

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

Condensed interim financial statements
for the three-month and six-month periods ended
30 June 2021
and
Independent auditor's review report



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Independent Auditor’s Report on Review of Interim Financial Information

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

I have reviewed the accompanying consolidated and separate statements of financial position of Nation Broadcasting Corporation Public Company Limited and its subsidiaries, and of Nation Broadcasting Corporation Public Company Limited, respectively, as at 30 June 2021; the consolidated and separate statements of comprehensive income for the three-month and six-month periods ended 30 June 2021, and the consolidated and separate statements of changes in equity and cash flows for the six-month period ended 30 June 2021; and condensed notes (“interim financial information”). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, “Interim Financial Reporting”. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

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



Emphasis of Matters

I draw attention to following matters

- 1) Note 1 to the interim financial information, which indicates that for the six-month period ended 30 June 2021, the Group and the Company incurred a net loss of Baht 100.82 million and Baht 55.85 million, respectively. The Group and the Company incurred negative operating cash flow of Baht 62.50 million and Baht 63.88 million, respectively. As of that date, the Group had total current liabilities exceed its total current assets of Baht 62.03 million and the Group and the Company had deficit of Baht 992.04 million and Baht 1,205.09 million, respectively. These events or conditions, along with other matters as set forth in note 1 to the interim financial information, indicate that a material uncertainty exists that may cast significant doubt on the Group's and the Company's ability to continue as a going concern.
- 2) Notes 2 and 3 to the interim financial information, which indicates that during the six-month period ended 30 June 2021, the Group has acquired a business from a shareholder of the parent company. As at the reporting date, the Group is in process of hiring an independent appraiser to determine the fair value of the identifiable assets acquired and liabilities assumed from the business acquisition. For the preparation of the consolidated interim financial statements for the six-month period ended 30 June 2021, the Group has provisionally estimated the net liabilities acquired and estimated provisional excess of purchase price over net liabilities and recognised in the account "Goodwill" amounting to Baht 197.37 million. The net liabilities acquired and provisional goodwill are subject to potential amendment when the independent appraiser report is completed.

My conclusion is not modified in respect of these matters.

(Pornthip Rimdusit)
Certified Public Accountant
Registration No. 5565

KPMG Phoomchai Audit Ltd.
Bangkok
10 August 2021

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of financial position

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		30 June 2021 (Unaudited but reviewed)	31 December 2020	30 June 2021 (Unaudited but reviewed)	31 December 2020
<i>(in thousand Baht)</i>					
<i>Current assets</i>					
Cash and cash equivalents		30,597	164,475	23,921	149,153
Trade and other receivables	3, 4	72,775	90,786	86,929	88,269
Accrued income	3	19,721	14,494	21,610	20,261
Short-term loan to subsidiary	3	-	-	36,300	40,650
Inventories		18,285	22,152	72	111
Input value added tax pending		5,091	2,718	1,380	1,389
Other financial assets		30,455	2,403	29,875	1,823
Other current assets		9,266	9,624	685	-
Total current assets		186,190	306,652	200,772	301,656
<i>Non-current assets</i>					
Investment in subsidiaries	5	-	-	164,404	-
Advance payment for business acquisition	2, 3	-	164,404	-	164,404
Leasehold improvements and equipment		128,594	140,306	119,891	133,672
Right-of-use assets		36,701	44,709	33,528	40,401
Intangible assets		33,929	11,288	6,385	7,517
Digital television licence		282,975	300,909	-	-
Goodwill	2	205,737	8,365	-	-
Withholding tax deducted at source		75,191	67,083	50,588	46,810
Other non-current assets		3,861	3,828	305	264
Total non-current assets		766,988	740,892	375,101	393,068
Total assets		953,178	1,047,544	575,873	694,724

The accompanying notes form an integral part of the interim financial statements.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of financial position

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		30 June	31 December	30 June	31 December
Liabilities and equity		2021	2020	2021	2020
		(Unaudited but reviewed)		(Unaudited but reviewed)	
		<i>(in thousand Baht)</i>			
Current liabilities					
Trade and other payables	3	61,395	84,151	16,331	43,035
Advance income		2,549	3,432	2,054	3,271
Current portion of digital television licence payable	6	49,899	49,899	-	-
Current portion of long-term loan from related party	2, 3	62,500	-	-	-
Current portion of long-term loan from financial institution		17,400	13,050	17,400	13,050
Current portion of lease liabilities		13,754	13,379	11,563	11,222
Other current provisions		27,979	48,693	16,901	36,978
Output value added tax pending		8,433	9,157	7,583	9,054
Other current liabilities		4,313	10,345	3,162	9,262
Total current liabilities		248,222	232,106	74,994	125,872
Non-current liabilities					
Long-term loan from financial institution		18,900	27,600	18,900	27,600
Lease liabilities		18,754	25,777	17,612	23,480
Non-current provisions for employee benefit		50,300	45,240	43,324	40,878
Total non-current liabilities		87,954	98,617	79,836	91,958
Total liabilities		336,176	330,723	154,830	217,830
Equity					
Share capital					
Authorised share capital		1,124,417	1,124,417	1,124,417	1,124,417
Issued and paid-up share capital		1,124,417	1,124,417	1,124,417	1,124,417
Share premium on ordinary shares		547,611	547,611	547,611	547,611
Retained earnings (Deficit)					
Appropriated					
Legal reserve		24,100	24,100	24,100	24,100
Deficit		(992,043)	(905,693)	(1,205,085)	(1,149,234)
Difference from business combination under common control		(70,000)	(70,000)	(70,000)	(70,000)
Equity attributable to owners of the parent		634,085	720,435	421,043	476,894
Non-controlling interests		(17,083)	(3,614)	-	-
Total equity		617,002	716,821	421,043	476,894
Total liabilities and equity		953,178	1,047,544	575,873	694,724

The accompanying notes form an integral part of the interim financial statements.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of comprehensive income (Unaudited but reviewed)

	Consolidated		Separate	
	financial statements		financial statements	
	Three-month period ended		Three-month period ended	
	30 June		30 June	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Revenue				
Revenue from sale of goods and rendering of services	125,250	210,012	68,052	124,904
Other income	20,724	12,487	8,285	2,403
Total revenue	145,974	222,499	76,337	127,307
Expenses				
Costs of sale of goods and rendering of services	155,100	164,292	97,437	87,019
Selling expenses	8,591	20,212	5,870	9,190
Administrative expenses	47,890	38,877	30,442	26,532
(Reversal of) expected credit losses	478	(196)	(6,206)	-
Total expenses	212,059	223,185	127,543	122,741
Profit (loss) from operating activities	(66,085)	(686)	(51,206)	4,566
Finance costs	3,158	3,955	1,143	2,939
Profit (loss) for the period	(69,243)	(4,641)	(52,349)	1,627
Total comprehensive income (expense) for the period	(69,243)	(4,641)	(52,349)	1,627
Profit (loss) attributable to				
Owners of the parent	(63,153)	61	(52,349)	1,627
Non-controlling interests	(6,090)	(4,702)	-	-
Profit (loss) for the period	(69,243)	(4,641)	(52,349)	1,627
Total comprehensive income (expense) attributable to				
Owners of the parent	(63,153)	61	(52,349)	1,627
Non-controlling interests	(6,090)	(4,702)	-	-
Total comprehensive income (expense) for the period	(69,243)	(4,641)	(52,349)	1,627
Earnings (loss) per share (in Baht)	(0.056)	0.000	(0.047)	0.002

The accompanying notes form an integral part of the interim financial statements.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of comprehensive income (Unaudited but reviewed)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Six-month period ended		Six-month period ended	
		30 June		30 June	
		2021	2020	2021	2020
<i>(in thousand Baht)</i>					
Revenue					
Revenue from sale of goods and rendering of services	3, 7	253,845	421,135	154,138	248,413
Other income	3	37,783	19,952	12,551	4,580
Total revenue		291,628	441,087	166,689	252,993
Expenses					
Costs of sale of goods and rendering of services	3	300,485	336,602	191,522	183,690
Selling expenses	3	18,125	41,432	11,720	17,093
Administrative expenses	3	94,571	82,659	60,612	57,361
Reversal of expected credit losses		(26,735)	(196)	(43,601)	-
Total expenses		386,446	460,497	220,253	258,144
Loss from operating activities		(94,818)	(19,410)	(53,564)	(5,151)
Finance costs		6,000	8,189	2,287	5,960
Loss for the period		(100,818)	(27,599)	(55,851)	(11,111)
Total comprehensive expense for the period		(100,818)	(27,599)	(55,851)	(11,111)
Loss attributable to					
Owners of the parent		(86,350)	(18,229)	(55,851)	(11,111)
Non-controlling interests		(14,468)	(9,370)	-	-
Loss for the period		(100,818)	(27,599)	(55,851)	(11,111)
Total comprehensive expense attributable to					
Owners of the parent		(86,350)	(18,229)	(55,851)	(11,111)
Non-controlling interests		(14,468)	(9,370)	-	-
Total comprehensive expense for the period		(100,818)	(27,599)	(55,851)	(11,111)
Loss per share (in Baht)	8	(0.077)	(0.026)	(0.050)	(0.016)

The accompanying notes form an integral part of the interim financial statements.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited but reviewed)

	Consolidated financial statements						Total equity
	Issued and paid-up share capital	Share premium	Legal reserve	<u>Retained earnings (deficit)</u> Deficit	Equity attributable to owners of the parent	Non-controlling interests	
	<i>(in thousand Baht)</i>						
Six-month period ended 30 June 2020							
Balance at 1 January 2020	535,437	824,432	24,100	(952,769)	431,200	-	431,200
Transactions with owners, recorded directly in equity							
<i>Contributions by owners of the parent</i>							
Issue of ordinary shares	267,718	(125,828)	-	-	141,890	-	141,890
Increased in investment in subsidiaries	-	-	-	-	-	7,548	7,548
Total contributions by owners of the parent	267,718	(125,828)	-	-	141,890	7,548	149,438
Comprehensive expense for the period							
Loss	-	-	-	(18,229)	(18,229)	(9,370)	(27,599)
Total comprehensive expense for the period	-	-	-	(18,229)	(18,229)	(9,370)	(27,599)
Balance at 30 June 2020	803,155	698,604	24,100	(970,998)	554,861	(1,822)	553,039

The accompanying notes form an integral part of the interim financial statements.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited but reviewed)

	Consolidated financial statements							
	Issued and paid-up share capital	Share premium	Legal reserve	<u>Retained earnings (deficit)</u> Deficit	Difference from business combination under common control	Equity attributable to owners of the parent	Non-controlling interests	Total equity
	<i>(in thousand Baht)</i>							
Six-month period ended 30 June 2021								
Balance at 1 January 2021	1,124,417	547,611	24,100	(905,693)	(70,000)	720,435	(3,614)	716,821
Transactions with owners, recorded directly in equity								
<i>Contributions by owners of the parent</i>								
Increased in investment in subsidiaries	-	-	-	-	-	-	999	999
Total contributions by owners of the parent	-	-	-	-	-	-	999	999
Comprehensive expense for the period								
Loss	-	-	-	(86,350)	-	(86,350)	(14,468)	(100,818)
Total comprehensive expense for the period	-	-	-	(86,350)	-	(86,350)	(14,468)	(100,818)
Balance at 30 June 2021	1,124,417	547,611	24,100	(992,043)	(70,000)	634,085	(17,083)	617,002

The accompanying notes form an integral part of the interim financial statements.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited but reviewed)

	Separate financial statements				Total equity
	Issued and paid-up share capital	Share premium	Retained earnings (deficit)		
Legal reserve			Deficit		
	<i>(in thousand Baht)</i>				
Six-month period ended 30 June 2020					
Balance at 1 January 2020	535,437	824,432	24,100	(1,216,017)	167,952
Transactions with owners, recorded directly in equity					
<i>Contributions by owners</i>					
Issue of ordinary shares	267,718	(125,828)	-	-	141,890
Total contributions by owners	267,718	(125,828)	-	-	141,890
Comprehensive expense for the period					
Loss	-	-	-	(11,111)	(11,111)
Total comprehensive expense for the period	-	-	-	(11,111)	(11,111)
Balance at 30 June 2020	803,155	698,604	24,100	(1,227,128)	298,731

The accompanying notes form an integral part of the interim financial statements.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited but reviewed)

	Issued and paid-up share capital	Share premium	Separate financial statements		Difference from business combination under common control	Total equity
			Legal reserve	Retained earnings (deficit) Deficit		
<i>(in thousand Baht)</i>						
Six-month period ended 30 June 2021						
Balance at 1 January 2021	1,124,417	547,611	24,100	(1,149,234)	(70,000)	476,894
Comprehensive expense for the period						
Loss	-	-	-	(55,851)	-	(55,851)
Total comprehensive expense for the period	-	-	-	(55,851)	-	(55,851)
Balance at 30 June 2021	1,124,417	547,611	24,100	(1,205,085)	(70,000)	421,043

The accompanying notes form an integral part of the interim financial statements.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited but reviewed)

	Consolidated		Separate	
	financial statements		financial statements	
	Six-month period ended		Six-month period ended	
	30 June		30 June	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Loss for the period	(100,818)	(27,599)	(55,851)	(11,111)
<i>Adjustments to reconcile loss to cash receipts (payments)</i>				
Finance costs	6,000	8,189	2,287	5,960
Depreciation	26,692	27,990	24,265	27,014
Amortisation of intangible assets	3,082	2,407	1,132	1,098
Amortisation of digital television licence	17,933	18,033	-	-
Non-current provisions for employee benefit	3,435	2,762	2,174	1,689
Gain on disposal of other financial assets	(178)	(161)	(178)	(161)
Gain on fair value adjustment	(3,789)	-	(3,789)	-
Reversal of expected credit losses	(26,735)	(196)	(43,601)	-
Gain on disposal of equipment	(243)	(398)	(364)	(398)
Gain on disposal of investment property	-	(1,083)	-	(1,083)
Loss on written-off of equipment	-	653	-	653
Loss on written-off of withholding tax	57	-	-	-
Interest income	(29)	(61)	(1,124)	(1,165)
	<u>(74,593)</u>	<u>30,536</u>	<u>(75,049)</u>	<u>22,496</u>
<i>Changes in operating assets and liabilities</i>				
Trade and other receivables	53,122	22,363	44,115	(14,566)
Accrued income	(4,493)	3,198	(1,978)	(6,913)
Inventories	3,866	(11,885)	39	1
Input value added tax pending	(1,803)	1,396	9	2,432
Other current assets	358	(88)	(685)	-
Other non-current assets	57	(1,068)	(40)	1
Trade and other payables	686	(3,241)	2,358	879
Advance income	(883)	(15,731)	(1,217)	2,067
Other current provisions	(25,215)	(10,482)	(20,077)	(6,447)
Employee benefits obligations	-	(35)	-	-
Output value added tax pending	(1,488)	(400)	(1,471)	(402)
Other current liabilities	(6,396)	(465)	(6,100)	(267)
Net cash generated from (used in) operating	<u>(56,782)</u>	<u>14,098</u>	<u>(60,096)</u>	<u>(719)</u>
Taxes paid	<u>(5,719)</u>	<u>(6,668)</u>	<u>(3,779)</u>	<u>(5,475)</u>
Net cash from (used in) operating activities	<u>(62,501)</u>	<u>7,430</u>	<u>(63,875)</u>	<u>(6,194)</u>

The accompanying notes form an integral part of the interim financial statements.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited but reviewed)

	Consolidated		Separate	
	financial statements		financial statements	
	Six-month period ended		Six-month period ended	
	30 June		30 June	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Other financial assets	(7)	(9)	(7)	(9)
Proceeds from acquisition of subsidiary and indirect subsidiaries	874	21,927	-	-
Acquisition of equity security	(24,256)	-	(24,256)	-
Proceeds from sale of debts securities	325,178	146,361	325,178	146,361
Acquisition of debts securities	(325,000)	(146,200)	(325,000)	(146,200)
Proceeds from sale of equipment	403	1,188	364	1,188
Proceeds from sale of investment property	-	7,280	-	7,280
Acquisition of equipment	(5,348)	(87,616)	(3,594)	(84,388)
Acquisition of intangible assets	(29,490)	(2,533)	(29,080)	(186)
Proceeds from short-term loan to subsidiary	-	-	4,350	4,500
Interest received	29	61	2,579	1,173
Net cash used in investing activities	<u>(57,617)</u>	<u>(59,541)</u>	<u>(49,466)</u>	<u>(70,281)</u>
<i>Cash flows from financing activities</i>				
Proceed from issued share capital	-	141,890	-	141,890
Proceed from non-controlling interests	1,000	-	-	-
Repayment of lease liabilities	(7,617)	(11,249)	(6,468)	(11,249)
Repayment of long-term loan from financial institution	(4,350)	(4,350)	(4,350)	(4,350)
Interest paid	(2,793)	(3,263)	(1,073)	(1,042)
Net cash from (used in) financing activities	<u>(13,760)</u>	<u>123,028</u>	<u>(11,891)</u>	<u>125,249</u>
Net increase (decrease) in cash and cash equivalents	(133,878)	70,917	(125,232)	48,774
Cash and cash equivalents at beginning of period	<u>164,475</u>	<u>26,735</u>	<u>149,153</u>	<u>25,161</u>
Cash and cash equivalents at ending of period	<u><u>30,597</u></u>	<u><u>97,652</u></u>	<u><u>23,921</u></u>	<u><u>73,935</u></u>
<i>Non-cash transactions</i>				
Payables for purchase of equipment	470	4,833	17	4,833

The accompanying notes form an integral part of the interim financial statements.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited but reviewed)

Note	Contents
1	Basis of preparation of the interim financial statements
2	Acquisitions of subsidiary
3	Related parties
4	Trade receivables
5	Investment in subsidiaries
6	Digital television licence payable
7	Segment information and disaggregation of revenue
8	Loss per share
9	Financial instruments
10	Commitments with non-related parties

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited but reviewed)

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

The interim financial statements issued for Thai regulatory reporting purpose are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 10 August 2021.

1 Basis of preparation of the interim financial statements

The condensed interim financial statements are presented in the same format as the annual financial statements together with notes to the interim financial statements on a condensed basis (“interim financial statements”) in accordance with Thai Accounting Standard (TAS) No. 34 *Interim Financial Reporting*, guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The interim financial statements focus on new activities, events and circumstances to avoid repetition of information previously reported in annual financial statements. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2020.

In preparing these interim financial statements, judgements and estimates are made by management in applying the Group’s accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that described in the financial statements for the year ended 31 December 2020.

Use of going concern basis of accounting

For the three-month and six-month periods ended 30 June 2021, the Group incurred a net loss of Baht 69.24 million and Baht 100.82 million and the Company incurred a net loss of Baht 52.35 million and Baht 55.85 million, respectively (2020: the Group incurred a net loss of Baht 4.64 million and Baht 27.60 million, respectively and the Company incurred a net loss of Baht 11.11 million for the six-month period ended 30 June 2020). The Group and the Company incurred negative operating cash flow of Baht 62.50 million and Baht 63.88 million, respectively (2020: the Company incurred negative operating cash flow of Baht 6.19 million). As of that date, the Group had total current liabilities exceed its total current assets of Baht 62.03 million (31 December 2020: Nil) and the Group and the Company had deficit of Baht 992.04 million and Baht 1,205.09 million, respectively (31 December 2020: Baht 905.69 million and Baht 1,149.23 million, respectively). Moreover, the Group’s operation was and may continue to be significantly affected by the economic uncertainty resulting from the Government’s measures to control the spread of COVID-19. In addition, the operation of the Group might be affected from the external factors impact to the current economic situation. This represents a material uncertainty over the appropriateness of using the going concern basis of accounting. Furthermore, the parent company disclosed in a note to the interim financial statements for the three-month period ended 31 March 2021 regarding the basis of preparation of the financial statements on a going concern basis, the financial position and liquidity of the parent company, which indicates a material uncertainty event exists that may cast significant doubt on the Group’s ability to continue as a going concern along with implemented policies and procedures in an attempt to manage its liquidity risk.

The Group’s management plans contain a focus on specialized news and educational content, investment in new technology and expansion of studios to improve efficiency of production, rearrange the broadcasting schedule to be better aligned with the target audience, increase revenue by expansion into other media platforms with more flexibility in satisfying consumers preferences and use the strengths in TV media production to expand into producing other events and activities. In addition, the Group has expanded its business into home shopping and food and beverage to diversify investment risk and reduce the Group’s core revenue dependency on the broadcasting business and create opportunities to increase revenue and support the stability for the Group’s operation in long-term business. The Group also benefits from the relief program of the National Broadcasting and Telecommunication Commission.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited but reviewed)

The Group's management believes that the preparation of the financial statements on a going concern basis is appropriate. The appropriateness of using this assumption, however, depends on the success of the management's action plan described in the previous paragraph. Accordingly, the consolidated and separate financial statements do not include any adjustments relating to the recoverability and classification of recorded assets amounts or to amounts and classifications of liabilities that may be necessary if the Group and the Company is not able to continue as a going concern.

2 Acquisitions of subsidiary

Thai News and Entertainment World Co., Ltd. (Formerly "Green Net 1282 Co., Ltd.")

At the Annual General Meeting of the shareholders of the Company held on 29 October 2020, the shareholders approved the Company to acquire 99.998% of the issued and paid-up share capital of Thai News and Entertainment World Co., Ltd., a related party who operates as information provider via online system and electronic media, from News Network Corporation Public Company Limited, who holds 9.96% interest in the parent company, amounting to Baht 164.40 million ("purchase price").

On 24 December 2020, the Company paid the purchase price of Baht 164.40 million, recorded as "Advance payment for business acquisition" in the financial statements as at 31 December 2020.

Subsequently on 29 January 2021, the Company received the transfer of 189,997 ordinary shares, representing 99.998% of the shareholding of Thai News and Entertainment World Co., Ltd., then the business acquisition was completed.

During the period from 29 January 2021 to 30 June 2021, Thai News and Entertainment World Co., Ltd. contributed revenue of Baht 22.29 million and loss of Baht 2.98 million to the Group's results. If the acquisition had occurred on 1 January 2021, management estimates that revenue would be Baht 26.42 million and loss for the six-month period ended 30 June 2021 would be Baht 4.20 million.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

Identifiable assets acquired and liabilities assumed

	Fair value <i>(in thousand Baht)</i>
Cash and cash equivalents	874
Trade and other receivables	13,861
Other current assets	570
Equipment	1,313
Intangible assets	25,313
Other non-current assets	2,536
Trade and other payables	(9,715)
Other current provisions	(2,751)
Other current liabilities	(1,128)
Long-term loan from related party	(62,500)
Non-current provisions for employee benefit	(1,342)
Total identifiable net liabilities	(32,969)
Non-controlling interest	1
Goodwill (Provisional excess of purchase price over net liabilities)	197,372
Purchase consideration transferred	164,404

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited but reviewed)

	<i>(in thousand Baht)</i>
Net cash acquired with the subsidiary	874
Cash paid	<u>(164,404)</u>
Net cash outflow from acquisition of the subsidiary	<u><u>(163,530)</u></u>

As at the reporting date, the Group is in process of hiring an independent appraiser to determine the fair value of the identifiable assets acquired and liabilities assumed from the business acquisition. For the preparation of the consolidated interim financial statements for the six-month period ended 30 June 2021, the Group has provisionally estimated the net liabilities acquired and estimated provisional excess of purchase price over net liabilities and recognised in the account “Goodwill” amounting to Baht 197.37 million. In accordance with TFRS 3, management is required to make a preliminary assessment of the fair values of businesses acquired as at the acquisition date. During the measurement period, which must not exceed one year from the acquisition date, the acquirer shall retrospective adjust the provisional amount recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date, then the acquisition accounting will be revised.

Taking control of the new acquired company will enable the Group to expand its market share and increase the customer base in relation to digital business as Thai News and Entertainment World Co., Ltd. operates in providing news and information via various channels and has data analytic platform that can be used to develop and improve the Group’s existing digital media channel.

Goodwill

The goodwill is attributable mainly to the synergies expected to be achieved from integrating the Company into the Group which can apply the knowledge and proficiency with television and digital media to increase the quality of news and information. None of the goodwill recognised is expected to be deductible for income tax purposes.

3 Related parties

Relationships with subsidiaries are described in Note 5 to the interim financial information. For other related parties, there is no material changes in relationships during the period except long-term loan from related party.

<i>Significant transactions with related parties</i> <i>Six-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Parent				
Revenue from sale of goods and rendering of services	8,375	6,481	8,226	6,280
Cost of sale of goods and rendering of services	791	1,860	639	1,858
Other income	6,293	1,381	4,462	1,381
Purchase of equipment	19	-	19	-
Selling expenses and administrative expenses	24,363	19,636	15,614	16,769

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited but reviewed)

<i>Significant transactions with related parties</i> <i>Six-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Subsidiaries and indirect subsidiaries				
Revenue from sale of goods and rendering of services	-	-	25,602	44,148
Cost of sale of goods and rendering of services	-	-	45,370	39,600
Other income	-	-	1,870	1,521
Selling expenses and administrative expenses	-	-	179	2
Other related parties				
Revenue from sale of goods and rendering of services	13,650	12,766	10,637	12,747
Costs of sale of goods and rendering of services	2,141	662	1,056	662
Other income	3,245	33	1,150	33
Sale of equipment	24	-	-	-
Purchase of equipment	1,006	-	788	-
Selling expenses and administrative expenses	2,101	17,788	1	-
Key management personnel				
Key management personnel compensation				
Wages and salaries	7,347	9,715	7,347	9,715
Defined contribution plan	-	192	-	192
Total key management personnel compensation	7,347	9,907	7,347	9,907

Balances as at 30 June 2021 and 31 December 2020 with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	<i>(in thousand Baht)</i>			
Trade receivables				
Parent	9,652	30,329	8,445	30,308
Subsidiary and indirect subsidiary	-	-	25,302	5,440
Other related parties	20,856	14,379	16,113	13,171
	30,508	44,708	49,860	48,919
<i>Less</i> allowance for expected credit loss	(7,242)	(33,767)	(6,264)	(32,789)
Net	23,266	10,941	43,596	16,130
Accrued income				
Parent	1,288	429	1,257	429
Subsidiaries and indirect subsidiary	-	-	5,265	6,600
Other related parties	337	767	178	632
Total	1,625	1,196	6,700	7,661

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited but reviewed)

	Consolidated financial statements		Separate financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	<i>(in thousand Baht)</i>			
<i>Other receivables</i>				
Parent	6,626	6,056	6,472	6,056
Subsidiaries and indirect subsidiaries	-	-	70,731	85,380
Other related parties	29,003	27,825	28,365	27,287
	35,629	33,881	105,568	118,723
<i>Less allowance for expected credit loss</i>	<u>(26,669)</u>	<u>(27,528)</u>	<u>(94,599)</u>	<u>(112,324)</u>
Net	<u>8,960</u>	<u>6,353</u>	<u>10,969</u>	<u>6,399</u>

	Interest rate		Separate financial statements			
	31 December 2020	30 June 2021	31 December 2020	Increase	Decrease	30 June 2021
<i>Short term loans to Subsidiary</i>	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
	5.47	5.47	40,650	-	(4,350)	36,300

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<i>(Reversal of) expected credit losses for the six-month period ended 30 June</i>	<i>(in thousand Baht)</i>			
Trade receivables	(26,525)	-	(26,525)	-
Other receivables	(859)	(196)	(17,725)	-

	Consolidated financial statements		Separate financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	<i>(in thousand Baht)</i>			
<i>Advance payment for business acquisition Other related party</i>	-	164,404	-	164,404

<i>Trade payables</i>				
Parent	462	1,191	462	1,191
Subsidiaries	-	-	2,352	369
Other related parties	1,752	1,425	1,002	1,424
Total	<u>2,214</u>	<u>2,616</u>	<u>3,816</u>	<u>2,984</u>

<i>Other payables</i>				
Parent	12,184	33,572	4,094	32,059
Subsidiaries and indirect subsidiaries	-	-	4	212
Other related parties	2,110	2,840	871	165
Total	<u>14,294</u>	<u>36,412</u>	<u>4,969</u>	<u>32,436</u>

<i>Other current provisions</i>				
Parent	181	261	178	261
Subsidiaries	-	-	402	138
Other related parties	69	932	14	931
Total	<u>250</u>	<u>1,193</u>	<u>594</u>	<u>1,330</u>

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited but reviewed)

	Interest rate		Consolidated financial statements			
	31 December 2020 (% per annum)	30 June 2021	31 December 2020	Increase	Decrease	30 June 2021
<i>Long-term loan</i>				(in thousand Baht)		
Other related party	-	6.00	-	62,500	-	62,500

At 30 June 2021, the Group had long-term loan agreement, unsecured with individual related party in amount of Baht 62.50 million (*31 December 2020: Nil*). This loan bear interest at the rate of 6.00% per annum (*31 December 2020: Nil*) which is due for monthly interest payments and has a period of maturity at 31 May 2022. In term of agreement, if the Group has intention to postpone the loan repayment date, the Group shall give written notice to the lender not later than 15 days prior to the loan repayment date. In this case, both parties will amend the terms of repayment under this agreement to be in accordance to the agreed postponement.

On 23 July 2021, long-term loan agreement with individual related party in amount of Baht 62.50 million was postponed the loan repayment date from the lender to be 28 February 2023.

Significant transactions with related parties

Share Purchase Agreement " Thai News and Entertainment World Co., Ltd."

On 29 January 2021, the Company acquired of 99.998% of the issued and paid-up share capital of Thai News and Entertainment World Co., Ltd. (formerly "Green Net 1282 Co., Ltd."), a related party from News Network Corporation Public Company Limited, a shareholder of the parent company for the consideration of Baht 164.40 million, as detail in Note 2 to the interim financial information.

Sale and Purchase Business and Trademark agreement "KomChadluek"

At the Board of Directors' meetings of the Company held on 25 May 2020, the Board of Directors approved the purchase of "KomChadluek" trademark from the parent company ("Nation Multimedia Group Public Company Limited") and Komchadluek business from a related party ("Kom Chad Luek Media Co., Ltd.") for consideration of Baht 69.90 million and Baht 0.10 million, respectively. Later at the shareholders' meeting of the Company held on 29 October 2020, the shareholders approved such transaction.

On 30 November 2020, the Company settled partial payment to Nation Multimedia Group Public Company Limited and Kom Chad Luek Media Co., Ltd of Baht 40.82 million and Baht 0.10 million, respectively. The remaining payment of Baht 29.08 million will be paid with terms as agreed. Subsequently in the first quarter of 2021, the conditions as agreed has been met. The Company paid the remaining amount to Nation Multimedia Group Public Company Limited on 7 May 2021.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited but reviewed)

4 Trade receivables

	Consolidated		Separate	
	financial statements		financial statements	
<i>Note</i>	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	<i>(in thousand Baht)</i>			
Related parties				
Within credit terms	13,721	4,466	17,494	9,655
Overdue:				
Less than 3 months	7,608	6,314	19,106	6,314
3-6 months	3,035	-	8,095	-
6-12 months	-	3,471	-	3,471
Over 12 months	6,144	30,457	5,165	29,479
Total	30,508	44,708	49,860	48,919
<i>Less allowance for expected credit loss</i>				
	(7,242)	(33,767)	(6,264)	(32,789)
3	23,266	10,941	43,596	16,130
Other parties				
Within credit terms	20,124	31,770	15,820	27,535
Overdue:				
Less than 3 months	6,670	20,627	6,074	19,630
3-6 months	1,245	-	1,152	-
6-12 months	1,692	1,412	1,112	1,412
Over 12 months	649	45	649	45
Total	30,380	53,854	24,807	48,622
<i>Less allowance for expected credit loss</i>				
	(1,229)	(45)	(649)	(45)
	29,151	53,809	24,158	48,577
Net	52,417	64,750	67,754	64,707
Expected credit loss				
<i>For the six-month period ended 30 June</i>				
- Additions	604	-	604	-
- Reversal	(26,525)	-	(26,525)	-

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited but reviewed)

5 Investment in subsidiaries

<i>Material movements for the six-month period ended 30 June 2021</i>	<i>Note</i>	Consolidated financial statements	Separate financial statements
		<i>(in thousand Baht)</i>	
<i>Subsidiary</i>			
Purchase investment in Thai News and Entertainment World Co., Ltd.	2, 3	-	164,404
<i>Indirect subsidiary</i>			

At the Board of Directors' meeting of the Company held on 20 January 2021, the Board of Directors approved a subsidiary (NBC Next Vision Co., Ltd.) to invest in ordinary shares in Nation Coffee Co., Ltd., represent 60% of authorised share amounting to Baht 6 million. The indirect subsidiary registered company establishment with the Ministry of Commerce on 27 January 2021.

6 Digital television licence payable

As at 30 June 2021, a subsidiary (NBC Next Vision Co., Ltd.) had digital television licence payable amounting to Baht 49.90 million (the digital television licence payable of Baht 50.00 million and deducted of deferred interest amounting to Baht 0.10 million). A subsidiary received the letter from the National Broadcasting and Telecommunications Commission ("NBTC") notified the subsidiary to settle the remaining licence fee payment within 8 August 2019. If the settlement did not settle within specify period, the Company must pay for the interest at the rate of 7.5% per annum but not later than 23 May 2021.

On 20 May 2021, the subsidiary submitted the letter to NBTC regarding the Company's intention to make the installment payment for the remaining licence fee payable of Baht 50.00 million for 3 years. Later on 21 June 2021, the subsidiary received the letter from NBTC notified the subsidiary to settle the remaining licence fee with value added tax and interest at the rate of 7.5% per annum since 9 August 2019 onwards until the payment is completed. The Company had to settle the payment within 15 days from the date of receiving the letter. If the subsidiary still ignores, NBTC will enforce the letter of guarantee and may proceed legal action. On 6 July 2021, the subsidiary settled the interest of Baht 7.16 million from 9 August 2019 to 6 July 2021.

On 20 July 2021, NBTC submitted the letter of requesting settlement according to the letter of guarantee to the guarantor bank and the subsidiary for calling the guarantor bank to settle the unpaid fee with value added tax and default interest on behalf of the subsidiary within 30 days. Later on 27 July 2021, the subsidiary submitted the letter to NBTC requested to temporarily suspend the enforcement of the letter of guarantee.

On 4 August 2021, the subsidiary submitted the letter to NBTC requested for installment payment of the licence fee by monthly for period of 5 months, at Baht 10 million per month from August to December 2021 and requested NBTC to suspend the enforcement of the guarantor bank to pay the licence fee on behalf of the subsidiary. Such requested is in the process of NBTC's consideration.

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited but reviewed)

7 Segment information and disaggregation of revenue

<i>For six-month ended 30 June</i>	TV advertising media		New media advertising		Consolidated financial statements				Eliminations		Total	
	2021	2020	2021	2020	Sale products		Others		2021	2020	2021	2020
					2021	2020	2021	2020				
					<i>(in thousand Baht)</i>							
Information about reportable segments												
External revenue	107,377	193,196	31,575	9,362	114,893	201,242	-	17,335	-	-	253,845	421,135
Inter-segment revenue	67,011	84,128	16,266	1,140	85	2	-	-	(83,362)	(85,270)	-	-
Other income	31,681	18,690	4,043	-	2,059	1,254	-	8	-	-	37,783	19,952
Total segment revenue	206,069	296,014	51,884	10,502	117,037	202,498	-	17,343	(83,362)	(85,270)	291,628	441,087
Disaggregation of revenue												
Major products and service lines												
Advertising	106,296	192,849	31,575	9,362	-	-	-	-	-	-	137,871	202,211
Sale products	-	-	-	-	114,893	201,242	-	-	-	-	114,893	201,242
Others	1,081	347	-	-	-	-	-	17,335	-	-	1,081	17,682
Total	107,377	193,196	31,575	9,362	114,893	201,242	-	17,335	-	-	253,845	421,135
Timing of revenue recognition												
At a point in time	100,214	162,219	-	-	114,893	201,242	-	-	-	-	215,107	363,461
Over time	7,163	30,977	31,575	9,362	-	-	-	17,335	-	-	38,738	57,674
Total	107,377	193,196	31,575	9,362	114,893	201,242	-	17,335	-	-	253,845	421,135
Segment profit (loss) before income tax	(47,510)	(19,421)	(7,406)	9,362	(29,037)	(15,822)	-	(1,718)	(16,865)	-	(100,818)	(27,599)
Goodwill as at 30 June / 31 December	-	-	197,372	-	8,365	8,365	-	-	-	-	205,737	8,365
Segment assets as at 30 June / 31 December	851,795	835,793	268,335	26,277	52,173	64,123	-	-	(219,125)	(27,802)	953,178	898,391
Segment liabilities as at 30 June / 31 December	281,240	320,051	84,052	4,943	77,573	62,987	-	-	(106,689)	(98,136)	336,176	289,845

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited but reviewed)

Reconciliations of reportable segment assets and liabilities

	30 June 2021	31 December 2020
	<i>(in thousand Baht)</i>	
Assets		
Total assets for reportable segments	953,178	898,391
Other unallocated amounts	-	149,153
Consolidated total assets	<u>953,178</u>	<u>1,047,544</u>
Liabilities		
Total liabilities for reportable segments	336,176	289,845
Other unallocated amounts	-	40,878
Consolidated total liabilities	<u>336,176</u>	<u>330,723</u>

8 Loss per share

The calculations of loss per share for the six-month periods ended 30 June 2021 and 2020 were based on the loss for the period attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the period as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<i>For six-month period ended 30 June</i>	<i>(in thousand Baht / thousand shares)</i>			
Loss attributable to ordinary shareholders of the Company	<u>(86,350)</u>	<u>(18,229)</u>	<u>(55,851)</u>	<u>(11,111)</u>
Ordinary shares outstanding				
Number of ordinary shares outstanding at 1 January	1,124,417	535,437	1,124,417	535,437
Effect of shares issued on 4 March	-	175,046	-	175,046
Weighted average number of ordinary shares outstanding at 30 June	<u>1,124,417</u>	<u>710,483</u>	<u>1,124,417</u>	<u>710,483</u>
Loss per share (in Baht)	<u>(0.077)</u>	<u>(0.026)</u>	<u>(0.050)</u>	<u>(0.016)</u>

Nation Broadcasting Corporation Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited but reviewed)

9 Financial instruments

Carrying amounts and fair values

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

	Carrying amount		Consolidated / Separate financial statements			Total
	Financial instruments measured at FVTPL	Financial instruments measured at amortised cost	Fair value			
			Level 1	Level 2	Level 3	
<i>(in thousand Baht)</i>						
At 30 June 2021						
Financial asset						
Other financial asset						
Investment in equity security	28,044	-	28,044	-	-	28,044
Financial liability						
Long-term loan from financial institution	-	36,300	-	-	36,463	36,463
At 31 December 2020						
Financial liability						
Long-term loan from financial institution	-	40,650	-	-	41,002	41,002

10 Commitments with non-related parties

	Consolidated financial statements	Separate financial statements
<i>(in thousand Baht)</i>		
At 30 June 2021		
Other commitments		
Short-term lease commitments	393	-
Leases of low-value assets commitments	2,809	255
Service commitments	78,232	52,824
Bank guarantees	60,450	6,951
Total	141,884	60,030