



ANNUAL REPORT 2016



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Nation

Vision

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

Missions

1. Inspiring to be an institution that produces journalists, news anchors and (TV) programme producers.
2. 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.
3. Continuously committing all efforts and embracing developments in every new media innovation to create new opportunities.
4. Maintain credibility which is the core value of the organisation and observe journalistic ethics.

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Nation

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 535,436,609 (December 31, 2016)

The Company's Shareholding Exceeded 10% of Paid Capital.

(December 31, 2016)

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 (To be liquidated.)	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	800,000,000	800,000,000
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		
	2016	2015	2014
• Revenues from sales and services	518.79	825.18	713.38
• Total revenues	536.52	846.15	741.87
• Gross profit (loss)	(84.79)	151.48	145.04
• Profit (loss) before interest, taxes, depreciation, amortization	(87.64)	158.53	130.06
• Net profit (loss)	(275.46)	(20.56)	(10.11)
• Total assets	1,843.88	2,439.77	2,662.81
• Total shareholders' equity	980.13	1,316.50	1,391.11

2. Financial ratios	Consolidated		
	2016	2015	2014
• Debt to equity ratio (times)	0.88	0.85	0.91
• Gross profit (loss) margin (%)	(16.34%)	18.36%	20.33%
• Net profit (loss) margin (%)	(51.34%)	(2.43%)	(1.36%)
• Return on equity (%)	(23.99%)	(1.52%)	(0.71%)
• Return on total assets (%)	(12.86%)	(0.81%)	(0.47%)
• Earnings (loss) per share (Baht)	(0.51)	(0.04)	(0.02)
• Dividend per share (Baht) ** (please see note)	0.00	0.08	0.08
• Book value per share (Baht)	1.83	2.46	2.60

Note : ** Dividend:

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 32.08 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 32.08 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.

On April 27, 2015, the Annual General Shareholders Meeting of the Company approved to pay dividend to shareholders at a rate of 0.08 Baht per share, amounting to 42.78 Million Baht. The said dividend was paid to shareholders during 2014 - 2015.

On February 9, 2016, the meeting of the Board of Directors of the Company agreed to propose to the Annual General Shareholders Meeting 2016 on April 26, 2016 for considering to pay dividend for the 2015 operating year at a rate of 0.08 Baht per share. Totaling 42.83 million Baht.

On April 26, 2016, the Annual General Shareholders Meeting of the Company approved to pay dividend to shareholders at a rate of 0.08 Baht per share, amounting to 42.83 Million Baht. The said dividend was paid to shareholders in May 2016.

Dividend Payment Policy

The Company's 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.



Nation

Chairman's Statement

2017 is a year in which Thailand's television business both in the digital terrestrial system, which has been officially broadcast since April 2014, and the conventional analogue mode, is facing intense competition from emerging social media. Nation Group, particularly its subsidiary Nation TV, has foreseen this situation, and has fine-tuned its operations in accordance with the changing trend, with its highly-capable personnel, advanced technology and professional "newsmen" who have amassed years of journalistic experience. These crucial factors, aside from its multimedia synergy in which print, broadcasting, online and social media are fully integrated, will greatly contribute to Nation Group's readiness to maintain its leadership in the media industry.

Over the years, Nation TV has placed heavy emphasis on efforts to expand its audience base through the second screen on all platforms, which accordingly increased its first-screen viewers. Most of the channel's programs are now broadcast via Facebook Live in parallel, allowing it to acquire weekly audiences of around 30,000-50,000 per live or repeat program. Nation TV Facebook also garnered a total of some 6 million 'Likes' from all of its programs and had a total of 5 million Twitter followers for the channel's account and those of its 300 field reporters. Nation TV Channel 22's www.nationtv.tv website has become the number one TV website, with an average

audience of 250,000-300,000 per day and a total of 2 million UIP per month.

Nation TV's program adjustment under the 'Nation Beyond News' concept in 2016 significantly boosted the number of its viewers. Compared to the year 2015, the channel's viewer numbers in 2016 rose by over 50 percent, with average viewers of 60,000 per minute, increasing from 40,000 in the previous year. This has reaffirmed its positioning as the country's number one news station for three consecutive years, an extended achievement to its status as the most popular news station on satellite TV for 13 years. The channel currently attracts viewers and holds ratings double in number to the nearest competitor. In December 2016, it held an audience share of 31.62 percent, compared to the second most popular news station channel with 19.13 percent. In terms of digital TV's audience coverage, Nation TV reaches around 3.6 million viewers, while the second most popular news station channel can access 2.64 million viewers per day, a gap of almost 1 million viewers.

In 2017, NBC Next Vision Co., Ltd., licensor of Nation TV Channel 22, is preparing new programs covering news and lifestyle, produced by both the channel itself and its content partners. The new programs, which are both educational and entertaining, have been introduced to diversify the channel's program content. Nation TV's

greater number of viewers, exceeding 3.6 million First Screen viewers and with over 10 million viewers across all social media platforms, will enable the channel to generate income from new sources, instead of being dependent solely on advertising sales as in the past. The channel will enjoy new business opportunities in the forms of e-commerce and online advertising on its platforms, in addition to existing advertising sales. This will help promote more effective sales, rather than just building brand awareness. Simultaneously, Nation TV continues to organize the 4th “Nation Bike” activity, which has become a symbol of the channel and has played a part in broadening the audience base, as well as generating additional income. The channel plans to hold various activities and seminars this year. With an anticipated brighter business climate in 2017, due to implementation of several state-funded mega projects, Nation TV expects to record better performance this year.

As for the radio business, Nation Broadcasting Corporation Public Company Limited (NBC) has managed to widen its audience base for Nation Radio. NBC currently operates two radio stations including Krom Karn Palang-ngarn Taharn Radio FM.90.5 and Kor Sor Tor Bor Radio FM.102, which are also available online and on application. It has partnered with its business alliances to increase listener numbers in many fast-growing major provinces. This year, NBC will join hands with a lifestyle and sporting business group to further add to audience numbers and to seek new business opportunities.

In 2017, NBC is determined to strictly observe its Corporate Governance Policy, emphasizing transparent management, responsibility to stakeholders and Corporate Social Responsibility (CSR). As well, it will remain committed to delivering trustworthy and unbiased news and coverage for its viewers.

The NBC board has stipulated that the company’s Corporate Governance Policy, together with its code of conduct manual, and its compliance to the policy must be reviewed at least once a year. All of these are to be communicated to the company’s Board of Directors and employees to be used for reference purposes and to ensure strict compliance.



Thepchai Sae Yong
Chairman



Board of Directors



01



02



03



04



05

- 01 Mr. Thepchai Sae-Yong
- 02 Mr. Supong Limtanakool
- 03 Mr. Metha Soonthornjit
- 04 Mr. Jessada Promjart
- 05 Mrs. Veerawan Vararuth

Board of Directors

06



06 Mr. Supawat Sa-nguan-ngam

07 Mrs. Nongnat Hanwilai

08 Mrs. Lakana Ratwongsakul

09 Mr. Supoth Piansiri

10 Mr. Sirichai Chananam

07



08



09



10



The Audit Committee

02



01

03

01 Mr. Supong Limtanakool

02 Mr. Metha Soonthornjit

03 Mr. Jessada Promjart

Board of Directors



Mr. Thepchai Sae Yong

Position Chairman
Age 61 years

Qualification

- Assumption Commercial College (ACC)

Training Course (s)

- Director Certification Program (DCP 177/2013), Thai Institute of Directors Association
- Thailand Energy Academy (TEA 5/2014) - Energy Literacy for The World #15, Thailand Energy Academy

Training Course (s) 2016

- None

No. of Shares Held as at October 27, 2016

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

Relationship with NBC's Executive

- None

Experience

- Dec 23, 2016 - Present Chairman
Nation Broadcasting Corporation Plc.
- 2013 - Present Director
Nation Broadcasting Corporation Plc.

Director of other listed company

- 2016 - Present Chairman
Nation International Edutainment Plc.
- 2016 - Present Chairman and Chief Executive Officer - Nation Multimedia Group Plc.
- 2012 - Present Group Editor
Nation Multimedia Group Plc.

Director of other non - listed company

- 2012 - Present Director
Nation News Network Co., Ltd.

Director of a competing company or a related business company

- None

Year of Directorship

3 years 8 months (Appointed as a director since April 24, 2013)

The Meeting Attendance / Meeting held (Frequency)

- Board of Directors 4/6
- Annual General Meeting of Shareholders 0/1
- Extraordinary General Meeting of Shareholders 1/1



Mr. Supong Limtanakool

Position Independent Director and
Chairman of The Audit Committee

Age 64 years

Qualification

- 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)

- Director Certification Program (DCP 99/2008), Thai Institute of Directors Association

Training Course (s) 2016

- None

No. of Shares Held as at October 27, 2016

- Mr.Supong Limtanakool - shares
- Spouse (Mrs.Ubonrat Limtanakool) - shares
- Minor child - shares

Relationship with NBC's Executive

- None

Experience

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.

Director of other non - listed company

2012 - Present Director - Thai Tinplate MFG Co., LTD.
2009 - Present Vice President for External Affairs
Bangkok University
2007 Subcommittee of taxi and limousine
audit Savarnabhumi Airport
2007 Constitution Drafting Assembly Expert
2007 Subcommittee of Universiade International
University Sports
2006 - 2008 The National Legislative Assembly
Expert

Director of a competing company or a related business company

- None

Year of Directorship

7 years 9 months (Appointed as a director since March 12, 2009)

The Meeting Attendance / Meeting held (Frequency)

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

Board of Directors



Mr. Metha Soonthornjit

Position Independent Director and
Member of The Audit Committee

Age 56 years

Qualification

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

Training Course (s)

- Director Certification Program (DCP 118/2009), Thai Institute of Directors Association

Training Course (s) 2016

- None

No. of Shares Held as at October 27, 2016

- Mr. Metha Soonthornjit - shares
- Spouse - shares
- Minor child - shares

Relationship with NBC's Executive

- None

Experience

2009 - Present Member of The Audit Committee
Nation Broadcasting Corporation Plc.

Director of other listed company

- None

Director of other non - listed company

2012 - Present Manager Law Consulting Office
Lawman & Maytha

2005 - 2012 Manager - Lawman Standard Co., Ltd.

2003 - 2004 Managing Director
Lawman Standard Co., Ltd.

Director of a competing company or a related business company

- None

Year of Directorship

7 years 9 months (Appointed as a director since March 12, 2009)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors 6/6

Audit Committee 3/4

Annual General Meeting of Shareholders 1/1

Extraordinary General Meeting of Shareholders 1/1



Mr. Jessada Promjart

Position Independent Director and
Member of The Audit Committee

Age 55 years

Qualification

- Master's degree (Accounting) Thammasat University
- Bachelor's degree (Accounting) Thammasat University

Training Course (s)

- Director Certification Program (DCP#45/2004), Thai Institute of Directors Association
- Company Secretary Program (CSP#7/2004), Thai Institute of Directors Association
- Executive Development Program (EDP#9/2012), Thai Listed Companies Association
- Advanced Management Strategies for the Prevention and Suppression (Class 1), Office of the National Anti-Corruption Commission
- Public Administration and Law for Executives (Class 12), King Prajadhipok's Institute

Training Course (s) 2016

- Ethical Leadership Program (ELP#5/2016), Thai Institute of Directors Association
- Public Director Certification Program (Class 14), King Prajadhipok's Institute

No. of Shares Held as at October 27, 2016

- | | | |
|------------------------|---|--------|
| • Mr. Jessada Promjart | - | shares |
| • Spouse | - | shares |
| • Minor child | - | shares |

Relationship with NBC's Executive

- None

Experience

2015 - Present Independent Director and Member of The Audit Committee - Nation Broadcasting Corporation Plc.

Director of other listed company

Mar 2016 - Present Independent Director and Member of The Audit Committee - IRPC Plc.

2014 - Present	Director - Chu Kai Plc.
2014 - May 2016	Chief Executive Officer - Chu Kai Plc.
2011 - 2012	Director - True Corporation Plc.
2009 - 2014	Executive Vice President and Chief Financial Officer - MCOT Plc.
2008 - 2014	Independent Director and Member of The Audit Committee - Chu Kai Plc.

Director of other non - listed company

Dec 2016 - Present	Director and Audit Committee Expressway Authority of Thailand
2015 - Present	Director and Audit Committee Government Saving Bank
2015 - May 2016	Audit Committee and Advisor to Executive Committee - Chulabhorn Hospital
2014- Jun 2016	Director - The Crane Services Co., Ltd. / The Crane Laem Chabang Co., Ltd./ The Crane Rayong Co., Ltd. / The Crane Heavy Lift Co., Ltd.
2014	Director and Vice Chairman Seed MCOT Co., Ltd.

Director of a competing company or a related business company

- None

Year of Directorship

1 year 8 months (Appointed as a director since April 27, 2015)

The Meeting Attendance / Meeting held (Frequency)

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

Board of Directors



Mrs. Veerawan Vararuth

Position Independent Director
Age 67 years

Qualification

- Master's Degree, Instructional Media Technology, Central Missouri State, U.S.A.
- Bachelor's Degree, Bachelor of Arts, Chulakongkorn University
- Miini MBA from Kasetsart University
- Higher Executive Course from the Office of the National Civil Commission
- Higher Executive Course of Justice Process of the National Justice College, Ministry of Justice

Training Course (s) 2016 :

- Taking part in the Laureate Code of Conduct and Ethics Course on September 28, 2016
- Attending Anti-Corruption, Fraud Prevention and Conflict of Interest by Mark Snyderman, Chief Ethics and Compliance Officer of Laureate on October 28, 2016

No. of Shares Held as at October 27, 2016

- | | | |
|--------------------------|---|--------|
| • Mrs. Veerawan Vararuth | - | shares |
| • Spouse | - | shares |
| • Minor child | - | shares |

Relationship with NBC's Executive

- None

Experience (5 years past experiences)

- | | |
|------------------------|--|
| Dec 23, 2016 - Present | Independent Director
Nation Broadcasting Corporation Plc. |
| Jun 2015 - Present | Dean of Communication Arts and Design
Stamford International University |
| Oct 2009 - Jun 2015 | Dean of Liberal Arts
Stamford International University |

Director of other listed company

- None

Director of other non - listed company

- None

Director of a competing company or a related business company

- None

Year of Directorship

9 days (Appointed as a director since December 23, 2016)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	1/6
Annual General Meeting of Shareholders	0/1
Extraordinary General Meeting of Shareholders	0/1



Mr. Supawat Sa-nguan-ngam

Position Director
Age 43 years

Qualification

- MBA., Nation University

Training Course (s) 2016

- None

No. of Shares Held as at October 27, 2016

- | | | |
|-----------------------------|---|--------|
| • Mr. Supawat Sa-nguan-ngam | - | shares |
| • Spouse | - | shares |
| • Minor child | - | shares |

Relationship with NBC's Executive

- None

Experience

Dec 23, 2016 - Present	Director / Managing Director Nation Broadcasting Corporation Plc.
2015 - Dec 22, 2016	Senior Vice President - Support Nation Broadcasting Corporation Plc.
2012 - 2014	Assistant Vice President - Accounting Nation Broadcasting Corporation Plc.

Director of other listed company

2016 - Present	Director Nation Multimedia Group Plc.
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Director of other non - listed company

- None

Director of a competing company or a related business company

- None

Year of Directorship

9 days (Appointed as a director since December 23, 2016)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	1/6
Annual General Meeting of Shareholders	0/1
Extraordinary General Meeting of Shareholders	0/1

Board of Directors



Mrs. Nongnat Hanwilai

Position Director
Age 54 years

Qualification

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

Training Course (s) 2016

- None

No. of Shares Held as at October 27, 2016

- | | | |
|-------------------------|--------|----------------|
| • Mrs. Nongnat Hanwilai | 30,000 | shares (0.01%) |
| • Spouse | - | shares |
| • Minor child | - | shares |

Relationship with NBC's Executive

- None

Experience

Dec 23, 2016 - Present	Director Nation Broadcasting Corporation Plc.
2010 - Present	Senior Vice President Organization Strategy & CSR Nation Broadcasting Corporation Plc.

Director of other listed company

- None

Director of other non - listed company

- None

Director of a competing company or a related business company

- None

Year of Directorship

9 days (Appointed as a director since December 23, 2016)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors	1/6
Annual General Meeting of Shareholders	0/1
Extraordinary General Meeting of Shareholders	0/1



Mrs. Lakana Ratwongsakul

Position Director
Age 53 years

Qualification

- B.A. Economics, Ramkhamhaeng University

Training Course

- Directors Certification Program (DCP # 124/2009)
Thai Institute of Directors Association

Training Course (s) 2016

- None

No. of Shares Held as at October 27, 2016

- Mrs. Lakana Ratwongsakul 1 shares (0.00%)
- Spouse (Mr. Kanok Ratwongsakul) - shares
- Minor child - shares

Relationship with NBC's Executive

- Mr.Kanok Ratwongsakul's wife

Experience

Dec 23, 2016 - Present Director
Nation Broadcasting Corporation Plc.
2015 - Present Senior Vice President - Support
Nation Broadcasting Corporation Plc.
2010 - 2014 Vice President - Support
Nation Broadcasting Corporation Plc.

Director of other listed company

- None

Director of other non - listed company

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

Director of a competing company or a related business company

- None

Year of Directorship

9 days (Appointed as a director since December 23, 2016)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors 1/6
Annual General Meeting of Shareholders 0/1
Extraordinary General Meeting of Shareholders 0/1

Board of Directors



Mr. Supoth Piansiri

Position Director
Age 48 years

Qualification

- Bachelor of Accounting (Auditing) 2nd honor, University of the Thai Chamber of Commerce

Training Course (s)

- The 7 Habits of Highly Effective People, Affiliate Pac Rim Group
- Strategy Management Program # 1/2011, Faculty of Commerce and Accountancy, Chulalongkorn University
- Directors Certification Program (DCP) # 150/2011, Thai Institute of Directors
- CFO Current Issues for 2015, Federation of Accounting Professions of Thailand

Training Course (s) 2016

- Update Thai Accounting Standards (TAS) 12, Income Taxes (Revolution of 2014)
- Preparation of Cash Flow (practice)
- Understanding the TFRS9, TAS32, TFRS7, TFRIC16 and TFRIC19. No.2/2016, Federation of Accounting Professions of Thailand

No. of Shares Held as at October 27, 2016

- | | | |
|-----------------------|--------|----------------|
| • Mr. Supoth Piansiri | 20,100 | shares (0.00%) |
| • Spouse | - | shares |
| • Minor child | - | shares |

Relationship with NBC's Executive

- None

Experience

- | | |
|----------------|--------------------------------------|
| 2016 - Present | Director |
| | Nation Broadcasting Corporation Plc. |
| 2012 - Present | Senior Vice President - Accounting |
| | Nation Multimedia Group Plc. |

Director of other listed company

- | | | |
|----------------|----------|---------------------------------------|
| 2016 - Present | Director | Nation Multimedia Group Plc. |
| 2016 - Present | Director | Nation International Edutainment Plc. |

Director of other non - listed company

- | | |
|----------------|--|
| 2016 - Present | Director - NML Co., Ltd. |
| 2016 - Present | Director - Nation U Co., Ltd. |
| 2015 - Present | Honorary Member - Nation University |
| 2014 - Present | Director |
| | Nation Global Edutainment Co., Ltd. |
| 2014 - Present | Vice - Rector for Administration |
| | Nation University |
| 2014 - Present | Director - Yomiuri |
| | Nation Information Service Co., Ltd. |
| 2013 - Present | Director - WPS (Thailand) Co., Ltd. |
| 2012 - Present | Director |
| | Bangkok Business Broadcasting Co., Ltd. |
| 2010 - Present | Director - Krungthep Turakij Media Co., Ltd. |
| 2010 - Present | Director - Kom Chad Luek Media Co., Ltd. |
| 2014 - 2016 | Director - Nation Kids Co., Ltd. |
| 2014 - 2016 | Director - Nation Edutainment Co., Ltd. |

Director of a competing company or a related business company

- None

Year of Directorship

9 days (Appointed as a director since December 23, 2016)

The Meeting Attendance / Meeting held (Frequency)

- | | |
|---|-----|
| Board of Directors | 1/6 |
| Annual General Meeting of Shareholders | 0/1 |
| Extraordinary General Meeting of Shareholders | 0/1 |



Mr. Sirichai Chananam

Position Director
Age 47 years

Qualification

- Master degree of Accounting, Faculty of Commerce and Accountancy, Chulalongkorn University
- Bachelor degree of Accounting, Faculty of Commerce and Accountancy, Thammasart University

Training Course (s) 2016

- None

No. of Shares Held as at October 27, 2016

- Mr. Sirichai Chananam - shares
- Spouse - shares
- Minor child - shares

Relationship with NBC's Executive

- None

Experience

Dec 23, 2016 - Present Director
Nation Broadcasting Corporation Plc.

Director of other listed company

2016 - Present Director
Nation Multimedia Group Plc.
2015 - Present Assistant Senior Vice President-
Accounting
Nation Multimedia Group Plc.

Director of other non - listed company

Present Director
Compass Audit Co., Ltd.
Present Director
Peare-Non Cable Net Co., Ltd.

Director of a competing company or a related business company

- None

Year of Directorship

9 days (Appointed as a director since December 23, 2016)

The Meeting Attendance / Meeting held (Frequency)

Board of Directors 1/6
Annual General Meeting of Shareholders 0/1
Extraordinary General Meeting of Shareholders 0/1

Management Team



Mr. Supawat Sa-nguan-ngam

Position Managing Director
Age 43 years

Qualification

- MBA., Nation University

Training Course (s) 2016

- None

No. of Shares Held as at October 27, 2016

- Mr. Supawat Sa-nguan-ngam - shares
- Spouse - shares
- Minor child - shares

Relationship with NBC's Executive

- None

Experience

Dec 23, 2016 - Present	Director / Managing Director Nation Broadcasting Corporation Plc.
2015 - Dec 22, 2016	Senior Vice President - Support Nation Broadcasting Corporation Plc.
2012 - 2014	Assistant Vice President - Accounting Nation Broadcasting Corporation Plc.

Director of other listed company

2016 - Present	Director Nation Multimedia Group Plc.
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Director of other non - listed company

- None

Director of a competing company or a related business company

- None



Mrs. Nongnat Hanwilai

Position Senior Vice President
Organization Strategy & CSR

Age 54 years

Qualification

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

Training Course (s) 2016

- None

No. of Shares Held as at October 27, 2016

- | | | |
|-------------------------|--------|----------------|
| • Mrs. Nongnat Hanwilai | 30,000 | shares (0.01%) |
| • Spouse | - | shares |
| • Minor child | - | shares |

Relationship with NBC's Executive

- None

Experience

Dec 23, 2016 - Present	Director Nation Broadcasting Corporation Plc.
2010 - Present	Senior Vice President Organization Strategy & CSR Nation Broadcasting Corporation Plc.

Director of other listed company

- None

Director of other non - listed company

- None

Director of a competing company or a related business company

- None

Management Team



Mr. Kanok Ratwongsakul

Position Senior Vice President
Reporter
Age 53 years

Qualification

- B.A. Journalism and Mass Communication, Thammasat University

Training Course (s) 2016

- None

No. of Shares Held as at October 27, 2016

- Mr. Kanok Ratwongsakul - shares
- Spouse (Mrs. Lakana Ratwongsakul) 1 shares (0.00%)
- Minor child - shares

Relationship with NBC's Executive

- Mrs. Lakana Ratwongsakul's husband

Experience

- 2010 - Present Senior Vice President - Reporter
Nation Broadcasting Corporation Plc.

Director of other listed company

- None

Director of other non - listed company

- None

Director of a competing company or a related business company

- None



Ms. Chamaiporn Kongpech

Position Senior Vice President
Radio & Event

Age 56 years

Qualification

- M.A. Applied Sociology, Kasetsart University

Training Course (s) 2016

- None

No. of Shares Held as at October 27, 2016

- | | | |
|----------------------------|--------|----------------|
| • Miss Chamaiporn Kongpech | 41,636 | shares (0.01%) |
| • Spouse | - | shares |
| • Minor child | - | shares |

Relationship with NBC's Executive

- None

Experience

- 2010 - Present Senior Vice President - Radio & Event
Nation Broadcasting Corporation Plc.

Director of other listed company

- None

Director of other non - listed company

- None

Director of a competing company or a related business company

- None

Management Team



Mr. Weerasak Phongaksorn

Position Executive Editor
Television News

Age 51 years

Qualification

- B.A. Political Science, Ramkhamhaeng University

Director of other listed company

- None

Training Course (s) 2016

- None

Director of other non – listed company

- None

No. of Shares Held as at October 27, 2016

- Mr.Weerasak Phongaksorn - shares
- Spouse - shares
- Minor child - shares

Director of a competing company or a related business company

- None

Relationship with NBC's Executive

- None

Experience

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



Ms. Patchara Chaiwong

Position Senior Vice President
Advertising

Age 54 years

Qualification

- B.B.A, Ramkhamhaeng University

Director of other listed company

- None

Training Course (s) 2016

- None

Director of other non – listed company

- None

No. of Shares Held as at October 27, 2016

- Miss Patchara Chaiwong 12,000 shares (0.00%)
- Spouse - shares
- Minor child - shares

Director of a competing company or a related business company

- None

Relationship with NBC's Executive

- None

Experience

- 2015 - Present Senior Vice President - Advertising
Nation Broadcasting Corporation Plc.
- 2005 - 2015 Vice President - Advertising
Nation Broadcasting Corporation Plc.

Management Team



Mrs. Lakana Ratwongsakul

Position Senior Vice President – Support
Age 53 years

Qualification

- B.A. Economics, Ramkhamhaeng University

Training Course

- Directors Certification Program (DCP # 124/2009), Thai Institute of Directors Association

Training Course (s) 2016

- None

No. of Shares Held as at October 27, 2016

- | | |
|-----------------------------------|------------------|
| • Mrs. Lakana Ratwongsakul | 1 shares (0.00%) |
| • Spouse (Mr. Kanok Ratwongsakul) | - shares |
| • Minor child | - shares |

Relationship with NBC's Executive

- Mr.Kanok Ratwongsakul's wife

Experience

- | | |
|------------------------|---|
| Dec 23, 2016 - Present | Director
Nation Broadcasting Corporation Plc. |
| 2015 - Present | Senior Vice President - Support
Nation Broadcasting Corporation Plc. |
| 2010 - 2014 | Vice President - Support
Nation Broadcasting Corporation Plc. |

Director of other listed company

- None

Director of other non – listed company

- | | |
|----------------|--------------------------------------|
| 2012 - Present | Director - NBC Next Media Co., Ltd. |
| 2012 - Present | Director - NBC Next Vision Co., Ltd. |

Director of a competing company or a related business company

- None



Mrs. Suwannee Wacharapasakorn

Position Senior Finance Manager
Age 49 years

Qualification

- BBA, Accounting, Srinakharinwirot University

Director of other listed company

- None

Training Course (s) 2016

- None

Director of other non – listed company

- None

No. of Shares Held as at October 27, 2016

- Mrs. Suwannee Wacharapasakorn - shares
- Spouse - shares
- Minor child - shares

Director of a competing company or a related business company

- None

Relationship with NBC's Executive

- None

Experience

2012 - Present Senior Finance Manager
Nation Broadcasting Corporation Plc.

Management Team



Ms. Wipaporn Unsook

Position Senior Accounting Manager
Age 41 years

Qualification

- MBA., Kasetsart University

Training Course (s) 2016

- None

No. of Shares Held as at October 27, 2016

- Miss Wipaporn Unsook 2,000 shares (0.00%)
- Spouse - shares
- Minor child - shares

Relationship with NBC's Executive

- None

Experience

2016 - Present Senior Accounting Manager
Nation Broadcasting Corporation Plc.
2013 - 2015 Accounting Manager
Nation Broadcasting Corporation Plc.

Director of other listed company

- None

Director of other non - listed company

- None

Director of a competing company or a related business company

- None



บริษัท เนชั่น บรอดแคสติ้ง คอร์ปอเรชั่น จำกัด (มหาชน)
Nation Broadcasting Corporation

Business Company Structure 2016





Product and Services


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. The company has administrated the digital terrestrial television stations fully after having been approved by the NBTC.

Channel	Concept	Distribution
<p>1. Nation TV broadcasted since year 2014</p> 	<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 22 • Local TV cable • www.nationtv.tv • All network mobile phones • Application on IOS and Android

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 2016, the company has two TV programs co-produced with free TV on channels as follows:

Channel	Program	Concept	ON AIR
Channel 3	Reung Den Yen Nee	Daily news report or talk of town news report	MON-SUN 15.45-17.00 P.M.
Channel 9	Ying Tok Kanok Sak	Thailands' frist entertainment program, "Situation Talk"	MON-FRI 18.20-18.50 P.M.

3) Relating Businesses

In 2016, the company continued to implement its business policy; 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
Organizing special activities	<ul style="list-style-type: none">• National-level seminar on 10 Special Economic Zones, a Golden Opportunity for the AEC to enhance trade and investment and drive the economy.• Nation Bike Thailand 2016, encouraging cyclists nationwide to transform Thailand into a country for cycling. Now in its third year.

Radio Broadcasting Business

Products and services of radio broadcasting business

The company together with its business partners, has produced programmes to broadcast on radio station for 25 years with revenue generated from advertising. In 2015, the NBC is a co-producer of programmes and news broadcasted on two FM radio stations and.

F.M.90.5 MHz. (Defense Energy Dept Radio Station) under the name "News 90.5" focuses on hourly newsbreak, economic news in middle hour, and radio programmes which report the news of interesting events; including political, economic, social, international, marketing news, and the in-depth analysis of significant news, as well as interviews with people in the news. The programmes are emceed by the Nation TV popular professional moderators and specialists.

F.M.102 MHz. (Military Transportation Dept Radio Station) under the name "Nation Business Radio" produces content of knowledge, economic and political and social movements among working people in the fashion of lifestyle variety that are expected to be beneficial to the daily life of people of working age and higher, emceed by the professional moderators and specialists.

Radio Station	Airtime/ Radius	Content	Target Audience
F.M. 90.5 MHz	<p>Monday - Friday 07.30 - 12.00 a.m. 13.00 - 17.00 p.m. 19.30 - 20.00 p.m.</p> <p>Saturday 05.00 - 06.00 a.m. 19.30 - 20.00 p.m.</p> <p>Radius: Bangkok and its vicinity, Ayutthaya, Ratchaburi, Phetchaburi, SuphanBuri, Chachoengsao, SamutSongkhram.</p>	<ul style="list-style-type: none"> • Report the interesting event movement; including political, economic, social, marketing, and international, in-depth analysis of news, interviews with key people in the news. • Report newsbreak and events of interest. • Report business newsbreak of interest at the middle hour • Summarize sports news from around the world. • Talk about physical and mental health and secrets of self-care, beauty, foods and the interesting event movement in society • Emceed by the Nation TV radio station in its affiliates and specialists. 	Businessmen, executives, workers, students and the general public aged 25 years up
F.M.102.0 MHz	<p>Monday - Sunday 08.00 a.m. - 23.00 p.m. Bangkok and its vicinity</p>	<ul style="list-style-type: none"> • News and knowledge in the fashion of lifestyle variety that is beneficial to daily life of the people • Emceed by the Nation TV radio station moderator, editors in the affiliates and specialists. 	Working groups aged 25 years up

Channels and Nation Radio Programmes

In addition to radio broadcasting, the news is broadcasted through the F.M. 90.5 MHz and F.M. 102.0 MHz radio station via the various new media to increase channels for the audiences to listen to the radio more easily as well as the format of retro-listening.

- Broadcast on the Internet - listens via the website. www.nationradio.co.th, and via other websites linked, i.e. www.sanook.com
- Broadcast on Mobile Phone, Smart Phone, Window Phone and through social media such as Twitter, Facebook www.twitter.com/NTRadio_NBC , www.facebook.com/radio.nbc.

New Media Business

The Company has been in effort to surmount the products and services in the information dissemination through new media constantly; it includes through websites and mobile devices such as cell phones, smart phones, tablets, smart TVs to accommodate the changing patterns of information receiving of the modern people. Through media channels and development of the new presentation of information in the innovative ways to keep up with advance technology as well as support for digital TV to enhance the new and different watching experience to the consumers, for examples, viewing programmes from all channels continuously, advertising campaigns on other websites for the customers who want to advertise by which the company serves as agency in getting a contact and carrying out the ad campaigns.

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 2016, the company's websites include the following.

Website Name	Format
www.nationtv.tv	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 F.M. 90.5 MHz and F.M. 102 MHz radio programs
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 2016, 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 that exposes the public to take part in the presentation of information, including the preparation of the ad campaign on other website for those clients who want to advertise; the company serves as agent in the liaison to the respective ad campaign.
- Facebook, Youtube, Instagram : conducting ad campaigns for customers through online media aforesaid.
- Manage Influencer : administration of Online Influencer in the presentation of products to other products.

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 2016, the company provides content through mobile devices, for example mobile phone, smart phone, and tablet as follow.

SMS (Short Message 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 subscription, and gains revenue sharing from SMS of the partners' services which the company serves as marketing representative.

In 2016, SMS service of the company 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
Nation Oil Alert	Update on oil price; rising-falling immediately when changes occur.	1 Baht/SMS



Industry conditions and competition

TV media business : the year of adaptation

The year 2016 was considered the year of the intense competition in the television media. Amidst the economic slowdown, TV ad pending was negative 18 percent and 3 percent for the digital TV, including several operators; 24 digital TV channels, satellite TV, cable TV and on online TV platforms.

Reaching to the third year of the digital TV business, it has to be heavily adaptive following the year 2015; the operators announced ceasing its broadcasting on two channels; Thai TV Channel and LOCA Channel, thereby resulting that the National Broadcasting and Telecommunication Commission (NBCT) decided to revoke the licenses for Thai TV Channel and LOCA Channel, effective from February 4, 2016, and required that they are obliged to pay the outstanding auction amount of 1.6 billion Baht within 30 days.

The digital TV operators of the remaining 22 channels continue going forward with its efforts to develop the corresponding content in meeting the needs of the audience,

develop the strengths and branding of the channel in the more distinctive way; including news channel, variety channel, HD channels, and children's channel.

However, with the limited funds, the revenue generated from advertising has not reached the target. The cost of licenses for digital TV continues moving onward under the contract and it is burdensome for all TV operators, leading to the rumors on several channels of takeover, joint venture of the digital TV operators, and exposure to new entrepreneurs, including the adjustment in financial matters; together with the adaptation of its content production in responsiveness to the consumer need concurrently.

While TV operators must be adaptive, there included negative factors of overall advertising in 2016 with a decline of the total market value. In the media industry, a closing totaled of 1.07 billion Baht, negative up to 11.69% compared to the year 2015 where the media industry is worth 1.41 one hundred billion Baht with 3.5% growth.

Overall negative 11 % advertising 2016

According to the Nielsen Company (Thailand) Limited, the reported advertising budget in 2016 was worth 107,896 million baht, negative 11.69% overall. The media business with the reported the negative figures included analog TV at worth 47,121 million Baht, negative 17.92%, digital TV at worth 20,393 million Baht, negative 2.57%, cable / satellite TV at worth 3,495 million Baht, negative 42.28%, radio advertising at worth 5,262 million Baht, negative 7.28%, newspapers at worth 9,843 million baht, negative

20.12%, negative and magazines at worth 2,929 million Baht, negative 31.37%.

The growing media business includes the cinema advertising at worth 5,445 million Baht, grew by 6.08%, billboards at worth 5,665 million Baht, grew by 35.20%, mobile media (transit) at worth 5,311 million Baht, grew by 18.39%, in-store media at worth 700 million Baht, grew by 8.53% and the Internet at worth 1,731 million Baht, grew by 63.61%.

Overall Advertising Spending 2016

Category	Worth/Million Baht	Change in Percent (Compared to the year 2015)
Analog TV	47,121	-17.92%
Digital TV	20,393	-2.57%
Cable/Satellite TV	3,495	-42.28%
Radio	5,262	-7.28%
Newspapers	9,843	-20.12%
Magazines	2,929	-31.37%
Cinema Ad	5,445	6.08%
Billboards	5,665	35.20%
Mobile media	5,311	18.39%
In-store media	700	8.53%
Internet	1,731	63.61%

Source : Nielsen (Thailand)

Media advertisement spending for December 2016, compared to the period in 2015, was worth 9,552 million Baht, negative 2.82%, regarded as the best rate of decline for the quarter of the last four years, compared to October ; worth 5,616 million Baht, negative 45.18%, and November at worth 42.66 million Baht, negative 42.66%

Triluj Nawamarat, the President of the MAAT, revealed that the advertising industry in December 2016 indicated a tendency of the recovery as resulted of the return of the ad spending for products during the festival following its slowdown during October and November 2016.



Source : Nielsen (Thailand)

The MAAT estimates that in 2017 the economy will gradually recover as resulted from the economic stimulation policies by the government. With various projects and the relief of the political situation, the companies will resume spending more on advertising budget, thereby resulting in the growing advertising industry by 3-5% in the line with GDP.

The declined figures of the ad spending reflected the market dynamic, particularly during October - November 2016, it reported up to negative 40% by the Nielsen. The potential factors affecting the sharp reduction in ad spending partly have resulted in the death of the King Bhumibol; the presentation of the media has been adjusted during the offers of the

mournfulness, thereby resulted in the suspended ad spending and the traditional advertising market throughout the fourth quarter 2016 was subdued.

However, Pattamawan Sathaporn, Managing Director of Mindshare Agency, a network of marketing and communications, cited that the ad spending figures for December 2016 were more likely promising, compared to that of October - November 2016. The market atmosphere gradually recovered overall.

Although overall advertising value decreases, it's obvious that all types of TV media have still occupied the highest advertising share up 68%, increased to 66% from last year, because the "digital TV" audiences have increased and advertising cost has increased to hundred thousand Baht per a minute.

“Top 5” digital TV Channel increases price

In the past year 2016, the number of total TV audiences was 33.3 million people per a day, divided as follows; Free TV audiences of 27.1 million people, decreased from 30.6 million people/ a day, digital TV audiences of 24.9 million people, increased from 12 million people/ a day in 2014. Such a tendency, the proportion of the Free TV audiences on six major channels and digital TV audiences on 22 new channels are more approximate. Payao Dhamdhirasoonthorn, Head of Strategic Planning on TV Media Acquisition, Mindshare Thailand, revealed that to date, the number of digital TV viewers has increased constantly since the year 2014 broadcasting, resulting that the “Top 5” channels; including Workpoint, Mono, Channel 8, and Channel One announced a price increase of advertisement during prime time, with ratings increased by 10-20%, thereby resulting that digital TV ad spending in 2017 is expected to increase from 2 ten billion Baht in 2016 to 3 ten billion Baht, or a growth of approximate 48 percent.

Ad spending on the digital TV media of more than two ten billion Baht in 2016 has been distributed among the digital TV operators with Top 5 rating by up to 70% whereas the Free TV ad spending was worth 4.8 ten billion Baht; a growth of 2.3 percent. Channel 3 and Channel 7 have occupied approximate 85% advertising spending of the market.

Changes in TV business have become apparent,

consistent with the Kasikorn Research Center’s assessment, expecting that overall television industry in Thailand following a presence of the digital TV, the changes would affect the television industry as the whole. That is to say, the competition in the TV media industry has been more intense with the growing number of the newcomer operators. That Free TV provides 24 business service channels exposes the new relevant operators to enter the free TV where it is still a platform that dominates the greatest number of the viewers.

Major producers of TV programs with potential funding have an opportunity to become a service provider for TV programs, or even the entrepreneurs of other media such as newspapers, who want to adjust its business and entering the broadcasting industry will have the opportunity to auction for service business channels, resulting in the stiffer completion in TV media business.

Media industry has increasingly interlinked across multiple platforms as resulted in the emergence of many operators; especially from such media as press media business, thereby resulting in the change of the media business in more interlinked way across the multiple platforms, for examples, the same news on one TV program is distributed to the multiple media; including the digital TV, press, and mobile devices, etc.

Enhancing quality of TV business

An increasing demand for TV programs and the higher quality of the programs has emerged among the increasing number of Free TV channels and the growing number of service business channels; namely; the number of the Free TV channels has grown from 6 to 24 channels. Additionally, the NBTC’s requirements prescribe that the operators with winning bids are required to broadcast on the digital TV channel within 30 days after receiving a license. Consequently, the operators have to seek for the TV programs available to broadcast over-the-air or buy the copyrighted programs; whether be TV drama series, or variety from overseas, or outsource the domestic TV program producers, leading to the high growth potential of the TV programs at the initial phase of the transition to digital TV era.

The competition in the quality of TV content has been emerged to grab the audiences. With a rapid growth

of the cable TV and satellite TV industry, there have emerged more than 200 channels on cable TV and satellite TV. Following the emergency of the digital TV, the Free TV channels have increased to 24 channels, thereby resulted in the wider choices of viewing TV programs at individual’s interests. The same number of viewers are scattered to the different multiple TV platforms.

Kasikorn Research Center viewed that the audiences have an increased variety of choices to watch the television, leading to the completion in a quality of the TV programs. It’s expected that the digital TV programs would be innovative, distinctive, and higher in quality because the operators have to select TV content that is interesting and distinctive to capture the needs of the viewers and to draw a visual attention of the viewers as most as possible.

Opportunities for small entrepreneurs

The digital TV transition benefits the small entrepreneurs with potential and expertise in TV media business to compete in the Free TV media which has become intensive. Kasikorn Research Center expects that small TV media operators receiving the benefits during the transition to digital TV include the following.

TV programs production and its related business.

The increased number of the digital TV channels in 2014 is a major factor driving the growth by leaps and bounds of the TV programs production. As the broadcasting time has increased, the operators of the digital TV channels have to supply the adequate number of TV programs in meet the broadcasting.

It is a turning point that gives an opportunity for those small TV programs producers who once aimed at presenting its TV series on the cable and satellite TV platforms and entering the Free TV platform which the audience base has been still abundant. Because of the growing demand for TV programs feeding into the free TV channels, it opens the opportunities relating to TV programs production for

those small operators as well; including the rental of the studio, filming equipment, actor's clothing and image-editing business and special effects techniques, etc.

Advertising agency business and production house

The emergence of more than 24 free digital TV channels has revitalized the advertising industry on the free TV media. As the advertising time has increased and the rental of airtime which is expected to decrease as resulted of the increased number of the free TV channels, the new product owners and small same product owners which once were in concentration on the cable TV and satellite TV channels have more chances to advertise on the Free TV.

Upon the growing demand of advertising on the free TVmedia, the advertising agencies and other businesses like the production house, which have undertaken the film production and advertising graphics or special effects techniques and they are mainly a small business, have the opportunities to generate revenues from the growth of TV advertisement.

Average time spent on online video among multi-screen consumers now exceeds TV



Source : MINDSHARE

Positive impact on complete TV industry

Besides, it has a positive impact on the distribution of digital television receivers and the digital set-top box for the digital terrestrial TV watching. The consumers need either the built-in digital tuner (DBV-T2) or the set-top box. It is an opportunity for entrepreneurs as a supplier of digital TV receivers and the set-top box in responsiveness to the customer needs which is expected to be higher during the digital TV transition period.

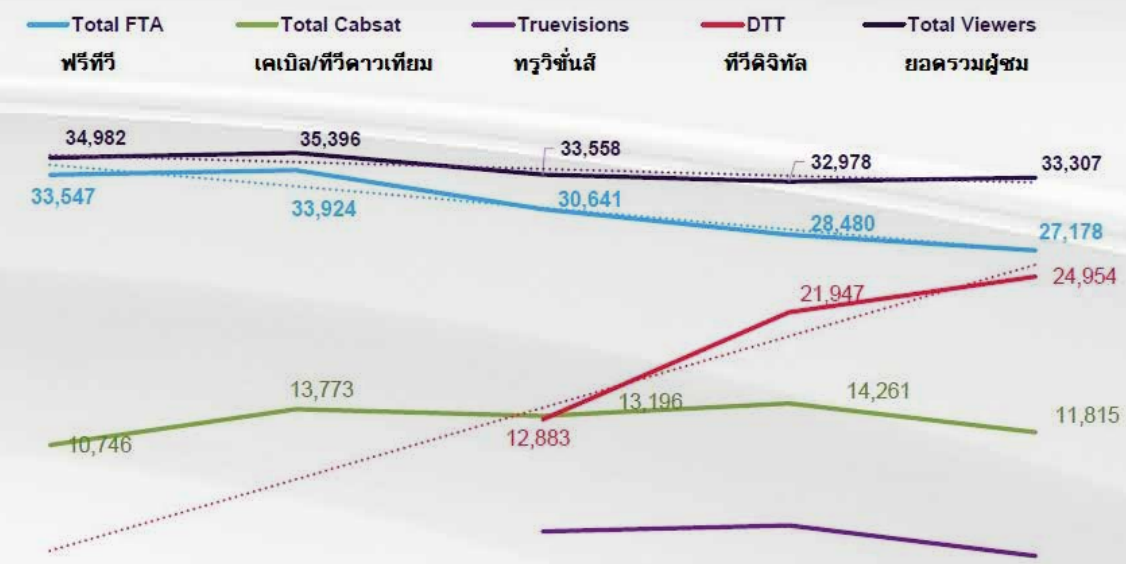
The National Broadcasting and Telecommunications Commissions (NBTC) have gradually provided the endorsed standard and allowed the distribution of the innovative televisions with the built-in digital tuner (DBV-T2) and the set-top box, thereby reassuring more consumers of purchase decision in TV receiver or the set-top box for watching television. Likewise, the operators as supplier can market to boost sales completely by means of discount coupons, long-term installment plan with no charge of the interest, or even the sale of the analog televisions together with the digital set-top boxes, in order

to release the old-fashioned televisions from the stocks

Besides, regarding TV home shopping business, the increasing number of the Free TV channels is considered a business opportunity for the TV home shopping operators adopting the TV media as an important marketing channel. Since these operators access to the channels to market its products through the TV programs or advertising spots in offering goods and services on free TV channels increasingly.

More than 60 percent consumers are likely watching the television through the Free TV. This increases the opportunities for consumers to view more frequently the TV programs or advertising spots with the offering of goods and services. With an increasing number of the free TV channels, the marketing through television media has been cheaper; so the small home shopping operators are more likely to do marketing through TV media.

33.3 million daily TV viewers, significant growth in digital channels



Source : MINDSHARE

Online media the second popular next to TV

While the online media has been growing with the expanded number of internet users, representing over 60% of the population presently consequently resulted that the TV and online media have been still the “mass media” to reach a wider range of consumers. With the maximum advertising budgets appropriated, the Executive of the Mindshare expects that the digital media will get ahead of the newspapers and a share of the advertising budget is expected to be secondary next to the television media by 2017.

Rattakorn Suebsook, M Group Trading Partners, media agency of communications and advertising, unveiled that M Group estimates the advertising industry for this year grows 10%; the highest ad spending and highest expansion sector is television media; a growth of 15 percent, online media; a growth of 25-30 percent, and outdoor media; a growth of 10-15 percent. TV media occupies the highest market shares of more than 60 percent, followed by online media and outdoor media.

The television media; including the original analog TV and new digital TV, and cable and satellite TV continue to dominate the highest ad spending. The original analog TV and new digital TV operators have envisioned a sign of recovery, and then they have a new investment in content; including drama series, variety shows, games shows, foreign films, and sports to expand the audience bases and to grab the advertising money.

Currently, digital TV channels with high ratings can increase price continuously. The Top 10 digital TV increases price an average of 15%. It's believed that channels with increased audiences would increase the price after then.

Amongst the continuously expanded number of the internet users, the future of television media is turned to focus on the online channel development and investment

increasingly from the present in which the content would be disseminated via the major digital platforms, YouTube, and Facebook, which a received share of the revenue from such channels is not so high. Meanwhile, content would draw the attention of the large audience at the similar level to the TV media, based on the consumer behavior of online media consumption and an increase in retro-watching.

In this same direction, the study of the Americans' TV audience behavior found that the proportion of live TV viewers or watching through TV screen represented 30 percent while the remaining reported watching TV through online media and retro-watching. It's believed that Thai TV audience behavior has been in line with the foreign countries as evidenced by the increased rate of the internet access. Thus, watching channels; whether be online channels, websites, apps and applications to support multi-screen viewing behaviors is likely to generate the revenues from the online advertising spending, which it is likely to grow by 20-30% per year.

In addition, the ad spending on products and brands includes the complete communication planning for both online and offline media. Currently, the portion of the advertising budget through online media for products and brands represents by 15-20 percent. However, the revenue from online advertising which TV media has received its share of the major digital advertising platforms is 5-10 percent.

Thus, since the online ad spending has increased, the TV media operators who own the content would not have been received the benefits perfectly. In the future, the TV operators have to focus on investment for the online platform to grow its audience bases.



Risk Factors

TV media industry

TV media industry in 2016 has been still in the transitional period from analog TV to digital TV broadcasting and watching; where currently 22 channels have been in its operation, decreased from the first auction of 24 channels, because the operators of two channels failed to continue its operation and closed down by the end of the year 2015.

Throughout the year 2016, a total of 22 digital TV channels have been moving forward the development of the content and marketing activities and building the recognition to the public audience constantly. With a promising confidence of the growth and expansion of the TV media business by new segmentations of the audiences and the groups of audiences clearly, the digital TV industry condition has been supposed to be rested on the possible opportunities in the audience groups.

Regardless of the segmentation and groups of the audiences, there remains the risk of the business operation. Amidst the fierce competition in both the digital TV and analog TV, including the new media which have been invading into the heart of the new generation consumers, especially the digital native, the generation born in the digital age, aged in the range of 14-24 years with the highest access to the internet currently. (Source: A survey of the growing up as digital native, conducted by the

Mindshare Media, the world-class media agency)

Meanwhile, the entire operators have concentrated on developing the content to sustain the original audience and to expand new audience base through the attractive creativity and the responsiveness of increased ratings with the improved quality of content. In the past year, the operators announced its continuous investment plans in content; many have modified the station's schemes on every 2-3 months to attract the advertising spending. However, such a modification has largely depended on the budgets in which a careful determination is needed because it connects to the burdens on the license fees to be paid on the scheduled installment basis and the contract made with the government agencies.

Besides, the media usage over the past year, as Natthaphon Chayodom, the Consultant of the Media Agency Association of Thailand: MAAT, and the Investment Management Director of MEC Thailand Co., Ltd. mentioned " in 2016, the media with an increase in advertising spending included cable TV and satellite TV, a peak decline of 43 percent while the growth of the digital TV declined by 3 percent, analog TV dropped by 18 percent, newspapers and magazines dropped by 20 percent and 29 percent, respectively.

2017 Adex projection 10% growth vs 2016

ข้อมูลการใช้สื่อโฆษณา และประมาณการอัตราเติบโตของสื่อโฆษณาปี 2560

	2558		2559		2558/2559	2560		2559/2560
	Bt m.	%	Bt m.	%	% Change	Bt m.	%	% Change
ทีวี	57,412	42	47,121	39	-18%	52,000	39	10%
ทีวีดิจิทัล	20,931	15	20,393	17	-3%	27,000	20	32%
เคเบิล ทีวีดาวเทียม	6,055	4	3,465	3	-43%	3,000	2	-13%
รวมทีวี	84,398	62	70,979	58	-16%	82,000	61	16%
วิทยุ	6,417	5	5,983	5	-7%	6,000	4	0%
หนังสือพิมพ์	17,489	13	14,059	12	-20%	11,000	8	-22%
นิตยสาร	4,505	3	3,207	3	-29%	2,566	2	-20%
ภาพยนตร์	5,134	4	5,445	4	6%	5,900	4	8%
สื่อกลางแจ้ง	4,265	3	5,665	5	33%	6,200	5	9%
สื่อเคลื่อนที่	4,478	3	5,311	4	19%	5,800	4	9%
อินสโตร์	2,000	1	2,000	2	0%	2,200	2	10%
อินเทอร์เน็ต	8,084	6	9,150	8	13%	12,000	9	31%
Total	136,770		121,799		-11%	133,666		10%

Source : Media Agency Association of Thailand: MAAT

The media with growth in the past year included out-of-home media; cinema media grew by 4 percent, out-of-home media grew by 5 percent, and transit media grew by 4 percent, in-store 1 media grew by 2 percent as resulted from the increased points of the installations, the internet media grew constantly by 8 percent. The segmentation with highest advertising spending for the Top 3 included automobiles, beverages, and mobile devices.

As segmented by a group, the proportion of advertising media users included government agencies, pickup, marketing media to build a brand image. As segmented by advertisers, the top leading advertisers included the Unilever, Toyota, and AIS.

In 2017, the MAAT expects the gross domestic

product (GDP) will increase by 3.3 percent as resulted from the positive factors; including the continuous economic growth and the resumption of normal condition in the television programs, thereby resulting that advertising spending resumes the normal condition and grows a minimum of 10 percent, particularly the overall TV media which it's expected to grow by 16 percent; digital TV at the growth of 32 percent, Free TV at growth of 10 percent, and cable TV and satellite TV (Cab / Sat) at decrease of 13 percent.

Besides, it's expected that the cinema media grows by 8 percent while the out-of-home media and the transit media grow equally by 9 percent, in-store media grows steadily by approximate 10 percent, and the digital media grows by approximate 31 percent.

Big Data as extra alternative

Amongst the growth and competitiveness in TV media, new medium and big data become one of the risk factors for TV business which pursuing adaptation is needed.

Sora Kiatkanarat, Director of the MAAT, Chief Executive Officer, Lead Strategy & Innovation, the Inventure, Research/Consultancy/Innovation), IPG Media Brands Co., Ltd. mentioned the trend of the media industry for the year 2017, it begins the era of data intelligence where the consumers of all ages can access to the information extensively with abundant data storage to be used effectively.

Another important thing is the trend of strategic planning and media consumption of consumers would be changing; receiving mixed data across all screens (Total

Screen Planning) gives consumers more alternatives.

However, what the marketers need to take into account is how to answer the questions regarding the marketing for the different target groups.

Creating content by using the Big Data and how to reach the target groups in more exact and measurable way, the arrival of the “Internet of Things” technology involves not only human who administrates the internet, but in the future things can access the internet and communicate with each other. Creating the mixed distribution channels; including normal channels, E-commerce, S-commerce, and F-commerce are to meet the needs of consumer groups.

Radio/Publications Business

The traditional media such as the radio is a type of media that needs to be adaptive to deal with the intense competition and the regression of business. To survive radio media, it needs to be adaptive in the digital transition era; adjusted to broadcast via the alternative platforms such as online radio in which live listening is enabled via the website or applications and replaying. It is a survival of the radio in the modern era.

Despite the adaptation to the new platforms, a certain number of the radio media have not been ready to the adaptation, some radio operators announced closing down. For examples, by November 2016, the enterprises such as MCOT notified in writing the Stock Exchange of Thailand of the dissolution of the SEED MCOT Company Limited and transformed its management style of the F.M. 97.5 MHz radio due to the liquidity crisis and the changing customer behavior.

The year 2016 was the year that the traditional media business encountered the challenges crisis, especially press media; affected by the economic regression and the competition with online media. The 2016 survey of the Media Profile indicated that traditional media still has a chance to survive by using the appropriate media correspondingly to target groups who have still recognized that respective media.

However, the sign of media crisis forecasted since early 2016. On February 19, 2016, the Voice TV station

lay off 57 staff positions and had undergone its reorganization. By the second half of the year, on June 28, 2016, the popular cable TV, CTH announced a discontinuity of service from August 1, 2016; thereby more than 170 local cable TV operators have been affected.

By late August, the Nation Group launched a voluntary resignation scheme following a total loss of 622 million Baht of the first nine months balance, in the opposite direction to a profit of 34 million Baht in 2015. Likewise, Matchon Group implemented the pinch and scrape measures in the editorial department and the early retirement program; the turnover was 170 out of 2,000 total staffs following the net loss of 86 million Baht of the first nine months.

Meanwhile, several media colleagues have transferred from press media to the digital TV, for instances, Amarin Group, in the tough time suffering a heavy loss, determined that WattanaPhakdi Company, owned by Charoen Sirirattanaphakdi acquired the shares of 47.62%, worth 850 million Baht, apparently evidenced by the acceptance of the new shareholder apparently.

The traditional media like Bang Muang daily newspapers has announced the discontinuity of production and lay off the entire employees since January 1, 2017, closing a more than 44-year legend of the newspaper business. Also, more than 10 magazines have gradually shut down, including Ploy KamPhet and Sakul Thai.

Saying goodbye to familiar names



Source : MINDSHARE

Most recently, on December 1, 2016, PrasartthongOsoth Group acquired shares and increased capital from the One Enterprises, a value of 1,900 million Baht, acquiring 50% shares. GMM Grammy and Thakonkiat Veerawan reduced its stakes down to 25.5 percent and 24.5 percent, respectively.

In addition to the economic slowdown that has traumatized the business; the digital TV has faced the continually high burden on the licenses that the government has eventually decided to help relieve the problems. General Prayut Chan-o-cha, Prime Minister and Head of the National Council for Peace and Order (NCPO), decided to make an order Article 44, prescribing that the fourth payment for the digital TV licenses shall be extended to two years from the original one year while auction surplus from the base price shall be extended to six years from the original three years.

Despite facing challenges, the “Media Profile 2016” survey found that consumers receiving the traditional media, at the

same time the role of the internet have been growing; the number of the consumers receiving the information through TV and radio are similar, compared to the previous year. Receiving information online or via the internet increased by 13 percent, opposite to the decreased number of those consumers receiving news through newspapers and magazines which have remained popular in the elderly group only.

Importantly, TV media has still been powerful with the large portion of up to 87% audiences. The urban people in Bangkok and its vicinity spend time watching TV 1-4 days per week and spend more time watching TV on holidays whereas the up-country people spend time watching TV 3-4 days per week. To achieve the goal, the production of content corresponds to the need of the targeted audience, the TV business will survive.

The year 2017 is the year to be watchful how media business adapts and survives amidst the growth of new media while the traditional media is expected to gradually shut down constantly.

New Media

Undeniably, 'New Media' of the modern age is a highly powerful media channel, especially social media due to the development of the websites. It is a 360-degree communicating channel; social media subscribers serve as both sender and receiver of messages, provide comments and demonstrate its self-identity with the emotional involvement. So, social media has become a 'New Media' that is influential, fast, extensive and matching communication without the restriction of space and time.

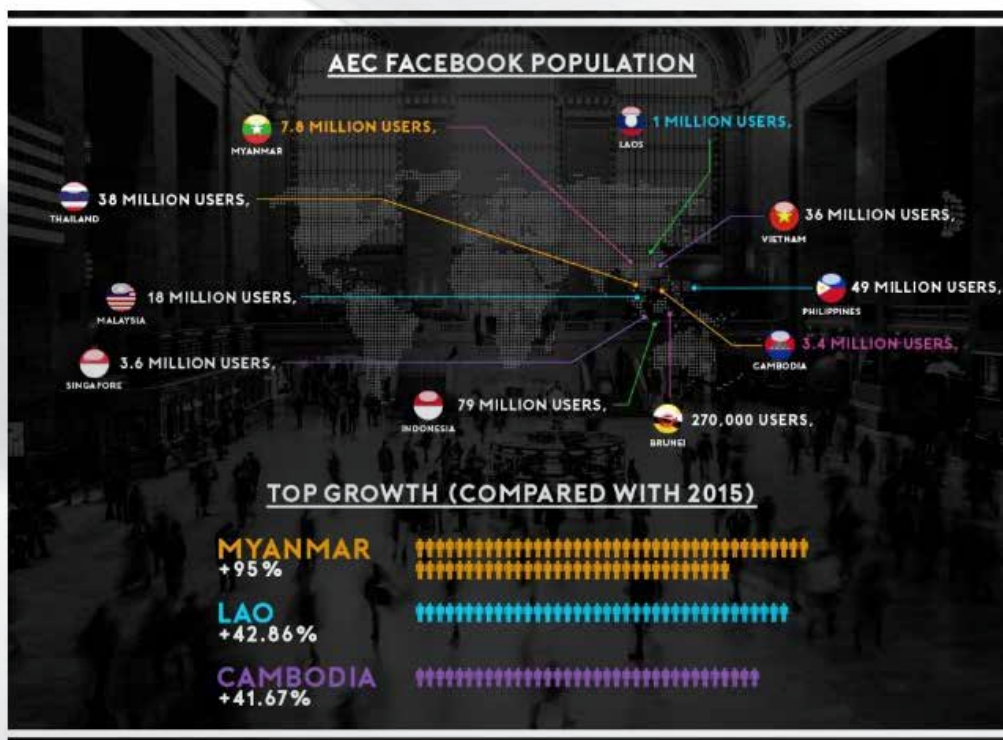
The events happening on social media are the new context of the new media with a powerful tool. It serves as communication and means of communication simultaneously. It is a change in the role of the media to become both recipient and sender simultaneously, causing the sharing of information or available knowledge and the participation in social media quickly and easily and freely.



Source: Global and Thailand Facebook Population update 2016

Social media sites have been currently the most influential media, especially the Facebook, the top most efficient social media site with more than 1,590 million subscribers worldwide. Among these, the Top 3 countries with the greatest number of Facebook users include the

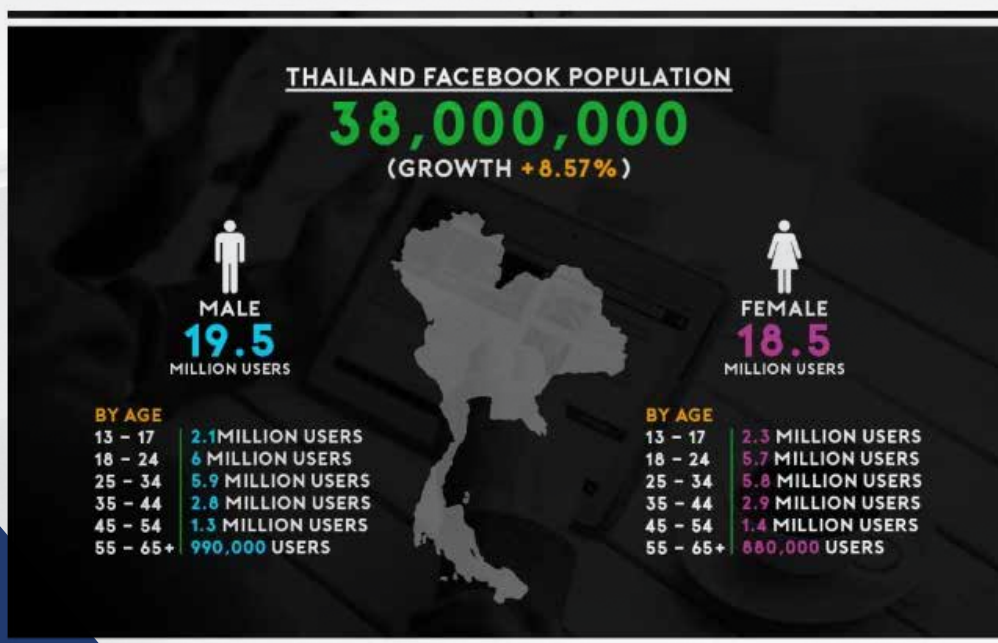
United States of America, a leading IT country, India, and Brazil, where the information technology market has been growing fast. Thailand was the world's rank No.8, skipped from the No. 9, compared to the year 2015.



Source: Global and Thailand Facebook Population update 2016

As closing up to ten AEC member countries, Indonesia comes the No.1 largest number of registering the Facebook accounts, 79 million accounts, followed by the two countries, the Philippines; 49 million accounts and Thailand; 38 million accounts. In addition, the information that should not be overlooked is the rapid growth of the Myanmar where it takes only a few years to become the country with the sixth largest number of Facebook users among 10 AEC member countries, completely surpassing the world commercial center like Singapore.

In Thailand, there are overall 38 million accounts of the Facebook users, grew by 8.57 percent from the previous years, the male was 19.5 million accounts and female 18.5 million accounts; it is more than half the entire population of the country. The most found age range of Facebook users both male and female is 25-34 years old; it is considered the age range of working adults with purchase power.



Source: Global and Thailand Facebook Population update 2016

In each respect of areas, it found that ten 10 provinces of Thailand with the largest users of Facebook included Bangkok; 19 million account and followed by Chonburi; 1.2 million accounts, and Chiang Mai; 1 million Facebook accounts.

In addition, several new media sites have introduced the user-centered access. They include weblog (BLOG) where the end-users can create content quickly and easily with no need of the web creation knowledge in any way, Youtube, WordPress, Wikipedia, Flickr, eBay, Facebook, etc., and most recently the Google+, as well as the popular Social Media like the Instagram, Tumblr, Socialcam, Pinterest, and LinkedIn. Since the new media has been

replacing the traditional media, the adaptation is then needed for the traditional media in a consistent and timely manner with the rapidly-changing behaviors of consumers worldwide.

New media has been growing and expanding consumer bases extensively. This could be a question the mainstream media like TV and press have to accept the significant adaptation by the transmission of content across overall platforms, and interlinked as part of the modern media to cling the blooming new generation customers

Risks affecting the investors

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, 2016, the balance of the warrants was a total of 176,860,519 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 2016)

Number of ordinary shares paid up	535,436,609	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	712,297,128	shares
Proportion of shareholding after the exercise of warrant	75.17	%
Declined proportion of shareholding	24.83	%

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 2016, the balance of warrants was a total of 6,579,143 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 2016)

Number of ordinary shares paid up	534,436,609	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	98.79	%
Declined proportion of shareholding	1.21	%

List of Major Shareholders

Name of Major Shareholders as of October 27, 2016 at closing book dated:

No.	Name	Shares	% Total Share
1.	Nation Multimedia Group Public Company Limited	382,553,074	71.45
2.	Green Siam Co., Ltd.	15,000,000	2.80
3.	Mr. Chainarong Saengtongaram	6,275,400	1.17
4.	Mr. Prabda Yoon	5,306,625	0.99
5.	Mr. Nivat Changariyavong	5,000,000	0.93
6.	Thai NVDR Company Limited	4,841,198	0.90
7.	Mr. Chawalit Wisarankul	4,035,002	0.75
8.	Mr. Somchai Patphai	3,691,400	0.69
9.	Mr. Sirisak Ekpisutsunthorn	2,850,000	0.53
	Other	105,883,910	19.79
Total		535,436,609	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.

• Types of Shareholders - Share allotment by nationality

Shareholder by Nationality	Number of Shareholders	Number of Share	% Total Share
Thai Shareholder	1,868	535,246,790	99.96
Foreign Shareholder	3	189,819	0.04
Total of Shareholders	1,871	535,436,609	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 systems will ensure the company's effective, transparent and accountable management and raise the level of credibility and confidence in the company as perceived by shareholders, investors, stakeholders and related parties. Corporate governance also promotes sustainable growth, which will contribute to the company's success, and enable 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 shareholder 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 May 4, 2016, and announced to all employees for acknowledgement and strict adherence.

Communication of the corporate governance policy

The Board of Directors well recognizes the practice of corporate governance to coincide with the company's vision and commitment. As a main factor that drives operations is the employees of the company and subsidiaries, the policy has been communicated to employees by publicizing through the internal website and publishing 'Nation's Way' as a handbook for employees in addition to information in the website to follow the procedure in their operations. Management has closely monitored and ensured that all aspects of the policies have been put into practice. In addition, in order to develop understanding with all stakeholders, the company has publicized good corporate governance principles through the company's website for interested persons and investors' acknowledgement. If any shareholder would like to receive a copy of the aforementioned policies, please contact the corporate secretary in order to develop an understanding of 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 the Stock Exchange of Thailand has promulgation Principles of Corporate Governance was first introduced in 2006.

According to the evaluation results for the organizing of the Annual General Meeting for the year 2016, 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 159 listed companies out of 601 participating companies receiving complete 100 scores. The company has been rated at an excellent level for fifth consecutive years.

In 2016, the company's corporate governance principles covered five areas, namely:

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

1) Rights of shareholders

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

The company has a policy to treat every shareholder with equality. Realizing that the shareholders are entitled to the rights to receive sufficient and timely information of the company, the Investor Relations Division was set up to provide information and respond to enquiries. The website: www.nbc.co.th publicizes the company's

information for shareholders and investors both in Thai and English. The information provided includes the latest information, an investor's newsletter and shareholders' meetings. The company also provides shareholders with opportunities to inquire, request explanations and express their opinions with equality.

Shareholders' Meetings

Organizing Annual and Extraordinary Shareholders' Meetings

The Board of Directors has recognized the importance of holding the Annual General Meeting to allow shareholders to acknowledge the company's performance, jointly make decisions on significant company matters and inspect operations managed by the Board and management. In 2016, the company not only organized the Annual General Meeting in line with the law and guidelines as suggested in the AGM Checklist manual, published by the Thai Investors Association, the Thai Listed Companies Association, the Securities and Exchange Commission and the Stock Exchange of Thailand but also strictly adhered to the principles of Good Corporate Governance.

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

In 2016, the company organized two shareholders' meetings.

1. The Annual General Meeting of Shareholders for the year 2016 on April 26, 2016 at 27th Floor, Interlink Building at 14.00. Registration started by 12.00. Seven out of a total of ten directors and 59 shareholders and shareholders' representatives attended the meeting, representing shareholdings of 408,308,953 shares or 76.26 percent of the 535,436,609 total issued shares.

2. The Extraordinary General Meeting of Shareholders No. 1/2016 on November 7, 2016 at the Conference Room, 7th Floor, Nation University Building, Bangkok at 13.30. The meeting was held to appoint new directors to replace directors who vacated their positions before the expiry of their term. The number of the shareholders and proxies present at the meeting was incomplete to constitute a quorum according to the Public Company Act B.E.2535, Section 103.

The company had a new appointment for The Extraordinary General Meeting of Shareholders No. 1/2016 (Adjourned Meeting) on December 23, 2016 at the Conference Room, 7th Floor, the Nations University Building at 09.30 p.m. Registration started by 08.30 p.m. There were 42 shareholders and shareholders' representatives attended the meeting, representing shareholdings of 402,499,452 shares or 75.17 percent of the 535,436,609 total issued shares.

The meeting details are as follows:

Prior to the General Meeting of Shareholders

The company posted the meeting invitation letter on the company's website the full detailed General Meeting of Shareholders and the Extraordinary Meeting of Shareholders as specified in the invitation letter 30 days and 7 days in advance prior to the meeting respectively with complete information on the company's website prior to the meeting date. It has appointed Thailand Securities Depository Co., Ltd. to serve as the company's registrar, to circulate meeting invitation letters to the shareholders. The meeting invitation letter provided details of the agenda, rationale, the Board of Director's views on each item of the agenda, and complete and sufficient information for the shareholders to make their decisions as well as previous meeting reports, annual reports, related documents required for the consideration of each agenda item, clarification of procedures, information on the Independent Directors, procedures and company regulations concerning attendance of the shareholders' meeting, map of the meeting venue and authorization documents as specified by the Ministry of Commerce, delivered to the shareholders no less than 21 days and 7 days in advance prior to the meeting respectively. The meeting date and other details were announced in the newspaper for three consecutive days and at least three days prior to the meeting date.

The company gives the opportunity the minority shareholders to propose the agenda, nominate the directors, and submit questions in advance via the website. www.set.or.th or www.nbc.co.th

Prior to the Annual General Meeting of Shareholders for the year 2016 on April 26, 2016 during December 4, 2015 - January 29, 2016. No minority shareholders nominated the directors and proposed additional agenda.

Prior to The Extraordinary General Meeting of Shareholders No. 1/2016 on November 7, 2016 during October 12, 2016 - November 2, 2016, respectively, the minority shareholders nominated six directors and no proposed no additional agenda.

And prior to The Extraordinary General Meeting of Shareholders No. 1/2016 (Adjourned Meeting) on December 23, 2016 during December 3, 2016 to December 20, 2016, respectively, the minority shareholders nominated one director (one candidate, withdrew from the list of candidates to be appointed as directors due to personal engagements) and no proposed no additional agenda.

The company reported the results regarding the shareholders exercising the right to nominate the directors and right to propose the agenda for the Annual General Meeting of Shareholders, the Extraordinary General Meeting of Shareholders No. 1/2016 and the Extraordinary General Meeting of Shareholders No. 1/2016 (Adjourned Meeting) via the company's website on February 9, 2016, November 4, 2016 and December 20, 2016.

Before the 2016 AGM, the Company solicited shareholders to send in their questions in advance through the Company's website and Fax at 02-338-3904 from March 18, 2016 to March 31, 2016 for the Board and management to prepare data to clarify to the shareholders in the AGM but no shareholders sent in any questions.

The General Meeting of Shareholders and Extraordinary Meeting of Shareholders

In determining the date, time and venue for the meeting, the company gave priority on providing the greatest convenience to shareholders. Meeting registration was opened for shareholders and shareholders' representatives one hour in advance of the meeting and attendees were handed out complimentary items. Auditors from KPMG Poomchai Audit Co., Ltd. and the legal advisers of the Paw and Associates Law Office Co., Ltd. are invited to join the meeting to lend an ear on comments and answer the questions enquired by the shareholders, and to monitor the vote counting. In any General Meeting of Shareholders, the company's Chairman serves as Chairman of the Meeting. On the day of the Extraordinary General Meeting of Shareholders, the legal advisers are invited to the meeting to listen to comments and to answer the questions asked by the shareholders.

Prior to the meeting, the company informed shareholders in detail of the rules and practices for the meeting including the vote casting procedure, vote counting and ballot instruction to the assembly. The Chairman gave shareholders opportunities to inquire and express their opinions openly and assigned the President and Executive Directors to answer the inquiries.

The Company has adopted the barcode information technology to register the attendance, counting votes, and stating the resolution on each meeting's agenda. On the election of directors, the company invites the shareholders to elect directors individually. The voting method, votes counting, and meeting's resolution are recorded by scores "Agree", "Disagree", and "Abstain" in the minutes. On the election of directors, the resolution is made on individual basis. The voting ballots are used in making the resolution on each agenda for traceability purpose. The minutes and voting results on each agenda are entirely recorded.

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

The company suggested that the shareholders who were unable to attend the 2016 Annual General Meeting assign authority to at least one of the Independent Directors of the company, who has no interest in the issues being considered to represent and cast votes for them. The company enclosed 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 and Extraordinary Meeting of Shareholders

The company has disclosed resolutions made by the Annual General Meeting of Shareholders for the year 2016 and Extraordinary Meeting of Shareholders No. 1/2016 for the acknowledgement of shareholders and members of the public through the SET Community Portal system, developed by the Stock Exchange of Thailand, immediately after the meetings or not later than 09.00 of the business day following the meetings, which is in accordance with the Disclosure Rules of the Stock Exchange of Thailand.

2) Equitable treatment of shareholders

The Board of Directors has regularly controlled and checked up on the company's corporate governance structure to ensure equitable and fair treatment for all shareholders, as well as to ensure that the caretaking process is neither complicated nor incurring unnecessarily high costs. In the meeting of shareholders for 2016, the company recognized all shareholders equally and undertook the following guidelines to ensure that all

shareholders had the right to participate in decision making and to acknowledge the company's decisions on important matters as stipulated by the law or the company's regulations.

- In the shareholders' meeting the company has a policy to not proceed in any way that threatens the rights of all shareholders. No item shall be included in the agenda and no important information shall be exchanged if it's not informed to the shareholders in advance. Moreover, no document containing additional important information shall be provided in the meeting, to ensure the shareholders have sufficient time to make decisions.

- All shareholders have a right to vote as per the number of shares one holds. Each share counts for 1 vote and there is no special voting right.

- Shareholders who are unable to attend the meeting in person may authorize an independent director who has no conflict of interest with the meeting agenda to attend and cast the ballot. Shareholders can download the proxy form from the company's website.

- No transactions shall be mutually made with any joint-venture, related companies or related parties who are shareholders of the company, as it may lead to significant conflicts of interest.

3) Role of Stakeholders

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

Several stakeholder groups are important to the company, including employees, customers, shareholders, investors, trading partners, creditors, trade competitors, society, government agencies, neighboring communities, etc. The Board of Directors has maintained a policy to protect the rights of each group of stakeholders in accordance with related laws or agreements stakeholders have made with the company, and has aimed to promote employee involvement in enhancing the performance of the company to ensure more productive performance and sustainable growth by disclosing relevant, sufficient and timely information to stakeholders. The company has established organizational ethics covering various areas and reviews these on a regular basis (most recent revision was May 4, 2016) with adjustments to keep pace with changing circumstances. In addition, the company has established an anti-corruption policy and adjusted its complaints receiving process to be more clear. (Nation Multimedia Group Public Company Limited's ethical guidelines can be viewed at www.nbc.co.th)

Issue on Corporate Governance on the SEC's notification of the three directors and executives of the Company who were deemed untrustworthy and were required to terminate their duties from October 6, 2016

The Securities and Exchange Commission (SEC) issued a notification in October 2016 specifying that three executive directors of the company at the time must vacate their positions after having been deemed untrustworthy following a legal action filed by the public prosecutor on the charge of non-compliance in their duties as prescribed by the law with respect to the 2015 Annual General Meeting of Shareholders of Nation Multimedia Group Public Company Limited. As a result, these three persons were required to terminate their duties as directors and executives of the company, effective October 6, 2016.

Nonetheless, the SEC has subsequently cancelled the previous notification and instead applied the latest Notification of the Securities and Exchange Commission Kor Jor 3/2560 concerning the characteristics of directors and executives of the company, taking effect from February 16, 2017. The latest Notification states that being deemed untrustworthy during a legal action must be the result of a lawsuit filed against them by SEC through investigative officers. The new criteria, therefore, has cleared the names of the former three directors and executives of the company comprising Mr. Adisak Limprungpatanakit, Ms. Duangkamol Chotana and Mr. Sermsin Samalapa as of February 16, 2017, as the SEC has never filed a lawsuit against them through investigative officers.

Ethics of 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. Directors, management and employees are prohibited from conducting or accepting every type of corruption both in direct or indirect manner including receiving complimentary items or gifts, joining entertainment or hospitality activities, granting financial aid or donations and other forms of benefits from those doing business with the company, for themselves or their families.

2. The implementation of the Anti-Corruption Policy covers Nation Group's employees, customers and all groups of stakeholders, both in Thailand and abroad, and specifies that evaluation of the risk of corruption in the organization is undertaken annually. The Policy is reviewed at least once a year in order to accord with business changes, rules, regulations, and laws.

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

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

4.1 Entertainment and hospitality, gifts

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

4.2 Charitable contributions or aid

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

4.3 Business relations and procurement process

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

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. Chief Executive Officer 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, rules, regulations and laws.

4. The Internal Audit Director is responsible for auditing, assessment, and

evaluations in business transactions to ensure that they are accurate and in compliance with policies, guidelines, operating authority, regulations and laws, as well as 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. 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. The Board of Directors provides an assessment of the risks of corruption. The Board of Executive Directors and managers of various departments identify common risk factors for corruption, the impacts and opportunities that may arise, measures required to minimize the risks and provide a monitoring process, review of operations and report the results to the Audit Committee and Board of Directors.
3. 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.
4. 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.
5. A person who commits an act of corruption is considered to be in misconduct according to the Nation Group's ethical guidelines. This means such person will be subject to disciplinary action. Convictions may be applied in cases that violate the law.
6. 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.
7. 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, e-mail and the www.nbc.co.th website.

Over the previous year, the company had no offenses caused by frauds.

1.3 Policy to prevent intellectual property violation

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

1. Employees are not allowed to install pirate software, as well as freeware and shareware programs on the company's computers. Those who need to use additional software other than the readily-installed basic programs have to seek permission and software installation must be undertaken or supervised by staff in charge of monitoring the information technology system.
2. Employees are not allowed to duplicate, counterfeit or use software that violates the copyright law and patent law, and professional ethics, nor use the work or information owned by third parties within the company. Checks must be made to verify that the intellectual property rights of others are not violated.

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 duties as a credible media organization, closely and consistently adhering to principles.

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

The Group’s news staff at every level shall strictly observe the following principles without any exceptions so that 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 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.

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 its customers.

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

The audience via Nation TV’s programs (Channel 22) – The Company has paid attention to the content format and content of the program, including the event held for the audience through 2016 such as the 3rd year of Nation Bike Thailand, Nation TV Charity Rally, seminar on “10 Special Economic Zones and “Opportunities for AEC to enhance trade and investment to drive the country’s economy, etc.

The audience via Nation Radio - There are various activities that the Company organized such as the 5th year of Nation Digital Voice (audio books), seminar on “Economy focus”, “Investment in SET in 2560”, “Thai’s fortune among the global crisis”, “Wealthy on investment” “Investment in property with the worth the price”, etc.

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, and encourage the election of staff representatives to get actively involved in managing staff welfare as stipulated by the law. Furthermore, the company facilitated the setting up of a “Thai Mass Media Labour Union” according to the Labor Relations Act B.E. 2518 to protect the interests of employees and promote good relations between the employees and the employers

as well as among the employees themselves. Additional activities involving the employees include, for example, monthly alms giving for the executives and the employees, New Year's celebration and activities of employees' clubs, such as volunteering for rural development camps, music club, sports clubs, etc.

Our employee welfare focuses on personnel development and welfare of workers. The provision of employee wages and benefits must be reasonable. In regard of short-term return, it is based on the Company's turnover each year, competitiveness in the labor market, planned departmental growth, potential, the cost of living, which a starting wage of employee and welfare also covers leaves in any cases, provident fund, fund for employee's children, emergency loans, uniforms cost, medical expenses, allowances, travel cost, as well as practices relating to labor and human rights that meets the international standards and requirements, right of the establishment of Labor Commission or Labor Unions for Employees, and the employees have the opportunity to comment or complain any issues. In regard of long-term return, the employees are entitled to buy the Employee Stock Options (ESOP) at the set price. The warrants to purchase common shares of the Nation Broadcasting Corporation Public Company Limited ("Company") in "ESOP-WB" is firstly issued on August 15, 2013, a total of 8,798,905 shares, with the exercise of right on every 15th of November and May of each year over the 5-year warrants; the exercise for the first time is on November 15, 2013 and the last date of the exercise is August 14, 2018 at the exercise ratio of 1 warrant: 1 new ordinary share, and the exercise price is three Baht per share. In addition, the recognized compensation transaction is recorded at employee retirement on annual basis since the year 2011. The Company also focuses on the accidents prevention and assistance measures in case of the incident by which the Company provides the employees at all levels the life insurance, and employees' health care annually as follows.

The company has recorded compensation amounts paid to retired employees every year since 2011. 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 monetary assistance to employees receiving treatment at hospitals
4. 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 2016, there were no reports of accidents or medical leave during operating hours as most operations were performed at the office. The company has recognized the importance of the work place, and has constantly maintained working equipment and tools as well as the establishment so that they are always ready to be in service and safe.

In terms of human resources development, the company has concentrated on upgrading employee capability at all levels by organizing internal training courses such as a Code of Conduct course, and external training courses with other institutes or agencies, enabling them to use the acquired knowledge to improve working efficiency. The company has organized training courses in conformity with the Skill Development Promotion Act B.E.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 2016, the company held training courses for 64 percent of its total employee number of 153, with external training with other institutes or agencies accounting for 12 percent and in-house training representing 88 percent.

Respect for human rights

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

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. 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.

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 offering bribes to 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.

As a fully-integrated media operator, the company shares national concerns over the quality of life and the information consumption of Thais. Therefore, the company

has a mission to present quality and useful news to society and the public. The company also participates in efforts to improve the living standards of Thai society. As a business operator in Thailand, the company cares about the environment. In 2016, the company was involved in almost all aspects of social contribution activities (details as stated in Social Contribution Activities on page 82).

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 company's Internal Control Department via E-mail audit_nbc@nationgroup.com or by mail to the company at Nation Broadcasting Corporation Public Company Limited 1858/121-122, 124-128, 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 Chief Executive Officer / Managing Director, which will set up a fact-finding committee, with the Human Resources Department acting as the committee's secretary. The committee will subsequently present its findings, together with measures against wrongdoers, to the Chief Executive Officer / Managing Director, 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 such as the website of the company and disclosure channels of the Stock Exchange of Thailand and the Securities and Exchange Commission.

To observe the corporate governance principles, the company requires the directors and management to report any changes of their securities holdings to the Securities and Exchange Commission and the Stock Exchange of Thailand as well as provide the copies thereof to the company's secretary. The company's secretary will provide 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's annual report 2016 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 attendance at board meetings
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 Chief Executive Officer / Managing Director
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-committees, Chairman and Chief Executive Officer / Managing Director
2. List of related transactions
3. Business ethics and Code of Conduct
4. Corporate Governance Policy
5. Audit Committee's charter
6. Internal Audit Committee's charter
7. Quarterly and annual financial statements
8. Annual report
9. Human Resource Management Policy
10. Conflicts of Interest Policy
11. Internal Auditing
12. Company Regulations
13. Anti-corruption Policy

Investor Relations Section

The Investor Relations section is responsible for communicating with shareholders, institutional investors, investors, analysts and related government agencies in an equal and fair manner in order to build strong relations with them. The investor relations section answers queries related to the company and its operations for investors through the company's website, by telephone or via other channels. The company facilitated the distribution of important information by organizing and participating in the following activities in 2016:

- Publicize the company's financial status through its website four times.

The Investor Relations Section can be contacted at:

Nation Broadcasting Corporation Public Company Limited

Address : 1858/51-62, 12th, 13th Fl., Bangna-Trad Road, Bangna, Bangkok, Bangkok 10260

Tel : (66) 2-338-3333

Fax : (66) 2-338-3904

Email : investor@nbc.co.th

Website : <http://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 Board of Directors appointed Ms. Siriwan Nilsuwankosit as the Company Secretary on December 29, 2014. The Company Secretary assists the Chairman in ensuring the Board of Directors, sub-committees and all directors of the company work in accordance with their roles and duties and in compliance with relevant laws, regulations and rules. The Secretary prepares sufficient necessary documentation and agenda for meetings for the consideration and decisions of the Board, carefully and accurately records the minutes of meetings showing that the Board has considered agenda items carefully, completely, honestly and responsibly using judgment and with consideration of the business environment and what other businesses might be expected to do in a similar situation. The Secretary is responsible for keeping the register of directors, notice of meetings, minutes of the Board of Directors and Shareholders Meetings, reports of conflicts of interest, reports of share holdings of directors and executives, and to ensure that coordination of activities between the Board of Directors and the management proceeds in line with the Board's resolutions. The Company Secretary has discharged her duties fully and thoroughly.

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, Board of Executive Directors, Chairman and Chief Executive Officer / Managing Director to ensure the independent judgments of the board to serve the best interests of the company and shareholders. Besides, a monitoring and supervision procedure is in place to ensure the company operates in a manner consistent with the relevant laws and business ethics stipulated by the board.

The Board of Directors considers and approves important matters concerning the company's operations, including business plans, operating budgets, financial objectives and business strategies as proposed by the Chief Executive Officer / Managing Director. The Board of Directors also monitors the progress of operations according to the specified policies, strategies and plans, and reviews the vision and mission of the company on an annual basis.

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 2016, the Board of Directors consists of ten members, four of them are independent directors, and another four are executive directors of the company and its subsidiaries and two non-executive directors. Independent directors and non-executive directors must account for more than one third of the board to ensure an effective check and balance system in management.

The four independent directors are fully qualified according to the company's definition of the independent directors, approved by the board and the requirements of the Securities and Exchange Commission issued in 2008. Three out of the four independent directors are members of the Audit Committee. One of them is the Chairman of the Audit Committee and two of them are members of the Audit Committee 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 2016, 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 on the board of other companies, such service shall be reported in form 56-1.

Compliance units

The company has established various units to ensure compliance with the company rules as well as the regulations of relevant authorities. The Company Secretary Department ensures compliance with regulations of the Stock Exchange of Thailand, the Securities and Exchange Commission as well as related laws. The Legal Department monitors operations to ensure they adhere to related business law. The Internal Audit Department reviews the adequacy and appropriateness of the internal control system to develop and improve the efficiency of the internal control system.

Sub-committees

The company's Board of Directors has appointed sub-committees to help 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 2016 were presented before the Audit Committee and the Board of Directors in February 2017 and the company has disclosed with details and necessities/reasons in the Annual Disclosure Report (56-1 form).

The Board of Directors' Meeting

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

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

will report the results of the company's operations only in the month that the meeting is being held. Independent directors and non-executive directors meet regularly to discuss management issues without the presence of operating personnel. Should there be any issues of concern, the management will be notified to solve or improve them.

Evaluation of the Board of Directors' performance

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

In 2016, since six directors were appointed on December 23, 2016 according to the resolution of the Extraordinary General Meeting of Shareholders No. 1/2016, evaluation of the Board of Directors was not undertaken; only assessment for sub-committees of Audit Committees for performance evaluations. 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 process commenced in November 2016 with the Company Secretary submitting the evaluation form from the Stock Exchange of Thailand to the meeting of the Audit Committees for consideration of completeness, accuracy and compliance with company guidelines. The form was then sent to the Audit Committee to carry out the evaluation with a deadline of January 13, 2017 so that the results could be communicated to the Audit Committee in its meeting 1/2017 on February 2017.

The evaluation results can be summarized as follows:

- The evaluation of the Audit Committee categorized under the topics of organizational structure and qualifications of the Audit Committees, the meeting, and the Audit Committees' role and responsibilities. The results showed that the majority Mostly agree and Absolutely agree, representing 87.30%.

Directors' remuneration

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

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

In 2015 and 2016, remunerations for directors are as follows:

Name/Position	Annual Remuneration 2015				Annual Remuneration 2016			
	Remu- neration	Meeting Allow- ance	Other	Total	Remu- neration	Meeting Allow- ance	Other	Total
Chairman of the Board :								
- Mr. Sermsin Samalapa	400,000.-	-	-	400,000.-	200,000.-	-	-	200,000.-
- Mr. Thepchai Sae-Yong	-	-	-	-	100,000.-	-	-	100,000.-
Chairman of Audit Committee :								
- Mr. Spong Limtanakool	400,000.-	-	-	400,000.-	400,000.-	-	-	400,000.-
Member of Audit Committee :								
- Mr. Metha Soonthornjit	300,000.-	-	-	300,000.-	300,000.-	-	-	300,000.-
- Mr. Jessada Promjart	225,000.-	-	-	225,000.-	300,000.-	-	-	300,000.-
Independent Director :								
- Mrs. Supanee Dechaburananont	200,000.-	-	-	200,000.-	-	-	-	-
- Mrs. Veerawan Vararuth	-	-	-	-	50,000.-	-	-	50,000.-

Name/Position	Annual Remuneration 2015				Annual Remuneration 2016			
	Remu- neration	Meeting Allow- ance	Other	Total	Remu- neration	Meeting Allow- ance	Other	Total
Executive Director of Parent/ related company :								
- Mr. Suthichai Sae-Yoon	200,000.-	-	-	200,000.-	100,000.-	-	-	100,000.-
- Ms. Duangkamol Chotana	200,000.-	-	-	200,000.-	100,000.-	-	-	100,000.-
- Mr. Thepchai Sae-Yong	200,000.-	-	-	200,000.-	100,000.-	-	-	100,000.-
Non-Executive Director								
- Mrs. Nongnat Hanwilai	-	-	-	-	50,000.-	-	-	50,000.-
Executive Director :								
- Mr. Adisak Limprungpatanakit	200,000.-	-	-	200,000.-	100,000.-	-	-	100,000.-
- Ms. Aeumsree Boonhachairat	200,000.-	-	-	200,000.-	-	-	-	-
- Mr. Supawat Sa-nguan-ngam	-	-	-	-	50,000.-	-	-	50,000.-
- Mrs. Lakana Ratwongsakul	-	-	-	-	50,000.-	-	-	50,000.-
- Mr. Supoth Piansiri	-	-	-	-	50,000.-	-	-	50,000.-
- Mr. Sirichai Chananam	-	-	-	-	50,000.-	-	-	50,000.-
Total	2,525,000.-	-	-	2,525,000.-	2,000,000.-	-	-	2,000,000.-

Note:

1. The General Extraordinary Meeting of Shareholders No. 1/2016 on December 23, 2016 appointed Mrs. Lakana Ratwongsakul, Mrs. Nongnat Hanwilai, Mr. Supoth Piansiri, Mr. Sirichai Chananam, Mr. Supawat Sa-nguan-ngam and Mrs. Veerawan Vararuth as director to replace Mr. Sermsin Samalapa, Ms. Duangkamol Chotana, Mr. Suthichai Sae-Yoon, Mrs. Supanee Dechaburanant, Mr. Adisak Limprungpatanakit and Ms. Aeumsree Boonhachairat
2. The directors' remuneration will be based on 2016 annual remuneration approved by the Annual General Meeting of Shareholders for the year 2016 of the Company on April 26, 2016. Remunerations are paid quarterly.

Director and management development plan

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

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

In 2016, the company arranged training courses for directors as follows:

Name	Position	Training courses in 2016
1. Mr. Supoth Piansiri	Director	1. TFRS9, TAS32, TFRS7, TFRIC16 and TFRIC19 courses, 2/2016 2. Cash Flow Course (practical) 3. Intermediate Accounting Standard No. 12 (TAS), Income Tax (revised 2014)

Succession plans

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

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

1. Chief Executive Officer

When the management position of Chief Executive Officer vacates or persons holding such position are unable to perform their duties, the company may select an executive at the nearest level or deputy position to the vacated position to act as a caretaker up until the selection and recruitment process of the vacated position is completed. Successful candidates must have vision, capability, experience and fit well into the organizational culture. The entire Board of Directors will consider the qualifications of successful candidates and forward his/her name to the chairman who will further nominate the new Chief Executive Officer at the Shareholders' Meeting.

2. Vice President

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

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 tests and evaluations 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:

1. Audit Committee

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

As of December 31, 2016, the Audit Committee comprised three members, as follows:

No.	Name	Position	Qualifications
1	Mr. Supong Limtanakool	Audit Committee Chairman	Independent Director
2	Mr. Metha Soonthornjit	Audit Committee Member	Independent Director
3	Mr. Jessada Promjart	Audit Committee Member	Independent Director with finance and accounting background

Roles, duties and responsibilities of the Audit Committee

1. Review the company's financial reporting (quarterly and annually) to ensure accuracy and adequate disclosure regarding the company prior to presenting to the Board of Directors.
2. Review the system of internal control and internal audit to ensure they are appropriate, adequate and effective and consider the independence of the internal audit unit. Also consider and approve the appointment, transfer or dismissal of the head of the internal audit unit or any other unit responsible for the internal audit.
3. Review the company's system of risk assessment and management to ensure that is appropriate, adequate and effective.
4. Review the company's compliance with securities laws, the regulations of the Securities and Exchange Commission, the Stock Exchange of Thailand and other laws relating to the company's business.
5. Consider the appointment of independent personnel as internal auditors of the company, set remuneration rates and liaise with auditors concerning the objectives, scope, directions and working plan of the audit as well as the scope of problems encountered during the inspection and any important issues raised by the auditor. Participate in meetings with the auditor but in the absence of management personnel at least once annually.
6. Consider any transactions that may have conflicts of interest to ensure accuracy and completeness in accordance with the laws and regulations of the Stock Exchange of Thailand and ensure correct and complete disclosure of such transactions. This is to ensure that such transactions are reasonable and bring optimal benefit to the company.
7. Produce the Audit Committee Report for disclosure in the company's Annual Report. The Audit Committee Report must be signed by the Chairman of the Audit Committee and include the following information:
 - Comments on the accuracy, completeness and reliability of the financial statements of the company.
 - Comments on the adequacy of the system of internal control of the company.
 - Comments on the risk management system of the company.
 - Comments on the company's compliance with the regulations of the Securities and Exchange Commission, Stock Exchange of Thailand and any other laws relating to the company's business.
 - Comments on the appropriateness of the company's Auditor.
 - Comments on any transactions that may have conflicts of interest.
 - The number of Audit Committee meetings held and the attendance of each Audit Committee member.
 - Overall opinions and observations of the Audit Committee encountered while undertaking their duties under the charter.
 - Any other information that it is felt the shareholders and investors should know about in carrying out the duties and responsibilities assigned by the Board of Directors.
8. Perform other duties as assigned by the Board of Directors and approved by the Audit Committee. In carrying out the duties listed above, the Audit Committee is directly responsible to the Board of Directors while the Board of Directors is responsible for the operations of the company to external parties.

2. Board of Executive Directors

The Board of Executive Directors has the authority, duty and responsibility of management with regard to normal business operations, issuing policies covering business plans, budgets, management structure, management authority and business criteria 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 following up on the performance of the company in compliance with the policies issued by the Board of Directors.

As of December 31, 2016, the Executive Board comprised 4 executive directors, as follows:

No.	Name	Position
1.	Mr. Supawat Sa-nguan-ngam	Executive Director
2.	Mrs. Lakana Ratwongsakul	Executive Director
3.	Mr. Supoth Piansiri	Executive Director
4.	Mr. Sirichai Chananam	Executive Director

Note: Tthe Board of Directors' Meeting No. 6/2016 held on December 23, 2016 appointed Mr. Supawat Sa-nguan-ngam, Mrs. Lakana Ratwongsakul , Mr. Supoth Piansiri and Mr. Sirichai Chananam as Executive Director.

Roles, duties and responsibilities of the Board of Executive Directors

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, dismissal, remuneration and bonuses of senior-level staff. The company's CEO / Managing Director is 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, investment in assets, transactions with banks/financial institutions in the opening of bank 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 and the Securities and Exchange Commission.

6. Consider the company's profit or loss and propose to the Board of Directors of the company 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 Board or those who act as representatives of the Executive Board 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 Directors 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 the 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 auditor 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.

10. 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 and consideration of potential candidates taking into account the varied qualifications and suitability of the candidate for the position, including professional skills, gender, age, etc., 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 held shares for at least one year, who hold shares on the day of nomination and have documents to verify their shareholdings in the company, to nominate candidates for the position of director. Nominations should be made to the Chairman at least three months in advance of the Annual General Meeting of Shareholders, together with the candidate's qualifications and consent for the nomination.

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

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

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

Nomination of Senior Executives

Nomination, consideration and recruitment of candidates for the position of Chief Executive Officer are undertaken by the Executive Board for the consideration and approval of the Board of Directors. Candidates must demonstrate the 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.

4. Control of cross-transactions between the company and subsidiaries

The company maintains a policy concerning cross-transactions between the company and its subsidiaries with parties that may have conflicts of interest now or in the future. Should such cross-transactions take place, they must

follow the normal trading practice of transacting with a third party using market price. In the event that the price cannot be compared with any third party, both transacting parties must consider and set an appropriate price for the products or services. The Audit Committee shall examine the transaction and give its views regarding the necessity of the transaction and the appropriateness of its price.

In 2016, the company and its subsidiaries undertook cross-transactions with other related parties under market-price conditions. Other cross-transactions, considered for appropriateness and transaction value by the Audit Committee, can be viewed in the accompanying notes to the financial statements.

5. Control of inside information

1. Prevention of insider information

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

1. Directors, management and any staff of the company with access to inside information shall not disclose the inside information to outsiders or to anyone who is not involved.

2. The company's directors, management and staff involved in conducting financial reports or other related documents shall exercise caution regarding company securities transactions in the period prior to announcement of the financial results. Should any securities transactions be undertaken during this period, the company's Board of Directors must be notified immediately.

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 the parties involved, in accordance with Section 89/14 of the Securities and Exchange Act B.E. 2551 and in accordance with the Securities and Exchange Commission Announcement Tor Jor 2/2552. The company has adhered to the rules since July 1, 2009, as follows:

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

2. Directors and executives must report any changes in conflicts of interest of their own or of other related parties to the company secretary to report to the Board of Directors within 7 days of the change.

In 2016, information was reported on one occasion without any conflicts of interest.

3. Report on shareholding

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

In 2016, the company required the Board of Directors and executives to report their shareholdings in the Meeting of the Board of Directors on February 10, 2017.

During the year 2016, the company reported increases (decreases) in the shareholdings of its directors and management between December 30, 2015 and October 27, 2016, as follows:

The Company's Board of Director has reported the shareholding

Name – Surname	Total Shares			Shareholders' equity (%)
	Dec 30, 2015	Oct 27, 2016	Increase (Decrease)	
1. Mr. Thepchai Sae Yong	54,000	54,000	-	0.01
2. Mr. Supong Limtanakool	-	-	-	-
3. Mr. Metha Soonthornjit	-	-	-	-
4. Mr. Jessada Promjart	-	-	-	-
5. Mrs.Veerawan Vararuth	-	-	-	-
6. Mrs. Nongnat Hanwilai	30,000	30,000	-	0.005
7. Mr. Supawat Sa-nguan-ngam	-	-	-	-
8. Mrs. Lakana Ratwongsakul	1	1	-	-
9. Mr. Supoth Piansiri	20,100	20,100	-	0.003
10. Mr. Sirichai Chananam	-	-	-	-

Note: 1. Paid-up shares of NBC as of October 27, 2016 total 535,436,609 shares.
2. Directors' shareholdings are inclusive of shares held by spouses (if any).

The Executives has reported the shareholding

Name – Surname	Total Shares			Shareholders' equity (%)
	Dec 30, 2015	Oct 27, 2016	Increase (Decrease)	
1. Mr. Weerasak Phongaksorn	-	-	-	-
2. Ms. Chamaiporn Kongpech	48,036	41,636	(6,400)	0.007
3. Mr.Kanok Ratwongsakul	1	1	-	-
4. Mrs.Nongnat Hanwilai	30,000	30,000	-	0.005
5. Ms. Patchara Chaiwong	12,000	12,000	-	0.002
6. Mrs.Lakana Ratwongsakul	1	1	-	-
7. Mr.Supawat Sa-nguan-ngam	-	-	-	-
8. Mrs.Suwannee Wacharapasakorn	-	-	-	-
9. Ms. Wipaporn Unsook	2,000	2,000	-	-

Note: 1. Paid-up shares of NBC as of October 27, 2016 total 535,436,609 shares.
2. Directors' shareholdings are inclusive of shares held by spouses (if any).

6. Auditor's remuneration

1. Audit fee

The company and its subsidiaries paid an audit fee for the financial year of Bt 900,000 to KPMG Phoomchai Audit Limited. The figure can be broken down as follows:

Order	Company	Amount (Baht)
1	Nation Broadcasting Corporation Public Company Limited	650,000
2	NBC Next Vission Co., Ltd.	200,000
3	NBC Next Media Co., Ltd.	50,000
Total		900,000

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

7. Other Aspects of Good Corporate Governance

Meeting Attendance

In 2016, attendance at the 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	EGM
1.	Mr. Thepchai Sae Yong	4/6	N/A	1/1	1/1
2.	Mr. Supong Limtanakool	6/6	4/4	1/1	1/1
3.	Mr. Metha Soonthornjit	5/6	3/4	1/1	1/1
4.	Mr. Jessada Promjart	5/6	4/4	1/1	1/1
5.	Mrs.Veerawan Vararuth (Appointed as a director since December 23, 2016)	1/1	N/A	N/A	N/A
6.	Mrs. Nongnat Hanwilai (Appointed as a director since December 23, 2016)	1/1	N/A	N/A	N/A
7.	Mr. Supawat Sa-nguan-ngam (Appointed as a director since December 23, 2016)	1/1	N/A	N/A	N/A
8.	Mrs. Lakana Ratwongsakul (Appointed as a director since December 23, 2016)	1/1	N/A	N/A	N/A
9.	Mr. Supoth Piansiri (Appointed as a director since December 23, 2016)	1/1	N/A	N/A	N/A
10.	Mr. Sirichai Chananam (Appointed as a director since December 23, 2016)	1/1	N/A	N/A	N/A

Note : 6 Board of Directors meetings were held in 2016 and 4 Audit Committee meetings. Most directors, as stated in this report, were appointed to replace directors who had resigned or who had been notified by the SEC to vacate their positions. The Extraordinary General Meeting of Shareholders No. 1/2559 on December 23, 2016 resolved to appoint 6 directors, No. 5 to 10, who began attending board of directors meetings from the date of their appointment. These directors therefore did not attend the 2016 Annual General Meeting of Shareholders on April 26, 2016 nor the Extraordinary General Meeting of Shareholders No. 1/2559 on December 23, 2016 as directors of the company.

The company maintains written minutes of 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

The company's Board of Directors places importance on the maintenance of an internal control system, establishing a system that covers finance and operations in accordance with related laws, rules and regulations with effective checks and balances to protect and safeguard the company's assets. The Internal Audit Department monitors the performance of every unit to ensure operations are conducted correctly and according to the regulations. The Audit Committee also oversees and directs the company's internal control system to comply with policies and plans as assigned by the Board of Directors and in accordance with the rules of the Stock Exchange of Thailand and the Securities and Exchange Commission.

Audit Committee's review of the internal audit

In 2016 the Board of Directors received the Audit Committee's review of the financial statements and financial report, including the results of the internal audit. The Board of Directors was of the opinion that overall the company's

internal control system was satisfactory with confidence in the credibility of the financial statements. The company appropriately safeguarded assets to prevent any illicit use by management or employees, operated in line with specified procedures, and maintained a cautious, adequate, and appropriate internal control systems in five respects - organization and environment, risk management, management control, information and communication and monitoring system. Each sector can be summarized as follows:

1. Organization and environment

The company has set clear and assessable business goals, with periodic reviews of the feasibility of the goals. The company offers employees reasonable remuneration in line with their annual performance results. The company's organization structure is clearly divided into separate business units, with ethical guidelines and a Code of Conduct for management and employees to follow, ensuring they perform honestly and ethically, and deliver standardized work. The ethical guidelines and Code of Conduct also encompass care of stakeholders and compliance with related laws. All managers and employees are required to strictly follow the company's ethical guidelines and Code of Conduct.

2. Risk management

The company assesses risk in various areas to ascertain possible impacts on operations. Meetings of the executive committee, including the Chief Executive Officer / Managing Director, Senior Vice Presidents and heads of related departments, are held to evaluate risks and the possible consequences that may arise from risks. The meetings cover operational planning as well as implementation and monitoring of operations.

3. Management control

The company has put in place policies and procedures covering various areas including financial transactions, purchasing, hiring and general administration, setting of authority and duties, approval limits for management at each level clearly specified and available in writing, segregation of duties concerning accounting records and information, and safeguarding of the company's assets. In the event that the company approves transactions with major shareholders, directors, executives or other related parties, the company will take into account the best interests of the company as priority and consider such transactions in the same way as those made with external parties.

4. Information system and data communications

The company has established an information system and communication channels for use within the organization and externally, to enable all concerned parties to access information that is accurate, complete and timely, as well as information that is important in decision making.

5. Monitoring system

The company has put in place a monitoring system to ensure that compliance with the internal control system is maintained continuously. The Internal Audit Department is responsible for monitoring the performance of employees in the various segments of the company and reporting the results to the Board of Directors and executives. Any significant problems encountered must be reported for consideration prior to implementing appropriate solutions within a reasonable time period.

Head of the internal audit

Mr. Samatcha Ngamwacha is Senior Internal Audit Manager are responsible for the internal audit department. The Audit Committees agreed that the Internal Auditor must be qualified to perform the functions effectively because he 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.

Corporate Social Responsibility

Nation Broadcasting Corporation Public Company Limited (“NBC”) has operated the media business; carry out news station, the Nation TV Channels 22, the Nations Radio, and digital media, the NBC has been truly committed to present news with the accuracy, straightforward, reliability, guide the society to the right way under the business code of conduct and the professional ethics and in the agreement with the CSR in process.

Also, the NBC has operated the business embracing the Corporate Social Responsibility: (CSR), coupled with professional ethics as mass media socially and environmentally to achieve the sustainable social development through the CSR activities and projects held in 2016 as follows.

Professional responsibility under the responsibility to consumers

NBC has upheld the media ethics by which the coverage has been reported accurately and straightforwardly; neither distort the news information damaging to others, nor carry out the graphic or message presentation that violates the dignity of the human, nor violate the privacy of other, but produce TV content that is beneficial to public society through the Nation TV channel 22 as follows;

1. **“Community Surveillance”** is a TV program acting as joint mediator of surveillance and alarming the public in any form; including natural disasters, threats close to home, crimes, and so on, by the community and for the community, to reflect the issues that have not been resolved by the governmental authority or the influential groups wherein the general public can make a complaint to the TV program and to work together to find a solution to relieve the suffering of the involved parties.

2. **“Love the Earth”** is environment-oriented documentary news, close follow-up of the situations and delve into issues of interest through the viewpoint of the field reporter, aiming to present the society an awareness of natural resource management in balancing and sustainable way. In 2016, Love the Earth won the “the 2016 Investigative TV Journalist Awards No.1” in the category of community lifestyle and culture under the episode “Whose Rawai ”; content presentation has been characterized of investigating the disputed land on the Rawai beach, Phuket, aired on February 14, 2016 by Thanpisit Lertbamrungrachai.

3. **“Lawyer Volunteer”** involves answering questions about the laws the public should know and a presentation of cases of the unfair treatment occurring in the society, or exploitation of legal loopholes. The home audiences are able to call and question in live program or post questions through the Facebook of “Lawyer Volunteer”. The duo moderators are a lawyer and a legal advisor who will answer questions and provide preliminary legal advice.

4. “Nation [X] Files” is an investigative documentary news of the hot issues, uncovering the hot issues that may affect the public, disclosing the facts to the society regarding the environment, economy, and corruption. In 2016, the Nation [X] Files was awarded the “Virtue Bouquet”, which this award is aimed at promoting virtues for those who are truly committed to do good and suppression of the corruption. The Creative Media Award in news or news documentary field for the year 2016 on two episodes; “Packed Rice Corruption” and “Double Swords Loan Fraud on Krungthai”.

5. “Friendly Design by Krissana” , a quality tourism TV program emceed by Krishna Lalai (President of the Friendly Design for All Foundation and the Executive Editor of the Friendly Design magazine, taking the audiences on tour to visit the tourist attractions in the country and overseas, coupled with the survey of the Friendly Design – Design for All to find out the inspiration in the universal design for Thailand, and campaign the tourism development in Thailand to be furnished with the friendly design for people of all ages and the equal accessibility. The “Friendly Design by Krissana” can be viewed simultaneously worldwide via Facebook “Friendly Design Thailand”.

Responsibility toward Employees

The NBC has been truly committed in adherence to the ethics to ensure that its employees are happy both physically and mentally through the promotion and the development of the employee qualities, create a pleasant working atmosphere, nurture the excellent culture, encourage a unity with generosity to each other, promote autonomy and strengthen democracy within the organization, organize the events to intertwine the good relationships, take care of the employee’s security and health hygiene, provide the appropriate welfare and promote the idea of self-management on the economy and austerity for the promising future.

As such, the NBC recognizes its employees as valuable assets that contribute the organization to a success. In doing so, the NBC has carried out various aspects of the activities as summarized in the Annual Report of the past year, and has been trying to fulfill the employees in the more equitable manner.

Anti-corruption

The NBC has signed the Declaration of Intent for the Collective Action Coalition, in the collaboration with government and private sector, public and the international organizations to ensure the transparent business operation and anti-corruption on September 6, 2013.

The NBC’s philosophy is to express the spirit and commitment in the fight against the corruption in all and any aspects, and to ensure that a decision and business with a potential risk of corruption shall be carefully considered and treated. So, the NBC has established “Anti-corruption” policy in writing with the approval of the Board of Directors as a clear guideline on business operation and development to the sustainability organization.

Anti-corruption policy

- Directors, executives, and employees of the Company shall not involve or accept any and all kinds of the corruptions directly or indirectly; that is; receipt of gifts, entertainments, funds, donations and other benefits for oneself from those who run the business with the Company, including employees, suppliers, customers and all stakeholders inside and abroad. The implementation of the anti-corruption policy shall be reviewed at least once on an annual basis, along with an assessment of the risk of corruption company-wide annually. In addition, the guidelines and requirements for operation in accordance with the changes in business, rules, regulations, and statutory requirements shall be reviewed.

- Any acts under the anti-corruption policy shall be in accordance with the guidelines of the Good Practices in Corporate Governance and the Code of Conduct, rules and regulations and the related operational manual and any other practices that may be set forth by the Company.

- To achieve clarity in any matters of the high risk of the corruption, the Board and the employees at all levels must be careful in the following.

- Entertainment and gifts and other expenses
 - Giving or receiving gifts and entertainment shall be in accordance with the regulations stipulated in the Code of Conduct.
- Charity donations, funds, or financial support
 - Giving or receiving donations, funds, or financial support shall be in a transparent and legal manner, ensuring that donations, funds, or financial support shall not be used as an excuse for bribery.

- Business relationships and procurement - do not give or receive bribe in any business with suppliers, government agencies, or corporations that conduct business with the Company under transparency and integrity and in accordance with relevant applicable laws and requirements.

Practices on the fight against corruption

- Directors, executives and employees of the Company at all levels must abide by the anti-corruption policy and the Code of Conduct and must not get involved in any corruption directly or indirectly.
- Employees must not neglect or ignore when exposed to the action of the networks of the corruption relating to the Company, but notify the supervisors or responsible persons, and cooperate in the factual investigation. In the case of doubts or questions, consult with the supervisors or the assigned responsible persons in the compliance with the Code of Conduct through the defined various channels.
- The Company ensures fairness and protects employees who report or refuse corruption related to the Company through the protective measures for complainants or cooperative persons in reporting corruption as set forth in the Code of Conduct, Section 4 Complaints, and Suggestion.
- A person who commits a corruption is considered a violation of the Code of Conduct and shall be considered a disciplinary punishment according to the regulations set out by the Company, or be punishable by law if such an action is illegal.
- The Company recognizes the importance of the dissemination of knowledge and understanding to others who have duties related to the Company and the stakeholders of the Company or potential effects on the Company in the regard of matters relevant to the anti-corruption measures.
- The Company is truly committed to creating and develop its personnel and staffs to be of good conscience and the good citizen of the society and the nation, and maintain the organizational culture dedicated "Corruption is unacceptable to any transactions with both governmental and the private sector."

Dissemination of anti-corruption policy

To ensure the Company employees and stakeholders to acknowledge the policy against corruption, the Company has pursued the following.

- For employees, the policy against corruption has been informed by the Company via the Intranet and electronic mail (E-mail) to all employees.
- For stakeholders, the policy against corruption has been informed by the Company via the Company's website (www.nbc.co.th) and annual report, and so on.

Matters/ complaints

- Perfidious acts, corruption related to the Company directly or indirectly.
- Wrongdoing against the regulations of the Company or any action that affects the internal controls of the Company, or action that is suspicious to commit fraud.
- Any action that defames or discredits the Company.
- Illegal and immoral conducts against the Code of Conduct.

Channels for complaints

- E-mail: audit_nbc@nationgroup.com to the Audit Committee and Internal Audit Manager Letter mailing, or contact in person directly to

Audit Committee or Internal Audit Manager at the Nation Broadcasting Corporation Public Company Limited (Thailand) No.1858/121-122, 124-128, 28th Fl., Bangna-Trad Road, Bangna Bangna, Bangkok 10260

Procedures for the receipt of the complaint

- Internal Audit gathers facts related to the violation or noncompliance to the Code of Conduct and conducts an initial investigation.
- If it has reasonable ground to believe the complaint is a fault, the Internal Audit then gathers evidence submitted to the Chief Executive Officer for a further appointment of the commission of inquiry and the HR serves as the Investigation Committee Secretary.
- Investigation Committee investigates the facts and reports the results, and defines the measures taken to settle the violation or noncompliance, then submitted to the Chief Executive Officer, Internal Audit Manager, and Internal Audit Committee.

- Internal Audit is responsible for informing the complainant of the results when the complainant handles a process itself.

Measures of protection on complainants

The Company has taken measures to protect the complainants, based on the following criterions

- The complainant is entitled to be protected equally; whether they are employees or stakeholders.
- The complainant is entitled to opt non-disclose of their personal data unless the complainant considers that the disclosure would facilitate the Company to report the progress or inquires more useful information, or inform the facts, or mitigate the damages in more convenient and faster way.
- Audit Committee fairly treats and protects the complainant, officer receiving a complaint, the person who complains against, and those involved in the investigation process. In addition, the information is kept confidential, and disclosure is done as deem necessary with regard to the safety and damage of the complainant, officer receiving a complaint, the person who is complained against, and those involved in the investigation process.

In addition, the “Nation Group” in cooperation with the “Thaipat Institute” to enter the Partnership Against Corruption for Thailand: PACT, thrusting anti-corruption at the enterprise level, targeting to expand the supply chain at the industrial level, and navigates the promotion of the transparency over the media industry in three operational phases. “Commitment” a statement by the organization and management’s messages, as well as including examples of concrete action or on anti-corruption of the management. “Action” is to transform the organization’s commitment to action through policies and internal controls implemented to prevent and detect frauds. Lastly, “Extension” pushes the partners to implement the policies and practices that are not involved in corruption, based on the principles and practices recommended by the UN Global Compact, and the Transparency International, with the Pricewaterhouse Coopers Consulting (Thailand) Ltd. as the network consultant.

In short term, the Company has pursued a pilot project, the “Media Industries Transparency Initiative: MITI”) to foster openness and responsible and verifiable media management, which would lead to the development of the standards of transparency and disclosure in the media industry that the society has entrusted and has been recognized by all stakeholders.

Community and social development

NBC intends to operate its business in coupling with the corporate social responsibility by partaking in strengthening Thai society through projects and activities regarding the community and social contribution and development, aiming to maximize the benefits to the communities and society under the CSR after process management scope. In 2016, social and community activities and programs carried out by the NBC included the following.





Nation Digital Voice the 5th Year

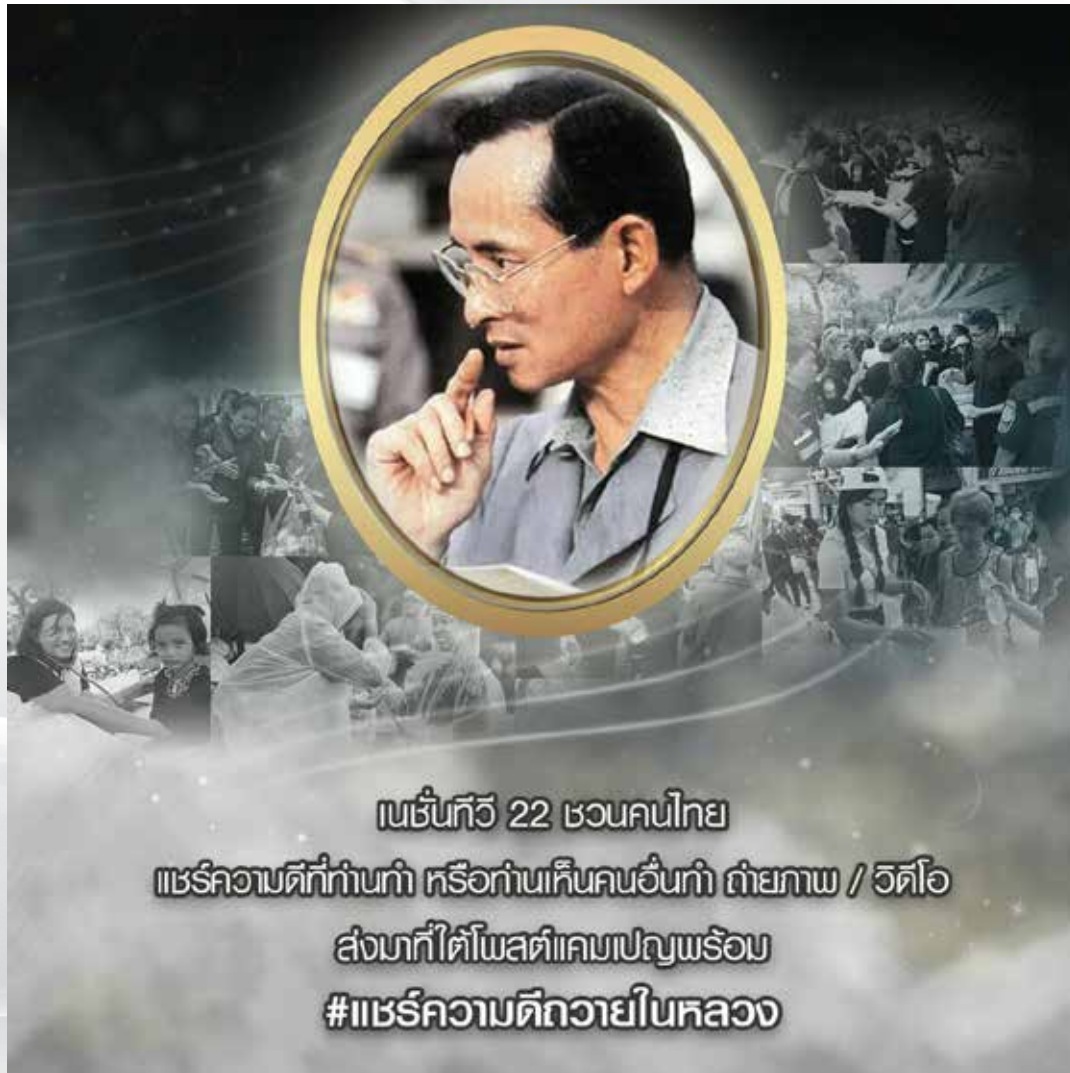
NBC by the Nation Radio, business radio FM 90.5 and working people radio FM 102 in the conjunction with the Foundation for the Blind in Thailand under the Royal Patronage of H.M the Queen and the Thailand Caulfield for the Blind under the Royal Patronage of Her Royal Highness Maha Chakri Sirindhorn, has carried out the “Nation Digital Voice”, a sound library for the fifth years, the opening ceremony was held on May 24, 2016 at the Honor Room, Chalem Phrakiat 72nd Anniversary of H.M. the Queen Building, the Foundation for the Blind in Thailand under the Royal Patronage of H.M the Queen, Rajvithee Rd, Yak Tuk Chai, Bangkok, to help those visually-impaired people and those who are blind, including the illiterate, patients in the hospitals, and the elderly are given an opportunity to access to audio books sources through a variety of channels; digital media and audio books, websites, sound library at the Thailand Association for the Blind’s library and public libraries in Bangkok. In addition, it serves as mediator that the Nations radio audiences, subscribers, and Nations’ followers, reporters, the affiliated employees, and the celebs to participate in the activities such as book-reading and doing good for the King, and to further develop the DVD audio delivered to the Foundation for the Blind, Bangkok School for the Blind / Thailand Association of the Blind / Thailand Caulfield Foundation / Christian Foundation for the Blind in Thailand/ School for Disabled Children Ram Indra, etc. and the production of 150 copies of the audio books.



Friendly Design for All and Health Innovation Exhibition No.1

It’s anticipated that in the next five years (by 2021) Thailand will enter the ‘Aged Society’ completely and it will have more than 13 million elderly people. For this reason, it has an idea for the first time in Thailand to organize the Friendly Design for All and Health Innovation Exhibition No.1 to assemble, promote, and encourage the public and private sectors to be aware of the importance of universal design for all genders, ages, and physical body equally in moving Thailand toward the target Thailand tourism, “Thailand Tourism for All, a Hub of the Friendly Design of the ASEAN Community during November 30th to December 3rd, 2016 at the Exhibition Hall 6, IMPACT Muang Thong Thani. Coupled with campaign and development of Thailand tourism as tourist destination with the universal design where the people of all ages can be accessed equally and to move and develop the universal design in the next 5 years in the ASEAN region. The National Broad casting Corporation Company Limited (NBC) was awarded the “Organization with the Promotion of the Universal Design Award 2016”, a prize awarded to the organizations that carry out social activities that benefit the society and the nation for promotion and supporting the projects and activities to drive the universal design development.





Sharing good for the King campaign

'Sharing good for the King' campaign is a social media activity held by the NBC on November 2016, aiming to pursue the H.M. Bhumibol's aspiration to do good and to campaign Thais to do good with no expectation of anything in return, but the words of mouth in doing good by sharing good the people have done or other's good deeds committed in various ways and means; including; still images / video clips containing the subtitles, using hashtag '#sharing the good for the King' posed on Facebook Fanpage: sharing the good for the King or posted as public on Facebook of those participants, using hashtag '#sharing the good for the King'.

The stories of the doing a good deed by the participants are broadcasted via www.nationtv.tv/shareforking, to pass the good deeds, for examples,

A story by Autthnutch Boonyalakha : wishing to be a humble who learn to share and distribute the petty happiness and goodness to the society and others #sharing the good for the King.

A story by a graphic designer and co-workers who love the King: wishing to share the little good things # honor King Reign IX, by which I design a notebook and distribute them at the Royal Plaza with the fund support of peers #sharing the good for the King. My friends and I am very satisfied (15-11-2016).



Nation TV Charity Rally “Reminiscence of the Father”

The Nation TV Channel 22 in the partnership with the Nissan Motor (Thailand) Co., Ltd. and its fan club held the Nation TV Charity Rally activity for two consecutive years. By this year, the theme is the “Reminiscence of the Father” on the route Bangkok - Phetchaburi on December 17, 2016. The activities included doing a charity in the fulfillment of the complacent and satisfied merits. The rally excursion visited and examined the Laem Phak Bia Environmental Research Project under the H.M the King’s initiative; that involves the adoption of the natural rules to the wastewater treatment and environmental maintenance, an experiment of household waste fermentation to make the fertilizers and further utilization. In addition, it visited the Genius of the King exhibition fair and joined the activities “Release the white perch into the sea” at the Sirindhorn International Environmental Park. In addition, in the Nation TV Charity Rally “Reminiscence of the Father” activities, the participants listened to sermon and committed the meditation with Phra Phaovana Viriyakun (Priest Savai),Director of the International Meditation Center, Wat Mahathat , together offered the revenue generated from the rally subscription fees and merit amount 232,870 Baht donated by the participants as funds to build the meditation place, Wat Mahathat Khao Yoi Branch, Petchburi. In these activities, all participants were jointly dedicated to a royal charity for His Majesty Bhumibol Adulyadej.





Nation Bike Thailand 2016

Nation Bike Thailand 2016 is an activity held by the Nation TV Channel 22 in the partnership with both private and public sector, continuously held for three consecutive years and throughout the year 2016 held in many provinces across the country, aiming to campaign Thailand to enter the cycling country; primarily to raise an awareness of cycling to promote exercise and to get the healthy life and share the road safely, and persuade Thais to save the environment to reduce air pollution, including the promotion of tourism with using the bicycles to help stimulate the provincial economy. To achieve, the riders are required on the way to stop at the tourist attractions or the landmark of the provinces. There were more than 30,000 cycling participants from 16 cockpits. The first cockpit opened on February 27, 2016 at Thammasat University (Rangsit Campus), riding through Bangkok - Pathum Thani, at a distance of 28 km. The revenues from subscription fees of 200 Baht per a subscriber with no deduction would be delivered to the Thammasat University on the auspicious occasion of 100-year memorial of Puey Ung-Phakorn, followed by Yala, Kanchanaburi, Pattaya Chonburi, Koh Lan Tao Krabi, Loei, Kra Tu Phuket, Burapha University Chonnuri, Surat Thani, Ubon Ratchathani, Kam Phaeng Phet, Songkhla, Nakhon Phanom, Yasothon. , Phang Nga, Satun and lastly Phang Nga, a total riding distance of 531 kilometers. Most cycling participants are in the Generation X aged between 37-51 years and 70 percent were male.



Overall, this guarantees of the corporate social responsibility concerned by the NBC as media operator with the intent to carry out its social responsibility as well as its CSR in process and CSR after process to create shared values between business and society, coupled with adherence to ethical conduct of media from the beginning until today.

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	2016		2015		2014	
	Amount	%	Amount	%	Amount	%
Revenues from television broadcasting	411.65	76.73	627.11	74.11	501.85	67.65
Revenues from radio media	22.91	4.27	25.80	3.05	26.67	3.59
Revenues from new media business	84.23	15.70	172.27	20.36	184.86	24.92
Other revenues	17.73	3.30	20.97	2.48	28.49	3.84
Total revenues	536.52	100.00	846.15	100.00	741.87	100.00

Audit Committee's Report For the Year 2016

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. Jessada Promjart - Committee Members.

During 2016, 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 2016, 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 2016, 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 2016, 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 2017, 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 2016, 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 2017, 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 2017 : Ms.Patamavan Vadhanakul, registration No. 9832 ; Mr.Veerachai Ratanajaratkul, registration No. 4323 ; Ms. Vannaporn Jongperadechanon, registration No. 4098.

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, 2016, 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.



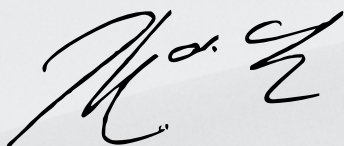
Dr. Supong Limtanakool
Chairman of the Audit Committee

Report of the Board of Directors' Responsibilities to the Financial Reporting for the year 2016 Nation Broadcasting Corporation Public Co., Ltd.

The Board of Directors has been aware of its duties and responsibilities as director of the listed company in regulating and ensuring of the transparency, accuracy and completeness of the established financial reporting in material appropriately to maintain the company's assets, prevent frauds and abnormal transactions and related transactions which may cause a conflict of interest, commercial transactions as normal course of business and in compliance with the generally accepted accounting standards, implement the appropriate accounting policies and practice regularly with a deliberate precaution in conducting the separate and consolidated financial statements of the company and its subsidiaries, as well as financial information as appeared in the annual report of the company.

Thus, to assure the stakeholders of the financial reporting of the company, the Board of Directors has appointed the Audit Committees; consisting of independent director whose qualification meets the requirements of the Stock Exchange of Thailand (SET) and the Notification of the Capital Market Commission, to be responsible for reviewing the financial reporting and business operation for adequate accuracy and disclosure and ensuring of the transparency, accuracy and completeness of the related transaction or transactions with the conflict of interest, the adequateness of risk management, internal control, and sufficient and effective regulation of the company, the adequateness of tracking requirements of the Stock Exchange of Thailand (SET) and the Notification of the Capital Market Commission. Audit Committee reported the Board of Directors its opinion on this matter in the report of the Audit Committee as appeared in the annual registration statement (56-1) and annual report of the company.

The Board of Directors have been of the opinion that internal control of the company as a whole was satisfactory to some degrees with a reasonable confidence to the reliability of the separate and consolidated financial statements of the company and its subsidiaries as of ended December 31, 2016, which the company's auditors have been of the opinion that the financial statements representing the financial position, operating results, and cash flow is accurate, complete, reliable and reasonable in accordance with the generally accepted accounting principles, coupled with the use of appropriate accounting policies and practices regularly and transparent and adequate disclosure in accordance with the applicable laws and relevant regulations.



Mr. Thepchai Sae Yong
Chairman



Mr. Supawat Sa-nguan-ngam
Managing Director

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 2016 represented an operating loss before income tax of Baht 265.31 million. An inclusion of income tax of Baht 10.15 million, resulted in operations for the year 2016 had a loss of Baht 275.46 million. Compared to the same period of last year, it showed a loss of Baht 20.56 million, an increase loss of 1,240%. 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 2016 was Baht 518.79 million, which decreased by 37% compared to the same period of last year. The main reason is from the economics slowdown which affected advertising revenue from TV business , New Media and Radio Channels decreased.
2. Cost and expenses for the year 2016 was Baht 801.83 million decreased by 8% compared to the same period of last year. Due to the Group has a policy to maintain of expenses monitor.

Conclusions:

The Group reported operations for the year ended 31 December 2016 represented an operating loss before income tax of Baht 265.31 million. An inclusion of income tax of Baht 10.15 million, resulted in operations for the year 2016 had a loss of Baht 275.46 million. Compared to the same period of last year, it showed a loss of Baht 20.56 million.

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

Financial statements for the year ended
31 December 2016
and
Independent Auditor's Report



KPMG Phoomchai Audit Ltd.
Empire Tower, 50th-51st Floors
1 South Sathorn Road, Yannawa
Sathorn, Bangkok 10120, Thailand
Tel +66 2677 2000, Fax +66 2677 2222

บริษัท เคพีเอ็มจี ภูมิไชย สอบบัญชี จำกัด
ชั้น 50-51 เอ็มไพร์ทาวเวอร์
1 ถนนสาทรใต้ แขวงยานนาวา
เขตสาทร กรุงเทพฯ 10120
โทร +66 2677 2000 แฟกซ์ +66 2677 2222

Independent Auditor's Report

To the Shareholders of Nation Broadcasting Corporation Public Company Limited

Opinion


I have audited the 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 2016, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2016 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. 

Impairment of digital television licence of subsidiary and investment in subsidiary	
Refer to Note 3 (f), 3 (i), 3 (j), 11 and 15 to the consolidated and separate financial statements.	
The key audit matter	How the matter was addressed in the audit
<p>A subsidiary won the auction for commercial digital terrestrial television licence at national level for a news channel category in April 2014 at a bid price of Baht 1,338 million for a period of 15 years. As at 31 December 2016, net book value of digital television licence is Baht 973 million which is considered to be a significant asset in the Group's consolidated statement of financial position. Digital television is at an early stage in Thailand, and as such, there is a risk that operation results may not be in line with initial expectations and forecasts, and that the digital television licence may possibly be impaired. This would impact the operation of subsidiary which owns digital television licence, and is a significant investment in the separate statement of financial position. The investment in subsidiary may possibly be impaired as well.</p> <p>From the above situation, management of the subsidiary and the Company involved judgement in the estimation of the recoverable amount of digital television licence and investment in subsidiary.</p> <p>Therefore, I have determined this matter to be a key audit matter.</p>	<p>In evaluating the impairment assessment performed by management, my audit procedures included, among others:</p> <ul style="list-style-type: none"> • gaining an understanding of the preparation of discounted cash flow projection along with management approval; • assessing the discounted cash flow projection approved by management by evaluating the key assumptions and actual operation results and operation plans; as well as assessing the appropriateness of discount rate used by comparing to the weighted average cost of capital of an industry which the Group operates in and testing the computation of discounted cash flow projection; • evaluating the sensitivity of key assumptions used in the estimation of future cash flows, in order to evaluate the effects to the recoverable amount of digital television licence; and • evaluating the adequacy of the financial statements disclosures in accordance with Thai Financial Reporting Standards. //



Other Information

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

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

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

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

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


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

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

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

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

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

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



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

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

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

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

(Patamavan Vadhanakul)
Certified Public Accountant
Registration No. 9832

KPMG Phoomchai Audit Ltd.
Bangkok
10 February 2017

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	
		2016	2015	2016	2015
			(in Baht)		
<i>Current assets</i>					
Cash and cash equivalents	5	136,011,877	84,772,219	124,848,945	79,997,883
Current investments	6	126,195,720	563,545,937	126,195,720	553,542,701
Trade accounts receivable	7	144,449,740	232,928,450	278,671,391	341,413,638
Accrued income	4	53,538,849	102,446,533	77,450,063	124,289,733
Other receivables	8	57,955,881	56,576,005	85,072,308	113,563,004
Inventories	9	16,210,593	10,305,014	16,210,593	10,305,014
Other current assets	10	67,773,953	54,113,150	34,270,899	26,702,109
Total current assets		602,136,613	1,104,687,308	742,719,919	1,249,814,082
<i>Non-current assets</i>					
Investments in subsidiaries	11	-	-	810,250,000	510,250,000
Long-term investment in related party	6	18,092,316	32,072,742	18,092,316	32,072,742
Investment property	12	10,951,340	-	10,951,340	-
Plant and equipment	13	142,242,207	165,347,992	142,242,207	165,347,992
Intangible assets	14	24,258,135	10,619,958	4,583,755	2,382,802
Digital television licence	15	973,189,931	1,052,203,998	-	-
Deferred tax assets	16	50,473,774	55,391,884	29,897,680	16,720,880
Other non-current assets	17	22,537,168	19,450,790	5,958,347	8,653,935
Total non-current assets		1,241,744,871	1,335,087,364	1,021,975,645	735,428,351
Total assets		1,843,881,484	2,439,774,672	1,764,695,564	1,985,242,433

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
Liabilities and equity	Note	2016	2015	2016	2015
		<i>(in Baht)</i>			
Current liabilities					
Trade accounts payable	18	24,392,537	31,969,969	248,949,688	401,046,599
Other payables	19	50,699,170	62,676,084	56,517,063	30,287,303
Current portion of digital television licence payable	22	221,436,865	210,872,428	-	-
Accrued expenses	20	57,955,946	83,439,412	48,776,532	44,163,948
Income tax payable		2,876	291,523	-	275,970
Other current liabilities	21	39,966,478	55,195,631	24,336,736	29,756,181
Total current liabilities		394,453,872	444,445,047	378,580,019	505,530,001
Non-current liabilities					
Digital television licence payable	22	430,026,432	651,463,297	-	-
Employee benefit obligations	23	39,272,391	27,366,097	20,849,005	18,125,352
Total non-current liabilities		469,298,823	678,829,394	20,849,005	18,125,352
Total liabilities		863,752,695	1,123,274,441	399,429,024	523,655,353
Equity					
Share capital	24				
Authorised share capital		720,343,962	720,343,962	720,343,962	720,343,962
Issued and paid-up share capital		535,436,609	535,436,609	535,436,609	535,436,609
Premium on ordinary shares	24, 25	824,431,691	824,431,691	824,431,691	824,431,691
Warrants	25	2,796,373	1,745,846	2,796,373	1,745,846
Retained earnings (Deficit)					
Appropriated					
Legal reserve	26	24,100,000	24,100,000	24,100,000	24,100,000
Unappropriated (Deficit)		(348,299,096)	(22,061,533)	36,838,643	123,025,369
Other components of equity		(58,336,776)	(47,152,435)	(58,336,776)	(47,152,435)
Equity attributable to owners of the Company		980,128,801	1,316,500,178	1,365,266,540	1,461,587,080
Non-controlling interests		(12)	53	-	-
Total equity		980,128,789	1,316,500,231	1,365,266,540	1,461,587,080
Total liabilities and equity		1,843,881,484	2,439,774,672	1,764,695,564	1,985,242,433

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

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	2016	2015	2016	2015
		(in Baht)			
Income					
Revenue from sale of goods and rendering of services	4	518,790,722	825,178,425	269,658,384	420,592,509
Interest income		13,414,953	19,120,005	13,266,096	18,707,692
Other income	4	4,318,266	1,852,232	31,495,993	10,917,954
Total income		536,523,941	846,150,662	314,420,473	450,218,155
Expenses					
Cost of sale of goods and rendering of services	4	603,584,146	673,696,096	223,360,886	244,865,308
Selling expenses	4, 28	54,300,892	68,824,139	48,898,833	62,345,214
Administrative expenses	4, 29	103,626,343	78,363,333	91,016,003	67,526,588
Finance costs	32	40,321,971	50,435,474	848,169	1,045,541
Total expenses		801,833,352	871,319,042	364,123,891	375,782,651
Profit (loss) before income tax expense		(265,309,411)	(25,168,380)	(49,703,418)	74,435,504
Income tax (expense) benefit	33	(10,153,303)	4,610,081	9,574,896	(15,121,849)
Profit (loss) for the year		(275,462,714)	(20,558,299)	(40,128,522)	59,313,655
Other comprehensive income					
<i>Items that will not be reclassified to profit or loss</i>					
Defined benefit plan actuarial losses	23	(9,924,982)	-	(4,029,094)	-
Income tax on other comprehensive income	16, 33	1,984,996	-	805,819	-
		(7,939,986)	-	(3,223,275)	-

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

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	2016	2015	2016	2015
		(in Baht)			
<i>Items that are or may be reclassified to profit or loss</i>					
Net change in fair value of available-for-sale investment	6	(13,980,426)	(58,940,544)	(13,980,426)	(58,940,544)
Income tax on other comprehensive income	16, 33	2,796,085	11,788,109	2,796,085	11,788,109
		<u>(11,184,341)</u>	<u>(47,152,435)</u>	<u>(11,184,341)</u>	<u>(47,152,435)</u>
Other comprehensive income (loss) for the year, net of income tax		<u>(19,124,327)</u>	<u>(47,152,435)</u>	<u>(14,407,616)</u>	<u>(47,152,435)</u>
Total comprehensive income (loss) for the year		<u>(294,587,041)</u>	<u>(67,710,734)</u>	<u>(54,536,138)</u>	<u>12,161,220</u>
Profit (loss) attributable to					
Owners of the Company		(275,462,669)	(20,558,297)	(40,128,522)	59,313,655
Non-controlling interests		<u>(45)</u>	<u>(2)</u>	<u>-</u>	<u>-</u>
Profit (loss) for the year		<u>(275,462,714)</u>	<u>(20,558,299)</u>	<u>(40,128,522)</u>	<u>59,313,655</u>
Total comprehensive income (loss) attributable to					
Owners of the Company		(294,586,996)	(67,710,732)	(54,536,138)	12,161,220
Non-controlling interests		<u>(45)</u>	<u>(2)</u>	<u>-</u>	<u>-</u>
Total comprehensive income (loss) for the year		<u>(294,587,041)</u>	<u>(67,710,734)</u>	<u>(54,536,138)</u>	<u>12,161,220</u>
Earnings (loss) per share					
Basic earnings (loss) per share	34	<u>(0.514)</u>	<u>(0.038)</u>	<u>(0.075)</u>	<u>0.111</u>
Diluted earnings (loss) per share		<u>-</u>	<u>-</u>	<u>(0.075)</u>	<u>0.105</u>

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

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

	Note	Consolidated financial statements						
		Retained earnings (Deficit)		Other component of equity				
		Issued and paid-up share capital	Share premium	Warrants	Legal reserve	Unappropriated (Deficit)	Fair value changes in available-for-sale investment	Equity attributable to owners of the Company
						(in Baht)		Non-controlling interests
								equity
Year ended 31 December 2015								
Balance at 1 January 2015		534,707,847	822,077,790	1,033,814	21,100,000	12,190,923		1,391,110,374
								53
								1,391,110,427
Transactions with owners, recorded directly in equity								
<i>Contributions by and distributions to owners of the Company</i>								
Share options exercised	24	728,762	2,353,901	(896,377)	-	-	-	2,186,286
Share-based payment transactions	25	-	-	1,608,409	-	-	-	1,608,409
Dividends to owners of the Company	35	-	-	-	-	(10,694,157)	-	(10,694,157)
Total contributions by and distributions to owners of the Company		728,762	2,353,901	712,032		(10,694,157)		(6,899,462)
Change in ownership interests in subsidiary								
Acquisition of non-controlling interests without a change in control		-	-	-	-	(2)	-	(2)
Total changes in ownership interests in subsidiary		-	-	-	-	(2)	-	2
Total transactions with owners, recorded directly in equity		728,762	2,353,901	712,032		(10,694,159)		(6,899,464)
								2
								(6,899,462)
Comprehensive income (loss) for the year								
Profit or loss		-	-	-	-	(20,558,297)		(20,558,299)
Other comprehensive income (loss)		-	-	-	-	-	(47,152,435)	(47,152,435)
Total comprehensive income (loss) for the year		-	-	-	-	(20,558,297)	(47,152,435)	(67,710,732)
Transfer to legal reserve	26	-	-	-	3,000,000	(3,000,000)	-	-
Balance at 31 December 2015		535,436,609	824,431,691	1,745,846	24,100,000	(22,061,533)	(47,152,435)	1,316,500,178
								53
								1,316,500,231

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

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

	Note	Consolidated financial statements						
		Retained earnings (Deficit)		Other component of equity			Non-controlling interests	Total equity
		Issued and paid-up share capital	Share premium	Warrants	Legal reserve	Unappropriated (Deficit) (in Baht)	Fair value changes in available-for-sale investment	Equity attributable to owners of the Company
Year ended 31 December 2016								
Balance at 1 January 2016		535,436,609	824,431,691	1,745,846	24,100,000	(22,061,533)	(47,152,435)	1,316,500,178
Transactions with owners, recorded directly in equity								53
Contributions by and distributions to owners of the Company								
Share-based payment transactions	25	-	-	1,050,527	-	-	-	1,050,527
Dividends to owners of the Company	35	-	-	-	-	(42,834,928)	-	(42,834,928)
Total contributions by and distributions to owners of the Company		-	-	1,050,527	-	(42,834,928)	-	(41,784,401)
Change in ownership interests in subsidiary								
Acquisition of non-controlling interests without a change in control		-	-	-	-	20	-	20
Total changes in ownership interests in subsidiary		-	-	-	-	20	-	20
Total transactions with owners, recorded directly in equity		-	-	1,050,527	-	(42,834,908)	-	(41,784,381)
Comprehensive income (loss) for the year								
Profit or loss		-	-	-	-	(275,462,669)	-	(275,462,669)
Other comprehensive income (loss)		-	-	-	-	(7,939,986)	(11,184,341)	(19,124,327)
Total comprehensive income (loss) for the year		-	-	-	-	(283,402,655)	(11,184,341)	(294,587,041)
Balance at 31 December 2016		535,436,609	824,431,691	2,796,373	24,100,000	(348,299,096)	(58,336,776)	980,128,789

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

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

		Separate financial statements					
		Retained earnings			Other component of equity		
					Fair value changes in available-for-sale investment		
		Issued and paid-up share capital	Share premium	Warrants	Legal reserve (in Baht)	Unappropriated	Total equity
		Note					
Year ended 31 December 2015							
Balance at 1 January 2015		534,707,847	822,077,790	1,033,814	21,100,000	77,405,871	1,456,325,322
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners of the Company</i>							
Share options exercised	24	728,762	2,353,901	(896,377)	-	-	2,186,286
Share-based payment transactions	25	-	-	1,608,409	-	-	1,608,409
Dividends to owners of the Company	35	-	-	-	-	(10,694,157)	(10,694,157)
<i>Total contributions by and distributions to owners of the Company</i>		728,762	2,353,901	712,032	-	(10,694,157)	(6,899,462)
Total transactions with owners, recorded directly in equity		728,762	2,353,901	712,032	-	(10,694,157)	(6,899,462)
Comprehensive income (loss) for the year							
Profit or loss		-	-	-	-	59,313,655	59,313,655
Other comprehensive income (loss)		-	-	-	-	(47,152,435)	(47,152,435)
Total comprehensive income (loss) for the year		-	-	-	-	59,313,655	12,161,220
Transfer to legal reserve	26	-	-	-	3,000,000	(3,000,000)	-
Balance at 31 December 2015		535,436,609	824,431,691	1,745,846	24,100,000	123,025,369	1,461,587,080

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

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

	Note	Separate financial statements					
		Retained earnings		Other component of equity		Total equity	
		Issued and paid-up share capital	Share premium	Warrants	Legal reserve (in Baht)	Fair value changes in available-for-sale investment	
Year ended 31 December 2016							
Balance at 1 January 2016		535,436,609	824,431,691	1,745,846	24,100,000	123,025,369	1,461,587,080
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners of the Company</i>							
Share-based payment transactions	25	-	-	1,050,527	-	-	1,050,527
Dividends to owners of the Company	35	-	-	-	-	(42,834,929)	(42,834,929)
<i>Total contributions by and distributions to owners of the Company</i>		-	-	1,050,527	-	(42,834,929)	(41,784,402)
Total transactions with owners, recorded directly in equity		-	-	1,050,527	-	-	(41,784,402)
Comprehensive income (loss) for the year							
Profit or loss		-	-	-	-	(40,128,522)	(40,128,522)
Other comprehensive income (loss)		-	-	-	-	(11,184,341)	(14,407,616)
Total comprehensive income (loss) for the year		-	-	-	-	(43,351,797)	(54,536,138)
Balance at 31 December 2016		535,436,609	824,431,691	2,796,373	24,100,000	36,838,643	1,365,266,540

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December		For the year ended 31 December	
	2016	2015	2016	2015
	(in Baht)			
<i>Cash flows from operating activities</i>				
Profit (loss) for the year	(275,462,714)	(20,558,299)	(40,128,522)	59,313,655
<i>Adjustments for</i>				
Depreciation	46,642,232	49,644,966	46,642,232	49,644,966
Amortisation of intangible assets	11,688,100	4,603,765	935,324	1,440,921
Amortisation of digital television licence	79,014,067	79,014,067	-	-
Interest income	(13,414,953)	(19,120,005)	(13,266,096)	(18,707,692)
Finance costs	40,321,971	50,435,474	848,169	1,045,541
Reversal of bad and doubtful debts expense	(623,162)	(3,032,266)	(614,434)	(2,990,712)
Loss on decline in value of inventories				
(reversal of)	(142,248)	394,152	(142,248)	394,152
Gain on disposal of investment in				
debt security	(481,674)	(38,148)	(470,829)	(37,382)
Unrealised (gain) loss on valuation adjustment				
of investment in debt security	24,789	(3,790)	24,320	(3,321)
Gain on disposal of equipment	(2,749)	(1,066,580)	(2,749)	(1,066,580)
Loss on written-off of building and equipment	166,318	492,567	166,318	492,567
Employee benefit obligations	899,874	2,143,404	(1,947,923)	1,477,404
Share-based payment transactions	1,050,527	1,608,409	1,050,527	1,608,409
Income tax expense (benefit)	10,153,303	(4,610,081)	(9,574,896)	15,121,849
	(100,166,319)	139,907,635	(16,480,807)	107,733,777
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	65,847,304	(29,892,674)	40,102,114	(54,742,412)
Accrued income	48,907,684	(52,674,959)	46,839,670	(38,787,741)
Other receivables	(10,579,969)	9,415,329	19,365,562	(24,492,859)
Inventories	(5,763,331)	3,010,088	(5,763,331)	3,010,088
Other current assets	2,938,024	(17,652,162)	7,556,838	(7,709,792)
Other non-current assets	648,357	(3,942,912)	346,510	(1,062,554)
Trade accounts payable	(8,850,731)	8,490,285	(152,096,911)	118,963,328
Other payables	(11,479,629)	(5,361,733)	26,727,046	(10,059,985)
Accrued expenses	(22,803,466)	(30,019,265)	4,612,584	(37,418,982)

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

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	
	2016	2015	2016	2015
	<i>(in Baht)</i>			
Other current liabilities	(15,229,153)	12,435,043	(5,419,445)	4,759,237
Employee benefit obligations	-	(390,820)	-	-
Cash generated from (used in)				
operating activities	(56,531,229)	33,323,855	(34,210,170)	60,192,105
Income tax paid	(23,425,397)	(21,003,332)	(15,401,599)	(14,863,688)
Withholding tax refunded	2,349,078	-	2,349,078	-
Net cash from (used in) operating activities	(77,607,548)	12,320,523	(47,262,691)	45,328,417
<i>Cash flows from investing activities</i>				
Interest received	15,430,066	22,598,715	15,206,250	22,171,410
Current investments	494,292,273	40,000,000	484,793,036	40,000,000
Purchase of investment in				
debt security	(701,200,000)	(110,304,000)	(683,300,000)	(107,302,000)
Net cash inflow on disposal of				
investment in debt security	644,714,830	96,300,000	626,300,455	93,800,000
Net cash outflow on acquisition of				
long-term investment in related party	-	(91,013,286)	-	(91,013,286)
Digital television licence payment	(245,600,000)	(177,800,000)	-	-
Purchase of building and equipment	(13,296,305)	(67,023,266)	(13,296,305)	(67,023,266)
Sale of equipment	7,673,558	13,004,531	7,673,558	13,004,531
Purchase of programme licences	(23,396,700)	(4,162,200)	-	-
Purchase of intangible assets	(2,422,626)	(1,446,000)	(2,222,626)	(1,246,000)
Net cash from (used in) investing activities	176,195,096	(279,845,506)	435,154,368	(97,608,611)
<i>Cash flows from financing activities</i>				
Interest paid	(4,512,961)	(5,572,279)	(205,686)	(259,649)
Dividends paid to owners of the Company	(42,834,929)	(10,694,157)	(42,834,929)	(10,694,157)
Proceeds from exercise of share options	-	2,186,286	-	2,186,286
Net cash outflow on acquisition of				
investment in subsidiary	-	-	(300,000,000)	(200,000,000)
Net cash used in financing activities	(47,347,890)	(14,080,150)	(343,040,615)	(208,767,520)

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December		For the year ended 31 December	
	2016	2015	2016	2015
	<i>(in Baht)</i>			
Net increase (decrease) in cash and cash equivalents	51,239,658	(281,605,133)	44,851,062	(261,047,714)
Cash and cash equivalents at 1 January	84,772,219	366,377,352	79,997,883	341,045,597
Cash and cash equivalents at 31 December	136,011,877	84,772,219	124,848,945	79,997,883
<i>Non-cash transactions</i>				
Payables for purchase of building and equipment	-	2,034,770	-	2,034,770
Payables for purchase of programme licences	-	6,337,800	-	-
Digital television licence payable	651,463,297	862,335,725	-	-
Barter assets from rendering of services	21,961,703	-	21,961,703	-

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2016

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Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2016

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 10 February 2017.

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 (71.45% 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 2016 and 2015 are given in note 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 new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2016. 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 2017 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 38.

(b) Basis of measurement

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

<i>Items</i>	<i>Measurement bases</i>
Investment in debt security	Fair value
Available-for-sale financial assets	Fair value
Net defined benefit liability	Present value of the defined benefit obligation, limited as explained in Note 3 (m)
Warrants	Fair value

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(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 judgements and estimates

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties that have a risk of resulting in a material adjustments to the amount recognised in the financial statements is included in the following notes:

Notes 11 and 15	Impairment test : key assumptions underlying recoverable amounts;
Note 16	Recognition of deferred tax assets : availability of future taxable profit against which tax losses carried forward can be used;
Note 23	Measurement of defined benefit obligations : key actuarial assumptions; and
Note 25	Measurement of share-based payments.

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuations are reported to the Group Audit Committee.

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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

- Note 23 employee benefit obligations;
- Note 25 share-based payment arrangements; and
- Note 36 financial instruments.

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”).

Subsidiaries

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

Non-controlling interests

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

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

Loss of control

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

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.

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(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.

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

Foreign currency differences are generally recognised in profit or loss.

(c) Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows comprise cash balances, call deposits and highly liquid short-term investments.

(d) Trade and other accounts receivable

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

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

(e) Inventories

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

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

Finished goods comprise of 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.

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(f) Investments

Investments in subsidiaries

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

Investments in other debt and equity securities

Marketable debt security held for trading is classified as current assets and is stated at fair value, with any resultant gain or loss recognised in profit or loss.

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

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

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

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

(g) Investment property

Investment properties are condominium and improvements which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are stated at cost less accumulated depreciation and impairment losses.

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

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

Condominium and improvements	20 years
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(h) Plant and equipment

Recognition and measurement

Owned assets

Plant and equipment are 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. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

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

Subsequent costs

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

Depreciation

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

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

Building	20 years
Leasehold improvements	5 years
Operating equipment	5 - 10 years
Furniture, fixtures and office equipment	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.

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(i) Intangible assets

Digital television licence

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

Other intangible assets

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

Subsequent expenditure

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

Amortisation

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

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

Digital television licence	15 years
Computer programmes and software licences	3 and 5 years
Trademark	14 years
Right for broadcasting	Amortised based on the straight-line basis over the periods specified in the contracts

No depreciation is provided on computer programmes under installation.

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

(j) Impairment

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

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

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When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

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

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

Reversals of impairment

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

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

(k) Interest-bearing liabilities

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

(l) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(m) Employee benefits

Defined contribution plans

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

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Defined benefit plans

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

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

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

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

Short-term employee benefits

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

Share-based payments

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

(n) Provisions

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

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(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

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial year of time to be prepared for its intended use or sale.

(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.

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.

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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.

(s) Earnings (loss) per share

The Group presents basic and diluted earnings (loss) per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. 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.

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(i) 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 otherwise) of the Group.
Nation Multimedia Group Public Company Limited	Thailand	Parent, 71.45% shareholding, some common directors
Nation International Edutainment Public Company Limited	Thailand	72.35% 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
Krungthep Turakij Media Co., Ltd.	Thailand	99.99% shareholding by parent, some common directors
Bangkok Business Broadcasting Co.,Ltd.	Thailand	99.93% 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 (transferred business and completed liquidation on 17 October 2016)

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Name of entities	Country of incorporation/ nationality	Nature of relationships
Nation Global Edutainment Co., Ltd.	Thailand	99.47% shareholding by Nation International Edutainment Public Company Limited, 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 sales of goods and rendering of services	General market price and negotiable rate
Cost of sales of goods and rendering of services	Actual cost allocation rate and negotiable rate which approximates market price
Sale of equipment	Book value plus margin
Purchase of equipment	Book value plus margin
Other income	Negotiable rate
Selling and administrative expenses	Negotiable rate

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

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Parent				
Revenue from rendering of services	10,723	11,814	10,723	11,814
Cost of rendering of services	26,130	32,184	5,052	7,785
Sale of equipment	-	26,651	-	26,651
Purchase of equipment	6	208	6	208
Other income	57	-	57	-
Selling and administrative expenses	12,454	9,967	12,289	9,959
Subsidiaries				
Revenue from sales of goods and rendering of services	-	-	165	188
Cost of rendering of services	-	-	158	-
Other income	-	-	28,375	9,073
Other related parties				
Revenue from rendering of services	3,291	881	2,377	761
Cost of sales of goods and rendering of services	16,143	10,289	15,771	9,924
Sale of equipment	-	144	-	144
Purchase of equipment	-	36	-	36
Other income	1,203	600	1,203	600
Selling and administrative expenses	7,357	7,994	2,138	1,785

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<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Key management personnel				
Key management personnel compensation				
Wages and salaries	19,699	22,777	19,699	22,777
Defined contribution plans	1,429	1,700	1,429	1,700
Others	-	1,096	-	1,096
Total key management personnel compensation	<u>21,128</u>	<u>25,573</u>	<u>21,128</u>	<u>25,573</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	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Parent	15,003	10,026	15,003	10,026
Subsidiaries	-	-	137,050	108,948
Other related parties	3,296	2,741	2,318	2,740
	<u>18,299</u>	<u>12,767</u>	<u>154,371</u>	<u>121,714</u>
Less allowance for doubtful accounts	-	-	-	-
Net	<u>18,299</u>	<u>12,767</u>	<u>154,371</u>	<u>121,714</u>

Bad and doubtful debts expense for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
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<i>Accrued income - related parties</i>	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Subsidiaries	<u>-</u>	<u>-</u>	<u>26,407</u>	<u>24,923</u>

<i>Other receivables from related parties</i>	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Parent	11,018	14,527	8,179	14,347
Subsidiaries	-	-	52,092	65,274
Other related parties	21,845	29,092	21,845	29,092
	<u>32,863</u>	<u>43,619</u>	<u>82,116</u>	<u>108,713</u>
Less allowance for doubtful accounts	<u>(447)</u>	<u>(447)</u>	<u>(447)</u>	<u>(447)</u>
Net	<u>32,416</u>	<u>43,172</u>	<u>81,669</u>	<u>108,266</u>

Bad and doubtful debts expense for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
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Trade accounts payable - related parties

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Parent	641	373	539	57
Subsidiaries	-	-	230,881	383,207
Other related parties	3,723	13,509	3,215	3,796
Total	4,364	13,882	234,635	387,060

Other payables - related parties

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Parent	7,055	41,455	1,772	5,455
Subsidiaries	-	-	14,654	7,686
Other related parties	759	1,485	757	403
Total	7,814	42,940	17,183	13,544

Accrued expenses - related parties

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Parent	284	301	253	270
Other related parties	278	819	278	819
Total	562	1,120	531	1,089

Significant agreements with related parties

The Company and a subsidiary entered into agreements with a parent company to be granted services in relation to management, operations and other services. The Company and the subsidiary committed to pay the service fees as specified in the agreements.

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

5 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Cash on hand	580	711	299	301
Cash at banks - current accounts	2,316	189	1,582	189
Cash at banks - savings accounts	18,115	13,872	7,967	9,508
Highly liquid short-term investments	115,001	70,000	115,001	70,000
Total	136,012	84,772	124,849	79,998

Cash and cash equivalents of the Group and the Company as at 31 December 2016 and 2015 were denominated entirely in Thai Baht.

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6 Other investments

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
<i>Current investments</i>				
Short-term deposits at financial institutions	-	130,000	-	130,000
Promissory notes	55,148	419,500	55,148	410,000
Debt security held for trading	71,048	14,046	71,048	13,543
	<u>126,196</u>	<u>563,546</u>	<u>126,196</u>	<u>553,543</u>
<i>Other long-term investment</i>				
Equity securities available for sale	18,092	32,073	18,092	32,073
Total	<u>144,288</u>	<u>595,619</u>	<u>144,288</u>	<u>585,616</u>

Other investments of the Group and the Company as at 31 December 2016 and 2015 were denominated entirely in Thai Baht.

As at 31 December 2016, the Company entered into short-term loan agreements with local financial institutions amounting to Baht 55 million (2015: Baht 420 million). The loans were promissory notes and were repayable over 6 - 9 months (2015: 4 months - 1 year). The loans bear interest at the rate of 1.65 - 4.75% per annum (2015: 1.8 - 4.4% per annum).

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

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
<i>Current investment</i>				
Trading securities				
At 1 January	14,046	-	13,543	-
Purchases during the year	701,200	110,304	683,300	107,302
Sales during the year	(644,222)	(96,262)	(625,819)	(93,762)
Valuation adjustment	24	4	24	3
At 31 December	<u>71,048</u>	<u>14,046</u>	<u>71,048</u>	<u>13,543</u>
<i>Other long-term investment</i>				
Available-for-sale securities				
At 1 January	32,073	-	32,073	-
Purchases during the year	-	91,013	-	91,013
Valuation adjustment	(13,981)	(58,940)	(13,981)	(58,940)
At 31 December	<u>18,092</u>	<u>32,073</u>	<u>18,092</u>	<u>32,073</u>

During the first quarter of 2015, the Company invested in warrants of a parent company (NMG-W3) of 82,237,800 units, amounting to Baht 91.01 million.

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7 Trade accounts receivable

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
Related parties	4	18,299	12,767	154,371	121,714
Other parties		129,063	224,789	126,875	223,976
Total		147,362	237,556	281,246	345,690
Less allowance for doubtful accounts		(2,912)	(4,628)	(2,575)	(4,276)
Net		144,450	232,928	278,671	341,414
Reversal of bad and doubtful debts expense for the year		(623)	(3,032)	(614)	(2,991)

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Related parties				
Within credit terms	1,575	3,376	3,271	10,060
Overdue:				
Less than 3 months	1,064	6,595	6,145	8,261
3-6 months	4,496	871	3,931	1,326
6-12 months	5,987	-	33,984	14,637
Over 12 months	5,177	1,925	107,040	87,430
	18,299	12,767	154,371	121,714
Less allowance for doubtful accounts	-	-	-	-
	18,299	12,767	154,371	121,714
Other parties				
Within credit terms	68,057	168,747	66,350	168,396
Overdue:				
Less than 3 months	55,092	44,897	54,992	44,772
3-6 months	2,361	6,273	2,361	6,273
6-12 months	639	1,083	595	1,083
Over 12 months	2,914	3,789	2,577	3,452
	129,063	224,789	126,875	223,976
Less allowance for doubtful accounts	(2,912)	(4,628)	(2,575)	(4,276)
	126,151	220,161	124,300	219,700
Net	144,450	232,928	278,671	341,414

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 2016 and 2015 were denominated entirely in Thai Baht.

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8 Other receivables

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
Related parties	4	32,416	43,172	81,669	108,266
Other parties					
Prepaid expenses		24,731	11,142	2,877	3,316
Advance to employees		659	543	449	452
Other receivables		150	1,719	77	1,529
		<u>25,540</u>	<u>13,404</u>	<u>3,403</u>	<u>5,297</u>
Total		<u>57,956</u>	<u>56,576</u>	<u>85,072</u>	<u>113,563</u>

9 Inventories

		Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
Finished goods		8,704	8,031	8,704	8,031
Work in progress		7,507	2,274	7,507	2,274
Total		<u>16,211</u>	<u>10,305</u>	<u>16,211</u>	<u>10,305</u>
Inventories recognised as an expense in 'cost of sales of goods and rendering of services':					
- Cost of sales of goods and rendering of services		603,726	673,302	223,503	244,471
- Write-down to net realisable value		-	394	-	394
- Reversal of write-down		(142)	-	(142)	-
Net total		<u>603,584</u>	<u>673,696</u>	<u>223,361</u>	<u>244,865</u>

10 Other current assets

		Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
Input value added tax pending		30,028	40,898	16,607	26,702
Withholding tax deducted at source		24,228	6,084	16,670	-
Others		13,518	7,131	994	-
Total		<u>67,774</u>	<u>54,113</u>	<u>34,271</u>	<u>26,702</u>

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11 Investments in subsidiaries

	Separate financial statements	
	2016	2015
	<i>(in thousand Baht)</i>	
At 1 January	510,250	310,250
Acquisitions	300,000	200,000
At 31 December	<u>810,250</u>	<u>510,250</u>

Acquisitions

At the extraordinary meeting of the shareholders of a subsidiary ("NBC Next Vision Co., Ltd.") held on 8 September 2016, the shareholders of the subsidiary approved an increase in the registered share capital from Baht 500 million (divided into 50,000,000 ordinary shares at Baht 10 per share) to Baht 800 million (divided into 80,000,000 ordinary shares at Baht 10 per share) by offering to the existing shareholders proportionately. The Company invested in ordinary shares of the subsidiary amounting to Baht 300 million. The subsidiary registered the increase in share capital with the Ministry of Commerce on 21 September 2016.

At the extraordinary meeting of the shareholders of a subsidiary ("NBC Next Vision Co., Ltd.") held on 17 September 2015, the shareholders of the subsidiary approved an increase in the registered share capital from Baht 300 million (divided into 30,000,000 ordinary shares at Baht 10 per share) to Baht 500 million (divided into 50,000,000 ordinary shares at Baht 10 per share) by offering to the existing shareholders proportionately. The Company invested in ordinary shares of the subsidiary amounting to Baht 200 million. The subsidiary registered the increase in share capital with the Ministry of Commerce on 24 September 2015

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Investments in subsidiaries as at 31 December 2016 and 2015, and dividend income from those investments for the years ended, were as follows:

Name of subsidiaries	Type of business	Ownership interest		Paid - up capital		Separate financial statements				At cost - net		Dividend income	
		2016	2015	2016	2015	Cost	Impairment	2016	2015	2016	2015	2016	2015
			(%)										
NBC Nextmedia Co., Ltd. (registered the liquidation on 28 September 2016 and in the process of liquidation)	New media Advertising	99.99	99.99	10,000	10,000	10,000	10,000	10,000	-	10,000	10,000	-	-
NBC Next Screen Co., Ltd. (registered the liquidation on 27 December 2016 and in the process of liquidation)	Production of TV programme and advertisements through TV media	99.99	99.99	250	250	250	250	250	-	250	250	-	-
NBC Next Vision Co., Ltd.	Production of TV programme and advertisements through TV media	99.99	99.99	800,000	500,000	800,000	500,000	800,000	-	800,000	500,000	-	-
Total						810,250	510,250		-	810,250	510,250	-	-

All subsidiaries were incorporated in Thailand. None of the Company's subsidiaries are publicly listed and consequently does not have published price quotations.

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Impairment testing

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

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

Based on the impairment test, the recoverable amount was higher than its carrying amount. Therefore, the Group did not recognise impairment loss.

12 Investment property

	Consolidated financial statements / Separate financial statements Condominium and improvements (in thousand Baht)
<i>Cost</i>	
At 1 January 2015	-
At 31 December 2015 and 1 January 2016	-
Additions	11,138
At 31 December 2016	<u>11,138</u>
<i>Depreciation</i>	
At 1 January 2015	-
At 31 December 2015 and 1 January 2016	-
Depreciation charge for the year	187
At 31 December 2016	<u>187</u>
<i>Net book value</i>	
At 1 January 2015	-
At 31 December 2015 and 1 January 2016	-
At 31 December 2016	<u>10,951</u>

During 2016, the Company received barter condominium and improvements from rendering of services totalling Baht 11.14 million. The Company believes that the fair value of investment property is not different from the acquisition date, therefore, the Company did not determine the fair value by external independent property valuer as at 31 December 2016.

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13 Plant and equipment

	Consolidated financial statements / Separate financial statements					
	Building	Leasehold improvements	Operating equipment	Furniture, fixtures and office equipment (in thousand Baht)	Vehicles	Assets under installation
						Total
<i>Cost</i>						
At 1 January 2015	-	16,868	339,551	5,898	8,477	442,937
Additions	-	3,696	23,059	2,221	1,331	55,735
Transfer	-	18,646	78,795	-	-	-
Disposals / written-off	-	-	(161,402)	(1,792)	-	(163,194)
At 31 December 2015 and 1 January 2016						
Additions	10,823	39,210	280,003	6,327	9,808	335,478
Transfers	-	306	3,886	20	7,964	23,516
Disposals / written-off	-	167	480	-	-	-
	-	-	(499)	(27)	-	(526)
At 31 December 2016	10,823	39,683	283,870	6,320	17,772	358,468
<i>Depreciation</i>						
At 1 January 2015	-	11,574	239,276	4,858	1,694	257,402
Depreciation charge for the year	-	5,356	41,995	596	1,698	49,645
Disposals / written-off	-	-	(135,168)	(1,749)	-	(136,917)
At 31 December 2015 and 1 January 2016						
Depreciation charge for the year	408	16,930	146,103	3,705	3,392	170,130
Disposals / written-off	-	6,243	36,407	722	2,675	46,455
	-	-	(332)	(27)	-	(359)
At 31 December 2016	408	23,173	182,178	4,400	6,067	216,226
<i>Net book value</i>						
At 1 January 2015	-	5,294	100,275	1,040	6,783	185,535
At 31 December 2015 and 1 January 2016	-	22,280	133,900	2,622	6,416	165,348
At 31 December 2016	10,415	16,510	101,692	1,920	11,705	142,242

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The gross amount of the Group's and Company's fully depreciated building and equipment that were still in use as at 31 December 2016 amounted to Baht 125.06 million and Baht 125.06 million, respectively. (2015: Baht 76.58 million and Baht 76.58 million, respectively).

14 Intangible assets

Consolidated financial statements					
	Computer programmes and software licences	Trademark	Right for broadcasting (in thousand Baht)	Computer programmes under installation	Total
<i>Cost</i>					
At 1 January 2015	6,678	700	-	-	7,378
Additions	1,446	-	10,500	-	11,946
At 31 December 2015 and 1 January 2016	8,124	700	10,500	-	19,324
Additions	376	-	21,990	2,960	25,326
At 31 December 2016	8,500	700	32,490	2,960	44,650
<i>Amortisation</i>					
At 1 January 2015	4,100	-	-	-	4,100
Amortisation for the year	1,492	49	3,063	-	4,604
At 31 December 2015 and 1 January 2016	5,592	49	3,063	-	8,704
Amortisation for the year	1,136	49	10,503	-	11,688
At 31 December 2016	6,728	98	13,566	-	20,392
<i>Net book value</i>					
At 1 January 2015	2,578	700	-	-	3,278
At 31 December 2015 and 1 January 2016	2,532	651	7,437	-	10,620
At 31 December 2016	1,772	602	18,924	2,960	24,258

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	Computer programmes and software licences	Separate financial statements Computer programmes under installation (in thousand Baht)	Total
<i>Cost</i>			
At 1 January 2015	6,678	-	6,678
Additions	1,246	-	1,246
At 31 December 2015 and 1 January 2016	7,924	-	7,924
Additions	176	2,960	3,136
At 31 December 2016	8,100	2,960	11,060
<i>Amortisation</i>			
At 1 January 2015	4,100	-	4,100
Amortisation for the year	1,441	-	1,441
At 31 December 2015 and 1 January 2016	5,541	-	5,541
Amortisation for the year	935	-	935
At 31 December 2016	6,476	-	6,476
<i>Net book value</i>			
At 1 January 2015	2,578	-	2,578
At 31 December 2015 and 1 January 2016	2,383	-	2,383
At 31 December 2016	1,624	2,960	4,584

15 Digital television licence

	Consolidated financial statements (in thousand Baht)
<i>Cost</i>	
At 1 January 2015	1,185,211
At 31 December 2015 and 1 January 2016	1,185,211
At 31 December 2016	1,185,211
<i>Amortisation</i>	
At 1 January 2015	53,993
Amortisation for the year	79,014
At 31 December 2015 and 1 January 2016	133,007
Amortisation for the year	79,014
At 31 December 2016	212,021
<i>Net book value</i>	
At 1 January 2015	1,131,218
At 31 December 2015 and 1 January 2016	1,052,204
At 31 December 2016	973,190

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A subsidiary ("NBC Next Vision Co., Ltd."), is the winner of the auction for commercial digital terrestrial television licence at national level for a news channel category at a bid price of Baht 1,338 million (exclusive of VAT). The subsidiary was required to make payment under the following payment conditions:

- 1) For the minimum bid price amounting to Baht 220 million, the payment is divided into 4 instalments and has to be made within 3 years from the date of acquiring the licence as specified by Nation Broadcasting and Telecommunications Commission ("NBTC").
- 2) For the exceeding amount of the minimum bid price amounting to Baht 1,118 million, the payment is divided into 6 instalments and has to be made within 5 years from the date of acquiring the licence as specified by NBTC.

The 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 a financial institution for the remaining licence fee amounting to Baht 1,116.20 million to NBTC on 7 February 2014. Such remaining licence fee will be paid annually in the amount as specified in the agreement expiring on 25 April 2019.

As at 31 December 2015, the outstanding balance of letter of guarantee was Baht 692.80 million (2015: Baht 938.40 million).

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.

On 20 December 2016, National Council for Peace and Order (NCPO) issued an order under Section 44 to promote the business of radio broadcasting, television broadcasting and telecommunications for public interest. The order allows the licence holders, who were unable to comply with the initial terms and conditions of licence fee payment from the fourth instalment onwards, to extend the payment term by providing a written notification to NBTC in advance. In case NBTC deems the requests appropriate, those licence holders are able to pay the rest of licence fees in accordance with the terms and conditions within this order, which are extended. On 23 January 2017, the Company has provided the written notification to NBTC for a payment of the licence fee which is being given due consideration by NBTC.

Impairment test of Digital television licence

Management of the subsidiary performed impairment test of carrying amount of digital television licence ("licence"). The recoverable amount was based on its value in use, determined by discounted future cash flows to be generated from the continuing use of assets until expiration date of licence based on its business plan and discount rate which is calculated by weighted average cost of capital.

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

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

Based on the impairment test, the recoverable amount was higher than its carrying amount. Therefore, the Group did not recognise impairment loss in the consolidated financial statements.

16 Deferred tax

Deferred tax assets as at 31 December were as follows:

	Consolidated financial statements			
	Assets		Liabilities	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Total	50,474	55,392	-	-
Set off of tax	-	-	-	-
Net deferred tax assets	50,474	55,392	-	-

	Separate financial statements			
	Assets		Liabilities	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Total	29,898	16,721	-	-
Set off of tax	-	-	-	-
Net deferred tax assets	29,898	16,721	-	-

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

	Consolidated financial statements		
	(Charged) / Credited to:		
At	Profit or	Other	At
1 January	loss	comprehensive	31 December
2016	(in thousand Baht)	income	2016
Deferred tax assets			
Trade accounts receivable	925	(342)	583
Marketable securities	11,788	-	14,584
Inventories	79	(30)	49
Provisions	5,847	612	8,444
Digital television licence	11,916	4,908	16,824
Loss carry forward	24,837	(14,847)	9,990
Total	55,392	(9,699)	50,474

	Consolidated financial statements		
	(Charged) / Credited to:		
At	Profit or	Other	At
1 January	loss	comprehensive	31 December
2015	(in thousand Baht)	income	2015
Deferred tax assets			
Trade accounts receivable	1,614	(689)	925
Marketable securities	-	-	11,788
Inventories	-	79	79
Provisions	4,896	951	5,847
Share-based payment transactions	207	(207)	-
Digital television licence	5,207	6,709	11,916
Loss carry forward	11,894	12,943	24,837
Total	23,818	19,786	55,392

	Separate financial statements		
	(Charged) / Credited to:		
At	Profit or	Other	At
1 January	loss	comprehensive	31 December
2016	(in thousand Baht)	income	2016
Deferred tax assets			
Trade accounts receivable	855	(340)	515
Marketable securities	11,788	-	14,584
Inventories	79	(30)	49
Provisions	3,999	(45)	4,760
Loss carry forward	-	9,990	9,990
Total	16,721	9,575	29,898

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	At 1 January 2015	Separate financial statements (Charged) / Credited to:		At 31 December 2015
		Profit or loss	Other comprehensive income	
		<i>(in thousand Baht)</i>		
Deferred tax assets				
Trade accounts receivable	1,536	(681)	-	855
Marketable securities	-	-	11,788	11,788
Inventories	-	79	-	79
Provisions	3,172	827	-	3,999
Share-based payment transactions	207	(207)	-	-
Total	4,915	18	11,788	16,721

The unused tax losses that have not been recognised as deferred tax assets in respect of the following item:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
		<i>(in thousand Baht)</i>		
Loss carry forward	320,758	-	-	-

The Company recognised deferred tax assets from tax losses because management considered it probable that future taxable profits would be available against which the related deferred tax assets can be utilised.

The tax losses expire in 2017 - 2021. The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

17 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
		<i>(in thousand Baht)</i>		
Deposits	7,146	6,583	3,457	2,593
Withholding tax deducted at source	12,889	10,701	-	3,894
Others	2,502	2,167	2,501	2,167
Total	22,537	19,451	5,958	8,654

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18 Trade accounts payable

		Consolidated		Separate	
		financial statements		financial statements	
	<i>Note</i>	2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
Related parties	4	4,364	13,882	234,635	387,060
Other parties		20,029	18,088	14,315	13,987
Total		24,393	31,970	248,950	401,047

Trade accounts payable of the Group and the Company as at 31 December 2016 and 2015 were denominated entirely in Thai Baht.

19 Other payables

		Consolidated		Separate	
		financial statements		financial statements	
	<i>Note</i>	2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
Related parties	4	7,814	42,940	17,183	13,544
Others					
Advance received		34,605	7,791	33,871	7,474
Payables for purchase of assets		1,052	1,853	1,052	1,853
Other payables		7,228	10,092	4,411	7,416
		42,885	19,736	39,334	16,743
Total		50,699	62,676	56,517	30,287

The Group's and the Company's other payables as at 31 December 2016 and 2015 were denominated entirely in Thai Baht.

20 Accrued expenses

		Consolidated		Separate	
		financial statements		financial statements	
	<i>Note</i>	2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
Related parties	4	562	1,120	531	1,089
Others					
Accrued rebate		11,457	11,625	11,457	11,625
Accrued revenues sharing		16,869	14,760	16,869	14,760
Accrued annual broadcasting or television licence fees		3,162	26,717	-	-
Accrued project expenses		967	1,073	967	1,073
Others		24,939	28,144	18,953	15,617
		57,394	82,319	48,246	43,075
Total		57,956	83,439	48,777	44,164

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21 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Output value added tax pending	39,463	54,591	23,837	29,151
Others	503	605	500	605
Total	39,966	55,196	24,337	29,756

22 Digital television licence payable

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

	Consolidated financial statements					
	2016			2015		
	Future payments	Interest	Present value of payments <i>(in thousand Baht)</i>	Future payments	Interest	Present value of payments
Within one year	245,600	24,163	221,437	245,600	34,728	210,872
After one year but within five years	447,200	17,174	430,026	692,800	41,336	651,464
Total	692,800	41,337	651,463	938,400	76,064	862,336

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

		Consolidated financial statements	
	<i>Note</i>	2016	2015
		<i>(in thousand Baht)</i>	
Present value at 1 January		862,336	996,405
Payment of digital television licence		(245,600)	(177,800)
Interest expense	32	34,727	43,731
Present value at 31 December		651,463	862,336

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23 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Statement of financial position				
obligations for:				
Post-employment benefits	<u>39,272</u>	<u>27,366</u>	<u>20,849</u>	<u>18,125</u>
Year ended 31 December				
Statement of comprehensive income:				
Recognised in profit or loss:				
Post-employment benefits	<u>(858)</u>	<u>3,275</u>	<u>(1,305)</u>	<u>2,263</u>
Recognised in comprehensive income:				
Actuarial losses recognised in the year	<u>9,925</u>	<u>-</u>	<u>4,029</u>	<u>-</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.

The defined benefit plan expose the Group to actuarial risks, such as longevity risk and interest rate risk.

Movement in the present value of the defined benefit obligations.

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Defined benefit obligations at 1 January	27,366	24,482	18,125	15,862
Include in profit or loss:				
Current service costs	3,002	2,143	1,515	1,477
Interest on obligation	1,081	1,132	643	786
Curtailment gain	<u>(4,941)</u>	<u>-</u>	<u>(3,463)</u>	<u>-</u>
	<u>(858)</u>	<u>3,275</u>	<u>(1,305)</u>	<u>2,263</u>
Included in other comprehensive income:				
Actuarial losses	<u>9,925</u>	<u>-</u>	<u>4,029</u>	<u>-</u>
	<u>9,925</u>	<u>-</u>	<u>4,029</u>	<u>-</u>
Others				
Benefit paid	-	(391)	-	-
Transfers in (out)	<u>2,839</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>2,839</u>	<u>(391)</u>	<u>-</u>	<u>-</u>
Defined benefit obligations at 31 December	<u>39,272</u>	<u>27,366</u>	<u>20,849</u>	<u>18,125</u>

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

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Demographic assumptions	(2,390)	-	(1,499)	-
Financial assumptions	4,332	-	2,067	-
Experience adjustment	7,983	-	3,461	-
Total	9,925	-	4,029	-

Actuarial assumptions

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

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(%)</i>			
Discount rate	2.9	4.1	2.9	4.1
Future salary growth	4.0 - 7.0	4.0 - 7.0	4.0 - 7.0	4.0 - 7.0

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

At 31 December 2016, the weighted-average duration of the defined benefit obligation was 15 years (2015: 18 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Consolidated financial statements		Separate financial statements	
	(in thousand Baht)			
Defined benefit obligation				
31 December 2016	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(3,803)	4,405	(1,595)	1,823
Future salary growth (1% movement)	5,221	(4,548)	2,260	(2,000)
Mortality improvement (1% movement)	238	(265)	90	(100)

	Consolidated financial statements		Separate financial statements	
	(in thousand Baht)			
Defined benefit obligation				
31 December 2015	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(3,662)	4,262	(1,745)	1,994
Future salary growth (1% movement)	4,169	(3,658)	1,951	(1,743)
Mortality improvement (1% movement)	192	(213)	80	(88)

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

24 Share capital

	Par value per share (in Baht)	2016		2015	
		Number	Baht	Number	Baht
(in thousand shares / thousand Baht)					
Authorised					
At 1 January					
- ordinary shares	1	720,344	720,344	720,344	720,344
At 31 December					
- ordinary shares	1	720,344	720,344	720,344	720,344
Issued and paid-up					
At 1 January					
- ordinary shares	1	535,437	535,437	534,708	534,708
Exercise of share options	1	-	-	729	729
At 31 December					
- ordinary shares	1	535,437	535,437	535,437	535,437

Issue of ordinary shares

On 13 November 2015, 148,000 ordinary shares were issued as a result of the exercise of vested share options arising from the 2013 share option programme granted to the directors, management and/or employees of the Company and/or its subsidiaries for consideration totalling Baht 0.44 million. As a result, the Company had share premium amounted to Baht 0.30 million. The Company registered the paid-up share capital from the share options exercised with the Ministry of Commerce on 20 November 2015.

On 15 May 2015, 580,762 ordinary shares were issued as a result of the exercise of vested share options arising from the 2013 share option programme granted to the directors, management and/or employees of the company and/or its subsidiaries for consideration totalling Baht 1.74 million. As a result, the Company had share premium amounted to Baht 1.16 million. The Company registered the paid-up share capital from the share options exercised with the Ministry of Commerce on 25 May 2015.

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.

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25 Warrants

NBC-WB

At the annual general meeting of the shareholders of the Company held on 24 April 2013, the shareholders approved an issuance of warrants to the directors, management and/or employees of the Company and/or its subsidiaries of 8,798,905 units. The details are as follows:

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

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

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

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

On 15 August 2013, the Company granted the rights and notified terms and conditions for exercising the rights to the directors, management and/or employees of the Company and/or its subsidiaries.

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 2016 were Baht 1.05 million and Baht 1.05 million for consolidated and separate financial statements, respectively (2015: Baht 1.61 million and Baht 1.61 million, respectively).

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Movement during the year ended 31 December 2016 and 2015 of the warrants were as follow:

	Consolidated financial statements/ Separate financial statements			
	2016		2015	
	Number of warrant	Grant date fair value	Number of warrant	Grant date fair value
	<i>(in thousand units / thousand Baht)</i>			
At 1 January	1,419	1,746	840	1,034
Issued warrants during the year	1,665	1,723	1,590	1,773
Exercised warrants during the year	-	-	(729)	(896)
Forfeited warrants during the year	(811)	(673)	(282)	(165)
At 31 December	2,273	2,796	1,419	1,746

NBC-W1

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

Unexercised warrants as at 1 January 2016	Issued warrants <i>(million units)</i>	Exercised warrants	Unexercised warrants as at 31 December 2016	Exercise price <i>(Baht / share)</i>	Expiry date
177	-	-	177	3	5 years from the grant date

Unexercised warrants as at 1 January 2015	Issued warrants <i>(million units)</i>	Exercised warrants	Unexercised warrants as at 31 December 2015	Exercise price <i>(Baht / share)</i>	Expiry date
177	-	-	177	3	5 years from the grant date

At the annual general meeting of the shareholders of the Company held on 24 April 2013, the shareholders approved an issuance and offering of warrants to the Company's existing shareholders who subscribed for additional ordinary shares in a ratio of 1 warrant for 2 existing ordinary share, without the offering price and approved an increase in the registered share capital from Baht 178.50 million (divided into 178,500,000 ordinary shares at Baht 1 per share) to Baht 720.34 million (divided into 720,343,962 ordinary shares at Baht 1 per share) by issuing of not exceeding 541,843,962 ordinary shares at Baht 1 per share to reserve for the increase in share capital and exercise of warrants as referred above.

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26 Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

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

Other component of equity

Fair value changes in available-for-sale investments

The fair value changes in available-for-sale investments account within equity comprises the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

27 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. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

- Segment 1 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.

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Information about reportable segments

	TV advertising media		Radio advertising media		New media advertising		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
	<i>(in thousand Baht)</i>							
External revenue	411,654	627,107	22,907	25,804	84,230	172,268	518,791	825,179
Other income	17,571	20,752	-	2	162	218	17,733	20,972
Total segment revenue	429,225	647,859	22,907	25,806	84,392	172,486	536,524	846,151
Interest income	13,272	18,882	-	-	143	238	13,415	19,120
Depreciation	(45,848)	(48,253)	(157)	(140)	(637)	(1,252)	(46,642)	(49,645)
Amortisation	(10,753)	(3,163)	-	-	(935)	(1,441)	(11,688)	(4,604)
Amortisation of digital television licence	(79,014)	(79,014)	-	-	-	-	(79,014)	(79,014)
Segment profit (loss) before income tax	(275,229)	(79,974)	(2,966)	3,367	12,886	51,439	(265,309)	(25,168)
Capital expenditures	48,622	66,961	44	236	176	484	48,842	67,681
Segment assets as at 31 December	1,737,167	2,316,716	11,191	19,856	56,658	78,618	1,805,016	2,415,190
Segment liabilities as at 31 December	791,508	1,068,285	4,613	5,264	36,991	31,131	833,112	1,104,680

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Reconciliations of reportable segment assets and liabilities

	2016	2015
	<i>(in thousand Baht)</i>	
Assets		
Total assets for reportable segments	1,805,016	2,415,190
Other unallocated amounts	38,865	24,585
Consolidated total assets	1,843,881	2,439,775
Liabilities		
Total liabilities for reportable segments	833,112	1,104,680
Other unallocated amounts	30,641	18,595
Consolidated total liabilities	863,753	1,123,275

Geographical segments

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

28 Selling expenses

	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Personnel	16,445	17,310	16,445	17,310
Marketing	35,748	49,505	30,346	43,026
Others	2,108	2,009	2,108	2,009
Total	54,301	68,824	48,899	62,345

29 Administrative expenses

		Consolidated		Separate	
		financial statements		financial statements	
	Note	2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
Personnel		36,256	20,121	26,043	18,722
Management remuneration	4	21,128	25,573	21,128	25,573
Administrative		34,012	23,363	31,669	21,700
Office expenses		11,132	10,492	11,123	2,726
Bad and doubtful debts expense (reversal of)	7	(623)	(3,032)	(614)	(2,991)
Others		1,721	1,846	1,667	1,797
Total		103,626	78,363	91,016	67,527

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30 Employee benefit expenses

		Consolidated		Separate	
		financial statements		financial statements	
	<i>Note</i>	2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
Wages and salaries		180,154	175,548	66,872	71,726
Contribution to defined contribution plan		9,582	9,097	4,053	4,410
Post-employment benefits	23	(1,939)	2,143	(1,948)	1,477
Share-based payment transactions	25	1,050	1,608	1,050	1,608
Voluntary resignation plan		16,928	-	7,913	-
Others		41,542	49,099	12,024	16,024
Total		247,317	237,495	89,964	95,245

Defined contribution plan

The defined contribution plan comprises a provident fund established by the Group for its employees. Membership to the fund is on a voluntary basis. Contributions are made monthly by the employees at rate of 5% of their basic salaries and by the Group at 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.

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:

		Consolidated		Separate	
		financial statements		financial statements	
	<i>Note</i>	2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
Cost of production		254,815	325,203	134,451	146,126
Employee benefit expenses	30	247,317	237,495	89,964	95,245
Depreciation and amortisation	12, 13, 14, 15	137,344	133,263	47,577	51,086
Travelling expenses		14,812	16,123	1,109	774
Sharing service expenses		24,423	20,542	15,859	15,940
Marketing expenses	28	35,748	49,505	30,346	43,026
Office expenses		46,298	38,602	43,433	22,350
Bad and doubtful debts expense (reversal of)	7, 29	(623)	(3,032)	(614)	(2,991)
Others		1,377	3,183	1,151	3,181
Total cost of sales of goods and rendering of services, selling expenses and administrative expenses		761,511	820,884	363,276	374,737

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32 Finance costs

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
Interest expense from digital television licence payable	22	34,727	43,731	-	-
Other finance costs		5,595	6,704	848	1,046
Total		40,322	50,435	848	1,046

33 Income tax expense

Income tax recognised in profit or loss

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
Current tax expense					
Current year		454	15,350	-	15,314
Adjustment for prior year		-	(174)	-	(174)
		454	15,176	-	15,140
Deferred tax expense	16				
Movements in temporary differences		9,699	(19,786)	(9,575)	(18)
Total income tax expense		10,153	(4,610)	(9,575)	15,122

Income tax recognised in other comprehensive income

	Consolidated financial statements					
	2016			2015		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
	<i>(in thousand Baht)</i>					
Available-for-sale financial assets	(13,981)	2,796	(11,185)	58,940	(11,788)	47,152
Defined benefit plan actuarial losses	(9,925)	1,985	(7,940)	-	-	-
Total	(23,906)	4,781	(19,125)	58,940	(11,788)	47,152

	Separate financial statements					
	2016			2015		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
	<i>(in thousand Baht)</i>					
Available-for-sale financial assets	(13,981)	2,796	(11,185)	58,940	(11,788)	47,152
Defined benefit plan actuarial losses	(4,029)	806	(3,223)	-	-	-
Total	(18,010)	3,602	(14,408)	58,940	(11,788)	47,152

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Reconciliation of effective tax rate

	Consolidated financial statements			
	2016	2015		
	Rate	(in	Rate	(in
	(%)	thousand	(%)	thousand
		Baht)		Baht)
Loss before income tax expense		(265,309)		(25,168)
Income tax using the Thai corporation tax rate	20	(53,062)	20	(5,034)
Income not subject to tax		-		(19)
Expenses not deductible for tax purposes		366		481
Expenses for tax incentives		-		(569)
Losses for which no deferred tax assets was recognised		38,580		498
Over provided in prior year		-		(174)
Reversal from previously recognised deferred tax expenses		24,837		207
Others		(568)		-
Total	4	10,153	18	(4,610)

	Separate financial statements			
	2016	2015		
	Rate	(in	Rate	(in
	(%)	thousand	(%)	thousand
		Baht)		Baht)
Profit (loss) before income tax expense		(49,703)		74,436
Income tax using the Thai corporation tax rate	20	(9,941)	20	14,887
Expenses not deductible for tax purposes		366		481
Expenses for tax incentives		-		(279)
Over provided in prior year		-		(174)
Reversal from previously recognised deferred tax expenses		-		207
Total	(19)	(9,575)	20	15,122

Income tax reduction

Revenue Code Amendment Act No. 42 B.E. 2559 dated 3 March 2016 grants a reduction of the corporate income tax rate to 20% of net taxable profit for accounting periods which begin on or after 1 January 2016.

34 Earnings (loss) per share

Basic earnings (loss) per share

The calculations of basic earnings (loss) per share for the years ended 31 December 2016 and 2015 were based on the profit (loss) for the years attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the years as follows:

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	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht / thousand shares)</i>			
Profit (loss) attributable to ordinary shareholders of the Company (basic)	<u>(275,463)</u>	<u>(20,558)</u>	<u>(40,129)</u>	<u>59,314</u>
Number of ordinary shares outstanding at 1 January	535,437	534,708	535,437	534,708
Effect of shares options exercised on 25 May	-	352	-	352
Effect of shares options exercised on 20 November	-	17	-	17
Weighted average number of ordinary shares outstanding (basic)	<u>535,437</u>	<u>535,077</u>	<u>535,437</u>	<u>535,077</u>
Earnings (loss) per share (basic) (in Baht)	<u>(0.514)</u>	<u>(0.038)</u>	<u>(0.075)</u>	<u>0.111</u>

Diluted earnings (loss) per share

The calculations of diluted earnings (loss) per share for the years ended 31 December 2016 and 2015 were based on the profit (loss) for the years attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the years after adjusting for the effects of all dilutive potential ordinary shares as follows:

	Separate financial statements	
	2016	2015
	<i>(in thousand Baht / thousand shares)</i>	
Profit (loss) attributable to ordinary shareholders of the Company (basic)	<u>(40,129)</u>	<u>59,314</u>
Weighted average number of ordinary shares outstanding (basic)	535,437	535,077
Effect of exercise of shares options	-	27,361
Weighted average number of ordinary shares outstanding (diluted)	<u>535,437</u>	<u>562,438</u>
Earnings (loss) per share (diluted) (in Baht)	<u>(0.075)</u>	<u>0.105</u>

The Company did not present diluted loss per share due to the loss from operating results attributable to ordinary shareholders in the consolidated financial statements for the years ended 31 December 2016 and 2015.

The Company has not assumed the conversion of the warrants (NBC-W1) and the warrants issued to the directors, management and/or employees of the Company and/or its subsidiaries (NBC-WB) in the calculation of diluted loss per share due to the loss from operating results attributable to ordinary shareholders in the separate financial statements for year ended 31 December 2016.

The Company has not assumed the conversion of the warrants issued to the directors, management and/or employees of the Company and/or its subsidiaries (NBC-WB) in the calculation of diluted earnings per share due to the exercise prices (including fair value of services to be rendered per warrant) are higher than the weighted average market prices in the separate financial statements for the year ended 31 December 2015.

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35 Dividends

At the annual general meeting of the shareholders of the Company held on 26 April 2016, the shareholders approved the appropriation of dividends from the 2015 operating results of Baht 0.08 per share, amounting to Baht 42.83 million. The dividends were paid to the shareholders in May 2016.

At the annual general meeting of the shareholders of the Company held on 27 April 2015, the shareholders approved the appropriation of dividends from the 2014 operating results of Baht 0.08 per share, amounting to Baht 42.78 million. The dividends of Baht 0.06 per share, amounting to Baht 32.08 million were paid to the shareholders as the interim dividends during the year 2014. The remaining dividends of Baht 0.02 per share, amounting to Baht 10.70 million were paid to the shareholders in May 2015.

36 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.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because debt securities and loan interest rates are mainly fixed. The Group's primarily exposed to interest rate risk from digital television licence payable (Note 22).

Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases which are denominated in foreign currencies.

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Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the Group's customer base, Management does not anticipate material losses from its debt collection.

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Carrying amount and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		Consolidated financial statement			
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
(in thousand Baht)					
31 December 2016					
<i>Financial asset measured at fair value</i>					
Debt security held for trading	71,048	-	71,048	-	71,048
Equity securities available for sale	18,092	18,092	-	-	18,092
<i>Financial assets / Financial liabilities not measured at fair value</i>					
Cash and cash equivalents	136,012				
Current investments	55,148				
Trade accounts receivable	144,450				
Accrued income	53,539				
Other receivables	32,565				
Trade accounts payable	24,393				
Other payables	16,095				
Accrued expenses	57,956				
Digital television licence payable	651,463				645,957

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		Consolidated financial statement			
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		(in thousand Baht)			
31 December 2015					
<i>Financial asset measured at fair value</i>					
Debt security held for trading	14,046	-	14,046	-	14,046
Equity securities available for sale	32,073	32,073	-	-	32,073
<i>Financial assets / Financial liabilities not measured at fair value</i>					
Cash and cash equivalents	84,772				
Current investments	549,500				
Trade accounts receivable	232,928				
Accrued income	102,447				
Other receivables	44,891				
Trade accounts payable	31,970				
Other payables	54,885				
Accrued expenses	83,439				
Digital television licence payable	862,336				891,481
		Separate financial statement			
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		(in thousand Baht)			
31 December 2016					
<i>Financial asset measured at fair value</i>					
Debt security held for trading	71,048	-	71,048	-	71,048
Equity securities available for sale	18,092	18,092	-	-	18,092
<i>Financial asset / financial liabilities not measured at fair value</i>					
Cash and cash equivalents	124,849				
Current investments	55,148				
Trade accounts receivable	278,671				
Accrued income	77,450				
Other receivables	81,746				
Trade accounts payable	248,950				
Other payables	22,646				
Accrued expenses	48,777				

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		Separate financial statement			
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
(in thousand Baht)					
31 December 2015					
<i>Financial asset measured at fair value</i>					
Debt security held for trading	13,543	-	13,543	-	13,543
Equity securities available for sale	32,073	32,073	-	-	32,073
<i>Financial asset / financial liabilities not measured at fair value</i>					
Cash and cash equivalents	79,998				
Current investments	540,000				
Trade accounts receivable	341,414				
Accrued income	124,290				
Other receivables	109,795				
Trade accounts payable	401,047				
Other payables	22,813				
Accrued expenses	44,164				

Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investments in marketable unit trusts classified as trading investments and available-for-sale investments	The net asset value as of the reporting date.	Not applicable	Not applicable

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37 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
Capital commitment				
Leasehold improvements and equipment	<u>-</u>	<u>130</u>	<u>-</u>	<u>130</u>
Future minimum lease payments under non-cancellable operating leases				
Within one year	91,384	85,648	15,238	13,451
After one year but within five years	322,715	322,837	47,989	55,038
After five years	405,354	470,163	41,886	50,050
Total	<u>819,453</u>	<u>878,648</u>	<u>105,113</u>	<u>118,539</u>
Other commitment				
Bank guarantees	<u>744,706</u>	<u>1,007,474</u>	<u>3,410</u>	<u>3,386</u>

- a) The Company entered into lease and service agreements for its office premises and facilities with a local company for a period of 3 years, expiring in various periods up to 30 November 2017 with an option for renewal. The Company agreed to pay rental and service fees at the rate specified in the agreements.
- b) A subsidiary entered into a news supply agreement with a foreign company for a period of 5 years, commencing from 1 June 2016 to 31 May 2021 with an option for renewal. The Company agreed to pay a fee at the rate specified in the agreement.
- c) A subsidiary entered into service agreements covering television broadcasting satellite services with two local companies. The details are as follows:

<u>Contract period</u>	<u>Periods</u>	<u>Total fee</u> <i>(in million USD)</i>
25 April 2014 to 31 October 2019	5 years and 6 months	1.12
25 April 2014 to 31 October 2019	5 years and 6 months	0.03
25 April 2014 to 31 March 2020	5 years and 11 months	0.92
25 April 2014 to 31 March 2020	5 years and 11 months	0.03

- d) A subsidiary entered into a Standard Definition Terrestrial Digital Television Network Services agreement with Thai Royal Army for a period of 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 approximately Baht 784.74 million.
- e) The Company entered into lease and service agreements for its office and studio premises with a local company for a period of 3 years, commencing from 1 December 2014 to 30 November 2017 with an option to be renewal for a total period of 15 years. The Company agreed to pay rental and service fees at the rate specified in the agreements.
- f) The Company entered into a service agreement for ratings measurement in television audiences of television channels in Thailand with a local association for a period of 6 years, commencing from 17 December 2015 to 30 September 2021. The Company agreed to pay a service fee at the rate specified in the agreement.

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38 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 2017, are set out below. The Group does not plan to adopt these TFRS early.

TFRS	Topic
TAS 1 (revised 2016)	Presentation of Financial Statements
TAS 2 (revised 2016)	Inventories
TAS 7 (revised 2016)	Statement of Cash Flows
TAS 8 (revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2016)	Events After the Reporting Period
TAS 12 (revised 2016)	Income Taxes
TAS 16 (revised 2016)	Property, Plant and Equipment
TAS 17 (revised 2016)	Leases
TAS 18 (revised 2016)	Revenue
TAS 19 (revised 2016)	Employee Benefits
TAS 21 (revised 2016)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2016)	Related Party Disclosures
TAS 27 (revised 2016)	Separate Financial Statements
TAS 33 (revised 2016)	Earnings Per Share
TAS 34 (revised 2016)	Interim Financial Reporting
TAS 36 (revised 2016)	Impairment of Assets
TAS 37 (revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2016)	Intangible Assets
TAS 40 (revised 2016)	Investment Property
TAS 105 (revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 107 (revised 2016)	Financial Instruments: Disclosure and Presentation
TFRS 2 (revised 2016)	Share-based Payment
TFRS 8 (revised 2016)	Operating Segments
TFRS 10 (revised 2016)	Consolidated Financial Statements
TFRS 13 (revised 2016)	Fair Value Measurement
TSIC 27 (revised 2016)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 31 (revised 2016)	Revenue – Barter Transactions Involving Advertising Services
TSIC 32 (revised 2016)	Intangible Assets – Web Site Costs
TFRIC 4 (revised 2016)	Determining Whether an Arrangement Contains a Lease
TFRIC 10 (revised 2016)	Interim Financial Reporting and Impairment
TFRIC 18 (revised 2016)	Transfers of Assets from Customers
FAP Announcement no. 5/2559	Accounting guidance for derecognition of financial assets and financial liabilities

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.

Other Reference Persons

Security Registrar (Common Share)

Thailand Securities Depository Company Limited
93 Rachadapisek Road, Din Daeng, Bangkok 10400
Tel : (02) 2009-9000
Fax : (02) 2009-9991

Certified Public Accountant

1. Ms. Patamavan Vadhanakul
Registration No. 9832 and/or
2. Mr. Winid Silamongkol
Registration No. 3378 and/or
3. Mr. Veerachai Ratanajaratkul
Registration No. 4323 and/or
4. Ms. Vannaporn Jongperadechanon
Registration No. 4098

KPMG Phoomchai Audit Company Limited
1 Empire Tower, 50-51 Floor, South Sathorn Road.,
Yannawa, Sathorn, Bangkok 10120
Tel : (66) 2677-2000
Fax : (66) 2677-2222

Audit Fee

1. The audit fee of the Company and subsidiaries for the year 2016 is Bt 900,000
2. Non-audit fee
-None-

Legal Consultants

1. Pow & Associates Law Office Limited
140/40A, Silom Road, Kwaeng Suriyawongse,
Khet Bangrak, Bangkok 10500
Tel : (66) 2634-4995-7
Fax : (66) 2238-2574, (66) 2634-4998

2. Thanathip & Partners Legal Counsellors Limited
900 Tonson Tower 17 Floor, Ploenchit Road,
Lumpini, Pathumwan, Bangkok 10330
Tel : (66) 2689-4900
Fax : (66) 2689-4910

3. Dherakupt International Law Office Ltd.
900 Tonson Tower 12 Floor, Ploenchit Road,
Lumpini, Pathumwan, Bangkok 10330
Tel : (66) 2252-1588
Fax : (66) 2257-0440

Investor Relations

Nation Broadcasting Corporation Public Company Limited
1858/51-62, 12,13 Floor, Bangna-Trad Road, Bangna ,
Bangkok 10260
Tel : (66) 2338-3333
Fax : (66) 2338-3904
Email : investor@nbc.co.th
Website : <http://www.nbc.co.th>





Nation Broadcasting Corporation Public Company Limited

1858/51-62, 12th, 13th Floor, Bangna-Trad Road, Bangna, Bangkok 10260
Tel. (66) 2338-3645 Fax. (66) 2338-3973

www.nbc.co.th