



Nation

ANNUAL
REPORT | 2018



บริษัท เนชั่น บroadcast คอร์ปอเรชั่น จำกัด (มหาชน)
Nation Broadcasting Corporation



Nation

ANNUAL
REPORT | 2018

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 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.

Contents

• General Information	004
• Summary of Financial Data and Investments	006
• Managing Director Statement	008
• Board of Directors.....	010
• Independent Director and Member of the Audit Committee..	011
• The Audit Committee.....	011
• Management Team	012
• Business Company Structure 2018	032
• Business Networks Support Activities.....	033
• Industry conditions and competition Digital TV business in 2018....	039
• List of Major Shareholders (January 8, 2019).....	047
• Corporate Governance Report	048
• Corporate Social Responsibility	074
• Characteristics of the Business	084
• Audit Committee's Report for the Year 2018	086
• Report on Responsibilities of the Board of Directors towards the Financial Report for the year 2018	089
• The Result of the Consolidated Financial Statements	092
• Financial Statements	098
• Other Reference Persons	156



Nation

General Information

Name	Nation Broadcasting Corporation Public Company Limited
Symbol	NBC
Core Business	Production of TV programs and providing, news and advertisements through TV media and new media forms
Head Office	1858/57-62, 12A Floor, Debaratana Road, Bangna-Tai Sub-District, Bangna District, Bangkok
Registration	PLC no. 0107552000103
Telephone	(66) 2338-3645
Fax	(66) 2338-3973
Registered Capital	Baht 720,343,962
Paid-up Capital	Baht 535,436,809 (December 31, 2018)

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

(December 31, 2018)

Company Name / Address	Business	% of Holding	Registered Capital	Paid-up Capital
Direct Subsidiaries				
NBC Next Vision Co., Ltd. 1858/57-62 12A th Floor, Debaratana Road, Bangna-Tai Sub-District, Bangna District, Bangkok	Production of TV program and advertisements through TV media	99.99	800,000,000	800,000,000

Summary of Financial Data and Investments

Unit : Million Baht

1. Selected data from consolidated financial statements	Consolidated		
	2018	2017	2016
• Revenues from sales and services	380.00	521.33	518.79
• Total revenues	423.53	539.09	536.52
• Gross profit(loss)	19.68	7.75	(84.79)
• Profit (loss) before interest expense, taxes, depreciation, amortization	6.34	(754.83)	(87.64)
• Net profit (loss)	(98.79)	(916.24)	(275.46)
• Total assets	711.74	798.52	1,843.88
• Total shareholders' equity	34.66	121.68	980.13

2. Financial ratios	Consolidated		
	2018	2017	2016
• Debt to equity ratio (times)	19.54	5.56	0.88
• Gross profit (loss) margin (%)	5.18%	1.49%	(16.34%)
• Net profit (loss) margin (%)	(23.33%)	(169.96%)	(51.34%)
• Return on equity (%)	(126.38%)	(166.31%)	(23.99%)
• Return on total assets (%)	(13.08%)	(69.35%)	(12.86%)
• Earnings (loss) per share (Baht)	(0.18)	(1.71)	(0.51)
• Book value per share (Baht)	0.06	0.23	1.83

Investment in Subsidiary of Nation Broadcasting Corporation PCL.

	Paid-up Capital (Million Baht)	Percentage of investment
Production of TV Program and advertisements through TV Media NBC Next Vision Co., Ltd.	800.00	99.99

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.



Message from Managing Director

Dear shareholders and fellow staff,

Throughout the past year, I, as the managing director of Nation Broadcasting Company or, was earlier called a **“new executive.”**

From the first day that I took over the duties, I did not have the idea that it would last until a year and reach the 2nd year as it is. As I thought I would take up this post to solve problems for just a short period, I merely hoped that Nation TV Channel 22 could get through an internal organizational crisis including external media business competition and would be able to move forward.

I had the opportunity to talk to one of the Nation’s executives, who is still on duty, said to me that **“...work here, soon you will love Nation.”** From that day on until today, it was one year ago. I realized that actually **“love emerges”** as he had told me. However, the “love” was not formed because this was the **“Nation TV”**, instead it was developed from my experience working with the people at the Nation.

Even during the past five to six years, people at Nation TV have had to overcome many problems, but those challenges could neither diminish their professionalism nor the work spirit of quality mass media professionals. Once the organizational direction was determined, strategies were coherently developed, Nation’s people are more than ready to drive their organization together collaboratively and effectively. **For the past year, the results showed in both the popularity of viewing or rating for Channel 22 that increased by 100% and its improving operating performance that could causing the operating profit (EBITDA) from continuing to decline since 2016**

In June 2019, the Nation TV’s rating was ranked in the top ten of digital TV. This initial information could confirm the effectiveness of people in this organization who are ready to move forward under rapid changes in technology-new communication platforms that have emerged in the world of the media industry. Nowadays, we have learned and already started applying the principle we hold on. That is “whatever the degree of changes in technology erupts; we could learn and well keep up with the speed of changes.” **Most importantly, the turning point, whether losing or winning, is content. If our content is of quality credible, no matter where we are, the audience will pay attention to, follow, and have confidence in the correctness. completeness and surrounding**

As for the opportunity of Nation TV Channel 22 rising this year, we are aware that the NCPO. has announced to invoke Section 44 through the National Council for Peace and Order (NCPO) to help digital TV media industry to be able to overcome media disruption affecting the industry in general. This measure is considered a positive factor for the Nation TV's strategy, as mentioned above concerning ratings, popularity as well as revenue generation, changing from the loss to profit.

From what I have informed of the organizational performance in the past year, this year, we are still determined to build a strong foundation towards self-reliance in terms of business aspects. At the same time, the most crucial positioning is as a media institution that has been operating in Thai society for more than two decades. Nation TV still adheres to the aspirations of news people as the fourth estate that must have a mission of responsibility for steering the Thai society into the right direction, promote stability in the main institutions of Thai people throughout the country. That is **to maintain the "nation, religion and king."**

I am grateful and would like to express my gratitude to all shareholders and employees of Nation TV 22 through this message. I sincerely request all shareholders as well as employees to be confident that we will walk forward together for the creation of Nation TV 22 to be a healthy home, to be a large and warm family as well as a stable business organization with good governance to produce news as a quality news institution where the people could rely on and to be the hope of the people forever.



Chatchai Pokogwai
Managing Director



Board of Directors

01



- 01 Mr.Sontian Chuenruetaidhama
- 02 Mr.Shine Bunnag
- 03 Mr.Chatchai Pokogwai
- 04 Ms.Lakana Ratworngsakul
- 05 Assoc. Prof.Dr.Sungsidh Piriyarangsarn
- 06 Mr.Sutee Phongpaiboon
- 07 Mr. Pornchai Reonghathainont

02



03



04



05



06



07



- 08 Mr. Metha Soonthornjit
- 09 Asst. Prof. Veerawan Vararuth
- 10 Ms. Aura-Orn Akrasanee
- 11 Mr. Chalio Dithaluksana



08



09



10



11

The Nomination and Remuneration committee

- 01 Mr. Sutee Phongpaiboon
- 02 Mr. Pornchai Reonghathainont
- 03 Ms. Aura-Orn Akrasanee



02

01

03

The Audit Committee



04

01

02

03

- 01 Assoc. Prof. Dr. Sungsidh Piriyaangsan
- 02 Mr. Sutee Phongpaiboon
- 03 Mr. Pornchai Reonghathainont
- 04 Mr. Metha Soonthornjit

Management Team



Mr.Chatchai Pokogwai



Mr.Kanok Ratwongsakul



Ms.Lakana Ratwongsakul



Mr.Jira Hongsamrerng



Ms.Aeumsree Boonhachairat



Ms.Suwannee Wacharapasakorn

The Board of Directors



Mr.Sontiyon Chuenruetainaidhama

Position Directors, Chairman of the Board of Directors and Chairman of the Executive Committee

Age 57 Year

Education

- Bachelor of Laws, Ramkhamhaeng University

Training Course

- Thai Institute of Directors (Thai-IOD)
Director Accreditation Program (DAP) Class 161/2019

No. of Shares Held as at January 8, 2019

- | | | |
|-----------------------------------|---|-------|
| • Mr.Sontiyon Chuenruetainaidhama | - | Share |
| • Spouse | - | Share |
| • Minor Child | - | Share |

Family Relationship among Directors and Executives

- None-

Experience

Feb 7, 2018 - Present Director, Chairman of the Board of Directors and Chairman of the Executive Committee
Nation Broadcasting Corporation Plc.

Director of other listed companies

Dec 24, 2018 - Present Member of the Nomination and Remuneration Committee
Nation Multimedia Group Plc.

Jan 17, 2018 - Present Vice Chairman of the Board of Directors
Nation Multimedia Group Plc.

2017 - Jan 17, 2018 Director
News Network Corporation Plc.

Director of other non - listed company

2011 - Present Chairman of the network group
Network Surveillance and Prevent Royal Institution

2010 - Present Director
Local Development Foundation
Chairman of the Board of Directors and Executive Vice President

Green Panyayan Publishing Co.,Ltd
2010 - Jan 11, 2018 Chairman of the Board of Directors and Executive Vice President
Green Net 1282 Co.,Ltd

Director of a competing company or a related business company

- None-

Year of Directorship : 1 Year

(Appointed as a director since February 7, 2018)

The Meeting Attendance / Meeting held (Frequency) of 2018

The Board of Directors Meeting	5/6
(Appointed by the Meeting No. 1/2018)	
The Annual General Meeting of Shareholders	1/1



Mr.Shine Bunnag

Position Director, Vice Chairman of the Board of Directors,
and Member of the Executive Committee

Age 37 Year

Education

- Master of Business Administration, Sasin Graduate Institute of Business Administration, Chulalongkorn University
- Bachelor Degree of Accounting and Finance, The London School of Economics and Political Science (LSE), University of London

Training Course

- Thai Institute of Directors (Thai-IOD)
Director Accreditation Program (DAP) Class 78/2009

No. of Shares Held as at January 8, 2019

- | | | |
|-------------------|---|-------|
| • Mr.Shine Bunnag | - | Share |
| • Spouse | - | Share |
| • Minor Child | - | Share |

Family Relationship among Directors and Executives

- -None-

Experience

Feb 26, 2018 - Present Director, Vice Chairman of the Board of Directors,
and Member of the Executive Committee
Nation Broadcasting Corporation Plc.

Director of other listed companies

Jan 11, 2019 – Present Director, Vice Chairman of the Board of Directors No.1,
and Member of the Executive Committee
Nation Multimedia Group Plc.

Director of other non-listed company

July 6, 2017 – Dec 17, 2018

Director, Chairman of the Board of Directors and Chief Executive Officer Thansettakij Multimedia Co., Ltd.

Jun 22, 2017 – Dec 17, 2018

Director, Chairman of the Board of Directors and Chief Executive Officer News Network Multimedia Co., Ltd.

May 5, 2017 – Dec 17, 2018

Director, Chairman of the Board of Directors and Chief Executive Officer News Corporation Co., Ltd.

Director of competing company or a related business company

- -None-

Year of Directorship : - Year

(Appointed as a director since February 26, 2019)

The Meeting Attendance / Meeting held (Frequency) of 2018

The Board of Directors Meeting	-
The Annual General Meeting of Shareholders	-

The Board of Directors



Mr. Chatchai Pokogwai

Position Director, Managing Director and
Member of the Executive Committee

Age 42 Year

Education

- Bachelor of Laws (LL.B.) , Ramkhamhaeng University

2011 – Present

Clerk of The Royal Monarch Alert
Protection Network : (RMAPN)

2009 – Present

Association President

Training Course

- Thai Institute of Directors (Thai-IOD)
Director Accreditation Program (DAP) Class 161/2019

2016 – Feb 20, 2018

**Community Radio Association for
Strengthening**

Executive President Director of
T-news Press association

Green NET 1282 Co., Ltd.

No. of Shares Held as at January 8 , 2019

- Mr. Chatchai Pokogwai - Share
- Spouse - Share
- Minor Child - Share

2015

Executi Executive Editor of Spring
News Press association

Spring News Corporation Co.,Ltd.

Director

**The News Broadcasting Council
of Thailand. (NBCT)**

Family Relationship among Directors and Executives

- None-

2014

Experience

Apr 9, 2018 - Present Director, Managing Director and
Member of the Executive Committee
Nation Broadcasting Corporation Plc.

2013

Clerk of National Human Rights,
human rights, Freedom and
Consumer Protection Committee.
The Senate

Director of other listed companies

2017 - Present Director
Electronics Industry Plc.

Director of a competing company or a related business company

- None-

Director of other non - listed company

May 25 , 2018 – Present Director
NBC Next Vision Co., Ltd.

2017 – Present Director
HNC Power Co.,Ltd.

2017 – Present Lieutenant Governor of Thid-thang-
Thai Institute
The Crown Property Bureau : CPB

Year of Directorship : 1 Year

(Appointed as a director since March 10, 2018)

The Meeting Attendance / Meeting held (Frequency) of 2018

The Board of Directors Meeting	3/6
(Appointed after the Meeting No. 3/2018)	
The Annual General Meeting of Shareholders	1/1



Ms. Lakana Ratwornsakul

Position Director, Executive Director, Assistant Managing Director and Senior Vice President – Support

Age 55 Year

Education

- Bachelor of Economics (Financial Economics), Ramkhamhaeng University

Training Course

- Thai Institute of Directors (Thai-IOD) Director Accreditation Program (DAP) Class 124 /2009

No. of Shares Held as at January 8 , 2019

- | | | |
|---------------------------------|---|-------|
| Ms.Lakana Ratwornsakul | 1 | Share |
| Spouse (Mr. Kanok Ratwornsakul) | - | Share |
| Minor Child | - | Share |

Family Relationship among Directors and Executives

- Mr. Kanok Ratwornsakul

Experience

- | | |
|------------------------|---|
| Apr 1, 2018 - Present | Assistant Managing Director
National Broadcasting Corporation PLC. |
| Dec 23, 2016 - Present | Director
National Broadcasting Corporation PLC. |
| 2015 - Present | Senior Vice President , Corporate Support
National Broadcasting Corporation PLC. |
| 2010 - 2014 | Vice President , Corporate Support
National Broadcasting Corporation PLC. |

Director of other listed companies

- None -

Director of other non – listed company

- | | |
|----------------|---------------------------------------|
| 2012 – Present | Director
NBC Next Vision Co., Ltd. |
| 2012 – 2017 | Director
NBC Next Media Co., Ltd. |

Director of a competing company or a related business company

- None-

Year of Directorship : 2 Year

(Appointed as a director since December 23, 2016)

The Meeting Attendance / Meeting held (Frequency) of 2018

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

The Board of Directors



Assoc.Prof.Dr.Sungsidh Piriyaarangsarn

Position Independent Director and Chairman of The Audit Committee

Age 67 years

Qualification

- Doctor of Social Sciences (1st Class Honors) (Social Development), Faculty of Social Sciences.

University of Bielefeld , Federal Republic of Germany

Master of Economics (English Program) **Thammasat University**

Bachelor of Economics (English Program) **Thammasat University**

Relationship with NBC's Executive

- - None -

Experience

May16, 2018 - Present Independent Director and Chairman of The Audit Committee

Nation Broadcasting Corporation Plc.

Director of other listed company

2007

Vice Chairman of the contract and the law

MCOT Public Company Limited.

Director of other non - listed company

Jan 2018 - Present

Subcommittee to consider the study a form of corruption.

Commission Against Corruption in the public sector (PACC), the Ministry of Justice.

2011 - Present Dean of the College of Social Innovation Rangsit University

Year of Directorship : 1 Year

(Appointed as a director since May 16, 2018)

Training Course (s)

Thai Institute of Directors Association

Director Certification Program Course (DCP)
Class 126/2009

The Stock Exchange of Thailand

Program Management, Capital Market Academy.
(CMA). Class 6/2008

King Prajadhipok's Institute

Politics and Governance in Democratic Systems
for Executives . Class 6/2002

Knowledge Network Institute Of Thailand

University Governance Programme (UGP) Class
10/2010

Commerce Academy University of the Thai Chamber of Commerce

Top Executive Program in Commerce and Trade
: TEPCoT. Class 1/2008

No. of Shares Held as at January 8 , 2019

- Assoc.Prof.Dr.Sungsidh Piriyaarangsarn - Share
- Dr.Kanchada Piriyaarangsarn - Share
- Minor child - Share

The Meeting Attendance / Meeting held (Frequency) of 2018

The Board of Directors Meeting 2/6

(Appointed by the Meeting No. 4/2018)

The Audit Committee Meeting 2/5

(Appointed by the Meeting No. 3/2018)

The Annual General Meeting of Shareholders 0/1

(Appointed after the Annual General Meeting of Shareholders)



Mr.Sutee Phongpaiboon

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

Age 54 Year

Education

- Bachelor of Laws (LL.B.) , Ramkhamhaeng University
- Diploma of Vocational Education (Class 2), Lawyers Council Under the Royal Patronage
- The 1988 Extraordinary member of the Bar Association

Training Course

- Thai Institute of Directors (Thai-IOD)
- Director Accreditation Program (DAP) Class 54/2006

No. of Shares Held as at January 8 , 2019

- | | | |
|-------------------------|---|-------|
| • Mr.Sutee Phongpaiboon | - | Share |
| • Spouse | - | Share |
| • Minor Child | - | Share |

Family Relationship among Directors and Executives

- -None-

Experience

- May 16, 2019 - Present Independent Director and Chairman of the Audit Committee
Nation Broadcasting Corporation Plc.
- Feb 26, 2019 - Present Chairman of the Nomination and Remuneration Committee
Nation Broadcasting Corporation Plc.
- Apr 9, 2018 -May 15, 2019 Independent Director and Member of Audit Committee
Nation Broadcasting Corporation Plc.

Director of other listed companies

- 2005 – Jul , 2016 Independent Director and Chairman of the Audit Committee
The International Engineering Plc.

Director of other non – listed company

- 1999 – Present Managing Director
Sutee Phongpaiboon Law Office Co.,Ltd.

Director of a competing company or a related business company

- -None-

Year of Directorship : 1 Year

(Appointed as a director since April 9, 2018)

The Meeting Attendance / Meeting held (Frequency) of 2018

- | | |
|---|-----|
| The Board of Directors Meeting | 3/6 |
| <i>(Appointed after the Meeting No. 3/2018)</i> | |
| The Audit Committee Meeting | 3/5 |
| <i>(Appointed after the Meeting No. 2/2018)</i> | |
| The Annual General Meeting of Shareholders | 0/1 |
| <i>(Appointed from The 2018 Annual General Meeting of Shareholders)</i> | |

The Board of Directors



Mr. Pornchai Reonghathainont

Position Independent Director and Member of the Audit Committee, Member of the Nomination and Remuneration Committee.

Age 60 Year

Education

- Bachelor Degrees in Finance and Banking
Ramkhamhaeng University

Training Course

- Thai Institute of Directors (Thai-IOD)
Director Accreditation Program (DAP) Class 263/2018

No. of Shares Held as at January 8 , 2019

- | | | |
|--------------------------------|---|-------|
| • Mr. Pornchai Reonghathainont | - | Share |
| • Spouse | - | Share |
| • Minor Child | - | Share |

Family Relationship among Directors and Executives

- None-

Experience

- | | |
|------------------------|--|
| Feb 26, 2019 - Present | Member of the Nomination and Remuneration Committee
Nation Broadcasting Corporation Plc. |
| Apr 9, 2018 - Present | Independent Director and Member of the Audit Committee
Nation Broadcasting Corporation Plc. |

Director of other listed companies

- None-

Director of other non - listed company

- | | |
|---------|--|
| Present | Consulting and developing accounting and financial systems.
Taisin Manufacturing Co.,Ltd. |
|---------|--|

2014 - 2016 President of Finance
Thunder Oilfield Services Thailand Co.,Ltd.

2011 - 2013 Account Development Manager
Thai Sekisui Foam Co.,Ltd.

2008 - 2010 Finance Project Manager
Clough Thailand Co.,Ltd.

2004 - 2008 Manager of Finance and Accounting
Oil States Industries Thailand Co.,Ltd.

2001 - 2003 Manager of Finance and Accounting
Dana Spicer Thailand-limited Co.,Ltd.

1996 - 2000 Account Development Manager
Summit Showa Manufacturing Co.,Ltd.

1990 - 1995 Manager of Finance and Accounting
Rajburi Sugar Co.,Ltd.

Director of a competing company or a related business company

- None-

Year of Directorship : 1 Year

(Appointed as a director since April 9, 2018)

The Meeting Attendance / Meeting held (Frequency) of 2018

The Board of Directors Meeting	3/6
(Appointed after the Meeting No. 3/2018)	

The Audit Committee Meeting	3/5
(Appointed after the Meeting No. 2/2018)	

The Annual General Meeting of Shareholders	0/1
(Appointed from The 2018 Annual General Meeting of Shareholders)	



Mr. Metha Soonthornjit

Position Independent Director and Member of The Audit Committee

Age 58 Year

Education

- Master's Degree, Mini Master of Management Program (MMM), National Institute of Development Administration University
- Bachelor of Laws , Ramkhamhaeng University

Training Course

- Thai Institute of Directors (Thai-IOD)
Director Accreditation Program (DAP) Class118/2009

No. of Shares Held as at January 8 , 2019

- | | | |
|--------------------------|---|-------|
| • Mr. Metha Soonthornjit | - | Share |
| • Spouse | - | Share |
| • Minor Child | - | Share |

Family Relationship among Directors and Executives

- -None -

Experience

Mar 12, 2009- Present Independent Director and Member of The Audit Committee
Nation Broadcasting Corporation Plc.

Director of other listed companies

- -None -

Director of other non – listed company

2012 – Present Manager of the Legal Advisor
Lawman & Maytha Co., Ltd.

2005 – 2012 Manager
Lawman Standard Co., Ltd.

Director of a competing company or a related business company

- -None-

Year of Directorship : 10 Year

(Appointed as a director since March 12,2009)

The Meeting Attendance / Meeting held (Frequency) of 2018

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

The Board of Directors



Asst. Prof. Veerawan Vararuth

Position Independent Director

Age 69 Year

Education

- Master's Degree, Instructional Media Technology, Central Missouri State, U.S.A.
- Bachelor's Degree, Bachelor of Arts, Chulakongkorn 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
- Mini MBA from Kasetsart University

Training Course

- Office of the Civil Service Commission (CSC).
- Program executives of CSC (Civil Service Model 60). The National Defense College (NDC).
- Program Management process (with the first version). Kasetsart University
- Course Kaset Mini MBA

No. of Shares Held as at January 8 , 2019

- | | | |
|---------------------------------|---|-------|
| • Asst. Prof. Veerawan Vararuth | 1 | Share |
| • Spouse | - | Share |
| • Minor Child | - | Share |

Family Relationship among Directors and Executives

- -None -

Experience

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

Director of other listed companies

- -None -

Director of other non - listed company

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 a competing company or a related business company

- -None-

Year of Directorship : 2 Year

(Appointed as a director since December 23, 2016)

The Meeting Attendance / Meeting held (Frequency) of 2018

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



Ms. Aura-Orn Akrasanee

Position Independent Director and Member of the
Nomination and Remuneration Committee

Age 41 Year

Education

- Master of Business Administration with Majors in Finance and Marketing, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor of Business in Economics and Finance, Royal Melbourne Institute of Technology , Australia

Training Course

- Thai Institute of Directors (Thai-IOD)
Director Accreditation Program (DAP) Class 119/2015
Thailand Energy Academy
- Senior executives at Energy Science for Young Executive Class 1

No. of Shares Held as at January 8 , 2019

- | | | |
|--------------------------|---|-------|
| • Ms. Aura-Orn Akrasanee | - | Share |
| • Spouse | - | Share |
| • Minor Child | - | Share |

Family Relationship among Directors and Executives

- -None-

Experience

- | | |
|------------------------|---|
| Feb 26, 2019 - Present | Member of the Nomination and Remuneration Committee
Nation Broadcasting Corporation Plc. |
| Feb 27, 2018 - Present | Independent Director
Nation Broadcasting Corporation Plc. |

Director of other listed companies

- | | |
|--------------------|---|
| Apr 2014 - Present | Executive Director and Vice President
Advance Finance Plc. |
| Aug 2016 - Present | Director
Eastern Power Group Plc. |

Director of other non - listed company

- | | |
|----------------|--|
| 2002 - Present | Director Seranee Holdings Co.,Ltd. |
| 2002 - Present | Director Seranee Factoring Co.,Ltd. |
| 2002 - Present | Director Tranquilista Co.,Ltd. |
| 2002 - Present | Director Seranee and Associates Co.,Ltd. |
| 2002 - Present | Director Seranee Home Co.,Ltd. |
| 2002 - Present | Director Taak Interior And Architect Co.,Ltd. |
| 2004 - 2010 | Director Palm Hills Golf Resort Country club Co.,Ltd. |
| 2000 - 2002 | Director Ogilvy & Mather (Thailand) Co.,Ltd. |
| 1999 - 2000 | Investment Services Officer
BOI : The Board of Investment of Thailand |

Director of a competing company or a related business company

- -None-

Year of Directorship : 10 months

(Appointed as a director since February 27, 2018)

The Meeting Attendance / Meeting held (Frequency) of 2018

- | | |
|--|-----|
| The Board of Directors Meeting | 4/6 |
| (Appointed by the Meeting No. 2/2018) | |
| The Annual General Meeting of Shareholders | 1/1 |

The Board of Directors



Mr. Chalio Dithaluksana

Position Director and Independent Director

Age 59 Year

Education

- Master of Arts Program in Political Science, Chulalongkorn University
- Thai Bar Association under the Royal Patronage of the year 1987
- Bachelor of Laws, Thammasat University

Training Course

- Thai Institute of Directors (Thai-IOD) Director Accreditation Program (DCP) Class 116 /2015

No. of Shares Held as at January 8, 2019

- | | | |
|---------------------------|---|-------|
| • Mr. Chalio Dithaluksana | - | Share |
| • Spouse | - | Share |
| • Minor Child | - | Share |

Family Relationship among Directors and Executives

- -None -

Experience

May 16, 2019 - Present	Director and Independent Director Nation Broadcasting Corporation Plc.
------------------------	---

Director of other listed companies

2014 - Present	Independent Director and Member of the Audit Committee Eastern Printing Plc.
2014 - 2018	Independent Director and Chairman of The Audit Committee Eastern Printing Plc.

Director of other non - listed company

1982 - Present	Lawyers and Independent Legal Counsel
----------------	---------------------------------------

Director of a competing company or a related business company

- -None-

Year of Directorship : - Year

Appointed as a director since May 16, 2019

The Meeting Attendance / Meeting held (Frequency) of 2018

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

Management Team



Mr. Chatchai Pokogwai

Position Managing Director

Age 42 Year

Education

- Bachelor of Laws (LL.B.) , Ramkhamhaeng University

2011 – Present

Clerk of The Royal Monarch Alert Protection Network : (RMAPN)

Training Course

- Thai Institute of Directors (Thai-IOD)
- Director Accreditation Program (DAP) Class 161/2019

2009 – Present

Association President

Community Radio Association for Strengthening

2016 – Feb 20, 2018

Executive President Director of T-news Press association

Green NET 1282 Co., Ltd.

No. of Shares Held as at January 8 , 2019

- Mr. Chatchai Pokogwai - Share
- Spouse - Share
- Minor Child (Mstr. Krongtharm Pokogwai) - Share

2015

Executive Editor of Spring News Press association

Spring News Corporation Co., Ltd.

Director

The News Broadcasting Council of Thailand. (NBCT)

Family Relationship among Directors and Executives

- None-

2014

Experience

- Apr 9, 2018 - Present Managing Director
Nation Broadcasting Corporation Plc.

2013

Clerk of National Human Rights, human rights, Freedom and Consumer Protection Committee.
The Senate

Director of other listed companies

- 2017 - Present Director
Electronics Industry Plc.

Director of a competing company or a related business company

- None-

Director of other non - listed company

- May 25 , 2018 – Present Director
NBC Next Vision Co., Ltd.
- 2017 – Present Director
HNC Power Co., Ltd.
- 2017 – Present Lieutenant Governor of Thid-thang-Thai Institute
The Crown Property Bureau : CPB

Management Team



Mr. Kanok Ratwongsakul

Position Senior Vice President Reporter

Age 55 years

Qualification

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

Training Course (s) 2017

- None

No. of Shares Held as at December 29, 2017

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

Relationship with NBC's Executive

- Mrs. Lukana 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.Lakana Ratwornsakul

Position Director, Executive Director, Assistant Managing Director and Senior Vice President – Support

Age 55 Year

Education

- Bachelor of Economics (Financial Economics) , Ramkhamhaeng University

Training Course

- Thai Institute of Directors (Thai-IOD) Director Accreditation Program (DCP) Class 124 /2009

No. of Shares Held as at January 8 , 2019

- | | | |
|---------------------------------|---|-------|
| Ms.Lakana Ratwornsakul | 1 | Share |
| Spouse (Mr. Kanok Ratwornsakul) | - | Share |
| Minor Child | - | Share |

Family Relationship among Directors and Executives

- Mr. Kanok Ratwornsakul

Experience

Apr 1, 2018 - Present	Assistant Managing Director National Broadcasting Corporation PLC.
Dec 23, 2016 - Present	Director National Broadcasting Corporation PLC.
2015 - Present	Senior Vice President , Corporate Support National Broadcasting Corporation PLC.
2010 - 2014	Vice President , Corporate Support National Broadcasting Corporation PLC.

Director of other listed companies

- None -

Director of other non – listed company

2012 – Present	Director NBC Next Vision Co., Ltd.
2012 – 2017	Director NBC Next Media Co., Ltd.

Director of a competing company or a related business company

- None-

Year of Directorship : 2 Year

(Appointed as a director since December 23, 2016)

The Meeting Attendance / Meeting held (Frequency) of 2018

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

Management Team



Ms. Aeumsree Boonhachairat

Position Chief Operating Officer Marketing

Age 59 Year

Education

- Bachelor of Business Administration Assumption University

Training Course

- Thai Institute of Directors Association Director Certification Program (DCP) Class 82/2006)
- Thai Listed Companies Association Executive Development Program (EDP#8)

No. of Shares Held as at January 8, 2019

- | | | |
|------------------------------|---|-------|
| • Ms. Aeumsree Boonhachairat | - | Share |
| • Spouse | - | Share |
| • Minor Child | - | Share |

Family Relationship among Directors and Executives

- -None-

Experience in Nation Broadcasting Corporation Plc.

Jun 18, 2018 - Present Chief Operating Officer Marketing
2009 - Jan 31, 2016 Director

Director of other listed companies

- | | |
|-------------|---|
| 2008 - 2009 | Chief Operating Officer - Advertising
Nation Multimedia Group Plc. |
| 2006 - 2007 | President - Special Publications
Business Unit Nation Multimedia
Group Plc. |

Director of other non - listed company

- | | |
|----------------------|--|
| 2012 - Jan 31 , 2016 | Executive Vice President |
| 2012 - Jan 31 , 2016 | Amarin Television Co., Ltd.
Director
NBC Next Vision Co., Ltd. |
| 2003 - 2006 | Chief Operating Officer
Inspire Entertainment Co., Ltd. |

Director of a competing company or a related business company

- -None-



Mr.Jira Hongsamrerng
Position Acting Executive Editor
Age 60 Year

Education

- Bachelor of Arts (Leadership in Society, Business and Politics), College of Social Innovation, Rangsit University

Training Course

- -None-

No. of Shares Held as at January 8 , 2019

- | | | |
|-------------------------------------|---|-------|
| • Mr.Jira Hongsamrerng | - | Share |
| • Spouse (Ms.Piyanuch Ratwongsakul) | - | Share |
| • Minor Child | - | Share |

Family Relationship among Directors and Executives

- -None-

Experience in Nation Broadcasting Corporation Plc.

Apr 25, 2018 - Present Acting Executive Editor

Director of other listed companies

- -None -

Director of other non - listed company

2007 - 2016 Managing Director
 E Mass Com Co., Ltd.

Director of a competing company or a related business company

- -None-

Management Team



Ms. Wilawan Sinthornchaikul

Position Senior Director Customer Relations and Corporate Events

Age 49 Year

Education

- Master of Arts, International Communication Macquarie University, Sydney, Australia
- Bachelor of Business Administration ,Ramkhamhaeng university

Training Course

- -None-

No. of Shares Held as at January 8 , 2019

- | | | |
|-------------------------------|---|-------|
| • Ms. Wilawan Sinthornchaikul | - | Share |
| • Spouse | - | Share |
| • Minor Child | - | Share |

Family Relationship among Directors and Executives

- -None-

Experience

- | | |
|------------------------|---|
| Feb 15, 2016 - Present | Senior Director Customer Relations and Corporate Events
Nation Broadcasting Corporation Plc. |
| Feb 15, 2016 - Present | Senior Vice President-Sales
Nation Broadcasting Corporation Plc. |

Director of other listed companies

- -None -

Director of other non - listed company

- | | |
|-------------|---------------------------------------|
| 2014 - 2015 | Manager
M and S Creation Co., Ltd. |
|-------------|---------------------------------------|

Director of a competing company or a related business company

- -None-



Ms. Suwannee Wacharapasakorn

Position Senior Manager, Accounting and Finance

Age 51 years

Qualification

- BBA, Accounting, Srinakharinwirot University

Training Course (s) 2017

- None

No. of Shares Held as at January 8, 2019

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

Relationship with NBC's Executive

- None

Experience

2012 - Present Senior Finance 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



Business Company Structure 2018

Nation Broadcasting Corporation Public Co., Ltd.





Business Networks Support Activities

TV Media Business


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

TV media business Products and Services

1) The company-operated television stations

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

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

Channel	Concept	Distribution
1. NationTV launching broadcast in 2014 	24-hour news and information channel, aiming to present news and information accurately, impartially, and timely, unbiased, comprehensive, in-depth analysis by experienced news teams	<ul style="list-style-type: none"> • Settop Box - Channel 22 • Satellite TV - Channel 22 • Local Cable TV • Website www.nationtv.tv • Mobile phone • Application ผ่าน ระบบ IOS และ Android

2.) Co-production of TV programs and Free TV stations

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

Channel	Program	Concept	ON AIR
Channel 3	This Evening News	Coverage of the daily important events and news occurring during the day or the issues of public interest	Mondays-Sundays 15.45 -17.00 p.m.

Related Business

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

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

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

Products and Services	Plans
Organizing special activities	<ul style="list-style-type: none"> The "Nation Bike Thailand 2018" for the 5th year to campaign Thailand to the bike city, and health enhancement Mother Earth Gratitude 2018, activity to promote a good people. Charity Golf Activity "Run for Animals" activity Anti-corruption activity

3.) New Media Business

The Company has developed into products and services in information publicized through new media continuously, including websites, social media and mobile devices such as mobile phones, smart phones, tablets, smart TVs, to support changes in the information receiving format of new generation through various media develop the new formats of news presentations in keeping up with the fast changing technology.

In addition, the Company has promoted the digital TV to provide the customers with the different watching experience provided by the stations across all channels continuously.

New Media Business Product or Service

• Website business

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

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

In 2018, the company also has been a distributor of advertising space for the general external companies. The income gained from the share of advertising fees in different proportions under the agreement entered. Currently, the external company websites under the supervision of the company include:

- www.pantip.com: Thailand's the largest community forum and source of information
- www.exteen.com: Blog that allows the general public to participate in the information presentation, as well as creating advertising campaigns on other websites for the customers who want to advertise. The Company acts as agency in contact and creating advertising campaigns.
- Facebook, Youtube, Instagram- creating advertising campaigns for customers through such social networking media.
- Manage Influencer: Manage all online influencer's in the products presentation.

Audience Relations Activity

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

Industry conditions and competition Digital TV business in 2018

1. Industry conditions and competition Digital TV business in 2018

In 2018, although the digital TV business has been operating over 5 years, the transition from analog to digital TV system has not been fully-complete, resulting in that the growth of digital TV has not still accomplished the target goals. Many entrepreneurs have still suffered losses even though the ad spending has increased. The TV media business occupied the largest proportion of advertising with the value of THB 67,935 million or 64.42% of the total advertising value of THB 105,455 million.

According to the Nielsen Thailand Co., Ltd., it reported that advertising spending through various media in 2018 worth a total value of THB 105,455 million, or a growth of 3.91percent, and the TV industry growth increased by 8.05 percent.



Media with the increased ad spending:

• Television:	THB 67,935 million,	a growth of 8.05%
• Radio:	THB 4,802 million,	a growth of 7.28%
• Cinema:	THB 7,312 million,	a growth of 7.28%
• Billboards:	THB 6,833 million,	a growth of 7.03%
• Mobile media:	THB 6,067 million,	a growth of 3.25%
• In-store advertising (in-store):	1,054 million,	a growth of 11.42%
• Internet:	THB 1,605 million,	a growth of 6.08%

Media with negative figures:

• Cable / satellite TV:	THB 2,434 million,	negative 16.44%
• Newspaper:	THB 6,100 million,	negative -20.84%
• Magazine:	THB 1,315 million,	negative -33.65%

Ad spending in 2018 increased slightly only 3.91% compared to ad spending in 2017, which was the year in which advertising media spending was the lowest over the past ten years, dropped from the year 2016 to 13.9% with a total value of THB 78,755 million.

However, in the year 2018, the advertising media situation was better than 2017. The increased advertising spending has resulted from the confidence of various business operators returning to the marketing activities and spending more advertising budget mostly, evidenced by the Top 10 leading companies on the advertising spending in 2018, most of them had spent more on the advertising.

Ten companies spending the highest advertising budget in 2018 include:

1. Unilever Thai Holding Co., Ltd.	THB 3,804 million,	an increase of 2.2%
2. P&G Co., Ltd.	THB 2,462 million,	an increase of 25%
3. TV Direct Co., Ltd.	THB 2,085 million,	an increase of 137%
4. Toyota Motor Corporation	THB 2,017 million,	an increase of 1.1%
5. Coca-Cola PCL	THB 1,545 million,	an increase of 14%
6. AIS Co., Ltd.	THB 1,404 million,	an increase of 24%
7. Tri Petch Isuzu Co., Ltd.	THB 1,362 million,	a decrease of -0.9%
8. L'Oreal (Thailand) Co., Ltd.	THB 1,327 million,	an increase of 24%
9. Nestle (Thai) Co., Ltd.	THB 1,154 million,	an increase of 9%
10. DTAC Co., Ltd.	THB 1,154 million,	an increase of 23%

In addition to spending more advertising budget by the companies, the various product brands had more advertising spending as well. In regard to ten brands with the highest advertising spending, it found that some brands had advertising spending up to 753%, reflecting the brand's confidence, thereby resulting in the significant increase in the media industry in 2018 overall.

Ten brands with the highest advertising spending:

1. TV Direct	THB 2,085 million,	an increase of 137%
2. GSB	THB 1,108 million,	an increase of 68%
3. Coke	THB 981 million,	an increase of 14%
4. Samsung Mobile Phone	THB 723 million,	an increase of 15%
5. Isuzu Pickup	THB 712 million,	an increase of 29%
6. Tesco Lotus	THB 707 million,	an increase of 3.3%
7. Toyota Sedan	THB 702 million,	an increase of 9.8%
8. Toyota Pickup	THB 652 million,	an increase of 0.6%
9. Downy	THB 626 million,	an increase of 42%
10. Elephant Mineral Water	THB 606 million,	an increase of 753%

However, the value of digital TV advertising as compared to the advertising is spending by the group for the year 2017/2018, it found that ad spending mainly increased, as referred to the TV Digital Watch, and advertising spending was as follows.

Figures of Digital TV Advertising by Group for the Year 2017/2018					
Channel	2017 (Million Baht)	Proportion	2018 (Million Baht)	Proportion	Varied
HD	42,211	67.19%	42,160	62.05%	-0.12%
SD	13,115	20.87%	18,045	26.56%	37.59%
News	2,560	4.07%	2,592	3.82%	1.25%
Children	388	0.62%	624	0.92%	60.82%
Public	4,553	7.25%	4,515	6.65%	-0.83%
Total	62,827	100%	67,936	100%	8.13%

Source : TV Digital Watch

A woman with glasses is pointing her right index finger at a screen. Overlaid on the screen is a line graph with a green line that fluctuates. To the left of the woman, there are some blurred numbers: 1500, 1600, 1700, 1800, and 1900, each next to a horizontal bar of varying length. The background is a blurred office setting with warm lighting.

Risk Factors NBC 2018

Over 5 years ever since 2014 the Thai TV business changed the broadcasting format from analog system which originally included only 6 channels, to the digit television system which the number of the TV channel has increased to 24 channels, resulting in substantial competition from among the growing number of the TV channels, indicating the growing number of the competitors have been grabbing for the ad spending while amount of money and economic expansion has remained the same.

Meanwhile, all digital TV operators have a relatively high operating cost, especially the cost of digital TV licenses, if evaluated as a total cost of 24 channels paid by the digital TV operators to the National Broadcasting Telecommunications Commission (NBTC), a total cost would be up to THB 50,000 million amid the intense competition. This is considered the first risk factor in the digital TV business over the past 5 years.

As for the competition of all 24 digital TV businesses, there are current operators on 22 channels only remaining in the market because the two channels of Thai TV Company Limited by Mrs. Phanthipa Sakunachai (Jay Tim TV Pool), Chairman of Thai TV Company Limited has canceled broadcasting on the Thai TV and Loka channel since the mid-2015.

Most recently, on March 2018, Mrs. Phanthipa won the case in the lawsuit against the NBTC, the Administrative Court ordered the spectrum auction for digital TV services of Thai TV Company Limited to be void entirely, and the NBTC is required to return the bank guarantee to Thai TV Company Limited on the 3rd, 4th, 5th and 6th installment; worth a total of over THB1,500 million as an example of the failure to operate the digital TV business, however, it provides a way to solve problems among the digital TV operators as well.

The incident of the Thai TV movement reflected the shortcomings of the NBTC that failed to accomplish the digital TV business to achieve the target goals. In the case of Thai TV, it resulted in calling for the NBTC to consider a remedy plan for the digital TV business operators.

Most recently, the NBTC has planned to remedy the digital TV operators by recalling a 700 MHz (MHz) wave to a new auction that the auction revenues would compensate for the digital TV operation. The reasonable compensation shall be paid to the network operators; including the MCOT, Channel 5, Department of Public Relations, and Thai PBS.

Such a remedy plan would be a new norm that helps to reduce the cost of the digital TV business. It provides a way to remedy the digital TV operators, provided that the license fees for the 4th and 5th installment were of the exemption (the remaining amount was approximately THB16, 000,000 million from the 21 remaining channels (except for Channel 3, Channel 7) and the return of the digital TV licenses was accepted with a partial compensation under the authority of the NBTC's execution.

Although there are only 22 digital TV channels left and the remedy plan is provided expressly, the competition under the slowdown of the TV advertising budget and in the midst of competition among the multiple digital TV channels, many digital TV operators have still experienced the substantial losses.

Loss Factors

Factors causing many TV business operators get loss include two reasons.

1. Television advertising money in the limited growth of approximate THB6.6 billion annually, the changing markets, and the expected entrance into the digital age results in the low tendency of the TV media growth because modern businesses use a variety of digital media to reach consumers with less dependence on TV media
2. Business structure factors - with a number of up to 22 TV channels and a high cost of service currently, a license auction as the origin of the problem, a relatively high cost of license auction, all these are an important agenda for entrepreneurs.

However, in the short term, the adaptation under high competition from the competitors in the industry and the rivals from other digital media under the rapidly-changing market trend that the trend of entertainment business and media across the globe have been affected in the same direction, to lead the organization to success amid the today's changing media environment, the entrepreneurs must consider the three main factors that will lead to competitive advantage.

- Content – interesting content of the programmes to attract the audiences, creating good content must clearly identify who is the target audience and must convey messages to the target group understandably and what the audience will receive from messages, stimulate the audience to participate in such content, all these are the main key that leads to success
- Presentation channels (Distribution) – it should acknowledge that leaning on the main TV channels only the operators to generate revenue is no longer sufficient because the customer behavior has changed, Thai people use more than 57 million mobile phones number and 53.61 million internet users, and the trend has been increasing continuously. Of the entire internet users, 46 million people access to social media (such as Facebook, YouTube, Line, Instagram) regularly via smart devices. Therefore, not only the programme content is well-developed, it must provide the customers with the maximum benefit through social media channels thoroughly.
- User experience is quite important because the audience will recognize the content through the channels offered by the TV business operators or content/VDO clip sharing. In the past, content is told by means of the word-of-mouth communication which it takes considerable time, or on-aired TV show or drama comes near to end, thereby the content owner gains a less benefit.

Currently, the audience receives the content through the real-time social network channels or lives broadcasting that the viewers from all corners of the world can communicate and interact with programs and other audiences instantly at the real time, multiple the word-of-mouth interaction. Hence, only TV channels are not enough, it's required to increase the live channels that viewers can interact with that respective content with other viewers across the world, consequently empowering the experience of other audiences more intensively.


























All three factors are a key to the marketing success of the TV business. The thing that digital TV business operators should emphasize is an interesting content in meeting audience's needs and communication channels must be greater than the TV screen, a linkage to social media to access the changing behavior of consumers, response to consumers in terms of content, information, entertainment that has been harmonizing with the lifestyle of consumers.

For Nation TV Channel 22, in addition to presenting programs through the TV screen, social media has been adopted in reaching the consumers, for instance, Facebook on the Nation TV22 fan page; having 2,918,507 likes and 2,962,857 followers (updated as of January 19, 2019).

However, the digital TV business evaluation has still recognized the ratings importantly. In 2018, the Nation TV channel was ranked No.15 on rating; the audience feedback was moderate.

Top 25 Digital TV Rating

November 2018

	ช่อง	เรตติ้ง		ช่อง	เรตติ้ง
1		1.720	14		0.123
2		1.127	15		0.123
3		0.858	16		0.077
4		0.770	17		0.064
5		0.549	18		0.046
6		0.494	19		0.045
7		0.398	20		0.033
8		0.361	21		0.030
9		0.286	22		0.026
10		0.214	23		0.024
11		0.173	24		0.020
12		0.164	25		0.011
13		0.134			

ที่มา : นิลลีน

New Media: Social Media

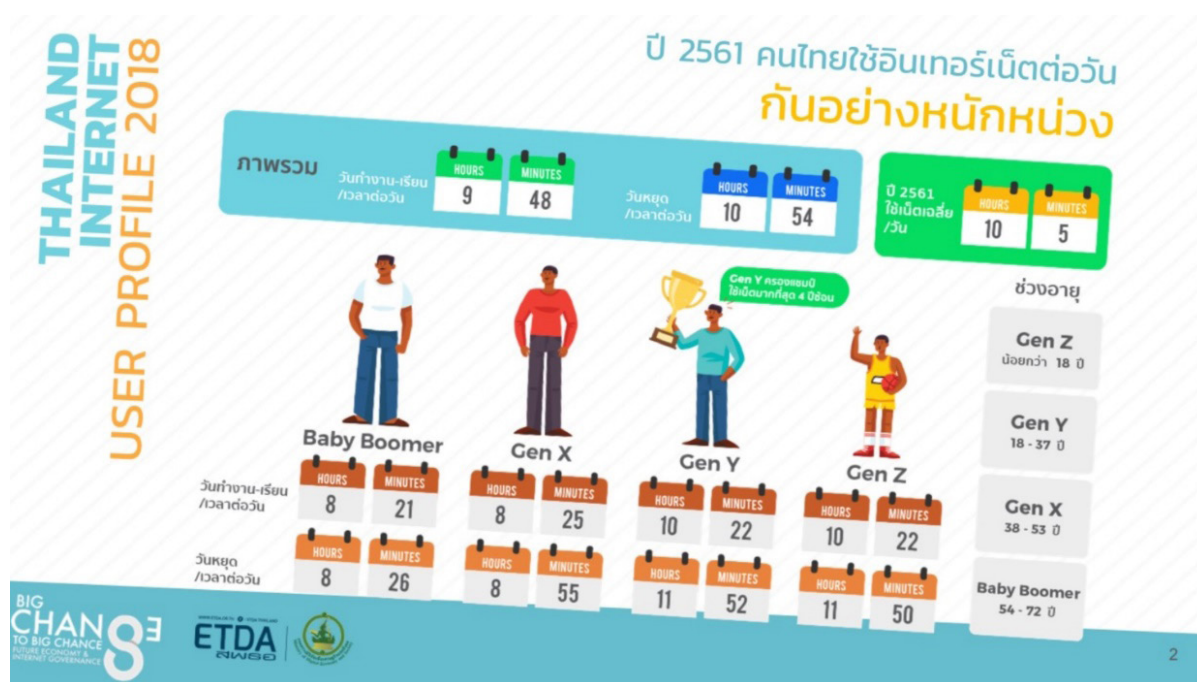
Another risk factor affecting the digital TV business in 2018 included the growth of new media, especially social media that reached the consumers with the speed data transmission and data transmission channel via mobile devices such as portable computers, tablets, mobile phones, especially smartphones which it presently becomes like the 33rd organs portably anytime anywhere and it can be used extensively at work and communication, receiving and sending data quickly and easily anytime anywhere.

Even watching TV programs, you can watch TV live via mobile phone or retro-watching as needed. The mobile phone media therefore draws a large audience base from the traditional TV screen considerably, especially the new generation youth who like watching via mobile phones through social media, because in addition to watching, they can also comment or interact with the viewers around the world who have been of the same interest in social media consumption either at the real-time or retrospective comments timelessly.

Technology enables the people to participate in consuming information and giving comments and socializing and communicating through the media that can be viewed, consequently becoming a new behavior and changing markets, by this way the number of media users increases with the growing number of internet users and mobile phone users.

For this reason, all digital TV operators have extended the broadcasting platforms in addition to terrestrial broadcasting televisions, information and content are distributed through new media in all channels. In addition to understanding behavior of the new generation people, it also measures the number of views, number of visits, and number of accessing devices for both YouTube channel, Facebook page, and on the website directly.

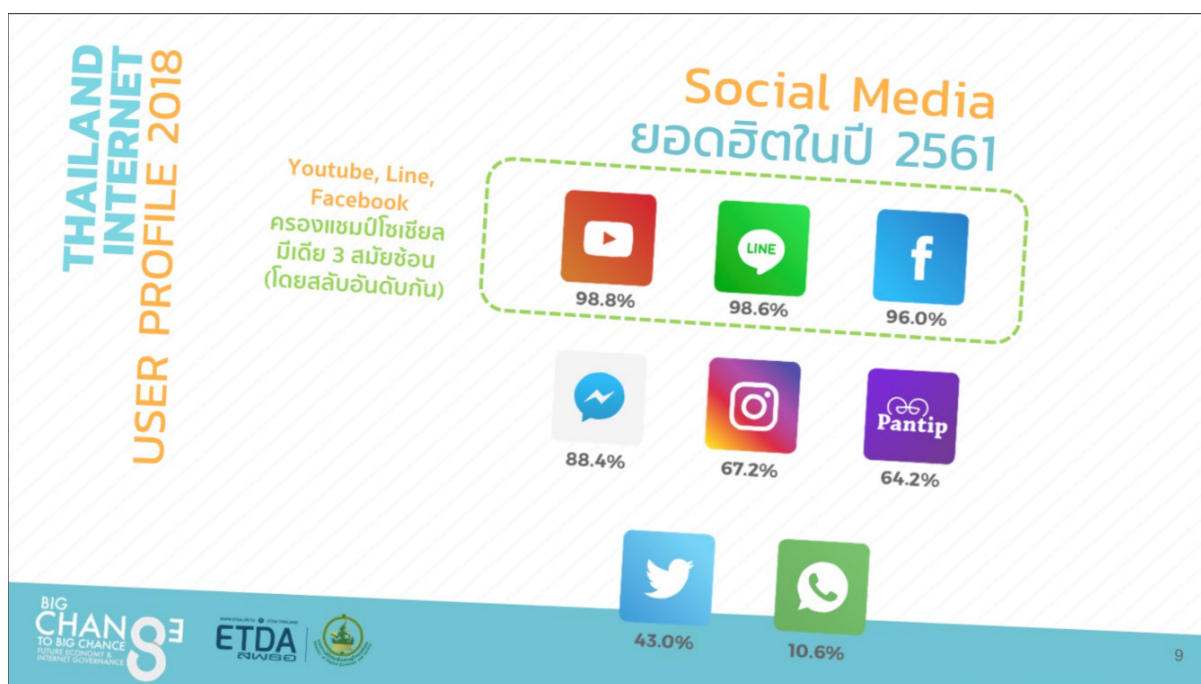
According to the Thailand Internet User Profile 2018, the Electronic Transactions Development Agency (ETDA), classified by behavior and age group of internet users per day as follows:



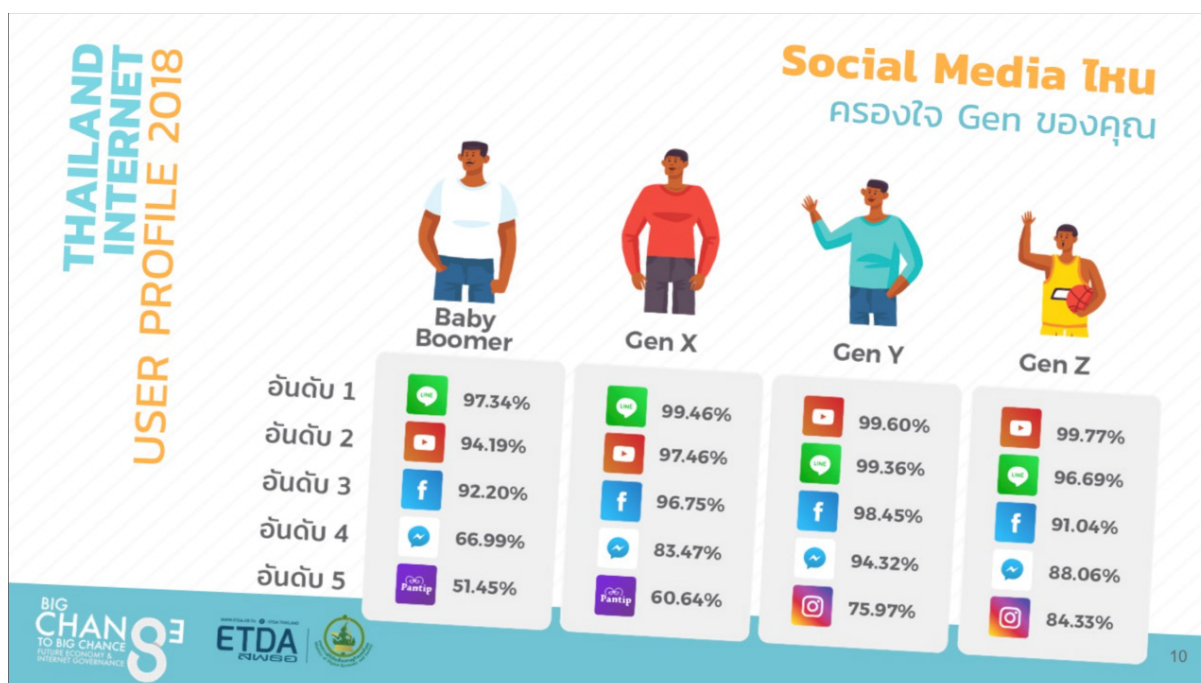
Thai people spend nearly 10 hours per day one work hours /study on the internet and 11 hours on holidays, or simply speaking, about 1/3 of the daily life spend time on the Internet.

The generation Y becomes a champion spending the most time on the Internet while the grandparents spend no less than 8 hours per day online, and importantly, they are the age with the most purchasing power, as evidenced that house at the price of THB20-30 million, most people of this age are the owners of the properties.

Overall, Thai people spend more time on the Internet for about 3 hours compared to last year.

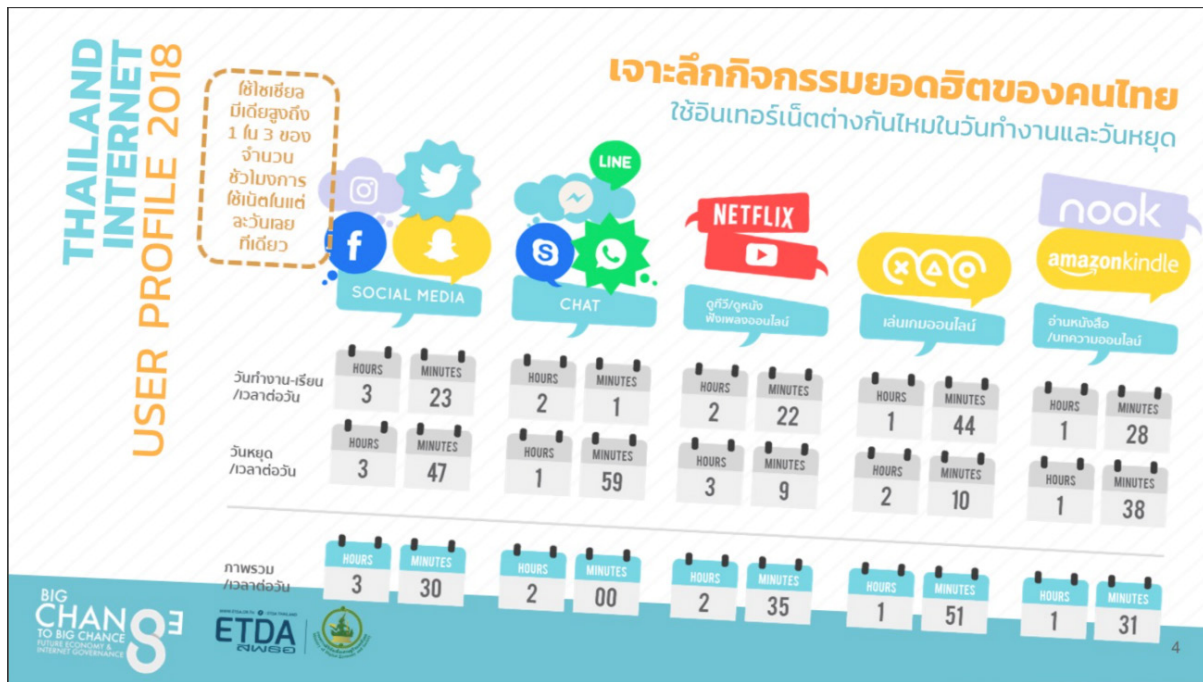


The main social media like YouTube, Line, and Facebook have been still the Top 3 social /chat platforms among Thai people, while the site www.pantip.com remains the only Thai platform that has still stood against world-class platforms, followed by IG and Twitter. Messenger also hangs on Facebook.



Using LINE, YouTube, and Facebook are comparable between the Gen Y and X.

While the Baby Boomer and Gen X also use the Pantip as the 5th, while Gen Y, Z use Instagram as social media after Facebook.



Thai people is the No.1 spending the most time on social media daily, followed by watching movies / TV / listening to music (video streaming)

Thai people spend an average of half an hour a day on reading books or online articles.



In addition to using social media, email, search, and watching movies/music, Thai people usually use the internet for online shopping and entering financial transactions, and many activities Thai people are more likely to execute via online, for instances, buying tickets, cab booking, and ordering foods



In regard to the activities that had been typically carried out offline, more than half of them currently have been pursued online, for instances, payment for goods and services, accounting for 82.8%, data transmission and cab booking account for more than 70%.

* While watching TV or various live programs Thai people prefer to watch online rather than offline.

“YouTube” platform in parallel to the TV business

In regard to online media, which media is the determinant affecting the terrestrial TV business mostly? Certainly, it is the YouTube; because it is an online TV platform that anyone can access to and register to run their own TV channels and distributed via social media channels with free of charges for station fees or time rental, just only you have the interesting content that can draw millions of people in Thailand and around the world to follow you.

The most recent data by the TNS Global Market Research Company indicated that in 2017 more than 93% of the internet users in Bangkok and its vicinity visit the YouTube while 92% of provincial internet users visit the YouTube as well. For Thailand, there are more than 46 million internet users, and more than 40 million internet users visit YouTube.

Consistent with Ben King, Google’s chief executive in Thailand, cited that the YouTube is an unparalleled platform, it is a ‘for every you’ platform, meaning it is a channel of viewing content for the people of all ages, well-equipped with all types and formats of the contents for watching. Throughout the past year, YouTube has found interesting behavior of users around the world as follows.

- 1 billion hours represent watching content and spending time on YouTube on average daily.
- 1.5 billion Subscribers represent the number of users logged monthly.
- 400 hours represent the amount of time the content is uploaded every minute.
- 80 languages represent the number of content in different languages in over 90 countries

As the Head of the Entertainment Business Alliance at YouTube, Thailand said, content developers should consider creating video content in response to the groups of users via mobile phones primarily. According to the statistics, it found that 97% of YouTube users outside the city preferred to access the platform via their smartphones, and the non-urban users and the users in the age of 35 years and older are reaching to the YouTube platform increasingly.

In Thailand, of 46 million internet users, approximately 40 million people are YouTube users. The official Channel 3 over the past 30 days (October 2018), the number of content viewers was more than 34.7 million times totally and more 22 million views at the Workpoint, as resulted from the interesting and quality content that attracts various audiences.

In addition, viewing content on YouTube and other digital platforms by the comparison among five TV shows, it found that 89% of TV content viewing derived from the YouTube channels, indicating that the YouTube platform is the No.1 alternative for TV content watching.

This information should be taken into consideration by the digital TV operators to process and plan and append TV distribution channels through new media to reach the digital age that consumer behavior has changed as much as possible. Undeniably, the world has changed and the world of communication has changed substantially. To survive the TV media for a long time, social media channels must be opened to reach the media consumption behavior of the digital age timely.

The Nation TV provides TV channel through YouTube and has continuously published since April 2, 2014, at the website <https://www.youtube.com/user/nationtv22>, there were 631,721 subscribers with more than 288 million views (as of January 23, 2019).

In regard to the retro-watching, the Nation TV enables the viewers to keep track of and access to the previous shows and programmes via the website www.nationtv.tv.

List of Major Shareholders

Name of Major Shareholders as of January 8, 2019 at closing book dated :

No.	Name	Shares	% Total Share
1.	Nation Multimedia Group Public Company Limited.	382,553,074	71.45
2.	Mr.Sombat Panichewa	16,096,300	3.01
3.	Mr. Chainarong Saengtongaram	15,912,400	2.97
4.	Green Siam Company Limited.	15,000,000	2.80
5.	Mr.Nivat Changariyavong	5,000,000	0.93
6.	Mr.Prabda Yoon	4,444,500	0.83
7.	Thai NVDR Company Limited	4,151,798	0.78
8.	Mr.Sirisak Ekpisutsunthorn	2,855,000	0.53
	Other	89,423,737	16.70
รวม		535,436,809	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	1,620	535,246,990	99.96
Foreign Shareholder	3	189,819	0.04
รวมทั้งสิ้น	1,623	535,436,809	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 in 2018

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 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. 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.

Monitoring of the Practice of Corporate Governance Policy

The commitment to improve the good governance of the Company. Ongoing since the stock market. Has adopted the principles of Corporate Governance for Listed Companies in 2006 by an assessment on the corporate governance of the Company are as follows.

- The quality of the 2018 Annual General Meeting of Shareholders held by the Investors Association Thailand. Listed Companies Association and the Securities and Exchange Commission. The company has 81.50 points score of 100 points.

- The project alignment private practice in Thailand to fight corruption. The company has received certification as a member of the alliance of the private sector in Thailand Against Corruption (CAC), which confirmed that the company recognizes and realizes the importance of corruption prevention systems. And to operate transparently. The certificate is valid for 3 years from the date of November 10, 2017.

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

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

1) Rights of shareholders

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

The company has a policy to treat every shareholder with equality. Realizing that the shareholders are entitled to the rights to receive sufficient and timely information of the company, the Investor Relations Division was set up to provide information and respond to enquiries. The website: www.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 2018, the company not only organized the Annual General Meeting in line with the law and guidelines as suggested in the AGM Checklist manual, published by the Thai Investors Association, the Thai Listed Companies Association, the Securities and Exchange Commission and the Stock Exchange of Thailand but also strictly adhered to the principles of Good Corporate Governance.

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

In 2018, the Company held a General Meeting of Shareholders for the fiscal year 2018 on April 9, at 7th Floor, Nation University Building at 10.00. Registration started by 9.00. Seven out of a total of ten directors and 41 shareholders and shareholders' representatives attended the meeting, representing shareholdings of 408,219,147 shares or 76.24 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 prior to the Annual General Meeting of Shareholders for the year 2018 on April 9, 2018 during November 20, 2017- January 26, 2018 via the website. www.set.or.th or www.nbc.co.th. No minority shareholders nominated the directors and proposed 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, via the company's website on February 8, 2018

Before the 2018 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 23, 2018 to March 27, 2018 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 2018 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 2018, the company recognized all shareholders equally and undertook the following guidelines to ensure that all shareholders had the right to participate in decision making and to acknowledge the company's decisions on important matters as stipulated by the law or the company's regulations.

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

3) Role of Stakeholders

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

Several stakeholder groups are important to the company, including employees, customers, shareholders, investors, trading partners, creditors, trade competitors, society, government agencies, neighboring communities, etc. The Board of Directors has maintained a policy to protect the rights of each group of stakeholders in accordance with related laws or agreements stakeholders have made with the company, and has aimed to promote employee involvement in enhancing the performance of the company to ensure more productive performance and sustainable growth by disclosing relevant, sufficient and timely information to stakeholders. The company has established organizational ethics covering various areas and reviews these on a regular basis (most recent revision was May 4, 2016)

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. Managing Director 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,

- customer audience via television Nation TV company with a focus on customer satisfaction in the form and content of the proposed transaction. Including a premium corporate customers by inviting customers to participate in various activities organized by the company as Nation Bike Thailand, Nation TV Charity Rally, etc.

- Charity charity golf activity “On the occasion of the 19th year of Nation TV Channel 22” therefore held the nation anniversary golf charity 2018 on Friday October 19, 2018 at Thana City Golf Course, Country Club Bangna, this golf tournament is organized for charity. By part income will be used to help disaster victims in an emergency via Nation Foundation

- Activities for Wildlife On August 28, 2018, NBC organized an event “running for wild animals create a forest value to the community “or run for the animals and family fun day 2018”, and on September 23, 2018, organized a Run for Wildlife “Run for the Animals” at the Chalerm Phra Kiat Forest Park, Somdej Ya, Phutthamonthon Sai 2 the main objective is for health. to create participation in the maintenance of natural resources, forests and wildlife to be one of the activities to reduce waste to support activities “Thai tourism year sustainable chic “(Amazing Thailand Tourism Year 2018) according to government policy by using sports as a medium in order to bring in a portion of the income to “Sueb Nakhasathien Foundation”

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. 1975 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, Meet & Greet activity between the company’s management and staff, 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, monetary assistance upon receiving treatment at hospitals, in the event of the death of employees’ parents, spouses, children or the employees themselves, marital monetary gift monetary gift for newborn babies and children’s education. The welfare packages also include leave, provident fund, emergency loans, uniforms cost, medical expenses, annual medical check-up, accident insurance and group insurance, 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 “ESOPWB” 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 terms of safety and hygiene in the workplace, the company has continuously organized training and launched campaigns to raise employees’ awareness on maintaining a safe workplace for life and property. Throughout the year 2018, there were no reports of accidents or medical leave during operating hours as most operations were performed at the office. The company has recognized the importance of the work place, and has constantly maintained working equipment and tools as well as the establishment so that they are always ready to be in service and safe.

In terms of human resources development, the company has concentrated on upgrading employee capability at all levels by organizing internal training courses and external training courses with other institutes or agencies, enabling them to use the acquired knowledge to improve working efficiency.

In 2018, the company held training courses for 209 employees, accounting for 80.08 percent of its total employee number of 261 (average employee number for the 12-month period), with a total of 1,254 training hours or 5 hour/

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

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, 1858/125-128, 28th Floor, Debaratna Road, Bangna-Tai Sub-District, Bangna District, 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 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 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 for the document to be forwarded to the directors and the management in November so that they can update their information thereof. Then, the secretary will collect the shareholding reports to present to the Board of Directors at least once a year.

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

shall be barred from buying, selling, transferring, or accepting the company's securities by using the company's confidential data and/or inside information in a manner to cause harm to the company either directly or indirectly.

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

The company's annual report 2018 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 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 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 2018:

- 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 : 1858/57-62, 12A FL., Debaratana Road, Bangna-Tai Sub-District,

Bangna District, 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 Mr.Yods Boonyuen as the Company Secretary on February 7, 2018. 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 Manager 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 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 2018, the Board of Directors consists of ten members, six 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 six 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 2018. Four out of the four independent directors are members of the Audit Committee. One of them is the Chairman of

the Audit Committee and three of them are members of the Audit Committee and two 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 2018, 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 company has hired JP Tip Audit Limited as auditors duties to review and assess the adequacy of the internal control system 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 the Executive Board and Nomination Committee and Remuneration Committee . 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 2018 were presented before the Audit Committee and the Board of Directors in February 2019 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 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 2018, 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 2018 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 14, 2019 so that the results could be communicated to the Audit Committee in its meeting 1/2019 on February 2019.

The evaluation results can be summarized as follows:

- The evaluation of the individually Divided by topics include the structure and properties of the board. The Conference Board Roles and responsibilities of the board. summary of the assessment .The results showed that the majority Mostly agree and Absolutely agree, representing 95.96%
- The evaluation of the Board of director . Divided by topics include the structure and properties of the board. Roles and responsibilities of the board. The Conference Board Duties of Directors Relationship with management Development of directors and executive development. summary of the assessment. The results showed that the majority Mostly agree and Absolutely agree, representing 97.35%.
- 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 88.09 %.

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.

In 2017 and 2018, remunerations for directors are as follows:

Name/Position	Annual Remuneration 2017				Annual Remuneration 2018			
	Remuneration	Meeting Allowance	Other	Total	Remuneration	Meeting Allowance	Other	Total
Chairman of the Board :								
- Mr.Sontiyon Chuenruetainaidhama	-	-	-	-	400,000.-	-	-	400,000.-
- Mr. Thepchai Sae-Yong *	-	-	-	-	-	-	-	-
Chairman of Audit Committee :								
- Assoc.Prof.Dr.Sungsidh Piriyaarangsarn	-	-	-	-	400,000.-	-	-	400,000.-
- Mr. Supong Limtanakool*	400,000.-	-	-	400,000.-	-	-	-	-
Member of Audit Committee :								
- Mr. Metha Soonthornjit	300,000.-	-	-	300,000.-	300,000.-	-	-	300,000.-
- Mr. Jessada Promjart*	300,000.-	-	-	300,000.-	-	-	-	-
- Mr.Sutee Phongpaiboon*	-	-	-	-	300,000.-	-	-	300,000.-
- Mr. Pornchai Reonghathainont *	-	-	-	-	300,000.-	-	-	300,000.-
Independent Director :								
- Ms.Veerawan Vararuth	200,000.-	-	-	200,000.-	200,000.-	-	-	200,000.-
- Ms. Aura-Orn Akrasanee	-	-	-	-	200,000.-	-	-	200,000.-
Executive Director of Parent/ related company :								
- Mr. Thepchai Sae-Yong*	-	-	-	-	-	-	-	-
Non-Executive Director								
- Ms. Nongnat Hanwilai	-	-	-	-	-	-	-	-
Executive Director :								
- Mr. Somchai Meesen*	-	-	-	-	-	-	-	-
- Mr. Supawat Sa-nguan-ngam*	-	-	-	-	-	-	-	-
- Mr.Chatchai Pokogwai*	-	-	-	-	-	-	-	-
- Ms. Lakana Ratwongsakul	-	-	-	-	-	-	-	-
- Mr.Suport Piansiri*	-	-	-	-	-	-	-	-
- Mr.Sirichai Chananam*	-	-	-	-	-	-	-	-
Total	1,200,000.-	-	-	1,200,000.-	2,100,000.-	-	-	2,100,000.-

Note:

1. Remuneration for directors Will be in accordance with the annual remuneration of 2018 approved by the Annual General Meeting of Shareholders Year 2018 of the Company on April 9, 2018 which approved the Company Pay remuneration for directors Divided by quarterly Except directors who are employees.

2. Mr. Thepchai Sae-yong and Mr.Sirichai Chananam resigned on February 5, 2018 and appointed Mr. Sonthiyan Chuenrutainaidhama and Mr.Somchai Meesen took the position. Chairman and Vice Chairman of the Board of Directors Respectively, with effect set on February 7 , 2018 , appointed Ms. Aura-Orn Akrasanee as an independent director. From 27 February 2018 to replace Ms. Nongnat Hanwilai who resigned from May 3 , 2017 Mr. Supawat Sa-nguan-ngam resigned on March 9, 2018 and appointed Mr. Chatchai Pukogwai instead, effective from March 10, 2018. Mr. Supong Limtanakool and Mr. Jessada Promjart Somsunthee and Appointed Mr. Sutee Phongpaiboon and Mr. Pornchai Ruanghathainon As an audit committee instead Effective from April 9, 2018, Mr.Suport Piansiri resigned on May 9, 2018 and appointed Assoc.Prof.Dr.Sungsidh Piriyaarangsarn Effective from May 16,2018.

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 Managing Director 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 2018, the company arranged training courses for directors as follows:

No.	Name	Position	Training courses in 2018
1.	Mr. Pornchai Reonghathainont	Member of Audit Committee	Director Certification Program 263/2018

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. Managing Director

When the management position of Managing Director 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 Managing Director 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, 2018, the Audit Committee comprised three members, as follows:

No.	Name	Position	Qualifications
1.	Assoc.Prof.Dr.Sungsidh Piriyaarangsarn	Audit Committee Chairman	Independent Director
2.	Mr. Metha Soonthornjit	Audit Committee Member	Independent Director
3.	Mr.Sutee Phongpaiboon	Audit Committee Member	Independent Director with finance and accounting background

Roles, duties and responsibilities of the Audit Committee

1. Review the financial reports (quarterly financial report and annual audited financial report) to oversee that the reports are sufficient and correct before forwarding them to the Board of Directors for consideration.
2. Review the internal control system to oversee that the internal audit procedures are adequate, appropriate and efficient. In addition, to observe the independence of the internal audit unit, as well as to approve the appointment, transfer and dismissal of the head of the internal audit unit or any other units responsible for the internal audit.
3. Review the risk assessment and risk management system to oversee that they are appropriate, adequate and efficient.
4. Review the business operating procedures to oversee that they are in compliance with rules and regulations of the Security Exchange Commission and those of the Stock Exchange of Thailand as well as other laws relative to the company business.
5. Recommend to the Board the independent auditors to be nominated for shareholder approval to audit the financial reports of the company. Review with the independent auditors the objectivity of audit, responsibility and auditing procedures of the independent auditors including problems found during the audit as well as issues that the independent auditors consider they may have material impact on the company financial reports and to attend a meeting with the auditor without the presence of the management at least once a year.
6. Review the connecting transactions or transactions that may have conflict of interest to oversee that they are accurate, complete and in compliance with rules and regulations of the Stock Exchange of Thailand as well as disclosure complete information for those transactions to ensure that such transactions are appropriate and most beneficial to the Company.
7. Review the company's compliance with private sector's anti-corruption and certification programmes, including the Collective Action Coalition Against Corruption's Self-Evaluation Tool.
8. Issue an Audit Committee Report to be included in the company's annual report and the report must be signed by the Audit Committee Chairperson and must at least contain the following information.
 1. Opinions concerning with the correctness, completeness and trustworthiness of the financial reports of the Company.
 2. Opinions concerning with the adequacy of the Company's internal control system.

3. Opinions concerning with the Company's compliance with the law and regulations of the Securities and Exchange and regulations of the Stock Exchange of Thailand, or any law governing the Company's business.
4. Opinions concerning with the appropriateness of the auditor.
5. Opinions concerning with the transactions that may involve conflict of interest.
6. The number of the Audit Committee's Meetings and attendance record for each of the Audit Committee Members.
7. Opinions or overall observation that the Audit Committee has found during performing its duty according to the Charter of the Audit Committee.
8. Other reports which should be acknowledged by the shareholders and general investors under the duties and responsibilities assigned from the Board of Directors of the Company.
9. Perform other activities as delegated by the Company's Board of Directors with consent from the Audit Committee.

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 February 26, 2019, the Executive Board comprised 4 executive directors, as follows:

No.	Name	Position
1.	Mr.Sontiyen Chuenruetainaidhama	Executive Director
2.	Mr. Shine Bunnag	Executive Director
3.	Mr. Chatchai Pokogwai	Executive Director
4.	Ms. Lakana Ratwongsakul	Executive Director

The company's guidelines for the remunerations of the Managing Director 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 Managing Director .

Roles, duties and responsibilities of the Board of Executive Directors

- 1) Prepare the vision, strategy, business direction, goals, guidelines, policies, business plans, budget, organizational structure and corporate index for proposal to the Board of Directors for consideration and approval, and proceed as approved by the Board of Directors, including checking and monitoring the results of operations in an efficient and effective manner.
- 2) Consider the management structure for the business operation of the Company as being appropriate to the current situation.
- 3) Have the authority to determine the employee salary structure, including the selection, training, appointment, hiring, transfer, determination of wages, compensation and bonus of executive-level staff as well as the dismissal of employees.
- 4) Consider and scrutinize operational proposals to determine policies for investment, expansion of business activities, public relations, financial planning, annual budget, human resources management and investment in information technology for proposal to the Board of Directors for consideration and approval.
- 5) Have the authority to appoint a sub-committee or working group to facilitate the operations or management of the Company and set the authority, duties and responsibilities of the working group, including controlling

and supervising the operations of the sub-committee or working group appointed to carry out the policies and meet the targets set.

- 6) Have the authority to proceed according to the policies set by the Board of Directors in relation to business operations, in accordance with the law, and the conditions, rules and regulations of the Company, with the exception of items in which the Executive Board may have conflicts of interest with the Company, subsidiaries or associated companies.
- 7) Monitor the Company's performance in accordance with the policy framework and goals approved by the Board of Directors and ensure operations are carried out with quality and efficiency.
- 8) Consider the annual budget allocation according to the management before submitting to the Board of Directors for consideration and approval.
- 9) Study the feasibility of investing in new projects and have the authority to consider and approve any investments or joint investments with individuals, juristic persons or any other business organization, to participate in bidding auctions, as well as to undertake various projects as the Board of Directors deems appropriate, including undertaking legal acts related to the matter until completed as approved (Corporate Index) and / or as determined by the Board of Directors and / or in accordance with relevant laws and regulations and / or in accordance with the Company's regulations.
- 10) Approve expenditure of significant investments as specified in the annual expenditure budget according to the Corporate Index and / or as assigned by the Board of Directors and / or as approved by a Board of Directors' resolution in principle.
- 11) Approve the signing of contracts and / or any transactions relating to the normal business operations of the Company (such as trading, giving or receiving services, investing or entering into joint ventures with other parties for normal business transactions of the Company which are of benefit in achieving the objectives of the Company) within the approved budgetary limits (Corporate Index) determined or approved by the Board of Directors. In the event that the amount exceeds the budget approved by the Board of Directors, the transaction must be presented to the Board of Directors for approval at the next meeting.
- 12) Consider and approve financial transactions with banks or financial institutions to support normal business operations, such as opening or closing bank accounts, borrowing funds, requesting a credit line, pledging, mortgaging, guaranteeing, and trading and registering ownership of land in accordance with the objectives and for the benefit of the Company's operations. These include juristic acts relating to the matter as approved by the Board of Directors (Corporate Index) and / or as determined by the Board of Directors and / or in accordance with relevant laws and regulations and / or in accordance with the Company's regulations. In the event that the amount exceeds the budget approved by the Board of Directors, the transaction must be presented to the Board of Directors for approval at the next meeting. If the Company's assets are to be used as collateral, approval must be granted by the Company's Board of Directors.
- 13) Consider the profit and loss of the Company and propose the payment of an interim or annual dividend to the Board of Directors.
- 14) Consider and approve the appointment of various consultants or advisors to the Executive Board or advisors to sub-committees or working groups that are necessary for the operations of the Company, as appropriate. Determine and authorize remuneration, allowances, welfare, perquisites and other expenses of the president of the consulting committee, consultant or members of the consulting committee, under the annual budgetary framework approved by the Board of Directors.
- 15) Review and propose to the Board of Directors amendments to the scope of authority, duties and responsibilities of the Executive Board in accordance with the current circumstances.
- 16) Perform any other tasks as assigned by the Board of Directors or according to the policies set by the Board of Directors.
- 17) Authorize one or more persons to act on behalf of the Executive Board. However, the delegation of authority, duties and responsibilities of the Executive Board will not be used or transferred to other parties to approve any items in which the person or persons may have interests or conflicts of interest with the Company (as defined in the announcements of the Securities and Exchange Commission and Stock Exchange of Thailand or the announcement of the Capital Market Supervisory Board) except for the approval of items that are in accordance with the policies and criteria approved in a meeting of the Board of Directors. Decisions

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

The Executive Director of the Company May be appointed or withdraw by the Board of Directors meeting or the shareholders' meeting of the company

As of February 26, 2019, the Nomination and Remuneration Committee Consisting of 3 directors as follows

No.	Name	Position
1.	Mr.Sutee Phongpaiboon	Chairman of the Nomination and Remuneration Committee
2.	Mr. Pornchai Reonghathainont	Executive Director
3.	Ms.Aura-Orn Akrasanee	Executive Director

3. Nomination and Remuneration Committee

Nomination and Remuneration Committee Acting to recruit qualified persons to serve as directors And sub-committee Including considering the remuneration of directors And sub-committee To propose opinions to the Board of Directors and / or propose to the shareholders' meeting for approval (As the case may be)

Scope of Authority and Responsibility

Nomination

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

Determination of Remuneration

- 1) Consider the remuneration and other benefits (whether in the form of cash, securities or other type) of the Directors and sub-committee members for proposal to the shareholders' meeting for further consideration and approval. However, remuneration should be competitive according to industry norms.

- 2) Consider the criteria for evaluating the performance of the Board of Directors and sub-committees in order to consider the annual remuneration for proposal to the Board of Directors for approval.
- 3) Disclose the criteria for determining remuneration and other benefits and prepare the report for determination of remuneration for inclusion in the Company's annual report.
- 4) Perform other tasks as assigned by the Board of Directors with the approval of the Nomination Committee.

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

4. 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 Managing Director 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.

5. 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.

6. 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 2018, 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 2019, the company required the Board of Directors and executives to report their shareholdings in the Meeting of the Board of Directors on February 26, 2019.

During the year 2018, the company reported increases (decreases) in the shareholdings of its directors and management between December 29, 2017 and January 8, 2019, as follows:

The Company's Board of Director has reported the shareholding

Name – Surname	Total Shares			Shareholders' equity (%)
	Dec 29, 2017	Jan 8, 2019	Increase (Decrease)	
1. Mr.Sontiyen Chuenruetainaidhama	-	-	-	-
2. Mr. Shine Bunnag	-	-	-	-
3. Assoc.Prof.Dr.Sungsidh Piriyarangsarn	-	-	-	-
4. Mr.Sutee Phongpaiboon	-	-	-	-
5. Mr. Pornchai Reonghathainont	-	-	-	-
6. Mr. Metha Soonthornjit	-	-	-	-
7. Mr.Chatchai Pokogwai	-	-	-	-
8. Ms.Veerawan Vararuth	-	-	-	-
9. Ms. Aura-Orn Akrasanee	-	-	-	-
10.Ms. Lakana Ratwongsakul	1	1	-	-

7. Auditor's remuneration

1. Audit fee

The company and its subsidiaries paid an audit fee for the financial year of Bt 1,850,000 to KPMG Phoomchai Audit Limited. The figure can be broken down as follows:

Order	Company	Amount (Baht)
1.	Nation Broadcasting Corporation Public Company Limited	1,250,000
2.	NBC Next Vision Co., Ltd.	600,000
Total		1,850,000

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.

8. Other Aspects of Good Corporate Governance

Meeting Attendance

In 2018, 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		
		The Board of Director	Audit committee	AGM
1.	Mr.Sontiyon Chuenruetainaidhama (Appointed as a director since February7, 2018)	5/6	N/A	1/1
2.	Mr. Som chai Meesen (Appointed as a director since February7, 2018)	5/6	N/A	1/1
3.	Assoc.Prof.Dr.Sungsidh Piriyanangsan (Appointed as a director since May 16, 2018)	2/6	2/5	1/1
4.	Mr.Sutee Phongpaiboon (Appointed as a director since April 9, 2018)	3/6	3/5	N/A
5.	Mr. Pornchai Reonghathainont (Appointed as a director since April 9, 2018)	3/6	3/5	N/A
6.	Mr. Metha Soonthornjit (Appointed as a director since March 12,2009)	4/6	5/5	1/1
7.	Mr.Chatchai Pokogwai (Appointed as a director since March 10, 2018)	3/6	N/A	1/1
8.	Ms.Veerawan Vararuth (Appointed as a director since December 23, 2016)	6/6	N/A	1/1
9.	Ms. Aura-Orn Akrasanee (Appointed as a director since February 27, 2018)	4/6	N/A	N/A
10.	Ms. Lakana Ratwongsakul (Appointed as a director since December 23, 2016)	6/6	N/A	1/1

Note : 6 Board of Directors meetings were held in 2018 and 5 Audit Committee meetings.

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.

9. 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 2018 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 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

The Company has appointed JP Tip Audit Company Limited, which is an external juristic person, to be the internal auditor. Mr. Naphat Kongyarit is the internal auditor. 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

The Nation Broadcasting Corporation Public Company Limited (“NBC”) is a media company operating the “NationTV22” news station and other digital media with the standpoint as a professional media business that has been truly committed to news presentation with facts in the accurate, straightforward, reliable manner, directing the society in the right direction.

The Company has operated the business under the ethics and Code of Conduct framework in accordance with the professional mass media principles. In addition to the quality media business, the Company has placed an emphasis on the CSR mission and the CSR in Process through the news presentation that is useful and sustains the society through the news content presented.

In addition, the NBC also conducts business, integrated with corporate social responsibility and the Code of Conduct with respect to the society, community, and environment to develop a sustainable society continuously through activities and projects held throughout the year 2018.

Adherence to the Code of Conduct “Alongside the Society”

Professional mass media ethics and the Code of Conduct in journalism is the way that NBC has always adhered in presenting news on accurately and uprightly, not distorting or presenting news in the way that may damage others, not present graphics or texts that may violate human dignity, and not presenting news that may violate the individual right of the others (privacy).

The Company has focused on TV programmes production that content is useful to the society and public, and presented through the NationTV22 channel. The examples of programmes include:

“**Nation Rawangpai**”, a TV programme as medium in surveillance and warning to public the all kinds of the natural disasters, nearby threats, crimes, etc. to reflect problems arising in society and warning the communities all kinds of the threats, acting as watchdog helping remind the public and prevent problems that may occur through the presentation of news to warn the society



“**Komchadluek**” is a TV programme presenting the stories and issues that are the talk of the town by the means of the interviews, inviting the parties involved to discuss, exchange, provide details and information that are presented in-deep to the society, provide the society with knowledge on that subject-matter, and create the understanding of society through the all-around and comprehensive presentation

“Fact Hunter” is a scoop delving the fact of the issues that are of interest to society, unveiling the facts all-around on the issue by the field news teams monitoring the facts and make it clarified to the society on the interesting issues in the deep, accessible, relevant, straightforward, all-around, clear, and neutral presentation.

“Friendly Design by Krisana” is a quality tourism TV programme with the Krisana Lalai (Chairman of the Thailand Friendly Design, and Executive Editor of the Friendly Design Magazine), TV moderator, who will take viewers to travel to various destinations locally and internationally, along with surveying the friendly design architecture under the universal, fair, friendly design principles for all.

“Morning-Noon-Evening News” is a news TV programme with the all-dimensional and continuous presentation at the different periods of the day from the early morning until late night, together with the in-depth analysis in the interesting respects in the social, economic, political, lifestyle, entertainment, sports, living and livelihood in society, and the issues of the interest. The presentation made by professional reporters, comprising news programs at the different sessions of the day from Monday to Friday as follows;

• Nation Morning News	06.00-08.00 hrs.
• Nation Khon-Khoa-Khem	08.00-08.45 hrs.
• Nation khaokhon Sport	08.45-09.20 hrs.
• Bangkok Business News Room	10.00-11.00 hrs.
• Kehtok Afternoon	11.30-13.00 hrs.
• Kehtok Evening	16.15-17.15 hrs.
• Nation Entertainment	17.15-17.25 hrs.
• Fact Hunter	17.25-17.55 hrs.
• Top 10 News	17.55-18.00 hrs.
• Nation Update News	18.20-20.00 hrs.
• Khon-Khoa Nation	20.10-22.15 hrs.
• Komchadluek	22.15-23.00 hrs.
• Nation Midnight News	00.00-00.30 hrs.

All programs presented have been of creative formats primarily to sustain society, presenting ideas and perspectives and good examples for society; especially a series of news item presented at the three different period of the day that have focused a variety of content, reporting what happens in society, coupling with the interesting perspectives, sparking ideas for society, and serve as a medium presenting useful information with beneficial ideas to the society through various content programs.

Health-Conscious and Creative Social Activities

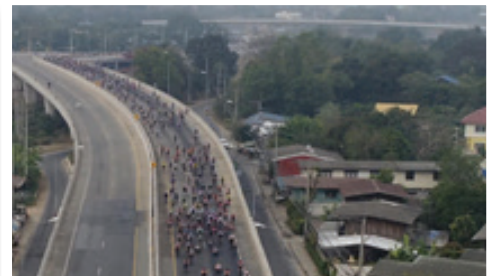
In addition to presenting the television programs broadcasted as a mouthpiece to the society, NBC also holds the ongoing activities to wake up the current of the creativity in the medical tourism promotion. The examples of the continuously organized health and social activities include the “Nation Bike Thailand 2018”, held under the collaboration between the NBC and the alliance agencies. For the year 2018, it was held the 5th year consecutively, including the “Nation Bike Thailand 2018” and “Slow Life Environment-Conscious Bike”.

Firstly, the **“Bike World Thailand 2018”** bike activity, it was held at Nakhon Ratchasima on January 28, 2018 under the concept of the **“Korat Ban Ang Bike”**, a ride distance of over 40 kilometers with over 1,000 participating riders. It has still been an activity encouraging people to exercise and care for the environment and to experience the important tourist attractions of Muang Yamo.



Marathati Rachartcharoen, Deputy Governor of Nakhon Ratchasima, and Suwat Liptapanlop, the former Deputy Prime Minister, the executive of the Central Plaza Nakhon Ratchasima, the executive of the Mitsubishi Motors Thailand, and over 1,000 participating cyclists.

The hundreds of the cyclists in the procession were prepared in the early morning; the start point was at the Central Plaza Nakhon Ratchasima, the largest shopping center in the northeast. The cyclists photographed and paid homage to the Thao Suranaree (or so-called “Ya Mo”) Monument, the important symbol of the Korat people.



The cyclists’ procession had experienced the civilization according to the ancient Khmer beliefs at the Prasat Hin Phanom Wan, watching the local performance shows throughout the bike route to promote the Korat tourism, exercise, and bike routes.

The proceeds after all cost and expenses from activities held were brought to support the Maharaj Nakhon Ratchasima Hospital and the Thepparat Hospital Nakhon Ratchasima

Secondly, the “Nation Bike Thailand 2018” was also held in the Northeast, Mahasarakham Province, the activity was called the “Bike Visiting Jampa Sri Local Community” held on Saturday, March 31, 2018.



In the event, the Mitsubishi Motors (Thailand) in the partnership with the NationTV22 channel organized the Nation Bike Thailand 2018: Bike Visiting Jampa Sri Local Community” a total distance of 44 km, the start point was at the Lan Phra That Nadu, Mahasarakham.

In the event, the cyclist procession had experienced the Jampa Sri community's way of life, visiting the beautiful architecture within the “ancient temple” at the Photharam Temple, experiencing the aesthetics of cultural heritage at the “Ku Santarat”, Mahasarakham Province. In this activity, there were a lot of interested participants; children, youth, adults, and the old people joining the biking activity to see the attractions and scenery.

Next, the “Slow Life Environment Conscious Bike” special bike activity held on August 7, 2018, by the Tourism Authority of Thailand, in the collaboration with the Mitsubishi Electric Kanyongwattana Co., Ltd. and NationTV 22, held at Ratchaburi Province (Suan Phueng).

In this trip, it is environmental tourism; in addition to bike exercise, the participants also experienced the community's living way that is unique locally. There were over 800 participating cyclists.



Thirdly, the 3rd Nation Bike Thailand 2018” bike activity under the project name “Charming Songkhla Na Thawi Bike” was held on August 26, 2018, at the Central Stadium, Na Thawi District, Songkhla Province.

The NationTV22 channel in the partnership with Songkhla Provincial Administration Organization held the Nation Bike Thailand for the 5th Year” under the name “Charming Songkhla Na Thawi Bike “, there were almost 1,000 cyclist participants.

The “Charming Songkhla Na Thawi Bike”, a source of toxic-free fruits and local community tourism, as falling on a special birthday anniversary of General Prem Tinsulanonda, President of the Privy Council and Statesman, the cyclists biked along the routes in the locality of Na Thawi District, Songkhla Province, a total of approximately 40 kilometers.



Fourthly, the “4th Nation Bike Thailand 2018” was held on November 25, 2018 and the “Chamber of Commerce for Children Travel to Samut Prakan @ Bang Kachao” activity, the Samut Prakan Chamber of Commerce in the collaboration with the Samut Prakan Provincial Administrative Organization and the NationTV22, held a biking activity in the distance of over 20 kilometers in Bangkachao, Samut Prakarn Province.

In addition to bike activity, in the event Chatchai Phukokwai, NationTV Managing Director, Kanapos Nitsiripach, CEO of the Eastern Engineering Plus Company Limited, Chomsawadi Assawahem, Samut Prakan Chamber of Commerce, and Chatchai Uthaiphan, Governor of Samutprakarn Province, participated in this “Chambers of Commerce for Children Travel to Samut Prakan @ Bang Kachao” bike activity.

Held, by Samut Prakan Provincial Administration Organization in the partnership with the NationTV and local administrative organizations, a distance of over 20 kilometers to raise funds for education and assistance to the needy students in twelve schools and twelve scholarships granted for those educationally disadvantaged students.

Along with promoting and publicizing the tourist attractions in Samut Prakan Province like Bangkhae District, a locality that has been recognized as the pure lung of Bangkok people. It is a greenery area with a beautiful and pleasant bike route, and the way of life of local people who are mainly Mon Thai people, visiting the Bang Nam Phueng Floating Market and patronizing the local products.

Educational Promotion Activity

One of the activities continuously held by the NBC is the educational promotion for youth under the Sahapat Admission Project, the NationTV22, in collaboration with Mama, in the year 2018, organized the 21st educational promotion activity held during October 1-6, 2018, the Saha Pathanapibul PCL in the partnership with the NationTV by the Nation Broadcasting Corporation (NBC), organized the “21st Tutoring for Entering University”.

For this year, in addition to tutoring for entering university held, the NBC and Sahapat have launched the re-watching tutoring through streaming media that is accessible anytime anywhere, providing a convenience to the students who prepare a readiness to the university, but unable to attend the scheduled training, can access to the online re-watching of tutoring.

Furthermore, the students attending the tutoring class, but still uncertain, can access to the tutoring by re-watching online conveniently anytime and anywhere. The innovative technologies are utilized to facilitate those students interested in the Sahapat Admission Project.

Mother Earth Gratitude 2018

The “Mother Earth Gratitude 2018” is an ongoing activity held, aiming to promulgate the exemplar of worthy living of good citizen publicly and to inspire the public to do good deeds to cultivate a sense of good consciousness for Thai people to their further self-development, creativity, and make benefits for society, and integrated power to drive Thai society to a sustainable peaceful society.



Further, this is to surmount the Mother Earth Gratitude project that has been organized continuously since 2007 until the present to disseminate the example of good deeds and the exemplar of good citizen with respect to the earth gratitude through the way of living of the various people, reward-granting ceremony for the Mother Earth Gratitude 2018 was held on September 10, 2018 at the Queen Sirikit National Convention Center.

Charity Golf Activity

“On the occasion reaching the 19th year, the NationTV22 held the “Nation Anniversary Golf Charity 2018” on Friday 19th October 2018 at Thana City Golf Country Club, Bangna.

In this event, the charity golf tournament revenues in part would contribute to help the disaster victims in an emergency via the Nation Foundation.

Wildlife Activities

On August 28, 2018, the NBC organized the “Run for the Animals and Family Fun Day 2018” activity on September 23, 2018, and the “Run for The Animals” activity held at the Chalerm Phra Kia Phra Somdet Ya Forest Park at the locality of Phutthamonthon Sai 2.



Led by Sithiyan Chuenrithainaitham, NBC’s Board of Directors Chairman, Chatchai Phukokwai, NBC’s Managing Director, Iamsri Boonhachairat, NBC’s Chief Operating Officer for Marketing and Sales, joined together with many runners in the Run for The Animals 2018 activity.

This activity has been held to encourage the general public, personnel and staffs working for the NationTV22 and NOW26 and its partners networks to be aware of the importance of exercise for health and culturing a sense of love for natural resources and being healthy.

The primary objective of the Run for The Animals 2018 activity includes:

- Health purpose
- Promote the participation in natural resources, forests and wildlife preservation
- Being one of the activities for waste reduction
- Being a support activity to the “Amazing Thailand Tourism Year 2018” under the government policy that sport is adopted as a medium
- Partial revenue contributed to the “Sue Nakhasathien Foundation”

Responsibility to Employees

The Company has been truly committed and adhered to the values of the integrity that all employees and staffs are happy both physically and mentally. To achieve this, the Company has executed activities through the promoting of employee potential development, providing a pleasant workplace, creating morality cultures, encouraging loveness and unity, generosity, autonomy, and democracy in the organization.

The objective of the activities organized is intended to cover the followings: building relationships, providing health safety and sanitation, appropriate welfare and self-management approach, i.e. saving and economics and the appropriate life planning.

As the Company recognizes that employees are valuable assets influencing the organization to success, the employee’s practice guidelines have been implemented since the past, as well as other relevant practices as showed in the Annual Report Summary for the previous year completely as well as taking other additional respects into consideration to ensure that the employees shall be treated more justly.

In 2018, despite the internal organization has been restructured, the Company has continued its taking care of the employees efficiently in terms of employee welfares, employment, and personnel placement to suit the jobs, meanwhile adjusting the work teams appropriately in accordance with business conditions, allocating the team completely for each respect of the functions and responsibilities.

Joint Anti-Corruption Action

The NBC has signed a declaration of intention to join the Private Sector Collective Action Coalition against Corruption (Collective Action Coalition) in cooperation with the government, private, public sector, and international organizations for transparent and corruption-free business operations on 6 September 2013.

The company has expressed its intention and commitment for all kinds of anti-corruptions. To make a decision and to take the business decisions with possible corruption risks in to consideration and careful treatment, the company has therefore prepared “Anti-Corruption Policy” in writing, approved by the Board of Directors to be used as a clear guideline for conducting business, and developed to the organization of sustainability as follows.

Anti-Corruption Policy

- The Company’s directors, executives, and employees shall not get involved or committed any kinds of the corruptions directly or indirectly; including receiving gifts, presents, entertainments, funds, donations and other benefits from persons or Company’s business partners, including employees, suppliers, customers and all stakeholders inside and overseas. The anti-corruption policy shall be reviewed at least once on an annual basis, and review of the performance and operation requirements shall be in accordance with the changes in business, rules, regulations, and statutory requirements.
- In compliance with the anti-corruption policy, it shall apply to the practices contained in the Good Corporate Governance and the Code of Conduct, rules and regulations and the related performance instructions and other practices set out by the Company.
- To ensure the clarity in any execution with high-risk corruption, the Board of Directors, executives, and employees at all levels shall be mindful 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 contribution - giving or receiving donations, funds, or financial contribution shall be made in a transparent and legal manner. The donations, funds, or financial contributions shall not be used as an excuse for bribery.
- Business relationships and procurement – giving/receiving any kinds of bribes shall not be allowed with partners, government authorities, or agencies that have been in the business partnership with the Company. The business relationship and procurement must be in transparency and honesty in accordance with relevant applicable laws and requirements.

Anti-Corruption Practices

- The Company’s directors, executives, and employees at all levels must follow the anti-corruption policy, the Ethics and the Code of Conduct and must not get involved in any corruptions directly or indirectly.
- Employees shall not neglect or ignore when seeing any form of dishonesty or offenses relating to the Company, and must inform his/her supervisor or responsible persons, and give cooperation for factual investigation, and if any way it has doubts or questions, it’s recommended to contact his/her supervisor or the assigned responsible persons in the compliance with the Ethics, and the Code of Conduct through the channels required.
- The Company assures fairness employee protection for those who report the matter of the corruption related to the Company. The company includes the complainant protection measures or those who report a clue of corruption as required in the Code of Conduct Clause 4 Complaints and Suggestions.
- Committing corruption is considered the breach of the Ethics, and the Code of Conduct and it shall be subject to the disciplinary punishment according to the regulations set out by the Company, or it shall be punishable by the applicable law if it’s proven that such an action is illegal.
- The Company has been aware of the importance of the disseminating knowledge and understanding among the parties who function relating to the Company, including the stakeholders of the Company or that action that may cause a potential effect on the Company regarding the compliance with the anti-corruption policy.
- The Company has earnestly committed to develop and culture its personnel and staffs a sense of good conscience and acting as the good citizen of the society and the nation, and maintains the enterprise culture, adhering “the corruption is unacceptable to any transactions entered by both governmental and private sector.

Anti-Corruption Policy Dissemination

To ensure the Company employees and stakeholders acknowledge the policy against corruption; the Company has executed 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.

Complaints and Clues

- Dishonest acts and corruption related to the Company directly or indirectly
- Offense against the regulations of the Company or any action that affects the internal controls of the Company, or suspicious of fraudulent action
- Any action that defames or discredits the Company's reputation
- Illegal and immoral conducts against the Ethics and the Code of Conduct.

Complaints Reporting Channels

- E-mail: audit_nbc@nationgroup.com emailed to the Audit Committee and Internal Audit Manager
- Letter, postal mailing, contact in person directly to Audit Committee or Internal Audit Manager at the Nation Broadcasting Corporation Public Company Limited No.1858/118-119, 121-122, 124-130, 28th Fl., Bangna -Trad Road, Bangna Bangna, Bangkok10260

Complaint Procedures

Following the receipt of the complaint

- Internal Audit gathers facts related to the breach or noncompliance with the Code of Conduct and follows the initial investigation.
- If it has reasonable ground to believe that it is a fraud, the Internal Audit then gathers evidence and submitted to the Managing Director for a further appointment of the Enquiry Commission 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 breach or noncompliance, then submitted to the CEO, Internal Audit Manager, and Internal Audit Committee.
- Internal Audit informs the investigatory results to the complainant in case the complainant is self-exposed.

Complainant Protection Measures

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

- The complainant whether employee or stakeholder shall be protected equally
- The complainant has the right to non-disclosure of personal data unless it considers that the disclosure would facilitate the Company progress report or inquires that may be more useful, or inform the facts, or mitigate the risks more conveniently and in the faster way.
- Audit Committee shall protect and treat the complainant fairly, including the officer in receiving a complaint, the injury, and those involved in the investigation process. In addition, the information shall be treated on the basis of the confidentiality. Any disclosure shall be done as deemed necessary for the safety and risks of the complainant, officer in receiving a complaint, the injury, and those involved in the investigation process.

Besides, the “**Nation Group**” in cooperation with the “**Thaipat Institute**” enters 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.

1. Commitment - a written statement by the organization and executive's statement, including examples of concrete action or the anti-corruption by the Management.
2. Action - to put the enterprise commitment into action through offenses preventing policies and internal controls
3. Extension - pushes the partners toward the implementation of the policies and practices that are free from corruption, under the principles and practices recommended by the UN Global Compact, and the Transparency International, with the Price, Waterhouse Coopers Consulting (Thailand) Ltd. as the network consultant.

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

Income from business group	2018		2017		2016	
	Amount	%	Amount	%	Amount	%
Revenues from television broadcasting	355.86	84.02	398.27	73.88	411.65	76.73
Revenues from new media business	24.08	5.69	109.32	20.28	84.23	15.70
Revenues from radio media	0.06	0.01	13.74	2.55	22.91	4.27
Other revenues	43.53	10.28	17.76	3.29	17.73	3.30
Total revenues	423.53	100.00	539.09	100.00	536.52	100.00

Audit Committee's Report for the Year 2018

Audit Committee's Report for the Year 2018

Attn. Shareholders
of Nation Broadcasting Corporation Public Company Limited.

The Audit Committee

The Audit Committee of Nation Broadcasting Corporation Public Company Limited comprises Four independent members are Assoc.Prof.Dr.Sungsidh Piriyaangsan position of Chairman of the Audit Committee (appointed on May 16, 2018) and Mr.Sutee Phongpaiboon Mr.Pornchai Reonghathainont Mr.Metha Soonthornjit position of Member of the audit committee (Mr.Sutee Phongpaiboon and Mr.Pornchai Reonghathainont Was appointed on April 9, 2561).

During 2018, 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 2018, 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 2018, 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. On July 1, 2018 has appointed JP Tip Audit Limited, an external entity. The monitoring system is operating within. The scope of the audit and assess the adequacy of the internal control system in accordance with COSO (Committee of Sponsoring Organization of the Treadway Commission), the Commission, the Securities and Exchange Commission or g l. To determine which. 5 elements covered by the concept of the Committee of Sponsoring Organizations of Treadway Commission ("COSO")

1. internal control (control Environment)
2. risk assessment (risk assessment)
3. operational control. The (Control Activities)
4. Information Systems and Data Communication (Information and Communication)
5. Monitoring (Monitoring Activities) by reporting the audit results.

The results of the audit report The fact that the company has identified. And make recommendations to improve the system critical applications.

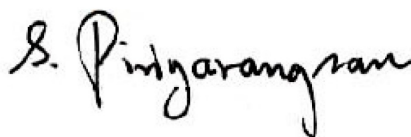
Compliance with laws on securities and stock exchange and the regulations of the Stock Exchange of Thailand, as well as other laws relative to the company's business: In February 2019, the Audit Committee arranged a meeting with the Company Secretary at which it was determined that the company had appropriately 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 2018, Ms.Sasithorn Pongadisak , registration No. 8802, is a suitable, independent, knowledgeable and long-experienced auditor. With regard to the appointment of the company's Independent Auditor for the year 2019, 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 2018 : Ms.Sasithorn Pongadisak , registration No. 8802 ; Ms.Marisa Tharathornbunpakul, registration No. 5752 ; Mr.Thanit Osathalert, registration No. 5155.

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, 2018, 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.



(Assoc.Prof.Dr.Sungsidh Piriyaangsan)
Chairman of the Audit Committee

Report of the Board of Directors' Responsibilities to the Financial Reporting for the year 2018

Report of the Board of Directors' Responsibilities to the Financial Reporting for the year 2018 Nation Broadcasting Corporation Public Co., Ltd.

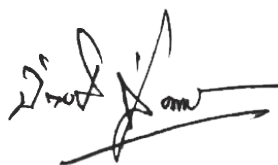
The Board of Directors has been aware of its duties and responsibilities as director of the listed company in regulating and ensuring of the transparency, accuracy and completeness of the established financial reporting in material appropriately to maintain the company's assets, prevent frauds and abnormal 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, 2018, 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.Sontayan Chuenruetainaidhama
Chairman of the Board of Directors



Mr.Chatchai Pokogwai
Managing Director

The Results of the Consolidated Financial Statements

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

Financial statements for the year ended
31 December 2018
and
Independent Auditor's Report



KPMG Phoomchai Audit Ltd.
50th Floor, Empire Tower
1 South Sathorn Road, Yannawa
Sathorn, Bangkok 10120, Thailand
Tel +66 2677 2000
Fax +66 2677 2222
Website kpmg.com/th

บริษัท เคพีเอ็มจี ภูมิไทย สอบบัญชี จำกัด
ชั้น 50 เอ็มไพร์ทาวเวอร์
1 ถนนสาทรใต้ แขวงยานนาวา
เขตสาทร กรุงเทพฯ 10120
โทร +66 2677 2000
แฟกซ์ +66 2677 2222
เว็บไซต์ kpmg.com/th

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 subsidiary (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 2018, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2018 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

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

Material Uncertainty Related to Going Concern

I draw attention to Note 2 in the financial statements, which indicates that the Group and the Company incurred a net loss of Baht 98.79 million and Baht 118.26 million, respectively during the year ended 31 December 2018 and, as of that date, the Group and the Company had deficit of Baht 1,349.31 million and Baht 1,197.53 million, respectively. These events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. My opinion to the consolidated and separate financial statements is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, I have determined the matters described below to be the key audit matters to be communicated in my report.

The recognition of revenue from rendering of services	
Refer to Note 3 (p)	
The key audit matter	How the matter was addressed in the audit
The Group has several types of revenue through various channels. Under agreements with the customers, these contain a variety of terms and conditions, such as type of services, scope of services, the pricing arrangement, sales promotion and discount. These factors may affect the amount and timing of revenue recognition. The Group's revenue is significant to the financial statements and has a direct impact on its operating results, which the users of financial statements pay particular attention. Therefore, I have determined this matter to be a key audit matter.	<p>The audit procedures included the following:</p> <ul style="list-style-type: none"> • Understand and assess the effectiveness of internal control including relevant information technology system related to the revenue recognition; • Apply a sampling method to select service agreements to assess whether revenue recognition was consistent with the terms and conditions of the relevant agreements; • Perform testing on sampling basis for revenue transactions incurred during the year and during the periods before and after closed to the year end with related documents; • Perform analysis on revenue by comparison with historical data and industry information

Impairment of digital television licence and investment in subsidiary and valuation of trade and other accounts receivable with related parties	
Refer to Notes 4, 7, 8, 10 and 14	
The key audit matter	How the matter was addressed in the audit
<p>A subsidiary was granted the commercial digital terrestrial television licence ("licence"). As the high competition in the digital television business in Thailand, there is the risk that operation results of the subsidiary may not be in line with its initial expectations and forecasts.</p> <p>Moreover, the recent trend of the consumer behaviour is changed and the current economic is in the downturn situation. Certain related parties of the Group are operating in the high competitive businesses.</p> <p>Consequently, these matters affect the operations of subsidiary and certain related parties which are indicators of impairment of license in the consolidated financial statements and investment in subsidiary which owns the license in the separate financial statements and the risk of recoverable amount of trade and other accounts receivable with related parties in the consolidated and separate financial statement.</p>	<p>The audit procedures included the following:</p> <ul style="list-style-type: none"> • Gain an understanding of the determination of cash-generating units and the estimated recoverable amount, which was the higher of its fair value less costs to sell and value in use, including the preparation of discounted future cash flow along with management approval; • Assess the discounted cash flow projection approved by management by evaluating the key assumptions and actual operation results and operation plans; as well as assessing the appropriateness of discount rate used by comparing to the weighted average cost of capital of an industry in which the Group operates and testing the computation of discounted cash flow projection; • Evaluate the sensitivity of key assumptions used in the estimation of future cash flows in order to evaluate the effects to the recoverable amount;

Impairment of digital television licence and investment in subsidiary and valuation of trade and other accounts receivable with related parties	
Refer to Notes 4, 7, 8, 10 and 14	
The key audit matter	How the matter was addressed in the audit
<p>As there is inherent uncertainty in the estimation and the management has to involve with the high level of judgement to determine the key assumptions used to estimate the recoverable amount of licence and investment in the subsidiary and determine the recoverability of trade and other accounts receivable with related parties including the amount of allowance for doubtful account of the receivables. As well as, the net book value of license, investment in subsidiary and trade and other accounts receivable are significant.</p> <p>Therefore, I have determined this matter to be a key audit matter.</p>	<ul style="list-style-type: none"> • Enquire of the responsible management regarding policy and assessment applied for setting the allowance for bad and doubtful debt calculation; • Test on sampling basis, the accuracy of information used in calculation of the allowance for bad and doubtful debt with relevant supporting document and checked mathematical accuracy of the calculation; • Test on sampling basis, of cash receipts subsequent to the end of the year; and • Evaluating the adequacy of the financial 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.

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

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

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

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

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





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

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

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

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

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

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



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

(Sasithorn Pongadisak)
Certified Public Accountant
Registration No. 8802

KPMG Phoomchai Audit Ltd.
Bangkok
16 May 2019

Nation Broadcasting Corporation Public Company Limited and its Subsidiary

Statement of financial position

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2018	2017	2018	2017
(in Baht)					
Current assets					
Cash and cash equivalents	5, 6	118,693,397	60,241,826	116,230,722	55,908,442
Current investments	6	-	18,989,652	-	18,989,652
Trade accounts receivable	4, 7	67,461,353	91,838,473	86,411,201	190,916,676
Accrued income	4	37,602,814	30,502,842	22,445,004	51,815,842
Other receivables	4, 8	21,158,114	17,660,031	3,276,268	37,750,442
Inventories	9	201,297	8,779,884	201,297	8,518,941
Input value added tax pending		10,517,446	18,985,023	5,854,939	8,868,033
Other current assets		6,088,509	9,449,760	-	-
Total current assets		261,722,930	256,447,491	234,419,431	372,768,028
Non-current assets					
Investments in subsidiary	10	-	-	-	-
Other long-term investment	6	-	7,401,402	-	7,401,402
Investment property	11	12,115,500	8,449,415	12,115,500	8,449,415
Plant and equipment	12	63,557,593	98,474,401	63,557,593	98,474,401
Intangible assets	13	3,077,922	3,976,499	2,808,061	987,109
Digital television licence	14	314,950,208	345,491,341	-	-
Deferred tax assets	15	-	22,783,279	-	4,961,348
Withholding tax deducted at source		50,408,169	49,055,087	24,146,671	27,771,481
Other non-current assets		5,903,178	6,444,127	2,686,390	3,227,339
Total non-current assets		450,012,570	542,075,551	105,314,215	151,272,495
Total assets		711,735,500	798,523,042	339,733,646	524,040,523

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary

Statement of financial position

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2018	2017	2018	2017
		(in Baht)			
Current liabilities					
Trade accounts payable	4, 16	42,085,424	4,797,417	82,573,693	131,608,563
Other payables	4, 17	9,558,550	9,292,535	8,751,800	15,481,180
Advance income		2,144,953	6,810,329	2,144,953	6,810,329
Current portion of digital television					
licence payable	19	-	112,971,248	-	-
Accrued expenses	4, 18	29,006,205	52,485,855	22,307,652	35,735,263
Output value added tax pending		18,410,605	28,759,930	12,926,255	19,531,412
Other current liabilities		1,856,587	1,307,764	1,856,587	1,307,764
Total current liabilities		103,062,324	216,425,078	130,560,940	210,474,511
Non-current liabilities					
Digital television licence payable	19	550,898,396	430,463,334	-	-
Non-current provisions for					
employee benefit	20	23,115,233	29,952,105	22,736,295	17,536,284
Total non-current liabilities		574,013,629	460,415,439	22,736,295	17,536,284
Total liabilities		677,075,953	676,840,517	153,297,235	228,010,795
Equity					
Share capital	21				
Authorised share capital		720,343,962	720,343,962	720,343,962	720,343,962
Issued and paid-up share capital		535,436,809	535,436,609	535,436,809	535,436,609
Share premium on ordinary shares	21	824,432,091	824,431,691	824,432,091	824,431,691
Warrants	22	-	2,251,183	-	2,251,183
Retained earnings (Deficit)					
Appropriated					
Legal reserve	23	24,100,000	24,100,000	24,100,000	24,100,000
Deficit		(1,349,309,341)	(1,264,536,946)	(1,197,532,489)	(1,090,189,755)
Equity attributable to owners					
of the parent		34,659,559	121,682,537	186,436,411	296,029,728
Non-controlling interests		(12)	(12)	-	-
Total equity		34,659,547	121,682,525	186,436,411	296,029,728
Total liabilities and equity		711,735,500	798,523,042	339,733,646	524,040,523

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Statement of comprehensive income

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
		2018	2017	2018	2017
<i>(in Baht)</i>					
Revenue					
Revenues from sale of goods and rendering of services	4	379,996,543	521,328,418	323,039,848	272,653,042
Interest income		284,741	2,459,656	280,720	2,451,875
Other income	4, 14, 33	43,246,051	15,303,958	18,853,708	32,842,043
Total revenue		423,527,335	539,092,032	342,174,276	307,946,960
Expenses					
Costs of sales of goods and rendering of services	4	360,316,788	513,576,946	306,581,152	192,463,923
Distribution costs	4, 25	21,210,417	45,070,772	20,094,803	42,963,729
Administrative expenses	4, 26	101,781,295	209,998,127	125,204,994	302,945,609
Impairment losses on assets	10, 11, 13, 14	2,786,070	652,956,884	2,786,070	885,556,884
Finance costs	29	13,442,004	20,620,852	804,841	693,075
Total expenses		499,536,574	1,442,223,581	455,471,860	1,424,623,220
Loss before income tax expense		(76,009,239)	(903,131,549)	(113,297,584)	(1,116,676,260)
Tax expense	30	22,783,279	13,106,301	4,961,348	10,352,138
Loss for the year		(98,792,518)	(916,237,850)	(118,258,932)	(1,127,028,398)
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss					
Losses on remeasuring available-for-sale investments		-	(10,150,749)	-	(10,153,249)
Net change in fair value of available-for-sale investment transferred to profit or loss		-	83,071,719	-	83,074,219
Income tax relating to items that will be reclassified subsequently to profit or loss	15, 30	-	(14,584,194)	-	(14,584,194)
Total items that will be reclassified subsequently to profit or loss		-	58,336,776	-	58,336,776
Items that will not be reclassified to profit or loss					
Defined benefit plan actuarial gains	20	11,463,761	-	8,359,836	-
Total items that will not be reclassified to profit or loss		11,463,761	-	8,359,836	-
Other comprehensive income for the year, net of tax		11,463,761	58,336,776	8,359,836	58,336,776
Total comprehensive expense for the year		(87,328,757)	(857,901,074)	(109,899,096)	(1,068,691,622)

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary

Statement of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2018	2017	2018	2017
		(in Baht)			
Loss attributable to					
Owners of the parent		(98,792,518)	(916,237,822)	(118,258,932)	(1,127,028,398)
Non-controlling interests		-	(28)	-	-
Loss for the year		(98,792,518)	(916,237,850)	(118,258,932)	(1,127,028,398)
Total comprehensive expense attributable to					
Owners of the parent		(87,328,757)	(857,901,046)	(109,899,096)	(1,068,691,622)
Non-controlling interests		-	(28)	-	-
Total comprehensive expense for the year		(87,328,757)	(857,901,074)	(109,899,096)	(1,068,691,622)
Loss per share	31				
Basic loss per share		(0.18)	(1.71)	(0.22)	(2.10)

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary

Statement of changes in equity

	Note	Consolidated financial statements						
		Retained earning (deficit)		Other component of shareholder's equity		Equity		
		Issued and paid-up share capital	Share premium	Warrants	Legal reserve	Changes in fair value of available-for-sale investment	Non-controlling interests	Total equity
Year ended 31 December 2017		535,436,609	824,431,691	2,796,373	24,100,000	(58,336,776)	(12)	980,128,789
Balance at 1 January 2017								
Transactions with owners, recorded directly in equity								
<i>Distributions to owners of the parent</i>								
Share-based payment transactions	22	-	-	(545,190)	-	-	-	(545,190)
<i>Total distributions to owners of the parent</i>		-	-	(545,190)	-	-	-	(545,190)
<i>Change in ownership interests in subsidiaries</i>								
Acquisition of non-controlling interests without a change in control		-	-	-	(28)	-	(28)	-
<i>Total changes in ownership interests in subsidiaries</i>		-	-	-	(28)	-	(28)	-
Total transactions with owners, recorded directly in equity		-	-	(545,190)	(28)	-	(28)	(545,190)
Comprehensive expense for the year								
Loss		-	-	-	(916,237,822)	-	(28)	(916,237,850)
Other comprehensive income (expense)		-	-	-	-	58,336,776	-	58,336,776
Total comprehensive expense for the year		-	-	-	(916,237,822)	58,336,776	(28)	(857,901,074)
Balance at 31 December 2017		535,436,609	824,431,691	2,251,183	24,100,000	-	(12)	121,682,525

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary

Statement of changes in equity

Consolidated financial statements											
Retained earning (deficit)						Equity					
						attributable to owners of the parent		Non-controlling interests		Total equity	
						(in Baht)					
	Note	Issued and paid-up share capital	Share premium	Warrants	Legal reserve	Deficit					
Year ended 31 December 2018											
Balance at 1 January 2018											
Transactions with owners, recorded directly in equity											
Distributions to owners of the parent											
Share options exercised	21, 22	200	400	-	-	-	600	-	-	600	
Share-based payment transactions	22	-	-	305,179	-	-	305,179	-	-	305,179	
Total distributions to owners of the parent		200	400	305,179	-	-	305,779	-	-	305,779	
Total transactions with owners, recorded directly in equity		200	400	305,179	-	-	305,779	-	-	305,779	
Comprehensive expense for the year											
Loss		-	-	-	-	(98,792,518)	(98,792,518)	-	-	(98,792,518)	
Other comprehensive income		-	-	-	-	11,463,761	11,463,761	-	-	11,463,761	
Total comprehensive expense for the year		-	-	-	-	(87,328,757)	(87,328,757)	-	-	(87,328,757)	
Transfer to deficit	22	-	-	(2,556,362)	-	2,556,362	-	-	-	-	
Balance at 31 December 2018											
		535,436,809	824,432,091	-	24,100,000	(1,349,309,341)	34,659,559	(12)	-	34,659,547	

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary

Statement of changes in equity

		Separate financial statements					
Note	Issued and paid-up share capital	Share premium	Warrants	Legal reserve	Unappropriated (Deficit)	Retained earnings (deficit)	Other component of shareholder's equity
							Changes in fair value of available-for-sale investment
							Total equity
							(in Baht)
Year ended 31 December 2017							
Balance at 1 January 2017	535,436,609	824,431,691	2,796,373	24,100,000	36,838,643	(58,336,776)	1,365,266,540
Transactions with owners, recorded directly in equity							
<i>Distributions to owners</i>							
Share-based payment transactions	-	-	(545,190)	-	-	-	(545,190)
<i>Total distributions to owners</i>	-	-	(545,190)	-	-	-	(545,190)
Total transactions with owners, recorded directly in equity	-	-	(545,190)	-	-	-	(545,190)
Comprehensive expense for the year							
Loss	-	-	-	-	(1,127,028,398)	-	(1,127,028,398)
Other comprehensive income	-	-	-	-	-	58,336,776	58,336,776
<i>Total comprehensive expense for the year</i>	-	-	-	-	(1,127,028,398)	58,336,776	(1,068,691,622)
Balance at 31 December 2017	535,436,609	824,431,691	2,251,183	24,100,000	(1,090,189,755)	-	296,029,728

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary

Statement of changes in equity

		Separate financial statements				
		Retained earnings (deficit)				
		Issued and paid-up share capital	Share premium	Warrants	Legal reserve (in Baht)	Total equity
Note						
	Year ended 31 December 2018					
	Balance at 1 January 2018	535,436,609	824,431,691	2,251,183	24,100,000	296,029,728
	Transactions with owners, recorded directly in equity					
	<i>Distributions to owners</i>					
	Share options exercised	200	400	-	-	600
	Share-based payment transactions	-	-	305,179	-	305,179
	<i>Total distributions to owners</i>	200	400	305,179	-	305,779
	Total transactions with owners, recorded directly in equity	200	400	305,179	-	305,779
	Comprehensive expense for the year					
	Loss	-	-	-	(118,258,932)	(118,258,932)
	Other comprehensive income	-	-	-	8,359,836	8,359,836
	<i>Total comprehensive expense for the year</i>	-	-	-	(109,899,096)	(109,899,096)
	Transfer to deficit	-	-	(2,556,362)	2,556,362	-
	Balance at 31 December 2018	535,436,809	824,432,091	-	24,100,000	186,436,411

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary

Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2018	2017	2018	2017
	(in Baht)			
Cash flows from operating activities				
Loss for the year	(98,792,518)	(916,237,850)	(118,258,932)	(1,127,028,398)
<i>Adjustments to reconcile loss to cash receipts</i>				
<i>(payments)</i>				
Tax expense	22,783,279	13,106,301	4,961,348	10,352,138
Finance costs	13,442,004	20,620,852	804,841	693,075
Depreciation	35,074,329	47,569,124	35,074,329	47,569,124
Amortisation of intangible assets	3,295,123	13,154,359	575,594	681,369
Amortisation of digital television licence	30,541,133	66,958,590	-	-
Impairment losses on investment in subsidiary	-	-	-	800,000,000
Impairment losses on long-term investment	2,467,134	83,611,884	2,467,134	83,611,884
Impairment losses on investment property	2,786,070	1,945,000	2,786,070	1,945,000
Impairment losses on intangible assets	-	6,660,000	-	-
Impairment losses on digital television licence	-	560,740,000	-	-
Non-current provisions for employee benefit	2,538,926	(11,518,385)	1,664,818	(5,020,811)
(Reversal of) share-based payment	305,179	(545,190)	305,179	(545,190)
(Gain) loss on fair value adjustment of				
investments in debt securities	4,934,268	(150,868)	4,934,268	(150,866)
Gain on disposal of investment in debt security	(687,167)	(749,543)	(685,804)	(745,384)
Gain on disposal of debt security in private				
fund	-	(937,583)	-	(937,583)
Gain on return of investments in subsidiaries	-	-	-	(4,100,744)
Bad and doubtful debts expenses	18,924,197	65,391,466	47,900,002	206,528,484
(Reversal of) loss on inventories devaluation	408,006	(107,891)	408,006	(107,891)
Loss on written-off of inventories	6,808,046	-	6,808,046	-
Loss on decline in value, of other non-current				
assets	-	1,089,420	-	1,089,420
(Gain) loss on disposal of equipment	443,688	(106,245)	443,688	(106,245)
Loss on written-off of equipment	188,111	10,242,075	188,111	10,242,075
Loss on written-off of withholding tax	126,591	269,702	126,591	-
Interest income	(284,741)	(2,459,656)	(280,720)	(2,451,875)
	45,301,658	(41,454,438)	(9,777,431)	21,517,582

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary

Statement of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	Year ended 31 December		Year ended 31 December	
	2018	2017	2018	2017
	(in Baht)			
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	9,348,722	20,361,823	91,158,663	56,505,125
Accrued income	(11,816,491)	23,036,007	24,654,319	25,634,221
Other receivables	(1,460,747)	7,179,423	5,658,006	(128,026,590)
Inventories	1,362,535	7,538,600	1,101,592	7,799,543
Input value added tax pending	8,467,577	11,043,141	3,013,094	7,738,832
Other current assets	3,361,251	4,068,568	-	993,584
Other non-current assets	540,949	3,203,641	540,949	2,731,009
Trade accounts payable	37,288,007	(16,674,020)	(49,034,870)	(117,341,125)
Other payables	608,415	(6,092,970)	(6,386,980)	(6,455,817)
Advance income	(4,665,376)	(27,083,661)	(4,665,376)	(26,350,062)
Accrued expenses	(20,268,006)	(6,671,735)	(13,427,611)	(13,041,269)
Provision for employee benefits	83,993	-	10,300,142	-
Output value added tax pending	(10,349,325)	(10,703,139)	(6,605,157)	(4,305,415)
Other current liabilities	548,823	804,355	548,823	807,855
Net cash from (used in) operating	58,351,985	(31,444,405)	47,078,163	(171,792,527)
Taxes paid	(16,478,710)	(19,750,755)	(11,500,818)	(12,645,854)
Withholding tax refunded	14,999,037	7,539,951	14,999,037	1,544,822
Net cash from (used in) operating activities	56,872,312	(43,655,209)	50,576,382	(182,893,559)
<i>Cash flows from investing activities</i>				
Proceeds from return on capital of subsidiaries	-	-	-	14,350,744
Current investments	-	55,148,000	-	55,148,000
Proceeds from sale of debt security in private fund	18,997,535	88,985,410	18,997,535	88,985,410
Acquisition of debt security in private fund	-	(106,977,274)	-	(106,977,274)
Proceeds from sale of other debt security	466,679,285	515,087,925	464,677,921	508,083,765
Acquisition of other debt security	(466,000,000)	(443,200,000)	(464,000,000) *	(436,200,000)
Proceeds from sale of equipment	1,910,403	671,777	1,910,403	671,777
Acquisition of building and equipment	(9,494,278)	(10,759,923)	(9,494,278)	(10,759,923)
Acquisition of programme licences	(1,950,000)	(5,429,100)	-	-
Acquisition of intangible assets	(2,396,546)	(958,652)	(2,396,546)	(958,652)
Digital television licence payment	-	(122,800,000)	-	-
Interest received	222,357	1,818,804	218,336	1,811,023
Net cash from (used in) investing activities	7,968,756	(28,413,033)	9,913,371	114,154,870

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary

Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2018	2017	2018	2017
	(in Baht)			
<i>Cash flows from financing activities</i>				
Interest paid	(6,389,497)	(3,701,809)	(167,473)	(201,814)
Net cash used in financing activities	(6,389,497)	(3,701,809)	(167,473)	(201,814)
Net increase (decrease) in cash and cash equivalents	58,451,571	(75,770,051)	60,322,280	(68,940,503)
Cash and cash equivalents at 1 January	60,241,826	136,011,877	55,908,442	124,848,945
Cash and cash equivalents at 31 December	118,693,397	60,241,826	116,230,722	55,908,442
<i>Non-cash transactions</i>				
Payables for purchase of building and equipment	-	342,400	-	342,400
Payables for purchase of programme licences	-	1,950,000	-	-
Digital television licence payable	550,898,396	543,434,582	-	-

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary

Notes to the financial statements

For the year ended 31 December 2018

Note	Contents
1	General information
2	Basis of preparation of the financial statements
3	Significant accounting policies
4	Related parties
5	Cash and cash equivalents
6	Other investments
7	Trade accounts receivable
8	Other receivables
9	Inventories
10	Investments in subsidiary
11	Investment property
12	Plant and equipment
13	Intangible assets
14	Digital television licence
15	Deferred tax
16	Trade accounts payable
17	Other payables
18	Accrued expenses
19	Digital television licence payable
20	Non-current provisions for employee benefit
21	Share capital
22	Warrants
23	Reserves
24	Segment information
25	Distribution costs
26	Administrative expenses
27	Employee benefit expenses
28	Expenses by nature
29	Finance costs
30	Income tax expense
31	Loss per share
32	Financial instruments
33	Commitments with non-related parties
34	Events after the reporting period
35	Thai Financial Reporting Standards (TFRS) not yet adopted
36	Reclassification of accounts

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 16 May 2019.

1 General information

Nation Broadcasting Corporation Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 1858/57-62, 12A Floors, Debaratana Road, Kwang Bangna Tai, Khet Bangna, Bangkok.

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 Group are production of TV and radio programmes and providing advertisements through TV media, radio media and new media forms.

NBC Next Vision Co., Ltd., a subsidiary, received the commercial digital terrestrial television licence (“the licence”) at national level for a news channel category in standard-definition from the National Broadcasting and Telecommunications Commission for a period of 15 years, commencing from 25 April 2014 to 24 April 2029. For further details of the licence are disclosed in Note 14.

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 and applicable rules and regulations of the Thai Securities and Exchange Commission.

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

In addition a number of new and revised TFRS are not yet effective for current periods. The Group has not early adopted these standards in preparing these financial statements. Those new and revised TFRS that are relevant to the Group’s operations are disclosed in Note 35.

(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 investments	Fair value
Defined benefit liability	Present value of the defined benefit obligation as explained in Note 3 (m)

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

(c) Functional and presentation currency

The financial statements are prepared and presented in Thai Baht, which is the Company's functional currency.

(d) Use of judgements and estimates

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

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

Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the year ending 31 December 2019 is included in the following notes:

Notes 4 7 and 8	Measurement of recoverable amount;
Notes 9	Measurement of net realisable value of inventories;
Notes 10 11 13 and 14	Impairment test; key assumptions underlying recoverable amounts;
Notes 15	Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used; and
Notes 20	Measurement of defined benefit obligations: key actuarial assumptions.

Measurement of fair values

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

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

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

Significant valuation are reported to the Group's Audit Committee.

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

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

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

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

Further information about the assumptions made in measuring fair values is included in Note 32 financial instruments.

Use of going concern basis of accounting

For the year ended 31 December 2018, the Group and the Company incurred a net loss of Baht 98.79 million and Baht 118.26 million, respectively (2017: Baht 916.24 million and Baht 1,127.03 million, respectively) and, as of that date, the Group and the Company had deficit of Baht 1,349.31 million and Baht 1,197.53 million, respectively (2017: Baht 1,264.54 million and Baht 1,090.19 million, respectively). This represents a material uncertainty over the appropriateness of using the going concern basis of accounting. Furthermore, the parent company disclosed in a note to the interim financial statements for the three-month and nine-month periods ended 30 September 2018 regarding the basis of preparation of the financial statements on a going concern basis, the financial position and liquidity of the parent company along with implemented policies and procedures in an attempt to manage its liquidity risk.

The Group's management is implementing the action plans to improve the Group's and the Company's performance and liquidity by restructuring of the marketing department and increase number of workforces in order to expand the customer base and restructuring of production team to be effective, transforming the television program schedule to be outstanding, modifying the program to increase the number of audiences and increase the revenue in other forms. In addition, the management has plan to increase the revenue by implementing Artificial Intelligence technology, expanding the digital media segment, reforming the broadcasting presentation to make its programs more attractive and improving airtime rental format for all target customer to be more effective. In addition, there will be the positive result from retrieving the operators of radio broadcasting and television broadcasting and business of radio broadcasting and television broadcasting as described in Note 14 and 34.

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

Caution sign

On 15 August 2018, The Stock Exchange of Thailand ("SET") posted a "C" (Caution) sign on the Company's securities traded on the SET due to the Group's and the Company's total equity balances were less than 50% of the Group's and the Company's total paid-up share capital. In this regards, the Company has already published a plan to resolve this cause.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

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 subsidiary (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 acquiree.

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 equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation

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

(b) Foreign currencies

Foreign currency transactions

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

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

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.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

(c) Cash and cash equivalents

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

(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, and completed TV programmes. Costs are calculated by the following principles:

Books	-	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 measured at cost.

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

(f) Investments

Investment in subsidiary

Investment in subsidiary in the separate financial statements of the Company is accounted for using the cost method less accumulated impairment losses.

Investments in other debt and equity securities

Marketable debt security held for trading is classified as a current asset 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.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

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 property is condominium and improvements which is 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 property is measured at cost less accumulated depreciation and impairment losses.

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

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

Condominium and improvements	20 years
------------------------------	----------

(h) Plant and equipment

Recognition and measurement

Owned assets

Plant and equipment are measured 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. 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.

Any 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 in profit or loss.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

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:

Condominium	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.

(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 measured 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. 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.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary

Notes to the financial statements

For the year ended 31 December 2018

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

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

(j) *Impairment*

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

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

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

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.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

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.

Defined benefit plans

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

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

Termination benefits

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

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.

(n) 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 equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and 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.

(o) Provisions

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

(p) 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.

Revenue from television programmes

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

Barter income

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

Rental income

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

Dividend income

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

Interest income

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

(q) Finance costs

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred.

(r) Lease payments

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

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

Determining whether an arrangement contains a lease

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

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

(s) Income tax

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

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary

Notes to the financial statements

For the year ended 31 December 2018

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

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

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

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

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

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

(i) *Loss per share*

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

(u) *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 other non-current provisions for employee benefit.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

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 subsidiary are described in Note 10. Relationships with key management and other related parties, which have transactions with the Group, 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	33.05% shareholding by parent (2017: 71.04% shareholding) and the representation from the parent to be the director
Nation News Network 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 Global Edutainment Co., Ltd.	Thailand	99.74% shareholding by Nation International Edutainment Public Company Limited, some common director.

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 price and negotiable rate
Costs of sales of goods and rendering of services	Actual cost allocation rate and negotiable rate
Sale of equipment	Book value plus margin
Purchase of equipment	Book value plus margin
Other income	Negotiable rate
Distribution costs and administrative expenses	Negotiable rate

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

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

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Parent				
Revenue from rendering of services	14,349	12,804	14,349	12,804
Costs of rendering of services	7,566	6,003	6,368	3,270
Sale of equipment	-	32	-	32
Purchase of equipment	9,040	227	9,040	227
Other income	-	7	-	7
Distribution costs and administrative expenses	21,346	17,385	19,199	9,367
Subsidiary				
Revenue from sales of goods and rendering of services	-	-	-	3,310
Costs of rendering of services	-	-	98,007	1,863
Other income	-	-	5,814	23,424
Key management personnel				
Key management personnel compensation				
Wages and salaries	10,888	10,947	10,888	10,947
Defined contribution plan	454	799	454	799
Total key management personnel compensation	11,342	11,746	11,342	11,746
Other related parties				
Revenue from rendering of services	7,118	107	6,960	107
Costs of sales of goods and rendering of services	2,701	7,045	2,594	6,894
Sale of equipment	8	8	8	8
Other income	1,240	1,200	1,240	1,200
Distribution costs and administrative expenses	1,712	2,298	594	309

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

<i>Trade accounts receivable - related parties</i>	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Parent	39,292	28,411	39,292	28,411
Subsidiary	-	-	19,324	105,204
Other related parties	5,978	2,915	5,000	1,937
	45,270	31,326	63,616	135,552
Less allowance for doubtful accounts	(44,174)	(31,100)	(43,196)	(30,122)
Net	1,096	226	20,420	105,430
Bad and doubtful debts expense for the year	13,074	31,100	13,074	30,122

Nation Broadcasting Corporation Public Company Limited and its Subsidiary

Notes to the financial statements

For the year ended 31 December 2018

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

<i>Accrued income - related parties</i>	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Parent	2,241	-	2,241	-
Subsidiary	-	-	-	23,088
Other related parties	272	-	272	-
Total	2,513	-	2,513	23,088

<i>Other receivables - related parties</i>	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Parent	11,922	11,676	11,922	11,676
Subsidiary	-	-	169,455	177,281
Other related parties	25,890	24,064	25,156	23,526
	37,812	35,740	206,533	212,483
<i>Less allowance for doubtful accounts</i>	<i>(32,768)</i>	<i>(33,589)</i>	<i>(205,563)</i>	<i>(175,726)</i>
Net	5,044	2,151	970	36,757

(Reversal of) Bad and doubtful debts expense for the year	(821)	33,142	29,837	175,279
---	--------------	---------------	---------------	----------------

<i>Trade accounts payable - related parties</i>	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Parent	-	41	-	41
Subsidiary	-	-	76,482	129,704
Other related parties	1,469	2,740	1,469	622
Total	1,469	2,781	77,951	130,367

<i>Other payables - related parties</i>	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Parent	5,013	4,539	5,013	1,985
Subsidiary	-	-	-	10,105
Other related parties	1	207	1	126
Total	5,014	4,746	5,014	12,216

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

<i>Accrued expenses - related parties</i>	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Parent	989	182	989	103
Subsidiary	-	-	203	1,818
Other related parties	323	92	323	92
Total	1,312	274	1,515	2,013

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 service fees as specified in the agreements.

The Company entered into an agreement with a subsidiary to provide services in relation to management, operations, marketing and other services. The Company will receive service fee as specified in the agreement. This agreement was expired during the year 2018.

The Company entered into an agreement with a parent company for rent space and related services. The Company committed to pay rental and service fees as specified in the agreement.

The Company entered into an agreement with a related company to receive information technology system service. The Company committed to pay service fee as specified in the agreement. This agreement was expired during the year 2018.

The Company entered into an agreement with a subsidiary to operate broadcasting and television signals business. The Company committed to pay the fee as specified in the agreement.

5 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Cash on hand	535	505	530	280
Cash at banks - current accounts	193	1,489	164	1,460
Cash at banks - savings accounts	67,164	17,821	64,736	13,741
Highly liquid short-term investments	50,801	40,427	50,801	40,427
Total	118,693	60,242	116,231	55,908

6 Other investments

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<i>Current investments</i>				
Debt security held for trading (Private fund)	-	18,990	-	18,990
<i>Other long-term investment</i>				
Equity security available for sale	-	7,401	-	7,401
Total	-	26,391	-	26,391

Nation Broadcasting Corporation Public Company Limited and its Subsidiary

Notes to the financial statements

For the year ended 31 December 2018

The Company established a private fund by engaging an independent assets management company for the purpose of cash management of the Company. During the year 2018, the Company disposed entire of investment in private fund (2017: the valuation of private fund outstanding totalled Baht 19.42 million including cash and cash equivalent of Baht 0.43 million in the consolidated and separate financial statements).

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

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Current investments				
Trading security				
At 1 January	-	71,048	-	71,048
Purchases during the year	466,000	147,700	464,000	145,200
Sales during the year	(466,000)	(151,232)	(464,000)	(148,732)
Transfer during the year	-	(67,606)	-	(67,606)
Valuation adjustment	-	90	-	90
At 31 December	-	-	-	-
Trading security (Private fund)				
At 1 January	18,990	-	18,990	-
Transfer during the year	-	18,990	-	18,990
Sales during the year	(18,998)	-	(18,998)	-
Valuation adjustment	8	-	8	-
At 31 December	-	18,990	-	18,990
Available-for-sale security				
At 1 January	-	-	-	-
Purchases during the year	-	295,500	-	291,000
Transfer during the year	-	67,606	-	67,606
Sales during the year	-	(363,106)	-	(358,606)
At 31 December	-	-	-	-
Available-for-sale security (Private fund)				
At 1 January	-	-	-	-
Purchases during the year	-	106,977	-	106,977
Sales during the year	-	(88,047)	-	(88,047)
Transfer during the year	-	(18,990)	-	(18,990)
Valuation adjustment	-	60	-	60
At 31 December	-	-	-	-
Other long-term investment				
Available-for-sale security				
At 1 January	7,401	18,092	7,401	18,092
Valuation adjustment	(4,934)	(10,691)	(4,934)	(10,691)
Transfer during the year	(2,467)	-	(2,467)	-
At 31 December	-	7,401	-	7,401

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

7 Trade accounts receivable

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Related parties	4	45,270	31,326	63,616	135,552
Other parties		69,245	95,176	67,153	89,006
Total		114,515	126,502	130,769	224,558
Less allowance for doubtful accounts		(47,054)	(34,664)	(44,358)	(33,641)
Net		67,461	91,838	86,411	190,917
Bad and doubtful debts expense for the year		15,027	32,249	13,347	31,250

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Related parties				
Within credit terms	10,395	8,695	10,394	10,200
Overdue:				
Less than 3 months	1,008	1,758	1,008	2,960
3-6 months	1,762	2,459	1,762	2,459
6-12 months	9,658	2,178	9,658	23,377
Over 12 months	22,447	16,236	40,794	96,556
	45,270	31,326	63,616	135,552
Less allowance for doubtful accounts	(44,174)	(31,100)	(43,196)	(30,122)
	1,096	226	20,420	105,430
Other parties				
Within credit terms	38,066	51,367	37,692	48,442
Overdue:				
Less than 3 months	26,282	37,879	26,282	36,541
3-6 months	1,577	2,112	1,577	249
6-12 months	440	255	440	255
Over 12 months	2,880	3,563	1,162	3,519
	69,245	95,176	67,153	89,006
Less allowance for doubtful accounts	(2,880)	(3,564)	(1,162)	(3,519)
	66,365	91,612	65,991	85,487
Net	67,461	91,838	86,411	190,917

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

8 Other receivables

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Related parties	4	37,812	35,740	206,533	212,483
Other parties					
Prepaid expenses		15,558	14,995	1,780	493
Advance to employees		490	511	460	500
Other receivables		66	3	66	-
		16,114	15,509	2,306	993
Total		53,926	51,249	208,839	213,476
Less allowance for doubtful accounts		(32,768)	(33,589)	(205,563)	(175,726)
Net		21,158	17,660	3,276	37,750
 (Reversal of) Bad and doubtful debts expense for the year		 (821)	 33,142	 29,837	 175,279

9 Inventories

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Finished goods	-	4,952	-	4,952
Work in progress	201	3,828	201	3,567
Total	201	8,780	201	8,519
 Inventories recognised as an expense in 'Costs of sales of goods and rendering of services':				
- Costs of sales of goods	359,909	513,685	306,173	192,572
- Reversal of write-down	408	(108)	408	(108)
Net	360,317	513,577	306,581	192,464

10 Investments in subsidiary

	Separate financial statements	
	2018	2017
	<i>(in thousand Baht)</i>	
At 1 January	-	810,250
Allowance for impairment	-	(800,000)
Disposals	-	(10,250)
At 31 December	-	-

During the year ended 31 December 2018, there were no acquisitions and disposals of investment in subsidiary.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

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 from the continuing operations according to the business plan and discount rate which is calculated by weighted average cost of capital.

Key assumptions used in the estimation of recoverable amount are presented in Note 14.

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

For the year ended 31 December 2017, the Company recognised an impairment loss on investment in NBC Next Vision Co., Ltd., a subsidiary, amounting to Baht 800 million in the separate financial statements as the carrying amount of such investment was determined to be higher than its recoverable amount. The recoverable amount of investment in subsidiary was based on the equity value of the subsidiary determined by discounted future cash flows and discount rate which is calculated by weighted average cost of capital (see Note 14 for further details of the impairment loss).

Nation Broadcasting Corporation Public Company Limited and its Subsidiary **Notes to the financial statements** **For the year ended 31 December 2018**

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

Name of subsidiary	Type of business	Ownership interest		Paid-up capital		Separate financial statements				At cost - net		Dividend income	
		2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
			(%)										
	Production of TV programme and advertisements through TV media	99.99	99.99	800,000	800,000	800,000	800,000	800,000	800,000	-	-	-	-
NBC Next Vision Co., Ltd.													

A subsidiary was incorporated in Thailand. None of the Company's subsidiary is publicly listed and consequently does not have published price quotations.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

11 Investment property

	<i>Note</i>	Consolidated financial statements / Separate financial statements Condominium and improvements (in thousand Baht)
<i>Cost</i>		
At 1 January 2017		11,138
At 31 December 2017 and 1 January 2018		11,138
Transfer from plan and equipment	12	8,128
At 31 December 2018		19,266
<i>Depreciation and impairment loss</i>		
At 1 January 2017		187
Depreciation charge for the year		557
Impairment loss		1,945
At 31 December 2017 and 1 January 2018		2,689
Depreciation charge for the year		556
Transfer from plan and equipment	12	1,119
Impairment loss		2,786
At 31 December 2018		7,150
<i>Net book value</i>		
At 1 January 2017		10,951
At 31 December 2017 and 1 January 2018		8,449
At 31 December 2018		12,116

The fair value of investment properties as at 31 December 2018 of Baht 13.85 million (2017: Baht 8.45 million) was determined by independent professional valuers, with market method. The fair value measurement for investment properties has been categorised as a Level 2 fair value.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

12 Plant and equipment

Consolidated financial statements / Separate financial statements

	Note	Condominium	Leasehold improvements	Operating equipment	Furniture, fixtures and office equipment (in thousand Baht)	Vehicles	Assets under installation	Total
Cost								
At 1 January 2017		10,823	39,683	283,870	6,320	17,772	2,960	361,428
Additions		-	4,467	6,201	432	-	-	11,100
Transfers		-	-	2,960	-	-	(2,960)	-
Disposals / written-off		-	(18,799)	(11,148)	(232)	(1,866)	-	(32,045)
At 31 December 2017 and 1 January 2018		10,823	25,351	281,883	6,520	15,906	-	340,483
Additions		-	-	1,072	96	7,984	-	9,152
Transfer to investment property		(8,128)	-	-	-	-	-	(8,128)
Disposals / written-off	11	(2,695)	-	(4,033)	(83)	-	-	(6,811)
At 31 December 2018		-	25,351	278,922	6,533	23,890	-	334,696
Depreciation								
At 1 January 2017		408	23,173	182,178	4,400	6,067	-	216,226
Depreciation charge for the year		541	7,202	34,980	964	3,325	-	47,012
Disposals / written-off		-	(8,825)	(10,489)	(230)	(1,685)	-	(21,229)
At 31 December 2017 and 1 January 2018		949	21,550	206,669	5,134	7,707	-	242,009
Depreciation charge for the year		518	1,663	27,571	550	4,214	-	34,516
Transfer to investment property		(1,119)	-	-	-	-	-	(1,119)
Disposals / written-off	11	(348)	-	(3,837)	(83)	-	-	(4,268)
At 31 December 2018		-	23,213	230,403	5,601	11,921	-	271,138
Net book value								
At 1 January 2017		10,415	16,510	101,692	1,920	11,705	2,960	145,202
At 31 December 2017 and 1 January 2018		9,874	3,801	75,214	1,386	8,199	-	98,474
At 31 December 2018		-	2,138	48,519	932	11,969	-	63,558

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

The gross amount of the Group's and Company's fully depreciated building and equipment that were still in use as at 31 December 2018 amounted to Baht 148.24 million (2017: Baht 136.71 million).

13 Intangible assets

Consolidated financial statement				
	Computer programmes and software licences	Trademark	Right for broadcasting	Total
<i>Note</i>		<i>(in thousand Baht)</i>		
Cost				
At 1 January 2017	8,500	700	32,490	41,690
Additions	45	-	2,448	2,493
Written-off	-	-	(10,500)	(10,500)
At 31 December 2017 and 1 January 2018	8,545	700	24,438	33,683
Additions	2,397	-	-	2,397
At 31 December 2018	10,942	700	24,438	36,080
Amortisation and impairment loss				
At 1 January 2017	6,728	98	13,566	20,392
Amortisation for the year	829	49	12,277	13,155
Written-off	-	-	(10,500)	(10,500)
Impairment loss	-	347	6,313	6,660
At 31 December 2017 and 1 January 2018	7,557	494	21,656	29,707
Amortisation for the year	576	18	2,701	3,295
At 31 December 2018	8,133	512	24,357	33,002
Net book value				
At 1 January 2017	1,772	602	18,924	21,298
At 31 December 2017 and 1 January 2018	988	553	2,782	3,976
At 31 December 2018	2,809	188	81	3,078

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

	Separate financial statement
	Computer programmes and software licences (in thousand Baht)
<i>Cost</i>	
At 1 January 2017	8,100
Additions	45
At 31 December 2017 and 1 January 2018	8,145
Additions	2,397
At 31 December 2018	10,542
<i>Amortisation</i>	
At 1 January 2017	6,476
Amortisation for the year	682
At 31 December 2017 and 1 January 2018	7,158
Amortisation for the year	576
At 31 December 2018	7,734
<i>Net book value</i>	
At 1 January 2017	1,624
At 31 December 2017 and 1 January 2018	987
At 31 December 2018	2,808
<i>Impairment testing</i>	

Management of the subsidiary performed impairment test of carrying amount of the right for broadcasting related to Digital television licence (“the 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 the right for broadcasting until expiration date of the licence based on its business plan and discount rate which is calculated by weighted average cost of capital (see Note 14 for further details of the impairment loss).

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

14 Digital television licence

	Consolidated financial statements (in thousand Baht)
<i>Cost</i>	
At 1 January 2017	1,185,211
At 31 December 2017 and 1 January 2018	1,185,211
At 31 December 2018	1,185,211
<i>Amortisation and impairment losses</i>	
At 1 January 2017	212,021
Amortisation for the year	66,959
Impairment losses	560,740
At 31 December 2017 and 1 January 2018	839,720
Amortisation for the year	30,541
At 31 December 2018	870,261
<i>Net book value</i>	
At 1 January 2017	973,190
At 31 December 2017 and 1 January 2018	345,491
At 31 December 2018	314,950

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

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

During the year ended 31 December 2018, the subsidiary received a subsidy for rental expenditures in accordance with a digital terrestrial television broadcasting network service according to such order of the NCPO and recorded in “Other income” account amounting to Baht 12.25 million in the consolidated statement of comprehensive income (2017: nil).

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

As at 31 December 2018, the subsidiary had the outstanding letter of guarantee issued by a financial institution placed to NBTC for the remaining licence fee amounting to Baht 570 million (2017: Baht 570 million).

Impairment testing

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

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

	Consolidated financial statements / Separate financial statements	
	2018	2017
	(%)	
Discount rate	10.99	12.64
Terminal growth rate	3.00	2.20

The discount rate was a pre-tax measure based on the rate of 11-year government bonds issued by the government in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.

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

Based on the impairment test, the carrying amount was determined to be higher than its recoverable amount. Therefore, the Group recognised impairment loss in the consolidated financial statements for the periods ended 31 December as follows:

		Consolidated financial statements	
	Note	2018	2017
		(in thousand Baht)	
Impairment losses			
Digital television licence		-	560,740
Intangible assets	13	-	6,660
Total		-	567,400

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

15 Deferred tax

Deferred tax assets as at 31 December were as follows:

	Consolidated financial statements			
	Assets		Liabilities	
	2018	2017	2018	2017
		<i>(in thousand Baht)</i>		
Total	-	22,783	-	-
Set off of tax	-	-	-	-
Net deferred tax assets	-	22,783	-	-

	Separate financial statements			
	Assets		Liabilities	
	2018	2017	2018	2017
		<i>(in thousand Baht)</i>		
Total	-	4,961	-	-
Set off of tax	-	-	-	-
Net deferred tax assets	-	4,961	-	-

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

	Consolidated financial statements		
	(Charged) / Credited to:		
	At 1 January 2018	Profit or loss <i>(in thousand Baht)</i>	At 31 December 2018
		Other comprehensive income	
Deferred tax assets			
Trade accounts receivable	713	(713)	-
Inventories	27	(27)	-
Provisions	6,713	(6,713)	-
Digital television licence	15,330	(15,330)	-
Total	22,783	(22,783)	-

	Consolidated financial statements		
	(Charged) / Credited to:		
	At 1 January 2017	Profit or loss <i>(in thousand Baht)</i>	At 31 December 2017
		Other comprehensive income	
Deferred tax assets			
Trade accounts receivable	583	130	713
Marketable security	14,584	-	-
Inventories	49	(22)	27
Provisions	8,444	(1,731)	6,713
Digital television licence	16,824	(1,494)	15,330
Loss carry forward	9,990	(9,990)	-
Total	50,474	(13,107)	22,783

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

	At 1 January 2018	Separate financial statements (Charged) / Credited to:		At 31 December 2018
		Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax assets				
Trade accounts receivable	704	(704)	-	-
Inventories	27	(27)	-	-
Provisions	4,230	(4,230)	-	-
Total	4,961	(4,961)	-	-

	At 1 January 2017	Separate financial statements (Charged) / Credited to:		At 31 December 2017
		Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax assets				
Trade accounts receivable	515	189	-	704
Marketable security	14,584	-	(14,584)	-
Inventories	49	(22)	-	27
Provisions	4,760	(530)	-	4,230
Loss carry forward	9,990	(9,990)	-	-
Total	29,898	(10,353)	(14,584)	4,961

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

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
			(in thousand Baht)	
Trade accounts receivable	9,411	6,220	8,871	6,025
Other receivables	6,554	6,718	41,113	35,145
Inventories	109	-	109	-
Long-term investment	-	16,722	-	16,722
Investment in subsidiary	-	-	160,000	160,000
Investment property	946	389	946	389
Intangible assets	1,332	1,332	-	-
Digital television licence	117,239	112,148	-	-
Non-current provisions for employee benefit	4,623	-	4,548	-
Loss carry forward	126,598	109,269	21,577	13,470
Total	266,812	252,798	237,164	231,751

The tax losses expire in 2019 - 2022. 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.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

16 Trade accounts payable

		Consolidated		Separate	
		financial statements		financial statements	
<i>Note</i>		2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Related parties	4	1,469	2,781	77,951	130,367
Other parties		40,616	2,016	4,623	1,241
Total		42,085	4,797	82,574	131,608

17 Other payables

		Consolidated		Separate	
		financial statements		financial statements	
<i>Note</i>		2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Related parties	4	5,014	4,746	5,014	12,216
Others					
Payables for purchase of assets		-	342	-	342
Revenue department payable		1,638	1,434	1,269	866
Other payables		2,907	2,771	2,469	2,057
		4,545	4,547	3,738	3,265
Total		9,559	9,293	8,752	15,481

18 Accrued expenses

		Consolidated		Separate	
		financial statements		financial statements	
<i>Note</i>		2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Related parties	4	1,312	274	1,515	2,013
Others					
Accrued rebate		4,955	14,946	4,955	14,946
Accrued annual broadcasting or television licence fees		5,128	6,563	-	-
Accrued production expense		4,585	8,532	4,585	-
Accrued commission		3,206	3,699	3,206	3,699
Accrued revenues sharing		58	10,048	58	10,048
Others		9,762	8,424	7,989	5,029
		27,694	52,212	20,793	33,722
Total		29,006	52,486	22,308	35,735

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

19 Digital television licence payable

Digital television licence payable to the National Broadcasting and Telecommunications Commission as at 31 December were as follows:

	Consolidated financial statements					
	2018			2017		
	Future payments	Interest	Present value of payments (in thousand Baht)	Future payments	Interest	Present value of payments
Within one year	-	-	-	122,800	(9,829)	112,971
After one year but within five years	346,400	(17,640)	328,760	447,200	(16,737)	430,463
After five years	223,600	(1,462)	222,138	-	-	-
Total	570,000	(19,102)	550,898	570,000	(26,566)	543,434

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

	Note	Consolidated financial statements	
		2018 (in thousand Baht)	2017
Digital television licence at 1 January		543,434	651,463
Payment		-	(122,800)
Interest expense	29	7,464	14,771
Digital television licence at 31 December		550,898	543,434

20 Non-current provisions for employee benefit

	Consolidated financial statements		Separate financial statements	
	2018	2017 (in thousand Baht)	2018	2017
Statement of financial position				
Non-current provisions for:				
Defined benefit plan	<u>23,115</u>	<u>29,952</u>	<u>22,736</u>	<u>17,536</u>
Year ended 31 December				
Statement of comprehensive income:				
Recognised in profit or loss:				
Defined benefit plan	<u>3,389</u>	<u>(10,632)</u>	<u>2,302</u>	<u>(4,530)</u>
Recognised in comprehensive income:				
Actuarial gains recognised in the year	<u>(11,464)</u>	<u>-</u>	<u>(8,360)</u>	<u>-</u>
Cumulative actuarial losses recognised	<u>17,458</u>	<u>28,922</u>	<u>14,667</u>	<u>23,027</u>

Defined benefit plan

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

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

Movement in the present value of the defined benefit obligations.

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
At 1 January	29,952	39,272	17,536	20,849
Include in profit or loss:				
Current service cost	2,539	2,514	1,665	1,178
Interest on obligation	850	886	637	491
Curtailment gain	-	(14,032)	-	(6,199)
	3,389	(10,632)	2,302	(4,530)
Include in other comprehensive income				
Actuarial gain	(11,464)	-	(8,360)	-
	(11,464)	-	(8,360)	-
Others				
Transfers in	1,238	1,312	11,258	1,217
	1,238	1,312	11,258	1,217
At 31 December	23,115	29,952	22,736	17,536

Actuarial gains recognised in other comprehensive income arising from:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Demographic assumptions	36	-	31	-
Financial assumptions	1,501	-	1,472	-
Experience adjustment	(13,001)	-	(9,863)	-
Total	(11,464)	-	(8,360)	-

Actuarial assumptions

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

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(%)</i>			
Discount rate	1.76 - 4.16	2.9	1.76 - 4.16	2.9
Future salary growth	4.0 - 8.0	4.0 - 7.0	4.0 - 8.0	4.0 - 7.0

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

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

Sensitivity analysis

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

	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
	<i>(in thousand Baht)</i>			
At 31 December 2018				
Discount rate (1% movement)	(2,436)	2,851	(2,397)	2,807
Future salary growth (1% movement)	2,771	(2,420)	2,728	(2,381)
Future mortality (1% movement)	(84)	93	(83)	92
At 31 December 2017				
Discount rate (1% movement)	(2,599)	3,022	(1,230)	1,411
Future salary growth (1% movement)	3,585	(3,113)	1,744	(1,539)
Future mortality (1% movement)	(161)	180	(73)	81

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.

21 Share capital

	Par value per share <i>(in Baht)</i>	2018		2017	
		Number	Baht	Number	Baht
		<i>(thousand shares / in thousand Baht)</i>			
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	535,437	535,437
Issue of new shares	1	-	-	-	-
At 31 December					
- ordinary shares	1	535,437	535,437	535,437	535,437

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.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

22 Warrants

1) NBC-WB

The warrants of the Company was issued 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.

Movement during the year ended 31 December of the warrants were as follows:

	Consolidated financial statements/ Separate financial statements			
	2018		2017	
	Number of warrants	Grant date fair value (in thousand units / thousand Baht)	Number of warrants	Grant date fair value
At 1 January	1,830	2,251	2,273	2,796
Issued warrants	376	462	1,557	1,608
Forfeited warrants	(128)	(157)	(2,000)	(2,153)
Expired warrants	(2,078)	(2,556)	-	-
At 31 December	-	-	1,830	2,251

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

The Group and the Company had expenses for share-based payment transactions for the year ended 31 December 2018 of Baht 0.31 million in the consolidated and separate financial statements (2017: reversal of expenses for share-based payment transactions amounting to Baht 0.55 million).

2) NBC-W1

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

Unexercised warrants as at 1 January 2018	Issued warrants	Exercised warrants (million units)	Expired	Unexercised warrants as at 31 December 2018	Exercise price (Baht / share)	Expiry date
177	-	-	(177)	-	3	11 July 2018
Unexercised warrants as at 1 January 2017	Issued warrants	Exercised warrants (million units)	Expired	Unexercised warrants as at 31 December 2017	Exercise price (Baht / share)	Expiry date
177	-	-	-	177	3	11 July 2018

23 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.

Movements in reserves

Movements in reserves are shown in the statements of changes in equity.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

24 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.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

Information about reportable segments

	TV advertising media 2018	TV advertising media 2017	Radio advertising media 2018	Radio advertising media 2017	New media advertising 2018	New media advertising 2017	2018	2017
				(in thousand Baht)				
External revenue	355,863	398,266	56	13,741	24,078	109,321	379,997	521,328
Other income	43,519	17,432	-	204	11	128	43,530	17,764
Total segment revenue	399,382	415,698	56	13,945	24,089	109,449	423,527	539,092
Segment profit (loss) before income tax	(89,346)	(911,409)	(221)	(12,775)	13,558	21,052	(76,009)	(903,132)
Interest income	285	2,460	-	-	-	-	285	2,460
Depreciation	(34,741)	(47,081)	(56)	(56)	(275)	(432)	(35,072)	(47,569)
Amortisation	(2,716)	(12,474)	-	-	(579)	(681)	(3,295)	(13,155)
Amortisation of digital television licence	(30,541)	(66,959)	-	-	-	-	(30,541)	(66,959)
Capital expenditures	11,549	13,205	-	-	-	388	11,549	13,593
Segment assets as at 31 December	597,035	688,998	268	3,663	7,055	28,695	604,358	721,356
Segment liabilities as at 31 December	655,469	641,464	-	701	813	16,326	656,282	658,491

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

Reconciliations of reportable segment assets and liabilities

	2018	2017
	<i>(in thousand Baht)</i>	
Assets		
Total assets for reportable segments	604,358	721,356
Other unallocated amounts	107,378	77,167
Consolidated total assets	711,736	798,523
Liabilities		
Total liabilities for reportable segments	656,282	658,491
Other unallocated amounts	20,794	18,350
Consolidated total liabilities	677,076	676,841

Geographical segments

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

25 Distribution costs

	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Employee benefit expenses	9,654	15,852	9,654	15,852
Marketing expenses	11,322	28,525	10,207	26,418
Others	234	694	234	694
Total	21,210	45,071	20,095	42,964

26 Administrative expenses

		Consolidated		Separate	
		financial statements		financial statements	
	<i>Note</i>	2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Office expenses		30,681	26,644	25,466	19,144
Bad and doubtful debts expenses		18,924	65,391	47,900	206,529
Loss on written-off of assets		14,397	11,601	14,397	11,331
Employee benefit expenses		11,677	79,259	11,637	42,126
Management compensation	4	11,342	11,746	11,342	11,746
Professional fee		5,439	7,952	3,823	5,553
Utilities expenses		1,519	1,734	1,378	1,270
Others		7,802	5,671	9,262	5,247
Total		101,781	209,998	125,205	302,946

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

27 Employee benefit expenses

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Wages and salaries		127,365	136,939	96,662	47,370
Defined contribution plan		6,403	7,281	4,789	2,815
Defined benefit plan	20	2,539	(11,518)	1,665	(5,021)
Share-based payment transactions	23	305	(545)	305	(545)
Voluntary resignation plan		-	69,082	-	32,179
Others		29,208	31,016	21,735	7,464
Total		165,820	232,255	125,156	84,262

During the year 2017, the Group announced voluntary resignation plans for business restructuring of the Group. The Group and the Company had expenditures related to the voluntary resignation plan for the year ended 31 December 2017 amounted to Baht 69.08 million and Baht 32.18 million, respectively.

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.

28 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 financial statements		Separate financial statements	
	<i>Note</i>	2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Cost of production and programmes		134,457	240,932	157,695	123,104
Employee benefit expenses	27	165,820	232,255	125,156	84,262
Depreciation and amortisation	11, 12, 13, 14	68,915	127,683	35,648	48,251
Bad and doubtful debts expenses	26	18,924	65,391	47,900	206,529
Travelling expenses		11,509	11,433	9,360	1,051
Sharing service expenses		22,624	19,923	20,029	10,452
Marketing expenses	25	11,322	28,525	10,207	26,418
Office expenses		27,723	30,702	25,214	27,092
Others		22,015	11,802	20,672	11,214
Total cost of sales of goods and rendering of services, distribution costs and administrative expenses		483,309	768,646	451,881	538,373

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

29 Finance costs

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Interest expense from digital television licence payable	19	7,464	14,771	-	-
Other finance costs		5,978	5,850	805	693
Total		13,442	20,621	805	693

30 Income tax expense

Income tax recognised in profit or loss

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Deferred tax expense	15				
Movements in temporary differences		22,783	13,107	4,961	10,353
Total income tax expense		22,783	13,107	4,961	10,353

Income tax recognised in other comprehensive income

	Consolidated financial statements / Separate financial statements					
	Before tax	2018 Tax expense	Net of tax	Before tax	2017 Tax expense	Net of tax
			<i>(in thousand Baht)</i>			
Available-for-sale financial assets	-	-	-	72,921	(14,584)	58,337

Reconciliation of effective tax rate

	Consolidated financial statements			
	Rate (%)	2018 <i>(in thousand Baht)</i>	Rate (%)	2017 <i>(in thousand Baht)</i>
Loss before income tax expense		(76,009)		(903,132)
Income tax using the Thai corporation tax rate	20	(15,202)	20	(180,626)
Expenses not deductible for tax purposes		4,481		1,443
Temporary differences for which no deferred tax assets was recognised		(6,608)		143,439
Current year losses for which no deferred tax assets was recognised		17,329		48,851
Reversal from previously recognised deferred tax assets		22,783		-
Total	30	22,783	2	13,107

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

	Separate financial statements			
	2018	2017		
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Loss before income tax expense		(113,298)		(1,116,676)
Income tax using the Thai corporation tax rate	20	(22,660)	20	(223,335)
Expenses not deductible for tax purposes		5,343		2,026
Temporary differences for which no deferred tax assets was recognised		9,210		218,192
Current year losses for which no deferred tax assets was recognised		8,107		13,470
Reversal from previously recognised deferred tax assets		4,961		-
Total	4	4,961	1	10,353

31 Loss per share

Basic loss per share

The calculations of basic loss per share for the years ended 31 December 2018 and 2017 were based on the loss for the years attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht / thousand shares)			
Loss attributable to ordinary shareholders of the Company (basic)	(98,793)	(916,238)	(118,259)	(1,127,028)
Weighted average number of ordinary shares outstanding	535,437	535,437	535,437	535,437
Loss per share (basic) (in Baht)	(0.18)	(1.71)	(0.22)	(2.10)

The Company did not present diluted loss per share as the Company's warrants have been expired.

32 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.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital and also monitors the level of dividends to ordinary shareholders.

Interest rate risk

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

Foreign currency risk

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

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

		Consolidated financial statement / Separate financial statement			
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		(in thousand Baht)			
31 December 2017					
Financial assets measured at fair value					
Debt security held for trading (Private fund)	18,990	-	18,990	-	18,990
Equity security available-for-sale	7,401	7,401	-	-	7,401

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

Measurement of fair values

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 fair values for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used. Related valuation processes are described in Note 2(d).

Type	Valuation technique
Investments in marketable securities	The net asset value as of the reporting date.

33 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
<i>Future minimum lease payments under non-cancellable operating leases</i>				
Within one year	87,286	82,085	13,884	7,648
After one year but within five years	271,569	296,460	35,924	43,954
After five years	250,180	312,678	-	5,854
Total	609,035	691,223	49,808	57,456
<i>Other commitment</i>				
Bank guarantees	612,148	612,260	2,248	2,360

- 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 period up to 30 November 2020 with an option for renewal. The Company agreed to pay rental and service fees at the rate specified in the agreements.
- 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 subsidiary agreed to pay a fee at the rate specified in the agreement.
- A subsidiary entered into service agreements covering television broadcasting satellite services with two local companies for periods ranging from 3 years and 3 months to 5 years and 11 months, expiring in various periods up to 31 March 2020. The subsidiary committed to pay the fees for such television broadcasting totaling USD 2.08 million. During the year 2018, the subsidiary received the support of this service fee from NBTC recorded in account "Other income" amounting to Baht 15.95 million in consolidated statement of comprehensive income (2017: Baht 8.83 million).
- A subsidiary entered into a Standard Definition Terrestrial Digital Television Network Services agreement with Thai Royal Army Radio and Television Station for a period of 14 years and 5 months, commencing from 16 January 2014 to 31 May 2028. The subsidiary has obligations to pay the service fee amounting to Baht 3.50 million per month from 1 June 2018 to 31 May 2020 and amounting to Baht 4.72 million per month from 1 June 2020 onwards.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

- e) 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. During the year 2017, the service provider entered into an amendment of the agreement to change the expiry date of the agreement from 30 September 2021 to 30 September 2023 and all the other provision of the agreement remain unchanged.

34 Events after the reporting period

On 11 April 2019, the National Council for Peace and Order (“NCPO”) has released the order No. 4/2562 in subject of a measure to solve the problems of the operations of the Television and Telecommunication, by virtue of Section 265 of Constitution of the Kingdom of Thailand in conjunction with Section 44 of Constitution of the Kingdom of Thailand (interim), the significant details which related to the Group, are as follows:

1. Determining that any licensees granted the licenses of spectrum for providing the digital television service (“licensees”) who intend to return the licenses, are able to notify by giving a written letter for the license return to the Office of the NBTC within 30 days from the date of this order has been effectively enforced. Determining the Office of the NBTC considers for compensation to the licensees in accordance with the announcement of the Office of the NBTC dated 2 May 2019 in the subject of the terms, requirements, and conditions for compensation because of returning the licenses of spectrum for providing the digital television service and in consideration of the benefits which the licensees received during they had the operations and made the license fee payment.
2. Determining the Office of the NBTC considers for calling back the spectrum of 700 MHz during 674 - 790 MHz from the licensees besides the licensees who intend to return by themselves according to No.1 and determining the Office of the NBTC considers for the arrangement for replacement costs, indemnities or compensations to the licensees who has been called back the spectrum.
 - 2.1 The licensees will be exempted for the final instalment of the license fee from the minimum payment or the original fee and the last two instalments of the exceeding amount of the minimum payment or the original fee in accordance with the announcement and the process with the following:
 - a. In case of the licensees who have not made any license fee payment up to the instalment payment pursuant to no. 2.1, the licensees will have to make all the payments of the license fee in full before the instalment payment pursuant to no. 2.1 within 120 days from the date of this announcement has been effectively enforced.
 - b. In case of the licensees who have made the license fee payment after the instalment payments pursuant to no. 2.1, those licensees are entitled to refund the license fee.
 - 2.2 Providing a subsidy for the network rental expenditures in accordance with a national commercial digital terrestrial television broadcasting network service to the licensees over the remaining period of the licenses. The subsidy effectively commences after termination of the measure to relieve in accordance with paragraph one, no. 8 of NCPO No. 9/2561 in subject of a measure to relieve a license fee payment burden to the operators of sound transmission, television transmission and sound broadcasting and television broadcasting. Therefore, the Office of the NBTC will provide the subsidy to any licensees granted the licenses of a national commercial digital terrestrial television broadcasting network service according to actual amount as specified in the agreement which is not exceeded at the rate of NBTC approval.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

3. In case of the licensees jointly incorporating an organisation that complies audience measurement and television ratings in television channels to support the digital television industry, the Office of the NBTC considers for subsidy allocation for using and supporting so.

On 5 April 2019, the Labor Protection Act was amended to include a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Company has therefore amended its retirement plan in accordance with the changes in the Labor Protection Act in the year 2019. As a result of this change, the provision for retirement benefits as well as past service cost recognised during the year 2019 in the consolidated and separate financial statements increase by an amount of Baht 6.67 million and Baht 6.65 million, respectively.

35 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS which relevant to the Group's operations are expected to have significant impact on the consolidated and separate financial statements on the date of initial application. Those TFRS become effective for annual financial reporting periods beginning on or after 1 January of the following years.

TFRS	Topic	Effective
TFRS 7*	Financial Instruments: Disclosures	2020
TFRS 9*	Financial Instruments	2020
TFRS 15	Revenue from Contracts with Customers	2019
TFRS 16	Leases	2020
TAS 32*	Financial Instruments: Presentation	2020
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation	2020
TFRIC 19*	Extinguishing Financial Liabilities with Equity Instruments	2020

* TFRS - Financial instruments standards

(a) TFRS 15 Revenue from Contracts with Customers

TFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Revenue should be recognised when (or as) an entity transfers control over goods or services to a customer, measured at the amount to which the entity expects to be entitled.

The Group has made a preliminary assessment of the potential impact of adopting and initially applying TFRS 15 on the consolidated and separate financial statements and expects that there will be no material impact on the financial statements in the period of initial application.

(b) TFRS - Financial instruments standards

These TFRS establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting.

Management is presently considering the potential impact of adopting and initially applying TFRS – Financial instruments standards on the consolidated and separate financial statements.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

(c) TFRS 16 Leases

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard, i.e. lessors continue to classify leases as finance or operating leases.

Management is presently considering the potential impact of adopting and initially applying TFRS 16 on the consolidated and separate financial statements.

36 Reclassification of accounts

Certain accounts in the 2017 financial statements have been reclassified to conform to the presentation in the 2018 financial statements as follows:

	2017					
	Consolidated financial statements			Separate financial statements		
	Before reclass-ification	Reclass-ification	After reclass-ification (in thousand Baht)	Before reclass-ification	Reclass-ification	After reclass-ification
Statement of financial position as at 31 December 2017						
Current assets						
Withholding tax deducted at source	19,748	(19,748)	-	12,646	(12,646)	-
Non-current assets						
Withholding tax deducted at source	-	49,055	49,055	-	27,772	27,772
Other non-current assets	35,751	(29,307)	6,444	18,353	(15,126)	3,227
		<u>-</u>			<u>-</u>	

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Group's business.

Other Reference Persons

Security Registrar (Common Share)

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

Certified Public Accountant

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

Certified Public Accountant

1. Ms.Sasithorn Pongadisak
Registration No. 8802 and/or
2. Ms.Marisa Tharathornbunpakul
Registration No. 5752 and/or
3. Mr.Thanit Osathalert
Registration No. 5155

Audit Fee

1. The audit fee of the Company and subsidiaries
for the year 2018 is Bt 1,850,000
2. Non-audit fee
-None-

Legal Consultants

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

Investor Relations

Nation Broadcasting Corporation Public Company
Limited
1858/57-62, 12A Floor, Debaratana Road,
Bangna-Tai Sub-District, Bangna District, Bangkok
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 and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

11 Investment property

		Consolidated financial statements / Separate financial statements Condominium and improvements (in thousand Baht)
	<i>Note</i>	
Cost		
At 1 January 2017		11,138
At 31 December 2017 and 1 January 2018		11,138
Transfer from plan and equipment	12	8,128
At 31 December 2018		19,266
Depreciation and impairment loss		
At 1 January 2017		187
Depreciation charge for the year		557
Impairment loss		1,945
At 31 December 2017 and 1 January 2018		2,689
Depreciation charge for the year		556
Transfer from plan and equipment	12	1,119
Impairment loss		2,786
At 31 December 2018		7,150
Net book value		
At 1 January 2017		10,951
At 31 December 2017 and 1 January 2018		8,449
At 31 December 2018		12,116

The fair value of investment properties as at 31 December 2018 of Baht 13.85 million (2017: Baht 8.45 million) was determined by independent professional valuers, with market method. The fair value measurement for investment properties has been categorised as a Level 2 fair value.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

12 Plant and equipment

Consolidated financial statements / Separate financial statements

	Note	Condominium	Leasehold improvements	Operating equipment	Furniture, fixtures and office equipment (in thousand Baht)	Vehicles	Assets under installation	Total
<i>Cost</i>								
At 1 January 2017		10,823	39,683	283,870	6,320	17,772	2,960	361,428
Additions		-	4,467	6,201	432	-	-	11,100
Transfers		-	-	2,960	-	-	(2,960)	-
Disposals / written-off		-	(18,799)	(11,148)	(232)	(1,866)	-	(32,045)
At 31 December 2017 and 1 January 2018		10,823	25,351	281,883	6,520	15,906	-	340,483
Additions		-	-	1,072	96	7,984	-	9,152
Transfer to investment property		(8,128)	-	-	-	-	-	(8,128)
Disposals / written-off	11	(2,695)	-	(4,033)	(83)	-	-	(6,811)
At 31 December 2018		-	25,351	278,922	6,533	23,890	-	334,696
<i>Depreciation</i>								
At 1 January 2017		408	23,173	182,178	4,400	6,067	-	216,226
Depreciation charge for the year		541	7,202	34,980	964	3,325	-	47,012
Disposals / written-off		-	(8,825)	(10,489)	(230)	(1,685)	-	(21,229)
At 31 December 2017 and 1 January 2018		949	21,550	206,669	5,134	7,707	-	242,009
Depreciation charge for the year		518	1,663	27,571	550	4,214	-	34,516
Transfer to investment property		(1,119)	-	-	-	-	-	(1,119)
Disposals / written-off	11	(348)	-	(3,837)	(83)	-	-	(4,268)
At 31 December 2018		-	23,213	230,403	5,601	11,921	-	271,138
<i>Net book value</i>								
At 1 January 2017		10,415	16,510	101,692	1,920	11,705	2,960	145,202
At 31 December 2017 and 1 January 2018		9,874	3,801	75,214	1,386	8,199	-	98,474
At 31 December 2018		-	2,138	48,519	932	11,969	-	63,558

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

The gross amount of the Group's and Company's fully depreciated building and equipment that were still in use as at 31 December 2018 amounted to Baht 148.24 million (2017: Baht 136.71 million).

13 Intangible assets

Consolidated financial statement				
	Computer programmes and software licences	Trademark	Right for broadcasting	Total
<i>Note</i>		<i>(in thousand Baht)</i>		
Cost				
At 1 January 2017	8,500	700	32,490	41,690
Additions	45	-	2,448	2,493
Written-off	-	-	(10,500)	(10,500)
At 31 December 2017 and 1 January 2018	8,545	700	24,438	33,683
Additions	2,397	-	-	2,397
At 31 December 2018	10,942	700	24,438	36,080
Amortisation and impairment loss				
At 1 January 2017	6,728	98	13,566	20,392
Amortisation for the year	829	49	12,277	13,155
Written-off	-	-	(10,500)	(10,500)
Impairment loss	-	347	6,313	6,660
At 31 December 2017 and 1 January 2018	7,557	494	21,656	29,707
Amortisation for the year	576	18	2,701	3,295
At 31 December 2018	8,133	512	24,357	33,002
Net book value				
At 1 January 2017	1,772	602	18,924	21,298
At 31 December 2017 and 1 January 2018	988	553	2,782	3,976
At 31 December 2018	2,809	188	81	3,078

14

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

	Separate financial statement
	Computer programmes and software licences (in thousand Baht)
<i>Cost</i>	
At 1 January 2017	8,100
Additions	45
At 31 December 2017 and 1 January 2018	8,145
Additions	2,397
At 31 December 2018	10,542
<i>Amortisation</i>	
At 1 January 2017	6,476
Amortisation for the year	682
At 31 December 2017 and 1 January 2018	7,158
Amortisation for the year	576
At 31 December 2018	7,734
<i>Net book value</i>	
At 1 January 2017	1,624
At 31 December 2017 and 1 January 2018	987
At 31 December 2018	2,808
<i>Impairment testing</i>	

Management of the subsidiary performed impairment test of carrying amount of the right for broadcasting related to Digital television licence ("the 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 the right for broadcasting until expiration date of the licence based on its business plan and discount rate which is calculated by weighted average cost of capital (see Note 14 for further details of the impairment loss).

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

14 Digital television licence

	Consolidated financial statements (in thousand Baht)
<i>Cost</i>	
At 1 January 2017	1,185,211
At 31 December 2017 and 1 January 2018	1,185,211
At 31 December 2018	1,185,211
<i>Amortisation and impairment losses</i>	
At 1 January 2017	212,021
Amortisation for the year	66,959
Impairment losses	560,740
At 31 December 2017 and 1 January 2018	839,720
Amortisation for the year	30,541
At 31 December 2018	870,261
<i>Net book value</i>	
At 1 January 2017	973,190
At 31 December 2017 and 1 January 2018	345,491
At 31 December 2018	314,950

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

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

During the year ended 31 December 2018, the subsidiary received a subsidy for rental expenditures in accordance with a digital terrestrial television broadcasting network service according to such order of the NCPO and recorded in “Other income” account amounting to Baht 12.25 million in the consolidated statement of comprehensive income (2017: nil).

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

As at 31 December 2018, the subsidiary had the outstanding letter of guarantee issued by a financial institution placed to NBTC for the remaining licence fee amounting to Baht 570 million (2017: Baht 570 million).

Impairment testing

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

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

	Consolidated financial statements / Separate financial statements	
	2018	2017
	(%)	
Discount rate	10.99	12.64
Terminal growth rate	3.00	2.20

The discount rate was a pre-tax measure based on the rate of 11-year government bonds issued by the government in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.

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

Based on the impairment test, the carrying amount was determined to be higher than its recoverable amount. Therefore, the Group recognised impairment loss in the consolidated financial statements for the periods ended 31 December as follows:

		Consolidated financial statements	
	Note	2018	2017
		(in thousand Baht)	
Impairment losses			
Digital television licence		-	560,740
Intangible assets	13	-	6,660
Total		-	567,400

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

15 Deferred tax

Deferred tax assets as at 31 December were as follows:

	Consolidated financial statements			
	Assets		Liabilities	
	2018	2017	2018	2017
		<i>(in thousand Baht)</i>		
Total	-	22,783	-	-
Set off of tax	-	-	-	-
Net deferred tax assets	-	22,783	-	-

	Separate financial statements			
	Assets		Liabilities	
	2018	2017	2018	2017
		<i>(in thousand Baht)</i>		
Total	-	4,961	-	-
Set off of tax	-	-	-	-
Net deferred tax assets	-	4,961	-	-

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

	Consolidated financial statements		
	(Charged) / Credited to:		
	At 1 January 2018	Profit or loss <i>(in thousand Baht)</i>	At 31 December 2018
		Other comprehensive income	
Deferred tax assets			
Trade accounts receivable	713	(713)	-
Inventories	27	(27)	-
Provisions	6,713	(6,713)	-
Digital television licence	15,330	(15,330)	-
Total	22,783	(22,783)	-

	Consolidated financial statements		
	(Charged) / Credited to:		
	At 1 January 2017	Profit or loss <i>(in thousand Baht)</i>	At 31 December 2017
		Other comprehensive income	
Deferred tax assets			
Trade accounts receivable	583	130	713
Marketable security	14,584	-	-
Inventories	49	(22)	27
Provisions	8,444	(1,731)	6,713
Digital television licence	16,824	(1,494)	15,330
Loss carry forward	9,990	(9,990)	-
Total	50,474	(13,107)	22,783

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

	At 1 January 2018	Separate financial statements (Charged) / Credited to:		At 31 December 2018
		Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax assets				
Trade accounts receivable	704	(704)	-	-
Inventories	27	(27)	-	-
Provisions	4,230	(4,230)	-	-
Total	4,961	(4,961)	-	-

	At 1 January 2017	Separate financial statements (Charged) / Credited to:		At 31 December 2017
		Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax assets				
Trade accounts receivable	515	189	-	704
Marketable security	14,584	-	(14,584)	-
Inventories	49	(22)	-	27
Provisions	4,760	(530)	-	4,230
Loss carry forward	9,990	(9,990)	-	-
Total	29,898	(10,353)	(14,584)	4,961

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

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
			(in thousand Baht)	
Trade accounts receivable	9,411	6,220	8,871	6,025
Other receivables	6,554	6,718	41,113	35,145
Inventories	109	-	109	-
Long-term investment	-	16,722	-	16,722
Investment in subsidiary	-	-	160,000	160,000
Investment property	946	389	946	389
Intangible assets	1,332	1,332	-	-
Digital television licence	117,239	112,148	-	-
Non-current provisions for employee benefit	4,623	-	4,548	-
Loss carry forward	126,598	109,269	21,577	13,470
Total	266,812	252,798	237,164	231,751

The tax losses expire in 2019 - 2022. 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.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

16 Trade accounts payable

		Consolidated		Separate	
		financial statements		financial statements	
<i>Note</i>		2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Related parties	4	1,469	2,781	77,951	130,367
Other parties		40,616	2,016	4,623	1,241
Total		42,085	4,797	82,574	131,608

17 Other payables

		Consolidated		Separate	
		financial statements		financial statements	
<i>Note</i>		2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Related parties	4	5,014	4,746	5,014	12,216
Others					
Payables for purchase of assets		-	342	-	342
Revenue department payable		1,638	1,434	1,269	866
Other payables		2,907	2,771	2,469	2,057
		4,545	4,547	3,738	3,265
Total		9,559	9,293	8,752	15,481

18 Accrued expenses

		Consolidated		Separate	
		financial statements		financial statements	
<i>Note</i>		2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Related parties	4	1,312	274	1,515	2,013
Others					
Accrued rebate		4,955	14,946	4,955	14,946
Accrued annual broadcasting or television licence fees		5,128	6,563	-	-
Accrued production expense		4,585	8,532	4,585	-
Accrued commission		3,206	3,699	3,206	3,699
Accrued revenues sharing		58	10,048	58	10,048
Others		9,762	8,424	7,989	5,029
		27,694	52,212	20,793	33,722
Total		29,006	52,486	22,308	35,735

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

19 Digital television licence payable

Digital television licence payable to the National Broadcasting and Telecommunications Commission as at 31 December were as follows:

	Consolidated financial statements					
	2018			2017		
	Future payments	Interest	Present value of payments (in thousand Baht)	Future payments	Interest	Present value of payments
Within one year	-	-	-	122,800	(9,829)	112,971
After one year but within five years	346,400	(17,640)	328,760	447,200	(16,737)	430,463
After five years	223,600	(1,462)	222,138	-	-	-
Total	570,000	(19,102)	550,898	570,000	(26,566)	543,434

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

	Note	Consolidated financial statements	
		2018 (in thousand Baht)	2017
Digital television licence at 1 January		543,434	651,463
Payment		-	(122,800)
Interest expense	29	7,464	14,771
Digital television licence at 31 December		550,898	543,434

20 Non-current provisions for employee benefit

	Consolidated financial statements		Separate financial statements	
	2018	2017 (in thousand Baht)	2018	2017
Statement of financial position				
Non-current provisions for:				
Defined benefit plan	<u>23,115</u>	<u>29,952</u>	<u>22,736</u>	<u>17,536</u>
Year ended 31 December				
Statement of comprehensive income:				
Recognised in profit or loss:				
Defined benefit plan	<u>3,389</u>	<u>(10,632)</u>	<u>2,302</u>	<u>(4,530)</u>
Recognised in comprehensive income:				
Actuarial gains recognised in the year	<u>(11,464)</u>	<u>-</u>	<u>(8,360)</u>	<u>-</u>
Cumulative actuarial losses recognised	<u>17,458</u>	<u>28,922</u>	<u>14,667</u>	<u>23,027</u>

Defined benefit plan

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

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

Movement in the present value of the defined benefit obligations.

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
At 1 January	29,952	39,272	17,536	20,849
Include in profit or loss:				
Current service cost	2,539	2,514	1,665	1,178
Interest on obligation	850	886	637	491
Curtailment gain	-	(14,032)	-	(6,199)
	3,389	(10,632)	2,302	(4,530)
Include in other comprehensive income				
Actuarial gain	(11,464)	-	(8,360)	-
	(11,464)	-	(8,360)	-
Others				
Transfers in	1,238	1,312	11,258	1,217
	1,238	1,312	11,258	1,217
At 31 December	23,115	29,952	22,736	17,536

Actuarial gains recognised in other comprehensive income arising from:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Demographic assumptions	36	-	31	-
Financial assumptions	1,501	-	1,472	-
Experience adjustment	(13,001)	-	(9,863)	-
Total	(11,464)	-	(8,360)	-

Actuarial assumptions

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

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(%)</i>			
Discount rate	1.76 - 4.16	2.9	1.76 - 4.16	2.9
Future salary growth	4.0 - 8.0	4.0 - 7.0	4.0 - 8.0	4.0 - 7.0

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

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

Sensitivity analysis

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

	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
	<i>(in thousand Baht)</i>			
At 31 December 2018				
Discount rate (1% movement)	(2,436)	2,851	(2,397)	2,807
Future salary growth (1% movement)	2,771	(2,420)	2,728	(2,381)
Future mortality (1% movement)	(84)	93	(83)	92
At 31 December 2017				
Discount rate (1% movement)	(2,599)	3,022	(1,230)	1,411
Future salary growth (1% movement)	3,585	(3,113)	1,744	(1,539)
Future mortality (1% movement)	(161)	180	(73)	81

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.

21 Share capital

	Par value per share <i>(in Baht)</i>	2018		2017	
		Number	Baht	Number	Baht
		<i>(thousand shares / in thousand Baht)</i>			
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	535,437	535,437
Issue of new shares	1	-	-	-	-
At 31 December					
- ordinary shares	1	535,437	535,437	535,437	535,437

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.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

22 Warrants

1) NBC-WB

The warrants of the Company was issued 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.

Movement during the year ended 31 December of the warrants were as follows:

	Consolidated financial statements/ Separate financial statements			
	2018		2017	
	Number of warrants	Grant date fair value (in thousand units / thousand Baht)	Number of warrants	Grant date fair value
At 1 January	1,830	2,251	2,273	2,796
Issued warrants	376	462	1,557	1,608
Forfeited warrants	(128)	(157)	(2,000)	(2,153)
Expired warrants	(2,078)	(2,556)	-	-
At 31 December	-	-	1,830	2,251

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

The Group and the Company had expenses for share-based payment transactions for the year ended 31 December 2018 of Baht 0.31 million in the consolidated and separate financial statements (2017: reversal of expenses for share-based payment transactions amounting to Baht 0.55 million).

2) NBC-W1

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

Unexercised warrants as at 1 January 2018	Issued warrants	Exercised warrants (million units)	Expired	Unexercised warrants as at 31 December 2018	Exercise price (Baht / share)	Expiry date
177	-	-	(177)	-	3	11 July 2018
Unexercised warrants as at 1 January 2017	Issued warrants	Exercised warrants (million units)	Expired	Unexercised warrants as at 31 December 2017	Exercise price (Baht / share)	Expiry date
177	-	-	-	177	3	11 July 2018

23 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.

Movements in reserves

Movements in reserves are shown in the statements of changes in equity.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

24 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.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

Information about reportable segments

	TV advertising media 2018	TV advertising media 2017	Radio advertising media 2018	Radio advertising media 2017 <i>(in thousand Baht)</i>	New media advertising 2018	New media advertising 2017	2018	2017
External revenue	355,863	398,266	56	13,741	24,078	109,321	379,997	521,328
Other income	43,519	17,432	-	204	11	128	43,530	17,764
Total segment revenue	399,382	415,698	56	13,945	24,089	109,449	423,527	539,092
Segment profit (loss) before income tax	(89,346)	(911,409)	(221)	(12,775)	13,558	21,052	(76,009)	(903,132)
Interest income	285	2,460	-	-	-	-	285	2,460
Depreciation	(34,741)	(47,081)	(56)	(56)	(275)	(432)	(35,072)	(47,569)
Amortisation	(2,716)	(12,474)	-	-	(579)	(681)	(3,295)	(13,155)
Amortisation of digital television licence	(30,541)	(66,959)	-	-	-	-	(30,541)	(66,959)
Capital expenditures	11,549	13,205	-	-	-	388	11,549	13,593
Segment assets as at 31 December	597,035	688,998	268	3,663	7,055	28,695	604,358	721,356
Segment liabilities as at 31 December	655,469	641,464	-	701	813	16,326	656,282	658,491

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

Reconciliations of reportable segment assets and liabilities

	2018	2017
	<i>(in thousand Baht)</i>	
Assets		
Total assets for reportable segments	604,358	721,356
Other unallocated amounts	107,378	77,167
Consolidated total assets	711,736	798,523
Liabilities		
Total liabilities for reportable segments	656,282	658,491
Other unallocated amounts	20,794	18,350
Consolidated total liabilities	677,076	676,841

Geographical segments

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

25 Distribution costs

	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Employee benefit expenses	9,654	15,852	9,654	15,852
Marketing expenses	11,322	28,525	10,207	26,418
Others	234	694	234	694
Total	21,210	45,071	20,095	42,964

26 Administrative expenses

		Consolidated		Separate	
		financial statements		financial statements	
	<i>Note</i>	2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Office expenses		30,681	26,644	25,466	19,144
Bad and doubtful debts expenses		18,924	65,391	47,900	206,529
Loss on written-off of assets		14,397	11,601	14,397	11,331
Employee benefit expenses		11,677	79,259	11,637	42,126
Management compensation	4	11,342	11,746	11,342	11,746
Professional fee		5,439	7,952	3,823	5,553
Utilities expenses		1,519	1,734	1,378	1,270
Others		7,802	5,671	9,262	5,247
Total		101,781	209,998	125,205	302,946

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

27 Employee benefit expenses

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Wages and salaries		127,365	136,939	96,662	47,370
Defined contribution plan		6,403	7,281	4,789	2,815
Defined benefit plan	20	2,539	(11,518)	1,665	(5,021)
Share-based payment transactions	23	305	(545)	305	(545)
Voluntary resignation plan		-	69,082	-	32,179
Others		29,208	31,016	21,735	7,464
Total		165,820	232,255	125,156	84,262

During the year 2017, the Group announced voluntary resignation plans for business restructuring of the Group. The Group and the Company had expenditures related to the voluntary resignation plan for the year ended 31 December 2017 amounted to Baht 69.08 million and Baht 32.18 million, respectively.

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.

28 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 financial statements		Separate financial statements	
	<i>Note</i>	2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Cost of production and programmes		134,457	240,932	157,695	123,104
Employee benefit expenses	27	165,820	232,255	125,156	84,262
Depreciation and amortisation	11, 12, 13, 14	68,915	127,683	35,648	48,251
Bad and doubtful debts expenses	26	18,924	65,391	47,900	206,529
Travelling expenses		11,509	11,433	9,360	1,051
Sharing service expenses		22,624	19,923	20,029	10,452
Marketing expenses	25	11,322	28,525	10,207	26,418
Office expenses		27,723	30,702	25,214	27,092
Others		22,015	11,802	20,672	11,214
Total cost of sales of goods and rendering of services, distribution costs and administrative expenses		483,309	768,646	451,881	538,373

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

29 Finance costs

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Interest expense from digital television licence payable	19	7,464	14,771	-	-
Other finance costs		5,978	5,850	805	693
Total		13,442	20,621	805	693

30 Income tax expense

Income tax recognised in profit or loss

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Deferred tax expense	15				
Movements in temporary differences		22,783	13,107	4,961	10,353
Total income tax expense		22,783	13,107	4,961	10,353

Income tax recognised in other comprehensive income

	Consolidated financial statements / Separate financial statements					
	Before tax	2018 Tax expense	Net of tax	Before tax	2017 Tax expense	Net of tax
			<i>(in thousand Baht)</i>			
Available-for-sale financial assets	-	-	-	72,921	(14,584)	58,337

Reconciliation of effective tax rate

	Consolidated financial statements			
	Rate (%)	2018 <i>(in thousand Baht)</i>	Rate (%)	2017 <i>(in thousand Baht)</i>
Loss before income tax expense		(76,009)		(903,132)
Income tax using the Thai corporation tax rate	20	(15,202)	20	(180,626)
Expenses not deductible for tax purposes		4,481		1,443
Temporary differences for which no deferred tax assets was recognised		(6,608)		143,439
Current year losses for which no deferred tax assets was recognised		17,329		48,851
Reversal from previously recognised deferred tax assets		22,783		-
Total	30	22,783	2	13,107

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

	Separate financial statements			
	2018	2017	2018	2017
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Loss before income tax expense		(113,298)		(1,116,676)
Income tax using the Thai corporation tax rate	20	(22,660)	20	(223,335)
Expenses not deductible for tax purposes		5,343		2,026
Temporary differences for which no deferred tax assets was recognised		9,210		218,192
Current year losses for which no deferred tax assets was recognised		8,107		13,470
Reversal from previously recognised deferred tax assets		4,961		-
Total	4	4,961	1	10,353

31 Loss per share

Basic loss per share

The calculations of basic loss per share for the years ended 31 December 2018 and 2017 were based on the loss for the years attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht / thousand shares)			
Loss attributable to ordinary shareholders of the Company (basic)	(98,793)	(916,238)	(118,259)	(1,127,028)
Weighted average number of ordinary shares outstanding	535,437	535,437	535,437	535,437
Loss per share (basic) (in Baht)	(0.18)	(1.71)	(0.22)	(2.10)

The Company did not present diluted loss per share as the Company's warrants have been expired.

32 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.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital and also monitors the level of dividends to ordinary shareholders.

Interest rate risk

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

Foreign currency risk

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

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

		Consolidated financial statement / Separate financial statement			
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		(in thousand Baht)			
31 December 2017					
Financial assets measured at fair value					
Debt security held for trading (Private fund)	18,990	-	18,990	-	18,990
Equity security available-for-sale	7,401	7,401	-	-	7,401

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

Measurement of fair values

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 fair values for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used. Related valuation processes are described in Note 2(d).

Type	Valuation technique
Investments in marketable securities	The net asset value as of the reporting date.

33 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<i>Future minimum lease payments under non-cancellable operating leases</i>				
Within one year	87,286	82,085	13,884	7,648
After one year but within five years	271,569	296,460	35,924	43,954
After five years	250,180	312,678	-	5,854
Total	609,035	691,223	49,808	57,456
<i>Other commitment</i>				
Bank guarantees	612,148	612,260	2,248	2,360

- 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 period up to 30 November 2020 with an option for renewal. The Company agreed to pay rental and service fees at the rate specified in the agreements.
- 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 subsidiary agreed to pay a fee at the rate specified in the agreement.
- A subsidiary entered into service agreements covering television broadcasting satellite services with two local companies for periods ranging from 3 years and 3 months to 5 years and 11 months, expiring in various periods up to 31 March 2020. The subsidiary committed to pay the fees for such television broadcasting totaling USD 2.08 million. During the year 2018, the subsidiary received the support of this service fee from NBTC recorded in account "Other income" amounting to Baht 15.95 million in consolidated statement of comprehensive income (2017: Baht 8.83 million).
- A subsidiary entered into a Standard Definition Terrestrial Digital Television Network Services agreement with Thai Royal Army Radio and Television Station for a period of 14 years and 5 months, commencing from 16 January 2014 to 31 May 2028. The subsidiary has obligations to pay the service fee amounting to Baht 3.50 million per month from 1 June 2018 to 31 May 2020 and amounting to Baht 4.72 million per month from 1 June 2020 onwards.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

- e) 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. During the year 2017, the service provider entered into an amendment of the agreement to change the expiry date of the agreement from 30 September 2021 to 30 September 2023 and all the other provision of the agreement remain unchanged.

34 Events after the reporting period

On 11 April 2019, the National Council for Peace and Order (“NCPO”) has released the order No. 4/2562 in subject of a measure to solve the problems of the operations of the Television and Telecommunication, by virtue of Section 265 of Constitution of the Kingdom of Thailand in conjunction with Section 44 of Constitution of the Kingdom of Thailand (interim), the significant details which related to the Group, are as follows:

1. Determining that any licensees granted the licenses of spectrum for providing the digital television service (“licensees”) who intend to return the licenses, are able to notify by giving a written letter for the license return to the Office of the NBTC within 30 days from the date of this order has been effectively enforced. Determining the Office of the NBTC considers for compensation to the licensees in accordance with the announcement of the Office of the NBTC dated 2 May 2019 in the subject of the terms, requirements, and conditions for compensation because of returning the licenses of spectrum for providing the digital television service and in consideration of the benefits which the licensees received during they had the operations and made the license fee payment.
2. Determining the Office of the NBTC considers for calling back the spectrum of 700 MHz during 674 - 790 MHz from the licensees besides the licensees who intend to return by themselves according to No.1 and determining the Office of the NBTC considers for the arrangement for replacement costs, indemnities or compensations to the licensees who has been called back the spectrum.
 - 2.1 The licensees will be exempted for the final instalment of the license fee from the minimum payment or the original fee and the last two instalments of the exceeding amount of the minimum payment or the original fee in accordance with the announcement and the process with the following:
 - a. In case of the licensees who have not made any license fee payment up to the instalment payment pursuant to no. 2.1, the licensees will have to make all the payments of the license fee in full before the instalment payment pursuant to no. 2.1 within 120 days from the date of this announcement has been effectively enforced.
 - b. In case of the licensees who have made the license fee payment after the instalment payments pursuant to no. 2.1, those licensees are entitled to refund the license fee.
 - 2.2 Providing a subsidy for the network rental expenditures in accordance with a national commercial digital terrestrial television broadcasting network service to the licensees over the remaining period of the licenses. The subsidy effectively commences after termination of the measure to relieve in accordance with paragraph one, no. 8 of NCPO No. 9/2561 in subject of a measure to relieve a license fee payment burden to the operators of sound transmission, television transmission and sound broadcasting and television broadcasting. Therefore, the Office of the NBTC will provide the subsidy to any licensees granted the licenses of a national commercial digital terrestrial television broadcasting network service according to actual amount as specified in the agreement which is not exceeded at the rate of NBTC approval.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

3. In case of the licensees jointly incorporating an organisation that complies audience measurement and television ratings in television channels to support the digital television industry, the Office of the NBTC considers for subsidy allocation for using and supporting so.

On 5 April 2019, the Labor Protection Act was amended to include a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Company has therefore amended its retirement plan in accordance with the changes in the Labor Protection Act in the year 2019. As a result of this change, the provision for retirement benefits as well as past service cost recognised during the year 2019 in the consolidated and separate financial statements increase by an amount of Baht 6.67 million and Baht 6.65 million, respectively.

35 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS which relevant to the Group's operations are expected to have significant impact on the consolidated and separate financial statements on the date of initial application. Those TFRS become effective for annual financial reporting periods beginning on or after 1 January of the following years.

TFRS	Topic	Effective
TFRS 7*	Financial Instruments: Disclosures	2020
TFRS 9*	Financial Instruments	2020
TFRS 15	Revenue from Contracts with Customers	2019
TFRS 16	Leases	2020
TAS 32*	Financial Instruments: Presentation	2020
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation	2020
TFRIC 19*	Extinguishing Financial Liabilities with Equity Instruments	2020

* TFRS - Financial instruments standards

(a) TFRS 15 Revenue from Contracts with Customers

TFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Revenue should be recognised when (or as) an entity transfers control over goods or services to a customer, measured at the amount to which the entity expects to be entitled.

The Group has made a preliminary assessment of the potential impact of adopting and initially applying TFRS 15 on the consolidated and separate financial statements and expects that there will be no material impact on the financial statements in the period of initial application.

(b) TFRS - Financial instruments standards

These TFRS establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting.

Management is presently considering the potential impact of adopting and initially applying TFRS – Financial instruments standards on the consolidated and separate financial statements.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 31 December 2018

(c) TFRS 16 Leases

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard, i.e. lessors continue to classify leases as finance or operating leases.

Management is presently considering the potential impact of adopting and initially applying TFRS 16 on the consolidated and separate financial statements.

36 Reclassification of accounts

Certain accounts in the 2017 financial statements have been reclassified to conform to the presentation in the 2018 financial statements as follows:

	2017					
	Consolidated financial statements			Separate financial statements		
	Before reclass-ification	Reclass-ification	After reclass-ification (in thousand Baht)	Before reclass-ification	Reclass-ification	After reclass-ification
Statement of financial position as at 31 December 2017						
Current assets						
Withholding tax deducted at source	19,748	(19,748)	-	12,646	(12,646)	-
Non-current assets						
Withholding tax deducted at source	-	49,055	49,055	-	27,772	27,772
Other non-current assets	35,751	(29,307)	6,444	18,353	(15,126)	3,227
		<u>-</u>			<u>-</u>	

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Group's business.

Other Reference Persons

Security Registrar (Common Share)

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

Certified Public Accountant

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

Certified Public Accountant

1. Ms.Sasithorn Pongadisak
Registration No. 8802 and/or
2. Ms.Marisa Tharathornbunpakul
Registration No. 5752 and/or
3. Mr.Thanit Osathalert
Registration No. 5155

Audit Fee

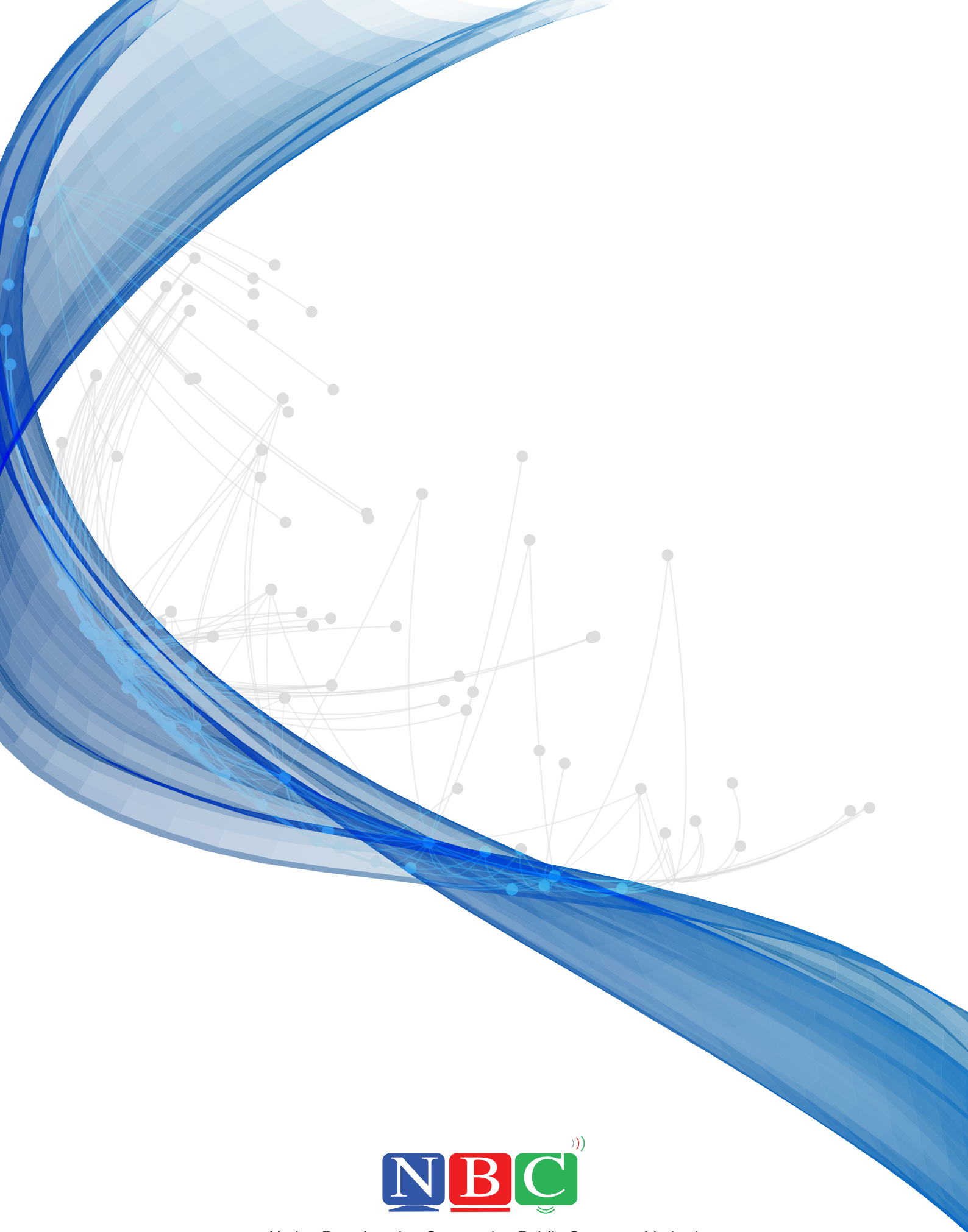
1. The audit fee of the Company and subsidiaries
for the year 2018 is Bt 1,850,000
2. Non-audit fee
-None-

Legal Consultants

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

Investor Relations

Nation Broadcasting Corporation Public Company
Limited
1858/57-62, 12A Floor, Debaratana Road,
Bangna-Tai Sub-District, Bangna District, Bangkok
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