



บริษัท เนชั่น บรอดแคสติ้ง คอร์ปอเรชั่น จำกัด (มหาชน)

Nation Broadcasting Corporation Public Company Limited



รายงานประจำปี 2557
Annual Report

2014



VISION

To be the media institution of the future by being
the top producer of valuable news and programmes.

MISSION

“Inspiring”

To be an institution that produces journalists, news anchors and (TV) programme producers.

“Creating”

A 24-hour news station that has the loyal following of a committed audience and also be the best producer of TV and radio programmes.

“Continuously”

Committing all efforts and embracing developments in every new media innovation to create new opportunities.

“Maintain credibility”

Which is the core value of the organisation and observe journalistic ethics.

6

General Information

8

Summary of Financial Data and Investments

10

Message from the Chairman

14

Board of Directors

36

Management Team

44

Business Group Structure

45

Product and Services

51

Industry and Competition Overview

60

Risk Factors

73

List of Major Shareholders

74

Corporate Governance Report

103

Corporate Social Responsibility

110

Characteristics of the Business

111

Audit Committee's Report for the Year 2014

113

Report on Responsibilities of the Board of Directors towards the Financial
Report for the year 2014

114

The Result of the Consolidated Financial Statements

115

Financial Statements

173

Other Reference Persons



General Information

Name

Nation Broadcasting Corporation Public Company Limited

Symbol

NBC

Core Business

Production of TV programs and radio programs and providing, news and advertisements through TV media, radio media and new media forms

Head Office

1858/51-62, 12th, 13th Floor, Bangna-Trad Road,
Bangna, Bangkok 10260

Registration

PLC no. 0107552000103

Telephone

(66) 2338-3645

Fax

(66) 2338-3973

Registered Capital

Baht 720,343,962

Paid-up Capital

Baht 534,412,847 (November 25, 2014)

The Company's Shareholding Exceeded 10% of Paid Capital. (December 31, 2014)

Company Name / Address	Business	% of Holding	Registered Capital	Paid-up Capital
Direct Subsidiaries				
NBC Nextmedia Co., Ltd. 1858/61-62 12th , 13th Floor Bangna-Trad Road, Bangna, Bangkok	New media Advertising	99.99	20,000,000	10,000,000
NBC Next Vision Co., Ltd. 1858/61-62 12th , 13th Floor Bangna-Trad Road, Bangna, Bangkok	Production of TV program and advertisements through TV media	99.99	300,000,000	300,000,000
NBC Next Screen Co., Ltd. 1858/61-62 12th , 13th Floor Bangna-Trad Road, Bangna, Bangkok (To be liquidated.)	Production of TV program and advertisements through TV media	99.99	1,000,000	250,000

Summary of Financial Data and Investments

Unit : Million Baht

1. Selected data from consolidated financial statements	Consolidated		
	2014	2013	2012
■ Revenues from sales and services	713.38	661.78	737.08
■ Total revenues	741.87	680.67	740.42
■ Gross profit	138.08	187.11	197.65
■ Profit before interest, taxes, depreciation, amortization	129.05	109.50	99.94
■ Net profit	10.71	51.04	48.58
■ Total assets	2,803.44	1,629.69	585.66
■ Total shareholders' equity	1,411.94	1,447.27	364.97

2. Financial ratios	2014	2013	2012
■ Debt to equity ratio (times)	0.99	0.13	0.60
■ Gross profit margin (%)	19.36%	28.27%	26.81%
■ Net profit margin (%)	1.44%	7.50%	6.56%
■ Return on equity (%)	0.75%	5.63%	14.14%
■ Return on total assets (%)	0.48%	4.61%	9.10%
■ Earnings per share (Baht)	0.02	0.15	0.28
■ Dividend per share (Baht) ** (please see note)	0.08	0.14	0.18
■ Book value per share (Baht)	2.64	4.17	2.10

Note :

** Dividend:

On April 24, 2013, the Annual General Shareholders Meeting of the Company approved to pay dividend to shareholders at a rate of 0.18 Baht per share, amounting to 31.43 Million Baht. The said dividend was paid to shareholders during 2012-2013.

On May 9, 2013, the meeting of the Board of Directors of the Company approved to pay the interim dividend to shareholders at a rate of 0.08 Baht per share for an operating result from January 1 to March 31, 2013, amounting to 14.36 Million Baht. The said dividend was paid to shareholders during 2013.

On November 7, 2013, the meeting of the Board of Directors of the Company approved to pay the interim dividend to shareholders at a rate of 0.03 Baht per share for an operating result from July 1 to September 30, 2013, amounting to 16.03 Million Baht. The said dividend was paid to shareholders during 2013.

On February 13, 2014, the meeting of the Board of Directors of the Company agreed to propose to the Annual General Shareholders Meeting 2014 on April 3, 2014 for considering to pay dividend for the 2013 operating year at a rate of 0.14 Baht per share. The Board of Directors took into consideration the payment of interim dividend out of the accumulated profit to the Shareholders at 0.11 Baht per share, totaling 30.39 million Baht and resolved to put forth in the 2014 Annual General Meeting of Shareholders for the approval of final dividend payment to the Shareholders at 0.03 Baht per share, totaling 16.03 million Baht.

On April 3, 2014, the Annual General Shareholders Meeting of the Company approved to pay dividend to shareholders at a rate of 0.14 Baht per share, amounting to 46.42 Million Baht. The said dividend was paid to shareholders during 2013-2014.

On November 6, 2014, the meeting of the Board of Directors of the Company approved to pay the interim dividend to shareholders at a rate of 0.06 Baht per share for an operating result from January 1 to September 30, 2014, amounting to 32.07 Million Baht. The said dividend was paid to shareholders during 2014.


On February 12, 2015, the meeting of the Board of Directors of the Company agreed to propose to the Annual General Shareholders Meeting 2015 on April 27, 2015 for considering to pay dividend for the 2014 operating year at a rate of 0.08 Baht per share. The Board of Directors took into consideration the payment of interim dividend out of the accumulated profit to the Shareholders at 0.06 Baht per share, totaling 32.07 million Baht and resolved to put forth in the 2015 Annual General Meeting of Shareholders for the approval of final dividend payment to the Shareholders at 0.02 Baht per share, totaling 10.70 million Baht.

Dividend Payment Policy

The Company dividend policy is to pay dividend to shareholders at not less than 40% of its net profit (separate financial statements) after deducting corporate taxes, legal and other required and appropriate reserves. The said dividend payment ratio may be altered subject to financial status, operating performance, investment plan and other necessities and appropriateness in the future approved by the Board of Directors and/or shareholders of the company. The resolution of the Board of Directors proposed for dividend payment has to be approved from Shareholders Meeting, except for interim dividend payment for which the Board of Directors is authorized to approve and reports to the shareholders to be acknowledged in the following meeting ■

Message from the Chairman





Over the past 2014, it is regarded a year of the most significant changes in the television industry in Thailand; a half century of the structural changes in the industries, technology, and the wider openness to competition after the NBTC has been successful in the spectrum auction operation in digital television in December 2013, all seventeen winning entrepreneurs of the digital TV licenses in national business service category of 24 channels.

The Nation Broadcasting Corporation Public Company Limited is one of the winning bidders of the digital TV channels in news and knowledge category with the maximum worth of THB 1,338 million, representing a readiness and confidence in transiting from the traditional analog system and the satellite TV system to digital terrestrial TV system that can be accessed and viewed from all around areas across Thailand country.

As such, the company has offered the Nation Channel granted by the NBTC license of non-frequency operation or satellite TV, changed its name to Nation TV Channel 22 to be broadcasted on digital TV since April 1 of the trial broadcasting through the digital TV network. The NBTC has stipulated the criteria for broadcasting via satellite or known as the “Must Carry” on Channel 32, consequently that the Nation TV audience base has grown immensely.

Over the past year, although the transition from analog to digital TV system has been uneven for many environmental factors; for examples, the digital TV broadcasting networks have not been covered as to the scheduled plan, a delay in handing out coupons to consumers to purchase the digital terrestrial set-top box (DVB-T2) which has been balked during the proposal for the exchange of the satellite TV receiver, volatility

of the political situation, most digital TV operators have encountered the difficulties in operating the business consequently.

However, the 2014 turnover of the Nation TV on advertising revenues grew most dramatically during the last 3rd and 4th quarter, average of 80-90% compared to the same period of the year 2013, although the cost of auction and the digital TV network has increased dramatically. Overall, the company's net profit is reasonable.

In 2558, it is probably the best year for the company, especially from a behavioral survey of TV viewers in digital system by the MAAT, and AC Nelson Ltd (Thailand), it found that the share of people watching digital TV has increased dramatically since the initial broadcasting in April 2014, with an audience share of about 6-7%, and has increased rapidly every month, especially after the distribution of the set-top box coupons in late October 2014, the audience share increased by approximately 24% in January 2015, and is likely to increase steadily by the late 2015, expected audience share of the digital TV is greater than 40-50%.

The Nation TV gains will greatly benefits from the steadily-growing number of the digital TV viewers in spite of the recently stiff competition of digital TV channels. The Nation TV can increase more than 30-50% net selling price of the advertising. So, it's believed that it can increase ad price and customer base greatly corresponding the steadily-growing number of the digital TV audience base.

In addition, the company's other businesses have still retained the market share and enhance their competitiveness in all respects of areas surpassing the competitors.

Radio service has expanded the audience of the Nation Radio which has operated two stations; the FM 90.5 radio, and FM 102 radio, to all channels; i.e., web sites, mobile phones in all aspects.

New media business is considered a year of the more extensively growth of online and e-commerce access in the administration of Gen. Prayuth Chanocha government which moves forward the digital economy policy with the infrastructural investment on internet, for instances, broadband

throughout the country, auction on 4 G frequency bands, and legislation of the internet in order to create the confidence in the business operation, etc.

With the business environment of the digital TV, new media, economic and political condition which has become more stable than a year earlier; all are positive factors that are conducive to business operations.

We firmly believe that the year 2015 will be another best year of the company.



Mr.Suttichai Sae-Yoon

Chairman

Board of Directors





Board of Directors



Mr. Suthichai Sae-Yoon

Chairman

Age

69 years

Education Background

- Assumption Commercial College Bangkok (ACC)
- Saengthong School , Had Yai , Songkhla

Training Course (s)

Thai Institute of Directors Association

Director Accreditation Program (DAP # 54/2006)

Training Course (s) 2014

N/A

No. of Shares Held as at January 30, 2015

Mr.Suthichai Sae-Yoon	4,866,714	shares (0.91%)
Mrs.Nantawan Sae-Yoon	94,332	shares (0.02%)
Minor child	-	shares

Relationship with NBC's Executiv

Brother of Mr.Thepchai Sae-Yong

Experience

1971 - 2012	Editor in Chief	Nation Multimedia Group Plc.
2011 - Present	Chairman	Nation Broadcasting Corporation Plc.
2012 - Present	Chairman	Nation Multimedia Group Plc.
2012 - Present	Chairman	Nation International Edutainment Plc.

Director of other listed company

2012 - Present	Chairman	Nation Multimedia Group Plc.
2012 - Present	Chairman	Nation International Edutainment Plc.

Director of other non - listed company

2006 - Present	Chairman	NML Co.Ltd.
2008 - Present	Chairman	Nation News Network Co.,Ltd.
2011 - Present	Chairman	Nation U Co.,Ltd.
2012 - Present	Chairman	NBC Nextmedia Co., Ltd.
2012 - Present	Chairman	Nation Edutainment Co.,Ltd.
2012 - Present	Chairman	Nation Kids Co., Ltd
Aug 26, 2013 - Present	Chairman	Nine Be Bright Co., Ltd
Dec 29, 2014 - Present	Chairman	Nation Global Edutainment Co., Ltd.

Director of a competing company or a related business company

N/A

Year of Directorship 20 Years

(Appointed as a director since January 8, 1993)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	6/6
Annual General Meeting of Shareholders	1/1



Board of Directors

Mr. Sermsin Samalapa

Director

Age

47 years

Education Background

- Master of Science in Real Estate Development, Sloan School of Management and Center for Real Estate, Massachusetts Institute of Technology (MIT), Cambridge, MA, USA
- Bachelor of Architecture from Faculty of Architecture, Chulalongkorn University
- Effective Strategies for Media Companies, Executive Education from Harvard Business School, Harvard University Cambridge, MA, USA

Training Course (s)

Thai Institute of Directors Association

- Director Accreditation Program (DAP # 24/2004)

Training Course (s) 2014

N/A

No. of Shares Held as at January 30, 2015

Mr. Sermsin Samalapa 27,000,000 shares (5.05%)

Relationship with NBC's Executive

N/A

Experience

2010 - Present	Director
	Nation Multimedia Group Plc.
2011 - Present	Director
	Nation Broadcasting Corporation Plc.
2011 - Present	Director
	Nation International Edutainment Plc.

Director of other listed company

2010 - Present	Director	Nation Multimedia Group Plc.
2011 - Present	Director	Nation International Edutainment Plc.

Director of other non - listed company

2010 - Present	Chairman	South-East Asia University
2011 - Present	Director	Nation U Co.,Ltd.
2013 - Present	Director	Nine Be Bright Co., Ltd

Director of a competing company or a related business company

N/A

Year of Directorship 3 Years 1 Month

(Appointed as a director since November 9, 2011)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	6/6
Annual General Meeting of Shareholders	1/1

Board of Directors



Mr. Adisak Limprungpatanakit

President

Age

54 years

Education Background

BA, Accounting, Thammasat University

Training Course (s)

Thai Institute of Directors Association

- Director Certification Program (DCP#71/2006)

Training Course (s) 2014

Capital Market Academy

- Executive MBA (CMA#19)
-

No. of Shares Held as at January 30, 2015

Mr.Adisak Limprungpatanakit	237,830	shares (0.04%)
Mrs.Kamolthip Limprungpatanakit	1,097,400	shares (0.21%)
Minor child	-	shares

Relationship with NBC's Executive

N/A

Experience

1982 - 1985	Repoter Matuphoom Daily and Matuphoom Business Weekly
1985 - 1992	Reporter - The Nation
1992 - 1999	Editor - Krungthep Turakij
1998 - 1999	President of The Economic Reporters Association
2000 - 2008	Editor - Nation Channel and Nation Radio
2001 - 2004	Editor - Kom Chad Luek
2009 - 2010	President of Satellite Television Association (Thailand)
2009 - Present	President Nation Broadcasting Corporation Plc.
2012 - Present	Director Nation Multimedia Group Plc.

Director of other listed company

2012 - Present	Director	Nation Multimedia Group Plc.
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Director of other non - listed company

2010 - Present	Director	Kom Chad Luek Co., Ltd.
2012 - Present	Director	NBC Nextmedia Co., Ltd.
2012 - Present	Director	NML Co.Ltd.
2012 - Present	Director	Nation U Co.,Ltd.
2012 - Present	Director	NBC Next Vision Co.,Ltd.
2012 - Present	Director	NBC Next Screen Co.,Ltd.

Director of a competing company or a related business company

N/A

Year of Directorship 14 Years 1 Month

(Appointed as a director since November 23, 2000)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	6/6
Annual General Meeting of Shareholders	1/1

Board of Directors



Mr. Supong Limtanakool

Independent Director and Chairman of The Audit Committee

Age

62 years

Education Background

- Doctor of Business Administration in International Marketing, University of San Gabriel, Irvine, California, U.S.A.
- Master of Science in Marketing & Consumer Behavior, California State University
- Bachelor of Arts in Economics, California State University

Training Course (s)

Thai Institute of Directors Association

- Director Certification Program (DCP#99/2008)

Training Course (s) 2014

N/A

No. of Shares Held as at January 30, 2015

Mr.Supong Limtanakool	-	shares
Mrs.Ubonrat Limtanakool	-	shares
Minor child	-	shares

Relationship with NBC's Executive

N/A

Experience

2006 – 2008	The National Legislative Assembly Expert
2007	Subcommittee of Universiade International University Sports
2007	Constitution Drafting Assembly Expert
2007	Subcommittee of taxi and limousine audit Savarnabhumhi Airport
2009 – Present	Vice President for External Affairs Bangkok University
2007 – Present	Member of The Audit Committee Thai Polycons Plc.
2009 – Present	Independent Director and Chairman of The Audit Committee Nation Broadcasting Corporation Plc.

Director of other listed company

2007 - Present	Member of The Audit Committee Thai Polycons Plc.
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Director of other non - listed company

2009 - Present	Vice President for External Affairs Bangkok University
2012 - Present	Director Thai Tinplate MFG Co., LTD.

Director of a competing company or a related business company

N/A

Year of Directorship 5 Years 9 Months

(Appointed as a director since March 12, 2009)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	5/6
Audit Committee	3/4
Annual General Meeting of Shareholders	1/1

Board of Directors



Mr. Metha Soonthornjit

Independent Director and Member of The Audit Committee

Age

54 years

Education Background

- MMM, The Graduate School of Public Administration, NIDA
- LL.B. Ramkhamhaeng University

Training Course (s)

Thai Institute of Directors Association

Director Certification Program (DCP#118/2009)

Training Course (s) 2014

N/A

No. of Shares Held as at January 30, 2015

Mr. Metha Soonthornjit - shares

Relationship with NBC's Executive

N/A

Experience

2003 – 2004	Managing Director Lawman Standard Co., Ltd.
2005 - Present	Manager Lawman Standard Co., Ltd.
2009 - Present	Member of The Audit Committee Nation Broadcasting Corporation Plc.
2012 - Present	Manager Law Consulting Office Lawman & Maytha

Director of other listed company

N/A

Director of other non - listed company

2012 - Present Manager Law Consulting Office Lawman & Maytha

Director of a competing company or a related business company

N/A

Year of Directorship 5 Years 9 Months

(Appointed as a director since March 12, 2009)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	5/6
Audit Committee	3/4
Annual General Meeting of Shareholders	1/1

Board of Directors



Mr. Kittichai Lattisophonkul

Independent Director and Member of The Audit Committee

Age

66 years

Education Background

■ BA, Accounting, Chulalongkorn University

Training Course (s)

Thai Institute of Directors Association

Director Accreditation Program (DAP # 97/2012)

Training Course (s) 2014

N/A

No. of Shares Held as at January 30, 2015

Mr. Kittichai Lattisophonkul - shares

Relationship with NBC's Executive

N/A

Experience

1972-1974	Internal Control Staff Esso Standard (Thailand) Co., Ltd.
1974-1975	Account Supervisor ICI (Thailand) Co., Ltd.
1975-1978	Accountant Diethelm Co., Ltd.
1978-1981	Account Supervisor Johnson & Johnson (Thailand) Co., Ltd.
1981-1983	Inventory Cost Accountant Colgate-Palmolive (Thailand) Co., Ltd.
1983-1984	Internal Audit Manager Colgate-Palmolive (Thailand) Co., Ltd.
1984-1987	Budget & Costing Manager Colgate-Palmolive (Thailand) Co., Ltd.
1988-1990	Financial Planning Manager Colgate-Palmolive (Thailand) Co., Ltd.
1991	Trade Marketing Manager Colgate-Palmolive (Thailand) Co., Ltd.
1991-2011	Executive Vice President, Finance Modernform Group Public Company Limited
2011-Present	Independent Director and Chairman of The Audit Committee Nation Broadcasting Corporation Plc.
2012-Present	Director Modernform Group Public Company Limited

Director of other listed company

2012 - Present Director Modernform Group Public Company Limited

Director of other non - listed company

N/A

Director of a competing company or a related business company

N/A

Year of Directorship 3 Years 1 Month

(Appointed as a director since November 9, 2011)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	6/6
Audit Committee	4/4
Annual General Meeting of Shareholders	1/1

Board of Directors



Miss Duangkamol Chotana

Director

Age

52 years

Education Background

B.A. Communication Arts, Chulalongkorn University

Training Course (s)

Thai Institute of Directors Association

- Director Certification Program (DCP#144/2011)
- Anti-Corruption for Executive Program (ACEP#2/2012)

Thai Listed Companies Association

- Executive Development Program (EDP#4)

Training Course (s) 2014

N/A

No. of Shares Held as at January 30, 2015

Miss Duangkamol Chotana 236,531 shares (0.04%)

Relationship with NBC's Executive

N/A

Experience

2011 - Present	Director	Nation Broadcasting Corporation Plc.
2012 - Present	President	Nation Multimedia Group Plc.

Director of other listed company

2012 - Present	President	Nation Multimedia Group Plc.
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Director of other non - listed company

2010 - Present	President	Krungthep Turakij Media Co.,Ltd.
2012 - Present	Director	Nation News Network Co., Ltd.
2012 - Present	Director	Kom Chad Luek Media Co., Ltd
2012 - Present	Chairman	WPS (Thailand) Co., Ltd.
2012 - Present	Director	NML Co.Ltd.
2012 - Present	Director	Nation U Co., Ltd.
2012 - Present	Director	Bangkok Business Broadcasting Co., Ltd.

Director of a competing company or a related business company

N/A

Year of Directorship 3 Years 8 Months

(Appointed as a director since April 5, 2011)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	6/6
Annual General Meeting of Shareholders	1/1

Board of Directors



Miss Aeumsree Boonhachairat

Director

Age

55 years

Education Background

BBA, Assumption University

Training Course (s)

Thai Institute of Directors Association

■ Director Certification Program (DCP#82/2006)

Thai Listed Companies Association

■ Executive Development Program (EDP#8)

Training Course (s) 2014

N/A

No. of Shares Held as at January 30, 2015

Miss Aeumsree Boonhachairat - shares

Relationship with NBC's Executive

N/A

Experience

2003 - 2006	Chief Operating Officer Inspire Entertainment Co.,Ltd.
2006 - 2007	President - Special Publications Business Unit Nation Multimedia Group Plc.
2008 - 2009	Chief Operating Officer - Advertising Nation Multimedia Group Plc.
2009 - Present	Director Nation Broadcasting Corporation Plc.

Director of other listed company

N/A

Director of other non - listed company

2012 - Present	Director	NBC Next Vision Co.,Ltd.
2012 - Present	Director	NBC Next Screen Co.,Ltd.

Director of a competing company or a related business company

N/A

Year of Directorship 5 Years 10 Months

(Appointed as a director since February 18, 2009)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	6/6
Annual General Meeting of Shareholders	1/1

Board of Directors



Mrs. Suphanee Dechaburananon

Independent Director

Age

63 years

Education Background

- BA (Economics), Chulalongkorn University
- MA (Economics), Ottawa University, Ottawa, Canada

Training Course (s)

Thai Institute of Directors Association

Director Certification Program (DCP# 189/2014)

Training Course (s) 2014

Director Certification Program (DCP# 189/2014)

No. of Shares Held as at January 30, 2015

Mrs. Suphanee Dechaburananon - shares

Relationship with NBC's Executive

N/A

Experience

1993-1998	Associate Board Members of Ogilvy & Mather Ogilvy & Mather (Thailand) Co., Ltd.
1994-1998	Media Planning Director Ogilvy & Mather (Thailand) Co., Ltd.
1999 – 2005	Group Executive Director MindShare (Thailand)
2006-2008	Chairman/Director of Trading & Strategy, GroupM
2009-2011	Chairman GroupM
2012 - Present	Independent Director Nation Broadcasting Corporation Plc.
Augst 1, 2014 - Present	Chief Operating Officer Omnicom Media Group

Director of other listed company

N/A

Director of other non - listed company

Augst 1, 2014 - Present Chief Operating Officer Omnicom Media Group

Director of a competing company or a related business company

N/A

Year of Directorship 2 Year 8 Months

(Appointed as a director since April 25, 2011)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	6/6
Annual General Meeting of Shareholders	1/1

Board of Directors



Mr.Thepchai Sae-Yong

Director

Age

60 years

Education Background

- Secondary school, Assumption Commercial College (ACC)

Training Course (s)

Thai Institute of Directors Association

- Director Certification Program (DCP#177/2013)

Training Course (s) 2014

Thailand Energy Academy

- Thailand Energy Academy (TEA#5/2014) - Energy Literacy for The World #15
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No. of Shares Held as at January 30, 2015

Mr.Thepchai Sae-Yong 54,000 shares (0.01%)

Relationship with NBC's Executive

Brother of Mr.Suthichai Sae-Yoon

Experience

2008-2012	Managing Director Thai Public Broadcasting Service (TPBS)
2012 - Present	Group Editor Nation Multimedia Group Plc.
2012 - Present	Director Nation News Network Co.,Ltd.
2013 - Present	Director Nation Broadcasting Corporation Plc.
2013 - Aug 8, 2014	Director Nation Multimedia Group Plc.
Aug 7, 2014 - Present	Director Nation International Edutainment Plc.

Director of other listed company

2013 - Aug 8, 2014	Director Nation Multimedia Group Plc.
Aug 7, 2014 - Present	Director Nation International Edutainment Plc.

Director of other non - listed company

2012 - Present	Director	Nation News Network Co.,Ltd.
Dec 29, 2014 - Present	Director	Nation Global Edutainment Co., Ltd.

Director of a competing company or a related business company

N/A

Year of Directorship 1 Year 8 Months

(Appointed as a director since April 24, 2013)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	6/6
Annual General Meeting of Shareholders	1/1

Management Team

Mrs. Nongnat Hanwilai

Senior Vice President, Organization Strategy & CSR

Age

52 years

Education Background

- M.A. Development Communication, Chulalongkorn University
- B.A. Mass Communication Chiangmai University

Training Course (s)

Thai Institute of Directors Association

N/A

Training Course (s) 2014

N/A

No. of Shares Held as at January 30, 2015

Mrs.Nongnat Hanwilai 30,000 shares (0.01%)

Relationship with NBC's Executive

N/A

Experience

1987 - 2009

Editor Nation Multimedia Group Plc.

2009 Vice President of Radio Business Unit

Nation Broadcasting Corporation Plc.

2010 - Present

Senior Vice President - Organization Strategy & CSR

Nation Broadcasting Corporation Plc.

Director of other listed company

N/A

Director of other non - listed company

N/A

Director of a competing company or a related business company

N/A



Management Team

Mr.Kanok Ratwongsakul

Senior Vice President - Reporter

Age

51 years

Education Background

B.A. Journalism and Mass Communication, Thammasat University

Training Course (s)

Thai Institute of Directors Association

N/A

Training Course (s) 2014

N/A

No. of Shares Held as at January 30, 2015

N/A

Relationship with NBC's Executive

N/A

Experience

1996 - 2009	Assistant Chief Operating Officer Nation Broadcasting Corporation Co.,Ltd.
2009	Vice President - News Reporter Nation Broadcasting Corporation Plc.
2010 - Present	Senior Vice President - Reporter Nation Broadcasting Corporation Plc.

Director of other listed company

N/A

Director of other non - listed company

N/A

Director of a competing company or a related business company

N/A



Management Team

Mrs.Suwannee Wacharapasakorn

Senior Finance Manager

Age

47 years

Education Background

BBA, Accounting, Srinakharinwirot University

Training Course (s)

Thai Institute of Directors Association

N/A

Training Course (s) 2014

N/A

No. of Shares Held as at January 30, 2015

N/A

Relationship with NBC's Executive

N/A

Experience

1997 - 2009	Accounting Manager Nation Properties Co., Ltd.
2009 - 2012	Finance Manager Nation Broadcasting Corporation Plc.
2012 - Present	Senior Finance Manager Nation Broadcasting Corporation Plc.

Director of other listed company

N/A

Director of other non - listed company

N/A

Director of a competing company or a related business company

N/A



Management Team

Mr. Supawat Sa-nguan-ngam

Assistant Vice President - Accounting

Age

42 years

Education Background

B.A. Accounting, Bangkok University

Training Course (s)

Thai Institute of Directors Association

N/A

Training Course (s) 2014

N/A

No. of Shares Held as at January 30, 2015

N/A

Relationship with NBC's Executive

N/A

Experience

2001 - 2004	Senior Accounting Unithai Shipyard and Engineering Ltd.
2004 - 2008	Senior Accounting Manager Nation Multimedia Group Plc.
2009 - 2012	Senior Accounting Manager Nation Broadcasting Corporation Plc.
2012 - Present	Assistant Vice President - Accounting Nation Broadcasting Corporation Plc.

Director of other listed company

N/A

Director of other non - listed company

N/A

Director of a competing company or a related business company

N/A



Management Team

Miss Chamaiporn Kongpech

Senior Vice President - Radio & Event

Age

54 years

Education Background

M.A. Applied Sociology, Kasetsart University

Training Course (s)

Thai Institute of Directors Association

N/A

Training Course (s) 2014

N/A

No. of Shares Held as at January 30, 2015

N/A

Relationship with NBC's Executive

N/A

Experience

2003	Editorial- Economic news - Kom Chad Luek Nation Multimedia Group Plc.
2003 - 2009	Editorial-Economic news Nation Broadcasting Corporation Plc.
2009	Vice President, Radio & Business Development Nation Broadcasting Corporation Plc.
2010 - Present	Senior Vice President - Radio & Event Nation Broadcasting Corporation Plc.

Director of other listed company

N/A

Director of other non - listed company

N/A

Director of a competing company or a related business company

N/A



Management Team

Mrs. Wararak Leelertphan

Senior Vice President

Age

45 years

Education Background

B.A. Communication Arts, Bangkok University

Training Course (s)

Thai Institute of Directors Association

N/A

Training Course (s) 2014

N/A

No. of Shares Held as at January 30, 2015

Mrs. Wararak Leelertphan 21,000 shares (0.00%)

Relationship with NBC's Executive

N/A

Experience

2006- 2007	Vice President Nation Multimedia Group Plc.
2008	Asst. Senior Vice President Nation Multimedia Group Plc.
2009	Senior Vice President Nation Multimedia Group Plc.
2010 - Present	Senior Vice President Nation Broadcasting Corporation Plc.

Director of other listed company

N/A

Director of other non - listed company

N/A

Director of a competing company or a related business company

N/A



Management Team

Miss Chutintra Wattanakul

Senior Vice President - New Media

Age

46 years

Education Background

B.A. Sociology and Anthropology, Thammasat University

Training Course (s)

Thai Institute of Directors Association

N/A

Training Course (s) 2014

N/A

No. of Shares Held as at January 30, 2015

N/A

Relationship with NBC's Executive

N/A

Experience

2006- 2010

New Media Development Director

Nation Broadcasting Corporation Plc.

2010 - Present

Senior Vice President - New Media

Nation Broadcasting Corporation Plc.

Director of other listed company

N/A

Director of other non - listed company

N/A

Director of a competing company or a related business company

N/A



Management Team

Mr. Weerasak Phongaksorn

Executive Editor-Television News

Age

49 years

Education Background

B.A. Political Science, Ramkhamhaeng University

Training Course (s)

Thai Institute of Directors Association

N/A

Training Course (s) 2014

N/A

No. of Shares Held as at January 30, 2015

N/A

Relationship with NBC's Executive

N/A

Experience

2010 - 2011	Executive Editor-Krungthep Turakij Nation Multimedia Group Plc.
2012 - 2013	Executive Editor-Krungthep Turakij TV Nation Multimedia Group Plc.
2014 - Present	Executive Editor-Television News Nation Broadcasting Corporation Plc.

Director of other listed company

N/A

Director of other non - listed company

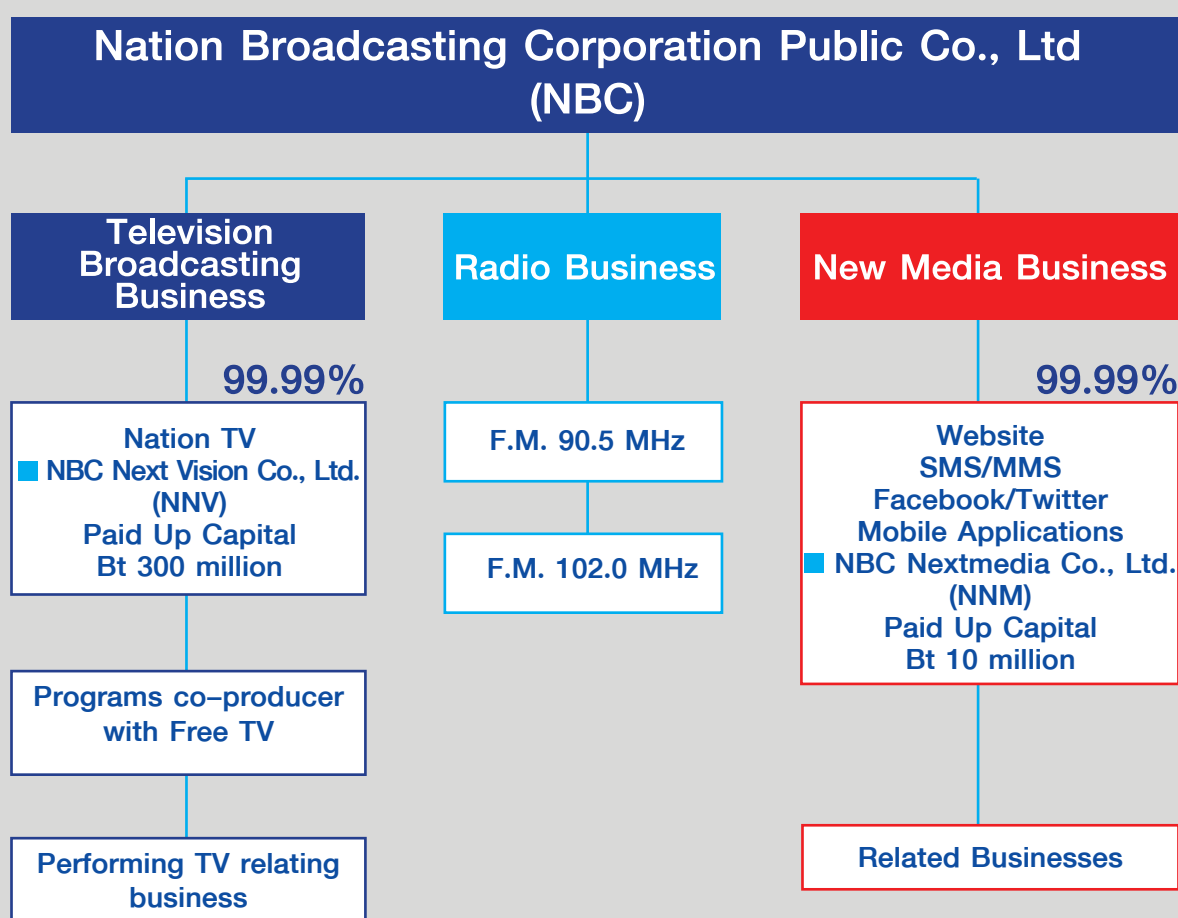
N/A

Director of a competing company or a related business company

N/A



Business Company Structure 2014



Business networks

TV Business

The company is a producer and supplier of television news and knowledge content with various formats and channels aired to reach the company's target customers extensively. In addition, the company has adopted the resources used in the production of TV programs such as news content, news pictures, and news crews to extend the existing business to other related businesses.

Products and services of TV media business

1.) TV station the company operates

The company sets up and manages the full-service TV stations; including program providers, organizing, airtime leasing and broadcasting, and extending ad time. The company's revenue comes from airtime sales, being outsources to produce program and short documentaries and selling airtime. In 2014, the company has administrated the the digital terrestrial television stations fully after having been approved by the NBTC.



1. Nation TV

broadcasted since year 2014

[Concept]	[Distribution]
<p>24-hour news and knowledge station aiming to provide accurate, independent, up-to-date content with news analysis and in-depth information from experienced reporter team</p>	<ul style="list-style-type: none"> ■ Set Top Box channel 22 ■ Satellite TV channel 32 ■ Local TV cable ■ Satellite TV Thaicom-6 via C-Band 3880 MHz ■ Satellite TV Thaicom-5 via KU-Band 12355 MHz ■ www.nationchannel.com ■ All network mobile phones ■ Application on iPad and iPhone

2.) TV Programs co-produced with free TV stations

The company co-produces news and knowledge programs with free TV channels and receives advertising sale sharing and PR of the company's products and services. In 2014, the company has two TV programs co-produced with free TV on channels as follows:



Reung Den Yen Nee

[Concept]	[On Air]
<p>Daily news report or talk of town news report</p>	<ul style="list-style-type: none"> ■ MON - SUN ■ 16.00 - 17.45 P.M.

3.) Relating Businesses

In 2014 the company has a policy to take advantage of existing business; data content, qualified personnel, availability of equipments, and company's reputation to expand the business into the related businesses. To provide maximum benefit to the company, popular television content, news or events that are in the interest of society are taken to create a product or activities in different aspects to meet the needs of consumers, increase the income of the company, as well as strengthen the reputation and beneficial image of the company to be known among the audience and potential customers more extensively. The products, services, or activities the Company has operated currently are as follows.

Product or Service Provided	Format
Books and DVD production and distribution	Bring popular TV program recording tape to produce to Books and DVD and sell to general public. The examples produced in 2014 are books and DVC incorporating 52 types of apartments with Ajarn Chiew Chobchay, style "Akaligo+Hiso+Lowcost"
Seminars	Bring popular TV program content, event or talk of town issues to organize to seminars for interested people. The examples of seminars held in 2014 are training news reporter, and training the cost-efficient apartment project, Seminars: Clinic Stop Loss and Take Profit Session #1 , #2 Seminars: Adjusted Port and Make Profits in the second half of the year, etc.
Travel activities	Organize travel activities for academic learning and commercial business study to allow the audiences travelling with moderator and production team. The example activities in 2014 are Visit Myanmar on Exclusive with Saran Boonprasert.
Special Events	Organize entire marketing activities which are social, recreation, and academic activities servicing from creating, operating, producing and broadcasting advertising. The examples in 2014 are Nation TV5 Screen Caravan for publication reaching the up-country audience. "Digital Library", conducting voicing books donated to the Foundation for the Blind in Thailand under the Royal Patronage of H.M the Queen "The Safe Driving with Honda", providing the driving safety training. "The Royal The Rice" project inviting the audience and operators to help farmers by purchasing the organic rice granted to the poor through charitable organizations, police, military, border patrol, as well as the rural national park personnel. World Film Festival 2014, KhonNation News alleviates a coldness of Nan, Variety Talkshow: Good-Humored Kanok: Agreed Understanding, and NationBike.

Radio Business

The Nation Broadcasting PCL, together with alliances has operated the production to be broadcasted on radio stations for over 24 years. In 2014, the company co-produced news and content programs broadcasted on two FM radio stations and one AM radio station as the following details

Radio Station	Broadcasting Time & Covered Area	Concept
F.M. 90.5 MHz. Defense Engery Department Radio Station under the name "News Dimension 90.5"	Mon-Fri ■ 8.00 - 12.00 A.M. ■ 13.00 - 15.00 P.M. ■ 18.30 - 20.00 P.M. Sat ■ 05.00 - 09.00 P.M. ■ 19.30 - 20.00 P.M. Tranmission Radius ■ Bangkok and its vicinity, Ayudya, Ratchaburi, Petburi, Supanburi, Chachuengsao, Samutsongkram	■ News updates on political, economics, social, marketing, international issues, including in depth analysis and interview with people in news. ■ Short news updates on current issues ■ Short news updates on business issues ■ Popular sport news from around the world ■ Talk on healt; physical and mental, secret on self-caring; beauty, foods, and current interesting issues ■ Proceed on programs by the Nation Radio, Affiliated National TV Editors, and field experts.
F.M. 102.0 MHz. Department of Army Transportation Radio Station under the name "Working Station for Working Adults"	Mon-Sun ■ 5.00 - 23.30 P.M. ■ Bangkok and Its vicinity	■ News and knowledge, variety style, that is useful to the daily life. ■ proceed on programs by the Nation Radio, Affiliated National TV and field experts
A.M. 1107 KHz. KU Radio Station	■ Every day/ on the hour/ nationwide	■ Short news updates on current issues

Besides radio broadcasting, the company has broadcasted radio stations FM 90.5 MHz and FM 102.0 MHz through new media to increase channels for the target audiences to listen to the company's radio staion in more convenient way, as well ass retrospective listening. It includes

- Internet broadcasting via www.nationradio.co.th, and via other sites that have signal linked, for instances, www.sanook.com

- Radio on mobile, smart phone, window phone, via social networks such as www.twitter.com/NTRadio_NBC and www.facebook.com/radio.nbc

New Media Business

The company brings its competitive advantage that is readiness in contents to expand to new products and services broadcasting via new media such as website and mobile devices i.e. mobile phone, smart phone, tablet and smart TV in order to meet with the consumers' changing lifestyle via diverse media, including experimental research and development, presentation in new ways that keeps up with modern advanced technology in the rapidly-changing world, and prepare a readiness to support digital TV to offer the experience of watching television differently to the audiences; that is viewing the programmes from overall channels continuously, and surmount the content to interact with the audience.

Products and services: new media business

1. Website Business

The company develops websites to present its products and services. All of which contain news, knowledge and information updates. The company also gains income from selling advertisement on websites. In 2014, the company's websites include the following.



Nation

www.nationchannel.com

Website presenting Nation Channel's news program



www.oknation.net

Blog for the public to share news and information



<http://radio.nationchannel.com/>

Website presenting co-produced FM 90.5 MHz and FM 102 MHz radio programs



Nation

<http://breakingnews.nationchannel.com>

Website presenting Nation TV's short news and the Nation, feeding the news to other NMG and partners' websites



www.247friend.net

Website to review academic knowledge for youth preparing for university admissions

In addition, in 2014, the company is also a distributor of online advertising space to third parties. The gained revenue share of advertising in different proportions according to the agreement made. At present, the websites of trading partners under the supervision of the company are as follows:

- www.pantip.com : The biggest resources website in Thailand
- www.exteen.com : Blog for the public to share news and information

Also serves as advertisement agency for website; www.eduzones.com, and services of digital media production along together with 360 Innovative Company Limited, the AdWays Labs (Thailand) Co.,Ltd.

In addition, sales of new media also introduced the E-commerce systems as part of the sites; Nation TV and OK Nation under the name “Nation Mall”, another way to make money online in addition to selling advertisement. Consistent with a survey conducted by the National Electronics and Computer Technology Centre (NECTEC); stating that in 2013 Thai customers made online purchases increased from 47.8% to 57.2%, indicating that the behavior of online shopping tends to increase steadily. The other supporting factors include easy-to-shop system, attractive presentation that meets customer need, product diversity, cheap price, and payment channel that is convenient; i.e. payment via credit card and COD (Cash on Delivery), payment made to deliveryman when receiving goods, all these methods allows consumers to have more confidence than to pay through credit card.

2. News on Mobile Phone Business

The company uses news content from the company’s television and radio stations as well as that of business partners to provide the services to meet with consumers’ needs and modern lifestyles which accept news through new media increasingly. In 2014, the company provides content through mobile devices, for example mobile phone, smart phone, and tablet as follow.

SMS (Short Message Service) and MMS (Multimedia Messaging Service), news and up-to-date issues on mobile phones through every network. news on mobile phone’s services are delivered in accordance with consumer’s needs i.e. business news, English news and general news, and so on, The company gains income from providing the company’s contents through SMS and MMS subscription, and gains revenue sharing from SMS and MMS of the partners’ services which the company serves as marketing representative.

In 2014, SMS and MMS services of the company and its alliances are as follows.

SMS Service

Service	Format	Rate Charged
Nation Update	Important news and news issues occurred timely from the Nation Channel	49 Baht/Month
The Nation News	English news from The Nation	49 Baht/Month
ThaiVisa	English news from ThaiVisa and The Nation Newspapers	49 Baht/Month
Bangkok Business Urgent News	News and update news on economics and finance from Bangkok Business Newspapers	49 Baht/Month
Kom Chad Luek Urgent News	Important news and news issues occurred timely from the Kom Chad Luek Newspapers	29 Baht/Month

Service	Format	Rate Charged
Kom Chad Luek 7 Baht	Important news and news issues occurred timely from the Kom Chad Luek Newspapers	7 Baht/Week
Kom Chad Luek Small Edition	Important news and news issues occurred timely from the Kom Chad Luek Newspapers	4 Baht/Week
Nation Oil Alert	Update on oil price; rising-falling immediately when changes occur.	1 Baht/SMS
Enjoy English with NJ	Knowledge on English language	29 Baht/Month
Horo Daily	"Daily horoscopes with fortuneteller Tok Taek A4" from Kom Chad Luek Newspapers	3 Baht/SMS

MMS Service

Service	Format	Rate Charged
SMS + MMS By Suthichai Yoon	Analysis of crucial news by Suthichai Yoon	59 Baht/Month
Myanmar Tadin	News and update on Myanmar labors in Thailand and other interesting news from Eleven Media	3 Baht/MMS

Application service for viewing information through various mobile devices, for examples, mobile phone, smart phone, and tablet. In addition, watching TV programmes from the Nation TV news station is provided to the customers with free of charge. This is intended to add the broadcasting channels to reach the wider range of the audience.

In 2014, the company has renovated the applications in more consistency with the behavior of the mobile phone users; that is, mobile phone can be used while watching TV or second to make comment with peers or moderator through social media, as well as searching additional information about programmes. In order to facilitate the users, the company has developed the application that can be immediately interacted with the audience from the station, for examples, sharing of information through social media, comments with the programme by using # (Hash Tag), including notification of on-aired programmes. The development of such application allows the content of the comments to be presented through the programme in the new format, or known as the "Social TV", which will make the presentations more interesting and different from other stations. ■

INDUSTRY AND COMPETITION

TV Business

In the past 2014, there was a significant turning point owing to the NBTC allowed twenty-four winning bidders of the digital terrestrial TV broadcasting service license to get started its digital broadcasting over the past April, thereby resulted that the media landscape in Thailand has changed completely; that is; a transition from analog to digital system which includes many advantages, particularly the more worthwhile use of the frequency, and higher resolution in digital than analog system. Importantly, the audiences have multiple alternatives to watch the free TV and the businesses gain more diverse options in advertising, and lower price of the air-time.

However, digital TV has emerged in the time of the persistent political turmoil, thereby the economy holds back the consumer confidence index (CCI), and businesses decelerated its ad spending, continually affecting the television business. Meanwhile, it occurred the political change by the National Council for Peace and Order on May 22, 2014, the television media and digital TV which just getting started less than two months has been affected due to the suspension of the broadcasting.

Later, even though digital TV has been allowed to broadcast; its operation has been executed under the martial law until now while the satellite TV and cable TV channels have been executed under the new regulation; that is to say, the service must be characterized of the subscription-based TV, meaning that the operators of the cable TV and satellite TV can earn money from advertising for only 6 minutes per hour while that of the free TV; both analog and digital TV, can earn money from advertising for 12 minutes per hour as the same.

With a limitation on advertising minutes on cable TV and satellite TV channels, those operators have to cease its broadcasting partially.

Although the digital TV has been licensed to continue its operation under the surveillance of the NBTC, still it has encountered various aspects of problems, especially, in a process of transition from analog to digital system. Such problems include.

A delay of project that supports the transition from analog to digital TV system, especially in the process of distributing discount coupons worth 690 baht per a household that can be used as a discount on the purchase of the DVB-T2 Set-top box or the built-in digital TV tuner), occurring a delay deviated from scheduled plan which it is expected to handle out coupons for the first round by July 2014, but was postponed to October in the same year, resulted in a delayed access to digital TV by the audiences.

However, under the “Must Carry Rule” set forth by the NBTC, it reaffirms that 70% of all households or 23 million households can enjoy watching the national television through satellite and cable set-top boxes and enjoys watching the programmes from 24 service providers of commercial digital TV, and from the service providers of 12 public service channels.

Despite the TV business has faced negative factors; the positive factors are potential sufficiently to contribute its growth. Since it has served as primary channel of marketing communication, advertising, and publicity for products and services, the rate of growth is more promising than other fields of media.

According to a survey conducted by Nielsen Thailand, the Media Agency Association of Thailand: MAAT states that in 2014 television media grew by 2% to 82,949 million Baht from 81,102 million Baht in the year 2013, and increased to 62% of the industry from the year 2013, accounting 61% of the overall industry.

Regarding to the same amount of budget through the analog TV, consisting of Channel 3, Channel 5, Channel 7, Channel 9 (Modern Nine) and Channel 11 (NBT) dropped from 69,249 million Baht in 2013 to 63,775 million Baht, while the advertising budget through cable TV and satellite TV also dropped; from 11,853 million Baht in 2013 to 7,177 million Baht in 2014.

Meanwhile, digital TV channels could seize money from analog TV, cable TV and satellite TV; that is to say; in the past year 2014 worth of 12,071 million Baht. The advertising experts said “in addition to money snatched from analog TV system, most advertising budget has followed with the former satellite TV operators who won a bidding of digital TV license and switched to broadcast on the digital TV network, and other increments derived from new digital TV operators, who are making new money in the television industry”

Another interesting trend is transferring money from existing TV channels to the digital TV groups increasingly. The most affected groups include the player number 3 and 4 in analog TV system like Modern Nine TV, MCOT Plc, TV 5 Channel (which has been modified into a public television station for stability). Because the leading television producers who earned ad money and ratings from the feeding the programmes to both TV stations become a service provider of digital TV channels on their own, consisting of the Work Point Entertainment Plc, owner of Work Point Creative TV, and GMM Grammy, owner of One HD channels. For these reasons, both the Work Point and GMM Grammy ended to produce the programmes fed to the Modern Nine TV and Channel 5 since 2015, but develop their own programmes instead.

Annual Budget 2014

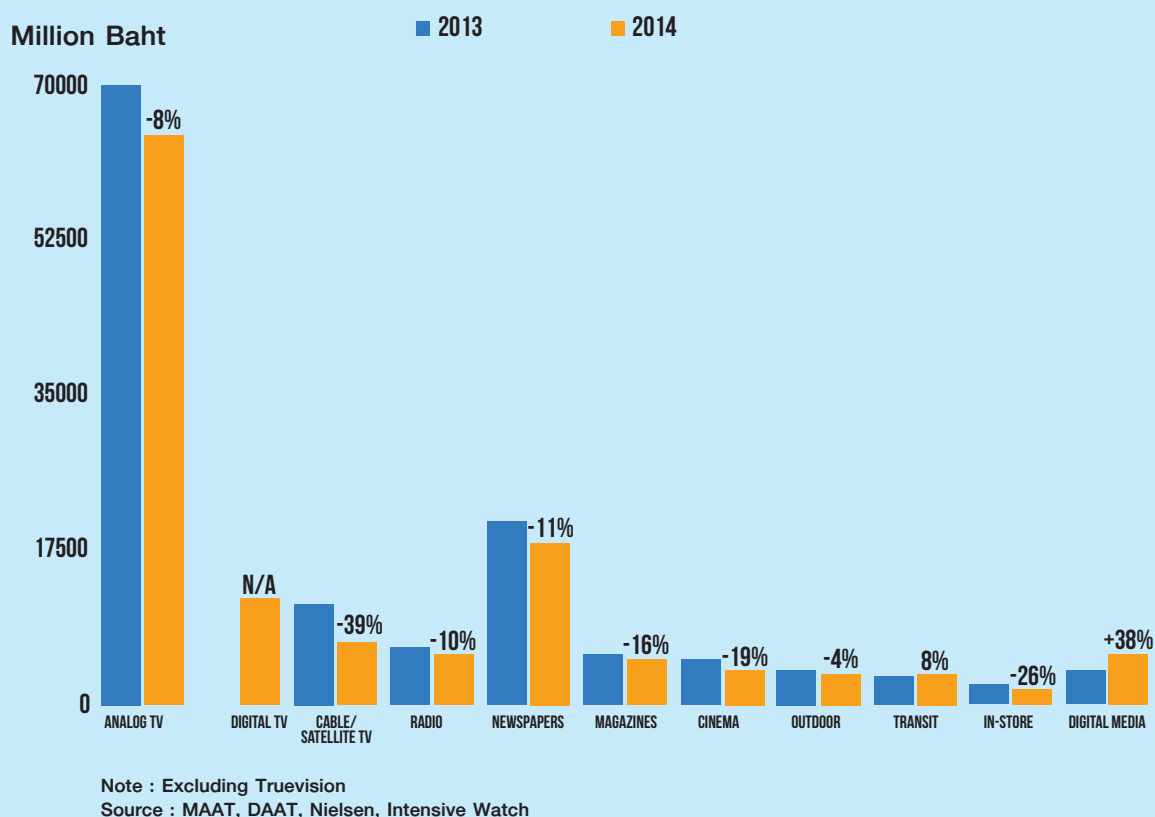


Figure 1

As shown in Figure 1, data from the Media Agency Association of Thailand : MAAT in 2015, data collected from the **Nielsen, Intensive Watch, and DAAT**, forecasted that the figures of ad spending through free TV, cable TV and digital TV worth of 141,000 million Baht, rose approximately by 4.5% from the year 2014. Such forecast is based on the estimated economic growth which it is expected that in 2015 Thailand's GDP (Gross Domestic Product) will grow by 3.5%, while combined with the variation in the industry as resulted of changes in the media industry.

Since the 2015 industry has changed substantially; whether be competition among free TV; both analog and digital TV, consequently; the forecasted figures of ad spending through various media in 2015 by the MAAT has not shown in detail; however it can be explained as whole as follows.

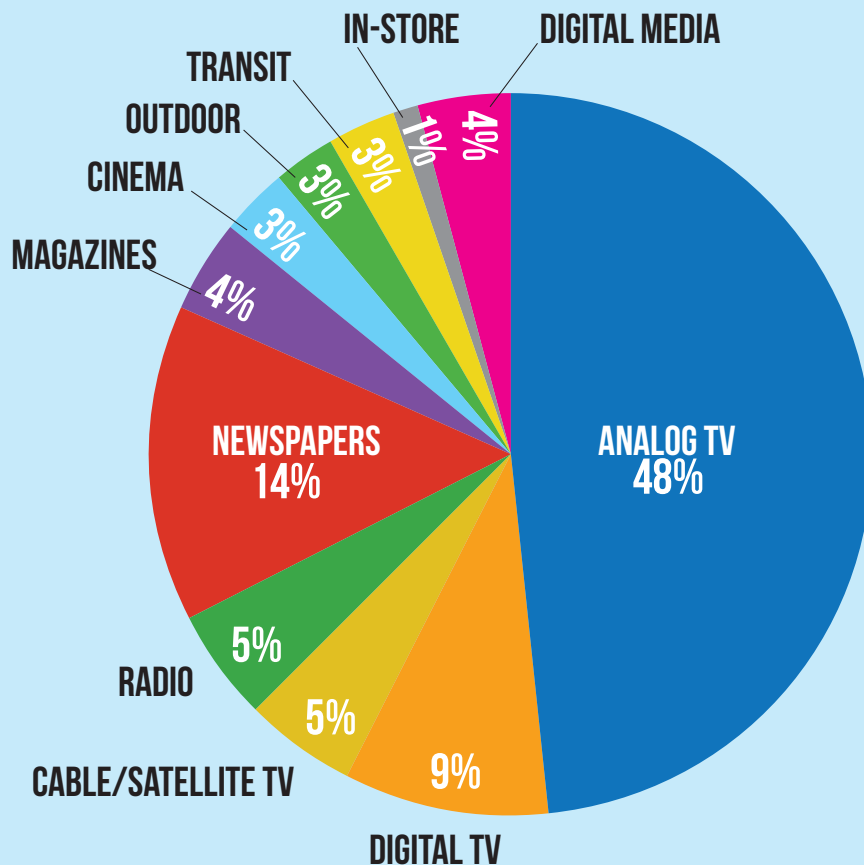
The media that has been growing steadily is television media; including the terrestrial analog and digital system, cable and satellite systems.

Digital media and transit media also continues to grow and contributes the growth of the industry this year.

TV is still a main media for advertising spending budget. It is expected that TV commercials will be greater than 62% of the industry budget as television media can access to a multitude of citizens effectively. Nonetheless, following a trial broadcast of 24 channels digital TV in the past 2014, the industry gains more understanding of the role of digital TV, which this may affect the analog TV, cable TV and satellite TV.

Budget in 2014 by Type of Media

ANALOG TV DIGITAL TV CABLE/SATELLITE TV RADIO NEWSPAPERS MAGAZINES
 CINEMA OUTDOOR TRANSIT IN-STORE DIGITAL MEDIA



Note : Excluding Truevision
Source : MAAT, DAAT, Nielsen, Intensive Watch

Figure 2

As shown in Figure II, overall, the budget in 2557 by type of media, combined with the budget of digital TV, unveiling that analog TV remained high of 48%, worth 63,775 million Baht while the digital TV, which launched the operation since April 2014, worth 12,071 million Baht, representing 9 %, while advertising budget on cable TV and satellite TV worth 7,177 million Baht, representing 5%, on radio media worth 5,985 million Baht, representing 5%, on newspapers worth 18,373 million Baht, representing 14%, and on magazines worth 4,996 million Baht, representing 3%.

While advertising budget on cinemas worth 4,351 million Baht, representing 3%, on outdoor worth 3,990 million Baht, representing 3%, on transit media worth 3,806 million Baht, representing 3%, on in-store worth 1,963 million Baht, representing 1% and advertising budget on digital media worth 5,863 million Baht, representing 4%.

In terms of the investment worthiness on advertising, the MAAT estimates that with the roaring competition in the industry because of the entrance of the new players, the

traditional analog TV stations such as Channel 3, Channel 5, Channel 7, and Modern Nine, Channel 11 TV station, cannot increase ad price as before, adjustment is possible, but not very high while the cable TV and satellite TV operators may further fix the same rate.

On the other hand, the digital terrestrial television operators can increase ad price by an average of 40% of the price offered in 2014 because of the ever-growing number of audiences.

It is estimated that the audience base of the traditional analog TV channels will decrease by approximately 4-5% compared to the year 2014. Likewise, the audience base of the cable and satellite TV channels is estimated to decrease by 20% from the year 2014 while that of the digital TV channels will rise by 30% from the year 2014.

The digital TV operators expect that competition in the television industry in 2015 will become more intense. All existing and new players have revised strategies and have the quality programmes on-air to draw the greater popularity, for instances, Channel 3, True Visions, GMM Grammy, RS Channel 8, Amarin TV, Work Point, Mono Channel 29, Thai Rath TV, PP TV, affiliated MCOT channels, and TV Pool, and so on.

The NBTC scheduled to expand the digital TV network that covers viewing of a total of 23 million households across the country, earlier than scheduled plan; that is; starting broadcasting on terrestrial digital TV officially on April 1, 2014, covering four provinces; including Bangkok, Nakhon Ratchasima, Chiangmai, and Songkla, while the digital TV network channel 5 and Thai PBS, which is considered a network with the greatest number of network subscribers; 28 and 29 stations, respectively (as of January 2015), accounting for approximately 70% of all households coverage.

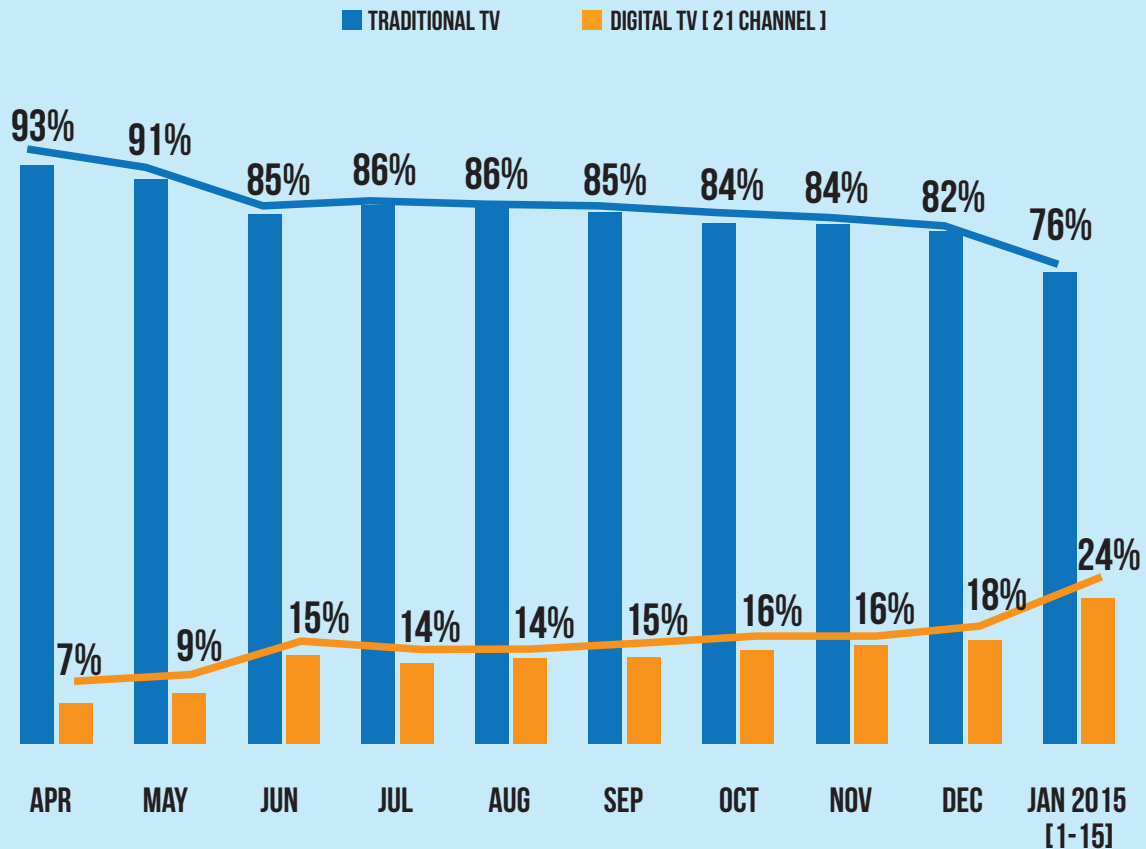
Meanwhile, network service providers like the Royal Thai Army and Thai PBS forecasted an expansion of signal transmission covering overall areas within the 2-3 next years, earlier than planned schedule that expansion will cover 95% the year 2017.

The factors that reinforce the future of digital TV include expediting the termination of the terrestrial analog TV system in ahead of schedule; for examples, as the NBTC enters the Memorandum of Understanding: MOU with Royal Thai Army Radio and Television Channel 5 as a concessioner to the Bangkok Broadcasting & TV Co.,Ltd, the executive of the BBTB Channel 7, which it is regarded the longest concession period of frequency for the analog television system.

Under the aforementioned MOU, the Royal Thai Army Radio and Television Channel 5 negotiated with the BBTB Channel 7 to shorten a concession period from 9 to 5 years in exchange for that the NBTC approved a delivery of the additional digital TV network to the Channel 5 as substitute condition. However, the reduced concession period is similar to the concession period between the MCOT and the Bangkok Entertainment Co., Ltd, the executive of the Channel 3. In addition, the NBTC required that Channel 5, Channel 9, and Channel 11 shall develop the plan for returning the frequency used in the analog TV service completely within a 4-year period. Thai PBS expects to return the analog frequency within the next 1 year, and this marks the end of the analog era and guarantees the digital terrestrial television stability in the future.

From April onwards until the analog systems ends, the households in Thailand can watch television through four main platforms; analog terrestrial television or Free TV of 6 stations; the number of households access to terrestrial television systems accounts 98%, cable TV and satellite TV by more than 60%, and digital terrestrial television which consists of 24 channels, coverage is expected by 80% in the coming June.

A Ratio of Audiences between Analog and Digital TV % Share Viewer



Source : Nielsen

Figure 3

The Nielsen Thailand 's survey of audience base proportion between analog and digital TV system of 21 operators (excluding Channel 3, Channel 7 and Channel 9, which broadcasting has been in parallel both the analog and digital system) in January 2015, found that the proportion of digital TV audiences increased steadily to 24% of all households from 7% at the beginning of the initial broadcasting in April 2014 , while the proportion of those watching analog TV has decreased steadily by 93% from April 2014 to 76%.

The media with steady growth rate such as magazines, radios, newspapers, cinema, outdoor media, and in-store media, it is estimated by the MAAT that in 2015 such advertising budget may not grow much, because the service providers of such media cannot adjust the ad price as much as it should in order to retain customer base and advertisers.

Interestingly, the consequence of the commercial broadcasting of the 24 digital TV channels by April 2014 caused transferring the ad budget from cable TV and satellite TV, which the Mindshare, the country's largest advertising agency, stating that advertising budget through digital TV increased at least 2-fold from the year 2014, approximately worth 12,071 million Baht.

However, the MAAT forecasted that advertising budget through cable TV and satellite TV might not grow as expected, as resulted of the satellite TV, most major providers who won the digital TV bidding, and turning to focus on programme production for digital terrestrial TV primarily. Therefore, it is expected that product brands will turn its more attention to digital TV in communication channels. For this reason, it may affect the satellite TV that cannot raise so much the ad prices.

Consistent with the figures of advertising budget spending through cable TV and satellite TV (excluding, advertising budget of True Visions), the Nielsen, Intensive Watch and Digital Advertising Association of Thailand (DAAT) states that in 2014 ad amount of money was 7,177 million Baht, decreased by 39% from 11,853 million Baht in the year 2013, while ad budget through cable and satellite TV decreased from 9% of the ad industry in 2013 to 5% of the ad industry in 2014.

According to a survey of the leading market research company, MillwardBrown, indicating that consumers spent time on watching TV on mobile phone for 167 minutes per day, on PC for 96 minutes a day, and on tablet for 95 minutes a day. In addition while connecting the internet via PC, tablet, and smart phone, the consumers can replay the TV programmes.

On May 2014, the officially YouTube Thailand opening of the Google Thailand is a reinforcing factor that increased the ad money through the digital TV significantly. Access to the YouTube website in Thailand is relatively high, or about 38% of the whole population. Thailand has been ranked the second greatest number of people accessing the YouTube in Asia.

Thus, the advertising spending via the internet is expected to have increased steadily. As it's seen from the forecasted figures of 6,429 million Baht in 2014, rose by 51% from 4,248 million Baht in 2013.

The Digital Advertising Association of Thailand (DAAT) stated that it is a result of the growth in the increased sales of smart phones; the price of smart phones is down, including the inexpensive price of the tablet, which is an important alternative to consumers. Meanwhile, the expansion of the 3G network services has covered more areas nationwide. All these have resulted in an increasing access to the internet via mobile devices or mobile internet. In addition, the state policies that are eager to push toward the digital economy as the national agenda, the government sector therefore has engaged in boosting the development of telecommunications infrastructure.

According to Mindshare Thailand, a leading advertising agency, stating that of overall 67 million Thai populations, there are approximately 96.4 million mobile phone numbers. When compared to the ratio of the total population, it found that access rate accounts for 144%. Of the total of mobile phone users, it found that the internet users via mobile phones accounts for 56%, and it's expected to grow continually in 2015 as the users of the smart phones, which supports the internet-based service, have increased over 36% or approximately 34.6 million people.

In short, overall the media industry in 2015 has expanded highly on the digital TV while the competition has been more intense.

Radio Business

Over the past years, in the viewpoint of the advertisers, radio is a medium that is partially used as marketing campaign for products than it is used as a primary medium for branding. Therefore, the customers or advertisers are more likely to cut off budget spending through radio at initial order in case of a limited budget. Such a tendency, the MAAT forecasted that spending through radio is slowing.

As shown in Figure 1 above, according to the Nielsen, Intensive Watch, and DAAT, it stated that radio media has been slow down; in 2014 the radio ad spending valued of Baht 5,985 million, decreased by 10% from 6,616 million Baht in 2013.

However, the operators have started to adjust themselves with the development of media and consumer behavior that has been changing for recent years. Some operators have expanded the radio and television programme production to the satellite TV platforms increasingly; for examples, Sabaidee Radio, service provider of Sabaidee satellite TV station owned by the RS, and earned additional income on marketing activities such as organizing concerts, trips both domestically and internationally, as well as expanding more channels of listening to the online platform, both online and through mobile application.

The 2015 competition trend is not different from the year 2014 because the existing operators with concession agreement will be covered over the next 3 - 4 years, during which the government agencies occupying the radio frequency waves clarify the necessity of occupancy to the NBTC.

However, there includes a remarkable issue that causes changes in the media landscape again after the CAT Commissions considered the cooperation in signal transmission in digital radio broadcasting with the departments, divisions, independent constitutional agencies, or any other non-state enterprises public agencies, and automotive manufacturers with the capability to install a digital radio receiver, the digital radio receiver manufacturers, which have been consented by the NBTC to sign the memorandum of understanding (MOU) in 2014 to drive change through the digital radio transition as a solution in the long run.

New Media - online media

Due to the 2014 changes in technology, the expansion of the telecommunications network by the giant companies allows the network service area 3 (Third-Generation Wireless Broadband Internet) as well as some areas in the Bangkok and cities, telecommunications network providers have started to expand 4G technology.

Such development allows the consumers to access information anywhere any time via the internet video, communication devices such as smart phones, tablets and laptops increasingly.

The Mindshare, a leading advertising agency stated that of overall 67 million Thai populations, there are approximately 96.4 million mobile phone numbers. When compared to the ratio of the total population, it found that access rate was high; accounting for 144%. Of the total of mobile phone users, it found that 27 million people accessed the internet, and accessed to the internet via mobile phones represented 56%

Regarding to information searching or consuming behavior over the Internet, the Google Thailand indicated that Thai people consumed video content via the YouTube website and social network mostly.

The Media Agency Association Thailand (MAAT) argues, "To use the internet-based media effectively, the websites must be developed to support processing on mobile smart phone, and the applications on mobile phones must support main operating systems on smart phones". According to Mindshare, it indicated that the current operating system Android developed by the Google dominates the market share of smart phones up to 68%, followed by iOS developed by Apple, representing 18%, and other operating systems including OS Windows, representing 14%

As show in Figure 1, data in 2014 from the Nielsen, Intensive Watch, and DAAT indicates that the figures of ad spending through the internet worth of 5,863 million Baht, rose approximately by 38% from 4,248 million Baht in the year 2013.

Besides, the proportion of the advertising spending through digital media in 2014 increased by 4% compared to the overall ad spending of 3% in the previous year. The industry with the greatest spending on digital advertising in 2014 still included communications industry, followed by skincare products industry, and the automotive industry

However, for the year 2015, it's expected that telecommunications industry, cosmetics industry, and automotive industry would still be the industry that spend the enormous advertising budget.

In 2015, overall it is expected that the general groceries or the fast moving consumer goods have turned to spending more online advertising through the video format, because most consumers, especially those in big cities where the internet access is easy have favored watching the online videos, thereby causing the influx of money from TV to the online videos, especially the official opening of the YouTube Thailand.

The launch of YouTube Thailand is considered a major turning point of the brands and product owners to add communication channels with the target groups increasingly. With the emergence of digital TV, the production of content has increased significantly; however it is possible that the viewers may not have time to watch programmes they like.

So, the replay on YouTube is becoming a key channel for TV stations that desire to expand channels of television presentation to reach a wider range of the audiences. Meanwhile, it has become a new channel for advertisers in the format of the pre-roll advertisement; that is playing the ad before the audience can replay on YouTube.

In addition to the increased content from free TV , the consumers also become a producer of content, especially video content on social network increasingly that generates the term "Net idol" who owns blog or "Blogger" with a lots of followers. Such a phenomenon has become a new trend in marketing for the brand or product owner who wishes the Net Idol to become a medium for promotional purposes as the Net Idol is a marketing influencer that influences a purchasing decision of consumer a great deal.

With the development of communication technology and the more affordable price of smart phones, as well as the adaptation of consumers in social media, the Digital Advertising Association of Thailand (DAAT) predicts that the growth rate of the ad spending through new media, online media this year will increase by no less than 50% compared to the previous year 2014. ■

2.1 Operating results of the company rely on advertising industry

The total amount of money invested in the development of television programmes and the production cost in 2015 is expected to be of no less than 2 billion Baht from both operators of analog TV and digital TV. However, revenue generated from advertising spending, especially digital TV group, is expected to grow moderately as compared to the investment taken place in the said business, thereby it may affect some digital TV operators who have insufficient potential to attract advertising spending. Nonetheless, when compared with other types of media business, television business holds a market share of over 60%, it is on the right hand for it is regarded popular primary media, and at

Risk Factors

the same time it is accessible to the public and influence consumers as well. Thus, in the long run TV business has a promising future. However, TV operators in term of earning revenue will have to adapt to the changing media landscape; that is to say; capable of producing TV programmes corresponding to the audience's need, increased ratings, and accessed to all communication channels; this is to maintain the worth on investment, which is significant to advertisement customers in the present and in the future.

In the past 2014, media industry in Thailand has been so awoken in the aftermath of Google Thailand introduced the YouTube Thailand to accommodate the numerous growth of online video consumption, which it is not only a marketing communication channel for products and services, but also a channel for TV operators to select their own popular programmes to offer the audience in more various channels,

and also to reduce the impact caused by the more stiff competition in the television industry.

The popular TV programmes that had been ever broadcasted are consequently available on the YouTube that can be viewed by the audience anytime. Advantageously, it develops the popularity of those broadcasted programmes. At the same time, some TV program producers can pull out the potential of YouTube to grow a number of the broadcasting channels through the live streaming presentations in order to increase the number of viewers in addition to the regular broadcast channels.

After the official opening of the YouTube in the past year, one remarkable thing is that the giant entertainment corporations which are the executives of the digital television channels, for instance, GMM Grammy PLC, RS PLC, Channel TV 3, Channel TV 7, have joined the YouTube Thailand as YouTube partner.

Mind Share, Thailand' largest media agency, states access to the YouTube website in Thailand is relatively high, or about 38% of the whole population, ranked No.2 for the greatest number of people accessing the YouTube in Asia.

As such, it's accentuated that under the changing media landscape the aspects of customer's media reception has changed and become more complex. A consumer as media addict has to be adaptive to the changing and evolving media formats. Obviously, consuming behaviors are more diverse corresponding to the new communication channels to seek the more consistent knowledge and entertainment that meets their needs. The manufacturing sector needs to create a variety of media content through various channels more (media fragmentation) increasingly.

According to the Research Centre for Marketing, the Malcolm Ward Brown, "today's consumers spend more time on mobile phones in terms of social network communication, watching TV, both live and replay. It found that Thai people spent time on watching TV for only 78 minutes a day while spending most time on mobile phone for 167 minutes, followed by on PC; 96 minutes, and on tablet; 95 minutes. It also found that TV audiences have interacted with TV programmes they are watching; whether be making comment about programmes on social network, or searching for information related to television content during or even details about the ads aired.

From this point, it becomes a challenge to the media and products operators, entrepreneurs, brands and agencies to plan how to spend advertising budget on diverse media more effectively.

The interesting trend succeeded from the year 2014 is transferring money from existing TV channels to the digital TV groups increasingly. The most affected groups include the player number 3 and 4 in Analog TV system like Modern Nine TV, MCOT Plc, TV 5 Channel (which has been modified into a public television station for stability).

Because the leading television producers who earned ad money and ratings from the feeding the programmes to both TV stations become a service provider of digital TV channels on their own, consisting of the Work Point Entertainment Plc, owner of Work Point Creative TV, and GMM Grammy, owner of One HD channels. For these reasons, both the Work Point and GMM Grammy ended to produce the programmes fed to the Modern Nine TV and Channel 5 since 2015, but develop their own programmes.

Advertising industry experts forecasted that the operators in TV industry can be classified into 3 groups, based on average advertising rates, rating or public popularity. They include;

- 1) Lead group- holding overall market share of over 50%, consisting of TV station channel 7 and TV station channel 3.
- 2) Highly potential channels - a group of channels with a high growth rate with potential to develop the programmes continuously, consequently it is potential to adjust the ad cost base remarkably. In this group, channels include digital TV and traditional analog TV channels ranked No#3 or under.
- 3) Developing channels - new operators in developmental stage of program quality with unclear market positioning.

The competition over the TV industry this year is expected to be much more intense as a result of external factors of uncertainty that may impact the controlled industries. Consequently, all existing and new players have to revise their strategies and feed the quality programmes onto the screen to draw a greater popularity. For examples, Channel 3, Nation Group, True Visions, GMM Grammy, Channel 8 of RS, Amarin Channel, Work Point Creative TV, Mono TV, Thairat TV, PPTV, affiliated MCOT, and TV Pool, etc.

Overview of the competition this year is expected to be more remarkable under the license of the NBTC, emerging entrepreneurs in

the television industry, especially 17 commercial digital TV operators for a minimum of 15 years whilst the original analog TV system is firmly expected to end within the next 5 years.

In addition to 24 commercial digital TV channels mentioned above, it includes 12 public service channels and 12 community service channels. The NBTC prescribes that community service and service public category shall apply for a license in the beauty contest classification.

Such a change in legalization makes the satellite TV business under the NBTC license incurred the cost of the fees at increase of 4%; still it is under the long-term operational license of 15 years which shall be covered by the NBTC and is a security for any transactions.

The NBTC scheduled to expand the digital TV network that covers viewing of a total of 23 million households across the country, earlier than scheduled plan; that is; starting broadcasting on terrestrial digital TV officially on April 1, 2014, covering four provinces; including Bangkok, Nakhon Ratchasima, Chiangmai, and Songkla, while the digital TV network channel 5 and Thai PBS, which is considered a network with the greatest number of network subscribers; 28 and 29 stations, respectively (as of January 2015), accounting for approximately 70% of all households coverage.

Meanwhile, network service providers like the Royal Thai Army and Thai PBS forecasted an expansion of signal transmission covering overall areas within the 2-3 next years, earlier than planned schedule that expansion will cover 95% the year 2017.

Nation TV channel in the past year gained the No.1 share of the audience among the digital TV channels in news category, followed by TNN 24 and Thai TV.

However, competition among seven digital TV channels in news category is forecasted to be less severe as previously expected. From the officially-launched digital TV broadcasting to December 2014, the average audience share on digital TV channel in news category was only 0.3 - 0.35% while that of the Nation TV was about 0.5% as compared to digital TV channels in variety show category of 14 channels, average audience share was of 6%, and the number one is still Channel 7 with audience share of over 44%.

Nation TV channel in the terrestrial digital TV system has served

as the 24-hour news station with the large number of target audiences; middle classes customers with high purchasing power, living in Bangkok and its vicinity, cities, and municipalities, thereby ad money for products and services is targeted on urban and middle class customers (urban lifestyle) who have still used the service of the Nation TV, in order to penetrate to prospective groups. Meanwhile, the consumer's distributed behavior accesses to content from various media in the digital age.

In addition, the Nation TV in 2015 has more emphasis on new generation youth. It has developed new programmes that meet the needs of the new audience groups, enabling the station to attract more advertisers.

In 2015, according to the Media Agency Association of Thailand: MAAT's forecasted data, which data was collected from Nielsen, Intensive Watch, and Digital Advertising Association Thailand: DAAT, projected the figures of ad spending through free TV, cable TV and digital TV worth of 141,000 million Baht, rose approximately by 4.5% from the year 2014. Such forecast is based on the estimated economic growth which it is expected that in 2015 Thailand's GDP (Gross Domestic Product) will grow by 3.5%, while combined with the variation in the industry as resulted of changes in the media industry.

2.2 The entry of new competitors

● Television

Although the entry of new competitors in 2015 in the television industry seems diminish, because the industry direction moves towards the transition to the digital television. Evidently, the ad spending started to move from analog TV business, cable TV, and Satellite TV, which all these transferred its spending to the digital TV.

The Media Agency Association Thailand (MAAT) estimated that television media has still been the main media for spending advertising budget, and it is forecasted that TV commercial proportion would be more than 65% of the budget over the industry, because TV media can access to a large number of population effectively. However, following a trial broadcast of 24 channels digital TV in 2014, the industry gains more understanding of the role of digital TV, which may affect the analog TV, cable TV and satellite TV systems.

However, among the competitions, the digital TV has been

dominant, because of its greatest number of players while the digital TV operators will have to compete to grasp money from analog TV system.

The MAAT estimated that while industry competition has roared owing to the new players, digital TV, the conventional analog TV stations like Channel 3, Channel 5, and Channel 7, Modern Nine TV and Channel 11, have to retain its audience base for continued worthwhile investment on the advertisement.

However, the conventional analog TV stations expected that adjusted advertising rate could not be high as usual. Similarly, the cable TV and satellite TV operators necessarily continue to fix the same advertising rate.

Meanwhile, the terrestrial digital television system has been potential to increase advertising rate by an average of 40% of the price offered in 2014.

Also, the audience base has been varied; audience base of the same analog TV is estimated to decrease by approximately 4-5% compared to the year 2014, and that of the cable TV and satellite TV system is expected to decrease by 20% from the year 2014 while the audience base of the digital TV will grow by 30% from the year 2014.

The interesting trend succeeded from the year 2014 is transferring money from existing TV channels to the digital TV groups increasingly. The most affected groups include the player number 3 and 4 in Analog TV system like Modern Nine TV, MCOT Plc, TV 5 Channel (which has been modified into a public television station for stability).

Because the leading television producers who earned ad money and ratings from the feeding the programmes to both TV stations become a service provider of digital TV channels on their own, consisting of the Work Point Entertainment Plc, owner of Work Point Creative TV, and GMM Grammy, owner of One HD channels. For these reasons, both the Work Point and GMM Grammy ended to produce the programmes fed to the Modern Nine TV and Channel 5 since 2015, but develop their own programmes.

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consisting of TV station channel 7 and TV station channel 3.

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3) Developing channels - new operators in developmental stage of program quality with unclear market positioning.

The competition over the TV industry this year is expected to be much more intense as a result of external factors of uncertainty that may impact the controlled industries. Consequently, all existing and new players have to revise their strategies and feed the quality programmes onto the screen to draw a greater popularity. For examples, Channel 3, Nation Group, True Visions, GMM Grammy, Channel 8 of RS, Amarin Channel, Work Point Creative TV, Mono TV, Thairat TV, PPTV, affiliated MCOT, and TV Pool, etc.

With such factors, the competition in the digital TV business has increased significantly this year, obviously including the presentation of much higher quality programmes to draw the attention of more viewers, especially variety shows on overall 14 channels in both SD (standard definition) and HD (high definition) system, because the aspect of the content has not been significantly different.

Although seven news information channels seem to be competitive not as highly as the variety shows category, however, in a thorough deliberation, it found that all digital TV channels is considered a rival to the news channels because of the same production of news. However, the competition direction is the production of documentaries and news, or more distinctive and specific news (segmentation) in order to meet the needs of the audience and advertisers.

This is regarded an opportunity of the company which the Board of Directors addresses that in this year the audience base will be increasingly expanded from working adults to the new generation groups.

In addition, the company's highlight is content, especially news, Nation TV that becomes a digital TV station, and other different ways to watch; for instances, viewing via the website; www.nationtv.tv, applications that support the consumers in the online and 3G era, and "5 Screens" strategies that can be accessed through any channel.

Also, the company has been well-equipped with personnel and database of the Convergent Newsroom development; integrated data use of other affiliated media and three newspapers; the Nation, Bangkok Biznews, and Kom Chad Luek; this is to advance the database to television and new media as well as to create diversity in the presentation of news. With these competitive advantages, the company as media business has still been given the attention by the target customers constantly this year.

The overview of the television industry, a leading agency like Mindshare Thailand predicts that within the next 3 years, the access to digital TV service will increase to 87%, replacing the traditional analog TV because the analog TV broadcasting has ceased. Meanwhile, the audience share of cable TV and satellite TV channels will fall to 8% from 10% while the audience base of the True Vision remains the same.

Radio

Over the past years, the radio media has been decelerated in terms of ad spending, thereby the Competition among the major radio operators has relatively been fierce. The tendency of radio business this year has continued to decline steadily. In viewpoint of the advertisers, radio is a medium that is partially more used as marketing campaign for products than it is used as a primary medium for branding. Therefore, the customers or advertisers are more likely to cut off budget spending through radio primarily if they have a limited budget. Such a tendency, the MAAT forecasted no growth in 2014.

According to Nielsen, Intensive Watch, and the Digital Advertising Association (Thailand):DAAT, the radio media may be slow, but not so much; radio advertising budget by the year 2014 worth 5,985 million Baht, compared to 6,616 million Baht of the year 2013.

The competition trend in 2015 is not different from the year 2014 because the existing operators with concession agreement will be covered over the next 3 - 4 years, during which the government agencies occupying the radio frequency waves clarify the necessity of occupancy to the NBTC.

However, there includes a remarkable issue that causes changes in the media landscape again after the CAT Commissions considered the cooperation in signal transmission in digital radio broadcasting with the departments, divisions, independent constitutional agencies, or any other non-state enterprises public agencies, and automotive manufacturers with

the capability to install a digital radio receiver, the digital radio receiver manufacturers, which have been consented by the NBTC to sign the memorandum of understanding (MOU) in 2014 to drive change through the digital radio transition as a solution in the long run.

The radio station operators have to be adaptive to enhance its competitiveness in several areas, for examples, adding channels to listen to the radio to other media like websites and applications on mobile, matching the development of a more efficient telecommunications network.

The radio business opportunity has been taken advantages by the company to facilitate marketing by reinforcing the capacity of television media that can access to the corporate media any time anywhere. FM.102 MHz includes not only programmes that target at the working people, but also is used as signal-linking waves and rerun the popular programmes on the Nation Channel, rerun of the Kom Chad Luek and KhonNation New programmes. FM.90.5 MHz is to link signal of Kob Tok, the Nation Morning programmes, and rerun of the Nation Evening programmes.

In addition to the Nations radio, it is in the collaboration with the affiliated partners to formulate the policy to improve waves that are recognized by the public audience more extensively. It serves a source the audience can follow news and all-around knowledge throughout the day without missing the significant news; short news and various programmes, political, economic, social, trade, investment, foreign, sports, cars, and lifestyle to meet consumer need. This will help increase the potential to earn money in the following ways.

1. Programmes development is consistent and coherent.
2. Positioning a famous moderator with specialty and professionalization.
3. Wave publicity through different mediums of the radio, television, newspapers and social media
4. Holding activities to build a relationship with audiences and at the same time is a channel to earn additional income.

New Media

New media has been growing steadily as resulted of the growing number of the internet users, resulted that new media has been of the interest of the advertising agencies and companies to take advantage of it as a promotional channel for goods and services increasingly. It found that advertising budget through digital media worth approximately

5,863 million Baht in 2014, growth rate of 38% or approximately 4,248 million Baht from the year 2013.

At the same time, service providers of different types of information make use of the existing content to develop new products and services that accommodate the applications on mobile devices which are currently popular in society; this is to usurp the popularity of consumers and advertising budget through new media such as digital newspapers or magazines, applications for watching TV on the mobile phones, Smart Phone or Tablet.

Another important factor is that the month of May 2014 the Google Thailand officially decided to start its service of YouTube Thailand website to meet the growing needs of consumers in the video content. Of the entire Thai population, 38% access to the YouTube, which is the second highest rank in Asia region.

The introduction of YouTube Thailand is considered a major turning point of the brands and product owners to add communication channels with the target groups increasingly. With the emergence of digital TV, the production of content has increased significantly; however it is possible that the viewers may not have time to watch programmes they like.

So, the replay on YouTube is becoming a key channel for TV stations that desire to expand channels of television presentation to reach a wider range of the audiences. Meanwhile, it has become a new channel for advertisers in the format of the pre-roll advertisement; that is playing the ad before the audience can replay on YouTube.

In addition to the increased content from free TV, the consumers also become a producer of content, especially video content on social network increasingly that generates the term “Net idol” who owns blog or “Blogger” with a lots of followers. Such a phenomenon has become a new trend in marketing for the brand or product owner who wishes the Net Idol to become a medium for promotional purposes as the Net Idol is a marketing influencer that influences a purchasing decision of consumer a great deal.

In addition, in 2013 the Mindshare, a leading advertising agency stated that of overall 67 million Thai populations, there are approximately 96.4 million mobile phone numbers. When compared to the ratio of the total population, it found that access rate accounts for 144%. Of the

total of mobile phone users, it found that the internet users via mobile phones accounts for 56%, while in the next 2- 3 years, the rate of access to the Internet via mobile phones has increased substantially.

These are the opportunities for the company, because the company has placed the importance on new media constantly. As we've seen, the company has never ceased improving and searching new communication technologies to accommodate the needs of consumers in the demand for information through the "multi-screen".

The company also has partnered with famous brands of TV manufacturers including Samsung, Sony, LG and Panasonic to develop the applications on smart TV, which currently has been of the highest popularity, prepare staffs, establish R & D team in New Media business continuously.

Although this respective business has rapidly changed, it is a risk factor if failed to adjustment. However, with the all-around preparations, the company ensures of the new media business and gets ready to grow steadily.

2.3 Changes in the Broadcasting and Television Act

On April 4, 2012, the Government Gazette published the Notification of the National Broadcasting Telecommunication Commission (NBTC) on Master Plan for Spectrum Management (B.E. 2555), Master Plan for Broadcasting and Television Business No. 1 (B.E. 2555-2559), and Master Plan for Telecommunication No.1 (B.E. 2555-2559)

An essence of the Notification of the National Broadcasting Telecommunication Commission (NBTC) is an issuance of license for digital TV business; the license of 15 year validity. It is the first time in 60-year cycle of the broadcast service in Thailand that issues the license by transiting from concession.

However, as the free digital TV service has been subject to the supervision of the NBTC, the enterprises have incurred additional costs; paying fee at rate 2% of revenues to the Office of the NBTC, and another 2% of the revenues to the Broadcasting, Television, and Telecoms R&D Fund. Broadcasting for public interest, totaled of 4%.

Meanwhile, under the change in transition to digital television

plan, the NBTC allotted the spectrum for 48 new digital television channel, comprising public service of 12 channels, community service of 12 channels, both types are licensed, based on the qualification set out by the Notification or by Beauty Contest.

The NBTC prescribes 24 business channels that must undergo auction for license, classified into 4 categories; children and juvenile of 3 channels, news of 7 channels, variety Standard Definition: SD of 7 channels, and variety High Definition: HD of 7 channels.

The NBTC's rules that has changed, and that the company entered into the free digital TV is perceived more an opportunity than risk, because the allotted frequency of the digital TV as free digital terrestrial TV can reach 23.5 million households across the country within three years as required by the NBTC, stating that the extension of digital terrestrial television network will cover across the country, and transforming from Satellite TV moderator to free TV under a license term of 15 years will be covered by the NBTC, and secures any transactions as well.

However, the aftermath of governmental change under the National Council for Peace and Order, in which a new constitution has been under drafting process; rules and regulations relating to the NBCT may be revised, and thereby it may affect the industry and digital TV operators, radio operators, as well as the development of the telecommunications system, this is considered uncertain factors.

It also includes the digital economy policy which will become a key role in restructuring the broadcasting, television, and telecoms industry.

2.4 Risks affecting the investors

2.4.1 Impact on equity (Dilution Effect) from the exercise of “NBC-W1” warrants

In July 2013, the company has issued warrants to existing shareholders who subscribe for new ordinary shares in NBC-W1 amounted of 176,870,000 shares, aged of 5 years without any remuneration at ratio 2 ordinary shares for 1 warrant. As of December 31, 2014, the balance of the warrants was a total of 176,860,465 units.

In this regard, if the warrant holder exercises a right to purchase ordinary shares of the company in full. The company's shareholders may be affected by the Dilution Effect in terms of stock prices in the market

may decline, and the proportion of shareholding that declines as follows.

Before the exercise of the warrants in full, (31 December 2014)

Number of ordinary shares paid up	534,707,847	shares
Proportion of shareholding		
before the exercise of warrant	100	%

After the exercise of the warrants in full, (NBC-W1)

Number of ordinary shares paid up	711,568,312	shares
Proportion of shareholding		
after the exercise of warrant	75.15	%
Declined proportion of shareholding	24.85	%

2.4.2 Impact on equity (Dilution Effect) from the exercise of “ESOP-WB “warrants

In August 2014, the company has issued warrants to directors, executives, and / or employees of the company and / or its subsidiaries (ESOP) amounted 8,798,905 units, the no-par value shares, aged of 5-years, exercise ratio 1 warrant for 1 ordinary share at the exercise price THB 3 per 1 ordinary share. As at 31 December 2014, the balance of warrants was a total of 7,307,905 units.

In this regard, if the warrant holder exercises a right to purchase ordinary shares of the company in full. The company’s shareholders may be affected by the Dilution Effect in terms of stock prices in the market may decline, and the proportion of shareholding that declines as follows.

Before the exercise of the warrants in full (31 December 2014)

Number of ordinary shares paid up	534,707,847	shares
Proportion of shareholding		
before the exercise of warrant	100	%

After the exercise of the warrants in full (ESOP-WB)

Number of ordinary shares paid up	542,015,752	shares
Proportion of shareholding		
after the exercise of warrant	98.65	%
Declined proportion of shareholding	1.35	%



List of Major Shareholders

Name of top ten shareholders as of January 30, 2015 at closing book dated:

No.	Name	Shares	% Total Share
1.	Nation Multimedia Group Public Company Limited	381,011,674	71.26
2.	Mr. Sermsin Samalapa	27,000,000	5.05
3.	Mr.Somchai Patphai	6,390,000	1.20
4.	Mr. Chawalit Wisarankul	5,000,002	0.94
5.	Mr. Suthichai Sae-Yoon	4,866,714	0.91
6.	Mr. Passakorn Jessadawarangkul	3,750,000	0.70
7.	Mr. Sutthisak Mahittiwancha	3,650,000	0.68
8.	Mr. Sirisak Akpisutsoontorn	2,650,000	0.50
9.	Ms. Siriwan Werapodjananan	2,400,000	0.45
10.	Mr. Somdej wongjan	2,243,000	0.42
	Other	95,746,457	17.91
Total		534,707,847	100.00

Source : Thailand Securities Depository Co., Ltd.

Remark: The shareholders from the same entity and voted unanimously, which was Nation Multimedia Group Public Co., Ltd., to have its major shareholder : Mr.Suthichai Sae-Yoon, another major shareholder of the Company, assume the position of Chairman.

Types of Shareholders – Share allotment by nationality

Shareholder by Nationality	Number of Shareholders	Number of Share	% Total Share
Thai Shareholder	1,982	534,518,043	99.96
Foreign Shareholder	2	189,804	0.04
Total of Shareholders	1,984	534,707,847	100.00
* Nation Broadcasting Corporation Plc's regulation stipulates that "non-Thai shareholders are not allowed to hold the Company's stake in excess of 25% of total issued shares"			

Group of major shareholders who has significant impact on the formulation of management policies

-None-

Name of shareholders who conceal their true identity

-None-

Corporate Governance Report

1. Corporate Governance Policy

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

The company's Board of Directors thus sets corporate governance policy in line with the Stock Exchange of Thailand's code of best practices and is in charge of enforcing strict compliance to corporate governance policy, and periodically adjusting the policy to suit circumstances and meet shareholders' expectations, ensuring shareholders' interests are well protected.

The current corporate governance policy has received the consent of the Board of Directors and was first announced on May 20, 2009. It is set that the policy be revised annually to comply with the code of best practices for listed companies introduced in 2012 by the Stock Exchange of Thailand. The latest edition of the policy was released on November 7, 2013, and announced to all employees for acknowledgement and strict adherence.

Communication of the corporate governance policy

The well recognizes the practice of corporate governance to coincide with the company's vision and commitment. As a main factor that drives operations is the employees of the company and subsidiaries, the policy has been communicated to employees by publicizing through the internal website and publishing 'Nation's Way' as a handbook for employees in addition to information in the website to follow the procedure in their operations. Management has closely monitored and ensured that all aspects of the policies have been put into practice. In addition, in order to develop understanding with all stakeholders, the company has publicized good corporate governance principles through the company's website for interested persons and investors' acknowledgement. If any shareholder would like to receive a copy of the aforementioned policies, please contact the corporate secretary and fill in the document request form which will be delivered with the annual report in order to develop understanding on the company's good corporate governance.

Monitoring of the practice of corporate governance policy

From the determination to continuously improve the company's good governance since good corporate governance policy was first introduced in 2006, the evaluation result for the organizing of the ordinary shareholders' meeting has been increasingly outstanding in successive years, as follows:

■ According to the evaluation results for the listed companies' good corporate governance for the year 2014, evaluated by the Thai Institute of Directors (IOD), the company was graded a **"very good"** level (4 stars), based on its reports publicized through the Stock Exchange of Thailand's media channels and its other publications.

■ According to the evaluation results for the organizing of the Annual General Meeting for the year 2014, evaluated by the Thai Investors Association, the Thai Listed Companies Association, the Securities and Exchange Commission, and the Stock Exchange of Thailand, the company was rated an **"excellent and exemplary"** and was one of 32 listed companies out of 528 participating companies receiving complete 100 scores. The company has been rated at an excellent level for three consecutive years.

In 2014, the company's corporate governance principles covered five areas, namely:

- 1.) Rights of shareholders
- 2.) Equitable treatment of shareholders
- 3.) Role of stakeholders
- 4.) Information disclosure and transparency policies
- 5.) Board of Directors' responsibilities

1) Rights of shareholders

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

The company has a policy to treat every shareholder with equality. Realizing that the shareholders are entitled to the rights to receive sufficient and timely information of the company and the company protects the interests of the shareholders more than what is required by the law, the Investor Relations Division was set up to provide information and respond to enquiries. The website: www.nbc.co.th publicizes the company's information for shareholders and investors both in Thai and English. The information provided includes the latest information and an investor's newsletter. Apart from that, the company organizes shareholders' meetings at least four times a year according to the Stock Exchange of Thailand's arranged timetable for shareholders to inquire, request explanations and express their opinions with equality.

Shareholders' Meetings

Organizing Shareholders' Meetings

The Board of Directors has recognized the importance of holding the Annual General Meeting to allow shareholders to acknowledge the company's performance, jointly make decisions on significant company matters and inspect operations managed by the Board and management. The company organizes the Annual General Meeting in line with the law and guidelines as suggested in the AGM Checklist manual, published by the Thai Investors Association, the Thai Listed Companies Association, the Securities and Exchange Commission and the Stock Exchange of Thailand.

In 2014, the company organized the Annual General Meeting of Shareholders for the year 2014 on April 3, 2014 on the 7th Floor, Nation University Tower at 14.00 with registration from 12.00. Ten directors and 74 shareholders and shareholders' representatives attended the meeting, representing shareholdings of 419,370,639 shares or 78.47 percent of the 534,412,647 total issued shares. The meeting was held in accordance with accepted standards and the requirements of the law, as follows:

Prior to the General Meeting of Shareholders

The company posted the meeting invitation letter with complete information on the company's website 30 days prior to the meeting date. It has appointed Thailand Securities Depository Co., Ltd. to serve as the company's registrar, to circulate meeting invitation letters to the shareholders. The meeting invitation letter provided details on agenda, facts and reasons, the Board of Director's views on each item of the agenda, previous meeting reports, annual reports, related documents required for the consideration of each agenda item, clarification of procedures, information on the Independent Directors, regulations on the shareholders' meeting, map of the meeting venue, reply form and authorization documents as specified by the Ministry of Commerce. The meeting invitation letters were circulated to the shareholders about 21 days prior to the meeting date and

announced in the newspaper for three consecutive days and at least three days prior to the meeting date. The company allowed shareholders with minor stakes to propose general meeting agenda and nominate the director candidates, as well as send questions for the annual general meeting in advance from November 22, 2013 to January 31, 2014 through the www.set.or.th or www.nbc.co.th website. No candidates were proposed for the Board of Directors and no additional agenda were proposed.

The company reported the results of shareholders' exercise of right to nominate directors candidates and to propose the general meeting agenda on the company's website on February 3, 2014.

The company also asked the shareholders to send questions for the annual general meeting of the year 2014 in advance through the company's website or fax number 0-2338-3938 from March 7-20, 2013 so that the Board of Directors and management team could arrange for explanations at the meeting. No questions were sent in advance.

The General Meeting of Shareholders

The company set the meeting date and venue that were convenient for attendees and assigned staff to take care of shareholders from the registration process to the meeting attendance process, and presented souvenirs to participating shareholders. Meeting registration could be made from one hour in advance of the meeting until the meeting had concluded. Auditors from KPMG Poomchai Audit Co., Ltd. and law consultant firm Thanathip & Partners Co., Ltd. attended the meeting to hear opinions, answer shareholders' questions and observe the vote counting procedure. All shareholders' meetings were chaired by the Chairman of the Board of Directors.

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

The company used a barcode system to register attendees and count votes for each agenda item. On the agenda of appointing the company's directors, the company allowed the shareholders to cast votes for directors individually and recorded procedures of vote casting, vote counting and the meeting's consensus. Votes were classified into 'in agreement', 'not in agreement' and 'refrain from voting'. Vote casting was made by ballot to enable possible inspection in future.

The company proposes payment for directors for approval every year. Information proposed to the shareholders for acknowledgement and approval includes payment for each director with comparison with the preceding year, clearly stated policies and criteria relating to specifications of payments for directors.

The company suggested that the shareholders who were unable to attend the meeting assigned authority to Mr. Supong Limtanakool, Independent Director and Chairman of Audit Committee, who has no benefit in issues being considered to represent and cast votes for them. The company enclosed a proxy form, in which the shareholders can specify their vote for each agenda item, with the meeting invitation letter.

After the General Meeting of Shareholders

The minutes of the meeting, with details of vote casting and the shareholders' inquiries for each item in the agenda, was submitted to the Stock Exchange of Thailand within 14 days and also publicized on the company's website. The company was assessed on the quality of the Annual General Meeting (AGM) by the Thai Investors Association, together with the Thai Listed Companies Association and the Securities and Exchange

Commission, as “excellent and exemplary” level.

2) Equitable treatment of shareholders

The Board of Directors has regularly controlled and checked up on the company’s corporate governance structure to ensure equitable treatment for all shareholders, including those with small shareholdings and overseas shareholders, as well as to ensure that the caretaking process is neither complicated nor incurring unnecessarily high costs. The shareholders have the right to participate in decision making and acknowledging the company’s decision on important circumstances as stipulated by law or the company’s regulations.

- In the shareholders’ meeting the company has a policy to uphold the equal right of every shareholder. No item shall be included in the agenda and no important information shall be exchanged if it’s not informed to the shareholders in advance. Moreover, no document containing additional important information shall be provided in the meeting, to ensure the shareholders have sufficient time to make decisions.
- All shareholders have a right to vote as per the number of shares one holds. Each share counts for 1 vote and there is no special voting right.
- Shareholders with 1 share and above can propose to add agenda items for the general meeting in 2014 as well as nominate a person with appropriate qualifications to sit in the Board of Directors from November 22, 2013 - January 31, 2014. The company shall make available the information through the Stock Exchange of Thailand’s information channel and the company’s website with transparent steps and procedures in line with the extra procedure on rights of small shares shareholders. However, in 2014 there are no additional proposed agenda or Board of Directors nominations.
- Shareholders who are unable to attend the meeting may authorize an independent director who has no conflict of interest with the meeting agenda to attend and cast the ballot. Moreover, shareholders can download the proxy form from the company’s website.
- No transactions shall be mutually made with any joint-venture or related companies, as it may lead to significant conflicts of interest.

3) Role of Stakeholders

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

In supervising the company’s business, stakeholders are classified into several groups as employees, customers, shareholders, investors, trading partners, creditors, trade competitors, society, government agencies, neighboring communities and independent auditors. The Board of Directors has maintained a policy to protect the rights of each group of stakeholders in accordance with related laws or agreements stakeholders have made with the company, and has aimed to boost cooperation between stakeholders and the company to ensure more productive performance and sustainable growth by disclosing relevant and sufficient information. Hence, the Board of Directors set organizational ethics covering various areas on November 10, 2006 and lately reviewed them on February 12, 2015. There were some changes to bring them up to date including the determination of the anti-corruption policy and adjustment of the complaints receiving process. (Nation Broadcasting Corporation Public Company Limited’s ethical guidelines can be viewed at www.nbc.co.th)

Ethics of the the Board of Directors, Management and Employees consist of:

1. Ethics on business operation

1.1 Business operation guidelines

Nation Broadcasting Corporation Public Company Limited was established in 1993, aims to produce television programmes in the format of news and knowledge, which are broadcasted through television stations without charges collected from the audience. Over the past years, the company has truly been committed to develop and stay side by side the Thai society steadfastly, serves as a reliable neutral media and becomes part of Thai people's life thoroughly, and even pursue the businesses to grow steadily, concentrated to act as good mass media with the ethical standards of the profession, and uphold the credibility and social responsibility under the under good corporate governance.

1.2 Anti-Corruption Policy

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

1. NBC's directors, management and employees are prohibited from conducting or accepting every type of corruption both in direct or indirect manner including receiving complimentary items or gifts, joining entertainment or hospitality activities, granting financial aid or donations and other forms of benefits from those doing business with the company.

2. The implementation of the Anti-Corruption Policy covers NBC's employees, customers and all groups of stakeholders, both in Thailand and abroad. The Policy is reviewed at least once a year in order to accord with business changes, regulations, standards, and laws. Risk assessment in corruption in the organization is also reviewed every year.

3. Operations relating to the Anti-Corruption Policy must be in line with the guidelines stated in the NBC's Corporate Governance Policy and ethical guidelines, related regulations and operation manual, as well as additional guidelines that will be further stipulated by the company.

4. To focus attention on processes which incur a high risk of corruption, NBC's directors, management and employees at all levels must conform carefully in the following courses of action:

4.1 Entertainment and hospitality, gifts

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

4.2 Charitable contributions or aid

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

4.3 Business relations and procurement process

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

Roles and Responsibilities

1. The Board of Directors is responsible for determining policy, monitoring, and forming an effective

system supporting Anti-Corruption activities in order to affirm that the Management Team is seriously concerned with, emphasizes, and cultivates an Anti-Corruption mindset as part of the company's culture.

2. The Audit Committee is responsible for revision of financial and accounting reports, internal control, internal audit, and risk management to ensure such operations are concise, appropriate, effective, and in conformity with global standards.

3. Presidents and the Management are responsible for determining the Anti-Corruption system, promoting, and encouraging an Anti-Corruption culture. This also includes revision of the system or regulations in order to best suit business changes, regulations, standards, and laws.

4. The Internal Audit Director is responsible for auditing, assessment, and evaluations in business transactions to ensure they are accurate and in compliance with guidelines, Approval Authority, standards, laws, and policies are monitored in order to assure that the internal controls are sufficient and suitable for probable risk in corruption. This shall be directly reported to the Audit Committee.

Anti-Corruption Guidelines

1. NBC's Board of Directors, the Management Team and staff at all levels must follow the company's Anti-Corruption Policy and Code of Conduct by avoiding involvement in any course of corruption, either directly or indirectly.

2. NBC's staff shall not be negligent in any corruption conditions involved directly with the company. All staff must notify such acts to supervisors or responsible persons, and collaborate in any investigation. Any queries or questions are needed to be consulted by the supervisor or a responsible person who monitors the compliance of ethical guidelines provided in particular channels.

3. The company shall provide fairness and safeguard staff who deny involvement in or inform of corruption cases relating to the company by applying Protection Policy for appellants or persons who provide Anti-Corruption information as stated in the ethical guidelines number 4 – Complaints and Comments Submissions.

4. A person who commits an act of corruption is considered to be in misconduct according to the NBC's ethical guidelines. This means such person will be subject to disciplinary action. Convictions may be applied in cases that violate the law.

5. The company realizes the importance of dissemination, knowledge sharing, and communications with other people who are involved in or affect the company so that those parties shall conform to Anti-Corruption guidelines.

6. The company strives to develop personnel with public consciousness, create good citizens for society and country, and sustain an organizational culture that rejects corruption as unacceptable in every type of business transaction when dealing with both public and private sectors.

Dissemination of the Anti-Corruption Policy

NBC disseminates its Anti-Corruption Policy to its staff and stakeholders through the internet system, e-mail and the www.nbc.co.th website. In the past year, it was found that:

1. There were no reports of corruption / ethical misconduct.

2. The company successfully maintained its good reputation with efficient supervision of corporate governance by the Board of Directors.

3. None of the Board of Directors resigned as a result of corporate governance matters.

2. Ethical Responsibilities

2.1 Ethics on responsibilities to the media profession (the “Nation Way”)

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

The “Nation Way” code of conduct was drafted as professional guidelines for the Group’s editorial staff at every level. The content covers the basic ethical standard for “news crews” at every level as well as how they behave in public, both on-duty and off-duty.

The Group’s news staff at every level shall strictly observe the following principles without any exceptions so that we can continue to maintain the credibility and trust of society.

“Nation Way” Code of Conduct is categorized as follows:

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

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

2.2 Ethics on responsibilities to shareholders

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

In 2014, the company’s performance improved, registering a net profit of Bt56.60 million and retained earnings of Bt78.61 million as of December 31, 2014 in the separate financial statements.

2.3 Ethics on relations to customers

The company determines to ensure that the customers and public shall be satisfied with the company’s quality products and services with reasonable prices. Besides, the company determines to continuously and seriously enhance its standards as well as maintain this positive and sustainable relationship with the customers.

The Company regularly organizes activities to strengthen closer relationship with every group of clients,

for example,

- TV viewers through Nation Channel : The company emphasizes on the customer satisfaction of the program's concept and content plus giving reward back to the customers. The customers are invited to join activities such as Clinic Stop Loss and Take Profit Session #1, #2 Seminars: Adjusted Port and Make Profits in the second half of the year, etc., trips with TV anchors and the production team such as Visit Myanmar on Exclusive with Saran Boonprasert, NationBike and Thai - International film lovers on "World Film 2014".
- Nations radio audiences : The company organizes many activities and seminars such as Smart Apartment Solution with Assistant Professor Pattrapon Vetayasuporn, Smart Business, Money talk on tour.

2.4 Ethics on responsibilities to employees

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

In terms of employee welfare, the company has paid great attention to labour welfare, implementing appropriate wages and a welfare system based on the employees' competitiveness in the labour market, growth prospect of career paths, capability and living costs. In addition to wages, employees are entitled to welfare covering leave, provident fund, child allowances, emergency loans, uniform and health expenses, allowances and travel costs. The company has determined labour and human rights practices to be in accordance with international practices and standards on labour and human rights, as well as facilitated the establishment of an employees' labour committee and union. The company also provides employees with opportunities to express opinions and lodge complaints on different matters to the company. Furthermore, the company has emphasized prevention of accidents and announced measures to provide assistance to employees in the event of accidents, by offering employees at all levels life insurance and health care services consistently, as follows:

1. Provide life insurance (accident and life group insurance for employees at all levels)
2. Provide annual medical check-up (conducted by doctors and nurses from hospitals)
3. Provide annual vaccinations such as influenza vaccinations
4. Provide monetary assistance to employees receiving treatment at hospitals
5. Provide monetary assistance in the event of the death of employees' parents, spouses, children or the employees themselves.

In terms of safety and hygiene in the workplace, the company has continuously organized training and launched campaigns to raise employees' awareness on maintaining a safe workplace for life and property. Throughout the year 2014, there were no reports of accidents or medical leave during operating hours as most operations were performed at the office. The company has recognized the importance of the work place, and has constantly maintained working equipment and tools as well as the establishment so that they are always ready to be in service and safe.

In terms of human resources development, the company has concentrated on upgrading employee capability at all levels by organizing internal training courses and external training courses with other institutes or agencies, enabling them to use the acquired knowledge to improve working efficiency. The company has organized training courses in conformity with the Skill Development Promotion Act B.E.2545, stipulating that any company with over 100 employees must organize training courses for employees in the ratio of 50% of the total number of its employees, and apply for training courses certification to the Department of Skill Development. The company strictly follows the Act when it comes to holding training courses for its employees.

In 2014, the company held training courses for 69% of its 132 employees, with in-house training representing 68% and external training with other institutes or agencies accounting for 32%.

In terms of anti-corruption training, the company is well aware of the importance of operating and managing business with integrity and transparency, which will promote sustainable growth and advancement for the company alongside society and the nation. The company has published a code of conduct to provide guidelines for the Board of Directors, the management, and employees on how to work with integrity and morality, counter corruption and omit practices that may lead to corruption such as by refusing to receive high-value gifts. The anti-corruption concept is introduced to employees in the orientation program and is constantly emphasized to employees by the management and supervisors at all levels throughout their employment period.

Compensation and welfare

The company has hired an HR consulting firm to study the company's compensation and welfare policy as well as succession planning in order to raise the employees' capability and to be fair and transparent in managing its people. The company has started to adopt IFRS regarding the employees' welfare after their retirement, beginning in 2011, and sourced specialists in statistics to calculate appropriate welfare levels for retired employees so as to propose to the company's Board of Directors for approval and to adjust the 2014 budget.

To provide financial security to employees who may leave the company or retire, the company has set up a provident fund which accumulates a certain percentage of the employee's salary together with the company's joint fund and the return on investment.

Human Rights

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

During the past year, there have been no disputes between the company and its employees. The company has received cooperation from the labor union in providing information and building strong understanding among the employees and the company.

2.5 Ethics on relations with trade partners

The company realizes the importance of equality and honesty in business practice as well as the mutual benefits with trade partners. The company strictly abides by law and regulations as well as good business ethics. In regards to the competition, the company adheres to the rules of fair competition and in regards to loans and repayment and trading partners, the company adheres to good practice and fair treatment respectively. The company's guidelines in this respect are as follows:

1. Directors, executives and employees of the company shall not receive, claim or accept offers for benefits that are not in accordance with standard trade practices.
2. Act in strict compliance with the law and regulations.

3. Evaluate and select trade partners using standardized criteria.
4. Strictly follow the conditions concerning trade partners. In the event that the company is unable to follow such conditions, the partner should be informed in advance in order to consider appropriate solutions.
5. Provide accurate and correct information.
6. Support and cooperate with trade partners in the production of high-quality standardized products.
7. Support and cooperate with trade partners in the production of new products and services in order to answer changing customer preferences.
8. Safeguard the confidentiality of trade partners and do not use information for self benefit or the benefit of other parties.

In the year under review, the company had no disputes relating to trade partners, competitors, trade creditors or financial institutions.

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

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

2.6 Ethics on relations with trade competitors

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

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

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

2.7 Ethics on relations with creditors

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

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

In the year under review, the company had no disputes relating to creditors and financial institutions.

2.8 Ethics on social responsibility and environment

The company has raised employee awareness on conserving the environment and using resources in

the most efficient manner through its internal communication process. It has also encouraged employees to take part in a campaign to reduce global warming by changing their behaviors to reduce energy consumption, join in 5S activities, and other activities concerning conservation of the environment, natural resources and energy held by the company. On September 11, 2014, the company invited a speaker from the Thaipat Institute to provide training for concerned managers and employees on the topic “CSR Report”.

As a news content producer and distributor to various media, the company shares national concerns over the quality of life and the information consumption of Thais. Therefore, the company has a mission to present quality and useful news to society and the public. The company also participates in efforts to improve the living standard of Thai society. As a business operator in Thailand, the company cares about the environment. In 2014, the company was involved in almost all aspects of community service activities (details as stated in Social Contribution Activities in the Annual Report (56-2)).

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

Complaints and suggestions

The company encourages its management and employees to conduct business with integrity, transparency, fairness and accountability in accordance with good corporate governance and the company’s code of business ethics. As part of this policy, the company provides channels for comments, complaints and suggestions from the company’s employees and all groups of stakeholders. Complaints and suggestions concerning various issues can be made to the Audit Committee or the Internal Audit Department Manager via E-mail audit_nbc@nationgroup.com or by mail to the company at Nation Broadcasting Corporation Public Company Limited 1858/118-119, 121-122, 124-130, 28th Floor, Bangna-Trad Road, Bangna, Bangkok 10260.

Operation procedures after receiving complaints

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

4) Information disclosure and transparency policies

The Board of Directors ensures that the company provides its information including financial reports and non financial reports in a manner that is accurate, complete, timely and transparent through easy-to-access channels to the interested parties on an equal and reliable footing.

To observe the corporate governance principles, the company requires the directors and management to report any changes of their securities holdings to the Securities and Exchange Commission and the Stock

Exchange of Thailand as well as provide the copies thereof to the company's secretary. The company's secretary will provide for the document to be forwarded to the directors and the management in November so that they can update their information thereof. Then, the secretary will collect the shareholding reports to present to the Board of Directors at least once a year.

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

In the past year, the company has disclosed the company's financial reports and non financial reports accurately, completely, timely, in a transparent manner and in accordance with the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand through the information disclosure channels of the Stock Exchange of Thailand and the company's website. The company fully complied with the Securities and Exchange Commission and the Stock Exchange of Thailand's requirements on the disclosure of information over the past year.

The company's annual report 2014 provides the following information:

1. Vision, mission and values of the organization
2. List of directors as well as their work and educational backgrounds, their family relationship with the management, their service in other listed companies and their holding of the company's securities
3. Shareholders' structure
4. Risk factors
5. Corporate Governance Report
6. Directors' remuneration and number of the board meeting's attendance
7. Board of Directors' performance in the past year and the training record of the board
8. Audit Committee's performance in the past year
9. Remuneration policy for directors and high-level management
10. The remuneration for service in the Board of Directors and other assignments for the company and its subsidiaries
11. Annual report of the Audit Committee
12. The Board's accountability report to the financial statements with the required content, endorsed by the Chairman of the Board and President
13. Explanation and analysis of the financial status of the management
14. Accurate and complete financial statements in accordance with accounting standards
15. Financial statements and operating results

The company has disclosed the following information at www.nbc.co.th

1. Roles, duties and responsibilities of the directors, sub-committee, Chairman and President
2. List of related transactions
3. Business ethics and Code of Conduct
4. Corporate Governance Policy
5. Audit Committee charter
6. Internal Audit Office charter
7. Quarterly and annual financial statements

8. Annual report
9. Human Resource Management Policy
10. Conflicts of Interest Policy
11. Internal Control Policy
12. Company Regulations
13. Anti-corruption Policy

Investor Relations Section

The Investor Relations section is responsible for communicating with the shareholders, institutional investors, and analysts in an equal and fair manner. The investor relations section answers queries related to the company's and its operations for investors through the company's website, by telephone or via other channels. The company facilitated the distribution of important information by organizing and participating in the following activities in 2014:

- The company held an investors' meeting on the topic "Digital TV and Directions of Nation Group in 2014" on January 15, 2014 at Meeting Room A, 27th Fl., Interlink Tower (formerly Nation Tower).
- Attended SET Opportunity Day organized by the Stock Exchange of Thailand three times on June 4, September 1 and November 26, 2014.
- Publicizing the company's financial status on website, totally 8 times that are:
 - www.nbc.co.th for 2 times on April 4 and November 7, 2014.
 - www.bangkokbiznews.com for 3 times on April 4, June 4 and November 7, 2014.
 - www.ryt9.com for 3 times on June 4, September 1 and November 26, 2014.

The Investor Relations Section can be contacted at :

Broadcasting Corporation Public Company Limited

Address	:	1858/51-62, 12th, 13th Floor, Bangna-Trad Road, Bangna, Bangkok 10260
Tel	:	02-338-3291
Email	:	investor@nbc.co.th
Website	:	www.nbc.co.th

Company Secretary Department

The company recognizes the significance of working in compliance with the regulations required by the Stock Exchange of Thailand, the Securities and Exchange Commission and other relevant laws in an accurate, complete and transparent manner, which passes through sequential consideration and inspection. The company secretary takes charge of assisting the Chairman of the Board of Directors in monitoring the Board of Directors, sub-committee and all directors to perform in accordance with relevant laws, regulations, and rules. Moreover, the company secretary is responsible for preparing documents in line with meeting agenda, which are sufficient for consideration and making decisions by the board, recording the minutes of meetings accurately and correctly to demonstrate that the board has considered all the proposed agenda fully, faithfully, and responsibly, as a normal person operating the same business should do in the same situation. Also, the company secretary has the responsibility to keep a register of directors, a notice calling meetings, minutes of meetings of the Board of Directors and Shareholders, a report on conflicts of interest, and a report on interest filed by a director or an executive in carrying out duties in full compliance with the guidelines.

5) Responsibilities of the Board of Directors

Roles, Duties and Responsibilities of the Board of Directors

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

The Board of Directors has clearly stipulated the duties and responsibilities of the Board of Directors, executive directors and President to ensure the independent judgments of the board to serve the best interests of the company and shareholders. Besides, a monitoring and supervision procedure is in place to ensure the company operates in a manner consistent with the relevant laws and business ethics stipulated by the board

Roles, Duties and Responsibilities of the Chairman

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

Counterbalance of non-executive directors

In 2014, the Board of Directors consists of ten members, four of them are independent directors, two are executive directors while the other four are non-executive directors. Independent directors and non-executive directors account for 80 percent of the board. This is to ensure the balance of authority and management. Also, one of the independent directors is female.

The four independent directors are fully qualified according to the Company's definition of the independent directors, approved by the board, and the requirements of the Securities and Exchange Commission issued in 2008. The four independent directors are members of the audit committee. One of them is the chairman of the audit committee, two of them are members of the audit committee, and one of them is the independent director.

Appointment of the Board of Directors

According to the company's requirement, one third of the directors shall vacate their offices when their tenures end every year. The company can re-appoint directors whose tenure ends to the same positions again for another term. The company does not set requirements on the term limit according to the requirement of the Securities and Exchange Commission. The company has set a policy stipulating that its directors must not hold the status of director in more than five other listed companies on the Stock Exchange of Thailand concurrently. The company's directors shall not be directors in competing companies or have conflicts of interest with the company's business. In the case that the directors hold positions in other companies, those company names, types of business and positions of the directors shall be disclosed in the director profile. In 2014, none of the company's directors or executives held positions as directors in more than five listed companies.

The high-level management of the company will not hold any position in other companies, except for subsidiaries and joint ventures. If any member of the high-level management sits in the board of other companies, such service shall be reported in form 56-1

The company appointed Ms.Jurairat Maipranet as the company's secretary since 2009 to perform duties according to relevant requirements as stipulated by the Securities and Exchange Act. The secretary summarizes the important issues regarding the implementation guidelines and the revised requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand as well as the newly-enacted laws that the board should be aware of in performing their duties. The secretary shall collect information regarding the directors and related parties, take care of the board's activities and work with the management to ensure the Board of Directors' resolutions have been duly executed.

The Board of Directors approves the important issues relating to the company's operation such as the business plan, the operation budget, financial goals, and business strategy that the Chief Executive Officer proposes as well as regularly monitors the operations according to policy and plans.

Sub-committees

The company's Board of Directors has appointed sub-committees to help them screen information relating to the operations by setting the qualifications and responsibility in the requirements for each sub-committee.

At present, the company has two sub-committees, namely the Audit Committee and the Executive Board. The duties and responsibilities of the Audit Committee and the Executive Board are detailed in Point 2 under the topic Sub Committees.

Conflicts of Interest

The company acknowledges the importance of the potential for conflicts of interest. Therefore, the company has announced its conflicts of interest policy which prevents the company's directors, management and employees operating any business which can come into competition with the company, as well as getting involved in a transaction that is likely to lead to a conflict of interest with the company. If it is necessary to do so, the Board of Directors will ensure that the transaction will be transparent and fair. The consideration will be thorough as if the transaction was executed with a third party, whereby the directors, the management or the employees involved shall not be allowed to take part in the approval process. Furthermore, the Stock Exchange of Thailand's regulations shall be strictly observed. Related transactions between the company and its subsidiaries, or associated companies in 2014 were presented before the audit committee and the Board of Directors in February 2015 and the company has disclosed with details and necessities/reasons in the Annual Disclosure Report (56-1 form).

The Board of Directors' Meeting

The Board of Directors' meeting is scheduled in advance with a minimum of once a quarter and special meetings are held as required. Agenda are clearly announced prior to the meetings with routine agenda to follow up on the operational results. The company's secretary is responsible for sending invitation letters informing approved agenda by the Chairman and the Chief Executive Officer together with related documents to all directors seven days in advance. This is to allow time for the directors to review the information prior to the meeting. Should any director wish to propose additional agenda or require the management to update the progress on any particular issue, he or she can inform their intention to the chairman of the board or the company's secretary.

Generally, each board meeting takes 3-4 hours. The Chairman of the board gives equal opportunity for all directors to independently express their ideas and opinions. The Board of Directors views that to prevent the unintentional leakage of information, the management will report the results of the company's

operations only in the month that the meeting is being held. Independent directors and non-executive directors have met regularly to discuss the management issues without the presence of the management. Should there be any issues of concern, the management will be notified to solve or improve them.

Evaluation of the Board of Directors' Performance

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

In 2014, the board arranged for performance evaluations in two forms: individual evaluation (self-performance) and entire board evaluation. The company used an evaluation form designed by the Stock Exchange of Thailand and the Thai Institute of Directors (IOD). The evaluation results are divided into four grades: 4 = Absolutely agree, 3 = Mostly agree, 2 = Agree, 1 = Disagree, 0 = Absolutely disagree

The evaluation results can be summarized as follows:

Individual evaluation categorized under the topics of director's readiness, strategies formulation and business planning, risk management and internal audit, prevention of conflicts of interests, monitoring of financial reports and operations, and the Board of Directors' meeting. The evaluation shows that the Board of Directors fell mainly in the categories of Mostly agree with Absolutely agree in 91.53% of cases.

Evaluation of the entire Board of Directors categorized under the topics of structure and qualifications of the Board, the Board of Directors' meeting, the board's ability to perform their duties, the board's relations with the management, directors' self-development and the management's improvement. The evaluation shows that the Board of Directors fell mainly in the categories of Mostly agree with Absolutely agree in 97.55% of cases.

The Board of Directors also arranged for performance evaluation of the Audit Committee, as in the previous year. The evaluation results are divided into Yes = Agree, No = Disagree. The evaluation can be summarized as follows:

The evaluation of the Audit Committee is based on their responsibilities and duties as well as the committee's meeting. The evaluation result shows that the Audit Committee fell mainly in the category of Yes = Agree with 96.08%.

Directors' remuneration

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

The company's guidelines for the remunerations of the Chief Executive Officer and high-level management are in accordance with the terms and policies stipulated by the Board of Directors. The remunerations reflect the company's and individual's performance. The company's Board of Directors evaluates the performance of the Chief Executive Officer and assigns the Chairman of the board to inform the criteria and results of the evaluations to the Chief Executive Officer. The Executive Board shall approve the results of the performance evaluation of high-level management as proposed by the Chief Executive Officer. The Board of Directors assigned the Executive Board to consider appropriate levels of remuneration to the Chief Executive Officer.

In 2013 and 2014, remunerations for directors are as follows:

Name/Position	Annual Remuneration 2013				Annual Remuneration 2014			
	Remuneration	Meeting Allowance	Other	Total	Remuneration	Meeting Allowance	Other	Total
Chairman of the Board : ■ Mr. Suthichai Sae-Yoon	400,000.-	-	-	400,000.-	400,000.-	-	-	400,000.-
Chairman of Audit Committee : ■ Mr. Supong Limtanakool	400,000.-	-	-	400,000.-	400,000.-	-	-	400,000.-
Member of Audit Committee : ■ Mr. Metha Soonthornjit ■ Mr. Kittichai Lattisophonkul	300,000.- 300,000.-	- -	- -	300,000.- 300,000.-	300,000.- 300,000.-	- -	- -	300,000.- 300,000.-
Independent Director : ■ Mrs. Supanee Dechaburananont	200,000.-	-	-	200,000.-	200,000.-	-	-	200,000.-
Executive Director of Parent/related company : ■ Mr. Semsin Samalapa ■ Ms. Duangkamol Chotiana ■ Mr. Thepchai Sae-Yong	200,000.- 200,000.- 200,000.-	- - -	- - -	200,000.- 200,000.- 200,000.-	200,000.- 200,000.- 200,000.-	- - -	- - -	200,000.- 200,000.- 200,000.-
Executive Director : ■ Mr. Adisak Limprungsatanakit ■ Ms. Aeumsree Boonhachairat	200,000.- 200,000.-	- -	- -	200,000.- 200,000.-	200,000.- 200,000.-	- -	- -	200,000.- 200,000.-
Total	2,600,000.-	-	-	2,600,000.-	2,600,000.-	-	-	2,600,000.-

Director and Management Development Plan

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

The company promotes the development of all directors to enhance their efficiency in performing their duties. The company has set a policy to encourage directors to participate in seminars and training courses organized by the Thai Institute of Directors (IOD), the Stock Exchange of Thailand or other institutes. Topics of seminars and training courses involve development for directors in relation to their duties and responsibilities or new management trends to support continuous development in performing their duties, as well as to enable them to apply acquired knowledge appropriately to consistently improve operations for the benefits of the company. In 2014, the company arranged training courses for directors as follows:

No.	Name	Position	Training Course(s) 2014
1	Mr. Adisak Limprungpatanakit	Director and President	Capital Market Academy : Executive MBA (CMA#19)
2	Mrs. Supanee Dechaburananont	Independent Director	Director Certification Program (DCP# 189/2014)
3	Mr. Thepchai Sae-Yong	Director	Thailand Energy Academy (TEA#5/2014) - Enery Literary for The World #15

Succession plans

The company's Board of Directors realizes that the organization's efficiency is a result of its staff. The sustainable growth of the company depends on whether the company will be able to create the qualified personnel to execute the company's mission and continue the intention of the founders as well as to pass on good corporate culture to subsequent generations. The company has therefore instructed the management to give priority to effective management and human resource development with clear directions to achieve the company's vision, mission and values.

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

1. Chairman / Chief Executive Officer

When the management position of Chairman / Chief Executive Officer vacates or persons holding such position can't perform their duties, the company may select an executive at the nearest level or deputy position to the vacated position to act as a caretaker up until the selection and recruitment process of the vacated position is completed. Successful candidates must have vision, capability, experience and fit well into the organizational culture. The entire Board of Directors will consider qualifications of successful candidates and forward his/her name to the chairman who will further nominate the new Chairman / Chief Executive Officer at the Shareholders Meeting.

2. Vice President

When the management position of vice president vacates or persons holding such position can't perform their duties, the company has succession plans as follows:

1. Analyze the company's business operations in terms of strategies, policies and plans, as well as business expansion plans.

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

2. Sub-committees

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

2.1 Audit Committee

The Board of Directors appoints the Audit Committee to assist the board in monitoring the quality and reliability of the company's accounting, audit and internal control systems as well as the company's financial reporting process.

The audit committee must be comprised of independent directors to ensure full independence to work fully and reports directly to the Board of Directors. The Audit Committee's duties and responsibilities are set in accordance with the standards and regulations of the Stock Exchange of Thailand, established clearly by charter.

As of December 31, 2014, the Audit Committee comprised three members, as follows:

No.	Name	Position	qualification
1	Mr. Supong Limtanakool	Chairman of the Audit Committee	Independent Director
2	Mr. Metha Soonthornjit	Member of the Audit Committee	Independent Director
3	Mr. Kittichai Lattisophonkul	Member of the Audit Committee	Independent Director with finance and accounting background

Note: Ms.Jurairat Maipranet as the the Audit Committee's secretary

Roles, duties and responsibilities of the Audit Committee

1.Review the financial reports (quarterly financial report and annual audited financial report) to oversee that the reports are sufficient and correct before forwarding them to the Board of Directors for consideration.

2.Review the internal control system to oversee that the internal audit procedures are adequate, appropriate and efficient. In addition, to observe the independence of the internal audit unit, as well as to approve the appointment, transfer and dismissal of the head of the internal audit unit or any other units responsible for the internal audit.

3.Review the risk assessment and risk management system to oversee that they are appropriate, adequate and efficient.

4.Review the business operating procedures to oversee that they are in compliance with rules and regulations of the Security Exchange Commission and those of the Stock Exchange of Thailand as well as other laws relative to the company business.

5.Recommend to the Board the independent auditors to be nominated for shareholder approval to audit the financial reports of the company. Review with the independent auditors the objectivity of audit, responsibility and auditing procedures of the independent auditors including problems found during the audit as well as issues that the independent auditors feel they may have material impact on the company financial reports. They may invite auditors for a meeting regarding to financial statement clarification.

6.Review the connecting transactions or transactions that may have conflict of interest to oversee that they are accurate, complete and in compliance with rules and regulations of the Stock Exchange of Thailand as well as disclosure complete information for those transactions to ensure that such transactions are appropriate and most beneficial to the Company.

7.Issue an Audit Committee Report to be included in the company's annual report and the report must be signed by the Audit Committee Chairperson and must at least contain the following information.

- Opinions concerning with the correctness, completeness and trustworthiness of the financial reports of the Company.
- Opinions concerning with the adequacy of the Company's internal control system.
- Opinions concerning with the Company's compliance with the law and regulations of the Securities and Exchange and regulations of the Stock Exchange of Thailand, or any law governing the Company's business.
- Opinions concerning with the appropriateness of the auditor.
- Opinions concerning with the transactions that may involve conflict of interest.
- The number of the Audit Committee's Meetings and attendance record for each of the Audit Committee Members.
- Opinions or overall observation that the Audit Committee has found during performing its duty according to the Charter of the Audit Committee.
- Other reports which should be acknowledged by the shareholders and general investors under the duties and responsibilities assigned from the Board of Directors of the Company.

8.Perform other activities as delegated by the Company's Board of Directors with consent from the Audit Committee.The Audit Committee is responsible to the Board of Directors and the Board of Directors is still responsible the Company's operation to other persons

2.2 Board of Executive Committees

The Board of Executive Committees has the authority, duty and responsibility of management with regard to normal business operations, issuing policies covering the business plan, budget, management structure and management authority of the company in accordance with economic circumstances and policies issued by the Board of Directors, for the consideration and/or approval of the Board of Directors, as well as monitoring and tracking the performance of the company in compliance with the policies issued by the Board of Directors.

As of December 31, 2014, the Executive Committees comprised five executive directors, as follows:

No.	Name	Position
1	Mr. Suthichai Sae Yoon	Chairman of Executive Committee
2	Mr. Adisak Limprungpatanakit	Executive Director and President
3	Mr. Sermisin Samalapa	Executive Director
4	Ms. Aeumsree Boonhachairat	Executive Director
5	Ms. Duangkamol Chotana	Executive Director
6	Mr. Thepchai Sae Yong	Executive Director

Roles, duties and responsibilities of the Board of Executive Committees

1. Control business operations and set policies, directions and business strategies in carrying out the policies and goals of the Board of Directors, including the proposal of policies, business plans, budgets and directions in carrying out the company's business and plans for the approval of the Board of Directors.

2. Consider the organizational structure, management authority and salary structure of the company as well as the recruitment, training, hiring, appointment, transfer, assignment and dismissal of executive-level staff including levels of remuneration and bonuses. The company's CEO may be authorized to represent the company in signing employment agreements.

3. Consider and approve operations in the normal course of business, such as product procurement, purchase of licenses, investments in assets, transactions with banks / financial institutions such as the opening of accounts, lending and borrowing, sourcing of credit, loan guarantees and other credit facilities, including the trading and registration of land, carried out in the normal course of business and within authorized credit limits for each type of transaction as set by the Board of Directors.

4. Set business plans, budgets and principles of business operations in accordance with the objectives assigned by the Board of Directors and have the authority to supervise the operations of the company in line with the policies, plans and business strategies approved by the Board of Directors of the company, which are laid down under the company's rules, regulations and Articles of Association.

5. Undertake operations pursuant to policies set by the Board of Directors of the company in connection with operations of the business under the rules, regulations and the Articles of Association of the company, with the exception of areas where the Executive Board may have conflicts of interest with the company or its subsidiaries. Such cases should only proceed following approval in a meeting of the Board of Directors attended only by Independent Directors. Transactions involving the acquisition or disposal of major assets of the company must be undertaken in accordance with the procedures prescribed by the Stock Exchange of Thailand, the Capital Market Supervisory Board and / or the Securities and Exchange Commission.

6. Consider the company's profit or loss and propose to the Board of Directors the payment of interim dividends and annual dividends.

7. Consider other matters as assigned by the company's Board of Directors. Such authorization must not empower the Executive Committees or those who act as representatives of the Executive Committees to approve matters in which they themselves may have conflicts of interest or any conflicts of interest as specified by the Securities and Exchange Commission, except for those in accordance with regulations the Board of Directors had earlier approved.

Nonetheless, the approval of matters with conflicts of interest must proceed according to announcements of the Stock Exchange of Thailand, the Capital Market Supervisory Board and / or the Securities and Exchange Commission, on regulations, procedures and related transactions of the listed companies.

Decisions to appoint or dismiss the company's Executive Committees may be taken in meetings of the Board of Directors or Shareholders' meetings.

3. Nomination and appointment of directors and senior executives

(1) Independent directors

Independent Directors are not involved in managing the affairs of the company, its subsidiaries or affiliates, are independent of major shareholders and executives of the company, and hold no relationships that

could compromise their independent judgment.

The number of independent directors of the company satisfies the minimum requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand.

Qualifications of independent directors

1. Hold no more than 1 percent of the total number of shares with voting rights of the company, holding company, its subsidiaries or affiliated companies, or of the major shareholders or those with authority to regulate the company, and inclusive of shares held by related parties of the independent director under Section 258 of the Securities and Exchange Act.

2. Have no and have never had any participation in the management of the company, as an employee or an advisor receiving regular compensation or as a person with control or influence over the company, holding company, its subsidiaries or affiliates, or of the company's major shareholders or those with authority over the company, including personnel who may have conflicts of interest, for a period of at least two years prior to appointment in the position. Such prohibitions do not apply to independent directors who have served as civil servants or advisors to the government, which is the majority shareholder or which has authority or control over the company.

3. Have no and have never had any commercial or business relationship, business conflict of interest or financial or other benefits in management, either directly or indirectly, with the company, holding company, subsidiaries, affiliates, major shareholders or those with authority over the company in a way that may compromise their independent judgment, and which are not nor have ever been significant shareholders or persons with authority or control of the business of the company, its subsidiaries, affiliates or major shareholders, or those persons with authority or control of the business of the company, for a period of at least two years prior to appointment in the position.

4. Has no relationship by family descent or by legal registration as parent, spouse, brother, sister or child, including the spouses of children of executives, major shareholders or controlling parties, or persons in the process of nomination for management positions or other controlling parties of the company or its shareholders.

5. Must not represent openly or covertly directors, major shareholders or other shareholders who are related in any way to major individual shareholders or groups of shareholders of the company.

6. Must act and exercise independence with judgment and without being influenced by the directors, management or major shareholders of the company, including related parties and relatives.

7. Is not and has never been auditors for the company, its holding company, subsidiaries, affiliates, or of the company's major shareholders or those with authority over the company, and is not a major shareholder, controlling party or partner of an auditing firm of the company, its holding company, subsidiaries, affiliates, or of the company's major shareholders or those with authority over the company, for a period of at least two years prior to appointment in the position.

8. Must not and must never have provided professional services, including legal consultancy services, financial consultant or property appraiser with service charges in excess of Bt2 million per year from the company, holding company, subsidiaries, affiliates major shareholders or those with authority over the company, and is not the major shareholder, controlling party or partner of the aforementioned service providers for a period of at least two years prior to appointment in the position.

9. Does not operate in a similar type of business or in competition with the business of the company or its subsidiaries, is not a significant partner of any partnership, executive director, employee, staff member or advisor who receives a regular salary or holds shares amounting to more than 1 percent

of total shares with voting rights in other companies involved in similar businesses or in competition with the company of the applicant or its subsidiaries.

Independent directors should not have any other characteristics that would preclude them from the exercise of their independent opinion on matters concerning the company and its operations.

Independent Directors must have undergone the process of nomination and selection of the Board of Directors or shareholders.

(2) Nomination of directors and top management

The company believes that its media business activities play an important function in shaping the views of society at large. For this reason, senior executives and directors of the company must have a clear understanding of the roles and duties of the media, as well as a strict code of media and business ethics in order to set policies in presenting information independently and without bias or distortion. The selection of individuals to serve as directors and executives of the company is considered a serious matter that is placed under the responsibility of the Board of Directors.

Nomination of Directors

The Board of Directors has been assigned responsibility for the nomination of the company's directors, including the proposal of potential candidates, consideration of qualifications and suitability for the position using information from various sources, particularly the Director Pool, to ensure that there are no legal prohibitions or other factors that may affect the operations of the group.

The company also provides opportunities for the company's minority shareholders, either as individuals or as groups who have been shareholders for at least one year, who hold shares on the day of nomination and have documents from the company to verify their shareholdings, to nominate persons for positions as directors. Nominations should be made to the Chairman at least three months prior to the Annual General Meeting of Shareholders, together with the candidate's qualifications and consent.

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

- (a) Shareholders have one voting right per share.
- (b) Each shareholder must exercise the right to vote for directors individually.
- (c) Persons who receive the most votes in descending order will be elected as directors, in accordance with the number of positions to be filled. In the event of a tie in the number of votes for the last director position available, the Chairman shall have the deciding vote.

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

Nomination of Senior Executives

Nomination, consideration and recruitment of candidates for the position of Chief Executive Officer is undertaken by the Executive Board. Candidates must demonstrate qualifications as required by the company and should have high levels of vision, knowledge, ability and experience, and fit in well with the company's corporate culture, for the consideration and approval of the Board of Directors.

4. Cross-transactions between the company and its subsidiaries

The company has set a policy concerning cross-transactions between the company and its subsidiaries, joint ventures and affiliates with the same status with parties that may have conflicts of interest, benefits or possible conflicts of interest in the future. Should such a cross-transaction arise, it must follow the normal trading practice transacting with the third party. In the case that the price cannot be compared with a third party, both involved parties must jointly consider and set an appropriate price. The audit committee shall examine the transaction and give opinions about the necessity of the transaction as well as the appropriateness in terms of prices

In 2014 the company and its subsidiaries have cross-transactions with other related companies under market price conditions. Other cross-transaction items, whereby the appropriateness and transaction value has been considered by the audit committee, can be viewed in the accompanying notes to the financial statements.

5. Control of inside information

1. Policy to prevent insider information

The company maintains a policy to prevent the directors and management from abusing their power, by taking advantage of or damaging other shareholders to be in compliance with code 241 of the Securities and Exchange Act B.E. 2535 as follows:

1. Directors, management and any staff who have access to inside information shall not disclose the inside information to third parties.
2. Directors, management and any staff involved in conducting financial reports or other related documents have to exercise caution in the company's securities transaction during the period prior to the date the financial statements are announced, and if securities transactions are undertaken during the period, the company's board must be informed immediately.

2. Information disclosure

The Board of Directors has set guidelines for directors and executives of the company and its subsidiaries to disclose information on any conflicts of interest and those involved, in accordance with Section 89/14 of the Securities and Exchange Act B.E. 2551, to ensure transparency and prevent any conflicts of interest, as follows. The directors and executives have to report any movements in their shareholdings to the SEC and SET and should there be any transaction trading, the SEC must be notified within 3 days after the trading. The directors and executives must report the information on their conflict of interest as well as those involved according to the SEC's announcement Torjor 2/2009 which the company has followed since July 1, 2009.

1. The directors and executives must report any information on their conflicts of interest as well as those involved annually. The company's secretary is responsible for collecting and updating the information and having this information ready for disclosure to the Board of Directors, should they require for cross-transaction consideration between companies and directors and / or executives or involved parties who have conflicts of interest.
2. In case that there is a change in the information disclosure, it needs to be updated immediately

and reported within 7 days.

3. The company's secretary is responsible for sending a copy of the conflict of interest report to the chairman, the audit committee chairman within 7 days after the company receives such report.

In 2014, information was reported on one occasion without any conflicts of interest.

3. Report on shareholding

The company's board and management have been informed of their obligation to report their shareholdings to the Securities and Exchange Commission in accordance with code 59 of the Securities and Exchange Act B.E. 2535, and to the company's board for each transaction, transfer or attainment of shares.

In 2014 the company has set a policy that the directors and executives must report their shareholding to the Board of Directors annually and at least once a year. The directors have reported their shareholdings at the Board of Director's Meeting on February 12, 2015.

During the year 2014, the company reported its board and management's shareholding comparing increased/decreased share number from December 31, 2013 - January 30, 2015 as follows:

The Company's Board of Director has reported the shareholding

Name - Surname	Total Shares			Shareholders' equity (%) on January 30, 2015
	Jan 30, 2015	Dec 31, 2014	Increase (Decrease) During the Year (Shares)	
1. Mr. Suthichai Sae Yoon*	4,961,046	4,961,046	-	0.93
2. Mr. Adisak Limprungpatanakit*	1,335,230	1,335,230	-	0.25
3. Mr. Supong Limtanakool	-	-	-	-
4. Mr. Metha Soonthornjit	-	-	-	-
5. Mr. Kittichai Lattisophonkul	-	-	-	-
6. Mrs. Supanee Dechaburananont	-	-	-	-
7. Mr. Sermisin Samalapa	27,000,000	-	+27,000,000	5.05
8. Ms. Aeumsree Boonhachairat	-	-	-	-
9. Mr. Thepchai Sae Yong	54,000	54,000	-	0.01
10. Ms. Duangkamol Chotana	236,531	182,531	+54,000	0.04

Notes : 1. *Including spouse's shareholder

The Executives has reported the shareholding

Name - Surname	Total Shares			Shareholders' equity (%) on January 30, 2015
	Jan 30, 2015	Dec 31, 2014	Increase (Decrease) During the Year (Shares)	
1. Mr. Adisak Limprungpatanakit ⁽¹⁾	1,335,230	1,335,230	-	0.25
2. Ms. Aeumsree Boonhachairat	-	-	-	-
3 Mr. Weerasak Phongaksorn ⁽²⁾	-	-	-	-
4. Ms Kwanruan Thawornaweewong ⁽³⁾	300,000	300,000	-	0.06

Name - Surname	Total Shares			Shareholders' equity (%) on January 30, 2015
	Jan 30, 2015	Dec 31, 2014	Increase (Decrease) During the Year (Shares)	
5. Ms Chamaiporn Kongpech	-	-	-	-
6. Mr.Kanok Ratwongsakul	-	-	-	-
7. Mrs.Nongnat Hanwilai	30,000	30,000	-	0.01
8. Mrs.Warak Leelertphan	21,000	21,000	-	-
9. Ms Chutintra Wattanakul	-	-	-	-
10. Mrs.Suwannee Wacharapasakorn	-	-	-	-
11. Mr.Supawat Sa-nguan-ngam	-	-	-	-

Notes :

1. *Including spouse's shareholder
2. Mr. Veerasak Pongaksorn, Executive Editor - Television News, positioned as executive on March 28, 2014.
3. Miss Kwanruen Thavornthaveevong resigned from Assistant Managing Director - TV Programmes on November 1, 2014.

6. Auditor's Remuneration

(1) Audit fee

The company and its subsidiaries paid an audit fee for the financial year of Bt880,000 to KPMG Phoomchai Audit Limited. The figure can be broken down as follows:

Company	Audit Fee (Baht)
Nation Broadcasting Corporation Public Company Limited	650,000
NBC Next Vision Co., Ltd.	180,000
NBC Nextmedia Co., Ltd.	50,000
Total	880,000

(2) Non-audit fees

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

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

1. Spouses or children who are dependents of the Auditor's staff
2. Parties that have control over the Auditor, are under the control of the Auditor or which are under common control with the Auditor, whether directly or indirectly.
3. Parties significantly influenced by the Auditor.
4. Partners or equivalent of the Auditor.

5. Spouses or children who are dependents of staff of parties in (4)
6. Parties related to the Auditor as in (1) (4) or (5) who have significant control or influence, whether directly or indirectly.

7. Other Aspects of Good Corporate Governance

Meeting Attendance

In 2014, attendance at Board of Directors' meetings, Audit Committee meetings and Shareholders meetings was as follows:

No.	Name - Surname	No of attendance/No of meeting		
		Board of Director	Audit committee	AGM
1	Mr. Suthichai Sae Yoon	6/6	-	1/1
2	Mr. Adisak Limprungpatanakit	6/6	-	1/1
3	Mr. Supong Limtanakool	5/6	3/4	1/1
4	Mr. Metha Soonthornjit	5/6	3/4	1/1
5	Mr. Kittichai Lattisophonkul	6/6	4/4	1/1
6	Mrs. Supanee Dechaburananont	6/6	-	1/1
7	Mr. Sermisin Samalapa	6/6	-	1/1
8	Ms. Aeumsree Boonhachairat	6/6	-	1/1
9	Mr. Thepchai Sae Yong	6/6	-	1/1
10	Ms. Duangkamol Chotana	6/6	-	1/1

The company maintains written and comprehensive minutes for each meeting held. Meeting minutes are approved by the Board of Directors and available for inspection by directors and other related parties.

8. Internal control and risk management

Since the Board of Directors focuses on the internal control system continuously, the internal control then covers finance, practices course, compliance with the applicable laws, rules and regulations. In addition, it includes the effective traceability and balancing mechanisms adequately to protect and safeguard the company's assets. The Internal Audit is responsible for monitoring the performance of the departments to ensure that they perform accurately and precisely in accordance with the regulations. In addition, the Audit Committee is responsible for overseeing and regulating the company's internal control system to comply with the policies and programs assigned by the Board of Directors, and in accordance with the rules required by the Stock Exchange of Thailand (SET), and the Securities and Exchange Commission (SEC).

Directors on internal control

In 2014, the Board of Directors was presented a report by the Audit Committee with the regard of the review of financial statements and financial reports, and the performance of the Internal Audit. The Board of Directors recognized that the company's internal control system was of the level of satisfaction overall; that is

to say, it assures the reliability of the financial statements reasonably; protect the company assets against the misuse of the management and staffs, including transactions with persons who may have conflicts of interest and the related parties. Performance meets the defined procedures with appropriate precise internal control in the different five components; internal control, risk assessment, performance control, information and communication system, and monitoring systems, which can be summarized as follows:

1. Organization and Environment

The company designates its business goals that are definite and measurable, and reviews the possibility of the goals set forth periodically. Employee remuneration is determined reasonably based on the performance of individual employees each year. The organizational structure includes a division of the line authority explicitly. It also includes the Business Ethics and the Code of Conduct to make sure that all executives and employees adhere as work instructions in compliance with standard and integrity, including the caring of stakeholders and the compliance with the statutory provision which is bound to all employees strictly.

2. Risk Management

The company assesses the potential risks that may affect its operations. The Board of Directors' Meeting consists of Managing Director, Senior Director, and the related Line Directors. Risk management includes evaluating the risk factors and consequences that may arise, including planning, implementation and monitoring of operations.

3. Operational Control

The company has established policies and procedures for different units of works, including financial transactions, purchase and hiring, and general administration. It is responsible for assigning in writing the authority and limits of approval of the different levels of the executives clearly. The duties on bookkeeping, information, and safeguarding of assets are separately apart. On the approval of the transactions of the company and the shareholders, directors and related parties, the company is aware of the best interests of the company and is considered as transactions made with the outsiders.

4. Information and communications

The company provides information technology and communication channels, both inside and outside the organization as appropriate, so that all parties involved can receive the information accurately, completely, timely, as well as the adequate important information that can be used to support a decision-making.

5. Monitoring System

The company has pursued on monitoring and the internal control regularly. The Internal Audit Department monitors and reviews the performance of employees in the different departments, and reported to the Board of Directors and executives, and if the defects are identified significantly, it shall be reported and take corrective action within a reasonable period.

Chief Internal Auditor

Ms. Phanida Arkad-Amnuay is Chief Internal Auditor; the Audit Committees agreed that the Chief Internal Auditor must be qualified to perform the functions effectively because she is knowledgeable, skillful and experienced to carry on auditing functions, with well-understanding of the activities and operations of the company. Besides, in the case of the appointment, removal and transfer of the Chief Internal Auditor, it must be approved by the Audit Committees. ■

The Nation Broadcasting Corporation PCL (“NBC”) has pursued on the corporate social responsibility, coupled with its business operation constantly with the respect to the professional ethics and corporate governance (CG) in transparency and its stakeholders as we realize that the media business has closely related to society, particularly the presentation of the TV media and social media that influence the public sentiment and perception of information and news.

In 2014, the participation of social responsibility is quite important since Thailand has undergone the significant reform of the economy and society, especially the eradication of corruption in both public and private sector. In particular, in the private sector, the listed companies have been regarded a cornerstone to build a clean society. In this part, the NBC is conscious of the participation in society and in the prevention and fight against all types of corruptions.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

CSR policies: NBC

In Thailand, the digital TV is considered an important step in the development of the radio and television services. Since the beginning of 2014, the digital broadcasting has been launched with the stiff competition of up to 24 channels. Among them, the Nation TV is a channel in this competitive business. Despite highly competitive operations, the Nations have been truly committed to conduct a business coupled with social responsibility in the public, community, and environmental setting continuously.



The term “Corporate Social Responsibility: CSR”, according to the NBC, does not simply mean “social responsibility”, but also “respect & share” or “caring and sharing” both inside and outside the company. It is regarded the heart of the sustainable development and growth in Thailand country, and lead to practice concretely.

Key Performance Indictors (KPIs) for stakeholders

As realizing the involvement of the stakeholders to the Company, the NBC traditionally adheres to the code of conduct of the journalist profession as prime policy of the Nation Groups with a strict complicity. This is supposed a main reason that the affiliated Nations’s media and practitioners have been entrusted by the public constantly. In spite of the emergency or in duration of the political pressure, we still serve as media firmly without abandoning the principles of the journalist profession.

Internal stakeholder

- Borad of Directors
- Employees
- Shareholders

External stakeholder

- Clints and trade partners
- Competitors
- Creditors

According to the NBC, the stakeholders are classified into 2 types: internal and external stakeholders. Internal stakeholder involves as integral part of the company and is a motive to drive the company to serve efficiently. External stakeholders directly involves with the corporate operation which may affect them directly or indirectly.

Media Professional Responsibility

NBC realizes that playing role as mass media has to be entrusted and respected from the society. However, creditiablty can not be developed in short time; NBC has always upheld ethical code on media

professional responsibilities, or known as “Nation Way”; “aside from this is not ours”. These practices have been sketched out to establish the professional ethics as a concrete practice for “news maker” at all levels, both while on duty and off-duty time.

To uphold the credibility and accountability of the Nation TV to the society, the presentation of the Nation TV’s news has been undergone the review cautiously and prudently under the scope of traditional virtues and culture, including be conscious of the importance of news and pictures presented to the public to avoid the propagandized useless presentation
(See “Declaration of the Ethics on Mass Media Professional Responsibilities”; or “the Nation Way” at website https://nationhouse.nationgroup.com/hr/doc/manual/NBC_Ethics)

Preventing and Combating Corruption

NBC has proclaimed in writing in the corporate governance policy and the ethics manual for the board of directors, executives, and employees, adhering to ethical principles in the “Nation Way”: “Aside from this is not ours”, strictly observed, covering the fundamental code of conduct for news makers at all levels respective to the receiving privileges and overlapping benefits that may be contrary to the of duties of the media professionals.

Joining the Anti-Corruption Network

NBC has expressed its strong will to fight corruption by participating in the Collective Action Coalition), a private agency in Thailand since 2013, with a true commitment to cooperate with the government, private sector, civil society and international organizations



to establish clean business standards.

Collective Action Coalition, in the effort

To fight against corruption, is supported by the government and the Office of the National Anti-Corruption Commission (NACC), which the action against corruption has been in accordance with the Ten Principles of the United Nations Global Compact, the Business Principles for Countering Bribery, defined by the Transparency International, including the principles published by the World Bank and the Center for International Private Enterprise (CIPE) and other international organizations.

(See the Declaration of the Collective Action Coalition at website http://www.nbc.co.th/download/collective_action_coalition_edit1_th.pdf)

Social TV Programmes

1. Krissana Wheeled Tour

is TV programme is run by Khun Oy, Krissana Lalai, a familiar moderator in wheelchair, who will take the audience to travel in different places both domestically and internationally; take a survey of civilized



architecture or space design for disabled people in the respective area to see if what area should be used as an example, what area is identified defective and should be corrected. The programme also works with ‘Civilized Architecture Ambassadors’ who are new generation youth, jointly explore and comment on the design of objects or places that facilitates and makes things easy to all people equally.



2. Nation Watchful

NBC is aware of the suffering faced by the people from troubles that have not been resolved; inequity, risk point, danger of unfair exploitation, and areas wherein the laws are eclipsed. The Nation Watchful was developed under the concept of “Tell us and we can help” so that all citizens can make complaints and file their problems encountered to the Nation, and the Nation will serve as medium connecting to concerned agencies for further problem-solving.

Responsibility to employees

Ethics on responsibility to the employees

The Company recognizes that human resource is the most valuable thing and is a major factor leading the organization to success. We are truly committed to improving the quality of staffs, promote culture and health both physically and mentally, create a pleasant workplace environment, promote teamworking to ensure that employees are confident in their performance, promote the election of employee committees as employee's representative to participate in management, provide welfares and benefits as required by the applicable laws, give the opportunities and facilitate the employees to establish the “National Unions of Journalists” under the Labor Relation Act B.E. 2518.

This is to protect the interests of the condition of employment, promote good relations between the employer and employee; employee-related activities include the cooperation between executives and staffs make a merit by offering the monks food stuffs, the One Nation One Family event, the New Year fair, club activities such as volunteer's camp, music club, sports clubs and so on.

Provision of employee welfares - the company

focuses on employee development and employee welfare and benefits. In employment and benefits, the company provides the employees with appropriate welfares, based on their competitiveness in the labor market, career growth planning, capacity, and the cost of living. The start-up wages of employee's covers vacation benefits in different events, provident fund, fund for child, emergency loans, clothing allowances, medical expenses, travel expenses, including practices on labor and human rights groups in order to comply with the international standards and requirements, the right of establishment of labor unions for employees, and give opportunities for employees to express their ideas or make complaints

In addition, the company focuses on prevention of accidents, with assistance measures in the event of an accident. The employees at all levels are provided with the life insurance and healthcare on a regular basis as follows.

1. Life insurance (accident insurance and group life insurance for employees at all levels).
2. Annual physical examination by hospital physicians and nurses
3. Annual vaccination against influenza
4. Subsidy in case that the employee is sick and is hospitalized.
5. Subsidy in case that employee's parent, spouse, dependent is dead.

Workplace safety and health - the company recognizes the importance of training and nurturing a consciousness and awareness of maintain a safety working environment that is always safe for the life and property of its employees. Over the past year 2014, there were no accidents and work-associated sick leave. Since the company's performance in nature is in the principal office, the company recognizes the importance of the environment in the workplace; the equipment and tools, and facilities are always looked after and maintained in the operative and safe condition.

In the development of our employees, the company has focused on improving the potential of employees at all levels; providing the employees with in-house training programs or dispatch the employees

to be trained at the training institutions or external agencies in order to develop the employee's potential that they can apply the knowledge gained to develop a working model in more effective way. In training, the company provides trainings in accordance with the Skills Development Promotion Act B.E.2545, prescribing that any corporation hiring more than 100 employees, 50% of employees shall be provided with training, and it shall submit the Certification of Training Program to the Department of Labor, which the company abides strictly hereof.

In 2014, the company provides training to its employees, representing 69 percent of total employees (n = 132) by dispatching them to be trained at training institutions or external organizations and in-house training.

To train and educate employees in the fight against corruption, the company recognizes the importance of business and management with integrity and transparency; of course this is supposed to result in the corporate progress and growth sustainably coupled with society and the nation. Thus, it establishes a manual on ethics for directors, executives, and employees as a framework to work with honesty, integrity, anti-corruption; including avoiding from perilous acts that will lead to corruption, for instances, the refusal of the highly-valued gift. In doing so, the company instructs the employees from the commencement of the orientation and this is always emphasized in the course of performance through top management and line supervisors.

The company allows employees to express their opinion and suggestions, complaints, or informing of the corruption to Top Management in various ways; including through the representative of the employees who have been selected as employee committee as required by the law, and have a meeting with the management on a monthly basis, expressing comment or posting questions through Facebook / Twitter / Yammer / intranet within an organization, or directly offer comments to the executives via e-mail, which the executives can communicate with the employees via Facebook / Twitter / Yammer / intranet of the company.

Compensation management and employee benefits

To be fair, transparent and consistent with the development and optimization of the employee performance in the organization, policies and succession, the company has hired HR consultant to pursue on improving human resources management to optimize the organizational performance and to build a sustainable stabilization and fair employment for employees according to the International Financial Reporting Standards (IFRS) on the remuneration of employees on retirement, which has been into effect in 2014, the company has provided statistical experts to calculate the employee benefits on retirement and has recorded such recognized transactions in the FY 2014 financial statement.

To ensure financial security for employees upon their leaving job or retirement, the company has established the provident fund for employees, which this respective fund has derived from accumulated money paid by the employees, company's contribution, and the benefits arising out of such money.

Social Projects

Owing to the corporate social responsibility (CSR), just speaking changes nothing to the society; the NBC has held CSR activities to make the changes in the society, covering three dimensions; social, community, and environmental; through the following creative activities and projects:

Social

1. Honda Dream Road: Accident-Free Year 2

The NBC, the Honda Automobile (Thailand) Company Limited, in the cooperation with the Disaster Prevention and Mitigation Center, hold activities for the general public who have cars, but still lack of driving experience and lack of the accurate and safe driving skills, to be trained on the introduction of engine, preparation before driving, the use of safety equipment properly, driving properly, traffic signs and applicable laws. In doing so, the experts are provide with video



that the participants can understand them easily. This is to prevent and reduce the risk of accidents. In 2014, a total of 44 Honda training centers nationwide take parts in the projects.

2. Audio Library shines dreams into the blinds Year 3

NBC realizes the access to education opportunity of the visually impaired persons; presently there are more than 600,000 visually impaired people in Thailand. Of them, there are only 11,000 people accessing to the basic education. The NBC, in cooperation with the Foundation for the Blind in Thailand under Royal Patronage of H.M. the Queen, and the Thailand Caulfield Foundation for the Blind under Royal Patronage, established the “Audio Library shines dreams into the blind Year 3” project, aiming to help and fulfill the visually impaired people who can not read by themselves.



3. Campaign to reduce accidents during Songkran Festival with the HPF

Over the past years, the reported statistics on accidents during the Songkran Festival accounted a growing number of the injuries and deaths every year. Main causes of accident-associated deaths included drinking and reckless driving. With a concern of the lives and property of citizens, the NBC in cooperation with the Health Promotion Fund (HPF), and the Office of Alcoholic Beverage Control, establishes the network to campaign on reducing accidents during the Songkran Festival. In doing so, the the corporate sector and industrial sector are invited to participate in and nurture the consciousness of safety to the employees at first place and help reduce accidents that may occur during the festival.



Community

1. KhonNation News alleviates coldness

Because the extreme cold disaster occurred in Nan province, the NBC held the project “KhonNation News alleviates coldness”, inviting the audience to donate money to buy warm clothing and consumables, totally accounting of more than two hundred thousand Baht, which the NBC appropriated it to buy necessities; foods and clothes and handed over to Nan province on 29th November, 2014 at Ban Pha Tup District School, Muang Nan , and handled opver to more than 500 disadvantaged students in more than 10 schools.

Environmental

1. Growing Forest: EGAT ordains upstream forest; 20- year reforestation

Woodland that has undergone a forest

ordination ceremony is regarded a holy land that no one is allowed to destroy it. This exposes the plants to restore moisture to the land fully. Water stream originated from the forest will be eternally resurrected and alive alongside together with community. In conjunction with EGAT, the NBC established the afforestation project by which the watershed forest ordainment ceremony was held, along with the local residents and neighboring communities, as well as jointly build dams to prevent flooding and soil erosion.

2. KhonNation News invites bicycling

The NBC in the cooperation with local government campaigned to engage in building the public participation, to aware of the importance and benefits of traveling by cycling under the project named

“KhonNation News invites bicycling” in the News Nation Project ATC. The troop of Nation journalists Nation invites the public to bike altogether, and stimulates the public participation to take social responsibility, reduces the prodigal consumption of power, reduces pollution, and brings forth the pollution-free community. In 2014, the NBC held bicycling activities in seven provinces, including Pitsanulok, Pattaya, Songkha, Khonkaen, Udonthani, Chiang Mai and Nakhon Ratchasima.

All these have engaged in social responsibility; CSR in business, CSR in process, and CSR beyond business process, or even CSR after process. The NBC has carried out in parallel with more focus on CSR in process, as well as adherence to corporate governance, based on transparency and stakeholders throughout the process of business. ■



Characteristics of Business

Structure of revenues from sales of goods and rendering of services

Nation Broadcasting Corporation (Public) Company Limited and its subsidiaries structured revenues from sales of goods and rendering of services by type of products and services as follows:

Unit: million Baht

Products / Services	2014		2013		2012	
	Amount	%	Amount	%	Amount	%
Revenues from television broadcasting	501.85	67.65	463.34	68.08	550.57	74.36
Revenues from radio media	26.67	3.59	33.08	4.86	33.41	4.51
Revenues from new media business	184.86	24.92	165.37	24.30	153.09	20.68
Other revenues	28.49	3.84	18.88	2.76	3.34	0.45
Total revenues	741.87	100.00	680.67	100.00	740.41	100.00

Audit Committee's Report For the Year 2014

Attn. Shareholders of
Nation Broadcasting Corporation Public Company Limited

The Audit Committee

The Audit Committee of Nation Broadcasting Corporation Public Company Limited comprises three independent directors: Dr. Supong Limtanakool - Committee Chairman; Mr. Metha Soonthornjit and Mr. Kittichai Lattisophonkul - Committee Members.

During 2014, the Audit Committee arranged four meetings, each took a few hours, implementing the responsibilities specified in the Audit Committee Charter. The Audit Committee attended all meetings, along with the company's Independent Auditor, Internal Audit Manager and Chief Executives to discuss all relevant issues.

The Committee's opinions:

Financial Statements: The Audit Committee reviewed all quarterly financial statements, including the Annual Financial Statement for the year 2014, with management and the company's Independent Auditor. The audit inspected the financial reports of the company and its affiliates to ensure they had been organized correctly and properly, especially in their individual subject matter, in accordance with generally accepted accounting principles and that they disclosed all complete and credible information as well as applied financial reports standard and guidelines promulgated by Federation of Accounting Professions. In addition, the Committee reviewed the information disclosure and operations on mutual transactions between the company, its affiliates and its joint ventures, as well as connected transactions, in order to ensure the company had complied with and fulfilled all approved business practices and regulations as required by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

Internal Control System: The Audit Committee considered organization structure of Internal Audit Department to make sure independent of operation. The Committee considered the Internal Audit System Plan for the Year 2014, with due concern for possible risk factors that might adversely affect the company's operations. The Committee also made suggestions and provided guidance on adjusting the plan to be compatible the current situation. In addition, the Committee resolutely pursued the implementation of adjustments on significant issues for the administrative section, as specified in the Audit Report. For the year 2014, the auditor could not find any material discrepancy for the internal control of the company.

Compliance with laws on securities and stock exchange and the regulations of the Stock Exchange of Thailand, as well as other laws relative to the company's business: In February 2015, the Audit Committee arranged a meeting with the Company Secretary at which it was determined that the company had appropriately complied with

all laws on securities and stock exchange and the regulations of the Stock Exchange of Thailand, as well as with other laws relative to the company's business.

Auditors: The Audit Committee are agreed that the company's current Independent Auditor for the year 2014, Ms.Patamavan Vadhanakul, registration No. 9832, is a suitable, independent, knowledgeable and long-experienced auditor. With regard to the appointment of the company's Independent Auditor for the year 2015, the Audit Committee proposes the following persons from KPMG Poomchai Audit Co., Ltd. for due consideration as the company's Independent Auditor for the year 2015: Ms.Patamavan Vadhanakul, registration No. 9832; Mr.Winid Silamongkol, registration No. 3378; Ms. Vannaporn Jongperadechanon, registration No. 4098; Mr.Veerachai Ratanajaratkul, registration No. 4323.

Connected Transactions: The Audit Committee considered all connected transactions that might cause conflicts of interest with the company and subsidiaries. The Committee shall examine the transaction and give opinions about the necessity of the transaction as well as the appropriateness in terms of prices by considering from relevant market factors and comparable prices with the third party, if possible. The Committee shall disclose the information for the relevant items according to the requirement of the Securities and Exchange Commission and the Stock Exchange of Thailand as well as the accounting standard as required by the Federation of Accounting Professions. The Committee believes such the transactions are accurate, general business transactions that the company has implemented under the principles of Good Corporate Governance.

From its operations under the auspices of the Audit Committee Charter, the Audit Committee has determined that the company has delegated the implementation of management under the principles of Good Corporate Governance that eventually contribute to transparency and integrity. This has resulted in a firm trust with shareholders, investors and relevant parties and in a flawless, efficient Internal Control System of the company. Connected transactions that might have conflicts of interest have proved to be accurate, general business transactions of a reasonable nature. Additionally, no irregular material transactions have been found. It has therefore been determined that the company has properly complied with the relevant provisions of the law, as well as appropriate rules and regulations of official regulating organizations.

The Financial Statement ending December 31, 2014, has disclosed sufficient information and contains no problematic situations, or transactions that could materially affect the company's financial statement, which has been organized correctly in its subject matter in accordance with generally accepted accounting principles.



(Dr. Supong Limtanakool)
Chairman of the Audit Committee

Nation Broadcasting Corporation Public Co., Ltd. Report on Responsibilities of the Board of Directors towards the Financial Report for the year 2014

The Company's Board of Directors recognizes the significance of its duties and responsibilities, as directors of a listed company. The Board of Directors ensures that the Company's financial report contains accurate, transparent and full accounting records that reflect the Company's actual financial status and operational results. The Company's financial statements are adequately disclosed to prevent any fraud or mismanagement of the company's assets. The Company adheres to conform with recognized accounting standards that are fair and circumspect in the financial reporting processes of the Company and its Subsidiaries in the year ended 31 December 2014.

In order to strengthen the confidence of the shareholders, investors and other related parties, the Board of Directors establishes the Audit Committee comprising independent directors fully qualified in accordance with the requirements of the Stock Exchange of Thailand and notification of the Capital Market Supervisory Board to review and ensure accuracy and sufficiency of the financial report, including transparent and complete disclosure of connected transactions or transactions with possible conflict of interest. The Audit Committee ensure the Company's risk management system, internal control, internal audit systems and corporate governance are appropriate and effective in compliance with laws of securities and exchange, regulations of the Stock Exchange of Thailand, notification of the Capital Market Supervisory Board and relevant rules and regulations. The Audit Committee had already reported to the Company's Board of Directors and presented them with the Audit Committee Report as an addendum to the annual registration statement (form 56-1) and annual report of the Company.

The Board of Directors is of the opinion that the financial statements for the year ended 31 December 2014 of the Company and the Subsidiaries, which have been reviewed by the Audit Committee in conjunction with the management and audited by the Company's auditor, reflect accurate and complete financial status, operational results and cash flow in accordance with generally accepted accounting standards, rules, regulations and laws relating to the Company's businesses.



Mr. Suthichai Yoon
Chairman



Adisak Limprungpatanakit
President


The Results of the Consolidated Financial Statements

The consolidated financial statements of Nation Broadcasting Corporation Public Company Limited and its subsidiaries for the year ended 31 December 2014 represented an operating profit before income tax of Baht 12.86 million. An inclusion of income tax of Baht 2.15 million, resulted in operations for the year 2014 had a profit of Baht 10.71 million. Compared to the same period of last year, it showed a profit of Baht 51.04 million, decreased by 79%. The Company would like to clarify a significance change of the Group's operating results were summarized as follows:

1. Revenue from sales and services for the year 2014 was Baht 713.38 million, which increased by 8% compared to the same period of last year. Advertising revenue from TV business increased 8% which mainly increased in revenues from Nation TV channel 22 raised 64% from the changing in advertising revenue from Satellite TV to Digital TV has begun broadcasting since 25 April 2014 whereas revenue from Rama Channel and Kom Chad Luek TV which ceased operations since mid of year 2013 and end of year 2013, respectively dropped. Revenue from Radio Channels decreased by 19% whereas revenue from New Media increased by 11%.
2. Cost and expenses for the year 2014 was Baht 729.01 million increased by 18% compared to the same period of last year. Due to the related expenses of Digital TV increased.

Conclusions:

The Group reported operations for the year ended 31 December 2014 represented an operating profit before income tax of Baht 12.86 million. An inclusion of income tax of Baht 2.15 million, resulted in operations for the year 2014 had a profit of Baht 10.71 million. Compared to the same period of last year, it showed a profit of Baht 51.04 million.

Signature 
(Mr. Adisak Limprungsatanakit)
Position President
Authorized to sign on behalf of the company

**Nation Broadcasting Corporation
Public Company Limited
and its Subsidiaries**

**Financial statements for the year ended
31 December 2014
and
Independent Auditor's Report**



KPMG Phoomchai Audit Ltd.
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Independent Auditor's Report

To the Shareholders of Nation Broadcasting Corporation Public Company Limited

I have audited the accompanying consolidated and separate financial statements of Nation Broadcasting Corporation Public Company Limited and its subsidiaries (the "Group"), and of Nation Broadcasting Corporation Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2014, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of these 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 consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated and separate financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

KPMG Phoomchai Audit Ltd., a Thai limited liability company and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.



Opinion

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2014 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

A handwritten signature in black ink, appearing to read 'Patamavan Vadhanakul'.

(Patamavan Vadhanakul)
Certified Public Accountant
Registration No. 9832

KPMG Phoomchai Audit Ltd.
Bangkok
12 February 2015

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of financial position

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2014	2013	2014	2013
		(in Baht)			
Current assets					
Cash and cash equivalents	5	366,377,352	1,093,581,878	341,045,597	1,089,489,240
Current investments	6	589,500,000	118,000,000	580,000,000	108,500,000
Trade accounts receivable	7	200,003,510	153,061,906	283,680,514	181,025,608
Accrued income	4	49,771,574	45,862,382	85,501,992	83,107,827
Other receivables	8	50,545,561	28,472,455	73,699,331	118,379,931
Inventories	9	13,709,254	12,273,510	13,709,254	12,273,510
Deposit guarantee for licencing auction	14	-	22,000,000	-	-
Other current assets	10	39,400,311	22,351,177	23,620,440	16,663,894
Total current assets		1,309,307,562	1,495,603,308	1,401,257,128	1,609,440,010
Non-current assets					
Investments in subsidiaries	11	-	-	310,250,000	11,250,000
Leasehold improvements and equipment	12	185,534,895	111,323,334	185,534,895	111,323,334
Intangible assets	13	3,277,723	2,586,645	2,577,723	2,586,645
Digital television licence	14	1,277,046,667	-	-	-
Deferred tax assets	15	18,610,913	8,281,686	4,914,961	4,479,155
Other non-current assets	16	9,657,994	11,890,052	6,046,559	9,439,935
Total non-current assets		1,494,128,192	134,081,717	509,324,138	139,079,069
Total assets		2,803,435,754	1,629,685,025	1,910,581,266	1,748,519,079

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of financial position

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2014	2013	2014	2013
<i>(in Baht)</i>					
Current liabilities					
Trade accounts payable	17	21,831,884	19,140,509	282,083,271	166,942,187
Other payables	18	77,421,272	35,008,390	49,730,743	35,655,010
Current portion of digital television licence payable	14	177,800,000	-	-	-
Accrued expenses	19	108,768,677	80,244,260	81,582,930	63,169,430
Income tax payable		34,889	288,733	-	-
Other current liabilities	20	42,760,588	26,290,363	24,996,944	16,012,845
Total current liabilities		428,617,310	160,972,255	438,393,888	281,779,472
Non-current liabilities					
Digital television licence payable	14	938,400,000	-	-	-
Employee benefit obligations	21	24,481,505	21,441,029	15,862,056	13,775,652
Total non-current liabilities		962,881,505	21,441,029	15,862,056	13,775,652
Total liabilities		1,391,498,815	182,413,284	454,255,944	295,555,124
Equity					
Share capital	22				
Authorised share capital		720,343,962	720,343,962	720,343,962	720,343,962
Issued and paid-up share capital		534,707,847	534,412,647	534,707,847	534,412,647
Premium on ordinary shares	22, 23, 24	822,077,790	821,124,294	822,077,790	821,124,294
Warrants	24	1,033,814	217,174	1,033,814	217,174
Retained earnings					
Appropriated					
Legal reserve	25	21,100,000	18,600,000	21,100,000	18,600,000
Unappropriated		33,017,433	72,917,800	77,405,871	78,609,840
Equity attributable to owners of the Company		1,411,936,884	1,447,271,915	1,456,325,322	1,452,963,955
Non-controlling interests	55		(174)	-	-
Total equity		1,411,936,939	1,447,271,741	1,456,325,322	1,452,963,955
Total liabilities and equity		2,803,435,754	1,629,685,025	1,910,581,266	1,748,519,079

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of comprehensive income

		Consolidated		Separate	
		financial statements		financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
	Note	2014	2013	2014	2013
		(in Baht)			
Income					
Revenue from sale of goods and rendering of services	4	713,379,505	661,784,985	399,636,074	462,240,468
Interest income		26,968,866	18,120,699	26,335,986	17,799,556
Other income	4, 27	1,519,951	764,247	27,911,386	25,589,955
Total income		741,868,322	680,669,931	453,883,446	505,629,979
Expenses					
Cost of sale of goods and rendering of services	4	575,298,559	474,676,684	256,845,975	307,537,665
Selling expenses	4, 28	68,266,123	66,732,389	66,158,481	60,982,473
Administrative expenses	4, 29	56,542,129	52,282,741	46,479,603	41,286,947
Management benefit expenses	4, 30	21,930,579	21,912,042	21,930,579	21,912,042
Finance costs		6,968,593	1,261,653	1,064,632	1,234,196
Total expenses		729,005,983	616,865,509	392,479,270	432,953,323
Profit before income tax expense		12,862,339	63,804,422	61,404,176	72,676,656
Income tax expense	32	(2,147,627)	(12,767,362)	(11,993,295)	(16,074,864)
Profit for the year		10,714,712	51,037,060	49,410,881	56,601,792
Other comprehensive income					
Defined benefit plan actuarial losses	21	-	(6,031,135)	-	(6,031,135)
Income tax on other comprehensive income	15, 32	-	1,206,227	-	1,206,227
Other comprehensive income for the year, net of income tax		-	(4,824,908)	-	(4,824,908)
Total comprehensive income for the year		10,714,712	46,212,152	49,410,881	51,776,884

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of comprehensive income

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December		For the year ended 31 December	
Note	2014	2013	2014	2013
	(in Baht)			
Profit (loss) attributable to				
Owners of the Company	10,714,710	51,037,234	49,410,881	56,601,792
Non-controlling interests	2	(174)	-	-
Profit for the year	10,714,712	51,037,060	49,410,881	56,601,792
Total comprehensive income attributable to				
Owners of the Company	10,714,710	46,212,326	49,410,881	51,776,884
Non-controlling interests	2	(174)	-	-
Total comprehensive income for the year	10,714,712	46,212,152	49,410,881	51,776,884
Earnings per share	33			
Basic earnings per share	0.02	0.15	0.09	0.16
Diluted earnings per share	0.02	0.14	0.09	0.15

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Statement of changes in equity

Consolidated financial statements												
Retained earnings												
		Issued and paid-up share capital	Treasury shares	Share premium	Warrants	Legal reserve	Treasury shares reserve	Unappropriated	Equity attributable to owners of the Company	Non-controlling interests	Total equity	
Note							(in Bahr)					
Year ended 31 December 2013												
	Balance at 1 January 2013	176,870,000	(5,153,851)	106,947,100	-	15,700,000	5,153,851	65,453,307	364,970,407	-	364,970,407	
Transactions with owners, recorded directly in equity												
Contributions by and distributions to owners of the Company												
22	Issue of ordinary shares	353,740,000	-	706,441,121	-	-	-	-	1,060,181,121	-	1,060,181,121	
22, 24	Share options exercised	3,802,647	-	4,426,849	(1,470,834)	-	-	-	6,758,662	-	6,758,662	
24	Share-based payment transactions	-	-	-	1,688,008	-	-	-	1,688,008	-	1,688,008	
23	Treasury shares sold	-	5,153,851	3,309,224	-	-	-	-	8,463,075	-	8,463,075	
34	Dividends to owners of the Company	-	-	-	-	-	-	(41,001,684)	(41,001,684)	-	(41,001,684)	
Total contributions by and distributions to owners of the Company												
		357,542,647	5,153,851	714,177,194	217,174	-	-	(41,001,684)	1,036,089,182	-	1,036,089,182	
Total transactions with owners, recorded directly in equity												
		357,542,647	5,153,851	714,177,194	217,174	-	-	(41,001,684)	1,036,089,182	-	1,036,089,182	
Comprehensive income for the year												
	Profit or loss	-	-	-	-	-	-	51,037,234	51,037,234	(174)	51,037,060	
	Other comprehensive income	-	-	-	-	-	-	(4,824,908)	(4,824,908)	-	(4,824,908)	
Total comprehensive income for the year												
		-	-	-	-	-	-	46,212,326	46,212,326	(174)	46,212,152	
25	Transfer to legal reserve	-	-	-	-	2,900,000	-	(2,900,000)	-	-	-	
23, 25	Reversal of treasury shares reserve	-	-	-	-	-	(5,153,851)	5,153,851	-	-	-	
Balance at 31 December 2013												
		534,412,647	-	821,124,294	217,174	18,600,000	-	72,917,800	1,447,271,915	(174)	1,447,271,741	

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Statement of changes in equity

		Consolidated financial statements					
		Retained earnings			Equity		
					attributable to	Non-controlling	Total
					owners of	interests	equity
					the Company		
		Issued and	Share	Warrants	Legal	Unappropriated	
		paid-up	premium		reserve	(in Baht)	
		share capital					
Note							
	Year ended 31 December 2014						
	Balance at 1 January 2014	534,412,647	821,124,294	217,174	18,600,000	72,917,800	1,447,271,915
							(174)
							1,447,271,741
	Transactions with owners, recorded directly in equity						
	Contributions by and distributions to owners of the Company						
22, 24	Share options exercised	295,200	953,496	(363,096)	-	-	885,600
24	Share-based payment transactions	-	-	1,179,736	-	-	1,179,736
34	Dividends to owners of the Company	-	-	-	-	(48,114,850)	(48,114,850)
	Total contributions by and distributions to owners of the Company	295,200	953,496	816,640	-	(48,114,850)	(46,049,514)
							-
							(46,049,514)
	Change in ownership interests in subsidiary						
	Acquisition of non-controlling interests without a change in control	-	-	-	-	(227)	227
	Total changes in ownership interests in subsidiary	-	-	-	-	(227)	227
	Total transactions with owners, recorded directly in equity	295,200	953,496	816,640	-	(48,115,077)	(46,049,741)
							227
							(46,049,514)
	Comprehensive income for the year						
	Profit or loss	-	-	-	-	10,714,710	10,714,710
	Total comprehensive income for the year	-	-	-	-	10,714,710	10,714,710
	Transfer to legal reserve	-	-	-	2,500,000	(2,500,000)	-
25	Balance at 31 December 2014	534,707,847	822,077,790	1,033,814	21,100,000	33,017,433	1,411,936,939

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of changes in equity

	Note	Separate financial statements						
		Issued and paid-up share capital	Treasury shares	Share premium	Warrants	Legal reserve	Retained earnings	
							Treasury shares reserve	Unappropriated equity
<i>(in Baht)</i>								
Year ended 31 December 2013								
Balance at 1 January 2013		176,870,000	(5,153,851)	106,947,100	-	15,700,000	5,153,851	365,097,889
Transactions with owners, recorded directly in equity								
<i>Contributions by and distributions to owners of the Company</i>								
Issue of ordinary shares	22	353,740,000	-	706,441,121	-	-	-	1,060,181,121
Share options exercised	22, 24	3,802,647	-	4,426,849	(1,470,834)	-	-	6,758,662
Share-based payment transactions	24	-	-	-	1,688,008	-	-	1,688,008
Treasury shares sold	23	-	5,153,851	3,309,224	-	-	-	8,463,075
Dividends to owners of the Company	34	-	-	-	-	-	(41,001,684)	(41,001,684)
<i>Total contributions by and distributions to owners of the Company</i>								
		357,542,647	5,153,851	714,177,194	217,174	-	(41,001,684)	1,036,089,182
Total transactions with owners, recorded directly in equity		357,542,647	5,153,851	714,177,194	217,174	-	(41,001,684)	1,036,089,182
Comprehensive income for the year								
Profit or loss		-	-	-	-	-	-	56,601,792
Other comprehensive income		-	-	-	-	-	-	(4,824,908)
Total comprehensive income for the year		-	-	-	-	-	-	51,776,884
Transfer to legal reserve	25	-	-	-	-	2,900,000	-	(2,900,000)
Reversal of treasury shares reserve	23, 25	-	-	-	-	-	(5,153,851)	5,153,851
Balance at 31 December 2013		534,412,647	-	821,124,294	217,174	18,600,000	-	1,452,963,955

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Statement of changes in equity

		Separate financial statements				
		Issued and		Retained earnings		
		paid-up	Share	Legal	Unappropriated	Total
		share capital	premium	reserve	equity	equity
Note						
<i>(in Baht)</i>						
Year ended 31 December 2014						
	Balance at 1 January 2014	534,412,647	821,124,294	217,174	18,600,000	78,609,840
						1,452,963,955
Transactions with owners, recorded directly in equity						
<i>Contributions by and distributions to owners of the Company</i>						
22, 24	Share options exercised	295,200	953,496	(363,096)	-	885,600
24	Share-based payment transactions	-	-	1,179,736	-	1,179,736
34	Dividends to owners of the Company	-	-	-	(48,114,850)	(48,114,850)
<i>Total contributions by and distributions to owners of the Company</i>						
		295,200	953,496	816,640	(48,114,850)	(46,049,514)
		295,200	953,496	816,640	(48,114,850)	(46,049,514)
Total transactions with owners, recorded directly in equity						
Comprehensive income for the year						
	Profit or loss	-	-	-	49,410,881	49,410,881
	Total comprehensive income for the year	-	-	-	49,410,881	49,410,881
25	Transfer to legal reserve	-	-	-	(2,500,000)	-
	Balance at 31 December 2014	534,707,847	822,077,790	1,033,814	21,100,000	77,405,871
						1,456,325,322

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	For the year ended		For the year ended	
	31 December		31 December	
	2014	2013	2014	2013
	(in Baht)			
<i>Cash flows from operating activities</i>				
Profit for the year	10,714,712	51,037,060	49,410,881	56,601,792
<i>Adjustments for</i>				
Depreciation	48,103,302	44,283,833	48,103,302	44,283,833
Amortisation of intangible assets	1,173,191	1,047,860	1,173,191	1,047,860
Amortisation of digital television licence	60,953,333	-	-	-
Interest income	(26,968,866)	(18,120,699)	(26,335,986)	(17,799,556)
Finance costs	6,968,593	1,261,653	1,064,632	1,234,196
Bad and doubtful debts expense	1,339,427	399,750	987,507	358,908
Gain on disposal of equipment	(393,429)	(271,621)	(393,429)	(271,621)
Loss on written off of equipment	1,116,359	3,128,988	1,116,359	3,128,988
Loss on written off of intangible assets	-	206,400	-	206,400
Employee benefit obligations	2,025,840	1,911,746	1,386,060	1,911,746
Share based-payment transactions	1,179,736	1,688,008	1,179,736	1,688,008
Income tax expense	2,147,627	12,767,362	11,993,295	16,074,864
	108,359,825	99,340,340	89,685,548	108,465,418
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	(47,831,914)	45,248,417	(103,193,296)	17,325,557
Accrued income	(3,909,192)	9,943,905	(2,394,165)	(27,301,540)
Other receivables	(22,081,383)	2,937,998	44,672,323	(86,822,269)
Inventories	(1,435,744)	5,676,178	(1,435,744)	5,676,178
Other current assets	(13,138,601)	11,621,302	(7,436,029)	17,298,623
Other non-current assets	1,792,880	324,705	2,954,198	1,615,732
Trade accounts payable	2,691,375	(18,042,897)	115,141,084	129,758,781
Other payables	35,597,622	(2,567,438)	7,260,473	(14,435,416)
Accrued expenses	28,524,417	12,588,221	18,413,500	(4,453,609)
Other current liabilities	16,470,224	2,278,373	8,984,099	(3,036,834)
Employee benefit obligations	-	(3,305,973)	-	(3,305,973)
Cash generated from operating activities	105,039,509	166,043,131	172,651,991	140,784,648
Income tax paid	(18,408,540)	(16,214,348)	(13,801,881)	(14,880,833)
Net cash from operating activities	86,630,969	149,828,783	158,850,110	125,903,815

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	For the year ended		For the year ended	
	31 December		31 December	
	2014	2013	2014	2013
	<i>(in Baht)</i>			
<i>Cash flows from investing activities</i>				
Interest received	28,734,516	13,181,798	28,186,589	12,865,652
Current investments	(471,500,000)	(118,000,000)	(471,500,000)	(108,500,000)
Cash outflow on deposit guarantee				
for licencing auction	-	(22,000,000)	-	-
Cash outflow on digital television licence	(199,800,000)	-	-	-
Purchase of leasehold improvements and equipment	(116,798,235)	(50,938,194)	(116,798,235)	(50,938,194)
Sale of equipment	575,701	291,938	575,701	291,938
Purchase of intangible assets	(1,864,270)	(220,000)	(1,164,270)	(220,000)
Net cash outflow on investment of subsidiary	-	-	(299,000,000)	(750,000)
Net cash used in investing activities	(760,652,288)	(177,684,458)	(859,700,215)	(147,250,604)
<i>Cash flows from financing activities</i>				
Finance costs paid	(5,953,957)	(359,818)	(364,288)	(332,361)
Dividends paid to owners of the Company	(48,114,850)	(41,001,684)	(48,114,850)	(41,001,684)
Proceeds from issue of ordinary shares	-	1,061,220,000	-	1,061,220,000
Proceeds from exercise of share options	885,600	6,758,662	885,600	6,758,662
Transaction costs from issue of shares	-	(1,038,879)	-	(1,038,879)
Proceeds from sale of treasury shares	-	8,463,075	-	8,463,075
Net cash from (used in) financing activities	(53,183,207)	1,034,041,356	(47,593,538)	1,034,068,813
Net increase (decrease) in				
cash and cash equivalents	(727,204,526)	1,006,185,681	(748,443,643)	1,012,722,024
Cash and cash equivalents at 1 January	1,093,581,878	87,396,197	1,089,489,240	76,767,216
Cash and cash equivalents at 31 December	366,377,352	1,093,581,878	341,045,597	1,089,489,240
<i>Non-cash transactions</i>				
Purchase of leasehold improvements and equipment	13,322,533	6,539,073	13,322,533	6,539,073
Digital television licence	1,116,200,000	-	-	-

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

Note	Contents
1	General information
2	Basis of preparation of the financial statements
3	Significant accounting policies
4	Related parties
5	Cash and cash equivalents
6	Current investments
7	Trade accounts receivable
8	Other receivables
9	Inventories
10	Other current assets
11	Investments in subsidiaries
12	Leasehold improvements and equipment
13	Intangible assets
14	Digital television licence
15	Deferred tax
16	Other non-current assets
17	Trade accounts payable
18	Other payables
19	Accrued expenses
20	Other current liabilities
21	Employee benefit obligations
22	Share capital
23	Treasury shares
24	Warrants
25	Reserves
26	Segment information
27	Other income
28	Selling expenses
29	Administrative expenses
30	Employee benefit expenses
31	Expenses by nature
32	Income tax expense
33	Earnings per share
34	Dividends
35	Financial instruments
36	Commitments with non-related parties
37	Other matter
38	Event after the reporting period
39	Thai Financial Reporting Standards (TFRS) not yet adopted
40	Reclassification of accounts

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 12 February 2015.

1 General information

Nation Broadcasting Corporation Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 1858/51-62, 12th, 13th Floors, Bangna-Trad Road, Kwang Bangna, Khet Bangna, Bangkok, Thailand.

The Company was listed on the Market for Alternative Investment in November 2009.

The immediate parent company during the financial year was Nation Multimedia Group Public Company Limited (71.26% of shareholding), which was incorporated in Thailand.

The principal activities of the Company are production of TV and radio programmes and providing advertisements through TV media, radio media and new media forms. Details of the Company’s subsidiaries as at 31 December 2014 and 2013 are given in notes 4 and 11.

2 Basis of preparation of the financial statements

(a) Statement of compliance

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

The FAP has issued the following new and revised TFRS relevant to the Group’s operations and effective for annual accounting periods beginning on or after 1 January 2014:

TFRS	Topic
TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets
TFRS 2 (revised 2012)	Share-based Payment
TFRS 8 (revised 2012)	Operating Segments
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 10	Interim Financial Reporting and Impairment
TIC15	Operating Leases - Incentives
TIC 32	Intangible Assets - Web Site Costs

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

The initial application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies. These changes have no material effect on the financial statements.

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2015 and have not been adopted in the preparation of these financial statements. Those new and revised TFRS that are relevant to the Group's operations are disclosed in note 39.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

- Warrants are measured at fair value;
- Defined benefit obligation are measured at fair value;
- Liabilities for cash-settled share-based payment arrangements are measured at fair value.

(c) Functional and presentation currency

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

(d) Use of estimates and judgements

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is included in the following notes:

Note 3(r)	Current and deferred taxation
Note 15	Utilisation of tax losses
Note 21	Measurement of defined benefit obligations
Note 24	Measurement of warrants

3 Significant accounting policies

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

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the "Group").

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group. Losses applicable to non-controlling interests in a subsidiary are allocated to non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Loss of control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(b) Foreign currencies

Foreign currency transactions

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

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

Foreign currency differences are generally recognized in profit or loss.

(c) Cash and cash equivalents

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

(d) Trade and other accounts receivable

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

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

(e) *Inventories*

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

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

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

Books, CD and DVD	-	Weighted average
TV programmes	-	Represent the production costs for both in progress and completed. Costs of the programmes consist of expenses which directly related to the production, are recognised as costs when the rights are delivered and transferred or the programmes are broadcasted.
Work in progress for projects	-	Comprises cost of preparation, is stated at cost.

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

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

(f) *Investments*

Investments in subsidiaries

Investments in subsidiaries entities in the separate financial statements of the Company are accounted for using the cost method.

(g) *Leasehold improvements and equipment*

Recognition and measurement

Owned assets

Leasehold improvements and equipment is stated at cost less accumulated depreciation and impairment losses.

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

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

Gains and losses on disposal of an item of leasehold improvements and equipment are determined by comparing the proceeds from disposal with the carrying amount of leasehold improvements and equipment, and are recognised net within income or expense in profit or loss.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

Subsequent costs

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

Depreciation

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

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

Leasehold improvements	5 years
Operating equipment	3, 5 and 10 years
Furniture, fixtures and office equipment	3 and 5 years
Vehicles	5 years

No depreciation is provided on assets under installation.

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

(h) Intangible assets

Digital television licence

The cost of digital television licence consists of expenditures that is directly attributable to the acquisition of the commercial digital terrestrial TV licence at national level for a news channel category, is measured at cost less accumulated amortisation and impairment losses.

Other intangible assets

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

Subsequent expenditure

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

Amortisation

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

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

Digital television licence	15 years
Computer programme and software licences	5 years
Trademark	14 years

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

(i) *Impairment*

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

Calculation of recoverable amount

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

Reversals of impairment

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

(j) *Interest-bearing liabilities*

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges.

(k) *Trade and other accounts payable*

Trade and other accounts payable are stated at cost.

(l) *Employee benefits*

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity (provident fund) and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximately the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed by a qualified actuary using the projected unit credit method.

The Group recognises all actuarial gains and losses arising from defined benefit plans in other comprehensive income and all expenses related to defined benefit plans in profit or loss.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or other benefits if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Share-based payments

The employee share option programme allows certain of the Group's directors and employees to acquire shares of the Group under certain conditions. The proceeds received on exercise of the options, net of any directly attributable transaction costs, are credited to share capital and share premium when the options are exercised.

The grant-date fair value of share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service and non-market vesting conditions are expected to be met.

(m) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(n) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

Repurchase of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of consideration paid, including directly attributable costs, is classified as treasury shares and recognised as a deduction from equity. An equal amount is appropriated from retained earnings and taken to a reserve for treasury shares within equity. When treasury shares are sold, the amount received is recognised as an increase in equity by crediting the cost of the treasury shares sold, calculated using the weighted average method, to the treasury shares account and transferring the equivalent amount back from reserve for treasury shares to retained earnings. Surpluses on the sale of treasury shares are taken directly to a separate category within equity, 'Surplus on treasury shares'. Net deficits on sale or cancellation of treasury shares are debited to retained earnings after setting off against any remaining balance of surplus on treasury shares.

(o) Revenue

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

Sale of goods and services rendered

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

Rental income

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

Interest income

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

(p) Finance costs

Finance costs comprise interest expense on unwinding of the discount on provisions and contingent consideration that are recognised in profit or loss.

(q) Lease payments

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

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

Determining whether an arrangement contains a lease

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

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

(r) *Income tax*

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the items recognised directly in equity or in other comprehensive income.

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

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

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

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

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

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

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

(s) *Earnings per share*

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

(t) *Segment reporting*

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly cash and cash equivalents, deferred tax assets, other current liabilities and employee benefit obligations.

4 **Related parties**

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

Relationships with subsidiaries are described in note 11. Relationship with key management and other related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Key management personnel	Thailand	Persons having authority and responsibility for planning directing and controlling the activities of the entity, directly or indirectly, including any director whether executive or other wise of the Group
Nation Multimedia Group Public Company Limited	Thailand	Parent, 71.26% shareholding, some common directors
Nation International Edutainment Public Company Limited	Thailand	80.06% shareholding by parent, some common directors
Nation News Network Co., Ltd.	Thailand	99.99% shareholding by parent, some common directors
NML Co., Ltd	Thailand	99.99% shareholding by parent, some common directors
Kom Chad Luek Media Co., Ltd.	Thailand	99.99% shareholding by parent, some common directors

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

Name of entities	Country of incorporation/ nationality	Nature of relationships
Krungthep Turakij Media Co., Ltd.	Thailand	99.99% shareholding by parent, some common directors
Bangkok Business Broadcasting	Thailand	99.80% shareholding by parent, some common directors
Nation U Co., Ltd.	Thailand	90.00% shareholding by parent, some common directors
WPS (Thailand) Co., Ltd.	Thailand	84.50% shareholding by parent, some common directors
Nation University	Thailand	University license holding by Nation U Co., Ltd.
Nation Edutainment Co., Ltd.	Thailand	99.99% shareholding by Nation International Edutainment Public Company Limited, some common directors
Nation Global Edutainment Co., Ltd. (Formerly: Nation Egmont Edutainment Co., Ltd.)	Thailand	98.992% shareholding by Nation International Edutainment Public Company Limited in 2014 and 49.992% shareholding by Nation International Edutainment Public Company Limited in 2013, some common directors
Thai Portal Co., Ltd.	Thailand	Related party, 19.00% shareholding by Kom Chad Luek Media Co., Ltd.

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

Transactions	Pricing policies
Revenue from sale of goods and rendering of services	General market price
Other income	Negotiable rate
Cost of sales of goods and rendering of services and other expenses	Actual cost allocation rate and negotiable rate which approximates market price

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

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
<i>(in thousand Baht)</i>				
Parent				
Revenue from rendering of services	6,740	14,766	6,740	14,766
Cost of rendering of services and other expenses	49,003	31,987	22,932	26,356

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Subsidiaries				
Revenue from sales of goods and rendering of services	-	-	266	9,155
Other income	-	-	26,942	24,880
Other related parties				
Revenue from rendering of services	22,021	48,598	21,790	48,598
Cost of sales of goods and rendering of services and other expenses	12,885	25,534	10,868	24,004
Key management personnel				
Key management personnel compensation				
Wages and salaries	19,451	18,938	19,451	18,938
Contribution to defined contribution plans	1,455	1,412	1,455	1,412
Others	1,025	1,562	1,025	1,562
Total key management personnel compensation	<u>21,931</u>	<u>21,912</u>	<u>21,931</u>	<u>21,912</u>

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

<i>Trade accounts receivable from related parties</i>	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Parent				
Nation Multimedia Group Public Company Limited	4,086	842	4,086	842
Subsidiaries				
NBC Next Screen Co., Ltd.	-	-	-	1
NBC Next Vision Co., Ltd.	-	-	85,345	30,454
Other related parties				
Nation International Edutainment Public Company Limited	305	57	58	57
Nation News Network Co., Ltd.	43	99	43	99
Kom Chad Luek Media Co., Ltd.	1,391	4,096	1,391	4,096
Krungthep Turakij Media Co., Ltd.	-	3,261	-	3,261
Bangkok Business Broadcasting Co., Ltd.	219	-	219	-
Nation University	1,706	678	1,706	678
Total	<u>7,750</u>	<u>9,033</u>	<u>92,848</u>	<u>39,488</u>
Bad and doubtful debts expense for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Accrued income - related parties				
Parent				
Nation Multimedia Group Public Company Limited	2	-	2	-
Subsidiaries				
NBC Next Screen Co., Ltd.	-	-	-	3,709
NBC Next Vision Co., Ltd.	-	-	37,517	34,344
Total	2	-	37,519	38,053

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Other receivables from related parties				
Parent				
Nation Multimedia Group Public Company Limited	1,743	787	1,713	787
Subsidiaries				
NBC Next Screen Co., Ltd.	-	-	20,945	16,958
NBC Next Vision Co., Ltd.	-	-	15,891	74,314
Other related parties				
Nation International Edutainment Public Company Limited	4,317	7,637	4,317	7,637
Nation News Network Co., Ltd.	-	62	-	62
Kom Chad Luek Media Co., Ltd.	1	4	1	4
Krungthep Turakij Media Co., Ltd.	39	8,331	39	8,331
Bangkok Business Broadcasting Co., Ltd.	19,311	-	19,311	-
Nation University	8,245	8,179	8,245	8,179
Nation Global Edutainment Co., Ltd. (Formerly: Nation Egmont Edutainment Co., Ltd.)	62	13	62	13
Thai Portal Co., Ltd.	447	447	447	447
Other	-	5	-	5
	34,165	25,465	70,971	116,737
Less allowance for doubtful accounts	(447)	(447)	(447)	(447)
Net	33,718	25,018	70,524	116,290

Bad and doubtful debts expense for the year	5	-	5	-
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	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Trade accounts payable - related parties				
Parent				
Nation Multimedia Group Public Company Limited	107	-	107	-
Subsidiaries				
NBC Next Screen Co., Ltd.	-	-	28,457	31,773
NBC Next Vision Co., Ltd.	-	-	241,087	122,794

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements

Trade accounts payable - related parties

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Other related parties				
Nation News Network Co., Ltd.	1,039	1,152	612	973
Kom Chad Luek Media Co., Ltd	3,057	1,819	902	1,051
Krungthep Turakij Media Co., Ltd.	1,625	1,907	416	1,216
WPS (Thailand) Co., Ltd.	708	2,217	708	2,217
Total	6,536	7,095	272,289	160,024

Other payables - related parties

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Parent				
Nation Multimedia Group Public Company Limited	40,439	9,100	6,422	3,085
Subsidiaries				
NBC Next Screen Co., Ltd.	-	-	89	551
NBC Next Vision Co., Ltd.	-	-	8,951	7,595
Other related parties				
Nation International Edutainment Public Company Limited	112	313	111	313
Nation News Network Co., Ltd.	-	5	-	5
NML Co., Ltd.	123	68	123	68
Kom Chad Luek Media Co., Ltd	361	58	58	58
Krungthep Turakij Media Co., Ltd	10	93	-	93
WPS (Thailand) Co., Ltd.	29	-	29	-
Total	41,074	9,637	15,783	11,768

Accrued expenses - related parties

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Parent				
Nation Multimedia Group Public Company Limited	275	26	238	26
Other related parties				
Nation International Edutainment Public Company Limited	54	-	54	-
Nation News Network Co., Ltd.	100	276	100	276
NML Co., Ltd.	14	-	14	-
Kom Chad Luek Media Co., Ltd	500	847	500	847
Krungthep Turakij Media Co., Ltd	340	524	340	524
WPS (Thailand) Co., Ltd.	77	77	77	77
Total	1,360	1,750	1,323	1,750

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements

5 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Cash on hand	528	473	303	353
Cash at banks - current accounts	63	3,909	25	3,678
Cash at banks - savings accounts	120,786	134,200	95,718	130,458
Highly liquid short-term investments	245,000	955,000	245,000	955,000
Total	366,377	1,093,582	341,046	1,089,489

Cash and cash equivalents of the Group and the Company as at 31 December 2014 and 2013 were denominated entirely in Thai Baht.

6 Current investments

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Short-term deposits of financial institutions	110,000	118,000	110,000	108,500
Promissory notes	479,500	-	470,000	-
Total	589,500	118,000	580,000	108,500

Current investment of the Group and the Company as at 31 December 2014 and 2013 were denominated entirely in Thai Baht.

7 Trade accounts receivable

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2014	2013	2014	2013
		<i>(in thousand Baht)</i>			
Related parties	4	7,750	9,033	92,848	39,488
Other parties		200,326	150,990	198,512	148,458
Total		208,076	160,023	291,360	187,946
<i>Less</i> allowance for doubtful accounts		(8,072)	(6,961)	(7,679)	(6,920)
Net		200,004	153,062	283,681	181,026
Bad and doubtful debts expense for the year		1,334	400	982	359

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Related parties				
Within credit terms	4,224	2,264	35,550	5,655
Overdue:				
Less than 3 months	845	2,892	24,139	26,840
3-6 months	1,028	30	1,069	3,146
6-12 months	-	3,210	1,113	3,210
Over 12 months	1,653	637	30,977	637
	<u>7,750</u>	<u>9,033</u>	<u>92,848</u>	<u>39,488</u>
Less allowance for doubtful accounts	-	-	-	-
	<u>7,750</u>	<u>9,033</u>	<u>92,848</u>	<u>39,488</u>
Other parties				
Within credit terms	121,744	73,910	120,684	73,363
Overdue:				
Less than 3 months	66,788	60,665	66,499	59,365
3-6 months	4,535	8,244	4,535	7,768
6-12 months	2,336	3,744	2,208	3,535
Over 12 months	4,923	4,427	4,586	4,427
	<u>200,326</u>	<u>150,990</u>	<u>198,512</u>	<u>148,458</u>
Less allowance for doubtful accounts	(8,072)	(6,961)	(7,679)	(6,920)
	<u>192,254</u>	<u>144,029</u>	<u>190,833</u>	<u>141,538</u>
Net	<u>200,004</u>	<u>153,062</u>	<u>283,681</u>	<u>181,026</u>

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

Trade accounts receivable of the Group and the Company as at 31 December 2014 and 2013 were denominated entirely in Thai Baht.

8 Other receivables

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Related parties				
Other parties				
Prepaid expenses	8,593	2,740	1,900	1,693
Advance to employees	2,756	690	1,268	370
Others	5,479	24	7	27
	<u>16,828</u>	<u>3,454</u>	<u>3,175</u>	<u>2,090</u>
Total	<u>50,546</u>	<u>28,472</u>	<u>73,699</u>	<u>118,380</u>

Note

4

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements

9 Inventories

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
		<i>(in thousand Baht)</i>		
Finished goods	8,399	10,309	8,399	10,309
Work in progress	5,310	1,965	5,310	1,965
Total	13,709	12,274	13,709	12,274

10 Other current assets

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
		<i>(in thousand Baht)</i>		
Accrued interest income	3,173	4,939	3,083	4,934
Input value added tax pending	29,206	14,909	19,166	11,730
Withholding tax deducted at source	5,676	1,159	1,371	-
Others	1,345	1,344	-	-
Total	39,400	22,351	23,620	16,664

11 Investments in subsidiaries

	Separate financial statements	
	2014	2013
	<i>(in thousand Baht)</i>	
At 1 January	11,250	10,500
Acquisitions	299,000	750
At 31 December	310,250	11,250

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

Investments in subsidiaries as at 31 December 2014 and 2013, and dividend income from those investments for the years ended, were as follows:

Subsidiaries	Type of business	Ownership interest		Paid - up capital		Separate financial statements				At cost - net		Dividend income	
		2014	2013	2014	2013	Cost		Impairment		2014	2013	2014	2013
		(in thousand Baht)											
NBC Nextmedia Co., Ltd.	New media Advertising	99.99	99.99	10,000	10,000	10,000	10,000	-	-	10,000	10,000	-	-
NBC Next Screen Co., Ltd.	Production of TV programme and advertisements through TV media	99.99	99.99	250	250	250	250	-	-	250	250	-	-
NBC Next Vision Co., Ltd.	Production of TV programme and advertisements through TV media	99.99	99.99	300,000	1,000	300,000	1,000	-	-	300,000	1,000	-	-
Total				310,250	11,250	310,250	11,250	-	-	310,250	11,250	-	-

All subsidiaries were incorporated in Thailand.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

Acquisitions

At the Board of Directors' meeting of a subsidiary ("NBC Next Vision Co., Ltd.") held on 2 September 2013, the Board of Directors approved an additional call-up 75% of the registered share capital from Baht 0.25 million (divided into 100,000 ordinary shares at Baht 2.50 per share) to Baht 1 million (divided into 100,000 ordinary shares at Baht 10 par value). The subsidiary registered the increase in paid-up share capital with the Ministry of Commerce on 24 September 2013.

At the Board of Directors' meeting of a subsidiary ("NBC Next Vision Co., Ltd.") held on 6 June 2014, the Board of Directors approved an increase in the registered share capital from Baht 1 million (100,000 ordinary shares at Baht 10 per share) to Baht 300 million (30,000,000 ordinary shares at Baht 10 per share). The Company invested in ordinary shares of the subsidiary amounting to Baht 299 million, resulting in the proportionate interest of investment of the subsidiary at 99.99%. The subsidiary registered the increase in share capital with the Ministry of Commerce on 13 June 2014.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements

12 Leasehold improvements and equipment

	Consolidated financial statements/Separate financial statements				
	Leasehold improvements	Operating equipment	Furniture, fixtures and office equipment (in thousand Baht)	Vehicles	Assets under installation
					Total
Cost					
At 1 January 2013	11,504	317,241	5,706	3,716	339,810
Additions	3,007	5,136	17	-	12,580
Transfers	2,470	1,657	-	-	-
Disposals/written-off	(383)	(7,271)	(312)	-	(7,966)
At 31 December 2013 and 1 January 2014	16,598	316,763	5,411	3,716	344,424
Additions	385	33,511	487	6,611	123,614
Transfers	225	11,388	-	-	-
Disposals/written-off	(340)	(22,111)	-	(1,850)	(800)
At 31 December 2014	16,868	339,551	5,898	8,477	442,937
Depreciation					
At 1 January 2013	7,595	180,901	3,763	1,375	193,634
Depreciation charge for the year	1,915	41,002	733	634	44,284
Disposals/written-off	(166)	(4,345)	(306)	-	(4,817)
At 31 December 2013 and 1 January 2014	9,344	217,558	4,190	2,009	233,101
Depreciation charge for the year	2,254	43,813	668	1,368	48,103
Disposals/written-off	(24)	(22,095)	-	(1,683)	(23,802)
At 31 December 2014	11,574	239,276	4,858	1,694	257,402
Net book value					
At 1 January 2013	3,909	136,340	1,943	2,341	146,176
At 31 December 2013 and 1 January 2014	7,254	99,205	1,221	1,707	111,323
At 31 December 2014	5,294	100,275	1,040	6,783	185,535

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements

The gross amount of the Group's and Company's fully depreciated leasehold and improvements and equipment that was still in use as at 31 December 2014 amounted to Baht 121.07 million and Baht 121.07 million, respectively. (2013: Baht 131.52 million and Baht 131.52 million, respectively).

13 Intangible assets

Consolidated financial statements

	Computer programme and software licences	Trademarks	Computer programme under installation	Total
	(in thousand Baht)			
Cost				
At 1 January 2013	5,294	-	206	5,500
Additions	220	-	-	220
Disposals	-	-	(206)	(206)
At 31 December 2013 and 1 January 2014	5,514	-	-	5,514
Additions	1,164	700	-	1,864
At 31 December 2014	6,678	700	-	7,378
Amortisation				
At 1 January 2013	1,879	-	-	1,879
Amortisation for the year	1,048	-	-	1,048
At 31 December 2013 and 1 January 2014	2,927	-	-	2,927
Amortisation for the year	1,173	-	-	1,173
At 31 December 2014	4,100	-	-	4,100
Net book value				
At 1 January 2013	3,415	-	206	3,621
At 31 December 2013 and 1 January 2014	2,587	-	-	2,587
At 31 December 2014	2,578	700	-	3,278

Separate financial statements

	Computer programme and software licences	Computer programme under installation	Total
	(in thousand Baht)		
Cost			
At 1 January 2013	5,294	206	5,500
Additions	220	-	220
Disposals	-	(206)	(206)
At 31 December 2013 and 1 January 2014	5,514	-	5,514
Additions	1,164	-	1,164
At 31 December 2014	6,678	-	6,678

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements

	Separate financial statements		
	Computer programme and software licences	Computer programme under installation <i>(in thousand Baht)</i>	Total
Amortisation			
At 1 January 2013	1,879	-	1,879
Amortisation for the year	1,048	-	1,048
At 31 December 2013 and 1 January 2014	2,927	-	2,927
Amortisation for the year	1,173	-	1,173
At 31 December 2014	4,100	-	4,100
Net book value			
At 1 January 2013	3,415	206	3,621
At 31 December 2013 and 1 January 2014	2,587	-	2,587
At 31 December 2014	2,578	-	2,578

14 Digital television licence

	Consolidated financial statements <i>(in thousand Baht)</i>
Cost	
At 1 January 2013	-
At 31 December 2013 and 1 January 2014	-
Additions	1,338,000
At 31 December 2014	1,338,000
Amortisation	
At 1 January 2013	-
At 31 December 2013 and 1 January 2014	-
Amortisation for the year	60,953
At 31 December 2014	60,953
Net book	
At 31 December 2013 and 1 January 2014	-
At 31 December 2014	1,277,047

A subsidiary ("NBC Next Vision Co., Ltd."), is the winner of the auction for commercial digital terrestrial TV licence at national level for a news channel category at a bid price of Baht 1,338 million. The subsidiary paid the first instalment, which was 50% of minimum bid price and 10% of the exceeding of the minimum bid price, totalling Baht 199.80 million, excluded value added tax and net of guarantee deposit amounting to Baht 22 million on 29 October 2013. The subsidiary placed the letter of guarantee issued by financial institution for the remaining licence fee amounting to Baht 1,116.20 million to National Broadcasting and Telecommunications Commission ("NBTC") on 7 February 2014. Such remaining licence fee will be paid annually in the amount as specified in the agreement expiring on 25 April 2019.

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements

Digital television licence payable to NBTC as at 31 December 2014 and 2013 were payable as follow:

	Consolidated financial statements	
	2014	2013
	<i>(in thousand Baht)</i>	
Within one year	177,800	-
After one year but within five years	938,400	-
Total	1,116,200	-

15 Deferred tax

Deferred tax assets as at 31 December were as follows:

	Consolidated financial statements			
	Assets		Liabilities	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Total	18,611	8,282	-	-
Set off of tax	-	-	-	-
Net deferred tax assets	18,611	8,282	-	-

	Separate financial statements			
	Assets		Liabilities	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Total	4,915	4,479	-	-
Set off of tax	-	-	-	-
Net deferred tax assets	4,915	4,479	-	-

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

	Consolidated financial statements		
	(Charged) / Credited to:		
	At 1 January 2014	Profit or loss (in thousand Baht)	At 31 December 2014
<i>Deferred tax assets</i>			
Trade accounts receivable	1,392	222	1,614
Accrued income	340	(340)	-
Provisions	4,288	608	4,896
Share-base payment transactions	-	207	207
Loss carry forward	2,262	9,632	11,894
Total	8,282	10,329	18,611

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements

	Consolidated financial statements		
	(Charged) / Credited to:		
At 1 January 2013	Profit or loss	Other comprehensive income	At 31 December 2013
	<i>(in thousand Baht)</i>		
<i>Deferred tax assets</i>			
Trade accounts receivable	1,332	60	1,392
Accrued income	340	-	340
Provisions	3,193	(111)	4,288
Loss carry forward	32	2,230	2,262
Total	4,897	1,206	8,282

	Separate financial statements		
	(Charged) / Credited to:		
At 1 January 2014	Profit or loss	Other comprehensive income	At 31 December 2014
	<i>(in thousand Baht)</i>		
<i>Deferred tax assets</i>			
Trade accounts receivable	1,384	152	1,536
Accrued income	340	(340)	-
Provisions	2,755	417	3,172
Share-base payment transactions	-	207	207
Total	4,479	436	4,915

	Separate financial statements		
	(Charged) / Credited to:		
At 1 January 2013	Profit or loss	Other comprehensive income	At 31 December 2013
	<i>(in thousand Baht)</i>		
<i>Deferred tax assets</i>			
Trade accounts receivable	1,332	52	1,384
Accrued income	340	-	340
Provisions	3,193	(1,644)	2,755
Total	4,865	1,206	4,479

16 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Refundable deposits	5,130	8,760	2,680	6,312
Withholding tax deducted at source	3,510	1,912	2,349	1,910
Others	1,018	1,218	1,018	1,218
Total	9,658	11,890	6,047	9,440

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements

17 Trade accounts payable

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2014	2013	2014	2013
		<i>(in thousand Baht)</i>			
Related parties	4	6,536	7,095	272,289	160,024
Other parties		15,296	12,046	9,794	6,918
Total		21,832	19,141	282,083	166,942

Trade accounts payable of the Group and the Company as at 31 December 2014 and 2013 were dominated entirely in Thai Baht.

18 Other payables

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2014	2013	2014	2013
		<i>(in thousand Baht)</i>			
Related parties	4	41,074	9,637	15,783	11,768
Others					
Advances received		13,751	10,902	13,657	10,902
Other payables for purchase of assets		13,323	6,539	13,323	6,539
Others		9,273	7,930	6,968	6,446
		36,347	25,371	33,948	23,887
Total		77,421	35,008	49,731	35,655

The Group's and the Company's other payables as at 31 December 2014 and 2013 were denominated entirely in Thai Baht.

19 Accrued expenses

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2014	2013	2014	2013
		<i>(in thousand Baht)</i>			
Related parties	4	1,360	1,750	1,323	1,750
Others					
Accrued rebate		14,355	12,047	14,355	12,047
Accrued revenues sharing		36,564	29,776	36,564	29,776
Accrued broadcasting or television licence fees		16,786	8,348	-	-
Accrued project expenses		3,953	6,779	3,953	6,779
Others		35,750	21,544	25,388	12,817
		107,408	78,494	80,260	61,419
Total		108,768	80,244	81,583	63,169

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements

20 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Output value added tax pending	42,268	25,797	24,504	15,519
Others	493	493	493	494
Total	42,761	26,290	24,997	16,013

21 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Statement of financial position				
obligations for:				
Post-employment benefits	<u>24,482</u>	<u>21,441</u>	<u>15,862</u>	<u>13,776</u>
 <i>Year ended 31 December</i>				
Statement of comprehensive income:				
Recognised in profit or loss:				
Post-employment benefits	<u>3,041</u>	<u>2,814</u>	<u>2,086</u>	<u>2,814</u>
 Recognised in other comprehensive				
income:				
Actuarial losses recognised in the year	<u>-</u>	<u>6,031</u>	<u>-</u>	<u>6,031</u>

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

Movement in the present value of the defined benefit obligations

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Defined benefit obligations at 1 January	21,441	15,965	13,776	15,965
Transfer in (out)	-	(63)	-	(7,728)
Benefits paid by the plan	-	(3,306)	-	(3,306)
Current service costs and interest	3,041	2,814	2,086	2,814
Actuarial losses in other comprehensive income	-	6,031	-	6,031
Defined benefit obligations at 31 December	24,482	21,441	15,862	13,776

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements

Expense recognised in profit or loss (note 30)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Current service costs	2,026	1,912	1,386	1,912
Interest on obligation	1,015	902	700	902
Total	3,041	2,814	2,086	2,814

The expense is recognised in the following line items in the statement of comprehensive income:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Cost of sales of goods and rendering of services	1,141	1,076	501	1,076
Administrative expenses	885	836	885	836
Finance costs	1,015	902	700	902
Total	3,041	2,814	2,086	2,814

Actuarial losses recognised in other comprehensive income:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Included in retained earnings:				
At 1 January	6,031	-	6,031	-
Recognised during the year	-	6,031	-	6,031
At 31 December	6,031	6,031	6,031	6,031

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(%)</i>			
Discount rate	4.1	4.1	4.1	4.1
Future salary increases	4.0 - 7.0	4.0 - 7.0	4.0 - 7.0	4.0 - 7.0

Assumptions regarding future mortality are based on published statistics and mortality tables.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements

22 Share capital

	Par value per share (in Baht)	2014		2013	
		Number	Baht	Number	Baht
(in thousand shares / thousand Baht)					
<i>Authorised</i>					
At 1 January					
- ordinary shares	1	720,344	720,344	178,500	178,500
Increase of new shares	1	-	-	541,844	541,844
At 31 December					
- ordinary shares	1	720,344	720,344	720,344	720,344
<i>Issued and paid-up</i>					
At 1 January					
- ordinary shares	1	534,413	534,413	176,870	176,870
Issue of new shares	1	-	-	353,740	353,740
Exercise of share options	1	295	295	3,803	3,803
At 31 December					
- ordinary shares	1	534,708	534,708	534,413	534,413

At the annual general meeting of shareholders of the Company held on 24 April 2013, the shareholders approved the following matters:

- a) Approved the issuance and offering of warrants to the Company's existing shareholders who subscribe for additional ordinary shares in a ratio of 1 warrant for 2 existing ordinary shares, without the offering price. Details of warrants are as follows:

Date of original grant	12 July 2013
No. of warrants granted (Units)	176,870,000
Terms of warrants	5 years from the issuance date of warrant
Exercisable	The date 15 th of December and June in each year
Exercise price per 1 ordinary share (Baht)	3
Exercise ratio (warrants to ordinary shares)	1:1

- b) Approved the issuance and offering of warrants under the Employee Stock Option Programme to the directors, management and/or employees of the Company and/or the subsidiaries. Details of warrants are disclosed in note to financial statements 24.
- c) Approved an increase in the registered share capital from Baht 178.50 million (178,500,000 ordinary shares at a par value of Baht 1 per share) to Baht 720.34 million (720,343,962 ordinary shares at a par value of Baht 1 per share) by issuing not exceeding 541,843,962 ordinary shares at a par value of Baht 1 per share to reserve for the increase in share capital and exercise of warrants as referred above and the adjustment of rights of the warrants to the Company's directors, management and/or employees. The Company registered the increase in share capital with the Ministry of Commerce on 9 May 2013.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

Issue of ordinary shares

During 2013, the Company has offered additional ordinary shares to existing shareholders which exercise ratio is 2 new shares for 1 existing ordinary share at the exercise price of Baht 3 per share totalling 353,740,000 shares (353,740,000 ordinary shares at a par value of Baht 1 per share) amounted to Baht 1,061.22 million. As a result, the Company's issued and paid-up share capital has increased from Baht 179.47 million (179,467,366 ordinary shares at a par value of Baht 1 per share) to Baht 533.21 million (533,207,366 ordinary shares at a par value of Baht 1 per share) and the share premium amounted to Baht 706.44 million, net of the cost of the issue of ordinary shares amounted to Baht 1.04 million. The Company registered the increase in share capital with the Ministry of Commerce on 11 July 2013.

On 15 November 2013, the directors, management and/or employees of the Company and/or the subsidiaries exercised the warrants of 1,195,800 units to purchase ordinary shares totalling of Baht 3.59 million. As a result, the Company had share premium amounted to Baht 2.39 million. The Company registered the paid-up share capital from the exercise with the Ministry of Commerce on 19 November 2013.

On 13 December 2013, the Company's holders exercised the warrants of 9,481 units to purchase ordinary shares totalling of Baht 0.03 million. As a result, the Company had share premium amounted to Baht 0.02 million. The Company registered the paid-up share capital from the exercise with the Ministry of Commerce on 18 December 2013.

On 15 May 2014, the directors' management and/or employees of the Company and/or the subsidiaries exercised the warrants of 10,000 units to purchase ordinary shares totalling of 0.03 million. As a result, the Company had share premium amounted to Baht 0.02 million. The Company registered the paid-up share capital from the exercise with the Ministry of Commerce on 21 May 2014.

On 14 November 2014, the directors, management and/or employees of the Company and/or the subsidiaries exercised the warrants of 285,200 units to purchase ordinary shares totalling of Baht 0.86 million. As the result, the Company had share premium amounted to Baht 0.57 million. The Company registered the paid-up share capital from the exercise with the Ministry of Commerce on 17 November 2014.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. In respect of the Company's shares that are held by the Group ('Treasury shares' (see note 23)) all rights are suspended until those shares are reissued.

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

Cost of the issue of ordinary share

The incremental cost attributable to the issue of ordinary shares are recognised as a deduction from the premium on those ordinary shares.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

23 Treasury shares

The treasury shares account within equity comprises the cost of the Company's own shares held by the Company.

	Par value Per share (in Baht)	Consolidated financial statements/Separate financial statements 2014			2013		
		Number	Treasury shares (in thousand units / thousand Baht)	Treasury share reserve	Number	Treasury shares	Treasury share reserve
At 1 January	1	-	-	-	892	(5,154)	5,154
Treasury share sold	1	-	-	-	(892)	5,154	(5,154)
At 31 December	1	-	-	-	-	-	-

In February 2013, the Company disposed all treasury shares of 0.89 million shares totalling of Baht 8.46 million. As a result, the Company had share premium amounted to Baht 3.31 million.

Surplus on treasury shares

The surplus on treasury shares represents the accumulated surplus on sale of treasury shares, net of any deficits on sale or cancellation of treasury shares. The surplus on treasury shares is not available for dividend distribution.

24 Warrants

1st ESOP

At the annual general of the shareholders of the Company held on 26 April 2010, the shareholders passed resolutions to approve the issuance 8,500,000 units of warrants under the Employee Stock Option Programme (ESOP) to the directors, management and/or employees of the Company. The details are as follows:

Description	Details
Type of warrants	No value
Terms of warrants	3 years from the issuance date of warrant
Propose to sell to	The Company's directors, management and/or employees
Issue and sell quantities	8,500,000 units
Exercise ratio	1 warrant to 1 ordinary share and 1 warrant to 2.7384 ordinary shares (diluted)
Exercise price	Baht 3.33 per share and Baht 1.21 per share (diluted)
Exercise period and proportion	Twice a year on 15 May and 15 November in each year, to exercise not more than 30% in the first year, not more than 30% in the second year and not more than 40% in the third year.

On 15 May 2013, the Company's directors, management and/or employees exercised the warrants of 948,500 units (the last exercise date) to purchase ordinary shares totalling of Baht 3.14 million. As a result, the Company had share premium amounted to Baht 0.55 million. The Company registered the paid-up share capital from the exercise with the Ministry of Commerce on 21 May 2013.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

2nd ESOP

At the annual general meeting of the shareholders of the Company held on 24 April 2013, the shareholders passed a resolution to approve the issuance 8,798,905 units of warrants under the Employee Stock Option Programme (ESOP) to the directors, management and/or employees of the Company and/or its subsidiaries. The details are as follows:

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

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

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

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

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

The expenses for share-based payment transactions for the year ended 31 December 2014 were Baht 1.18 million and Baht 1.18 million for consolidated and separate financial statements, respectively (2013: Baht 1.69 million and Baht 1.69 million, respectively).

Movement during the year ended 31 December 2014 and 2013 of the warrants and fair value of the warrants were as follow:

	Consolidated financial statements/ Separate financial statements			
	2014		2013	
	Number of warrant	Fair value	Number of warrant	Fair value
	(in thousand units / thousand Baht)			
At 1 January	176	217	-	-
Issued warrants during the year	1,834	1,476	1,776	1,726
Exercised warrants during the year	(295)	(363)	(1,196)	(1,471)
Forfeited warrants during the year	(875)	(296)	(404)	(38)
At 31 December	840	1,034	176	217

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

25 Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Treasury shares reserve

The treasury shares reserve represents the amount appropriated from retained earnings equal to the cost of the company's own shares held by the Group. The treasury shares reserve is not available for dividend distribution.

26 Segment information

The Group has three reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products and services. The chief operating decision maker (CODM) reviews internal management reports. The following summary describes the operations in each of the Group's reportable segments.

- *Segment 1* TV advertising media
- *Segment 2* Radio advertising media
- *Segment 3* New media advertising

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements

Information about reportable segments

Business segment

	TV advertising media 2014	2013	Radio advertising media 2014	2013 (in thousand Baht)	New media advertising 2014	2013	Total 2014	2013
External revenue	501,853	463,337	26,668	33,075	184,859	165,373	713,380	661,785
Other income	1,482	434	-	25	38	305	1,520	764
Total revenues	503,335	463,771	26,668	33,100	184,897	165,678	714,900	662,549
Interest income	26,694	18,121	-	-	275	-	26,969	18,121
Depreciation	(46,366)	(42,212)	(132)	(150)	(1,605)	(1,922)	(48,103)	(44,284)
Amortisation	-	-	-	-	(1,173)	(1,048)	(1,173)	(1,048)
Amortisation of digital television licence	(60,953)	-	-	-	-	-	(60,953)	-
Segment profit (loss) before income tax expenses	(10,164)	13,025	26	5,464	29,969	46,577	19,831	65,066
Segment assets	2,612,407	1,395,539	22,029	23,652	89,148	70,183	2,723,584	1,489,374
Capital expenditure	1,462,314	12,580	-	-	1,164	-	1,463,478	12,580
Segment liabilities	1,325,677	114,834	6,870	2,679	41,466	32,439	1,374,013	149,952

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

Reconciliations of reportable segment profit or loss, assets and liabilities and other material items

	2014 (in thousand Baht)	2013
Profit or loss		
Total profit for reportable segments	19,831	65,066
Unallocated amounts:		
- Other corporate expenses	(6,969)	(1,262)
Consolidated profit before income tax	12,862	63,804
Assets		
Total assets for reportable segments	2,723,584	1,489,374
Other unallocated amounts	79,852	140,311
Consolidated total assets	2,803,436	1,629,685
Liabilities		
Total liabilities for reportable segments	1,374,013	149,952
Other unallocated amounts	17,486	32,461
Consolidated total liabilities	1,391,499	182,413

Geographical segments

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

27 Other income

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Central services charge	-	-	25,080	21,379
Others	1,520	764	2,831	4,211
Total	1,520	764	27,911	25,590

28 Selling expenses

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
Personnel	17,738	20,671	17,738	20,671
Marketing	48,508	43,819	46,400	38,069
Office expenses	1,617	1,708	1,617	1,708
Others	403	534	403	534
Total	68,266	66,732	66,158	60,982

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements

29 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Personnel	15,209	16,229	13,899	15,965
Administrative	26,344	25,143	24,642	16,534
Office expenses	11,324	5,023	4,629	3,102
Bad and doubtful debts expense	1,339	400	988	359
Others	2,326	5,488	2,322	5,327
Total	56,542	52,283	46,480	41,287

30 Employee benefit expenses

		Consolidated financial statements		Separate financial statements	
	Note	2014	2013	2014	2013
		<i>(in thousand Baht)</i>			
Wages and salaries		150,632	128,222	62,483	72,443
Contribution to defined contribution plan		7,890	7,436	4,010	4,316
Others		42,411	38,594	13,893	18,110
		200,933	174,252	80,386	94,869
Post-employment benefits	21	2,026	1,912	1,386	1,912
Share-based payment transactions	24	1,180	1,688	1,180	1,688
Total employee benefit expenses		204,139	177,852	82,952	98,469

Defined contribution plan

The defined contribution plan comprises a provident fund established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rate of 5% of their basic salaries and by the Group at rates ranging from 5% to 7.5% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as a juristic entity and is managed by a licensed Fund Manager.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements

31 Expenses by nature

The statements of income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
		<i>(in thousand Baht)</i>			
Air time cost		-	1,341	-	1,341
Cost of production		267,633	284,576	157,374	216,567
Employee benefit expenses	30	204,139	177,852	82,952	98,469
Depreciation and amortisation		110,230	44,284	49,276	44,284
Travelling expenses		20,566	11,461	1,504	1,217
Sharing service expenses		26,244	11,005	21,201	6,698
Marketing expenses	28	48,508	43,819	46,400	38,069
Office expenses		36,319	34,459	24,665	18,471
Other expenses		8,398	6,807	8,043	6,603
Total cost of sales of goods and rendering of services, selling expenses, administrative expenses and management benefit expenses		722,037	615,604	391,415	431,719

32 Income tax expense

Income tax recognised in profit or loss

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
		<i>(in thousand Baht)</i>			
Current tax expense					
Current year		12,916	14,946	12,868	14,483
Adjustment for prior year		(439)	-	(439)	-
		12,477	14,946	12,429	14,483
Deferred tax expense	15				
Movements in temporary differences		(10,329)	(2,179)	(436)	1,592
Total income tax expense		2,148	12,767	11,993	16,075

Income tax recognised in other comprehensive income

	Consolidated financial statements/Separate financial statements					
	2014			2013		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
	<i>(in thousand Baht)</i>					
Defined benefit plan actuarial losses	-	-	-	(6,031)	1,206	(4,825)

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements

Reconciliation of effective tax rate

	Consolidated financial statements			
	2014		2013	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense		12,862		63,804
Income tax using the Thai corporation tax rate	20	2,572	20	12,761
Expenses not deductible for tax purposes		363		6
Expenses for tax incentives		(331)		-
Deferred tax asset was derecognised		(17)		-
Over provided in prior year		(439)		-
Total	17	2,148	20	12,767

	Separate financial statements			
	2014		2013	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense	20	61,404		72,677
Income tax using the Thai corporation tax rate		12,281	20	14,535
Expenses not deductible for tax purposes		482		1,540
Expenses for tax incentives		(331)		-
Over provided in prior year		(439)		-
Total	20	11,993	22	16,075

Income tax reduction

Royal Decree No. 530 B.E. 2554 dated 21 December 2011 grants a reduction in the corporate income tax rate for the three accounting periods 2012, 2013 and 2014; from 30% to 23% for the accounting period 2012 which begins on or after 1 January 2012 and to 20% for the following two accounting periods 2013 and 2014 which begin on or after 1 January 2013 and 2014, respectively. Royal Decree No. 577 B.E. 2557 dated 10 November 2014 extends the reduction to 20% for the accounting period 2015 which begins on or after 1 January 2015.

The Group has applied the reduced tax rate of 20% in measuring deferred tax assets as at 31 December 2014 and 2013 in accordance with the clarification issued by the FAP in 2012.

33 Earnings per share

Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2014 and 2013 were based on the profit for the years attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the years as follows:

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	<u>10,715</u>	<u>51,037</u>	<u>49,411</u>	<u>56,602</u>
Number of ordinary shares outstanding at 1 January	534,413	175,978	534,413	175,978
Effect of treasury share sold	-	755	-	755
Effect of shares options exercised on 21 May	6	1,601	6	1,601
Effect of shares issued on 11 July	-	168,632	-	168,632
Effect of shares options exercised on 17 November	35	-	35	-
Effect of shares options exercised on 19 November	-	141	-	141
Effect of warrants exercised on 18 December	-	1	-	1
Weighted average number of ordinary shares outstanding (basic)	<u>534,454</u>	<u>347,108</u>	<u>534,454</u>	<u>347,108</u>
Earnings per share (basic) (in Baht)	<u>0.02</u>	<u>0.15</u>	<u>0.09</u>	<u>0.16</u>

Diluted earnings per share

The calculations of diluted earnings per share for the years ended 31 December 2014 and 2013 were based on the profit for the years attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the years after adjusting for the effects of all dilutive potential ordinary shares as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	<u>10,715</u>	<u>51,037</u>	<u>49,411</u>	<u>56,602</u>
Weighted average number of ordinary shares outstanding (basic)	534,454	347,108	534,454	347,108
Effect of exercise of shares options	38,726	19,867	38,726	19,867
Weighted average number of ordinary shares outstanding (diluted)	<u>573,180</u>	<u>366,975</u>	<u>573,180</u>	<u>366,975</u>
Earnings per share (diluted) (in Baht)	<u>0.02</u>	<u>0.14</u>	<u>0.09</u>	<u>0.15</u>

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

34 Dividends

At the annual general meeting of shareholders of the Company held on 24 April 2013, the shareholders approved the appropriation of dividend from 2012 operating result of Baht 0.18 per share, amounted to Baht 31.43 million. The dividend of Baht 0.12 per share, amounting to Baht 20.82 million were paid to shareholders as the interim dividend during the year 2012, and the additional dividend of Baht 0.06 per share, amounting to Baht 10.61 million were paid to the shareholders in May 2013.

At the Board of Directors' meetings of the Company held on 9 May 2013, the Board of Directors approved the appropriation of interim dividend from the 2013 operating profit and retained earnings to the shareholders of Baht 0.08 per share, amounting to Baht 14.36 million. The dividend was paid to shareholders during the year 2013.

At the Board of Directors' meetings of the Company held on 7 November 2013, the Board of Directors approved the appropriation of interim dividend of Baht 0.03 per share, amounting to Baht 16.03 million. The dividend was paid to shareholders during the year 2013.

At the annual general meeting of the shareholders of the Company held on 3 April 2014, the shareholders approved the appropriation of dividends from the 2013 operating results of Baht 0.14 per share, amounting to Baht 46.42 million. The dividends of Baht 0.11 per share, amounting to Baht 30.39 million were paid to the shareholders as the interim dividends during the year 2013, and the remaining dividends of Baht 0.03 per share, amounting to Baht 16.03 million were paid to the shareholders in April 2014.

At the Board of Director's meeting of the Company held on 6 November 2014, the Board of Directors approved the appropriation of interim dividend of Baht 0.06 per share, amounting to Baht 32.07 million. The dividend was paid to shareholders during the year 2014.

35 Financial instruments

Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interest and also monitors the level of dividends to ordinary shareholders.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currency.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the Group's customer base, Management does not anticipate material losses from its debt collection.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The fair value of trade and other short-term receivables is taken to approximate the carrying value.

The fair value of financial assets and liabilities is taken to approximate the carrying value.

36 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	(in thousand Baht)			
<i>Capital commitment</i>				
Lease assets improvements	652	-	652	-
Total	652	-	652	-

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
<i>Non-cancellable operating lease commitments</i>				
Within one year	83,055	25,036	11,196	12,516
After one year but within five years	306,223	57,747	29,114	7,664
After five years	523,353	12,631	45,271	-
Total	912,631	95,414	85,581	20,180
<i>Other commitment</i>				
Bank guarantees	1,199,950	8,292	5,616	8,292

- a) The Company entered into lease and service agreements for its office premises and facilities with a local company for the period of 3 years, expiring in various periods up to 30 November 2017 with an option for renewal.
- b) A subsidiary entered into a news supply agreement with a foreign company for a period of 5 years, commencing from 1 June 2011 to 31 May 2016 with an option for renewal.
- c) During the year 2014, a subsidiary entered into service agreements covering television broadcasting satellite services with two domestic companies with the termination of the preceding agreements and entered into new agreements with the same companies. The details are as follows:

<u>Contract period</u>	<u>Periods</u>	<u>Total fee</u>
25 April 2014 to 31 October 2019	5 years and 6 months	USD 1.12 million
25 April 2014 to 31 October 2019	5 years and 6 months	USD 0.03 million
25 April 2014 to 31 March 2020	5 years and 11 months	USD 0.92 million
25 April 2014 to 31 March 2020	5 years and 11 months	USD 0.03 million

- d) A subsidiary entered into a standard Definition Terrestrial Digital Television Network Services agreement with Thai Royal Army for 14 years and 5 months, commencing from 16 January 2014 to 31 May 2028. The subsidiary committed to pay a licence fee for such channel totalling to Baht 784.74 million.
- e) The Company entered into lease and service agreements for office and studio premises with a local company for a period of 3 years, commencing from 1 December 2014 to 30 November 2017 with an option for renewal for a total period of 15 years.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
<i>Non-cancellable operating lease commitments</i>				
Within one year	83,055	25,036	11,196	12,516
After one year but within five years	306,223	57,747	29,114	7,664
After five years	523,353	12,631	45,271	-
Total	912,631	95,414	85,581	20,180
<i>Other commitment</i>				
Bank guarantees	1,199,950	8,292	5,616	8,292

- The Company entered into lease and service agreements for its office premises and facilities with a local company for the period of 3 years, expiring in various periods up to 30 November 2017 with an option for renewal.
- A subsidiary entered into a news supply agreement with a foreign company for a period of 5 years, commencing from 1 June 2011 to 31 May 2016 with an option for renewal.
- During the year 2014, a subsidiary entered into service agreements covering television broadcasting satellite services with two domestic companies with the termination of the preceding agreements and entered into new agreements with the same companies. The details are as follows:

<u>Contract period</u>	<u>Periods</u>	<u>Total fee</u>
25 April 2014 to 31 October 2019	5 years and 6 months	USD 1.12 million
25 April 2014 to 31 October 2019	5 years and 6 months	USD 0.03 million
25 April 2014 to 31 March 2020	5 years and 11 months	USD 0.92 million
25 April 2014 to 31 March 2020	5 years and 11 months	USD 0.03 million

- A subsidiary entered into a standard Definition Terrestrial Digital Television Network Services agreement with Thai Royal Army for 14 years and 5 months, commencing from 16 January 2014 to 31 May 2028. The subsidiary committed to pay a licence fee for such channel totalling to Baht 784.74 million.
- The Company entered into lease and service agreements for office and studio premises with a local company for a period of 3 years, commencing from 1 December 2014 to 30 November 2017 with an option for renewal for a total period of 15 years.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

37 Other matter

At the annual general shareholders' meeting of the Company held on 24 April 2013, the shareholders approved the issuance and offering of debentures in the amount not exceeding Baht 500 million at par value of Baht 1,000 each by offering domestically and/or internationally to private placement, and/or investors institutes. The details and conditions related to the issuance and offering of the debentures will be determined by the Company's Board of Directors.

38 Event after the reporting period

At the Board of Directors' meeting held on 12 February 2015, the Board of Directors approved the appropriation dividend of Baht 0.08 per share, amounted to Baht 42.78 million for the 2014 operating result. The dividend of Baht 0.06 per share, amounted to Baht 32.08 million was paid to shareholders as the interim dividend during the year 2014, and the additional dividend of Baht 0.02 per share, amounted to Baht 10.70 million will be approved at the annual general meeting of shareholders.

39 Thai Financial Reporting Standards (TFRS) not yet adopted

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

TFRS	Topic	Year effective
TAS 1 (revised 2014)	Presentation of Financial Statements	2015
TAS 2 (revised 2014)	Inventories	2015
TAS 7 (revised 2014)	Statement of Cash Flows	2015
TAS 8 (revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors	2015
TAS 10 (revised 2014)	Events after the Reporting Period	2015
TAS 12 (revised 2014)	Income Taxes	2015
TAS 16 (revised 2014)	Property, Plant and Equipment	2015
TAS 17 (revised 2014)	Leases	2015
TAS 18 (revised 2014)	Revenue	2015
TAS 19 (revised 2014)	Employee Benefits	2015
TAS 21 (revised 2014)	The Effects of Changes in Foreign Exchange Rates	2015
TAS 24 (revised 2014)	Related Party Disclosures	2015
TAS 26 (revised 2014)	Accounting and Reporting by Retirement Benefit Plans	2015
TAS 27 (revised 2014)	Separate Financial Statements	2015
TAS 33 (revised 2014)	Earnings per Share	2015
TAS 34 (revised 2014)	Interim Financial Reporting	2015
TAS 36 (revised 2014)	Impairment of Assets	2015
TAS 37 (revised 2014)	Provisions, Contingent Liabilities and Contingent Assets	2015
TAS 38 (revised 2014)	Intangible Assets	2015
TFRS 2(revised 2014)	Share-based Payment	2015
TFRS 8 (revised 2014)	Operating Segments	2015
TFRS 10	Consolidated Financial Statements	2015
TFRS 13	Fair value management	2015
TSIC 15 (revised 2014)	Operating Leases - Incentives	2015
TSIC 25 (revised 2014)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders	2015

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Notes to the financial statements

TFRS	Topic	Year effective
TSIC 27 (revised 2014)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	2015
TSIC 31 (revised 2014)	Revenue - Barter Transactions Involving Advertising Services	2015
TSIC 32 (revised 2014)	Intangible Assets-Web Site Costs	2015
TFRIC 1(revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liabilities	2015
TFRIC 4 (revised 2014)	Determining whether an Arrangement contains a Lease	2015
TFRIC 10 (revised 2014)	Interim Financial Reporting and Impairment	2015
TFRIC 14	TAS 19 (revised 2014) -The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	2015

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

40 Reclassification of accounts

Certain accounts in the 2013 financial statements have been reclassified to conform to the presentation in the 2014 financial statements.

	2013					
	Consolidated financial statements			Separate financial statements		
	Before reclass.	Reclass.	After reclass.	Before reclass.	Reclass.	After reclass.
	(in thousand Baht)					
Statement of financial position						
Trade accounts receivable	-	-	-	160,366	20,660	181,026
Other receivable from related parties	25,018	(25,018)	-	136,950	(136,950)	-
Other receivables	-	28,472	28,472	-	118,380	118,380
Other current assets	25,805	(3,454)	22,351	18,754	(2,090)	16,664
Withholding income tax deducted at source	1,912	(1,912)	-	1,910	(1,910)	-
Other non-current assets	9,978	1,912	11,890	7,530	1,910	9,440
Other payables to related parties	9,637	(9,637)	-	11,768	(11,768)	-
Other payables	14,469	20,539	35,008	12,985	22,670	35,655
Other current liabilities	37,192	(10,902)	26,290	26,915	(10,902)	16,013
		<u>-</u>			<u>-</u>	

Other Reference Persons

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Audit Fee

1. The audit fee of the Company and subsidiaries for the year 2014 is Bt 880,000
 2. Non-audit fee
- None-

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1858/51-62 ชั้น 12,13 ถนนบางนา-ตราด

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