting standards, financial reporting standards, accounting standard interpretations, financial reporting standard interpretations and accounting guidance, which are not yet effective for the current accounting period that the Company has not early adopted, are as follows:

##### Effective for the accounting period beginning on or after 1 January 2018

TAS 1 (revised 2017)	Presentation of Financial Statements
TAS 2 (revised 2017)	Inventories
TAS 7 (revised 2017)	Statement of Cash Flows
TAS 8 (revised 2017)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2017)	Events After the Reporting Period
TAS 11 (revised 2017)	Construction Contracts
TAS 12 (revised 2017)	Income Taxes
TAS 16 (revised 2017)	Property, Plant and Equipment
TAS 17 (revised 2017)	Leases
TAS 18 (revised 2017)	Revenue
TAS 19 (revised 2017)	Employee Benefits
TAS 20 (revised 2017)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2017)	The Effects of Changes in Foreign Exchange Rate
TAS 23 (revised 2017)	Borrowing Costs
TAS 24 (revised 2017)	Related Party Disclosures
TAS 26 (revised 2017)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2017)	Separate Financial Statements
TAS 28 (revised 2017)	Investments in Associates and Joint Venture
TAS 29 (revised 2017)	Financial Reporting in Hyperinflationary Economics
TAS 33 (revised 2017)	Earnings per Share
TAS 34 (revised 2017)	Interim Financial Reporting
TAS 36 (revised 2017)	Impairment of Assets



TAS 37 (revised 2017)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2017)	Intangible Assets
TAS 40 (revised 2017)	Investment Property
TAS 41 (revised 2017)	Agriculture
TFRS 2 (revised 2017)	Share-Based Payments
TFRS 3 (revised 2017)	Business Combinations
TFRS 4 (revised 2017)	Insurance Contracts
TFRS 5 (revised 2017)	Non-current Assets Held for Sale and Discounted Operations
TFRS 6 (revised 2017)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (revised 2017)	Operating Segments
TFRS 10 (revised 2017)	Consolidated Financial Statements
TFRS 11 (revised 2017)	Joint Arrangements
TFRS 12 (revised 2017)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2017)	Fair Value Measurement
TSIC 10 (revised 2017)	Government Assistance – No Specific Relation to Operating Activities
TSIC 15 (revised 2017)	Operating Leases – Incentives
TSIC 25 (revised 2017)	Income Taxes – Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (revised 2017)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (revised 2017)	Service Concession Arrangements: Disclosures
TSIC 31 (revised 2017)	Revenue – Barter Transactions Involving Advertising Services
TSIC 32 (revised 2017)	Intangible Assets – Web Site Costs
TFRIC 1 (revised 2017)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2017)	Determining whether An Arrangement Contains a Lease
TFRIC 5 (revised 2017)	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2017)	Applying the Restatement Approach under TAS 29 (revised 2017) Financial Reporting in Hyperinflationary Economies
TFRIC 10 (revised 2017)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2017)	Service Concession Arrangements
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 14 (revised 2017)	TAS 19 (revised 2017) – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2017)	Distributions of Non-cash Assets to Owners



TFRIC 18 (revised 2017)	Transfers of Assets from Customers
TFRIC 20 (revised 2017)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21 (revised 2017)	Levies

The management of the Company believes that the financial reporting standard mentioned above will not have any significant impacts on the financial report when they are applied.

## 6 Significant Accounting Policy

### 6.1 Measurements bases used in the Preparation of Financial Statements

Measurement bases used in the preparation of financial statements are historical cost measurement basis and combination of variety measurement bases used. Some assets and liabilities that use other measurement bases have been disclosed the measurement bases used in the particular accounting policies.

### 6.2 Financial Instruments

Financial assets were shown in the statement of financial position include cash and cash equivalents, investments, trade and other current receivables and loan to. Financial liabilities were shown in the statement of financial position include trade and other current payables and borrowings which the accounting policies on recognition and measurement of these items are disclosed in the respective accounting policies.

### 6.3 Cash and Cash Equivalents

Cash and cash equivalents consist of bank deposit in type of saving accounts, current accounts and three-month fixed accounts without guarantee obligation.

### 6.4 Trade and Other Current Receivables

Trade and other current receivables are stated at the net realizable value.

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.

### 6.5 Unbilled Work in Progress

Unbilled work in progress represents the gross unbilled amount expected to be collected from customers for service work performed to date. It is stated at net realizable value which is recognized in accordance with the percentage of completion by using the proportion of actual cost incurred as compared to the total estimated cost. Service cost is measured at cost plus all expenditure related directly to service projects.



Unbilled work in progress is presented separately under current assets in the statement of financial position. If payments received from customers exceed the income recognized, then the difference is presented as other liabilities under current liabilities in the statement of financial position.

## 6.6 Inventories

Inventories are valued at cost price under first-in first-out method or net realizable value which ever the lower is.

Cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

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

Estimate for return was estimated by consideration from the rate of books returned compared with the average delivery rate in the past.

## 6.7 Investments

### Investments in joint venture

Investments in consolidated financial statement are accounted for using the equity method.

### Investments in subsidiary company

Investments in subsidiary company in the separate financial statements are accounted for using the cost method, less accumulated impairment of investment.

### Investments in debt and other equity securities

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

Debt securities and marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognized directly in equity. Impairment losses and foreign exchange differences are recognized in profit or loss. When these investments are derecognized, the cumulative gain or loss previously recognized directly in equity is recognized in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognized in profit or loss.

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 recognized in profit or loss.



## 6.8 Investment Property

The Company's investment property is their owned land and building without specific purpose of use in the future and/or exploiting for rental income or appreciation of the asset. The Company measures the investment property by the cost value, deducted accumulated depreciation and allowance for impairment (if any).

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property. The estimated useful live of investment property is 20 years.

## 6.9 Equipment

Equipment is stated at cost less accumulated depreciation and accumulated impairment losses (if any).

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

Building Improvement	5 years
Furniture, fixtures and office equipment	3-5 years
Equipment	3-5 years
Vehicle	5 years

Repair and maintenance is recognized in profit or loss during the period that it is incurred. Cost of significant improvement should be recognized as a part of carrying amount of assets when it is probable that the Group will obtain the future economic benefits from that transaction and able to measure the cost of that transaction reliably. Cost of improvement should be depreciated by the basis of estimated useful lives. Repair and maintenance expenses are recognized as expenses during the period that they are incurred.

Gain or loss from disposal of equipment is computed from discrepancy between net cash received and book value and recognized as other revenue or other expense in profit or loss.

## 6.10 Goodwill

Goodwill is measured as the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree, less net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses.



## 611 Intangible Assets

### Software and computer program

Software and computer program that are acquired by the Group and has finite useful lives, are stated at cost less accumulated amortization and accumulated impairment losses (if any).

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible, from the date that they are available for use. The estimated useful lives for the asset are 5-10 years.

### Copyright of documentaries and music

Copyright of documentaries and music in the consolidated financial statement is stated at cost less accumulated amortization and accumulated impairment (if any). Amortization is recognized in profit or loss on a straight-line basis of contract period and when the programmes are broadcasted.

### The right to use the trademark

The right to use the trademark in the consolidated financial statement is stated at cost less accumulated amortization and accumulated impairment (if any). Amortization is recognized in profit or loss on a straight-line basis over 30 years of contract.

## 612 License to Use the Frequency for Television Service

The carrying amount of license to use the frequency for television service consists of expenditures that are directly attributable to the acquisition of the commercial digital terrestrial television licences at national level for a news and information category are measured at cash price equivalent discounted to present value using a market discount rate stated at cost less accumulated amortization and accumulated impairment losses. The differences between the cash price equivalent and the total payments to be made are recognised as financial costs over the licence fee payment periods, amortized from the date that it is ready to provide service. Amortization is charged on a straight-line basis over the estimated useful lives of 15 years.

## 613 Impairment

The carrying amounts of assets are assessed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated of asset or its cash-generating unit to which the asset is included in the recognition of an impairment loss when the recoverable amount less than the carrying amount of the asset or its cash generating unit.

Impairment loss is recognized as expenses in profit or loss immediately.



### Calculation of Recoverable Amount

- The recoverable amount is the higher of the asset's fair value less cost to sell of asset or the cash-generating unit or its value in use.
- In assessing value in use of an asset by estimating the present value of future cash flows generated by the asset, discounted using a pre-tax discount rate which reflects current market assessments of the time value of money and the risks specific to the asset.
- The 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 Loss

- The loss on impairment of assets recognized in the prior period will be reversed if the estimation for indicated net realizable value changes since the last impairment loss was recognized. The carrying amount of the asset not exceed just to be the carrying amount that would have been (net of depreciation or amortization), if no impairment loss had been recognized.
- Reversals of impairment loss will be recognized as income in profit or loss immediately.

### 614 Trade and Other Current Payables

Trade and other current payables were shown in cost value.

### 615 Leases

- The Group is the lessee

Long term leases which substantially transferred all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased asset or the present value of the minimum lease payments. Each lease payment is allocated to the principal and to the finance charges so as to achieve a constant rate on the finance balance outstanding. The outstanding rental obligations less finance charges are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period. The assets acquired under finance leases while depreciation is carried throughout the useful lives of leased asset. However, if there is uncertainty in the right of ownership when the contract is terminated, depreciation is carried according to useful lives of leased assets or life of leased contract whichever the period is lower.



Long-term leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operation leases (net of any incentives received from the lesser) are charged to profit or loss on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lesser by way of penalty is recognized as an expense in the period in which termination takes place.

- The Group is the lessor

When assets are leased out under a finance lease, the net investment in the lease is recognized as a receivable. The difference between the gross investment in the lease and the net investment in the lease is recognized unearned finance income. Lease income is recognized over the term of the lease using the net investment method, which reflects a constant periodic rate of return.

Current portion of finance lease receivables are presented under current assets.

## 6.16 Employees Benefit

### Short-term Employee Benefits

The Group recognizes salary, wage, bonus, and social security fund as expense in profit or loss when the transaction occurs.

### Long-term Employee Benefits

- Defined contribution plans

The Group and employees of the Group have jointly established a provident fund so as to pay to employees on termination in accordance with the fund's rules, which include the monthly contributions from employees and the Group. The planned assets of each plan are separated from the Group's assets. The Group recognizes the contribution as expense in profit or loss for the accounting period which the transaction incurred.

- Defined benefit plans

The Group has made provision for post-employment benefits so as to pay as severance pay to employees under the labor laws applicable in Thailand by actuarial technique using the projected unit credit method and presents as non-current liabilities. Hereby, the costs associated with employee benefits will be recognized in profit or loss so as to spread the cost over the employment period.

Gain or loss on remeasurement for post-employment benefits will be recognized in other comprehensive income (expense).



## 6.17 Provisions of Liabilities

The Group recognized provision of liabilities when it is probable that there is a present legal or constructive obligation as a result of past events and an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Where the group expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

## 6.18 Recognition of Revenues

- Revenue from sales is recognized when the significant risks and rewards of ownership have been transferred to the buyer.
- Revenue from service for project is recognized as services are provided on the percentage of completion method which is computed in accordance with the proportion of actual cost incurred as compared to the total estimated cost for the contract.

The stage of completion is assessed by reference to surveys of work performed. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognized immediately in profit or loss.

- Revenue from selling of advertisement is from selling of advertisement on television radio and newspaper recognized as price in invoice less discount. Revenue is recognized as services are provided.
- Revenue from television production is recognized as delivered.
- Revenue from share broadcasting is recognized over the term of the lease.
- Revenue from service is recognized as services are provided.
- Revenue from leases is recognized in accordance with the accounting policy per note 6.15-leases.
- Revenue from barter transactions on goods or service is from bartering unidentical goods and services, recognized at fair value of bartered goods and services.
- Revenue from rental is recognized on a straight-line basis over the term of the lease.
- Revenue from interest income is recognized over the term of borrowing and calculated from the outstanding principal.

## 6.19 Recognition of Expenses

- Expenses are recognized on an accrual basis.



## 6.20 Income Tax

### Income Tax

Income tax expense comprises current tax and deferred tax. Income tax expense is recognized in profit or loss except to the extent that related to items recognized in other comprehensive income or recognized directly in equity which will recognize in other comprehensive income or recognized directly in equity as same as that items.

### Current Tax

Current tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation, using the tax rates enacted at the end of reporting period.

### Deferred Tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of reporting period.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profit will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that the related tax benefit will be realized.

## 6.21 Earnings (Loss) per Share

Basic earnings (loss) per share are calculated by dividing the net profit (loss) by the weighted average number of issued and paid up ordinary shares.

Diluted earning (loss) per share is computed by divided net profit (loss) by aggregate amount of weighted average number of common stock issued during the year and the weighted average number of common stock which the Company may have to issue for conversion of the whole of warrants to common stocks.

## 6.22 Appropriation of Retained Earnings

The appropriation of retained earnings is attributable to the Public Company Act B.E. 2535 (1992). The Company will appropriate retained earnings when it is approved at the board of directors which will report to the next meeting of shareholders.



### 6.23 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measure fair value using valuation technique that are appropriate in the circumstances and maximizes the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 input are quoted prices in active market for identical assets or liabilities that the Group can access at the measurement date.

Level 2 input are other observable inputs either directly or indirectly, for the assets or liabilities other than quoted price included within Level 1 inputs.

Level 3 input are unobservable inputs for the assets and liabilities.

At the end of each reporting period, the Group determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

### 6.24 Significant Accounting Judgments and Estimates

In order to prepare the financial statements to comply with financial reporting standards, the Company's management had to make some judgment and estimates which may have an effect on the amount shown in financial statements and notes to financial statements, therefore the actual result may differ from the estimated amount. Significant estimates and provisions are as follows:

#### Lease

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgment regarding whether significant risk and rewards of ownership of the leased asset have been transferred, taking into consideration terms and conditions of the arrangement.



### **Allowance for Doubtful Accounts – Trade and Other Current Receivables**

In determining an allowance for doubtful accounts, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

### **Equipment and Depreciation**

In computing depreciation of equipment, the management is required to make estimates of the useful lives and residual values of the Company's equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review impairment of equipment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

### **Impairment of Investment**

The management is required to review and record impairment of investment when it is determined that their recoverable amount is lower than its value and to make a judgment whether impairment is significant and permanent or not.

### **Intangible Assets**

Intangible assets are systematically amortized over their estimated useful lives, and are subject to impairment if there is an indication they may be impaired.

### **License to Use the Frequency for Television Service**

The management is required to review impairment of license to use the frequency for television service on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

### **Post-Employment Benefits**

The obligation under defined benefit plan is determined based on actuarial valuations. Inherent within these calculations are assumptions as to discount rates, future salary increases and other demographic factors. In determining the appropriate discount rate, management selects an interest rate that reflects the current economic situation. Actual post-retirement costs may ultimately differ from these estimates.



## Litigations

The Company has contingent liabilities as a result of litigations. The management has made a judgment to assess the results of the litigation. Provision for the related liabilities has been recorded at the end of reporting period. However, the actual results could differ from the estimates.

## 7. Cash and Cash Equivalents

Consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Baht	Baht	Baht	Baht
Cash	493,242.45	473,616.21	30,000.00	30,000.00
Current Deposit Accounts	12,285,591.11	190,410,893.52	5,660,132.40	188,910,022.97
Saving Deposit Accounts	10,959,726.07	96,247,770.73	122,164.68	44,486,551.73
Cheque on Hand	660,161.04	281,238.52	-	-
Total	<u>24,398,720.67</u>	<u>287,413,518.98</u>	<u>5,812,297.08</u>	<u>233,426,574.70</u>

## 8. Current Investments

Consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Baht	Baht	Baht	Baht
Investment in Trading Securities				
Cost of Investments in Marketable Equity Instruments	-	4,600,000.00	-	4,600,000.00
Add (Less) Unrealized Gain (Loss)	-	(712,000.00)	-	(712,000.00)
Fair Value of Investments in				
Marketable Equity Instruments	-	3,888,000.00	-	3,888,000.00
12-Months Fixed Deposit Accounts	1,044.72	1,033.43	-	-
Total	<u>1,044.72</u>	<u>3,889,033.43</u>	<u>-</u>	<u>3,888,000.00</u>



For the year ended 31 December 2017 and 2016, the movements of investment in trading securities were as follows:

	Consolidated/Separate Financial Statements	
	For the year ended	
	31 December 2017	31 December 2016
	Baht	Baht
Beginning Carrying Amount	3,888,000.00	3,558,000.00
Selling of Securities	(4,687,921.00)	-
Gain (Loss) from Selling of Securities	87,921.00	-
Change of Fair Value of Trading Securities	712,000.00	330,000.00
Ending Carrying Amount	-	3,888,000.00

The fair value of trading securities are based on the latest bid price quoted on the Stock Exchange of Thailand at the reporting, which is Level 1 inputs.

## 9 Trade and Other Current Receivables

Consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	As at 31 December 2017	As at 31 December 2016	As at 31 December 2017	As at 31 December 2016
	Baht	Baht	Baht	Baht
Trade Receivables	148,554,760.92	117,200,647.06	33,066,346.78	32,658,662.56
<u>Less Allowance for Doubtful Accounts</u>	<u>(39,051,161.62)</u>	<u>(39,535,489.23)</u>	<u>(29,444,006.16)</u>	<u>(29,444,006.16)</u>
Trade Receivables-Net	<u>109,503,599.30</u>	<u>77,665,157.83</u>	<u>3,622,340.62</u>	<u>3,214,656.40</u>
Other Receivables	160,892,696.57	120,729,984.21	115,038,918.98	50,324,485.20
<u>Less Allowance for Doubtful Accounts</u>	<u>(11,996,636.94)</u>	<u>(11,300,931.99)</u>	<u>(11,689,422.20)</u>	<u>(11,076,328.22)</u>
Other Receivables-Net	<u>148,896,059.63</u>	<u>109,429,052.22</u>	<u>103,349,496.78</u>	<u>39,248,156.98</u>
Total	<u>258,399,658.93</u>	<u>187,094,210.05</u>	<u>106,971,837.40</u>	<u>42,462,813.38</u>



## Trade receivables were classified by aging as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2017 Baht	31 December 2016 Baht	31 December 2017 Baht	31 December 2016 Baht
Unbilled Trade Receivables	20,458,012.53	25,186,060.59	-	-
Trade Receivables within Due Period	46,345,127.12	32,029,880.46	45,909.93	94,956.62
Trade Receivables Classified by Over Due Period as Follows				
- Less than 3 months	21,658,183.05	24,135,348.33	151,544.10	68,035.96
- 3-6 months	5,431,368.12	1,581,131.14	91,913.00	2,891,236.30
- 6-12 months	18,549,615.64	147,667.08	281,309.74	-
- More than 12 months	36,112,454.46	34,120,559.46	32,495,670.01	29,604,433.68
Total	148,554,760.92	117,200,647.06	33,066,346.78	32,658,662.56
Less Allowance for Doubtful Accounts	(39,051,161.62)	(39,535,489.23)	(29,444,006.16)	(29,444,006.16)
Net	109,503,599.30	77,665,157.83	3,622,340.62	3,214,656.40

## Other receivables consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2017 Baht	31 December 2016 Baht	31 December 2017 Baht	31 December 2016 Baht
Prepaid Expense	15,154,666.86	22,572,578.20	11,301,756.58	12,074,685.96
Accrued Interest	5,654,626.11	4,951,649.73	93,825,045.18	30,448,438.72
Deposit	8,580,672.10	8,141,954.71	-	-
Accrued Revenue	9,649,445.09	335,158.00	290,000.00	54,905.87
Account Receivable - Revenue Department	87,395,042.36	70,730,531.55	3,542,331.40	2,872,534.83
Other Receivables	1,552,958.94	996,945.81	5,551,792.99	4,314,164.34
Others	32,905,285.11	13,001,166.21	527,992.83	559,755.48
Total	160,892,696.57	120,729,984.21	115,038,918.98	50,324,485.20
Less Allowance for Doubtful Accounts	(11,996,636.94)	(11,300,931.99)	(11,689,422.20)	(11,076,328.22)
Net	148,896,059.63	109,429,052.22	103,349,496.78	39,248,156.98



For the year ended 31 December 2017 and 2016, the movements of allowance for doubtful accounts were as follows:

	Consolidated Financial Statements For the year ended		Separate Financial Statements For the year ended	
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Baht	Baht	Baht	Baht
Beginning Balance	(50,836,421.22)	(38,148,271.76)	(40,520,334.38)	(38,683,744.99)
Increase during the Year	(1,150,240.57)	(18,906,956.43)	(613,093.98)	(11,921,527.34)
Reverse during the Year	938,863.23	6,218,806.97	-	10,084,937.95
Ending Balance	<u>(51,047,798.56)</u>	<u>(50,836,421.22)</u>	<u>(41,133,428.36)</u>	<u>(40,520,334.38)</u>

#### 10 Unbilled Works in Progress

Consist of :

	Consolidated/Separate Financial Statements	
	As at 31 December 2017	As at 31 December 2016
	Baht	Baht
Unbilled Works in Progress	6,892,316.82	7,730,339.82
<u>Less Allowance for Doubtful Accounts</u>	<u>(6,586,356.74)</u>	<u>(6,586,356.74)</u>
Unbilled Works in Progress-Net	<u>305,960.08</u>	<u>1,143,983.08</u>



Unbilled works in progress were classified by aging as follows:

	Consolidated/Separate Financial Statements	
	As at	As at
	31 December 2017 Baht	31 December 2016 Baht
Unbilled works in progress within due period	-	-
Unbilled works in progress over due period		
- Less than 3 months	237,555.30	821,183.54
- 3- 6 months	4,650.00	129,231.12
- 6- 12 months	9,300.00	51,968.41
- More than 12 months	6,640,811.52	6,727,956.75
Total	6,892,316.82	7,730,339.82
<u>Less Allowance for Doubtful Accounts</u>	<u>(6,586,356.74)</u>	<u>(6,586,356.74)</u>
Net	<u>305,960.08</u>	<u>1,143,983.08</u>

Unbilled work in progress overdue more than 12 months mainly comprised 2 projects with government and state enterprises of which with total contract value of Baht 17.73 million have been cancelled. The Company is in the process of following up and believes that the allowance for doubtful accounts recorded is sufficient. (As in Note 47.10(a))



## 11. Finance Lease Receivables

Consist of:

	Consolidated/ Separate Financial Statements	
	As at 31 December 2017 Baht	As at 31 December 2016 Baht
Gross Receivable in the Lease Contracts		
Due within 1 year	15,799,992.00	15,799,992.00
Due within 2 to 5 years	61,883,342.00	61,883,342.00
Total	77,683,334.00	77,683,334.00
<u>Less</u> Deferred Income - Receivable to Due within 1 year	(6,875,825.68)	(6,875,825.68)
Deferred Income - Receivable to Due within 2 to 5 years	(13,444,500.65)	(13,444,500.65)
Allowance for Doubtful Accounts	(57,363,007.67)	(57,363,007.67)
Net	-	-
Net Receivable in the Lease Contracts		
Due within 1 year - Net	-	-
Due within 2 to 5 years - Net	-	-
Total	-	-
Deferred Income - Net	-	-

On 12 July 2012, one company had entered into a lease and installation agreement with The Agricultural Futures Exchange of Thailand in order to lease and install computer equipment, hardware, network, and software in the project “Improvement of the networking and trading systems” of The Agricultural Futures Exchange of Thailand, with the contract value amounting to Baht 79 million (VAT inclusive). The rent is equally paid every period at Baht 1.32 million per month for 60 periods.

On 13 December 2012, this company had entered into the claims transfer agreement with News Network Corporation Public Company Limited (The Company). This company, as the transferor of claims, transferred the claims to solely receive payment of every monthly rental amount (60 periods totaling Baht 79 million) from The Agricultural Futures Exchange of Thailand to the Company. The Company shall not be responsible for any duties and responsibilities of the transferor of claims who has to comply with the main agreement which The Agricultural Futures Exchange of Thailand.



However, on 13 December 2012, apart from entering into the claims transfer agreement mentioned above, the Company has also entered into another product buy/sell agreement with that company. With the Company as “The Seller” and that company as “The Buyer”, the product buy/sell agreement above has the following significant contents:

- 1) The buyer and seller agreed to sell the equipment along with installation. The buyer will have to deliver and install the goods ordered at The Agricultural Futures Exchange of Thailand according to the list and details specified in several purchase orders dated 13 December 2012 totaling Baht 56,688,864.08 (inclusive of VAT and expense), which is the product ordered by the Company from a distributor in Thailand by the same amount.
- 2) Buyer agrees to pay and the seller agrees to accept the payment. Buyer agrees to transfer the right to receive payment under the lease agreement from The Agricultural Futures Exchange of Thailand for every period and all amounts by dividing into 60 periods of Baht 79 million from the claims transfer agreement date (13 December 2012) onwards to the Company instead of paying for such goods. It is stated that the penalty and damage arising from the agreement dated 12 July 2012 the transferor of claims shall be solely responsible.
- 3) The buyer has to handover the product receiving inspection document of The Agricultural Futures Exchange of Thailand with correct and complete signing upon receipt. The buyer has already delivered these documents to the Company on 25 July 2013.
- 4) The warranty of each product delivered shall follow the equipment rental and installation agreement between that Company and The Agricultural Futures Exchange of Thailand, and the distributor or installation contractor shall be responsible directly at no extra cost.

However, since transferring the claims to receive payment according to the claim transfer agreement on 13 December 2012, is presently unable to accomplish, the Company has to demand the rent directly with the buyer. As a result, the Company recorded the transaction in accordance with the long-term lease agreement by recognizing such receivable as receivable under the long-term lease agreement in the amount of 79.00 million (Net of the revenue to be realized under the long-term lease agreement of 20.85 million).

Since the management of the Company considers that the Company is unlikely to receive remaining rental payment of 59 installments totaling to Baht 57.36 million (net of deferred income), the whole amount of allowance of doubtful account is reserved and considered enough by the management of the Company.

On 5 January 2017, the Company placed a lawsuit against the receivable and the buyer with the receivable in charge of breach of purchase and sale agreement and right transferring agreement. The Company claims for the payment from the receivable and the buyer with the receivable from the goods price and



valued added tax in the amount of Baht 114.07 million with the interest at 15.00% per annum of valued added tax until the payment is completed, computed until the claim date totaling to Baht 0.99 million, totaling to Baht 115.06 million. The hearing of verdict is 29 March 2018.

## 12. Short-term Loans to Other Companies and Persons

Consist of:

	Consolidated Financial Statements	
	As at	As at
	31 December 2017 Baht	31 December 2016 Baht
Beginning Balance	2,536,421.95	2,571,820.96
Add Increase during the Year	-	-
Add Increase from Transfer of Short-term Loans to Related Parties (Note 44.3)	24,000,000.00	-
Add Increase from Transfer of Accrued Interest Receivable	800,000.00	-
Less Decrease during the Year	(76,500.00)	(35,399.01)
Ending Balance	27,259,921.95	2,536,421.95
Less Allowance for Doubtful Accounts	(27,259,921.95)	(2,498,593.15)
Net	-	37,828.80

	Separate Financial Statements	
	As at	As at
	31 December 2017 Baht	31 December 2016 Baht
Beginning Balance	-	-
Add Increase during the Year	-	-
Add Increase from Transfer of Short-term Loans to Related Parties (Note 44.3)	24,000,000.00	-
Add Increase from Transfer of Accrued Interest Receivable	800,000.00	-
Less Decrease during the Year	-	-
Ending Balance	24,800,000.00	-
Less Allowance for Doubtful Accounts	(24,800,000.00)	-
Net	-	-



For the year ended 31 December 2017 and 2016, the movements of allowance for doubtful accounts were as follows:

Consolidated Financial Statements		
For the year ended		
	31 December 2017	31 December 2016
	Baht	Baht
Beginning Balance	(2,498,593.15)	(2,422,093.15)
Increase During the Year	(837,828.80)	(76,500.00)
Decrease During the Year	76,500.00	-
<u>Add Increase from Transfer of Short-term Loans to Related Parties</u> (Note 44.3)	(24,00,000.00)	-
Ending Balance	<u>(27,259,921.95)</u>	<u>(2,498,593.15)</u>

Separate Financial Statements		
For the year ended		
	31 December 2017	31 December 2016
	Baht	Baht
Beginning Balance	-	-
Increase During the Year	(800,000.00)	-
<u>Add Increase from Transfer of Short-term Loans to Related Parties</u> (Note 44.3)	(24,00,000.00)	-
Ending Balance	<u>(24,800,000.00)</u>	<u>-</u>



As at 31 December 2017 and 2016, Ruam Mue Ruamjai Co., Ltd. (Ruam Mue Ruamjai) had short-term loan to other company totaling Baht 2.40 million. The interest rate was at 4% per annum. Ruam Mue Ruamjai has entered with an additional memorandum that loan will be repaid at least Baht 0.20 million per month from 14 August 2012, by with full payment within the year 2013. Later, on 12 July 2013, Ruam Mue Ruamjai has filed a lawsuit for repayment of loans and interest, with suing amount of Baht 2.45 million. On 28 February 2014, the civil court made a judgment for such company to make payment in amount of Baht 2.42 million to Ruam Mue Ruamjai. As a result, such company filed a petition to appeal Court and was allowed to file document within 11 June 2014. However, on 11 June 2014 such company did not file a petition within the period. That makes it can no longer appeal to the court and the case is finished according to the civil court. Later, on 5 March 2015, Legal Execution Department has informed to Ruam Mue Ruamjai to certify receive - paid account and to receive cash for guarantee to the court and some amount to withhold from receivable total amount of Baht 220,720.65 with suing to the rest amount of Baht 2.22 million remain have been affect to the force more time 10 years. The management of Ruam Mue Ruamjai considers that it is probable that loan is not repaid, the whole amount of allowance of doubtful account is reserved.

As at 31 December 2017 and 2016, Ruam Mue Ruamjai Co., Ltd. had short-term loan to two other persons, according to acknowledgement of debt letter, totaling Baht 0.15 million with interest rate at 15% per annum with the condition to be fully paid by 31 December 2015. The other person no. 1 default the debt so the agreement is made to repay the principal and the default interest. The first installment would be paid on 29 April 2016. Ruam Mue Ruamjai partially received repayment as agreed. The management of Ruam Mue Ruamjai considers that it is probable that the rest loan is not repaid, the whole amount of allowance of doubtful account is reserved, while the other person no. 2 repaid the whole amount of loan in the second quarter of year 2017.

As at 31 December 2017, the Company had short-term loan in amount of Baht 24.80 million is loan to T-NEWS TV Co., Ltd. in form of 12 months' promissory note with interest rate at 5% per annum. However, since the management is considered that the Company will not receive the loan back, the allowance for doubtful account are reserved the whole amount.

On 20 July 2017, the Company had Memorandum of Understanding with T-NEWS TV Co., Ltd. about terms of repayment of principal and interest calculated to 31 December 2016 in amount of Baht 24.91 million by the payment of accrued interest in amount of Baht 0.11 million and accrued interest on the remaining amount of Baht 0.80 million for the compounding the principal on 20 July 2017 onwards. This is T-NEWS TV Co., Ltd. agree payments to be completed within a period of 10 years, pay not less than the amount of money each year to Baht 2.48 million. Pay for the first year since the year 2018 and installment payments to be completed within the year 2027.



### 13 Inventories

Consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	As at 31 December 2017	As at 31 December 2016	As at 31 December 2017	As at 31 December 2016
	Baht	Baht	Baht	Baht
Inventories	13,326,819.95	15,664,613.35	173,367.76	173,367.76
Goods in Transit	-	67,789.09	-	-
Work in Process	305,613.00	290,664.06	-	-
Total	13,632,432.95	16,023,066.50	173,367.76	173,367.76
Less Allowance for Declining in Value of Inventories	(7,314,856.86)	(3,636,502.82)	(173,367.76)	(173,367.76)
Net	6,317,576.09	12,386,563.68	-	-

For the year ended 31 December 2017 and 2016, the movements of allowance for declining in value of inventories were as follows:

	Consolidated Financial Statements For the year ended		Separate Financial Statements For the year ended	
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Baht	Baht	Baht	Baht
Beginning Balance	(3,636,502.82)	(1,769,845.69)	(173,367.76)	(387,972.80)
Increase During the Year	(3,738,850.71)	(2,468,951.79)	-	(173,367.76)
Decrease During the Year	60,496.67	602,294.66	-	387,972.80
Ending Balance	(7,314,856.86)	(3,636,502.82)	(173,367.76)	(173,367.76)

### 14 Bank Deposit Used as Collateral

As at 31 December 2017 and 2016, the Group pledges the saving and fixed deposit to guarantee for letter of guarantee, short-term loans from financial institutions, and for the remaining payment of license to use the frequency fee.



## 15. Investments in Subsidiaries

As at 31 December 2017 and 2016, the Company had investments in its subsidiaries as follows:

Name of Company	Paid-up Share Capital	Share- Holding Percentage	Separate Financial Statements			
			Cost Method		Dividend	
			As at		For the year end	
			31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Baht	%	Baht	Baht	Baht	Baht
<b>Investments in Subsidiaries</b>						
- Sync Technologies Co., Ltd.	10,000,000.00	99.99	9,999,970.00	9,999,970.00	-	-
- Spring News Corporation Co., Ltd.	2,000,000,000.00	99.99	1,999,994,000.00	1,999,994,000.00	-	-
- Environmental Solution Integrator Co., Ltd.	10,000,000.00	90.00	9,000,000.00	9,000,000.00	-	-
- News Network Multimedia Co., Ltd.	160,000,000.00	99.99	159,999,760.00	159,999,940.00	-	-
- Green Net 1282 Co., Ltd.	19,000,000.00	99.99	30,988,745.00	30,988,745.00	-	-
- Ruam Mue Ruamjai Co., Ltd.	41,000,000.00	93.17	38,200,100.00	38,200,100.00	-	-
<b>Total</b>			<b>2,248,182,575.00</b>	<b>2,248,182,755.00</b>	<b>-</b>	<b>-</b>
<b>Less Allowance for Impairment of Investments</b>			<b>(2,192,882,815.00)</b>	<b>(2,152,182,815.00)</b>	<b>-</b>	<b>-</b>
<b>Net</b>			<b>55,299,760.00</b>	<b>95,999,940.00</b>	<b>-</b>	<b>-</b>

For the year ended 31 December 2017 and 2016, the movements of allowance for impairment of investments were as follows;

	Separate Financial Statements	
	For the year ended	
	31 December 2017	31 December 2016
	Baht	Baht
Beginning Balance	(2,152,182,815.00)	(529,797,418.85)
Increase During the Year	(40,700,000.00)	(1,622,385,396.15)
Ending Balance	<b>(2,192,882,815.00)</b>	<b>(2,152,182,815.00)</b>



## 16 Non-controlling Interests

The information relating to each of the Group's subsidiaries that has a material non-controlling interest, before any elimination, is as follows;

	As at 31 December 2017			(Unit: Baht)
	Environmental Solution Integrator Co., Ltd	Tharsettakij Multimedia Co., Ltd	Eliminations	Total
Non-controlling interest percentage	10%	20%		
Current assets	14,474,841.65	44,050,563.88		
Non-current assets	6,689,418.03	120,314,205.48		
Current liabilities	(89,294,851.76)	(197,862,753.84)		
Non-current liabilities	(381,678.82)	(5,169,618.00)		
Net assets	(68,512,270.90)	(38,667,602.48)		
Carrying amount of non-controlling interest	(6,851,227.09)	(7,733,520.50)	447,441.35	(14,137,306.24)
Revenue	36,178,349.51	101,318,258.83		
Profit (loss) for the year	(15,547,859.75)	(17,552,261.34)		
Other comprehensive income	52,108.00	430,462.00		
Total comprehensive income	(15,495,751.75)	(17,121,799.34)		
Profit (loss) allocated to non-controlling interest	(1,554,785.98)	(3,510,452.26)		
Other comprehensive income allocated to non-controlling interest	5,210.80	86,092.40	-	91,303.20
Total comprehensive income allocated to non-controlling interest	(1,549,575.18)	(3,424,359.86)	(15,680.00)	(4,989,615.04)
Net Cash used in operating activities	(11,565,050.23)	(6,631,323.44)		
Net Cash used in investing activities	(961,140.00)	(490,677.61)		
Net Cash provided from financing activities	9,611,958.50	6,769,056.56		
Net Cash and Cash equivalents increase (decrease)	(2,914,231.73)	(352,944.49)		



	(Unit: Baht)			
	As at 31 December 2016			
	Environmental Solution Integrator Co., Ltd.	Tharsettakij Multimedia Co., Ltd.	Eliminations	Total
Non-controlling interest percentage	10%	20%		
Current assets	21,082,677.00	26,458,848.03		
Non-current assets	5,136,329.85	124,694,425.70		
Current liabilities	(78,543,361.71)	(167,483,646.87)		
Non-current liabilities	(692,164.29)	(5,215,430.00)		
Net assets	(53,016,519.15)	(21,545,803.14)		
Carrying amount of non-controlling interest	(5,301,651.92)	(4,309,160.63)	463,121.35	(9,147,691.20)
Revenue	67,585,059.68	21,540,919.71		
Profit (loss) for the year	(12,366,391.76)	(22,795,803.14)		
Other comprehensive income	(73,039.00)	-		
Total comprehensive income	(12,439,430.76)	(22,795,803.14)		
Profit (loss) allocated to non-controlling interest	(1,236,639.18)	(4,559,160.63)	963,737.06	(4,832,062.75)
Other comprehensive income allocated to non-controlling interest	(7,303.90)	-	-	(7,303.90)
Total comprehensive income allocated to non-controlling interest	(1,243,943.08)	(4,559,160.63)	963,737.06	(4,839,366.65)
Net Cash used in operating activities	(2,921,099.38)	(28,506,433.61)		
Net Cash used in investing activities	(684,778.32)	(123,706,013.13)		
Net Cash provided from financing activities	4,549,110.68	157,250,000.00		
Net Cash and Cash equivalents increase (decrease)	943,232.98	5,037,553.26		



## 17. Investments in Joint Venture/Provision in Joint Venture

As at 31 December 2017 and 2016, the Company had investments in joint venture as follows:

Company's name	Proportion	Consolidated Financial Statements		Proportion	Separate Financial Statements	
		Equity Method			Cost Method	
		As at			As at	
		31 December 2017	31 December 2016		31 December 2017	31 December 2016
	%	Baht	Baht	%	Baht	Baht
Spring News Suck Asawindum Joint Venture	50	71,719.06	71,719.06	-	-	-
<u>Less Allowance for Impairment of</u>						-
<u>Investments</u>		(71,719.06)	(71,719.06)		-	
<u>Net</u>		-	-		-	-
Provision in NEWS - ESI Joint Venture	100	-	(26,590.29)	15	-	-

As at 31 December 2016, Spring News Suck Asawindum Joint Venture completed liquidation on 30 August 2016 and Spring News Corporation Company Limited received investment payback during the period in the amount of Baht 1.55 million.

NEWS - ESI Joint Venture has registered for liquidation on 28 February 2017.

### a) Changes of Investment in Joint Venture

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Baht	Baht	Baht	Baht
<b>Investments in Joint Venture</b>				
Beginning Book Value	-	1,437,793.58	-	-
Return of Investments	-	(1,549,177.43)	-	-
Share of Profit (Loss) in Joint Venture	-	183,102.91	-	-
Loss on Impairment of Investments	-	(71,719.06)	-	-
Ending Book Value	-	-	-	-

### b) Changes of Provisions of Liabilities in Joint Venture

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Baht	Baht	Baht	Baht
<b>Provisions of Liabilities in Joint Venture</b>				
Beginning Book Value	(26,590.29)	-	-	-
Share of Profit (Loss) in Joint Venture	26,590.29	(26,590.29)	-	-
Ending Book Value	-	(26,590.29)	-	-



## 18 Long-term Investments

Consists of:

	Consolidated/Separate Financial Statements	
	As at 31 December 2017 Baht	As at 31 December 2016 Baht
Investment in Available-for-Sale Securities		
Cost Value	1,042,907,868.95	1,042,907,868.95
<u>Less Unrealized Gain (loss)</u>	<u>(828,265,068.95)</u>	<u>(543,874,518.95)</u>
Fair Value	<u>214,642,800.00</u>	<u>499,033,350.00</u>

For the year ended 31 December 2017 and 2016, the movements of long-term investment were as follows:

	Consolidated/Separate Financial Statements For the year ended	
	31 December 2017 Baht	31 December 2016 Baht
Beginning Carrying Amount	499,033,350.00	662,828,700.00
Change of Fair Value of Available-for-Sale Securities	(284,390,550.00)	(163,795,350.00)
Ending Carrying Amount	<u>214,642,800.00</u>	<u>499,033,350.00</u>

As at 31 December 2017 and 2016, the Company has placed some of long-term investments and share certificate of the related person with the director of the Company as collateral for short-term loan from other company of one indirect subsidiary as in Note 26.

The fair value of available-for-sale securities are based on the latest bid price quoted on the Stock Exchange of Thailand at the reprting date, which is Level 1 inputs.



## 19 Assets for Rent

Consists of:

	Consolidated Financial Statements Baht	Separate Financial Statements Baht
As at 1 January 2016		
Cost	3,175,278.40	2,881,264.57
<u>Less Accumulated Depreciation</u>	<u>(2,504,733.33)</u>	<u>(2,377,139.40)</u>
Book Value	670,545.07	504,125.17
Transactions During the Year Ended 31 December 2016		
Purchase of Asset	125,144.95	-
Transfer in/(Transfer out)	(295,936.65)	(295,936.65)
Writing off Asset	(1,922,527.93)	(1,922,527.93)
Depreciation for the Year	(365,700.89)	(294,784.37)
Accumulated Depreciation for Transferring-out Asset	201,953.42	201,953.42
Accumulated Depreciation for Written-off Asset	1,922,260.09	1,922,260.09
Ending Book Value	335,738.06	115,089.73
As at 31 December 2017		
Cost	1,081,958.77	662,799.99
<u>Less Accumulated Depreciation</u>	<u>(746,220.71)</u>	<u>(547,710.26)</u>
Book Value	335,738.06	115,089.73
Transactions During the Year Ended 31 December 2017		
Purchase of Asset	45,166.12	-
Disposal/Write off	(38,797.50)	(38,797.50)
Depreciation for the Year	(205,278.89)	(115,039.80)
Accumulated Depreciation for Disposed/Written-off Asset	38,794.50	38,794.50
Ending Book Value	175,622.29	46.93
As at 31 December 2017		
Cost	1,088,327.39	624,002.49
<u>Less Accumulated Depreciation</u>	<u>(912,705.10)</u>	<u>(623,955.56)</u>
Book Value	175,622.29	46.93
Depreciation for the year ended 31 December 2016	365,700.89	294,784.37
Depreciation for the year ended 31 December 2017	205,278.89	115,039.80
(Consolidate Financial Statements : included in cost of services and cost of assets for rent)		
(Separate Financial Statements : included in cost of assets for rent)		



## 20 Investment Property

Consists of:

	Consolidated/Separate Financial Statements		
	Land	Building	Total
	Baht	Baht	Baht
As at 1 January 2016			
Cost	1,815,754.66	10,304,317.34	12,120,072.00
<u>Less Accumulated Depreciation</u>	-	(5,798,768.29)	(5,798,768.29)
Book Value	1,815,754.66	4,505,549.05	6,321,303.71
Transactions During the Year Ended 31 December 2016			
Depreciation for the Year	-	(515,215.86)	(515,215.86)
Ending Book Value	1,815,754.66	3,990,333.19	5,806,087.85
As at 31 December 2016			
Cost	1,815,754.66	10,304,317.34	12,120,072.00
<u>Less Accumulated Depreciation</u>	-	(6,313,984.15)	(6,313,984.15)
Book Value	1,815,754.66	3,990,333.19	5,806,087.85
Transactions During the Year Ended 31 December 2017			
Depreciation for the Year	-	(515,215.87)	(515,215.87)
Ending Book Value	1,815,754.66	3,475,117.32	5,290,871.98
As at 31 December 2017			
Cost	1,815,754.66	10,304,317.34	12,120,072.00
<u>Less Accumulated Depreciation</u>	-	(6,829,200.02)	(6,829,200.02)
Book Value	1,815,754.66	3,475,117.32	5,290,871.98
Depreciation for the year ended 31 December 2016 (included in administrative expenses)			515,215.86
Depreciation for the year ended 31 December 2017 (included in administrative expenses)			515,215.87

The Company has measured the fair value of investment property by the appraisal result of an independent appraiser with market approach as report dated 22 January 2016. Investment property had fair value in amount of Baht 23.69 million which is Level 3 inputs.



## 21. Equipment

Consist of:

	Consolidated Financial Statements					
	Buildings Improvement Baht	Furniture, Fixtures and Office Equipment Baht	Vehicle Baht	Equipment Baht	Asset under Installation Baht	Total Baht
As at 1 January 2016						
Cost	3,662,773.20	263,258,235.48	15,782,835.16	8,429,027.00	45,988,246.00	337,121,116.84
Less Accumulated Depreciation	(149,576.95)	(74,827,684.25)	(10,439,565.66)	(6,811,435.18)	-	(92,228,262.04)
Book Value	3,513,196.25	188,430,551.23	5,343,269.50	1,617,591.82	45,988,246.00	244,892,854.80
Transactions During the Year Ended 31 December 2016						
Increase from Business Combination	-	1,948,784.27	-	762.46	-	1,949,546.73
Purchase of Asset	-	10,398,953.38	816,068.42	315,879.62	1,735,600.00	13,266,501.42
Transfer in/(Transfer out)	-	305,936.65	-	-	(10,000.00)	295,936.65
Disposal of Asset	-	(189,158.58)	-	(5,611.42)	-	(194,770.00)
Writing off Asset	(1,942,633.20)	(5,419,776.60)	-	(795,153.10)	-	(8,157,562.90)
Depreciation for the Year	(639,050.86)	(30,945,492.01)	(1,733,936.42)	(775,861.41)	-	(34,094,340.70)
Accumulated Depreciation for Transferring-in Asset	-	(201,953.42)	-	-	-	(201,953.42)
Accumulated Depreciation for Disposal/ Written-off Assets	374,042.32	4,556,828.89	-	800,689.51	-	5,731,560.72
Ending Book Value	1,305,554.51	168,884,673.81	4,425,401.50	1,158,297.48	47,713,846.00	223,487,773.30
As at 31 December 2016						
Cost	1,720,140.00	270,302,974.60	16,598,903.58	7,944,904.56	47,713,846.00	344,280,768.74
Less Accumulated Depreciation	(414,585.49)	(101,418,300.79)	(12,173,502.08)	(6,786,607.08)	-	(120,792,995.44)
Book Value	1,305,554.51	168,884,673.81	4,425,401.50	1,158,297.48	47,713,846.00	223,487,773.30



	Consolidated Financial Statements					
	Buildings Improvement Baht	Furniture, Fixtures and Office Equipment Baht	Vehicles Baht	Equipment Baht	Asset under Installation Baht	Total Baht
<b>As at 31 December 2016</b>						
Cost	1,720,140.00	270,302,974.60	16,598,903.58	7,944,904.56	47,713,846.00	344,280,768.74
<u>Less Accumulated Depreciation</u>	<u>(414,585.49)</u>	<u>(101,418,300.79)</u>	<u>(12,173,502.08)</u>	<u>(6,786,607.08)</u>	-	<u>(120,792,995.44)</u>
<b>Book Value</b>	<b>1,305,554.51</b>	<b>168,884,673.81</b>	<b>4,425,401.50</b>	<b>1,158,297.48</b>	<b>47,713,846.00</b>	<b>223,487,773.30</b>
<b>Transactions During the Year Ended 31 December 2017</b>						
Purchase of Asset	669,227.17	21,283,803.55	3,224,299.07	34,885.96	4,612,492.06	29,824,707.81
Transfer in/(Transfer out)	24,486.00	50,402,334.22	-	(20,550.66)	(52,326,338.06)	(1,920,068.50)
Disposal of Asset	-	(265,035.28)	(142,502.00)	-	-	(407,537.28)
Writing off Asset	-	(918,022.42)	-	-	-	(918,022.42)
Depreciation for the Year	(414,289.46)	(39,620,591.13)	(2,060,725.01)	(681,988.10)	-	(42,777,593.70)
Accumulated Depreciation for Transferring-in Asset	689,463.67	(3,211.32)	-	7,916.15	-	694,168.50
Accumulated Depreciation for Disposal/ Written-off Asset	-	731,231.40	142,500.00	-	-	873,731.40
<b>Ending Book Value</b>	<b>2,274,441.89</b>	<b>200,495,182.83</b>	<b>5,588,973.56</b>	<b>498,560.83</b>	<b>-</b>	<b>208,857,159.11</b>
<b>As at 31 December 2017</b>						
Cost	2,413,853.17	340,806,054.67	19,680,700.65	7,959,239.86	-	370,859,848.35
<u>Less Accumulated Depreciation</u>	<u>(139,411.28)</u>	<u>(140,310,871.84)</u>	<u>(14,091,727.09)</u>	<u>(7,460,679.03)</u>	-	<u>(162,002,689.24)</u>
<b>Book Value</b>	<b>2,274,441.89</b>	<b>200,495,182.83</b>	<b>5,588,973.56</b>	<b>498,560.83</b>	<b>-</b>	<b>208,857,159.11</b>
Depreciation for the year ended 31 December 2016 (included in cost of sales of Baht 0.01 million, cost of services of Baht 20.09 million and in administrative expenses of Baht 13.99 million)						34,094,340.70
Depreciation for the year ended 31 December 2017 (included in cost of services of Baht 28.53 million and in administrative expenses of Baht 14.25 million)						42,777,593.70



	Furniture, Fixtures and Office Equipment	Separate Financial Statements		
	Baht	Vehicle	Equipment	Total
	Baht	Baht	Baht	Baht
As at 1 January 2016				
Cost	19,315,154.14	7,901,842.29	1,879,056.59	29,096,053.02
Less Accumulated Depreciation	(16,735,597.79)	(6,446,329.56)	(1,875,424.22)	(25,057,351.57)
Book Value	2,579,556.35	1,455,512.73	3,632.37	4,038,701.45
Transactions During the Year Ended 31 December 2016				
Purchase of Assets	119,403.47	-	-	119,403.47
Transfer in (Transfer out)	295,936.65	-	-	295,936.65
Disposal of Assets	(46,126.27)	-	-	(46,126.27)
Writing off Assets	(3,150,873.10)	-	(92,382.61)	(3,243,255.71)
Depreciation for the Year	(1,510,687.44)	(450,168.46)	(3,600.47)	(1,964,456.37)
Accumulated Depreciation for Transferring-in Asset	(201,953.42)	-	-	(201,953.42)
Accumulated Depreciation for Disposed/ Written-off Assets	3,066,433.87	-	92,374.61	3,158,808.48
Ending Book Value	1,151,690.11	1,005,344.27	23.90	2,157,058.28
As at 31 December 2016				
Cost	16,533,494.89	7,901,842.29	1,786,673.98	26,222,011.16
Less Accumulated Depreciation	(15,381,804.78)	(6,896,498.02)	(1,786,650.08)	(24,064,952.88)
Book Value	1,151,690.11	1,005,344.27	23.90	2,157,058.28
Transactions During the Year Ended 31 December 2017				
Purchase of Asset	1,092,166.66	-	-	1,092,166.66
Disposal of Asset	(28,400.00)	-	-	(28,400.00)
Depreciation for the Year	(721,627.49)	(450,168.43)	-	(1,171,795.92)
Accumulated Depreciation for Disposed/ Written-off Assets	28,399.00	-	-	28,399.00
Ending Book Value	1,522,228.28	555,175.84	23.90	2,077,428.02
As at 31 December 2017				
Cost	17,597,261.55	7,901,842.29	1,786,673.98	27,285,777.82
Less Accumulated Depreciation	(16,075,033.27)	(7,346,666.45)	(1,786,650.08)	(25,208,349.80)
Book Value	1,522,228.28	555,175.84	23.90	2,077,428.02
Depreciation for the year ended 31 December 2016 (included in cost of services of Baht 0.26 million and in administrative expenses of Baht 1.70 million)				1,964,456.37
Depreciation for the year ended 31 December 2017 (included in cost of service of Baht 0.03 million and in administrative expenses of Baht 1.14 million)				1,171,795.92



### Consolidated Financial Statements

As at 31 December 2017 and 2016, the group had assets which were fully depreciated but still in use in cost value of Baht 64.30 million and Baht 51.46 million and book value of Baht 549,398.71 and Baht 362,092.12, respectively.

As at 31 December 2017 and 2016, the group has vehicles under finance lease agreements in cost value of Baht 9.31 million and Baht 5.85 million, respectively, and book value of Baht 5.11 million and Baht 2.84 million, respectively.

### Separate Financial Statements

As at 31 December 2017 and 2016, the Company had assets which were fully depreciated but still in use in cost value of Baht 22.64 million and Baht 20.31 million and book value of Baht 807 and Baht 701, respectively.

As at 31 December 2017 and 2016, the Company had vehicles under finance lease agreements in cost value of Baht 1.54 million and Baht 2.04 million, and book value of Baht 0.57 million and Baht 0.92 million, respectively.



## 22. Goodwill

Consist of :

	Consolidated Financial Statements Baht
As at 1 January 2016	
Costs	32,608,334.67
<u>Less Allowance for Impairment</u>	<u>(32,608,334.67)</u>
Book Value	-
Transactions During the Year Ended 31 December 2016	
Increase from Business Combination	2,002,492.90
Impairment Loss	<u>(2,002,492.90)</u>
Ending Book Value	<u>-</u>
As at 31 December 2016	
Costs	34,610,827.57
<u>Less Allowance for Impairment</u>	<u>(34,610,827.57)</u>
Book Value	-
Transactions During the Year Ended 31 December 2017	-
Ending Book Value	<u>-</u>
As at 31 December 2017	
Costs	34,610,827.57
<u>Less Allowance for Impairment</u>	<u>(34,610,827.57)</u>
Book Value	<u>-</u>



## 23 Intangible Assets

Consist of:

	Consolidated Financial Statements			
	Computer Software Baht	Copyright of Documentaries and Music Baht	The Right to Use the Trademark Baht	Total Baht
As at 1 January 2016				
Cost	17,641,307.73	58,600,000.00	-	76,241,307.73
Less Accumulated Amortization	(13,061,076.38)	(29,263,178.08)	-	(42,324,254.46)
Book Value	4,580,231.35	29,336,821.92	-	33,917,053.27
Transactions During the Year Ended 31 December 2016				
Increase from Business Combination	-	-	122,940,000.00	122,940,000.00
Purchase of Asset	87,980.19	36,693,300.00	-	36,781,280.19
Transfer in/(Transfer out)	(24,000.00)	-	-	(24,000.00)
Writing off Asset	(9,163,734.69)	-	-	(9,163,734.69)
Amortization for the Year	(756,338.71)	(30,889,828.83)	(1,313,605.48)	(32,959,773.02)
Impairment Loss	-	(582,871.70)	-	(582,871.70)
Accumulated Amortization for Written-off Assets	9,163,669.81	-	-	9,163,669.81
Ending Book Value	3,887,807.95	34,557,421.39	121,626,394.52	160,071,623.86
As at 31 December 2016				
Cost	8,541,553.23	95,293,300.00	122,940,000.00	226,774,853.23
Less Accumulated Amortization	(4,653,745.28)	(60,153,006.91)	(1,313,605.48)	(66,120,357.67)
Less Accumulated Impairment Loss	-	(582,871.70)	-	(582,871.70)
Book value	3,887,807.95	34,557,421.39	121,626,394.52	160,071,623.86
Transactions During the Year Ended 31 December 2017				
Purchase of Asset	1,497,155.44	1,695,000.00	-	3,192,155.44
Transfer in/(Transfer out)	1,193,900.00	-	-	1,193,900.00
Amortization for the Year	(1,030,213.52)	(34,314,896.62)	(4,098,000.01)	(39,443,110.15)
Ending Book Value	5,548,649.87	1,937,524.77	117,528,394.51	125,014,569.15
As at 31 December 2017				
Cost	11,232,608.67	96,988,300.00	122,940,000.00	231,160,908.67
Less Accumulated Amortization	(5,683,958.80)	(94,467,903.53)	(5,411,605.49)	(105,563,467.82)
Less Accumulated Impairment Loss	-	(582,871.70)	-	(582,871.70)
Book Value	5,548,649.87	1,937,524.77	117,528,394.51	125,014,569.15
Amortization for the year ended 31 December 2016 (included in cost of sales of Baht 1.31 million, cost of services of Baht 30.73 million and in administrative expenses of Baht 0.91 million)				32,959,773.02
Amortization for the year ended 31 December 2017 (included in cost of sales of Baht 410 million, cost of services of Baht 34.23 million and in administrative expenses of Baht 1.11 million)				39,443,110.15



	Separate Financial Statements Computer Software Baht
As at 1 January 2016	
Cost	10,030,705.56
<u>Less Accumulated Amortization</u>	<u>(9,869,750.11)</u>
Book Value	160,955.45
Transactions During the Year Ended 31 December 2016	
Writing off Assets	(9,163,734.69)
Amortization for the Year	(57,899.07)
Accumulated Amortization for Written-off Assets	9,163,669.81
Ending Book Value	<u>102,991.50</u>
As at 31 December 2016	
Cost	866,970.87
<u>Less Accumulated Amortization</u>	<u>(763,979.37)</u>
Book Value	102,991.50
Transactions During the Year Ended 31 December 2017	
Writing off Assets	(43,512.37)
Ending Book Value	<u>59,479.13</u>
As at 31 December 2017	
Cost	866,970.87
<u>Less Accumulated Amortization</u>	<u>(807,491.74)</u>
Book Value	<u>59,479.13</u>
Amortization for the year ended 31 December 2016 (included in cost of services)	57,899.07
Amortization for the year ended 31 December 2017 (included in cost of services)	43,512.37

According to the consolidated financial statements as at 31 December 2017, the right to use the trademark is the right to use the “Thansettakij” trademark in one indirect subsidiary. The period of the contract is 30 years starting from 6 September 2016 to 6 September 2046.



## 24 License for Use the Frequency for Television Service

### 24.1 License for Use the Frequency for Television Service as follows:

	Consolidated Financial Statements Baht
As at 1 January 2016	
Cost	1,162,132,466.07
<u>Less Accumulated Amortization</u>	<u>(130,753,168.79)</u>
Book Value	1,031,379,297.28
Transactions During the Year Ended 31 December 2016	
Amortization for the Year	(77,475,497.71)
Loss on Impairment	(953,903,799.57)
Ending Book Value	-
As at 31 December 2016	
Cost	1,162,132,466.07
<u>Less Accumulated Amortization</u>	<u>(208,228,666.50)</u>
<u>Less Accumulated Impairment Loss</u>	<u>(953,903,799.57)</u>
Book Value	-
Transactions During the Year Ended 31 December 2017	-
Ending Book Value	-
As at 31 December 2017	
Cost	1,162,132,466.07
<u>Less Accumulated Amortization</u>	<u>(208,228,666.50)</u>
<u>Less Accumulated Impairment Loss</u>	<u>(953,903,799.57)</u>
Book Value	-
Amortization for the year ended 31 December 2016 (included in cost of services)	77,475,497.71
Amortization for the year ended 31 December 2017 (included in cost of services)	-

Spring News Television Limited (Spring News TV), a subsidiary of Spring News Corporation, is entitled on 25 April 2014, to receive a license for 15 years to use the frequency in providing digital television service under news and information category from National Broadcasting Telecommunications Commission (NBTC office). Spring News TV is obliged to pay for the license fee in using the frequency to provide digital television service in amount of Baht 1,318.00 million (VAT excluded) and the payment will be made in 2 parts as follows;



1) For the minimum bid price amounting to Baht 220.00 million, the payment is divided into 4 installments and has to be made within 3 years from the date of acquiring the licence as specified by NBTC.

2) For the exceeding amount of the minimum bid price amounting to Baht 1,098.00 million, the payment is divided into 6 installments and has to be made within 5 years from the date of acquiring the licence as specified by NBTC.

As at 31 December 2017 and 2016, the Company submitted letter of guarantee to guarantee against the full payment for the outstanding of the license to use the frequency for television service. The Company pledged the fixed deposit which is specifically to pay for the license to use the frequency for television service as collateral against the letter of guarantee.

As at 31 December 2017, Spring News TV has paid Baht 878.80 million.

## 24.2 License to use the Frequency for Television Service Payable

License to use the frequency for television service payable to NBTC were as follows:

Consolidated Financial Statements						
	As at 31 December 2017			As at 31 December 2016		
	Future payment	Interest	Present value of payments	Future payment	Interest	Present value of payments
	Baht	Baht	Baht	Baht	Baht	Baht
Within one year	219,600,000.00	(14,204,488.45)	205,395,511.55	241,600,000.00	(24,792,615.84)	216,807,384.16
More than one year but not over five years	219,600,000.00	(3,421,224.05)	216,178,775.95	439,200,000.00	(17,625,712.51)	421,574,287.49
Total	<u>439,200,000.00</u>	<u>(17,625,712.50)</u>	<u>421,574,287.50</u>	<u>680,800,000.00</u>	<u>(42,418,328.35)</u>	<u>638,381,671.65</u>

Changes of license to use the frequency for television service payable as follows:

	Consolidated Financial Statements For the year ended	
	31 December 2017	31 December 2016
	Baht	Baht
Present value at 1 January	638,381,671.65	844,374,435.67
Payment of license fee	(241,600,000.00)	(241,600,000.00)
Interest expense	24,792,615.85	35,607,235.98
Present value at 31 December	<u>421,574,287.50</u>	<u>638,381,671.65</u>



## 25. Deferred Income Taxes

Deferred income taxes are calculated in full on temporary differences, using the liability method and applying a principal tax rate of 20%. The deferred taxation related to the temporary differences between the carrying amounts and the tax bases of assets and liabilities of the Group are summarized below:

	As at 31 December 2016	Consolidated Financial Statements		As at 31 December 2017
	Baht	Recognized In profit (loss) For the year Baht	Recognized in other comprehensive income (expense) Baht	Baht
<b>Deferred Tax Assets</b>				
Non-Current Provisions for				
Employee Benefit	-	156,333.00	199,864.40	356,197.40
<b>Total</b>	<u>-</u>	<u>156,333.00</u>	<u>199,864.40</u>	<u>356,197.40</u>
<b>Deferred Tax Liabilities</b>				
The Right to Use the Trademark	581,717.26	(19,600.00)	-	562,117.26
Estimate of Revenue from Sales	190,694.54	(125,851.19)	-	64,843.35
Estimate of Cost of Sales	(68,472.09)	35,768.12	-	(32,703.97)
<b>Total</b>	<u>703,939.71</u>	<u>(109,683.07)</u>	<u>-</u>	<u>594,256.64</u>

## 26. Credits and Guarantees

Bank overdrafts, short-term loan from other companies and letter of guarantee of the Group have been collateralized by long-term investments of the Company and share certificate of the related person with the director of the Company, saving deposit and fixed deposit accounts and jointly guaranteed by the Company, one subsidiary and the director of the Company.



## 27. Trade and Other Current Payables

Consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Baht	Baht	Baht	Baht
Trade Payables	123,519,484.09	90,627,928.98	13,887,385.58	13,355,510.37
Other Payables	153,908,986.55	108,132,528.13	51,194,001.81	4,810,536.80
<b>Total</b>	<b>277,428,470.64</b>	<b>198,760,457.11</b>	<b>65,081,387.39</b>	<b>18,166,047.17</b>

Other payables consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Baht	Baht	Baht	Baht
Accrued Expenses	40,066,783.12	17,084,918.94	5,411,699.34	2,412,684.54
Accrued Interest	35,955,503.37	897,523.07	35,569,132.95	-
Other Payables	7,465,711.15	10,219,725.44	-	-
Unsettled Output Tax	17,319,461.55	7,345,855.66	2,026,914.78	1,865,699.12
Assets Payables	22,502,612.40	53,390,506.96	-	-
Prepaid Revenue	15,272,086.78	10,921,232.94	8,442.51	36,407.48
Others	15,326,828.18	8,272,765.12	8,177,812.23	495,745.66
<b>Total</b>	<b>153,908,986.55</b>	<b>108,132,528.13</b>	<b>51,194,001.81</b>	<b>4,810,536.80</b>



## 28 Short-term Loan from Other Companies

Consist of:

	Consolidated Financial Statements	
	As at	As at
	31 December 2017	31 December 2016
	Baht	Baht
Short-term Loans from Other Companies	204,755,462.21	200,000,000.00
<u>Less</u> Prepaid Interest	(11,183.88)	-
<u>Less</u> Deferred Transaction Cost	-	(1,136,136.98)
Total	<u>204,744,278.33</u>	<u>198,863,863.02</u>

	Consolidated Financial Statements	
	As at	As at
	31 December 2017	31 December 2016
	Baht	Baht
Beginning Balance	200,000,000.00	-
<u>Add</u> Increase during the Year	118,000,000.00	295,000,000.00
<u>Less</u> Decrease during the Year	(113,244,537.79)	(95,000,000.00)
Ending Balance	<u>204,755,462.21</u>	<u>200,000,000.00</u>

As at 31 December 2017, short-term loan from one other company of one subsidiary is in form of bill of exchange in amount of Baht 4.76 million, 30 days duration, with interest rate 7.50% per annum without any collateral.

As at 31 December 2017 and 2016, short-term loan from one other company is one-year loan agreement amounting to Baht 200 million with interest rate at 12% per annum, collateralized by some of long-term investment of the Company and share certificate of the related person of the director of the Company and the Company, one subsidiary and director of the Company as guarantors.



As at 11 March 2017, the indirect subsidiary company has entered into agreement with the lender to make the first extension of the repayment period for another 3 months, maturing on 11 June 2017 and the second extension has been made for another 1 year, maturing on 11 June 2018. The interest rate and collateral conditions are the same as indicated in the prior loan agreement.

## 29 Short-term Loan from Other Person

Consist of:

	Consolidated Financial Statements	
	As at	As at
	31 December 2017	31 December 2016
	Baht	Baht
Beginning Balance	1,300,000.00	1,300,000.00
<u>Add Increase during the Year</u>	-	-
<u>Less Decrease during the Year</u>	-	-
Ending Balance	<u>1,300,000.00</u>	<u>1,300,000.00</u>

As at 31 December 2017 and 2016, short-term loan from other person of the subsidiary is in form of loan agreement in amount of Baht 1.30 million with interest rate at 8% per annum, the subsidiary is sued by the lender with charge of debt default. The court judged the subsidiary to repay Baht 1,317,380.82 with interest rate at 8% per annum of the principal in amount of Baht 1,300,000.00 calculated from the suing date until the repayment is completed. The Appeal Court affirmed the judgment of the Civil Court. The subsidiary has filed a petition with the Supreme Court on 13 December 2016. Currently, the case is in the process of the Supreme Court (As in Note 47.10(d)).



### 30 Creditor from Capital Increase

Creditor from capital increase in amount of Baht 465.50 million with 4 investors. Its is from share subscription for capital increase of 6,000,000,000 shares offered to investors through private placement, as approved by Annual General Meeting of Year 2016 dated on 7 April 2016. The Company cannot register paid-up share capital with the Department of Business Development since such offering is not permitted by The Securities and Exchange Commission (“SEC”). The Company has submitted a petition of appeal to SEC and on 23 March 2017, SEC replied the Company’s petition by confirming the prior result which indicated that the offering through the private placement is not permitted by SEC.

The Company received the letter requesting the Company to return the amount paid for the offering and compensation for not be able to issue the stock for them from 2 investors at 1 March 2017 and 7 March 2017, respectively. Total stated amount is approximately Baht 501.40 million (including the amount for paid up capital Baht 201.40 million and Baht 300 million for compensation and opportunity cost). As at 27 March 2017, one of the creditors filed a suit with the Civil Court by the Black Criminal Case No. Por.1457/2560 asking for returning said amount due to breaching of contract. The claimed amount is Baht 354 million (the amount invested to paid-up capital Baht 154 million, compensation and opportunity cost Baht 200 million) with interest rate 7.50% per annum to such amount counts from filing date until finish paying back to plaintiff. Later on 12 June 2017, the said investor requested for the withdrawal of the case with the approval of the Court.

At present, the Company has repaid for the creditor from capital increase with interest to certain investors in amount of Baht 353.61 million. The interest is calculated at 15.00% per annum from the date the Company received the money. As at 31 December 2017, the Company has creditor from capital increase in amount of Baht 163.00 million and accrued interest in amount of Baht 35.57 million.



### 31. Liabilities under Finance Lease

Consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	As at 31 December 2017 Baht	As at 31 December 2016 Baht	As at 31 December 2017 Baht	As at 31 December 2016 Baht
Liabilities under Finance Lease	3,228,321.16	2,353,154.65	130,714.93	554,459.17
Less Deferred Interest	(280,441.56)	(186,666.81)	(1,539.01)	(17,542.51)
Total	2,947,879.60	2,166,487.84	129,175.92	536,916.66
Less Current Portion of Liabilities under Finance Lease	(1,227,908.09)	(1,105,118.35)	(129,175.92)	(407,740.31)
Net	1,719,971.51	1,061,369.49	-	129,176.35

Amount of beginning paid liabilities under financial lease as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	As at 31 December 2017 Baht	As at 31 December 2016 Baht	As at 31 December 2017 Baht	As at 31 December 2016 Baht
Within 1 year	1,381,509.33	1,213,736.00	130,714.93	423,744.00
Over 1 year but not over 5 years	1,846,811.83	1,139,418.65	-	130,715.17
Total	3,228,321.16	2,353,154.65	130,714.93	554,459.17

### 32. Provisions of Liabilities

Consist of:

	Consolidated Financial Statements		
	Warranty claim for project Baht	Lawsuit penalty Baht	Total Baht
Beginning Balance as at 1 January 2017	305,864.74	2,754,124.00	3,059,988.74
Increase	11,500.00	131,765.00	143,265.00
Reversal of Provision	(87,616.50)	-	(87,616.50)
Ending Balance as at 31 December 2017	229,748.24	2,885,889.00	3,115,637.24



	Separate Financial Statements		
	Warranty claim		
	for project	Lawsuit penalty	Total
	Baht	Baht	Baht
Beginning Balance as at 1 January 2017	242,366.42	2,754,124.00	2,996,490.42
Increase	-	131,765.00	131,765.00
Reversal of Provision	(12,618.18)	-	(12,618.18)
Ending Balance as at 31 December 2017	<u>229,748.24</u>	<u>2,885,889.00</u>	<u>3,115,637.24</u>

### 33 Non-Current Provisions for Employee Benefit

For the year ended 31 December 2017 and 2016, non-current provisions for employee benefits has the movements as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Baht	Baht	Baht	Baht
Beginning balance	13,830,663.91	3,618,411.63	2,524,458.00	1,900,281.00
Increase from Business Combination	-	4,855,116.12	-	-
Current Service Cost	3,726,732.56	3,102,619.20	402,883.00	368,761.00
Interest Expenses	404,703.07	275,187.96	76,696.00	58,087.00
Benefits paid during the year	(360,672.00)	(1,237,248.00)	-	-
Gain (Loss) on Remeasurement of Defined Benefit Plans	<u>175,844.00</u>	<u>3,216,577.00</u>	<u>2,711,296.00</u>	<u>197,329.00</u>
Ending balance	<u>17,777,271.54</u>	<u>13,830,663.91</u>	<u>5,715,333.00</u>	<u>2,524,458.00</u>

For the year ended 31 December 2017 and 2016, expenses which included in profit or loss consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Baht	Baht	Baht	Baht
Current Service Cost	3,726,732.56	3,102,619.20	402,883.00	368,761.00
Interest Expenses	404,703.07	275,187.96	76,696.00	58,087.00
Total	<u>4,131,435.63</u>	<u>3,377,807.16</u>	<u>479,579.00</u>	<u>426,848.00</u>



For the year ended 31 December 2017 and 2016, expenses which are recognized in profit (loss) for the year above are included in the items as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Baht	Baht	Baht	Baht
Costs of Service	225,736.98	333,001.79	15,962.00	10,778.00
Costs of Sale	744,215.86	96,149.98	-	-
Selling and Service Expenses	223,948.47	590,555.04	-	-
Administrative Expenses	2,937,534.32	2,358,100.35	463,617.00	416,070.00
<b>Total</b>	<b>4,131,435.63</b>	<b>3,377,807.16</b>	<b>479,579.00</b>	<b>426,848.00</b>

For the year ended 31 December 2017 and 2016, (Gain) loss on remeasurements of defined benefit plans is actuarial (gain) loss arising from consists by the changes as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Baht	Baht	Baht	Baht
Demographic Assumption	2,271,966.00	770,977.00	1,729,457.00	99,529.00
Financial Assumption	(71,751.00)	(6,114.00)	339,820.00	(8,068.00)
Adjustment from Experience	(2,024,371.00)	2,451,714.00	642,019.00	105,868.00
<b>Total</b>	<b>175,844.00</b>	<b>3,216,577.00</b>	<b>2,711,296.00</b>	<b>197,329.00</b>

For the year ended 31 December 2017 and 2016, the key assumptions used in the actuarial valuation are summarized as follows:

	For the year ended 31 December 2017	For the year ended 31 December 2016
Discount rate	2.29-3.28% per annum	1.59-3.55% per annum
Salary increase rate	3.04-5.44% per annum	2.97-9.06% per annum
Mortality rate	mortality table year 2017	mortality table year 2008
Employee turnover rate	0-100% per annum	0-100% per annum
Retirement age	60 years old	60 years old



As at 31 December 2017 and 2016, reasonably possible changes to each relevant actuarial assumptions while other assumptions are deemed constant, would have affected non-current provisions for employee benefits which are summarized as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	As at 31 December 2017 Baht	As at 31 December 2016 Baht	As at 31 December 2017 Baht	As at 31 December 2016 Baht
<b>Discount rate</b>				
Increase 0.50%	(549,322.00)	(384,269.00)	(168,081.00)	(69,096.00)
Decrease 0.50%	580,646.00	405,686.00	177,138.00	71,965.00
<b>Salary increase rate</b>				
Increase 0.50%	548,352.00	393,637.00	173,415.00	71,362.00
Decrease 0.50%	(524,097.00)	(376,877.00)	(166,277.00)	(69,195.00)
<b>Turnover rate</b>				
Increase 0.50 – 1.00%	(1,213,615.00)	(631,811.00)	(346,319.00)	(151,625.00)
Decrease 0.50 – 1.00%	977,667.00	666,119.00	52,951.00	162,675.00



### 34 Share Capital

The movements of authorized share capital and issue and paid-up ordinary share are as follows:

	For the year ended 31 December 2017			For the year ended 31 December 2016		
	Par Value Baht Per Share	Number of Share Shares	Amount Baht	Par Value Baht Per Share	Number of Share Shares	Amount Baht
<b>Authorized Share Capital</b>						
Beginning Ordinary Shares	5.00	14,695,874,880	73,479,374,400.00	5.00	8,736,932,320	43,684,661,600.00
Less Capital Reduction	5.00	(6,187,774,033)	(30,938,870,165.00)	5.00	(41,057,440)	(205,287,200.00)
Add Increased due to Change in Par Value		34,032,403,388	-		-	-
Add Capital Increment	1.00	239,420,793,345	239,420,793,345.00	5.00	6,000,000	30,000,000.00
Ending Ordinary Shares	1.00	<u>281,961,297,580</u>	<u>281,961,297,580.00</u>	5.00	<u>14,695,874,880</u>	<u>73,479,374,400.00</u>
<b>Issued and Paid-up Share Capital</b>						
Beginning Ordinary Shares	5.00	6,292,021,080	31,460,105,400.00	5.00	6,292,021,080	31,460,105,400.00
Add Issuance of Ordinary Shares	5.00	1,587	7,935.00		-	-
Add Increased due to Change in Par Value		25,168,090,668	-		-	-
Add Issuance of Ordinary Shares	1.00	36,426,750,056	36,426,750,056.00		-	-
Ending Ordinary Shares	1.00	<u>67,886,863,391</u>	<u>67,886,863,391.00</u>	5.00	<u>6,292,021,080</u>	<u>31,460,105,400.00</u>
<b>Discount on Issuance of Shares</b>						
Beginning Ordinary Shares		6,292,021,080	(26,830,723,462.00)		6,292,021,080	(26,830,723,462.00)
Add Issuance of Ordinary Shares		36,426,751,643	(35,953,206,114.07)		-	-
Ending Ordinary Shares		<u>42,718,772,723</u>	<u>(62,783,929,576.07)</u>		<u>6,292,021,080</u>	<u>(26,830,723,462.00)</u>

34.1 The Company registered the new paid-up share capital from exercising of the warrant from Baht 31,460,105,400.00 to Baht 31,460,113,335.00 with Department of Business Development on 31 January 2017.

34.2 The Extraordinary General Meeting No.1/2560 held on 3 July 2017. There are significant resolutions as follow:

- 1) Approve the decrease of registered capital of the Company by Baht 30,938,870,165.00 from the existing registered capital of Baht 73,479,374,700.00 to the registered capital of Baht 42,540,504,235.00 by deducting 6,187,774,033 unissued shares with a par value of Baht 5 per share. The Company has registered decrease with Department of Business Development on 6 July 2017.



- 2) Approve the change in the par value of shares of the Company from Baht 5 per share to Baht 1 per share, which will cause the number of the Company's share to increase by 34,032,403,388 shares, from the existing 8,508,100,847 shares at the par value of Baht 5 per share to 42,540,504,235 shares at the par value of Baht 1 per share. The Company has registered the change in the par value with Department of Business Development on 6 July 2017.
- 3) Approve the issuance and offering of warrants to purchase ordinary shares of the Company No.6 (NEWS-W6) to the existing shareholders who subscribe to pay for the newly-issued ordinary shares.
- 4) Approve the increase of registered capital of the Company by Baht 239,420,793,345.00 from the existing registered capital of Baht 42,540,504,235.00 to the registered capital of Baht 281,961,297,580.00 by means of issuance of 239,420,793,345 newly-issued ordinary shares at the par value of Baht 1 per share and approve the allocation of the newly-issued ordinary shares to the existing shareholders proportionate to their respective shareholdings (Rights Offering) as follow:
  - 4.1) The allocation of 157,300,566,675 shares at the par value of Baht 1 per share to the existing shareholders proportionate to their respective shareholdings (Rights Offering) to the ratio as 1 existing share to 5 newly-issued ordinary share with the offering price at Baht 0.013 per share.
  - 4.2) The allocation of not exceeding 62,920,226,670 newly-issued ordinary shares at the par value of Baht 1 to accommodate the exercise of Warrants No.6 (NEWS-W6).
  - 4.3) The allocation of 1,029,000,000 newly-issued ordinary shares at the par value of Baht 1 to accommodate the adjustment of the rights under the Warrants No.4 (NEWS-W4).
  - 4.4) The allocation of 18,171,000,000 shares newly-issued ordinary shares at the par value of Baht 1 to accommodate the adjustment of the rights under the Warrants No.5 (NEWS-W5).

The Company has registered increase with Department of Business Development on 6 July 2017.

34.3 The Company registered the new paid-up share capital from the allocation of 36,426,750,056 shares newly-issued ordinary shares at the par value of Baht 1 per share to the existing shareholders with the offering price at Baht 0.013 per share with Department of Business Development.



### 35. Basic Earnings (Loss) per Share

Resulting of changes in par value from Baht 5 each to Baht 1 each, in accordance with the resolution of the extraordinary general meeting no. 1/2017 held on 3 July 2017 therefore, the Company adjusts the number of ordinary shares of the prior period used for the calculation, as presented for comparative purposes, by adjusting in proportion to the change in the number of shares, as changes in par value had been issued at the beginning of the earliest period reported. The Company is calculated basic earning (loss) per share by dividing the profit (loss) attributable to equity holders of the Company by the weighted average number of issued as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December		31 December	
	2017	2016	2017	2016
Profit (loss) attributable to equity holders of the Company (Baht)	(567,666,984.43)	(1,502,245,941.02)	(209,860,669.26)	(2,471,730,031.74)
Number of weighted average ordinary shares (Share)	32,058,908,574	31,460,105,400	32,058,908,574	31,460,105,400
Basic earnings (loss) per share (Baht/Share)	(0.0177)	(0.0477)	(0.0065)	(0.0786)

### 36. Warrant

Details of the warrant are as follows;

Type of Warrant	The First Exercise Date	Exercise Price (Baht per Share)	Conversion Ratio (Warrant : Ordinary Share)	Exercised Ordinary Share (Shares)	Remaining Warrants (Shares)	Expiry Date of Warrant
NEWS-W4	10 April 2014	3.50	1 : 0.2848	-	118,737,820	29 March 2019
NEWS-W5	4 September 2015	0.29	1 : 1	-	2,097,139,585	3 September 2018
NEWS-W6	-	-	-	-	-	(being processed)

### 37. Legal Reserve

Under the provisions of the Public Company Limited Act B.E. 2535, the Company is required to appropriate at least 5% of its annual net income after deduction of any deficit brought forward as a legal reserve until the reserve reaches 10% of the authorized capital.

### 38. Capital Management

The primary objectives of the Company and its subsidiaries' capital management are to maintain their abilities to continue as a going concern and to maintain an appropriate capital structure.

As at 31 December 2017 and 2016, the consolidated financial statements present the debt to equity ratio in 412:1 and 234:1 respectively, and the separate financial statement presents 0.51:1 and 1:1, respectively.



### 39 Income Tax (Expense) Revenue

#### 39.1 Income tax which is recognized in profit for the year consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Baht	Baht	Baht	Baht
Current income tax				
(Expense) Income Tax Revenue in current period	(2,621,674.43)	-	-	-
Deferred tax				
Deferred tax (Expense) Income Tax Revenue	266,016.07	(22,263.59)	-	-
(Expense) Income Tax Revenue which is recognized in Profit or Loss	<u>(2,355,658.36)</u>	<u>(22,263.59)</u>	<u>-</u>	<u>-</u>

The differences between income tax (expense) which was calculated from accounting profit at the tax rate for the year ended 31 December 2017 and 2016 were as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Baht	Baht	Baht	Baht
Profit (Loss) before Income Tax	<u>(570,392,194.31)</u>	<u>(1,507,055,740.18)</u>	<u>(209,860,669.26)</u>	<u>(2,471,730,031.74)</u>
Income Tax (Expense) Revenue Calculated at				
Tax Rate of 20% and 10.50%	114,078,438.86	301,266,655.08	41,972,133.85	494,346,006.35
Non-Deductible (Revenues) Expenses	(2,386,605.91)	(3,771,038.23)	(30,995,848.70)	(507,544,159.70)
Revenues Granted Income Tax Exemption	29,400.00	2,473,610.00	29,400.00	2,473,610.00
Unrecognized Temporary Differences	(1,595,039.91)	(200,199,449.89)	20,131.20	(442,594.40)
Effects of Profit between Subsidiaries company in the Consolidated Financial Statements	2,799.89	814,340.46	-	-
Effects of Eliminations in the Consolidated Financial Statements	12,286,852.87	-	-	-
Share of Profit (Loss) from Investment of Equity Method	-	(31,302.54)	-	-
Deferred Tax Assets which recognized for the year	110,334.29	-	-	-
Tax Losses in Current Period Not Recognized as Deferred Tax Assets	(126,722,332.75)	(111,742,216.22)	(11,025,816.36)	-
Unrecognized Tax Losses in Prior Period	1,840,494.30	11,167,137.75	-	11,167,137.75
(Expense) Income Tax Revenue	<u>(2,355,658.36)</u>	<u>(22,263.59)</u>	<u>-</u>	<u>-</u>



Deferred tax assets which are not recognized in the financial statements as at 31 December 2017 and 2016 consist of:

	Consolidated Financial Statements		Seperate Financial Statements	
	As at 31 December 2017 Baht	As at 31 December 2016 Baht	As at 31 December 2017 Baht	As at 31 December 2016 Baht
Tax Losses	2,426,951,228.11	1,970,358,864.53	55,129,081.78	10,814,858.95
Deductible Temporary Differences	1,936,791,236.56	1,615,664,831.10	4,511,755,371.58	3,174,353,705.80
Total	<u>4,363,742,464.67</u>	<u>3,586,023,695.63</u>	<u>4,566,884,453.36</u>	<u>3,185,168,564.75</u>

As at 31 December 2017 and 2016, the whole amount of deferred tax losses was unused tax losses classified by expiring year of tax benefits as follows:

	Consolidated Financial Statements		Seperate Financial Statements	
	As at 31 December 2017 Baht	As at 31 December 2016 Baht	As at 31 December 2017 Baht	As at 31 December 2016 Baht
Expiring year of tax benefits				
2017	-	87,966,918.19	-	-
2018	149,416,677.81	152,427,339.47	-	-
2019	539,808,505.69	551,672,246.08	-	-
2020	608,178,775.01	608,178,775.01	-	-
2021	551,064,687.61	570,113,585.78	-	10,814,858.95
2022	578,482,581.99	-	55,129,081.78	-
Total	<u>2,426,951,228.11</u>	<u>1,970,358,864.53</u>	<u>55,129,081.78</u>	<u>10,814,858.95</u>

Deferred tax assets for deductible temporary differences do not expire under current tax legislation



### 39.2 Income tax which is recognized in other comprehensive income (expense) consist of:

Consolidated Financial Statements			
	Amount before tax Baht	Income tax (expense) revenue Baht	Net of tax Baht
For the year ended 31 December 2017			
Gain(loss) on remeasurement of available-for-sale investments	(284,390,550.00)	-	(284,390,550.00)
Gains (losses) on remeasurement of defined benefit plans	(175,844.00)	199,864.40	24,020.40
For the year ended 31 December 2016			
Gain(loss) on remeasurement of available-for-sale investments	(163,795,350.00)	-	(163,795,350.00)
Gains (losses) on remeasurement of defined benefit plans	(3,216,577.00)	-	(3,216,577.00)

Seperate Financial Statements			
	Amount before tax Baht	Income tax (expense) revenue Baht	Net of tax Baht
For the year ended 31 December 2017			
Gain(loss) on remeasurement of available-for-sale investments	(284,390,550.00)	-	(284,390,550.00)
Gains (losses) on remeasurement of defined benefit plans	(2,711,296.00)	-	(2,711,296.00)
For the year ended 31 December 2016			
Gain(loss) on remeasurement of available-for-sale investments	(163,795,350.00)	-	(163,795,350.00)
Gains (losses) on remeasurement of defined benefit plans	(197,329.00)	-	(197,329.00)

## 40. Provident Fund

The Group and its employees jointly established a contributory registered provident fund in accordance with the Provident Fund Act. B.E. 2530. The fund is contributed by employees and by the Company contributed and will be paid to the employees upon termination in accordance with the fund rules.

For the year ended 31 December 2017 and 2016, the Group is recognized contribution to the provident fund as expense in amount of Baht 5.80 million and Baht 4.53 million respectively, and the Company is recognized contribution to the provident fund as expense in amount of Baht 0.35 million and Baht 0.36 million respectively.



#### 41. Expenses by Nature

Consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Baht	Baht	Baht	Baht
Change in Finished Goods and Work in Process	3,023,206.02	(373,727.86)	-	-
Purchase of Inventory and Cost of Services	188,878,405.18	176,902,967.61	26,443.15	306,382.50
Salary and Other Employee Benefit	303,030,753.36	229,403,316.46	12,478,928.13	12,773,341.04
Depreciation and Amortization	82,941,198.61	67,935,030.47	1,845,563.96	2,832,355.67
Amortization of License to Use the Frequency for Television Service	-	77,475,497.71	-	-
Commission Expense	19,547,937.01	24,130,807.36	-	98,733.00
Consulting Fee	7,507,668.04	12,819,364.81	1,700,000.00	2,005,000.00
Other Service Expense	16,730,258.23	34,139,519.06	3,428,303.26	3,062,559.98
Rental Expense	37,265,166.34	23,184,876.03	4,369,578.96	3,750,938.96
Management Personnel Compensation	46,441,980.57	36,816,391.02	15,098,142.70	13,174,603.22
Advertising Expense	6,475,535.18	13,231,239.40	-	-
(Reversal of) Loss from Declining in Value of Inventory	3,678,354.04	1,866,657.13	-	(214,605.04)
Doubtful and Bad Debts	1,843,164.03	43,069,050.63	113,213,093.98	910,812,567.56
Loss from Impairment of Intangible Assets	-	582,871.70	-	-
Loss from Impairment of Investments	-	71,719.06	40,700,000.00	1,622,385,396.15
Loss from Goodwill	-	2,002,492.90	-	-
Loss from Impairment of License to Use the Frequency for Television Service	-	953,903,799.57	-	-
Others	112,688,746.80	87,134,647.59	13,981,566.76	20,088,489.08
Total	<u>830,052,373.41</u>	<u>1,784,296,520.65</u>	<u>206,841,620.90</u>	<u>2,591,075,762.12</u>



## 42. Operating Segments

The Group identified the operating segments on the basis of internal reports that are regularly reviewed by the Group's chief operating decision maker in order to allocate resources to the segment and assess its performance.

The Group measures the profit or loss for each segment from the gross profit excluding the items of other income, interest revenue, other central expenses, finance costs and share of profit (loss) in joint venture.

The Group identified operating segment by business operation as follows;

- Segment of Distribution of technology products, consulting and design of information system
- Segment of Media such as the television, radio, newspapers and online media
- Segment of Distribution and installation services of information technology system for the projects involving environment and occupational health

The information on business segment of the Group is as follows:

(Unit : Baht)

	Business Segment Distribution of technology products, consulting and design of information system	Business Segment Media	Consolidated Financial Statements For the year ended 31 December 2017 Business Segment Distribution and installation services of information system the projects involving environment and occupational health	Elimination Entries	Total
Revenue from External Customers	4,488,463.31	333,738,828.34	36,114,349.51	-	374,341,641.16
Intersegment Revenue	507,570.00	190,753,734.53	64,000.00	(191,325,304.53)	-
Total Revenue	<u>4,996,033.31</u>	<u>524,492,562.87</u>	<u>36,178,349.51</u>	<u>(191,325,304.53)</u>	<u>374,341,641.16</u>
Gross Profit (Loss)	<u>1,504,433.72</u>	<u>(235,087,277.98)</u>	<u>6,591,966.17</u>	<u>66,321,716.36</u>	<u>(160,669,161.73)</u>
Depreciation and Amortization	1,940,407.96	140,237,026.40	2,158,398.26	(61,394,634.01)	82,941,198.61
Assets by Business Sector					
- Fixed Assets	2,144,856.73	205,021,693.56	1,827,234.77	(136,625.96)	208,857,159.10
- License to Use the Frequency for Television Service	-	695,469,535.24	-	(695,469,535.24)	-
- Deposit at Bank used as Collateral	2,833,097.08	481,615,854.89	2,300,000.00	-	486,748,951.97
- Other Assets	<u>700,368,056.65</u>	<u>1,392,584,975.10</u>	<u>17,037,024.91</u>	<u>(1,425,943,043.21)</u>	<u>684,047,013.45</u>
Total Assets	<u>705,346,010.46</u>	<u>2,774,692,058.79</u>	<u>21,164,259.68</u>	<u>(2,121,549,204.41)</u>	<u>1,379,653,124.52</u>
Total Liabilities	<u>248,563,349.50</u>	<u>2,822,947,000.57</u>	<u>89,676,530.58</u>	<u>(2,051,017,641.02)</u>	<u>1,110,169,239.63</u>



(Unit : Baht)

Consolidated Financial Statements  
For the year ended 31 December 2016

	Business Segment Distribution of technology products, consulting and design of information system	Business Segment Media	Business Segment Distribution and installation services of information system; the projects involving environment and occupational health	Elimination Entries	Total
Revenue from External Customers	12,147,823.67	198,637,950.90	67,457,091.68	-	278,242,866.25
Intersegment Revenue	3,784,490.00	183,878,729.10	127,968.00	(187,791,187.10)	-
Total Revenue	<u>15,932,313.67</u>	<u>382,516,680.00</u>	<u>67,585,059.68</u>	<u>(187,791,187.10)</u>	<u>278,242,866.25</u>
Gross Profit (Loss)	<u>4,629,918.09</u>	<u>(276,739,163.69)</u>	<u>12,697,130.31</u>	<u>11,307,215.53</u>	<u>(248,104,899.76)</u>
Depreciation and Amortization	3,079,770.51	139,598,618.04	2,710,396.79	21,742.84	145,410,528.18
Assets by Business Sector					
- Fixed Assets	2,319,330.99	217,817,710.87	3,538,766.60	(188,035.16)	223,487,773.30
- License to Use the Frequency for Television Service	-	756,903,799.57	-	(756,903,799.57)	-
- Deposit at Bank used as Collateral	4,323,149.52	740,117,468.08	2,300,000.00	-	746,740,617.60
- Other Assets	<u>974,418,892.53</u>	<u>1,270,781,825.10</u>	<u>20,380,240.25</u>	<u>(1,057,415,257.59)</u>	<u>1,208,165,700.29</u>
Total Assets	<u>981,061,373.04</u>	<u>2,985,620,803.62</u>	<u>26,219,006.85</u>	<u>(1,814,507,092.32)</u>	<u>2,178,394,091.19</u>
Total Liabilities	498,319,467.51	2,424,599,071.35	79,235,526.11	(1,476,810,490.21)	1,525,343,574.76



## 43 Financial Instruments

### 43.1 Financial Risk Management and Policies

The Group does not hold or issue derivative instruments for speculative or trading purposes.

### 43.2 Interest Rate Risk

Interest rate risk is derived from the fluctuation of market interest rates in the future which will affect the result of the Group operations and its cash flows. The Group had assets and liabilities which may have risk on interest rate as follows:

(Unit : Baht)

	Consolidated Financial Statements				
	2017				
	Floating Interest Rate	Fixed Interest Rate	Non-Bearing Interest	Total	Interest Rate (%)
<b>Financial Assets</b>					
Cash and Cash Equivalents	23,075,958.10	-	1,322,762.57	24,398,720.67	0.100-0.750
Current Investments					
- Fixed Deposit	-	1,044.72	-	1,044.72	1.100
Short-term Loan to Other Companies and Persons	-	27,259,921.95	-	27,259,921.95	4.000-15.000
Deposit at Bank Used as Collateral	-	486,748,951.97	-	486,748,951.97	0.375-1.500
<b>Financial Liabilities</b>					
Bank Overdrafts	2,205,301.57	-	-	2,205,301.57	2.380
Short-term Loan from Related Persons	-	13,465,637.69	-	13,465,637.69	5.000-15.000
Short-term Loan from Other Companies	-	204,744,278.33	-	204,744,278.33	7.000-12.000
Short-term Loan from Other Person	-	1,300,000.00	-	1,300,000.00	8.000
Finance Lease Agreement					
Liabilities	-	2,947,879.60	-	2,947,879.60	0.255-0.960



(Unit : Baht)

	Consolidated Financial Statements				
	2016				
	Floating Interest Rate	Fixed Interest Rate	Non-Bearing Interest	Total	Interest Rate (%)
<u>Financial Assets</u>					
Cash and Cash Equivalents	282,366,213.55	-	5,047,305.43	287,413,518.98	0.100- 0.875
<u>Current Investments</u>					
- Fixed Deposit	-	1,033.43	-	1,033.43	1.100
Short-term Loan to Related Companies	-	28,000,000.00	-	28,000,000.00	5.000, 6.000
Short-term Loan to Other Companies and Persons	-	2,536,421.95	-	2,536,421.95	4.000-15.000
Deposit at Bank Used as Collateral	-	746,740,617.60	-	746,740,617.60	0.375- 1.500
<u>Financial Liabilities</u>					
Bank Overdrafts	149,912.49	-	-	149,912.49	7.375
Short-term Loan from Related Persons	-	2,500,000.00	-	2,500,000.00	12.000
Short-term Loan from Other Company	-	200,000,000.00	-	200,000,000.00	12.000
Short-term Loan from Other Person	-	1,300,000.00	-	1,300,000.00	8.000
Finance Lease Agreement Liabilities	-	2,166,487.84	-	2,166,487.84	0.320- 1.030

(Unit : Baht)

	Separate Financial Statements				
	2017				
	Floating Interest Rate	Fixed Interest Rate	Non-Bearing Interest	Total	Interest Rate (%)
<u>Financial Assets</u>					
Cash and Cash Equivalents	5,605,240.51	-	207,056.57	5,812,297.08	0.375 - 0.750
Short-term Loans to					
Related Companies	-	1,669,700,000.00	-	1,669,700,000.00	5.000
Short-term Loan from Other Company	-	24,800,000.00	-	24,800,000.00	5.000
Deposit at Bank used as Collateral	-	2,667,655.94	-	2,667,655.94	0.375
<u>Financial Liabilities</u>					
Finance Lease Agreement					
Liabilities	-	129,175.92	-	129,175.92	0.400



(Unit : Baht)

	Seperate Financial Statements				
	2016				
	Floating Interest Rate	Fixed Interest Rate	Non-Bearing Interest	Total	Interest Rate (%)
<u>Financial Assets</u>					
Cash and Cash Equivalents	232,904,994.55	-	521,580.15	233,426,574.70	0.375- 0.875
Short-term Loans to					
Related Companies	-	1,361,300,000.00	-	1,361,300,000.00	5.000
Deposit at Bank used as Collateral	-	3,829,235.25	-	3,829,235.25	0.850, 1.375
<u>Financial Liabilities</u>					
Finance Lease Agreement					
Liabilities	-	536,916.66	-	536,916.66	0.320, 0.400

### 43.3 Foreign Exchange Rate Risk

The Group is not exposed to any risk from foreign exchange rate fluctuations because its main enterprise is conducted locally.

### 43.4 Credit term risk

The Group has credit term risk from being unable to collect from trade receivables. However, the Group has the process of credit analysis and checking of payment ability of each trade receivable. For trade receivable that is expected to be unable to pay, the Group reserved enough provision. Financial assets shown in statements of financial position at the book value deducted by allowance for doubtful account are maximum value of credit risk.

### 43.5 Fair value

#### 43.5.1 Financial assets and liabilities recognized at fair value

As at 31 December 2017 and 2016, the Group has financial assets recognized by fair value and presented by their hierarchies as follow;



		Consolidated/ Separate Financial Statements			
		Fair Value			
	Carrying Amount	Level 1	Level 2	Level 3	Total
	Baht	Baht	Baht	Baht	Baht
As at 31 December 2017					
Non-Current Financial Assets					
Available-for-Sale securities -					
Open-ended mutual fund	214,642,800.00	214,642,800.00	-	-	214,642,800.00
As at 31 December 2016					
Current Financial Assets					
Trading securities -Mutual fund	3,888,000.00	3,888,000.00	-	-	3,888,000.00
Non-Current Financial Assets					
Available-for-Sale securities -					
Open-ended mutual fund	499,033,350.00	499,033,350.00	-	-	499,033,350.00

#### 43.5.2 Financial assets and liabilities not recognized at fair value

Book value of financial assets and liabilities which consists of cash and cash equivalents, trade and other current receivables, loans, trade and other current payables and liabilities under finance lease agreements, does not differ from their fair values since these financial assets and liabilities are matured in near term

#### 44 Transactions with the Related Parties

The Company had significant business transactions with related companies and persons. Such transactions, which have been concluded on commercial terms and bases agreed upon between the Company and such companies and persons are in ordinary courses of business and are summarized below:

##### 44.1 Relationship among the Entities

Consist of:

Name	Relationship
Sync Technologies Co., Ltd	Subsidiary company with shareholding percentage of 99.99%
Spring News Corporation Co., Ltd	Subsidiary company with shareholding percentage of 99.99%
Environmental Solution Integrator Co., Ltd	Subsidiary company with shareholding percentage of 90.00%
News Network Multimedia Co., Ltd	Subsidiary company with shareholding percentage of 99.99%
Green Net 1282 Co., Ltd	Subsidiary company with shareholding percentage of 99.99%
Ruam Mue Ruamjai Co., Ltd	Subsidiary company with shareholding percentage of 93.17%
Spring News Television Co., Ltd	Subsidiary company of Spring News Corporation Co., Ltd, with shareholding percentage of 99.99%
Thansettakij Multimedia Co., Ltd	Subsidiary company of News Network Multimedia Co., Ltd, with shareholding percentage of 80.00%



<u>Name</u>	<u>Relationship</u>
Eastern Printing Public Co., Ltd	Common director with the company
Green Panyayan Publishing Co., Ltd	Common director with the Company
T-News TV Co., Ltd	Common director with the Company (The relationship terminated because of the resignation from the director on 26 April 2017)
T-News Press Co., Ltd	Common director with the Company
Green Property 1282 Co., Ltd	Common director with the Company
JK Thai Trading Co., Ltd	Common director with the subsidiary company
Media Expertise International (Thailand) Co., Ltd	Related company by a relative of the subsidiary's former director as a director (The relationship terminated because of the resignation from the director on 25 May 2017)
Digital Media Network Co., Ltd	Related company by a relative of the subsidiary's former director as a director (The relationship terminated because of the resignation from the director on 17 February 2017)
Nectar Co., Ltd (Former name is Tanyarat Plus Co., Ltd)	Related company by a relative of the subsidiary's former director as a director (The relationship terminated because of the resignation from the director on 25 May 2017)
Spring News Suek Asawindum Joint Venture	Joint venture investing by subsidiary company with proportion of 50.00% (The relationship terminated because of liquidation on 30 August 2016)
NEWS-ESI Joint Venture	Joint venture investing by the group with proportion of 100.00% (The relationship terminated because of liquidation on 28 February 2017)
Khun Arak Ratboriham	Director of the Company and the subsidiary companies
Khun Watanya Wong-Opasri	Director of the Company and the subsidiary companies
Khun Suthichai Bunnag	Director of the Company and the subsidiary companies
Khun Tatchapong Thamputthipong	Director of the subsidiary Company
Khun Ruknong Phaholyothin	Director of the subsidiary Company
Khun Worarat Boonprik	Shareholder of the subsidiary company
Khun Suppachai Sasomboon	Shareholder of the subsidiary company
Khun Suchai Meekhantong	Shareholder of the subsidiary company
Khun Yuth Shinsupakkul	Relative of the the Company's and the subsidiary's director
Khun Pakawan Wong-Opasri	Relative of the the Company's and the subsidiary's director



## 44.2 Inter-Transaction

		Consolidated Financial Statements for the year ended		Separate Financial Statements for the year ended	
	Pricing Policy	31 December 2017	31 December 2016	31 December 2017	31 December 2016
		Baht	Baht	Baht	Baht
Transaction with Subsidiary Companies (Eliminated from Consolidated Financial Statements)					
Revenue from Sales	Contract Price and Price Equivalent to Market Price	-	-	-	2,702,090.00
Revenue from Assets for Rent	Contract Price	-	-	507,570.00	515,400.00
Other Income	Contract Price	-	-	2,086,274.96	2,518,351.00
Interest Income	Annual Interest Rate at 5%	-	-	75,757,274.16	91,535,548.03
Value of Disposal of Asset	Mutually Agreed Price	-	-	18,000.00	-
Value of Purchase of Asset	Mutually Agreed Price	-	-	895,782.26	-
Cost of Sales	Contract Price and Price Equivalent to Market Price	-	-	-	537,000.00
Cost of Services	Contract Price and Price Equivalent to Market Price	-	-	-	30,000.00
Administrative Expense	Contract Price	-	-	154,892.74	-
Doubtful Debts		-	-	111,800,000.00	875,734,574.43
Transaction with Related Companies					
Revenue from Sales	Contract Price and Price Equivalent to Market Price	924,084.00	676,523.20	-	-
Revenue from Services	Contract Price and Price Equivalent to Market Price	9,579,610.00	-	-	-
Interest Income	Annual Interest Rate at 5% and 6%	409,522.72	1,294,849.35	378,082.19	1,203,287.69
Other Income	Contract Price	2,204,291.00	2,715,540.00	-	-
Purchase of Goods	Mutually Agreed Price	-	83,566.50	-	-
Purchase of Asset	Mutually Agreed Price	301,094.08	682,709.81	-	-
Cost of Sales	Mutually Agreed Price	7,633,973.96	294,371.40	-	-
Cost of Services	Contract Price	7,743,141.83	2,318,706.97	-	-
Selling Expense	Contract Price	4,469,750.00	-	-	-
Administrative Expense	Contract Price	3,623,799.75	5,808,440.00	-	-
Doubtful Debts		-	24,000,000.00	-	24,000,000.00



		Consolidated Financial Statements for the year ended		Separate Financial Statements for the year ended	
	Pricing Policy	31 December 2017	31 December 2016	31 December 2017	31 December 2016
		Baht	Baht	Baht	Baht
Transaction with Related Persons					
Revenue from Sales	Price Equivalent to Market Price	-	3,200.00	-	-
Administrative Expense	Contract Price	450,000.00	950,000.00	450,000.00	600,000.00
Interest Expenses	Annual Interest Rate at 7%, 12% and 15%	394,081.71	300,821.88	-	-
Transaction with Joint Arrangement					
Other Income	Mutually Agreed Price	-	140,000.00	-	-
Bad Debt		-	20,623.00	-	-

### 44.3 Inter - Outstanding Balances

	Consolidated Financial Statements		Separate Financial Statements	
	As at 31 December 2017	As at 31 December 2016	As at 31 December 2017	As at 31 December 2016
	Baht	Baht	Baht	Baht
<b>Trade Receivables</b>				
<b>Subsidiary Companies</b>				
Spring News Corporation Co., Ltd.	-	-	424,490.40	45,956.50
Environmental Solution Integrator Co., Ltd.	-	-	2,891,236.30	2,891,236.30
<b>Related Companies</b>				
T-News TV Co., Ltd.	-	270,986.65	-	-
T-News Press Co., Ltd.	1,209,635.00	-	-	-
JK Thai Trading Co., Ltd.	-	90,883.83	-	-
<b>Related Person</b>				
Khun Tatchapong Thamputthipong	-	3,200.00	-	-
<b>Total</b>	<b>1,209,635.00</b>	<b>365,070.48</b>	<b>3,315,726.70</b>	<b>2,937,192.80</b>



	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at 31 December 2017 Baht	As at 31 December 2016 Baht	As at 31 December 2017 Baht	As at 31 December 2016 Baht
<b>Other Receivables</b>				
<b>Subsidiary Companies</b>				
Environmental Solution Integrator Co., Ltd.	-	-	1,311,820.00	1,130,240.00
Spring News Corporation Co., Ltd.	-	-	690,480.00	104,860.00
Sync Technologies Co., Ltd.	-	-	107,895.00	18,190.00
Green Net 1282 Co., Ltd.	-	-	1,199,663.74	2,755,198.30
News Network Multimedia Co., Ltd.	-	-	1,288,152.32	16,050.00
Spring News Television Co., Ltd.	-	-	-	54,905.87
Thansettakij Multimedia Co., Ltd.	-	-	53,500.00	-
<b>Related Companies</b>				
T-News TV Co., Ltd.	-	983,865.00	-	-
<b>Related Persons</b>				
Khun Suppachai Sasomboon	125,000.00	125,000.00	-	-
Khun Suchai Meekhantong	125,000.00	125,000.00	-	-
Khun Arak Ratboriharn	-	2.50	-	-
Khun Sutthichai Bunnag	-	2.50	-	-
Khun Watanya Wong-Opasri	-	2.50	-	-
<b>Total</b>	<u>250,000.00</u>	<u>1,233,872.50</u>	<u>4,651,511.06</u>	<u>4,079,444.17</u>
<b>Accrued Revenue</b>				
<b>Subsidiary Companies</b>				
Environmental Solution Integrator Co., Ltd.	-	-	73,000.00	-
Spring News Corporation Co., Ltd.	-	-	100,000.00	-
Sync Technologies Co., Ltd.	-	-	12,000.00	-
Green Net 1282 Co., Ltd.	-	-	40,000.00	-
News Network Multimedia Co., Ltd.	-	-	15,000.00	-
Thansettakij Multimedia Co., Ltd.	-	-	50,000.00	-
<b>Total</b>	<u>-</u>	<u>-</u>	<u>290,000.00</u>	<u>-</u>



	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2017 Baht	31 December 2016 Baht	31 December 2017 Baht	31 December 2016 Baht
Accrued Interest Receivable				
Subsidiary Companies				
Environmental Solution Integrator Co., Ltd.	-	-	2,146,958.88	1,529,123.41
Spring News Corporation Co., Ltd.	-	-	84,781,164.25	26,130,410.94
Sync Technologies Co., Ltd.	-	-	363,562.10	104,794.54
News Network Multimedia Co., Ltd.	-	-	4,382,191.79	1,225,753.42
Green Net 1282 Co., Ltd.	-	-	549,452.03	545,438.36
Ruam Mue Ruamjai Co., Ltd.	-	-	383,561.62	-
Total	-	-	92,606,890.67	29,535,520.67
Related Company				
T-News TV Co., Ltd.	-	1,100,912.63	-	907,397.26
Total	-	1,100,912.63	92,606,890.67	30,442,917.93
Short-term Loans				
Subsidiary Companies				
Spring News Corporation Co., Ltd.				
Beginning Balance	-	-	1,201,500,000.00	1,785,500,000.00
Increase	-	-	255,000,000.00	225,000,000.00
Decrease	-	-	-	(809,000,000.00)
Ending Balance	-	-	1,456,500,000.00	1,201,500,000.00
Allowance for Doubtful Accounts				
Beginning Allowance for Doubtful Accounts	-	-	(1,201,500,000.00)	(305,000,000.00)
Increase	-	-	(95,000,000.00)	(896,500,000.00)
Ending Allowance for Doubtful Accounts	-	-	(1,296,500,000.00)	(1,201,500,000.00)
Net	-	-	160,000,000.00	-
Sync Technologies Co., Ltd.				
Beginning Balance	-	-	8,000,000.00	9,000,000.00
Increase	-	-	3,000,000.00	3,000,000.00
Decrease	-	-	(1,000,000.00)	(4,000,000.00)
Ending Balance	-	-	10,000,000.00	8,000,000.00
Allowance for Doubtful Accounts				
Beginning Allowance for Doubtful Accounts	-	-	(5,500,000.00)	-
Increase	-	-	(2,500,000.00)	(5,500,000.00)
Ending Allowance for Doubtful Accounts	-	-	(8,000,000.00)	(5,500,000.00)
Net	-	-	2,000,000.00	2,500,000.00



	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2017 Baht	31 December 2016 Baht	31 December 2017 Baht	31 December 2016 Baht
<b>Ruam Mue Ruamjai Co., Ltd.</b>				
Beginning Balance	-	-	-	34,210,000.00
Increase	-	-	16,000,000.00	-
Decrease	-	-	(6,000,000.00)	(34,210,000.00)
Ending Balance	-	-	10,000,000.00	-
<b>Allowance for Doubtful Accounts</b>				
Beginning Allowance for Doubtful Accounts	-	-	-	(34,210,000.00)
Decrease	-	-	-	34,210,000.00
Ending Allowance for Doubtful Accounts	-	-	-	-
Net	-	-	10,000,000.00	-
<b>Environmental Solution Integrator Co., Ltd.</b>				
Beginning Balance	-	-	62,000,000.00	53,900,000.00
Increase	-	-	11,900,000.00	30,300,000.00
Decrease	-	-	(2,000,000.00)	(22,200,000.00)
Ending Balance	-	-	71,900,000.00	62,000,000.00
<b>Allowance for Doubtful Accounts</b>				
Beginning Allowance for Doubtful Accounts	-	-	(47,519,379.55)	(36,519,379.55)
Increase	-	-	(14,300,000.00)	(11,000,000.00)
Ending Allowance for Doubtful Accounts	-	-	(61,819,379.55)	(47,519,379.55)
Net	-	-	10,080,620.45	14,480,620.45
<b>Green Net 1282 Co., Ltd.</b>				
Beginning Balance	-	-	13,300,000.00	7,000,000.00
Increase	-	-	10,000,000.00	6,300,000.00
Decrease	-	-	(2,500,000.00)	-
Ending Balance	-	-	20,800,000.00	13,300,000.00
<b>News Network Multimedia Co., Ltd.</b>				
Beginning Balance	-	-	52,500,000.00	-
Increase	-	-	48,000,000.00	52,500,000.00
Ending Balance	-	-	100,500,000.00	52,500,000.00
Grand Total - Net	-	-	303,380,620.45	82,780,620.45



	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2017 Baht	31 December 2016 Baht	31 December 2017 Baht	31 December 2016 Baht
<b>Short-term Loans</b>				
<b>Related Company</b>				
<b>T-News TV Co., Ltd.</b>				
Beginning Balance	28,000,000.00	24,000,000.00	24,000,000.00	24,000,000.00
Increase	2,000,000.00	6,300,000.00	-	-
Decrease	(6,000,000.00)	(2,300,000.00)	-	-
Transfer to Short-term Loan to Other Company	(24,000,000.00)	-	(24,000,000.00)	-
Ending Balance	-	28,000,000.00	-	24,000,000.00
<b>Allowance for Doubtful Accounts</b>				
Beginning Allowance for Doubtful Accounts	(24,000,000.00)	-	(24,000,000.00)	-
Increase	-	(24,000,000.00)	-	(24,000,000.00)
Decrease	-	-	-	-
Transfer to Short-term Loan to Other Company	24,000,000.00	-	24,000,000.00	-
Ending Allowance for Doubtful Accounts	-	(24,000,000.00)	-	(24,000,000.00)
Net	-	4,000,000.00	-	-
<b>Total Short-term Loans Related Company - Net</b>	-	4,000,000.00	303,380,620.45	82,780,620.45
<b>Rental Deposit</b>				
<b>Related Company</b>				
Green Property 1282 Co., Ltd.	90,000.00	90,000.00	-	-
<b>Accounts Payables</b>				
<b>Subsidiary Company</b>				
Spring News Corporation Co., Ltd.	-	-	1,633,024.94	1,149,658.73
<b>Related Companies</b>				
Media Expertise International (Thailand) Co., Ltd.	-	314,977.40	-	-
Eastern Printing Public Co., Ltd.	2,948,617.21	-	-	-
T-News TV Co., Ltd.	-	214,000.00	-	-
Green Panyayan Publishing Co., Ltd.	-	17,188.00	-	-
Total	2,948,617.21	546,165.40	1,633,024.94	1,149,658.73



	Consolidated Financial Statements		Separate Financial Statements	
	As at 31 December 2017 Baht	As at 31 December 2016 Baht	As at 31 December 2017 Baht	As at 31 December 2016 Baht
<b>Other Payables</b>				
<b>Related Companies</b>				
T-News TV Co., Ltd.	-	21,305.48	-	5,607.48
Green Property 1282 Co., Ltd.	196,444.93	92,686.94	-	-
Total	<u>196,444.93</u>	<u>113,992.42</u>	<u>-</u>	<u>5,607.48</u>
<b>Related Person</b>				
Khun Arak Ratboriham	-	100.00	-	-
<b>Accrued Expense</b>				
<b>Related Company</b>				
Media Expertise International (Thailand) Co., Ltd.	-	1,118,706.97	-	-
<b>Related Person</b>				
Khun Worarat Boonprik	-	226,951.00	-	-
Total	<u>-</u>	<u>1,345,657.97</u>	<u>-</u>	<u>-</u>
<b>Accrued Interest</b>				
<b>Related Persons</b>				
Khun Watanya Wong-Opasri	12,657.53	-	-	-
Khun Ruknong Phaholyothin	7,397.26	-	-	-
Khun Worarat Boonprik	-	684,394.39	-	-
Total	<u>20,054.79</u>	<u>684,394.39</u>	<u>-</u>	<u>-</u>
<b>Short-term Loans</b>				
<b>Related Persons in Subsidiary Company</b>				
<b>Khun Watanya Wong-Opasri</b>				
Beginning Balance	-	-	-	-
Increase	2,000,000.00	-	-	-
Decrease	-	-	-	-
Ending Balance	<u>2,000,000.00</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Khun Rakneung Phahonyothin</b>				
Beginning Balance	-	-	-	-
Increase	1,500,000.00	-	-	-
Decrease	-	-	-	-
Ending Balance	<u>1,500,000.00</u>	<u>-</u>	<u>-</u>	<u>-</u>



	Consolidated Financial Statements		Separate Financial Statements	
	As at 31 December 2017 Baht	As at 31 December 2016 Baht	As at 31 December 2017 Baht	As at 31 December 2016 Baht
<b>Khun Woranat Boonprik</b>				
Beginning Balance	2,500,000.00	2,500,000.00	-	-
Increase	-	-	-	-
Decrease	(2,500,000.00)	-	-	-
Ending Balance	-	2,500,000.00	-	-
<b>Khun Yuth Shinsupakkul</b>				
Beginning Balance	-	-	-	-
Increase	43,000,000.00	1,300,000.00	-	-
Decrease	(33,000,000.00)	(1,300,000.00)	-	-
Less Prepaid Interest	(34,362.31)	-	-	-
Ending Balance	9,965,637.69	-	-	-
Grand Total	13,465,637.69	2,500,000.00	-	-

As at 31 December 2017 and 2016, the whole short-term loans to subsidiary companies are in form of promissory notes with interest at 5% per annum, equally.

As at 31 December 2017, the whole short-term loan from related persons is in form of promissory note with interests at 5.25-15.00 per annum

As at 31 December 2016, short-term loan from related person is in form of contract with interest rates at 12% per annum. The subsidiary is sued by the lender with charge of debt default. The court judged the subsidiary to repay Baht 2,712,054.79 with interest rate at 12% per annum of the principal in amount of Baht 2,500,000.00 calculated from the suing date until the repayment is completed. The subsidiary appeals to the court and the Appeal Court affirmed the Civil Court's judgment. As a result, the case is terminated. Currently, the subsidiary has to be paid the whole amount of the outstanding principal and interest on the court order entirely.

#### 44.4 Commitments with Related Parties

As at 31 December 2017 and 2016, the Company pledged its some long-term investments as collaterals for short-term loan from other company of the indirect subsidiary, together with common shares of the related person with director of the Company and the Company, a subsidiary and a director of the Company as the guarantors.



#### 44.5 Key Management Personnel Compensation

	Consolidated Financial Statements For the year ended		Separate Financial Statements For the year ended	
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Baht	Baht	Baht	Baht
Short-term Employee Benefits	44,024,769.03	35,323,198.52	14,695,637.70	12,824,830.22
Post-Employment Benefits	2,417,211.54	1,493,192.50	402,505.00	349,773.00
Total	<u>46,441,980.57</u>	<u>36,816,391.02</u>	<u>15,098,142.70</u>	<u>13,174,603.22</u>

#### 45. Promotional Privileges

By virtue of the provisions of the Industrial Investment Promotion Act B.E. 2520, the Company has been granted privileges by Board of Investment, for the operation of “Enterprise Software and Digital Content”, for the promotional certificate no. 1038(7)/2008. The Company was granted certain privileges as follows:

- Exemption of import duty on certain imported machinery as approved by Board of Investment.
- Exemption from payment of corporate income tax on the net profit derived from the promoted activity for a period of eight years from the start of commercial operation up to March 2016.

As a promoted company, the Company must comply with certain terms and conditions prescribed in the promotional certificates.

#### Summary of revenue from promoted and non-promoted businesses:

	Separate Financial Statements			Separate Financial Statements		
	For the year ended 31 December 2017			For the year ended 31 December 2016		
	Promoted businesses	Non-promoted businesses	Total	Promoted businesses	Non-promoted businesses	Total
	Baht	Baht	Baht	Baht	Baht	Baht
Revenue from services	-	-	-	421,585.06	1,820,615.53	2,242,200.59
Revenue from sales	-	-	-	-	3,851,310.00	3,851,310.00
Revenue from Assets for Rent	-	-	-	-	983,400.00	983,400.00
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>421,585.06</u>	<u>6,655,325.53</u>	<u>7,076,910.59</u>



## 46 Non-Cash Flow Transactions

	Consolidated Financial Statements For the year ended		Separate Financial Statements For the year ended	
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	Baht	Baht	Baht	Baht
Purchase of Asset on Credit	5,318,992.71	4,590,728.75	-	-
Purchase of Asset under Financial Lease Agreement	2,366,250.55	470,500.00	-	-
Purchase of Asset by Bartering	-	88,660.00	-	-
Transfer Asset for Rent to Equipment	-	93,983.23	-	93,983.23
Transfer of Fixed Assets to Intangible Asset	1,193,900.00	-	-	-
Purchase of Intangible Asset on Credit	235,400.00	26,321,753.21	-	-
Gain (Loss) on Remeasurement of Available-for-Sale Investments Recognized in Other Comprehensive Income	(284,390,550.00)	(163,795,350.00)	(284,390,550.00)	(163,795,350.00)
Gain (Loss) on Remeasurement of Defined Benefit Plans Recognized in Other Comprehensive Income	(175,844.00)	(3,216,577.00)	(2,711,296.00)	(197,329.00)
Transfers of Short-Term Loans to Related Company to Short-Term Loans to Other Company	24,000,000.00	-	-	-
Transfers of Accrued Interest Received to Short-Term Loans to Other Company	800,000.00	-	800,000.00	-
Transfers of Non-Current Provisions for Employee Benefits to Other Payables	360,672.00	-	-	-
Transfers of Finance Lease Agreements Liabilities to Other Payables	151,521.63	-	-	-
Goodwill Increased from Business Combination	-	2,002,492.90	-	-
The Right to Use the Trademark Increased from Business Combination	-	2,940,000.00	-	-
Employee Obligation Increased from Business Combination	-	4,855,116.12	-	-
Deferred Tax Liabilities Increased from Business Combination	-	588,000.00	-	-
Non-Controlling Interests Increased from Business Combination	-	500,623.22	-	-



#### 47. Obligation and Contingent Liabilities

In addition to the liabilities shown in the statements of financial position, the group had other obligations and contingent liabilities as follows:

##### 47.1 Obligation with financial institutions

	Consolidated Financial Statements		Separate Financial Statements	
	As at		As at	
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	<u>Million Baht</u>	<u>Million Baht</u>	<u>Million Baht</u>	<u>Million Baht</u>
Letter of Guarantee	485.28	743.21	2.32	2.47
Letter of Credit (Not-used)	-	3.00	-	3.00

47.2 A subsidiary has commitment from being eligible to receive a license to use the frequency in providing digital television service under the news and information channels for a period to contract of 15 years from the license receiving date that is since 25 April 2014 to 24 April 2029. By subsidiary paying the license fee to the yearly sum to fund the research and development of the broadcasting and telecommunications for public interest at 0.125 - 1.500 percent of the income before deducting expenses from both direct and indirect advertising and other revenue related to the provision of the services under license, or at the rate and timing announced by NBTC.

47.3 A subsidiary has an obligation under the contract to provide digital network TV service with a network provider to use the network of the provider of digital terrestrial frequency for channels broadcasting over a period of 5 years from 1 July 2014 to 30 June 2019. If the subsidiary intends to renew the contract period after the expiry of the contract period, the subsidiary must request its intention in writing to the network provider not less than 180 days before the expiry of the contract.

The subsidiary's obligation to pay for the network service has already included VAT as follows:

	As at	As at
	31 December 2017	31 December 2016
	<u>Million Baht</u>	<u>Million Baht</u>
Within 1 year	60.09	58.34
Over 1 year but not over 5 years	30.95	91.03
Total	<u>91.04</u>	<u>149.37</u>



47.4 The Group has significant obligation with other companies and persons under the agreement as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	As at		As at	
	31 December 2017	31 December 2016	31 December 2017	31 December 2016
Rental Fee : (Million Baht)				
Within 1 year	44.91	40.39	4.45	0.34
1-5 years	24.79	41.25	4.03	0.40
Total	<u>69.70</u>	<u>81.64</u>	<u>8.48</u>	<u>0.74</u>
Rental Fee : (Million USD)				
Within 1 year	0.14	0.14	-	-
Total	<u>0.14</u>	<u>0.14</u>	<u>-</u>	<u>-</u>

Detail of contract as follows:

- 47.41 The Group had several rental contracts for its buildings with other companies and persons for periods ranging from 1-5 years from June 2014 through August 2021.
- 47.42 A subsidiary has a contract for satellite services with a company providing satellite. Under the terms of the agreement, the subsidiary is committed to pay a service fee as stipulated in the agreement. This agreement is for a period of 1 year until the expiry date in April 2018.
- 47.43 A subsidiary has a contract for services to television and radio as well as video and audio signal with a company, using the services to include TV and radio signals for both video and audio signals. Under the terms of the agreement, the subsidiary is committed to pay a service fee as stipulated in the agreement. This agreement is for a period of 1 year until the expiry date in April 2018.
- 47.5 As at 31 December 2016, a subsidiary has a production contract with other company by committed to pay fee as contract amount of Baht 13.10 million.
- 47.6 As at 31 December 2016, a subsidiary has a share time to conduction list by radio station contract with one company by committed to pay fee as contract amount of Baht 16.05 million.
- 47.7 As at 31 December 2017 and 2016, the Group has a commitment to pay legal fee with other Company amount of Baht 0.35 million and Baht 0.08 million, respectively.
- 47.8 As at 31 December 2017 and 2016, a subsidiary has entered into the license agreement for accessing television rating and construction contracts by committed to pay in amount of Baht 44.48 million and Baht 57.03 million, respectively.



47.9 As at 31 December 2017, a subsidiary has entered into the agreement to use name and trademark with one company by committed to pay 3% of revenue sharing from using name and trademark starting from 1 January 2017 upon termination by the parties.

#### 47.10 Contingent Liabilities

(a) As mentioned in Note 10, the Company has projects overdue and were canceled which may give rise to contingent liabilities relating to loss from claim or loss from non-compliance with the contract. As at 31 December 2017, the Company had not set up allowance for any losses because the process of negotiation has not been finalized.

(b) The Company had trade debtors claiming for payment of debts and the trade debtors made a counterclaim for their payments and compensation in the amount of Baht 2.69 million. The Company has set up provision for the lawsuit penalty in full amount. As at 31 December 2017, the court made a judgement for the Company to repay the principal in the amount of Baht 1.76 million with interest at 7.50% per annum until the payment is completed. Presently, the Company is considering making an appeal to the court.

(c) The Company had litigation on the default of sale and purchase agreement on the black case No. Por. 6145/2560, suing the Company including amount in dispute for Baht 8.36 million with the interest rate at 7.50% per annum until repayment is made in full. At present, the Company is applying for an extension of time to answer a lawsuit to the court. As at 31 December 2017, the Company has not yet set the estimation for the loss that may incurred.

(d) The subsidiary was sued as follows:

<u>Case No.</u>	<u>Court</u>	<u>Defendant</u>	<u>Charge</u>	<u>Appointment</u>
Black No. 262/2558	Civil Court	Defendant 1	Debt default	Under the consideration of the Supreme Court
Black No. 1827/2560	Criminal Court	Defendant 2	Defamation by advertising	On 28 February 2018
Black No. 1957/2560	Criminal Court	Defendant 2	Defamation by advertising	On 4 June 2018
Black No. 2322/2560	Civil Court	Defendant 1	Defamation by advertising Claims to payment of damages amount of Baht 802 million with the interest rate at 7.50%	On 5 March 2018



The case is under court proceedings. However, the management of the Subsidiaries company believes that the court judgment would not have a material adverse effect on the financial position of the subsidiaries company.

#### 48 Reclassification of Accounts

The Company reclassified some items in comparative financial statements in order to comply with the present financial statements, which does not have any affects on profit (loss) for the year or shareholder's equity already presented. The details of reclassification are as follows:

	Consolidated Financial Statements		
	As Previously Reported Baht	Adjustments Baht	As Reclassified Baht
<b>Statement of Financial Position As at 1 January 2016</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	151,201,983.66	(2,300,000.00)	148,901,983.66
Bank Deposit Used as Collateral	-	258,512,000.00	258,512,000.00
Trade and Other Receivables	175,253,822.89	(175,253,822.89)	-
Trade and Other Current Receivables	-	152,798,519.60	152,798,519.60
Current Tax Assets	-	10,346,201.67	10,346,201.67
<b>NON-CURRENT ASSETS</b>			
Bank Deposit Used as Collateral	1,001,218,563.40	(256,212,000.00)	745,006,563.40
Other Non-Current Assets	10,484,332.11	12,109,101.62	22,593,433.73
<b>Statement of Financial Position As at 31 December 2016</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	289,713,518.98	(2,300,000.00)	287,413,518.98
Bank Deposit Used as Collateral	-	258,512,000.00	258,512,000.00
Trade and Other Receivables	219,508,949.24	(219,508,949.24)	-
Trade and Other Current Receivables	-	187,094,210.05	187,094,210.05
Current Tax Assets	-	12,271,548.63	12,271,548.63
<b>NON-CURRENT ASSETS</b>			
Bank Deposit Used as Collateral	744,440,617.60	(256,212,000.00)	488,228,617.60
Other Non-Current Assets	14,205,488.36	20,143,190.56	34,348,678.92
<b>CURRENT LIABILITIES</b>			
Bank Overdrafts and Short-term Loans from Financial Institution	199,013,775.51	(198,863,863.02)	149,912.49
Short-term Loans from Other Company	-	198,863,863.02	198,863,863.02



	Separate Financial Statements		
	As Previously Reported	Adjustments	As Reclassified
	Baht	Baht	Baht
Statement of Financial Position As at 1 January 2016			
CURRENT ASSETS			
Trade and Other Receivables	70,519,522.60	(70,519,522.60)	-
Trade and Other Current Receivables	-	68,372,667.83	68,372,667.83
Current Tax Assets	-	395,120.35	395,120.35
NON-CURRENT ASSETS			
Other Non-Current Assets	3,560,035.61	1,751,734.42	5,311,770.03
Statement of Financial Position As at 31 December 2016			
CURRENT ASSETS			
Trade and Other Receivables	45,992,164.65	(45,992,164.65)	-
Trade and Other Current Receivables	-	42,462,813.38	42,462,813.38
Current Tax Assets	-	1,382,496.50	1,382,496.50
NON-CURRENT ASSETS			
Other Non-Current Assets	3,555,968.27	2,146,854.77	5,702,823.04

#### 49. Other Matter

The Securities and Exchange Commission (“SEC”) has alleged against the Company with Economic Crime Suppression Devisiob (ECD) for persuading 2 others to jointly take stocks of Nation Multimedia Group Public Company Limited (NMG) with intention for company takeover. Persently, the case is under the consideration of ECD.

In any case, filing a criminal complaint commences the criminal justice administration whereby the consideration whether a defendant is guilty will be preceded by the public prosecutor, and the court will judge the case, respectively.

#### 50. Approval of the Financial Statements

These financial statements have been approved by the Board of directors of the Company on 26 February 2018

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