**1 General information**

Matching Maximize Solution Public Company Limited, (the “Company”) is incorporated in Thailand and a public limited company which is listed on the Stock Exchange of Thailand. The address of the Company’s registered office is as follow

No.305/12 Soi Sukhothai 6, Sukhothai Road, Dusit, Bangkok.

For reporting purposes, the Company and its subsidiaries are referred to as “the Group”.

The Company and its subsidiaries (the Group) is principally engaged in the business of producing television programs and commercial, providing film production equipment for rent and related services, selling of goods, providing services and renting of studio and production service and co-operation of movie film.

The interim consolidated and separate financial information have been approved by the Board of Directors on   
8 November 2021.

The 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 nine-month period ended 30 September 2021. The Group is now paying close attention to the development of the COVID-19 situation, evaluating its impact on the Group operation while strategizing effective solutions.

**3 Financial position**

The Group has incurred a net loss for the nine-month period ended 30 September 2021 of Baht 22.57 million and has deficit as at 30 September 2021 of Baht 382.50 million. This indicator raised doubt on the Group’s ability to continue as a going concern. Nevertheless, management believes that the Group has an business plan and available credit facilities are sufficient for operation, which enables the Group to continue as a going concern and fulfil all of its financial obligations now and in the future for a minimum period of 12 months. Therefore, the preparation of the financial information is based on accounting principles applicable to going concern basis.

**4 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 language version of the 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.

**5 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 included in the financial performance in the period ended 30 September 2021; and
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.

**6 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 Segment and revenue information**

The Group’s chief operating decision-maker identifies reportable segments of its business to examine the Group’s performance by business segment as follows:

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

Financial information by business segment are as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Unit: Baht’000** | | | | |
|  | **Consolidated financial information** | | | | |
|  |  | **Equipment** | **Studio** |  |  | |
|  | **Television** | **rental and** | **rental and** | **Sales of** |  | |
|  | **programs** | **service** | **service** | **products** | **Total** | |
|  |  |  |  |  |  | |
| **For the nine-month period ended 30 September 2021** |  |  |  |  |  | |
| Revenues |  |  |  |  |  | |
| Gross segment revenues | 21,847 | 167,591 | 70,051 | 2,018 | 261,507 | |
| Inter - segment revenues | - | (207) | (17,160) | (9) | (17,376) | |
|  |  |  |  |  |  | |
| Net revenues from third parties | 21,847 | 167,384 | 52,891 | 2,009 | 244,131 | |
|  |  |  |  |  |  | |
| Segment result | (3,886) | 870 | 9,705 | 1,127 | 7,816 | |
| Other income |  |  |  |  | 1,479 | |
| Interest paid |  |  |  |  | (8,639) | |
| Unallocated cost/expenses |  |  |  |  | (22,483) | |
| Income tax |  |  |  |  | (741) | |
|  |  |  |  |  |  | |
| Loss attributable to owners of the parent |  |  |  |  | (22,568) | |
| Loss attributable to non-controlling interests |  |  |  |  | - | |
|  |  |  |  |  |  | |
| Net loss for the period |  |  |  |  | (22,568) | |
|  |  |  |  |  |  | |
| **Timing of revenue recognition** |  |  |  |  |  | |
| At a point in time | 21,847 | - | - | 2,009 | 23,856 | |
| Over time | - | 167,384 | 52,891 | - | 220,275 | |
|  |  |  |  |  |  | |
| Total revenue | 21,847 | 167,384 | 52,891 | 2,009 | 244,131 | |

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

Financial information by business segment are as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Unit: Baht’000** | | | | |
|  | **Consolidated financial information** | | | | |
|  |  | **Equipment** | **Studio** |  |  | |
|  | **Television** | **rental and** | **rental and** | **Sales of** |  | |
|  | **programs** | **service** | **service** | **products** | **Total** | |
|  |  |  |  |  |  | |
| **For the nine-month period ended 30 September 2020** |  |  |  |  |  | |
| Revenues |  |  |  |  |  | |
| Gross segment revenues | 30,102 | 151,467 | 28,588 | 1,753 | 211,910 | |
| Inter - segment revenues | - | (2,269) | (17,493) | (17) | (19,779) | |
|  |  |  |  |  |  | |
| Net revenues from third parties | 30,102 | 149,198 | 11,095 | 1,736 | 192,131 | |
|  |  |  |  |  |  | |
| Segment result | (8,558) | (59,316) | (41,853) | 909 | (108,818) | |
| Other income |  |  |  |  | 5,013 | |
| Interest paid |  |  |  |  | (7,661) | |
| Unallocated cost/expenses |  |  |  |  | (45,485) | |
| Income tax |  |  |  |  | 16,538 | |
|  |  |  |  |  |  | |
| Loss attributable to owners of the parent |  |  |  |  | (140,413) | |
| Loss attributable to non-controlling interests |  |  |  |  | - | |
|  |  |  |  |  |  | |
| Net loss for the period |  |  |  |  | (140,413) | |
|  |  |  |  |  |  | |
| **Timing of revenue recognition** |  |  |  |  |  | |
| At a point in time | 30,102 | - | - | 1,736 | 31,838 | |
| Over time | - | 149,198 | 11,095 | - | 160,293 | |
|  |  |  |  |  |  | |
| Total revenue | 30,102 | 149,198 | 11,095 | 1,736 | 192,131 | |

**8 Trade and other receivables, net**

As at 30 September 2021 and 31 December 2020, trade receivables and unearned income, included in trade and other receivables in statements of financial position, can analyse aging as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Unit: Baht’000** | | | |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2021** | **2020** | **2021** | **2020** |
|  |  |  |  |  |
| Trade accounts receivable and  unearned income |  |  |  |  |
| Not yet due | 54,385 | 44,743 | 4,941 | 7,495 |
| Overdue less than 3 months | 17,352 | 14,046 | 2,712 | 2,857 |
| Overdue 3 but less than 6 months | 3,768 | 3,456 | 32 | - |
| Overdue 6 but less than 12 months | 4,403 | 10,259 | - | - |
| Overdue over 12 months | 27,694 | 29,781 | 2,366 | 2,366 |
|  |  |  |  |  |
|  | 107,602 | 102,285 | 10,051 | 12,718 |
| Less Allowance for expected credit loss | (34,359) | (40,375) | (2,399) | (2,411) |
|  |  |  |  |  |
| Trade accounts receivable and |  |  |  |  |
| unearned income, net | 73,243 | 61,910 | 7,652 | 10,307 |

**9 Investments in subsidiaries, net**

No Movements of investments in subsidiaries for the nine-month period ended 30 September 2021.

**10 Investment property, net**

Investment property under Gear Head Co., Ltd. are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Unit: Baht’000** | |
|  | **Consolidated**  **financial information** | |
|  | **30 September** | **31 December** |
|  | **2021** | **2020** |
|  |  |  |
| Land and building - Kanchanaburi Province | 1,960 | 1,960 |
| Less Provision for impairment | (1,960) | (1,960) |
|  |  |  |
| Net book amount | - | - |

**11 Property, plant and equipment and intangible assets, net**

Movements of property, plant and equipment and intangible assets for the nine-month period ended 30 September 2021 are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Unit: Baht’000** | | | |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **Property, plant** | **Intangible** | **Building** | **Intangible** |
|  | **and equipment** | **assets** | **and equipment** | **assets** |
|  |  |  |  |  |
| Opening net book amount | 1,213,679 | 2,300 | 20,049 | 133 |
| Additions | 4,258 | 15 | 37 | - |
| Disposals and write-off, net | (5) | - | - | - |
| Depreciation and amortisation | (28,453) | (563) | (2,385) | (27) |
|  |  |  |  |  |
| Closing net book amount | 1,189,479 | 1,752 | 17,701 | 106 |

**12 Assets for rent, net**

Movements of assets for rent for the nine-month period ended 30 September 2021 are as follows:

|  |  |
| --- | --- |
|  | **Unit: Baht’000** |
|  | **Consolidated**  **financial information** |
|  |  |
| Opening net book amount | 227,121 |
| Additions | 16,317 |
| Disposals and write-off, net | (380) |
| Depreciation charge | (35,533) |
|  |  |
| Closing net book amount | 207,525 |

Assets for rent represent equipment of Gear Head Co., Ltd. which are for rental for single usage. There was no long-term rental contract committed.

**13 Right-of-use assets, net**

Movements of right-of-use assets for the nine-month period ended 30 September 2021 are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Unit: Baht’000** | |
|  | **Consolidated**  **financial information** | **Separate**  **financial information** |
|  |  |  |
| Opening net book amount | 14,664 | 7,339 |
| Depreciation charge | (2,510) | (387) |
|  |  |  |
| Closing net book amount | 12,154 | 6,952 |

**14 Long-term borrowing from bank, net**

|  |  |  |
| --- | --- | --- |
|  | **Unit: Baht’000** | |
|  | **Consolidated**  **financial information** | |
|  | **30 September** | **31 December** |
|  | **2021** | **2020** |
|  |  |  |
| Current portion of long-term borrowings | 30,110 | 21,099 |
| Long-term borrowings payable over 1 year but less than 5 years | 132,342 | 131,856 |
| Long-term borrowings payable later 5 years | 26,798 | 34,165 |
|  |  |  |
|  | 189,250 | 187,120 |

Movements of long-term borrowing from bank for the nine-month period ended 30 September 2021 as follows:

|  |  |
| --- | --- |
|  | **Unit: Baht’000** |
|  | **Consolidated**  **financial information** |
|  |  |
| Beginning balance | 187,120 |
| Additions | 4,000 |
| Repayment of borrowings | (1,870) |
|  |  |
| Ending balance | 189,250 |

Long-term borrowing from bank as at 30 September 2021 and 31 December 2020 comprise the following:

|  |  |  |  |
| --- | --- | --- | --- |
| **Outstanding borrowings** | **Interest rate** | **Maturity** |  |
| **(Thousand Baht)** | **per annum (%)** | **date** | **Collateral** |
|  |  |  |  |
| 76,998  (31 December 2020 : 76,998) | MLR | August - April 2026 | Secured by the Company (Note 15.3) |
| 4,000  (31 December 2020 : Nil) | 2 | March 2023 | Secured by the Company (Note 15.3) |
| 108,252  (31 December 2020 : 110,122) | MLR - margin | December 2027  - June 2028 | Land of The Studio Park (Thailand)  Co., Ltd. (Note 15.3) |

**15 Commitments and contingencies**

**15.1 Letter of guarantee**

As at 30 September 2021, there are letters of guarantee issued by commercial banks in respect of television   
airtime contracts, performance, and electricity usage, on behalf of the Group totalling Baht 2.35 million   
(31 December 2020: Baht 1.52 million).

**15.2 Capital commitments**

As at 30 September 2021 and 31 December 2020, capital expenditure contracted but not recognised as liabilities is as follows:

|  |  |  |
| --- | --- | --- |
|  | **Unit: Baht’000** | |
|  | **Consolidated**  **financial information** | |
|  | **30 September** | **31 December** |
|  | **2021** | **2020** |
|  |  |  |
| Property, plant and equipment | 7,501 | 296 |

**15 Commitments and contingencies** (Cont’d)

**15.3 Guarantees**

a) As at 30 September 2021, the Company has provided guarantees for long-term bank borrowing in Gear Head Co., Ltd. for a total of Baht 84 million (31 December 2020: Baht 80 million).

b) As at 30 September 2021, The Studio Park (Thailand) Co., Ltd. pledged its land as a security for long-term bank borrowing of Baht 537 million (31 December 2020: Baht 537 million).

**16 Related party transactions**

The Company is controlled by The BBTV Productions Co., Ltd. incorporated in Thailand, which owns 87.72% of the Company’s shares. The remaining 12.28% of the shares are widely held.

The following material transactions were carried out with related parties:

**16.1 Transactions with related parties**

Transactions with related parties for the nine-month period ended 30 September 2021 and 30 September 2020 are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Unit: Baht’000** | | | |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
| **For the nine-month period ended** | **30 September** | **30 September** | **30 September** | **30 September** |
|  | **2021** | **2020** | **2021** | **2020** |
|  |  |  |  |  |
| **Revenues from rental and service** |  |  |  |  |
| Related companies | 3,055 | 2,018 | - | - |
|  |  |  |  |  |
| **Revenues from sale** |  |  |  |  |
| Related companies | 8 | - | - | - |
|  |  |  |  |  |
| **Revenue from management fee** |  |  |  |  |
| Subsidiaries | - | - | - | 21,815 |
|  |  |  |  |  |
| **Interest income** |  |  |  |  |
| Subsidiaries | - | - | 22,016 | 22,528 |
|  |  |  |  |  |
| **Cost of services** |  |  |  |  |
| Subsidiaries | - | - | - | 2,387 |
| Related companies | 6,875 | 10,326 | 6,872 | 10,326 |
|  |  |  |  |  |
|  | 6,875 | 10,326 | 6,872 | 12,713 |
|  |  |  |  |  |
| **Operating expenses** |  |  |  |  |
| Subsidiary | - | - | 206 | 43 |
| Related companies | 2,067 | 2,893 | 586 | 1,044 |
|  |  |  |  |  |
|  | 2,067 | 2,893 | 792 | 1,087 |
|  |  |  |  |  |
| **Other income** |  |  |  |  |
| Related company | - | 3,000 | - | - |

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

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

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

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Unit: Baht’000** | | | |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2021** | **2020** | **2021** | **2020** |
|  |  |  |  |  |
| **Trade accounts receivable** |  |  |  |  |
| Related companies | 1,849 | - | - | - |
|  |  |  |  |  |
| **Trade accounts payable** |  |  |  |  |
| Subsidiary | - | - | 197 | - |
| Related companies | 33 | 33 | 10 | 10 |
|  |  |  |  |  |
|  | 33 | 33 | 207 | 10 |
|  |  |  |  |  |
| **Accrued expense** |  |  |  |  |
| Related companies | 194 | 229 | 63 | 54 |

**16.3 Short-term loans to subsidiaries**

Movements of short-term loans to subsidiaries for the nine-month period ended 30 September 2021 are as follows:

|  |  |
| --- | --- |
|  | **Unit: Baht’000** |
|  | **Separate**  **financial information** |
|  |  |
| Beginning balance | 450,206 |
| Loans granted | 7,000 |
| Payment received | (29,500) |
|  |  |
| Ending balance | 427,706 |

Loans to subsidiaries represent promissory notes, carry interest at the rates 5.25% per annum and are due at call. Loans are unsecured.

**16.4 Key management remuneration**

Key management includes directors. The compensations paid or payable to key management are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Unit: Baht’000** | | | |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
| **For the nine-month period ended** | **30 September** | **30 September** | **30 September** | **30 September** |
|  | **2021** | **2020** | **2021** | **2020** |
|  |  |  |  |  |
| Salaries and other short-term |  |  |  |  |
| employee benefits | 14,543 | 13,081 | 13,169 | 12,244 |
| Post-employee benefits | 301 | 387 | 262 | 387 |
|  |  |  |  |  |
|  | 14,844 | 13,468 | 13,431 | 12,631 |