|  |
| --- |
| **1 Financial position** |

As of 30 September 2022, in the consolidated financial information, the Group has total current liabilities exceeding total current assets amounting to Baht 173 million, deficits of Baht 277 million and continuous operating loss over the years. 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 has an online course to respond in changing in customer behaviour. Additionally, there is a plan to launch various marketing activities and promotions aiming to increase student enrollment rates. Furthermore, the Group has provided source of fund for operation by issuance share capital which approved by the shareholders.Thus, the consolidated financial information for the nine-month period ended 30 September 2022 have been prepared on a going concern basis.

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| **2 Equity and paid-up share capital ratio** |

The interim consolidated financial information as at 30 September 2022 shows that the equity is equal to 28 percent of the paid-up share capital. This financial ratio is less than 50 percent which means that the Stock Exchange of Thailand (SET) has posted a C (Caution) sign on the Company's securities continuously from the date of the announcement a   
C sign on 1 March 2022 in accordance with the Regulation of the SET: Measure in case of Events that may affect the Listed Companies’ Financial Condition and Business Operation B.E. 2561 (2018). The Company convened a meeting to provide information and decided on a plan and progress to deal with this event with shareholders, investors and concerned parties on 17 March 2022, 27 May 2022 and 25 August 2022.

|  |
| --- |
| **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 2021.

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.

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| **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 2021.

New and amended Thai Financial Reporting Standards effective for the accounting periods beginning on or after   
1 January 2022 and 1 January 2023 do not have material impact on the Group.

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

The Group is principally engaged in language institutions. The operation are carried out in Thailand. Segment performance is measured based on measure of gross profit on a basis consistent with the used to measure operation gross profit in financial statements. As a result, all of revenue, operating profits and assets as reflected in these financial statement pertain exclusively to the aforementioned reportable operating segment and geographical area.

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

**Information about major customer**

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

Revenues of the Group are recognised over time.

|  |
| --- |
| **6 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** |
|  | **2022** | **2021** | **2022** | **2021** | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** |
| **Financial assets** |  |  |  |  |  |  |  |  |
| Financial assets at fair value through profit or loss (FVPL) |  |  |  |  |  |  |  |  |
| * Non-listed equity security | - | - | - | - | - | 5,000,000 | - | 5,000,000 |
| Financial assets at fair value through other comprehensive income (FVOCI) |  |  |  |  |  |  |  |  |
| * Non-listed equity security | - | - | - | - | 313,350,000 | - | 313,350,000 | - |

Changes in level 3 financial assets for the nine-month period ended 30 September 2022 is as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate**  **financial information** | |
|  | **Financial**  **assets at fair**  **value through other**  **comprehensive income (FVOCI)** | **Financial assets at fair value through profit or loss**  **(FVPL)** |
|  | **Baht** | **Baht** |
|  |  |  |
| Opening balance as at 1 January 2022 | - | 5,000,000 |
| Disposals | **-** | (5,000,000) |
| Change status of investment in associate to financial asset |  |  |
| measured at fair value through other comprehensive income | 318,548,122 | - |
| Measurement of equity investment at fair value through |  |  |
| other comprehensive income | (5,198,122) | - |
|  |  |  |
| Closing balance as at 30 September 2022 | 313,350,000 | - |

|  |
| --- |
| **6 Fair value** (Cont’d) |

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 2022** |
|  | **Baht** |
| Expected consideration received  from unquoted equity  instruments | 313,350,000 | Discount rate | 7% - 8% |

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** |
|  |  |  |  |  |
| Non-listed equity security | Discount rate | 0.1% | Decrease by 5% | Increase by 5% |

*The Group’s valuation processes*

Chief Financial Officer (CFO), Audit Committee (AC) and valuation teams discuss valuation processes and results at least every quarter.

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 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.

|  |
| --- |
| **7 Trade and other receivables** |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated** | | | **Separate** | | |
|  | **financial information** | | | **financial information** | | |
|  | **30 September** | **31 December** | **30 September** | | **31 December** |
|  | **2022** | **2021** | **2022** | | **2021** |
|  | **Baht** | **Baht** | **Baht** | | **Baht** |
|  |  |  |  | |  |
| Trade accounts receivable - third parties | 5,266,355 | 3,615,453 | - | | - |
| Less Expected credit loss | (303,902) | (303,902) | - | | - |
|  |  |  |  | |  |
| Trade accounts receivable, net | 4,962,453 | 3,311,551 | - | | - |
| Prepayments | 15,739,140 | 6,203,650 | 188,719 | | 301,140 |
| Other receivables | 1,464,381 | 900,906 | - | | - |
| Amount due from related parties (Note 17.3) | - | - | 101,447,321 | | 167,400,387 |
| Less Expected credit loss | - | - | (99,774,342) | | (162,713,344) |
|  |  |  |  | |  |
| Amount due from related parties - net | - | - | 1,672,979 | | 4,687,043 |
| Accrued income | 3,045,822 | 1,227,200 | - | | - |
|  |  |  |  | |  |
|  | 25,211,796 | 11,643,307 | 1,861,698 | | 4,988,183 |

Outstanding of trade accounts receivable can be analysed as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated** | | | **Separate** | | |
|  | **financial information** | | | **financial information** | | |
|  | **30 September** | **31 December** | **30 September** | | **31 December** |
|  | **2022** | **2021** | **2022** | | **2021** |
|  | **Baht** | **Baht** | **Baht** | | **Baht** |
|  |  |  |  | |  |
| Trade accounts receivable |  |  |  | |  |
| Within 3 months | 1,446,192 | 2,045,762 | - | | - |
| 3 - 6 months | 2,333,418 | 82,946 | - | | - |
| 6 - 12 months | - | - | - | | - |
| Over 12 months | 1,486,745 | 1,486,745 | - | | - |
|  |  |  |  | |  |
| Total trade accounts receivable | 5,266,355 | 3,615,453 | - | | - |
| Less Expected credit loss | (303,902) | (303,902) | - | | - |
|  |  |  |  | |  |
| Trade accounts receivable, net | 4,962,453 | 3,311,551 | - | | - |

|  |
| --- |
| **8 Assets classified as held-for-sale and discontinued operations** |

**Discontinued operation**

**Jeffer Restaurant Company Limited**

During 2021, The Group announced its intention to sell Jeffer Restaurant Company limited (Jeffer), a subsidiary of the Group. The subsidiary was sold on 28 March 2022 and is reported in the current period as a discontinued operation. Financial information relating to the discontinued operation for the period to the date of disposal is set out below.

|  |
| --- |
| **8 Assets classified as held-for-sale and discontinued operations** (Cont’d) |

**8.1 Financial performance and cash flow information**

The financial performance and cash flow information of Jeffer Restaurant Company limited presented are for the period ended 28 March 2022 and for the nine-month period ended 30 September 2021.

|  |  |  |
| --- | --- | --- |
|  | **Consolidated** | |
|  | **financial information** | |
|  | **28 March** | **31September** |
|  | **2022** | **2021** |
|  | **Baht** | **Baht** |
|  |  |  |
| Revenue | 21,039,213 | 89,501,146 |
| Costs | (8,035,982) | (35,100,564) |
|  |  |  |
| Gross profit | 13,003,231 | 54,400,582 |
| Other income | 30,745 | 25,902,991 |
| Selling expenses | (10,551,453) | (93,333,990) |
| Administrative expenses | (5,468,351) | (27,262,663) |
| Finance costs | (542,572) | (6,805,130) |
|  |  |  |
| Loss before income tax expense | (3,528,400) | (47,098,210) |
| Income tax benefit | - | 761,106 |
|  |  |  |
| **Loss after income tax from discontinued operation** | (3,528,400) | (46,337,104) |
|  |  |  |
| Gain on disposal of the subsidiary after income tax | 128,784,133 | - |
|  |  |  |
| **Other comprehensive income (expense) from discontinued operation** | 125,255,733 | (46,337,104) |
|  |  |  |
| Net cash from operating activities | (341,003) | 126,669,500 |
| Net cash from investing activities | 38,617 | 1,542,148 |
| Net cash from financing activities | 1,153,305 | (127,704,938) |
|  |  |  |
| Net increase in cash generated by the subsidiary | 850,919 | 506,710 |

**8.2 Details of the disposal of subsidiary**

|  |  |
| --- | --- |
|  | **Consolidated**  **financial information** |
|  |
|  | **28 March** |
|  | **2022** |
|  | **Baht** |
|  |  |
| Consideration received |  |
| Cash | 10,098 |
|  |  |
| Total disposal consideration | 10,098 |
| Less Carrying amount of net assets sold | (128,774,035) |
|  |  |
| Gain on disposal before income tax | 128,784,133 |
| Income tax expense on gain | - |
|  |  |
| Gain on disposal after income tax | 128,784,133 |

|  |
| --- |
| **8 Assets classified as held-for-sale and discontinued operations** (Cont’d) |

**8.2 Details of the disposal of subsidiary** (Cont’d)

The carrying amounts of assets and liabilities as at the date of disposal on 28 March 2022 and 31 December 2021 were:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated** | |
|  | **financial information** | |
|  | **28 March** | **31 December** | |
|  | **2022** | **2021** | |
|  | **Baht** | **Baht** | |
|  |  |  | |
| Cash | 3,059,595 | 2,208,676 | |
| Trade and other receivables | 1,425,976 | 3,118,224 | |
| Inventories | 4,987,534 | 5,780,864 | |
| Other current assets | 5,393,728 | 4,984,013 | |
| Building improvement and equipment | 11,183,046 | 10,710,010 | |
| Intangible assets | 3,626,933 | 4,093,633 | |
| Right-of-use assets | 18,528,708 | 18,571,540 | |
| Other non-current assets | 26,414,093 | 33,569,433 | |
|  |  |  | |
| **Total assets** | 74,619,613 | 83,036,393 | |
|  |  |  | |
| Bank overdrafts | 951,762 | 18,659,857 | |
| Trade and other payables | 68,404,118 | 75,223,998 | |
| Unearned revenue | 698,171 | 704,296 | |
| Accrued expenses | 25,511,975 | 25,240,794 | |
| Short-term borrowings from third party | 72,116,700 | - | |
| Current portion of long-term borrowings from financial institution | - | 53,255,300 | |
| Other current liabilities | 3,285,833 | 2,772,694 | |
| Lease liabilities | 19,410,413 | 19,410,413 | |
| Employee benefit obligations | 5,077,442 | 5,077,442 | |
| Other non-current liabilities | 7,937,234 | 7,937,234 | |
|  |  |  | |
| **Total liabilities** | 203,393,648 | 208,282,028 | |

**Assets classified as held-for-sale**

**8.3 Thai Solar Energy Public Company Limited**

During the period, the Group disposed all investments in Thai Solar Energy Public Company Limited, an associate of the Group, of 43.32 million shares and recognised loss from disposal amount of Baht 13.89 and gain from disposal amount of Baht 60.37 million in other income (loss) of the consolidated and separate statement of comprehensive income, respectively.

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

**9.1 Investment in subsidiaries**

Movements of investments in subsidiaries for nine-month period ended 30 September 2022 are as follows:

|  |  |
| --- | --- |
|  | **Separate financial information** |
|  | **Investment in cost** |
|  | **Baht** |
|  |  |
| Opening net book value | - |
| Increase in investment | 72,116,700 |
|  |  |
| Closing net book value | 72,116,700 |

As at 1 March 2022, the Company additionally invested in investment of Wave ESG Company Limited  
(formerly “Wave Food Company Limited”), a subsidiary of the Company, amounting to Baht 72.12 million. Wave ESG registered the increase in share capital with the Ministry of Commerce on 8 March 2022. After the aforementioned increase in investment, there is no change in shareholding percentage of the Company in a subsidiary.

As at 30 September 2022, the Group’s shares of Wall Street English (Thailand) Company Limited (31 December 2021 : all shares of Wall Street English (Thailand) Company Limited and all shares of Jeffer Restaurant Company Limited) have been pledged as collateral for borrowings (note 12.2).

**9.2 Investment in associate**

Details of investments in associates are as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  | **% Ownership interest** | |  |
|  | **Business** | **Nature of relationship** | **Country of incorporation** | **30 September 2022** | **31 December 2021** | **Measurement method** |
|  |  |  |  |  |  |  |
| **Associate** |  |  |  |  |  |  |
| The Megawatt Public | Generation of electricity | Direct | Thailand | - | 20.71 | Equity |
| Company Limited | 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 2022** |  |  |
| Opening net book amount | 308,531,732 | 285,000,000 |
| Share of profit | 10,016,390 | - |
| Change status of investment in associate to financial asset  measured at fair value (Note 6) | (318,548,122) | (285,000,000) |
|  |  |  |
| Closing net book amount | - | - |

On 23 May 2022, The Megawatt Company Limited (“Megawatt”) increased registered capital in the amount of Baht 670,000,000 from the registered capital of Baht 1,376,000,000 to the registered capital of Baht 2,046,000,000 by issuing newly issued ordinary shares in the amount of 6,700,000 shares at the par value of Baht 100 and paid-up capital of Baht 1,856,000,000.The Company did not subscribe in the newly share capital, resulting in the decrease of the shareholding percentage of the Company in Megawatt from 20.71% to 15.36% and lost of significant influence over Megawatt, resulting in a change in investment status from investment in associate to financial asset measured at fair value through other comprehensive income (Note 6).The Company recognized gain from change status of investment in associate to financial asset measured at fair value through other comprehensive income amounting to Baht 33.55 million as “other income (loss)” in the separate statement of comprehensive income.

|  |
| --- |
| **10 Building improvement and equipment and intangible assets** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate** | |
|  | **financial information** | |
|  | **Building** |  | **Building** |  |
|  | **improvement** | **Intangible** | **improvement** | **Intangible** |
|  | **and equipment** | **assets** | **and equipment** | **assets** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| **For the nine-month period ended** |  |  |  |  |
| **30 September 2022** |  |  |  |  |
| Opening net book amount | 25,917,184 | 21,369,344 | 62,627 | - |
| Additions | 9,445,613 | - | - | - |
| Disposals, net | (358) | - | - | - |
| Write-off, net | (28,547) | - | - | - |
| Depreciation/amortisation | (9,875,371) | (3,596,485) | (22,406) | - |
|  |  |  |  |  |
| Closing net book amount | 25,458,521 | 17,772,859 | 40,221 | - |

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

|  |  |  |
| --- | --- | --- |
|  | **Consolidated financial information** | **Separate**  **financial information** |
|  | **Baht** | **Baht** |
|  |  |  |
| **For the nine-month period ended 30 September 2022** |  |  |
|  |  |  |
| Opening net book value | 66,554,885 | 7,645,855 |
| Addition | 23,766,974 | - |
| Depreciation | (34,249,151) | (4,533,421) |
|  |  |  |
| Closing net book value | 56,072,708 | 3,112,434 |

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

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

During the period, the Company has additional short-term borrowing from third party of Baht 41.4 million and repayment of Baht 10 million. The Group reversed short-term borrowing amounting to Baht 12.5 million and accrued interest balance amounting to Baht 4.35 million in total of Baht 16.85 million as other income in the consolidated and separate statement of comprehensive income since the repayment will not occur.

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

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | | | |
|  | **30 September** | **31 December** | | **30 September** | **31 December** |
|  | **2022** | **2021** | | **2022** | **2021** |
|  | **Baht** | **Baht** | | **Baht** | **Baht** |
|  |  |  | |  |  |
| Maturity of long-term borrowings: |  |  | |  |  |
| Within 1 year | 121,342,389 | 125,346,088 | | 121,342,389 | 124,291,790 |
| Between 2 years and 5 years | - | 59,422,776 | | - | 59,422,776 |
|  |  |  | |  |  |
|  | 121,342,389 | 184,768,864 | | 121,324,389 | 183,714,566 |

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 2022** |  |  |
| Opening net amount | 184,768,864 | 183,714,566 |
| Repayment | (63,426,475) | (62,372,177) |
|  |  |  |
| Closing net amount | 121,342,389 | 121,342,389 |

Long-term borrowings from financial institutions of Baht 121.34 million is collaterised by pledge of all shares   
of Wall Street English (Thailand) Company Limited, 90 million shares of Wave Entertainment Public Company Limited and 17.63 million shares of BEC World Public Co. Ltd.

The carrying amounts of borrowings approximate their fair values.

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidatedfinancial information | | Separatefinancial information | |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Current portion of lease liabilities | 34,325,278 | 41,487,964 | 2,315,614 | 6,130,445 |
| Long-term lease liabilities | 23,094,496 | 26,644,902 | 173,000 | 928,733 |
|  |  |  |  |  |
|  | 57,419,774 | 68,132,866 | 2,488,614 | 7,059,178 |

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 2022 | 71,713,825 | (3,580,959) | 68,132,866 |
| Non-cash changes: |  |  |  |
| Additions | 25,356,864 | (1,693,328) | 23,663,536 |
| Amortised deferred interest | - | 2,464,129 | 2,464,129 |
| Cash outflows: |  |  |  |
| Repayment | (36,840,757) | - | (36,840,757) |
|  |  |  |  |
| At 30 September 2022 | 60,229,932 | (2,810,158) | 57,419,774 |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Separate financial information** | | |
|  | **Lease payables** | **Deferred interest** | **Lease liabilities** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| At 1 January 2022 | 7,355,596 | (296,418) | 7,059,178 |
| Non-cash changes: |  |  |  |
| Amortised deferred interest | - | 224,060 | 224,060 |
| Cash outflows: |  |  |  |
| Repayment | (4,794,624) | - | (4,794,624) |
|  |  |  |  |
| At 30 September 2022 | 2,560,972 | (72,358) | 2,488,614 |

The weighted average lessee’s incremental lease liabilities rate applied to the lease liabilities on 30 September 2022 was 5.13% - 8.88%.

|  |
| --- |
| **14 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 nine-months ended 30 September 2022 and 30 September 2021 is 0.03%.

|  |
| --- |
| **15 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 2021 | 1,520,842,672 | 785,261,701 | 785,261,701 | 353,617,102 | 1,138,878,803 |
| Capital reduction | (576,925,916) | - | - | - | - |
| Issue of shares | 471,083,244 | - | - | - | - |
|  |  |  |  |  |  |
| At 31 December 2021 | 1,415,000,000 | 785,261,701 | 785,261,701 | 353,617,102 | 1,138,878,803 |
| Capital reduction | (942,240,265) | - | - | (353,617,102) | (353,617,102) |
| Par value reduction from |  |  |  |  |  |
| Baht 1 to Baht 0.5 each | - | - | (392,630,850) | - | (392,630,850) |
| Issue of shares | 12,339,293,301 | - | - | - | - |
|  |  |  |  |  |  |
| At 30 September 2022 | 12,812,053,036 | 785,261,701 | 392,630,851 | - | 392,630,851 |

On 11 April 2022, the Annual General Meeting of shareholders for the year 2022 (AGM no.29/2022) approved the compensation of the accumulated loss from legal reserve and share premium amounting to Baht 46,795,718, and Baht 353,617,102 million.

On 11 April 2022, the Annual General Meeting of shareholders for the year 2022 (AGM no.29/2022) approved a reduction of a registered capital amount of Baht 471,083,245 from Baht 1,145,000,000 to Baht 943,916,755 by reducing 471,083,245 shares unissued and non-offering shares with a par value of Baht 1 per share. The company registered with the Ministry of Commerce on 12 April 2022.

On 11 April 2022, the Annual General Meeting of shareholders for the year 2022 (AGM no.29/2022) approved a reduction of the Company’s paid-up shares capital by reducing a par value of the shares from Baht 1 each to Baht 0.50 from Baht 785,261,701 to Baht 392,630,850.50 in order to compensate the accumulated loss of the Company.   
The Company registered the decreased share capital with the Ministry of Commerce on 24 June 2022.

On 11 April 2022, the Annual General Meeting of shareholders for the year 2022 (AGM no.29/2022) approved an increase of the Company’s registered capital under the general mandate scheme in the amount of not exceeding Baht 235,578,510 from the registered capital of Baht 471,958,377.50 to the registered capital of Baht 707,536,887.50 by issuing newly issued ordinary shares in the amount of not exceeding 471,157,020 shares at the par value of Baht 0.50. The Company registered the increased share capital with the Ministry of Commerce on 27 June 2022.

On 13 September 2022, the Extraordinary General Meeting of shareholders for the year 2022 (EGM no.1/2022) approved a reduction of a registered capital amount of Baht 235,578,510 from Baht 707,536,887.50 to Baht 471,958,377.50 by reducing 471,157,020 shares unissued and non-offering shares with a par value of Baht 0.5 per share. The company registered with the Ministry of Commerce on 14 September 2022.

On 13 September 2022,the Extraordinary General Meeting of shareholders for the year 2022 (EGM no.1/2022) approved an increase of the Company’s registered capital under the general mandate scheme in the amount of not exceeding Baht 5,934,068,140.50 from the registered capital of Baht 471,958,377.50 to the registered capital of Baht 6,406,026,518 by issuing newly issued ordinary shares in the amount of not exceeding 11,868,136,281 shares at the par value of Baht 0.50. The Company registered the increased share capital with the Ministry of Commerce on 15 September 2022.

|  |
| --- |
| **16 Legal reserve** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **30 September**  **2022** | **31 December 2021** | **30 September**  **2022** | **31 December 2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| At 1 January | 46,795,718 | 46,795,718 | 46,795,718 | 46,795,718 |
| Compensation of the accumulated loss (Note 15) | (46,795,718) | - | (46,795,718) | - |
|  |  |  |  |  |
| At 30 September | - | 46,795,718 | - | 46,795,718 |

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. The legal reserve is non-distributable.

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| **17 Related party transactions** |

The major shareholders of the Company are Maleenont family, BEC world Public Company Limited and The Mall Group Company Limited (incorporated in Thailand), which owns 20.70%, 7.42% and 5.95% of the Company’s shares, respectively. The remaining 65.93% of the shares are widely held.

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** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| **Other income:** |  |  |  |  |
| Subsidiaries | - | - | 2,331,329 | 3,929,934 |
| Related companies | - | 455,250 | - | - |
|  |  |  |  |  |
|  | - | 455,250 | 2,331,329 | 3,929,934 |
|  |  |  |  |  |
| **Interest income:** |  |  |  |  |
| Subsidiaries | - | - | 1,943,890 | 2,661,841 |
| Related companies | 53,278 | 50,622 | 53,278 | 50,622 |
|  |  |  |  |  |
|  | 53,278 | 50,622 | 1,997,168 | 2,712,463 |

**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** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| **Selling and administrative expenses:** |  |  |  |  |
| Related companies | 717,757 | 883,235 | 711,360 | 879,016 |
|  |  |  |  |  |
| **Interest expenses:** |  |  |  |  |
| Key Management | 178,192 | - | 178,192 | - |

|  |
| --- |
| **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** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| **Other receivables** (note 7) |  |  |  |  |
| (include in amount due from related parties) |  |  |  |  |
| Subsidiaries | - | - | 33,772,979 | 36,787,043 |
| Less loss allowance | - | - | (32,100,000) | (32,100,000) |
|  |  |  |  |  |
| Subsidiaries | - | - | 1,672,979 | 4,687,043 |
|  |  |  |  |  |
| **Accrued interest income** (note 7) |  |  |  |  |
| (include in amount due from related parties) |  |  |  |  |
| Accrued interest income of subsidiaries | - | - | 67,674,342 | 130,613,344 |
| Less loss allowance | - | - | (67,674,342) | (130,613,344) |
|  |  |  |  |  |
| Subsidiaries | - | - | - | - |
|  |  |  |  |  |
| **Trade and other payables** |  |  |  |  |
| (included in liabilities related to |  |  |  |  |
| assets classified as held-for-sale) |  |  |  |  |
| Related companies | - | 1,322,961 | - | - |
|  |  |  |  |  |
| **Accrued expenses** |  |  |  |  |
| Related companies | 1,098,057 | 1,765,431 | 1,097,564 | 1,765,028 |
|  |  |  |  |  |
| **Accrued interest expenses** |  |  |  |  |
| Key Management | 178,192 | - | 178,192 | - |
|  |  |  |  |  |
| **Lease liabilities** |  |  |  |  |
| Related companies | 1,598,171 | 5,794,593 | 1,577,413 | 5,723,268 |

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

|  |  |  |
| --- | --- | --- |
|  | **Separate** | |
|  | **financial information** | |
|  | **30 September** | **31 December** |
|  | **2022** | **2021** |
|  | **Baht** | Baht |
|  |  |  |
| **Borrowings to:** |  |  |
| Subsidiaries | 1,201,052,900 | 1,201,052,900 |
| Less Expected credit loss | (1,021,052,900) | (1,021,052,900) |
|  |  |  |
|  | 180,000,000 | 180,000,000 |

There is no movements in short-term borrowings to related parties during the nine-month period ended   
30 September 2022.

Short-term borrowings to subsidiaries are denominated in Thai Baht, bearing interest rate of MOR rate plus 0.25% per annum, 6.13% and interest-free, and they are due at call.

Due to the borrowings are short-term so the fair value is equal to the book value since the effect of the discount rate is insignificant.

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

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
| **Borrowings from:** |  |  |  |  |
| Subsidiaries | - | - | 7,000,000 | 10,000,000 |
| Key management | 18,000,000 | - | 18,000,000 | - |
|  |  |  |  |  |
|  | 18,000,000 | - | 25,000,000 | 10,000,000 |

Short-term borrowings from key management are denominated in Thai Baht, bearing interest rate at 4% per annum and there was due at call.

Short-term borrowings from subsidiaries are denominated in That Baht, is interest-free ad 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** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Short-term employee benefits | 16,408,839 | 25,141,199 | 9,313,950 | 19,228,219 |
| Post-employee benefits | 1,666,095 | 1,393,773 | 1,666,095 | 1,393,773 |
|  |  |  |  |  |
|  | 18,074,934 | 26,534,972 | 10,980,045 | 20,621,992 |

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

**18.1 Bank Guarantee**

As at 30 September 2022, there are outstanding bank guarantee given on behalf of the Group to the third parties in respect of business operation amounting to Baht 0.25 million (2021 : Baht 0.50 million).

**18.2 Commitment for franchise fees**

As at 30 September 2022 and 31 December 2021, 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 Contingencies and commitments** (Cont’d) |

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

As at 30 September 2022, 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** |
|  | **2022** | **2021** | **2022** | **2021** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Not later than 1 year | 1,977,418 | 14,218,739 | - | - |
| Later than 1 year but not later than 5 years | - | 75,000 | - | - |
|  |  |  |  |  |
|  | 1,977,418 | 14,293,739 | - | - |

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

On 20 October 2022, the Company received share subscription for 7,852,612,103 shares from the exercise of Rights Offering offered to exist common shareholders, with the par value of Baht 0.50 per share, at the value of Baht 0.10 per share, totalling Baht 785.26 million. As a result, the fully paid-up share capital increase to 8,637,873,804 shares. The Company registered the share subscription with the Ministry of Commerce on 21 October 2022.

On 1 November 2022, the Board of director meeting no.7/2022 approved

1) An increase of Wave ESG Company Limited’s registered capital in the amount of Baht 327.78 million with a par value of Baht 10 per share.

2) An increase of Wave Pictures Company Limited’s registered capital in the amount of not exceeding Baht 400 million from the registered capital of Baht 100 million to the registered capital of Baht 500 million at the par value of Baht 100 per share.

3) An increase of Wave TV Company Limited’s registered capital in the amount of Baht 100 million from the registered capital of Baht 50 million to the registered capital of Baht 150 million at the par value of Baht 10 per share.

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

The interim consolidated and separate financial information were authorised for issue by the Board of Directors on   
10 November 2022.