

JKN GLOBAL MEDIA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**REVIEWED REPORT AND INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021**

INDEPENDENT AUDITOR’S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To The Shareholders and Board of Directors of
JKN Global Media Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of JKN Global Media Public Company Limited and its subsidiaries as at March 31, 2021 and the related consolidated statement of comprehensive income consolidated statement of changes in shareholders’ equity and consolidated statement of cash flows for the three-month period ended March 31, 2021 and the condensed notes to financial statements, and I have also reviewed the statement of financial position of JKN Global Media Public Company Limited as at March 31, 2021 and the related statement of comprehensive income, statement of changes in shareholder’s equity and statement of cash flows for the three-month period ended March 31, 2021 and the condensed notes to financial statements. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 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 inquires, 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 No. 34 “Interim Financial Reporting”.

EMPHASIS OF MATTER

I draw attention to trade accounts receivable as described in the Note 5 to the interim consolidated financial statements, the Company had accounts receivable as presented in the consolidated statement of financial position as at March 31, 2021 in the amount of Baht 1,652 million. Such outstanding amount of accounts receivable was significant to the financial statements resulting in higher current assets than current liabilities in the amount of Baht 1,561 million. The amount of trade accounts receivable is more than the program rights revenue which is the main revenue (Program rights revenue presented in the consolidated comprehensive statement of income for the three-month period ended March 31, 2021 in the amount of Baht 414 million, revenue from program rights for the year 2020 in the amount of Baht 1,628 million) shows that most trade accounts receivable of the Company are overdue accounts receivable. According to the management's assessment, there is no need to provide an allowance for doubtful debts apart from the allowance set aside in accordance with the Company's policy because the management is confident that payments from all these receivables will be collected based on the management's experience in this business and the best estimates under current conditions. Therefore, the collectability depends on the ability to follow up and collect the debts in the future. If, ultimately, the Company is unable to collect the debts from accounts receivable, the Company may incur losses in the future.

My conclusion is not qualified in respect of these matters.

OTHER MATTER

The consolidated statement of financial position of JKN Global Media Public Company Limited and the subsidiaries and the separate statement of financial position of JKN Global Media Public Company Limited as at December 31, 2020, presented for comparative purposes, were audited by other auditor who expressed an unqualified opinion and there were emphasis of matters trade accounts receivable, the amount of significant to the financial statements. The management of the Company has assessed that the allowance for expected credit loss is adequately provided. Therefore, it is the responsibility and ability of the Company to follow up and collect debts in the future. If, ultimately, the Company is unable to collect the debts from accounts receivable, the Company may incur losses in the future. The revenue from program rights of the Company are mainly derived from businesses undertaken with major customers. The business operation of the Company is dependent on relationships and the revenue received from these major customers. The advance payment for the purchase of program rights and intangible assets-rights from the Coronavirus 2019 pandemic (COVID-19) had large impact on the economy and business. Therefore, there are uncertainties and likelihood for impairment of advance payment to purchase program rights and intangible assets, liquidity of working capital, loan repayment and debentures that are due. There may be problem of insufficient working capital that depends on the ability to follow up and collect debts. Related entrepreneurs in the film industry may be affected from the Coronavirus 2019 pandemic (COVID-19) in accordance with the report dated February 24, 2021.

The consolidated statement of comprehensive income, consolidated statement of changes in shareholder's equity and consolidated statement of cash flow for the three-month period ended March 31, 2020 of JKN Global Media Public Company Limited and its subsidiaries and the separate statement of comprehensive income, separate statement of changes in shareholder's equity and separate statement of cash flow for the three-month period then ended of JKN Global Media Public Company Limited that are presented for comparative purposes are reviewed by other auditor that nothing had come to her attention that causes her to believe that the accompanying interim financial information was not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting" in the report dated May 13, 2020.

(Miss Wannisa Ngambuathong)

Certified Public Accountant

Registration No. 6838

Dharmniti Auditing Company Limited

Bangkok, Thailand

May 14, 2021

"UNAUDITED"

"REVIEWED"

- 4 -

JKN GLOBAL MEDIA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2021

ASSETS

		In Thousand Baht				
		Consolidated Financial Statements		Separate Financial Statements		
		As at March	As at December	As at March	As at December	
Note		31, 2021	31, 2020	31, 2021	31, 2020	
CURRENT ASSETS						
	Cash and cash equivalents	753,253	807,091	674,086	760,208	
	Trade and other receivables	5	1,652,683	1,512,659	1,651,054	1,499,647
	Inventories	1,027	78	77	78	
	Loans to related party	4	-	-	5,000	-
	Value added tax receivable	133,364	128,393	128,359	124,365	
	Other current financial assets	165	165	165	165	
	Other current assets	25,691	16,711	16,583	10,643	
	Total current assets	2,566,183	2,465,097	2,475,324	2,395,106	
NON-CURRENT ASSETS						
	Restricted bank deposits	24,160	21,643	24,160	21,643	
	Investment in subsidiaries	6	-	-	466,093	439,093
	Equipment	59,909	64,430	32,922	35,551	
	Right-of-use assets	38,380	41,133	31,491	33,823	
	Advance payment for purchased program rights	7	490,033	383,870	490,033	383,870
	Intangible assets - program rights	7	2,822,030	2,714,340	2,827,370	2,719,671
	Intangible assets - trademark	17,000	-	-	-	
	Computer software	15,768	16,142	14,677	15,134	
	Deferred tax assets	13	9,685	9,828	9,377	9,528
	Other non-current assets	3,384	3,364	2,377	2,357	
	Total non-current assets	3,480,349	3,254,750	3,898,500	3,660,670	
	TOTAL ASSETS	6,046,532	5,719,847	6,373,824	6,055,776	

Notes to interim financial statements form an integral part of these statements.

"UNAUDITED"

"REVIEWED"

- 5 -

JKN GLOBAL MEDIA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF FINANCIAL POSITION (CONT.)

AS AT MARCH 31, 2021

LIABILITIES AND SHAREHOLDERS' EQUITY

In Thousand Baht									
						Consolidated Financial Statements		Separate Financial Statements	
						As at March	As at December	As at March	As at December
						31, 2021	31, 2020	31, 2021	31, 2020
						Note			
CURRENT LIABILITIES									
Trade and other payables	8	392,110	164,005	663,024	430,375				
Current portion of long-term loans from financial institution	9	127,800	127,800	127,800	127,800				
Current portion of debentures	10	399,414	398,751	399,414	398,751				
Current portion of lease liabilities		12,020	11,375	10,417	9,794				
Income tax payable		40,281	19,517	40,281	19,517				
Advance receive for program rights		866	866	866	866				
Deferred revenue		17,750	35,661	17,750	35,661				
Withholding tax awaiting for submission		5,686	3,681	4,875	3,298				
Value added tax awaiting for submission		3,098	2,368	3,084	2,367				
Other current financial liabilities		1,513	889	1,513	889				
Other current liabilities		4,785	6,205	44	24				
Total current liabilities		1,005,323	771,118	1,269,068	1,029,342				
NON-CURRENT LIABILITIES									
Convertible debentures - liability component	11	1,008,362	1,007,627	1,008,362	1,007,627				
Long-term loan from financial institution	9	255,050	287,000	255,050	287,000				
Debentures	10	991,424	990,565	991,424	990,565				
Lease liabilities		32,951	34,345	27,444	28,430				
Provision for long-term employee benefits	12	14,809	19,337	13,372	17,944				
Total non-current liabilities		2,302,596	2,338,874	2,295,652	2,331,566				
TOTAL LIABILITIES		3,307,919	3,109,992	3,564,720	3,360,908				

Notes to interim financial statements form an integral part of these statements.

"UNAUDITED"

"REVIEWED"

- 6 -

JKN GLOBAL MEDIA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF FINANCIAL POSITION (CONT.)

AS AT MARCH 31, 2021

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		As at March	As at December	As at March	As at December
		31, 2021	31, 2020	31, 2021	31, 2020
SHAREHOLDERS' EQUITY					
Share capital					
Registered					
	902,839,834 ordinary shares of Baht 0.5 each	451,420	451,420	451,420	451,420
Issued and fully paid					
	607,498,256 ordinary shares of Baht 0.5 each	303,749	303,749	303,749	303,749
	Share premium	1,022,482	1,022,482	1,022,482	1,022,482
	Convertible debentures - equity component	11	176,828	176,828	176,828
Retained earnings					
	Appropriated - statutory reserve	45,142	45,142	45,142	45,142
	Unappropriated	1,189,308	1,086,677	1,260,903	1,146,667
	Other components of shareholders' equity	(15,787)	(25,023)	-	-
	Equity attributable to owners of the Company	2,721,722	2,609,855	2,809,104	2,694,868
	Non-controlling interests of the subsidiary	16,891	-	-	-
	TOTAL SHAREHOLDERS' EQUITY	2,738,613	2,609,855	2,809,104	2,694,868
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	6,046,532	5,719,847	6,373,824	6,055,776

Notes to interim financial statements form an integral part of these statements.

"UNAUDITED"

"REVIEWED"

- 7 -

JKN GLOBAL MEDIA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
Note		2021	2020	2021	2020
REVENUES					
	Revenue from contracts with customers - services	9,004	3,712	2,731	-
	Revenue from contracts with customers - program rights	414,003	417,027	419,281	426,335
	Other income	19,518	50,725	20,347	51,653
	Total revenues	442,525	471,464	442,359	477,988
EXPENSES					
	Cost of services	19,047	9,537	12,649	-
	Cost of program rights	201,563	241,452	201,563	243,282
	Selling and servicing expenses	12,450	4,129	12,600	5,422
	Administrative expenses	40,685	56,102	34,420	51,088
	Total expenses	273,745	311,220	261,232	299,792
	Operating profit	168,780	160,244	181,127	178,196
	Finance income	246	92	241	92
	Finance cost	(41,725)	(36,804)	(41,628)	(36,687)
	Profit before income tax expenses	127,301	123,532	139,740	141,601
	Income tax expenses	13 (27,898)	(28,268)	(28,050)	(28,127)
	Profit for the period	99,403	95,264	111,690	113,474
Other comprehensive income (expense) for the period					
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods:					
Exchange differences on translation of					
	financial statements in foreign currency	9,236	-	-	-
Items that will not be reclassified subsequently to profit or loss					
	Actuarial gain on defined employee benefit plan, net of tax	3,119	-	2,546	-
	Other comprehensive income for the period	12,355	-	2,546	-
	Total comprehensive income for the period	111,758	95,264	114,236	113,474

Notes to interim financial statements form an integral part of these statements.

"UNAUDITED"

"REVIEWED"

- 8 -

JKN GLOBAL MEDIA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF COMPREHENSIVE INCOME (CONT.)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
Note		2021	2020	2021	2020
Profit attributable to					
	Equity holder of the Company	99,512	95,264	111,690	113,474
	Non-controlling interests of the subsidiary	(109)	-	-	-
		<u>99,403</u>	<u>95,264</u>	<u>111,690</u>	<u>113,474</u>
Total comprehensive income attributable to					
	Equity holder of the Company	111,867	95,264	114,236	113,474
	Non-controlling interests of the subsidiary	(109)	-	-	-
		<u>111,758</u>	<u>95,264</u>	<u>114,236</u>	<u>113,474</u>
Earnings per share					
	Basic earnings per share (Baht per share)	<u>0.16</u>	<u>0.16</u>	<u>0.18</u>	<u>0.19</u>
	Diluted earnings per share (Baht per share)	<u>0.14</u>	<u>0.16</u>	<u>0.15</u>	<u>0.19</u>

Notes to interim financial statements form an integral part of these statements.

"UNAUDITED"

"REVIEWED"

- 9 -

JKN GLOBAL MEDIA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

In Thousand Baht												
Consolidated Financial Statements												
Equity attributable to owners of the Company												
	Note	Retained earnings					Other components of shareholders' equity			Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiary	Total shareholder's equity
		Issued and fully paid share capital	Share premium	Convertible debentures - equity component	Appropriated - statutory reserve	Unappropriated	Exchange differences on translation of financial statements in foreign currency	Deficit on business combination under common control	Total other components of shareholders' equity			
Balance as at January 1, 2021		303,749	1,022,482	176,828	45,142	1,086,677	(18,919)	(6,104)	(25,023)	2,609,855	-	2,609,855
Comprehensive income												
Profit for the period		-	-	-	-	99,512	-	-	-	99,512	(109)	99,403
Other comprehensive income for the period		-	-	-	-	3,119	9,236	-	9,236	12,355	-	12,355
Non-controlling interests of the subsidiary increased due to investment in a subsidiary		-	-	-	-	-	-	-	-	-	17,000	17,000
Balance as at March 31, 2021		303,749	1,022,482	176,828	45,142	1,189,308	(9,683)	(6,104)	(15,787)	2,721,722	16,891	2,738,613
Balance as at January 1, 2020		270,000	1,022,482	-	32,400	896,294	-	(6,104)	(6,104)	2,215,072	-	2,215,072
Comprehensive income												
Profit for the period		-	-	-	-	95,264	-	-	-	95,264	-	95,264
Other comprehensive income for the period		-	-	-	-	-	-	-	-	-	-	-
Issued the convertible debentures	11	-	-	176,828	-	-	-	-	-	176,828	-	176,828
Balance as at March 31, 2020		270,000	1,022,482	176,828	32,400	991,558	-	(6,104)	(6,104)	2,487,164	-	2,487,164

Notes to interim financial statements form an integral part of these statements.

"UNAUDITED"

"REVIEWED"

- 10 -

JKN GLOBAL MEDIA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

		In Thousand Baht				
		Separate Financial Statements				
		Issued and	Convertible	Retained earnings		Total
		fully paid	debentures	Appropriated		shareholder's
Note		share capital	- equity component	- statutory reserve	Unappropriated	equity
	Balance as at January 1, 2021	303,749	176,828	45,142	1,146,667	2,694,868
	Comprehensive income					
	Profit for the period	-	-	-	111,690	111,690
	Other comprehensive income for the period	-	-	-	2,546	2,546
	Balance as at March 31, 2021	303,749	176,828	45,142	1,260,903	2,809,104
	Balance as at January 1, 2020	270,000	-	32,400	915,870	2,240,752
	Comprehensive income					
	Profit for the period	-	-	-	113,474	113,474
	Other comprehensive income for the period	-	-	-	-	-
	Issued the convertible debentures	-	176,828	-	-	176,828
	Balance as at March 31, 2020	270,000	176,828	32,400	1,029,344	2,531,054

Notes to interim financial statements form an integral part of these statements.

"UNAUDITED"

"REVIEWED"

- 11 -

JKN GLOBAL MEDIA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF CASH FLOWS

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit before tax	127,301	123,532	139,740	141,601
Adjustments to reconcile profit for the period to net cash provided by (used in) operating activities:				
Depreciation	7,680	7,771	5,257	5,296
Amortization	196,174	235,730	196,131	235,687
Loss on sales of equipments	1,103	-	1,103	-
Allowance for expected credit losses	787	4,034	787	4,836
Unrealised gain on changes in value of securities	-	(413)	-	(413)
Realised gain on sales of investment in securities	-	(40)	-	(40)
Amortisation of deferred debenture issuing cost and convertible debentures	2,257	3,547	2,257	3,547
Long-term employee benefit expenses	(629)	672	(1,390)	579
Unrealised gain on exchange rate	(15,113)	(48,833)	(15,113)	(48,833)
Loss from fair value measurement of derivative assets	624	10,583	624	10,583
Interest expense	38,952	31,748	38,855	31,631
Income from operating activities before changes in operating assets and liabilities	359,136	368,331	368,251	384,474
(Increase) decrease in operating assets				
Trade and other receivables	(125,523)	88,244	(136,906)	81,608
Inventories	(949)	(2)	1	(2)
Value added tax receivable	(4,971)	(31,300)	(3,994)	(31,215)
Other current assets	(5,819)	2,997	(5,940)	2,776
Other non-current assets	(20)	4	(20)	2
Increase (decrease) in operating liabilities				
Trade and other payables	(74,280)	(35,303)	(69,736)	(32,912)
Advance receive for program rights	-	425	-	(4,288)
Withholding tax awaiting for submission	2,005	1,192	1,577	1,176
Value added tax awaiting for submission	730	3,040	717	3,045
Other current liabilities	(1,420)	(795)	20	-
Cash received (paid) from operating	148,889	396,833	153,970	404,664
Cash paid for interest	(40,816)	(24,158)	(40,816)	(24,158)
Cash paid for income tax	(10,932)	(7,451)	(7,771)	(7,071)
Net cash from provided by operating activities	97,141	365,224	105,383	373,435

Notes to interim financial statements form an integral part of these statements.

"UNAUDITED"

"REVIEWED"

- 12 -

JKN GLOBAL MEDIA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF CASH FLOWS (CONT.)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Cash flows from investing activities				
Purchase of investment in securities	-	(700,000)	-	(700,000)
Cash received from sales of investment in securities	-	100,000	-	100,000
Increase of investment in subsidiary	-	-	(27,000)	-
Non-controlling interests increased due to investment in a subsidiary	17,000	-	-	-
Acquisition of equipments	(814)	(8)	(704)	(3)
Cash received from sales of equipments	1,383	-	1,383	-
Acquisition of intangible assets - program rights and advance payment for purchased program rights	(122,760)	(669,947)	(122,769)	(669,947)
Acquisition of intangible assets - trademark	(17,000)	-	-	-
Acquisition of computer software	(126)	-	-	-
Increase in loans to related party	-	-	(5,000)	(10,000)
Increase in restricted bank deposits	(2,517)	(22)	(2,517)	(22)
Net cash used in investing activities	(124,834)	(1,269,977)	(156,607)	(1,279,972)
Cash flows from financing activities				
Decrease in short-term loans from financial institutions	-	(300,000)	-	(300,000)
Cash paid for long-term loan from financial institution	(31,950)	-	(31,950)	-
Net cash received from issuance of debentures	-	1,181,744	-	1,181,744
Payment of principal portion of lease liabilities	(3,431)	(4,249)	(2,948)	(3,763)
Net cash from provided by (used in) financing activities	(35,381)	877,495	(34,898)	877,981
Translation adjustments	9,236	-	-	-
Net decrease in cash and cash equivalents - net	(53,838)	(27,258)	(86,122)	(28,556)
Cash and cash equivalents - beginning of period	807,091	116,940	760,208	100,454
Cash and cash equivalents - ending of period	753,253	89,682	674,086	71,898
Supplementary disclosures of cash flows information:				
Non-cash transaction				
Acquisition of assets under lease agreements	2,078	-	2,078	-
Acquisition of computer software but has not yet paid	-	29	-	-
Acquisition of program rights but has not yet paid	286,767	25,253	286,767	25,253
Transfer equipment under installation to computer software	-	125	-	-
Transfer other non-current assets to computer software	-	4,475	-	4,475

Notes to interim financial statements form an integral part of these statements.

JKN GLOBAL MEDIA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE THREE - MONTH PERIOD ENDED MARCH 31, 2021

1. GENERAL INFORMATION

1.1 Corporate information

JKN Global Media Public Company Limited (“the Company”) is a limited company incorporated and domiciled in Thailand. Its registered address is 45/14, JKN Gallery Salaya Building, Moo1, Tumbon Songkanong, Amphur Sampran, Nakhonpatom.

The Company and its subsidiaries (together “the Group”) are principally engaged as follows:

- a) Distribution of global and local contents of the movies, series and the documentaries as well as production and distribution of the said on DVD and Blu-ray.
- b) Advertising services and production of television programs.
- c) Selling non-alcoholic drinks.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries, including the film industry. Even though consumers will watch more movies and series, entrepreneurs involved in this business might be affected by the situation. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

2. BASIS OF PREPARATION

2.1 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Group choosing to present condensed interim financial statements. However, the Group has presented the statements of financial position, statement of comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

2.2 Basis of consolidation

- a) The interim consolidated financial statements include the financial statement of JKN Global Media Public Company Limited (“the Company”) and the following subsidiaries (“the subsidiaries”):

Company’s name	Nature of business	Country of incorporation	Percentage of shareholding	
			2021 (Percent)	2020 (Percent)
JKN Global Content Pte. Ltd.	Agent for purchasing of program rights	Singapore	100	100
JKN Channel Company Limited	Production service, studio leasing, costume rental, event organizer and artist management	Thailand	100	100
JKN IMC Company Limited	Advertising agency	Thailand	100	100
JKN News Company Limited	Advertising services and production of television program	Thailand	100	100
JKN MNB Company Limited	Production and distribution of non-alcoholic beverages	Thailand	51	-

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtain control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.
- f) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.

2.3 The separate financial statements present investments in subsidiaries under the cost method.

2.4 Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2020.

3. NEW FINANCIAL REPORTING STANDARDS

3.1 Financial reporting standards that became effective in the current period

During the period, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the financial statements in the current period.

3.2 Financial reporting standards that will become effective in the future

The Federation of Accounting Professions has revised TFRS 16 leases and published in the Government Gazette on January 27, 2021. There is added the requirements for the temporary exception arising from interest rate benchmark reform, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted.

The management of the Group is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

4. RELATED PARTY TRANSACTIONS

During the period, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Million Baht)

	For the three-month periods ended March 31,				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2021	2020	2021	2020	
<u>Transaction with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Revenue from program rights	-	-	5	9	Contract price
Other income	-	-	1	1	Contract price
Service expenses	-	-	4	3	Contract price
<u>Transaction with related parties</u>					
Revenues from advertising services	4	-	2	-	Contract price
Rental expenses	3	4	3	3	With reference to market price
Service expenses	5	4	4	3	Contract price

“UNAUDITED”

“REVIEWED”

- 16 -

As at March 31, 2021 and December 31, 2020, the balances of the accounts between the Group and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at March	As at December	As at March	As at December
	31, 2021	31, 2020	31, 2021	31, 2020
<u>Trade and other receivables - related parties (Note 5)</u>				
Subsidiaries	-	-	18,074	12,319
Related companies (related by common shareholder)	23,575	23,176	5,031	10
Total trade and other receivables - related parties	<u>23,575</u>	<u>23,176</u>	<u>23,105</u>	<u>12,329</u>
<u>Rental deposits</u>				
Related company (related by common shareholder)	2,000	2,000	1,838	1,838
Total rental deposits	<u>2,000</u>	<u>2,000</u>	<u>1,838</u>	<u>1,838</u>
<u>Trade and other payables - related parties (Note 8)</u>				
Subsidiaries	-	-	283,521	275,904
Related companies (related by common shareholder)	3,207	2,010	2,624	1,722
Total trade and other payables - related parties	<u>3,207</u>	<u>2,010</u>	<u>286,145</u>	<u>277,626</u>
<u>Lease liabilities - related party</u>				
Related company (related by common shareholder)	39,615	42,188	32,505	34,690
Total lease liabilities - related party	<u>39,615</u>	<u>42,188</u>	<u>32,505</u>	<u>34,690</u>

Loans to related party

As at March 31, 2021, the balance of loans between the Group and those related party and the movement are as follows:

(Unit: Thousand Baht)

Loans to	Separate financial statements			
	Balance as at December 31, 2020	Increase during the period	Decrease during the period	Balance as at March 31, 2021
Subsidiary				
JKN News Company Limited	-	5,000	-	5,000
Total	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>

Loans to related party bearing interest at the rate of 4.25% per annum, repayable at call and no guarantee.

“UNAUDITED”

“REVIEWED”

- 17 -

Directors and management’s benefits

During the three-month periods ended March 31, 2021 and 2020, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	For the three-month periods ended March 31,			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Short-term employee benefits	7,098	11,226	6,348	9,343
Post-employment benefits	613	280	501	248
Total	7,711	11,506	6,849	9,591

5. TRADE AND OTHER RECEIVABLES

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at March	As at December	As at March	As at December
	31, 2021	31, 2020	31, 2021	31, 2020
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	1,436	812	4,370	4,355
Past due				
Up to 3 months	1,594	6,364	6,005	4,563
3 - 6 months	1,148	-	4,133	85
6 - 12 months	13,962	16,000	580	1,790
Over 12 months	-	-	1,295	-
Total	18,140	23,176	16,383	10,793
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	927,482	946,940	927,382	945,113
Past due				
Up to 3 months	416,907	312,244	416,223	311,999
3 - 6 months	220,000	186,083	220,000	186,083
6 - 12 months	118,528	97,452	118,528	97,452
Over 12 months	459	549	354	443
Total	1,683,376	1,543,268	1,682,487	1,541,090
Less: Allowance for expected credit losses	(55,061)	(54,274)	(54,955)	(54,168)
Net	1,628,315	1,488,994	1,627,532	1,486,922
Total trade receivable - net	1,646,455	1,512,170	1,643,915	1,497,715
<u>Other receivables</u>				
Other receivable - related parties	2,836	-	2,909	-
Other receivable - unrelated parties	133	133	133	133
Accrued income - related parties	2,599	-	3,813	1,536
Accrued income - unrelated parties	660	356	284	263
Total other receivables	6,228	489	7,139	1,932
Trade and other receivables - net	1,652,683	1,512,659	1,651,054	1,499,647

“UNAUDITED”

“REVIEWED”

- 18 -

As at March 31, 2021, the balance of trade receivables consisted of first 12 major customers which represented 96% of total balances (revenue from program rights for the three-month period ended March 31, 2021 from these receivables account approximately 97% of the total revenue from program rights), 2 domestic customers of these 12 customers were guaranteed by a major customer and the customer’s business partners.

As at March 31, 2021, the Company had balance of partial debt guarantee payment insurance agreements for 3 of these debtors with a local financial institution. The agreement, expired in April 2021 and is in the process of extending the agreements with a financial institution.

During the current period, the Group has considered providing an allowance for expected credit losses for long outstanding trade receivables of Baht 0.7 million (Separate financial statements: Baht 0.7 million) and the Company has been able to make partial collection of approximately Baht 14 million from major customers after the period-end. The Company is accelerating the debt collection to increase the effectiveness of accounts receivable collection in the future in order to use money for working capital and settlement of liabilities, including loans and debentures that came due.

6. INVESTMENT IN SUBSIDIARIES

Details of investment in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Company’s name	Paid-up capital		Shareholding percentage		Cost	
	As at March	As at December	As at March	As at December	As at March	As at December
	31, 2021	31, 2020	31, 2021	31, 2020	31, 2021	31, 2020
			(Percent)	(Percent)		
JKN Global Content Pte.Ltd.	USD 7.6 million	USD 7.6 million	100	100	249,093	249,093
JKN Channel Company Limited	100,000	100,000	100	100	100,000	100,000
JKN News Company Limited	80,000	60,000	100	100	80,000	80,000
JKN IMC Company Limited	10,000	10,000	100	100	10,000	10,000
JKN MNB Company Limited	34,000	-	51	-	27,000	-
Total					466,093	439,093

During the current period, the Company additional invested in share capital in subsidiaries are as follows:

- a) On January 13, 2021, the Company additional invested in an increase share capital of JKN MNB Company Limited, a newly registered company in Thailand. The amount of share invested is 51% of issued share capital.

“UNAUDITED”

“REVIEWED”

- 19 -

7. ADVANCE PAYMENT FOR PURCHASE OF PROGRAM RIGHTS AND INTANGIBLE ASSETS

Movements of the advance payment for purchased program rights and intangible assets - program right are summarised below.

(Unit: Thousand Baht)

	Advance payment for purchased program rights			
	Consolidated financial statements		Separate financial statements	
	(For the three-month period)	(For the year)	(For the three-month period)	(For the year)
Net book value beginning	383,870	411,817	383,870	411,817
Addition during the period at cost	199,207	2,023,862	199,207	2,023,862
Amortisation for the period	(512)	(2,047)	(512)	(2,047)
Transfer in (out)	(92,532)	(2,049,762)	(92,532)	(2,049,762)
Net book value ending	490,033	383,870	490,033	383,870

(Unit: Thousand Baht)

	Intangible assets - program rights			
	Consolidated financial statements		Separate financial statements	
	(For the three-month period)	(For the year)	(For the three-month period)	(For the year)
Net book value beginning	2,714,340	1,447,099	2,719,671	1,452,344
Addition during the period at cost	210,320	60,517	210,329	60,603
Amortisation for the period	(195,162)	(843,038)	(195,162)	(843,038)
Transfer in (out)	92,532	2,049,762	92,532	2,049,762
Net book value ending	2,822,030	2,714,340	2,827,370	2,719,671

8. TRADE AND OTHER PAYABLES

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at March	As at December	As at March	As at December
	31, 2021	31, 2020	31, 2021	31, 2020
Trade payables - related parties	-	-	279,203	274,777
Trade payables - unrelated parties	304,468	83,910	300,865	81,155
Other payables - related parties	3,207	2,010	2,681	2,849
Other payables - unrelated parties	14,400	13,981	10,408	11,914
Accrued expenses - related parties	-	-	4,261	-
Accrued expenses - unrelated parties	70,035	64,104	65,606	59,680
Total	392,110	164,005	663,024	430,375

“UNAUDITED”

“REVIEWED”

- 20 -

9. LONG-TERM LOAN FROM FINANCIAL INSTITUTION

	(Unit: Thousand Baht) Consolidated/Separate financial statements
Long-term loan from financial institution	382,850
Less : Portion due within one year	(127,800)
Long-term loan from financial institution, net of current portion	<u>255,050</u>

Movements of the long-term loan from financial institution during the three-month period March 31, 2021 are summarized below.

	(Unit: Thousand Baht) Consolidated/Separate financial statements
Balance as at January 1, 2021	414,800
Add: Additional borrowings during the period	-
Less: Repayment during the period	(31,950)
Balance as at March 31, 2021	<u>382,850</u>

The loan agreements contain several covenants which, among other things, require the Company to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements.

“UNAUDITED”

“REVIEWED”

- 21 -

10. DEBENTURES

						(Unit: Thousand Baht)	
						Consolidated/ Separate financial statements	
						Carrying amount	
Series	Maturity date	No. of units (Thousand units)	Par value (Baht)	Interest rate (% p.a.)	Term of interest payment	As at March	As at December
						31, 2021	31, 2020
1	Entirely redeemed on 10 May 2021 (2 years)	270	1,000	7.00	Quarterly	270,000	270,000
2	Entirely redeemed on 12 July 2021 (2 years)	130	1,000	7.00	Quarterly	130,000	130,000
3	Entirely redeemed on 24 April 2023 (2 years 9 months)	400	1,000	6.60	Quarterly	400,000	400,000
4	Entirely redeemed on 1 September 2023 (2 years 9 months)	600	1,000	6.60	Quarterly	600,000	600,000
Total						1,400,000	1,400,000
Less : Deferred debenture issuing costs						(9,162)	(10,684)
Debentures - net						1,390,838	1,389,316
Less : Current portion						(399,414)	(398,751)
Debentures - net of current portion						991,424	990,565

The Company’s debentures issued to institutional investors or high net worth investors. Debentures are unsubordinated, unsecured debenture with debenture holders’ representative in the name - registered certificate. The proceeds were used as the working capital for its operations.

The debenture contains terms of issue relating to the maintenance of a certain financial ratio at the end of quarterly period and at the end of year.

11. CONVERTIBLE DEBENTURES

On 24 January 2020, the Company has issued the convertible debentures (Private Placement) to the North Haven Thai Private Equity (“NHTPE”). Key terms and conditions of the convertible debentures are as the following:

Type of debentures	Unsecured and unsubordinated convertible debentures
Maturity	5 years, commencing from the issue date
Issue size	Baht 1,200 million
Currency	Thai Baht
Maturity date	January 24, 2025
Put option	At any time after October 24, 2023, for the amount in excess of Baht 500 million the Company shall have the option to extend the Bondholder’s put option until at any time after October 24, 2024
Coupon	3% per annum, the interest will be paid on a quarterly basis
Conversion period	1 year after the issue date up to date falling 10 close of business days before maturity date
Conversion price	As at March 31, 2021: Baht 6.7430 per share, subject to the event that the Company will adjust the conversion price in order to ensure that the benefits of the holders of the convertible debentures upon exercise of the conversion rights shall not be less favorable (December 31, 2020: Baht 6.9028 per share) which the conversion price of the convertible debenture is not lower than 90% of the market price which is calculated based on weighted average price of the Company’s shares trading on the Stock Exchange of Thailand for the past 15 consecutive business days during the period from October 24, 2019 to November 13, 2019, which is equivalent to 6.17 Baht per share.
Conversion ratio	The principal of the convertible debentures divided by the conversion price

Thai Accounting Standard No. 32 “Financial Instruments: Presentation”, requires the issuer of convertible debentures to present the debentures’ liability and equity components separately in the statement of financial position. Therefore, upon issuing the convertible debentures, the Company separated these components, determining the liability component by discounting the stream of future payments of principal and interest at the prevailing market rate. The carrying amount of the equity component was then determined by deducting the liability component from the total carrying value of the convertible debenture.

The liability component is presented at amortised cost until the conversion or maturity of the debentures. The value of the equity component determined upon the issue of the debentures does not change in subsequent periods.

“UNAUDITED”

“REVIEWED”

- 23 -

Movements of convertible debentures net from convertible debenture expenses during the three-month period ended March 31, 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated/Separate financial statements			
	Convertible debentures - liability component	Convertible debenture expenses	Total	Convertible debentures - equity component
Balance as at January 1, 2021	1,020,440	(12,813)	1,007,627	176,828
Amortisation of deferred convertible debentures issuing cost	-	735	735	-
Balance as at March 31, 2021	1,020,440	(12,078)	1,008,362	176,828

12. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	March 31, 2020 (For the three-month period)	December 31, 2020 (For the year)	March 31, 2020 (For the three-month period)	December 31, 2020 (For the year)
Provision for long-term employee benefits at beginning	19,337	16,650	17,944	15,628
Recognised in profit or loss				
Current service cost	2,106	2,337	1,519	1,990
Interest cost	(186)	350	(174)	326
Past service cost	479	-	-	-
Actuarial gain arising from				
For other long-term benefit plan	(3,028)	-	(2,735)	-
Recognised in other comprehensive income				
Actuarial gain arising from				
Demographic assumptions	(9,105)	-	(9,085)	-
Financial assumptions	1,756	-	1,755	-
Experience adjustments	3,450	-	4,148	-
Provision for long-term employee benefits at ending	14,809	19,337	13,372	17,944

The Group expects that there are no long-term employee benefits pay during the next year

“UNAUDITED”

“REVIEWED”

- 24 -

Significant actuarial assumptions are summarised below.

(Unit: percent per annum)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Discount rate	1.19 - 1.97	2.57 - 3.24	1.19	2.57
Salary increase rate	0 - 3	0 - 3	0 - 3	0 - 3
Turnover rate	22 - 35	5 - 13	22	5

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at March 31, 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(1,200)	1,350	(999)	1,120
Salary increase rate	1,376	(1,243)	1,162	(1,053)
Turnover rate	(1,325)	709	(1,114)	685

13. INCOME TAX EXPENSE

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year. Income tax expenses for the three-month periods ended March 31, 2021 and 2020 are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended March 31,			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Current income tax:				
Interim current income tax	28,535	32,087	28,535	32,087
Deferred tax:				
Relating to origination and reversal of temporary differences	(637)	(3,819)	(485)	(3,960)
Income tax expenses reported in profit or loss	27,898	28,268	28,050	28,127

“UNAUDITED”

“REVIEWED”

- 25 -

The amounts of income tax relating to each component of other comprehensive income for the three-month periods ended March 31, 2021 and 2020 are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended March 31,			
	Consolidated financial statements		Separate financial statement	
	2021	2020	2021	2020
Deferred tax relating to the actuarial gains	780	-	636	-
Income tax expenses reported in statements of comprehensive income	780	-	636	-

The components of deferred tax assets are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Deferred tax assets				
Allowance for expected credit losses	11,012	10,855	10,991	10,834
Provision for long-term employee benefits	2,961	3,868	2,674	3,589
Unrealised fair value loss on derivatives	303	178	303	178
Lease agreement	203	173	203	173
Deferred tax liabilities				
Deferred debenture issuing costs	(4,794)	(5,246)	(4,794)	(5,246)
Total deferred tax assets, net	9,685	9,828	9,377	9,528

14. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit attributable to equity holders of the Company for the period (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share is calculated by dividend profit for the period attributable to the equity holder of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued.

“UNAUDITED”

“REVIEWED”

- 26 -

Basic earnings per share and diluted earnings per share are calculated below.

Consolidated financial statements						
For the three-month periods ended March 31,						
Profit for the period		Weighted average number of ordinary shares		Earnings per share		
2021	2020	2021	2020	2021	2020	
(Thousand) Baht	(Thousand) Baht	(Thousand) shares	(Thousand) shares	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the Company						
99,512	95,264	607,498	607,500	0.16	0.16	
Effect of dilutive potential ordinary shares						
Convertible debentures (Note 11)						
8,942	-	177,962	-			
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of convertible debentures to ordinary shares						
<u>108,454</u>	<u>95,264</u>	<u>785,460</u>	<u>607,500</u>	0.14	0.16	
Separate financial statements						
For the three-month periods ended March 31,						
Profit for the period		Weighted average number of ordinary shares		Earnings per share		
2021	2020	2021	2020	2021	2020	
(Thousand) Baht	(Thousand) Baht	(Thousand) shares	(Thousand) shares	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the Company						
111,690	113,474	607,498	607,500	0.18	0.19	
Effect of dilutive potential ordinary shares						
Convertible debentures (Note 11)						
8,942	-	177,962	-			
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of convertible debentures to ordinary shares						
<u>120,632</u>	<u>113,474</u>	<u>785,460</u>	<u>607,500</u>	0.15	0.19	

No calculation of diluted earnings per share from warrants for the three-month period ended March 31, 2020 was made because their exercise price was in excess of the weighted average fair value of the Company's ordinary shares.

15. SEGMENT INFORMATION

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operation decision maker has been identified as the Company’s Board of Directors.

For management purposes, the Group are organised into business units based on its products and services and have three reportable segments as follows:

- Sales of program rights
- Advertising services
- Other business

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

“UNAUDITED”

“REVIEWED”

- 28 -

The following tables present revenue and profit information regarding Group’s operating segments for the three-month periods ended March 31, 2021 and 2020, respectively.

(Unit: Million Baht)

	Sales of program rights		Advertising services		Other business		Total		Eliminations		Consolidated	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenues												
External customers												
- Domestic sales	252	281	4	4	-	-	256	285	-	-	256	285
- Export sales	163	136	-	-	-	-	163	136	-	-	163	136
Inter-segment	5	9	7	3	1	1	13	13	(9)	(13)	4	-
Total revenues	<u>420</u>	<u>426</u>	<u>11</u>	<u>7</u>	<u>1</u>	<u>1</u>	<u>432</u>	<u>434</u>	<u>(9)</u>	<u>(13)</u>	<u>423</u>	<u>421</u>
Segment profit (loss)	218	183	(17)	(9)	1	1	202	175	-	(5)	202	170
Other income											7	4
Gain on exchange rate											13	47
Selling and servicing expenses											(12)	(4)
Administrative expenses											(41)	(57)
Finance cost											(42)	(37)
Income tax expenses											(28)	(28)
Profit for the period											<u>99</u>	<u>95</u>

Geographic information

The Group are operated in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable.

Major customers

For the three-month period ended March 31, 2021, the Group has revenue from four major customers in total amount of Baht 370 million which as 89% of the Group’s revenue from program rights.

16. OPERATING LEASE COMMITMENTS

16.1 Capital commitments

As at March 31, 2021, the Group had capital commitments of approximately USD 9 million, relating to purchasing of program rights.

16.2 Operating lease and service commitments

The Group has entered into several lease and service agreements in respect of the lease of office space rental, advertising space rental, satellite service and the service for the center area and utility system. The terms of the agreements are generally between 1 and 3 years.

Future minimum lease payments required under these non-cancellable operating leases contracts and related services were as follows:

	(Unit: Million Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Payable:				
In up to 1 year	15	14	12	10
In over 1 and up to 3 years	3	5	3	4

16.3 Long-term service commitments

The Company has entered into license and technical assistance agreements with an overseas unrelated company for the use of a trademark and the technical services. Under the conditions of the license agreement, the Company has commitments to pay the royalty fee as stipulated in the agreement amounting to approximately USD 3 million.

“UNAUDITED”

“REVIEWED”

- 30 -

17. FOREIGN CURRENCY RISK

The Group’s exposure to foreign currency risk arises mainly from purchasing the program right that is denominated in foreign currencies. The Group seek to reduce this risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at March 31, 2021 and December 31, 2020, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	25.79	22.87	6.34	2.65	31.34	30.04

As at March 31, 2021 and December 31, 2020, foreign exchange contracts outstanding are summarised below.

As at March 31, 2021

Foreign currency	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date
			Bought amount	Sold amount	
	(Million)	(Million)	(Baht per 1 foreign currency unit)		
US dollar	0.98	2.50	30.43 - 31.27	30.12 - 31.01	April 8, 2021 - November 15, 2021

As at December 31, 2020

Foreign currency	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date
			Bought amount	Sold amount	
	(Million)	(Million)	(Baht per 1 foreign currency unit)		
US dollar	1.30	0.73	30.43 - 31.27	30.07 - 30.18	January 21, 2021 - November 15, 2021

18. FAIR VALUES OF FINANCIAL INSTRUMENTS

Since the majority of the Group’s financial instruments are short-term in nature or carrying interest at rates close to market interest rates, their fair value is not expected to be materially different from the amounts presented in statement of financial position.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm’s length transaction. The fair value is determined by reference to the market price of the financial instruments or by using an appropriate valuation technique, depending on the nature of the instrument.

19. EVENTS AFTER THE REPORTING PERIOD

- 19.1 On April 9, 2021, the Company entered into share purchase agreement with a group of existing shareholders of DN Broadcast Company Limited (“DN”) by purchasing all 50 million ordinary shares or 100% of all shares in such company at the total amount of Baht 5 million and accepted the transfer of claims to receive the loan repayment and the interest from accounts payable of such company at the total amount of Baht 2,382 million. The Company had to pay the compensation in accepting the transfer of such claims at the amount approximately of Baht 1,055 million to accounts payable of such company. The total value of investment was about Baht 1,060 million and received the shares from the existing shareholders of DN as well as the loan and interest repayment claims from the creditors of DN. As such, DN has become a subsidiary of the Company.
- 19.2 On April 30, 2021, the Annual Shareholders’ Meeting of the Company had the significant resolutions as follows:
- a) To approve the retained earnings allocation as legal reserve amounted Baht 12.7 million and to pay the dividend to the shareholders from the profit of the year 2020 at Baht 0.2070 per share, totaled Baht 125.7 million. The dividend payment in cash will be scheduled on May 28, 2021.
 - b) To approve the registered capital decrease of the Company from Baht 451,419,917 to Baht 390,670,377.50 by cutting off the registered shares that had not been issued for 121,499,079 shares at par value of Baht 0.50 per share.
 - c) To approve the registered capital increase of the Company amounted Baht 2,059,916 from Baht 390,670,377.50 to Baht 392,730,293.50 by issuing the capital increase ordinary shares not over 4,119,832 shares at par value of Baht 0.50 per share to support the right adjustment of convertible debentures that grant the right to convert into ordinary shares of the Company.

20. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorised for issue by the Company’s Board of Directors on May 14, 2021.