



Management Discussion and Analysis of the Company's Performance
for the nine-month period ended 30 September 2023

(Additional information)

1. Overview of operating results of the Company and its subsidiaries

Baht Million	2023	2022	+/(-)	+/(-) %
Total revenues	2,359.44	1,617.38	742.07	45.88%
Total expense	(1,927.74)	(1,172.30)	755.45	64.44%
Profit from operating activities	431.70	445.08	(13.38)	(3.01%)
Finance income	1.81	0.26	1.55	597.37%
Finance cost	(266.30)	(237.18)	29.12	12.28%
Income tax expenses	(51.74)	(51.78)	(0.04)	(0.08%)
Net profit (1)	115.47	151.67	(36.20)	(23.87%)
Other comprehensive income for the period	15.42	1.29	14.13	1,092.50%
Total comprehensive income (3)	130.89	152.96	(22.07)	(14.43%)
Profit (loss) attributable to non-controlling interests of the subsidiary	(25.76)	(23.80)	(1.96)	(8.23%)
Profit (loss) attributable to equity holders of the Company (2)	141.23	175.47	(34.24)	(19.51%)
Net profit ratio (ROS) (1)	4.89%	9.38%		
Earnings per share (Baht)	0.15	0.27	(0.12)	(45.42%)
Diluted earnings per share (Baht)	0.15	0.24	(0.09)	(38.22%)

Total Revenue

For the nine-month period ended 30 September 2023, the Company and its subsidiaries earned a total revenue of THB 2,359.44 million, which increased by THB 742.07 million or 45.88% from the same period of previous year. The total revenue of each operating segments for the period ended 30 September 2023 of the Company and its subsidiaries had changed from the same period of previous year as follows (1) Revenue from sales of program rights increased 38.42% (2) Revenue from advertising and media services increased 2.57% (3) Revenue from sales of products decreased 24.12% (4) Revenue from Miss Universe Organization's license Management increased 100% (5) Other income decreased 45.60%.

Net profit

For the nine-month period ended 30 September 2023, the Company and its subsidiaries had net profits of THB 115.47 million which decreased by THB 36.20 million or 23.87% from the same period of previous year, even most business units have slightly growth, however the cost of organizing the 71st Miss Universe Competition late of January 2023 and higher financial cost were resulted to net profit rate for the nine-month period ended 30 September 2023.

According to the Miss Universe Organization's License Management, the Company had made several agreements related to MU events and competition. As at 30 September 2023, the Company have received

the fees followed in payment term of those agreements, whereas all agreements had been recorded in Deferred Revenue amounting of THB 251 million and will be realized as revenue within the year.

From the reason mentioned above, net profit margin for the nine-month period ended 30 September 2023 decreased from 4.89% the same period of previous year being 9.38% and the selling and administration expenses for the nine-month period ending 30 September 2023 being 22.59% whereas being 19.43% in the same period of previous year.

For the earnings per share, the diluted earnings per share was calculated and presented in order to inform in case of the convertible debentures had been executed. However, when comparing the conversion price and the fair value of the Company's shares, the fair value was lower than the conversion price (based on the closing price of the Company's shares as at 30 September 2023 was 1.13 Baht per share, while the conversion price of the convertible debenture about 6.2316 baht per share) which the gap price regularly impacts to the probability of the execution of convertible debenture.

2. Summary of operating results by business type				
Baht Million	2023	2022	+/(-)	+/(-) %
1. Content Business				
Revenue from sales of program rights	1,877.96	1,356.67	521.29	38.42%
- Domestic sales	1,051.21	1,159.14	(107.93)	(9.31%)
- Export sales	826.76	197.54	629.22	318.53%
Cost of program rights	(1,032.58)	(727.35)	305.24	41.97%
Gross profit of content business	845.38	629.33	216.05	34.33%
Gross profit margin	45.02%	46.39%		
2. Advertising and Media Business				
Revenue from services	14.11	13.76	0.35	2.57%
Cost of services	(74.84)	(84.37)	(9.53)	(11.30%)
Gross profit of advertising and media business	(60.72)	(70.61)	9.89	14.00%
Gross profit margin	(430.33%)	(513.28%)		
3. Product sales Business				
Revenue from sales of products	104.48	137.69	(33.22)	(24.12%)
Cost of product sales	(39.74)	(46.40)	(6.65)	(14.34%)
Gross profit of product sales business	64.73	91.30	(26.56)	(29.10%)
Gross profit margin	61.96%	66.30%		
4. License Business				
Revenue from sales of License	303.46	-	303.46	100.00%
Cost of License sales	(247.47)	-	247.47	100.00%
Gross profit of License sales business	55.99	-	55.99	100.00%
Gross profit margin	18.45%	-		
Total Gross profit	905.38	650.01	255.37	39.29%
Total Gross profit margin	39.36%	43.10%		

Content Business

For the nine-month period ended 30 September 2023, the Company had revenue from program rights of THB 1,877.96 million which was composed of domestic sales amounting to THB 1,051.21 million and export sales about THB 826.76 million or accounted for the portion as 55.98% and 44.02% respectively (2022: 85.44% and 14.56%) of total revenue from program rights, which overall increased by THB 521.29 million or 38.42% from the same period of previous year. The Company consider to a subsidiary company to operate and manage international markets considering from the communication skill and benefit to the Company and party to avoid the currency exchange risk. However, the Company still keep sale improvement in Thai territory. The customer trend has more interest in rights to broadcasting more than one platform including IPTV platform which keep grow up whereas VOD format has been slidely declined.

<i>Baht Million</i>	<i>2023</i>	<i>2022</i>	<i>+/(-) </i>	<i>+/(-) %</i>
<i>Rights to broadcast only one platform</i>				
<i>Cabsat</i>	-	28.00	(28.00)	(100.00%)
<i>IPTV</i>	321.57	-	321.57	100.00%
<i>DTT</i>	290.08	90.00	200.08	222.31%
<i>Subtotal revenue from sales of program rights which can broadcast only one platform</i>	611.65	118.00	493.65	418.35%
<i>Rights to broadcast more than one platform</i>				
<i>DTT, Cabsat</i>	462.05	711.00	(248.95)	(35.01%)
<i>DTT, Cabsat, VOD</i>	413.49	265.00	148.49	56.03%
<i>DTT, Cabsat, IPTV</i>	122.00	324.00	(202.00)	(62.35%)
<i>DTT, Cabsat, VOD, Home</i>	78.98	-	78.98	100.00%
<i>DTT, VOD</i>	-	35.00	(35.00)	(100.00%)
<i>Cabsat, IPTV</i>	184.80	-	184.80	100.00%
<i>Cabsat, VOD</i>	11.61	(98.00)	109.61	(111.85%)
<i>Subtotal revenue from sales of program rights which can broadcast more than one platform</i>	1,272.93	1,237.00	35.93	2.90%
<i>Total revenue from sales of program rights by platform</i>	1,884.58	1,355.00	529.58	39.08%

For the nine-month period ended 30 September 2023, considering revenue from program rights based on type of platform given to the customer, the revenue from sales the program rights that broadcast only one platform shown the right on IPTV has been interested and the demand from most of customers has changed to the program rights to broadcast more than one platform especially the sales of program rights which can broadcast on digital television, cable and satellite and Video on demand (DTT, Cabsat, VOD). Moreover, the Company sold more of rights to broadcast on Internet Protocol Television (IPTV) since last year. As a result, revenue from sales of program rights to broadcast increased of THB 529.58 million.

For the backlog as of 30 September 2023 of THB 1,914.34 million which is composed of THB 330.80 million for the domestic sales and THB 1,583.54 million or USD 45.61 million for the export sales.

Costs of program rights business mainly consist of amortization, dubbing and translation costs. The Company had costs of program rights business for the nine-month period ended 30 September 2023 and

2022 totaling THB 1,032.58 million and THB 727.35 million respectively, in which increased by 41.97% since the Company have acquired more contents during the year whereas has negotiated to extend the period of broadcasting since those contents still be interested and able to sale to the market then the cost of program rights will be in line with revenue from program rights and growth of the content business.

The Company and its subsidiaries earned gross profits from program rights business for the nine-month period ended 30 September 2023 and 2022 in a total of THB 845.38 million and THB 629.33 million, respectively, in which increased by 34.33%. The gross profit margin for the nine-month period ended 30 September 2023 and 2022 was 45.02% and 46.39%, respectively. The Company still keep the net profit rate stability ever though the higher cost of program right. As the consolidated statement of comprehensive income for the nine-month period ended 30 September 2023 and 2022 have been reclassified to conform to the current year's classification but with no effect to previously reported profit for year or shareholders' equity (according to clause 35. Reclassification of Notes to Interim Financial Statements). Since a subsidiary initially engaged providing television station, advertising services and production of television programs, then extend business to engage manufacturing and distribution of health, beauty and consumer products. This subsidiary had produced and purchased contents to air in their own channel and classified the cost of television programs production and amortization of program rights being cost of service. However the subsidiary had also extended to distribution their existing program rights and programs, therefore in order to match with the operation segment, the Company reconsider to reclassify the amortization of program rights to be cost of program rights separately which have reflected to statements of comprehensive income for the nine-month period ended 30 September 2023 and 2022 and resulted to changing the cost of program rights and gross profit of business type presented in the following table.

Accumulated (unit: MB)	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23	Q3/23
Revenue from sales of program rights	414	835	1,266	1,662	437	860	1,357	1,959	671	1,137	1,878
- Domestic sales	251	489	759	1,037	397	791	1,159	1,638	501	770	1,052
- Export sales	163	345	507	625	40	69	198	321	170	368	827
Cost of program rights	(202)	(411)	(610)	(794)	(172)	(357)	(552)	(768)	(222)	(398)	(761)
- Reclassification	0	(7)	(24)	(49)	(41)	(112)	(176)	(260)	(88)	(95)	(271)
Cost of program rights after reclassification	(202)	(418)	(634)	(843)	(213)	(469)	(727)	(1,028)	(310)	(493)	(1,033)
Gross profit of content business	212	417	632	819	224	391	630	931	361	644	845
Gross profit margin	51%	50%	50%	49%	51%	45%	46%	48%	54%	57%	45%

Advertising and Media Business

Advertising income is the income from the service by provide time to displaying the advertisement on the following platforms

- channel named "JKN 18" that broadcast through digital TV station or known as NEW18 in the past (acquire the whole station to operate by the Company since April 2021)
- available time during news programs under the brand JKN-CNBC that broadcast through digital TV station.

For the nine-month period ended 30 September 2023, the Company and its subsidiaries earned service income totaled THB 14.11 million, the increase of THB 0.35 million or 2.57% from the same period of last year due to lower advertising revenue from JKN 18. However, the directly and indirectly impact to the various businesses in the country, therefore, many companies in the country have been reduced their advertising expenses to control the budget. Moreover, the customer also has more choices in order to do promotion and/or advertising which not only in Television media, but online and other new media or platform have provided.

However, since 18 September 2023, the company and its subsidiaries had entered to Co-production Agreement and the Program License Agreement with the third party who has expertise in the production of news and information programs including the transparent facts in various aspects. The third party also has a large number of viewers (followers). According to the co-production strategy, it will be able to strengthen the JKN18 channel as well as expand the JKN18 channel's viewer base to a large number and result to improve channel rating and strengthening the Company and its subsidiaries in the future. The entering into these agreements provides the Company and its subsidiaries with consistent income throughout the remaining period of the JKN18's channel license.

Product Sales Business

The income from product sales contains the sales of nutritional supplement products and healthy drinks which had been distributed since April 2021 and home shopping business had changed from affiliated company to subsidiary company since April 2022.

For the nine-month period ended 30 September 2023, the Company and its subsidiaries earned revenue from product sales business of Baht 104.48 million which comprise the nutritional supplement products of Baht 4.89 million, home shopping business of Baht 77.48 million and healthy drinks of Baht 22.11 million.

Miss Universe Organization's License Management

From acquiring of Miss Universe organization on the organization 4th quarter of 2022, for the nine-month period ended 30 September 2023 the Company and its subsidiary earned revenue from national director fee of THB 303.46 million, to organize a national beauty pageant to find a representative in their countries to join the 71st Miss Universe final competition on late January 2023. This year the 72nd Miss Universer final competition will be organized on November 2023 which the Company will realize the related revenue on that period.

Other Income and finance income

Other income of the Company and its subsidiaries consists of gain on bargain purchase, gain on exchange rate and gain on short-term investment. Moreover, the finance income of the Company and its subsidiaries are interest income. For the nine-month period ended 30 September 2023, other income and

finance income were totaling THB 59.43 million, which decreased by THB 49.83 million from the same period of prior year.

However, the Company was well aware of the risk of exchange rate fluctuation therefore the Company opening a credit limit for the forward contract to prevent such risks and keep cash in FDC.

Expenses

Selling and service Expenses

<i>Baht Million</i>	2023	2022	+/(-) 	+/(-) %
<i>Expense from Event</i>	7.69	-	7.69	#DIV/0!
<i>Advertising and marketing expenses</i>	37.71	77.94	(40.23)	(51.61%)
<i>Others</i>	35.13	43.02	(7.89)	(18.34%)
<i>Selling and service expenses</i>	80.54	120.96	(40.43)	(33.42%)

Selling and service expense for the nine-month period ended 30 September 2023, decreased by THB 40.43 million or 33.42% from the same period of prior year since the Company and its subsidiaries organized the Miss Universe Competition on January 2023.

Administrative Expenses

<i>Baht Million</i>	2023	2022	+/(-) 	+/(-) %
<i>Employee and executive expenses</i>	187.74	85.79	101.95	118.83%
<i>Advisor expenses</i>	85.11	14.62	70.49	482.12%
<i>Allowance for expected credit loss</i>	25.70	(18.99)	44.69	(235.37%)
<i>Depreciation and amortization expense</i>	34.25	32.10	2.14	6.68%
<i>Others</i>	143.64	70.91	70.58	181.87%
<i>Administrative expenses</i>	452.57	193.22	259.36	134.23%

Administrative expense for the nine-month period ended 30 September 2023 totaled THB 452.57 million, the increase of THB 259.36 million or 134.23% from the same period of previous year. This was due to the acquisition of Miss Universe Organization during the 4th quarter of 2022 resulting in the increase of advisory fees which related to the business operation such as agreements and setup working system. Moreover, the fluctuation of FOREX rate impacted to higher costs and expense. In addition, employee and executive expenses increase in line with the number of employees as well.

Financial Costs

For the six-month period ended 30 September 2023, the Company had financial costs in total of THB 266.30 million, an increase of THB 29.12 million or 12.28% from the same period of previous year according to the addition of balance of debentures, short-term and long-term loan from financial institutions that the Company had entered into these agreement for the purpose of investing in program rights and acquiring new business during the year 2022.

Income tax expense

Income tax expense for the nine-month period ended 30 September 2023 totaled THB 51.74 million, an decrease of THB 0.04 million or 0.08% from the same period of previous year. Mainly due to the subsidiaries had performed well however the Company is in the process of re-structure the business in order to more efficiency performance, therefore the tax burden will be an incident during the novation period.

3. Summary of financial position of the group

<i>Baht Million</i>	2566	2565	+/(-)	+/(-)%
Assets				
<i>Cash, Cash equivalents</i>	139.70	347.52	(207.83)	(59.80%)
<i>Trade and other accounts receivable</i>	2,262.31	1,620.10	642.20	39.64%
<i>Other current financial assets</i>	1.24	100.33	(99.09)	(98.77%)
<i>Value added tax receivable</i>	241.51	236.10	5.41	2.29%
<i>Other current assets</i>	382.77	262.93	119.85	45.58%
<i>Plant property and equipment</i>	441.13	437.38	3.75	0.86%
<i>Right-of-use assets</i>	11.34	30.51	(19.17)	(62.84%)
<i>Cost of spectrum license</i>	-	-	-	-
<i>Advance payment for purchased program rights</i>	413.91	497.91	(84.00)	(16.87%)
<i>Program rights</i>	6,277.65	5,073.02	1,204.63	23.75%
<i>Trademark</i>	1,333.31	1,335.42	(2.11)	(0.16%)
<i>Goodwill</i>	717.96	717.96	-	-
<i>Deferred tax assets</i>	142.34	137.89	4.46	3.23%
<i>Other non-current assets</i>	72.54	68.56	3.98	5.81%
Total assets	12,437.72	10,865.63	1,572.09	14.47%

Total Assets

The Company and its subsidiaries had total assets as at 30 September 2023 of THB 12,437.72 million, an increase of THB 1,572.09 million from 31 December 2022 or 14.47%, due to the followings:

- (1) Cash and cash equivalents decreased by THB 207.83 million or 59.80%. There were net cash inflow by operating activities amounting to THB 1,956.49 million. On the other hand, there were net cash outflow in investing activities amounting to THB 2,457.91 million which mostly composed of payment for purchasing program rights, and net cash inflow from financing activities THB 278.18 million which mainly came from capital increase amounting to THB 800.49 million, debenture issued during the period amounting to THB 673.58 million and short-term loan from non-bank institution amounting to THB 180.00 million, on the cash payment on

financing activities are paid for debentures, loan from financial institutions, loan from related party and liabilities under the claim transfer agreement.

- (2) Trade and other accounts receivable increased THB 642.20 million or 39.64% mainly from sales of program rights during the nine-month period. The Company had contacted the outstanding account receivables to confirm the payment of outstanding balance which plan to start from October 2023 onwards. The Company and its subsidiaries have been able to make partial collection of approximately THB 8.05 million during October up to 10 November 2023. The Company and its subsidiaries had accounts receivable as presented in the consolidated statement of financial position as at 30 September 2023, in the amount of THB 2,262.31 million consisted of trade account receivable amounting of THB 2,248.22 million and other receivables amounting of THB 14.09 million. Some trade accounts receivable of the Company and its subsidiaries are overdue accounts receivable. According to the management's assessment, there is no need to provide an allowance for expected credit losses apart from the allowance set aside in accordance with the Group's policy (As at 30 September 2023, allowance for expected credit losses per the overdue account receivables amounting of THB 88.20 million is approximately 3.78%). As the situation is in the ordinary course of business, although there is payment due date but major customers are likely to wait and get paid from the program right before making the payment to the company. The management is confident that payments from all these receivables will be collected based on the management's experience in this business and the best estimates under current conditions, in which there were no uncollectible debt from account receivable from the company's past experience.
- (3) Other current financial assets decreased THB 99.09 million mainly from investing in trading security funds totaling THB 100 million during the previous year.
- (4) Value added tax receivable increased by THB 5.41 million or 2.29% which related to the increase of Content Account Payable.
- (5) Other current assets increased THB 119.85 or 45.58% mainly due to the cash collection from customers related to sales of program rights during the period, as a result of, the Company and its subsidiaries had withholding tax waiting for refund increased THB 11 million. On the other hand, the Company and its subsidiaries had undued value added tax increased THB 64 million and increased in prepaid expensed and prepayment amount of THB 25 million and THB 11 million, respectively during the period.
- (6) Program rights increased by THB 1,204.63 million or 23.75%. During this period, the Company had invested by purchasing the program rights of THB 2,294.28 million that can be categorized an acquisition of the program rights to domestic sales and acquisition of the program rights to export sales to support the growth of the export sales of program rights both in Southeast Asia including South Asia. Moreover, the amortization expense was THB 1,013.29 million.
- (7) Trademark decreased amounting of THB 2.11 million due to amortization.

Baht Million	2566	2565	+ / (-)	+ / (-) %
Liabilities				
Short-term loan from financial institution	347.80	340.46	7.34	2.16%
Trade and other accounts payable	1,408.45	917.78	490.67	53.46%
Short-term Loan from related party	-	300.00	(300.00)	(100.00%)
Short-term Loan from Non related party	180.00	-	180.00	100.00%
Current portion of long-term loan from financial institution	346.30	323.17	23.13	7.16%
Current portion of debentures	3,195.85	1,297.73	1,898.12	146.26%
Current portion of lease liabilities	3.45	10.68	(7.23)	(67.66%)
Current portion of Convertibel Bond	1,016.10		1,016.10	100.00%
Current portion of liabilities under the transfer of claims agreement	-	63.79	(157.36)	(100.00%)
Other current liabilities	815.09	157.36	657.73	417.99%
Convertible debentures - liability component	-	1,061.42	(1,061.42)	(100.00%)
long-term loan from financial institution - net of current portion	-	214.66	(214.66)	(100.00%)
Debentures - net of current portion	-	2,061.55	(2,061.55)	(100.00%)
Long-term lease liabilities - net of current portion	3.81	15.79	(11.98)	(75.84%)
liabilities under the transfer of claims agreement - net of current portion	-	23.93	(23.93)	(100.00%)
Other non-current liabilities	308.53	307.49	1.04	0.34%
Total liabilities	7,625.39	7,095.81	436.01	6.14%
Shareholders' equity				
Equity attributable to owners of the Company	4,812.55	3,812.77	999.78	26.22%
Non-controlling interests of the subsidiary	(0.22)	(42.96)	42.73	(99.48%)
Total shareholders' equity	4,812.33	3,769.81	1,042.52	27.65%
Total liabilities and shareholders' equity	12,437.72	10,865.63	1,572.09	14.47%

Total Liabilities

The Company and its subsidiaries had total liabilities as at 30 September 2023 of THB 7,625.39 million, an increase of THB 436.01 million or 6.14% which mainly due to the following reasons (1) An increase in balance of trade and other accounts payable, especially creditors arising from the purchased of program rights THB 490.67 million. (2) The decrease in short-term loan from related party THB 300.00 million. (3) The net decrease from bond issuing and payment THB 163.43 million. (4) The decrease from payment liabilities under the claim transfer agreement THB 181.29 million. (5) The increase in other current liabilities such as deferred income THB 297.84 million, mostly will be realized as revenue in November 2023, advance receive for program rights THB 275.91 million and withholding tax and valud added tax for submission amounting of 137.77 million

However, on the maturity date of the JKN239A Debenture, 1 September 2023, the Company did a partial repayment in principal and total interest which had considered as the default on repayment of

JKN239A Debenture. Consequently, on 27 September 2023 the Company convened the debenture holders' meeting for the JKN239A Debenture which the meeting resolved to approve (a) the extension of the debenture maturity date without being considered as an event of default, (b) the partial repayment of bond principal THB 19.5 million and interest on 15 December 2023 and the balance amounting of THB 432.45 million and interest on 23 February 2024, (c) an increasing of the debenture interest rate from 6.6% to 7.0% and any other related documents to be consistent with such amendment; and (d) the request to waive the default of principal and interest payment which was due on 1 September 2023 was not considered as an event of default according to the terms and conditions and not immediately call default.

In this regard, on 5 September 2023, the Company had received the letters from the Debenture Holder Representatives inquired on the solutions on the event of Default of the JKN239A Debenture and notification of Cross Default on the existing Company's 6 series of debenture according to the terms and conditions of each debenture. According to the resolution of the debenture holders' meeting for the JKN239A Debenture held on 27 September 2023, the Company is to convene the debenture holders' meeting of the Company's 6 series of debenture on 8 December 2023 to consider requesting for a waiver from the breach of the terms and conditions of the rights.

The Company has engaged KPMG Phoomchai Business Advisory Ltd. ("KPMG") to assist with debt restructuring advisory services, to support the Company in preparing a repayment plan and communications and negotiations with creditors in order to restructure the debts. KPMG are undertaking to analyse historical financial performance, cash flow and balance sheet and the Company's business plan to prepare a specification for the financial model development, develop and analyze set of options in order to present the refine options and proposed repayment plans to bondholders and creditors.

Later on 8 November 2023, the petition for business rehabilitation has already been filed to the Central Bankruptcy Court under the Bankruptcy Act, B.E. 2483 (1940) according to the resolution of the Board of Directors meeting No. 10/2023 held on November 7, 2023 has resolved. On 9 November 2023, the Central Bankruptcy Court issued an order to accept the petition for business rehabilitation of the Company. In this regard, the Central Bankruptcy Court has set the hearing date for the petition for business rehabilitation on January 29, 2024. the substance of the business rehabilitation petition as follows:

1. The Company, as a debtor, submitted a petition for rehabilitation to the Central Bankruptcy Court.
2. The Company proposed JKN Global Group Public Company Limited as a planner.
3. Preliminary business rehabilitation plan guideline includes:
 - 3.1. Business restructuring and financial restructuring to be in line with the current financial assumptions and economic conditions and solving working capital problems of the business to resolve the financial liquidity of the Company and restructure the internal organization.

- 3.2. Extending the period for the repayment of debt and waiving interest rate in order that the Company can generate income from operation to repay all of its creditors and continue to operate its business.
- 3.3. Receiving financial support from new investors or financial institution as a source of funds to utilize as working capital of the Company.
- 3.4. Providing guideline for the sale of worthless or non-productive asset in order to repay the creditors with the income from such sale.
- 3.5. Preparing the plan and strategy to manage liquidity of the Company, improving internal business organization and increasing business's efficiency.

Submitting the rehabilitation petition will effectively solve the Company's liquidity problem under legal mechanism and provide fair protection to all stakeholders. In addition, the Company can continue its operation while being under the rehabilitation plan which is a sustainable solution to the problem and to create profits in the future.

Therefore the Company's financial statements as of 30 September 2023 have classified the outstanding balance of Debentures, Convertible Debentures-liability component and Loans from Financial Institutions being current liabilities classification.

Shareholders' equity

As at 30 September 2023, the Company and its subsidiaries had total shareholders' equity of THB 4,812.33 which consist of equity attributable to owners of the Company and an accumulated profit of non-controlling interests of the subsidiary amounting to THB 4,812.55 million and THB 0.22 million, respectively, in which increased by THB 999.79 million. The increase was due to the operating profit of the Company and its subsidiaries amounting to THB 141.23 million, the Company's other comprehensive expense about THB 15.62 million. The decrease of the loss from purchasing share in the subsidiary from non-controlling interest amounting of THB 68.50 million. The increase of capital and share premium from right offering and conversion of convertible debentures to ordinary shares during the current period amounting to THB 153.10 million and THB 766.03 million, respectively, and the decrease of convertible debentures - equity component from issued convertible debentures during the current period amounting to THB 7.49 million.

Liquidity and capital adequacy

As at 30 September 2023 and 31 December 2022, the current ratio of the Company and its subsidiaries were 0.41 times and 0.75 times, respectively, and the quick ratio were 0.33 times and 0.58 times, respectively. The main reason of the drop of those ratios was an arising of current liabilities. The major components of current liabilities are trade and other accounts payable, current portion from short-term loan and long-term loan form financial institution as described above. Nevertheless, the management is confident that the Company could collect debt from the major customers to repay some short-term liabilities based on the past experiences*.

* Remark: please note the Submitting the rehabilitation petition to the Central Bankruptcy Court under the Bankruptcy Act, B.E. 2483 (1940) under clause “**Total Liabilities**”.

The Debt-to-Equity ratio (D/E ratio) as at 30 September 2023 and 31 December 2022 were 1.58 times and 1.85 times, respectively, due to the decreasing of trade and other accounts payable, especially creditors arising from the purchased of program rights and short-term loan from financial institution, including debentures issuance during the period of the year as described above.