|  |
| --- |
| **1 Financial position and significant events during the current period** |

* 1. **Financial position**

As of 30 September 2021, in the consolidated financial information, the Group has total current liabilities exceeding total current assets and loss for the period. These resulted in doubt on the entity’s ability to continue as a going concern. The management has prepared cash flow projection for language institution segment and assured that the estimation can be achieved by extending franchise revenue stream and mainly focus on online course to respond in changing in customer behaviour. Additionally, there is policy to reduce cost of services and administrative expenses continuously in effective and efficiency ways. For restaurant segment, the management has planned for food and beverage promotion and has new delivery channel to attract customer and respond to the change of customers’ behaviour. In addition, the management has considered to manage costs and closely monitor the reduction of administrative expenses. Furthermore, the Group has provided source of fund for operation by issuance share capital which approved by the shareholders. However, the Group management is confident that they will succeed with their business plan. Thus, the consolidated financial information for the nine month period ended 30 September 2021 have been prepared on a going concern basis.

* 1. **Coronavirus Disease 2019 outbreak**

The outbreak of Coronavirus Disease 2019 (“COVID-19”) have been continued in 2021 and have adverse effects on operating results for the nine-month period ended 30 September 2021 particularly on language institutions and restaurant businesses.

**Language institutions**

During in third quarter of 2021, Government had announced to close educational institution across Thailand due to outbreak of COVID-19 situation. Consequently, cash received from selling course dropped by 59% and 35% or approximately of Baht 58 million and Baht 108 million for the 3 month period and the 9 month period ended 30 September 2021 due to an economic downturn in Thailand and changing in customer behaviour. The management expected operational results will be affected in the next 2-3 quarter.

**Restaurant**

During the third quarter of 2021, Government had announced to limit operating hours of restaurant. Consequently, revenue from restaurant operating compared to previous year has dramatically dropped by 85% and 50% or approximately of Baht 59 million and Baht 90 million for the 3 month period and the 9 month period ended   
30 September 2021, respectively. The management expected operational results will be affected in the next   
2-3 quarter.

|  |
| --- |
| **2 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 2020.

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.

|  |
| --- |
| **3 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 2020, except for the following:

1. As at 1 January 2021, the Group ceases applying 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) which were effective for reporting periods ending between 1 January 2020 and 31 December 2020. The impact of the ceasing the guidance is not material on the Group.
2. New and amended Thai Financial Reporting Standards effective for the accounting periods beginning on or after   
   1 January 2021 do not have material impact on the Group.

|  |
| --- |
| **4 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** | **Total** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| **For the nine-month period ended** |  |  |  |
| **30 September 2021** |  |  |  |
| Revenues from operation | 231,742,763 | 89,501,146 | 321,243,909 |
| Inter-segment revenue | (698,082) | - | (698,082) |
|  |  |  |  |
| Total revenues | 231,044,681 | 89,501,146 | 320,545,827 |
|  |  |  |  |
| Segment results | 48,861,169 | (4,055,292) | 44,805,877 |
| Other income |  |  | 59,175,033 |
| Depreciation and amortisation |  |  | (123,218,835) |
| Finance costs |  |  | (24,522,816) |
| Share of profit from an associate |  |  | 16,443,877 |
| Unallocated costs |  |  | (27,900,376) |
|  |  |  |  |
| Loss before income tax expense |  |  | (55,217,240) |
| Income tax benefit |  |  | 758,716 |
|  |  |  |  |
| Loss for the period from continuing operations |  |  | (54,458,524) |
|  |  |  |  |
| **Timing of revenue recognition** |  |  |  |
| At a point in time | - | 89,119,865 | 89,119,865 |
| Over time | 231,044,681 | 381,281 | 231,425,962 |
|  |  |  |  |
| Total revenues | 231,044,681 | 89,501,146 | 320,545,827 |

|  |
| --- |
| **4 Segment and revenue information** (Cont’d) |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated financial information** | | | |
|  | **Language** |  |  |  |
|  | **institutions** | **Restaurant** | **Entertainment** | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| **For the nine-month period ended** |  |  |  |  |
| **30 September 2020** |  |  |  |  |
| Revenues from operation | 347,068,427 | 180,386,770 | 19,951,408 | 547,406,605 |
| Inter-segment revenue | (698,725) | - | - | (698,725) |
|  |  |  |  |  |
| Total revenues | 346,369,702 | 180,386,770 | 19,951,408 | 546,707,880 |
|  |  |  |  |  |
| Segment results | 108,877,619 | 30,809,631 | (4,237,793) | 135,449,457 |
| Other income |  |  |  | 7,286,935 |
| Depreciation and amortisation |  |  |  | (180,516,411) |
| Finance costs |  |  |  | (31,535,794) |
| Unallocated costs |  |  |  | (46,068,138) |
|  |  |  |  |  |
| Loss before income tax expense |  |  |  | (115,383,951) |
| Income tax benefit |  |  |  | 746,839 |
|  |  |  |  |  |
| Loss for the period from continuing operations |  |  |  | (114,637,112) |
|  |  |  |  |  |
| **Timing of revenue recognition** |  |  |  |  |
| At a point in time | - | 179,350,844 | - | 179,350,844 |
| Over time | 346,369,702 | 1,035,926 | 19,951,408 | 367,357,036 |
|  |  |  |  |  |
| Total revenues | 346,369,702 | 180,386,770 | 19,951,408 | 546,707,880 |

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.

|  |
| --- |
| **5 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.

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated and separate financial information** | | | | | | | |
|  | **Level 1** | | **Level 2** | | **Level 3** | | **Total** | |
|  | **30 September** | **31 December** | **30 September** | **31 December** | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2021** | **2020** | **2021** | **2020** | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |  |  |  |  |
| **Financial assets** |  |  |  |  |  |  |  |  |
| Financial assets at fair value through profit or loss (FVPL) |  |  |  |  |  |  |  |  |
| * Unlisted equity |  |  |  |  |  |  |  |  |
| securities | - | - | - | - | 65,000,000 | 65,000,000 | 65,000,000 | 65,000,000 |
| * Listed equity |  |  |  |  |  |  |  |  |
| securities | - | 2,002,925 | - | - | - | - | - | 2,002,925 |
|  |  |  |  |  |  |  |  |  |
| **Total financial assets** | **-** | **2,002,925** | **-** | **-** | **65,000,000** | **65,000,000** | **65,000,000** | **67,002,925** |

The fair value of financial instruments in level one is based on the closing price by reference to the Stock Exchange of Thailand.

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 summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Fair value** | **Unobservable inputs** | **Range of inputs** |
| **Description** | **30 September 2021** |
|  | **and 31 December 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 |

Relationship of unobservable inputs to fair value are shown as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Relationship of unobservable inputs to fair value** | | |
|  | **Change in assumption** | **Increase in assumption** | **Decrease in assumption** |
|  |  |  |  |
| Discount rate | 1% | Decrease by 0.89% | Increase by 0.90% |
| Expected profit | 1% | Increase by 1.00% | Decrease by 1.00% |
| Price to equity | 1 | Increase by 5.26% | Decrease by 5.26% |

**The Group’s valuation processes for measurement fair value hierarchy level 3**

Chief Financial Officer (CFO), Audit Committee (AC) and a valuation team discuss valuation processes and results at least every year.

Significant unobservable input of fair value hierarchy level 3 is risk adjusted discount rate. It is estimated based on public companies’ weighted average cost of capital that, are in opinion of the Group, in a comparable financial position with the counterparty in the contract. The Group has subscriptions to information brokers to gather such information.

The carrying amount of financial instruments, 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, finance 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.

|  |
| --- |
| **6 Trade and other receivables** |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated** | | | **Separate** | | |
|  | **financial information** | | | **financial information** | | |
|  | **30 September** | **31 December** | **30 September** | | **31 December** |
|  | **2021** | **2020** | **2021** | | **2020** |
|  | **Baht** | **Baht** | **Baht** | | **Baht** |
|  |  |  |  | |  |
| Trade accounts receivable - third parties | 3,450,802 | 4,818,887 | - | | - |
| Less Expected credit loss | (303,902) | (303,902) | - | | - |
|  |  |  |  | |  |
| Trade accounts receivable, net | 3,146,900 | 4,514,985 | - | | - |
| Prepayments | 7,784,932 | 10,857,479 | 52,206 | | 165,882 |
| Other receivables | 2,082,634 | 3,235,062 | 318,045 | | - |
| Amount due from related parties (note 17.3) | 2,612,288 | 5,914,545 | 168,817,827 | | 168,296,248 |
| Less Expected credit loss | - | - | (159,080,799) | | (159,080,801) |
|  |  |  |  | |  |
| Amount due from related parties, net | 2,612,288 | 5,914,545 | 9,737,028 | | 9,215,447 |
| Accrued income | 3,849,770 | 2,570,250 | - | | - |
|  |  |  |  | |  |
|  | 19,476,524 | 27,092,321 | 10,107,279 | | 9,381,329 |

Outstanding of trade accounts receivable can be analysed as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated** | | | **Separate** | | |
|  | **financial information** | | | **financial information** | | |
|  | **30 September** | **31 December** | **30 September** | | **31 December** |
|  | **2021** | **2020** | **2021** | | **2020** |
|  | **Baht** | **Baht** | **Baht** | | **Baht** |
|  |  |  |  | |  |
| Trade accounts receivable |  |  |  | |  |
| Within 3 months | 1,704,990 | 3,578,774 | - | | - |
| 3 - 6 months | 259,067 | 69,368 | - | | - |
| 6 - 12 months | 416,000 | 696,000 | - | | - |
| Over 12 months | 1,070,745 | 474,745 | - | | - |
|  |  |  |  | |  |
| Total trade accounts receivable | 3,450,802 | 4,818,887 | - | | - |
| Less Expected credit loss | (303,902) | (303,902) | - | | - |
|  |  |  |  | |  |
| Trade accounts receivable, net | 3,146,900 | 4,514,985 | - | | - |

|  |
| --- |
| **7 Assets classified as held-for-sale and discontinued operations** |

**Thai Solar Energy Public Company Limited**

During 2020, the Group announced its intention to sell Thai Solar Energy Public Company Limited (Thai Solar), an associate of the Group. Additionally, the Group has a plan to sell the remaining interests in the aforementioned associated within one year. Accordingly, the Group has reported the financial information of Thai Solar, which is operated in generation and distribution of electricity from solar power and biomass to the government and considered as the Group's separate major line business, as a discontinued operation in the interim financial information. As a result, investment in Thai Solar Energy Public Company Limited of Baht 175.02 million and Baht 73.12 million in consolidated financial information and separate financial information is classified as asset held for sale.

As at 30 September 2021, The Group interest in Thai Solar is 3.08%.

Financial performance relating to Thai Solar Energy are presented separately from continuing operations as below. Comparative figures are also adjusted for presentation.

**7.1 Financial performance information**

|  |  |  |
| --- | --- | --- |
|  | **Consolidated** | |
|  | **Financial information** | |
| **For the nine-month period ended** | **30 September** | **30 September** |
|  | **2021** | **2020** |
|  | **Baht** | **Baht** |
|  |  |  |
| Share of profit from an associate | - | 23,642,905 |
| Gain on disposal of investment in an associate | 12,546,615 | - |
| Gain on remeasurement non-current asset held for sale at fair value | 11,755,296 | - |
|  |  |  |
| **Profit before income tax expense from discontinued operation** | 24,301,911 | 23,642,905 |
| Income tax expense | - | - |
|  |  |  |
| **Profit from discontinued operation** | 24,301,911 | 23,642,905 |
|  |  |  |
| **Share of other comprehensive income**  **of associate from discontinued operation** | - | 37,567,945 |
|  |  |  |
| **Total comprehensive income from discontinued operations** | 24,301,911 | 61,210,850 |

**7.2 Cash flow information**

|  |  |  |
| --- | --- | --- |
|  | **Consolidated** | |
|  | **financial information** | |
| **For the nine-month period ended** | **30 September** | **30 September** |
|  | **2021** | **2020** |
|  | **Baht** | **Baht** |
|  |  |  |
| Cash and cash equivalents at the beginning of period | - | - |
|  |  |  |
| Operating cash flows | - | - |
| Investing cash flows | 2,612,288 | 22,900,500 |
| Financing cash flows | - | - |
|  |  |  |
| Net change in cash flows | 2,612,288 | 22,900,500 |
| Translation differences of discontinued operations | - | - |
|  |  |  |
| Cash and cash equivalents at the end of period | 2,612,288 | 22,900,500 |

|  |
| --- |
| **7 Assets classified as held-for-sale and discontinued operations** (Cont’d) |

During the period, the Group partially disposed investment in Thai Solar Energy Public Company Limited, an associate of the Group, of 52.98 million shares and recognized gain from disposal amount of Baht 12.54 million in total comprehensive income from discontinued operation of the consolidated statement of comprehensive income and gain from disposal amount of Baht 89.31 million in other income (loss) of the separate statement of comprehensive income. After such disposal, the shareholding percentage of the Group in Thai Solar Energy Public Company Limited decreased from 5.59% to 3.08%. However, the Group has remained significant influence over the associate.

At 30 September 2021, investment in an associate classified as non-current asset held for sale was remeasured at fair value less costs to sell but not in excess of its original carrying amount, resulting in the recognition of a gain for subsequent increase of Baht 12 million presented in profit from discontinued operation. The non-recurring fair value was determined using the market approach and is a level 1 in the fair value hierarchy.

As at 30 September 2021, 65.31 million shares (31 December 2020: 118.29 million shares) of Thai Solar Energy Public Company Limited totaling Baht 175.02 million has been pledged as collateral for borrowing and borrowing facilities from financial institutions.

**Index Creative Village Public Company Limited**

On 16 April 2020, the Group disposed investment in Index Creative Village Public Company Limited, a subsidiary of the Group, resulting in loss of control over such investment. The Group classified such investment as financial asset measured at fair value through profit or loss amounting to Baht 65 million.

As at 30 September 2021, The Group interest in Index Creative Village Public Company Limited is 6.91%.

Financial performance relating to Index Group are presented separately from continuing operations as below.

**7.3 Financial performance information**

|  |  |  |
| --- | --- | --- |
|  | **Consolidated** | |
|  | **financial information** | |
| **For the nine-month period ended** | **30 September** | **30 September** |
|  | **2021** | **2020** |
|  | **Baht** | **Baht** |
|  |  |  |
| Revenue | - | 133,014,769 |
| Costs | - | (126,187,974) |
|  |  |  |
| Gross profit | - | 6,826,795 |
|  |  |  |
| Other income | - | 15,787,131 |
| Selling expenses | - | (4,941,399) |
| Administrative expenses | - | (51,004,220) |
| Finance costs | - | (284,200) |
| Share of profit from associates and joint ventures | - | 12,247 |
|  |  |  |
| **Loss before income tax expense from discontinued operation** | - | (33,603,646) |
| Income tax expense | - | (16,877) |
|  |  |  |
| **Loss from discontinued operation** | - | (33,620,523) |
| Translation differences of discontinued operation | - | 522,690 |
|  |  |  |
| **Other comprehensive expense from discontinued operation** | - | (33,097,833) |

|  |
| --- |
| **7 Assets classified as held-for-sale and discontinued operations** (Cont’d) |

**7.4 Cash flow information**

|  |  |  |
| --- | --- | --- |
|  | **Consolidated** | |
|  | **financial information** | |
| **For the nine-month period ended** | **30 September** | **30 September** |
|  | **2021** | **2020** |
|  | **Baht** | **Baht** |
|  |  |  |
| Cash and cash equivalents at the beginning of period | - | 200,364,187 |
|  |  |  |
| Operating cash flows | - | 193,899,136 |
| Investing cash flows | - | (47,066,261) |
| Financing cash flows | - | (14,360,312) |
|  |  |  |
| Net change in cash flows | - | 132,472,563 |
| Translation differences of discontinued operations | - | 522,690 |
|  |  |  |
| Cash and cash equivalents at the end of period | - | 333,359,440 |

|  |
| --- |
| **8 Deposit paid for investment** |

During the period, the Company has made a partial consideration for the increase in share capital of Wave Food Group Company Limited amounting to Baht 51.40 million. However, the shares will be transferred only when the Company make full consideration for all increased registered share capital. Accordingly, such transaction classified as non- current assets.

|  |
| --- |
| **9 Investments in subsidiaries and associates** |

**9.1 Investment in subsidiaries**

Movements of investments in subsidiaries for nine-month period ended 30 September 2021 are as follows

|  |  |
| --- | --- |
|  | **Separate financial information** |
|  | **Investment in cost** |
|  | **Baht** |
|  |  |
| Opening net book value | **-** |
| Increase in investment | 25,500,000 |
|  |  |
| Closing net book value | 25,500,000 |

As at 30 September 2021, the Company has increase in investment of Wave Food Group Company Limited,   
a subsidiary of the Group, amounting to Baht 25.50 million. After the aforementioned increase investment,   
no change in shareholding percentage of the Company in a subsidiary.

As at 30 September 2021, the Group’s shares of Wall Street English (Thailand) Company Limited, shares of Jeffer Restaurant Company Limited (31 December 2020: shares of Wall Street English (Thailand) Company Limited and shares of Jeffer Restaurant Company Limited) have been pledged as collateral for borrowings (note 12.2).

|  |
| --- |
| **9 Investments in subsidiaries and associates** (Cont’d) |

**9.2 Investments in associates**

Details of investments in associates are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  | **% Ownership interest** | |
|  |  | **Country of** | **30 September** | **31 December** |
|  | **Business** | **incorporation** | **2021** | **2020** |
|  |  |  |  |  |
| **Associate** |  |  |  |  |
| The Megawatt Company Limited | Generation of electricity | Thailand | 20.71 | 29.20 |
|  | from sun radiation |  |  |  |

Movements of investments in associates are as follows:

|  |  |  |
| --- | --- | --- |
|  | Consolidated | Separate |
|  | financial | financial |
|  | information | information |
|  | Baht | Baht |
|  |  |  |
| **For the nine-month period ended 30 September 2021** |  |  |
| Opening net book amount | 283,275,601 | 285,000,000 |
| Share of profit | 16,443,877 | - |
|  |  |  |
| Closing net book amount | 299,719,478 | 285,000,000 |

During the period, The Megawatt Company Limited has increase its registered share capital amounting to Baht 400 million. After the aforementioned increase registered share capital is Baht 1,376 million. The Company did not subscribe in newly issued share capital, the shareholding percentage of the Company in The Megawatt Company Limited decrease from 29.20% to 20.71%.

|  |
| --- |
| **10 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 nine-month period ended** |  |  |  |  |
| **30 September 2021** |  |  |  |  |
| Opening net book amount | 71,474,483 | 155,219,501 | 3,744,301 | - |
| Additions | 1,340,605 | 82,445 | - | - |
| Disposals, net | (666,814) | - | (105) | - |
| Write-off, net | (2,198,131) | - | (100) | - |
| Depreciation/amortisation | (24,074,305) | (9,680,687) | (68,660) | - |
|  |  |  |  |  |
| Closing net book amount | 45,875,838 | 145,621,259 | 3,675,436 | - |

Land, building, furniture and fixtures with the carrying value of Baht 1.75 million (31 December 2020: Baht 3.80 million) has been pledged as collateral for borrowings from financial institutions and borrowing facilities from financial institutions.

|  |
| --- |
| **11 Right-of-use assets** |

|  |  |  |
| --- | --- | --- |
|  | **Consolidated financial information** | **Separate**  **financial information** |
|  | **Baht** | **Baht** |
|  |  |  |
| **For the nine-month period ended 30 September 2021** |  |  |
|  |  |  |
| Opening net book value | 160,266,254 | 13,819,534 |
| Addition | 24,760,602 | - |
| Lease termination | (10,659,085) | - |
| Lease modification | (120,184) | (120,184) |
| Depreciation | (89,463,843) | (4,525,749) |
|  |  |  |
| Closing net book value | 84,783,744 | 9,173,601 |

|  |
| --- |
| **12 Borrowings** |

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

Short-term borrowing from third party of Bath 67.50 million, denominated in Thai Baht, bearing interest rate of 4% per annum, is collaterised by pledge of 7.32 million shares (31 December 2020: 7.32 million shares) of Index Creative Village Public Company Limited and due at call.

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

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | | | |
|  | **30 September** | **31 December** | | **30 September** | **31 December** |
|  | **2021** | **2020** | | **2021** | **2020** |
|  | **Baht** | **Baht** | | **Baht** | **Baht** |
|  |  |  | |  |  |
| Maturity of long-term borrowings: |  |  | |  |  |
| Within 1 year | 203,097,755 | 203,810,249 | | 122,635,473 | 98,595,506 |
| Between 2 years and 5 years | 92,375,261 | 241,812,630 | | 92,375,261 | 188,216,968 |
|  |  |  | |  |  |
|  | 295,473,016 | 445,622,879 | | 215,010,734 | 286,812,474 |

Movements in long-term borrowings are analysed as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated** | **Separate** |
|  | **financial** | **financial** |
|  | **information** | **information** |
|  | **Baht** | **Baht** |
|  |  |  |
| **For the nine-month period ended 30 September 2021** |  |  |
| Opening net amount | 445,622,879 | 286,812,474 |
| Repayment | (150,149,863) | (71,801,740) |
|  |  |  |
| Closing net amount | 295,473,016 | 215,010,734 |

Long-term borrowings from financial institutions of Baht 293.81 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, 65.31 million shares (31 December 2020: 107.48 million shares) of Thai Solar Energy Public Company Limited (note 7) and 17.63 million shares of BEC World Public Co. Ltd..

The carrying amount of Baht 1.67 million (31 December 2020: Baht 3.51 million) is secured by furniture and fixtures with the carrying value of Baht 1.75 million (31 December 2020: Baht 3.80 million). The borrowings are guaranteed by Wave Entertainment Public Company Limited.

The carrying amounts of borrowings approximate their fair values.

|  |
| --- |
| **13 Lease liabilities** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidatedfinancial information | | Separatefinancial information | |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Current portion of lease liabilities | 56,919,070 | 114,678,390 | 6,046,969 | 5,874,172 |
| Long-term lease liabilities | 29,969,061 | 54,886,699 | 2,494,489 | 7,136,378 |
|  |  |  |  |  |
|  | 86,888,131 | 169,565,089 | 8,541,458 | 13,010,550 |

The movement in lease liabilities can be analysed as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial information** | | |
|  | **Lease payables** | **Deferred interest** | **Lease liabilities** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| At 1 January 2020 | 3,956,866 | (500,379) | 3,456,487 |
| Non-cash changes: |  |  |  |
| TFRS 16 Reclassifications and adjustments | 352,669,351 | (18,917,953) | 333,751,398 |
| Additions | 23,420,160 | (1,504,446) | 21,915,714 |
| Amortised deferred interest | - | 10,279,742 | 10,279,742 |
| Cash outflows: |  |  |  |
| Repayment | (139,907,005) | - | (139,907,005) |
| Write-off | (18,563,202) | 816,791 | (17,746,411) |
|  |  |  |  |
| At 30 September 2020 | 221,576,170 | (9,826,245) | 211,749,925 |
|  |  |  |  |
| At 1 January 2021 | 176,706,410 | (7,141,321) | 169,565,089 |
| Non-cash changes: |  |  |  |
| Additions | 26,219,706 | (1,982,904) | 24,236,802 |
| Amortised deferred interest | - | 4,781,343 | 4,781,343 |
| Cash outflows: |  |  |  |
| Lease modifications and reassessments | (126,058) | - | (126,058) |
| Repayment | (100,706,393) | - | (100,706,393) |
| Write-off | (11,398,496) | 535,844 | (10,862,652) |
|  |  |  |  |
| At 30 September 2021 | 90,695,169 | (3,807,038) | 86,888,131 |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Separate financial information** | | |
|  | **Lease payables** | **Deferred interest** | **Lease liabilities** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| At 1 January 2020 | 2,809,322 | (449,357) | 2,359,965 |
| Non-cash changes: |  |  |  |
| TFRS 16 Reclassifications and adjustments | 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 September 2020 | 17,123,553 | (1,294,022) | 15,829,531 |
|  |  |  |  |
| At 1 January 2021 | 13,892,037 | (881,487) | 13,010,550 |
| Non-cash changes: |  |  |  |
| Amortised deferred interest | - | 469,140 | 469,140 |
| Cash outflows: |  |  |  |
| Lease modifications and reassessments | (126,058) | - | (126,058) |
| Repayment | (4,812,174) | - | (4,812,174) |
|  |  |  |  |
| At 30 September 2021 | 8,953,805 | (412,347) | 8,541,458 |

The weighted average lessee’s incremental lease liabilities rate applied to the lease liabilities on 30 September 2021 was 4.78% - 8.88%.

|  |
| --- |
| **14 Other income** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidatedfinancial information | | Separatefinancial information | |
| **For the nine-month periods ended** | **30 September** | **30 September** | **30 September** | **30 September** |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Interest income | 1,837,891 | 2,348,578 | 2,734,699 | 3,209,698 |
| Rental income | 8,027 | 388,697 | 3,836,080 | 4,044,060 |
| Dividends income | 2,640,869 | 419,026 | 2,640,869 | 23,319,526 |
| Management fee income | - | - | - | 900,000 |
| Gain on disposal of property, plants |  |  |  |  |
| and equipment | 343,799 | - | 9,241 | - |
| Write-off long outstanding overpaid |  |  |  |  |
| from customer | 3,799,736 | 2,150,980 | - | - |
| Rental discount | 44,734,922 | - | 950,869 | - |
| Other income | 5,809,789 | 1,979,654 | - | 1,726,533 |
|  |  |  |  |  |
|  | 59,175,033 | 7,286,935 | 10,171,758 | 33,199,817 |

|  |
| --- |
| **15 Income tax** |

Income tax expense is recognised based on management’s estimate of the weighted average effective annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the year to 30 September 2021 is -1.37%, compared to -0.65%, for the nine-months ended 30 September 2020. The tax rate was lower in due to higher expense deducted at lower amount.

|  |
| --- |
| **16 Share capital** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  | **Issued and fully paid-up** | | | |
|  | **Authorised** | **Number of** |  |  |  |
|  | **number of** | **issued ordinary** | **Ordinary** | **Share** |  |
|  | **shares** | **shares** | **shares** | **Premium** | **Total** |
|  | **Shares** | **Shares** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |  |
| At 1 January 2020 | 510,070,000 | 467,950,000 | 467,950,000 | 448,802,180 | 916,752,180 |
| Capital reduction | (42,118,409) | - | - | - | - |
| Issue and paid-up of shares | 1,052,891,081 | 317,311,701 | 317,311,701 | (95,185,078) | 222,126,623 |
|  |  |  |  |  |  |
| At 31 December 2020 | 1,520,842,672 | 785,261,701 | 785,261,701 | 353,617,102 | 1,138,878,803 |
| Capital reduction | (576,925,916) | - | - | - | - |
| Capital addition | 471,083,244 | - | - | - | - |
|  |  |  |  |  |  |
| At 30 September 2021 | 1,415,000,000 | 785,261,701 | 785,261,701 | 353,617,102 | 1,138,878,803 |

On 29 April 2021, the Annual General Meeting of shareholders for the year 2021 approved a reduction of a registered capital by reducing 576,925,916 unissued and non-offering shares and approved newly issued shares of up to 471,083,244 shares with a par value of Baht 1 per share to support a general mandate of capital increase.

The Company registered the increased and decreased share capital with the Ministry of Commerce on 15 June 2021.

|  |
| --- |
| **17 Related party transactions** |

The major shareholders of the Company are Maleenont family, BEC world Public Company Limited, Chulangkool family and The Mall Group Company Limited (incorporated in Thailand), which owns 20.70%, 7.42%, 6.09% and 5.95% of the Company’s shares, respectively. The remaining 59.84% of the shares are widely held.

|  |
| --- |
| **17 Related party transactions** (Cont’d) |

The following material transactions were carried out with related parties:

**17.1 Sales of goods and services**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | |
|  | **financial information** | | **financial information** | |
| **For the nine-month periods ended** | **30 September** | **30 September** | **30 September** | **30 September** |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| **Revenue from rendering services:** |  |  |  |  |
| BEC World Public Company Limited | - | 19,951,408 | - | - |
|  |  |  |  |  |
| **Other income:** |  |  |  |  |
| Subsidiaries | - | - | 4,268,173 | 5,775,488 |
| Related companies | 1,058,250 | - | 455,250 | - |
|  |  |  |  |  |
|  | 1,058,250 | - | 4,723,423 | 5,775,488 |
|  |  |  |  |  |
| **Interest income:** |  |  |  |  |
| Subsidiaries | - | - | 2,661,841 | 3,135,333 |
| Related companies | 78,922 | - | 50,622 | - |
|  |  |  |  |  |
|  | 78,922 | - | 2,712,463 | 3,135,333 |
| **Dividend income:** |  |  |  |  |
| Subsidiaries | - | - | - | - |
| Associates | - | - | 2,640,869 | 22,900,500 |
|  |  |  |  |  |
|  | - | - | 2,640,869 | 22,900,500 |

**17.2 Purchases of goods and services**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | |
|  | **financial information** | | **financial information** | |
| **For the nine-month periods ended** | **30 September** | **30 September** | **30 September** | **30 September** |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| **Selling and administrative** |  |  |  |  |
| **expenses:** |  |  |  |  |
| Related companies | 991,170 | 932,624 | 879,016 | 647,203 |
|  |  |  |  |  |
| **Interest expenses:** |  |  |  |  |
| Subsidiary | - | - | - | 776,820 |
| Key Management | - | 627,404 | - | 158,880 |
|  |  |  |  |  |
|  | - | 627,404 | - | 935,700 |

|  |
| --- |
| **17 Related party transactions** (Cont’d) |

**17.3 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 September** | **31 December** | **30 September** | | **31 December** |
|  | **2021** | **2020** | **2021** | | **2020** |
|  | **Baht** | **Baht** | **Baht** | | **Baht** |
|  |  |  |  | |  |
| **Other receivables** (note 6) |  |  |  | |  |
| (include in amount due from |  |  |  | |  |
| related parties) |  |  |  | |  |
| Subsidiaries | - | - | 36,566,154 | | 34,207,517 |
| Less Expected credit loss | - | - | (32,100,000) | | (32,100,000) |
|  |  |  |  | |  |
|  | - | - | 4,466,154 | | 2,107,517 |
|  |  |  |  | |  |
| **Accrued interest income** (note 6) |  |  |  | |  |
| (include in amount due from |  |  |  | |  |
| related parties) |  |  |  | |  |
| Subsidiaries | - | - | 129,639,385 | | 128,174,186 |
| Less Expected credit loss | - | - | (126,980,799) | | (126,980,801) |
|  |  |  |  | |  |
|  | - | - | 2,658,586 | | 1,193,385 |
|  |  |  |  | |  |
| **Accrued dividend income** (note 6) |  |  |  | |  |
| (include in amount due from |  |  |  | |  |
| related parties) |  |  |  | |  |
| Associate | 2,612,288 | 5,914,545 | 2,612,288 | | 5,914,545 |
|  |  |  |  | |  |
| **Trade and other payables** |  |  |  | |  |
| Related companies | 1,322,961 | 472,241 | - | | - |
|  |  |  |  | |  |
| **Accrued expenses** |  |  |  | |  |
| Related companies | 1,029,761 | 76,824 | 1,029,352 | | 76,704 |
|  |  |  |  | |  |
| **Accrued interest expenses** |  |  |  | |  |
| Subsidiary | - | - | 2,836,350 | | 2,836,350 |
|  |  |  |  | |  |
| **Lease liabilities** |  |  |  | |  |
| Related companies | 7,165,778 | 13,721,631 | 7,077,958 | | 11,165,351 |

|  |
| --- |
| **17 Related party transactions** (Cont’d) |

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

|  |  |  |
| --- | --- | --- |
|  | **Separate** | |
|  | **financial information** | |
|  | **30 September** | **31 December** |
|  | **2021** | **2020** |
|  | **Baht** | Baht |
|  |  |  |
| **Borrowings to:** |  |  |
| Subsidiaries | 1,198,052,900 | 1,195,352,900 |
| Less Expected credit loss | (617,302,333) | (604,086,865) |
|  |  |  |
|  | 580,750,567 | 591,266,035 |

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

|  |  |
| --- | --- |
|  | Separate |
|  | financial information |
|  | Baht |
|  |  |
| **For the nine-month period ended 30 September 2021** |  |
| Opening net amount | 591,266,035 |
| Additions | 3,400,000 |
| Repayment | (700,000) |
| Less Expected credit loss | (13,215,468) |
|  |  |
| Closing net amount | 580,750,567 |

Short-term borrowings to subsidiaries are denominated in Thai Baht and are due at call. Borrowings of Baht 58 million bear interest rate of MOR rate plus 0.25% and borrowings of Baht 1,137.15 million are interest-free.

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

|  |  |  |
| --- | --- | --- |
|  | **Separate** | |
|  | **financial information** | |
|  | **30 September** | **31 December** |
|  | **2021** | **2020** |
|  | **Baht** | Baht |
|  |  |  |
| **Borrowings from:** |  |  |
| Subsidiaries | 14,000,000 | 14,000,000 |
|  |  |  |
|  | 14,000,000 | 14,000,000 |

There is no movements in short-term borrowings from related parties during the period.

The borrowings from subsidiaries are denominated in Thai Baht, is interest-free and there was due at call.

**17.6 Key management compensation**

The compensation to key management is as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated** | | **Separate** | |
|  | **financial information** | | **financial information** | |
|  | **30 September** | **30 September** | **30 September** | **30 September** |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Short-term employee benefits | 26,206,549 | 34,767,227 | 19,228,219 | 25,739,964 |
| Post-employee benefits | 2,053,144 | 1,855,824 | 1,393,773 | 1,278,152 |
|  |  |  |  |  |
|  | 28,259,693 | 36,623,051 | 20,621,992 | 27,018,116 |

|  |
| --- |
| **18 Contingencies and commitments** |

**18.1 Guarantee**

As at 30 September 2021, the Company provided guarantee on behalf of its subsidiary for sales and leaseback contracts amounting to Baht 1.66 million (31 December 2020: Baht 3.51 million) (note 12.2).

**18.2 Bank Guarantee**

As at 30 September 2021, there are outstanding bank guarantee given on behalf of the Group to the third parties in respect of business operation amounting to Baht 0.50 million (2020: Baht 0.50 million).

**18.3 Commitment for franchise fees**

As at 30 September 2021 and 31 December 2020, 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.

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

As at 30 September 2021, 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 September** | **31 December** | **30 September** | **31 December** |
|  | **2021** | **2020** | **2021** | **2020** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Not later than 1 year | 12,078,190 | 13,061,805 | - | - |
| Later than 1 year but not later than 5 years | - | 2,437,190 | - | - |
|  |  |  |  |  |
|  | 12,078,190 | 15,498,995 | - | - |

|  |
| --- |
| **19 Events occurring after the reporting period** |

On 26 October 2021, the Group disposed partial investment in Thai Solar Energy PCL of 4.07 million shares for the consideration of Baht 11.01 million. After such disposal, the shareholding percentage of the Group in Thai Solar Energy Public Company Limited decreased from 3.08% to 2.89%.

On 7 October 2021, Wave Food Group Company Limited, a subsidiary of the Group, has increased its registered share capital and transfer shares to the Company amount of 25.90 million baht which new registered share capital increase from Baht 30,500,000 to Baht 56,400,000. After the aforementioned increase investment, no change in shareholding percentage of the Company in a subsidiary.

|  |
| --- |
| **20 Authorisation of financial information** |

The interim consolidated and separate financial information were authorised for issue by the Board of Directors on   
11 November 2021.