

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

Interim financial statements  
for the three-month and six-month periods ended  
30 June 2017

and

Independent auditor's report  
on review of interim financial information

## **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 subsidiaries, and of Nation Broadcasting Corporation Public Company Limited, respectively, as at 30 June 2017; the consolidated and separate statements of comprehensive income for the three-month and six-month periods ended 30 June 2017, changes in equity and cash flows for the six-month period ended 30 June 2017; 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”.

(Patamavan Vadhanakul)  
Certified Public Accountant  
Registration No. 9832

KPMG Phoomchai Audit Ltd.  
Bangkok  
3 August 2017

# Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

## Statement of financial position

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 June 2017 (Unaudited)	31 December 2016	30 June 2017 (Unaudited)	31 December 2016
<i>(in thousand Baht)</i>					
<b>Current assets</b>					
Cash and cash equivalents	4	82,466	136,012	75,211	124,849
Current investments	4	-	126,196	-	126,196
Trade accounts receivable	5	132,970	144,450	274,212	278,671
Accrued income	3	54,052	53,539	65,253	77,450
Other receivables	3	56,407	57,956	227,981	85,072
Inventories		12,552	16,210	12,552	16,211
Other current assets		53,298	67,774	20,924	34,271
<b>Total current assets</b>		<b>391,745</b>	<b>602,137</b>	<b>676,133</b>	<b>742,720</b>
<b>Non-current assets</b>					
Investments in subsidiaries	6	-	-	800,250	810,250
Long-term investment in related party	4	7,401	18,092	7,401	18,092
Investment property		10,675	10,951	10,675	10,951
Plant and equipment	7	116,469	142,242	116,469	142,242
Intangible assets		15,309	24,258	1,325	4,584
Digital television licence	8	933,683	973,190	-	-
Deferred tax assets		52,760	50,474	31,991	29,898
Other non-current assets		46,600	22,537	22,420	5,959
<b>Total non-current assets</b>		<b>1,182,897</b>	<b>1,241,744</b>	<b>990,531</b>	<b>1,021,976</b>
<b>Total assets</b>		<b>1,574,642</b>	<b>1,843,881</b>	<b>1,666,664</b>	<b>1,764,696</b>

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

# Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

## Statement of financial position

	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 June 2017 (Unaudited)	31 December 2016	30 June 2017 (Unaudited)	31 December 2016
<i>(in thousand Baht)</i>					
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade accounts payable	3	21,270	24,393	221,281	248,950
Other current payables	3	18,940	16,095	16,375	22,646
Deferred income		16,949	34,604	16,949	33,871
Current portion of digital television licence payable	8	111,770	221,437	-	-
Accrued expenses	3	56,022	57,956	43,951	48,776
Current income tax payable		-	3	-	-
Other current liabilities		38,228	39,966	24,119	24,337
<b>Total current liabilities</b>		<b>263,179</b>	<b>394,454</b>	<b>322,675</b>	<b>378,580</b>
<b>Non-current liabilities</b>					
Digital television licence payable	8	425,887	430,026	-	-
Non-current provisions for employee benefit		33,947	39,272	18,507	20,849
<b>Total non-current liabilities</b>		<b>459,834</b>	<b>469,298</b>	<b>18,507</b>	<b>20,849</b>
<b>Total liabilities</b>		<b>723,013</b>	<b>863,752</b>	<b>341,182</b>	<b>399,429</b>
<b>Shareholders' equity</b>					
Share capital					
Authorised share capital		720,344	720,344	720,344	720,344
Issued and paid share capital		535,437	535,437	535,437	535,437
Share premium on ordinary shares		824,432	824,432	824,432	824,432
Warrants	9	2,495	2,796	2,495	2,796
Retained earnings (Deficit)					
Appropriated					
Legal reserve		24,100	24,100	24,100	24,100
Unappropriated (Deficit)		(467,949)	(348,299)	5,904	36,839
Other components of shareholders' equity		(66,886)	(58,337)	(66,886)	(58,337)
<b>Equity attributable to owners of the parent</b>		<b>851,629</b>	<b>980,129</b>	<b>1,325,482</b>	<b>1,365,267</b>
Non-controlling interests		-	-	-	-
<b>Total shareholders' equity</b>		<b>851,629</b>	<b>980,129</b>	<b>1,325,482</b>	<b>1,365,267</b>
<b>Total liabilities and shareholders' equity</b>		<b>1,574,642</b>	<b>1,843,881</b>	<b>1,666,664</b>	<b>1,764,696</b>

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

# Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

## Statement of comprehensive income (Unaudited)

	<i>Note</i>	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		Three month period ended		Three month period ended	
		30 June		30 June	
		2017	2016	2017	2016
<i>(in thousand Baht)</i>					
<b>Revenues</b>					
Revenues from sales and services	3	126,978	107,941	65,986	49,337
Interest income		1,902	4,079	1,898	4,023
Other income	3, 6	3,898	906	7,952	7,529
<b>Total revenues</b>		<b>132,778</b>	<b>112,926</b>	<b>75,836</b>	<b>60,889</b>
<b>Expenses</b>					
Costs of sales of goods and rendering of services	3	135,552	148,197	51,993	44,854
Distribution costs	3	9,421	16,302	9,418	14,004
Administrative expenses	3	31,509	21,985	31,373	20,826
Finance costs		4,652	10,120	208	224
<b>Total expenses</b>		<b>181,134</b>	<b>196,604</b>	<b>92,992</b>	<b>79,908</b>
<b>Loss before income tax expense</b>		<b>(48,356)</b>	<b>(83,678)</b>	<b>(17,156)</b>	<b>(19,019)</b>
Tax (expense) income		(2,623)	16,567	(2,821)	3,635
<b>Loss for the period</b>		<b>(50,979)</b>	<b>(67,111)</b>	<b>(19,977)</b>	<b>(15,384)</b>
<b>Other comprehensive income</b>					
<i>Components of other comprehensive income that will be reclassified to profit or loss</i>					
Losses on remeasurement investments held as available for sale	4	(10,691)	-	(10,691)	-
Net change in fair value of available-for-sale investment transferred to profit or loss		(402)	(4,112)	(402)	(4,112)
Income tax relating to components of other comprehensive income income that will be reclassified to profit or loss		2,218	822	2,218	822
<b>Total components of other comprehensive income that will be reclassified to profit or loss</b>		<b>(8,875)</b>	<b>(3,290)</b>	<b>(8,875)</b>	<b>(3,290)</b>

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

# Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

## Statement of comprehensive income (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Three month period ended		Three month period ended	
	30 June		30 June	
Note	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
<b>Component of other comprehensive income that will not be reclassified to profit or loss</b>				
Losses on remeasurements of defined benefit plans	-	-	-	-
Income tax relating to component of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
<b>Total component of other comprehensive income that will not be reclassified to profit or loss</b>	-	-	-	-
<b>Other comprehensive income (expense) for the period, net of tax</b>	<b>(8,875)</b>	<b>(3,290)</b>	<b>(8,875)</b>	<b>(3,290)</b>
<b>Total comprehensive income (expense) for the period</b>	<b>(59,854)</b>	<b>(70,401)</b>	<b>(28,852)</b>	<b>(18,674)</b>
<b>Profit (loss) attributable to</b>				
Owners of parent	(50,979)	(67,111)	(19,977)	(15,384)
Non-controlling interests	-	-	-	-
<b>Profit (loss) for the period</b>	<b>(50,979)</b>	<b>(67,111)</b>	<b>(19,977)</b>	<b>(15,384)</b>
<b>Total comprehensive income (expense) attributable to</b>				
Owners of parent	(59,854)	(70,401)	(28,852)	(18,674)
Non-controlling interests	-	-	-	-
<b>Total comprehensive income (expense) for the period</b>	<b>(59,854)</b>	<b>(70,401)</b>	<b>(28,852)</b>	<b>(18,674)</b>
<b>Loss per share (in Baht)</b>				
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Basic and diluted loss per share	(0.095)	(0.125)	(0.037)	(0.029)

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

# Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

## Statement of comprehensive income (Unaudited)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Six month period ended		Six month period ended	
		30 June		30 June	
		2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
<b>Revenues</b>					
Revenues from sales and services	3	294,006	241,044	158,685	117,475
Interest income		3,158	8,221	3,154	8,111
Other income	3, 6	4,867	1,589	15,434	15,049
<b>Total revenues</b>		<b>302,031</b>	<b>250,854</b>	<b>177,273</b>	<b>140,635</b>
<b>Expenses</b>					
Costs of sales of goods and rendering of services	3	291,098	301,221	116,244	93,289
Distribution costs	3	25,423	32,531	25,294	27,633
Administrative expenses	3	93,457	42,467	66,239	40,493
Finance costs		11,851	20,324	387	435
<b>Total expenses</b>		<b>421,829</b>	<b>396,543</b>	<b>208,164</b>	<b>161,850</b>
<b>Loss before income tax expense</b>		<b>(119,798)</b>	<b>(145,689)</b>	<b>(30,891)</b>	<b>(21,215)</b>
Tax (expense) income	11	148	29,550	(44)	3,921
<b>Loss for the period</b>		<b>(119,650)</b>	<b>(116,139)</b>	<b>(30,935)</b>	<b>(17,294)</b>
<b>Other comprehensive income</b>					
<i>Components of other comprehensive income that will be reclassified to profit or loss</i>					
Losses on remeasurement investments held as available for sale	4	(10,284)	-	(10,284)	-
Net change in fair value of available-for-sale investment transferred to profit or loss		(402)	-	(402)	-
Income tax relating to components of other comprehensive income that will be reclassified to profit or loss		2,137	-	2,137	-
<b>Total components of other comprehensive income that will be reclassified to profit or loss</b>		<b>(8,549)</b>	<b>-</b>	<b>(8,549)</b>	<b>-</b>

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# Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

## Statement of comprehensive income (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Six month period ended		Six month period ended	
	30 June		30 June	
Note	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
<b>Component of other comprehensive income that will not be reclassified to profit or loss</b>				
Losses on remeasurements of defined benefit plans	-	(9,925)	-	(4,029)
Income tax relating to component of other comprehensive income that will not be reclassified to profit or loss	-	1,985	-	806
<b>Total component of other comprehensive income that will not be reclassified to profit or loss</b>	<b>-</b>	<b>(7,940)</b>	<b>-</b>	<b>(3,223)</b>
<b>Other comprehensive income (expense) for the period, net of tax</b>	<b>(8,549)</b>	<b>(7,940)</b>	<b>(8,549)</b>	<b>(3,223)</b>
<b>Total comprehensive income (expense) for the period</b>	<b>(128,199)</b>	<b>(124,079)</b>	<b>(39,484)</b>	<b>(20,517)</b>
<b>Profit (loss) attributable to</b>				
Owners of parent	(119,650)	(116,139)	(30,935)	(17,294)
Non-controlling interests	-	-	-	-
<b>Profit (loss) for the period</b>	<b>(119,650)</b>	<b>(116,139)</b>	<b>(30,935)</b>	<b>(17,294)</b>
<b>Total comprehensive income (expense) attributable to</b>				
Owners of parent	(128,199)	(124,079)	(39,484)	(20,517)
Non-controlling interests	-	-	-	-
<b>Total comprehensive income (expense) for the period</b>	<b>(128,199)</b>	<b>(124,079)</b>	<b>(39,484)</b>	<b>(20,517)</b>
<b>Loss per share (in Baht)</b>				
Basic and diluted loss per share	(0.223)	(0.217)	(0.058)	(0.032)

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

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

**Statement of changes in equity (Unaudited)**

<b>Consolidated financial statements</b>									
Other component									
Retained earnings / (Deficit) of shareholders' equity									
Equity									
attributable to									
owners of									
parent									
Non-controlling									
interests									
Total									
shareholders'									
equity									
Note	Issued and paid share capital	Share premium	Warrants	Legal reserve	Deficit	Investments held as available for sale	Equity attributable to owners of parent	Non-controlling interests	Total shareholders' equity
<i>(in thousand Baht)</i>									
<b>Six month period ended 30 June 2016</b>									
<b>Balance at 1 January 2016</b>	535,437	824,432	1,746	24,100	(22,062)	(47,153)	1,316,500	-	1,316,500
<b>Transactions with owners, recorded directly in equity</b>									
<i>Contributions by and distributions to owners of the parent</i>									
Share-based payment transactions	9	-	-	576	-	-	576	-	576
Dividends to owners of the Company	-	-	-	-	(42,835)	-	(42,835)	-	(42,835)
<b>Total contributions by and distributions to owners of the parent</b>	<b>-</b>	<b>-</b>	<b>576</b>	<b>-</b>	<b>(42,835)</b>	<b>-</b>	<b>(42,259)</b>	<b>-</b>	<b>(42,259)</b>
<b>Total transactions with owners, recorded directly in equity</b>	<b>-</b>	<b>-</b>	<b>576</b>	<b>-</b>	<b>(42,835)</b>	<b>-</b>	<b>(42,259)</b>	<b>-</b>	<b>(42,259)</b>
<b>Comprehensive income (expense) for the period</b>									
Profit or loss	-	-	-	-	(116,139)	-	(116,139)	-	(116,139)
Other comprehensive income (expense)	-	-	-	-	(7,940)	-	(7,940)	-	(7,940)
<b>Total comprehensive income (expense) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(124,079)</b>	<b>-</b>	<b>(124,079)</b>	<b>-</b>	<b>(124,079)</b>
<b>Balance at 30 June 2016</b>	<b>535,437</b>	<b>824,432</b>	<b>2,322</b>	<b>24,100</b>	<b>(188,976)</b>	<b>(47,153)</b>	<b>1,150,162</b>	<b>-</b>	<b>1,150,162</b>

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

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

**Statement of changes in equity (Unaudited)**

	<b>Consolidated financial statements</b>									
		Issued and paid share capital	Share premium	Warrants	Legal reserve	Deficit	Other component of shareholders' equity	Equity attributable to owners of parent	Non-controlling interests	Total shareholders' equity
						Deficit	Investments held as available for sale			
<i>(in thousand Baht)</i>										
<b>Six month period ended 30 June 2017</b>										
<b>Balance at 1 January 2017</b>		535,437	824,432	2,796	24,100	(348,299)	(58,337)	980,129	-	980,129
<b>Transactions with owners, recorded directly in equity</b>										
<i>Contributions by and distributions to owners of the parent</i>										
Share-based payment transactions	9	-	-	(301)	-	-	-	(301)	-	(301)
<i>Total contributions by and distributions to owners of the parent</i>		-	-	(301)	-	-	-	(301)	-	(301)
<b>Total transactions with owners, recorded directly in equity</b>		-	-	(301)	-	-	-	(301)	-	(301)
<b>Comprehensive income (expense) for the period</b>										
Profit or loss		-	-	-	-	(119,650)	-	(119,650)	-	(119,650)
Other comprehensive income (expense)		-	-	-	-	-	(8,549)	(8,549)	-	(8,549)
<b>Total comprehensive income (expense) for the period</b>		-	-	-	-	(119,650)	(8,549)	(128,199)	-	(128,199)
<b>Balance at 30 June 2017</b>		<u>535,437</u>	<u>824,432</u>	<u>2,495</u>	<u>24,100</u>	<u>(467,949)</u>	<u>(66,886)</u>	<u>851,629</u>	<u>-</u>	<u>851,629</u>

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

## Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

### Statement of changes in equity (Unaudited)

	Note	Issued and paid share capital	Share premium	Warrants	Separate financial statements		Other component of shareholders' equity Investments held as available for sale	Total shareholders' equity
					Retained earnings			
					Legal reserve	Unappropriated		
<i>(in thousand Baht)</i>								
<b>Six month period ended 30 June 2016</b>								
Balance at 1 January 2016		535,437	824,432	1,746	24,100	123,025	(47,153)	1,461,587
<b>Transactions with owners, recorded directly in equity</b>								
<i>Contributions by and distributions to owners of the Company</i>								
Share-based payment transactions	9	-	-	576	-	-	-	576
Dividends to owners of the Company		-	-	-	-	(42,835)	-	(42,835)
<b>Total contributions by and distributions to owners of the Company</b>		-	-	<b>576</b>	-	<b>(42,835)</b>	-	<b>(42,259)</b>
<b>Total transactions with owners, recorded directly in equity</b>		-	-	<b>576</b>	-	<b>(42,835)</b>	-	<b>(42,259)</b>
<b>Comprehensive income (expense) for the period</b>								
Profit or loss		-	-	-	-	(17,294)	-	(17,294)
Other comprehensive income (expense)		-	-	-	-	(3,223)	-	(3,223)
<b>Total comprehensive income (expense) for the period</b>		-	-	-	-	<b>(20,517)</b>	-	<b>(20,517)</b>
<b>Balance at 30 June 2016</b>		<b>535,437</b>	<b>824,432</b>	<b>2,322</b>	<b>24,100</b>	<b>59,673</b>	<b>(47,153)</b>	<b>1,398,811</b>

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

## Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

### Statement of changes in equity (Unaudited)

	Note	Separate financial statements						Total shareholders' equity
		Issued and paid share capital	Share premium	Warrants	Retained earnings		Other component of shareholders' equity	
					Legal reserve	Unappropriated	Investments held as available for sale	
<i>(in thousand Baht)</i>								
<b>Six month period ended 30 June 2017</b>								
Balance at 1 January 2017		535,437	824,432	2,796	24,100	36,839	(58,337)	1,365,267
<b>Transactions with owners, recorded directly in equity</b>								
<i>Contributions by and distributions to owners of the Company</i>								
Share-based payment transactions	9	-	-	(301)	-	-	-	(301)
<i>Total contributions by and distributions to owners of the Company</i>		-	-	(301)	-	-	-	(301)
<b>Total transactions with owners, recorded directly in equity</b>		-	-	(301)	-	-	-	(301)
<b>Comprehensive income (expense) for the period</b>								
Profit or loss		-	-	-	-	(30,935)	-	(30,935)
Other comprehensive income (expense)		-	-	-	-	-	(8,549)	(8,549)
<b>Total comprehensive income (expense) for the period</b>		-	-	-	-	(30,935)	(8,549)	(39,484)
<b>Balance at 30 June 2017</b>		<u>535,437</u>	<u>824,432</u>	<u>2,495</u>	<u>24,100</u>	<u>5,904</u>	<u>(66,886)</u>	<u>1,325,482</u>

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

## Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

### Statement of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Six month period ended		Six month period ended	
	30 June		30 June	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
<b><i>Cash flows from operating activities</i></b>				
Loss for the period	(119,650)	(116,139)	(30,935)	(17,294)
<i>Adjustments to reconcile loss to cash receipts (payments)</i>				
Tax expense (income)	(148)	(29,550)	44	(3,921)
Finance costs	11,851	20,324	387	435
Depreciation	20,676	23,742	20,676	23,742
Amortisation of intangible assets	8,480	3,670	343	531
Amortisation of digital television licence	39,507	39,507	-	-
Non-current provisions for employee benefit	(5,791)	1,501	(2,598)	758
(Reversal of) share-based payment	(301)	576	(301)	576
Gains on fair value adjustment of investment in debt security	28	(108)	28	(108)
Gains on disposal of investment in debt security	(609)	(207)	(609)	(199)
Gains on disposal of investment in subsidiary	-	-	(437)	-
(Reversal of) bad and doubtful debts expenses	260	(639)	216	(625)
Losses on inventories devaluation	1,243	281	1,243	281
Gains on disposal of equipment	(122)	-	(122)	-
Losses on written-off of equipment	10,031	63	10,031	63
Interest income	(3,158)	(8,221)	(3,154)	(8,111)
	<u>(37,703)</u>	<u>(65,200)</u>	<u>(5,188)</u>	<u>(3,872)</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	11,220	78,251	4,243	58,948
Accrued income	(513)	21,975	12,197	32,538
Other receivables	1,479	(25,847)	(142,979)	(278,043)
Inventories	3,199	(6,083)	3,200	(6,083)
Other current assets	(351)	(10,828)	2,723	3,586
Other non-current assets	(2,247)	1	(2,119)	(300)
Trade accounts payable	(202)	3,979	(27,669)	(53,291)
Other payables	3,897	1,194	(5,219)	(12,915)
Deferred income	(16,783)	21,807	(16,050)	20,925
Accrued expenses	(1,874)	9,555	(4,825)	11,661
Other current liabilities	(1,738)	(7,343)	(218)	(4,055)
Net cash generated from (used in) operating	<u>(41,616)</u>	<u>21,461</u>	<u>(181,904)</u>	<u>(230,901)</u>
Taxes paid	(9,321)	(11,752)	(6,047)	(8,166)
Withholding tax refunded	1,545	2,349	1,545	2,349
<b>Net cash from (used in) operating activities</b>	<b><u>(49,392)</u></b>	<b><u>12,058</u></b>	<b><u>(186,406)</u></b>	<b><u>(236,718)</u></b>

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

# Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

## Statement of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Six month period ended		Six month period ended	
	30 June		30 June	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
<b><i>Cash flows from investing activities</i></b>				
Proceeds from disposal of subsidiary, net of cash disposal	-	-	10,437	-
Current investments	55,148	290,000	55,148	290,000
Proceeds from sale of debt security in private fund	90,000	-	91,193	-
Acquisition of debt security in private fund	(90,000)	-	(89,954)	-
Proceeds from sale of other debt security	351,829	460,449	346,829	447,038
Acquisition of other debt security	(280,200)	(456,200)	(275,200)	(443,300)
Proceeds from sale of equipment	328	7,383	328	7,383
Acquisition of equipment	(1,905)	(4,082)	(1,905)	(4,082)
Acquisition of programme licences	(5,429)	(3,437)	-	-
Acquisition of intangible assets	(1,095)	-	(1,095)	-
Digital television licence payment	(122,800)	(245,600)	-	-
Interest received	2,361	9,685	1,118	9,681
<b>Net cash from (used in) investing activities</b>	<b>(1,763)</b>	<b>58,198</b>	<b>136,899</b>	<b>306,720</b>
<b><i>Cash flows from financing activities</i></b>				
Dividends paid to owners of the Company	-	(42,835)	-	(42,835)
Interest paid	(2,391)	(2,515)	(131)	(114)
<b>Net cash used in financing activities</b>	<b>(2,391)</b>	<b>(45,350)</b>	<b>(131)</b>	<b>(42,949)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(53,546)</b>	<b>24,906</b>	<b>(49,638)</b>	<b>27,053</b>
Cash and cash equivalents at beginning of period	136,012	84,772	124,849	79,998
<b>Cash and cash equivalents at ending of period</b>	<b>82,466</b>	<b>109,678</b>	<b>75,211</b>	<b>107,051</b>
<b><i>Non-cash transactions</i></b>				
Payables for purchase of equipment	-	47	-	47
Payables for purchase of programme licences	1,950	10,941	-	-
Digital television licence payable	537,657	634,005	-	-
Asset received from rendering of services	-	10,823	-	10,823

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

**Nation Broadcasting Corporation Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2017 (Unaudited)**

<b>Note</b>	<b>Contents</b>
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**Nation Broadcasting Corporation Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
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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 3 August 2017.

**1 General information**

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

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

The immediate 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 Company are production of TV and radio programmes and providing advertisements through TV media, radio media and new media forms.

**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 2016) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (FAP); 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 2016. 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 subsidiaries for the year ended 31 December 2016.

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 2016 except that the Group has adopted all the revised TFRS that are effective for annual periods beginning on or after 1 January 2017. The adoption of these revised TFRS did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Group or the Company.

*(b) Functional and presentation currency*

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

**Nation Broadcasting Corporation Public Company Limited and its Subsidiaries**  
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(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 2016.

Measurement of fair values

Significant valuations are reported to the Group Audit Committee.

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

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

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

Further information about the assumptions made in measuring fair values is included in note 13 - financial instruments.

**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.

**Nation Broadcasting Corporation Public Company Limited and its Subsidiaries**  
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Relationships with subsidiaries are described in note 6. Relationship with key management and other related parties were as follows:

<b>Name of entities</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationships</b>
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	71.04% shareholding by parent, some common directors
Nation News Network Co., Ltd.	Thailand	99.99% shareholding by parent, some common directors
NML Co., Ltd	Thailand	99.99% shareholding by parent, some common directors
Kom Chad Luek Media Co., Ltd.	Thailand	99.99% shareholding by parent, some common directors
Krungthep Turakij Media Co., Ltd.	Thailand	99.99% shareholding by parent, some common directors
Bangkok Business Broadcasting Co., Ltd.	Thailand	99.93% shareholding by parent, some common directors
Nation U Co., Ltd.	Thailand	90.00% shareholding by parent, some common directors
WPS (Thailand) Co., Ltd.	Thailand	84.50% shareholding by parent, some common directors
Nation University	Thailand	University, a license holding by Nation U Co., Ltd.
Nation Global Edutainment Co., Ltd.	Thailand	99.74% shareholding by Nation International Edutainment Public Company Limited, some common directors
Thai Portal Co., Ltd.	Thailand	Related party, 19.00% shareholding by Kom Chad Luek Media Co., Ltd.

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

<b>Transactions</b>	<b>Pricing policies</b>
Revenues from sales and services	General market price and negotiable rate
Cost of sales of goods and rendering of services	Actual cost allocation rate and negotiable rate which approximates market price
Sale of equipment	Book value plus margin
Purchase of equipment	Book value plus margin
Other income	Negotiable rate
Distribution costs and administrative expenses	Negotiable rate



**Nation Broadcasting Corporation Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2017 (Unaudited)**

<i>Six-month period ended 30 June</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
<b>Parent</b>				
Revenue from services	3,036	5,454	3,036	5,454
Cost of rendering of services	3,100	17,652	1,817	2,914
Sale of equipment	32	-	32	-
Purchase of equipment	-	6	-	6
Other income	7	30	7	30
Distribution costs and administrative expenses	8,927	6,585	4,886	6,585
<b>Subsidiaries</b>				
Revenues from sales and services	-	-	1,923	161
Cost of rendering of services	-	-	45	158
Other income	-	-	13,278	13,644
<b>Other related parties</b>				
Revenue from services	107	3,116	107	2,202
Cost of sales and rendering of services	3,549	3,848	3,549	3,847
Other income	600	600	600	600
Distribution costs and administrative expenses	309	5,173	305	251
<b>Key management personnel</b>				
Key management personnel compensation				
Wages and salaries	6,125	10,786	6,125	10,786
Defined benefit plan	448	784	448	784
Total key management personnel compensation	<u>6,573</u>	<u>11,570</u>	<u>6,573</u>	<u>11,570</u>

Balances as at 30 June 2017 and 31 December 2016 with related parties were as follows:

<i>Trade accounts receivable - related parties</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016
	<i>(in thousand Baht)</i>			
Parent	17,960	15,003	17,960	15,003
Subsidiary	-	-	145,951	137,050
Other related parties	3,410	3,296	2,432	2,318
	<u>21,370</u>	<u>18,299</u>	<u>166,343</u>	<u>154,371</u>
Less allowance for doubtful accounts	-	-	-	-
<b>Net</b>	<u>21,370</u>	<u>18,299</u>	<u>166,343</u>	<u>154,371</u>
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Bad and doubtful debts expense for the three-month period ended 30 June	-	-	-	-
six-month period ended 30 June	-	-	-	-

**Nation Broadcasting Corporation Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2017 (Unaudited)**

<i>Accrued income - related party</i>	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Subsidiary	-	-	<b>13,270</b>	<b>26,407</b>

<i>Other receivables - related parties</i>	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Parent	11,132	11,018	8,292	8,179
Subsidiary	-	-	195,415	52,092
Other related parties	22,512	21,845	22,512	21,845
	<b>33,644</b>	<b>32,863</b>	<b>226,219</b>	<b>82,116</b>
<i>Less allowance for doubtful accounts</i>	(447)	(447)	(447)	(447)
<b>Net</b>	<b>33,197</b>	<b>32,416</b>	<b>225,772</b>	<b>81,669</b>
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			

Bad and doubtful debts expense for the three-month period ended 30 June	-	-	-	-
Bad and doubtful debts expense for the six-month period ended 30 June	-	-	-	-

<i>Trade accounts payable - related parties</i>	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Parent	841	641	250	539
Subsidiary	-	-	204,828	230,881
Other related parties	2,460	3,723	2,460	3,215
<b>Total</b>	<b>3,301</b>	<b>4,364</b>	<b>207,538</b>	<b>234,635</b>

<i>Other payables - related parties</i>	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Parent	13,956	7,055	4,180	1,772
Subsidiaries	-	-	8,695	14,654
Other related parties	60	759	58	757
<b>Total</b>	<b>14,016</b>	<b>7,814</b>	<b>12,933</b>	<b>17,183</b>

**Nation Broadcasting Corporation Public Company Limited and its Subsidiaries**  
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<i>Accrued expenses - related parties</i>	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Parent	224	284	170	253
Other related parties	102	278	102	278
<b>Total</b>	<b>326</b>	<b>562</b>	<b>272</b>	<b>531</b>

***Significant agreements with related parties***

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

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

**4 Other investments**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
<b><i>Current investments</i></b>				
Promissory notes	-	55,148	-	55,148
Debt security held for trading	-	71,048	-	71,048
	<b>-</b>	<b>126,196</b>	<b>-</b>	<b>126,196</b>
<b><i>Other long-term investment</i></b>				
Equity security available for sale	7,401	18,092	7,401	18,092
	<b>7,401</b>	<b>18,092</b>	<b>7,401</b>	<b>18,092</b>
<b>Total</b>	<b>7,401</b>	<b>144,288</b>	<b>7,401</b>	<b>144,288</b>

During the first quarter of 2017, the Company established a private fund by engaged an independent assets management company for the purpose of cash balance management of the Company. This private fund had invested in debt securities which had high liquidity and credit quality. As at 30 June 2017, the value of private fund outstanding totaling Baht 19.32 million (including cash and equivalents of Baht 19.32 million).

**Nation Broadcasting Corporation Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2017 (Unaudited)**

Movements during the six-month periods ended 30 June 2017 and 2016 of marketable equity and debt security were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
<b>Current investments</b>				
<b>Trading security</b>				
At 1 January	71,048	14,046	71,048	13,543
Purchases during the period	147,700	456,200	145,200	443,300
Sales during the period	(151,232)	(460,242)	(148,732)	(446,839)
Transfer during the period	(67,606)	-	(67,606)	-
Valuation adjustment	90	108	90	108
<b>At 30 June</b>	<b>-</b>	<b>10,112</b>	<b>-</b>	<b>10,112</b>
<b>Available-for-sale security</b>				
At 1 January	-	-	-	-
Purchases during the period	132,500	-	130,000	-
Sales during the period	(199,988)	-	(197,488)	-
Transfer during the period	67,606	-	67,606	-
Valuation adjustment	(118)	-	(118)	-
<b>At 30 June</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Available-for-sale securities (Private fund)</b>				
At 1 January	-	-	-	-
Purchases during the period	88,047	-	88,047	-
Sales during the period	(88,047)	-	(88,047)	-
<b>At 30 June</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other long-term investment</b>				
<b>Available-for-sale security</b>				
At 1 January	18,092	32,073	18,092	32,073
Valuation adjustment	(10,691)	-	(10,691)	-
<b>At 30 June</b>	<b>7,401</b>	<b>32,073</b>	<b>7,401</b>	<b>32,073</b>



**Nation Broadcasting Corporation Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2017 (Unaudited)**

**6 Investments in subsidiaries**

<i>Six-month period ended 30 June</i>	<b>Separate financial statements</b>	
	2017	2016
	<i>(in thousand Baht)</i>	
At 1 January	810,250	510,250
Disposal	(10,000)	-
<b>At 30 June</b>	<b><u>800,250</u></b>	<b><u>510,250</u></b>

*Disposals*

At the extraordinary general meeting of shareholders of a subsidiary (“NBC Nextmedia Co., Ltd.”) held on 27 September 2016, the shareholders of the subsidiary approved the liquidation. The subsidiary registered the liquidation with the Ministry of Commerce on 28 September 2016 and completed to liquidate on 23 June 2017. The Company recognised a gain of Baht 0.44 million on disposal of such investment in the separate statements of comprehensive income for the three-month and six-month periods ended 30 June 2017.

**Nation Broadcasting Corporation Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2017 (Unaudited)**

Investments in subsidiaries as at 30 June 2017 and 31 December 2016, and dividend income from those investments for the six-month periods ended 30 June 2017 and 2016 were as follows:

Name of subsidiaries	Type of business	Separate financial statements										Dividend income for the six-month periods ended	
		Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		30 June	30 June
		30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	2017	2016
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
		(%)						(in thousand Baht)					
NBC Nextmedia Co., Ltd. (cased and completed liquidation on 23 June 2017)	New media advertising	-	99.99	-	10,000	-	10,000	-	-	-	10,000	-	-
NBC Next Screen Co., Ltd. (registered the liquidation on 27 December 2016 and in the process of liquidation)	Production of TV programme and advertisements through TV media	99.99	99.99	250	250	250	250	-	-	250	250	-	-
NBC Next Vision Co., Ltd.	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	-	-
<b>Total</b>						<b>800,250</b>	<b>810,250</b>	<b>-</b>	<b>-</b>	<b>800,250</b>	<b>810,250</b>	<b>-</b>	<b>-</b>

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

**Nation Broadcasting Corporation Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2017 (Unaudited)**

**7 Plant and equipment**

During the six-month period ended 30 June 2017, the Company written-off leasehold improvements at net book value of Baht 10.3 million. There were no other significant additions to or disposals of plant and equipment during the period.

**8 Digital television licence**

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

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

The subsidiary paid the first instalment, which was 50% of minimum bid price and 10% of the exceeding of the minimum bid price, totalling Baht 199.80 million, excluded value added tax and net of guarantee deposit amounting to Baht 22 million on 29 October 2013. The subsidiary placed the letter of guarantee issued by a financial institution for the remaining licence fee amounting to Baht 1,116.20 million to NBTC on 7 February 2014. Such remaining licence fee will be paid annually in the amount as specified in the agreement expiring on 25 April 2019.

As at 30 June 2017, the outstanding balance of letter of guarantee was Baht 570 million  
(31 December 2016: Baht 692.80 million).

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

On 20 December 2016, National Council for Peace and Order (NCPO) issued an order under Section 44 to promote the business of radio broadcasting, television broadcasting and telecommunications for public interest. The order allows the licence holders, who were unable to comply with the initial terms and conditions of licence fee payments from the fourth instalment onwards, to extend the payment term by providing a written notification to NBTC in advance. In case NBTC deems the requests appropriate, those licence holders are able to pay the rest of licence fees in accordance with the terms and conditions within this order, which are extended. During 2017, the subsidiary received the official letter from NBTC which approves the subsidiary to repay the rest of licence fee together with its interest of payment in accordance with the terms and conditions within the order.

**Nation Broadcasting Corporation Public Company Limited and its Subsidiaries**  
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Digital television licence payable to NBTC as at 30 June 2017 and 31 December 2016 were as follows:

	<b>Consolidated financial statements</b>					
	30 June 2017			31 December 2016		
	Future payments	Interest	Present value of payments <i>(in thousand Baht)</i>	Future payments	Interest	Present value of payments
Within one year	122,800	11,030	111,770	245,600	24,163	221,437
After one year but within five years	<u>447,200</u>	<u>21,313</u>	<u>425,887</u>	<u>447,200</u>	<u>17,174</u>	<u>430,026</u>
<b>Total</b>	<b><u>570,000</u></b>	<b><u>32,343</u></b>	<b><u>537,657</u></b>	<b><u>692,800</u></b>	<b><u>41,337</u></b>	<b><u>651,463</u></b>

**9 Warrants**

*NBC-WB*

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

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.

The Company had made a reversal of expenses for share-based payment transactions for the six-month period ended 30 June 2017 of Baht 0.30 million and Baht 0.30 million in the consolidated and separate financial statements, respectively (*2016: expenses for share-based payment transaction amounting to Baht 0.58 million and Baht 0.58 million, respectively*).

Movements during the six-month periods ended 30 June 2017 and 2016 of the warrants were as follows:

	<b>Consolidated financial statements / Separate financial statements</b>			
	2017		2016	
	Number of warrants	Grant date fair value	Number of warrants	Grant date fair value
	<i>(in thousand units / thousand Baht)</i>			
At 1 January	2,273	2,796	1,419	1,746
Issued warrants during the period	1,036	920	852	847
Forfeited warrants during the period	<u>(1,281)</u>	<u>(1,221)</u>	<u>(384)</u>	<u>(271)</u>
<b>At 30 June</b>	<b><u>2,028</u></b>	<b><u>2,495</u></b>	<b><u>1,887</u></b>	<b><u>2,322</u></b>

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*NBC-WI*

The outstanding unexercised warrants as at 30 June 2017 were as follows:

Unexercised warrants as at 1 January 2016	Issued warrants <i>(million units)</i>	Exercised warrants	Unexercised warrants as at 30 June 2017	Exercise price <i>(Baht / share)</i>	Expiry date
177	-	-	177	3	5 years from the grant date

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

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**10 Segment information**

*Information about reportable segments*

<i>Six-month period ended 30 June</i>	<b>TV advertising media</b>		<b>Radio advertising media</b>		<b>New media advertising</b>		<b>Total</b>	
	2017	2016	2017	2016	2017	2016	2017	2016
	<i>(in thousand Baht)</i>							
External revenue	221,650	189,919	9,331	10,200	63,025	40,925	294,006	241,044
Other income	7,923	9,701	56	-	46	109	8,025	9,810
<b>Total segment revenue</b>	<b><u>229,573</u></b>	<b><u>199,620</u></b>	<b><u>9,387</u></b>	<b><u>10,200</u></b>	<b><u>63,071</u></b>	<b><u>41,034</u></b>	<b><u>302,031</u></b>	<b><u>250,854</u></b>
Segment profit (loss) before income tax	<u>(121,800)</u>	<u>(149,080)</u>	<u>(9,408)</u>	<u>(2,204)</u>	<u>11,410</u>	<u>5,595</u>	<u>(119,798)</u>	<u>(145,689)</u>
Segment assets as at								
30 June / 31 December	<u>1,444,832</u>	<u>1,737,167</u>	<u>9,406</u>	<u>11,191</u>	<u>44,462</u>	<u>56,658</u>	<u>1,498,700</u>	<u>1,805,016</u>
Segment liabilities as at								
30 June / 31 December	<u>663,522</u>	<u>761,508</u>	<u>3,347</u>	<u>4,613</u>	<u>35,255</u>	<u>36,991</u>	<u>702,124</u>	<u>833,112</u>

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*Reconciliations of reportable segment assets and liabilities*

	30 June 2017	31 December 2016
	<i>(in thousand Baht)</i>	
<b>Assets</b>		
Total assets for reportable segments	1,498,700	1,805,016
Other unallocated amounts	<u>75,942</u>	<u>38,865</u>
<b>Consolidated total assets</b>	<b><u>1,574,642</u></b>	<b><u>1,843,881</u></b>
<b>Liabilities</b>		
Total liabilities for reportable segments	702,124	833,112
Other unallocated amounts	<u>20,889</u>	<u>30,640</u>
<b>Consolidated total liabilities</b>	<b><u>723,013</u></b>	<b><u>863,752</u></b>

**11 Income tax expense**

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year multiplied by the pre-tax income of the interim reporting period. The Group's consolidated and the Company's effective tax rates in respect of continuing operations for the six-month ended 30 June 2017 were 0.12% and 0.14%, respectively (30 June 2016: 20.28% and 18.48%, respectively). These changes in effective tax rates were mainly caused by taxable loss carry forward, which will expire in 2017 - 2022. Deferred tax assets have not been recognised in respect of these items because management considered that it is not probable that future taxable profit of a subsidiary will be available against which they can utilise the benefits therefrom and the different treatment for accounting and taxation purpose of amortisation of digital television licence.

**12 Loss per share**

*Basic loss per share*

The calculations of basic loss per share for the three-month and six-month periods ended 30 June 2017 and 2016 were based on the loss for the periods attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the periods as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
<i>Three-month period ended 30 June</i>	2017	2016	2017	2016
	<i>(in thousand Baht / thousand shares)</i>			
<b>Loss attributable to ordinary shareholders of the Company (basic)</b>	<b><u>(50,979)</u></b>	<b><u>(67,111)</u></b>	<b><u>(19,977)</u></b>	<b><u>(15,384)</u></b>
<b>Number of ordinary shares outstanding</b>	<b><u>535,437</u></b>	<b><u>535,437</u></b>	<b><u>535,437</u></b>	<b><u>535,437</u></b>
<b>Loss per share (basic) (in Baht)</b>	<b><u>(0.095)</u></b>	<b><u>(0.125)</u></b>	<b><u>(0.037)</u></b>	<b><u>(0.029)</u></b>

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	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2017	2016	2017	2016
<i>Six-month period ended 30 June</i>	<i>(in thousand Baht / thousand shares)</i>			
<b>Loss attributable to ordinary shareholders of the Company (basic)</b>	<b><u>(119,650)</u></b>	<b><u>(116,139)</u></b>	<b><u>(30,935)</u></b>	<b><u>(17,294)</u></b>
<b>Number of ordinary shares outstanding</b>	<b><u>535,437</u></b>	<b><u>535,437</u></b>	<b><u>535,437</u></b>	<b><u>535,437</u></b>
<b>Loss per share (basic) (in Baht)</b>	<b><u>(0.223)</u></b>	<b><u>(0.217)</u></b>	<b><u>(0.058)</u></b>	<b><u>(0.032)</u></b>

***Diluted loss per share***

The Group and the Company did not assumed the conversion of the warrants (NBC-W1) and the warrants issued to the directors, management and/or employee of the Company and/or its subsidiaries (NBC-WB) in the calculation of diluted loss per share, as the exercise prices (including fair value of services to be rendered per warrant) were higher than the weighted average market prices in the consolidated and separate financial statements for the six-months periods ended 30 June 2017 and 2016.

**13 Financial instruments**

***Carrying amounts and fair values***

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

	Carrying amount	<b>Consolidated financial statements</b>			
		Fair value			Total
		Level 1	Level 2	Level 3	
<i>(in thousand Baht)</i>					
<b>30 June 2017</b>					
<b><i>Financial assets measured at fair value</i></b>					
Equity security available for sale	7,401	7,401	-	-	7,401
<b>31 December 2016</b>					
<b><i>Financial assets measured at fair value</i></b>					
Debt security held for trading	71,048	-	71,048	-	71,048
Equity security available for sale	18,092	18,092	-	-	18,092

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	Carrying amount	Separate financial statements			Total
		Fair value			
		Level 1	Level 2	Level 3	
<i>(in thousand Baht)</i>					
<b>30 June 2017</b>					
<i>Financial assets measured at fair value</i>					
Equity security available for sale	7,401	7,401	-	-	7,401
<b>31 December 2016</b>					
<i>Financial assets measured at fair value</i>					
Debt security held for trading	71,048	-	71,048	-	71,048
Equity security available for sale	18,092	18,092	-	-	18,092

**Measurement of fair values**

*Valuation techniques and significant unobservable inputs*

The following tables show the valuation techniques used in measuring Level 2 fair values at 30 June 2017 and 31 December 2016 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 (c).

**Financial instruments measured at fair value**

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

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**14 Commitments with non-related parties**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016
	<i>(in thousand Baht)</i>			
<b><i>Future minimum lease payments under non-cancellable operating leases</i></b>				
Within one year	85,740	91,384	11,799	15,238
After one year but within five years	296,425	322,715	33,536	47,989
After five years	335,147	405,354	-	41,886
<b>Total</b>	<b>717,312</b>	<b>819,453</b>	<b>45,335</b>	<b>105,113</b>
<b><i>Other commitment</i></b>				
Bank guarantees	<b>615,282</b>	<b>744,706</b>	<b>5,382</b>	<b>3,410</b>

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

<u>Contract period</u>	<u>Periods</u>	<u>Total fee</u> <i>(in million USD)</i>
25 April 2014 to 31 October 2019	5 years and 6 months	1.08
25 April 2014 to 31 October 2019	5 years and 6 months	0.03
1 August 2016 to 31 October 2019	3 years and 3 months	0.04
25 April 2014 to 31 March 2020	5 years and 11 months	0.88
25 April 2014 to 31 March 2020	5 years and 11 months	0.03
1 August 2016 to 31 March 2020	3 years and 8 months	0.04

- d) A subsidiary entered into a Standard Definition Terrestrial Digital Television Network Services agreement with Thai Royal Army for a period of 14 years and 5 months, commencing from 16 January 2014 to 31 May 2028. The subsidiary committed to pay a licence fee for such channel totalling approximately Baht 784.74 million.
- e) The Company entered into lease and service agreements for its office and studio premises with a local company for a period of 3 years, commencing from 1 December 2014 to 30 November 2017 with an option to be renewal for a total period of 15 years. The Company agreed to pay rental and service fees at the rate specified in the agreements. The Company has cancelled the agreements on 1 May 2017.
- f) The Company entered into a service agreement for ratings measurement in television audiences of television channels in Thailand with a local association for a period of 6 years, commencing from 17 December 2015 to 30 September 2021. The Company agreed to pay a service fee at the rate specified in the agreement.

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**15 Reclassification of accounts**

Certain accounts in the statement of financial position as at 31 December 2016, which are included in the 2017 interim financial statements for comparative purposes, have been reclassified to conform to the presentation in the 2017 interim financial statements as follows:

	<b>Consolidated</b>		<b>2016</b>			
	<b>financial statements</b>				<b>Separate</b>	
	Before	Reclass.	After	Before	Reclass.	After
	reclass.		reclass.	reclass.		reclass.
			<i>(in thousand Baht)</i>			
<b><i>Statement of financial position as at 31 December 2016</i></b>						
Other payable	50,699	(34,604)	16,095	56,517	(33,871)	22,646
Deferred income	-	34,604	34,604	-	33,871	33,871
		<u>-</u>			<u>-</u>	