

NEWS NETWORK



ANNUAL REPORT 2018



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 200,317,937,992 THB / Paid-up 67,887,511,111 THB (at January 31st, 2019)
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 Wong Sriudompon CPA. No. 4996 or
Mr. Chardsakul Aonmongkol CPA. No. 1795 or
Miss. Waraporn Intaraprasit CPA. No. 7881 or
Miss. Chonthicha Lertwilai C.P.A. No. 12258 or
Miss. Phanpakdeenupong C.P.A. No. 12261
128/150-153 Phayatai Plaza Building, 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

News Network Corporation Public Company Limited and its affiliate companies have previously forecasted the significant changes in the advertising industry. We took actions by constantly adjusting the strategies for the business operation and reorganizing the corporate structure to accommodate the changes. Therefore, when the overall advertising budget have clearly increased in the last year, the Company obtained the first growth rate at 3.91%, an increase from Baht 101,485 million in 2017 to Baht 105,455 million in 2018, and the amount of money in the advertisement in television media have increased from Baht 62,874 million in 2017 to Baht 67,935 million in 2018, an increase of 8.05% from the previous year. For this year, the television stations are no longer being separated into analog and digital television broadcasting systems. The Company earned the total of Baht 591.345 million of revenues from operations (excluding other incomes), which is Baht 217.85 million (approximately 58%) higher than the previous year's total revenues of Baht 374.342 million. The proportions of revenues are 70% earned from Media Related Segment, 18% earned from New Media, and 12% earned from Computer Segment and Distributions and Providing Services for Health and Environment Tools and Equipment Segment. The significant increment of revenue from Media Segment incurred from the expansion into the "shopping on TV" activity.

As of 31 December 2018, the Company has a total asset of Baht 1,135.407 million, 17.70 % less than the previous year, due to the investment in the operation of digital television, radio and Thansettakij newspaper and the decrease in value of long-term investment under the market price calculation.

In respect of liabilities and shareholders' equity, the Company has Baht 969.889 million in total liabilities, a decrease of 12.64% from the previous year. It is a result of the decrease in non-current liabilities for the license for commercial digital terrestrial television channels payable, which the final installment is due in May 2019. While the current liabilities have increased due to the short-term loans, which is used as working capital in the Company's operation. The total shareholders' equity is Baht 165.518 million, a reduction of 38.58 % from the previous year, due to the operating loss

For the last year, the Company had the ability to earn Baht 51.835 million in gross profit for the first time in spite of continued gross loss from operation from previous periods. The selling and service expenses, administrative expenses, and financial cost have decreased by 16.02%, 2.75%, and 47.56%, respectively, from the previous year. In spite of Baht 223.27 million of loss from impairment of long-term investment, the reversal for Baht 198 million of loss from impairment of the license for commercial digital terrestrial television channels resulted in Baht 273.659 million of net loss for the year, 52% decrease from the previous year.

Nevertheless, in 2018, the Company has ceased the operation of non-profitable business activity; Radio 98.5 MHz. The broadcast is then aired via the “Spring news TV” application and website. The negotiation is being conducted with CNN to reduce the expense in purchasing the contents, coupled with the integration plan to develop further by generating more revenues from sourcing partners to co-produce programs for Spring News Channel, earning income from digital media and Out-of-Home media, organizing activities, and adding value to other related media. Therefore, the loss from operation had been significantly decreased by the said plan. The Company anticipate the action of this important development will be the key winning format to assist the 2019 operation result so it will improve tremendously from the 2018 operation result.

Finally, on behalf of the Company’s Board of Directors, I would like to confirm the Board of 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
31 March 2019

BOARD OF DIRECTOR/MANAGEMENT



BOARD OF DIRECTOR/MANAGEMENT

Mr. Meechai Ruchuphant
Chairman



Adjunct Professor Prasobsook Boondech
Vice Chairman



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



Capt. M.R. Chularangsri Yugala
Director



Mr. Arak Ratboriharn
Director and Chief Executive Officer



Miss. Watanya Wongopasi
Director and President



Mr. Pranot Kosakarn
Director and Chief Financial Officer



Mr. Ruknung Phaholyothin
Managing Director



Miss. Nicha Meesuk
Corporate Secretary
Senior CEO Office Manager

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.

	Mr.Meechai Ruchuphant 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 Public Company Limited
		: Legislative Chairman of Committee 1, Office of the Council of State.
		: Honorary Doctorate Degree, 20 December 2006-present.
	Last Position	: Legislative Secretary, Office of the Council of State
		: Council President, Phranakhon Rajabhat University
		: Council President, Rajabhat Rajanagarinda University
		: Council President, Rajamangala University of Technology Suvarnabhumi,
		: 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 Lad Krabang
		: 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	: Director Accreditation Program
		: Ethical leadership Program
		: 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/ Audit Committee News Network Corporation PCL.
		: Draftsman Committee, Office of the Council of State
		: Independent director, CP All Public Company Limited
	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. 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.
		: Director, CVN Associates Co.,Ltd.
	Last Position	: Internal Audit, Rangsit University.
		: 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 rd Senior Executive Program of Civil Service Commission Office.
		: 40 th 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	: Director Accreditation Program
	Experience Present	: Director, News Network Corporation Public Company Limited.
		: Chairman, Springnews Television Co.,Ltd.
		: Chairman, Springnews Corporation Co.,Ltd.
		: Chairman, Thansettakij Co.,Ltd.
		: Chairman, RuamMueRuam Jai Co., Ltd.
		: Director, Sync Technologies Co.,Ltd.
		: Director, News Network Multimedia Co.Ltd.
	Last Position	: Audit Committee, News Network Corporation Public Company Limited
		: 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


	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	: 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, News Network Multimedia Co.Ltd.
		: Director,Thansettakij Multimedia Co.Ltd.
		: Director,Greennet 1282 Co.Ltd.
		: Acting CEO of Aqua Ad Public Company Limited
		: Director, Mantra Asset Co., Ltd.
		: Director, M.I.S. Media Co., Ltd.
		: Director Eastern Printing Public Company Limited
		: Member of the Committees, Thai-French Technical Association
	Last Position	: Director, Central Laboratory (Thailand) Co., Ltd.
		: 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)


	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 MultimediaCo.Ltd.
		: Director, thansettakij Multimedia Co.Ltd.
	Last Position	: Director, News Network Corporation Public Company Limited.
		:Advisor Investment, ktzmico Securities (Thailand) Public Company Limited.
		:Advisor Investment, KGI Securities (Thailand) Public Company Limited.
		:Director, AQUA TelevisionCo.,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.Pranot Kosakarn Director Chief Financial Officer 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	: Director, Chief Financial Officer News Network Corporation Public Company Limited.
		: Director, Environmental Solution Integrator Company Limited.
		: Director, Sync Technologies Co.,Ltd.
	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.

	Mr. Ruknung Phaholyothin Vice President (Technology and Operating) 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, ThonburiSamplan 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, Phatrathanakij Capital Public Company Limited.
		:Deputy Director of Commercial Credit Department, Phatrathanakij Capital Public Company Limited.

	Miss Nicha Meesuk Corporate Secretary Portion of Share Holding -	
	Education	: Bachelor's Degree, Faculty of Law, Thammasat University
	Experience Present	: Company secretary, Senior Manager of CEO Office News Network Corporation Public Company Limited
	Last Position	: Legal Consultant, Moralbiz Co., Ltd.
		: Legal Consultant, Inter-Thai Law Office 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". At present, the media business is the major business of the Company.

Currently the company has Baht 200,317,937,992 of registered capital and Baht 67,886,511,111 of paid up capital.

2. Significant Changes and Developments

- | | |
|------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2010 | <ul style="list-style-type: none">● Expanded business extent and founded more subsidiaries – Spring Corporation Company Limited and Solution Corner International Company Limited● Being qualified by BVQI (Thailand) Limited that the company's working processes passed ISO 9001: 2008 standard● 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. |
| 2011 | <ul style="list-style-type: none">● In January, The Company relocated its headquarter office to 333 Lao PengNguan 1 Tower, 18th Floor, Zone A, SoiChoeiphuang, Vibhavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900, to support increasing staff.● 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.● Former name Solution Corner InternationCo.,Ltd.(Subsidiaries) was registered with new name Sync Technologies Co.,Ltd.Since February 21, 2011● In June, Decrease of the Company's registered capital from 424,424,386 to Baht 424,424,384Baht. |

- 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 it 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
- 2018 ● In August, the Company has been assessed and certified by Bureau Verities Certification (Thailand) Ltd. for the upgrade from ISO 9001:2008 to ISO 9001:2015.
- In November, the Company has registered the decrease of share capital from Baht 281,961,297,580 to Baht 132,430,426,881 and the increment of ordinary shares to support the allocation of the new ordinary shares to the existing shareholders based on their shareholding ratio and private placement from Baht 132,430,426,881 to Baht 200,317,937,992.

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 2019, since the depression crisis to the digital TV media in year 2019 with the limitation of advertising budget, the Company realizes the importance of seeking the business partner and to become the content provider through the high-potential media vehicles :-

1. To be the trustworthy content provider 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 2019 in the 4 facets are as follow: -

1. News Production

1.1 Targets

To be ***No. 1 content provider, specialized on news and knowledge segment***, on all platforms.

- 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 shares.) 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 production of television programs, SPRINGNEWS TV station emphasis on producing of news and information category and, by the limitation of advertising budget during past 2-3 years and the change of target audiences to need for home shopping, the company plans to seek a potential partner in home shopping for cooperating in producing programs.

Thansettakij Multimedia Co., Ltd. "TSM" Its business activities are print media business, and organizer for technical seminar and training in particular to business and economic segment. In 2018, TSM gain a great reputation and credibility in organizing business seminar, with the deep facts.

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

Environmental Solution Intregator Co., Ltd. "ESI" carries on the business of import, distribution and maintenance the occupational health and safety, and environmental, design and installation of Ssurveillance system and air-pollution indicator, including permanently or semi-permantly installation, or moblie, industrial indicator for quality contral, e.g. rubbr viscosity tester, tensile **testing machine** . ESI is potential and well-known as a specialist for survellance center in the industrial estate area and air-pollution analysis team, and it is the one who supports the air information to the Pollution Control Department. For toxic dust crisis in 2018-2019, ESI has an opportunity to collaborate with the Pollution Control Department in analysis the air-pollution for presenting the accurate and real-time informantion through the mobile application of the Pollution Control Department.

Sync Technology Co., Ltd. "Sync" conducts the business of information technology software for education, including design, providing consultancy maintenance, and training.

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.

Ruam Mue Ruam Jai Co., Ltd. "RMRJ" 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.

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 subsidiary 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.

Revenues Structure

The revenues structure of 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	2018		2017		2016	
		Amount	%	Amount	%	Amount	%
Technology Product Distribution and Consultation on Information System Design Segment							
Software Products	News Network Corporation Public Co., Ltd.	6,878	1.16	4,489	1.20	12,148	4.37
Hardware Products	Sync Technologies Co., Ltd.						
Maintenance and Other Services							
Media segment							
Digital Television	Spring News Corporation Co., Ltd.	519,551	87.71	333,739	89.15	198,638	71.39
Media Program Production	Spring News Television Co., Ltd.						
Radio	Ruam Mue Ruam Jai Co., Ltd.						
Thansettakij Newspaper	News Network Multimedia Co., Ltd.						
Online Advertisement on Social Media Platform	Thansettakij Multimedia Co., Ltd., Green Net 1282 Co., Ltd.						
Distribution of Tools and Equipment, and Providing Services for Health and Environment Segment	Environmental Solution Integrator Co., Ltd.	65,916	11.13	36,114	9.65	67,457	24.24
Total		592,345	100.00	374,342	100.00	278,243	100.00

Remark - The structure of the revenues of News Network Corporation Public Company Limited and its subsidiaries: For the year 2018, the Company operate its main business activities in the media segment. It focus on multi-platform media covering all facets of media, such as digital television, newspaper, magazines and online advertisement, under the name of "SPRINGNEWS Channel 19", including print media "THANSETTAKIJ NEWSPAPER" and online advertisement on various social media platform. This segment contribute to 87.71% of the total revenue.

- Technology product distribution and consultation on information system design segment, including network system service, contribute to 1.16% of the total revenue and distribution of tools and equipment, and providing project installation services for health and environment segment contribute to 11.13% of the total revenue.

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	Amount of related party transaction for the period ended 31 December 2017 (Baht)		Amount 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 99.99% of shares and have joint directors	Short-term loan	-	9,250,000-	-	10,000,000	Operating reserve for the subsidiary to use as working capital
	Other receivables	Allowance for doubtful debt		9,250,000 -		-8,000,000	
		Advance paid for expenses	-	-	-	107,895	Normal course of business
	Accrued income		-	-	-	12,000	Normal course of business
	Accrued interest receivable		-	792,637	-	363,562	Normal course of business
	Allowance for doubtful debt			-792,637			

Related entity or person / Relationship with the Company	Relationship	Nature of transaction	Amount of related party transaction for the period ended 31 December 2017 (Baht)		Amount 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 99.99% of shares and have joint directors	Short-term loan Allowance for doubtful debt	-	1,497,940,000 -1,497,940,000	-	1,456,500,000 1,296,500,000	Operating reserve for the subsidiary to use as working capital. Indirect subsidiary borrowed fund to pay for the fee for digital television license of Spring News Television Co., Ltd.
	Trade receivables	Asset rental	-			424,490	Normal course of business
	Other receivables	Advance paid for expenses	-	1,398,497		690,480	Normal course of business
	Accrued income		-	350,000		100,000	Normal course of business
	Accrued interest receivable		-	111,215,746		84,781,164	Normal course of business

Related entity or person / Relationship with the Company	Relationship	Nature of transaction	Amount of related party transaction for the period ended 31 December 2017 (Baht)		Amount 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	
	Allowance for doubtful debt Trade payables Interest received in advance	Service fee	- - -	 1,599,088 1,033,758		 1,633,025	Normal course of business
Environmental Solution Integrator Co., Ltd.	The Company hold 90% of shares and have joint directors Trade receivables Other receivables	Short-term loan Allowance for doubtful debt Sales of goods Advance paid for expenses	- - -	- - 915,920	- - -	71,900,000 -61,819,380 2,891,236 1,311,820	Operating reserve for the subsidiary to use as working capital Normal course of business Normal course of business
	Accrued income Accrued interest receivable		- -	200,000 -	- -	73,000 2,146,959	Normal course of business Normal course of business

Related entity or person / Relationship with the Company	Relationship	Nature of transaction	Amount of related party transaction for the period ended 31 December 2017 (Baht)		Amount 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	
News Network Multimedia Co., Ltd.	The Company hold 99.99% of shares and have joint directors		-	101,600,000	-	100,500,000	Operating reserve for the subsidiary to use as working capital
		Other receivables	-	-	-	1,288,152	Normal course of business
		Accrued income	-	-	-	15,000	Normal course of business
		Accrued interest receivable	-	4,646,137	-	4,382,192	Normal course of business
Thansettakij Multimedia Co., Ltd.	Indirect subsidiary of News Network Multimedia Co., Ltd., hold shares at 80%	Other receivables	-	-	-	53,500	Normal course of business
		Accrued income	-	180,000	-	50,000	Normal course of business

Related entity or person / Relationship with the Company	Relationship	Nature of transaction	Amount of related party transaction for the period ended 31 December 2017 (Baht)		Amount 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 New Corporation Co., Ltd. hold 99.99% of shares and have joint directors.	Short-term loan	-	9,497,712	-	10,000,000	Operating reserve for the subsidiary to use as working capital
		Allowance for doubtful debt		-9,497,712		-	
		Accrued interest receivable		361,694	-	383,562	Normal course of business
		Allowance for doubtful debt		-361,694	-	-	
Green Net 1282 Co., Ltd.	The Company hold 99.99% of shares and have joint directors			20,300,000		20,800,000	Operating reserve for the subsidiary to use as working capital
		Other receivables	-	1,242,464	-	1,199,664	
		Accrued income	-	140,000	-	40,000	Normal course of business

Related entity or person / Relationship with the Company	Relationship	Nature of transaction	Amount of related party transaction for the period ended 31 December 2017 (Baht)		Amount 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	
		Accrued interest receivable	-	1,393,973	-	549,452	business Normal course of business
Green Property 1282 Co., Ltd.	Affiliate of Green Net 1282 Co., Ltd.	Rental deposit	90,000	-	90,000	-	Normal course of business
		Other payables	130,776		196,445		Normal course of business
Tnews TV Co., Ltd.	Affiliate of Green Net 1282 Co., Ltd.	Trade receivables	-	-	1,209,635	-	Normal course of business
Eastern Printing Public Company Limited	Operate related business activities and have joint directors	Trade payables	2,869,984	-	2,948,617	-	Normal course of business

Related entity or person / Relationship with the Company	Relationship	Nature of transaction	Amount of related party transaction for the period ended 31 December 2017 (Baht)		Amount 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	
Boardway Media Co., Ltd.	Subsidiary of related company	Trade payables	738,300		-		Normal course of business
Aqua Ad Public Company Limited	Subsidiary of related company	Trade payables	1,938,978		-		Normal course of business
Khun Arak Ratboriharn	Director	Accrued expenses	6,000	-	-	-	
Khun Watanya Wong- Opasri	Director	Accrued expenses	32,705	-	-	-	Normal course of business
		Short-term loan	-	-	2,000,000	-	Normal course of business
		Accrued interest payable	-	-	12,658	-	Normal course of business
Khun Suthichai Bunnag	Director	Accrued expenses	6,000	-	-	-	
Khun Eakkachai Chaicherdchukit	Director – subsidiary	Accrued expenses	9,041		-		

Related entity or person / Relationship with the Company	Relationship	Nature of transaction	Amount of related party transaction for the period ended 31 December 2017 (Baht)		Amount 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 Ruknong Phaholyothin	Director	Short-term loan	1,100,000	-	1,500,000	-	Normal course of business
		Accrued interest payable	-	-	7,397	-	Normal course of business
Khun Yuth Shinsupakkul	Creditor - Short-term loan	Short-term loan	19,877,818	-	9,965,638	-	Normal course of business
		Interest paid in advance	122,182	-	34,362	-	Normal course of business
Khun Suppachai Sasomboon	Shareholder – indirect subsidiary: Thansettakij Multimedia Co., Ltd.	Advance paid for expenses	-	-	125,000	-	Normal course of business
Khun Suchai Meekhantong	Shareholder – indirect subsidiary	Advance paid for expenses	125,000	-	125,000	-	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, which determine that the inter-transaction process shall be processed as the transactions in 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-transactions are then presented to the audit committee to consider the necessity and reasonability of the inter-transactions.

During the year 2018, 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 for such transactions. 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. The investors can request for the Company's information via the Company's website at www.newsnetwork.co.th or send email to our E-Mail Address at 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 2018 as follow: -

News Network Corporation Public Co., Ltd.	Amount	1,390,000	Baht
Subsidiaries	Amount	<u>2,370,000</u>	Baht
Total Audit Fee	Amount	<u>3,760,000</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.

Ethnical 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.

Ethnical 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

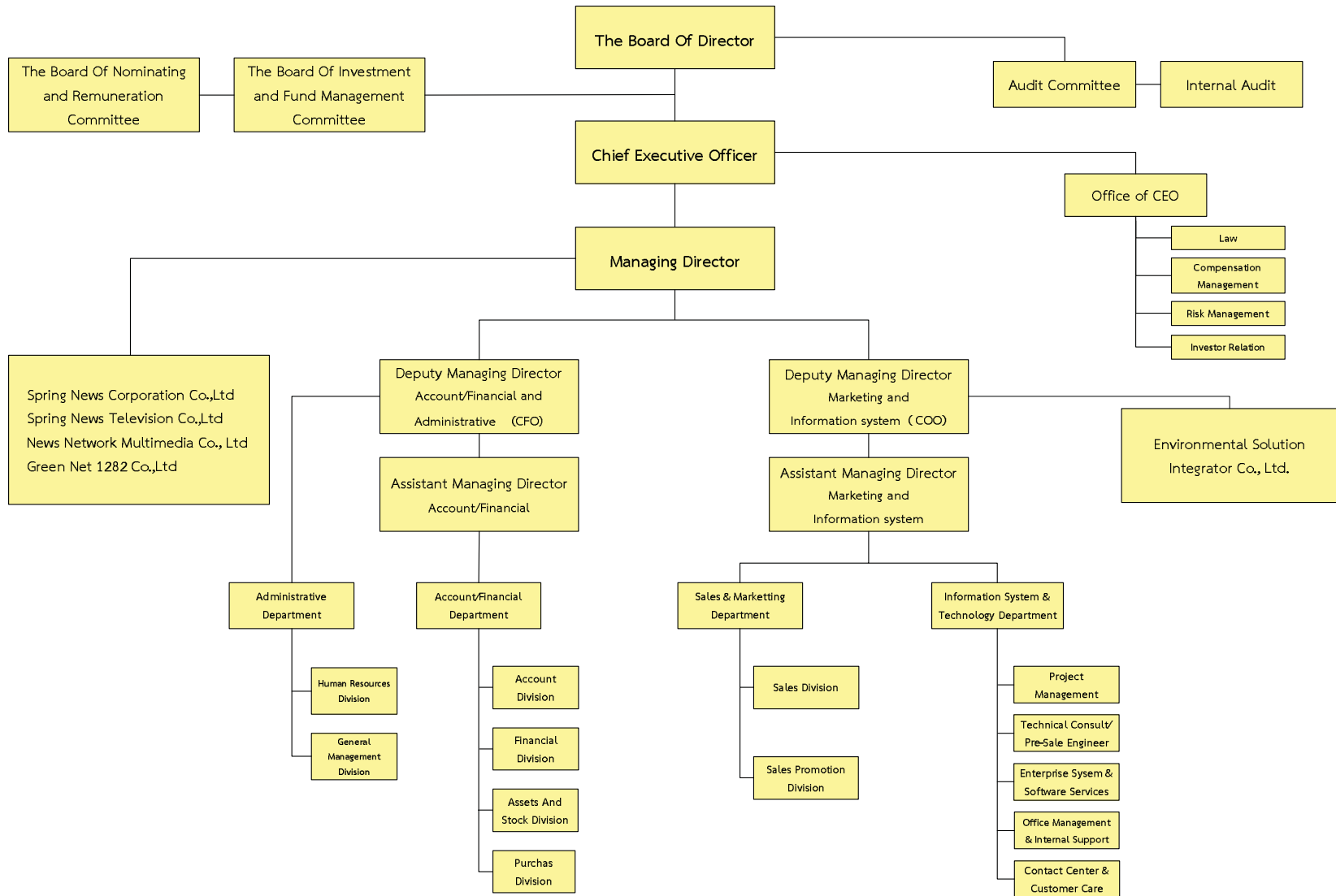
Committees, directors, and employees in all section must follow the ethical conduct. In case any acts against it have been found, report such acts to supervisors, human resources officers, internal auditors, or audit committees, depending on circumstances.

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. Mrs. Puntipa Setthapanit	6,180,000,000	9.10
3. Ms. Kanjanarat Wongpan	6,000,000,069	8.84
4. Ms. Kingkarakade Chuenruetainaidhama	5,769,230,769	8.50
5. Mr.Pisit Pipatvilaikul	2,815,679,500	4.15
6. Mr.Sombat Panichcheva	2,209,000,000	3.25
7. Mr. Chairat Kovitmongkokwa	1,400,000,000	2.06
8. Mr. Chamnong Puttima	900,642,974	1.33
9. Ms. Wannee Rojanavanichayakorn	863,812,500	1.27
10. Mr. Patikorn Sangthongaram	800,000,000	1.18
11. Another	25,472,231,388	37.52
Total	67,887,511,111	100

Organization Chart



MANAGEMENT STRUCTURE

1. Board Structure

There are 4 groups of the committee

1.1 The Board of Company on March 31, 2019 comprises with 9 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.	Capt. M.R. Chularangsri Yugala	Director
7.	Mr. Pinit Wuthipand	Director and Chairman of Audit Committee
8.	Mr. Chirasak Thanasant	Director and Audit Committee
9.	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 efficiently 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 2019 . 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 2019. The Nominating and Remuneration committee consists of 3 persons whose names are as follows:

- | | |
|-----------------------------------|----------------------|
| 1. Mr.Chirasak Thanasant | Nomination Committee |
| 2. Mr.SuthichaiBunnag | Nomination Committee |
| 3. Capt. M.R. Chularangsri Yugala | 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 3 directors as follows:

- | | |
|-----------------------------------|--------------------------------------------------------|
| 1. Mr.Arak Ratbiriharn | Chairman of Implementation of the Investment Committee |
| 2. Mr.Suthichai Bunnag | Director of Implementation of the Investment Committee |
| 3. 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 3 persons whose names are as follow:

- | | | |
|----|--------------------------|-------------------------------------------|
| 1. | Mr. Arak Ratboriharn | Chief Executive Officer |
| 2. | Mr. Ruknung Phaholyothin | Vice President (Technology and Operating) |
| 3. | Mr. Pranot Kosakarn | Chief Financial Officer |

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 March 31, 2019.

Name		News Network Corporation PCL.					Sync Technologies 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
1	Mr. Meechai Ruchuphant	✓✓																		
2	Adjunct Professor Prasobsook Boondech	✓																		
3	Mr. Chirasak Thanesnant	✓			✓✓															
4	Mr. Suthichai Bunnag	✓			✓	✓	✓				✓		✓	✓	✓		✓			✓
5	Mr. Pinit Wuthipand	✓		✓✓																
6	Mr. Arak Ratboriharn	✓	✓			✓✓	✓		✓		✓		✓		✓		✓		✓	
7	Capt.M.R. Chularangsi Yugala	✓			✓	✓														
8	Air Marshal ChartchaiRodboonpha	✓		✓																
9	Mr. Pranot Kosakarn	✓	✓				✓	✓	✓	✓								✓		
10	Mr. Ruknung Phaholyothin		✓						✓	✓										
11	Mr. Rattanaburee Atisapt												✓		✓					
12	Miss Oytip Choltichanun										✓		✓	✓						
13	Mr.Ekachai Chaicherdchukit									✓			✓			✓				
14	Mr.Bakbun Bunlert																		✓	✓
15	Mr. Patchara Sampimpa														✓	✓				
16	Mr.Thikumporn SriChan																			✓
17	Miss Kingkarakade Chuenruetainaidhama																✓	✓		
18	Mr.Watin Chartikul																✓	✓		
19	Mr.Chatcharin Surapat																	✓		
20	Mr.Eakkapan Panthai																	✓		
21	Mr.Piyawit Dumrongsat																	✓		
22	Mr.Udorn Sangarun																	✓		
23	Miss Voraluck Ingkamanee																	✓		
24	Miss Darunee Chuenruetainaidhama																	✓		
25	Mr. Boonpalsanan Dhanadhamtakul																	✓		

Remark: ✓✓ = Chairman ✓ = Directors, Executive Officer, Audit Committee, Nomination and Remuneration Committee, Investment and Investment Management Committee

The Company's subsidiary authorized persons

1. News Network Corporation PCL. Two of these three directors, Mr. Arak Ratboriharn or Mr. Suthichai Bunnag or Mr. Pranot Kosakarn, jointly sign and affix with the company's seal.
2. Sync Technologies Co., Ltd.: Two directors jointly sign and affix with the company's seal.
3. Environmental Solution Integrator Co., Ltd. : Two directors jointly sign and affix with the company's seal.
4. Spring News Corporation Co., Ltd.: Two directors jointly sign and affix with the company's seal.
5. Ruam Mue Ruam Jai Co., Ltd.: Two directors jointly sign and affix with the company's seal.
6. Spring News Television Co., Ltd.: Two directors jointly sign and affix with the company's seal.
7. News Network Multimedia Co., Ltd.: Two directors jointly sign and affix with the company's seal.
8. Green Net 1282 Co., Ltd.: Two directors jointly sign and affix with the company's seal.
9. Thansettakij Multimedia Co., Ltd.: Two directors jointly sign and affix with the company's seal.

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 2018, 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
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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 Other appointed Committee

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 2018 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 Ruchupant	420,000.00					420,000.00
2.	Adjunct Professor Prasobsook Boomdech	360,000.00					360,000.00
3.	Mr. Arak Ratboriharn		36,000.00				36,000.00
4.	Mr. Suthichai Bunnag	360,000.00			6,000.00		366,000.00
5.	Mr. Pinit Wuthipand	360,000.00				48,000.00	408,000.00
6.	Mr. Chirasak Thanesnant	360,000.00			6,000.00	36,000.00	396,000.00
7.	Miss. Watanya Wongopasi		24,000.00				24,000.00
8.	Pol.Gen. Dr.Ruangsak Jritake	150,000.00					156,000.00
9.	Capt. M.R. Chularangsri Yugala	360,000.00					360,000.00
10.	Mr.Sontian Chuenruetainaidhama	10,645.16					10,645.16
11.	Air Marshal Chartchai Rodboonpha	360,000.00				36,000.00	396,000.00
Total							2,932,645.16

Remark – 1. Mr. Sontian Chuenruetainaidhama was resignation as the director held on January 12, 2018.

2. Pol.Gen. Dr.Ruangsak Jritake was resignation as the director held on June 7, 2018.

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, 2018.

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.Pinit Wuthipand	as Chairman of Audit Committee
Mr. Chirasak Thanesnant	as Audit Committee
Air Marshal ChartchaiRodboonpha	as Audit Committee

In 2018, the Audit Committee held 6 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 2018 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 2018 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.Chonthicha Lertwilai | Certified Public Accountant license number 12258 |
| 5. Ms.Waraporn Phanpakdeenupong | Certified Public Accountant license number 12261 |

The Audit Committee deemed that during the accounting period of the year 2018, 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 2018 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 3 segments: Media segment; consists of a news station in digital television under the name of "SPRINGNEWS Channel 19", newspaper and online media, Technology product distribution and consultation on information system design segment, including network system service, and Distribution of tools and equipment, and providing project installation services for health and environment segment.

The operation for year 2018: The Company focus on the media segment as the core business activity. The total revenues from operation increased by Baht 217.86 million, or 58.18 % as the revenues from media segment increased by Baht 185.66 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 increased by Baht 29.81 million. Technology product distribution and consultation on information system design segment's revenue increased by Baht 2.39 million. These are the result of the fluctuation in 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 2018, the Company generated Baht 658.55 million of total revenues, incurred Baht 1,128.47 million of total operating expenses, and Baht 198 million in reversal of loss from impairment of license to use the frequency for television service, therefore, resulted in Baht 271.92 million of net loss.

(Unit : Million Baht)	2018	2017	Increase / (Decrease)	
	Amount	Amount	Amount	%
Revenue from operation	592.35	374.49	217.86	58.18
Other income	66.20	35.86	30.34	84.61
Reversal of loss from impairment of license to use the frequency for television service	198.00	-	198.00	100.00
Operating expenses	-1,128.47	-980.74	147.73	15.06
Profit (loss) before corporate income tax	-271.92	-570.39	298.47	-52.33
Corporate income tax	1.74	2.36	-0.62	-26.27
Profit (loss) for the year	-273.66	-572.75	-299.09	-52.22

2. Analysis, Operating Result and Profitability

2.1 Analysis of Revenues

For the year 2018, the Company has the total revenues amounting to Baht 658.55 million, increase from Baht 410.35 million in 2017, representing an increase of Baht 248.20 million, or 60.49%. Baht 592.35 million is revenues from sales of goods and services, and Baht 66.20 million from other income.

Revenues from operation for the year 2018 amounting to Baht 592.35 million, increase from Baht 374.49 million in 2017, representing an increase of Baht 217.86 million, or 58.18%. It is due to Baht 519.55 million of revenues generated from media segment, which comprises of digital television, newspaper and online media. Baht 65.92 million of revenues generated from distribution of tools and equipment, and providing project installation services for health and environment segment and Baht 6.88 million of revenues generated from technology product distribution and consultation on information system design segment.

Other income was Baht 66.20 million, increase from Baht 35.86 million in 2017, representing an increase of Baht 30.34 million, or 84.62%. The other income consists of interest income, other service revenue unrelated to the main revenue sources, gain from sales of assets and gain from exchange rate.

Reversal of loss from impairment of license to use the frequency for television service was Baht 198 million.

The management is required to review the valuation for the license to use the frequency for television service annually. The valuation is based on the trend and future economic benefit capabilities in relation to the business, by applying the assumption obtained from the revenue and expense forecast, the revenue growth rate and valuation of the future recoverable cash flow.

Revenues from Operation – Classified by Segments

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

Segment	2018	2017	Increase / (Decrease)	
(Unit : Million Baht)	Amount	Amount	Amount	%
Technology product distribution and consultation on information system design segment	6.88	4.49	2.39	53.23
Media segment	519.55	333.89	185.66	55.61
Distribution of tools and equipment, and providing project installation services for health and environment segment	65.92	36.11	29.81	82.55
Total revenues from operation	592.35	374.49	217.86	58.18
Other income	66.20	35.86	30.34	84.62
Total revenues	658.55	410.35	248.20	60.49

Technology product distribution and consultation on information system design segment

In 2018, the revenues from operation was Baht 6.88 million, increase from Baht 4.49 million in 2017, representing an increase of Baht 2.39 million, or 53.23%. The Company was unable to win the bid from the government sectors and private enterprises as anticipated because of the economic condition, current market situation, and the Company's liquidity. Therefore, the Company's revenue target could not yet be achieved.

News Network Corporation Public Company Limited: For the year 2018, the Company earned Baht 4.97 million of revenues from operation, increase from Baht 1.65 million in 2017, representing an increase of Baht 3.32 million, or 201.21%. Baht 4.12 million was revenue from services, Baht 0.66 million was revenue from sales, and Baht 0.19 million was revenue from asset for rent.

Sync Technologies Co., Ltd.: For the year 2018, the company earned Baht 2.10 million of revenues from operation, decrease from Baht 3.35 million in 2017, representing a decrease of Baht 1.25 million, or 37.31%. Baht 0.20 million was revenues from administrative permission and Baht 1.90 million was revenues from sales permission.

Media Segment

In 2018, 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, newspaper, magazine and online media. For the year 2018, the media segment earned Baht 519.55 million of revenues from operation, increase from Baht 333.89 million in 2017, representing an increase of Baht 185.66 million, or 55.61%. 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 license to use the frequency for digital television service for news station under the name “SPRINGNEWS Channel 19”. The company generated revenue from advertising fee.

For the year 2018, Spring News Corporation Co., Ltd. and its subsidiary, Spring News Television Co., Ltd. earned Baht 294.50 million of revenues from operation, increase from Baht 110.14 million in 2017, representing an increase of Baht 184.36 million, or 167.39%. The advertising revenue has increased but the revenue target could not yet be achieved. 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 advertising rate. It is anticipated that in 2019 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. has ceased its operation for the radio media under the name of “SPRINGRADIO” FM98.5 MHz. on 31 December 2017. The company could not general sufficient revenue to cover the cost and the operating expenses since the audiences’ behavior is continuously altered to correspond with the advance technology, such as YouTube, Facebook, thus effect the popularity of the radio media.

For the year 2018, the company earned Baht 7.72 million of revenues from operation, decrease from Baht 14.22 million in 2017, representing a decrease of Baht 6.50 million, or 45.71%. The revenue generated from the television program “Klookk Wong Nai Inside News” aired on digital television “SPRINGNEWS Channel 19” and “NOWS Channel 26”.

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 2018, the company earned Baht 118.19 million of revenues from operation, increase from Baht 101.32 million in 2017, representing an increase of Baht 16.87 million, or 16.65%. Baht 10.72 million was revenues from sales of newspaper, Baht 76.25 million was revenues from advertising fee, and Baht 31.22 million was revenues from organizing activities, seminar, conference, and new media.

Green Net 1282 Co., Ltd., for 2018, 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 2018, the company earned Baht 107.05 million of revenues from operation, decrease from Baht 111.51 million in 2017, representing a decrease of Baht 4.46 million, or 4.00%. Baht 3.02 million was revenues from sales of goods and Baht 104.03 million was revenues from services.

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

Environmental Solution Integrator Co., Ltd.'s business activities are 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 2018, the company has Baht 65.92 million of revenues from operation, an increase from Baht 36.11 million in 2017, representing an increase of Baht 29.81 million, or 85.55%. Baht 13.85 million was revenues from sales and Baht 52.07 million was revenues from services. The company expected increasing revenues and growth for 2019 since the company received favorable responds from both the government sectors and private enterprises on the works performed 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

	2018	2017	Increase / (Decrease)	
(Unit : Million Baht)	Amount	Amount	Amount	%
Interest income	5.75	10.97	-5.22	-47.58
Reversal of loss from impairment of license to use the frequency for television service	198.00	-	198.00	100.00
Dividend income/ Share of gain	-	0.15	-0.15	-100.00
Gain on disposal of assets	0.55	0.06	0.49	816.67
Gain on exchange rate	0.22	1.42	-1.20	-84.51
Gain (loss) from selling and purchasing securities	-	0.09	-0.09	-100.00
Rental income	-	1.23	-1.23	-100.00
Other income	59.68	21.94	37.74	172.01
	264.20	35.86	228.34	636.75

In 2018, the Group Companies has Baht 66.20 million of other income, increase from Baht 35.86 million in 2017, representing an increase of Baht 30.34 million, or 84.61%. It consisted of interest income, gain on disposal of assets, and other income not related to the main income. The Company has Baht 198 million in reversal of loss from impairment of license to use the frequency for television service. The management is required to review the valuation for the license to use the frequency for television service annually. The valuation is based on the trend and future economic benefit capabilities in relation to the business, by applying the assumption obtained from the revenue and expense forecast, the revenue growth rate and valuation of the future recoverable cash flow.

2.2 Analysis of Operating Expenses

News Network Corporation Public Company Limited and its subsidiaries. For the year 2018, the Company incurred the total operating expenses at Baht 1,128.47 million, increase from Baht 980.74 million in 2017, representing an increase of Baht 147.73 million, or 15.06%.

	2018	2017	Increase / (Decrease)	
(Unit : Million Baht)	Amount	Amount	Amount	%
Cost of sales and services	540.51	539.52	0.99	0.18
Selling and administrative expenses	274.24	291.79	-17.55	-6.01
Bad debt and doubtful debt	13.05	1.84	11.21	609.24
Loss from impairment of long-term investment	223.27	-	223.27	100.00
Financial costs	77.40	147.59	-70.19	-47.56
Total operating expenses	1,128.47	980.74	147.73	15.06
Corporate income tax	1.74	2.36	-0.62	-26.27
Total expenses	1,130.21	983.10	147.11	14.96

Costs of Sales and Services

For the year 2018, the Group Companies have the total cost of sales and services at Baht 540.51 million, increased from Baht 539.52 million in 2017, representing an increase of Baht 0.99 million, or 0.18%. The ratio of the cost of sales and services to the revenues from sales and services is 91.25% in 2018, decreased from 2017 which the ratio was 144.07%. 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 0.99 million increase in costs of sales and services incurred from the media segment, which only increase by 0.18% compare to the ratio of revenue that increase by 58.18%. 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 Administrative Expenses

For the year 2018, the Group Companies have the total selling and service expenses at Baht 274.24 million, decrease from Baht 291.79 million in 2017, representing a decrease of Baht 17.55 million, or 6.01%. It was a result from the Company's reorganization of the management structure and apply the cost and expense control in every sector of the Group Companies; thus the operations became more efficient. Also the Company recorded Baht 13.05 1.84 million of doubtful debt and bad debt and Baht 223.27 million of loss from impairment of long-term investment.

Financial Expenses

For the year 2018, the Group Companies have the total financial cost at Baht 77.40 million, decrease from Baht 147.59million in 2017, representing a decrease of Baht 70.19 million, or 47.56%. This was resulting from the Company made repayment for parts of loan payable.

Corporate Income Tax

For the year 2018, the Company has Baht 1.74 million of corporate income tax obligation, incurring from media segment.

2.3 Profit from Operation

The Company's gross profit margin for 2018 is 8.75% and for 2017 is -44.07% in comparison to the revenues form operation and the Company incurred loss from operating results. For the year 2018 and 2017, the Company has the operating profit margin at -32.84% and -112.90% 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 2018 the Company incurred losses from operation, excluding financial cost, at Baht 194.52 million, decrease from Baht 422.80 million in 2017, representing a decrease of Baht 228.28 million, or 53.99%. This was the result of the recording Baht 223.27 million of loss from impairment of long-term investment and reversed Baht 198 million of loss from impairment of license to use the frequency for television service.

2.4 Net Profit (Loss) for the Year

In 2018, the Company incurred Baht 273.66 million of net loss, equivalent to 46.20% of the total revenues, decreased from Baht 572.75 million of net loss in 2017, equivalent to 152.94% of total revenues, representing a decrease of Baht 299.09 million, or 52.22%.

3. Analysis of Financial Position

The financial positions of News Network Corporation Public Company Limited and its subsidiaries for the periods ended 31 December 2018 and 2017 are as follows: -

(Unit: Million Baht)	2018	2017	Increase / (Decrease)	
	Amount	Amount	Amount	%
Total assets	1,135.41	1,379.65	-244.24	-17.70
Total liabilities	969.89	1,110.17	-140.28	-12.64
Shareholders' equity	165.52	269.48	-103.96	-38.58

Asset Management

Analysis of Assets

As at 31 December 2018 and 2017, the Company has the total assets amounting to Baht 1,135.41 million and Baht 1,379.65 million respectively, representing a decrease of Baht 244.24 million, or 17.70%.

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. 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.

For 2018, the Company has the total assets amounting to Baht 1,135.41 million; consisted of Baht 443.58 million in current assets and Baht 691.83 million in non-current assets, equivalent to 39.07% and 60.93% of the total assets respectively. In 2018, the Company's total assets had decreased by Baht 244.24 million from the 2017 total assets. The current assets consisted of Baht 29.37 million in cash and cash equivalents, Baht 234.97 million in obligated bank deposit, Baht 154.94 million in trade and other account receivables, Baht 3.56 million in inventories, Baht 16.07 million in other current assets, and Baht 4.51 million in held-for-sale non-current assets. The non-current assets consisted of Baht 13.43 million in obligated bank deposit, Baht 153.89 million in long-term investment, Baht 168.23 million in tools and equipment for operation, Baht 145.37 million in intangible assets, Baht 40.89 million in other non-current assets, and Baht 198 million in license to use the frequency for television service.

The Company has the return on asset ratio for 2018 and 2017 at -24.10% and -41.51%. The return on fixed asset ratio for 2018 and 2017 are -162.67% and -274.23%. The total asset turnover ratio for 2018 is

0.52 time, and for 2017 is 0.27 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, revenue growth rate, and future cash flow that reflect the current economic situation's effect on the Group Companies' 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)	2018	2017	Increase / (Decrease)	
	Amount	Amount	Amount	%
Trade account receivables	103.04	109.50	-6.46	-5.90
Other receivables	51.60	148.92	-97.32	-65.35
	154.64	258.42	-103.78	-40.16
Trade account receivables – classified by aging				
Unbilled	39.24	20.46	18.78	91.79
Note receivables	2.49	-	-	-
Trade account receivables within due period	25.34	46.34	-21.00	-45.32
Classified by overdue periods as follows: -				
- Less than 3 months	12.76	21.66	-8.90	-41.09
- 3-6 months	2.82	5.43	-2.61	-48.07
- 6-12 months	8.23	18.55	-10.32	-55.63
- More than 12 months	55.46	36.11	19.35	53.59
	146.34	148.55	-2.21	-1.49
Allowance for doubtful debt	-43.30	-39.05	4.25	10.88
	103.04	109.50	-6.46	-5.90

As at 31 December 2018 and 31 December 2017, the Company has net trade account receivable amounting to Baht 103.04 million and Baht 109.50 million respectively, representing a decrease of Baht 6.46 million, or 5.90%. The trade account receivable turnover for 2018 and 2017 are 2.87 times and 1.68 times respectively. The average collection period for 2018 is 127 days and for 2017 is 217 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 2018 and 2017 are amounting to Baht 25.34 million and Baht 46.35 million respectively, representing a decrease of Baht 21.00 million, or 45.32% from 2017.

Aging less than 3 months: In the year 2018 and 2017, the debts with aging less than 3 months amounting to Baht 12.76 Million and Baht 21.66 million respectively, representing a decrease of Baht 8.90 million, or 41.09% from 2017. The debt payments have been made within credit terms.

Aging between 3 - 6 months: In the year 2018 and 2017, the debts with aging more than 3 months but less than 6 months amounting to Baht 2.82 million and Baht 5.43 million respectively, representing a decrease of Baht 2.61 million, or 48.07% from 2017. 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 2018 and 2017, the debts with aging more than 6 months but less than 12 months amounting to Baht 8.23 million and Baht 18.55 million respectively, representing a decrease of Baht 10.32 million from 2017. The Company contacted the trade debtors for debt collection that are overdue for more than 6 months and received payments for debt. The respond rate is satisfactory and the Company continue the debt collection and offer the extension for payment period. 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: Amounting to Baht 55.46 million. The Company has set Baht 43.30 million in the provision of the allowance for doubtful debt. The Company did not set the entire amount of Baht 55.46 million as the provision of the allowance for doubtful debt because these debtors consist of government sectors and state enterprises. The Company is confident that the debtors will make payment since the problems could be incurred in the inspection and acceptance processes thus the payments have been delayed.

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 2018 and 2017, the Company has other receivables at Baht 51.60 million and Baht 148.92 million respectively, representing a decrease of Baht 97.32 million, or 65.35%. It comprised of prepaid expenses, accrued interest, deposits and bonds, accrued income, Revenue Department receivables, and other receivables. The Company recorded the allowance for doubtful debt in 2018 at Baht 20.76 million

since the repayment period exceeded 12 months. Certain debtors are in negotiation, requesting for extension for debt payment period and litigations. The detail of other receivable has been disclosed in the 2018 financial statements under section 9 “Trade and Other Receivables” on page 31-32.

Inventories

	2018	2017	Increase / (Decrease)	
(Unit: Million Baht)	Amount	Amount	Amount	%
Technology product distribution and consultation on information system design segment	-	-	-	-
Media segment	1.87	4.34	-2.47	-56.91
Distribution of tools and equipment, and providing project installation services for health and environment segment	1.68	1.98	-0.30	-15.15
	3.55	6.32	-2.77	-43.83

As at 31 December 2018 and 31 December 2017, the Company has total inventories amounting to Baht 3.55 million and Baht 6.32 million respectively, representing a decrease of Baht 2.77 million, or 43.83% from 2017. Baht 1.87 million was inventories of media segment, which are books and magazines. Baht 1.68 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 2018, media segment has Baht 1.87million of inventories, which are books and magazines, decrease from Baht 4.34 million in 2017, representing a decrease of Baht 2.47 million, or 56.91%. The sales volume is growing continuously with higher inventory turnover ratio.

For the year 2018, distribution of tools and equipment, and providing project installation services for health and environment segment has Baht 1.68 million of inventories, decrease from Baht 1.98 million in 2017, representing a decrease of Baht 0.30 million, or 15.15 %. These are tool and spare parts that required to be 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 2018 and 2017 are 22 days and 42 days respectively, or at the rate 16.38 times and 8.65 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 changing 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 2018, the Company has Baht 24.65 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 38.

In 2018, the Company increased its investment in Environmental Solution Integrator Co., Ltd.'s capital for Baht 80 million and recorded Baht 74.26 million in impairment of investment since Environmental Solution Integrator Co., Ltd.'s operating result as at 31 December 2018 shown the company continue to operate at loss. Considering the future return the Company may obtained from the investment and the said company's profitability, there is a tendency that the said company could not gain profit from its operation in the short time, although the operating result of Environmental Solution Integrator Co., Ltd. has improved from the previous year.

Property, Plant and Equipment

As at 31 December 2018 and 31 December 2017, the Company has property, plant and equipment amounting to Baht 168.24 million and Baht 208.86 million respectively, representing a decrease of Baht 40.62 million, or 19.45% from 2017. It is a result of depreciation in the value of assets, property, plant, and airing tools and equipment in the media segment.

Liabilities

As at 31 December 2018, the Company has Baht 969.89 million of total liabilities, which consisted of current liabilities amounting to Baht 952.43 million and non-current liabilities amounting to Baht 17.46 million, representing a decrease from 31 December 2017 at Baht 140.28 million, or 12.64%. The Company repaid the creditor from the private placement capital increase, the loan payable, and paid the trade accounts and other payable.

Shareholders' Equity

As at 31 December 2018, the Company has Baht 165.52 million of shareholders' equity, which consisted of 200,317,937,992 ordinary shares at the par value of Baht 1 per share. The issued and paid up capital consisted of 67,887,511,111 ordinary shares.

As at 31 December 2018, the Company's capital structure consisted of Baht 969.89 million of total liabilities and Baht 165.52 million of shareholders' equity. The debt to equity ratio is the ratio that show the Company's ability to repay long-term debt. For 2018, the company's debt to equity ratio increased from 4.12 times in 2017 to 5.86 times in 2018, represented a higher debt to equity ratio. It implied that the shareholders have a chance in receiving lower returns and the Company has financial risk. In 2018, the Company registered the increase in share capital with the Department of Business Development on 26 November 2018. The Company is sourcing the fund to repay the loan and to be used as working capital because the Company's working capital which financed from borrowing incurred lower financial cost than financing from the ordinary shares.

Liquidity and Adequacy of Capital

Analysis of Cash Flow

As at 31 December 2018 and 31 December 2017, the Company has net cash flow provided from and (used in) operating activities at Baht -17.27 million and Baht -330.85 million respectively. For net cash flow from investing activities in 2018; the Company has Baht -4.64 million of net cash flow provided from and (used in) investing activities. The Company received Baht 238.35 million from the release of obligated bank deposit, and Baht 6.60 million of interest income. The Company paid Baht 219.60 million for license to use the frequency for television service payable, and Baht 26.88 million of net cash flow provided from and (used in) financing activities. In 2018, the Company has cash inflow from receiving Baht 172.59 million of short-term loans from related person and other persons, and Baht 5.53 million of loans from other entities. It was used to repaid Baht 9.00 million to private placement capital increase payable, paid Baht 40.90 million of interest expenses, repaid Baht 26.65 million of short-term loan from related person and other persons, and Baht 53.01 million of loans from other entities and paid Baht 16.29 million for asset payable. In summary, for 2018 the Company's cash flow increased by Baht 4.97 million.

The Company's Liquidity

For 2018 and 2017, the Company has the liquidity ratios at 0.47 time and 0.61 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, 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 license to use the frequency for digital television service, the Company pledged the bank deposits as collateral for the entire amount.

Core factors and influences that may affect the future operation or financial position

1. Advertising on digital television media for the year 2019 has the tendency to improve. From 2018, the Office of The National Broadcasting and Telecommunications Commission issued the measures to help the broadcasters under the long-term survival plan in several areas such as subsidies for the terrestrial broadcasting network (MUX) rental fee, subsidies for the operation costs to uplink digital television broadcasts of must-carry public broadcasting services on satellite platforms, while the analog television broadcasters gradually ceased their services. The digital television broadcasters are increasing their competition on the marketing and advertising budgets. However, the alteration of consumer behaviour to paying more attention and spending more time with technology and online social media caused the digital television industry to adapt and struggle to keep up with the changes. The Group Companies set the priority on the new media business expansion, source new partnership, find channel to add value to the current contents, including the increment of sales via home shopping network and online media. These would respond to the consumers' growing need for the new media. The content can be share with the television media thus the current resources can be used effectively.

Furthermore, the Office of The National Broadcasting and Telecommunications Commission is considering the remedy measures for the digital television broadcasters in the event the 700MHz and 2600MHz bands are recall for reallocation, such as compensation, refund, or consideration at the rate of the last instalment of the minimum price or initial price, and 2 last instalments of the price exceeding the minimum price.

2. Annual Government Statement of Expenditure for 2019, which has already been approved by the parliament, would increase the business opportunity for the Company and its subsidiaries. Private enterprises and government sectors would conduct more transactions to support the expansion and development of the organizations in accordance with the targets and plans under the approved budgets, especially the government sectors, which currently are the Group Companies' major customer group. Nevertheless, the factors of the continuous delay on the disbursement on the government budget from the previous fiscal year to the present and the unsettled political situation are the key factors that greatly affecting the expansion to achieve the Company's targets. It is anticipated that after the general election in March 2019, the economic trend should be more predictable.

3. The business activities that previously focus solely on the software package development have been expanded to include the followings: providing information technology system integration service, providing specialized technology service, developing or sourcing the application programs to cover the demands set by the clients in both government sectors and private enterprises, selling or renting computers to large organization, developing software program for transmitting mobile contents, expanding the market

to digital contents market to develop 3-D animation or creating graphics using various graphic technology, and providing software linkage system for innovative integration. These expansions would open numerous business opportunity, covering the demands of customers and expand the customer target groups.

4. The Company and its subsidiaries hired a large number of staff with knowledge, abilities with experience and specialized skills, especially in software development, marketing and sales, and administration and management, to support the said expansion of business activities in fiercely competitive condition for the Company and its subsidiaries' business operations.

5. Sync Technologies Co., Ltd. (a subsidiary) and Environmental Solution Integrator Co., Ltd. imported the science tools and equipment that required control software to be programmed from overseas, such as car speed radars, air and emission monitoring instruments, water distribution controllers, glasses-free three-dimensional televisions. These tools and equipment are entering the market for distribution in Thailand. They will be market and distribute in the Indochina region by Sync Technologies Co., Ltd. (a subsidiary) and Environmental Solution Integrator Co., Ltd., therefore, it would also increase the chance to generate more revenue.

News Network CorporationPublic Company and its Subsidiaries

Balance Sheet

Unit : Baht

	2018 Baht	%	2017 Baht	%	2016 Baht	%
ASSETS						
CURRENT ASSETS						
Cash and Cash Equivalents	29,370,306	2.59%	24,398,721	2.15%	287,413,519	20.83%
Current Investments	-	0.00%	1,045	0.00%	3,889,033	0.28%
Bank Deposit Used as Collateral	234,972,000	20.69%	234,972,000	20.69%	258,512,000	22.77%
Trade and Other Current Receivables	154,642,160	13.62%	258,399,659	22.76%	187,094,210	13.56%
Unbilled Work in Progress	293,825	0.03%	305,960	0.03%	1,143,983	0.08%
Finance Lease Receivables Due within One Year	-	-	-	-	-	-
Short-term Loans to Related Companies	-	0.00%	-	0.00%	4,000,000	0.29%
Short-term Loans to Other Companies and Persons	-	0.00%	-	0.00%	37,829	0.00%
Short-term Loans to Employee	170,338	0.02%	318,344	0.03%	333,535	0.02%
Inventories	3,555,522	0.31%	6,317,576	0.56%	12,386,564	0.90%
Current Tax Assets	16,069,550	-	8,295,888	-	12,271,549	-
Non-Current Assets Held for Sale	4,506,482	-	-	-	-	-
Total Current Assets	443,580,182	39.07%	533,009,193	46.94%	767,082,222	55.60%
NON-CURRENT ASSETS						
Finance Lease Receivables	-	-	-	-	-	-
Bank Deposit Used as Collateral	13,426,988	1.18%	251,776,952	22.18%	488,228,618	35.39%
Investments in Subsidiaries	-	-	-	-	-	-
Investments in Joint Venture	-	0.00%	-	0.00%	-	-
Long-term Investments	153,894,300	13.55%	214,642,800	18.90%	499,033,350	36.17%
Assets-for-Rent	92,750	0.01%	175,622	0.02%	335,738	0.02%
Investment Property	-	0.00%	5,290,872	0.47%	5,806,088	0.42%
Equipment	168,234,575	14.82%	208,857,159	18.39%	223,487,773	16.20%
Goodwill	-	-	-	-	-	-
Intangible Assets	145,372,983	12.80%	125,014,569	11.01%	160,071,624	11.60%
License to Use the Frequency for Television Service	198,000,000	17.44%	-	0.00%	-	0.00%
Deferred Tax Asset	-	-	356,197	-	-	-
Other Non-Current Assets	12,805,394	1.13%	40,529,760	3.57%	34,348,679	2.49%
TOTAL NON-CURRENT ASSETS	691,826,991	60.93%	846,643,932	74.57%	1,411,311,870	102.29%
TOTAL ASSETS	1,135,407,173	100.00%	1,379,653,125	121.51%	2,178,394,091	157.89%
LIABILITIES AND SHAREHOLDERS' EQUITY						
CURRENT LIABILITIES						
Bank Overdrafts	-	0.00%	2,205,302	0.19%	149,912	0.01%
Factoring Payable	733,330	-	-	-	-	-
Trade and Other Current Payables	260,668,159	22.96%	277,276,949	24.42%	198,760,457	14.41%
Current Portion of License to Use the Frequency for Television Service Payable	216,178,776	19.04%	205,395,512	18.09%	216,807,384	15.71%
Current Portion of Liabilities under Finance Lease Agreements	722,417	0.06%	1,227,908	0.11%	1,105,118	0.08%
Short-term Loans from Related Persons	20,977,818	1.85%	13,465,638	1.19%	2,500,000	0.18%
Short-term Loans from Other Companies	156,542,721	-	204,744,278	-	198,863,863	-
Short-term Loans from Other Person	138,982,691	12.24%	1,300,000	0.11%	1,300,000	0.09%
Income Tax Payable	1,731,598	-	2,016,219	-	-	-
Provisions of Liabilities	1,889,130	0.17%	3,115,637	0.27%	3,059,989	0.22%
Provision in Joint Venture	-	0.00%	-	0.00%	26,590	-
Creditor from Capital Increase	154,000,000	13.56%	163,000,000	14.36%	465,600,000	-
TOTAL CURRENT LIABILITIES	952,426,643	83.88%	873,747,442	76.95%	1,088,173,314	78.87%
NON-CURRENT LIABILITIES						
License to Use the Frequency for Television Service Payable	-	0.00%	216,178,776	19.04%	421,574,287	30.56%
Finance Lease Agreements Liabilities	2,260,194	0.20%	1,871,493	0.16%	1,061,369	0.08%
Non-Current Provisions for Employee Benefit	14,658,038	1.29%	17,777,272	1.57%	13,830,664	1.00%
Deferred Tax Liabilities	544,117	0.05%	594,257	0.05%	703,940	0.05%
TOTAL NON-CURRENT LIABILITIES	17,462,350	1.54%	236,421,797	20.82%	437,170,261	31.69%
TOTAL LIABILITIES	969,888,992	85.42%	1,110,169,240	97.78%	1,525,343,575	110.56%

News Network CorporationPublic Company and its Subsidiaries

Balance Sheet

Unit : Baht

	2018	%	2016	%	2015	%
SHAREHOLDERS' EQUITY						
Share Capital						
Authorized Share Capital						
200,317,937,992 Ordinary Shares, par value of 1.00 Baht each	200,317,937,992	-	-	-	-	-
281,961,297,580 Ordinary Shares, par value of 1.00 Baht each	-	-	281,961,297,580	-	-	-
14,695,874,880 Ordinary Shares, par value of 5.00 Baht each	-	-	-	-	73,479,374,400	-
8,736,932,320 Ordinary Shares, par value of 5.00 Baht each	-	-	-	-	-	-
Issued and Paid-Up Share Capital						
67,887,511,111 Ordinary Shares, par value of 1.00 Baht each	67,887,511,111	-				
67,886,863,391 Ordinary Shares, par value of 1.00 Baht each	-	-	67,886,863,391	5979.08%	-	0.00%
6,292,021,080 Ordinary Shares, par value of 5.00 Baht each	-	0.00%	-		31,460,105,400	
Share Discount on Ordinary Shares	(62,784,553,330)	-4550.75%	(62,783,929,576)	-5529.64%	(26,830,723,462)	-1944.74%
Share Subscription Received in Advance	-	0.00%	-	0.00%	4,126	0.00%
Retained Earnings (Deficit)						
Appropriated						
Legal Reserve	2,790,000	0.20%	2,790,000	0.25%	2,790,000	0.20%
Retained Earnings (Deficit)	(4,247,700,377)	-307.88%	(3,983,903,607)	-350.88%	(3,416,169,390)	-247.61%
Other Components of Shareholders' Equity	(682,957,797)	-49.50%	(838,199,017)	-73.82%	(553,808,467)	-40.14%
TOTAL SHAREHOLDERS' EQUITY OF THE COMPANY	175,089,607	15.42%	283,621,191	24.98%	662,198,208	48.00%
Non-Controlling Interests	(9,571,426)	-0.84%	(14,137,306)	-1.25%	(9,147,691)	-0.66%
TOTAL SHAREHOLDERS' EQUITY	165,518,181	14.58%	269,483,885	23.73%	653,050,516	47.33%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,135,407,173	100.00%	1,379,653,125	121.51%	2,178,394,091	157.89%

News Network Corporation Public Company and its Subsidiaries

Statements of comprehensive income

Unit : Baht

	2018 Baht	%	2017 Baht	%	2016 Baht	%
Revenue from Sales and Services	592,344,833	100.00%	374,491,261	63.22%	277,774,866	74.17%
Revenue from Assets for Rent	-	0.00%	-	0.00%	468,000	0.12%
TOTAL REVENUES	592,344,833	100.00%	374,491,261	63.22%	278,242,866	74.30%
Cost of Sales and Services	(540,509,940)	-91.25%	(539,407,289)	-91.06%	(526,038,603)	-140.47%
Cost of Assets for Rent	-	0.00%	(115,040)	-0.02%	(309,163)	-0.08%
TOTAL COST	(540,509,940)	-91.25%	(539,522,328)	-91.08%	(526,347,766)	-140.55%
GROSS PROFIT(LOSS)	51,834,893	8.75%	(165,031,067)	-27.86%	(248,104,900)	-66.25%
Interest Income	5,754,825	0.97%	10,968,245	1.85%	16,717,928	4.46%
Reversal of Loss on Impairment of License to Use the Frequency for Television	198,000,000	33.43%	-	0.00%	-	0.00%
Other Income	60,448,588	10.20%	24,889,679	4.20%	52,532,641	14.03%
Selling and Service Expenses	(60,209,858)	-10.16%	(71,695,059)	-12.10%	(78,197,904)	-20.88%
Administrative Expenses	(214,026,788)	-36.13%	(220,086,697)	-37.16%	(180,703,788)	-48.25%
(Doubtful Debts and Bad Debts) Reversal	(13,053,975)	-2.20%	(1,843,164)	-0.31%	(43,069,051)	-11.50%
Loss on Impairment of Investments	(223,270,073)	-37.69%	-	0.00%	(71,719)	0.00%
Loss on Impairment of Goodwill	-	0.00%	-	0.00%	(2,002,493)	-0.53%
Loss on Impairment of License to Use the Frequency for Television Service	-	0.00%	-	0.00%	(953,903,800)	-3.43%
Finance Costs	(77,398,358)	-13.07%	(147,594,132)	-24.92%	(70,409,167)	-18.80%
Share of Profit (Loss) in Joint Venture	-	0.00%	-	0.00%	156,513	0.04%
PROFIT (LOSS) BEFORE INCOME TAXES (EXPENSES) REVENUES	(271,920,745)	-45.91%	(570,392,194)	-96.29%	(1,507,055,740)	-402.43%
Income Tax (Expense) Revenue	(1,738,768)	-0.29%	(2,355,658)	-0.40%	(22,264)	0.00%
PROFIT (LOSS) FOR THE YEAR	(273,659,513)	-46.20%	(572,747,853)	-96.69%	(1,507,078,004)	-402.43%
OTHER COMPREHENSIVE INCOME						
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	(56,248,500)	-9.50%	(284,390,550)	-48.01%	(163,795,350)	-43.74%
Reclassify of Realised Loss on Remeasurement to Profit or Loss	218,770,073	36.93%	-	0.00%	-	0.00%
Total components of other comprehensive income items that will be reclassified to profit or loss - net of income tax	162,521,573	27.44%	(284,390,550)	-48.01%	(163,795,350)	-43.74%
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	7,148,270	1.21%	24,020	0.00%	(3,216,577)	-0.86%
Total items that will not be subsequently reclassified to profit or loss - net of income tax	7,148,270	1.21%	24,020	0.00%	(3,216,577)	-0.86%
Total Components of other comprehensive income (expense) for the year - net of income tax	169,669,843	28.64%	(284,366,530)	-48.01%	(167,011,927)	-44.60%
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR	(103,989,670)	-17.56%	(857,114,382)	-144.70%	(1,674,089,931)	-447.03%
PROFIT (LOSS) ATTRIBUTABLE :						
Equity Holders of the Company	(270,647,585)	98.90%	(567,666,934)	207.44%	(1,502,245,941)	262.29%
Non-Controlling Interests	(3,011,928)	1.10%	(5,080,918)	1.86%	(4,832,063)	0.84%
PROFIT (LOSS) FOR THE YEAR	(273,659,513)	100.00%	(572,747,853)	209.29%	(1,507,078,004)	263.13%
TOTAL COMPREHENSIVE INCOME (EXPENSE) ATTRIBUTABLE :						
Equity holders of the Company	101,275,197	-97.39%	(852,124,767)	819.43%	(1,669,250,564)	194.75%
Non-Controlling Interests	2,714,473	-2.61%	(4,989,615)	4.80%	(4,839,367)	0.56%
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR	(103,989,670)	100.00%	(857,114,382)	824.23%	(1,674,089,931)	195.32%
BASIC EARNINGS (LOSS) PER SHARE	(0.00399)		(0.01771)		(0.04770)	

News Network Corporation Public Company and its Subsidiaries

Statement of cash flows

Unit : Baht

	2018	2017	2016
	Baht	Baht	Baht
CASH FLOW FROM OPERATING ACTIVITIES			
Profit (Loss) before Income Tax	(271,920,745)	(570,392,194)	(1,507,055,740)
Adjustment to Profit (Loss) before Income Taxes for Cash Received (Paid) from Operations			
Depreciation and Amortization	53,148,720	82,941,199	67,935,030
Deferred Gains from Sale and Lease Back	(163,551)	-	-
Amortization of License to Use the Frequency for Television Service	-	-	77,475,498
(Reversal of) Doubtful Debts-Trade and Other Current Receivables	13,008,936	236,308	12,688,149
(Reversal of) Doubtful Debts-Financial Lease Receivables	-	-	-
(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
(Reversal of) Doubtful Debts-Short-term Loans to Employee	-	6,000	-
Doubtful Debts-Other Non-Current Assets	-	839,527	97,800
Bad Debts	45,039	-	6,206,601
Written-off Revenue Department Receivables to Expense	748,033	-	-
Written-off Withholding Tax to Expense	988,675	1,972,365	2,312,113
Written-off Other Non-Current Assets to Expense	629,205	-	-
(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	255,898	3,678,354	1,866,657
Loss from Damaged/Lost Inventories	-	-	25,973
Transfer Inventories to Expense	-	-	445,294
Loss on Impairment of Investments	-	-	-
(Gain) from Selling of Securities	-	-	71,719
Loss on Impairment of Long-term Investments	223,270,073	-	-
Written-off Investment to Expense	-	-	-
Share of (Profit) Loss in Joint Venture	-	-	(156,513)
Loss on Written-off Assets	326,177	312,780	2,540,424
Loss on Written-off Assets-for-Rent	2	3	268
Loss on Impairment of Goodwill	-	-	2,002,493
(Gain) Loss on Sale of Fixed Assets	1,330,806	90,465	34,126
(Gain) Loss on Sale of Assets-for-Rent	-	-	-
Loss on Impairment of Intangible Assets	360,495	-	582,872
Loss on Impairment of License to Use the Frequency for Television Service	132,820	-	953,903,800
(Reversal of) Loss on Impairment of License to Use the Frequency for Television Service	(198,000,000)	-	-
Transfer Fixed Assets to Expense	-	32,000	24,000
(Gain) Loss on Unrealized Exchange Rate	36,669	(4,496)	2,755
Provisions of Liabilities	(1,226,507)	55,649	973,332
(Reversal of) Provisions of Liabilities in Joint Venture	-	(26,590)	-
Transfer Accrued Expense to Revenue	(3,004,030)	-	-
Transfer Accrued Income Tax to Revenue	(341,670)	-	-
Employee Benefit Obligation	4,029,036	4,131,436	3,377,807
Deferred Interest of License to Use the Frequency for Television Service	14,204,488	24,792,616	35,607,236
Letter of Guarantee Fee	3,816,238	5,804,573	8,365,381
Amortized Transaction Cost	41,600	1,136,137	4,873,863
Dividend Income	-	(147,000)	(12,368,050)
Interest Income	(5,754,825)	(10,968,245)	(16,717,928)
Interest Expense	59,336,032	115,860,806	21,562,688
Profit (Loss) from Operation Activities before Changes in Operating Assets and Liabilities	(104,702,387)	(339,686,901)	(309,575,853)
(Increase) Decrease in Operating Assets			
Current Investment in Trading Securities	-	4,687,910	(14)
Current Investments	1,045	-	-
Trade and Other Current Receivables	35,439,725	(77,339,830)	(58,564,143)
Unbilled Work in Progress	12,135	838,023	(51,683)
Short-term Loans to Employee	148,007	9,191	(29,655)
Inventories	2,506,157	2,390,634	(451,021)
Other Non-Current Assets	5,245,940	1,090,117	(3,818,956)
Increase (Decrease) in Operating Liabilities			
Trade and Other Current Payables	(18,544,314)	73,835,826	(10,225,314)
Provisions of Liabilities	-	-	(578,642)
Non-Current Provisions for Employee Benefit	-	-	(1,237,248)
	(79,893,693)	(334,175,031)	(384,532,529)

News Network Corporation Public Company and its Subsidiaries

Statement of cash flows

Unit : Baht

	2018 Baht	2017 (Baht)	2016 (Baht)
CASH FLOW FROM OPERATING ACTIVITIES (CONTINUOUS)			
Interest Income Received	575,160	10,015,382	13,932,144
Withholding Tax Received	82,143,718	2,208,458	-
Tax Refund Received	-	-	-
Withholding Tax Paid	(20,097,589)	(8,901,344)	(12,271,549)
NET CASH PROVIDED FROM (USED IN) OPERATING ACTIVITIES	(17,272,405)	(330,852,534)	(382,871,934)
CASH FLOW FROM INVESTING ACTIVITIES			
(Increase) Decrease in Deposit at Bank Used as Collateral	238,349,964	259,991,666	256,777,946
Cash Received from Selling of Available-for-Sale Investments	-	-	-
Cash Received from Dividend Income	-	147,000	12,368,050
Cash Payment for Short-term Loans to Related Companies	-	(2,000,000)	(6,300,000)
Cash Received from Short-term Loans to Related Companies	-	6,000,000	2,300,000
Cash Payment for Short-term Loans to Other Company and Persons	-	-	-
Cash Received from Short-term Loans to Other Companies and Person	-	76,500	35,399
Cash Payment for Investment in Subsidiary Companies	-	-	-
Cash Payment for Investment in Joint Venture	-	-	-
Cash Received from Investment in Joint Venture	-	-	1,549,177
Cash Payment for Purchase of Fixed Assets	(6,255,485)	(22,184,631)	(10,191,304)
Cash Received from Disposal of Fixed Assets	1,900,631	48,583	46,287
Cash Received from Disposal of Assets-for-Rent	-	-	-
Cash Payment for Purchase of Intangible Assets	(25,629,566)	(2,956,755)	(130,459,527)
Cash Payment for License to Use the Frequency for Television Service	(219,600,000)	(241,600,000)	(241,600,000)
Cash Received from Interest Income	6,599,294	224,956	341,918
NET CASH PROVIDED FROM (USED IN) INVESTING ACTIVITIES	(4,635,161)	(2,252,681)	(115,132,054)
CASH FLOW FROM FINANCING ACTIVITIES			
Increase (Decrease) in Bank Overdrafts	(2,205,302)	2,055,389	(330,975)
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 Factoring Payables	5,528,144	-	-
Cash Paid from Factoring Payables	(4,794,813)	-	-
Cash Received from Short-term Loan from Related Persons	21,590,000	46,500,000	-
Cash Payment from Short-term Loan from Related Persons	(13,990,000)	(35,500,000)	-
Cash Received from Short-term Loan from Other Companies	-	118,000,000	295,000,000
Cash Payment for Short-term Loan from Other Company	(48,212,741)	(113,244,538)	(95,000,000)
Cash Received from Short-term Loan from Other Persons	151,000,000	-	-
Cash Paid for Short-term Loan from Other Persons	(12,657,589)	-	-
Cash Payment for Transaction Costs	(41,600)	-	(6,010,000)
Cash Payment for Fixed Asset Account Payable	(16,286,001)	(36,442,287)	-
Cash Payment for Liabilities under Finance Lease Agreements	(1,172,846)	(1,281,816)	(1,456,937)
Cash Received from Issuance of Ordinary Shares	23,966	473,547,751	-
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	(9,000,000)	(302,600,000)	-
Cash Payment for Interest Expense	(42,902,066)	(80,944,082)	(21,540,699)
NET CASH PROVIDED FROM (USED IN) FINANCING ACTIVITIES	26,879,151	70,090,417	636,515,523
NET CASH AND CASH EQUIVALENTS INCREASE (DECREASE)	4,971,585	(263,014,798)	138,511,535
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	24,398,721	287,413,519	148,901,984
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	29,370,306	24,398,721	287,413,519

News Network CorporationPublic Company Limited and its Subsidiaries

Financial Ratios

Unit : Baht

	Unit	2018	2017	2016
Liquidity Ratio				
Current Ratio	times	0.47	0.61	0.70
Quick Ratio	times	0.46	0.60	0.48
Account Receivable Turnover	times	2.87	1.68	1.41
Average Collection Period	days	127	217	258
Inventory Turnover	times	16.38	8.65	4.46
Average Carrying Period or Inventory's Days	days	22	42	81
Payable Turnover	times	2.01	2.27	2.80
Payable Payment Period	days	181	162	130
Cash Cycle	days	-32	98	210
Profitability Ratio				
Gross Profit Margin or Gross Profit Rate	%	8.75	-44.07	-89.17
Operating Profit Margin or Operating Profit Rate	%	-32.84	-112.90	-516.33
Net Profit Margin	%	-46.20	-153.94	-541.64
Return on Equity (ROE)	%	-165.34	-212.54	-230.77
Efficiency Ratio				
Return on Assets (ROA)	%	-24.10	-41.51	-69.18
Return on Fixed Assets	%	-162.67	-274.23	-674.34
Total Asset Turnover	times	0.52	0.27	0.13
Leverage Ratio or Financial Ratio				
Debt to Equity Ratio	times	5.86	4.12	2.34
Interest Coverage Ratio	times	2.51	2.86	20.40
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 financial statements of News Network Corporation Public Company Limited and its subsidiaries (the Group), and separate financial statements of News Network Corporation Public Company Limited (The Company), which comprise the consolidated and separate statements of financial position as at 31 December 2018, 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 financial position of News Network Corporation Public Company Limited and its subsidiaries and separate financial position of News Network Corporation Public Company Limited as at 31 December 2018, 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.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. 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 Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate financial statements, 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 2018, the Group and the Company had net loss in amount of Baht 273.66 million, and Baht 585.77 million, respectively, and as at 31 December 2018, the Group and the Company had current liabilities exceeded its current assets by Baht 508.85 million, and Baht 140.37 million, respectively. 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.

Valuation of loan to subsidiaries

The Company provided loans to several subsidiaries. In the notes to the financial statements No. 43.3 of the separate financial statements as at 31 December 2018, the Company has loans to subsidiaries at Baht 1,638.59 million and allowance for doubtful debt at Baht 1,516.69 million. The said loans meant to be used in working capital and the subsidiaries still obtaining loss from the operation result. The loan receivable is shown at net realizable value, which depends on the reasonableness of the allowance for doubtful debt. The estimate of the allowance for doubtful debt for loan receivable required related management judgment to predict the subsidiaries' future debt payment abilities. Therefore, the valuation of the loan to subsidiaries is significant risk to the audit and this is focus area in my audit.

Therefore, my audit procedures have included obtain an understanding of the process in determining the management policy for considering the net realizable value of loan receivable, assess the reasonableness of the consideration method and significant assumption the management applied in setting the allowance for doubtful debt, consider loan repayment ability and the debt payment for the loan receivable made after the end of the accounting period.

Valuation of license to use the frequency for television service

In the notes to the financial statements No. 23 of the consolidated financial statements, the Group has license to use the frequency for television service. The management has modified the business plan and reorganizes the business structure of the Group. Therefore, the management performs assessing of the recoverable amount of license to use the frequency for television service. The process in assessing of the recoverable amount of license to use the frequency for television service was based on its value in use by calculating from discounted the Group's the estimate future cash flow to be generated from the continuing use of license to use the frequency for television service. The said assessment have significant assumption that required the managements' high judgmental in prediction of the revenues, expenses, revenue growth rate, estimate future cash flow and the determination of the discount rate. The change in the assumption may result in the material change in estimate future cash flow. Therefore, this is significant risk to the audit and this is focus area in my audit used to estimate future cash flow.

Therefore, my audit procedures have included assessment of the reasonableness of the method in preparing the Group estimate of cash flow, test significant information applied in the calculation of the estimate future cash flow, and assess the appropriateness of the management's assumption regarding the prediction of the revenues, expense, revenue growth rate, including the discounted rate for performing estimate future cash flow.

Other Information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance in order to those charged with governance for correction of the material misstatement.

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

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group 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 the 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's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

(Miss Waraporn Intaraprasit)

Certified Public Accountant, Registration No. 7881

CWWP Company Limited

Bangkok,

27 February 2019

NEWS NETWORK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

As at 31 December 2018

	Note	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		31 December 2018	31 December 2017	31 December 2018	31 December 2017
		Baht	Baht	Baht	Baht
ASSETS					
CURRENT ASSETS					
Cash and Cash Equivalents	7	29,370,305.63	24,398,720.67	2,000,359.60	5,812,297.08
Current Investments	8	-	1,044.72	-	-
Bank Deposit Used as Collateral	23.1	234,972,000.00	234,972,000.00	-	-
Trade and Other Current Receivables	9	154,642,159.88	258,419,658.93	21,869,468.21	106,971,837.40
Unbilled Work in Progress	10	293,825.44	305,960.08	293,825.44	305,960.08
Finance Lease Receivables Due within One Year	11	-	-	-	-
Short-term Loans to Related Companies	43.3	-	-	121,900,000.00	303,380,620.45
Short-term Loans to Other Companies and Persons	12	-	-	-	-
Short-term Loans to Employee		170,337.79	318,344.45	159,337.79	282,316.29
Inventories	13	3,555,521.58	6,317,576.09	-	-
Current Tax Assets		16,069,549.56	8,295,888.03	792,720.48	294,360.24
Non-Current Assets Held for Sale	19	4,506,481.94	-	4,506,481.94	-
TOTAL CURRENT ASSETS		443,580,181.82	533,029,192.97	151,522,193.46	417,047,391.54
NON-CURRENT ASSETS					
Finance Lease Receivables	11	-	-	-	-
Bank Deposit Used as Collateral	14	13,426,988.27	251,776,951.97	1,447,588.20	2,667,655.94
Investments in Subsidiaries	15	-	-	24,652,760.00	55,299,760.00
Long-term Investments	17	153,894,300.00	214,642,800.00	153,894,300.00	214,642,800.00
Assets-for-Rent	18	92,750.20	175,622.29	44.93	46.93
Investment Property	19	-	5,290,871.98	-	5,290,871.98
Equipment	20	168,234,574.82	208,857,159.11	3,112,615.65	2,077,428.02
Goodwill	21	-	-	-	-
Intangible Assets	22	145,372,983.24	125,014,569.15	15,966.76	59,479.13
License to Use the Frequency for Television Service	23.1	198,000,000.00	-	-	-
Deferred Tax Asset	24	-	356,197.40	-	-
Other Non-Current Assets		12,805,394.29	40,509,759.66	5,551,437.44	4,791,163.90
TOTAL NON-CURRENT ASSETS		691,826,990.82	846,623,931.56	188,674,712.98	284,829,205.90
TOTAL ASSETS		1,135,407,172.64	1,379,653,124.53	340,196,906.44	701,876,597.44

NEWS NETWORK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

As at 31 December 2018

	Note	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		31 December 2018	31 December 2017	31 December 2018	31 December 2017
		Baht	Baht	Baht	Baht
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank Overdrafts		-	2,205,301.57	-	-
Factoring Payable	9	733,330.40	-	-	-
Trade and Other Current Payables	26	260,668,159.45	277,276,949.01	87,023,395.20	65,081,387.39
Current Portion of License to Use the Frequency for					
Television Service Payable	23.2	216,178,775.95	205,395,511.55	-	-
Current Portion of Liabilities under Finance Lease Agreements	30	722,417.38	1,227,908.09	-	129,175.92
Short-term Loans from Related Persons	43.3	20,977,818.33	13,465,637.69	-	-
Short-term Loans from Other Companies	27	156,542,721.38	204,744,278.34	-	-
Short-term Loans from Other Persons	28	138,982,691.23	1,300,000.00	48,982,691.23	-
Income Tax Payable		1,731,598.13	2,016,218.88	-	-
Short-term Provisions of Liabilities	31	1,889,130.29	3,115,637.24	1,889,130.29	3,115,637.24
Creditor from Capital Increase	29	154,000,000.00	163,000,000.00	154,000,000.00	163,000,000.00
TOTAL CURRENT LIABILITIES		952,426,642.54	873,747,442.37	291,895,216.72	231,326,200.55
NON-CURRENT LIABILITIES					
License to Use the Frequency for Television Service Payable	23.2	-	216,178,775.95	-	-
Liabilities Under Finance Lease Agreements	30	2,260,194.05	1,871,493.14	-	-
Non-Current Provisions for Employee Benefit	32	14,658,038.22	17,777,271.54	6,468,075.00	5,715,333.00
Deferred Tax Liabilities	24	544,117.26	594,256.64	-	-
TOTAL NON-CURRENT LIABILITIES		17,462,349.53	236,421,797.27	6,468,075.00	5,715,333.00
TOTAL LIABILITIES		969,888,992.07	1,110,169,239.64	298,363,291.72	237,041,533.55
SHAREHOLDERS' EQUITY					
Share Capital	33				
Authorized Share Capital					
200,317,937,992 Ordinary Shares, par value of 1.00 Baht each		200,317,937,992.00	-	200,317,937,992.00	-
281,961,297,580 Ordinary Shares, par value of 1.00 Baht each		-	281,961,297,580.00	-	281,961,297,580.00
Issued and Paid-Up Share Capital					
67,887,511,111 Ordinary Shares, par value of 1.00 Baht each		67,887,511,111.00	-	67,887,511,111.00	-
67,886,863,391 Ordinary Shares, par value of 1.00 Baht each		-	67,886,863,391.00	-	67,886,863,391.00
Share Discount on Ordinary Shares		(62,784,553,330.43)	(62,783,929,576.07)	(62,784,553,330.43)	(62,783,929,576.07)
Retained Earnings (Deficit)					
Appropriated					
Legal Reserve		2,790,000.00	2,790,000.00	2,790,000.00	2,790,000.00
Retained Earnings (Deficit)		(4,247,700,377.09)	(3,983,903,606.99)	(4,398,170,670.02)	(3,812,623,682.09)
Other Components of Shareholders' Equity		(682,957,796.59)	(838,199,016.81)	(665,743,495.83)	(828,265,068.95)
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		175,089,606.89	283,621,191.13	41,833,614.72	464,835,063.89
Non-Controlling Interests	16	(9,571,426.32)	(14,137,306.24)	-	-
TOTAL SHAREHOLDERS' EQUITY		165,518,180.57	269,483,884.89	41,833,614.72	464,835,063.89
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,135,407,172.64	1,379,653,124.53	340,196,906.44	701,876,597.44

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

NEWS NETWORK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 31 December 2018

	Note	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		31 December 2018	31 December 2017	31 December 2018	31 December 2018
		Baht	Baht	Baht	Baht
Revenue from Sales and Services		592,344,832.76	374,491,261.38	4,779,613.25	1,142,434.56
Revenue from Assets for Rent		-	-	189,520.00	507,570.00
TOTAL REVENUES		592,344,832.76	374,491,261.38	4,969,133.25	1,650,004.56
Cost of Sales and Services		(540,509,939.92)	(539,407,288.53)	(3,475,857.16)	(544,766.71)
Cost of Assets for Rent		-	(115,039.80)	-	(115,039.80)
TOTAL COSTS		(540,509,939.92)	(539,522,328.33)	(3,475,857.16)	(659,806.51)
GROSS PROFIT(LOSS)		51,834,892.84	(165,031,066.95)	1,493,276.09	990,198.05
Interest Income		5,754,825.47	10,968,245.38	82,403,105.72	77,174,771.58
Reversal of Loss on Impairment of License to Use the Frequency for Television Service	23.1	198,000,000.00	-	-	-
Other Income		60,448,588.47	24,889,678.98	4,203,545.05	4,749,220.12
Selling and Service Expenses		(60,209,858.41)	(71,695,058.95)	(1,950,853.92)	(1,954,464.07)
Administrative Expenses		(214,026,787.73)	(220,086,696.96)	(54,186,336.60)	(50,314,256.34)
Doubtful Debts and Bad Debts		(13,053,974.63)	(1,843,164.03)	(260,145,987.47)	(113,213,093.98)
Loss on Impairment of Investments in Subsidiary		-	-	(110,647,000.00)	(40,700,000.00)
Loss on Impairment of Long-term Investments		(223,270,073.12)	-	(223,270,073.12)	-
Finance Costs		(77,398,357.96)	(147,594,131.78)	(23,670,521.68)	(86,593,044.62)
PROFIT (LOSS) BEFORE INCOME TAX EXPENSE		(271,920,745.07)	(570,392,194.31)	(585,770,845.93)	(209,860,669.26)
Income Tax (Expense) Revenue	38	(1,738,767.67)	(2,355,658.36)	-	-
PROFIT (LOSS) FOR THE YEAR		(273,659,512.74)	(572,747,852.67)	(585,770,845.93)	(209,860,669.26)
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 Tax		(56,248,500.00)	(284,390,550.00)	(56,248,500.00)	(284,390,550.00)
Reclassify of Realised Loss on Remeasurement to Profit or Loss		218,770,073.12	-	218,770,073.12	-
Total Components of Other Comprehensive Income items that will be Reclassified to Profit or Loss		162,521,573.12	(284,390,550.00)	162,521,573.12	(284,390,550.00)
Components of Other Comprehensive Income that will not be Reclassified to Profit or Loss					
Gain (Loss) on Remeasurement of Defined Benefit Plans - Net of Tax		7,148,269.66	24,020.40	223,858.00	(2,711,296.00)
Total Components of Other Comprehensive Income that will not be Reclassified to Profit or Loss		7,148,269.66	24,020.40	223,858.00	(2,711,296.00)
Total Components of Other Comprehensive Income (Expense) for the Year - Net of Tax		169,669,842.78	(284,366,529.60)	162,745,431.12	(287,101,846.00)
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR		(103,989,669.96)	(857,114,382.27)	(423,025,414.81)	(496,962,515.26)
PROFIT (LOSS) ATTRIBUTABLE TO:					
Equity Holders of the Company		(270,647,584.93)	(567,666,934.43)		
Non-Controlling Interests		(3,011,927.81)	(5,080,918.24)		
PROFIT (LOSS) FOR THE YEAR		(273,659,512.74)	(572,747,852.67)		
TOTAL COMPREHENSIVE INCOME (EXPENSE) ATTRIBUTABLE TO:					
Equity Holders of the Company		(101,275,196.98)	(852,124,767.23)		
Non-Controlling Interests		(2,714,472.98)	(4,989,615.04)		
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR		(103,989,669.96)	(857,114,382.27)		
BASIC EARNINGS (LOSS) PER SHARE	34	(0.00399)	(0.01771)	(0.00863)	(0.00655)

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 2018

CONSOLIDATED FINANCIAL STATEMENTS

Note	Retained Earnings (Deficit)					Other Components of Shareholders' Equity			Equity Attributable to Owners of the Company	Non-Controlling Interests	Total
	Issued and Paid-up Share Capital	Share Discount on Ordinary Shares	Share Subscription Received in Advance	Appropriated Legal Reserve	Unappropriated	Other Comprehensive Income (Expense)					
						Gains (Loss) on Remeasurement of Available- for-Sale Investments-Net of 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 2017	31,460,105,400.00	(26,830,723,462.00)	4,126.20	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	33	36,426,757,991.00	(35,953,206,114.07)	(4,126.20)	-	-	-	-	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)	(4,126.20)	-	-	-	-	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)	(4,126.20)	-	-	-	-	473,547,750.73	-	473,547,750.73
Total 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
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)
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)
Balance as at 1 January 2018		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)
Transactions with owners											
Contributions by and distributions to owners of the Company											
Issuance of additional ordinary shares	33	647,720.00	(623,754.36)	-	-	-	-	-	23,965.64	-	23,965.64
Total contributions by and distributions to owners of the Company		647,720.00	(623,754.36)	-	-	-	-	-	23,965.64	-	23,965.64
Changes in ownership interest without a change in control											
Decrease non-controlling interests without a change in control	15	-	-	-	-	-	(7,280,352.90)	(7,280,352.90)	(7,280,352.90)	7,280,352.90	-
Total Changes in Ownership Interest without a Change in Control		-	-	-	-	-	(7,280,352.90)	(7,280,352.90)	(7,280,352.90)	7,280,352.90	-
Total transactions with owners of the Company		647,720.00	(623,754.36)	-	-	-	(7,280,352.90)	(7,280,352.90)	(7,256,387.26)	7,280,352.90	23,965.64
Total Comprehensive income (expense) for the year											
Profit (loss) for the year		-	-	-	-	(270,647,584.93)	-	-	(270,647,584.93)	(3,011,927.81)	(273,659,512.74)
Other comprehensive income (expense) for the year		-	-	-	-	6,850,814.83	162,521,573.12	-	162,521,573.12	169,372,387.95	169,669,842.78
Total comprehensive income (expense) for the year		-	-	-	-	(263,796,770.10)	162,521,573.12	-	162,521,573.12	(101,275,196.98)	(103,989,669.96)
Balance as at 31 December 2018		67,887,511,111.00	(62,784,553,330.43)	-	2,790,000.00	(4,247,700,377.09)	(665,743,495.83)	(17,214,300.76)	(682,957,796.59)	175,089,606.89	(9,571,426.32)

NEWS NETWORK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 December 2018

SEPARATE FINANCIAL STATEMENTS

	Note	Issued and	Share Discount on	Share Subscription	Retained Earnings (Deficit)		Other Components of Shareholders' Equity	Total
		Paid-up	Ordinary Shares	Received in	Appropriated	Unappropriated	Gains (Loss) on	
		Share Capital		Advance	Legal Reserve		Remeasurement of Available- for-Sale Investments-Net of Tax	
		Baht	Baht	Baht	Baht	Baht	Baht	Baht
Balance as at 1 January 2017		31,460,105,400.00	(26,830,723,462.00)	4,126.20	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	33	36,426,757,991.00	(35,953,206,114.07)	(4,126.20)	-	-	-	473,547,750.73
Total contributions by and distributions to owners of the Company		36,426,757,991.00	(35,953,206,114.07)	(4,126.20)	-	-	-	473,547,750.73
Total transactions with owners of the Company		36,426,757,991.00	(35,953,206,114.07)	(4,126.20)	-	-	-	473,547,750.73
Total 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		<u>67,886,863,391.00</u>	<u>(62,783,929,576.07)</u>	<u>-</u>	<u>2,790,000.00</u>	<u>(3,812,623,682.09)</u>	<u>(828,265,068.95)</u>	<u>464,835,063.89</u>
Balance as at 1 January 2018								
		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
Transactions with owners								
Contributions by and distributions to owners of the Company								
Issuance of additional ordinary shares	33	647,720.00	(623,754.36)	-	-	-	-	23,965.64
Total contributions by and distributions to owners of the Company		647,720.00	(623,754.36)	-	-	-	-	23,965.64
Total transactions with owners of the Company		647,720.00	(623,754.36)	-	-	-	-	23,965.64
Total Comprehensive income (expense) for the year								
Profit (loss) for the year		-	-	-	-	(585,770,845.93)	-	(585,770,845.93)
Other comprehensive income (expense) for the year		-	-	-	-	223,858.00	162,521,573.12	162,745,431.12
Total comprehensive income (expense) for the year		-	-	-	-	(585,546,987.93)	162,521,573.12	(423,025,414.81)
Balance as at 31 December 2018		<u>67,887,511,111.00</u>	<u>(62,784,553,330.43)</u>	<u>-</u>	<u>2,790,000.00</u>	<u>(4,398,170,670.02)</u>	<u>(665,743,495.83)</u>	<u>41,833,614.72</u>

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

NEWS NETWORK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

For the year ended 31 December 2018

	CONSOLIDATED		SEPARATE		
	Note	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht	
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit (Loss) before Income Tax Expense	(271,920,745.07)	(570,392,194.31)	(585,770,845.93)	(209,860,669.26)	
Adjustment to Profit (Loss) before Income Tax Expense for Cash Received (Paid) from Operations					
Depreciation and Amortization	53,148,719.91	82,941,198.61	2,112,065.19	1,845,563.96	
Deferred Gains from Sale and Lease Back	(163,550.81)	-	-	-	
Doubtful Debts-Trade and Other Current Receivables	13,008,935.83	236,307.96	109,777,654.69	613,093.98	
Doubtful Debts-Short-term Loans to Related Companies	-	-	150,368,332.78	112,600,000.00	
Doubtful Debts-Short-term Loans to Other Companies and Persons	-	761,328.80	-	-	
Doubtful Debts-Short-term Loans to Employee	-	6,000.00	-	-	
Doubtful Debts-Other Non-Current Assets	-	839,527.27	-	-	
Bad Debts	45,038.80	-	-	-	
Written-off Revenue Department Receivables to Expense	748,032.64	-	-	-	
Written-off Withholding Tax to Expense	988,674.54	1,972,365.22	-	425,920.88	
Written-off Other Non-Current Assets to Expense	629,205.27	-	629,205.27	-	
(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)	-	(712,000.00)	
Loss from Declining in Value of Inventories	255,897.94	3,678,354.04	-	-	
Loss on Impairment of Investments in Subsidiaries	-	-	110,647,000.00	40,700,000.00	
Loss on Impairment of Long-term Investments	223,270,073.12	-	223,270,073.12	-	
Written-off Investment to Expense	-	-	-	180.00	
Loss on Written-off Assets	326,176.74	312,780.20	5.00	-	
Loss on Written-off Assets-for-Rent	2.00	3.00	-	-	
(Gain) Loss on Sale of Fixed Assets	1,330,805.69	90,464.92	(7,999.00)	(1,999.00)	
(Gain) Loss on Sale of Assets-for-Rent	-	-	(9,998.00)	(17,997.00)	
Loss on Impairment of Equipment	360,495.36	-	-	-	
Loss on Impairment of Intangible Assets	132,820.03	-	-	-	
(Reversal of) Loss on Impairment of License to Use the Frequency for Television Service	(198,000,000.00)	-	-	-	
Transfer Fixed Assets to Expense	-	32,000.00	-	-	
(Gain) Loss on Unrealized Exchange Rate	36,668.60	(4,495.78)	-	-	
(Reversal of) Provisions of Liabilities	(1,226,506.95)	55,648.50	(1,226,506.95)	119,146.82	
(Reversal of) Provisions of Liabilities in Joint Venture	-	(26,590.29)	-	-	
Transfer Accrued Expense to Revenue	(3,004,029.57)	-	-	-	
Transfer Accrued Income Tax to Revenue	(341,670.13)	-	-	-	
Employee Benefit Obligation	4,029,036.34	4,131,435.63	976,600.00	479,579.00	
Deferred Interest of License to Use the Frequency for Television Service	14,204,488.45	24,792,615.85	-	-	
Letter of Guarantee Fee	3,816,237.82	5,804,573.12	-	-	
Amortized Transaction Cost	41,600.00	1,136,136.99	-	-	
Dividend Income	-	(147,000.00)	-	(147,000.00)	
Interest Income	(5,754,825.47)	(10,968,245.38)	(82,403,105.72)	(77,174,771.58)	
Interest Expense	59,336,031.69	115,860,805.82	23,670,521.68	86,593,044.62	
Profit (Loss) from Operation Activities before Changes in Operating Assets and Liabilities	(104,702,387.23)	(339,686,900.83)	(47,966,997.87)	(44,625,828.58)	

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

NEWS NETWORK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

For the year ended 31 December 2018

	CONSOLIDATED			SEPARATE	
	Note	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		31 December 2018	31 December 2017	31 December 2018	31 December 2017
		Baht	Baht	Baht	Baht
(Increase) Decrease in Operating Assets					
Current Investment in Trading Securities		-	4,687,909.71	-	4,687,921.00
Current Investments		1,044.72	-	-	-
Trade and Other Current Receivables		35,439,725.48	(77,339,829.56)	65,324.16	(1,745,511.54)
Unbilled Work in Progress		12,134.64	838,023.00	12,134.64	838,023.00
Short-term Loans to Employee		148,006.66	9,190.50	122,978.50	(39,639.38)
Inventories		2,506,156.57	2,390,633.55	-	-
Other Non-Current Assets		5,245,939.60	1,090,117.28	1,557,261.20	(278,620.00)
Increase (Decrease) in Operating Liabilities					
Trade and Other Current Payables		(18,544,313.73)	73,835,825.64	3,948,615.19	11,346,207.27
Cash Received (Paid) from Operation Activities		(79,893,693.29)	(334,175,030.71)	(42,260,684.18)	(29,817,448.23)
Cash Received from Interest Income		575,159.77	10,015,382.48	22,464.99	204,864.53
Cash Received from Tax Refund and Value Added Tax		82,143,717.84	2,208,458.12	-	2,146,854.77
Cash Paid for Income Tax		(20,097,589.42)	(8,901,343.58)	(3,445,100.07)	(294,360.25)
NET CASH PROVIDED FROM (USED IN) OPERATING ACTIVITIES		(17,272,405.10)	(330,852,533.69)	(45,683,319.26)	(27,760,089.18)
CASH FLOWS FROM INVESTING ACTIVITIES					
(Increase) Decrease in Deposit at Bank Used as Collateral		238,349,963.70	259,991,665.63	1,220,067.74	1,161,579.31
Cash Received from Dividend Income		-	147,000.00	-	147,000.00
Cash Paid for Short-term Loans to Related Companies		-	(2,000,000.00)	(57,900,000.00)	(343,900,000.00)
Cash Received from Short-term Loans to Related Companies		-	6,000,000.00	139,012,287.67	11,500,000.00
Cash Received from Short-term Loans to Other Companies and Persons		-	76,500.00	-	-
Cash Paid for Investment in Subsidiary		-	-	(80,000,000.00)	-
Cash Paid for Purchase of Equipment		(6,255,484.65)	(22,184,630.67)	(16,728.97)	(1,092,166.66)
Cash Received from Disposal of Equipment		1,900,631.23	48,583.18	8,000.00	2,000.00
Cash Received from Disposal of Assets-for-Rent		-	-	10,000.00	18,000.00
Cash Paid for Purchase of Intangible Assets		(25,629,565.73)	(2,956,755.44)	-	-
Cash Paid for License to Use the Frequency for Television Service		(219,600,000.00)	(241,600,000.00)	-	-
Cash Received from Interest Income		6,599,294.22	224,955.90	56,371,161.89	12,793,300.59
NET CASH PROVIDED FROM (USED IN) INVESTING ACTIVITIES		(4,635,161.23)	(2,252,681.40)	58,704,788.33	(319,370,286.76)

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

NEWS NETWORK CORPORATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

For the year ended 31 December 2018

	Note	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		31 December 2018	31 December 2017	31 December 2018	31 December 2017
		Baht	Baht	Baht	Baht
CASH FLOWS FROM FINANCING ACTIVITIES					
Increase (Decrease) in Bank Overdrafts		(2,205,301.57)	2,055,389.08	-	-
Cash Received from Short-term Loan from Financial Institution		-	258,512,000.00	-	-
Cash Paid for Short-term Loan from Financial Institution		-	(258,512,000.00)	-	-
Cash Received from Factoring Payables		5,528,143.84	-	-	-
Cash Paid from Factoring Payables		(4,794,813.44)	-	-	-
Cash Received from Short-term Loan from Related Persons		21,590,000.00	46,500,000.00	-	-
Cash Paid from Short-term Loan from Related Persons		(13,990,000.00)	(35,500,000.00)	-	-
Cash Received from Short-term Loan from Other Companies		-	118,000,000.00	-	-
Cash Paid for Short-term Loan from Other Companies		(48,212,740.83)	(113,244,537.79)	-	-
Cash Received from Short-term Loan from Other Persons		151,000,000.00	-	-	-
Cash Paid for Short-term Loan from Other Persons		(12,657,589.01)	-	-	-
Cash Paid for Transaction Costs		(41,600.00)	-	-	-
Cash Paid for Fixed Assets Account Payables		(16,286,000.76)	(36,442,287.27)	-	-
Cash Paid for Liabilities under Finance Lease Agreements		(1,172,846.17)	(1,281,815.53)	(129,175.92)	(407,740.74)
Cash Received from Capital Increase		23,965.64	473,547,750.73	23,965.64	473,547,750.73
Cash Payment from Creditor from Capital Increase		(9,000,000.00)	(302,600,000.00)	(9,000,000.00)	(302,600,000.00)
Cash Payment for Interest Expense		(42,902,066.41)	(80,944,082.44)	(7,728,196.27)	(51,023,911.67)
NET CASH PROVIDED FROM (USED IN) FINANCING ACTIVITIES		26,879,151.29	70,090,416.78	(16,833,406.55)	119,516,098.32
NET CASH AND CASH EQUIVALENTS INCREASE (DECREASE)		4,971,584.96	(263,014,798.31)	(3,811,937.48)	(227,614,277.62)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		24,398,720.67	287,413,518.98	5,812,297.08	233,426,574.70
CASH AND CASH EQUIVALENTS AT ENDING OF THE YEAR	7	29,370,305.63	24,398,720.67	2,000,359.60	5,812,297.08

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

NEWS NETWORK CORPORATION PUBLIC COMPANY LIMITED

AND ITS SUBSIDIARY COMPANIES

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2018

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 service media, internet service, mass communication, program production, on-line media, distribution of publishing, sales of books and trading and service of examining tools and equipments in occupational health.

1.2 Going Concern

According to the consolidated financial statements, the Group had net loss for the year ended 31 December 2018 and 2017 in amount of Baht 273.66 million and Baht 572.75 million, respectively. As at 31 December 2018 and 2017, the Group's current liabilities exceeded its current assets by Baht 508.85 million and Baht 340.72 million, respectively. According to the separate financial statements, the Company had net loss for the year ended 31 December 2018 and 2017 in amount of Baht 585.77 million and Baht 209.86 million, respectively. As at 31 December 2018, the Company current liabilities exceeded its current assets by Baht 140.37 million. This indicated a material uncertainty which may cause significant doubt about the Group's abilities to continue as a going concern and therefore the Group and the Company may not be able to realize its assets and discharge its liabilities in the normal course of business.

The consolidated 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 Group continue their operation in all business sectors. The business structures have been reorganized to suit the volatile economic condition, competition and the nature of business operation, especially in technology sector, and the evolving consumer behavior. These changes will allow the business activities to grow and be able to compete efficiently in the market. The Group has downsized the organization so it can be managed with efficiency and flexibility. The operating cost and the production cost for news programs are reduced so the Group can generate better operating result, gain sufficient liquidity and cash flow to maintain the ability to repay debt and use as working capital in the business operation. Furthermore, the Group planned to source funds from short-term loans to increase the Group's liquidity. In addition, there is a plan to source fund by increase the share capital by 2019, to pay for the creditor from capital increase thus lessen the financial cost and the remaining capital will be used for the Group working capital. The negotiation with the creditors will be conducted to alter the repayment's condition to suit the Group's debt payment ability.

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

“C” (Caution) sign criteria

The SET already posted a “C” (Caution) sign on 15 August 2018 on the publicly traded shares of the Company when total equity is less than fifty percent of total paid-up share capital. In that case the Company has published a plan to resolve this cause

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 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		Country of	Type of business	
	Shareholdings				Incorporation
	As at	As at			
	31 December 2018	31 December 2017			
<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 Ruam Jai Co., Ltd.	93.17	93.17	Thailand	Mass communication service and news and television program production	
Environmental Solution Integrator Co., Ltd.	99.44	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 online system, 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 Ruam Jai 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 eliminated the amounts of assets, liabilities, and inter-transactions.
- 3.5 Accounting policies for the subsidiary company are the same policies as the Company's.

4. Applied New and Revised Financial Reporting Standards

The Group adopted conceptual the new and revised 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 2018, and have no impact on the current period of financial report.

5. New and Revised Financial Reporting Standards Not Yet Effective

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

Effective for the accounting period beginning on or after 1 January 2019

TAS 1 (revised 2018)	Presentation of Financial Statements
TAS 2 (revised 2018)	Inventories
TAS 7 (revised 2018)	Statement of Cash Flows
TAS 8 (revised 2018)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2018)	Events after the Reporting Period
TAS 12 (revised 2018)	Income Taxes
TAS 16 (revised 2018)	Property, Plant and Equipment
TAS 17 (revised 2018)	Leases
TAS 19 (revised 2018)	Employee Benefits
TAS 20 (revised 2018)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2018)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2018)	Borrowing Costs

TAS 24 (revised 2018)	Related Party Disclosures
TAS 26 (revised 2018)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2018)	Separate Financial Statements
TAS 28 (revised 2018)	Investments in Associates and Joint Ventures
TAS 29 (revised 2018)	Financial Reporting in Hyperinflationary Economies
TAS 33 (revised 2018)	Earnings per Share
TAS 34 (revised 2018)	Interim Financial Reporting
TAS 36 (revised 2018)	Impairment of Assets
TAS 37 (revised 2018)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2018)	Intangible Assets
TAS 40 (revised 2018)	Investment Property
TAS 41 (revised 2018)	Agriculture
TFRS 1	First – Time Adoption of Financial Reporting Standards
TFRS 2 (revised 2018)	Share-based Payment
TFRS 3 (revised 2018)	Business Combinations
TFRS 5 (revised 2018)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2018)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (revised 2018)	Operating Segments
TFRS 10 (revised 2018)	Consolidated Financial Statements
TFRS 11 (revised 2018)	Joint Arrangements
TFRS 12 (revised 2018)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2018)	Fair Value Measurement
TFRS 15	Revenue from Contracts with Customers
TSIC 10 (revised 2018)	Government Assistance –No Specific Relation to Operating Activities
TSIC 15 (revised 2018)	Operating Leases – Incentives
TSIC 25 (revised 2018)	Income Taxes – Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (revised 2018)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (revised 2018)	Service Concession Arrangements: Disclosures
TSIC 32 (revised 2018)	Intangible Assets – Web Site Costs

TFRIC 1 (revised 2018)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2018)	Determining whether an Arrangement contains a Lease
TFRIC 5 (revised 2018)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2018)	Applying the Restatement Approach under TAS 29 (revised 2018) Financial Reporting in Hyperinflationary Economies
TFRIC 10 (revised 2018)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2018)	Service Concession Arrangements
TFRIC 14 (revised 2018)	TAS 19 (revised 2018) – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 17 (revised 2018)	Distributions of Non-cash Assets to Owners
TFRIC 20 (revised 2018)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21 (revised 2018)	Levies

Effective for the accounting period beginning on or after 1 January 2020

TAS 32	Financial Instruments: Presentation
TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

The management of the Group believes that the above news and revised financial reporting standards will not have any significant impact on the financial report when they are applied.

6. Summary of Significant Accounting Policies

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 debts 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 Non-current assets held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are measured at the lower of their carrying amount and fair value less cost to sell.

6.8 Investments

Investments in subsidiary companies

Investments in subsidiary companies 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.

6.9 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 lives of investment property is 20 years.

6.10 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.

6.11 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.

6.12 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 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 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.

6.13 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.

6.14 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.

6.15 Trade and Other Current Payables

Trade and other current payables were shown in cost value.

6.16 Long-term Leases

- The Group is the lessee

Long term leases which substantially transferred all the risks and rewards of ownership to the lessee 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 lessor are classified as operating leases. Payments made under operation leases (net of any incentives received from the lessor) 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 lessor 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.

6.17 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).

6.18 Provisions of Liabilities

The Group will be 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.

6.19 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 6.16 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.

6.20 Recognition of Expenses

- Expenses are recognized on an accrual basis.

6.21 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.

6.22 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.

6.23 Appropriation of Retained Earnings

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

6.24 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.

6.25 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 debts, 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.

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.

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.

Intangible Assets and Amortization

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, turnover rate and other demographic factors etc. However, actual post-employment benefits that may be different from those estimated.

Litigations

The Group 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		Separate	
	Financial Statements		Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Cash	483,190.25	493,242.45	30,000.00	30,000.00
Current Deposit Accounts	2,063,777.01	12,285,591.11	1,927,835.03	5,660,132.40
Saving Deposit Accounts	25,812,775.54	10,959,726.07	42,524.57	122,164.68
Cheque on Hand	1,010,562.83	660,161.04	-	-
Total	<u>29,370,305.63</u>	<u>24,398,720.67</u>	<u>2,000,359.60</u>	<u>5,812,297.08</u>

8. Current Investments

Consist of:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Investment in Trading Securities	-	-	-	-
Cost of Investments in Marketable				
Equity Instruments	-	-	-	-
<u>Add (Less) Unrealized Gain (Loss)</u>	-	-	-	-
Fair Value of Investments in				
Marketable Equity Instruments	-	1,044.72	-	-
12-Months Fixed Deposit Accounts	-	1,044.72	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

For the year ended 31 December 2018 and 2017, the movements of investment in trading securities were as follows:

	Consolidated/Separate Financial Statements	
	For the year ended	
	31 December 2018	31 December 2017
	Baht	Baht
Beginning Carrying Amount	-	3,888,000.00
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
Ending Carrying Amount	-	-

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

9. Trade and Other Current Receivables

Consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Trade Receivables	146,337,651.18	148,554,760.92	29,849,149.42	33,066,346.78
<u>Less</u> Allowance for Doubtful Debts	(43,298,734.49)	(39,051,161.62)	(29,444,006.16)	(29,444,006.16)
Trade Receivables-Net	103,038,916.69	109,503,599.30	405,143.26	3,622,340.62
Other Receivables	72,361,243.09	160,912,696.57	142,931,401.84	115,038,918.98
<u>Less</u> Allowance for Doubtful Debts	(20,757,999.90)	(11,996,636.94)	(121,467,076.89)	(11,689,422.20)
Other Receivables-Net	51,603,243.19	148,916,059.63	21,464,324.95	103,349,496.78
Total	154,642,159.88	258,419,658.93	21,869,468.21	106,971,837.40

Trade receivables were classified by aging as follows:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Unbilled Trade Receivables	39,235,506.20	20,458,012.53	48,685.00	-
Note Receivables	2,488,037.00	-	-	-
Trade Receivables within Due Period	25,339,082.65	46,345,127.12	-	45,909.93
Trade Receivables Classified by				
Over Due Period as Follows				
- Less than 3 months	12,760,207.70	21,658,183.05	52,590.47	151,544.10
- 3-6 months	2,819,439.01	5,431,368.12	-	91,913.00
- 6-12 months	8,235,803.56	18,549,615.64	-	281,309.74
- More than 12 months	55,459,575.06	36,112,454.46	29,747,873.95	32,495,670.01
Total	146,337,651.18	148,554,760.92	29,849,149.42	33,066,346.78
<u>Less</u> Allowance for Doubtful Debts	(43,298,734.49)	(39,051,161.62)	(29,444,006.16)	(29,444,006.16)
Net	103,038,916.69	109,503,599.30	405,143.26	3,622,340.62

Other receivables consist of:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Prepaid Expense	13,135,528.19	15,154,666.86	11,699,786.93	11,301,756.58
Accrued Interest	4,234,997.59	5,654,626.11	120,868,282.28	93,825,045.18
Deposit	13,565,558.18	8,580,672.10	-	-
Accrued Revenue	5,331,202.66	9,649,445.09	870,000.00	290,000.00
Account Receivable - Revenue Department	8,769,040.26	87,395,042.36	4,501,339.07	3,542,331.40
Other Receivables	6,687,443.81	1,552,958.94	4,552,216.93	5,551,792.99
Others	20,637,472.40	32,925,285.11	439,776.63	527,992.83
Total	72,361,243.09	160,912,696.57	142,931,401.84	115,038,918.98
<u>Less</u> Allowance for Doubtful Debts	(20,757,999.90)	(11,996,636.94)	(121,467,076.89)	(11,689,422.20)
Net	51,603,243.19	148,916,059.63	21,464,324.95	103,349,496.78

For the year ended 31 December 2018 and 2017, the movements of allowance for doubtful debts were as follows:

	Consolidated Financial Statements For the year ended		Separate Financial Statements For the year ended	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Beginning Balance	(51,047,798.56)	(50,836,421.22)	(41,133,428.36)	(40,520,334.38)
Increase during the Year	(13,149,974.63)	(1,150,240.57)	(109,777,654.69)	(613,093.98)
Reverse during the Year	141,038.80	913,932.61	-	-
Write-off Bad Debts	-	24,930.62	-	-
Ending Balance	<u>(64,056,734.39)</u>	<u>(51,047,798.56)</u>	<u>(150,911,083.05)</u>	<u>(41,133,428.36)</u>

On 19 November 2014, the Company sued a debtor for Baht 4.99 million payment for merchandises. The debtor requested to pay 12 installments for the debt; for the 1st to 11th installment the debtor will pay at not less than Baht 0.10 million per installment and for the 12th installment the debtor will pay the outstanding amount of Baht 3.89 million. The first installment shall be paid on 30 June 2015 and the consecutive installments shall be paid at the end of the month, commencing on the following month.

On 15 July 2015, the debtor has already paid Baht 0.03 million of debt; therefore, the outstanding debt is Baht 4.96 million. The court schedule the delivery of the verdict on 12 March 2018 but the defendant failed to appear in court so the court ordered a warrant for arrest. On 20 April 2018, the court adjudicated that the two defendants are guilty on the offence arising from the use of cheque. The court sentenced the first defendant to pay Baht 0.03 million in penalty and the second defendant to 6 months in prison. If the first defendant does not pay the penalty then the procedures in accordance to the Criminal Code shall be executed.

As at 31 December 2018, the subsidiary company discount a part of trade account receivables with the tax invoice value of Baht 0.92 million with a company under factoring agreement. The subsidiary still have the responsibility to the factor in the event the factor cannot collect debt from the trade account receivables.

10. Unbilled Works in Progress

Consist of:

	Consolidated/Separate Financial Statements	
	As at 31 December 2018	As at 31 December 2017
	Baht	Baht
Unbilled Works in Progress	6,880,182.18	6,892,316.82
<u>Less</u> Allowance for Doubtful Debts	(6,586,356.74)	(6,586,356.74)
Net	<u>293,825.44</u>	<u>305,960.08</u>

Unbilled works in progress were classified by aging as follows:

	Consolidated/Separate Financial Statements	
	As at 31 December 2018	As at 31 December 2017
	Baht	Baht
Unbilled works in progress within due period	-	-
Unbilled works in progress over due period		
- Less than 3 months	229,105.25	237,555.30
- 3 - 6 months	-	4,650.00
- 6 - 12 months	-	9,300.00
- More than 12 months	6,651,076.93	6,640,811.52
Total	<u>6,880,182.18</u>	<u>6,892,316.82</u>
<u>Less</u> Allowance for Doubtful Debts	(6,586,356.74)	(6,586,356.74)
Net	<u>293,825.44</u>	<u>305,960.08</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 debts recorded is sufficient. (As in Note 45.9 (a))

11. Finance Lease Receivables

Consist of:

	Consolidated/Separate Financial Statements	
	As at	As at
	31 December 2018	31 December 2017
	Baht	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 Debts	(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	-	-

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 debts.

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 inventories 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.

On 29 March 2018, the court ruled that the receivable and the buyer under the contract with the company indemnity receivable from joint purchases and valued added tax amounting to Baht 79.00 million with the interest at 7.50% per annum of inventories and valued added tax until the payment is completed and the court fees of the company and dismissed the buyer does not have to pay court fees. On 21 September 2018, the Company submitted the enforcement order to seize the asset to the first defendant and at presently, the Company is investigating the defendant's assets and set the executing officer in order to seize assets.

12. Short-term Loans to Other Companies and Persons

Consist of:

	Consolidated	
	Financial Statements	
	As at	As at
	31 December 2018	31 December 2017
	Baht	Baht
Beginning Balance	27,259,921.95	2,536,421.95
<u>Add</u> Increase during the Year	-	-
<u>Add</u> Increase from Transfer of Short-term Loans to Related Parties		
(Note 43.3)	-	24,000,000.00
<u>Add</u> Increase from Transfer of Accued Interest Receivable	-	800,000.00
<u>Less</u> Decrease during the Year	-	(76,500.00)
Ending Balance	27,259,921.95	27,259,921.95
<u>Less</u> Allowance for Doubtful Debts	(27,259,921.95)	(27,259,921.95)
Net	-	-

	Separate Financial Statements	
	As at	As at
	31 December 2018	31 December 2017
	Baht	Baht
Beginning Balance	24,800,000.00	-
<u>Add</u> Increase during the Year	-	-
<u>Add</u> Increase from Transfer of Short-term Loans to Related Parties (Note 43.3)	-	24,000,000.00
<u>Add</u> Increase from Transfer of Accrued Interest Receivable	-	800,000.00
<u>Less</u> Decrease during the Year	-	-
Ending Balance	24,800,000.00	24,800,000.00
<u>Less</u> Allowance for Doubtful Debts	(24,800,000.00)	(24,800,000.00)
Net	-	-

For the year ended 31 December 2018 and 2017, the movements of allowance for doubtful debts were as follows:

	Consolidated Financial Statements	
	As at	As at
	31 December 2018	31 December 2017
	Baht	Baht
Beginning Balance	(27,259,921.95)	(2,498,593.15)
Increase During the Year	-	(837,828.80)
Decrease During the Year	-	76,500.00
<u>Add</u> Increase from Transfer of Short-term Loans to Related Parties (Note 43.3)	-	(24,000,000.00)
Ending Balance	(27,259,921.95)	(27,259,921.95)

	Separate Financial Statements	
	As at	As at
	31 December 2018	31 December 2017
	Baht	Baht
Beginning Balance	(24,800,000.00)	-
Increase During the Year	-	(800,000.00)
<u>Add Increase from Transfer of Short-term Loans to Related Parties</u>		
(Note 43.3)	-	(24,000,000.00)
Ending Balance	<u>(24,800,000.00)</u>	<u>(24,800,000.00)</u>

As at 31 December 2018 and 2017, Ruam Mue Ruam Jai Co., Ltd. (Ruam Mue Ruam Jai) had short-term loan to other company totaling Baht 2.40 million. The interest rate was at 4% per annum. Ruam Mue Ruam Jai 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 Ruam Jai 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 Ruam Jai. 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 Ruam Jai 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 Ruam Jai considers that it is probable that loan is not repaid, the whole amount of allowance of doubtful debt is reserved.

As at 31 December 2018 and 2017, Ruam Mue Ruam Jai Co., Ltd. had short-term loan to one other person, according to acknowledgement of debt letter, in amount of Baht 0.06 million with interest rate at 15% per annum with the condition to be fully paid by 31 December 2015. The other person 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 Ruam Jai partially received repayment as agreed, The management of Ruam Mue Ruam Jai considers that it is probable that the rest loan is not repaid, the whole amount of allowance of doubtful debt is reserved.

As at 31 December 2018 and 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 debt 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 accrued 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 Bath 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 the year 2027.

13. Inventories

Consist of:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Inventories	10,485,794.53	13,326,819.95	173,367.76	173,367.76
Work in Process	640,481.85	305,613.00	-	-
Total	11,126,276.38	13,632,432.95	173,367.76	173,367.76
<u>Less</u> Allowance for Declining in				
Value of Inventories	(7,570,754.80)	(7,314,856.86)	(173,367.76)	(173,367.76)
Net	3,555,521.58	6,317,576.09	-	-

For the year ended 31 December 2018 and 2017, the movements of allowance for declining in value of inventories were as follows:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	For the year ended		For the year ended	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Beginning Balance	(7,314,856.86)	(3,636,502.82)	(173,367.76)	(173,367.76)
Increase During the Year	(256,897.94)	(3,738,850.71)	-	-
Decrease During the Year	1,000.00	60,496.67	-	-
Ending Balance	(7,570,754.80)	(7,314,856.86)	(173,367.76)	(173,367.76)

14. Bank Deposit Used as Collateral

The Group pledges the saving and fixed deposit to guarantee for letter of guarantee and for the remaining payment of license to use the frequency fee.

15. Investments in Subsidiaries

As at 31 December 2018 and 2017, the Company had investments in its subsidiaries as follows:

Name of Company	Paid-up Share Capital	Share- Holding	Separate Financial Statements			
			Cost Method		Dividend Income	
			As at		For the year ended	
			31 December 2018	31 December 2017	31 December 2018	30 September 2017
	Baht	%	Baht	Baht	Baht	Baht
Investments in Subsidiaries						
- 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.	90,000,000.00	99.44	89,000,000.00	9,000,000.00	-	-
		(2017:90.00)				
- News Network Multimedia Co., Ltd.	160,000,000.00	99.99	159,999,760.00	159,999,760.00	-	-
- Green Net 1282 Co., Ltd.	19,000,000.00	99.99	30,988,745.00	30,988,745.00	-	-
- Ruam Mue Ruam Jai Co., Ltd.	41,000,000.00	93.17	38,200,100.00	38,200,100.00	-	-
Total			2,328,182,575.00	2,248,182,575.00	-	-
<u>Less Allowance for Impairment of</u>						
Investments			(2,303,529,815.00)	(2,192,882,815.00)	-	-
Net			24,652,760.00	55,299,760.00	-	-

Investment in Subsidiary

In accordance with the minutes of the extraordinary shareholders' meeting No. 2/2018 of Environmental Solution Integrator Co., Ltd. held on 21 May 2018, it resolved for the company to increase its share capital by way of issuance 800,000 new ordinary shares at the par value of Baht 100.00 per share, aggregating to Baht 80.00 million. The call for the share subscription is 50% of the par value. The Company exercised the right to purchase the ordinary share according to the existing shareholding ratio, and the subsidiary allocated the remaining shares after the right offering to the Company, aggregating to 800,000 shares. The Company paid for the share subscription at Baht 75.00 per share, equivalent to 75% of the par value, aggregating to Baht 60.00 million. Furthermore, the Company received the transfer of 5,000 shares with the par value of Baht 100.00 per share, aggregating to Baht 0.50 million from the existing shareholders

without paying compensation. The changes in registered share capital and shareholding have already been registered with the Department of Business Development on 21 May 2018. Later, The Company paid for share subscription at Baht 25.00 per share, equivalent to 100% of the par value, aggregating to Baht 20.00 million. The purchase of all newly issued ordinary shares and receipt of the share transfer of the said subsidiary resulted in the Company having the shareholding ratio in the subsidiary at 99.44% (formerly 90.00%). The changes in registered share capital and shareholders have already been registered with the Department of Business Development on 15 August 2018.

The details on the subsidiary's book value on the purchase date for additional investment are as follow:

	Baht
Net assets' book value on the subsidiary before the capital increase	(72,803,529.11)
Subsidiary increase share capital	80,000,000.00
Net assets' book value on the subsidiary after the capital increase	7,196,470.89
Net assets' book value on the subsidiary for part of the Company	(65,523,176.21)
<u>Less</u> Net assets' book value on the subsidiary after the capital increase	7,196,470.89
Net assets' book value on the subsidiary increase	(72,719,647.10)
Cash paid for investment in subsidiary	80,000,000.00
Net assets' book value on the subsidiary increase	(72,719,647.10)
Discount on changes of interest in subsidiary	7,280,352.90

For the year ended 31 December 2018 and 2017, the movements of allowance for impairment of investments were as follows;

	Separate Financial Statements	
	For the year ended	
	31 December 2018	31 December 2017
	Baht	Baht
Beginning Balance	(2,192,882,815.00)	(2,152,182,815.00)
Increase During the Year	(110,647,000.00)	(40,700,000.00)
Ending Balance	(2,303,529,815.00)	(2,192,882,815.00)

16. Non-controlling Interests

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

	(Unit:Baht)			
	As at 31 December 2018			
	Environmental Solution Integrator Co., Ltd. (the date range before the change, the proportion of investment)	Thansettakij Multimedia Co., Ltd.	Eliminations	Total
Non-controlling interest percentage	10%	20%		
Current assets	-	40,605,225.12		
Non-current assets	-	115,475,381.04		
Current liabilities	-	(200,968,115.31)		
Non-current liabilities	-	(5,146,129.95)		
Net assets	-	(50,033,639.10)		
Carrying amount of non-controlling interests	-	(10,006,727.82)	435,301.50	(9,571,426.32)
Revenue	18,123,024.83	118,191,210.74		
Profit (loss) for the year	(4,268,656.48)	(12,853,310.79)		
Other comprehensive income	-	1,487,274.17		
Total comprehensive income	(4,268,656.48)	(11,366,036.62)		
Profit (loss) allocated to non-controlling interests	(426,865.65)	(2,570,662.16)	(14,400.00)	(3,011,927.81)
Other comprehensive income allocated to non-controlling interests	-	297,454.83	-	297,454.83
Total comprehensive income allocated to non- controlling interests	(426,865.65)	(2,273,207.33)	(14,400.00)	(2,714,472.98)
Net Cash used in operating activities	-	18,304,307.40		
Net Cash used in investing activities	-	(1,103,565.53)		
Net Cash provided from financing activities	-	(8,239,808.90)		
Net Cash and Cash equivalents increase (decrease)	-	8,960,932.97		

(Unit:Baht)

	As at 31 December 2017			
	Environmental Solution Integrator Co., Ltd.	Thansettakij 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 interests	(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 interests	(1,554,785.98)	(3,510,452.26)	(15,680.00)	(5,080,918.24)
Other comprehensive income allocated to non-controlling interests	5,210.80	86,092.40	-	91,303.20
Total comprehensive income allocated to non-controlling interests	(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)		

17. Long-term Investments

Consist of:

	Consolidated/Separate Financial Statements	
	As at	As at
	31 December 2018	31 December 2017
	Baht	Baht
Investment in Available-for-Sale Securities		
Cost Value	819,637,795.83	1,042,907,868.95
<u>Less</u> Unrealized Gain (Loss)	<u>(665,743,495.83)</u>	<u>(828,265,068.95)</u>
Fair Value	<u>153,894,300.00</u>	<u>214,642,800.00</u>

For the year ended 31 December 2018 and 2017, the movements of long-term investments were as follows:

	Consolidated/Separate Financial Statements For the year ended	
	31 December 2018	31 December 2017
	Baht	Baht
Beginning Carrying Amount	214,642,800.00	499,033,350.00
Change of Fair Value of Available-for-Sale Securities	(56,248,500.00)	(284,390,550.00)
Reclassify Unrealized Loss Remeasurement	218,770,073.12	-
Loss on Impairment of Available-for-Sale Securities	<u>(223,270,073.12)</u>	<u>-</u>
Ending Carrying Amount	<u>153,894,300.00</u>	<u>214,642,800.00</u>

As at 31 December 2018 and 2017, 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 27.

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

18. Assets-for-Rent

Consist of:

	Consolidated Financial Statements Baht	Separate Financial Statements Baht
As at 1 January 2017		
Cost	1,081,958.77	662,799.99
<u>Less</u> Accumulated Depreciation	(746,220.71)	(547,710.26)
Carrying Amount	335,738.06	115,089.73
Transactions During the Year Ended 31 December 2017		
Purchase of Assets	45,166.12	-
Written-off of Assets	(38,797.50)	(38,797.50)
Depreciation for the Year	(205,278.89)	(115,039.80)
Accumulated Depreciation for Written-off Assets	38,794.50	38,794.50
Ending Carrying Amount	175,622.29	46.93
As at 31 December 2017		
Cost	1,088,327.39	624,002.49
<u>Less</u> Accumulated Depreciation	(912,705.10)	(623,955.56)
Carrying Amount	175,622.29	46.93
Transactions During the Year Ended 31 December 2018		
Disposal of Assets	-	(25,865.00)
Written-off of Assets	(25,865.00)	-
Depreciation for the Year	(82,870.09)	-
Accumulated Depreciation for Disposal of Assets	-	25,863.00
Accumulated Depreciation for Written-off of Assets	25,863.00	-
Ending Carrying Amount	92,750.20	44.93
As at 31 December 2018		
Cost	1,062,462.39	598,137.49
<u>Less</u> Accumulated Depreciation	(969,712.19)	(598,092.56)
Carrying Amount	92,750.20	44.93
Depreciation for the Year		
2017	205,278.89	115,039.80
2018	82,870.09	-

(Consolidate Financial Statements : included in cost of sales and services and cost of assets for rent)

(Separate Financial Statements : included in cost of assets for rent)

19. Investment Property

Consist of:

	Consolidated /Separate Financial Statements Baht
As at 1 January 2017	
Cost	12,120,072.00
<u>Less</u> Accumulated Depreciation	(6,313,984.15)
Carrying Amount	5,806,087.85
Transactions During the Year Ended 31 December 2017	
Depreciation for the Year	(515,215.87)
Ending Carrying Amount	5,290,871.98
As at 31 December 2017	
Cost	12,120,072.00
<u>Less</u> Accumulated Depreciation	(6,829,200.02)
Carrying Amount	5,290,871.98
Transactions During the Year Ended 31 December 2018	
Depreciation for the Year	(784,390.04)
<u>Less</u> Transfer to Non-Current Assets Held for Sale	(4,506,481.94)
Ending Carrying Amount	-
Depreciation for the Year	
2017 (included in administrative expenses)	515,215.87
2018 (included in administrative expenses)	784,390.04

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.

In accordance with the Company's board of directors' meeting No. 2/2019 held on 8 February 2019, it resolved to approve for the Company to enter into condominium unit sale agreement with an outside person. The carrying amount is Baht 4.51 million. The total contractual value is approximately Baht 20.70 million. On 8 February 2019, the Company has already transfer the ownership of the condominium unit to the buyer. Therefore, the Company reclassified the investment property to non-current asset held for sale.

20. Equipment

Consist of:

	Consolidated Financial Statements					
	Buildings Improvement	Furniture, Fixtures and Office Equipment	Vehicle	Equipment	Asset under Installation	Total
	Baht	Baht	Baht	Baht	Baht	Baht
Cost						
As at 1 January 2017	1,720,140.00	270,302,974.60	16,598,903.58	7,944,904.56	47,713,846.00	344,280,768.74
Purchase of Assets	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 Assets	-	(265,035.28)	(142,502.00)	-	-	(407,537.28)
Written-off of Assets	-	(918,022.42)	-	-	-	(918,022.42)
As at 31 December 2017	2,413,853.17	340,806,054.67	19,680,700.65	7,959,239.86	-	370,859,848.35
Accumulated Depreciation						
As at 1 January 2017	(414,585.49)	(101,418,300.79)	(12,173,502.08)	(6,786,607.08)	-	(120,792,995.44)
Depreciation for the Year	(414,289.46)	(39,642,662.17)	(2,060,725.01)	(659,917.06)	-	(42,777,593.70)
Accumulated Depreciation for Transfer in Assets	689,463.67	(3,211.32)	-	7,916.15	-	694,168.50
Accumulated Depreciation for Disposal of Assets	-	125,989.18	142,500.00	-	-	268,489.18
Accumulated Depreciation for Written-off of Assets	-	605,242.22	-	-	-	605,242.22
As at 31 December 2017	(139,411.28)	(140,332,942.88)	(14,091,727.09)	(7,438,607.99)	-	(162,002,689.24)
Carrying Amount						
As at 31 December 2016	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 2017	2,274,441.89	200,473,111.79	5,588,973.56	520,631.87	-	208,857,159.11
Depreciation for the Year						
2017 (included in cost of sales and services of Baht 28.53 million and in administrative expenses of Baht 14.25 million)						42,777,593.70

	Consolidated Financial Statements					
	Buildings	Furniture, Fixtures and	Vehicle	Equipment	Asset under	Total
	Improvement	Office Equipment			Installation	
	Baht	Baht	Baht	Baht	Baht	Baht
Cost						
As at 1 January 2018	2,413,853.17	340,806,054.67	19,680,700.65	7,959,239.86	-	370,859,848.35
Purchase of Assets	119,840.00	6,653,899.21	1,182,990.65	-	-	7,956,729.86
Disposal of Assets	-	(7,617,980.38)	(6,601,022.20)	-	-	(14,219,002.58)
Written-off of Assets	-	(861,767.05)	-	-	-	(861,767.05)
As at 31 December 2018	2,533,693.17	338,980,206.45	14,262,669.10	7,959,239.86	-	363,735,808.58
Accumulated Depreciation						
As at 1 January 2018	(139,411.28)	(140,332,942.88)	(14,091,727.09)	(7,438,607.99)	-	(162,002,689.24)
Depreciation for the Year	(496,906.40)	(40,611,703.23)	(1,628,346.87)	(164,818.09)	-	(42,901,774.59)
Accumulated Depreciation for Disposal of Assets	-	5,256,731.56	3,971,403.56	-	-	9,228,135.12
Accumulated Depreciation for Written-off of Assets	-	535,590.31	-	-	-	535,590.31
As at 31 December 2018	(636,317.68)	(175,152,324.24)	(11,748,670.40)	(7,603,426.08)	-	(195,140,738.40)
Allowance for Impairment Loss						
As at 1 January 2018	-	-	-	-	-	-
Impairment Loss	-	(360,495.36)	-	-	-	(360,495.36)
As at 31 December 2018	-	(360,495.36)	-	-	-	(360,495.36)
Carrying Amount						
As at 31 December 2017	2,274,441.89	200,473,111.79	5,588,973.56	520,631.87	-	208,857,159.11
As at 31 December 2018	1,897,375.49	163,467,386.85	2,513,998.70	355,813.78	-	168,234,574.82
Depreciation for the Year						
2018 (included in cost of sales and services of Baht 30.80 million and in administrative expenses of Baht 12.10 million)						42,901,774.59

	Separate Financial Statements			
	Furniture, Fixtures and Office Equipment	Vehicle	Equipment	Total
	Baht	Baht	Baht	Baht
Cost				
As at 1 January 2017	16,533,494.89	7,901,842.29	1,786,673.98	26,222,011.16
Purchase of Assets	1,092,166.66	-	-	1,092,166.66
Disposal of Assets	(28,400.00)	-	-	(28,400.00)
As at 31 December 2017	17,597,261.55	7,901,842.29	1,786,673.98	27,285,777.82
Accumulated Depreciation				
As at 1 January 2017	(15,381,804.78)	(6,896,498.02)	(1,786,650.08)	(24,064,952.88)
Depreciation for the Year	(721,627.49)	(450,168.43)	-	(1,171,795.92)
Accumulated Depreciation for				
Disposal of Assets	28,399.00	-	-	28,399.00
As at 31 December 2017	(16,075,033.27)	(7,346,666.45)	(1,786,650.08)	(25,208,349.80)
Cost				
As at 1 January 2018	17,597,261.55	7,901,842.29	1,786,673.98	27,285,777.82
Purchase of Assets	2,319,356.41	-	-	2,319,356.41
Disposal of Assets	(122,726.68)	-	-	(122,726.68)
Written-off of Assets	(105,355.48)	-	-	(105,355.48)
As at 31 December 2018	19,688,535.80	7,901,842.29	1,786,673.98	29,377,052.07
Accumulated Depreciation				
As at 1 January 2018	(16,075,033.27)	(7,346,666.45)	(1,786,650.08)	(25,208,349.80)
Depreciation for the Year	(838,143.80)	(446,018.98)	-	(1,284,162.78)
Accumulated Depreciation for				
Disposal of Assets	122,725.68	-	-	122,725.68
Accumulated Depreciation for				
Written-off of Assets	105,350.48	-	-	105,350.48
As at 31 December 2018	(16,685,100.91)	(7,792,685.43)	(1,786,650.08)	(26,264,436.42)
Carrying Amount				
As at 31 December 2017	1,522,228.28	555,175.84	23.90	2,077,428.02
As at 31 December 2018	3,003,434.89	109,156.86	23.90	3,112,615.65
Depreciation for the Year				
2017 (included in cost of sales and service of Baht 0.03 million and in administrative expenses of Baht 1.14 million)				1,171,795.92
2018 (included in cost of sales and service of Baht 0.001 million and in administrative expenses of Baht 1.28 million)				1,284,162.78

Consolidated Financial Statements

As at 31 December 2018 and 2017, the group had assets which were fully depreciated but still in use in cost value of Baht 74.16 million and Baht 64.30 million and carrying amount of Baht 522,892.24 and Baht 549,398.71, respectively.

As at 31 December 2018 and 2017, the group has vehicles under finance lease agreements in cost value of Baht 3.83 million and Baht 9.31 million, respectively, and carrying amount of Baht 2.10 million and Baht 5.11 million, respectively.

Separate Financial Statements

As at 31 December 2018 and 2017, the Company had assets which were fully depreciated but still in use in cost value of Baht 24.25 million and Baht 22.64 million and carrying amount of Baht 925 and Baht 807, respectively.

As at 31 December 2017, the Company had vehicles under finance lease agreements in cost value of Baht 1.54 million, and carrying amount of Baht 0.57 million.

21. Goodwill

Consist of :

	Consolidated Financial Statements Baht
As at 1 January 2017	
Cost	34,610,827.57
<u>Less</u> Allowance for Impairment	(34,610,827.57)
Carrying Amount	-
Transactions During the Year Ended 31 December 2017	-
Ending Carrying Amount	-
As at 31 December 2017	
Cost	34,610,827.57
<u>Less</u> Allowance for Impairment	(34,610,827.57)
Carrying Amount	-
Transactions During the Year Ended 31 December 2018	-
Ending Carrying Amount	-
As at 31 December 2018	
Cost	34,610,827.57
<u>Less</u> Allowance for Impairment	(34,610,827.57)
Carrying Amount	-

22. Intangible Assets

Consist of:

	Consolidated Financial Statements			
	Computer Software	Copyright of Documentaries and Music	The Right to Use the Trademark	Total
	Baht	Baht	Baht	Baht
As at 1 January 2017				
Cost	8,541,553.23	95,293,300.00	122,940,000.00	226,774,853.23
<u>Less</u> Accumulated Amortization	(4,653,745.28)	(60,153,006.91)	(1,313,605.48)	(66,120,357.67)
<u>Less</u> Allowance for Impairment	-	(582,871.70)	-	(582,871.70)
Carrying Amount	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 Assets	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 Carrying Amount	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
<u>Less</u> Accumulated Amortization	(5,683,958.80)	(94,467,903.53)	(5,411,605.49)	(105,563,467.82)
<u>Less</u> Allowance for Impairment	-	(582,871.70)	-	(582,871.70)
Carrying Amount	5,548,649.87	1,937,524.77	117,528,394.51	125,014,569.15
Transactions During the Year Ended				
31 December 2018				
Purchase of Assets	3,377,726.07	26,493,193.24	-	29,870,919.31
Amortization for the Year	(1,319,172.54)	(3,970,512.64)	(4,090,000.01)	(9,379,685.19)
Impairment Loss	(98,542.85)	(34,277.18)	-	(132,820.03)
Ending Carrying Amount	7,508,660.55	24,425,928.19	113,438,394.50	145,372,983.24
As at 31 December 2018				
Cost	14,610,334.74	123,481,493.24	122,940,000.00	261,031,827.98
<u>Less</u> Accumulated Amortization	(7,003,131.34)	(98,438,416.17)	(9,501,605.50)	(114,943,153.01)
<u>Less</u> Allowance for Impairment	(98,542.85)	(617,148.88)	-	(715,691.73)
Carrying Amount	7,508,660.55	24,425,928.19	113,438,394.50	145,372,983.24
Amortization for the Year				
2017 (included in cost of sales and services of Baht 38.33 million and in administrative expenses of Baht 1.11 million)				39,443,110.15
2018 (included in cost of sales and services of Baht 7.51 million and in administrative expenses of Baht 1.87 million)				9,379,685.19

	Separate Financial Statements Computer Software Baht
As at 1 January 2017	
Cost	866,970.87
<u>Less Accumulated Amortization</u>	(763,979.37)
Carrying Amount	102,991.50
Transactions During the Year Ended 31 December 2017	
Amortization for the Year	(43,512.37)
Ending Carrying Amount	59,479.13
As at 31 December 2017	
Cost	866,970.87
<u>Less Accumulated Amortization</u>	(807,491.74)
Carrying Amount	59,479.13
Transactions During the Year Ended 31 December 2018	
Amortization for the Year	(43,512.37)
Ending Carrying Amount	15,966.76
As at 31 December 2018	
Cost	866,970.87
<u>Less Accumulated Amortization</u>	(851,004.11)
Carrying Amount	15,966.76
Amortization for the Year	
2017 (included in cost of sales and services)	43,512.37
2018 (included in cost of sales and services)	43,512.37

According to the consolidated financial statements as at 31 December 2018 and 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.

23. License for Use the Frequency for Television Service

23.1 License for Use the Frequency for Television Service as follows:

	Consolidated Financial Statements Baht
As at 1 January 2017	
Cost	1,162,132,466.07
<u>Less</u> Accumulated Amortization	(208,228,666.50)
<u>Less</u> Allowance for Impairment	(953,903,799.57)
Carrying Amount	-
Transactions During the Year Ended 31 December 2017	-
Ending Carrying Amount	-
As at 31 December 2017	
Cost	1,162,132,466.07
<u>Less</u> Accumulated Amortization	(208,228,666.50)
<u>Less</u> Allowance for Impairment	(953,903,799.57)
Carrying Amount	-
Transactions During the Year Ended 31 December 2018	
Reverse of Impairment Loss	198,000,000.00
Ending Carrying Amount	198,000,000.00
As at 31 December 2018	
Cost	1,162,132,466.07
<u>Less</u> Accumulated Amortization	(208,228,666.50)
<u>Less</u> Allowance for Impairment	(755,903,799.57)
Carrying Amount	198,000,000.00

Spring News Television Company Limited (Spring News TV), a subsidiary of Spring News Corporation Company Limited, 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 2018 and 2017, 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 saving and 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 2018, Spring News TV has paid Baht 1,098.40 million.

The recoverable amount of license to use the frequency for television service

Management of the Group estimation of the recoverable amount of carrying amount of license to use the frequency for television service in the consolidated financial statements. The recoverable amount was based on its value in use, determined by discounted future cash flows to be generated from the continuing use of assets based on its business plan.

The key assumptions used in the estimation of the recoverable amount. The management of the Group assigned to the key assumptions represent of future trends in the relevant based on modified the business plan.

Significant Assumption	Rate	Method applied in considering the value
Discount Rate	% 15.16	Discount rate calculated from the weighted-average cost method of capital
Terminal Revenue Growth Rate	-	Estimate the revenue growth rate to be at constant rate from the past experience under conservative assumption

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

Based on the estimation of the recoverable amount, the recoverable amount was higher than its carrying amount. Therefore, the Group recognizes reversal of loss on impairment in the consolidated financial statements in amount of Baht 198.00 million.

23.2 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 2018			As at 31 December 2017		
	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	(3,421,224.05)	216,178,775.95	219,600,000.00	(14,204,488.45)	205,395,511.55
More than one year but not over five years	-	-	-	219,600,000.00	(3,421,224.05)	216,178,775.95
Total	<u>219,600,000.00</u>	<u>(3,421,224.05)</u>	<u>216,178,775.95</u>	<u>439,200,000.00</u>	<u>(17,625,712.50)</u>	<u>421,574,287.50</u>

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

Consolidated Financial Statements For the year ended		
	31 December 2018	31 December 2017
	Baht	Baht
Present value at 1 January	421,574,287.50	638,381,671.65
Payment of License Fee	(219,600,000.00)	(241,600,000.00)
Interest Expense	14,204,488.45	24,792,615.85
Present value at 31 December	<u>216,178,775.95</u>	<u>421,574,287.50</u>

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

- Determining that NBTC and the Office of the NBTC, or the Executive Committee of the Broadcasting and Telecommunications Research and Development Fund for the Public Interest, as the case may be, provide a subsidy to spend for the network rental expenditures in accordance with a digital terrestrial television broadcasting network service at the rate of fifty percent of the network rental expenditures spent by the licensees for twenty four months from the date of this order that has been effectively enforced.

The consolidated financial statements for the year ended 31 December 2018, the indirect subsidiary received a subsidy for rental expenditures in accordance with a digital terrestrial television broadcasting network service according to such order of the NCPO and recognized in other income in amounting to Baht 12.60 million.

24. Deferred Income Taxes

Deferred income taxes are calculated using 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:

	Consolidated Financial Statements		
	As at	Recongized	As at
	31 December 2017	in Profit (Loss)	31 December 2018
	Baht	Baht	Baht
Deferred Tax Assets			
Non-Current Provisions for			
Employee Benefit	356,197.40	(356,197.40)	-
Total	<u>356,197.40</u>	<u>(356,197.40)</u>	<u>-</u>
Deferred Tax Liabilities			
The Right to Use the Trademark	562,117.26	(18,000.00)	544,117.26
Estimate of Revenue from Sales	64,843.35	(64,843.35)	-
Estimate of Cost of Sales	(32,703.97)	32,703.97	-
Total	<u>594,256.64</u>	<u>(50,139.38)</u>	<u>544,117.26</u>

	Consolidated Financial Statements			
	As at	Recongized	Recongized	As at
	31 December 2016	in Profit (Loss)	in Other	31 December 2017
		For the year	Comprehensive Income (Expense)	
	Baht	Baht	Baht	Baht
Deferred Tax Assets				
Non-Current Provisions for				
Employee Benefit	-	156,333.00	199,864.40	356,197.40
Total	-	156,333.00	199,864.40	356,197.40
Deferred Tax Liabilities				
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)
Total	703,939.71	(109,683.07)	-	594,256.64

25. Credits and Guarantees

Bank overdrafts, factoring loan, short-term loan from other companies and other persons 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 and share certificate of the other persons, saving and fixed deposit accounts and jointly guaranteed by the Company, one subsidiary and the director of the Company and subsidiary have joined the guarantee.

26. Trade and Other Current Payables

Consist of:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Trade Payables	112,668,708.96	123,519,484.09	13,820,989.72	13,887,385.58
Other Payables	147,999,450.49	153,757,464.92	73,202,405.48	51,194,001.81
Total	260,668,159.45	277,276,949.01	87,023,395.20	65,081,387.39

Other payables consist of:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Accrued Expenses	37,471,832.54	40,066,783.12	8,269,450.27	5,411,699.34
Accrued Interest	53,639,224.50	35,955,503.37	52,528,767.13	35,569,132.95
Other Payables	2,647,266.22	7,314,189.52	-	-
Unsettled Output Tax	18,034,721.07	17,319,461.55	1,935,847.72	2,026,914.78
Assets Payables	10,976,219.78	22,502,612.40	-	-
Prepaid Revenue	10,943,390.92	15,272,086.78	-	8,442.51
Others	14,286,795.46	15,326,828.18	10,468,340.36	8,177,812.23
Total	<u>147,999,450.49</u>	<u>153,757,464.92</u>	<u>73,202,405.48</u>	<u>51,194,001.81</u>

27. Short-term Loan from Other Companies

Consist of:

	Consolidated	
	Financial Statements	
	As at	As at
	31 December 2018	31 December 2017
	Baht	Baht
Short-term Loans from Other Companies	156,542,721.38	204,755,462.21
<u>Less</u> Prepaid Interest	-	(11,183.87)
Total	<u>156,542,721.38</u>	<u>204,744,278.34</u>

	Consolidated	
	Financial Statements	
	As at	As at
	31 December 2018	31 December 2017
	Baht	Baht
Beginning Balance	204,755,462.21	200,000,000.00
<u>Add</u> Increase During the Year	-	118,000,000.00
<u>Less</u> Decrease During the Year	(48,212,740.83)	(113,244,537.79)
Ending Balance	<u>156,542,721.38</u>	<u>204,755,462.21</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 2018 and 2017, short-term loan from one other company of one indirect subsidiary 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, As at 4 May 2017, the second extension has been made for another 1 year due date on 11 June 2018, As at 13 June 2018, the third extension has been made for another 1 year due date on 11 June 2019. The interest rate and collateral conditions are the same as indicated in the prior loan agreement.

As at 13 June 2018, (date of memorandum of agreement) the indirect subsidiary company has a loan balance of Baht 190.98 million. The memorandum of agreement with conditions for the principals and interest repayments are as follow:

For the 1st – 5th period	Payment of principal and interest per month for Baht 5.00 million.
For the 6th – 10th period	Payment of principal and interest per month for Baht 20.00 million.
For the 11th – 12th period	Payment of principal and interest per month for Baht 40.00 million.
The first installment payment of principal and interest on or before 11 June 2018.	

28. Short-term Loan from Other Persons

Consist of:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Short-term Loan from Other Persons	140,000,000.00	1,300,000.00	50,000,000.00	-
<u>Less</u> Prepaid Interest	(1,017,308.77)	-	(1,017,308.77)	-
Total	<u>138,982,691.23</u>	<u>1,300,000.00</u>	<u>48,982,691.23</u>	<u>-</u>

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Beginning Balance	1,300,000.00	1,300,000.00	-	-
<u>Add</u> Increase During the Year	151,000,000.00	-	-	-
<u>Add</u> Increase from Transfer of				
Accrued Interest	357,589.01	-	-	-
<u>Add</u> Increase from Transfer of Debt				
from a Related Company	-	-	50,000,000.00	-
(Note 43.3)				
<u>Less</u> Decrease During the Year	(12,657,589.01)	-	-	-
Ending Balance	140,000,000.00	1,300,000.00	50,000,000.00	-

As at 31 December 2018 and 2017, 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, On 12 March 2018, the Supreme Court judged the subsidiary to repay debt principal and interest to the lenders. The subsidiary has been recognized by such liabilities by court order is complete.

On 25 May 2018, the subsidiary negotiated the repayment of Baht 1.68 million in principal and accrued interest, calculated from the litigation date of 12 February 2018 to 22 May 2018. Accrued interest in amount of Baht 0.36 million shall be add to the principal from 22 May 2018 onward. The subsidiary is in the process of repaying the debt in accordance with the court verdict to the lending creditor. The first installment has been paid on 22 May 2018. As at 31 December 2018, the subsidiary has completely repaid the loan.

As at 31 December 2018, short-term loan from other person of the indirect subsidiary is individuals 1 in form of bill of exchange in amount of Baht 50.00 million, 60 days duration, with interest rate at 15.00% per annum. During the year the indirect subsidiary transferred the principle and interest obligations under the debt conversion agreement to the Company, the subsidiary as guarantor and shares certificate of the other person as collateral.

As at 31 December 2018, short-term loan from other person of the indirect subsidiary is individuals 2 in form of promissory note in amount of Baht 80.00 million, 90 days duration, with interest rate at 8.00% per annum. During the year the indirect subsidiary transferred the principle and interest obligations under the debt conversion agreement to the subsidiary, the Company as guarantor and shares certificate of the other person as collateral.

As at 31 December 2018, short-term loan from other person of one subsidiary is in form promissory note in amount of Baht 10.00 million, 35 days duration, with interest rate 15.00% per annum, without any collateral.

29. Creditor from Capital Increase

Creditor from capital increase in amount of Baht 465.60 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.

At present, the Company has repaid for the creditor from capital increase with interest to certain investors in amount of Baht 369.09 million. The interest is calculated at 15.00% per annum from the date the Company received the money. As at 31 December 2018, the Company has creditor from capital increase in amount of Baht 154.00 million and accrued interest in amount of Baht 52.53 million.

30. Liabilities under Finance Lease

Consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Liabilities under Finance Lease	2,347,574.71	3,379,842.79	-	130,714.93
<u>Less</u> Deferred Interest	(322,903.80)	(280,441.56)	-	(1,539.01)
Total	2,024,670.91	3,099,401.23	-	129,175.92
<u>Less</u> Current Portion of Liabilities				
under Finance Lease	(722,417.38)	(1,227,908.09)	-	(129,175.92)
<u>Add</u> Deferred Gains from Sale and Lease Back	957,940.52	-	-	-
Net	2,260,194.05	1,871,493.14	-	-

Amount of beginning paid liabilities under financial lease as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Within 1 year	1,452,552.44	1,533,030.96	-	130,714.93
Over 1 year but not over 5 years	895,022.27	1,846,811.83	-	-
Total	2,347,574.71	3,379,842.79	-	130,714.93

31. Provisions of Liabilities

Consist of:

	Consolidated /Separate Financial Statements		
	Warranty Claim		
	for Project	Lawsuit Penalty	Total
	Baht	Baht	Baht
Beginning Balance as at 1 January 2018	229,748.24	2,885,889.00	3,115,637.24
Increase	-	80,100.00	80,100.00
Reversal of Provision	(229,748.24)	(1,076,858.71)	(1,306,606.95)
Ending Balance as at 31 December 2018	-	1,889,130.29	1,889,130.29

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 Baht	Lawsuit Penalty Baht	Total 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	229,748.24	2,885,889.00	3,115,637.24

32. Non-Current Provisions for Employee Benefit

For the year ended 31 December 2018 and 2017, 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 2018 Baht	31 December 2017 Baht	31 December 2018 Baht	31 December 2017 Baht
Non-Current Provisions for Employee Benefits at				
Beginning of Year	17,777,271.54	13,830,663.91	5,715,333.00	2,524,458.00
Current Service Cost	3,509,279.03	3,726,732.56	821,673.00	402,883.00
Interest Expense	519,757.31	404,703.07	154,927.00	76,696.00
Included in Other Comprehensive Income:				
Gain (Loss) on Remeasurement of Defined Benefit Plans				
Financial Assumptions Changes	302,833.40	2,271,966.00	100,297.00	1,729,457.00
Demographic Assumptions Changes	(1,639,107.00)	(71,751.00)	(197,912.00)	339,820.00
Experience Adjustments	(4,514,890.80)	(2,024,371.00)	(126,243.00)	642,019.00
Reversal is due to the benefits expected to be paid but not yet paid	(1,297,105.26)	-	-	-
Paid Employee Benefits During the Year	-	(360,672.00)	-	-
Non-Current Provisions for Employee Benefits at				
End of Year	14,658,038.22	17,777,271.54	6,468,075.00	5,715,333.00

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 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Costs of Sale and Service	1,350,414.29	969,952.84	66,708.00	15,962.00
Selling and Service Expenses	291,942.72	223,948.47	-	-
Administrative Expenses	2,386,679.33	2,937,534.32	909,892.00	463,617.00
Total	<u>4,029,036.34</u>	<u>4,131,435.63</u>	<u>976,600.00</u>	<u>479,579.00</u>

The Group has long-term employee benefits that are expected to be paid in the future as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Within 1 year	3,766,895.00	1,469,646.00	2,210,911.00	553,379.00
Over 1 year but not over 5 years	8,821,462.00	16,017,237.00	2,320,568.00	4,131,172.00
Over 5 year	23,872,756.00	38,864,722.00	9,269,311.00	8,696,206.00
Total	<u>36,461,113.00</u>	<u>56,351,605.00</u>	<u>13,800,790.00</u>	<u>13,380,757.00</u>

As shown in the consolidated financial statements as at 31 December 2018 and 2017, the weighted average duration of the liabilities for long-term employee benefit is 7 – 23 years and 8 – 23 years respectively and in the separate financial statements 9 years, equally.

The principal assumptions used for the purposes of the actuarial valuation were as follows:

	For the year ended 31 December 2018	For the year ended 31 December 2017
Discount rate	2.50-3.28% per annum	2.29-3.28% per annum
Salary increase rate	2.22-5.44% per annum	3.04-5.44% per annum
Mortality rate	Mortality table year 2017	Mortality table year 2017
Employee turnover rate	0-100% per annum	0-100% per annum
Retirement age	60 years old	60 years old

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined non-current provisions for benefit by the amounts shown as follows.

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Discount rate				
Increase 0.50 %	(642,067.95)	(549,322.00)	(169,406.00)	(168,081.00)
Decrease 0.50 %	704,429.05	580,646.00	178,680.00	177,138.00
Salary increase rate				
Increase 0.50 %	676,925.05	548,352.00	175,946.00	173,415.00
Decrease 0.50 %	(623,716.95)	(524,097.00)	(168,525.00)	(166,277.00)
Turnover rate				
Increase 0.50 – 1.00 %	(1,187,451.95)	(1,213,615.00)	(344,158.00)	(346,319.00)
Decrease 0.50 – 1.00 %	851,366.05	977,667.00	62,659.00	52,951.00

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

On 13 December 2018, the National Legislative Assembly passed a resolution approving the draft of a new Labour Protection Act, which is in the process being published in the Royal Gazette. The new Labour Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation of not less than that of the last 400 days, based on the final wage rate. This change is considered a post-employment benefits plan amendment and the Group and the Company have additional non-current provisions for employee benefits as shown in the consolidated financial statements at the amount of Baht 1,749,393.23 and in the separate financial statements at the amount of Baht 215,137.00.

33. Share Capital

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

	For the year ended 31 December 2018			For the year ended 31 December 2017		
	Par Value Baht Per Share	Number of Share Share	Amount Baht	Par Value Baht Per Share	Number of Share Share	Amount Baht
Authorized Share Capital						
Beginning Ordinary Shares	1.00	281,961,297,580	281,961,297,580.00	5.00	14,695,874,880	73,479,374,400.00
<u>Less</u> Capital Reduction	1.00	(149,530,870,699)	(149,530,870,699.00)	5.00	(6,187,774,033)	(30,938,870,165.00)
<u>Add</u> Increased due to Change in Par Value		-	-		34,032,403,388	-
<u>Add</u> Capital Increment	1.00	67,887,511,111	67,887,511,111.00	1.00	239,420,793,345	239,420,793,345.00
Ending Ordinary Shares	1.00	<u>200,317,937,992</u>	<u>200,317,937,992.00</u>	1.00	<u>281,961,297,580</u>	<u>281,961,297,580.00</u>
Issued and Paid-up Share Capital						
Beginning Ordinary Shares	1.00	67,886,863,391	67,886,863,391.00	5.00	6,292,021,080	31,460,105,400.00
<u>Add</u> Issuance of Ordinary Shares		-	-	5.00	1,587	7,935.00
<u>Add</u> Increased due to Change in Par Value		-	-		25,168,090,668	-
<u>Add</u> Issuance of Ordinary Shares	1.00	647,720	647,720.00	1.00	36,426,750,056	36,426,750,056.00
Ending Ordinary Shares	1.00	<u>67,887,511,111</u>	<u>67,887,511,111.00</u>	1.00	<u>67,886,863,391</u>	<u>67,886,863,391.00</u>
Share Discount on Ordinary Shares						
Beginning Share Discount on Ordinary Shares		42,718,772,723	(62,783,929,576.07)		6,292,021,080	(26,830,723,462.00)
<u>Add</u> Issuance of Ordinary Shares		647,720	(623,754.36)		36,426,751,643	(35,953,206,114.07)
Ending Share Discount on Ordinary Shares		<u>42,719,420,443</u>	<u>(62,784,553,330.43)</u>		<u>42,718,772,723</u>	<u>(62,783,929,576.07)</u>

33.1 As at 13 September 2018, The Company registered the new paid-up share capital from exercising of the warrant (NEWS-W5) from Baht 67,886,863,391.00 to Bath 67,887,511,111.00 with Department of Business Development.

33.2 The Board of Directors Meeting No.5/2561 held on 21 September 2018. There are significant resolutions as follow:

- 1) Approve a registered capital reduction of the Company by Baht 149,530,870,699 from the existing registered capital of Baht 281,961,297,580 to the new registered capital of Baht 132,430,426,881 by deducting 149,530,870,699 unissued ordinary shares, with the par value of Baht 1 per share.

- 2) Approve the registered capital increase of the Company by Baht 67,887,511,111 from the existing registered capital of Baht 132,430,426,881 to the new registered capital of Baht 200,317,937,992 issuing 67,887,511,111 newly-issued ordinary shares, with the par value of Baht 1 per share with would be reserved for the allocation of the newly-issued ordinary shares to the existing shareholders proportionate to their respective shareholdings and the allocation of newly issued ordinary shares to the private placement investors.
- 3) Approve the allocation of the newly issued ordinary shares of the Company as follows.
 - 3.1) Allocation of newly issued ordinary share of 67,887,511,111 shares with the par value of Baht 1 per share to be offered for sale to the existing shareholders of the Company proportionate to their respective shareholdings in the allocation ratio of 1 existing ordinary share to 1 newly-issued ordinary share at the offering price of Baht 0.01 per share.
 - 3.2) In the case where the number of unsubscribed shares from the first allocation to the existing shareholders of the Company proportionate to their respective shareholding as above the shareholder may subscribe newly issued ordinary shares in excess of their right and the Company will allocate the unsubscribed shares to the private placement investor.

The Company has registered increase with Department of Business Development on 26 November 2018.

34. Earnings (Loss) per Share

34.1 Basic Earnings (Loss) per Share

For the year ended 31 December 2018 and 2017, the Company has calculated basic earnings (loss) per share part of the Company by dividing profit (loss) for the year with the weighted average number during the year of ordinary shares as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December		31 December	
	2018	2017	2018	2017
Profit (loss) attributable to equity holders of the Company (Baht)	(270,647,584.93)	(567,666,934.43)	(585,770,845.93)	(209,860,669.26)
Number of weighted average ordinary shares (Share)	67,887,058,594	32,058,908,574	67,887,058,594	32,058,908,574
Basic earnings (loss) per share (Baht/Share)	(0.00399)	(0.01771)	(0.00863)	(0.00655)

34.2 Diluted Earnings (Loss) per Share

For the year ended 31 December 2018 and 2017, the Company does not present the diluted earnings per share due to the exercise price of warrants is higher than the fair value of ordinary shares.

35. Warrant

Details of the warrant are as follows;

Type of Warrant	Date of Issue and offering	Exercise Price (Baht per Share)	Conversion Ratio (Warrant : Ordinary Share)	Exercised Ordinary Share (Shares)	Remaining Warrants (Shares)	Expiry Date of Warrant
NEWS-W4	21 April 2014	0.447	1.00 : 2.2306	-	1,622,689,100	30 March 2019
NEWS-W6	20 June 2018	0.016	1.00 : 1.0000	-	14,570,700,020	12 June 2021

36. 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.

37. 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 2018 and 2017, the consolidated financial statements present the debt to equity ratio in 5.86:1 and 4.12:1 respectively, and the separate financial statement presents 7.13:1 and 0.51:1, respectively.

38. Income Tax (Expense) Revenue

38.1 Income tax which is recognized in profit (Loss) for the year consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Current Income Tax				
Income Tax (Expense) Revenue in current Year	(1,432,709.65)	(2,621,674.43)	-	-
Deferred Tax				
Deferred Income Tax (Expense) Revenue	(306,058.02)	266,016.07	-	-
Income Tax (Expense) Revenue recognized				
in Profit or Loss	(1,738,767.67)	(2,355,658.36)	-	-

The differences between income tax (expense) revenue which was calculated from accounting profit at the tax rate of 20% for the year ended 31 December 2018 and 2017 were as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Profit (Loss) before Income Tax	<u>(271,920,745.07)</u>	<u>(570,392,194.31)</u>	<u>(585,770,845.93)</u>	<u>(209,860,669.26)</u>
Income Tax (Expense) Revenue Calculated at				
Tax Rate of 20%	54,384,149.01	114,078,438.86	117,154,169.19	41,972,133.85
Non-Deductible (Revenues) Expenses	(1,878,077.65)	(2,386,605.91)	(119,008,223.95)	(30,995,848.69)
Revenues Granted Income Tax Exemption	-	29,400.00	-	29,400.00
Unrecognized Temporary Differences	(3,779,811.83)	(1,595,039.91)	-	20,131.20
Effects of Profit between Related Companies	(253,693.77)	2,799.89	-	-
Effects of Eliminations in the Consolidated				
Financial Statements	12,286,852.87	12,286,852.87	-	-
Deferred Tax Assets which recognized for the Year	-	110,334.29	(211,340.00)	-
Tax Losses in Current Period Not Recognized				
as Deferred Tax Assets	(66,789,937.51)	(126,722,332.75)	-	(11,025,816.36)
Unrecognized Tax Losses in Prior Period	<u>4,291,751.21</u>	<u>1,840,494.30</u>	<u>2,065,394.76</u>	<u>-</u>
Income Tax (Expense) Revenue	<u>(1,738,767.67)</u>	<u>(2,355,658.36)</u>	<u>-</u>	<u>-</u>

Deferred tax assets which are not recognized in the financial statements as at 31 December 2018 and 2017

consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Tax Losses	2,530,219,411.77	2,426,951,228.11	44,802,107.96	55,129,081.78
Deductible Temporary Differences	<u>1,586,530,016.77</u>	<u>1,936,791,236.56</u>	<u>4,704,093,043.66</u>	<u>4,511,755,371.58</u>
Total	<u>4,116,749,428.54</u>	<u>4,363,742,464.67</u>	<u>4,748,895,151.62</u>	<u>4,566,884,453.36</u>

As at 31 December 2018 and 2017, the whole amount of deferred tax losses was unused tax losses classified by expiring year of tax benefits as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Expiring year of tax benefits				
2018	-	149,416,677.81	-	-
2019	500,351,403.83	539,808,505.69	-	-
2020	564,236,954.55	608,178,775.01	-	-
2021	533,722,343.53	551,064,687.61	-	-
2022	619,417,778.33	578,482,581.99	44,802,107.96	55,129,081.78
2023	312,490,931.53	-	-	-
Total	<u>2,530,219,411.77</u>	<u>2,426,951,228.11</u>	<u>44,802,107.96</u>	<u>55,129,081.78</u>

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

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

	Consolidated Financial Statements		
	Amount	Income tax	Net of tax
	before tax	(expense) revenue	
	Baht	Baht	Baht
For the year ended 31 December 2018			
Gain (Loss) on remeasurement of available-for-sale investments	(56,248,500.00)	-	(56,248,500.00)
Gains (Loss) on remeasurement of defined benefit plans	7,148,269.66	-	7,148,269.66
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 (Loss) on remeasurement of defined benefit plans	(175,844.00)	199,864.40	24,020.40

	Seperate Financial Statements		
	Amount	Income tax	
	before tax	(expense) revenue	Net of tax
	Baht	Baht	Baht
For the year ended 31 December 2018			
Gain (Loss) on remeasurement of available-for-sale investments	(56,248,500.00)	-	(56,248,500.00)
Gains (Loss) on remeasurement of defined benefit plans	223,858.00	-	223,858.00
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 (Loss) on remeasurement of defined benefit plans	(2,711,296.00)	-	(2,711,296.00)

39. 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 2018 and 2017, the Group is recognized contribution to the provident fund as expense in amount of Baht 7.26 million and Baht 5.84 million respectively, and the Company is recognized contribution to the provident fund as expense in amount of Baht 0.39 million and Baht 0.35 million respectively.

40. Expenses by Nature

Consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended		For the year ended	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Change in Finished Goods and Work in Process	2,622,217.68	3,023,206.02	-	-
Purchase of Inventory and Cost of Services	203,474,217.29	193,393,701.06	3,076,610.57	26,443.15
Employees Expenses	286,894,437.18	293,163,219.15	12,246,785.28	12,006,328.13
Depreciation and Amortization	52,985,169.10	82,941,198.61	2,112,065.19	1,845,563.96
Commission Expense	18,325,369.83	19,547,937.01	34,750.00	-
Consulting Fee	10,958,349.54	7,507,668.04	1,020,000.00	1,700,000.00
Other Service Expense	57,869,972.30	16,730,258.23	7,521,424.84	3,428,303.26
Rental Expense	42,794,087.18	37,265,166.34	4,573,506.96	4,369,578.96
Management Compensation	52,139,434.99	56,309,514.78	15,012,200.41	15,570,742.70
Advertising Expense	1,749,661.44	6,475,535.18	-	-
(Reversal of) Loss from Declining in Value of				
Inventories	255,897.94	3,678,354.04	-	-
Doubtful and Bad Debts	13,053,974.63	1,843,164.03	260,145,987.47	113,213,093.98
Loss on Impairment of Equipment	360,495.36	-	-	-
Loss on Impairment of Intangible Assets	132,820.03	-	-	-
Loss on Impairment of Investments in Subsidiaries	-	-	110,647,000.00	40,700,000.00
Loss on Impairment of Long-term Investments	223,270,073.12	-	223,270,073.12	-
Others	84,184,456.20	111,268,325.78	14,015,704.43	13,981,566.76
Total	<u>1,051,070,633.81</u>	<u>833,147,248.27</u>	<u>653,676,108.27</u>	<u>206,841,620.90</u>

41. Segments Information

Information about Business Segment

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 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 are as follows:

	Consolidated Financial Statements For the year ended 31 December 2018				(Unit : Baht)
	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	6,877,424.00	519,551,098.21	65,916,310.55	-	592,344,832.76
Intersegment Revenue	189,520.00	165,696,050.02	-	(165,885,570.02)	-
Total Revenues	7,066,944.00	685,247,148.23	65,916,310.55	(165,885,570.02)	592,344,832.76
GROSS PROFIT(LOSS)	1,810,022.91	(28,300,967.30)	10,869,933.63	67,455,903.60	51,834,892.84
Interest Income	82,403,831.63	20,186,016.97	12,759.28	(96,847,782.41)	5,754,825.47
Reversal of Loss on Impairment of License to Use the Frequency for Television Service	-	-	-	198,000,000.00	198,000,000.00
Other Income	4,241,642.93	68,329,822.07	1,727,278.46	(13,850,154.99)	60,448,588.47
Selling and Service Expenses	(2,526,787.68)	(53,349,845.46)	(4,464,741.82)	131,516.55	(60,209,858.41)
Administrative Expenses	(54,934,724.10)	(154,257,450.54)	(12,275,975.34)	7,441,362.25	(214,026,787.73)
(Doubtful Debts and Bad Debts) Reversal	(260,145,987.47)	(33,619,134.37)	23,242.00	280,687,905.21	(13,053,974.63)
Loss on Impairment of Investments in Subsidiary	(110,647,000.00)	-	-	110,647,000.00	-
Loss on Impairment of Long-term Investments	(223,270,073.12)	-	-	-	(223,270,073.12)
Finance Costs	(24,168,254.56)	(147,778,458.37)	(2,299,427.44)	96,847,782.41	(77,398,357.96)
PROFIT (LOSS) BEFORE INCOME TAX EXPENSE	(587,237,329.46)	(328,790,017.00)	(6,406,931.23)	650,513,532.62	(271,920,745.07)
Income Tax (Expense) Revenue					(1,738,767.67)
PROFIT (LOSS) FOR THE YEAR					(273,659,512.74)
Depreciation and Amortization	2,157,983.75	111,168,022.51	1,104,535.17	(61,445,372.33)	52,985,169.10
Assets by Business Sector					
- Fixed Assets	3,134,125.80	163,321,782.27	1,847,000.08	(68,333.33)	168,234,574.82
- License to Use the Frequency for Television Service	-	634,035,270.91	-	(436,035,270.91)	198,000,000.00
- Deposit at Bank used as Collateral	1,447,588.20	246,853,460.07	97,940.00	-	248,398,988.27
- Other Assets	336,404,181.75	1,323,757,039.77	15,735,125.95	(1,155,122,737.92)	520,773,609.55
Total Assets	340,985,895.75	2,367,967,553.02	17,680,066.03	(1,591,226,342.16)	1,135,407,172.64
Total Liabilities	308,477,490.99	2,734,286,390.96	12,726,889.36	(2,085,601,779.24)	969,888,992.07

(Unit : Baht)

Consolidated Financial Statements					
For the year ended 31 December 2017					
	Business Segment	Business Segment	Business Segment	Elimination	Total
	Distribution of technology products, consulting and design of information system	Media	Distribution and installation services of information system the projects involving environment and occupational health	Entries	
Revenue from External Customers	4,488,463.31	333,888,448.56	36,114,349.51	-	374,491,261.38
Intersegment Revenue	507,570.00	190,753,734.53	64,000.00	(191,325,304.53)	-
Total Revenues	4,996,033.31	524,642,183.09	36,178,349.51	(191,325,304.53)	374,491,261.38
GROSS PROFIT(LOSS)	1,504,433.72	(239,674,729.75)	6,817,512.72	66,321,716.36	(165,031,066.95)
Interest Income	77,178,524.89	19,703,313.76	17,237.08	(85,930,830.35)	10,968,245.38
Other Income	4,800,709.11	43,178,832.64	1,034,895.21	(24,124,757.98)	24,889,678.98
Selling and Service Expenses	(3,104,745.34)	(68,776,450.68)	(6,061,937.20)	6,248,074.27	(71,695,058.95)
Administrative Expenses	(51,751,460.64)	(168,548,046.56)	(12,692,420.93)	12,905,231.17	(220,086,696.96)
(Doubtful Debts and Bad Debts) Reversal	(113,213,093.98)	405,457.22	(835,527.27)	111,800,000.00	(1,843,164.03)
Loss on Impairment of Investments in Subsidiary	(40,700,000.00)	(19,900,000.00)	-	60,600,000.00	-
Finance Costs	(87,083,045.06)	(142,614,297.71)	(3,827,619.36)	85,930,830.35	(147,594,131.78)
PROFIT (LOSS) BEFORE INCOME TAX EXPENSE	(212,368,677.30)	(576,225,921.08)	(15,547,859.75)	233,750,263.82	(570,392,194.31)
Income Tax (Expense) Revenue					(2,355,658.36)
PROFIT (LOSS) FOR THE YEAR					(572,747,852.67)
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	700,368,056.66	1,392,584,975.10	17,037,024.91	(1,425,943,043.21)	684,047,013.46
Total Assets	705,346,010.47	2,774,692,058.79	21,164,259.68	(2,121,549,204.41)	1,379,653,124.53
Total Liabilities	248,563,349.51	2,822,947,000.57	89,676,530.58	(2,051,017,641.02)	1,110,169,239.64

Information about Geographical Areas

The Group operates in Thailand which the single geographical areas.

Information about Major Customers

For the year ended 31 December 2018 and 2017, information about major customers which amounting to 10% or more of revenue in the consolidated financial statements of the Group is as follows :

	Proportion to Total Revenue		Consolidated Financial Statements	
	For the year ended	For the year ended	For the year ended	For the year ended
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	%	%	Baht	Baht
Entity No. 1	18.83	-	111,534,100.00	-
Entity No. 2	10.19	18.52	60,345,720.08	69,348,583.27
Total	29.02	18.52	171,879,820.08	69,348,583.27

42. Financial Instruments

42.1 Financial Risk Management and Policies

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

42.2 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				
	As at 31 December 2018				
	Floating Interest Rate	Fixed Interest Rate	Non-Interest Bearing	Total	Interest Rate per annum (%)
<u>Financial Assets</u>					
Cash and Cash Equivalents	28,893,126.60	-	477,179.03	29,370,305.63	0.125-0.875
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	-	248,398,988.27	-	248,398,988.27	0.375-1.625
<u>Financial Liabilities</u>					
Factoring Payable	-	733,330.40	-	733,330.40	14.500
Short-term Loan from Related Persons	-	21,100,000.00	-	21,100,000.00	7.500-15.000
Short-term Loan from Other Companies	-	156,542,721.38	-	156,542,721.38	12.000
Short-term Loan from Other Persons	-	140,000,000.00	-	140,000,000.00	8.000-15.000
Creditor from Capital Increase	-	154,000,000.00	-	154,000,000.00	15.000
Finance Lease Agreement Liabilities	-	2,347,574.71	-	2,347,574.71	0.046-0.970

(Unit : Baht)

Consolidated Financial Statements					
As at 31 December 2017					
	Floating Interest Rate	Fixed Interest Rate	Non-Interest Bearing	Total	Interest Rate per annum (%)
<u>Financial Assets</u>					
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
<u>Financial Liabilities</u>					
Bank Overdrafts	2,205,301.57	-	-	2,205,301.57	2.380
Short-term Loan from Related Persons	-	13,500,000.00	-	13,500,000.00	7.000-15.000
Short-term Loan from Other Companies	-	204,755,462.21	-	204,755,462.21	7.000-12.000
Short-term Loan from Other Person	-	1,300,000.00	-	1,300,000.00	8.000
Creditor from Capital Increase	-	163,000,000.00	-	163,000,000.00	15.000
Finance Lease Agreement Liabilities	-	3,379,842.79	-	3,379,842.79	0.255-0.960

(Unit : Baht)

Seperate Financial Statements					
As at 31 December 2018					
	Floating Interest Rate	Fixed Interest Rate	Non-Interest Bearing	Total	Interest Rate per annum (%)
<u>Financial Assets</u>					
Cash and Cash Equivalents	1,915,742.55	-	84,617.05	2,000,359.60	0.375-0.875
Short-term Loans to Related Companies	-	1,638,587,712.33	-	1,638,587,712.33	5.000-15.250
Short-term Loan from Other Company	-	24,800,000.00	-	24,800,000.00	5.000
Deposit at Bank used as Collateral	-	1,447,588.20	-	1,447,588.20	0.375
<u>Financial Liabilities</u>					
Short-term Loan from Other Person	-	50,000,000.00	-	50,000,000.00	15.000
Creditor from Capital Increase	-	154,000,000.00	-	154,000,000.00	15.000

(Unit : Baht)

Seperate Financial Statements					
As at 31 December 2017					
	Floating Interest Rate	Fixed Interest Rate	Non-Interest Bearing	Total	Interest Rate per annum (%)
<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>					
Creditor from Capital Increase	-	163,000,000.00	-	163,000,000.00	15.000
Finance Lease Agreement Liabilities	-	130,714.93	-	130,714.93	0.400

42.3 Foreign Exchange Rate Risk

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

42.4 Credit Risk

The Group has credit 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 debts are maximum value of credit risk.

42.5 Fair value

42.5.1 Financial assets and liabilities recognized at fair value

As at 31 December 2018 and 2017, the Group has financial assets recognized by fair value and presented by their hierarchies as follows:

		Consolidated/ Separate Financial Statements			
		Fair Value			
	Carrying Amount	Level 1	Level 2	Level 3	Total
	Baht	Baht	Baht	Baht	Baht
As at 31 December 2018					
Non-Current Financial Assets					
Available-for-Sale Securities –					
Investments in Marketable					
Equity Instruments	153,894,300.00	153,894,300.00	-	-	153,894,300.00
As at 31 December 2017					
Non-Current Financial Assets					
Available-for-Sale Securities –					
Investments in Marketable					
Equity Instruments	214,642,800.00	214,642,800.00	-	-	214,642,800.00

42.5.2 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 to, trade and other current payables, borrowings and liabilities under finance lease agreements, does not differ from their fair values since these financial assets and liabilities are matured in near term.

43. Transactions with the Related Parties and Persons

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

43.1 Relationship among the Entities

Consist of:

<u>Name</u>	<u>Relationship</u>
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 99.44%
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 Ruam Jai 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%
Eastern Printing Public 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 (The relationship terminated because of the resignation from the director on 12 March 2018)
Green Property 1282 Co., Ltd.	Related company by a Shareholder's Company as a director
JK Thai Trading Co., Ltd.	Related company by director's subsidiary as a director (The relationship terminated because of the resignation from the director on 26 April 2017)
Boardway Media Co., Ltd.	Subsidiary company of related company
Aqua Ad Public Co., Ltd.	Subsidiary company of related 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.	Related company by a relative of the subsidiary's former director as a director
(Former name is Tanyarat Plus Co., Ltd.)	(The relationship terminated because of the resignation from the director on 25 May 2017)
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 Ratborihan	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

<u>Name</u>	<u>Relationship</u>
Khun Ruknung Phaholyothin	Director of the subsidiary Company
Khun Ekachai Chaicherdkhukit	Director of the subsidiary Company
Khun Woranat Boonprik	Former Shareholder of the subsidiary company
Khun Suppachai Sasomboon	Former Shareholder of the subsidiary company
Khun Suchai Meekhantong	Shareholder of the subsidiary company
Khun Yuth Shinsupakkul	Relative of the Company's and the subsidiary's director
Khun Pakawan Wong-Opasri	Relative of the Company's and the subsidiary's director

43.2 Inter-Transactions

		Consolidated Financial Statements for the year ended		Separate Financial Statements for the year ended	
	Pricing Policy	31 December 2018 Baht	31 December 2017 Baht	31 December 2018 Baht	31 December 2017 Baht
Transaction with Subsidiary Companies					
(Eliminated from Consolidated Financial Statements)					
Revenue from Assets for Rent	Contract Price	-	-	189,520.00	507,570.00
Other Income	Contract Price	-	-	2,587,127.80	2,086,274.96
Interest Income	Annual Interest Rate at 5 and 15.25%	-	-	81,140,699.88	75,757,274.16
Disposal of Assets	Mutually Agreed Price	-	-	18,000.00	18,000.00
Purchase of Assets	Mutually Agreed Price	-	-	2,302,627.44	895,782.26
Administrative Expenses	Contract Price	-	-	-	154,892.74
Doubtful Debts		-	-	257,687,905.21	111,800,000.00
Transaction with Related Companies					
Revenue from Sales	Contract Price and Price Equivalent to Market Price	-	924,084.00	-	-
Revenue from Services	Contract Price and Price Equivalent to Market Price	13,034,000.00	9,579,610.00	-	-
Interest Income	Annual Interest Rate at 5% and 6%	-	409,522.72	-	378,082.19
Other Income	Contract Price	-	2,204,291.00	-	-
Purchase of Assets	Mutually Agreed Price	-	301,094.08	-	-
Cost of Sales	Mutually Agreed Price	-	7,633,973.96	-	-
Cost of Services	Contract Price	48,606,868.79	7,743,141.83	-	-
Selling Expenses	Contract Price	-	4,469,750.00	-	-
Administrative Expenses	Contract Price	747,876.61	3,623,799.75	-	-
Transaction with Related Persons					
Administrative Expenses	Contract Price	-	450,000.00	-	450,000.00
Interest Expenses	Annual Interest Rate at 7%, 12% and 15 %	1,596,009.95	394,081.71	-	-

43.3 Inter – Outstanding Balances

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Trade Receivables				
Subsidiary Companies				
Spring News Corporation Co., Ltd.	-	-	-	424,490.40
Environmental Solution Integrator Co., Ltd.	-	-	-	2,891,236.30
Related Company				
T-News Press Co., Ltd.	-	1,209,635.00	-	-
Total	-	1,209,635.00	-	3,315,726.70
Other Receivables				
Subsidiary Companies				
Environmental Solution Integrator Co., Ltd.	-	-	915,919.67	1,311,820.00
Spring News Corporation Co., Ltd.	-	-	1,398,496.59	690,480.00
Sync Technologies Co., Ltd.	-	-	-	107,895.00
Green Net 1282 Co., Ltd.	-	-	1,242,463.74	1,199,663.74
News Network Multimedia Co., Ltd.	-	-	-	1,288,152.32
Thansettakij Multimedia Co., Ltd.	-	-	-	53,500.00
Related Persons				
Khun Suppachai Sasomboon	-	125,000.00	-	-
Khun Suchai Meekhantong	125,000.00	125,000.00	-	-
Total	125,000.00	250,000.00	3,556,880.00	4,651,511.06
Accrued Revenue				
Subsidiary Companies				
Environmental Solution Integrator Co., Ltd.	-	-	200,000.00	73,000.00
Spring News Corporation Co., Ltd.	-	-	350,000.00	100,000.00
Sync Technologies Co., Ltd.	-	-	-	12,000.00
Green Net 1282 Co., Ltd.	-	-	140,000.00	40,000.00
News Network Multimedia Co., Ltd.	-	-	-	15,000.00
Thansettakij Multimedia Co., Ltd.	-	-	180,000.00	50,000.00
Total	-	-	870,000.00	290,000.00

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Accrued Interest Receivable				
Subsidiary Companies				
Environmental Solution Integrator Co., Ltd.	-	-	-	2,146,958.88
Spring News Corporation Co., Ltd.	-	-	111,215,746.43	84,781,164.25
Sync Technologies Co., Ltd.	-	-	792,637.41	363,562.10
News Network Multimedia Co., Ltd.	-	-	4,646,136.99	4,382,191.79
Green Net 1282 Co., Ltd.	-	-	1,393,972.59	549,452.03
Ruam Mue Ruam Jai Co., Ltd.	-	-	361,693.64	383,561.62
Total	-	-	118,410,187.06	92,606,890.67
Allowance for Doubtful Debts				
Beginning Allowance for Doubtful Debts	-	-	-	-
Increase	-	-	(107,319,572.43)	-
Ending Allowance for Doubtful Debts	-	-	(107,319,572.43)	-
Net	-	-	11,090,614.63	92,606,890.67
Short-term Loans				
Subsidiary Companies				
Spring News Corporation Co., Ltd.				
Beginning Balance	-	-	1,456,500,000.00	1,201,500,000.00
Increase	-	-	49,600,000.00	255,000,000.00
Increase from Transfer of Debt from a Related Company	-	-	50,000,000.00	-
Decrease	-	-	(58,160,000.00)	-
Ending Balance	-	-	1,497,940,000.00	1,456,500,000.00
Allowance for Doubtful Debts				
Beginning Allowance for Doubtful Debts	-	-	(1,296,500,000.00)	(1,201,500,000.00)
Increase	-	-	(201,440,000.00)	(95,000,000.00)
Ending Allowance for Doubtful Debts	-	-	(1,497,940,000.00)	(1,296,500,000.00)
Net	-	-	-	160,000,000.00

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Sync Technologies Co., Ltd.				
Beginning Balance	-	-	10,000,000.00	8,000,000.00
Increase	-	-	1,650,000.00	3,000,000.00
Decrease	-	-	(2,400,000.00)	(1,000,000.00)
Ending Balance	-	-	9,250,000.00	10,000,000.00
Allowance for Doubtful Debts				
Beginning Allowance for Doubtful Debts	-	-	(8,000,000.00)	(5,500,000.00)
Increase	-	-	(1,250,000.00)	(2,500,000.00)
Ending Allowance for Doubtful Debts	-	-	(9,250,000.00)	(8,000,000.00)
Net	-	-	-	2,000,000.00
Ruam Mue Ruam Jai Co., Ltd.				
Beginning Balance	-	-	10,000,000.00	-
Increase	-	-	-	16,000,000.00
Decrease	-	-	(502,287.67)	(6,000,000.00)
Ending Balance	-	-	9,497,712.33	10,000,000.00
Allowance for Doubtful Debts				
Beginning Allowance for Doubtful Debts	-	-	-	-
Increase	-	-	(9,497,712.33)	-
Ending Allowance for Doubtful Debts	-	-	(9,497,712.33)	-
Net	-	-	-	10,000,000.00
Environmental Solution Integrator Co., Ltd.				
Beginning Balance	-	-	71,900,000.00	62,000,000.00
Increase	-	-	1,150,000.00	11,900,000.00
Decrease	-	-	(73,050,000.00)	(2,000,000.00)
Ending Balance	-	-	-	71,900,000.00
Allowance for Doubtful Debts				
Beginning Allowance for Doubtful Debts	-	-	(61,819,379.55)	(47,519,379.55)
Increase	-	-	(7,600,000.00)	(14,300,000.00)
Decrease	-	-	69,419,379.55	-
Ending Allowance for Doubtful Debts	-	-	-	(61,819,379.55)
Net	-	-	-	10,080,620.45

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Green Net 1282 Co., Ltd.				
Beginning Balance	-	-	20,800,000.00	13,300,000.00
Increase	-	-	-	10,000,000.00
Decrease	-	-	(500,000.00)	(2,500,000.00)
Ending Balance	-	-	20,300,000.00	20,800,000.00
News Network Multimedia Co., Ltd.				
Beginning Balance	-	-	100,500,000.00	52,500,000.00
Increase	-	-	5,500,000.00	48,000,000.00
Decrease	-	-	(4,400,000.00)	-
Ending Balance	-	-	101,600,000.00	100,500,000.00
Short-term Loans				
Related Company				
T-News TV Co., Ltd.				
Beginning Balance	-	28,000,000.00	-	24,000,000.00
Increase	-	2,000,000.00	-	-
Decrease	-	(6,000,000.00)	-	-
Transfer to Short-term Loan to				
Other Company	-	(24,000,000.00)	-	(24,000,000.00)
Ending Balance	-	-	-	-
Allowance for Doubtful Debts				
Beginning Allowance for Doubtful Debts	-	(24,000,000.00)	-	(24,000,000.00)
Increase	-	-	-	-
Decrease	-	-	-	-
Transfer to Allowance for Short-term Loan to				
Other Company	-	24,000,000.00	-	24,000,000.00
Ending Allowance for Doubtful Debts	-	-	-	-
Net	-	-	-	-
Total Short-term Loans to Related Companies – Net	-	-	121,900,000.00	303,380,620.45
Prepaid Interest				
Related Person				
Khun Yuth Shinsupakkul	122,181.67	34,362.31	-	-
Rental Deposit				
Related Company				
Green Property 1282 Co., Ltd.	90,000.00	90,000.00	-	-

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Accounts Payables				
Subsidiary Company				
Spring News Corporation Co., Ltd.	-	-	1,599,087.90	1,633,024.94
Related Companies				
Eastern Printing Public Co., Ltd.	2,869,983.92	2,948,617.21	-	-
Boardway Media Co., Ltd.	738,300.00	-	-	-
Aqua Ad Public Co., Ltd.	1,938,978.23	-	-	-
Total	<u>5,547,262.15</u>	<u>2,948,617.21</u>	<u>1,599,087.90</u>	<u>1,633,024.94</u>
Other Payables				
Related Company				
Green Property 1282 Co., Ltd.	130,776.47	196,444.93	-	-
Accrued Expense				
Related Persons				
Khun Arak Ratborihan	6,000.00	-	-	-
Khun Watanya Wong-Opasri	32,705.20	-	-	-
Khun Suthichai Bunnag	6,000.00	-	-	-
Khun Ekachai Chaicherdchukit	9,041.11	-	-	-
Total	<u>53,746.31</u>	<u>196,444.93</u>	<u>-</u>	<u>-</u>
Accured Interest				
Related Persons				
Khun Watanya Wong-Opasri	-	12,657.53	-	-
Khun Ruknung Phaholyothin	-	7,397.26	-	-
Total	<u>-</u>	<u>20,054.79</u>	<u>-</u>	<u>-</u>
Advance Receive for Interest				
Subsidiary Company				
Spring News Corporation Co., Ltd.	-	-	1,033,758.26	-
Short-term Loans				
Related Persons				
Khun Watanya Wong-Opasri				
Beginning Balance	2,000,000.00	-	-	-
Increase	-	2,000,000.00	-	-
Decrease	(2,000,000.00)	-	-	-
Ending Balance	<u>-</u>	<u>2,000,000.00</u>	<u>-</u>	<u>-</u>

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Khun Rakneung Phahonyothin				
Beginning Balance	1,500,000.00	-	-	-
Increase	1,590,000.00	1,500,000.00	-	-
Decrease	(1,990,000.00)	-	-	-
Ending Balance	1,100,000.00	1,500,000.00	-	-
Khun Woranat Boonprik				
Beginning Balance	-	2,500,000.00	-	-
Increase	-	-	-	-
Decrease	-	(2,500,000.00)	-	-
Ending Balance	-	-	-	-
Khun Yuth Shinsupakkul				
Beginning Balance	9,965,637.69	-	-	-
Increase	20,000,000.00	43,000,000.00	-	-
Decrease	(10,000,000.00)	(33,000,000.00)	-	-
Less Prepaid Interest	(122,181.67)	(34,362.31)	-	-
Amortization of Prepaid Interest	34,362.31	-	-	-
Ending Balance	19,877,818.33	9,965,637.69	-	-
Grand Total	20,977,818.33	13,465,637.69	-	-

As at 31 December 2018 and 2017, the whole short-term loans to subsidiary companies in amount of Baht 1,588.59 million and Baht 1,669.70 million respectively, are in form of promissory notes with interest at 5% per annum, equally for both years.

As at 31 December 2018, the whole short-term loans to subsidiary companies in amount of Baht 50.00 million, are in form of bill of exchange with interest at 15.25% per annum, transferred the principle and interest obligations under the debt conversion agreement.

As at 31 December 2018, the short-term loans from related person amount of Baht 1.10 million are in form of promissory notes of 91 days duration, with interest rate at 15% per annum and the amount of Baht 20.00 million are in form of bill of exchange of 91 days duration, with interest rate at 7.50% per annum.

As at 31 December 2017, the short-term loans from related person amount of Baht 3.50 million are in form of promissory notes of 91 days duration, with interest rate at 7.00% – 15.00% per annum and the amount of Baht 10.00 million are in form of bill of exchange of 91 days duration, with interest rate at 7.00% per annum.

43.4 Commitments with Related Parties

As at 31 December 2018 and 31 December 2017, 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 director of the Company as the guarantors.

43.5 Key Management Compensation

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	For the year ended		For the year ended	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Short-term Employee Benefits	48,825,831.40	52,725,765.03	14,204,392.16	15,023,637.70
Post-Employment Benefits				
- Defined Contribution Plans	1,369,620.00	1,102,569.00	147,600.00	144,600.00
- Defined Benefit Plans	1,943,983.59	2,481,180.75	660,208.25	402,505.00
Total	<u>52,139,434.99</u>	<u>56,309,514.78</u>	<u>15,012,200.41</u>	<u>15,570,742.70</u>

44. Cash Flow Information

44.1 Non-Cash Flow Transactions

Consist of:

	Consolidated		Separate	
	Financial Statements		Financial Statements	
	For the year ended		For the year ended	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	Baht	Baht	Baht	Baht
Purchase of Asset on Credit	518,254.56	5,318,992.71	-	-
Purchase of Asset under Financial Lease Agreement	1,182,990.65	2,366,250.55	-	-
Transfer of Fixed Assets to Intangible Assets	-	1,193,900.00	-	-
Purchase of Intangible Asset on Credit	4,241,353.58	235,400.00	-	-
Disposal of Fixed Asset on Credit	497,622.14	-	-	-
Deferred Gains from Sale and Lease Back	1,121,491.32	-	-	-
Transfer out from Other Payables to	1,298,424.92	-	-	-
Disposal of Fixed Assets				
Transfer out from Finance Lease Agreements				
Liabilities to Disposal of Fixed Assets	1,084,874.80	-	-	-
Transfer Assets Payables offset to Other Receivables	-	-	2,302,627.44	-
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 Accrued Interest to Short-Term Loan to				
Other Person	357,589.01	-	-	-
Transfers of Non-Current Provisions for Employee				
Benefits to Other Payables	-	360,672.00	-	-
Transfer of Short-Term Loans from Other Person from				
Related Company	-	-	50,000,000.00	-
Gain (Loss) on Remeasurement of Available-for-Sale				
Investments Recognized in Other				
Comprehensive Income (Expense)	(56,248,500.00)	(284,390,550.00)	(56,248,500.00)	(284,390,550.00)
Gain (Loss) on Remeasurement of Defined Benefit				
Plans Recognized in Other Comprehensive				
Income (Expense)	7,148,269.66	24,020.40	223,858.00	(2,711,296.00)
Reclassify of Realised Loss on Remeasurement				
to Profit or Loss	218,770,073.12	-	218,770,073.12	-

44.2 Changes in Liabilities arising from Financing Activities

For the year ended 31 December 2018 and 2017, changes in liabilities arising from financing activities have the movements as follows:

Consolidated Financial Statements				
For the year ended 31 December 2018				
	As at	Changes from	Other Changes	As at
	1 January 2018	Financing Cash Flows		31 December 2018
		Increase (Decrease)		
	Baht	Baht	Baht	Baht
Bank Overdrafts	2,205,301.57	(2,205,301.57)	-	-
Factoring Payable	-	691,730.40	41,600.00	733,330.40
Short-term Loans from Related Persons	13,465,637.69	7,600,000.00	(87,819.36)	20,977,818.33
Short-term Loans from Other Companies	204,744,278.34	(48,212,740.83)	11,183.87	156,542,721.38
Short-term Loans from Other Persons	1,300,000.00	138,342,410.99	357,589.01	140,000,000.00
Assets Payables	22,502,612.40	(16,286,000.76)	4,759,608.14	10,976,219.78
Liabilities Under Finance Lease Agreements	3,099,401.23	(1,172,846.17)	1,056,056.37	2,982,611.43
Creditor from Capital Increase	163,000,000.00	(9,000,000.00)	-	154,000,000.00
Accrued Interest	35,955,503.37	(42,902,066.41)	60,585,787.54	53,639,224.50
Total	446,272,734.60	26,855,185.65	66,724,005.57	539,851,925.82

Consolidated Financial Statements				
For the year ended 31 December 2017				
	As at	Changes from	Other Changes	As at
	1 January 2017	Financing Cash Flows		31 December 2017
		Increase (Decrease)		
	Baht	Baht	Baht	Baht
Bank Overdrafts	149,912.49	2,055,389.08	-	2,205,301.57
Short-term Loans from Related Persons	2,500,000.00	11,000,000.00	(34,362.31)	13,465,637.69
Short-term Loans from Other Companies	198,863,863.02	4,755,462.21	1,124,953.11	204,744,278.34
Assets Payables	53,390,506.96	(36,442,287.27)	5,554,392.71	22,502,612.40
Liabilities Under Finance Lease Agreements	2,166,487.84	(1,281,815.53)	2,214,728.92	3,099,401.23
Creditor from Capital Increase	465,600,000.00	(302,600,000.00)	-	163,000,000.00
Accrued Interest	897,523.07	(80,944,082.44)	116,002,062.74	35,955,503.37
Total	723,568,293.38	(403,457,333.95)	124,861,775.17	444,972,734.60

	Separate Financial Statements			
	For the year ended 31 December 2018			
	As at	Changes from	Other Changes	As at
	1 January 2018	Financing Cash Flows		31 December 2018
		Increase (Decrease)		
	Baht	Baht	Baht	Baht
Short-term Loans from Other Persons	-	-	50,000,000.00	50,000,000.00
Liabilities Under Finance Lease Agreements	129,175.92	(129,175.92)	-	-
Creditor from Capital Increase	163,000,000.00	(9,000,000.00)	-	154,000,000.00
Accrued Interest	35,569,132.95	(7,728,196.27)	24,687,830.45	52,528,767.13
Total	198,698,308.87	(16,857,372.19)	74,687,830.45	256,528,767.13

	Separate Financial Statements			
	For the year ended 31 December 2017			
	As at	Changes from	Other Changes	As at
	1 January 2017	Financing Cash Flows		31 December 2017
		Increase (Decrease)		
	Baht	Baht	Baht	Baht
Liabilities Under Finance Lease Agreements	536,916.66	(407,740.74)	-	129,175.92
Creditor from Capital Increase	465,600,000.00	(302,600,000.00)	-	163,000,000.00
Accrued Interest	-	(51,023,911.67)	86,593,044.62	35,569,132.95
Total	466,136,916.66	(354,031,652.41)	86,593,044.62	198,698,308.87

45. Obligation and Contingent Liabilities

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

45.1 Obligation with financial institutions

	Consolidated Financial Statements		Separate Financial Statements	
	As at	As at	As at	As at
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	<u>Million Baht</u>	<u>Million Baht</u>	<u>Million Baht</u>	<u>Million Baht</u>
Letter of Guarantee	247.24	485.28	1.42	2.32

45.2 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 at the rate 0.125 – 1.500 percent and telecommunications for public at the rate 0.50 – 2.00 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.

45.3 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 10 years and 16 days from 1 June 2018 to 16 June 2028. 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 31 December 2018 <u>Million Baht</u>	As at 31 December 2017 <u>Million Baht</u>
Within 1 year	43.20	60.09
Over 1 year but not over 5 years	172.80	30.95
Over 5 year but not over 10 years	192.72	-
Total	<u>408.72</u>	<u>91.04</u>

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

	Consolidated Financial Statements		Separate Financial Statements	
	As at 31 December 2018	As at 31 December 2017	As at 31 December 2018	As at 31 December 2017
Rental Fee : (Million Baht)				
Within 1 year	42.88	44.91	4.53	4.45
1-5 years	20.58	24.79	0.41	4.03
Total	<u>63.46</u>	<u>69.70</u>	<u>4.94</u>	<u>8.48</u>
Rental Fee : (Million USD)				
Within 1 year	0.41	0.14	-	-

Detail of contracts as follows:

- 45.4.1 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.
- 45.4.2 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 and on 11 May 2018 has been extended for 2 years and 7 months until the expiry date in December 2019.
- 45.4.3 A subsidiary has a contract for services to television and radio as well as video and audio signal with a company, 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 and on 11 May 2018 has been extended for 2 years and 7 months until the expiry date in December 2019.
- 45.4.4 A subsidiary has a memorandum on production of television program 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 for 12 months until the expiry date in December 2019.
- 45.5 As at 31 December 2018, The Group has a commitment to pay financial advisor with other Company amount of Baht 1.40 million.
- 45.6 As at 31 December 2017, the Group has a commitment to pay legal fee with other Company amount of Baht 0.35 million.
- 45.7 As at 31 December 2018 and 2017, 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.
- 45.8 As at 31 December 2018 and 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.
- 45.9 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 2018, 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 amount of Baht 2.69 million, the Court made a judgement for the Company to repay the principal in amount of Baht 1.76 million with interest at 7.50% per annum until the payment is completed on 20 November 2018, the Supreme Court made a judgement for the Company to repay the principal in amount of Baht 1.07 million with interest at 7.50% per annum until the payment is completed. As at 31 December 2018, The Company has set up provision for the lawsuit penalty in full amount, the Company has completed the payment of principal and interest amount of Baht 1.90 million baht on 18 February 2019.

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 the payment is completed, which the court mediation appointment on 25 April 2019. As at 31 December 2018, the Company has not yet set the estimation for the loss that may incurred.

d) The subsidiary companies was sued as follows:

<u>Case No.</u>	<u>Court</u>	<u>Defendant</u>	<u>Charge</u>	<u>Appointment</u>
Black No. Aor. 1827/2560	Criminal Court	Defendant 2	Defamation by advertising	On 13 May 2019
Black No. Aor. 1957/2560	Criminal Court	Defendant 2	Defamation by advertising	On 13 May 2019
Black No. Aor. 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% per annum	On 11 March 2019
Black No. Aor. 3212/2560	Criminal Court	Defendant 1	Defamation by advertising	The court dismissed the case on 18 February 2019
Black No. Aor. 741/2561	Criminal Court	Defendant 3 and Defendant 4	Defamation by advertising	On 14 June 2019
Black No. Aor. 3328/2561	Civil Court	Defendant 3	Defamation by advertising claims to payment of damages amount of Baht 631.40 million with the interest rate at 7.50% per annum	On 14 March 2019
Black No. Aor.1185/2561	Criminal Court	Defendant 1	Pirate Claims to payment of damages amount of Baht 1.00 million with the interest rate at 7.50% per annum	On 14 June 2019
Black No. 775/2561	Administrative Court	Defendant 1	Demanded the repayment amount of Baht 83.78 million with the interest rate at 7.50% per annum	Is withdrawing the litigation.

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 subsidiary companies.

46. Reclassification of Accounts

The Group 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	Reclassification	As Currently Reported
	Baht	Baht	Baht
Statement of Financial Position			
As at 31 December 2017			
Current Assets			
Trade and Other Current Receivables	258,399,658.93	20,000.00	258,419,658.93
Non-Current Assets			
Other Non-Current Assets	40,529,759.66	(20,000.00)	40,509,759.66
Current Liabilities			
Trade and Other Current Payables	277,428,470.64	(151,521.63)	277,276,949.01
Non-Current Liabilities			
Liabilities under Finance Lease Agreements	1,719,971.51	151,521.63	1,871,493.14
Statement of Comprehensive Income			
For the year ended 31 December 2017			
Revenue from Sales and Services	374,341,641.16	149,620.22	374,491,261.38
Other Income	21,944,424.34	2,945,254.64	24,889,678.98
Cost of Sales and Services	(534,895,763.09)	(4,511,525.44)	(539,407,288.53)
Selling and Service Expenses	(69,808,047.98)	(1,887,010.97)	(71,695,058.95)
Administrative Expenses	(223,390,358.51)	3,303,661.55	(220,086,696.96)

47. Events After Reporting Period

47.1 On 31 January 2019, the Company terminated the business cooperation agreement with TV Direct Public Company Limited, and will negotiate a new agreement. If agreed, a new agreement will be made to be enforced and replaced. If agreement cannot be reached, agreements will be terminated from 1 August 2019 onwards.

47.2 The Board of Directors Meeting No.2/2019 held on 8 February 2019. There are significant resolutions as follows:

- 1) Approved to allocate the chief executive officer and the board of directors of Spring News Corporation Co., Ltd. to decide in the event that the parties could not negotiate agree on the conditions which provide the Company with additional benefits, the sale of 90,100,000 shares of Spring News Television (equivalent to 90.10% of issued shares) held by Spring News Corporation Co., Ltd. shall be ceased. The Company should be informed to the Stock Exchange of Thailand immediately and executed in compliance with related regulation. Both parties mutually agreed to cease the sale and purchase of the shares as shown in the report published via the Stock Exchange of Thailand's information system on 26 February 2019.
- 2) Approved the business reorganization for the action perform the Company in considering to purchase 99,999,400 ordinary shares (equivalent to 99.99% of the issued shares) of Spring News Television Co., Ltd., which held by Spring News Corporation Co., Ltd., at the total value of approximately Baht 770.00 million by setting off with the loan that Spring News Corporation Co., Ltd. borrowed from the Company on 31 January 2019.

48. 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.

49. Approval of the Financial Statements

These financial statements have been approved by the Board of directors of the Company on 27 February 2019.



**NEWS
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