

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

Interim financial statements
for the three-month period ended
31 March 2019

and

Independent auditor's report
on review of interim financial information



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Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors of Nation Broadcasting Corporation Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Nation Broadcasting Corporation Public Company Limited and its subsidiary, and of Nation Broadcasting Corporation Public Company Limited, respectively, as at 31 March 2019; the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the three-month period ended 31 March 2019; and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".



Emphasis of Matter

I draw attention to Note 2 to the interim financial statements, which indicates that the Group incurred a net loss of Baht 18.90 million for the three-month period ended 31 March 2019 and, as of that date, the Group and the Company had deficit of Baht 1,368.21 million and Baht 1,178.69 million, respectively. These events or conditions, along with other matters as set forth in Note 2 to the interim financial statements, 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 conclusion is not modified in respect of these matters.

Sasithorn P.

(Sasithorn Pongadisak)
Certified Public Accountant
Registration No. 8802

KPMG Phoomchai Audit Ltd.
Bangkok
4 July 2019

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Statement of financial position

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
Assets		31 March 2019 (Unaudited but reviewed)	31 December 2018	31 March 2019 (Unaudited but reviewed)	31 December 2018
<i>(in thousand Baht)</i>					
<i>Current assets</i>					
Cash and cash equivalents		60,974	118,693	58,199	116,231
Current investments	4	21,001	-	21,001	-
Trade accounts receivable	3, 5, 7	52,243	67,461	72,578	86,411
Accrued income	3, 7	52,110	37,603	33,483	22,445
Other receivables	3	25,959	21,158	11,109	3,276
Inventories		248	201	248	201
Input value added tax pending		6,325	10,517	2,246	5,855
Other current assets		6,725	6,089	630	-
Total current assets		225,585	261,722	199,494	234,419
<i>Non-current assets</i>					
Investment in subsidiary		-	-	-	-
Investment property		11,008	12,116	11,008	12,116
Plant and equipment		63,613	63,558	63,613	63,558
Intangible assets		9,608	3,078	9,422	2,808
Digital television licence		307,420	314,950	-	-
Withholding tax deducted at source		54,683	50,408	27,231	24,147
Other non-current assets		5,869	5,903	2,652	2,686
Total non-current assets		452,201	450,013	113,926	105,315
Total assets		677,786	711,735	313,420	339,734

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary

Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2019 (Unaudited but reviewed)	31 December 2018	31 March 2019 (Unaudited but reviewed)	31 December 2018
<i>(in thousand Baht)</i>					
Liabilities and equity					
Current liabilities					
Trade accounts payable	3	40,481	42,085	27,888	82,574
Other payables	3	6,717	9,559	6,332	8,752
Advance income	7	1,761	2,145	1,761	2,145
Accrued expenses	3	25,430	29,006	38,847	22,308
Output value added tax pending		12,202	18,411	10,280	12,926
Other current liabilities		18	1,856	18	1,856
Total current liabilities		86,609	103,062	85,126	130,561
Non-current liabilities					
Digital television licence payable		551,985	550,898	-	-
Non-current provisions for employee benefits		23,432	23,115	23,013	22,736
Total non-current liabilities		575,417	574,013	23,013	22,736
Total liabilities		662,026	677,075	108,139	153,297
Equity					
Share capital					
Authorised share capital		720,344	720,344	720,344	720,344
Issued and paid-up share capital		535,437	535,437	535,437	535,437
Share premium on ordinary shares		824,432	824,432	824,432	824,432
Retained earnings (Deficit)					
Appropriated					
Legal reserve		24,100	24,100	24,100	24,100
Deficit		(1,368,209)	(1,349,309)	(1,178,688)	(1,197,532)
Equity attributable to owners of the parent		15,760	34,660	205,281	186,437
Non-controlling interests		-	-	-	-
Total equity		15,760	34,660	205,281	186,437
Total liabilities and equity		677,786	711,735	313,420	339,734

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary

Statement of comprehensive income (Unaudited but reviewed)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Three-month period ended		Three-month period ended	
		31 March		31 March	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
Revenue					
Revenues from sale of goods and rendering of services	3, 6, 7	102,769	72,946	102,769	30,209
Interest income		171	71	171	71
Other income	3, 9	9,300	6,968	1,152	5,042
Total revenue		112,240	79,985	104,092	35,322
Expenses					
Costs of sales of goods and rendering of services	3	89,362	84,107	86,450	17,853
Distribution costs	3	9,031	6,053	9,031	5,116
Administrative expenses	3	17,863	17,934	16,997	15,382
Bad and doubtful debts expense (Reversal of)		12,276	6,429	(27,484)	33,356
Finance costs		2,608	4,352	254	160
Total expenses		131,140	118,875	85,248	71,867
Profit (loss) before income tax expense		(18,900)	(38,890)	18,844	(36,545)
Tax expense (income)		-	2,258	-	(47)
Profit (loss) for the period		(18,900)	(41,148)	18,844	(36,498)
Total comprehensive income (expense) for the period		(18,900)	(41,148)	18,844	(36,498)
Profit (loss) attributable to					
Owners of the parent		(18,900)	(41,148)	18,844	(36,498)
Non-controlling interests		-	-	-	-
Profit (loss) for the period		(18,900)	(41,148)	18,844	(36,498)
Total comprehensive income (expense) attributable to					
Owners of the parent		(18,900)	(41,148)	18,844	(36,498)
Non-controlling interests		-	-	-	-
Total comprehensive income (expense) for the period		(18,900)	(41,148)	18,844	(36,498)
Basic earnings (loss) per share (in Baht)		(0.035)	(0.076)	0.035	(0.068)

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 (Unaudited but reviewed)

		Consolidated financial statements								
		<u>Retained earnings (deficit)</u>			<u>Equity</u>					
		Issued and paid-up share capital	Share premium	Warrants	Legal reserve	Deficit	attributable to owners of the parent	Non-controlling interests	Total equity	
		<i>(in thousand Baht)</i>								
Three-month period ended 31 March 2018										
Balance at 1 January 2018		535,437	824,432	2,251	24,100	(1,264,537)	121,683	-	121,683	
Transactions with owners, recorded directly in equity										
<i>Distributions to owners of the parent</i>										
Share-based payment transactions		-	-	54	-	-	54	-	54	
<i>Total distributions to owners of the parent</i>		-	-	54	-	-	54	-	54	
Total transactions with owners, recorded directly in equity		-	-	54	-	-	54	-	54	
Comprehensive expense for the period										
Loss		-	-	-	-	(41,148)	(41,148)	-	(41,148)	
Total comprehensive expense for the period		-	-	-	-	(41,148)	(41,148)	-	(41,148)	
Balance at 31 March 2018		<u>535,437</u>	<u>824,432</u>	<u>2,305</u>	<u>24,100</u>	<u>(1,305,685)</u>	<u>80,589</u>	<u>-</u>	<u>80,589</u>	

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 (Unaudited but reviewed)

		Consolidated financial statements				
		<u>Retained earnings (deficit)</u>		Equity		
Issued and paid-up share capital	Share premium	Legal reserve	Deficit	attributable to owners of the parent	Non-controlling interests	Total equity
<i>(in thousand Baht)</i>						
Three-month period ended 31 March 2019						
535,437	824,432	24,100	(1,349,309)	34,660	-	34,660
Balance at 1 January 2019						
Comprehensive expense for the period						
-	-	-	(18,900)	(18,900)	-	(18,900)
Loss						
Total comprehensive expense for the period						
-	-	-	(18,900)	(18,900)	-	(18,900)
535,437	824,432	24,100	(1,368,209)	15,760	-	15,760
Balance at 31 March 2019						

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 (Unaudited but reviewed)

	Separate financial statements					Total equity
	Issued and paid-up share capital	Share premium	Warrants <i>(in thousand Baht)</i>	Legal reserve	Retained earnings (deficit) Deficit	
Three-month period ended 31 March 2018						
Balance at 1 January 2018	535,437	824,432	2,251	24,100	(1,090,190)	296,030
Transactions with owners, recorded directly in equity						
<i>Distributions to owners</i>						
Share-based payment transactions	-	-	54	-	-	54
<i>Total distributions to owners</i>	-	-	54	-	-	54
Total transactions with owners, recorded directly in equity	-	-	54	-	-	54
Comprehensive expense for the period						
Loss	-	-	-	-	(36,498)	(36,498)
Total comprehensive expense for the period	-	-	-	-	(36,498)	(36,498)
Balance at 31 March 2018	535,437	824,432	2,305	24,100	(1,126,688)	259,586

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 (Unaudited but reviewed)

	Separate financial statements				Total equity
	Issued and paid-up share capital	Share premium	Legal reserve	Retained earnings (deficit)	
<i>(in thousand Baht)</i>					
Three-month period ended 31 March 2019					
Balance at 1 January 2019	535,437	824,432	24,100	(1,197,532)	186,437
Comprehensive income for the period					
Profit	-	-	-	18,844	18,844
Total comprehensive expense for the period					
Total comprehensive expense for the period	-	-	-	18,844	18,844
Balance at 31 March 2019	<u>535,437</u>	<u>824,432</u>	<u>24,100</u>	<u>(1,178,688)</u>	<u>205,281</u>

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary

Statement of cash flows (Unaudited but reviewed)

	Consolidated		Separate	
	financial statements		financial statements	
	Three-month period ended		Three-month period ended	
	31 March		31 March	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit (loss) for the period	(18,900)	(41,148)	18,844	(36,498)
<i>Adjustments to reconcile loss to cash receipts (payments)</i>				
Tax expense (income)	-	2,258	-	(47)
Finance costs	2,608	4,352	254	160
Depreciation	8,466	8,607	8,466	8,607
Amortisation of intangible assets	312	1,329	229	154
Amortisation of digital television licence	7,531	7,531	-	-
Non-current provisions for employee benefit	941	634	904	304
Share-based payment	-	54	-	54
Loss on fair value adjustment of investment in debt security	-	4,949	-	4,949
Gain on disposal of investment in debt security	(152)	(187)	(152)	(186)
(Reversal of) Bad and doubtful debts expenses	12,276	6,429	(27,484)	33,357
Loss on inventories devaluation	-	63	-	63
Gain on disposal of equipment	(113)	-	(113)	-
Interest income	(171)	(71)	(171)	(71)
	12,798	(5,200)	777	10,846
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	7,627	41,051	6,239	47,712
Accrued income	(14,507)	3,946	(11,038)	21,518
Other receivables	(9,453)	728	27,278	(6,409)
Inventories	(47)	65	(47)	6
Input value added tax pending	4,192	1,377	3,609	1,138
Other current assets	(636)	1,516	(630)	-
Other non-current assets	34	415	34	414
Trade accounts payable	(1,604)	1,735	(54,686)	(14,319)
Other payables	(2,842)	(2,570)	(2,420)	(11,713)
Advance income	(384)	154	(384)	154
Accrued expenses	(3,576)	842	16,539	(9,246)
Employee benefit obligations	(826)	-	(826)	-

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary

Statement of cash flows (Unaudited but reviewed)

	Consolidated		Separate	
	financial statements		financial statements	
	Three-month period ended		Three-month period ended	
	31 March		31 March	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Output value added tax pending	(6,209)	(4,097)	(2,646)	(2,884)
Other current liabilities	<u>(1,838)</u>	<u>287</u>	<u>(1,838)</u>	<u>287</u>
Net cash generated from (used in) operating	(17,271)	40,249	(20,039)	37,504
Taxes paid	<u>(4,275)</u>	<u>(4,470)</u>	<u>(3,084)</u>	<u>(3,134)</u>
Net cash from (used in) operating activities	<u>(21,546)</u>	<u>35,779</u>	<u>(23,123)</u>	<u>34,370</u>
<i>Cash flows from investing activities</i>				
Current investments	(21,001)	-	(21,001)	-
Proceeds from sale of other debt security	118,652	124,187	118,652	122,186
Acquisition of debt security	(118,500)	(124,000)	(118,500)	(122,000)
Proceeds from sale of equipment	1,000	-	1,000	-
Acquisition of equipment	(8,301)	(342)	(8,301)	(342)
Acquisition of intangible assets	(6,842)	-	(6,842)	-
Interest received	<u>138</u>	<u>71</u>	<u>138</u>	<u>71</u>
Net cash used in investing activities	<u>(34,854)</u>	<u>(84)</u>	<u>(34,854)</u>	<u>(85)</u>
<i>Cash flows from financing activity</i>				
Interest paid	<u>(1,319)</u>	<u>(855)</u>	<u>(55)</u>	<u>(33)</u>
Net cash used in financing activity	<u>(1,319)</u>	<u>(855)</u>	<u>(55)</u>	<u>(33)</u>
Net increase (decrease) in cash and cash equivalents	(57,719)	34,840	(58,032)	34,252
Cash and cash equivalents at beginning of period	<u>118,693</u>	<u>60,242</u>	<u>116,231</u>	<u>55,908</u>
Cash and cash equivalents at ending of period	<u>60,974</u>	<u>95,082</u>	<u>58,199</u>	<u>90,160</u>
<i>Non-cash transactions</i>				
Payables for purchase of programme licences	-	1,950	-	-
Digital television licence payable	551,985	546,261	-	-

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the interim financial statements
For the three-month period ended 31 March 2019 (Unaudited but reviewed)

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Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the interim financial statements
For the three-month period ended 31 March 2019 (Unaudited but reviewed)

These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language financial statements, and were approved and authorised for issue by the Board of Directors on 4 July 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 parent company during the financial period 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 providing advertisements through TV media and new media forms.

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

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2018) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2018. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiary for the year ended 31 December 2018.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2018 except that the Group has adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2019.

The primary change is that the Group has initially adopted TFRS 15 *Revenue from Contracts with Customers* (“TFRS 15”), which replaced TAS 18 *Revenue* (“TAS 18”), TAS 11 *Construction Contracts* (“TAS 11”) and related interpretations.

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the interim financial statements
For the three-month period ended 31 March 2019 (Unaudited but reviewed)

Under TFRS 15, the Group recognises revenue when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled to. In addition, judgement is required in determining the timing of the transfer of control for revenue recognition - at a point in time or over time. Whereas, under TAS 18, the Group recognises revenue from sale of goods when the significant risks and rewards of ownership of the goods have been transferred to the buyer, and recognises revenue from rendering of services by reference to the stage of completion of the transaction at the end of the reporting period. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due. Such change in accounting policy has no material impacts on the financial statements.

For a number of new and revised TFRS which are not yet effective for current period, the Group has not early adopted these standards in preparing these interim financial statements before the effective date. Those new and revised TFRS that are relevant to the Group's operations are disclosed in Note 10.

(b) Functional and presentation currency

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

(c) Use of judgements and estimates

The preparation of interim 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.

In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2018, except for revenue recognition which requires judgement in determining the timing of the transfer of control - at a point in time or over time - according to the requirements of TFRS 15 which the Group has initially adopted.

Measurement of fair values

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 report directly to 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 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 reclassified.

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

Nation Broadcasting Corporation Public Company Limited and its Subsidiary
Notes to the interim financial statements
For the three-month period ended 31 March 2019 (Unaudited but reviewed)

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).

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 transfer in levels of the fair value hierarchy at the end of reported period that the transfer occurs.

Use of going concern basis of accounting

For the three-month period ended 31 March 2019, the Group incurred a net loss of Baht 18.90 million (2018: the Group and the Company incurred a net loss of Baht 41.15 million and Baht 36.50 million, respectively) and, as of that date, the Group and the Company had deficit of Baht 1,368.21 million and Baht 1,178.69 million, respectively (31 December 2018: Baht 1,349.31 million and Baht 1,197.53 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 9.

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.

Announcement of "C" (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 fifty percent 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 interim financial statements
For the three-month period ended 31 March 2019 (Unaudited but reviewed)

3 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.

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

Transactions	Pricing policies
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

Significant transactions for the three-month period ended 31 March with related parties were as follows:

<i>Three-month period ended 31 March</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Parent				
Rendering of services	5,490	901	5,490	901
Cost of rendering of services	796	1,240	796	269
Distribution costs and administrative expenses	5,876	3,509	5,876	1,389
Subsidiary				
Cost of rendering of services	-	-	19,800	306
Other income	-	-	-	4,395
Other related parties				
Rendering of services	2,595	158	2,595	-
Costs of sales of goods and rendering of services	200	1,301	200	1,226
Other income	316	300	316	300
Distribution costs and administrative expenses	485	966	485	27
Key management personnel				
Key management personnel compensation				
Wages and salaries	4,086	2,145	4,086	2,145
Defined contribution plan	114	137	114	137
Total key management personnel compensation	4,200	2,282	4,200	2,282

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Movements during the three-month period ended 31 March 2019 and 2018 of marketable equity and debt securities were as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Current investments				
Trading security				
At 1 January	-	-	-	-
Purchases during the period	118,500	124,000	118,500	122,000
Sales during the period	(118,500)	(124,000)	(118,500)	(122,000)
At 31 March	-	-	-	-
Trading security (Private fund)				
At 1 January	-	18,990	-	18,990
Valuation adjustment	-	(15)	-	(15)
At 31 March	-	18,975	-	18,975
Other long-term investment				
Available-for-sale security				
At 1 January	-	7,401	-	7,401
Valuation adjustment	-	(4,934)	-	(4,934)
At 31 March	-	2,467	-	2,467

5 Trade accounts receivable

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2019	31 December 2018	31 March 2019	31 December 2018
		<i>(in thousand Baht)</i>			
Related parties	3	52,784	45,270	72,141	63,616
Other parties		53,917	69,245	52,243	67,153
Total		106,701	114,515	124,384	130,769
Less allowance for doubtful accounts		(54,458)	(47,054)	(51,806)	(44,358)
Net		52,243	67,461	72,578	86,411
		2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Bad and doubtful debts expense for the three-month ended 31 March		7,591	1,048	7,594	1,048

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Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Related parties				
Within credit terms	7,800	10,395	7,800	10,394
Overdue:				
Less than 3 months	10,210	1,008	10,210	1,008
3-6 months	1,008	1,762	1,008	1,762
6-12 months	2,727	9,658	2,727	9,658
Over 12 months	31,039	22,447	50,396	40,794
	<u>52,784</u>	<u>45,270</u>	<u>72,141</u>	<u>63,616</u>
Less allowance for doubtful accounts	<u>(51,816)</u>	<u>(44,174)</u>	<u>(50,838)</u>	<u>(43,196)</u>
	<u>968</u>	<u>1,096</u>	<u>21,303</u>	<u>20,420</u>
Other parties				
Within credit terms	32,067	38,066	32,067	37,692
Overdue:				
Less than 3 months	17,533	26,282	17,533	26,282
3-6 months	1,465	1,577	1,465	1,577
6-12 months	210	440	210	440
Over 12 months	2,642	2,880	968	1,162
	<u>53,917</u>	<u>69,245</u>	<u>52,243</u>	<u>67,153</u>
Less allowance for doubtful accounts	<u>(2,642)</u>	<u>(2,880)</u>	<u>(968)</u>	<u>(1,162)</u>
	<u>51,275</u>	<u>66,365</u>	<u>51,275</u>	<u>65,991</u>
Net	<u>52,243</u>	<u>67,461</u>	<u>72,578</u>	<u>86,411</u>

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

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6 Operating segment

Information about reportable segments

<i>Three-month period ended 31 March</i>	TV advertising media		New media advertising		Others		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
External revenue	95,832	65,664	5,522	7,176	1,415	106	102,769	72,946
Other income	9,471	7,035	-	4	-	-	9,471	7,039
Total segment revenue	105,303	72,699	5,522	7,180	1,415	106	112,240	79,985
Segment profit (loss) before income tax	(24,557)	(43,153)	4,243	4,253	1,415	10	(18,899)	(38,890)
Segment assets as at 31 March / 31 December	586,880	597,035	13,728	7,055	-	268	600,608	604,358
Segment liabilities as at 31 March / 31 December	637,068	655,469	912	813	-	-	637,980	656,282

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Reconciliations of reportable segment assets and liabilities

	31 March 2019	31 December 2018
	<i>(in thousand Baht)</i>	
Assets		
Total assets for reportable segments	600,608	604,358
Other unallocated amounts	<u>77,178</u>	<u>107,377</u>
Consolidated total assets	<u>677,786</u>	<u>711,735</u>
Liabilities		
Total liabilities for reportable segments	637,980	656,282
Other unallocated amounts	<u>24,046</u>	<u>20,793</u>
Consolidated total liabilities	<u>622,026</u>	<u>677,075</u>

7 Revenue

The Group's operations and main revenue streams are described in the last annual financial statements
The Group's main revenue is derived from contracts with customers.

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Disaggregation of revenue

In the following table, revenue is disaggregated by major products and service lines and timing of revenue recognition.

	Consolidated financial statements					
	Reportable segments			Others		
	TV advertising media	New media advertising	2019	2018	2019	2018
<i>Three-month period ended 31 March</i>	2019	2018	2019	2018	2019	2018
	<i>(in thousand Baht)</i>					
Major products and service lines						
Advertising	95,746	63,765	5,522	7,176	101,268	71,047
Others	86	1,899	-	-	1,501	1,899
Total	95,832	65,664	5,522	7,176	102,769	72,946
Timing of revenue recognition						
At a point in time	83,422	56,986	-	106	83,422	57,092
Over time	12,410	8,678	5,522	7,176	19,347	15,854
Total	95,832	65,664	5,522	7,176	102,769	72,946
	Separate financial statements					
	Reportable segments			Others		
	TV advertising media	New media advertising	2019	2018	2019	2018
<i>Three-month period ended 31 March</i>	<i>(in thousand Baht)</i>					
Major products and service lines						
Advertising	95,746	21,028	5,522	7,176	101,268	28,310
Others	86	1,899	-	-	1,501	1,899
Total	95,832	22,927	5,522	7,176	102,769	30,209
Timing of revenue recognition						
At a point in time	83,422	14,249	-	106	83,422	14,355
Over time	12,410	8,678	5,522	7,176	19,347	15,854
Total	95,832	22,927	5,522	7,176	102,769	30,209

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The Group is operated principally in Thailand. There are no material revenues derived from foreign countries.

Contract Balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	Consolidated financial statements		Separate financial statements	
	31 March 2019	1 January 2019	31 March 2019	1 January 2019
	<i>(in thousand Baht)</i>			
Trade accounts receivable	52,243	67,461	72,578	86,411
Contract assets - accrued income				
- Current	33,483	22,445	33,483	22,445
Contract liabilities - advance income				
- Current	1,761	2,145	1,761	2,145

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional to the Group. This usually occurs when an invoice is issued to the customer.

The contract liabilities primarily relate to the advance consideration received from customers for rendering of services. The Group recognises such contract liabilities as revenue when providing services to the customers.

8 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
	<i>(in thousand Baht)</i>			
<i>Future minimum lease payments under non-cancellable operating leases</i>				
Within one year	85,434	87,286	13,894	13,884
After one year but within five years	265,308	271,569	32,462	35,924
After five years	236,019	250,180	-	-
Total	586,761	609,035	46,356	49,808
<i>Other commitment</i>				
Bank guarantees	611,978	612,148	2,078	2,248

- a) The Company entered into lease and service agreements for its office premises and facilities with a local company for a period of 3 years, expiring in various periods up to 30 November 2020 with an option for renewal. The Company agreed to pay rental and service fees at the rate specified in the agreements.
- b) A subsidiary entered into a news supply agreement with a foreign company for a period of 5 years, commencing from 1 June 2016 to 31 May 2021 with an option for renewal. The Subsidiary agreed to pay a fee at the rate specified in the agreement.

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- c) 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 at the rate specified in the agreement. During the three-month period ended 31 March 2019, the subsidiary received the support of this service fee from NBTC and recorded in account "Other income" amounting to Baht 2.88 million in consolidated statement of comprehensive income (2018: Baht 6.26 million).
- d) 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.
- 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.

9 Events after the reporting period

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 Group has therefore amended its retirement plan in accordance with the changes in the Labor Protection Act in the second quarter of 2019. As a result of this change, the provision for retirement benefits as at 30 June 2019 as well as past service cost recognised during the three-month and six-month period then ended in the consolidated and separate financial statements increased by an amount of Baht 6.67 million and Baht 6.65 million, respectively.

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.

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- 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.
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.

10 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 which become effective for annual financial reporting periods beginning on or after 1 January 2020 are as follows:

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

* TFRS - Financial instruments standards

(a) TFRS - Financial instruments standards

These TFRSs 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.

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(b) 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.