

Plan B Media Public Company Limited and its subsidiaries  
Review report and consolidated interim financial statements  
For the three-month and nine-month periods ended  
30 September 2019

## **Independent Auditor's Report on Review of Interim Financial Information**

To the Shareholders of Plan B Media Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Plan B Media Public Company Limited and its subsidiaries as at 30 September 2019, the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Plan B Media Public Company Limited for the same periods. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of Review**

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

### **Conclusion**

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

**Emphasis of matter**

Without expressing a qualified conclusion on the aforementioned interim financial information, I draw attention to Note 6 to the financial statements. In June 2018, the Group invested in ordinary shares of BNK48 Office Company Limited which is engaged in providing the management and development of the BNK48 members at a price of Baht 182 million. The Group completed the measurement of fair value of the identifiable assets acquired and liabilities assumed at the acquired date in June 2019. The Company restated the consolidated statement of financial position as at 31 December 2018, and the related consolidated statements of comprehensive income for the three-month and nine-month periods ended 30 September 2018, presented herein as comparative information, to reflect the fair value of the identifiable assets acquired and liabilities assumed of BNK48 Office Limited as from the acquisition date.

Termphong Opanaphan

Certified Public Accountant (Thailand) No. 4501

EY Office Limited

Bangkok: 13 November 2019

**Plan B Media Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 30 September 2019**

(Unit: Thousand Baht)

	Note	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		<u>30 September 2019</u>	<u>31 December 2018</u>	<u>30 September 2019</u>	<u>31 December 2018</u>
		(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		462,210	440,458	139,849	100,787
Current investments	3	1,812,500	-	1,800,000	-
Trade and other receivables	4	1,342,720	1,332,473	1,285,394	1,182,759
Prepaid expenses amortised within 1 year	5	499,562	633,654	398,151	547,795
Short-term loans to related parties	2	96,592	1,050	19,680	165,045
Short-term loans to unrelated persons		3,000	3,000	-	-
Inventories		18,979	-	-	-
Other current assets		82,469	79,040	34,021	55,827
<b>Total current assets</b>		<u>4,318,032</u>	<u>2,489,675</u>	<u>3,677,095</u>	<u>2,052,213</u>
<b>Non-current assets</b>					
Restricted bank deposits	13	11,214	-	-	-
Investments in subsidiaries	6	-	-	801,192	470,329
Investments in joint ventures	7	15,200	-	-	-
Investments in associates	8	118,213	370,181	-	262,214
Investment properties	9	8,475	-	-	-
Leasehold improvement and equipment	10	2,336,662	2,237,681	2,002,349	1,899,832
Intangible assets	11	576,930	541,250	144,072	99,268
Goodwill	6	51,386	49,491	-	-
Deferred tax assets		10,138	10,493	6,859	8,341
Prepaid expenses amortised more than 1 year	5	122,704	96,350	51,678	37,852
Rental deposits		73,182	73,082	74,197	74,197
Other non-current assets		74,436	60,197	33,907	38,129
<b>Total non-current assets</b>		<u>3,398,540</u>	<u>3,438,725</u>	<u>3,114,254</u>	<u>2,890,162</u>
<b>Total assets</b>		<u><u>7,716,572</u></u>	<u><u>5,928,400</u></u>	<u><u>6,791,349</u></u>	<u><u>4,942,375</u></u>

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

**Plan B Media Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 30 September 2019**

(Unit: Thousand Baht)

	Note	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		<u>30 September 2019</u>	<u>31 December 2018</u>	<u>30 September 2019</u>	<u>31 December 2018</u>
		(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade and other payables	12	692,824	974,615	952,407	1,198,456
Current portion of long-term loans from financial institutions	13	27,811	2,007	-	-
Current portion of liabilities under financial lease agreements		3,502	2,030	941	912
Income tax payables		26,555	54,438	3,508	4,516
Unearned income		88,504	203,423	42,044	28,109
Undue output tax		95,227	104,677	64,651	69,597
Other current liabilities		52,560	27,657	37,992	15,737
<b>Total current liabilities</b>		<u>986,983</u>	<u>1,368,847</u>	<u>1,101,543</u>	<u>1,317,327</u>
<b>Non-current liabilities</b>					
Long-term loans from financial institutions - net of current portion	13	5,795	6,267	-	-
Liabilities under financial lease agreements - net of current portion		2,695	5,678	2,178	2,887
Provision for long-term employee benefits		8,760	8,356	8,442	8,356
Deferred tax liability	6	48,993	55,776	-	-
Other non-current liabilities		8,181	-	-	-
<b>Total non-current liabilities</b>		<u>74,424</u>	<u>76,077</u>	<u>10,620</u>	<u>11,243</u>
<b>Total liabilities</b>		<u>1,061,407</u>	<u>1,444,924</u>	<u>1,112,163</u>	<u>1,328,570</u>

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

**Plan B Media Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 30 September 2019**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
Note	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>				
Share capital				
Registered				
4,588,489,574 ordinary shares of Baht 0.10 each	458,849	458,849	458,849	458,849
Issued and fully paid				
3,882,568,101 ordinary shares of Baht 0.10 each				
(31 December 2018 : 3,529,607,365 ordinary				
shares of Baht 0.10 each)	14	388,257	352,961	388,257
Share premium	14	4,515,747	2,293,363	4,515,747
Capital reserve for share-based payment transactions		29,220	29,220	29,220
Retained earnings				
Appropriated - statutory reserve		45,885	45,885	45,885
Unappropriated		1,174,864	1,328,107	700,077
Other components of shareholders' equity		(1,826)	294	-
Equity attributable to owners of the Company		6,152,147	4,049,830	5,679,186
Non-controlling interests of the subsidiaries		503,018	433,646	-
<b>Total shareholders' equity</b>		6,655,165	4,483,476	5,679,186
<b>Total liabilities and shareholders' equity</b>		7,716,572	5,928,400	6,791,349

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

Directors

## Plan B Media Public Company Limited and its subsidiaries

## Statement of comprehensive income

For the three-month period ended 30 September 2019

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2019	2018	2019	2018
		(Restated)			
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales and service income	15	1,175,847	1,194,153	959,871	841,374
Other income		19,059	6,900	17,102	7,192
<b>Total revenues</b>		<u>1,194,906</u>	<u>1,201,053</u>	<u>976,973</u>	<u>848,566</u>
<b>Expenses</b>					
Cost of sales and services		766,788	784,896	652,540	588,063
Selling, distribution and servicing expenses		88,255	59,699	77,245	56,836
Administrative expenses		93,455	74,395	64,055	51,276
Impairment loss on investment		-	-	7,129	7,129
<b>Total expenses</b>		<u>948,498</u>	<u>918,990</u>	<u>800,969</u>	<u>703,304</u>
<b>Profit before share of profit (loss) from investments in associates, finance cost and income tax expenses</b>		<u>246,408</u>	<u>282,063</u>	<u>176,004</u>	<u>145,262</u>
Share of profit (loss) from investments in associates	8	(807)	2,724	-	-
<b>Profit before finance cost and income tax expenses</b>		<u>245,601</u>	<u>284,787</u>	<u>176,004</u>	<u>145,262</u>
Finance cost		(497)	(507)	(34)	(1)
<b>Profit before income tax expenses</b>		<u>245,104</u>	<u>284,280</u>	<u>175,970</u>	<u>145,261</u>
Income tax expenses	16	(42,889)	(53,302)	(30,486)	(24,242)
<b>Profit for the period</b>		<u>202,215</u>	<u>230,978</u>	<u>145,484</u>	<u>121,019</u>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		(1,507)	(1,717)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain - net of income tax		1,141	-	1,141	-
Other comprehensive income for the period - net of income tax		(366)	(1,717)	1,141	-
<b>Total comprehensive income for the period</b>		<u>201,849</u>	<u>229,261</u>	<u>146,625</u>	<u>121,019</u>
<b>Profit attributable to:</b>					
Equity holders of the Company		185,708	174,788	145,484	121,019
Non-controlling interests of the subsidiaries		16,507	56,190		
		<u>202,215</u>	<u>230,978</u>		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		186,101	173,920	146,625	121,019
Non-controlling interests of the subsidiaries		15,748	55,341		
		<u>201,849</u>	<u>229,261</u>		
<b>Basic earnings per share</b>	17				
Profit attributable to equity holders of the Company		0.048	0.050	0.037	0.034

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

## Plan B Media Public Company Limited and its subsidiaries

## Statement of comprehensive income

For the nine-month period ended 30 September 2019

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales and service income	15	3,505,868	2,864,332	2,700,028	2,407,263
Dividend income	6	-	-	72,999	-
Other income		39,990	18,576	36,432	19,601
<b>Total revenues</b>		<u>3,545,858</u>	<u>2,882,908</u>	<u>2,809,459</u>	<u>2,426,864</u>
<b>Expenses</b>					
Cost of sales and services		2,314,906	1,872,494	1,869,377	1,706,660
Selling, distribution and servicing expenses		211,006	167,774	189,922	154,752
Administrative expenses		249,938	199,489	163,193	149,617
Impairment loss on investment		-	-	21,387	21,387
<b>Total expenses</b>		<u>2,775,850</u>	<u>2,239,757</u>	<u>2,243,879</u>	<u>2,032,416</u>
<b>Profit before share of profit (loss) from investments in associates, finance cost and income tax expenses</b>		<u>770,008</u>	<u>643,151</u>	<u>565,580</u>	<u>394,448</u>
Share of profit (loss) from investments in associates	8	(1,189)	5,899	-	-
<b>Profit before finance cost and income tax expenses</b>		<u>768,819</u>	<u>649,050</u>	<u>565,580</u>	<u>394,448</u>
Finance cost		(946)	(1,177)	(109)	(2)
<b>Profit before income tax expenses</b>		<u>767,873</u>	<u>647,873</u>	<u>565,471</u>	<u>394,446</u>
Income tax expenses	16	(142,821)	(114,673)	(84,403)	(63,817)
<b>Profit for the period</b>		<u>625,052</u>	<u>533,200</u>	<u>481,068</u>	<u>330,629</u>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		(4,247)	(559)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain - net of income tax		1,141	-	1,141	-
Other comprehensive income for the period - net of income tax		(3,106)	(559)	1,141	-
<b>Total comprehensive income for the period</b>		<u>621,946</u>	<u>532,641</u>	<u>482,209</u>	<u>330,629</u>
<b>Profit attributable to:</b>					
Equity holders of the Company		520,124	466,517	481,068	330,629
Non-controlling interests of the subsidiaries		104,928	66,683	-	-
		<u>625,052</u>	<u>533,200</u>		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		519,145	466,239	482,209	330,629
Non-controlling interests of the subsidiaries		102,801	66,402	-	-
		<u>621,946</u>	<u>532,641</u>		
<b>Basic earnings per share</b>	17				
Profit attributable to equity holders of the Company		<u>0.138</u>	<u>0.132</u>	<u>0.128</u>	<u>0.094</u>

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



(Unaudited but reviewed)

**Plan B Media Public Company Limited and its subsidiaries****Cash flow statement****For the nine-month period ended 30 September 2019**

(Unit: Thousand Baht)

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	(Restated)			
<b>Cash flows from operating activities</b>				
Profit before tax	767,873	647,873	565,471	394,446
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	489,329	367,649	318,175	267,131
Allowance for doubtful accounts	-	1,490	-	-
Loss on disposal of assets	966	358	-	358
Loss on write-off of equipment	45	-	45	-
Impairment loss on investment	-	-	21,387	21,387
Provision for long-term employee benefits	1,799	1,392	1,512	1,392
Loss on disposal of investment in associate	6,599	-	-	-
Share of loss (profit) from investments in associates	1,189	(5,899)	-	-
Gains on bargain purchases	(1,936)	-	-	-
Dividend income	-	-	(72,999)	-
Interest income	(10,306)	(2,288)	(21,065)	(3,749)
Interest expenses	946	1,177	109	2
Profit from operating activities before changes in operating assets and liabilities	1,256,504	1,011,752	812,635	680,967
Operating assets (increase) decrease				
Trade and other receivables	48,012	(184,916)	(82,480)	(246,964)
Inventories	(18,979)	-	-	-
Other current assets	158,261	35,937	164,424	60,007
Other non-current assets	(22,966)	(8,526)	(9,604)	(779)
Operating liabilities increase (decrease)				
Trade and other payables	(115,299)	133,732	(42,762)	187,706
Unearned income	(121,926)	64,336	13,935	37,287
Other current liabilities	10,336	38,646	17,309	11,980
Other non-current liabilities	(566)	(384)	-	-
Cash from operating activities	1,193,377	1,090,577	873,457	730,204
Cash paid for interest expenses	(1,268)	(1,444)	(218)	(3)
Cash paid for income tax expenses	(186,744)	(105,405)	(84,214)	(60,530)
<b>Net cash from operating activities</b>	<b>1,005,365</b>	<b>983,728</b>	<b>789,025</b>	<b>669,671</b>

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

(Unaudited but reviewed)

**Plan B Media Public Company Limited and its subsidiaries****Cash flow statement (continued)****For the nine-month period ended 30 September 2019**

(Unit: Thousand Baht)

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	(Restated)			
<b>Cash flows from investing activities</b>				
Increase in restricted bank deposits	(11,014)	-	-	-
Decrease (increase) in short-term loans to related parties	(27,150)	300	145,365	(134,742)
Increase in short-term loans to unrelated persons	-	(10,500)	-	-
Cash paid for investments in subsidiaries (Note 6)	-	-	(359,000)	-
Cash receipt from disposal of investment in a subsidiary	-	1,500	-	1,500
Cash receipt (paid) for business acquisition (Note 6)	(114,829)	17,196	-	-
Cash paid for investments in joint ventures	(15,200)	-	-	-
Cash paid for investments in associates	(18,034)	(330,000)	-	(262,214)
Cash receipt from disposal of associate	269,240	-	269,240	-
Cash paid for acquisition of equipments	(283,872)	(431,885)	(272,813)	(343,366)
Payment of payable for purchase of equipments	(340,894)	(42,827)	(337,898)	(40,251)
Cash paid for acquisition of intangible assets	(113,532)	(67,039)	(63,299)	(35,512)
Cash receipt from disposal of equipments	5,675	159	5,088	159
Dividend received from subsidiaries	-	-	72,999	-
Interest income	(5,860)	1,986	7,660	3,498
Decrease (increase) in current investments	(1,812,500)	138,709	(1,800,000)	138,709
<b>Net cash used in investing activities</b>	<u>(2,467,970)</u>	<u>(722,401)</u>	<u>(2,332,658)</u>	<u>(672,219)</u>
<b>Cash flows from financing activities</b>				
Repayment of long-term loans from financial institutions	(6,710)	(11,509)	-	-
Repayment of liabilities under finance lease agreements	(1,511)	(476)	(680)	(78)
Proceed from increase in share capital	2,258,949	-	2,258,949	-
Payments of expense relating to the share offering	(1,269)	-	(1,269)	-
Cash receipt from share capital increased				
from non-controlling interests of the subsidiaries	-	13,550	-	-
Dividend paid	(674,305)	(158,816)	(674,305)	(158,816)
Dividend paid to non-controlling interests of the subsidiaries	(86,550)	(19,000)	-	-
<b>Net cash from (used in) financing activities</b>	<u>1,488,604</u>	<u>(176,251)</u>	<u>1,582,695</u>	<u>(158,894)</u>
<b>Decrease in translation adjustments</b>	<u>(4,247)</u>	<u>(559)</u>	<u>-</u>	<u>-</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>21,752</u>	<u>84,517</u>	<u>39,062</u>	<u>(161,442)</u>
Cash and cash equivalents at beginning of period	440,458	441,562	100,787	343,819
<b>Cash and cash equivalents at end of period</b>	<u>462,210</u>	<u>526,079</u>	<u>139,849</u>	<u>182,377</u>
	-	-	-	-
<b>Supplementary cash flow information</b>				
Non-cash transactions				
Purchase of equipment under finance lease agreements	-	561	-	-
Purchase of equipment but not yet paid	135,409	457,219	134,517	449,066
Equipment received from share subscription payables	-	44,068	-	-
Increase in share subscription/capital reduction payables	8,250	41,125	-	-
Increase in share subscription/capital reduction receivables	2,600	-	6,750	-
Transfer from prepaid expense to investment in associate	7,026	-	7,026	-

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

(Unaudited but reviewed)

**Plan B Media Public Company Limited and its subsidiaries**  
**Statement of changes in shareholders' equity**  
**For the nine-month period ended 30 September 2019**

(Unit: Thousand Baht)

Consolidated financial statements											
						Other components of equity					
						Comprehensive income					
						Surplus from	Exchange				
						changes in the	differences on				
						ownership	translation				
						interests	of financial in				
						in a subsidiary	foreign currency	Total other	Total equity	Equity attributable	Total
								components	attributable	to non-controlling	shareholders
								of equity	to owners of	interests of	equity
Issued and	Share premium	Capital reserve	Retained earnings								
paid-up		for share-based	Appropriated	Unappropriated							
share capital		payments	statutory reserves								
Balance as at 1 January 2018	352,961	2,293,363	29,220	35,350	861,114	-	(299)	(299)	3,571,709	66,541	3,638,250
Profit for the period - as restated	-	-	-	-	466,517	-	-	-	466,517	66,683	533,200
Other comprehensive income for the period - as restated	-	-	-	-	-	-	(278)	(278)	(278)	(281)	(559)
Total comprehensive income for the period - as restated	-	-	-	-	466,517	-	(278)	(278)	466,239	66,402	532,641
Dividend paid (Note19)	-	-	-	-	(158,832)	-	-	-	(158,832)	-	(158,832)
Non-controlling interests of the subsidiaries											
increased from the acquisition of subsidiaries (Note 6)	-	-	-	-	-	-	-	-	-	305,027	305,027
Dividends paid to non-controlling interests											
of the subsidiaries	-	-	-	-	-	-	-	-	-	(19,000)	(19,000)
Change in non-controlling interests of the											
subsidiary from disposal of investment											
in a subsidiary	-	-	-	-	-	924	-	924	924	576	1,500
Balance as at 30 September 2018 - as restated	352,961	2,293,363	29,220	35,350	1,168,799	924	(577)	347	3,880,040	419,546	4,299,586
Balance as at 1 January 2019 - as previously reported	352,961	2,293,363	29,220	45,885	1,334,525	924	(630)	294	4,056,248	288,628	4,344,876
Adjustment of the fair value of the identifiable assets acquired											
and liabilities assumed as a result of the acquisition											
of a subsidiary (Note 6)	-	-	-	-	(6,418)	-	-	-	(6,418)	145,018	138,600
Balance as at 1 January 2019 - as restated	352,961	2,293,363	29,220	45,885	1,328,107	924	(630)	294	4,049,830	433,646	4,483,476
Profit for the period	-	-	-	-	520,124	-	-	-	520,124	104,928	625,052
Other comprehensive income for the period	-	-	-	-	1,141	-	(2,120)	(2,120)	(979)	(2,127)	(3,106)
Total comprehensive income for the period	-	-	-	-	521,265	-	(2,120)	(2,120)	519,145	102,801	621,946
Increase share capital (Note 14)	35,296	2,222,384	-	-	-	-	-	-	2,257,680	-	2,257,680
Dividend Paid (Note 19)	-	-	-	-	(674,508)	-	-	-	(674,508)	-	(674,508)
Non-controlling interests of the subsidiaries											
increased from the acquisition and decreased											
in share capital of subsidiaries (Note 6)	-	-	-	-	-	-	-	-	-	53,121	53,121
Dividends paid to non-controlling interests											
of the subsidiaries	-	-	-	-	-	-	-	-	-	(86,550)	(86,550)
Balance as at 30 September 2019	388,257	4,515,747	29,220	45,885	1,174,864	924	(2,750)	(1,826)	6,152,147	503,018	6,655,165

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

(Unaudited but reviewed)

**Plan B Media Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity (continued)**

**For the nine-month period ended 30 September 2019**

(Unit: Thousand Baht)

	Separate financial statements					
	Issued and paid-up share capital	Share premium	Capital reserve for share-based payments	Retained earnings		Total shareholders' equity
				Appropriated - statutory reserves	Unappropriated	
Balance as at 1 January 2018	352,961	2,293,363	29,220	35,350	597,359	3,308,253
Profit for the period	-	-	-	-	330,629	330,629
Dividend paid (Note 19)	-	-	-	-	(158,832)	(158,832)
Balance as at 30 September 2018	352,961	2,293,363	29,220	35,350	769,156	3,480,050
Balance as at 1 January 2019	352,961	2,293,363	29,220	45,885	892,376	3,613,805
Profit for the period	-	-	-	-	481,068	481,068
Other comprehensive income for the period	-	-	-	-	1,141	1,141
Total comprehensive income for the period	-	-	-	-	482,209	482,209
Increase share capital (Note 14)	35,296	2,222,384	-	-	-	2,257,680
Dividend paid (Note 19)	-	-	-	-	(674,508)	(674,508)
Balance as at 30 September 2019	388,257	4,515,747	29,220	45,885	700,077	5,679,186

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

**Plan B Media Public Company Limited and its subsidiaries**

**Notes to consolidated interim financial statements**

**For the three-month and nine-month periods ended 30 September 2019**

**1. General information**

**1.1 Corporate information**

Plan B Media Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in providing advertising media production, advertising space and air time rental services. The registered office of the Company is at 298/64-65, Pitsanulok Road, Si Yak Mahanak, Dusit, Bangkok.

**1.2 Basis of preparation of interim financial statements**

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, 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.

**1.3 Basis of consolidation**

These consolidated financial statements include the financial statements of Plan B Media Public Company Limited and its subsidiaries (hereinafter called “the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2018.

During the current period, there was the following change in the structure of the Group:

*New subsidiaries*

Company's name	Nature of business	Country of incorporation	Percentage of shareholding
<b><u>Subsidiary held by the Company</u></b>			
Plan B CS Company Limited	Provide digital out of home advertising media	Thailand	80
<b><u>Subsidiaries held by Master Standard Display Company Limited</u></b>			
Sign Work Media Company Limited (Subsidiary has control)	Provide advertising media in several airport	Thailand	50
Digital Factory Company Limited (Subsidiary has control)	Provide online advertising media	Thailand	50
Splash Media Public Company Limited	Provide advertising space and advertising media production	Thailand	70
Stark Multimedia Company Limited	Provide digital out of home advertising media	Thailand	75
<b><u>Subsidiary held by BNK48 Office Company Limited</u></b>			
Platform Makkasan Company Limited	Provide the management and development of artist	Thailand	70
<b><u>Subsidiary held by Splash Media Public Company Limited</u></b>			
Splash Estate Company Limited	Production and provide the rental of billboard	Thailand	100

During the current period, the Company and BNK48 Office Company Limited ("subsidiary") established the new subsidiaries and Master Standard Display Company Limited ("subsidiary") purchased common shares of the companies as shown above. The Group has control over these companies as described in Note 6 to the financial statements. The Group included the financial statements of these companies in the consolidated financial statements in the current period and onwards.

## **1.4 New financial reporting standards**

### **(a) Financial reporting standards that became effective in the current period**

During the period, the Group have adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2019. 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 Group's financial statements. However, the new standard involves changes to key principles, which are summarised below:

#### **TFRS 15 Revenue from Contracts with Customers**

TFRS 15 supersedes the following accounting standards together with related interpretations.

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply TFRS 15 to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

This standard does not have any significant impact on the Group's financial statements.

**(b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2020**

The Federation of Accounting Professions issued a number of new and revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. 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 except the following new standards which involve changes to key principles, which are summarised below.

**Financial reporting standards related to financial instruments**

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

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



## **TFRS 16 Leases**

TFRS 16 supersedes TAS 17 Leases together with related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The management of the Group is currently evaluating the impact of this standard on the financial statements in the year when it is adopted.

### **1.5 Significant accounting policies**

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2018, except for the change in the accounting policies due to the adoption of TFRS 15, Revenue from Contracts with Customers and other accounting policies, as follow:

#### ***Revenue from sale of goods***

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received on receivable, excluding value added tax, of goods supplied after deducting discounts.

#### ***Rendering of services***

- a) Advertising revenues, advertising space rental revenues and air time rental revenues are recognised at a point in time upon completion of the service
- b) Revenues from right management is recognised over time based on the straight-line method.
- c) Artist management income, revenues from event advisor and organiser are recognised at a point in time upon completion of the service.

The recognised revenue which is not yet due per the contracts has been presented under the caption of “Accrued income” in the statement of financial position. The amounts recognised as contract assets are reclassified to trade receivables when the Group’s right to consideration is unconditional such as upon completion of services and acceptance by the customer.

The obligation to transfer goods or services to a customer for which the Group have received consideration (or an amount of consideration is due) from the customer is presented under the caption of “Unearned income” in the statement of financial position. Contract liabilities are recognised as revenue when the Group perform under the contract.

### ***Inventories***

Inventories are valued at the lower of cost and net realisable value. Cost is determined by FIFO method.

### ***Investment properties***

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 20 years. Depreciation of the investment properties is included in determining income.

### ***Goodwill***

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses (if any). Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company’s cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

## 2. Related party transactions

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

(Unit: Million Baht)

	For the three-month periods ended 30 September				
	Consolidated		Separate		
	financial statements		financial statements		Pricing policy
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	
<b>Transactions with subsidiaries</b>					
(eliminated from the consolidated financial statements)					
Advertising space rental expenses	-	-	169.6	127.9	Contract price
<b>Transactions with related persons or parties</b>					
Advertising space rental expenses	4.6	22.3	4.6	22.3	Contract price
Space rental expenses	4.6	5.2	2.0	2.0	Contract price
Royalty expenses	12.9	22.7	-	-	Contract price

(Unit: Million Baht)

	For the nine-month periods ended 30 September				
	Consolidated		Separate		
	financial statements		financial statements		Pricing policy
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	
<b>Transactions with subsidiaries</b>					
(eliminated from the consolidated financial statements)					
Advertising space rental expenses	-	-	477.0	405.4	Contract price
<b>Transactions with related persons or parties</b>					
Advertising space rental expenses	13.8	73.8	13.8	73.8	Contract price
Space rental expenses	13.8	9.4	5.9	5.9	Contract price
Service expenses	3.2	24.3	-	-	Mutually agreed price
Royalty expenses	53.2	22.7	-	-	Contract price

(Unaudited but reviewed)

As at 30 September 2019 and 31 December 2018 the balances of the accounts between the Company, subsidiaries and related persons or parties:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
		(Audited)		(Audited)
<b><u>Rental deposits - related parties</u></b>				
Subsidiary	-	-	2,127	2,127
Related companies (related by common directors)	1,363	1,363	350	350
Director	403	403	403	403
Total rental deposits - related parties	1,766	1,766	2,880	2,880
<b><u>Trade and other receivables - related parties</u></b>				
<b>(Note 4)</b>				
Subsidiaries	-	-	94,824	86,259
Associates	300	1,997	-	1,997
Related companies (related by common directors)	1,640	20,282	-	-
Related persons (subsidiary's shareholders)	2,600	-	-	-
Total trade and other receivables - related parties	4,540	22,279	94,824	88,256
<b><u>Prepaid expenses related parties (Note 5)</u></b>				
Subsidiaries	-	-	9,796	16,061
Related company (related by common director)	36,800	-	-	-
Total prepaid expenses - related parties	36,800	-	9,796	16,061
<b><u>Trade and other payables - related parties</u></b>				
<b>(Note 12)</b>				
Subsidiaries	-	-	450,297	476,422
Related companies (related by common directors)	54,921	104,267	-	-
Related persons (subsidiary's shareholders)	8,250	-	-	-
Total trade and other payables - related parties	63,171	104,267	450,297	476,422

As at 30 September 2019, the balance of loans between the Company, subsidiaries and related parties or persons and the movement are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	During the period			
	Balance as at 1 January 2019	Increase from the acquisition of a subsidiary	Increase Decrease	Balance as at 30 September 2019
<b><u>Short-term loans to related parties</u></b>				
2000 Publishing and Media Company Limited (Associate)	1,050	-	(150)	900
Looker Media Company Limited (related by common director)	-	68,392	-	68,392
Rose Artist Management Company Limited (related by common director)	-	-	26,800	26,800
Related persons (subsidiary's shareholders)	-	-	13,600	500
Total short-term loans to related parties	1,050	68,392	40,400	96,592

(Unaudited but reviewed)

The short-term loans to an associate, related persons and parties have interest charge at rate of 2% per annum with repayment at call and October 2019, respectively.

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at			Balance as at
	1 January	During the period		30 September
	2019	Increase	Decrease	2019
<b><u>Short-term loans to related parties</u></b>				
<b>Subsidiaries</b>				
Master Standard Display Company Limited	142,045	274,700	(416,745)	-
W.P.S. Media Company Limited	23,000	-	(8,000)	15,000
Sign Work Media Company Limited	-	4,680	-	4,680
Total short-term loans to related parties	165,045	279,380	(424,745)	19,680

The short-term loans to subsidiaries have interest charge at rate of 5% per annum with repayment at call.

### **Directors and management's benefits**

During the three-month and nine-month periods ended 30 September 2019 and 2018, the Group had employee benefit expenses of their directors and management as below.

(Unit: Million Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate financial	
	financial statements		statements	
	2019	2018	2019	2018
Short-term employee benefit	8.6	6.7	7.3	6.7
Long-term employee benefit	0.2	0.1	0.2	0.1
Total directors and management's benefits	8.8	6.8	7.5	6.8

(Unit: Million Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate financial	
	financial statements		statements	
	2019	2018	2019	2018
Short-term employee benefit	27.3	26.6	23.3	26.6
Long-term employee benefit	0.5	0.4	0.5	0.4
Total directors and management's benefits	27.8	27.0	23.8	27.0

**3. Current investments**

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statement	financial statements
	30 September 2019	31 December 2018
	(Audited)	(Audited)
Fixed bank deposits	1,812,500	-
Total current investments	1,812,500	-

As at 30 September 2019, fixed bank deposits carried interest rates at 0.800%, 1.625% and 5.250% per annum.

**4. Trade and other receivables**

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	30 September 2019	31 December 2018
	(Audited)	(Audited)
<b>Trade receivables - related parties</b>		
<u>Aged on the basis of due dates</u>		
Not yet due	645	240
Past due		
Up to 3 months	995	-
3 - 6 months	-	-
6 - 12 months	-	15,242
Over 12 months	-	4,997
Total trade receivables - related parties	1,640	20,479
<b>Trade receivables-unrelated parties</b>		
<u>Aged on the basis of due dates</u>		
Not yet due	815,256	1,015,388
Past due		
Up to 3 months	93,337	98,854
3 - 6 months	4,932	6,590
6 - 12 months	25,954	4,426
Over 12 months	6,774	5,170
Total	946,253	1,130,428
Less: Allowance for doubtful accounts	(1,362)	(168)
Total trade receivables - unrelated parties, net	944,891	1,130,260

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2019	2018	2019	2018
		(Audited)		(Audited)
<b>Other receivables</b>				
Accrued income - related parties	300	1,800	17,538	14,904
Accrued income - unrelated parties	369,305	174,654	276,465	133,201
Share subscription/capital reduction receivables	2,600	-	6,750	-
Other receivables - related party	-	-	4,200	-
Other receivables - unrelated parties	4,782	4,077	158	41
Others	25,789	5,179	20,048	6,022
Total	402,776	185,710	325,159	154,168
Less: Allowance for doubtful accounts	(6,587)	(3,976)	-	-
Total other receivables, net	396,189	181,734	325,159	154,168
Total trade and other receivables - net	1,342,720	1,332,473	1,285,394	1,182,759

## 5. Prepaid expenses

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2019	2018	2019	2018
		(Audited)		(Audited)
Prepaid advertising space rental				
- related parties	-	-	8,700	16,061
- unrelated parties	390,492	571,253	328,046	500,041
Others				
- related parties	36,800	-	1,096	-
- unrelated parties	194,974	158,751	111,987	69,545
Total prepaid expenses	622,266	730,004	449,829	585,647
Less: Amortised within 1 year	(499,562)	(633,654)	(398,151)	(547,795)
Prepaid expenses amortised more than 1 year	122,704	96,350	51,678	37,852

## 6. Investments in subsidiaries

### 6.1 Details of investments in subsidiaries as presented in the separate financial statements are as follows:

Company's name	Paid-up capital		Shareholding percentage		Cost		(Unit: Thousand Baht) Dividend income for the nine-month periods ended 30 September	
	30 September	31 December	30 September	31 December	30 September	31 December	30 September	2018
	2019	2018	2019	2018	2019	2018	2019	2018
		(Audited)	(%)	(%)		(Audited)		
				(Audited)				
Verisign Company Limited	126,000	126,000	100	100	400,000	400,000	59,999	-
Ads Cuisine Company Limited	10,000	10,000	100	100	65,800	65,800	13,000	-
Master Standard Display Company Limited	570,000	219,000	100	100	638,000	287,000	-	-
Golink Online Company Limited	5,000	5,000	70	70	3,500	3,500	-	-
SRPB Media Company Limited	5,000	20,000	45	45	2,250	9,000	-	-
Plan B CS Company Limited	10,000	-	80	-	8,000	-	-	-
Total					1,117,550	765,300	72,999	-
Less: Allowance for impairment of investment					(316,358)	(294,971)		
Investments in subsidiaries - net					801,192	470,329		

### 6.2 Details of changes in investments in subsidiaries

- a) On 14 May 2018, the Board of Directors' meeting of the Company passed a resolution approved the acquisition by MSD, of shares in BNK48 Office Company Limited ("BNK") which provide the management and development of the BNK48 members. MSD purchased 888,500 common shares of BNK (equal to 35% of its issued and paid-up share capital of that company), totaling Baht 182 million. MSD has control over BNK.

MSD has prepared the measurement of the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date. The measurement is completed in June 2019. The values of the assets and liabilities of BNK as at the acquisition date are summarised below.



(Unaudited but reviewed)

	(Unit: Thousand Baht)	
	Fair value	Carrying value
Cash and cash equivalents	108,321	108,321
Trade and other receivables	188,128	188,128
Other current assets	9,733	9,733
Equipment	319	319
Intangible assets	301,800	-
Trade and other payables	(168,504)	(168,504)
Deferred tax liability	(60,360)	-
Other current liabilities	(126)	(126)
Net assets of the subsidiary	379,311	137,871
Non-controlling interests of the subsidiary (65%)	(246,552)	
Net assets of the subsidiary attributable to MSD's interest (35%)	132,759	
Cost of investment in the subsidiary	182,250	
Less: MSD's proportionate share of identifiable net assets of the acquiree	(132,759)	
Goodwill	49,491	

The difference between the consideration paid and the fair value or identifiable net assets acquired was included in a part of goodwill in the consolidated statement of financial position as at 30 September 2019 and 31 December 2018.

The Group restated the consolidated statement of financial position as at 31 December 2018, presented herein as comparative information, to reflect the fair value of the identifiable assets acquired and liabilities assumed of BNK as from the acquisition date. The amounts of the adjustments affecting the consolidated statement of financial position as at 31 December 2018 are summarised below.

	(Unit: Thousand Baht)
	Amount
Decreased in estimated amount by which costs of the acquisition of investment in the subsidiary exceed identifiable net assets of the acquiree	(133,995)
Increased in goodwill	49,491
Increased in intangible assets	278,880
Increased in deferred tax liability	(55,776)
Increased in non-controlling interests of the subsidiary	(145,018)
Decreased in unappropriated retained earnings of equity attributable	6,418

(Unaudited but reviewed)

(Unit: Thousand Baht)

to owners of the Company

Furthermore, the Group restated the related consolidated statements of comprehensive income for the three-month and nine-month periods ended 30 September 2018. As result, cost of sales and services were increased by Baht 11 million and income tax expenses were decreased by Baht 2 million.

b) On 19 December 2018, the Board of Directors' meeting of the Company passed the following resolutions:

- 1) To approve the acquisition by MSD, of shares in Sign Work Media Company Limited ("Signwork") which provide advertising media in airport. Subsequently, MSD purchased 10,000 newly issued share capitals of Signwork (equal to 50% of issued and paid-up share capital of that company). MSD paid Baht 1 million and received the shares transferred on 7 February 2019 (the acquisition date). Therefore, MSD has control over Signwork.

The fair values of assets acquired and liabilities of Signwork as at the acquisition date are summarised below.

	(Unit: Thousand Baht)
Cash and cash equivalents	1,005
Trade and other receivables	18
Other current assets	1,497
Trade and other payables	(514)
Net assets of the subsidiary	2,006
Non-controlling interests of the subsidiary (50%)	(1,003)
Net assets of the subsidiary attributable to MSD's interest (50%)	1,003
Less: Gain on a bargain purchase	(3)
Cash paid for purchase of the subsidiary	1,000
Less: Cash and cash equivalents of the subsidiary	(1,005)
Net cash received from purchase of the subsidiary	(5)

The Company has considered the acquisition of Signwork in accordance with the requirements of Thai Financial Reporting Standard No. 3 Business Combinations and concluded that this acquisition is in substance of asset acquisition.

- 2) To approve the acquisition by MSD, of shares in Digital Factory Company Limited (“Digital Factory”) which provide online advertising media. Subsequently, MSD purchased 100,000 newly issued share capitals of Digital Factory (equal to 50% of issued and paid-up share capital of that company). MSD paid Baht 5 million and received the shares transferred on 8 February 2019 (the acquisition date). Therefore, MSD has control over Digital Factory.

MSD has prepared the measurement of the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date. The measurement is completed in June 2019. The values of the assets and liabilities of Digital Factory as at the acquisition date are summarised below.

	(Unit: Thousand Baht)	
	Fair value	Carrying value
Cash and cash equivalents	15,246	15,246
Trade and other receivables	14,646	14,646
Other current assets	1,490	1,490
Equipment	381	381
Trade and other payables	(24,335)	(24,335)
Other current liabilities	(1,218)	(1,218)
Net assets of the subsidiary	6,210	6,210
Non-controlling interests of the subsidiary (50%)	(3,105)	
Net assets of the subsidiary attributable to MSD's interest (50%)	3,105	
Add: Goodwill	1,895	
Cash paid for purchase of the subsidiary	5,000	
Less: Cash and cash equivalents of the subsidiary	(15,246)	
Net cash received from purchase of the subsidiary	(10,246)	

The difference between the consideration paid and the fair value of identifiable net assets acquired was included in a part of goodwill in the consolidated statement of financial position as at 30 September 2019.

- c) On 14 May 2019, the Board of Directors' meeting of the Company passed a resolution approved the acquisition by MSD of additional shares in Splash Media Public Company Limited (“Splash”) which provide advertising space and advertising media production. MSD entered into a share purchase agreement to purchase 126,000,000 common shares of Splash (equal to 70% of issued and paid-up share capital of that company). MSD paid Baht 161 million and received the shares transferred on 7 August 2019 (the acquisition date).

The fair values of assets acquired and liabilities of Splash as at the acquisition date are summarised below.

	(Unit: Thousand Baht)
Cash and cash equivalents	24,233
Trade and other receivables	24,080
Short-term loan to related party	68,392
Other current assets	17,626
Restricted bank deposit	200
Investment properties	8,525
Property, plant and equipment	47,748
Intangible assets	953
Other non-current assets	17,634
Trade and other payables	(4,920)
Loans from financial institution	(32,042)
Other current liabilities	(3,588)
Provision for long-term employee benefits	(31)
Other non-current liabilities	(8,747)
Net assets of the subsidiary	160,063
Non-controlling interests of the subsidiary (30%)	(48,019)
Net assets of the subsidiary attributable to MSD's interest (70%)	112,044
Add: Intangible assets (Leasehold rights)	48,732
Cash paid for purchase of the subsidiary	160,776
Less: Cash and cash equivalents of the subsidiary	(24,233)
Net cash paid for purchase of the subsidiary	136,543

The Company has considered the acquisition of Splash in accordance with the requirements of Thai Financial Reporting Standard No. 3 Business Combinations and concluded that this acquisition is in substance of asset acquisition

- d) On 19 June 2019, the Board of Directors' meeting of the Company passed a resolution approved the acquisition by MSD of additional shares in Stark Multimedia Company Limited ("Stark") which provide digital out of home advertising media. MSD entered into a share purchase agreement to purchase 180,000 common shares of Stark with a par value of 100 Baht per share, totally Baht 18 million (equal to 75% of issued and paid-up share capital of that company). MSD paid and received the shares transferred on 15 August 2019 (the acquisition date).

The fair values of assets acquired and liabilities of Stark as at the acquisition date are summarised below.

	(Unit: Thousand Baht)
Cash and cash equivalents	29,463
Trade and other receivables	747
Other current assets	3,563
Other non-current assets	1,388
Trade and other payables	(8,169)
Other current liabilities	(414)
Net assets of the subsidiary	26,578
Non-controlling interests of the subsidiary (25%)	(6,645)
Net assets of the subsidiary attributable to MSD's interest (75%)	19,933
Less: Gain on a bargain purchase	(1,933)
Cash paid for purchase of the subsidiary	18,000
Less: Cash and cash equivalents of the subsidiary	(29,463)
Net cash received from purchase of the subsidiary	(11,463)

The Company has considered the acquisition of Stark in accordance with the requirements of Thai Financial Reporting Standard No. 3 Business Combinations and concluded that this acquisition is in substance of asset acquisition.

- e) On 19 June 2019, the Extraordinary General Shareholders' Meeting of MSD passed a resolution approving a Baht 219 million increase in the registered share capital to Baht 570 million, by issuing 3,510,000 additional shares with a par value of Baht 100 per share. MSD registered the additional share capital with Ministry of Commerce on 19 July 2019. The Company invested Baht 351 million in the additional common shares of this subsidiary, in the proportion to its existing shareholding.
- f) On 23 August 2019, the Extraordinary General Shareholders' Meeting of SRPB Media Company Limited ("SRPB") passed a resolution to decrease the registered share capital from Baht 20 million to Baht 5 million, by cancelling 150,000 common shares with a par value of Baht 100 per share. SRPB registered the decrease in the share capital with Ministry of Commerce on 6 September 2019. The share capital decrease has no effect to the Company's existing shareholding. The Company will receive returning funds totaling Baht 7 million. As at 30 September 2019, The Company had not received cash from that company.

- g) On 16 August 2019, the Company registered a new company, Plan B CS Company Limited, to the Department of Business Development in order to provide digital out of home advertising media. The Company holds 80,000 common shares of such company with a par value of Baht 100 per share, totally Baht 8 million (equal to 80% of issued and paid-up share capital of that company).
- h) On 6 September 2019, BNK registered a new company, Platform Makkasan Company Limited ("Platform"), to the Department of Business Development in order to provide the management and development of artist. BNK holds 14,000 common shares of Platform at the par value of Baht 100 per share, totally Baht 1.4 million (equal to 70% of issued and paid-up shares of that company).

## 7. Investments in joint ventures

(Unit: Thousand Baht)								
Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amount based	
							on equity method	
			30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018
			(%)	(%)	(Audited)	(Audited)	(Audited)	(Audited)
<u>Joint ventures held by the subsidiary</u>								
Atmos Sports Lab Company Limited	Import and distribute sport and fashion goods	Thailand	36.90	-	12,950	-	12,950	-
Atmos Apparel Company Limited	Import and distribute sport and fashion goods	Thailand	44.90	-	2,250	-	2,250	-
Total investments in joint ventures					15,200	-	15,200	-

On 25 January 2019, MSD together with Atmos (Bangkok) Company Limited, registered 2 new companies as follows:

a) Atmos Sports Lab Company Limited (“Atmos Sports Lab”)

MSD holds 18,450 common shares of Atmos Sports Lab with a par value of Baht 100 per share, totaling Baht 2 million (equal to 36.9% of issued and paid-up share capital of that company). On 10 July 2019, the Extraordinary General Shareholders’ Meeting of Atmos Sports Lab passed a resolution approving an increase in its registered share capital from Baht 5 million to Baht 35 million, by issuing 300,000 additional shares with a par value of Baht 100 per share. Atmos Sports Lab registered the additional share capital with Ministry of Commerce on 15 July 2019. MSD invested Baht 11 million in the additional common shares of this joint venture, in proportion to its existing shareholding. MSD made a payment for such shares on 11 July 2019.

b) Atmos Apparel Company Limited (“Atmos Apparel”)

MSD holds 22,450 common shares of Atmos Apparel with a par value of Baht 100 per share, totaling Baht 2 million (equal to 44.9% of issued and paid-up share capital of that company). MSD made a payment for such share on 19 August 2019.

## 8. Investments in associates

(Unit: Thousand Baht)								
Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			30 September	31 December	30 September	31 December	30 September	31 December
			2019	2018	2019	2018	2019	2018
			(%)	(%)		(Audited)		(Audited)
(Audited)								
<u>Associate held by the Company</u>								
Bangkok Metro Networks Limited	Manage commercial area in all MRT stations and MRT trains	Thailand	-	19.48	-	262,214	-	268,813
<u>Associates held by the subsidiary</u>								
2000 Publishing and Media Company Limited	Trading of books, printed forms and other printed matters	Thailand	35.00	35.00	3,500	3,500	3,817	4,274
Sanctuary Billboards Sdn. Bhd.	Advertising media production	Malaysia	40.00	40.00	85,917	85,917	97,976	97,578
BNK Production Company Limited	TV production, Movie advertising, event organizer and all types of entertainment	Thailand	49.99	49.99	3,575	3,250	-	(484)

(Unaudited but reviewed)

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			30 September	31 December	30 September	31 December	30 September	31 December
			2019	2018	2019	2018	2019	2018
			(%)	(%)		(Audited)		(Audited)
	(In a process of liquidation)			(Audited)				
BL Falcon Pte. Ltd.	Providing digital out-of-home media advertising	Singapore	30.00	-	17,550	-	16,420	-
Total					110,542	354,881	118,213	370,181
Less: Allowance for impairment of investment					(3,575)	-		
Investments in associates - net					106,967	354,881		

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements			
			Shareholding percentage		Carrying amount based on cost method	
			30 September	31 December	30 September	31 December
			2019	2018	2019	2018
			(%)	(%)		(Audited)
				(Audited)		
Bangkok Metro Networks Limited	Manage commercial area in all MRT stations and MRT trains	Thailand	-	19.48	-	262,214
Total investment in associate					-	262,214

## 8.1 Details of changes in investments in associates

- a) The Company additionally purchased 132,561 shares of Bangkok Metro Networks Limited ("BMN"). As a result of this investment, its shareholding in BMN changed from 19.48% to 20%. The Company paid Baht 7 million for such shares acquisition and received the shares transferred on 15 January 2019.

On 26 March 2019, the Board of Directors' Meeting of the Company passed a resolution approved the sales of the investment in 5,080,000 shares of BMN to Bangkok Expressway and Metro Public Company Limited (equal to 20% of issued and paid-up share capital of that company). The Company transferred such shares to the buyer on 27 March 2019 (the disposal date) and received payment of Baht 269 million for the sales of investment. The Company had loss on sales of investment in BMN under the equity method amounting to Baht 6.6 million which is included in "Administrative expenses" in profit or loss section of the consolidated statement of comprehensive income.



- b) On 28 February 2019, the Board of Directors' meeting of the Company passed a resolution approved the acquisition by MSD, of shares in BL Falcon Pte. Ltd. ("Falcon") which provide digital out-of-home media advertising in Singapore. MSD entered into Share Subscription Agreement to purchase 750,000 newly issued share capitals of Falcon with a par value of SGD 1 per share, totaling SGD 0.75 million or approximately Bath 17.6 million (equal to 30% of issued and paid-up share capital of that company). MSD received shares transferred on 7 June 2019 (the acquisition date).
- c) During the current period, the Extraordinary General Meeting of shareholders of BNK Production Company Limited ("BNKP") approved the second call up of an additional 4.6% of the value of its 69,998 registered ordinary shares with a par value of Baht 100 each, totaling by Baht 0.3 million. The BNK had already made payment for the shares to this associate.

On 16 September 2019, the Extraordinary General Meeting of shareholders of BNKP passed a resolution to dissolve its operations. BNKP registered its dissolution in with the Ministry of Commerce on 17 September 2019 and the liquidation process is currently in progress.

## 8.2 Share of profit (loss)

The Group have recognised their share of profit (loss) from investments in associates in the consolidated financial statements as follows:

Company	(Unit: Thousand Baht)			
	Consolidated financial statements			
	Share of profit (loss) from investments in associates			
	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2019	2018	2019	2018
2000 Publishing and Media Company Limited	370	617	(457)	843
Sanctuary Billboards Sdn. Bhd.	(62)	1,249	398	4,198
BNK Production Company Limited	-	858	-	858
BL Falcon Pte.Ltd.	(1,115)	-	(1,130)	-
Total	(807)	2,724	(1,189)	5,899

During the three-month and nine-month periods ended 30 September 2019 and 2018, the Group had no dividend received from its associates.

**9. Investment properties**

Movements of the investment properties during the nine-month period ended 30 September 2019 are summarised below.

		(Unit: Thousand Baht)	
		Consolidated financial statements	
		30 September 2019	31 December 2018
		(Audited)	
Net book value as at 1 January 2019		-	-
Increased from the acquisition of a subsidiary			
- net book value (Note 6)		8,525	-
Depreciation for the period		(50)	-
Net book value as at 30 September 2019		8,475	-

**10. Leasehold improvement and equipment**

Movements of the leasehold improvement and equipment account during the nine-month period ended 30 September 2019 are summarised below.

		(Unit: Thousand Baht)	
		Consolidated	Separate
		financial statements	financial statements
Net book value as at 1 January 2019		2,237,681	1,899,832
Acquisitions during period - at cost		419,281	407,330
Increased from the acquisition of a subsidiary			
- net book value (Note 6)		48,129	-
Disposals and write-off		(6,686)	(5,133)
Depreciation for the period		(361,743)	(299,680)
Net book value as at 30 September 2019		2,336,662	2,002,349

**11. Intangible assets**

Movements of the intangible assets account during the nine-month period ended 30 September 2019 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2019 - as previously reported	262,370	99,268
Net book value of identifiable intangible assets from the acquisition of a subsidiary (Note 6)	278,880	-
Net book value as at 1 January 2019 - as restated	541,250	99,268
Acquisitions during period - at cost	113,531	63,299
Increased in leasehold rights from the measurement of assets from the acquisition of a subsidiary (Note 6)	48,732	-
Increased from the acquisition of subsidiary - net book value (Note 6)	953	-
Amortisation for the period	(127,536)	(18,495)
Net book value as at 30 September 2019	576,930	144,072

**12. Trade and other payables**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2019	31 December 2018 (Audited)	30 September 2019	31 December 2018 (Audited)
Trade payables - related parties	-	22,401	379,460	343,783
Trade payables - unrelated parties	244,910	229,550	184,794	200,986
Share subscription/capital reduction payables	8,250	41,125	-	-
Other payables - related parties	1,699	-	-	-
Other payables - unrelated parties	24,749	12,953	14,486	7,417
Accrued expenses - related parties	53,222	81,866	70,837	132,639
Accrued expenses - unrelated parties	223,929	245,373	167,657	175,280
Dividend payables	656	453	656	453
Account payables for construction	135,409	340,894	134,517	337,898
Total trade and other payables	692,824	974,615	952,407	1,198,456



**13. Long-term loans from financial institutions**

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	30 September 2019	31 December 2018
		(Audited)
Long-term loans	33,606	8,274
Less: Current portion	(27,811)	(2,007)
Long-term loans - net of current portion	5,795	6,267

Movement of the long-term loans from financial institutions account during the nine-month period ended 30 September 2019 is summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Balance as at 1 January 2019	8,274
Add: Addition from the acquisition of a subsidiary (Note 6)	32,042
Less: Repayment	(6,710)
Balance as at 30 September 2019	33,606

The long-term loans are guaranteed by the subsidiary's directors, mortgage of related person of the subsidiary's land, Thai Credit Guarantee Corporation, ordinary shares of the subsidiary, savings account of the subsidiary, and an assignment of proceeds under a contract of the subsidiary.

**14. Share capital**

On 26 March 2019, the Board of Directors' meeting of the Company passed a resolution to issue and allocate additional 352,960,736 ordinary shares with a par value of Baht 0.10 per share under the general mandate, at an offering price of Baht 6.40 per share, or for a total of Baht 2,259 million, to VGI Global Media Public Company Limited ("VGI"). The Company received payment of such newly issued ordinary shares in full, with expenses relating to the share offering of Baht 1.3 million (net of income tax of Baht 0.3 million) presented as a deduction from the premium on ordinary shares. The Company registered the increase in its issued and paid-up share capital with the Ministry of Commerce on 27 March 2019.

Moreover, some major shareholders of the Company entered into the agreements to sell certain ordinary shares of the Company to VGI, resulting in VGI becoming a major shareholder of the Company with 18.59% total shareholding of the issued and paid-up

(Unaudited but reviewed)

share capital of the Company. Nevertheless, VGI is not deemed to have control over the Company and do not have significant influence to the Company.

# 15. Revenues from contracts with customers

(Unit: Thousand Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Type of goods or service:</b>				
Revenue from sales	94,058	187,037	-	-
Advertising revenues, advertising space rental revenues and air time rental revenues	962,077	903,468	883,451	809,654
Revenues from right management	82,631	50,468	70,766	31,720
Artist management income, revenues from event advisor and organiser	37,081	53,180	5,654	-
Total revenues from contracts with customers	<u>1,175,847</u>	<u>1,194,153</u>	<u>959,871</u>	<u>841,374</u>
<b>Timing of revenues recognition:</b>				
Revenues recognised at a point in time	1,095,120	1,143,685	889,105	809,654
Revenues recognised over time	80,727	50,468	70,766	31,720
Total revenues from contracts with customers	<u>1,175,847</u>	<u>1,194,153</u>	<u>959,871</u>	<u>841,374</u>

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Type of goods or service:</b>				
Revenue from sales	295,409	187,037	-	-
Advertising revenues, advertising space rental revenues and air time rental revenues	2,686,707	2,460,038	2,472,092	2,275,730
Revenues from right management	234,348	150,281	189,342	131,533
Artist management income, revenues from event advisor and organiser	289,404	66,976	38,594	-
Total revenues from contracts with customers	<u>3,505,868</u>	<u>2,864,332</u>	<u>2,700,028</u>	<u>2,407,263</u>
<b>Timing of revenues recognition:</b>				
Revenues recognised at a point in time	3,274,897	2,714,051	2,510,686	2,275,730

(Unaudited but reviewed)

Revenues recognised over time	<u>230,971</u>	<u>150,281</u>	<u>189,342</u>	<u>131,533</u>
Total revenues from contracts with customers	<u>3,505,868</u>	<u>2,864,332</u>	<u>2,700,028</u>	<u>2,407,263</u>

## 16. Income tax

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 and nine-month periods ended 30 September 2019 and 2018 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
		(Restated)		(Restated)
<b>Current income tax:</b>				
Interim corporate income tax charge	39,592	55,510	27,950	24,153
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	<u>3,297</u>	<u>(2,208)</u>	<u>2,536</u>	<u>89</u>
<b>Income tax expense reported in profit or loss</b>	<u>42,889</u>	<u>53,302</u>	<u>30,486</u>	<u>24,242</u>

  

	(Unit: Thousand Baht)			
	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
		(Restated)		(Restated)
<b>Current income tax:</b>				
Interim corporate income tax charge	149,217	116,973	82,889	63,814
Effects of income tax related to the share offering (Note 14)	317	-	317	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	<u>(6,713)</u>	<u>(2,300)</u>	<u>1,197</u>	<u>3</u>
<b>Income tax expense reported in profit or loss</b>	<u>142,821</u>	<u>114,673</u>	<u>84,403</u>	<u>63,817</u>

The amounts of income tax relating to the component of other comprehensive income for the three-month and nine-month periods ended 30 September 2019 and 2018 are made up as follows:

	(Unit: Thousand Baht)	
	Consolidated /Separate financial statements	
	<u>2019</u>	<u>2018</u>
Deferred tax relating to actuarial gain	(285)	-
Total	(285)	-

## 17. Earnings per share

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

The following table sets forth the computation of basic earnings per share:

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statement		Financial statement	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	(Restated)		(Restated)	
Profit for the period attributable equity holders of the Company (Thousand Baht)	185,708	174,788	145,484	121,019
Weighted average number of ordinary shares (Thousand shares)	3,882,568	3,529,607	3,882,568	3,529,607
Basic earnings per share (Baht per share)	0.048	0.050	0.037	0.034

  

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statement		Financial statement	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	(Restated)		(Restated)	
Profit for the period attributable equity holders of the Company (Thousand Baht)	520,124	466,517	481,068	330,629
Weighted average number of ordinary shares	3,772,672	3,529,607	3,772,672	3,529,607



(Thousand shares)

Basic earnings per share (Baht per share)	0.138	0.132	0.128	0.094
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## 18. Segment information

For management purposes, the Group structured business units in accordance with the governance of the chief operating decision maker. The Group has two principal reportable segments, which are Advertising media segment and Engagement marketing segment. Advertising media segment comprising advertising media production, advertising space and air time rental services. Engagement marketing segment comprising management and development of the BNK48 members (BNK48 Office Company Limited) and administrate the benefit contracts with Football Association of Thailand under Patronage of His Majesty the King and Thai League Company Limited (Plan B Eleven Company Limited). The Company operates only in Thailand and two subsidiaries operate in Malaysia and Laos, which revenues are not significant.

The following tables present the financial information for the three-month and nine-month periods ended 30 September 2019 and 2018 of the Group by segment.

(Unit: Million Baht)

	For the three-month periods ended 30 September							
	Advertising media		Engagement marketing		Elimination of inter-segment revenues		Total	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
				(Restated)				(Restated)
Revenue from external customers	1,032	921	181	287	(37)	(14)	1,176	1,194
Segment operating profit	349	319	60	90	-	-	409	409
Other income							19	7
Selling, distribution and servicing expenses							(88)	(60)
Administrative expenses							(93)	(74)
Share of profit (loss) from investments in associates							(1)	3
Finance cost							(1)	(1)
Profit before income tax expenses							245	284
Income tax expenses							(43)	(53)
Profit for the period							202	231

### Major customer

During the three-month period ended 30 September 2019, the Group have revenues from two major customers in amount of Baht 181 million and Baht 105 million, arising from advertising media segment (2018: revenue from two major customers in amount

(Unaudited but reviewed)

of Baht 166 million and Baht 92 million, arising from advertising media segment.

(Unaudited but reviewed)

(Unit: Million Baht)

For the nine-month periods ended 30 September								
	Advertising		Engagement		Elimination of		Total	
	media		marketing		inter-segment	revenues		
	2019	2018	2019	2018	2019	2018	2019	2018
				(Restated)				(Restated)
Revenue from external customers	2,908	2,577	707	334	(109)	(47)	3,506	2,864
Segment operating profit	944	898	247	94	-	-	1,191	992
Other income							40	18
Selling, distribution and servicing expenses							(211)	(168)
Administrative expenses							(250)	(199)
Share of profit (loss) from investments in associates							(1)	6
Finance cost							(1)	(1)
Profit before income tax expenses							768	648
Income tax expenses							(143)	(115)
Profit for the period							625	533

### Major customers

During the nine-month period ended 30 September 2019, the Group have revenues from two major customers in amount of Baht 516 million and Baht 245 million, arising from advertising media segment (2018: revenue from two major customers in amount of Baht 507 million and Baht 231 million, arising from advertising media segment)

### 19. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht per share)
Final dividends for 2017	The Annual General Shareholders' meeting on 19 April 2018	158.83	0.05
Total		158.83	0.05
Final dividends for 2018	The Annual General Shareholders' meeting on 30 April 2019	321.19	0.091
Interim dividends	The Board of Directors' meeting on 14 August 2019	353.31	0.091
Total		674.50	0.182

## 20. Commitments and contingent liabilities

### 20.1 Capital commitments

As at 30 September 2019, the Company had capital commitments of approximately Baht 113 million (31 December 2018: Baht 385 million), relating to the construction of advertising equipment and related equipment.

### 20.2 Operating lease commitments

The Company and its subsidiaries has entered into several lease agreements in respect of the lease of office building space and advertising space. The terms of the agreements are generally between 1 and 9 years.

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

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2019	2018	2019	2018
		(Audited)		(Audited)
Payable:				
In up to 1 year	1,121	1,000	933	840
In over 1 and up to 5 years	2,332	2,057	1,984	1,785
In over 5 years	852	905	797	902

In addition, the Company has commitments with 18 counterparties, whereby it is required to pay additional rental expenses if revenue from advertising on rental space is higher than the minimum guarantee as stipulated in the contract. The amount to be paid is a share of the excess revenue determined on a straight-line basis.

### **20.3 Long-term service commitments**

- a) The Company was appointed as an official agency to manage commercial rights of Football Association of Thailand under Patronage of His Majesty the King ("Football Association") and Thai League Company Limited ("Thai League") for the period of 2017 - 2020, with the following details:

1) Football Association

- Minimum revenue guarantee of Baht 250 million per year for the period of 4 years

2) Thai League

- Minimum revenue guarantee of Baht 260 million per year for the period of 4 years

The Company shall obtain the considerations as the management fee at the ratio between 15 - 22.5% of the income generated from such administration.

- b) Mercy Plus Company Limited, a subsidiary, entered into a 5 years advertising concession agreement with Big C Supercenter Public Company Limited in order to grant a concession right to manage the sales and operation of indoor and outdoor advertising media around Big C Supercenter Store. The subsidiary has to pay a share of revenue at the rates stipulated in the agreement.

### **20.4 Guarantees**

As at 30 September 2019, the Group had outstanding bank guarantees of approximately Baht 294 million (31 December 2018: Baht 235 million) and for the Company only of approximately Baht 198 million (31 December 2018: Baht 167 million) issued by banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of business. Bank guarantees on behalf of the subsidiaries are secured by the Company.

### **20.5 Litigation**

In August 2017, the Company was sued as a defendant with several companies (11 defendants in total) for damages amounting to approximately Baht 440 million. The plaintiff claimed that the company jointly violated by construct billboards illegally and cover the plaintiff's billboards. Currently, the case is under the court's consideration.

However, the Company believe that they did not commit any wrongful acts as claimed since the Company is not the builder of the billboards but as only the billboards renter. Therefore, the management and the legal adviser of the Company believe that the

litigation will not result in the Company incurring any material loss, and the Company therefore did not record any liabilities in the accounts.

## **20.6 Investment commitment**

- a) On 10 August 2017, the Board of Directors' meeting of the Company passed a resolution approved the acquisition by MSD of shares in JKJ Media Services Inc. ("JKJ") which provide the advertising media in Philippines. MSD entered into a share purchase agreement to purchase 637,500 common shares of JKJ (equal to 30% of issued and paid-up share capital of that company) from its existing shareholders. As at 30 September 2019, MSD has not yet paid in this shares capital.
- b) On 19 September 2017, MSD together with Panyathip Advertising Company Limited, registered a new company, Panyathip Plan B Media Laos Co., Ltd. ("PPBML") in order to provide out-of-home media advertising in Vientiane, Lao People's Democratic Republic. MSD holds 50,000 common shares of PPBML with a par value of LAK 232,060 per share, totaling LAK 11,603 million (equal to 50% of issued and paid-up share capital of that company) and has control over such company due to having more voting rights in board of directors. During 2017, MSD paid Baht 27 million (USD 840,000) for the shares of this company, which is 60% of the value of the common shares hold by MSD in that company. Under the shareholders' agreement, it was agreed that additional payments of not more than USD 560,000 would be made to the existing shareholders of PPBML, depending on PPBML's 2019 operating results. As of the acquisition date the management of MSD's assessment was that MSD will not have to make any such additional payments.

## **21. Events after reporting period**

- a) On 28 October 2019, the Extraordinary General Shareholders' Meeting of SPRB Media Company Limited passed a resolution approved the reduction of the registered share capital by Baht 3.75 million, from the current registered share capital of Baht 5 million to Baht 1.25 million.
- b) On 30 October 2019, the Board of Directors' meeting of the Company passed a resolution and presented in the Extraordinary General Shareholders' Meeting of the Company approved the acquisition shares in Master Ad Public Company Limited ("MACO") which provide the production and services for out-of-home media.  
To subscribing for 1,080,000 of private placement common shares (equal to 19.96% of its issues and paid-up capital of MACO) at Baht 1.4381 per share, totaling Baht 1,553 million and the Company will enter into an Right to Sell Advertising Media Agreement, whereby it will manage all marketing and sales of out-of-home advertisings media of MACO in Thailand. Currently, the Company is in a process of negotiation with MACO.

**22. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's authorised director on 13 November 2019.