



Financial Summary

from the 2020 Annual Report

GMM Grammy Public Company Limited

GMM Grammy Public Company Limited and its subsidiaries
Financial Highlights

	Consolidated (Unit : Million Baht)		
	2020	2019	2018
Total revenues	5,035.6	6,640.2	6,984.4
Revenue from sales and services	4,971.6	6,602.2	6,870.5
Total costs	3,134.4	4,025.0	4,364.7
Gross profit	1,837.2	2,577.2	2,505.8
Earnings/(loss) before Non-controlling interest of the subsidiaries	(149.6)	374.7	63.0
Net earnings/(loss) for the year	(175.4)	341.9	15.4
Dividend paid	164.0	0.0	0.0
Total assets	4,241.8	3,669.3	3,673.1
Total liabilities	3,284.0	2,338.3	2,529.3
Non-controlling interest of the subsidiaries	129.7	161.6	174.4
Equity attributable to the Company's shareholders	828.1	1,169.3	969.4
Weighted average number of ordinary shares (Million shares)	819.9	819.9	819.9
Net earning/(loss) per share (Baht)	(0.21)	0.42	0.02
Dividend paid per share (Baht)	0.20	0.0	-
Book value per share (Baht)	1.01	1.43	1.18
Net profit/(loss) margins	-3.48%	5.15%	0.22%
Return on equity	-17.56%	31.97%	1.61%
Return on assets	-4.43%	9.31%	0.41%

2018: Proposal for the omission of dividends payment for the 2018 operational results

According to the 2018 separate financial statement, the Company recorded the net profit of 15.11 million baht in 2018, but still had a deficit. (In the separate financial statements) of 3,032.66 million bath, therefore, it can not pay dividends. herefore, the Board of Directors' Meeting No.1/2019 held on February 28, 2019, resolved to propose the omission of dividend payment for the operational results of 2018 and such resolution was approved by the 2019 Annual General Meeting of Shareholders held on April 26, 2019

2019: Proposal for the dividends payment for the 2019 operational results

According to the separate financial statements for the year 2019, the Company's operating results for the year 2019 was a net profit of 274.39 million baht, with the Company paid an interim dividend on September 12, 2019 at the rate of 0.10 baht per share. The Board of Directors Meeting No.2/2020, held on March 24, 2020, passed a resolution approving the Company interim dividend payment from the Company's profit as of December 31, 2019 at the rate of 0.20 baht per share on April 22, 2020. The second dividend payment is to reduce the impact that may occur to shareholders from the infinite postponement the 2020 AGM, due to the ongoing outbreak of Coronavirus 2019 ("COVID-19"), In this regard, when including the payment of the two interim dividends above, the total dividends paid from the Company's profits for the year 2019 totaling 0.30 baht per share, approximately 246 million baht. So, the 2020 AGM held on July 3, 2020 resolved to approve the omission of dividend payment for the operational results of 2019, additional .

2020: The omission of dividends payment for the 2020 operational results

According to the 2020 separate financial statement, the Company recorded the net profit of 1,421 million baht in 2020, but still had a deficit. (In the separate financial statements) of 1,418 million bath, therefore, it can not pay dividends. herefore, the Board of Directors' Meeting No.2/2021 held on February 25, 2021, resolved to propose the omission of dividend payment for the operational results of 2020 This proposal must be approved by the 2021 Annual General Meeting of Shareholders held on April 30, 2021.



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Independent Auditor's Report

To the Shareholders of GMM Grammy Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of GMM Grammy Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2020, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of GMM Grammy Public Company Limited (the Company) for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of GMM Grammy Public Company Limited and its subsidiaries, and of GMM Grammy Public Company Limited as at 31 December 2020, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matters

I draw attention to the following matters.

- a) As discussed in Note 3 to the consolidated financial statements, in the fourth quarter of 2020, the Group has assessed the financial impacts of the uncertainties of the COVID-19 Pandemic on the valuation of assets, provisions and contingent liabilities. As a result, in preparing the consolidated and separate financial statements for the year ended 31 December 2020, the Group has decided to discontinue application of all relief measures which the Group elected to apply under the Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic issued by the Federation of Accounting Professions. This has no significant impact on the Company's consolidated and separate financial statements.
- b) As discussed in Note 15 to the consolidated financial statements, in November 2020, The ONE Enterprise Company Limited (a joint venture of the Company) invested Baht 2,200 million in GMM Channel Holding Company Limited and its subsidiaries, which are engaged in the production of television and radio programmes. The ONE Enterprise Company Limited provisionally recorded the acquisition using its best estimate of the identifiable assets acquired and liabilities assumed. The ONE Enterprise Company Limited is to finalise its accounting for this acquisition within 1 year after the acquisition date in accordance with Thai Financial Reporting Standard No. 3 Business Combinations. The amounts recorded as at 31 December 2020 may, therefore, change. Since the Group recognised share of profit/loss from the joint venture under the equity method, it may be affected by finalisation of the acquisition accounting that will need to be adjusted later.

My opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

Revenue recognition

The Group's revenue is significant to the financial statements and directly affects its operating results, to which users of financial statements pay attention. The Group has numerous types of revenue and it is derived through various channels, under agreements with a large number of customers that contain a variety of conditions, pertaining to matters such as sales promotions and discounts. In addition, changes in consumer behavior and industry trends have directly affected the competitive environment in media and entertainment industry. There are therefore risks with respect to the amount and timing of revenue recognition.

I have examined the revenue recognition of the Group by

- Assessing and testing the Group's IT system and its internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Applying a sampling method to select sales and service agreements to assess whether revenue recognition was consistent with the conditions of the relevant agreement, and whether it was in compliance with the Group's policy.
- On a sampling basis, examining supporting documents for sales and service transactions occurring during the year and near the end of the accounting period, and with special consideration given to expanding the scope of the examination supporting documentation for transactions occurring near the end of the accounting period.
- Reviewing credit notes that the Group issued after the period-end, with special consideration given to expanding the scope of sampling of documentation.
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Investments acquisition and disposal

As discussed in Note 1.3 to the consolidated financial statements, in 2020, the Group restructured its investments by investing in GMM Channel Company Limited which is engaged in production of television programmes and digital TV broadcasting, Content Artist Network Company Limited which is engaged in investment in other company and A-Time Traveller Company Limited which is engaged in providing travel service and special activities both inbound and outbound. The Group also sold investment in GMM Channel Holding Company Limited and its subsidiaries (a joint venture, 50% held by the Company).

I have focused on these acquisition and disposal transactions since they are material to the financial statements and having affected to assets and liabilities accounts in the statement of financial position and also revenues and expenses accounts in the income statement of the Company. In addition, the management was required to exercise substantial judgment when appraising the fair value of the assets acquired and liabilities assumed from such investment acquisition.

I have examined the aforementioned investments acquisition and disposal by

- Examining the terms and conditions of the share sale/purchase agreement and inquired with management as to the nature and objectives of the acquisition in order to evaluate whether the acquisition meet the definition of a business combination under Thai Financial Reporting Standard 3 Business combinations.
- Checking the value of the acquisition to supporting documents and related payments to assess whether they reflected the fair value of the consideration transferred and did not include acquisition-related costs.
- Assessing the fair value of assets acquired and liabilities assumed specified in the documentation of measurement under the acquisition method as prepared by the management, by considering the methods and significant assumptions used by the management in calculating the fair value of such assets and liabilities.
- Examining supporting documents for investments acquisition and disposal including evidence of payment for purchase and receiving for sale from relevant entities.
- Assessing accounting records related to the investments acquisition and disposal, and reviewing the disclosures related to these investments acquisition and disposal in notes to the consolidated financial statements.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



Termphong Opanaphan

Certified Public Accountant (Thailand) No. 4501

EY Office Limited

Bangkok: 25 February 2021

GMM Grammy Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Assets					
Current assets					
Cash and cash equivalents	8	727,677,141	451,917,194	284,439,520	186,404,544
Current investments	9	-	120,149,721	-	-
Trade and other receivables	10	912,380,120	1,165,293,858	541,165,931	981,802,551
Prepaid expenses		42,352,002	38,474,581	9,366,727	9,583,271
Inventories	11	213,250,581	183,282,339	100,828,282	78,068,170
Advance payments		26,437,780	29,692,581	23,174,210	24,282,370
Other current assets	12	127,363,679	89,886,041	44,127,287	30,975,242
Total current assets		2,049,461,303	2,078,696,315	1,003,101,957	1,311,116,148
Non-current assets					
Other non-current financial assets	13	5,822,878	-	5,572,928	-
Investments in subsidiaries	14	-	-	734,847,007	785,681,939
Investments in joint ventures	15	288,316,799	476,366,582	1,191,549,700	2,191,549,400
Investments in associates	16	176,496,025	190,375,328	194,341,357	194,341,357
Other long-term investments	17	-	6,554,990	-	6,554,990
Loans to related parties	7	-	-	1,530,000	-
Leasehold improvement and equipment	18	177,491,800	246,695,406	67,544,087	143,238,638
Right-of-use assets	26	379,450,901	-	234,349,521	-
Intangible assets	19	300,715,441	333,873,282	307,876,556	322,384,646
Cost of spectrum license	20	480,305,762	-	-	-
Deferred tax assets	35	185,265,799	176,426,658	161,175,266	146,394,822
Other non-current assets	21	198,475,352	160,292,114	79,491,866	55,085,102
Total non-current assets		2,192,340,757	1,590,584,360	2,978,278,288	3,845,230,894
Total assets		4,241,802,060	3,669,280,675	3,981,380,245	5,156,347,042

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

GMM Grammy Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2020

(Unit: Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Liabilities and shareholders' equity					
Current liabilities					
Short-term loan from bank	22	50,000,000	-	50,000,000	-
Trade and other payables	23	1,334,628,841	1,245,822,453	611,305,572	743,210,652
Unearned income		381,165,462	338,969,591	231,055,415	193,540,317
Short-term loans from related parties	7	-	-	549,800,000	648,200,000
Current portion of long-term loan	25	75,000,000	-	75,000,000	-
Current portion of liabilities under finance lease agreements	26	-	7,831,633	-	7,831,633
Current portion of lease liabilities	26	80,880,557	-	53,556,911	-
Income tax payable		7,576,807	13,700,184	-	-
Other current liabilities	24	127,698,654	189,557,092	95,286,723	163,544,247
Total current liabilities		2,056,950,321	1,795,880,953	1,666,004,621	1,756,326,849
Non-current liabilities					
Long-term loan - net of current portion	25	622,805,577	298,495,548	223,925,391	298,495,548
Liabilities under finance lease agreements - net of current portion	26	-	10,822,470	-	10,822,470
Lease liabilities - net of current portion	26	307,231,032	-	193,946,832	-
Provision for long-term employee benefits	27	229,396,217	232,531,436	184,198,115	192,255,153
Obligation on loan guarantee	28	-	-	400,000,000	-
Other non-current liabilities		67,595,047	610,350	492,547	600,350
Total non-current liabilities		1,227,027,873	542,459,804	1,002,562,885	502,173,521
Total liabilities		3,283,978,194	2,338,340,757	2,668,567,506	2,258,500,370

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

GMM Grammy Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements		
	<u>Note</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Shareholders' equity					
Share capital					
Registered					
819,949,729 ordinary shares of Baht 1 each		<u>819,949,729</u>	<u>819,949,729</u>	<u>819,949,729</u>	<u>819,949,729</u>
Issued and fully paid					
819,949,729 ordinary shares of Baht 1 each		819,949,729	819,949,729	819,949,729	819,949,729
Paid-in capital					
Share premium	29	1,896,968,197	1,896,968,197	1,896,968,197	1,896,968,197
Retained earnings					
Appropriated - statutory reserve	29, 31	13,719,594	13,719,594	13,719,594	13,719,594
Unappropriated (deficit)	29	(1,863,211,859)	(1,250,403,447)	(1,417,700,696)	169,526,097
Other components of shareholders' equity		<u>(39,341,895)</u>	<u>(310,913,274)</u>	<u>(124,085)</u>	<u>(2,316,945)</u>
Equity attributable to owners of the Company		828,083,766	1,169,320,799	1,312,812,739	2,897,846,672
Non-controlling interests of the subsidiaries		<u>129,740,100</u>	<u>161,619,119</u>	-	-
Total shareholders' equity		<u>957,823,866</u>	<u>1,330,939,918</u>	<u>1,312,812,739</u>	<u>2,897,846,672</u>
Total liabilities and shareholders' equity		<u>4,241,802,060</u>	<u>3,669,280,675</u>	<u>3,981,380,245</u>	<u>5,156,347,042</u>

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

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 Directors

GMM Grammy Public Company Limited and its subsidiaries

Income statement

For the year ended 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Revenues					
Sales of goods	32	1,696,544,264	2,092,832,751	212,062,338	336,176,770
Service income	32	1,914,495,897	2,908,604,465	1,344,520,395	2,268,555,025
Revenues from copyrights	32	1,360,517,444	1,600,781,191	1,176,815,093	1,472,260,341
Dividend income	14	-	-	87,372,595	70,176,876
Gain from sales of investments in joint venture	15	-	-	200,000,300	-
Other income		60,510,958	31,831,069	53,317,811	24,499,059
Total revenues		5,032,068,563	6,634,049,476	3,074,088,532	4,171,668,071
Expenses					
Cost of sales and services		3,134,371,775	4,025,043,252	1,937,920,748	2,600,777,989
Selling, distribution and servicing expenses		398,516,722	480,171,646	56,091,002	82,914,594
Administrative expenses		1,566,355,380	1,638,093,030	1,007,418,596	1,073,747,309
Expected credit loss of loans to related parties (reversal)	7	-	-	1,051,175,000	(3,825,000)
Loss from subsidiary's liquidation	14	-	-	88,446,796	(1,474,137)
Loss from recognise obligation on loan guarantee	28	-	-	400,000,000	-
Loss on impairment of investments in subsidiaries (reversal)	14	-	-	(61,463,898)	69,059,956
Loss on impairment of investment in associate (reversal)	16	-	-	-	(10,800,000)
Loss from sales of investment in joint venture	15	437,724,280	-	-	-
Total expenses		5,536,968,157	6,143,307,928	4,479,588,244	3,810,400,711
Operating profit (loss)		(504,899,594)	490,741,548	(1,405,499,712)	361,267,360
Share of profit (loss) from investments in joint ventures	15	408,815,876	(9,554,853)	-	-
Share of loss from investments in associates	16	(3,414,311)	(1,878,955)	-	-
Finance income		3,552,754	6,197,407	7,005,339	4,480,224
Finance cost	33	(40,747,616)	(21,217,586)	(37,351,877)	(29,389,171)
Profit (loss) before income tax income (expenses)		(136,692,891)	464,287,561	(1,435,846,250)	336,358,413
Income tax income (expenses)	35	(12,937,588)	(89,592,187)	14,784,743	(61,966,526)
Profit (loss) for the year		(149,630,479)	374,695,374	(1,421,061,507)	274,391,887
Profit (loss) attributable to:					
Equity holders of the Company		(175,413,204)	341,869,572	(1,421,061,507)	274,391,887
Non-controlling interests of the subsidiaries		25,782,725	32,825,802		
		(149,630,479)	374,695,374		
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company	36	(0.21)	0.42	(1.73)	0.33

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

GMM Grammy Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Profit (loss) for the year		<u>(149,630,479)</u>	<u>374,695,374</u>	<u>(1,421,061,507)</u>	<u>274,391,887</u>
Other comprehensive income:					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements					
in foreign currency - net of income tax		2,055	1,476,742	-	-
Gain (loss) on change in value of available-for-sale investments					
- net of income tax		-	6,229	-	6,229
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods - net of income tax		<u>2,055</u>	<u>1,482,971</u>	<u>-</u>	<u>6,229</u>
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods</i>					
Actuarial loss - net of income tax	27, 35	-	(12,527,713)	-	(9,151,283)
Gain on investment in equity designated at fair value					
through other comprehensive income - net of income tax		17,200	-	17,200	-
Share of actuarial loss of joint ventures - net of income tax	15	-	(5,643,196)	-	-
Share of actuarial loss of associates - net of income tax	16	-	(535,643)	-	-
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods - net of income tax		<u>17,200</u>	<u>(18,706,552)</u>	<u>17,200</u>	<u>(9,151,283)</u>
Other comprehensive income for the year		<u>19,255</u>	<u>(17,223,581)</u>	<u>17,200</u>	<u>(9,145,054)</u>
Total comprehensive income for the year		<u>(149,611,224)</u>	<u>357,471,793</u>	<u>(1,421,044,307)</u>	<u>265,246,833</u>
Total comprehensive income attributable to:					
Equity holders of the Company		(175,393,949)	324,878,150	<u>(1,421,044,307)</u>	<u>265,246,833</u>
Non-controlling interests of the subsidiaries		<u>25,782,725</u>	<u>32,593,643</u>		
		<u>(149,611,224)</u>	<u>357,471,793</u>		

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

GMM Grammy Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2020

(Unit: Baht)

Consolidated financial statements													
Equity attributable to equity holders of the Company													
	Other components of shareholders' equity												
	Retained earnings				Other comprehensive income		Other changes by the owners						
	Issued and paid-up share capital	Share premium	Appropriated - statutory reserve	Unappropriated (deficits)	Exchange differences on translation of financial statements in foreign currency	Loss on changes in value of equity investments	Capital deficit from business combination under common control	Difference between investment and book value from shareholding in subsidiary		Total other components of shareholders' equity	Total equity attributable to equity holders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
								change in	shareholding				
Balance as at 1 January 2019	819,949,729	4,847,628,795	81,994,973	(4,510,739,690)	2,250,205	(2,323,174)	(269,376,464)	-	(269,449,433)	969,384,374	174,428,866	1,143,813,240	
Profit for the year	-	-	-	341,869,572	-	-	-	-	-	341,869,572	32,825,802	374,695,374	
Other comprehensive income for the year	-	-	-	(18,474,393)	1,476,742	6,229	-	-	1,482,971	(16,991,422)	(232,159)	(17,223,581)	
Total comprehensive income for the year	-	-	-	323,395,179	1,476,742	6,229	-	-	1,482,971	324,878,150	32,593,643	357,471,793	
Equity attributable to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	(42,946,812)	(42,946,812)	(42,946,812)	(45,403,390)	(88,350,202)	
Transfer of statutory reserve and share premium to offset deficit (Note 29)	-	(2,950,660,598)	(81,994,973)	3,032,655,571	-	-	-	-	-	-	-	-	
Dividend paid (Note 30)	-	-	-	(81,994,913)	-	-	-	-	-	(81,994,913)	-	(81,994,913)	
Transfer retained earnings to statutory reserve (Note 31)	-	-	13,719,594	(13,719,594)	-	-	-	-	-	-	-	-	
Balance as at 31 December 2019	<u>819,949,729</u>	<u>1,896,968,197</u>	<u>13,719,594</u>	<u>(1,250,403,447)</u>	<u>3,726,947</u>	<u>(2,316,945)</u>	<u>(269,376,464)</u>	<u>(42,946,812)</u>	<u>(310,913,274)</u>	<u>1,169,320,799</u>	<u>161,619,119</u>	<u>1,330,939,918</u>	
Balance as at 1 January 2020	819,949,729	1,896,968,197	13,719,594	(1,250,403,447)	3,726,947	(2,316,945)	(269,376,464)	(42,946,812)	(310,913,274)	1,169,320,799	161,619,119	1,330,939,918	
Cumulative effect of changes in accounting policies due to the adoption of new financial reporting standards(Note 4)	-	-	-	(4,029,118)	-	2,175,660	-	-	2,175,660	(1,853,458)	-	(1,853,458)	
Balance as at 1 January 2020 - as reclassified	819,949,729	1,896,968,197	13,719,594	(1,254,432,565)	3,726,947	(141,285)	(269,376,464)	(42,946,812)	(308,737,614)	1,167,467,341	161,619,119	1,329,086,460	
Loss for the year	-	-	-	(175,413,204)	-	-	-	-	-	(175,413,204)	25,782,725	(149,630,479)	
Other comprehensive income for the year	-	-	-	-	2,055	17,200	-	-	19,255	19,255	-	19,255	
Total comprehensive income for the year	-	-	-	(175,413,204)	2,055	17,200	-	-	19,255	(175,393,949)	25,782,725	(149,611,224)	
Dividend paid (Note 30)	-	-	-	(163,989,626)	-	-	-	-	-	(163,989,626)	-	(163,989,626)	
Subsidiaries' liquidation	-	-	-	(269,376,464)	-	-	269,376,464	-	269,376,464	-	-	-	
Equity attributable to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	(57,661,744)	(57,661,744)	
Balance as at 31 December 2020	<u>819,949,729</u>	<u>1,896,968,197</u>	<u>13,719,594</u>	<u>(1,863,211,859)</u>	<u>3,729,002</u>	<u>(124,085)</u>	<u>-</u>	<u>(42,946,812)</u>	<u>(39,341,895)</u>	<u>828,083,766</u>	<u>129,740,100</u>	<u>957,823,866</u>	

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

GMM Grammy Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity (continued)
For the year ended 31 December 2020

(Unit: Baht)

	Separate financial statements						
	Issued and paid-up share capital	Share premium	Retained earnings		Other components of shareholders' equity		
			Appropriated - statutory reserve	Unappropriated (deficit)	Other comprehensive income	Total other components of shareholders' equity	Total shareholders' equity
			Loss on changes in value of equity investments				
Balance as at 1 January 2019	819,949,729	4,847,628,795	81,994,973	(3,032,655,571)	(2,323,174)	(2,323,174)	2,714,594,752
Profit for the year	-	-	-	274,391,887	-	-	274,391,887
Other comprehensive income for the year	-	-	-	(9,151,283)	6,229	6,229	(9,145,054)
Total comprehensive income for the year	-	-	-	265,240,604	6,229	6,229	265,246,833
Transfer of statutory reserve and share premium to offset deficit (Note 29)	-	(2,950,660,598)	(81,994,973)	3,032,655,571	-	-	-
Dividend paid (Note 30)	-	-	-	(81,994,913)	-	-	(81,994,913)
Transfer retained earnings to statutory reserve (Note 31)	-	-	13,719,594	(13,719,594)	-	-	-
Balance as at 31 December 2019	819,949,729	1,896,968,197	13,719,594	169,526,097	(2,316,945)	(2,316,945)	2,897,846,672
Balance as at 1 January 2020	819,949,729	1,896,968,197	13,719,594	169,526,097	(2,316,945)	(2,316,945)	2,897,846,672
Cumulative effect of changes in accounting policies due to the adoption of new financial reporting standards(Note 4)	-	-	-	(2,175,660)	2,175,660	2,175,660	-
Balance as at 1 January 2020 - as reclassified	819,949,729	1,896,968,197	13,719,594	167,350,437	(141,285)	(141,285)	2,897,846,672
Loss for the year	-	-	-	(1,421,061,507)	-	-	(1,421,061,507)
Other comprehensive income for the year	-	-	-	-	17,200	17,200	17,200
Total comprehensive income for the year	-	-	-	(1,421,061,507)	17,200	17,200	(1,421,044,307)
Dividend paid (Note 30)	-	-	-	(163,989,626)	-	-	(163,989,626)
Balance as at 31 December 2020	819,949,729	1,896,968,197	13,719,594	(1,417,700,696)	(124,085)	(124,085)	1,312,812,739

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

GMM Grammy Public Company Limited and its subsidiaries

Statement of cash flows

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash flows from operating activities				
Profit (loss) before tax	(136,692,891)	464,287,561	(1,435,846,250)	336,358,413
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	280,936,806	210,438,619	130,830,593	100,478,689
Difference from lease agreements discount	1,459,185	-	1,182,452	-
Bad debts and doubtful debts (reversal)	(69,255,606)	48,848,846	(69,255,606)	33,915,290
Reversal of loss on impairment of financial assets	8,048,926	-	7,074,918	-
Reversal of reduction of cost of inventory to net realisable value	(17,089,681)	(34,195,684)	(39,644,686)	(36,331,415)
Reversal of provision for sales returns	(45,773,397)	(122,471,990)	(44,070,995)	(122,303,699)
Reversal of prepaid cost	(6,894,607)	-	(6,894,607)	-
Loss (gain) from subsidiary's liquidation	-	-	88,446,796	(1,474,137)
Loss on impairment of investments in subsidiaries (reversal)	-	-	(61,463,899)	69,059,956
Loss on impairment of investment in associate (reversal)	-	-	-	(10,800,000)
Loss on impairment of leasehold improvement and equipment	543,450	-	-	-
Loss on impairment of other non-current financial assets	1,000,000	-	1,000,000	-
Loss on fair value adjustments of non current financial instruments	3,562	-	3,562	-
Expected credit loss on loans to related parties (reversal)	-	-	1,051,175,000	(3,825,000)
Loss from sales of investment in associate	1,323,341	-	-	-
Loss (gain) from sales of investment in joint venture	437,725,484	-	(200,000,300)	-
Loss on impairment of assets held for sale	-	610,150	-	610,150
Loss on impairment of intangible assets	11,327,874	-	-	-
Loss (gain) on disposal of equipment and intangible assets	46,549,581	(2,209,251)	46,711,375	(179,835)
Loss from obligation on loan guarantee	-	-	400,000,000	-
Gain from lease agreement cancellation	(5,890,993)	-	(2,586,824)	-
Dividend income	-	-	(87,372,595)	(70,176,876)
Share of (profit) loss from investments in joint ventures	(408,815,876)	9,554,853	-	-
Share of loss from investments in associates	3,414,311	1,878,955	-	-
Long-term employee benefit expenses	72,464,296	64,922,161	37,720,330	53,416,747
Interest income	(3,552,754)	(6,197,407)	(7,005,339)	(4,480,224)
Interest expenses	40,747,616	21,217,586	37,351,877	29,389,171
Profit (loss) from operating activities before changes in operating assets and liabilities	211,578,627	656,684,399	(152,644,198)	373,657,230
Decrease (increase) in operating assets				
Trade and other receivables	586,760,936	(88,768,016)	491,531,185	(118,967,783)
Prepaid expenses	20,884,666	(11,069,108)	216,544	(2,782,076)
Inventories	(81,786,613)	(83,823,360)	18,937,881	7,947,325
Advance payments	5,143,698	(4,302,293)	1,108,160	(3,282,644)
Other current assets	66,516,507	24,153,493	28,337,527	14,820,508
Other non-current assets	(40,436,132)	(20,366,818)	(27,985,072)	(16,480,059)

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

GMM Grammy Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Increase (decrease) in operating liabilities				
Trade and other payables	(207,200,229)	(4,659,372)	(146,472,473)	45,856,812
Unearned income	(22,782,097)	125,608,018	37,515,098	89,635,411
Other current liabilities	(26,280,408)	(9,117,540)	(24,186,529)	(4,788,863)
Provision for long-term employee benefits	(18,839,317)	(178,536)	(8,526,933)	-
Other non-current liabilities	66,984,697	610,350	(107,804)	600,350
Decrease in cost of spectrum license payable	<u>(224,700,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from operating activities	335,844,335	584,771,217	217,723,386	386,216,211
Cash paid for interest expenses	(47,236,938)	(21,255,887)	(38,402,623)	(30,478,769)
Cash paid for termination wages	(51,428,983)	(5,385,917)	(21,606,836)	(2,170,406)
Cash paid for income tax	(96,069,103)	(112,390,183)	(41,473,052)	(69,193,891)
Cash received from income tax refund	<u>34,279,846</u>	<u>1,214,695</u>	<u>-</u>	<u>-</u>
Net cash flows from operating activities	<u>175,389,157</u>	<u>446,953,925</u>	<u>116,240,875</u>	<u>284,373,145</u>
Cash flows from investing activities				
Acquisition of equipment	(65,945,075)	(55,466,170)	(35,919,465)	(31,894,154)
(Increase) decrease in loans to related parties		-	(1,052,705,000)	3,825,000
Cash paid to purchase additional investments in subsidiaries	-	-	-	(69,986,700)
Cash received from right of claim on returning capital				
from subsidiaries' liquidation	-	43,551,278	-	43,551,278
Cash received from returning investments of subsidiaries	-	-	23,852,035	118,972,862
Cash received from returning investments of associate	-	13,000,000	-	13,000,000
Cash paid to purchase other long-term investments	-	(4,000,000)	-	(4,000,000)
Cash received from disposal of investment in associate	1,814,501	-	-	-
Cash received from disposal of investment in joint venture	1,200,000,000	-	1,200,000,000	-
Cash received from purchase of investment in subsidiaries	33,233,696	-	-	-
Cash paid to purchase other investment	(249,950)	-	-	-
Cash received from disposal of equipment and intangible assets	7,587,183	4,198,509	7,286,615	2,033,268
Dividend received from subsidiaries and associates	7,327,150	11,000,000	101,372,135	65,476,614
Cash paid from non-controlling interests of subsidiaries				
from investments in subsidiaries	(2,534,338)	(66,297,077)	-	-
Interest income	3,946,876	5,879,673	4,275,402	3,968,329
Decrease in other current financial asset	120,149,721	-	-	-
Increase in current investments	<u>-</u>	<u>(118,698,764)</u>	<u>-</u>	<u>-</u>
Net cash flows from (used in) investing activities	<u>1,305,329,764</u>	<u>(166,832,551)</u>	<u>248,161,722</u>	<u>144,946,497</u>

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

GMM Grammy Public Company Limited and its subsidiaries**Statement of cash flows (continued)****For the year ended 31 December 2020**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash flows from financing activities				
Increase in short-term loans from bank	50,000,000	-	50,000,000	-
Repayment of long-term loan	(500,000,000)	(252,000,000)	-	(252,000,000)
Decrease in short-term loans from related parties	(460,600,000)	-	(98,400,000)	(200,800,000)
Repayment of liabilities under lease agreements	(75,243,998)	(11,992,091)	(53,977,995)	(10,200,873)
Dividend paid	(163,989,626)	(81,994,913)	(163,989,626)	(81,994,913)
Dividend paid to non-controlling interest of subsidiaries	<u>(55,127,405)</u>	<u>(22,053,124)</u>	<u>-</u>	<u>-</u>
Net cash flows used in financing activities	<u>(1,204,961,029)</u>	<u>(368,040,128)</u>	<u>(266,367,621)</u>	<u>(544,995,786)</u>
Increase in translation adjustments	<u>2,055</u>	<u>1,476,742</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	<u>275,759,947</u>	<u>(86,442,012)</u>	<u>98,034,976</u>	<u>(115,676,144)</u>
Cash and cash equivalents at beginning of year	<u>451,917,194</u>	<u>538,359,206</u>	<u>186,404,544</u>	<u>302,080,688</u>
Cash and cash equivalents at end of year	<u><u>727,677,141</u></u>	<u><u>451,917,194</u></u>	<u><u>284,439,520</u></u>	<u><u>186,404,544</u></u>
Supplemental cash flows information:				
Non-cash transactions:				
Increase in assets from lease agreements	39,678,744	-	5,007,600	-

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