**1 General information**

Wave Entertainment Public Company Limited (“the Company”) is a public limited company which is listed on the Stock Exchange of Thailand and is incorporated and domiciled in Thailand. The address of the Company’s registered office is as follows:

3199, Maleenont Tower, 15th Floor Rama IV Road, Klongtan Sub-district, Klongtoey District, Bangkok.

The principal business operations of the Company and its subsidiaries (“the Group”) are holding investment in other companies, production and distribution of television programmes, operations of concerts and events, operations of English language institution, sales of food and beverage, and providing marketing activities services.

The interim consolidated and separate financial information are presented in Thai Baht.

The interim consolidated and separate financial information were authorised for issue by the Board of Directors on   
7 August 2020.

This interim consolidated and separate financial information has been reviewed, not audited.

**2 Significant events during the current period**

The outbreak of Coronavirus Disease 2019 (“COVID-19”) in early 2020 has adverse effects on operating results for the six-month period ended 30 June 2020 particularly on language institutions and restaurant businesses.

**Language institutions**

During 18 March 2020 to 31 May 2020, Ministry of Education had announced to close educational institution across Thailand due to coronavirus disease 2019 (COVID-19) situation. Consequently, cash received from selling course compared to previous year dropped by 41% and 30% or approximately of Baht 56 million and Baht 84 million for the three-month and the six-month period ended 30 June 2020, respectively. In addition, this may lead to decrease in revenue during the year 2020 since there is an economic downturn in Thailand and changing in customer behaviour. The Group is now paying close attention to the development of the COVID-19 situation, evaluates its impact on the operation while strategizing solutions.

**Restaurant**

During 22 March to 15 May 2020, Thai government has made the announcement in accordance with the Communicable Disease Act 2015 to shutter shopping mall including restaurants and only allow for take away. Consequently, revenue from restaurant operating compared to previous year has dramatically dropped by 83% and 60% or approximately of Baht 114 million and Baht 162 million for the three-month and the six-month period ended 30 June 2020, respectively. In addition, this may lead to decrease in revenue during the year 2020 since there is an economic downturn in Thailand and changing in customer behavior. The Group is now paying close attention to the development of the COVID-19 situation, evaluates its impact on the operation while strategizing solutions.

**3 Basis of preparation**

The interim consolidated and separate financial information has been prepared in accordance with Thai Accounting Standard (TAS) no. 34, Interim Financial Reporting and other financial reporting requirements issued under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2019.

An English version of these interim consolidated and separate financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

**4 Accounting policies**

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2019, except for the following:

1. adoption of the new financial reporting standards together with application of the relevant relief measures as described in Note 5; and
2. the following application of the temporary exemption guidance to relieve the impact from COVID-19 (temporary measures to relieve the impact from COIVD-19) announced by the Federation of Accounting Professions (TFAC) for the accounting periods ending between 1 January 2020 and 31 December 2020.

**Reversal of deferred tax assets**

The Group has chosen to exclude information related to COVID-19 which causes uncertainty when considering the sufficiency of future taxable profit for the purpose of assessing the utilisation of deductible temporary differences. Instead, the Group writes down the carrying amount of the deferred tax assets when it’s not probable that the future taxable profit will be available for utilising the deductible temporary differences.

**Impairment of assets**

The Group has chosen to exclude information related to COVID-19 as an indication of the impairment of assets.

For goodwill, intangible assets with indefinite useful life and intangible assets that are not ready for intended use or sale that the Group has to test for impairment annually, the Group has chosen not to include information related to COVID-19 that potentially affect financial projections to consider for the assets’ impairment testing.

**Assessment of provisions and contingent liabilities**

The Group has chosen to exclude the COVID-19 situation as a past event that has resulted in a present obligation in assessing the Group’s provisions and contingent liabilities.

**5 Adoption of new financial reporting standards and changes in accounting policies**

The Group has adopted financial reporting standards relating to financial instruments (TAS32, TFRS7 and TFRS 9) and leases standard (TFRS 16) retrospectively from 1 January 2020, but has not restated comparatives for the 2018 reporting period, as permitted in the standards. The reclassifications and adjustments arising from the new requirements are therefore recognised in the opening statement of financial position on 1 January 2020.

The following tables show the adjustments made to the amounts recognised in each line item in the statement of financial position upon adoption of the financial reporting standards relate to financial instruments (TAS 32 and TFRS 9) and leases standard (TFRS 16):

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated financial information** | | | |
|  | **As at**  **31 December**  **2019**  **Previously reported** | **TAS32 and TFRS 9**  **Reclassifications and adjustments** | **TFRS 16**  **Reclassifications and adjustments** | **As at**  **1 January**  **2020**  **Restated** | |
| **Baht** | **Baht** | **Baht** | **Baht** | |
|  |  |  |  |  | |
| **Assets** |  |  |  |  | |
|  |  |  |  |  | |
| **Current assets** |  |  |  |  | |
| Short-term investments | 2,178,813 | (2,178,813) | - | - | |
| Financial assets measured at |  |  |  |  | |
| fair value through profit or loss | - | 2,178,813 | - | 2,178,813 | |
| Non-current assets classified as held-for-sale | 1,508,815,027 | (8,683,004) | 8,161,788 | 1,508,293,811 | |
|  |  |  |  |  | |
| **Total current assets** | 1,510,993,840 | (8,683,004) | 8,161,788 | 1,510,472,624 | |
|  |  |  |  |  | |
| **Non-current assets** |  |  |  |  | |
| Investments in associates | 509,428,233 | (6,651,132) | - | 502,777,101 | |
| Property, plants and equipment, net | 117,981,589 | - | (8,378,025) | 109,603,564 | |
| Right-of-use assets, net | - | 5,673,447 | 342,129,423 | 347,802,870 | |
| Other non-current assets | 83,527,546 | (5,673,447) | - | 77,854,099 | |
|  |  |  |  |  | |
| **Total non-current assets** | 710,937,368 | (6,651,132) | 333,751,398 | 1,038,037,634 | |
|  |  |  |  |  | |
| **Total assets** | 2,221,931,208 | (15,334,136) | 341,913,186 | 2,548,510,258 | |
|  |  |  |  |  | |
| **Liabilities and equity** |  |  |  |  | |
|  |  |  |  |  | |
| **Current liabilities** |  |  |  |  | |
| Current portion of finance lease liabilities | 1,129,731 | - | (1,129,731) | - | |
| Current portion of lease liabilities | - | - | 165,258,885 | 165,258,885 | |
| Liabilities included with assets classified |  |  |  |  | |
| as held for sale | 544,917,910 | - | 8,161,788 | 553,079,698 | |
|  |  |  |  |  | |
| **Total current liabilities** | 546,047,641 | - | 172,290,942 | 718,338,583 | |
|  |  |  |  |  | |
| **Non-current liabilities** |  |  |  |  | |
| Finance lease liabilities | 2,326,756 | - | (2,326,756) | - | |
| Lease liabilities | - | - | 171,949,000 | 171,949,000 | |
|  |  |  |  |  | |
| **Total non-current liabilities** | 2,326,756 | - | 169,622,244 | 171,949,000 | |
|  |  |  |  |  | |
| **Total liabilities** | 548,374,397 | - | 341,913,186 | 890,287,583 | |
|  |  |  |  |  | |
| **Equity** |  |  |  |  | |
| Unappropriated |  |  |  |  | |
| retained earnings (deficits) | (178,795,504) | (4,516,094) | - | (183,311,598) | |
| Other components of equity | 50,868,651 | (4,305,789) | - | 46,562,862 | |
| Non-controlling interests | 694,654,903 | (6,512,253) | - | 688,142,650 | |
|  |  |  |  |  | |
| **Total equity** | 566,728,050 | (15,334,136) | - | 551,393,914 | |
|  |  |  |  |  | |
| **Total liabilities and equity** | 1,115,102,447 | (15,334,136) | 341,913,186 | 1,441,681,497 | |

**5 Adoption of new financial reporting standards and changes in accounting policies** (Cont’d)

The following tables show the adjustments made to the amounts recognised in each line item in the statement of financial position upon adoption of the financial reporting standards relate to financial instruments (TAS 32 and TFRS 9) and leases standard (TFRS 16):(Cont’d)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Separate financial information** | | | |
|  | **As at**  **31 December**  **2019**  **Previously reported** | **TAS32 and TFRS 9**  **Reclassifications and adjustments** | **TFRS 16**  **Reclassifications and adjustments** | **As at**  **1 January**  **2020**  **Restated** |
| **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| **Assets** |  |  |  |  |
|  |  |  |  |  |
| **Current assets** |  |  |  |  |
| Short-term investments | 2,178,813 | (2,178,813) | - | - |
| Financial assets measured at |  |  |  |  |
| fair value through profit or loss | - | 2,178,813 | - | 2,178,813 |
| Trade and other receivables, net | 287,105,268 | (278,180,801) | - | 8,924,467 |
| Short-term borrowings to related parties | 1,157,552,900 | (328,626,500) | - | 828,926,400 |
|  |  |  |  |  |
| **Total current assets** | 1,446,836,981 | (606,807,301) | - | 840,029,680 |
|  |  |  |  |  |
| **Non-current assets** |  |  |  |  |
| Property, plants and equipment, net | 7,974,036 | - | (3,216,548) | 4,757,488 |
| Right-of-use assets, net | - | 210,098 | 19,400,163 | 19,610,261 |
| Other non-current assets | 1,289,184 | (210,098) | - | 1,079,086 |
|  |  |  |  |  |
| **Total non-current assets** | 9,263,220 | - | 16,183,615 | 25,446,835 |
|  |  |  |  |  |
| **Total assets** | 1,456,100,201 | (606,807,301) | 16,183,615 | 865,476,515 |
|  |  |  |  |  |
| **Liabilities and equity** |  |  |  |  |
|  |  |  |  |  |
| **Current liabilities** |  |  |  |  |
| Current portion of finance lease liabilities | 514,765 | - | (514,765) | - |
| Current portion of lease liabilities | - | - | 5,533,029 | 5,533,029 |
| Other current liabilities | 11,230,493 | (4,200,000) | - | 7,030,493 |
|  |  |  |  |  |
| **Total current liabilities** | 11,745,258 | (4,200,000) | 5,018,264 | 12,563,522 |
|  |  |  |  |  |
| **Non-current liabilities** |  |  |  |  |
| Finance lease liabilities | 1,845,200 | - | (1,845,200) | - |
| Lease liabilities | - | - | 13,010,551 | 13,010,551 |
|  |  |  |  |  |
| **Total non-current liabilities** | 1,845,200 | - | 11,165,351 | 13,010,551 |
|  |  |  |  |  |
| **Total liabilities** | 13,590,458 | (4,200,000) | 16,183,615 | 25,574,073 |
|  |  |  |  |  |
| **Equity** |  |  |  |  |
| Unappropriated |  |  |  |  |
| retained earnings (deficits) | 335,198,603 | (602,607,301) | - | (267,408,698) |
|  |  |  |  |  |
| **Total equity** | 335,198,603 | (602,607,301) | - | (267,408,698) |
|  |  |  |  |  |
| **Total liabilities and equity** | 348,789,061 | (606,807,301) | 16,183,615 | (241,834,625) |

**5 Adoption of new financial reporting standards and changes in accounting policies** (Cont’d)

The adoption of the new financial reporting standards on financial instruments mainly affects the Group’s accounting treatment as follows;

*Impairment*

The new requirements on the impairment losses will lead to expected credit losses having to be considered and recognised at the initial recognition and subsequent period. As of 1 January 2020, there was an increase in impairment losses of Baht 8.68 million due to application of the simplified approach for expected credit loss consideration of trade receivables and general approach for expected credit loss consideration of other receivables and short-term borrowings to related parties of Baht 284.27 million and Baht 328.63 million, respectively.   
The transition adjustment will be recognised as an adjustment to the opening balance of retained earnings.

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as ‘operating leases’ under the principles of TAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate as of 1 January 2020. The weighted average lessee’s incremental borrowing rate applied to the lease liabilities on 1 January 2020 was 2.93% - 5.13%.

For leases previously classified as finance leases the Group recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of TFRS 16 are only applied after that date.

|  |  |  |
| --- | --- | --- |
|  | **Consolidated financial information** | **Separate**  **financial information** |
|  | **Baht** | **Baht** |
|  |  |  |
| Operating lease commitments disclosed as at 31 December 2019 | 301,760,502 | 17,750,509 |
| (Less): Discounted using the lessee’s incremental borrowing  rate of at the date of initial application | (19,288,552) | (1,332,881) |
| Add: Finance lease liabilities recognised as at 31 December 2019 | 3,456,487 | 2,359,965 |
| (Less): Short-term leases and low-value leases recognised on  a straight-line basis as expense | (9,262,320) | - |
| (Less): Disposal investment in a subsidiary | (13,727,959) | - |
| Add: Adjustments as a result of a different treatment of  extension and termination options | 82,431,515 | (234,013) |
|  |  |  |
| **Lease liability recognised as at 1 January 2020** | 345,369,673 | 18,543,580 |
|  |  |  |
| Current lease liabilities | 165,258,885 | 5,533,029 |
|  |  |  |
| Non-current lease liabilities | 171,949,000 | 13,010,551 |
|  |  |  |
| Reclassify to liabilities included with assets |  |  |
| classified as held-for-sale | 8,161,788 | - |

Right-of use assets were measured at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 31 December 2019. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

**5 Adoption of new financial reporting standards and changes in accounting policies** (Cont’d)

The recognised right-of-use assets relate to the following types of assets:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | | |
|  | **30 June**  **2020** | **1 January**  **2020** | | **30 June**  **2020** | **1 January**  **2020** |
|  | **Baht** | **Baht** | | **Baht** | **Baht** |
|  |  |  | |  |  |
| Properties | 251,329,316 | 342,283,575 | | 13,735,273 | 16,393,713 |
| Vehicles | 5,004,715 | 5,519,295 | | 2,932,874 | 3,216,548 |
|  |  |  | |  |  |
| **Total right-of-use assets** | 256,334,031 | 347,802,870 | | 16,668,147 | 19,610,261 |

*Practical expedients applied*

In applying TFRS 16 for the first time, the group has used the following practical expedients permitted by the standard:

• the use of a single discount rate to a portfolio of leases with reasonably similar characteristics

• reliance on previous assessments on whether leases are onerous

• the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2020   
as short-term leases

• the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application

• the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease, and

• elect not to reassess whether a contract is, or contains a lease as defined under TFRS 16 at the date of initial application but relied on its assessment made applying TAS 17 and TFRIC 4 Determining whether an Arrangement contains a Lease

**Changes in accounting policies from adoption of the financial reporting standards related to financial instruments and leases**

**Financial Instruments (TFRS 9)**

*Investments and other financial assets*

Classification and measurements

From January 2020, the Group classifies its financial assets as follows:

• those to be measured subsequently at fair value either through profit or loss (FVPL) or through other comprehensive income (FVOCI)

• those to be measured at amortised cost

The Group initially recognises a financial asset on trade date at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset, except financial assets that are measured at FVPL whose transaction costs are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

**5 Adoption of new financial reporting standards and changes in accounting policies** (Cont’d)

**Changes in accounting policies from adoption of the financial reporting standards related to financial instruments and leases** (Cont’d)

**Financial Instruments (TFRS 9)** (Cont’d)

*Debt instruments*

Subsequent measurement of debt instruments depends on the Group’s business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories:

- Amortised cost: Assets that are held for collection of contractual cash flows that represent solely payments of principal and interest (SPPI) are measured at amortised cost. Interest income is included in finance income using the effective interest method. Any gain or loss on derecognition is presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item.

- FVOCI: Assets that are held for collection of contractual cash flows that represent SPPI and for selling the financial assets are measured at FVOCI. Movements in the carrying amount are taken through OCI, except impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. Interest revenue is included in finance income. Foreign exchange gains and losses are presented in other gains/(losses). Impairment losses are presented as separate line item. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to profit or loss in other gains/(losses).

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on subsequent measurement is presented in other gains/(losses).

The Group reclassifies debt instruments only when its business model for managing those assets changes.

*Equity instruments*

All equity instruments held must be irrevocably classified to two measurement categories; i) at fair value through profit or loss, or ii) at fair value through other comprehensive income without subsequent recycling to profit or loss. The classification of equity instruments is considered on investment-by-investment basis. Dividends from such investment continue to be recognised in profit or loss as other income.

The Group has chosen to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ending between 1 January 2020 and 31 December 2020 when measuring unquoted equity investments. The unquoted equity investments at the end of the reporting period was presented at the same amount as their fair values on 1 January 2020. As a result, the equity investments measured at FVPL as at 30 June 2020 of Baht 185 million was measured at their fair value as of 1 January 2020.

*Impairment*

From 1 January 2020, the Group assesses expected credit loss on a forward looking basis for its financial assets carried at FVOCI and at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk, except trade receivables which the Group applies the simplified approach in determining its expected credit loss.

*Financial guarantee*

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued.   
The liability is initially measured at fair value and subsequently at the higher of a) the amount of expected credit loss determined; and b) the amount initially recognised less the cumulative amount of income recognised.

*Derivatives*

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently measured to their fair value at the end of each reporting period. The changes in the fair value is recognised to other gains (losses).

**5 Adoption of new financial reporting standards and changes in accounting policies** (Cont’d)

**Changes in accounting policies from adoption of the financial reporting standards related to financial instruments and leases** (Cont’d)

**Leases (TFRS 16)**

The Group leases various offices, warehouses, retail stores, equipment and vehicles. Rental contracts are typically made for fixed periods of 3 to 5 years but may have extension options.

Before 2020 financial year, leases of property, plant and equipment were classified as either finance or operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 January 2020, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

• fixed payments (including in-substance fixed payments), less any lease incentives receivable

• variable lease payment that are based on an index or a rate

• amounts expected to be payable by the lessee under residual value guarantees

• the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and

• payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee’s incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs, and restoration costs. Payments associated with of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise of computer equipment.

During the reporting period, the Group receive discounts in the lease payments from lessors due to the   
COVID-19 situation. The Group has chosen not to account for discounts in the lease payments under the lease modification in accordance with TFRS 16. Instead, the Group has chosen to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ending between 1 January 2020 and 31 December 2020 by reducing lease liabilities in the proportion of the reduction to the lease payments throughout the period that the Group has received the reduction. The Group also reversed depreciation charges on the right-of-use assets recognised in the same proportion for the three-month period and the six-month period of Baht 23.29 million and 25.96 million, respectively and interest expenses on the lease liabilities recognised in the same proportion for the three-month period and the six-month period of Baht 1.82 million and 2.08 million, respectively. The differences between the reduction of the lease liabilities and the reversal of the expenses for the six month period and the three month period of Baht 0.77 million and 0.91 million, respectively are recognised in other gains(losses) instead of remeasuring lease liabilities and adjusting the corresponding right-of-use assets from the lease modification.

**6 Accounting estimates**

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

**7 Critical judgements in applying the entity’s accounting policies**

Classification of associate

Management has assessed the level of influence that the Group has on Thai Solar Energy Public Company Limited and determined that it has significant influence even though the shareholding is below 20% because of the board representation and contractual terms. Consequently, this investment has been classified as an associate.

**8 Segment and revenue information**

Management has determined for the disclosure of segment in business perspective that pursuant to business activities and operating results that are regularly reviewed by Chief Operating Decision Makers for the purposes of allocating resources and assessing performance. Board of Director has responsible to make decision for strategic for the Group and assesses the performance of the operating segments based on measure of gross profit.

The Group’s director do not measure segment’s asset to assess the performance of the operating segments.

Significant information relating to revenue and profit of the reportable segments are as follows:

**Financial information by business segment**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial information** | | | | |
|  | **Language** |  |  |  |
|  | **institutions** | **Restaurant** | **Entertainment** | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
| **For the six-month period ended** |  |  |  |  |
| **30 June 2020** |  |  |  |  |
| Revenues from operation | 244,466,906 | 109,837,012 | 15,066,298 | 369,370,216 |
| Inter-segment revenue | (464,117) | - | - | (464,117) |
|  |  |  |  |  |
| Total revenues | 244,002,789 | 109,837,012 | 15,066,298 | 368,906,099 |
|  |  |  |  |  |
| Segment results | 81,363,248 | 13,079,018 | (2,228,231) | 92,214,035 |
| Other income |  |  |  | 5,625,109 |
| Gain on disposal investment in a subsidiary |  |  |  | 38,717,006 |
| Gain on disposal investment in an associate |  |  |  | 661,387 |
| Unallocated costs |  |  |  | (34,840,161) |
| Depreciation and amortisation |  |  |  | (125,416,358) |
| Finance costs |  |  |  | (21,505,353) |
| Share of profit from an associate |  |  |  | 18,894,514 |
|  |  |  |  |  |
| Loss before income tax expense |  |  |  | (25,649,821) |
| Income tax income |  |  |  | 485,416 |
|  |  |  |  |  |
| Loss for the period from continuing operations |  |  |  | (25,164,405) |
|  |  |  |  |  |
| **Timing of revenue recognition** |  |  |  |  |
| At a point in time | - | 109,226,361 | - | 109,226,361 |
| Over time | 244,002,789 | 610,651 | 15,066,298 | 259,679,738 |
|  |  |  |  |  |
| Total revenues | 244,002,789 | 109,837,012 | 15,066,298 | 368,906,099 |

**8 Segment and revenue information** (Cont’d)

**Financial information by business segment** (Cont’d)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated financial information** | | | |
|  | **Language** |  |  |  |
|  | **institutions** | **Restaurant** | **Entertainment** | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
| **For the six-month period ended** |  |  |  |  |
| **30 June 2019** |  |  |  |  |
| Revenues from operation | 287,692,837 | 271,461,711 | 11,914,298 | 571,068,846 |
| Inter-segment revenue | (462,831) | - | - | (462,831) |
|  |  |  |  |  |
| Total revenues | 287,230,006 | 271,461,711 | 11,914,298 | 570,606,015 |
|  |  |  |  |  |
| Segment results | 9,166,047 | 8,377,812 | 1,356,665 | 18,900,524 |
| Other income |  |  |  | 5,429,691 |
| Unallocated costs |  |  |  | (52,198,800) |
| Depreciation and amortisation |  |  |  | (33,318,410) |
| Finance costs |  |  |  | (23,786,285) |
| Share of profit from an associate |  |  |  | 36,048,920 |
|  |  |  |  |  |
| Loss before income tax expense |  |  |  | (48,924,360) |
| Income tax expenses |  |  |  | (2,691,063) |
|  |  |  |  |  |
| Loss for the period from continuing operations |  |  |  | (51,615,423) |
|  |  |  |  |  |
| **Timing of revenue recognition** |  |  |  |  |
| At a point in time | - | 271,461,711 | - | 271,461,711 |
| Over time | 287,230,006 | - | 11,914,298 | 299,144,304 |
|  |  |  |  |  |
| Total revenues | 287,230,006 | 271,461,711 | 11,914,298 | 570,606,015 |

Unallocated costs mainly represent corporate expenses.

**Information about major customer**

No single customer represents a major customer because the Group has large number of customers.

**9 Fair value**

The following table presents financial assets and liabilities that are measured at fair value, excluding where its fair value is approximating the carrying amount at 30 June 2020.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated and separate financial information** | | | |
|  | **Level 1** | **Level 2** | **Level 3** | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
| **Assets** |  |  |  |  |
| Financial assets at fair value through |  |  |  |  |
| profit or loss - Trading securities | 1,184,010 | - | 65,000,000 | 66,184,010 |

**9 Fair value** (Cont’d)

The following table presents financial assets and liabilities that are measured at fair value, excluding where its fair value is approximating the carrying amount at 31 December 2019.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated and separate financial information** | | | |
|  | **Level 1** | **Level 2** | **Level 3** | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
| **Assets** |  |  |  |  |
| Trading derivatives | 2,178,813 | - | - | 2,178,813 |

There were no transfers between Levels 1 and 2 during the period.

There were no changes in valuation techniques during the period.

The following table presents the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Fair value** | **Unobservable inputs** | **Range of inputs** |
| **Description** | **2020** |
|  | **Baht** |
| Expected consideration received from unquoted equity instruments | 65,000,000 | Discount rate | 11% - 13% |
| Expected profit | 18% - 20% |
| Price to equity ratio | 18 - 20 |

The sensitivity analysis for each unobservable inputs disclosed are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | **Relationship of unobservable inputs to fair value** | |
|  | **Change in assumption** | **Increase in assumption** | **Decrease in assumption** |
|  |  |  |  |
| Discount rate | 1% | Decrease by 0.90% | Increase by 0.90% |
| Expected profit | 1% | Increase by 1.00% | Increase by 1.00% |
| Price to equity | 1 | Increase by 5.26% | Decrease by 5.26% |

Fair value measured in accordance with the temporary measures to relieve the impact from COIVD-19 announced by TFAC where the Group has chosen to apply the following guidance:

\* give less weight to the information related COVID-19 in fair valuing the debt instrument financial assets measured at level 2 or/and level 3

\*\* measure unquoted equity investments at the end of the reporting period at their fair values as of 1 January 2020

The carrying amount of financial assets, which are cash and cash equivalents, trade and other receivables, borrowings to related parties, trade and other payables, short-term borrowings from third party, borrowings from related parties, lease liabilities, and borrowings from financial institutions are considered to approximate their fair value as they are short-term in nature or the interest rate is closed to the market interest rate.

**10 Financial assets measured at fair value through profit or loss**

Movements of short-term investments for six months period ended 30 June 2020 is as follows:

|  |  |
| --- | --- |
|  | **Consolidated and**  **separate financial information** |
|  | **Baht** |
|  |  |
| **Opening net book value** | **-** |
| TFRS 9 Reclassifications and adjustments (note 5) | 2,178,813 |
|  |  |
| Opening net book amount - restated | 2,178,813 |
| Addition (note 13.1) | 65,000,000 |
| Change in fair value | (994,803) |
|  |  |
| **Closing net book value** | 66,184,010 |

As at 30 June 2020, 7.32 million shares of Index Creative Village Public Company Limited totaling Baht 40 million has been pledge as collateral for short-term borrowing from third party (note 16.2).

**11 Trade and other receivables**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated** | | | **Separate** | | |
|  | **financial information** | | | **financial information** | | |
|  | **30 June** | **31 December** | **30 June** | | **31 December** |
|  | **2020** | **2019** | **2020** | | **2019** |
|  | **Baht** | **Baht** | **Baht** | | **Baht** |
|  |  |  |  | |  |
| Trade accounts receivable - third parties | 14,418,275 | 16,044,437 | - | | - |
| Less Allowance for impairment | (303,902) | (433,652) | - | | - |
|  |  |  |  | |  |
| Trade accounts receivable, net | 14,114,373 | 15,610,785 | - | | - |
| Prepayments | 17,495,360 | 22,898,004 | 100,381 | | 179,737 |
| Accrued interest income | 13,144 | 167,772 | 602,276 | | 129,565,655 |
| Other receivables | 1,815,211 | 3,197,984 | - | | - |
| Other receivables - related parties (note 20.3) | - | - | 1,852,986 | | 157,359,876 |
| Accrued income | 3,364,105 | 3,249,845 | - | | - |
| Accrued income - related party (note 20.3) | 22,196,895 | 7,130,598 | - | | - |
| Advance payment | 1,685,029 | 1,514,847 | 63,628 | | - |
|  |  |  |  | |  |
|  | 60,684,117 | 53,769,835 | 2,619,271 | | 287,105,268 |

Outstanding of trade accounts receivable can be analysed as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated** | | | **Separate** | | |
|  | **financial information** | | | **financial information** | | |
|  | **30 June** | **31 December** | **30 June** | | **31 December** |
|  | **2020** | **2019** | **2020** | | **2019** |
|  | **Baht** | **Baht** | **Baht** | | **Baht** |
| Trade accounts receivable |  |  |  | |  |
| Within 3 months | 13,693,940 | 15,676,745 | - | | - |
| 3 - 6 months | 518,642 | 102,047 | - | | - |
| 6 - 12 months | 67,693 | 65,696 | - | | - |
| Over 12 months | 138,000 | 199,949 | - | | - |
|  |  |  |  | |  |
| Total trade accounts receivable | 14,418,275 | 16,044,437 | - | | - |
| Less Allowance for impairment | (303,902) | (433,652) | - | | - |
|  |  |  |  | |  |
| Trade accounts receivable, net | 14,114,373 | 15,610,785 | - | | - |

At 1 January 2020, the Company recognised adjustment from first time adoption of TFRS 9 (note 5) by recognised allowance for impairment in accrued interest income and other receivable - related parties amount of Baht 126.98 million and 157.29 million, respectively.

**12 Non-current assets classified as held-for-sale and discontinued operations**

On 16 April 2020, the Group disposed investment in Index Creative Village Public Company Limited, a subsidiary of the Group (note 13.1), resulting in lost of control over such investment. The Group has reported the financial information of Index Group, which were part of the entertainment and marketing segment as a discontinued operation.

Financial information relating to Index Group are presented separately from continuing operations as below. Comparative figures are also adjusted for presentation.

**12.1 Financial performance information**

|  |  |  |
| --- | --- | --- |
|  | **Consolidated** | |
|  | **financial information** | |
| **For the period ended** | **1 January to 16 April** | **1 January to 30 June** |
|  | **2020** | **2019** |
|  | **Baht** | **Baht** |
|  |  |  |
| Revenue | 133,014,769 | 606,753,122 |
| Costs | (126,187,974) | (456,445,694) |
|  |  |  |
| Gross profit | 6,826,795 | 150,307,428 |
|  |  |  |
| Other income | 15,787,131 | 10,043,331 |
| Selling expenses | (4,941,399) | (5,708,821) |
| Administrative expenses | (51,004,220) | (128,840,673) |
| Finance costs | (284,200) | (2,736,597) |
| Share of profit (loss) from associates and joint ventures | 12,247 | (605,247) |
|  |  |  |
| **(Loss) profit before income tax expense**  **from discontinued operation** | (33,603,646) | 22,459,421 |
| Income tax expense | (16,877) | (8,874,176) |
|  |  |  |
| **(Loss) profit from discontinued operation** | (33,620,523) | 13,585,245 |
| Translation differences of discontinued operation | 522,690 | (236,353) |
|  |  |  |
| **Other comprehensive (expense) income**  **from discontinued operation** | (33,097,833) | 13,348,892 |

**12.2 Cash flow information**

|  |  |  |
| --- | --- | --- |
|  | **Consolidated** | |
|  | **financial information** | |
| **For the period ended** | **1 January to 16 April** | **1 January to 30 June** |
|  | **2020** | **2020** |
|  | **Baht** | **Baht** |
|  |  |  |
| Cash and cash equivalents at the beginning of period | 200,364,187 | 164,149,325 |
|  |  |  |
| Operating cash flows | 193,899,136 | 254,393,519 |
| Investing cash flows | (47,066,261) | (63,402,694) |
| Financing cash flows | (14,360,312) | (54,620,514) |
|  |  |  |
| Net change in cash flows | 132,472,563 | 136,370,311 |
| Translation differences of discontinued operations | 522,690 | (236,353) |
|  |  |  |
| Cash and cash equivalents at the end of period | 333,359,440 | 300,283,283 |

**13 Investments in subsidiaries and associates**

**13.1 Details of investment in subsidiaries**

Details of changing investments in subsidiaries during the period are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  | **% Ownership interest** | **% Ownership interest** |
|  |  | **Country of** | **30 June** | **31 December** |
|  | Business | Incorporation | **2020** | **2020** |
| **Subsidiaries of the Group** | | | | |
| Index Creative Village Public  Company Limited | Advisor and organizer | Thailand | 6.91 | 25.00 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Subsidiaries of Index Creative Village Public Company Limited** | | | | |
| Event Solutions Company Limited | Provision of equipment for entertainment events | Thailand | - | 99.99 |
| TresBien Company Limited | In liquidation process | Thailand | - | 99.99 |
| Media Vision (1994)   Company Limited | Light and sound system  installation services for  entertainment events | Thailand | - | 50.99 |
| Inspire Image Company Limited | Preparation, installation  and removal of  advertising boards | Thailand | - | 60.00 |
| Index Creative Online (Thailand) | In liquidation process | Thailand | - | 26.51 |
| Enviro (Thailand) Company Limited | Provide advisory  services, research data  analysis and survey of  statistic | Thailand | - | 50.00 |
| Index and M Company Limited | Advertising ,event  services and public  relations services | Thailand | - | 50.00 |
| Index and V Company Limited | Advertising ,event  services and public  relations services | Thailand | - | 50.00 |
| ICV EX Company Limited | Advisor and organizer | Thailand | - | 99.99 |
| Blue Media Communications  Company Limited | Provision of publishing  media design,  production and  distribution services | Thailand | - | 72.29 |
| I C V Company Limited | Advertising, event  services and public  relations services | Thailand | - | 99.00 |
|  |  |  |  |  |

**13 Investments in subsidiaries and associates** (Cont’d)

**13.1 Details of investment in subsidiaries** (Cont’d)

Details of changing investments in subsidiaries during the period are as follows: (Cont’d)

On 8 February 2018, Index Creative Online Company Limited, a subsidiary of the Group, filed a liquidation request with the Ministry of Commerce, which was completed on 30 March 2020. The Group recognised gain from liquidation amounting to Baht 5.64 million as presented in profit from discontinued operation.

On 24 March 2020, Index Creative Village Public Company Limited, a subsidiary of the Group, has disposed all investment in Inspire Image Company Limited of 35,998 million shares to the former shareholder of aforementioned subsidiary for consideration of Baht 5 million. The Group recognised gain from disposal amounting to Baht 3.44 million as presented in profit from discontinued operation.

On 16 April 2020, the Group disposed 31.10 million shares of Index Creative Village Public Company Limited, an subsidiary of the Group, to other shareholders of the subsidiary for the consideration of Bath 170 million. The Group recognised gain on disposal of investment in a subsidiary amounting to Baht 38.72 million and Baht 20 million in the consolidated and separate statement of comprehensive income, respectively. After the aforementioned disposal, the Group's shareholding interest in Index Creative Village Public Company Limited decreased to 6.91%, resulting in loss in shareholding interest in investment in subsidiaries, investment in associates and joint ventures under Index Creative Village Public Company Limited. Consequently, the Group loss control over the subsidiary and classified such investment as financial asset measured at fair value through profit or loss amounting to Baht 65 million (note 10).

As at 30 June 2020, the Group’s shares of Wall Street English (Thailand) Company Limited, shares of Jeffer Restaurant Company Limited (31 December 2019: shares of Wall Street English (Thailand) Company Limited, shares of Jeffer Restaurant Company Limited and 43 million shares of Index Creative Village Public Company Limited) have been pledged as collateral for borrowings (note 16.1 and 16.2).

**13.2 Details of investments in associates**

Details of changing investments in associates during the period are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  | **% Ownership interest** | |
|  |  | **Country of** | **30 June** | **31 December** |
|  | **Business** | **incorporation** | **2020** | **2019** |
| **Associate** |  |  |  |  |
| Thai Solar Energy Public | Generation of electricity | Thailand | 6.37 | 10.01 |
| Company Limited | from sun radiation, and |  |  |  |
|  | sale to Government |  |  |  |
| **Associates of Index Creative Village Public Company Limited** | | |  |  |
| Happio Co., Ltd. | Application design and  production | Thailand | - | 33.00 |

**13 Investments in subsidiaries and associates** (Cont’d)

**13.2 Details of investments in associates** (Cont’d)

Movements of investments in associates are as follows:

|  |  |  |
| --- | --- | --- |
|  | Consolidated | Separate |
|  | financial | financial |
|  | information | information |
|  | Baht | Baht |
|  |  |  |
| **For the six-month period ended 30 June 2020** |  |  |
| Opening net book amount | 509,428,233 | 213,671,955 |
| Share of loss adjusted under TFRS 9 (note 5) | (6,651,132) | - |
|  |  |  |
| Opening net book amount - restated | 502,777,101 | 213,671,955 |
| Share of profit | 18,894,514 | - |
| Dividends received from associate (note 20.1) | (22,900,500) | - |
| Disposal | (152,757,690) | (62,700,620) |
| Share of other comprehensive income from currency translation |  |  |
| and from financial assets through fair value | 21,210,022 | - |
|  |  |  |
| Closing net book amount | 367,223,447 | 150,971,335 |

On 12 March 2020, Index Creative Village Public Company Limited, a subsidiary of the Group, partially disposed investment in Happio Company Limited, an associate of the Group, of 300,000 shares to other shareholders of the associate for the consideration of Baht 442,403 and recognised gain from disposal amounting to Baht 14,728 as presented in profit from discontinued operation.

On 18 June 2020, the Group partially disposed investment in Thai Solar Energy Company Limited, an associate of the Group, of 56 million shares and recognised gain from disposal amounting to Baht 0.66 million and Baht 96.90 million in the consolidated and separated statement of comprehensive income, respectively. After such disposal, the shareholding percentage of the Group in Thai Solar Energy Public Company Limited decreased from 9.01% to 6.37%. However, the Group has remained significant influence over the associate.

As at 30 June 2020, 127.29 million shares (2019: 190.79 million shares) of Thai Solar Energy Public Company Limited totaling Baht 375.51 million has been pledged as collateral for borrowing and borrowing facilities from financial institutions (note 16.3 and 16.5).

**13.3** **Investments in joint ventures**

Details of changing investments in joint ventures during the period are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  | **% Ownership interest** | |
|  |  | **Country of** | **30 June** | **31 December** |
|  | **Business** | **incorporation** | **2020** | **2019** |
|  |  |  |  |  |
| **Joint ventures of Index Creative Village Public Company Limited** | | |  |  |
| ID 2 | Construction Design | Thailand | **-** | 67.00 |
|  | and Management of |  |  |  |
|  | Thai exhibition building |  |  |  |
| Index D63 | Design and Management | Thailand | **-** | 63.00 |
|  | of exhibition building in |  |  |  |
|  | CP-Meiji Visitor Center |  |  |  |
|  |  |  |  |  |

As at 30 June 2020, the Group has no shareholding percentage in joint venture under Index Creative Village Public Company Limited due to loss control during the period (note 13.1).

**14 Property, plants and equipment and intangible assets**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | |
|  | **financial information** | | **financial information** | |
|  | **Property,** |  | **Property,** |  |
|  | **plants and** | **Intangible** | **plants and** | **Intangible** |
|  | **equipment** | **assets** | **equipment** | **assets** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| **For the six-month period ended** |  |  |  |  |
| **30 June 2020** |  |  |  |  |
| Opening net book amount | 117,981,589 | 167,586,414 | 7,974,036 | - |
| TFRS9 and TFRS 16 Reclassifications |  |  |  |  |
| and adjustments (note 5) | (8,378,025) | - | (3,216,548) | - |
|  |  |  |  |  |
| Opening net book value - restated | 109,603,564 | 167,586,414 | 4,757,488 | - |
| Additions | 9,057,863 | 839,329 | - | - |
| Disposals | (41,226) | - | - | - |
| Write-off, net | (1,124,411) | - | - | - |
| Reclassify to intangible asset | (466,700) | 466,700 | - | - |
| Depreciation/amortisation | (22,643,868) | (6,683,662) | (506,171) | - |
|  |  |  |  |  |
| Closing net book amount | 94,385,222 | 162,208,781 | 4,251,317 | - |

Land, building, furniture and fixtures with the carrying value of Baht 7.04 million (31 December 2019: Baht   
110.91 million) has been pledged as collateral for borrowings from financial institutions and borrowing facilities from financial institutions (note 16.3).

**15 Right-of-use assets**

|  |  |  |
| --- | --- | --- |
|  | **Consolidated financial information** | **Separate**  **financial information** |
|  | **Baht** | **Baht** |
| **For the six-month period ended 30 June 2020** |  |  |
|  |  |  |
| Opening net book value | - | - |
| TFRS 16 Reclassifications and adjustments (note 5) | 347,802,870 | 19,610,261 |
|  |  |  |
| Opening net book value - restated | 347,802,870 | 19,610,261 |
| Addition | 6,553,613 | - |
| Write off, net | (1,933,624) | - |
| Amortisation | (96,088,828) | (2,942,114) |
|  |  |  |
| Closing net book value | 256,334,031 | 16,668,147 |

**16 Borrowings**

**16.1 Short-term borrowings from financial institutions**

As at 30 June 2020, short-term borrowings of Baht 50 million (31 December 2019: Baht 50 million) is collaterised by saving deposits of the Company Baht 70 million. (31 December 2019: pledged by shares of Thai Solar Energy Public Company Limited and Index Creative Village Public Company Limited 63.50 million shares and 35.68 million shares, respectively).

**16.2 Short-term borrowing from third party**

Short-term borrowing from third party, denominated in Thai Baht, bearing interest rate of 4% per annum, is collaterised by pledge of 7.32 million shares (31 December 2019: 7.32 million shares) of Index Creative Village Public Company Limited and due at call (note 10).

**16.3 Long-term borrowings from financial institutions**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Consolidatedfinancial information | | Separatefinancial information | | |
|  | **30 June** | **31 December** | | **30 June** | **31 December** |
|  | **2020** | **2019** | | **2020** | **2019** |
|  | **Baht** | **Baht** | | **Baht** | **Baht** |
|  |  |  | |  |  |
| Maturity of long-term borrowings: |  |  | |  |  |
| Within 1 year | 142,403,422 | 222,394,287 | | 38,934,555 | 116,878,127 |
| Between 2 years and 5 years | 328,725,778 | 269,148,565 | | 247,877,918 | 188,953,413 |
|  |  |  | |  |  |
|  | 471,129,200 | 491,542,852 | | 286,812,473 | 305,831,540 |

Movements in long-term borrowings are analysed as follows:

|  |  |  |
| --- | --- | --- |
|  | Consolidated | Separate |
|  | financial | financial |
|  | information | information |
|  | Baht | Baht |
| **For the six-month period ended 30 June 2020** |  |  |
| Opening net amount | 491,542,852 | 305,831,540 |
| Repayment | (20,413,652) | (19,019,067) |
|  |  |  |
| Closing net amount | 471,129,200 | 286,812,473 |

Long-term borrowings from financial institutions of Baht 467.60 million is collaterised by pledge of all shares of Wall Street English (Thailand) Company Limited, all shares of Jeffer Restaurant Company Limited, 90 million shares of Wave Entertainment Public Company Limited, and 116.48 million shares   
(31 December 2019: 116.48 million shares) of Thai Solar Energy Public Company Limited (note 13.2).

The carrying amount of Baht 3.52 million (31 December 2019: Baht 4.91 million) is secured by furniture and fixtures with the carrying value of Baht 7.04 million (31 December 2019: Baht 9.25 million) (note 14).   
The borrowings are guaranteed by Wave Entertainment Public Company Limited.

The carrying amounts of borrowings approximate their fair values.

**16 Borrowings** (Cont’d)

**16.4 Interest rates**

The interest rates exposure on the borrowings of the Group are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidatedfinancial information | | Separatefinancial information | |
|  | **30 June** | **31 December** | **30 June** | **31 December** |
|  | **2020** | **2019** | **2020** | **2019** |
|  | Baht | Baht | Baht | Baht |
|  |  |  |  |  |
| - at fixed rates | 104,000,000 | 154,826,756 | 90,000,000 | 154,345,200 |
| - at floating rates | 512,232,124 | 570,206,405 | 302,812,473 | 348,096,072 |
|  |  |  |  |  |
| Total borrowings | 616,232,124 | 725,033,161 | 392,812,473 | 502,441,272 |

The effective interest rates at the statement of financial position date are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated financial information** | | | |
|  | **30 June** | **31 December** | **30 June** | **31 December** |
|  | **2020** | **2019** | **2020** | **2019** |
|  | **%** | **%** | **Baht** | **Baht** |
|  |  |  |  |  |
|  |  |  |  |  |
| Bank overdrafts | MOR,MOR - 1 | MOR, MOR - 1 | 41,102,924 | 80,990,309 |
| Short-term borrowings from | 4.63 | 4.63 | 50,000,000 | 50,000,000 |
| financial institutions |  |  |  |  |
| Short-term borrowing from | 4.00 | 4.00 | 40,000,000 | 60,000,000 |
| third party |  |  |  |  |
| Short-term borrowings from | - | 2.50 | 14,000,000 | 42,500,000 |
| related parties |  |  |  |  |
| Long-term borrowings from | MLR - 1, | MLR - 1, | 471,129,200 | 491,542,852 |
| financial institutions | MLR -1.5 | MLR - 2.50 |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Separate financial information** | | | |
|  | **30 June** | **31 December** | **30 June** | **31 December** |
|  | **2020** | **2019** | **2020** | **2019** |
|  | **%** | **%** | **Baht** | **Baht** |
|  |  |  |  |  |
| Bank overdrafts | MOR, MOR - 1 | MOR, MOR - 1 | - | 28,109,732 |
| Short-term borrowings from | 4.63 | 4.63 | 50,000,000 | 50,000,000 |
| financial institutions |  |  |  |  |
| Short-term borrowing from | 4.00 | 4.00 | 40,000,000 | 60,000,000 |
| third party |  |  |  |  |
| Short-term borrowings from | MOR + 0.25 | MOR + 0.25, | 16,000,000 | 58,500,000 |
| related party |  | 2.50 |  |  |
| Long-term borrowings from | MLR - 1.5 | MLR - 2.50 | 286,812,473 | 305,831,540 |
| financial institutions |  |  |  |  |

**16 Borrowings** (Cont’d)

**16.5 Borrowing facilities**

The Group and the Company have the following undrawn borrowing facilities:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | |
|  | **financial information** | | **financial information** | |
|  | **30 June** | **31 December** | **30 June** | **31 December** |
|  | **2020** | **2019** | **2020** | **2019** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Float rate |  |  |  |  |
| - expiring within one year | 68,897,076 | 168,509,691 | 40,000,000 | 11,890,268 |

The facilities expiring within one year are annual facilities subject to review at various dates during the year, which have been arranged to finance the operations of the Group and the Company.

Borrowing facilities of Baht 20 million is collaterised by pledge of 10.81 million shares (31 December 2019: 10.81 million shares) of Thai Solar Energy Public Company Limited (note 13.2).

Borrowing facilities of Baht 30 million is collaterised by pledge of shares of 15 million shares (31 December 2019: 15 million shares) of Wave Entertainment Public Company Limited.

As at 31 December 2019 borrowing facilities of Baht 132 million is collaterised by pledge of land and building with the carrying value of Baht 101.66 million (note 14).

**17 Lease liabilities**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidatedfinancial information | | Separatefinancial information | |
|  | **30 June** | **1 January** | **30 June** | **1 January** |
|  | **2020** | **2020** | **2020** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Current portion of lease liabilities | 155,728,198 | 1,129,731 | 5,715,950 | 514,765 |
| Long-term lease liabilities | 99,637,046 | 2,326,756 | 10,113,581 | 1,845,200 |
|  |  |  |  |  |
|  | 255,365,244 | 3,456,487 | 15,829,531 | 2,359,965 |

The movement in lease liabilities can be analysed as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial information** | | |
|  | **Lease payables** | **Deferred interest** | **Lease liabilities** |
|  |  |  |  |
| At 1 January 2019 | 21,223,530 | (1,954,022) | 19,269,508 |
| Non-cash changes: |  |  |  |
| Amortised deferred interest | - | 666,087 | 666,087 |
| Cash outflows: |  |  |  |
| Repayment | (6,939,777) | - | (6,939,777) |
|  |  |  |  |
| At 30 June 2019 | 14,283,753 | (1,287,935) | 12,995,818 |
|  |  |  |  |
| At 1 January 2020 | 3,956,866 | (500,379) | 3,456,487 |
| Non-cash changes: |  |  |  |
| TFRS 16 Reclassifications and adjustments (note 5) | 352,669,351 | (18,917,953) | 333,751,398 |
| Additions | 6,534,604 | (276,138) | 6,258,466 |
| Amortised deferred interest | - | 7,231,792 | 7,231,792 |
| Cash outflows: |  |  |  |
| Repayment | (93,918,483) | - | (93,918,483) |
| Write-off | (1,532,960) | 118,544 | (1,414,416) |
|  |  |  |  |
| At 30 June 2020 | 267,709,378 | (12,344,134) | 255,365,244 |

**17 Lease liabilities** (Cont’d)

The movement in lease liabilities can be analysed as follows: (Cont’d)

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Separate financial information** | | |
|  | **Lease payables** | **Deferred interest** | **Lease liabilities** |
|  |  |  |  |
| At 1 January 2019 | 3,592,452 | (659,198) | 2,933,254 |
| Non-cash changes: |  |  |  |
| Amortised deferred interest | - | 99,694 | 99,694 |
| Cash outflows: |  |  |  |
| Repayment | (432,028) | - | (432,028) |
|  |  |  |  |
| At 30 June 2019 | 3,160,424 | (559,504) | 2,600,920 |
|  |  |  |  |
| At 1 January 2020 | 2,809,322 | (449,357) | 2,359,965 |
| Non-cash changes: |  |  |  |
| TFRS 16 Reclassifications and adjustments (note 5) | 17,516,496 | (1,332,881) | 16,183,615 |
| Amortised deferred interest | - | 488,216 | 488,216 |
| Cash outflows: |  |  |  |
| Repayment | (3,202,265) | - | (3,202,265) |
|  |  |  |  |
| At 30 June 2020 | 17,123,553 | (1,294,022) | 15,829,531 |

The weighted average lessee’s incremental lease liabilities rate applied to the lease liabilities on 30 June 2020 was 4.78% - 8.88%.

**18 Income tax**

Income tax for six-month period ended 30 June 2020 and 2019 are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | |
|  | **financial information** | | **financial information** | |
|  | **30 June** | **30 June** | **30 June** | **30 June** |
|  | **2020** | **2019** | **2020** | **2019** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Current income tax | 21,987 | 68,374 | - | - |
| Deferred income tax | (507,403) | 2,622,689 | - | 3,130,092 |
|  |  |  |  |  |
|  | (485,416) | 2,691,063 | - | 3,130,092 |

The interim income tax is accrued based on management’s estimate using the tax rate that would be applicable to expected total annual earnings. The estimated average annual tax rate used is 5.42 % (30 June 2019:   
5.50%) for consolidated financial information.

**19 Warrants**

At the Annual General Meeting of Shareholders held on 18 April 2017, the shareholders have passed the resolution to issue warrants to purchase of ordinary shares, issued in a named certificate and transferable (‘WAVE-W1’) by allocating to existing shareholders in proportion to their shares before the capital increase at proportion of   
10 ordinary shares to 1 warrant. Total number of warrants to be allotted should not exceed 42,120,000 warrants and the exercise price is Baht 6 per share. The exercise right is 1 warrant per 1 ordinary share. The warrant has the period of three years from the date of issuance and offering.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  |  | **As at** |  | **As at** |
|  |  |  | **31 December** |  | **10 May** |
|  |  |  | **2019** |  | **2020** |
|  |  |  | **Outstanding** | **Change** | **Outstanding** |
|  |  |  | **warrant** | **during the** | **warrant** |
|  | **Issued** | **Exercise date** | **Unit** | **period** | **Unit** |
|  |  |  |  |  |  |
| WAVE-W1 | 11 May 2017 | 29 December 2017 | 42,119,734 | (1,591) | 42,118,143 |
|  |  |  |  |  |  |
|  |  |  | 42,119,734 | (1,591) | 42,118,143 |

On 14 April 2020, the Group has announced last trading date of warrant, WAVE-W1, delisted on 9 May 2020.

On 7 May 2020, there is subscription from shareholder amount of 1,591 unit at 6 Baht per share resulting to increase in share capital of the Group.

Warrants does not have impact on diluted earnings (loss) per share as the exercise price of the warrant is higher than the weighted average share price during the period.

**20 Related party transactions**

The major shareholders of the Company are Maleenont family, BEC World Public Company Limited, and The Mall Group Company Limited which are incorporated in Thailand, and own 23.50%, 12.45%, and 9.99% of the Company’s shares, respectively. The remaining 54.06% of the shares are widely held. Details of subsidiaries and associates are set out in note 13.

The following material transactions were carried out with related parties:

**20.1 Sales of goods and services**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | |
|  | **financial information** | | **financial information** | |
| **For the six-month periods ended** | **30 June** | **30 June** | **30 June** | **30 June** |
|  | **2020** | **2019** | **2020** | **2019** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| **Revenue from rendering services:** |  |  |  |  |
| Major shareholder | 15,066,298 | 11,914,298 | - | - |
|  |  |  |  |  |
| **Other income:** |  |  |  |  |
| Subsidiaries | - | - | 4,837,439 | 32,314,896 |
| Associates | 36,000 | 72,000 | - | - |
|  |  |  |  |  |
|  | 36,000 | 72,000 | 4,837,439 | 32,314,896 |
|  |  |  |  |  |
| **Interest income:** |  |  |  |  |
| Subsidiaries | - | - | 2,239,275 | 24,454,891 |
| Associates | - | 959 | - | - |
|  |  |  |  |  |
|  | - | 959 | 2,239,275 | 24,454,891 |
| **Dividend income:** |  |  |  |  |
| Subsidiaries | - | - | - | 4,352,826 |
| Associates (note 13.2) | - | - | 22,900,500 | 10,496,063 |
|  |  |  |  |  |
|  | - | - | 22,900,500 | 14,848,889 |

**20 Related party transactions** (Cont’d)

The following material transactions were carried out with related parties: (Cont’d)

**20.2 Purchases of goods and services**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | |
|  | **financial information** | | **financial information** | |
| **For the six-month periods ended** | **30 June** | **30 June** | **30 June** | **30 June** |
|  | **2020** | **2019** | **2020** | **2019** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| **Purchase of goods from:**  Related companies | - | 3,920 | - | 3,920 |
|  |  |  |  |  |
| **Cost of rendering services:** |  |  |  |  |
| Associates | - | 650,238 | - | - |
|  |  |  |  |  |
| **Selling and administrative** |  |  |  |  |
| **expenses:** |  |  |  |  |
| Related companies | 5,015,958 | 6,360,496 | 2,519,395 | 3,295,494 |
|  |  |  |  |  |
| **Interest expenses:** |  |  |  |  |
| Subsidiaries | - | - | 530,481 | 840,245 |
| Key Management | 158,880 | 1,625,734 | 158,880 | 1,625,734 |
|  |  |  |  |  |
|  | 158,880 | 1,625,734 | 689,361 | 2,465,979 |

**20.3 Outstanding balances arising from sales and purchases of goods and services**

The outstanding balances at the end of reporting period in relation to transactions with related parties are as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | | |
|  | **financial information** | | **financial information** | | |
|  | **30 June** | **31 December** | | **30 June** | **31 December** | |
|  | **2020** | **2019** | | **2020** | **2019** | |
|  | **Baht** | **Baht** | | **Baht** | **Baht** | |
|  |  |  | |  |  | |
| **Other receivables:** (note 11) |  |  | |  |  | |
| Subsidiaries | - | - | | 1,852,986 | 157,359,876 | |
|  |  |  | |  |  | |
| **Accrued interest income:** |  |  | |  |  | |
| Subsidiaries | - | - | | 602,274 | 129,565,655 | |
| Related companies | - | 1,015,992 | | - | - | |
|  |  |  | |  |  | |
|  | - | 1,015,992 | | 602,274 | 129,565,655 | |
|  |  |  | |  |  | |
| **Accrued income:** (note 11) |  |  | |  |  | |
| Major shareholder | 22,196,895 | 7,130,598 | | - | - | |
|  |  |  | |  |  | |
| **Trade and other payables:** |  |  | |  |  | |
| Related companies | - | 691,328 | | - | 4,879 | |
|  |  |  | |  |  | |
| **Accrued expenses:** |  |  | |  |  | |
| Related companies | 1,061,527 | 707,162 | | 1,060,727 | 705,701 | |
|  |  |  | |  |  | |
| **Accrued interest expenses:** |  |  | |  |  | |
| Subsidiaries | - | - | | 2,836,350 | 2,556,022 | |
| Key management | - | 814,706 | | - | 814,706 | |
|  |  |  | |  |  | |
|  | - | 814,706 | | 2,836,350 | 3,370,728 | |

**20 Related party transactions** (Cont’d)

The following material transactions were carried out with related parties: (Cont’d)

**20.4 Short-term borrowings to related parties**

|  |  |  |
| --- | --- | --- |
|  | **Separate** | |
|  | **financial information** | |
|  | **30 June** | **31 December** |
|  | **2020** | **2019** |
|  | **Baht** | Baht |
|  |  |  |
| **Borrowings to:** |  |  |
| Subsidiaries | 1,156,652,900 | 1,157,552,900 |
| Less Allowance for impairment | (310,909,826) | - |
|  |  |  |
|  | 845,743,074 | 1,157,552,900 |

Movements in short-term borrowings to related parties are analysed as follows:

|  |  |
| --- | --- |
|  | Separate |
|  | financial information |
|  | Baht |
|  |  |
| **For the six-month period ended 30 June 2020** |  |
| Opening net amount | 1,157,552,900 |
| Adjustment from adoption of TFRS9 on |  |
| 1 January 2020 (note 5) | (328,626,500) |
| Opening net amount - restated | 828,926,400 |
| Addition during the period | 32,500,000 |
| Repayment during the period | (2,900,000) |
| Loan forgiveness | (15,500,000) |
| Reversal impairment losses on financial assets | 2,716,674 |
|  |  |
| Closing net amount | 845,743,074 |

Short-term borrowings to subsidiaries are denominated in Thai Baht, bearing interest rate of MOR rate plus 0.25% per annum 7.22% - 7.38% and interest-free, and they are due at call.

At 1 January 2020, the Company recognised adjustment from first time adoption of TFRS 9 (note 5)   
by recognised impairment loss on short-term borrowings to related amounting to Baht 328.63 million. During the first quarter of 2020, the Company has forgiven short-term loan to a subsidiary amount of Baht 30.50 million. The Company has recognised reversal of impairment loss, recognising on 1 January 2020, amount of Baht 15 million and recognised loss on forgiveness amount of Baht 15.50 million in separate comprehensive financial income.

**20.5 Short-term borrowings from related parties**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | |
|  | **financial information** | | **financial information** | |
|  | **30 June** | **31 December** | **30 June** | **31 December** |
|  | **2020** | **2019** | **2020** | **2019** |
|  | **Baht** | Baht | **Baht** | Baht |
|  |  |  |  |  |
| **Borrowings from:** |  |  |  |  |
| Subsidiaries | - | - | 16,000,000 | 16,000,000 |
| Key management | 14,000,000 | 42,500,000 | - | 42,500,000 |
|  |  |  |  |  |
|  | 14,000,000 | 42,500,000 | 16,000,000 | 58,500,000 |

**20 Related party transactions** (Cont’d)

The following material transactions were carried out with related parties: (Cont’d)

**20.5 Short-term borrowings from related parties** (Cont’d)

Movements in short-term borrowings from related parties are analysed as follows:

|  |  |  |
| --- | --- | --- |
|  | Consolidated | Separate |
|  | financial | **financial** |
|  | information | **information** |
|  | Baht | Baht |
|  |  |  |
| **For the six-month period ended 30 June 2020** |  |  |
| Opening net amount | 42,500,000 | 58,500,000 |
| Addition during the period | 14,000,000 | - |
| Repayment during the period | (42,500,000) | (42,500,000) |
|  |  |  |
| Closing net amount | 14,000,000 | 16,000,000 |

The borrowings from subsidiaries are denominated in Thai Baht, bearing interest rate of MOR rate plus 0.25% per annum, and there was due at call.

The borrowings from Key management are denominated in Thai Baht, provided interest-free and there was due at call.

**20.6 Key management compensation**

The compensation to key management is as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | |
|  | **financial information** | | **financial information** | |
|  | **30 June** | **30 June** | **30 June** | **30 June** |
|  | **2020** | **2019** | **2020** | **2019** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Short-term employee benefits | 23,100,123 | 34,321,943 | 17,159,676 | 17,181,476 |
| Post-employee benefits | 907,869 | 3,727,370 | 852,101 | 777,145 |
|  |  |  |  |  |
|  | 24,007,992 | 38,049,313 | 18,011,777 | 17,958,621 |

**21 Contingencies and commitments**

**21.1 Guarantee**

As at 30 June 2020, the Company provided guarantee on behalf of its subsidiary for sales and leaseback contracts amounting to Baht 3.52 million (31 December 2019: Baht 4.91 million) (note 16.3).

**21.2 Commitment for franchise fees**

As at 30 June 2020 and 31 December 2019, the Group has the following commitments to pay on-going fees for operations of language institutions;

a) On-going fee at fixed percentage of the gross revenue of its language institution.

b) On-going fee at fixed percentage of the gross revenue of its language institution’s franchisee.

**21 Contingencies and commitments** (Cont’d)

**21.3 Operating lease commitments - where the Group is the lessee**

As at 31 December 2019, the Group entered into long-term lease agreements to lease spaces in department stores and building for various lease terms. Since 1 January 2020, all long-term lease agreements have been recognised as the right of use asset and the lease liabilities as explained in note 5.

As at 30 June 2020, the Group has short-term lease agreements to lease spaces in department stores.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | |
|  | **financial information** | | **financial information** | |
|  | **30 June** | **31 December** | **30 June** | **31 December** |
|  | **2020** | **2019** | **2020** | **2019** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Not later than 1 year | 2,087,088 | 162,638,398 | - | 5,965,589 |
| Later than 1 year but not |  |  |  |  |
| later than 5 years | - | 139,122,104 | - | 11,784,920 |
|  |  |  |  |  |
|  | 2,087,088 | 301,760,502 | - | 17,750,509 |

**22 Events occurring after the reporting period**

22.1 On 24 June 2020, the Board of Directors meeting approved to invest in Megawatt Company Limited, (“Megawatt”) operating in energy business in the amount of not exceeding Baht 500 million or 28.36% of registered share capital of Megawatt Baht 1,763 million. On 3 July 2020, the Group made a partial consideration for the increase in share capital of Megawatt amounting to Baht 75 million, representing 15% of the Group’s share interest.

22.2 At the Annual General Meeting of shareholders for the year 2020 on 30 July 2020, the meeting approved newly issued shares of up to 1,052,891,081 shares with a par value of THB 1 per shares to reserve for following

1. To reserve the subscription of newly issued shares under the Right Offering not exceeding 701,927,381 shares to the existing shareholders proportionate to their respective shareholdings (Rights Offering) at the ratio of 1 existing share to 1.5 newly issued ordinary share, at the offering price of Baht 0.70 per share.

b) To reserve for the exercise of warrant not exceeding 350,963,694 shares for purchasing newly issued ordinary shares no. 2 (WAVE-W2) at 1 unit of WAVE-W2 to 1 newly issued ordinary share at the exercise price of Baht 0.70 per share.