

Nation International Edutainment Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month period ended 31 March 2021

Independent Auditor's Report on Review of Interim Financial Information
To the Shareholders of Nation International Edutainment Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Nation International Edutainment Public Company Limited and its subsidiaries as at 31 March 2021, the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Nation International Edutainment Public Company Limited for the same period (collectively "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*.



Pornanan Kitjanawanchai
Certified Public Accountant (Thailand) No. 7792

EY Office Limited
Bangkok: 5 May 2021

Nation International Entertainment Public Company Limited and its subsidiaries

Statements of financial position

As at 31 March 2021

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	31 March 2021 (Unaudited but reviewed)	31 December 2020 (Audited)	31 March 2021 (Unaudited but reviewed)	31 December 2020 (Audited)
Assets					
Current assets					
Cash and cash equivalents		195,259	173,940	187,978	129,703
Trade and other receivables	3	21,197	67,474	29,267	73,193
Inventories		15,582	15,089	8,884	8,051
Other current financial assets	5	100,066	65	100,066	65
Other current assets		10,801	8,630	3,900	1,545
Total current assets		342,905	265,198	330,095	212,557
Non-current assets					
Investments in subsidiaries	6	-	-	-	70,008
Investment property	7	-	72,412	-	-
Building improvements and equipment	8	8,037	8,752	7,847	8,506
Right-of-use assets	9	11,774	12,657	11,774	12,657
Intangible assets	10	7,067	7,390	6,209	6,177
Other non-current financial assets	5	12,391	11,709	12,391	11,709
Other non-current assets		1,696	1,766	1,694	1,694
Total non-current assets		40,965	114,686	39,915	110,751
Total assets		383,870	379,884	370,010	323,308

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

Nation International Entertainment Public Company Limited and Its subsidiaries

Statements of financial position (continued)

As at 31 March 2021

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>31 March 2021</u>	<u>31 December 2020</u>	<u>31 March 2021</u>	<u>31 December 2020</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	11	33,577	34,194	14,283	15,480
Current portion of lease liabilities	12	3,343	3,352	3,343	3,352
Income tax payable		-	558	-	-
Provision for sale return		6,992	5,361	6,379	4,699
Other current liabilities		2,301	2,671	2,226	2,465
Total current liabilities		46,213	46,136	26,231	25,996
Non-current liabilities					
Lease liabilities, net of current portion	12	8,874	9,683	8,874	9,683
Provision for long-term employee benefits	13	6,216	12,195	4,742	10,752
Other non-current liabilities		627	2,218	280	170
Total non-current liabilities		15,717	24,096	13,896	20,605
Total liabilities		61,930	70,232	40,127	46,601

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

Nation International Edutainment Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 31 March 2021

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>31 March 2021</u>	<u>31 December 2020</u>	<u>31 March 2021</u>	<u>31 December 2020</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
390,549,286 ordinary shares of Baht 1 each	<u>390,549</u>	<u>390,549</u>	<u>390,549</u>	<u>390,549</u>
Issued and fully paid up				
365,549,286 ordinary shares of Baht 1 each	365,549	365,549	365,549	365,549
Share premium	342,646	342,646	342,646	342,646
Retained earnings				
Appropriated - statutory reserve	10,650	10,650	10,650	10,650
Deficits	<u>(396,842)</u>	<u>(448,972)</u>	<u>(388,962)</u>	<u>(442,138)</u>
Equity attributable to owners of the Company	322,003	269,873	329,883	276,707
Non-controlling interests of the subsidiaries	<u>(63)</u>	<u>39,779</u>	<u>-</u>	<u>-</u>
Total shareholders' equity	<u>321,940</u>	<u>309,652</u>	<u>329,883</u>	<u>276,707</u>
Total liabilities and shareholders' equity	<u>383,870</u>	<u>379,884</u>	<u>370,010</u>	<u>323,308</u>

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

Directors

(Unaudited but reviewed)

Nation International Edutainment Public Company Limited and its subsidiaries

Statements of comprehensive income

For the three-month period ended 31 March 2021

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

	Consolidated financial statements		Separate financial statements		
	Note	2021	2020	2021	2020
Profit or loss:					
Continued operation					
Revenues					
Sales and service income	14	16,660	18,519	9,907	10,531
Dividend income	5, 6	16,311	-	38,117	-
Other income					
Gain on sale of investment in subsidiary	6	-	-	17,980	-
Others		2,681	820	3,966	2,437
Total revenues		35,652	19,339	69,970	12,968
Expenses					
Cost of sales and services		12,066	15,205	8,369	8,499
Selling and distribution expenses		1,559	1,477	1,399	1,350
Administrative expenses		11,156	14,353	8,611	9,101
Total expenses		24,781	31,035	18,379	18,950
Profit (loss) from operating activities		10,871	(11,696)	51,591	(5,982)
Finance income		197	548	197	548
Finance cost		(265)	(352)	(250)	(287)
Profit (loss) before income tax		10,803	(11,500)	51,538	(5,721)
Income tax	15	328	-	328	-
Profit (loss) for the period from continued operation		11,131	(11,500)	51,866	(5,721)
Discontinued operation					
Profit for the period from discontinued operation	6	39,692	-	-	-
Profit (loss) for the period		50,823	(11,500)	51,866	(5,721)
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Gain (loss) on investments in equity designated at fair value					
through other comprehensive income		1,310	(2,356)	1,310	(2,356)
Other comprehensive income for the period		1,310	(2,356)	1,310	(2,356)
Total comprehensive income for the period		52,133	(13,856)	53,176	(8,077)

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

(Unaudited but reviewed)

Nation International Edutainment Public Company Limited and its subsidiaries

Statements of comprehensive income

For the three-month period ended 31 March 2021

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

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
Note	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Profit (loss) attributable to:				
Equity holders of the Company				
Profit (loss) from continued operation	11,128	(11,497)	51,866	(5,721)
Profit from discontinued operation	<u>39,692</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>50,820</u>	<u>(11,497)</u>	<u>51,866</u>	<u>(5,721)</u>
Non-controlling interests of the subsidiaries				
Profit (loss) from continued operation	<u>3</u>	<u>(3)</u>		
	<u>3</u>	<u>(3)</u>		
	<u>50,823</u>	<u>(11,500)</u>		
Total comprehensive income attributable to:				
Equity holders of the Company				
Profit (loss) from continued operation	12,438	(13,853)	53,176	(8,077)
Profit from discontinued operation	<u>39,692</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>52,130</u>	<u>(13,853)</u>	<u>53,176</u>	<u>(8,077)</u>
Non-controlling interests of the subsidiaries				
Profit (loss) from continued operation	<u>3</u>	<u>(3)</u>		
	<u>3</u>	<u>(3)</u>		
	<u>52,133</u>	<u>(13,856)</u>		
Earnings per share 16				
Basic earnings per share				
Profit (loss) attributable to equity holders of the Company	<u>0.14</u>	<u>(0.03)</u>	<u>0.14</u>	<u>(0.02)</u>
Earnings per share from continued operation 16				
Basic earnings per share				
Profit (loss) attributable to equity holders of the Company	<u>0.03</u>	<u>(0.03)</u>	<u>0.14</u>	<u>(0.02)</u>

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

(Unaudited but reviewed)

Nation International Edutainment Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity

For the three-month period ended 31 March 2021

(Unit: Thousand Baht)

Consolidated financial statements

	Equity attributable to the owners of the Company										Total equity attributable to the owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
	Other components of shareholders' equity												
	Other comprehensive income												
	Issued and fully paid-up share capital	Share premium	Appropriated	Retained earnings	Deficits	Reserve for fair value of investments	Components of shareholders' equity	Reserve for fair value of investments	Other comprehensive income	Total equity attributable to the owners of the Company			
Balance as at 1 January 2020	365,549	342,646	10,650	(444,734)	-	-	-	-	274,111	(75)	274,036		
Loss for the period	-	-	-	(11,497)	-	-	-	-	(11,497)	(3)	(11,500)		
Other comprehensive income for the period	-	-	-	-	(2,356)	(2,356)	(2,356)	(2,356)	(2,356)	-	(2,356)		
Total comprehensive income for the period	-	-	-	(11,497)	(11,497)	(2,356)	(2,356)	(2,356)	(13,853)	(3)	(13,856)		
Balance as at 31 March 2020	365,549	342,646	10,650	(456,231)	(456,231)	(2,356)	(2,356)	(2,356)	260,258	(78)	260,180		
Balance as at 1 January 2021	365,549	342,646	10,650	(448,972)	-	-	-	-	269,873	39,779	309,652		
Profit for the period	-	-	-	50,820	50,820	-	-	-	50,820	3	50,823		
Other comprehensive income for the period	-	-	-	-	-	1,310	1,310	1,310	1,310	-	1,310		
Total comprehensive income for the period	-	-	-	50,820	50,820	1,310	1,310	1,310	52,130	3	52,133		
Sales of equity instruments (Note 5)	-	-	-	1,310	1,310	(1,310)	(1,310)	(1,310)	-	-	-		
Dividend paid by subsidiaries to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	(12,394)	(12,394)		
Decrease in non-controlling interests of a subsidiary from sale of investment in subsidiary (Note 6)	-	-	-	-	-	-	-	-	-	(27,451)	(27,451)		
Balance as at 31 March 2021	365,549	342,646	10,650	(396,842)	(396,842)	-	-	-	322,003	(63)	321,940		

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

(Unaudited but reviewed)

Nation International Edutainment Public Company Limited and its subsidiaries
Statements of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2021

(Unit: Thousand Baht)

Separate financial statements

	Separate financial statements									
	Issued and fully paid-up share capital	Share premium	Appropriated	Retained earnings	Deficits	Reserve for fair value of investments	Other components of shareholders' equity	Other components of shareholders' equity	Total shareholders' equity	Total
Balance as at 1 January 2020	365,549	342,646	10,650	(446,402)	-	-	-	-	272,443	-
Loss for the period	-	-	-	(5,721)	-	-	-	-	(5,721)	(5,721)
Other comprehensive income for the period	-	-	-	-	-	(2,356)	(2,356)	(2,356)	(2,356)	(2,356)
Total comprehensive income for the period	-	-	-	(5,721)	-	(2,356)	(2,356)	(2,356)	(8,077)	(8,077)
Balance as at 31 March 2020	365,549	342,646	10,650	(452,123)	-	(2,356)	(2,356)	(2,356)	264,366	264,366
Balance as at 1 January 2021	365,549	342,646	10,650	(442,138)	-	-	-	-	276,707	-
Profit for the period	-	-	-	51,866	-	-	-	-	51,866	51,866
Other comprehensive income for the period	-	-	-	-	-	1,310	1,310	1,310	1,310	1,310
Total comprehensive income for the period	-	-	-	51,866	-	1,310	1,310	1,310	53,176	53,176
Sales of equity instruments (Note 5)	-	-	-	1,310	-	(1,310)	(1,310)	(1,310)	-	-
Balance as at 31 March 2021	365,549	342,646	10,650	(388,962)	-	-	-	-	329,883	329,883

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

(Unaudited but reviewed)

Nation International Edutainment Public Company Limited and its subsidiaries

Cash flow statements

For the three-month period ended 31 March 2021

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit (loss) before tax from continued operation	10,803	(11,500)	51,538	(5,721)
Profit before tax from discontinued operation	39,595	-	-	-
Profit (loss) before tax	50,398	(11,500)	51,538	(5,721)
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	4,306	2,809	2,364	2,163
Allowance for expected credit losses (reversal)	(2)	4	(1,534)	(2,941)
Reduction of inventory to net realisable value (reversal)	516	1,649	249	(339)
Right on returned assets	(165)	(12)	(184)	(33)
Gain on sales of equipment	-	(40)	-	-
Gain on fair value adjustment of financial assets	(682)	-	(682)	-
Provision for sales returned	1,631	1,655	1,680	1,373
Provision for long-term employee benefits	271	247	240	219
Unrealised loss on exchange	537	999	-	-
Gain on sale of investment in subsidiary	(40,717)	-	(17,980)	-
Dividend income	(16,311)	-	(38,117)	-
Finance income	(197)	(550)	(197)	(548)
Finance cost	265	351	250	287
Loss from operating activities before changes in operating assets and liabilities	(150)	(4,388)	(2,373)	(5,540)
Operating assets (increase) decrease				
Trade and other receivables	(1,105)	(5,891)	(1,158)	(2,201)
Inventories	(845)	342	(897)	1,575
Other current assets	(1)	81	(5)	(3)
Other non-current assets	-	(3)	-	(4)
Operating liabilities increase (decrease)				
Trade accounts payable	(325)	3,422	(1,197)	1,812
Other current liabilities	1,981	(978)	(239)	(716)
Provision for long-term employee benefits	(6,250)	-	(6,250)	-
Other non-current liabilities	111	-	109	-
Cash flows used in operating activities	(6,584)	(7,415)	(12,010)	(5,077)
Cash paid for interest expenses	(265)	(104)	(250)	(40)
Cash paid for corporate income tax	(2,553)	(271)	(2,350)	(196)
Net cash flows used in operating activities	(9,402)	(7,790)	(14,610)	(5,313)

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

(Unaudited but reviewed)

Nation International Edutainment Public Company Limited and its subsidiaries

Cash flow statements (continued)

For the three-month period ended 31 March 2021

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Cash flows from investing activities				
Increase in other financial assets	(111,538)	(90,472)	(111,538)	(90,470)
Cash receipt from sales of other financial assets	59,853	-	59,853	-
Proceeds from sales of equipment	12	40	12	-
Acquisition of building improvements and equipment	(44)	(306)	(44)	(297)
Acquisition of intangible assets	(857)	(931)	(822)	(333)
Proceed from sale of investment in subsidiary	80,060	-	87,989	-
Dividend received	16,311	-	38,117	-
Interest received	137	665	137	663
Net cash flows from (used in) investing activities	<u>43,934</u>	<u>(91,004)</u>	<u>73,704</u>	<u>(90,437)</u>
Cash flows from financing activities				
Payment of lease liabilities	(819)	(1,016)	(819)	(1,016)
Dividend paid of subsidiary to non-controlling interests of subsidiary	(12,394)	-	-	-
Net cash flows used in financing activities	<u>(13,213)</u>	<u>(1,016)</u>	<u>(819)</u>	<u>(1,016)</u>
Net increase (decrease) in cash and cash equivalents	21,319	(99,810)	58,275	(96,766)
Cash and cash equivalents at beginning of period	173,940	257,399	129,703	250,045
Cash and cash equivalents at end of period	<u>195,259</u>	<u>157,589</u>	<u>187,978</u>	<u>153,279</u>

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

Nation International Edutainment Public Company Limited and its subsidiaries
Notes to interim consolidated financial statements
For the three-month period ended 31 March 2021

1. General information

1.1 Corporate information

Nation International Edutainment Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the importing, publishing and distributing local and foreign publications and character management. The registered office of the Company is at 333 Lao Peng Nguan 1 Tower, 24th Floor, Soi Choeiphuang, Vibhavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok.

1.2 Coronavirus disease 2019 pandemic

The Coronavirus disease 2019 pandemic is adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

1.3 Basis for the preparation of interim financial statements

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

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

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

1.4 Basis of consolidation

These consolidated interim financial statements include the financial statements of Nation International Edutainment Public Company Limited and its subsidiaries and are prepared on the same basis as the consolidated financial statements for the year ended 31 December 2020, except for sale of investment in subsidiary as discussed in Note 6 to the interim financial statements.

1.5 New financial reporting standards

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

During the period, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 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 adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued amendments to Thai Financial Reporting Standard 16 Leases that provide temporary exemptions from the impact of interest rate benchmark reform for a lessee, provided that all specified conditions are to be met.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

1.6 Significant accounting policies

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

2. Related party transactions

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

(Unit: Million Baht)

	For the three-month periods ended 31 March				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
Transactions with subsidiaries					
(eliminated from the consolidated financial statements)					
Management income	-	-	1.4	1.8	Contract price
Administrative expenses	-	-	0.5	0.5	Contract price

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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
		(Audited)		(Audited)
<u>Other receivables - related parties (Note 3)</u>				
Subsidiaries	-	-	41,162	41,767
Less: Allowance for expected credit loss	-	-	(26,007)	(27,541)
Total other receivables - related parties	-	-	15,155	14,226
<u>Other payables - related party (Note 11)</u>				
Subsidiary	-	-	990	1,445
Total other payables - related party	-	-	990	1,445

(Unaudited but reviewed)

Directors and management's benefits

During the three-month period ended 31 March 2021 and 2020, the Company had employee benefit expenses of its directors and management as below.

(Unit: Million Baht)

	Consolidated/Separate financial statements	
	<u>2021</u>	<u>2020</u>
Short-term employee benefits	2.6	4.5
Post-employment benefits	0.2	0.3
Total	<u>2.8</u>	<u>4.8</u>

3. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
		(Audited)		(Audited)
<u>Trade account receivables</u>				
Aged on the basis of due dates				
Not yet due	9,997	10,649	5,029	4,459
Past due				
Up to 3 months	5,590	5,864	4,538	4,730
3 - 12 months	6	2	6	-
Over 12 months	537	538	-	-
Total	<u>16,130</u>	<u>17,053</u>	<u>9,573</u>	<u>9,189</u>
Less: Allowance for expected credit loss	(537)	(539)	-	-
Total trade receivables - net	<u>15,593</u>	<u>16,514</u>	<u>9,573</u>	<u>9,189</u>
<u>Other receivables</u>				
Accrued income	1,953	2,208	1,674	1,830
Interest receivables	96	37	96	37
Account receivable from sales of investments	-	46,680	-	46,680
Other receivables - related parties	-	-	41,162	41,767
Other receivables	<u>3,555</u>	<u>2,055</u>	<u>2,769</u>	<u>1,231</u>
Total	<u>5,604</u>	<u>50,980</u>	<u>45,701</u>	<u>91,545</u>
Less: Allowance for expected credit loss	-	(20)	(26,007)	(27,541)
Total other receivables - net	<u>5,604</u>	<u>50,960</u>	<u>19,694</u>	<u>64,004</u>
Total trade and other receivables	<u>21,197</u>	<u>67,474</u>	<u>29,267</u>	<u>73,193</u>

4. Allowance to reduce cost to net realisable value

Movements in the allowance to reduce cost of inventories to net realisable value during the three-month period ended 31 March 2021 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2021	16,820	10,302
Addition during the period	898	588
Reversal during the period	(340)	(340)
Balance as at 31 March 2021	<u>17,378</u>	<u>10,550</u>

5. Other current/non-current financial assets

	(Unit: Thousand Baht)	
	Consolidated/Separate	
	financial statements	
	31 March	31 December
	2021	2020
		(Audited)
<u>Debt instruments at amortised cost</u>		
Bill of exchange	100,066	65
Other current financial assets	<u>100,066</u>	<u>65</u>
<u>Financial asset at FVTPL</u>		
Unquoted debt instruments	9,900	9,900
Allowance for change in value	2,491	1,809
Other non-current financial assets - net	<u>12,391</u>	<u>11,709</u>

On 23 April 2020, the Company acquired 90,000 ordinary shares of a related company, representing 18.35% of the issued shares. Each seller had a buy-back option at a specific price within 3 years from the date the purchase was completed. The Company's management expected the sellers of those shares to exercise the option within the specified period and classified the investment under the caption of "Financial asset at FVTPL". Subsequently, on 25 February 2021, the Company received dividend from that Company amounting to Baht 16.3 million.

In addition, during the period, the Company acquired investments in equity instruments (designated at fair value through other comprehensive income) amounting to Baht 11.5 million and already sold all of the investments. The Company recognised gain of sales of investments amounting to Baht 1.3 million (net of income tax) in the retained earnings.

6. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements

(Unit: Million Baht)

Dividend received for the
three-month periods ended

Company's name	Paid-up capital		Shareholding percentage		Cost		31 March	
	31 March	31 March	31 March	31 March	31 March	31 March		
	2021	2020	2021	2020	2021	2020	2021	2020
	(Audited)		(Audited)		(Audited)			
		(Percent)	(Percent)					
Nation Global Edutainment								
Company Limited	200	200	99.74	99.74	163.4	163.4	-	-
One World Media								
Company Limited	60	60	99.99	99.99	60.0	60.0	-	-
Landy Development								
Company Limited	-	40	-	63.76	-	70.0	21.8	-
Total					223.4	293.4		
Less: Allowance for impairment					(223.4)	(223.4)		
Investments in subsidiaries - net					-	70.0		

Landy Development Company Limited ("Landy")

On 22 February 2021, the Company's Board of Directors passed a resolution approving the sale of 2.55 million ordinary shares of Landy to unrelated companies ("the buyers") for a total of Baht 88 million. On 1 March 2021, the Company transferred the shares to the buyers. The financial statements of Landy were not included in the consolidated financial statements from 1 March 2021.

Details of the book values of assets and liabilities of Landy as at 1 March 2021 are as follows:

(Unit: Thousand Baht)

Assets

Cash and cash equivalents	7,929
Trade and other receivables	764
Other current assets	195
Investments properties	70,868
Other non-current assets	119
Total assets	79,875

(Unaudited but reviewed)

(Unit: Thousand Baht)

Liabilities	
Trade and other payables	829
Other current liabilities	2,622
Other non-current liabilities	1,701
Total liabilities	5,152
Non-controlling interests of the subsidiary	27,451
Net assets	47,272
Cash receipt from sale of investment in subsidiary	87,989
Less: Cash and cash equivalents of the subsidiary	(7,929)
Net cash receipt from sale of investment in subsidiary	80,060

The Group recorded a gain on sale of the investment in profit or loss for the three-month period ended 31 March 2021 as detailed below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Selling price of investment in a subsidiary	87,989	87,989
Less: Book value of net assets/investment in subsidiary as at selling date	(47,272)	(70,009)
Gain on sale of investment in subsidiary	40,717	17,980

The Group presented the operating results of Landy until the transfer date under discontinued operation for the three-month period ended 31 March 2021 in the consolidated financial statements as detailed below.

	(Unit: Thousand Baht)
	Consolidated financial statements
	For the three-month period ended
	31 March 2021
<u>Statements of comprehensive income</u>	
Revenue	1,271
Expenses	(2,393)
Loss before income tax	(1,122)
Income tax	97
Loss from discontinued operation	(1,025)
Gain on sale of investment in subsidiary	40,717
Profit for the period from discontinued operation	39,692

7. Investment property

Movements of the investment property account during the three-month period ended 31 March 2021 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Net book value as at 1 January 2021	72,412
Acquisition of subsidiary during the period	(1,544)
Sale of subsidiary during the period (Note 6)	(70,868)
Net book value as at 31 March 2021	-

8. Building improvement and equipment

Movements of the leasehold improvement and equipment account during the three-month period ended 31 March 2021 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2021	8,752	8,506
Acquisition during period	44	44
Disposal during period	(12)	(12)
Depreciation for the period	(715)	(691)
Sales of subsidiary during the period	(32)	-
Net book value as at 31 March 2021	8,037	7,847

9. Right-of-use assets

Movements of the right-of-use assets account during the three-month period ended 31 March 2021 are summarised below.

	(Unit: Thousand Baht)
	Consolidated/Separate financial statements
Net book value as at 1 January 2021	12,657
Amortisation for the period	(883)
Net book value as at 31 March 2021	11,774

(Unaudited but reviewed)

10. Intangible assets

Movements of the intangible assets account during the three-month period ended 31 March 2021 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2021	7,390	6,177
Acquisitions during period	857	822
Amortisation for the period	(1,163)	(790)
Sales of subsidiary during the period	(17)	-
Net book value as at 31 March 2021	7,067	6,209

11. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2021	2020	2021	2020
		(Audited)		(Audited)
Trade payables	5,280	5,414	3,765	3,884
Other payable - related party	-	-	990	1,445
Other payables	14,110	13,522	1,321	1,303
Accrued expenses	14,187	15,258	8,207	8,848
Total trade and other payables	33,577	34,194	14,283	15,480

12. Lease liabilities

Movements of the lease liabilities account during the three-month period ended 31 March 2021 are summarised below.

	(Unit: Thousand Baht)
	Consolidated/Separate
	financial statements
Balance as at 1 January 2021	13,035
Lease payments	(1,016)
Addition from interest	198
Balance as at 31 March 2021	12,217
Less: Current portion	(3,343)
Lease liabilities - net of current portion	8,874

(Unaudited but reviewed)

13. Provision for long-term employee benefits

Movements of the provision for long-term employee benefits account during the three-month period ended 31 March 2021 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2021	12,195	10,752
Increase during the period	271	240
Benefits paid during the period	(6,250)	(6,250)
Balance as at 31 March 2021	<u>6,216</u>	<u>4,742</u>

14. Sales and service income

	(Unit: Thousand Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenue from sales	15,350	17,427	8,597	9,439
Service income from electronics books	1,310	1,092	1,310	1,092
Total	<u>16,660</u>	<u>18,519</u>	<u>9,907</u>	<u>10,531</u>

15. Income tax

Income tax for the three-month periods ended 31 March 2021 and 2020 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Current income tax:				
Interim corporate income tax	(328)	-	(328)	-
Income tax reported in profit or loss	<u>(328)</u>	<u>-</u>	<u>(328)</u>	<u>-</u>

(Unaudited but reviewed)

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

(Unit: Thousand Baht)

	For the three-month periods ended 31 March	
	Consolidated/Separate financial statements	
	<u>2021</u>	<u>2020</u>
Income tax relating to gain on investments in equity instruments	328	-

16. Earnings per share

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

Details of calculation of earnings per share for the three-month periods ended 31 March 2021 and 2020 are as below.

	Consolidated financial statements					
	For the three-month periods ended 31 March					
	Continued operation		Discontinued operation		Total	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Profit (loss) for the period (Thousand Baht)	11,128	(11,497)	39,692	-	50,820	(11,497)
Weighted average number of ordinary shares (Thousand shares)	365,549	365,549	365,549	-	365,549	365,549
Earnings per share (Baht/share)	0.03	(0.03)	0.11	-	0.14	(0.03)

	Separate financial statements			
	For the three-month periods ended 31 March			
	Continued operation		Total	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Profit (loss) for the period (Thousand Baht)	51,866	(5,721)	51,866	(5,721)
Weighted average number of ordinary shares (Thousand shares)	365,549	365,549	365,549	365,549
Earnings per share (Baht/share)	0.14	(0.02)	0.14	(0.02)

17. Segment information

The Group is principally engaged in the publishing. Its operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

18. Commitments and contingent liabilities**18.1 Guarantees**

As at 31 March 2021, there were outstanding bank guarantees of approximately Baht 0.1 million (31 December 2020: Baht 0.1 million) issued in the normal course of business of the Company.

18.2 Other commitment

On 31 May 2018, a subsidiary had entered into an agreement to use the trademark from other company for 3 years. The subsidiary committed to share revenue from the right of trademark at the rate as specified in the agreement. However, the subsidiary discontinued the operation.

19. Financial instruments**19.1 Fair values of financial instruments**

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, its fair value of financial instruments is not expected to be materially different from the amounts presented in the statement of financial position, except for investment in debt security, fair value of which is estimated using a present value of future cash flows based on yield curve announced by the Thai Bond Market Association adjusted by risk premium.

19.2 Fair value hierarchy

As at 31 March 2021, the Group had the assets that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	Consolidated/Separate financial statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Equity investments	-	-	12,391	12,391

(Unaudited but reviewed)

19.3 Reconciliation of recurring fair value measurements of assets categorised within Level 3 of the fair value hierarchy.

(Unit: Thousand Baht)

	Consolidated/Separate financial statements
Balance as of 1 January 2021	11,709
Gain recognised into profit or loss	682
Balance as of 31 March 2021	<u>12,391</u>

Key assumptions used in the valuation are summarised below.

Financial instrument	Valuation technique	Significant unobservable inputs	Rates	Sensitivity of the input to fair value
Investment in debt instrument	Discounted future cash flows using yield curve announced by the Thai Bond Market Association adjusted by risk premium.	Risk premium	22.94%	1% increase (decrease) in the risk premium would result in decrease (increase) in fair value amounting to Baht 0.25 million and Baht 0.26 million, respectively

20. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 5 May 2021.