

Plan B Media Public Company Limited  
and its subsidiaries  
Report and consolidated financial statements  
31 December 2020

## **Independent Auditor's Report**

To the Shareholders of Plan B Media Public Company Limited

### **Opinion**

I have audited the accompanying consolidated financial statements of Plan B Media Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2020, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Plan B Media Public Company Limited (the Company) for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Plan B Media Public Company Limited and its subsidiaries, and of Plan B Media Public Company Limited as at 31 December 2020, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### **Basis for Opinion**

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

### **Emphasis of matters**

I draw attention to Note 3 to the consolidated financial statements. In the fourth quarter of 2020, the Group has assessed the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of investments and goodwill. As a result, in preparing the consolidated and separate financial statements for the year ended 31 December 2020, the Group has decided to discontinue application of the relief measures relating to impairment of assets and impairment of goodwill, which the Group elected to apply under the Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic issued by the Federation of Accounting Professions. This has no significant impact on the Group's consolidated and separate financial statements

However, the Group has elected to continue to apply the temporary relief measures on accounting alternatives relating to not taking forward-looking information into account when determining expected credit losses and not treating any reduction in lease payments by a lessor as a result of the COVID-19 situation as a lease modification. The Group is evaluating the impact of the relief measures on the consolidated and separate financial statements and will consider recording such impact after the measures expire.

My opinion is not modified in respect of these matters.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current year. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

The key audit matters and how audit procedures respond to each matter are described below.

#### ***Revenue recognition from providing media advertising***

Revenue from sales of the Group is the most significant account in the statements of comprehensive income. The Group's service income is derived numerous types of advertising media and covers many areas. Conditions in the agreements made with customers vary in terms of the sales promotions, discounts and special discounts offered to boost sales. As a result, the Group's recognition of revenue from sales is complex. I have therefore paid special attention to the appropriateness of the amount and timing of revenue recognition.

I have examined the revenue recognition of the Group as follows.

- Assessed and tested internal controls relevant to the revenue cycle of the Group by making inquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls, with special consideration given to expanding the scope of the testing of the internal controls that respond to the above risks.

- Examined documents supporting actual sales transactions occurring during the year, near the end of the accounting period and after the period-end on a sampling basis.
- Reviewed credit notes that the Group issued after the period-end.
- Performed analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

### **Leases**

As discussed in Note 3 to the consolidated financial statements, the Group adopted TFRS 16 Leases with effect from 1 January 2020. The Group has elected not to restate comparative information, as permitted by the transitional provisions. The Group recognised right-of-use assets and lease liabilities of Baht 3,579 million and Baht 3,102 million, respectively, in the consolidated statement of financial position as at 1 January 2020. Furthermore, during the current year the Group has entered into new contracts. As at 31 December 2020, the Group presents right-of-use assets and lease liabilities of Baht 5,128 million and Baht 4,796 million, respectively, in the consolidated statement of financial position. The calculations of the right-of-use assets and lease liabilities reflected in the consolidated financial statements are complex, primarily due to the large number of leases held by the Group, and the variety of terms of individual lease contracts. In addition, management is required to exercise judgement in determining the incremental borrowing rate (IBR) and whether there is an option to extend the lease period. There is therefore a risk that the lease data which underpins the TFRS 16 calculations are incomplete or inaccurate.

I have examined the lease recognition of the Group in relation to TFRS 16 as follows.

- Gained an understanding of and assessed the design and implementation of the key controls of the Group relating to the implementation of TFRS16.
- Determined whether the contracts of the Group meet the criteria of leases under TFRS 16, and considered the completeness of the lease data by testing the reconciliation of the lease liabilities to operating lease commitments disclosed in the notes to the consolidated financial statements for the year 2019.
- Verified the accuracy of the underlying lease data by agreeing selected samples of leases to the original contracts.
- Tested the correctness of the calculation of the right-of-use assets and lease liabilities by selecting samples to recalculate.

- Assessed the incremental borrowing rate (IBR) applied in determining lease liabilities.
- Reviewed the disclosures made in the notes to the consolidated financial statements pertaining to leases, including disclosures relating to the first-time adoption of TFRS 16.

### **Other Information**

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

I am responsible for the audit resulting in this independent auditor's report.

Termphong Opanaphan

Certified Public Accountant (Thailand) No. 4501

EY Office Limited

Bangkok: 24 February 2021

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

**Statement of financial position**

**As at 31 December 2020**

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Assets					
Current assets					
Cash and cash equivalents	8	638,259,087	2,360,140,293	522,387,672	2,044,302,884
Current investment		-	12,360,954	-	
Trade and other receivables	9	1,428,332,287	1,559,841,860	1,374,715,483	1,463,996,282
Prepaid expenses amortised within 1 year	10	241,015,167	429,563,639	165,027,015	325,834,126
Short-term loans to related parties	7	66,675,974	69,792,370	21,500,000	23,500,000
Short-term loans to unrelated persons		1,832,699	13,000,000	-	-
Inventories		11,772,489	13,255,582	-	-
Other current financial assets		12,951,015	-	-	-
Other current assets		62,208,969	63,544,682	43,147,616	36,006,517
Total current assets		2,463,047,687	4,521,499,380	2,126,777,786	3,893,639,809
Non-current assets					
Restricted bank deposits		-	11,234,805	-	-
Other non-current financial assets	11	691,200,000	-	691,200,000	-
Investments in subsidiaries	12	-	-	760,358,980	792,375,187
Investments in joint ventures	13	36,019,808	14,750,648	-	-
Investments in associates	14	120,455,024	117,600,578	-	-
Investment properties		8,099,726	8,399,726	-	-
Property, leasehold improvement and equipment	15	3,010,847,852	2,424,899,511	2,629,551,295	2,043,646,392
Right-of-use assets	16	5,128,497,008	-	4,913,164,006	-
Intangible assets	17	361,608,677	562,121,661	85,794,781	156,624,154
Goodwill	18	51,386,938	51,386,938	-	-
Deferred tax assets	29	197,971,004	11,829,317	193,852,336	8,639,018
Prepaid expenses amortised more than 1 year	10	14,744,884	96,530,662	7,319,710	44,689,479
Other non-current assets	19	166,326,470	159,194,584	101,951,906	114,064,646
Total non-current assets		9,787,157,391	3,457,948,430	9,383,193,014	3,160,038,876
Total assets		12,250,205,078	7,979,447,810	11,509,970,800	7,053,678,685

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 31 December 2020**

(Unit: Baht)

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>Note</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade and other payables	20	970,909,953	739,262,671	1,144,412,645	1,057,838,593
Current portion of long-term loans from financial institutions	21	1,988,318	19,928,229	-	-
Current portion of liabilities under financial lease agreements		-	3,379,113	-	950,984
Current portion of lease liabilities	16	1,286,081,572	-	1,331,341,243	-
Income tax payables		6,288,551	45,946,049	-	13,537,588
Unearned income		614,333,987	74,014,634	577,156,488	34,531,066
Undue output tax		104,055,032	111,065,284	75,252,825	77,520,418
Other current liabilities		37,125,611	23,857,286	27,838,745	13,317,278
<b>Total current liabilities</b>		<b>3,020,783,024</b>	<b>1,017,453,266</b>	<b>3,156,001,946</b>	<b>1,197,695,927</b>
<b>Non-current liabilities</b>					
Long-term loans from financial institutions - net of current portion	21	2,644,623	5,449,145	-	-
Liabilities under financial lease agreements - net of current portion		-	2,302,262	-	1,936,885
Lease liabilities, net of current portion	16	3,510,105,037	-	3,461,158,097	-
Provision for long-term employee benefits		8,280,100	9,360,040	7,990,703	8,946,923
Deferred tax liability	29	37,906,207	46,731,921	-	-
Other non-current liabilities		15,950,645	8,180,705	-	-
<b>Total non-current liabilities</b>		<b>3,574,886,612</b>	<b>72,024,073</b>	<b>3,469,148,800</b>	<b>10,883,808</b>
<b>Total liabilities</b>		<b>6,595,669,636</b>	<b>1,089,477,339</b>	<b>6,625,150,746</b>	<b>1,208,579,735</b>

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 31 December 2020**

(Unit: Baht)

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>Note</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Shareholders' equity</b>					
Share capital	22				
Registered					
4,588,489,574 ordinary shares of Baht 0.10 each		458,848,957	458,848,957	458,848,957	458,848,957
Issued and fully paid					
3,882,568,101 ordinary shares of Baht 0.10 each		388,256,810	388,256,810	388,256,810	388,256,810
Share premium		4,515,746,984	4,515,746,984	4,515,746,984	4,515,746,984
Capital reserve for share-based payment transactions		29,220,274	29,220,274	29,220,274	29,220,274
Retained earnings					
Appropriated - statutory reserve	23	45,884,896	45,884,896	45,884,896	45,884,896
Unappropriated		1,001,707,304	1,397,935,193	601,469,342	865,989,986
Other components of shareholders' equity		(700,634,653)	(1,679,696)	(695,758,252)	-
Equity attributable to owners of the Company		5,280,181,615	6,375,364,461	4,884,820,054	5,845,098,950
Non-controlling interests of the subsidiaries		374,353,827	514,606,010	-	-
<b>Total shareholders' equity</b>		<b>5,654,535,442</b>	<b>6,889,970,471</b>	<b>4,884,820,054</b>	<b>5,845,098,950</b>
<b>Total liabilities and shareholders' equity</b>		<b>12,250,205,078</b>	<b>7,979,447,810</b>	<b>11,509,970,800</b>	<b>7,053,678,685</b>
		-	-	-	-

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

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Directors

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

**Statement of comprehensive income**

**For the year ended 31 December 2020**

(Unit: Baht)

		<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
	<u>Note</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales and service income	24	3,724,409,276	4,861,009,600	3,063,662,876	3,820,651,213
Dividend income	12	-	-	136,999,875	72,999,035
Other income		43,606,368	58,488,486	27,782,160	52,933,166
<b>Total revenues</b>		<b>3,768,015,644</b>	<b>4,919,498,086</b>	<b>3,228,444,911</b>	<b>3,946,583,414</b>
<b>Expenses</b>					
Cost of sales and services		2,941,226,723	3,173,133,968	2,391,172,667	2,633,464,686
Selling, distribution and servicing expenses		211,720,288	323,369,541	202,498,512	289,178,431
Administrative expenses		361,466,977	365,040,406	224,572,768	229,009,533
Impairment loss on investments	12	-	-	28,516,207	28,516,207
<b>Total expenses</b>		<b>3,514,413,988</b>	<b>3,861,543,915</b>	<b>2,846,760,154</b>	<b>3,180,168,857</b>
<b>Profit before share of loss from</b>					
<b>investments in joint ventures and associates,</b>					
<b>finance cost and income tax expenses</b>		<b>253,601,656</b>	<b>1,057,954,171</b>	<b>381,684,757</b>	<b>766,414,557</b>
Share of loss from investments in joint ventures	13	(6,230,840)	(449,152)	-	-
Share of loss from investments in associates	14	(4,811,054)	(1,801,371)	-	-
Finance cost	25	(89,735,060)	(1,477,211)	(92,457,156)	(140,791)
<b>Profit before income tax expenses</b>		<b>152,824,702</b>	<b>1,054,226,437</b>	<b>289,227,601</b>	<b>766,273,766</b>
Income tax expenses	29	(30,969,925)	(197,398,307)	(16,023,846)	(119,293,040)
<b>Profit for the year</b>		<b>121,854,777</b>	<b>856,828,130</b>	<b>273,203,755</b>	<b>646,980,726</b>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Exchange differences on translation of					
financial statements in foreign currency		(4,542,861)	(3,955,574)	-	-
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Losses on investment in equity designated at fair value					
through other comprehensive income - net of income tax		(695,758,252)	-	(695,758,252)	-
Actuarial gain - net of income tax		2,678,399	1,141,446	2,340,046	1,141,446
<b>Other comprehensive income for the year</b>		<b>(697,622,714)</b>	<b>(2,814,128)</b>	<b>(693,418,206)</b>	<b>1,141,446</b>
<b>Total comprehensive income for the year</b>		<b>(575,767,937)</b>	<b>854,014,002</b>	<b>(420,214,451)</b>	<b>648,122,172</b>

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

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

**Statement of comprehensive income (continued)**

**For the year ended 31 December 2020**

(Unit: Baht)

		<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
	<u>Note</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Profit attributable to:</b>					
Equity holders of the Company		140,233,639	743,194,686	273,203,755	646,980,726
Non-controlling interests of the subsidiaries		(18,378,862)	113,633,444		
		<u>121,854,777</u>	<u>856,828,130</u>		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		(555,118,401)	742,362,481	(420,214,451)	648,122,172
Non-controlling interests of the subsidiaries		(20,649,536)	111,651,521		
		<u>(575,767,937)</u>	<u>854,014,002</u>		
<b>Basic earnings per share</b>					
	30				
Profit attributable to equity holders of the Company		0.036	0.196	0.070	0.170

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

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

**Cash flow statement**

**For the year ended 31 December 2020**

(Unit: Baht)

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Cash flows from operating activities</b>				
Profit before tax	152,824,702	1,054,226,437	289,227,601	766,273,766
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	2,151,861,475	623,170,685	1,913,627,907	432,823,154
Reduction in leases payments	(372,357,212)	-	(389,263,412)	-
Gain on cancellation of lease liabilities	(1,833,573)	-	(1,026,712)	-
Allowance for expected credit losses	3,995,571	8,460,490	3,142,994	8,460,490
Reversal of allowance for diminution in value of inventories	275,256	7,651,457	-	-
Loss (gain) on disposal of asset	2,333	(1,336,858)	308	(2,302,755)
Loss on write-off of equipment	-	44,950	-	44,950
Impairment loss on investments	-	-	28,516,207	28,516,207
Provision for long-term employee benefits	2,183,470	2,400,082	1,968,837	2,018,127
Gain on sale of investment in a subsidiary	(569,963)	-	(2,885,203)	-
Loss on sale of investment in associate	-	6,599,207	-	-
Share of loss from investments in joint ventures	6,230,840	449,152	-	-
Share of loss from investments in associates	4,811,054	1,801,371	-	-
Gains on bargain purchases	-	(1,936,817)	-	-
Dividend income	-	-	(136,999,875)	(72,999,035)
Interest income	(6,771,971)	(29,257,020)	(4,663,640)	(30,472,311)
Interest expenses	89,735,060	1,477,211	92,457,156	140,791
Profit from operating activities before changes in operating assets and liabilities	2,030,387,042	1,673,750,347	1,794,102,168	1,132,503,384
Operating assets (increase) decrease				
Trade and other receivables	120,849,354	(188,926,774)	86,873,915	(291,975,775)
Inventories	1,207,837	(20,907,039)	-	-
Other current assets	(112,420,115)	242,568,494	(104,856,550)	234,755,433
Other non-current assets	16,482,920	(8,369,231)	1,246,132	(8,575,051)
Operating liabilities increase (decrease)				
Trade and other payables	89,653,475	(41,991,301)	(56,885,871)	85,643,594
Unearned income	540,319,353	(136,415,054)	542,625,422	6,421,727
Other current liabilities	6,891,981	(2,529,840)	12,253,874	5,504,090
Other non-current liabilities	-	(566,000)	-	-
Cash from operating activities	2,693,371,847	1,516,613,602	2,275,359,090	1,164,277,402
Cash paid for interest expenses	(89,810,382)	(1,912,273)	(92,457,156)	(281,583)
Cash paid for income tax expenses	(157,374,588)	(221,266,846)	(101,658,543)	(110,854,769)
<b>Net cash flows from operating activities</b>	<b>2,446,186,877</b>	<b>1,293,434,483</b>	<b>2,081,243,391</b>	<b>1,053,141,050</b>

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

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

**Cash flow statement (continued)**

**For the year ended 31 December 2020**

(Unit: Baht)

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Cash flows from investing activities</b>				
Decrease (increase) in restricted bank deposits	11,234,805	(11,034,805)	-	-
Decrease (increase) in short-term loans to related parties	13,116,396	(350,000)	2,000,000	141,545,000
Decrease (increase) in short-term loan to unrelated persons	1,167,301	(10,000,000)	-	-
Cash received from capital reduction of subsidiary	-	-	-	8,437,500
Net cash paid for business acquisition	-	(114,828,425)	-	-
Cash paid for investments in subsidiaries	-	-	-	(359,000,000)
Cash paid for investments in joint ventures (Note 13.1)	(17,500,000)	(15,199,800)	-	-
Cash paid for investments in associates (Note 14.1)	(7,665,500)	(18,034,231)	-	-
Net cash received from disposal of investment in a subsidiary (Note 12)	4,849,505	-	6,385,203	-
Cash paid for capital reduction to non-controlling interest of the subsidiary	(13,200,000)	(10,312,500)	-	-
Cash received from disposal of investment in associate	-	269,240,000	-	269,240,000
Cash received from advance payment for disposal of investment in a joint venture	7,769,940	-	-	-
Cash paid for acquisition of equipment	(884,990,044)	(523,143,897)	(792,051,714)	(443,911,023)
Cash paid for payable for purchase of equipment	(117,064,549)	(340,894,493)	(111,736,836)	(337,897,968)
Cash paid for acquisition of intangible assets	(18,039,998)	(100,614,485)	(12,745,944)	(84,265,696)
Cash paid for acquisition of right-of-use assets	(99,819,246)	-	(99,819,246)	-
Cash received from disposal of equipment	31,026,639	8,793,753	31,000,000	8,177,042
Interest income	7,376,621	28,645,556	3,927,529	32,750,611
Dividend income from subsidiaries	-	-	136,999,875	72,999,035
Increase in investment in equity instrument	(1,560,897,815)	-	(1,560,897,815)	-
Increase in current investment	-	(12,360,954)	-	-
<b>Net cash flows used in investing activities</b>	<b>(2,642,635,945)</b>	<b>(850,094,281)</b>	<b>(2,396,938,948)</b>	<b>(691,925,499)</b>
<b>Cash flows from financing activities</b>				
Cash paid for long-term loans from financial institutions	(20,744,433)	(14,938,775)	-	-
Cash paid for liabilities under finance lease agreements	-	(2,026,755)	-	(912,461)
Cash paid for lease liabilities	(853,827,311)	-	(666,292,160)	-
Cash received from increased in share capital	-	2,258,948,710	-	2,258,948,710
Cash paid for expense relating to the share offering	-	(1,268,800)	-	(1,268,800)
Cash receipt from share capital increased from non-controlling interests of the subsidiaries	-	600,000	-	-
Dividend paid	(539,927,495)	(674,466,904)	(539,927,495)	(674,466,904)
Dividend paid to non-controlling interests of the subsidiaries	(105,799,977)	(86,550,000)	-	-
<b>Net cash flows from (used in) financing activities</b>	<b>(1,520,299,216)</b>	<b>1,480,297,476</b>	<b>(1,206,219,655)</b>	<b>1,582,300,545</b>
<b>Decrease in translation adjustments</b>	<b>(5,132,922)</b>	<b>(3,955,574)</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(1,721,881,206)</b>	<b>1,919,682,104</b>	<b>(1,521,915,212)</b>	<b>1,943,516,096</b>
Cash and cash equivalents at beginning of year	2,360,140,293	440,458,189	2,044,302,884	100,786,788
<b>Cash and cash equivalents at end of year</b>	<b>638,259,087</b>	<b>2,360,140,293</b>	<b>522,387,672</b>	<b>2,044,302,884</b>
	-	-	-	-

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

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

**Cash flow statement (continued)**

**For the year ended 31 December 2020**

(Unit: Baht)

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Supplementary cash flow information</b>				
Non-cash transactions				
Purchases of equipment for which no cash has been paid	281,028,375	117,064,549	274,286,249	111,736,836
Increase in share subscription payables	10,000,000	-	-	-
Increase in share subscription receivables	-	6,800,000	-	-
Increase in right-of-use assets and lease liabilities	2,947,615,225	-	2,732,095,967	-
Transfer from prepaid expense to investment in associate	-	7,025,733	-	7,025,733
Transfer from short-term loans to unrelated persons				
to short-term loans to related parties	10,000,000	-	-	-
Transfer from other non-current assets to right-of-use assets	66,000,000	-	66,000,000	-
Transfer from other current assets to other non-current assets	5,683,372	-	-	-

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

Plan B Media Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2020

(Unit: Baht)

Consolidated financial statements

	Consolidated financial statements											
						Other components of equity						
			Capital reserve for share-based payment	Retained earnings		Surplus from changes in the ownership interests in subsidiary	Other comprehensive income		Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
	Issued and paid-up share capital	Share premium		Appropriated - statutory reserves	Unappropriated		Exchange differences on translation of financial in foreign currency	Deficit on changes in value of investment in equity instrument				
<b>Balance as at 1 January 2019</b>	352,960,737	2,293,363,147	29,220,274	45,884,896	1,328,107,028	924,518	(630,563)	-	293,955	4,049,830,037	433,645,797	4,483,475,834
Profit for the year	-	-	-	-	743,194,686	-	-	-	-	743,194,686	113,633,444	856,828,130
Other comprehensive income for the year	-	-	-	-	1,141,446	-	(1,973,651)	-	(1,973,651)	(832,205)	(1,981,923)	(2,814,128)
Total comprehensive income for the year	-	-	-	-	744,336,132	-	(1,973,651)	-	(1,973,651)	742,362,481	111,651,521	854,014,002
Increase in share capital (Note 22)	35,296,073	2,222,383,837	-	-	-	-	-	-	-	2,257,679,910	-	2,257,679,910
Dividend paid (Note 33)	-	-	-	-	(674,507,967)	-	-	-	-	(674,507,967)	-	(674,507,967)
Non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	55,858,692	55,858,692
Dividends paid to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	(86,550,000)	(86,550,000)
<b>Balance as at 31 December 2019</b>	<b>388,256,810</b>	<b>4,515,746,984</b>	<b>29,220,274</b>	<b>45,884,896</b>	<b>1,397,935,193</b>	<b>924,518</b>	<b>(2,604,214)</b>	<b>-</b>	<b>(1,679,696)</b>	<b>6,375,364,461</b>	<b>514,606,010</b>	<b>6,889,970,471</b>
<b>Balance as at 1 January 2020</b>	388,256,810	4,515,746,984	29,220,274	45,884,896	1,397,935,193	924,518	(2,604,214)	-	(1,679,696)	6,375,364,461	514,606,010	6,889,970,471
Profit for the year	-	-	-	-	140,233,639	-	-	-	-	140,233,639	(18,378,862)	121,854,777
Other comprehensive income for the year	-	-	-	-	2,678,399	-	(2,272,187)	(695,758,252)	(698,030,439)	(695,352,040)	(2,270,674)	(697,622,714)
Total comprehensive income for the year	-	-	-	-	142,912,038	-	(2,272,187)	(695,758,252)	(698,030,439)	(555,118,401)	(20,649,536)	(575,767,937)
Dividend paid (Note 33)	-	-	-	-	(540,064,445)	-	-	-	-	(540,064,445)	-	(540,064,445)
Disposal of investment in a subsidiary (Note 12)	-	-	-	-	924,518	(924,518)	-	-	(924,518)	-	(3,102,670)	(3,102,670)
Non-controlling interests increased from new subsidiary	-	-	-	-	-	-	-	-	-	-	2,500,000	2,500,000
Non-controlling interest of the decreased in share capital of subsidiary	-	-	-	-	-	-	-	-	-	-	(13,200,000)	(13,200,000)
Dividends paid to non-controlling interests of a subsidiary	-	-	-	-	-	-	-	-	-	-	(105,799,977)	(105,799,977)
<b>Balance as at 31 December 2020</b>	<b>388,256,810</b>	<b>4,515,746,984</b>	<b>29,220,274</b>	<b>45,884,896</b>	<b>1,001,707,304</b>	<b>-</b>	<b>(4,876,401)</b>	<b>(695,758,252)</b>	<b>(700,634,653)</b>	<b>5,280,181,615</b>	<b>374,353,827</b>	<b>5,654,535,442</b>

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



Plan B Media Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2020

(Unit: Baht)

	Separate financial statements							
	Issued and paid-up share capital	Share premium	Capital reserve for share-based payments	Retained earnings	Retained earnings	Other components of shareholders' equity	Other comprehensive income	Total
				Appropriated	Unappropriated	in value of investment in equity instrument	comprehensive income	Total shareholders' equity
				- statutory reserves				
<b>Balance as at 1 January 2019</b>	352,960,737	2,293,363,147	29,220,274	45,884,896	892,375,781	-	-	3,613,804,835
Profit for the year	-	-	-	-	646,980,726	-	-	646,980,726
Other comprehensive income for the year	-	-	-	-	1,141,446	-	-	1,141,446
Total comprehensive income for the year	-	-	-	-	648,122,172	-	-	648,122,172
Increase in share capital (Note 22)	35,296,073	2,222,383,837	-	-	-	-	-	2,257,679,910
Dividend paid (Note 33)	-	-	-	-	(674,507,967)	-	-	(674,507,967)
<b>Balance as at 31 December 2019</b>	<u>388,256,810</u>	<u>4,515,746,984</u>	<u>29,220,274</u>	<u>45,884,896</u>	<u>865,989,986</u>	<u>-</u>	<u>-</u>	<u>5,845,098,950</u>
<b>Balance as at 1 January 2020</b>	388,256,810	4,515,746,984	29,220,274	45,884,896	865,989,986	-	-	5,845,098,950
Profit for the year	-	-	-	-	273,203,755	-	-	273,203,755
Other comprehensive income for the year	-	-	-	-	2,340,046	(695,758,252)	(695,758,252)	(693,418,206)
Total comprehensive income for the year	-	-	-	-	275,543,801	(695,758,252)	(695,758,252)	(420,214,451)
Dividend paid (Note 33)	-	-	-	-	(540,064,445)	-	-	(540,064,445)
<b>Balance as at 31 December 2020</b>	<u>388,256,810</u>	<u>4,515,746,984</u>	<u>29,220,274</u>	<u>45,884,896</u>	<u>601,469,342</u>	<u>(695,758,252)</u>	<u>(695,758,252)</u>	<u>4,884,820,054</u>

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

**Plan B Media Public Company Limited and its subsidiaries**  
**Notes to consolidated financial statements**  
**For the year ended 31 December 2020**

**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 Coronavirus disease 2019 Pandemic**

A second wave of the Coronavirus disease 2019 (COVID-19) pandemic has slowed the economic recovery, adversely impacting in most businesses and industries. This situation significantly affects in a decrease in the Group’s orders from customers, which significantly impacts the Group’s financial position, operating results, and cash flows at present, and is expected to do so in the future. 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 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

## 2.2 Basis of consolidation

- a) These consolidated financial statements include the financial statements of Plan B Media Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collective as “the Group”):

Company's name	Nature of business	Incorporation	Percentage of shareholding	
			2020	2019
			%	%
<u>Subsidiaries directly held by the Company</u>				
Verisign Company Limited	Advertising media production and advertising space rental	Thailand	100	100
Ads Cuisine Company Limited	Advertising media production and advertising space rental	Thailand	100	100
Master Standard Display Company Limited	Advertising media production and advertising space rental	Thailand	100	100
Golink Online Company	Provide mobile software application	Thailand	-	70
SRPB Media Company Limited (The Company has control)	Digital advertising agency	Thailand	45	45
Plan B CS Company Limited	Provide digital out of home advertising	Thailand	80	80
<u>Subsidiaries held by Master Standard Display Company Limited ("MSD")</u>				
Triple Play Company Limited	Advertising media design and production and advertising agency	Thailand	100	100
Mercy Plus Company Limited	Advertising media production	Thailand	100	100
The One Plus Company Limited	Advertising media design and production and advertising agency	Thailand	100	100
Maxview Media Group Company Limited	Advertising media production	Thailand	85	85
Tuna Advertising Company Limited	Provide advertising media in several airports	Thailand	100	100
Plan B Eleven Company Limited	Official Agency in order to sell and administrate the benefit obtained by related parties	Thailand	100	100
Bright Sky Media Company Limited (MSD has control)	Provide advertising media in several airports	Thailand	50	50
Plan B (Malaysia) Sdn.Bhd.	Provide advertising media	Malaysia	90	90
Panyathip Plan B Media Laos Company Limited (MSD has control)	Provide advertising media	Laos	50	50
W.P.S. Media Company Limited (MSD has control)	Provide advertising media in airport	Thailand	50	50
Independent Artist Management Company Limited (MSD has control)	Provide the management and development of artists	Thailand	35	35

Company's name	Nature of business	Incorporation	Percentage of shareholding	
			2020 %	2019 %
Sign Work Media Company Limited (MSD has control)	Provide advertising media in several airports	Thailand	50	50
Digital Factory Company Limited (MSD has control)	Provide online advertising media	Thailand	50	50
Splash Media Public Company Limited	Provide advertising space and advertising media production	Thailand	70	70
Stark Multimedia Company Limited	Provide digital out of home advertising media	Thailand	75	75
<u>Subsidiaries held by Independent Artist Management Company Limited ("iAM")</u>				
Platform Makkasan Company Limited	Provide the management and development of artists	Thailand	70	70
More than I can say Company Limited	Provide the management and development of artists	Thailand	65	65
Dreamers Society Management Company Limited	Provide the management and development of artists	Thailand	59	59
The Ska Talent Management Company Limited (iAM has control)	Provide the management and development of artist	Thailand	50	-
<u>Subsidiary held by Splash Media Public Company Limited</u>				
Splash Estate Company Limited	Production and provide the rental of billboard	Thailand	100	100

- 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 obtains control, and continue to be consolidated until the date when such control ceases.
- d) During the year 2020, there were changes in the composition of the Group as follow:

New subsidiary

Investor	Subsidiary	Nature of business	Percentage of shareholding (%)	Description	Amount (Thousand Baht)
Independent Artist Management Company Limited	The Ska Talent Management Company Limited	Provide the management and development of artist	50.00	Invested in 25,000 common shares with a par value of Baht 100 per share, and already registered new subsidiary to the Department of Business Development	2,500

*Disposal of investment in subsidiary*

Investor	Subsidiary	Nature of business	Percentage of shareholding	Description	Amount
			(%)		(Thousand Baht)
Plan B Media Public Company Limited	Golink Online Company Limited	Provide mobile software application	70.00	The Company sold all 34,997 common shares at their net book value of Baht 182.45 per share. The shares are transferred on 29 September 2020 (selling date)	6,385

*Reduction of capital by a subsidiary*

Subsidiary	Nature of business	Percentage of shareholding	Description	Amount
		(%)		(Thousand Baht)
Splash Media Public Company Limited ("Splash Media")	Provide advertising space and advertising media production	70	Reduction of share capital from Baht 180 million to Baht 136 million, by cancelling 44 million common shares with a par value of Baht 1 per share. Splash Media registered the decrease in the share capital with Ministry of Commerce on 22 December 2020. The decrease of share capital has no effect to the percentage of shareholding.	44,000
Splash Estate Company Limited ("Splash Media")	Production and provide the rental of billboard	100	Reduction of share capital from Baht 113 million to Baht 85 million, by cancelling 0.28 million common shares with a par value of Baht 100 per share. Splash Estate registered the decrease in the share capital with Ministry of Commerce on 28 October 2020. The decrease of share capital has no effect to the percentage of shareholding.	28,000

- e) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- f) The assets and liabilities in the financial statements of overseas subsidiaries 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.

- g) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- h) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 Independent Artist Management Company Limited (“iAM) has joint arrangements which assessed as joint operation with other joint operators. iAM recognises its shares of assets, liabilities, revenue and expenses of the joint operation, in proportion to its interest, to the consolidated financial statements, the details of such joint arrangements as follows:

Name of entity	Nature of Business	Country of incorporation	Interest in joint operations	
			<u>2020</u>	<u>2019</u>
			%	%
Joint Venture Tom Oh Ple Film	Film production	Thailand	33.33	33.33

2.4 Separate financial statements present investments in subsidiaries under the cost method.

### 3. New financial reporting standards

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

During the year, the Group has adopted the revised (revise 2019) and new financial reporting standards and interpretations which are effective for the 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. 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.

## **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.

These standards do not have any significant impact on the Group's financial statements.

### **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 Group adopted these financial reporting standards using the modified retrospective method of initial adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 4.

## **Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the Covid-19 Pandemic**

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the Covid-19 Pandemic. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

During the period from the first quarter to the third quarter of 2020, the Group elected to apply the temporary relief measures on accounting alternatives relating to measurement of expected credit losses using a simplified approach, reduction in leases payments, impairment of assets and impairment of goodwill.

In the fourth quarter of 2020, the Group has assessed some of the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of investments and goodwill. As a result, in preparing the financial statements for the year ended 31 December 2020, the Group has decided to discontinue application of the temporary relief measures on accounting alternatives relating to impairment of assets and impairment of goodwill. This has no significant impact on the Group's financial statements.

The Group has elected to apply the following temporary relief measures on accounting alternatives:

- Not to take into account forward-looking information when determining expected credit losses, in cases where the Group uses a simplified approach to determine expected credit losses.
- Not to account for any reduction in lease payments by lessors resulting from the COVID-19 situation as a lease modification, with the lease liabilities that come due in each period reduced in proportion to the reduction and depreciation of right-of-use assets and interest on lease liabilities recognised in each period reversed in proportion to the reduction, with any differences then recognised in profit or loss.

The Group is evaluating the impact on the financial statements and expects the valuation of right-of-use assets and lease liabilities to be significantly affected. The Group will consider recording the impact on the financial statements after the relief measures expire.



**b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2021**

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 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 management of the Group is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

**4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards**

As described in Note 3 to the financial statements, during the current year, the Group has adopted the set of financial reporting standards related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards was recognised as an adjustment to retained earnings as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts of changes in accounting policies on the statements of financial position at the beginning of 2020 due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	The impacts of			1 January 2020
	31 December 2019	Financial reporting standards related to financial instruments	TFRS 16	
<b>Statement of financial position</b>				
<b>Assets</b>				
<b>Current assets</b>				
Current investments	12,361	(12,361)	-	-
Prepaid expenses amortised within				
1 year	429,564	-	(299,351)	130,213
Other current financial assets	-	12,361	-	12,361

(Unit: Thousand Baht)

Consolidated financial statements				
	The impacts of			
	31 December	Financial		1 January
	2019	reporting	TFRS 16	2020
		standards		
		related to		
		financial		
		instruments		
<b>Non-current assets</b>				
Restricted bank deposits	11,235	(11,235)	-	-
Other non-current financial assets	-	11,235	-	11,235
Property, leasehold improvement and equipment	2,424,900	-	(8,140)	2,416,760
Intangible assets	562,122	-	(105,676)	456,446
Right-of-use assets	-	-	3,578,956	3,578,956
Prepaid expenses amortised more than 1 year	96,531	-	(69,708)	26,823
<b>Liabilities and shareholders' equity</b>				
<b>Current liabilities</b>				
Current portion of liabilities under financial lease agreements	3,379	-	(3,379)	-
Current portion of lease liabilities	-	-	854,352	854,352
<b>Non-current liabilities</b>				
Liabilities under financial lease agreements - net of current portion	2,302	-	(2,302)	-
Lease liabilities, net of current portion	-	-	2,247,410	2,247,410

(Unit: Thousand Baht)

	Separate financial statements		
	31 December 2019	The impacts of TFRS 16	1 January 2020
<b>Statement of financial position</b>			
<b>Assets</b>			
<b>Current assets</b>			
Prepaid expenses amortised within 1 year	325,834	(259,198)	66,636
<b>Non-current assets</b>			
Leasehold improvement and equipment	2,043,646	(5,870)	2,037,776
Intangible assets	156,624	(71,512)	85,112
Right-of-use assets	-	3,539,251	3,539,251
Prepaid expenses amortised more than 1 year	44,689	(42,475)	2,214
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Current portion of liabilities under financial lease agreements	951	(951)	-
Current portion of lease liabilities	-	793,595	793,595
<b>Non-current liabilities</b>			
Liabilities under financial lease agreements - net of current portion	1,937	(1,937)	-
Lease liabilities, net of current portion	-	2,369,489	2,369,489

The classifications, measurement basis and carrying values of financial assets in accordance with TFRS 9 as at 1 January 2020, and with the carrying amounts under the former basis, are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9 - Amortised cost
<b>Financial assets as at 1 January 2020</b>		
Cash and cash equivalents	2,360,140	2,360,140
Current investments	12,361	12,361
Trade and other receivables	1,559,842	1,559,842
Short-term loans to related parties	69,792	69,792
Short-term loans to unrelated parties	13,000	13,000
Restricted bank deposits	11,235	11,235
<b>Total financial assets</b>	<b>4,026,370</b>	<b>4,026,370</b>

(Unit: Thousand Baht)

	Separate financial statements	
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9 - Amortised cost
<b>Financial assets as at 1 January 2020</b>		
Cash and cash equivalents	2,044,303	2,044,303
Trade and other receivables	1,463,996	1,463,996
Short-term loans to related parties	23,500	23,500
<b>Total financial assets</b>	<b>3,531,799</b>	<b>3,531,799</b>

As at 1 January 2020, the Group has not designated any financial liabilities at fair value through profit or loss.

#### 4.1 Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases that previously classified as operating leases measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate as of 1 January 2020. For leases that previously classified as finance leases, the Group recognised the carrying amount of the lease assets and lease liabilities before transition as right-of-use assets and lease liabilities, respectively at the date of initial application.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 31 December 2019	3,476,542	3,592,782
Add: Others	39,913	58,191
Less: Short-term leases and leases of low-value assets	(28,498)	(55,847)
Deferred interest expenses	(391,876)	(434,930)
Increase in lease liabilities due to the adoption of TFRS 16	3,096,081	3,160,196
Liabilities under finance lease agreements as at 31 December 2019	5,681	2,888
Lease liabilities as at 1 January 2020	<u>3,101,762</u>	<u>3,163,084</u>
Weighted average incremental borrowing rate (% per annum)	3.46	3.49
Comprise of:		
Current lease liabilities	854,352	793,595
Non-current lease liabilities	2,247,410	2,369,489
	<u>3,101,762</u>	<u>3,163,084</u>

## **5. Significant accounting policies**

### **5.1 Revenue and expense recognition**

#### ***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.

#### ***Interest income***

Interest income is calculated using the effective interest method recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

#### ***Finance cost***

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

#### ***Dividend income***

Dividends are recognised when the right to receive the dividends is established.

## **5.2 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

## **5.3 Inventories**

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

## **5.4 Investments in subsidiaries, joint ventures and associates**

Investments in joint ventures and associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

## **5.5 Investment properties**

The Group initially measured the investment properties 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.

## **5.6 Property, leasehold improvement and equipment/Depreciation**

Leasehold improvement and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of leasehold improvement and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Leasehold improvement	-	5,10 years
Furniture and office equipment	-	5 years
Motor vehicles	-	5 years
Advertising equipment and related equipment	-	5 - 8 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

## 5.7 Intangible assets

The Group initially recognises the intangible assets acquired through business combination at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and allowance for impairment loss (if any).

The Group amortises the intangible assets with finite lives on a systematic basis over the economic useful life and test for impairment whenever there is an indication that the intangible asset may be impaired. The Group reviews the amortisation period and the amortisation method of such intangible assets at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	5 - 10 years
License	6 - 8 years
Copyright	7 years

## 5.8 Goodwill

The Group initially records goodwill 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.

The Group presents the goodwill at cost less 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 Group 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, The Group will recognise impairment loss in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

## 5.9 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### Accounting policies adopted since 1 January 2020

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

#### **Right-of-use assets**

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs [or the revalued amount], on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Advertising space	1 - 15 years
Motor vehicles	5 years
Leasehold right	2 - 10 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

#### **Lease liabilities**

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.



The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

#### ***Short-term leases and leases of low-value assets***

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses in profit or loss on a straight-line basis over the lease term.

#### **Accounting policies adopted before 1 January 2020**

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the shorter of the useful life of the asset

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

### **5.10 Related party transactions**

Related parties comprise enterprises and individuals that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors, and officers with authority in the planning and direction of the operations of the Group.

### 5.11 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Group's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

### 5.12 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment right-of-use asset, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

The group will recognise an impairment loss in profit or loss.

### 5.13 Employee benefits

#### ***Short-term employee benefits***

The Group recognise salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

#### ***Post-employment benefits***

##### *Defined contribution plans*

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a

separate trust fund and the Group's contributions are recognised as expenses when incurred.

#### Defined benefit plans

The Group have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treat these severance payment obligations as a defined benefit plan.

The Group determine the obligation under the defined benefit plan is by using the projected unit credit method which perform by a professionally qualified independent actuary based on actuarial techniques.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

#### **5.14 Share-based payment**

Transfer of the Company's equity instruments by its shareholders to parties (including employees) that have supplied goods or services to the Company are treated as share-based payment transactions, unless the transfer is clearly for a purpose other than payment for goods or services supplied to the Company.

The Company records the excess of the fair value at transfer date over the transfer price of equity instrument as an expense in profit or loss, and as the capital surplus on share-based payment in the statement of changes in shareholders' equity.

#### **5.15 Provisions**

Provisions are recognised when the Group have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### **5.16 Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

##### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

## **Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

## **5.17 Financial instruments**

### **Accounting policies adopted since 1 January 2020**

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

### **Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

### ***Financial assets at amortised cost***

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

### ***Financial assets designated at FVOCI (equity instruments)***

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

### ***Financial assets at FVTPL***

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net change in fair value recognised in profit or loss. These financial assets include derivatives, security investments held for trading equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest. Dividends on listed equity investments are recognised as other income in profit or loss.

### **Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

### **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

### **Impairment of financial assets**

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## Accounting policies adopted before 1 January 2020

### **Trade and other receivables**

Trade and other receivables are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

### **Investments**

Investments in subsidiaries are accounted for in the separate financial statements using the cost method net of allowance for impairment loss (if any).

Investments in joint ventures and associates are accounted for in the consolidated financial statements using the equity method.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

### **5.18 Derivatives**

The Group uses derivatives, such as forward currency contracts to hedge its foreign currency risks, respectively.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

### **5.19 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

## 6. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates is as follow:

### Consolidation of subsidiaries that the Group holds less than half of shares

The management of the Group determined that the Group has control over subsidiaries, even though the Group holds shares and voting rights that is less than half and half of shares and voting rights as follow.

Company's name	Percentage of shareholding	
	<u>2020</u>	<u>2019</u>
	%	%
<u>Subsidiary directly held by the Company</u>		
SRPB Media Company Limited	45	45
<u>Subsidiaries held by Master Standard Display Company Limited</u>		
Bright Sky Media Company Limited	50	50
Panyathip Plan B Media Laos Company Limited	50	50
W.P.S. Media Company Limited	50	50
Independent Artist Management Company Limited	35	35
Sign Work Media Company Limited	50	50
Digital Factory Company Limited	50	50
<u>Subsidiary held by Independent Artist Management Company Limited</u>		
The Ska Talent Management Company Limited	50	-



This is because the Group is a major shareholder and has the ability to direct the significant activities. As a result, the subsidiaries of the Group is deemed to be a subsidiaries of the Group and has to be included in the consolidated financial statements from the date on which the Group assumed control.

## **Leases**

### ***Determining the lease term with extension and termination options - The Group as a lessee***

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

### ***Estimating the incremental borrowing rate - The Group as a lessee***

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

### **Allowance for expected credit losses of trade receivables**

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for group's of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also be representative of whether a customer will actually default in the future.

### **Leasehold improvement and equipment/Depreciation**

In determining depreciation of leasehold improvement and equipment, the management is required to make estimates of the useful lives and residual values of the leasehold improvement and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review leasehold improvement and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

## Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

## Litigation

The Group has contingent liabilities as a result of litigation. The Group's management has used judgement to assess of the results of the litigation and believes that no loss will result. Therefore, no contingent liabilities are recorded as at the end of reporting period.

## 7. Related party transactions

During the years, 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 Company, its subsidiaries and those related parties.

(Unit: Million Baht)					
	Consolidated		Separate		
	financial statements		financial statements		Pricing policy
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
<b>Transactions with subsidiaries</b>					
(eliminated from the consolidated financial statements)					
Advertising revenues	-	-	47.7	51.4	Contract price
Dividend income	-	-	137.0	73.0	As declared
Advertising space rental expenses	-	-	512.8	773.6	Contract price
<b>Transactions with related parties</b>					
Advertising revenues	223.4	15.1	223.4	15.1	Contract price
Sales and service income	14.0	-	-	-	Contract price
Advertising space rental expenses	229.2	18.4	229.2	18.4	Contract price
Space rental expenses	16.3	19.6	7.8	7.8	Contract price
Service expenses	-	3.2	-	-	Mutually agreed price
Royalty expenses	34.0	63.6	-	-	Contract price
Production expenses	9.1	-	-	-	Mutually agreed price

As at 31 December 2020 and 2019 the balances of the accounts between the Company, its subsidiaries and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b><u>Rental guarantee - related parties</u></b>				
Subsidiary	-	-	2,127	2,127
Related companies (related by common shareholders and/or directors)	1,488	1,363	350	350
Director	403	403	403	403
Total rental guarantee - related parties	<u>1,891</u>	<u>1,766</u>	<u>2,880</u>	<u>2,880</u>
<b><u>Trade and other receivables - related parties (Note 9)</u></b>				
Subsidiaries	-	-	46,067	90,396
Associate	518	300	518	300
Joint venture	5,846	-	-	-
Related companies (related by common shareholders and/or directors)	18,342	2,143	18,293	-
Related company (the Company's and/or the subsidiary's shareholders)	79,791	-	79,791	-
Related persons (the subsidiary's shareholders and/or directors)	5,320	-	-	-
Total trade and other receivables - related parties	<u>109,817</u>	<u>2,443</u>	<u>144,669</u>	<u>90,696</u>
<b><u>Prepaid expenses related parties (Note 10)</u></b>				
Subsidiaries	-	-	6,850	1,020
Related company (related by common directors)	-	18,600	-	-
Total prepaid expenses - related parties	<u>-</u>	<u>18,600</u>	<u>6,850</u>	<u>1,020</u>
<b><u>Trade and other payables - related parties (Note 20)</u></b>				
Subsidiaries	-	-	349,886	568,326
Associates	303	-	303	-
Joint ventures	10,127	305	-	305
Related companies (related by common shareholders and/or directors)	106,765	-	106,425	-
Related companies (the Company's and/or the subsidiary's shareholders)	57,537	70,731	11,269	-
Related persons (the subsidiary's shareholders)	3,045	1,859	-	-
Total trade and other payables - related parties	<u>177,777</u>	<u>72,895</u>	<u>467,883</u>	<u>568,631</u>

As at 31 December 2020 and 2019, the balance of loans between the Company, its subsidiaries and those related parties and the movement are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance as at	During the year		Balance as at
	1 January			31 December
	2020	Increase	Decrease	2020
<b><u>Short-term loans to related parties</u></b>				
2000 Publishing and Media Company Limited				
(Associate)	900	-	(300)	600
Looker Media Company Limited (related by common				
director)	68,392	-	(10,491)	57,901
The Ska Film Company Limited (related by common				
director)	-	10,000	(6,825)	3,175
Related person (the subsidiary's shareholders)	500	10,000	(10,500)	-
Related persons (related by subsidiary's directors)	-	5,000	-	5,000
Total short-term loans to related parties	69,792	25,000	(28,116)	66,676

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

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at	During the year		Balance as at
	1 January			31 December
	2020	Increase	Decrease	2020
<b><u>Short-term loans to related parties</u></b>				
<b><u>Subsidiaries</u></b>				
W.P.S. Media Company Limited	13,500	-	(2,000)	11,500
Sign Work Media Company Limited	10,000	-	-	10,000
Total short-term loans to related parties	23,500	-	(2,000)	21,500

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

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

During the years ended 31 December 2020 and 2019, the Group had employee benefit expenses of their directors and management as below.

	Consolidated		(Unit: Million Baht)	
	financial statements		Separate	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Short-term employee benefit	41.6	37.5	32.7	32.0
Long-term employee benefit	0.6	0.7	0.6	0.7
Total	42.2	38.2	33.3	32.7

### **8. Cash and cash equivalents**

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash	145	180	-	-
Bank deposits	638,114	2,359,960	522,388	2,044,303
Total cash and cash equivalents	638,259	2,360,140	522,388	2,044,303

As at 31 December 2020, bank deposits in saving accounts and fixed deposits carried interests at 0.125 - 0.250% per annum (2019: at 0.500 - 0.750% per annum).

### **9. Trade and other receivables**

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Trade receivables - related parties</b>				
<u>Aged on the basis of due dates</u>				
Not yet due	39,551	1,073	39,085	15,198
Past due				
Up to 3 months	886	803	7,490	25,913
3 - 6 months	-	267	3,852	17,382
6 - 12 months	-	-	7,704	1,070
Over 12 months	-	-	5,168	12,887
Total trade receivables - related parties	40,437	2,143	63,299	72,450

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Trade receivables - unrelated parties</b>				
<u>Aged on the basis of due dates</u>				
Not yet due	815,346	1,001,865	800,853	961,346
Past due				
Up to 3 months	187,649	83,559	175,996	65,380
3 - 6 months	24,432	15,311	19,196	9,993
6 - 12 months	30,346	1,166	16,785	656
Over 12 months	18,387	29,502	15,964	26,750
Total - unrelated parties	1,076,160	1,131,403	1,028,794	1,064,125
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	(12,624)	(9,822)	(11,771)	(8,628)
Total trade receivables - unrelated parties, net	1,063,536	1,121,581	1,017,023	1,055,497
<b>Other receivables</b>				
Accrued income - related parties	64,060	300	81,370	14,046
Accrued income - unrelated parties	241,158	421,549	203,137	314,408
Share subscription receivables - related parties	5,200	-	-	-
Share subscription - unrelated receivables parties	333	6,800	-	-
Other receivable - related parties	120	-	-	4,200
Other receivables - unrelated parties	4,857	6,002	6	779
Others	12,607	6,054	9,880	2,616
Total other receivables	328,335	440,705	294,393	336,049
Less: Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	(3,976)	(4,587)	-	-
Total other receivables, net	324,359	436,118	294,393	336,049
Total trade and other receivables - net	1,428,332	1,559,842	1,374,715	1,463,996

Set out below is the movement in the allowance for expected credit losses of trade and other receivables.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
As at 1 January 2020	14,409	8,628
Provision for expected credit losses	3,995	3,143
Amount written off	(1,804)	-
As at 31 December 2020	16,600	11,771

#### 10. Prepaid expenses

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Prepaid advertising space rental				
- related parties	-	-	500	-
- unrelated parties	39,894	333,629	19,666	271,463
Others				
- related parties	-	18,600	6,350	1,020
- unrelated parties	215,866	173,866	145,831	98,040
Total prepaid expenses	255,760	526,095	172,347	370,523
Less: Amortised within 1 year	(241,015)	(429,564)	(165,027)	(325,834)
Prepaid expenses amortised more than 1 year	14,745	96,531	7,320	44,689

#### 11. Other non-current financial assets

	(Unit: Thousand Baht)	
	31 December 2020	
	Consolidated/Separate financial statements	
	At cost	Book value
Investment in equity instruments at FVOCI	1,560,898	691,200
Total other non-current financial assets	1,560,898	691,200

On 30 January 2020, the Company acquisition of newly common shares in Master Ad Public Company Limited ("MACO"), which provides out-of-home media services, including production, total 1,080,000,000 newly common shares of MACO (equal to

19.96% of its issued and paid-up capital after the capital increase) amounting to Baht 1,561 million.

## 12. Investments in subsidiaries

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

Company's name	Paid-up capital		Shareholding percentage		Carrying amount based on cost method		(Unit: Thousand Baht) Dividend income for the years	
	2020	2019	2020	2019	2020	2019	2020	2019
			(%)	(%)				
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	570,000	100	100	638,000	638,000	137,000	-
Golink Online Company Limited	-	5,000	-	70	-	3,500	-	-
SRPB Media Company Limited	1,250	1,250	45	45	562	562	-	-
Plan B CS Company Limited	10,000	10,000	80	80	8,000	8,000	-	-
Total					1,112,362	1,115,862	137,000	72,999
Less: Impairment loss on investment					(352,003)	(323,487)		
Total investments in subsidiaries - net					760,359	792,375		

12.2 During the year, changes of investments in subsidiary which have been presented in the separate financial statements are as follows:

### Disposal of investment in subsidiary

Subsidiary	Nature of business	Percentage of shareholding (%)	Description	Amount (Thousand Baht)
Golink Online Company Limited	Provide mobile software application	70.00	The Company sold all 34,997 common shares at their net book value of Baht 182.45 per share. The shares were transferred on 29 September 2020 (selling date)	6,385

The values of assets and liabilities of the subsidiary on the disposal date are as follows:

(Unit: Thousand Baht)	
	Carrying value
Cash and cash equivalents	1,536
Trade and other receivables	8,560
Prepaid expenses amortised within 1 year	51
Equipment	110
Trade and other payables	(268)
Income tax payables	(437)



	(Unit: Thousand Baht)
	Carrying value
Other current liabilities	(634)
Net assets before elimination entries and others	8,918
Elimination entries and others	(6,000)
Net assets	2,918
Cash received from disposal of investments in a subsidiary	6,385
<u>Less:</u> Cash and cash equivalents of a subsidiary	(1,536)
Net cash flows from sale of a subsidiary	4,849

### 12.3 Details of investment in subsidiary that have material non-controlling interests

	(Unit: Thousand Baht)							
Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	2020	2019	2020	2019	2020	2019	2020	2019
	(%)	(%)						
Independent Artist Management Company Limited	65	65	206,123	307,545	(3,922)	108,810	97,500	69,550

### 13. 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	
			2020	2019	2020	2019	2020	2019
			(%)	(%)				
<u>Joint ventures held by the subsidiary</u>								
Atmos Sports Lab Company Limited	Import and distribute sport and fashion goods	Thailand	37.00	37.00	12,950	12,950	10,685	12,798
Atmos Apparel Company Limited	Import and distribute sport and fashion goods	Thailand	45.00	45.00	2,250	2,250	937	1,953
Talent Connect Company Limited	Provide package softwares	Thailand	29.18	-	20,000	-	16,808	-
Raceup work Company Limited	Provide a one-stop service for running events	Thailand	45.45	-	7,500	-	7,590	-
Total investments in joint ventures					42,700	15,200	36,020	14,751

On 12 June 2020, the Board of Directors' meeting of the Company passed a resolution approving the disposal by Master Standard Display Company Limited ("MSD") which is a subsidiary, of shares in Atmos Sport Lab Company Limited ("Atmos Sport Lab") to Atmos (Bangkok) Company Limited. Subsequently, MSD entered into the Share Purchase Agreement to dispose of 129,499 shares capital of Atmos Sport Lab (equal to 37% of the issued and paid-up shares of that company) for Baht 13 million. As at 31 December 2020, MSD has not yet transferred the shares to Atmos (Bangkok) Company Limited.

13.1 During the current year, changes of investments in joint ventures are as follows:

New joint ventures

Investor	Joint venture	Percentage of shareholding (%)	Description	Amount (Thousand Baht)
Master Standard Display Company Limited ("MSD")	Talent Connect Company Limited ("TLC")	9.00	Invested in 270,000 newly issued shares capital of TLC with a par value of Baht 10 per share, and received the shares on 24 September 2020 (the acquisition date). MSD has already paid 50% of the share capital.	2,700
Independent Artist Management Company Limited ("IAM")	Talent Connect Company Limited ("TLC")	57.67	Invested in 1,730,000 newly issued shares capital of TLC with a par value of Baht 10 per share, and received the shares on 24 September 2020 (the acquisition date). IAM has already paid 50% of the share capital.	17,300
Master standard Display Company Limited	Raceup Work Company Limited ("Raceup")	45.45	Invested in 250,000 newly issued shares capital of Raceup of Baht 30 per share, and received the shares on 1 December 2020 (the acquisition date)	7,500

The Group has considered the acquisition of the joint ventures in accordance with the requirements of Thai Financial Reporting Standard No. 3 Business Combinations and concluded that these acquisitions are business combinations. The Group measured the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date, completing the measurement in December 2020, which was within the period of one year from the acquisition date allowed under Thai Financial Reporting Standard No. 3 Business Combinations.

The management assessed the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date of TLC and Raceup, as summarised below.

	Talent Connect Company		Raceup Work Company	
	Limited		Limited	
	Fair value	Carrying value	Fair value	Carrying value
Cash and cash equivalents	6,103	6,103	11,472	11,472
Trade and other receivables	2,480	2,480	-	-
Other current assets	832	832	30	30
Equipment	214	214	445	445
Intangible assets	42,433	872	-	-
Other non-current assets	100	100	185	185
Trade and other payables	(13,381)	(13,381)	(1,761)	(1,761)
Deferred tax liability	(8,312)	-	-	-
Other current liabilities	(470)	(470)	(1,040)	(1,040)
Net assets of the joint ventures	29,999	(3,250)	9,331	9,331
the Group's interest (%)	66.67		45.45	
Net assets of the joint ventures attributable to the Group's interest	20,000		4,241	
Add: Goodwill	-		3,259	
Cash paid for purchase of the joint ventures	20,000		7,500	

### 13.2 Share of profit (loss)

During the year, the Group recognised its share of profit (loss) from investments in joint ventures in the consolidated financial statements as follows:

Joint ventures	(Unit: Thousand Baht)	
	Consolidated financial statements	
	Share of profit (loss) from investments in joint ventures during the year	
	2020	2019
Atmos Sports Lab Company Limited	(2,113)	(152)
Atmos Apparel Company Limited	(1,016)	(297)
Talent Connect Company Limited	(3,192)	-
Raceup Work Company Limited	90	-
Total	(6,231)	(449)

During the years 2020 and 2019 the Group has no dividend income from the joint ventures.

## 14. Investments in associates

(Unit: Thousand Baht)

			Consolidated financial statements					
Company's name	Nature of business	Country of incorporation	Shareholding		Cost		Carrying amounts based on equity method	
			percentage					
			2020 (%)	2019 (%)	2020	2019	2020	2019
<u>Associates held by the subsidiaries</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	4,689	3,847
Sanctuary Billboards Sdn. Bhd.	Advertising media production	Malaysia	40.00	40.00	85,917	85,917	95,612	98,031
BNK Production Company Limited	TV production, Movie Advertising, Event Organizer and All types of entertainment	Thailand	49.99	49.99	3,575	3,575	-	-
BL Falcon Pte. Ltd.	Providing digital out-of-home media advertising	Singapore	30.00	30.00	17,550	17,550	14,142	15,723
Good Things Happen Company Limited	Providing media advertising	Thailand	30.60	-	3,915	-	2,689	-
Via Group (Thailand) Company Limited	Provide mobile software application	Thailand	15.00	-	3,750	-	3,323	-
Total					118,207	110,542	120,455	117,601
Less: Allowance for impairment of investment					(3,575)	(3,575)		
Total investments in associates - net					114,632	106,967		

#### 14.1 Details of investments in associates

During the current year, changes of investments in associates are as follows.

##### New associates

Investor	Associate	Percentage of shareholding (%)	Description	Amount (Thousand Baht)
Master Standard Display Company Limited	Good Things Happen Company Limited ("Good Things")	25.00	Invested in 12,500 common shares of Baht 191 per share from existing shareholders of Good Things, and received the shares on 1 July 2020 (the acquisition date).	2,387
Independent Artist Management Company Limited	Good Things Happen Company Limited ("Good Things")	16.00	Invested in 8,000 common shares capital of Baht 191 per share from existing shareholders of Good Things, and received the shares on 1 July 2020 (the acquisition date).	1,528
Master Standard Display Company Limited	Via Group (Thailand) Company Limited ("Via Group")	15.00	Invested in 1,907 newly issued preference shares of Baht 1,966.44 per share, and received the shares on 11 September 2020 (the acquisition date).	3,750

The Group has considered the acquisition of the associates in accordance with the requirements of Thai Financial Reporting Standard No. 3 Business Combinations and concluded that these acquisitions are business combinations. The Group measured the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date, completing the measurement in December 2020, which was within the period of one year from the acquisition date allowed under Thai Financial Reporting Standard No. 3 Business Combinations

#### 14.2 Share of profit (loss)

During the years, the Group has recognised its 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	
	<u>2020</u>	<u>2019</u>
2000 Publishing and Media Company Limited	842	(427)
Sanctuary Billboards Sdn. Bhd.	(2,419)	453
BL Falcon Pte. Ltd.	(1,581)	(1,827)
Good Things Happen Company Limited	(1,226)	-
Via Group (Thailand) Company Limited	(427)	-
Total	<u>(4,811)</u>	<u>(1,801)</u>

During the years 2020 and 2019, the Group had no dividend income from the associates.

14.3 Summarised financial information about a material associate which is Sanctuary Billboards Sdn. Bhd. are as follows:

(Unit: Million Baht)		
Summarised financial position		
as at 31 December		
	<u>2020</u>	<u>2019</u>
Current assets	92.6	90.4
Non-current assets	77.1	99.9
Current liabilities	(41.2)	(51.5)
Non-current liabilities	-	(4.3)
Net assets	128.5	134.5
Shareholding percentage (%)	40.0	40.0
Share of net assets	51.4	53.8
Goodwill	44.2	44.2
Carrying amounts of associates based on equity method	95.6	98.0

(Unit: Million Baht)		
Summarised information about		
comprehensive income for the		
years ended 31 December		
	<u>2020</u>	<u>2019</u>
Revenues	36.3	47.6
Profit	0.9	7.6

## 15. Property, leasehold improvement and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						Total
	Land	Leasehold improvement	Furniture and office equipment	Motor vehicles	Advertising equipment and related equipment	Assets under installation	
<b>Cost:</b>							
1 January 2019	-	36,585	72,866	39,944	3,711,339	337,187	4,197,921
Additions	-	16,042	29,190	1,164	23,755	570,058	640,209
Increased from the acquisition of subsidiary (Note 12)	12,000	-	519	-	27,438	8,172	48,129
Disposals	-	-	(3,296)	(3,531)	(9,555)	(5,088)	(21,470)
Write-off	-	-	(364)	-	(6,473)	-	(6,837)
Transfers in (out)	-	7,758	18,308	-	612,520	(638,586)	-
31 December 2019	12,000	60,385	117,223	37,577	4,359,024	271,743	4,857,952
Transfer to right-of-use assets (Note 4)	-	-	-	(11,736)	-	-	(11,736)
Additions	-	7,653	30,006	8,455	49,428	1,070,476	1,166,018
Increased from the acquisition of subsidiary (Note 12)	-	-	(110)	-	-	-	(110)
Disposals	-	-	(53)	-	(3,290)	(27,710)	(31,053)
Transfers in (out)	-	78,817	38,880	-	476,124	(593,821)	-
31 December 2020	12,000	146,855	185,946	34,296	4,881,286	720,688	5,981,071

(Unit: Thousand Baht)

## Consolidated financial statements (continued)

	Land	Leasehold improvement	Furniture and office equipment	Motor vehicles	Advertising equipment and related equipment	Assets under installation	Total
<b>Accumulated depreciation:</b>							
1 January 2019	-	22,257	41,871	19,988	1,869,810	-	1,953,926
Depreciation for the year	-	7,027	15,632	5,492	465,466	-	493,617
Depreciation on disposals	-	-	(880)	(3,531)	(9,602)	-	(14,013)
Depreciation on write-off	-	-	(319)	-	(6,473)	-	(6,792)
31 December 2019	-	29,284	56,304	21,949	2,319,201	-	2,426,738
Transfer to right-of-use assets (Note 4)	-	-	-	(3,596)	-	-	(3,596)
Depreciation for the year	-	17,295	22,198	4,064	497,234	-	540,791
Depreciation on disposals	-	-	(24)	-	-	-	(24)
31 December 2020	-	46,579	78,478	22,417	2,816,435	-	2,963,909
<b>Allowance for impairment loss:</b>							
1 January 2019	-	-	-	-	6,314	-	6,314
31 December 2019	-	-	-	-	6,314	-	6,314
31 December 2020	-	-	-	-	6,314	-	6,314
<b>Net book value:</b>							
31 December 2019	12,000	31,101	60,919	15,628	2,033,509	271,743	2,424,900
31 December 2020	12,000	100,276	107,468	11,879	2,058,537	720,688	3,010,848
<b>Depreciation for the year</b>							
2019 (Baht 475 million included in cost of sales and services, and the balance in selling, distribution, servicing and administrative expenses)							493,617
2020 (Baht 499 million included in cost of sales and services, and the balance in selling, distribution, servicing and administrative expenses)							540,791



(Unit: Thousand Baht)

Separate financial statements

	Leasehold improvement	Furniture and office equipment	Motor vehicles	Advertising equipment and related equipment	Assets under installation	Total
<b>Cost:</b>						
1 January 2019	35,738	58,703	27,733	3,159,474	282,001	3,563,649
Additions	743	18,504	-	22,626	513,774	555,647
Disposals	-	(875)	(3,531)	(825)	(5,088)	(10,319)
Write-off	-	(364)	-	(6,473)	-	(6,837)
Transfers in (out)	7,169	18,094	-	580,448	(605,711)	-
31 December 2019	43,650	94,062	24,202	3,755,250	184,976	4,102,140
Transfer to right-of-use assets (Note 4)	-	-	(7,337)	-	-	(7,337)
Additions	7,659	25,682	7,235	40,073	985,689	1,066,338
Disposals	-	-	-	(3,290)	(27,710)	(31,000)
Transfers in (out)	961	38,880	-	459,598	(499,439)	-
31 December 2020	52,270	158,624	24,100	4,251,631	643,516	5,130,141
<b>Accumulated depreciation:</b>						
1 January 2019	22,063	34,885	16,031	1,584,524	-	1,657,503
Depreciation for the year	4,965	12,415	2,908	385,626	-	405,914
Depreciation on disposals	-	(875)	(3,531)	(39)	-	(4,445)
Depreciation on write-off	-	(319)	-	(6,473)	-	(6,792)
31 December 2019	27,028	46,106	15,408	1,963,638	-	2,052,180
Transfer to right-of-use assets (Note 4)	-	-	(1,467)	-	-	(1,467)
Depreciation for the year	4,646	17,760	2,638	418,519	-	443,563
31 December 2020	31,674	63,866	16,579	2,382,157	-	2,494,276

(Unit: Thousand Baht)

## Separate financial statements (continued)

	Leasehold improvement	Furniture and office equipment	Motor vehicles	Advertising equipment and related equipment	Assets under installation	Total
<b>Allowance for impairment loss</b>						
1 January 2019	-	-	-	6,314	-	6,314
31 December 2019	-	-	-	6,314	-	6,314
31 December 2020	-	-	-	6,314	-	6,314
<b>Net book value:</b>						
31 December 2019	16,622	47,956	8,794	1,785,298	184,976	2,043,646
31 December 2020	20,596	94,758	7,521	1,863,160	643,516	2,629,551
<b>Depreciation for the year</b>						
2019 (Baht 392 million included in cost of sales and services, and the balance in selling, distribution, servicing and administrative expenses)						405,914
2020 (Baht 419 million included in cost of sales and services, and the balance in selling, distribution, servicing and administrative expenses)						443,563

As at 31 December 2020, certain equipment items have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 1,486 million (2019: Baht 1,287 million) (The Company only: Baht 1,130 million and 2019: Baht 1,020 million).

## 16. Leases

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 1 - 15 years.

### a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Advertsing space	Motor Vehicles	Leasehold right	Total
1 January 2020	3,465,140	8,140	105,676	3,578,956
Additions	2,947,615	-	99,819	3,047,434
Depreciation for the year	(1,466,878)	(1,980)	(29,035)	(1,497,893)
31 December 2020	<u>4,945,877</u>	<u>6,160</u>	<u>176,460</u>	<u>5,128,497</u>

(Unit: Thousand Baht)

	Separate financial statements			
	Advertsing space	Motor Vehicles	Leasehold right	Total
1 January 2020	3,461,869	5,870	71,512	3,539,251
Additions	2,732,097	-	99,819	2,831,916
Depreciation for the year	(1,437,727)	(1,101)	(19,175)	(1,458,003)
31 December 2020	<u>4,756,239</u>	<u>4,769</u>	<u>152,156</u>	<u>4,913,164</u>

**b) Lease liabilities**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Lease payments	5,233,639	-	5,255,967	-
Less: Deferred interest expenses	(437,452)	-	(463,468)	-
Total	4,796,187	-	4,792,499	-
Less: Portion due within one year	(1,286,082)	-	(1,331,341)	-
Lease liabilities - net of current portion	<u>3,510,105</u>	<u>-</u>	<u>3,461,158</u>	<u>-</u>

A maturity analysis of lease payments is disclosed in Note 36.2 under the liquidity risk.

**c) Expenses relating to leases that are recognised in profit or loss**

	(Unit: Thousand Baht)	
	For the year ended 31 December 2020	
	Consolidated	Separate
	financial statements	financial statements
Depreciation expense of right-of-use assets	1,122,297	1,089,457
Interest expense on lease liabilities	(89,128)	(92,457)
Expense relating to short-term leases	107,678	311,910
Expense relating to leases of low-value assets	235	-
Expense relating to variable lease payments	227,064	296,038

The Group has lease contracts that contains variable payments based on sales. The lease term is 1 - 10 years.

**d) Others**

The Group had total cash outflows for leases for the year ended 31 December 2020 of Baht 1,189 million, including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate. Moreover, the Group had non-cash additions to right-of-use assets and lease liabilities of Baht 2,948 million.

## 17. Intangible assets

The net book value of intangible assets as at 31 December 2020 and 2019 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements				
	Licenses	Computer software	Copyright	Intangible assets under installation	Total
As at 31 December 2020:					
Cost	797,439	100,550	12,339	25,995	936,323
<u>Less</u> Accumulated amortisation	(416,526)	(30,780)	(1,868)	-	(449,174)
<u>Less</u> Allowance for impairment loss	(125,460)	(80)	-	-	(125,540)
Net book value	<u>255,453</u>	<u>69,690</u>	<u>10,471</u>	<u>25,995</u>	<u>361,609</u>

(Unit: Thousand Baht)

	Consolidated financial statements					
	Licenses	Computer software	Leasehold right	Copyright	Intangible assets under installation	Total
As at 31 December 2019:						
Cost	797,439	96,448	331,442	7,155	30,139	1,262,623
<u>Less</u> Accumulated amortisation	(320,492)	(15,305)	(238,665)	(499)	-	(574,961)
<u>Less</u> Allowance for impairment loss	(125,460)	(80)	-	-	-	(125,540)
Net book value	<u>351,487</u>	<u>81,063</u>	<u>92,777</u>	<u>6,656</u>	<u>30,139</u>	<u>562,122</u>

(Unit: Thousand Baht)

	Separate financial statements			
	Computer software	Leasehold right	Intangible assets under installation	Total
As at 31 December 2020:				
Cost	84,099	-	25,995	110,094
<u>Less</u> Accumulated amortisation	(24,219)	-	-	(24,219)
<u>Less</u> Allowance for impairment loss	(80)	-	-	(80)
Net book value	<u>59,800</u>	<u>-</u>	<u>25,995</u>	<u>85,795</u>
As at 31 December 2019:				
Cost	80,088	268,261	30,139	378,488
<u>Less</u> Accumulated amortisation	(12,157)	(209,627)	-	(221,784)
<u>Less</u> Allowance for impairment loss	(80)	-	-	(80)
Net book value	<u>67,851</u>	<u>58,634</u>	<u>30,139</u>	<u>156,624</u>

A reconciliation of the net book value of intangible assets for the years 2020 and 2019 is presented below.

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Net book value at beginning of year	562,122	541,250	156,624	99,268
Transfer to right-of-use assets (Note 4)	(105,676)	-	(71,512)	-
Increased in leasehold rights from the measurement of assets from the acquisition of a subsidiary	-	48,732	-	-
Increased from the acquisition of a subsidiary - net book value	-	953	-	-
Acquisition of computer software	3,824	55,281	3,714	46,087
Acquisition of leasehold right	-	38,178	-	38,179
Acquisition of copyright	5,184	7,155	-	-
Transfers from assets under installation	9,032	-	9,032	-
Amortisation	(112,877)	(129,427)	(12,063)	(26,910)
Net book value at end of year	<u>361,609</u>	<u>562,122</u>	<u>85,795</u>	<u>156,624</u>

## 18. Goodwill

The Group allocated goodwill acquired through business combinations amounting to Baht 49 million and Baht 2 million from the acquisitions of Independent Artist Management Company Limited and Digital Factory Company Limited respectively.

The Group has determined the recoverable amounts of its cash-generating units based on value in use, using cash flow projections derived from financial estimates approved by the management and significant assumptions relevant to the growth rate and discount rate.

After consideration, management believes that goodwill acquired through business combinations is not impaired.

**19. Other non-current assets**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Rental guarantee	60,548	129,208	35,458	106,715
Other guarantees	11,439	10,514	6,256	7,350
Withholding tax deducted at source	94,339	19,473	60,238	-
Total other non-current assets	<u>166,326</u>	<u>159,195</u>	<u>101,952</u>	<u>114,065</u>

**20. Trade and other payables**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Trade payables - related parties	128,399	7,432	349,600	410,255
Trade payables - unrelated parties	237,008	228,404	205,758	189,791
Share subscription payable - related party	10,000	-	-	-
Other payables - related parties	3,045	1,859	-	-
Other payables - unrelated parties	42,604	9,523	32,610	6,385
Accrued expenses - related parties	36,333	63,604	118,283	158,376
Accrued expenses - unrelated parties	231,862	310,882	163,245	180,801
Dividend payables	631	494	631	494
Account payables for construction	281,028	117,065	274,286	111,737
Total trade and other payables	<u>970,910</u>	<u>739,263</u>	<u>1,144,413</u>	<u>1,057,839</u>

## 21. Long-term loans

(Unit: Thousand Baht)					
Loan	Interest rate (percent per annum)	Monthly repayment schedule	Collateral/ Guarantee by	Consolidated financial statements	
				2020	2019
1	4	Starting November 2015 to November 2022	(a)	1,848	2,217
2	MLR+1	Starting August 2016 to August 2023	(b)	2,713	3,814
3	MLR	Starting December 2016 to December 2021	(c)	72	221
4	MLR	Starting February 2019 to June 2020	(c), (d), (e)	-	16,960
5	MLR	Starting February 2019 to January 2022	(f)	-	2,165
Total				4,633	25,377
Less: current portion				(1,988)	(19,928)
Long-term loans, net of current portion				2,645	5,449

### Explanation of collateral/guarantee

- (a) Thai Credit Guarantee Corporation and a Company's director
- (b) Directors of the Company, mortgage of related person of the Company's land
- (c) Ordinary shares of the subsidiary
- (d) Savings account of the subsidiary
- (e) Assignment of proceeds under a contract of the subsidiary
- (f) Directors of the Subsidiary's Company

During the current year, the subsidiary already made a full repayment of a long-term loans and redeemed the securities (d) (e) and (f) from the bank.

As at 31 December 2020, the long-term credit facilities of such subsidiary which have not yet been drawn down amounted to Baht 650 million (2019: Baht 5.8 million).



## 22. 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% of total shareholding of the issued and paid-up 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.

## 23. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

## 24. Revenues from contracts with customers

(Unit: Thousand Baht)

	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Type of goods or services:</b>				
Revenue from sales	205,462	316,634	-	-
Advertising revenues, advertising space rental revenues and air time rental revenues	3,181,527	3,900,281	2,919,997	3,373,275
Revenues from right management	154,122	315,799	121,426	251,193
Artist management income, revenues from event advisor and organiser	183,298	328,296	22,240	196,183

(Unit: Thousand Baht)

For the years ended 31 December

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Total revenues from contracts with customers	<u>3,724,409</u>	<u>4,861,010</u>	<u>3,063,663</u>	<u>3,820,651</u>
<b>Timing of revenues recognition:</b>				
Revenues recognised at a point in time	3,548,047	4,434,387	2,919,997	3,455,538
Revenues recognised over time	<u>176,362</u>	<u>426,623</u>	<u>143,666</u>	<u>365,113</u>
Total revenues from contracts with customers	<u>3,724,409</u>	<u>4,861,010</u>	<u>3,063,663</u>	<u>3,820,651</u>

**25. Finance cost**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Interest expense on borrowings	607	1,093	-	-
Interest expense on lease liabilities	<u>89,128</u>	<u>384</u>	<u>92,457</u>	<u>141</u>
Total	<u>89,735</u>	<u>1,477</u>	<u>92,457</u>	<u>141</u>

**26. Expenses by nature**

Significant expenses by nature are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Salary, wages and other employee benefits	492,604	375,189	358,836	228,597
Depreciation and amortisation expenses	2,151,861	623,171	1,912,628	432,823
Reduction in lease payments	(372,357)	-	(389,263)	-
Rental and service expenses	452,496	1,366,383	662,418	1,744,300
Cost of goods sold	106,600	136,644	-	-
Signboard, house and building tax expenses	50,356	41,384	38,870	32,005
Sales promotion expenses	40,405	126,645	40,405	126,645
Media production expenses	130,494	105,233	39,828	46,353
Commission expenses	37,938	61,762	36,155	56,700
Repair and maintenance expenses	64,984	38,177	61,666	34,728
Event expenses related to sports	37,165	193,710	-	-

Impairment loss on investment	-	-	28,516	28,516
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## 27. Privileges for International Headquarters and International Business Center

On 20 June 2019, Master Standard Display Company Limited (“MSD”) which is a subsidiary, received permission to be International Business Center (“IBC”), provide managerial services, technical services, supporting services, cash management services and conducting international trade operations. As an IBC, MSD is granted certain privileges for 15 accounting periods from 1 June 2019 to 31 December 2033 under the Royal Decree regarding Reduction of and Exemption from Revenue Taxes (No.674) B.E.2561. MSD has to comply with the conditions stipulated in the Royal Decree and related Notifications of the Director-General of the Revenue Department in order to be eligible for such privileges.

## 28. Details of revenue reclassification to comply with the announcement of Office of The National Broadcasting and Telecommunications Commission (NBTC) about Telecommunications license fee

On 28 August 2015 the Company was granted a type 1 telecommunications license by NBTC. The license number TEL 1/2558/049, which is valid for 10 years start from 28 August 2015 - 10 August 2025.

Revenue distribution data for the years ended 31 December 2020 and 2019, prepared in accordance with the announcement of NBTC regarding for license to operate telecommunications business in the public interest of licensed telecommunications business operators, is presented below.

### 1. Revenue by type of telecommunications business according to NBTC regulations

		(Unit: Thousand Baht)	
		Separate financial statements	
		<u>2020</u>	<u>2019</u>
<b>License number TEL 1/2558/049</b>			
-	Revenue from type 1 telecommunications license	-	683
	Total revenue	-	683

### 2. Unrelated revenue excluded from license fee calculation

		(Unit: Thousand Baht)	
		Separate financial statements	
		<u>2020</u>	<u>2019</u>
<b>Type of revenue</b>			
-	Sales and service income	3,063,663	3,819,968
-	Dividend income	137,000	72,999

- Other income	27,782	52,933
Total revenues	3,228,445	3,945,900

### 3. Summary of total revenue compared to statement of comprehensive income

(Unit: Thousand Baht)

	Separate financial statements	
	2020	2019
<b>Type of revenue</b>		
Total revenue from type 1 telecommunications license	-	683
Total revenue unrelated to the telecommunications license	3,228,445	3,945,900
Total revenues par statement of comprehensive income	3,228,445	3,946,583

## 29. Income tax

Corporate income tax for the year was calculated at the rate of 20% on net profit of the business, after adding back certain expenses which are disallowable for tax purposes.

For the International Headquarters, income tax for the year was calculated at the rate of 10% on net profit after adding back certain expenses which are disallowable for tax purposes under the Notification of the Director-General of the Revenue Department on income tax regarding "Rules, procedures and conditions for reduction of income tax and exemption of specific business tax for companies that are International Headquarters" dated 29 May 2015.

Income tax expenses for the years ended 31 December 2020 and 2019 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
<b>Current income tax:</b>				
Current income tax charge	43,757	207,746	27,882	119,274
Effects of income tax to the share offering (Note 22)	-	317	-	317
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(12,787)	(10,665)	(11,858)	(298)

**Income tax expenses reported in**
**profit or loss**

30,970    197,398    16,024    119,293

The amounts of income tax relating to each component of other comprehensive income for year ended 31 December 2020 and 2019 are as follows:

(Unit: Thousand Baht)

Consolidated/Separate  
financial statements

2020                      2019

Deferred tax relating to losses on investment in equity

designated at fair value through

other comprehensive income

173,940                      -

Deferred tax relating to actuarial gain

(585)                      (285)

Total

173,355                      (285)

The reconcile between accounting profit and income tax expenses is shown below:

(Unit: Thousand Baht)

Consolidated

Separate

financial statements

financial statements

2020                      2019

2020                      2019

Accounting profit before tax

152,825    1,054,226    289,228    766,274

Applicable tax rates

0% - 20%    0% - 20%                      20%                      20%

Accounting profit before tax multiplied by

applicable tax rates

41,226                      222,250                      57,846                      153,255

Effects of income tax to the share offering

(Note 22)

-                      317                      -                      317

Unrecognised deferred tax assets

10,645                      3,229                      -                      -

Utilisation and recording of previously

unrecognised deferred tax assets

(2,007)                      (866)                      -                      -

Effects of:

Non-deductible expenses

9,250                      1,812                      11,977                      7,031

Additional expense deductions allowed

(28,144)                      (28,459)                      (26,399)                      (26,716)

Exemption of income

-                      -                      (27,400)                      (14,600)

Inter-company elimination and other

-                      (885)                      -                      6

Total

(18,894)                      (27,532)                      (41,822)                      (34,279)

Income tax expenses reported in  
profit or loss

30,970	197,398	16,024	119,293
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The components of deferred tax assets are as follows:

(Unit: Thousand Baht)

	Statement of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Deferred tax assets</b>				
Allowance for expected credit losses				
(2019: Allowance for doubtful accounts)	2,354	1,726	2,354	1,726
Allowance for asset impairment	1,263	1,263	1,263	1,263
Allowance for intangible assets impairment	16	16	16	16
Accrued rental on straight line method	-	7,035	-	3,845
Provision for long-term employee benefits	1,598	1,789	1,598	1,789
Unrealised loss from change in fair value of investment	173,940	-	173,940	-
Lease liabilities	18,800	-	14,681	-
<b>Total</b>	<b>197,971</b>	<b>11,829</b>	<b>193,852</b>	<b>8,639</b>
<b>Deferred tax liability</b>				
Leasehold rights from the measurement of assets from the acquisition of subsidiary	(37,906)	(46,732)	-	-
<b>Total</b>	<b>(37,906)</b>	<b>(46,732)</b>	<b>-</b>	<b>-</b>
<b>Deferred tax assets (liabilities) - net</b>	<b>(37,906)</b>	<b>(46,732)</b>	<b>-</b>	<b>-</b>

### 30. Basic earnings per share

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

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

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Profit for the year attributable to equity holders of the Company (Thousand Baht)	140,234	743,195	273,204	646,981

Weighted average number of ordinary

shares (Thousand shares)	3,882,568	3,800,372	3,882,568	3,800,372
Basic earnings per share (Baht per share)	0.036	0.196	0.070	0.170

### 31. 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.

For management purposes, the Group structured business units in accordance with the governance of the chief operating decision maker. The Group have 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 provide the management and development of artists by Independent Artist Management Company Limited and administrate the benefit contracts with Football Association of Thailand under Patronage of His Majesty the King and Thai League (Thailand) Company Limited and granted for management of boardcasting and commercial right in Thailand for the 2020 Olympic Event and the 2022 Asia Games to Sports Authority of Thailand by Plan B Eleven Company Limited.

The Group mainly operates in Thailand and two subsidiaries operate in Malaysia and Laos, which revenues are not significant.

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 following table presents the financial information for the years ended 31 December 2020 and 2019 of the Group by segment.

(Unit: Million Baht)

	Advertising media		Engagement marketing		Elimination of inter-segment revenues		Total	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenue from external customers	3,287	4,136	497	980	(60)	(255)	3,724	4,861
Segment operating profit	677	1,356	107	331	-	-	784	1,687
Other income							44	58
Selling, distribution and servicing expenses							(212)	(323)

Administrative expenses	(362)	(365)
Share of loss from investments in joint ventures and associates	(11)	(2)
Finance cost	(90)	(1)
Profit before income tax expenses	153	1,054
Income tax expenses	(31)	(197)
Profit for the year	122	857

### Major customers

For the year 2020, the Group have revenues from two major customers in amount of Baht 274 million and Baht 271 million, arising from advertising media segment (2019: revenue from two major customers in amount of Baht 710 million and Baht 331 million, arising from advertising media segment).

### 32. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Employees, the Group contribute to the fund monthly at the rate of 3 - 5% of basic salary. The fund, which is managed by Kasikorn Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. During the year 2020, the Group contributed Baht 3 million to the fund (2019: Baht 6 million) (the Company only: Baht 3 million and 2019: Baht 5 million).

### 33. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht per share)
Final dividends for 2018	The Annual General Shareholders' meeting on 30 April 2019	321.19	0.091
Interim dividends for 2019	The Board of Directors' meeting on 14 August 2019	353.31	0.091
Total for 2019		674.50	0.182
Interim dividends for 2020	The Board of Directors' meeting on 12 February 2020	239.94	0.062
Interim dividends for 2020	The Board of Directors' meeting on 11 November 2020	300.12	0.077
Total for 2020		540.06	0.139



### 34. Commitments and contingent liabilities

#### 34.1 Capital commitments

As at 31 December 2020, the Group had capital commitments of approximately Baht 276 million (2019: 209 million) had the Company had capital commitments of approximately Baht 265 million (2019: Baht 209 million), relating to the construction of advertising equipment and related equipment.

#### 34.2 Lease commitments

a) As at 31 December 2020, the Group has future lease payments required under these non-cancellable leases contracts that have not yet commenced as follows:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Within 1 year	17,364	8,364
Over 1 and up to 5 years	61,960	25,960
Over 5 years	34,300	25,300
Total	113,624	59,624

b) The Group has commitments with 6 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 in the individual agreement, and the Group has to comply with various conditions laid out in the agreements.

#### 34.3 Long-term service commitments

a) The Company was as an agency in order to sell and administrate the benefit contracts with Football Association of Thailand under Patronage of His Majesty the King ("Football Association") and Thai League (Thailand) 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.

On 18 June 2020, the Company extended the term of contract from 2020 to 2021 due to the COVID-19 pandemic.

On 18 August 2020, Football Association and Thai League appointed the Company as an official agency to manage commercial rights of Football Association for the period of 2021 - 2028, with the following details:

- Minimum revenue guarantee of Baht 400 million per year to Football Association and Thai League for the period of 2021 - 2028.
  - The Company shall obtain the considerations as the management fee at the ratio between 20 - 25% of the income generated from such administration.
- b) The Company entered into a 3 years management of broadcasting and commercial rights with Dentsu Inc., in Japan in order to grant a media right for the 2020-2022 Olympic Events and the 2022 Asian Games. Under the agreement, the Company has to pay a license fee of USD 10 million.

#### **34.4 Guarantees**

As at 31 December 2020, there were outstanding bank guarantees of approximately Baht 494 million (2019: Baht 350 million) and for the Company only of approximately Baht 345 million (2019: Baht 199 million) issued by banks on behalf of the Group 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.

#### **34.5 Litigation**

On 7 August 2020, the subsidiary of the Group was sued through a civil court case brought for breach of contract. The plaintiff sued claimed Baht 25 million together with interest at a rate of 7.5% per annum from the date of the lawsuit.

On 12 October 2020, the subsidiary submitted a statement of defense and the case is being considered by the court. Base on the advice of the subsidiary's legal adviser, the management of the Group believes that this case will not subsidiary incurring any losses and so no contingent liability has been recorded in the accounts.

#### **34.6 Investment commitment**

On 10 August 2017, the Board of Directors' meeting of the Company passed a resolution approved the acquisition by Master Standard Display Company Limited ("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 31 December 2020, MSD has not yet paid in this shares capital.

### 35. Fair value hierarchy

As at 31 December 2020, the Group assets that were disclosed their fair value using a level 1 as follow:

	(Unit: Million Baht) Consolidated/Separate financial statements
<b>Assets measured at fair value</b>	
Financial assets measured at FVOCI	
Equity investments	691

### 36. Financial instruments

#### 36.1 Derivatives

##### **Derivatives not designated as hedging instruments**

The Group uses [foreign exchange forward contracts] to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally 12 months

#### 36.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, loans, investments, long-term loan lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

##### **Credit risk**

The Group is exposed to credit risk primarily with respect to trade accounts receivable, loans, deposits with banks and financial institutions and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

##### **Trade receivables**

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored. In addition, the Group does not have high concentrations of credit risk since it has a large customer base in various industries.

The Group analysed an impairment at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segment by customer type and crediting. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

### **Market risk**

The Group has 2 types of market risk comprising interest rate risk and currency risk. The Group enters into a derivative to manage its risk exposure.

### **Foreign currency risk**

The Group's exposure to foreign currency risk is nil since the business transactions are denominated in Thai Baht and no financial assets and liabilities denominated in foreign currencies outstanding as at the date of the statements of financial position, except for the investments in foreign subsidiaries and investment in foreign associate as Note to the financial statements No. 12 and 14

### **Interest rate risk**

The Group have lower interest rate risk since most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2020 and 2019, significant financial assets and liabilities classified by type of interest rate are summarized in the table below, with those financial assets and liabilities that carry fixed interest rate further classified based on the maturity date, or the repricing date if this occur before the maturity date.

	(Unit: Million Baht)						
	Consolidated financial statements						
	As at 31 December 2020						
	Fixed interest rates			Floating	Non- interest	Total	Effective
	Within	1-5	> 5	floating	bearing		interest rate
	1 year	years	years	interest rate			(% per annum.)
<u>Financial assets</u>							
Cash and cash equivalents	522	-	-	116	-	638	Note 8
Current financial assets	12	-	-	-	-	12	0.80 - 5.25
Trade and other receivables	-	-	-	-	1,428	1,428	-
Short-term loans to related parties	67	-	-	-	-	67	Note 7

(Unit: Million Baht)

Consolidated financial statements						
As at 31 December 2020						
Fixed interest rates						Effective interest rate (% per annum.)
Within 1 year	1-5 years	> 5 years	Floating interest rate	Non- interest bearing	Total	
Short-term loans to unrelated parties	2	-	-	-	2	2.00
Total	603	-	116	1,428	2,147	
<u>Financial liabilities</u>						
Trade and other payables	-	-	-	970	970	-
Lease liabilities	1,286,082	3,144,929	365,176	-	4,796,187	1.91 - 7.48
Loans from financial institutions	2	3	-	-	5	Note 21
Total	1,286,084	3,144,932	365,176	970	4,797,162	

(Unit: Million Baht)

Consolidated financial statements							
As at 31 December 2019							
Fixed interest rates							Effective interest rate (% per annum)
Within 1 year	1-5 years	> 5 years	Floating interest rate	Non- interest bearing	Total		
<u>Financial assets</u>							
Cash and cash equivalents	1,823	-	-	537	-	2,360	Note 8
Current investment	12	-	-	-	-	12	0.80 - 5.25
Trade and other receivables	-	-	-	-	1,560	1,560	-
Short-term loans to related parties	70	-	-	-	-	70	Note 7
Short-term loans to unrelated parties	13	-	-	-	-	13	1.25 - 2.00
Restricted bank deposit	11	-	-	-	-	11	0.50
Total	1,929	-	-	537	1,560	4,026	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	741	741	-
Liabilities under finance lease							
agreement	3	2	-	-	-	5	4.47 - 9.12
Loans from financial institutions	20	5	-	-	-	25	Note 21
Total	23	7	-	-	741	771	

(Unit: Million Baht)

	Separate financial statements						
	As at 31 December 2020						
	Fixed interest rates						
	Within	1-5	> 5	Floating	Non- interest		Effective
	1 year	years	years	interest rate	bearing	Total	interest rate
	( % per annum)						
<u>Financial assets</u>							
Cash and cash equivalent	522	-	-	-	-	522	Note 8
Trade and other receivables	-	-	-	-	1,375	1,375	-
Short-term loans to related parties	22	-	-	-	-	22	Note 7
Total	544	-	-	-	1,375	1,919	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	1,144	1,144	-
Lease liabilities	1,331,341	3,029,319	431,839	-	-	4,729,499	1.91 - 7.48
Total	1,331,341	3,029,319	431,839	-	1,144	4,793,643	

(Unit: Million Baht)

	Separate financial statements						
	As at 31 December 2019						
	Fixed interest rates						
	Within 1 year	1-5 years	> 5 years	Floating interest rate	Non- interest bearing	Total	Effective interest rate
							(% per annum)
<u>Financial assets</u>							
Cash and cash equivalent	1,823	-	-	221	-	2,044	Note 8
Trade and other receivables	-	-	-	-	1,464	1,464	-
Short-term loans to related parties	24	-	-	-	-	24	Note 7
Total	1,847	-	-	221	1,464	3,532	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	1,058	1,058	-
Liabilities under finance lease agreement	1	2	-	-	-	3	4.47
Total	1	2	-	-	1,058	1,061	

The Group analyses interest rate sensitivity and considers that there is no significant effect on profit before tax arising from a reasonably possible change in interest rates of financial assets and financial liabilities bearing interest rate as at 31 December 2020 since most of these bear fixed interest rates.

### **Liquidity risk**

As at 31 December 2020, most of the Group's liabilities, which will mature within one year, relate to current portion of long-term debentures the Group has assessed its ability to repay existing liabilities and concluded the risk is low. Furthermore, the Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2020 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
<b>Non-derivatives</b>					
Trade and other payables	-	970,928	-	-	970,928
Lease liabilities	-	1,434,317	3,400,078	399,244	5,233,639
Long-term loans	-	2,210	2,781	-	4,991
<b>Total non-derivatives</b>	-	2,407,455	3,402,859	399,244	6,029,558

(Unit: Thousand Baht)

	Separate financial statements				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
<b>Non-derivatives</b>					
Trade and other payables	-	1,144,413	-	-	1,144,413
Lease liabilities	-	1,482,844	3,299,423	473,700	5,255,967
<b>Total non-derivatives</b>	-	2,627,257	3,299,423	473,700	6,400,380

### 36.3 Fair values of financial instruments

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

## 37. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2019, the Group's debt-to-equity ratio was 1.17:1 (2019: 0.16:1) and the Company's was 1.36:1 (2019: 0.20:1).

**38. Events after reporting period**

On 20 January 2021, the Company enters into the revision of the Advertising Media Management and Service Agreement dated 15 January 2020 with Master Ad Public Company Limited ("MACO"), of which the substance is that MACO will exempt the Company from the minimum guaranteed revenue payment in Quarter 4/2020 (the period from 1 October 2020 to 31 December 2020) and Quarter 1/2021 (the period from 1 January 2021 to 31 March 2021) and the Company is required to make an advance payment to MACO of no more than Baht 700 million for the period from 1 April 2021 to 31 March 2022. The Company made the advance payment to MACO. However, MACO and the Company have mutually agreed that there will be no further reductions of or exemptions from minimum guaranteed revenue for those periods, unless they are reductions of the minimum guaranteed revenue made in line with a reduction in media capacity as specified in the agreement.

**39. Approval of financial statements**

These financial statements were authorised for issue by the Company's authorised director on 24 February 2021.