

Mono Technology Public Company Limited and its subsidiaries
Review report and interim financial information
For the three-month and six-month periods ended 30 June 2020

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Mono Technology Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Mono Technology Public Company Limited and its subsidiaries as at 30 June 2020, the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Mono Technology Public Company Limited for the same periods (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Emphasis of Matters

I draw attention to Note 1.2 to the interim consolidated financial statements. The COVID-19 pandemic is continuing to evolve, resulting in an economic slowdown and impacting the Group's business activities. The Group has assessed the impact and amended its business plan to reflect the current circumstances, and adjusted the values of assets in the consolidated financial statements and investments in subsidiaries in the separate financial statements, in so far as they are relevant to the amendments to the business plan, as discussed in Note 5 to the interim consolidated financial statements. In considering the values of the assets and the investments in subsidiaries, the Group has adopted the Accounting Guidance on Temporary Relief Measures for Accounting Alternatives Dealing with The Impact of the COVID-19 Pandemic issued by the Federation of Accounting Professions, as discussed in Note 1.5 to the interim consolidated financial statements, because the impact cannot be reasonably estimated at this stage. The Group has continuously monitored the ongoing developments and will record the impact when it is possible to do so. My conclusion is not modified in respect of these matters.

Krongkaew Limkittikul
Certified Public Accountant (Thailand) No. 5874

EY Office Limited
Bangkok: 13 August 2020

Mono Technology Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2020

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2020	31 December 2019	30 June 2020	31 December 2019
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		63,912	45,072	1,177	1,796
Trade and other receivables	4	157,747	141,493	447,395	419,444
Contract assets - accrued revenues		91,282	189,115	130,856	128,582
Inventories		9,822	16,339	-	-
Current tax assets		21,269	66,942	3,248	9,016
Prepaid expenses		10,966	17,513	1,194	3,362
Other current assets		59,232	57,315	4,110	5,568
Total current assets		414,230	533,789	587,980	567,768
Non-current assets					
Restricted bank deposits	16.2	27,446	39,607	31	913
Investments in subsidiaries	5	-	-	3,069,405	3,225,225
Investment in an associate		883	883	-	-
Loans to subsidiaries	3	-	-	607,600	623,500
Property, plant and equipment	6	662,168	712,972	9,091	21,706
Intangible assets	7	2,250,036	2,282,813	10,057	56,455
Cost of spectrum license		561,109	592,854	-	-
Deferred tax assets		302,603	300,534	13,238	13,238
Other non-current assets		138,330	79,325	29,583	20,495
Total non-current assets		3,942,575	4,008,988	3,739,005	3,961,532
Total assets		4,356,805	4,542,777	4,326,985	4,529,300

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

Mono Technology Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2020

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2020	31 December 2019	30 June 2020	31 December 2019
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions		178,874	185,871	28,015	19,227
Trade and other payables	8	522,293	358,356	112,179	151,636
Contract liabilities - unearned revenues		68,220	72,611	4,844	409
Current portion of long-term liabilities					
Long-term loans from banks	10	1,309,393	300,788	-	-
Cost of spectrum license payable		219,884	-	-	-
Lease liabilities		18,447	21,843	654	633
Short-term loan from a subsidiary	3	-	-	49,705	48,514
Short-term loans from an unrelated party	9	145,000	-	-	-
Income tax payable		1,167	387	-	-
Other current liabilities		30,935	37,534	12,500	13,592
Total current liabilities		2,494,213	977,390	207,897	234,011
Non-current liabilities					
Long-term liabilities - net of current portion					
Long-term loans from banks	10	307,785	1,233,076	-	-
Cost of spectrum license payable		-	212,180	-	-
Lease liabilities		9,501	16,219	643	975
Deferred tax liabilities		3,679	5,834	-	-
Provision for long-term employee benefits		86,959	86,395	43,827	42,437
Total non-current liabilities		407,924	1,553,704	44,470	43,412
Total liabilities		2,902,137	2,531,094	252,367	277,423

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

Mono Technology Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2020

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2020	31 December 2019	30 June 2020	31 December 2019
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity					
Share capital	11				
Registered					
4,862,999,975 ordinary shares of Baht 0.1 each		486,300	486,300	486,300	486,300
Issued and fully paid-up					
3,471,054,038 ordinary shares of Baht 0.1 each		347,105	347,105	347,105	347,105
Premium on ordinary shares		3,633,008	3,633,008	3,633,008	3,633,008
Differences on business combination					
under common control		(152,365)	(152,365)	-	-
Retained earnings					
Appropriated - statutory reserve		51,970	51,970	51,970	51,970
Unappropriated (deficit)		(2,424,054)	(1,865,883)	42,535	219,794
Other components of shareholders' equity		(996)	(2,152)	-	-
Total shareholders' equity		1,454,668	2,011,683	4,074,618	4,251,877
Total liabilities and shareholders' equity		4,356,805	4,542,777	4,326,985	4,529,300
		-	-	-	-

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

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Directors
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Mono Technology Public Company Limited and its subsidiaries**Statement of comprehensive income****For the three-month period ended 30 June 2020**

(Unit: Thousand Baht, except loss per share expressed in Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Profit or loss:					
Revenues					
Revenue from contracts with customers	12	302,648	610,128	22,241	46,641
Interest income	3	91	333	9,295	4,669
Other income	3	30,459	3,279	25,909	50,746
Total revenues		333,198	613,740	57,445	102,056
Expenses					
Cost of sales and services		407,436	495,480	15,340	51,151
Selling and servicing expenses		24,901	56,176	318	1,991
Administrative expenses		57,570	132,380	35,638	65,305
Loss on impairment of equipment		5,084	-	-	-
Loss on impairment of intangible assets		2,226	-	810	-
Total expenses		497,217	684,036	52,106	118,447
Profit (loss) from operating activities		(164,019)	(70,296)	5,339	(16,391)
Finance cost		(28,708)	(24,881)	(1,223)	(664)
Profit (loss) before income tax		(192,727)	(95,177)	4,116	(17,055)
Tax income (expenses)	13	24,822	(32)	-	1,905
Profit (loss) for the period		(167,905)	(95,209)	4,116	(15,150)
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currencies		(1,796)	1,978	-	-
Other comprehensive income for the period		(1,796)	1,978	-	-
Total comprehensive income for the period		(169,701)	(93,231)	4,116	(15,150)
Earnings per share					
14					
Basic earnings per share					
Profit (loss) attributable to equity holders of the Company		(0.048)	(0.027)	0.001	(0.004)

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

Mono Technology Public Company Limited and its subsidiaries**Statement of comprehensive income****For the six-month period ended 30 June 2020**

(Unit: Thousand Baht, except loss per share expressed in Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Profit or loss:					
Revenues					
Revenue from contracts with customers	12	673,732	1,173,001	67,068	92,592
Interest income	3	96	352	18,625	9,261
Other income	3	32,257	10,443	58,927	96,069
Total revenues		706,085	1,183,796	144,620	197,922
Expenses					
Cost of sales and services		876,199	976,930	54,856	105,952
Selling and servicing expenses		45,546	110,036	1,652	6,796
Administrative expenses		233,610	250,255	99,727	120,326
Loss on impairment of investments in subsidiaries	5	-	-	155,820	-
Loss on impairment of leasehold improvement and equipment	6	24,535	-	6,660	-
Loss on impairment of intangible assets	7	18,226	-	810	-
Total expenses		1,198,116	1,337,221	319,525	233,074
Loss from operating activities		(492,031)	(153,425)	(174,905)	(35,152)
Finance cost		(58,765)	(56,508)	(2,354)	(1,296)
Loss before income tax		(550,796)	(209,933)	(177,259)	(36,448)
Tax income (expenses)	13	(7,375)	2,369	-	2,203
Loss for the period		(558,171)	(207,564)	(177,259)	(34,245)
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currencies		1,156	(2,117)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial loss - net of income tax		-	(10,715)	-	(4,731)
Other comprehensive income for the period		1,156	(12,832)	-	(4,731)
Total comprehensive income for the period		(557,015)	(220,396)	(177,259)	(38,976)
Loss per share					
14					
Basic loss per share					
Loss attributable to equity holders of the Company		(0.161)	(0.060)	(0.051)	(0.010)

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

(Unaudited but reviewed)

Mono Technology Public Company Limited and its subsidiaries**Cash flow statement****For the six-month period ended 30 June 2020**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash flows from operating activities				
Loss before tax	(550,796)	(209,933)	(177,259)	(36,448)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities:				
Depreciation	43,358	52,290	5,955	6,824
Amortisation	605,236	557,328	5,795	7,361
Amortisation of spectrum license cost	31,744	49,410	-	-
Impairment loss on financial assets - doubtful debts (reversal)	550	(19)	2,400	(1,383)
Reduction of inventories to net realisable value	1,308	179	-	-
Loss on impairment of investments in subsidiaries	-	-	155,820	-
Loss (gain) on disposals of equipment	(2,807)	1	(932)	-
Gain on disposals of intangible assets	-	-	(17)	-
Loss on impairment of leasehold improvement	24,535	-	6,660	-
Loss on impairment of intangible assets	18,226	-	810	-
Unrealised loss (gain) on exchange	7,375	(7,061)	1,252	(2,952)
Provision for long-term employee benefits	47,092	20,403	12,694	10,438
Interest income	(96)	(352)	(18,625)	(9,261)
Interest expenses	58,765	56,508	2,354	1,296
Profit (loss) from operating activities before changes in operating assets and liabilities	284,490	518,754	(3,093)	(24,125)
Operating assets decrease (increase)				
Trade and other receivables	81,004	16,817	(19,351)	(11,328)
Inventories	5,209	(810)	-	-
Prepaid expenses	5,647	2,491	2,163	1,063
Other current assets	(1,917)	20,791	1,458	(977)
Other non-current assets	(1,484)	(666)	(72)	(483)
Operating liabilities increase (decrease)				
Trade and other payables	(94,954)	16,012	(41,038)	8,726
Other current liabilities	(10,991)	(40,340)	3,343	7,426
Cash flows from (used in) operating activities	267,004	533,049	(56,590)	(19,698)
Cash paid for corporate income tax	(22,668)	(34,715)	(3,248)	(4,523)
Cash received from withholding tax refundable	-	63,434	-	24,169
Cash paid for long-term employee benefits	(46,527)	-	(11,303)	-
Net cash flows from (used in) operating activities	197,809	561,768	(71,141)	(52)

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

Mono Technology Public Company Limited and its subsidiaries**Cash flow statement (continued)****For the six-month period ended 30 June 2020**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash flows from investing activities				
Interest income	95	352	7,758	2,343
Decrease (increase) in loans to subsidiaries	-	-	13,500	(2,867)
Decrease (increase) in restricted bank deposits	12,161	(7,204)	882	(680)
Cash paid for purchase of investment in an associate	-	(75)	-	-
Acquisition and cash paid to settle payables				
from purchases of equipment	(37,039)	(20,128)	(222)	(349)
Acquisition and cash paid to settle payables				
from purchases of intangible assets	(327,576)	(414,711)	(1,171)	(3,916)
Proceeds from sales of equipment	16,379	55	2,643	20
Proceeds from sales of intangible assets	-	-	40,981	-
Net cash flows from (used in) investing activities	<u>(335,980)</u>	<u>(441,711)</u>	<u>64,371</u>	<u>(5,449)</u>
Cash flows from financing activities				
Cash paid for interest expenses	(50,805)	(48,016)	(827)	(676)
Increase (decrease) in bank overdrafts and short-term loans				
from financial institutions	(6,996)	(38,013)	8,788	(162)
Increase in short-term loans from an unrelated party	145,000	-	-	-
Cash received from long-term loans from banks	159,393	-	-	-
Repayment of long-term loans from banks	(76,078)	(42,070)	-	-
Payment of lease liabilities	<u>(14,659)</u>	<u>(12,548)</u>	<u>(1,810)</u>	<u>(251)</u>
Net cash flows from (used in) financing activities	<u>155,855</u>	<u>(140,647)</u>	<u>6,151</u>	<u>(1,089)</u>
Increase (decrease) in translation adjustments	<u>1,156</u>	<u>(2,117)</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	<u>18,840</u>	<u>(22,707)</u>	<u>(619)</u>	<u>(6,590)</u>
Cash and cash equivalents at beginning of period	<u>45,072</u>	<u>91,466</u>	<u>1,796</u>	<u>8,728</u>
Cash and cash equivalents at end of period	<u>63,912</u>	<u>68,759</u>	<u>1,177</u>	<u>2,138</u>
	-	-	-	-
Supplemental disclosures of cash flow information				
Non-cash transactions				
Payable of acquisition of equipment	6,365	1,815	12	45
Payable of acquisition of intangible assets	282,195	310,819	-	-
Assets acquired under lease agreements	1,577	25,744	-	1,681

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

(Unaudited but reviewed)

Mono Technology Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2020

(Unit: Thousand Baht)

Consolidated financial statements								
	Issued and fully paid-up share capital	Premium on ordinary shares	Differences on business combination under common control	Retained earnings		Other components of shareholders' equity		
				Appropriated	Unappropriated (deficit)	Other comprehensive income	Exchange differences on translation of financial statements in foreign currencies	Total other components of shareholders' equity
								Total shareholders' equity
Balance as at 1 January 2019	347,103	3,632,950	(152,365)	51,970	(1,238,979)	416		2,641,095
Loss for the period	-	-	-	-	(207,564)	-		(207,564)
Other comprehensive income for the period	-	-	-	-	(10,715)	(2,117)		(12,832)
Total comprehensive income for the period	-	-	-	-	(218,279)	(2,117)		(220,396)
Balance as at 30 June 2019	<u>347,103</u>	<u>3,632,950</u>	<u>(152,365)</u>	<u>51,970</u>	<u>(1,457,258)</u>	<u>(1,701)</u>		<u>2,420,699</u>
								-
Balance as at 1 January 2020	347,105	3,633,008	(152,365)	51,970	(1,865,883)	(2,152)		2,011,683
Loss for the period	-	-	-	-	(558,171)	-		(558,171)
Other comprehensive income for the period	-	-	-	-	-	1,156		1,156
Total comprehensive income for the period	-	-	-	-	(558,171)	1,156		(557,015)
Balance as at 30 June 2020	<u>347,105</u>	<u>3,633,008</u>	<u>(152,365)</u>	<u>51,970</u>	<u>(2,424,054)</u>	<u>(996)</u>		<u>1,454,668</u>
								-

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

(Unaudited but reviewed)

Mono Technology Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2020

(Unit: Thousand Baht)

	Separate financial statements				Total shareholders' equity
	Issued and fully paid-up share capital	Premium on ordinary shares	Retained earnings		
			Appropriated	Unappropriated	
Balance as at 1 January 2019	347,103	3,632,950	51,970	338,496	4,370,519
Loss for the period	-	-	-	(34,245)	(34,245)
Other comprehensive income for the period	-	-	-	(4,731)	(4,731)
Total comprehensive income for the period	-	-	-	(38,976)	(38,976)
Balance as at 30 June 2019	347,103	3,632,950	51,970	299,520	4,331,543
					-
Balance as at 1 January 2020	347,105	3,633,008	51,970	219,794	4,251,877
Loss for the period	-	-	-	(177,259)	(177,259)
Total comprehensive income for the period	-	-	-	(177,259)	(177,259)
Balance as at 30 June 2020	347,105	3,633,008	51,970	42,535	4,074,618

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

Mono Technology Public Company Limited and its subsidiaries
Notes to the interim consolidated financial statements
For the three-month and six-month periods ended 30 June 2020

1. General information

1.1 General information of the Company

On 29 June 2020, the Group registered the change of its registered offices with the Ministry of Commerce to 29/9 Moo 4 Chaiyapruk Road, Tambon Bang Phlap, Pakkred District, Nonthaburi, and the subsidiaries registered changes of their company names with the Ministry of Commerce from “Mono Film Company Limited”, “Mono Generation Company Limited” and “Mono Travel Company Limited” to “Mono Streaming Company Limited”, “Mono Cyber Company Limited” and “Mono Shopping Company Limited”, respectively.

1.2 COVID-19 pandemic

The COVID-19 pandemic is continuing to evolve, resulting in an economic slowdown and impacting the Group’s business activities. The Group has assessed the impact and amended its business plan to reflect the current circumstances. Since the full current and future impact on the Group’s financial position, operating results and cash flows cannot be reasonably estimated at this stage, the Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and will record the impact when it is possible to do so.

1.3 Basis for the preparation of interim financial statements

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

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

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

1.4 Basis of consolidation

The interim consolidated financial statements include the financial statements of Mono Technology Public Company Limited (the “Company”) and its subsidiary companies (the “subsidiaries”) (collectively referred to as the “Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2019. There were no changes in the composition of the Group during the period.

1.5 New financial reporting standards that became effective in the current period

During the period, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group’s financial statements. However, the new standard involves changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Accounting standard:

TAS 32 Financial Instruments: Presentation

Financial Reporting Standard Interpretations:

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the entity’s business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.

These standards do not have any significant impact on the Group’s financial statements.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Group adopted these financial reporting standards using the modified retrospective method of initial adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 2 to the interim consolidated financial statements.

Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation”

The Federation of Accounting Professions announced Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation”. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

The Group has elected to apply the following temporary relief measures on accounting alternatives:

- Not to use information relating to the COVID-19 situation in determining whether sufficient taxable profits will be available in future periods against which deferred tax assets can be utilised.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.
- Not to use information relating to the COVID-19 situation to determine whether the Group has a present obligation arising from past events in estimating provisions.

1.6 Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2019 except the changes in accounting policies related to financial instruments and leases.

1.6.1 Financial instruments

Impairment of financial assets

The Group recognises an allowance for expected credit losses on its financial assets measured at amortised cost, without requiring a credit-impaired event to have occurred prior to the recognition. The Group accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for trade receivables or contract assets that do not contain a significant financing component, the Group applies a simplified approach to determine the lifetime expected credit losses.

1.6.2 Leases

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Unless the Group is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Short-term leases and leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

2. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 1.6 to the interim consolidated financial statements, during the current period, the Group has adopted TFRSs related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings as at 1 January 2020, and the comparative information was not restated.

The changes in accounting policies do not have any impact on the balance of retained earnings as at 1 January 2020, but affect assets and liabilities in the statement of financial position as follows:

(Unit: Million Baht)

	Consolidated financial statements			Separate financial statements		
	31 December 2019	The impacts of TFRS 16	1 January 2020	31 December 2019	The impacts of TFRS 16	1 January 2020
Non-current assets						
Property, plant and equipment	713	10	723	22	2	24
Current liabilities						
Current portion						
of lease liabilities	22	5	27	1	1	2
Non-current liabilities						
Lease liabilities - net						
of current portion	16	5	21	1	1	2

Upon initial application of TFRS 16 the Group recognised lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at 1 January 2020. For leases previously classified as finance leases, the Group recognised the carrying amount of the right-of-use assets and lease liabilities based on the carrying amounts of the lease assets and lease liabilities immediately before the date of initial application of TFRS 16.

	(Unit: Million Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Operating lease and service commitments		
as at 31 December 2019	662	42
Less: Short-term leases and leases of low-value assets	(18)	(2)
Less: Option to terminate lease term	(9)	(9)
Less: Contracts reassessed as service agreements	(624)	(28)
Less: Deferred interest expenses	<u>(1)</u>	<u>(1)</u>
Increase in lease liabilities and right-of-use assets		
- office building space due to TFRS 16 adoption	10	2
Liabilities under finance lease agreements		
as at 31 December 2019	<u>38</u>	<u>2</u>
Lease liabilities as at 1 January 2020	<u>48</u>	<u>4</u>
Comprise of:		
Current lease liabilities	27	2
Non-current lease liabilities	<u>21</u>	<u>2</u>
	<u>48</u>	<u>4</u>

3. Related party transactions

During the periods, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Million Baht)

	For the three-month periods ended 30 June				
	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
<u>Transactions with the subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Interest income	-	-	9	4	6 percent (2019: 3 percent) per annum
Other income					
Management fees	-	-	23	36	Contract price
Office building space rental					
and service income	-	-	2	9	Contract price
Others	-	-	-	2	Contract price
Service revenue sharing payments	-	-	12	21	Contract price or as agreed upon
Rental and service expenses	-	-	1	1	Contract price or as agreed upon
Interest expenses	-	-	1	1	6 percent (2019: 3 percent) per annum
<u>Transactions with an associate</u>					
Cost of sales and services	1	-	-	-	Contract price or as agreed upon
<u>Transactions with related companies</u>					
Revenue from contracts					
with customers	49	10	2	1	Contract price or as agreed upon
Other income	8	-	-	-	Contract price or as agreed upon
Cost of sales and services	3	3	-	-	Contract price or as agreed upon
Rental and service expenses	10	15	5	9	Contract price or as agreed upon
Other expenses	1	2	-	2	Contract price or as agreed upon

	For the six-month periods ended 30 June				
	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
<u>Transactions with the subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Revenue from contracts					
with customers	-	-	6	1	Contract price or as agreed upon
Interest income	-	-	19	9	6 percent (2019: 3 percent) per annum
Other income					
Management fees	-	-	50	72	Contract price
Office building space rental					
and service income	-	-	6	13	Contract price
Others	-	-	2	3	Contract price
Service revenue sharing payments	-	-	37	42	Contract price or as agreed upon
Marketing expenses	-	-	-	1	Contract price or as agreed upon
Rental and service expenses	-	-	1	1	Contract price or as agreed upon
Interest expenses	-	-	2	1	6 percent (2019: 3 percent) per annum
<u>Transactions with an associate</u>					
Other income	1	-	-	-	Contract price or as agreed upon
Cost of sales and services	2	-	-	-	Contract price or as agreed upon
<u>Transactions with related companies</u>					
Revenue from contracts					
with customers	60	16	3	3	Contract price or as agreed upon
Other income	8	-	-	-	Contract price or as agreed upon
Cost of sales and services	5	6	1	1	Contract price or as agreed upon
Rental and service expenses	24	30	14	18	Contract price or as agreed upon
Other expenses	3	4	2	4	Contract price or as agreed upon

The balances of the accounts between the Group companies and those related parties were as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
		(Audited)		(Audited)
<u>Trade receivables - related parties (Note 4)</u>				
Subsidiaries	-	-	18	21
Associate	-	2	-	-
Related companies (related by common shareholders and directors)	33	15	4	3
Total trade receivables - related parties	<u>33</u>	<u>17</u>	<u>22</u>	<u>24</u>
<u>Accrued revenues - related parties</u>				
Subsidiaries	-	-	120	109
Associate	-	1	-	-
Related companies (related by common shareholders and directors)	2	11	-	-
Total accrued revenues - related parties	<u>2</u>	<u>12</u>	<u>120</u>	<u>109</u>
<u>Other receivables - related parties (Note 4)</u>				
Subsidiaries	-	-	406	377
Associate	-	1	-	-
Total other receivables - related parties	<u>-</u>	<u>1</u>	<u>406</u>	<u>377</u>
<u>Deposits and retentions - related parties</u>				
Related companies (related by common shareholders and directors)	<u>8</u>	<u>7</u>	<u>6</u>	<u>6</u>
<u>Trade payables - related parties (Note 8)</u>				
Subsidiaries	-	-	23	43
Related companies (related by common shareholders and directors)	13	12	-	-
Total trade payables - related parties	<u>13</u>	<u>12</u>	<u>23</u>	<u>43</u>
<u>Other payables - related parties (Note 8)</u>				
Subsidiaries	-	-	21	22
Related companies (related by common shareholders and directors)	62	58	48	45
Total other payables - related parties	<u>62</u>	<u>58</u>	<u>69</u>	<u>67</u>

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
		(Audited)		(Audited)
<u>Accrued expenses - related parties (Note 8)</u>				
Subsidiaries	-	-	6	3
Related companies (related by common shareholders and directors)	12	13	1	1
Total accrued expenses - related parties	<u>12</u>	<u>13</u>	<u>7</u>	<u>4</u>
<u>Unearned revenues - related parties</u>				
Related companies (related by common shareholders and directors)	<u>6</u>	<u>19</u>	<u>-</u>	<u>-</u>

Loans to subsidiaries

The balances of loans between the Company and its subsidiaries and the movements were as follows:

(Unit: Million Baht)

	Separate financial statements		
	31 December	Increase during the period	Decrease during the period
	2019		30 June 2020
	(Audited)		
Mono Cyber Company Limited (formerly known as "Mono Generation Company Limited")	38	-	-
Mono Production Company Limited	122	-	-
Mono Info Systems Company Limited	20	-	-
PT Mono Technology Indonesia	12	-	-
Mono Radio Company Limited	8	-	(8)
Mono Radio Broadcast Company Limited	5	-	(5)
Mono Broadcast Company Limited	<u>430</u>	<u>-</u>	<u>-</u>
Total	635	-	(13)
Less: Allowance for impairment loss on financial assets - doubtful accounts	<u>(12)</u>	<u>(2)</u>	<u>-</u>
Total loans to subsidiaries - net	<u>623</u>	<u>(2)</u>	<u>(13)</u>

The balances represent loans to subsidiaries in the form of promissory notes, which are unsecured and carry interest at a rate of 6 percent per annum (31 December 2019: 3 percent per annum). The loans are repayable on demand. The Company has no intention to call for loan repayment from its subsidiaries within one year; therefore, the Company classifies these loans as non-current assets.

Short-term loan from a subsidiary

The Company has a loan of USD 1.6 million from Mono Technology Hong Kong Limited in the form of a promissory note. The loan is unsecured, carries interest at a rate of 6 percent per annum (31 December 2019: 3 percent per annum), and is repayable within one year.

Directors and management's benefits

During the periods, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Million Baht)			
	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Short-term employee benefits	6	11	5	7
Post-employment benefits	3	5	2	4
Total	<u>9</u>	<u>16</u>	<u>7</u>	<u>11</u>

	(Unit: Million Baht)			
	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Short-term employee benefits	15	23	11	15
Post-employment benefits	7	10	5	8
Termination benefits	5	-	5	-
Total	<u>27</u>	<u>33</u>	<u>21</u>	<u>23</u>

4. Trade and other receivables

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2020	31 December 2019 (Audited)	30 June 2020	31 December 2019 (Audited)
Trade receivables - related parties (Note 3)	33	17	22	24
Trade receivables - unrelated parties	119	108	16	16
Other receivables - related parties (Note 3)	-	1	406	377
Other receivables - unrelated parties	15	23	3	2
Total	167	149	447	419
Less: Allowance for impairment loss				
on financial assets				
- doubtful accounts	(9)	(8)	-	-
Trade and other receivables - net	158	141	447	419

The balances of trade receivables, aged on the basis of due dates, are summarised below.

Age of receivables	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2020	31 December 2019 (Audited)	30 June 2020	31 December 2019 (Audited)
<u>Trade receivables - related parties</u>				
Not yet due	3	5	1	3
Past due				
Up to 3 months	15	10	4	5
3 - 6 months	9	2	3	3
6 - 12 months	6	-	4	3
Over 12 months	-	-	10	10
Total trade receivables - related parties	33	17	22	24

(Unaudited but reviewed)

(Unit: Million Baht)

Age of receivables	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
		(Audited)		(Audited)
<u>Trade receivables - unrelated parties</u>				
Not yet due	63	66	14	14
Past due				
Up to 3 months	38	36	2	2
3 - 6 months	8	5	-	-
6 - 12 months	9	8	-	-
Over 12 months	25	21	-	-
Total	143	136	16	16
Less: Allowance for sales return	(24)	(28)	-	-
Allowance for impairment loss				
on financial assets				
- doubtful accounts	(9)	(8)	-	-
Total trade receivables - unrelated parties - net	110	100	16	16
Total trade receivables - net	143	117	38	40

5. Investments in subsidiaries

During the current period, the Company amended its business plan to reflect the current circumstances, whereby the operations of certain subsidiaries will be discontinued. As a result, the Company assessed the recoverable amounts of its investments in subsidiaries based on fair value less costs to sell, and recorded allowance of Baht 156 million for impairment loss on investments in subsidiaries in the separate financial statements for the current period.

As at 30 June 2020, the net asset value of the subsidiaries was Baht 369 million (31 December 2019: Baht 302 million) lower than the carrying amount of the investments. The Company did not record a further allowance for impairment loss on such investments since its management believed that it was not of a permanent nature.

6. Property, plant and equipment

	(Unit: Million Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 31 December 2019	713	22
Adjustments of right-of-use assets due to TFRS 16 adoption (Note 2)	10	2
Acquisitions during the period - at cost	28	-
Disposals during the period - net book value at disposal date	(14)	(2)
Termination of lease agreements during the period	(7)	(2)
Depreciation for the period	(43)	(4)
Loss on impairment of leasehold improvement and equipment	(25)	(7)
Net book value as at 30 June 2020	662	9

A subsidiary has mortgaged its land with structures thereon with a net book value of Baht 511 million (31 December 2019: Baht 520 million) as collateral against a long-term loan facility of Baht 519 million from a bank.

7. Intangible assets

	(Unit: Million Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2020	2,283	56
Acquisitions during the period - at cost	590	1
Disposals during the period - net book value at disposal date	-	(40)
Amortisation for the period	(605)	(6)
Loss on impairment	(18)	(1)
Net book value as at 30 June 2020	2,250	10

8. Trade and other payables

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
		(Audited)		(Audited)
Trade payables - related parties (Note 3)	13	12	23	43
Trade payables - unrelated parties	41	61	4	19
Other payables - related parties (Note 3)	62	58	69	67
Other payables - unrelated parties	51	89	4	12
Accrued expenses - related parties (Note 3)	12	13	7	4
Accrued expenses - unrelated parties	48	89	5	7
Accounts payable for purchases of assets	295	36	-	-
Total trade and other payables	<u>522</u>	<u>358</u>	<u>112</u>	<u>152</u>

9. Short-term loans from an unrelated party

The balance represents loans from an unrelated party of the subsidiaries in the form of promissory notes, which are unsecured and carry interest at a fixed rate stipulated in the agreements. The loans are repayable on demand.

10. Long-term loans from banks

	(Unit: Million Baht)	
	Consolidated financial statements	
	30 June	31 December
	2020	2019
		(Audited)
Mono Broadcast Company Limited	1,501	1,400
Mono Production Company Limited	116	134
Total	1,617	1,534
Less: Current portion	(1,309)	(301)
Long-term loans from banks - net of current portion	<u>308</u>	<u>1,233</u>

Movements in the long-term loan from bank account during the period are summarised below.

	(Unit: Million Baht)
	Consolidated
	financial statements
Balance as at 1 January 2020	1,534
Add: Additional borrowings	159
Less: Repayment	(76)
Balance as at 30 June 2020	1,617

On 22 June 2020, a local commercial bank lender agreed to reschedule installment repayment of principal under the subsidiaries' loan agreements, with Baht 192 million rescheduled to be paid in 23 monthly installments from 30 June 2022 to 7 May 2024, and Baht 116 million rescheduled to be paid in 36 monthly installments from 30 June 2022 to 20 June 2025, in accordance with terms and conditions stipulated in the loan agreement.

The subsidiaries' loans are secured by the mortgage of a subsidiary's land with structures thereon, as described in Note 6 to the interim consolidated financial statements, the pledge of the subsidiary's savings account, the assignment of rights to receive all space service income via that savings account, and the provision of guarantees by the Company.

The loan agreements stipulate certain practices and covenants such as the maintenance of certain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements, and the shareholdings of current shareholders.

As at 30 June 2020, a subsidiary was unable to maintain its debt-to-equity ratio at the rate prescribed. As a result, another local commercial bank lender has the right to call the loans, together with accrued interest. However, on 13 August 2020, the subsidiary received a letter from the lending bank waiving its non-compliance with the financial ratio requirements. The subsidiary then reclassified the loans for which the lending bank agreed to waive non-compliance after the reporting period, amounting to Baht 1,309 million as at 30 June 2020, as current liabilities, including them in current portion of long-term loans. In addition, the bank lender agreed to reschedule installment repayment of Baht 1,150 million of principal under the subsidiary's loan agreements to be payable in 36 monthly installments from 31 July 2021 to 20 June 2024, and Baht 159 million to be payable in 24 monthly installments from 31 August 2021 to 3 July 2023, in accordance with terms and conditions stipulated in the loan agreements, including a further 300 million increase in the share capital of Mono Broadcast Company Limited, to an issued and paid-up share capital of Baht 1,700 million, within 31 August 2020, which is currently in process, as discussed in Note 17.3 to the interim consolidated financial statements.

11. Share capital

On 10 August 2020, the 2020 Annual General Meeting of the Company's shareholders passed a resolution to approve a decrease of Baht 139 million in the Company's registered share capital, from Baht 486,299,998 (4,862,999,975 ordinary shares with a par value of Baht 0.1 each) to Baht 347,105,404 (3,471,054,038 ordinary shares with a par value of Baht 0.1 each) by cancelling 1,391,945,937 unissued ordinary shares with a par value of Baht 0.1 each to accommodate the exercise of warrants (MONO-W1) which expired on 17 October 2019.

12. Revenue from contracts with customers

(Unit: Million Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Type of goods or service:				
Advertising services	208	528	9	19
Subscription services	73	35	13	27
Content services	22	47	-	1
Total revenue from contracts with customers	<u>303</u>	<u>610</u>	<u>22</u>	<u>47</u>

(Unit: Million Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Type of goods or service:				
Advertising services	502	1,010	30	37
Subscription services	97	67	30	55
Content services	75	96	7	1
Total revenue from contracts with customers	<u>674</u>	<u>1,173</u>	<u>67</u>	<u>93</u>

13. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year, which was summarised below.

(Unit: Million Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax:				
Relating to origination and reversal				
of temporary differences	(25)	-	-	(2)
Tax income reported in profit or loss	<u>(25)</u>	<u>-</u>	<u>-</u>	<u>(2)</u>

(Unit: Million Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current income tax:				
Current income tax charge	1	-	-	-
Withholding tax written off	10	-	-	-
Deferred tax:				
Relating to origination and reversal				
of temporary differences	(4)	(2)	-	(2)
Tax expenses (income) reported				
in profit or loss	<u>7</u>	<u>(2)</u>	<u>-</u>	<u>(2)</u>

The amounts of income tax relating to each component of other comprehensive income for the periods are as follows:

	(Unit: Million Baht)			
	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Deferred tax on actuarial loss	-	(2)	-	(1)

14. Earnings per share

The following table sets forth the computation of basic earnings per share:

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Profit (loss) attributable to equity holders of the Company (million Baht)	(168)	(95)	4	(15)
Weighted average number of ordinary shares (million shares)	3,471	3,471	3,471	3,471
Basic earnings (loss) per share (Baht)	(0.048)	(0.027)	0.001	(0.004)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Loss attributable to equity holders of the Company (million Baht)	(558)	(208)	(177)	(34)
Weighted average number of ordinary shares (million shares)	3,471	3,471	3,471	3,471
Basic loss per share (Baht)	(0.161)	(0.060)	(0.051)	(0.010)

15. Segment information

The following table presents revenue and profit (loss) information regarding the Group's operating segments for the periods.

(Unit: Million Baht)

	For the three-month periods ended 30 June							
	Media		Content		Adjustments and		Consolidation	
	business ⁽¹⁾		business ⁽²⁾		eliminations			
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenue from contracts with customers								
Revenues from external customers	281	563	22	47	-	-	303	610
Inter-segment revenues	-	-	24	153	(24)	(153)	-	-
Total revenues	<u>281</u>	<u>563</u>	<u>46</u>	<u>200</u>	<u>(24)</u>	<u>(153)</u>	<u>303</u>	<u>610</u>
Segment profit (loss)	(36)	200	(69)	(85)			(105)	115
Unallocated income and expenses:								
Other income							31	4
Selling and administrative expenses							(90)	(189)
Finance cost							(29)	(25)
Loss before income tax							(193)	(95)
Tax income							25	-
Loss for the period							<u>(168)</u>	<u>(95)</u>

(Unit: Million Baht)

For the six-month periods ended 30 June								
	Media business ⁽¹⁾		Content business ⁽²⁾		Adjustments and eliminations		Consolidation	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenue from contracts with customers								
Revenues from external customers	599	1,077	75	96	-	-	674	1,173
Inter-segment revenues	-	-	57	252	(57)	(252)	-	-
Total revenues	<u>599</u>	<u>1,077</u>	<u>132</u>	<u>348</u>	<u>(57)</u>	<u>(252)</u>	<u>674</u>	<u>1,173</u>
Segment profit (loss)	(52)	357	(150)	(161)			(202)	196
Unallocated income and expenses:								
Other income							32	11
Selling and administrative expenses							(322)	(361)
Finance cost							(59)	(57)
Loss before income tax							(551)	(211)
Tax income (expenses)							(7)	3
Loss for the period							<u>(558)</u>	<u>(208)</u>

(1) Media business consists of TV, radio, online and portable devices.

(2) Content business consists of movie business, sports business, music business, entertainment business, games business, travel business and horoscope business.

16. Commitments and contingent liabilities

16.1 Capital commitments

As at 30 June 2020, the subsidiaries had capital commitments of Baht 669 million (31 December 2019: Baht 660 million), relating to the purchases of movie rights.

16.2 Guarantees

- a) The Company has guaranteed bank credit facilities of its subsidiaries (exclusive of guarantees provided for bank guarantees as described in Note 16.2 c) to the interim consolidated financial statements) totaling Baht 1,953 million (31 December 2019: Baht 1,775 million).
- b) The subsidiaries have guaranteed bank credit facilities of the Company amounting to Baht 35 million (31 December 2019: Baht 35 million).

- c) As at 30 June 2020, the Group had outstanding bank guarantees of Baht 234 million and USD 4 million (31 December 2019: Baht 237 million and USD 6 million) (the Company only: Nil (31 December 2019: Baht 3 million)) issued by banks on behalf of the Group to guarantee contractual performance. The bank guarantees are secured by guarantees provided by the Group and the pledge of its bank deposits.

16.3 Service commitments

As at 30 June 2020, the subsidiaries had outstanding payment commitments in respect of service agreements amounting to Baht 40 million. The terms of the agreements were generally between 1 and 5 years.

16.4 Litigation

- a) In June 2015, the Company was sued by an unrelated company through the Central Intellectual Property and International Trade Court in a civil case and criminal case that the Company infringed the copyright to broadcast a live sports program, seeking compensation of Baht 34 million plus interest at a rate of 7.5 percent per annum on the principal until settlement is completed.

On 29 January 2018 and 27 February 2018, the Court of Appeal for Specialized Cases read its judgements in the civil case and criminal case, respectively, which were to order dismissal of the plaintiff's actions.

However, on 7 May 2018, the plaintiff appealed the judgements of the Court of Appeal for Specialized Cases in both the civil case and the criminal case to the Supreme Court. Subsequently, on 25 September 2019 and 16 June 2020, the Supreme Court ordered the dismissal of the plaintiff's action in the criminal case and the civil case, respectively, and the cases are thus finalised.

- b) In August 2018, the Group was sued by an unrelated individual through the Central Intellectual Property and International Trade Court in a criminal case for infringement of copyright in literary works, seeking compensation of Baht 7 million. The Central Intellectual Property and International Trade Court accepted the lawsuit against the Company on 22 May 2019, and ordered the dismissal of the plaintiff's action on 29 May 2020. The plaintiff did not appeal the judgement of the court within the appellate deadline, and the case is thus finalised.

17. Events after the reporting period

- 17.1 On 10 August 2020, the 2020 Annual General Meeting of the Company's shareholders passed a resolution to approve a change of the Company's name from "Mono Technology Public Company Limited" to "Mono Next Public Company Limited".
- 17.2 A meeting of Mono Production Company Limited's Board of Directors on 11 August 2020 and a meeting of the Company's Board of Directors on 13 August 2020 passed a resolution to approve a Baht 310 million increase in its registered share capital, from Baht 2,020 million (20.2 million ordinary shares with a par value of Baht 100 each) to Baht 2,330 million (23.3 million ordinary shares with a par value of Baht 100 each), through the issue of 3.1 million additional ordinary shares with a par value of Baht 100 each. The increase in share capital will not have any impact on the Company's interest in the subsidiary.
- 17.3 A meeting of Mono Broadcast Company Limited's Board of Directors on 11 August 2020 and a meeting of the Company's Board of Directors on 13 August 2020 passed a resolution to approve a Baht 300 million increase in its registered share capital, from Baht 1,400 million (140 million ordinary shares with a par value of Baht 10 each) to Baht 1,700 million (170 million ordinary shares with a par value of Baht 10 each), through the issue of 30 million additional ordinary shares with a par value of Baht 10 each. The increase in share capital will not have any impact on the Group's interest in the subsidiary.
- 17.4 On 13 August 2020, a meeting of the Company's Board of Directors passed a resolution to dissolve 8 subsidiaries (Mono Music Company Limited, Mono Radio Company Limited, Mono Radio Broadcast Company Limited, Mono Talent Studio Company Limited, T Moment Company Limited, Mono Play Company Limited, Mono Astro Company Limited and Mono Sport Entertainment Company Limited). The dissolution of these subsidiaries will not have any significant impact on the Group's operations.

18. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 13 August 2020.