

RS PUBLIC COMPANY LIMITED

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

31 DECEMBER 2019

Independent Auditor's Report

To the shareholders of RS Public Company Limited

My opinion

In my opinion, the consolidated financial statements of RS Public Company Limited ("the Company") and its subsidiaries ("the Group") and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2019, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2019;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include a summary of significant accounting policies.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and Company in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

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

Key audit matters	How my audit addressed the key audit matters
<p>Valuation of the 'licence for operation right in spectrum of digital television'</p> <p><i>Refer to note 2.9 and 13 'Licence for operation right in spectrum of digital television (net)' of the consolidated and separate financial statements</i></p> <p>As at 31 December 2019, the Group had the Licence for operation right in spectrum of digital television which was valued at Baht 671 million, net of accumulated amortisation. As there are many digital TV channels, audiences have many choices for accessing content, meaning the digital television market is highly competitive.</p> <p>These factors indicate that the recoverable value of this licence might be less than the net book value. Management annually evaluated the impairment loss on this license. This year the impairment test indicated that there was no impairment loss.</p> <p>I focussed on the impairment test of this licence because it relates to a significant amount. Also, assumptions were made by management to determine the recoverable value, estimating the overall revenue growth rates and discount rates in the future cash flow forecast. Small changes to these assumptions could result in a significant change to the cash flow forecast and licence impairment consideration.</p>	<p>I gain understand the method of assessing the impairment of the license for operation right in spectrum of digital television and test the assumptions used by management in calculating the recoverable value of the license. I performed the following;</p> <ul style="list-style-type: none"> evaluating the appropriateness of the method used in the Group's cash flow forecast and the process by which it was drawn up, and testing the underlying values used in the forecast. comparing the Group's cash flow forecast of the current year to the previous year and evaluating significant amendments. Also, comparing the Group's cash flow forecast to the actual performance of the current year. challenging management on their key assumptions, including the revenue growth rates and the discount rate by: <ul style="list-style-type: none"> understanding management's plans for future growth. Also, assessing the Group's potential to achieve their plans over the relevant period by comparing the revenue growth rates to economic and industry forecasts, including comparing past income growth rates to consider the possibility of future growth plans. testing the appropriateness of the discount rate applied to the cost of capital for the Group by comparison with the actual interest rate. performing a sensitivity analysis of the revenue growth and discount rate assumptions to determine how a change in those assumptions would affect the impairment of the licence. <p>As a result of the above procedures, I found that management's assumptions applied in the licence valuation were reasonable based on the available evidence.</p>

Key audit matters	How my audit addressed the key audit matters
<p>Recognition of production cost amortisation of a drama series</p> <p><i>Refer to note 2.10 and 14 'Intangible assets (net)' of the consolidated and company financial statements</i></p> <p>As at 31 December 2019, the Group presented a Baht 498 million production cost balance of a drama series as an intangible asset. This represents 71% of the total intangible assets. The production costs were carried at cost with a deduction for accumulated amortisation. It was amortised based on the expected pattern of consumption of the future economic benefits embodied in the assets.</p> <p>Management divided the production costs into two components. The first component was amortised based on the number of episodes forecast to be aired under the channel's on-air schedule. The residual component was amortised using the straight-line method.</p> <p>I focussed on the amortisation method for the production costs based on the number of episodes forecast to be aired under the channel's on-air schedule because this is based on management's judgment of the number of episodes to be aired in the future. In addition, the production costs were a significant amount to the financial statements.</p>	<p>I understood and tested the amortisation method by performing these procedures:</p> <ul style="list-style-type: none"> • assessing the appropriateness of the management's judgments about the dividing of cost of drama production. The cost of drama production is divided based on the revenue generated from the number of episodes of each drama and the revenue generated from the sales of drama rights. • assessing the appropriateness of the management's judgments about the forecast and estimated number of aired episodes of each series by comparing the forecast to the channel's on-air schedule. • evaluating the actual number of aired episodes of drama series by comparing them to the channel's on-air schedule used in the amortisation calculation. • testing the arithmetical accuracy of the calculation. <p>I evaluate the drama and series production cost amortization method and the forecast to be aired is reasonable and within an acceptable range based on available evidence. As a result of the tests, I found no difference between the drama and series production cost amortization and the number of actual episodes of the series and the drama broadcasting plans.</p>
<p>Deferred tax assets recognised from cumulative tax losses carried forward</p> <p><i>Refer to note 2.14 and 16 'Deferred tax assets (net)' to the consolidated and company financial statements</i></p> <p>As at 31 December 2019, the Group had deferred tax assets of Baht 201 million, of which Baht 43 million related to those recognised from cumulative tax losses carried forward by the Company and the subsidiaries. During the year, a subsidiary utilised benefits from the tax losses accumulating to 13 Baht.</p> <p>The Group has recognised their deferred tax assets from cumulative tax losses carried forward to the extent that it's probable that future taxable profits would allow use of the cumulative tax losses. Management prepared financial projections which included future taxable profit using the deferred tax assets from the cumulative tax losses carried forward. In this instance, key assumptions about the revenue growth rate and future taxable profit significantly impact these projections.</p> <p>I focussed on this area because the amounts of deferred tax assets are significant to the Group's financial statement. The estimation of future taxable profits is complex, and the key assumptions involve significant judgment by management in assessing the future taxable profit.</p>	<p>To gain an understanding of the transactions underlying the significant deferred tax assets and assess management's assumptions that were used in the calculation of future taxable profit to determine the recoverability of the deferred tax assets, I performed the following:</p> <ul style="list-style-type: none"> • assessing the available cumulative tax losses carried forward by testing their expiry periods according to any applicable provisions of the Revenue Code regarding the recovery of deferred tax assets. This also includes the evaluation of the arithmetical accuracy in the tax computation and projection. • evaluating and challenging management's judgement and assumptions applied in the Group's profit forecasts in the five-year business plan. During the five-year period, the Group can use accumulated tax loss by considering the probability of future profit growth resulting from revenue growth. This also includes comparing revenue growth in the business plan to economic and industry forecast. • testing the reasonableness of the Group's past profit estimates and whether using the tax loss benefits is in line with the Group's actual profit. <p>As a result of above procedures, I considered management's key assumptions used in the estimate of future taxable profit to be within a reasonable range.</p>

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

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

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and Company'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 the directors either intend to liquidate the Group and Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group and Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 TSAs 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 consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' 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 and Company'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 consolidated and separate 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 and Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate 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 the audit committee 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 the audit committee 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 the audit committee, I determine those matters that were of most significance in the audit of the consolidated 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.

PricewaterhouseCoopers ABAS Ltd.

Krit Chatchavalwong

Certified Public Accountant (Thailand) No. 5016

Bangkok

20 February 2020

RS Public Company Limited
Statement of Financial Position
As at 31 December 2019

	Notes	Consolidated financial statements		Separate financial statements	
		31 December	31 December	31 December	31 December
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	6	328,409,093	339,639,957	104,285,400	168,511,981
Trade and others accounts receivable (net)	7	544,834,568	553,168,390	590,093,380	611,655,348
Short-term loans to related companies (net)	32 d)	-	-	1,006,700,000	881,700,000
Inventories (net)	8	258,795,418	284,785,668	4,147,152	11,956,542
Value added tax	21	8,610,259	3,816,152	-	-
Other current assets (net)	9	4,593,844	4,933,691	1,817,844	528,592
Total current assets		1,145,243,182	1,186,343,858	1,707,043,776	1,674,352,463
Non-current assets					
Investments in subsidiaries (net)	10	-	-	532,444,152	534,507,003
Investments in an associated company (net)	11	3,992,546	3,991,133	-	-
Plant and equipment (net)	12	503,783,449	331,535,298	409,046,698	292,850,997
License for operation right in spectrum of digital television (net)	13	670,748,615	1,395,738,282	-	-
Intangible assets (net)	14	702,789,651	720,149,700	111,070,961	117,423,678
Prepaid expense - non-current		696,666	9,030,000	-	-
Withholding tax (net)	15	165,615,539	180,089,907	59,836,570	115,677,411
Deferred tax assets (net)	16	200,796,413	231,609,431	92,623,154	118,755,960
Other non-current assets (net)	17	13,095,597	14,839,736	11,274,899	14,629,038
Total non-current assets		2,261,518,476	2,886,983,487	1,216,296,434	1,193,844,087
Total assets		3,406,761,658	4,073,327,345	2,923,340,210	2,868,196,550

Director _____ Director _____

The accompanying notes on pages 18 to 67 are an integral part of these consolidated and separate financial statements.

RS Public Company Limited
Statement of Financial Position
As at 31 December 2019

	Notes	Consolidated financial statements		Separate financial statements	
		31 December	31 December	31 December	31 December
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Trade and other accounts payable	18	651,166,696	733,203,437	242,054,856	256,246,002
Current portion of liability under finance lease agreements (net)	19	6,729,866	11,070,866	6,729,866	11,070,866
Current portion of payable for cost of license for operation right in spectrum of digital television (net)	13	-	4,072,392	-	-
Short-term loans from financial institutions	20	450,000,000	240,000,000	320,000,000	240,000,000
Short-term loans from related companies	32 e)	-	-	97,027,125	208,027,125
Current portion of payable for long-term loans from financial institutions	22	80,000,000	80,000,000	-	-
Value added tax	21	34,996,464	39,369,040	32,968,814	39,269,571
Accrued income tax		30,660,198	28,982,918	26,712,960	-
Withholding tax payable		12,095,248	9,242,313	3,831,171	5,080,334
Total current liabilities		1,265,648,472	1,145,940,966	729,324,792	759,693,898
Non-current liabilities					
Liabilities under finance lease agreements (net)	19	2,580,565	6,617,037	2,580,565	6,617,037
Long-term loans from financial institution	22	236,085,000	316,085,000	-	-
Payable for cost of license for operation right in spectrum of digital television (net)	13	-	826,556,413	-	-
Employee benefit obligations	23	163,964,704	99,545,179	105,976,538	78,422,968
Other non-current liabilities		11,460,459	6,249,237	6,413,098	777,874
Total non-current liabilities		414,090,728	1,255,052,866	114,970,201	85,817,879
Total liabilities		1,679,739,200	2,400,993,832	844,294,993	845,511,777

The accompanying notes on pages 18 to 67 are an integral part of these consolidated and separate financial statements.

RS Public Company Limited
Statement of Financial Position
As at 31 December 2019

	Notes	Consolidated financial statements		Separate financial statements	
		31 December	31 December	31 December	31 December
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Liabilities and equity (Cont'd)					
Equity					
Share capital					
Authorised share capital	24.1				
1,161,997,216 ordinary shares					
of par Baht 1 each		1,161,997,216		1,161,997,216	
Authorised share capital					
1,203,270,516 ordinary shares					
of par Baht 1 each			1,203,270,516		1,203,270,516
Issued and fully paid-up share capital					
972,495,202 ordinary shares					
of par Baht 1 each		972,495,202		972,495,202	
1,010,149,192 ordinary shares					
of par Baht 1 each			1,010,149,192		1,010,149,192
Premium on share capital	24.1	322,087,270	258,257,595	322,087,270	258,257,595
Treasury shares	24.5	-	(465,274,840)	-	(465,274,840)
Retained earnings					
Appropriated - legal reserve		120,327,052	120,327,052	120,327,052	120,327,052
Appropriated - treasury share reserve		-	465,274,840	-	465,274,840
Unappropriated		309,980,034	282,483,158	664,135,693	633,950,934
Equity attributable to owners of the parent		1,724,889,558	1,671,216,997	2,079,045,217	2,022,684,773
Non-controlling interests		2,132,900	1,116,516	-	-
Total equity		1,727,022,458	1,672,333,513	2,079,045,217	2,022,684,773
Total liabilities and equity		3,406,761,658	4,073,327,345	2,923,340,210	2,868,196,550

The accompanying notes on pages 18 to 67 are an integral part of these consolidated and separate financial statements.

RS Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2019

	Notes	Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Revenue					
Revenue from sales		2,012,441,388	2,129,659,415	27,670,300	8,072,557
Revenue from services		1,598,699,374	1,697,021,676	889,175,624	851,574,716
Total revenue and services income		3,611,140,762	3,826,681,091	916,845,924	859,647,273
Cost of sales		(680,003,091)	(712,253,980)	(17,604,101)	(5,366,136)
Cost of services		(1,339,959,121)	(1,493,023,063)	(403,173,880)	(549,061,928)
Total cost of sales and services		(2,019,962,212)	(2,205,277,043)	(420,777,981)	(554,428,064)
Gross profit		1,591,178,550	1,621,404,048	496,067,943	305,219,209
Other income	26	10,719,894	33,749,627	463,545,028	680,208,582
Profit before expenses		1,601,898,444	1,655,153,675	959,612,971	985,427,791
Selling expenses		(512,363,644)	(452,640,570)	(48,234,749)	(110,399,228)
Administrative expenses		(587,396,191)	(601,744,463)	(472,055,864)	(497,512,380)
Reversal of allowance for impairment on investments in subsidiaries and accrued interest income from subsidiaries		-	-	20,592,275	10,460,697
Other expenses	27	(5,660,463)	(3,173,862)	(4,779,773)	(10,977,857)
Finance costs	29	(34,631,659)	(68,339,595)	(7,984,452)	(11,231,273)
Gain from modification of payment term of license for operation right in spectrum of digital television	13	-	94,614,823	-	-
Profit (loss) before income tax		461,846,487	623,870,008	447,150,408	365,767,750
Income tax	30	(97,451,696)	(107,832,327)	(81,931,484)	(702,134)
Profit (loss) for the year		364,394,791	516,037,681	365,218,924	365,065,616
Other comprehensive income:					
Item that will not be reclassified to profit or loss					
Remeasurements of post employment benefit obligations	23	(22,123,651)	-	(11,042,823)	-
Income tax on items that will not be reclassified		4,424,730	-	2,208,565	-
Other comprehensive income for the year, net of tax		(17,698,921)	-	(8,834,258)	-
Total comprehensive income for the year		346,695,870	516,037,681	356,384,666	365,065,616

The accompanying notes on pages 18 to 67 are an integral part of these consolidated and separate financial statements.

RS Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2019

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Profit (loss) attributable to:					
Owners of the parent		363,343,967	516,039,530	365,218,924	365,065,616
Non - controlling interests		1,050,824	(1,849)	-	-
		<u>364,394,791</u>	<u>516,037,681</u>	<u>365,218,924</u>	<u>365,065,616</u>
Total comprehensive income attributable to:					
Owners of the parent		345,645,046	516,039,530	356,384,666	365,065,616
Non - controlling interests		1,050,824	(1,849)	-	-
		<u>346,695,870</u>	<u>516,037,681</u>	<u>356,384,666</u>	<u>365,065,616</u>
Earning (loss) per share for profit attributable to the equity holders of the parent					
Basic earning (loss) per share (Baht)	31.1	<u>0.3744</u>	<u>0.5337</u>	<u>0.3763</u>	<u>0.3776</u>
Diluted earning (loss) per share (Baht)	31.2	<u>0.3583</u>	<u>0.4924</u>	<u>0.3602</u>	<u>0.3484</u>

The accompanying notes on pages 18 to 67 are an integral part of these consolidated and separate financial statements.

RS Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2019

Consolidated financial statements (Baht)									
For the year ended 31 December 2018									
Attributable to owners of the parent									
Notes	Authorised, issued and fully paid-up share capital	Share premium	Treasury shares	Retained earnings			Total owners of the parent	Non- controlling interests	Total
				Appropriated		Unappropriated			
				Legal reserve	Treasury shares reserve				
Opening balance as at 1 January 2018	1,010,147,392	258,236,895	(465,274,840)	112,971,941	465,274,840	15,517,712	1,396,873,940	5,183,849	1,402,057,789
Changes in equity for the year									
Increase in share capital	24.2	1,800	20,700	-	-	-	22,500	-	22,500
Difference between the purchase price of investments in subsidiaries under common control and their net book value		-	-	-	-	-	-	(4,062,333)	(4,062,333)
Legal reserve		-	-	7,355,111	-	(7,355,111)	-	-	-
Dividends payment	25	-	-	-	-	(241,718,973)	(241,718,973)	(3,151)	(241,722,124)
Other comprehensive income - remeasurement of post employment benefit obligations, net of tax		-	-	-	-	-	-	-	-
Net profit for the year		-	-	-	-	516,039,530	516,039,530	(1,849)	516,037,681
Closing balance as at 31 December 2018	1,010,149,192	258,257,595	(465,274,840)	120,327,052	465,274,840	282,483,158	1,671,216,997	1,116,516	1,672,333,513

The accompanying notes on pages 18 to 67 are an integral part of these consolidated and separate financial statements.

RS Public Company Limited
Statement of Changes in Equity (Cont'd)
For the year ended 31 December 2019

Consolidated financial statements (Baht)									
For the year ended 31 December 2019									
Attributable to owners of the parent									
Notes	Authorised, issued and fully paid-up share capital	Share premium	Treasury shares	Retained earnings			Total owners of the parent	Non- controlling interests	Total
				Legal reserve	Appropriated				
					Treasury shares reserve	Unappropriated			
Opening balance as at 1 January 2019	1,010,149,192	258,257,595	(465,274,840)	120,327,052	465,274,840	282,483,158	1,671,216,997	1,116,516	1,672,333,513
The effect of change in accounting policy	2.2.1	-	-	-	-	25,850,904	25,850,904	-	25,850,904
Closing in equity for the period	1,010,149,192	258,257,595	(465,274,840)	120,327,052	465,274,840	308,334,062	1,697,067,901	1,116,516	1,698,184,417
Changes in equity for the year									
Increase in share capital	24.2	5,619,310	64,429,859	-	-	-	70,049,169	-	70,049,169
Decrease in share capital from decreasing in treasury share	24.5	(43,273,300)	(600,184)	465,274,840	-	(421,401,356)	-	-	-
Treasury shares reserve	24.5	-	-	-	(43,873,484)	43,873,484	-	-	-
Dividends payment	25	-	-	-	-	(387,872,558)	(387,872,558)	(34,440)	(387,906,998)
Other comprehensive income - remeasurement of post employment benefit obligations, net of tax		-	-	-	-	(17,698,921)	(17,698,921)	-	(17,698,921)
Net profit for the year		-	-	-	-	363,343,967	363,343,967	1,050,824	364,394,791
Closing balance as at 31 December 2019	972,495,202	322,087,270	-	120,327,052	-	309,980,034	1,724,889,558	2,132,900	1,727,022,458

The accompanying notes on pages 18 to 67 are an integral part of these consolidated and separate financial statements.

RS Public Company Limited
Statement of Changes in Equity (Cont'd)
For the year ended 31 December 2019

Separate financial statements (Baht)							
For the year ended 31 December 2018							
Notes	Authorised, issued and fully paid-up share capital	Share premium	Treasury shares	Retained earnings			Total
				Appropriated		Unappropriated	
				Legal reserve	Treasury shares reserve		
Opening balance as at 1 January 2018	1,010,147,392	258,236,895	(465,274,840)	112,971,941	465,274,840	517,959,402	1,899,315,630
Changes in equity for the period							
Increase in share capital	24.2	1,800	20,700	-	-	-	22,500
Legal reserve		-	-	-	7,355,111	-	(7,355,111)
Dividend paid	25	-	-	-	-	-	(241,718,973)
Other comprehensive income - remeasurement of post employment benefit obligations, net of tax		-	-	-	-	-	-
Net profit for the year		-	-	-	-	-	365,065,616
Closing balance as at 31 December 2018	1,010,149,192	258,257,595	(465,274,840)	120,327,052	465,274,840	633,950,934	2,022,684,773

The accompanying notes on pages 18 to 67 are an integral part of these consolidated and separate financial statements.

RS Public Company Limited
Statement of Changes in Equity (Cont'd)
For the year ended 31 December 2019

		Separate financial statements (Baht)						
		For the year ended 31 December 2019						
		Authorised, issued and fully paid-up share capital	Share premium	Treasury shares	Retained earnings			Total
					Appropriated		Unappropriated	
Notes					Legal reserve	Treasury shares reserve		
Opening balance as at 1 January 2019		1,010,149,192	258,257,595	(465,274,840)	120,327,052	465,274,840	633,950,934	2,022,684,773
The effect of change in accounting policy	2.2.1	-	-	-	-	-	17,799,167	17,799,167
Closing in equity for the period		1,010,149,192	258,257,595	(465,274,840)	120,327,052	465,274,840	651,750,101	2,040,483,940
Changes in equity for the period								
Increase in share capital	24.2	5,619,310	64,429,859	-	-	-	-	70,049,169
Decrease in share capital from decreasing								
in treasury shares	24.5	(43,273,300)	(600,184)	465,274,840	-	(421,401,356)	-	-
Treasury shares reserve	24.5	-	-	-	-	(43,873,484)	43,873,484	-
Dividend paid	25	-	-	-	-	-	(387,872,558)	(387,872,558)
Other comprehensive income - remeasurement of post								
employment benefit obligations, net of tax		-	-	-	-	-	(8,834,258)	(8,834,258)
Net profit for the year		-	-	-	-	-	365,218,924	365,218,924
Closing balance as at 31 December 2019		972,495,202	322,087,270	-	120,327,052	-	664,135,693	2,079,045,217

The accompanying notes on pages 18 to 67 are an integral part of these consolidated and separate financial statements.

RS Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2019

		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
	Notes	Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit (loss) before income tax		461,846,487	623,870,008	447,150,408	365,767,750
Adjustments:					
Depreciation and amortisation	12, 13, 14, 28	568,584,108	591,459,708	105,035,628	147,051,541
Amortisation for prepaid expense		8,333,334	18,053,333	-	
(Reversed) allowance for doubtful accounts	7	(5,276,265)	(15,332,768)	(3,321,929)	(746,734)
(Reversed) allowance for obsolete inventories	8	5,996,985	16,624,104	-	-
Allowance for impairment - intangible assets	14	8,095,733	11,026,990	8,095,733	11,026,990
(Reversal of) allowance for impairment - other current assets and other non-current assets		(388,600)	(74,488)	(388,600)	(74,488)
(Reversal of) allowance for impairment - investment in an associated company	11	(1,413)	(2,138)	-	-
(Reversal of) allowance for impairments - investments in subsidiaries	10	-	-	(1,837,149)	(11,105,642)
Loss from liquidation of subsidiaries *, **	10	-	2,453	-	10,452,343
Gain from decrease in share capital of subsidiary		-	-	(14,850,000)	-
Loss on write-off plant and equipment and intangible assets		821,198	2	146	2
(Gain) loss on disposal of plant and equipment and intangible assets	26	8,377	818,508	(329,429)	732,070
Employee benefit obligations	23	42,550,274	3,603,773	27,595,243	5,621,430
Dividend income	26	-	-	(45,419,936)	(268,171,848)
Interest income		(1,195,205)	(1,071,311)	(30,058,081)	(35,230,160)
Finance costs - interest expense	29	34,631,659	68,339,595	7,984,452	11,231,273
Gain from modification of payment term of license for operation right in spectrum of digital television		-	(94,614,823)	-	-
		1,124,006,672	1,222,702,946	499,656,486	236,554,527
Changes in working capital					
Trade and other accounts receivable *, **		22,242,405	58,346,414	31,289,595	(149,441,631)
Inventories		19,993,265	14,225,639	7,809,390	(9,310,161)
Value added tax		(9,166,683)	30,630,803	(6,300,757)	18,655,006
Other current assets		379,847	(2,583,327)	(1,249,252)	166,251
Other non-current assets		2,092,739	19,066,002	3,702,739	15,920,002
Trade and other accounts payable		(81,752,683)	(70,873,456)	(39,998,650)	14,903,577
Withholding tax payable		2,852,935	(848,776)	(1,249,163)	(465,715)
Other non-current liabilities		5,211,222	(4,818,350)	5,635,224	(102,000)
Payment for retirement for employee		(254,400)	(193,250)	(254,400)	-
Cash generated from operating activities					
before income tax paid		1,085,605,319	1,265,654,645	499,041,212	126,879,856
Withholding tax refunded	15	56,590,674	31,802,191	55,788,282	-
Income tax paid		(109,115,700)	(136,482,723)	(31,274,386)	(25,664,376)
Net cash generated from operating activities		1,033,080,293	1,160,974,113	523,555,108	101,215,480

The accompanying notes on pages 18 to 67 are an integral part of these consolidated and separate financial statements.

RS Public Company Limited
Statement of Cash Flows (Cont'd)
For the year ended 31 December 2019

		Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
	Notes	Baht	Baht	Baht	Baht
Cash flows from investing activities					
Interest income received		1,194,856	1,071,311	32,284,352	34,791,355
Increase in short-term loans to related companies	32 d)	-	-	(335,000,000)	(553,500,000)
Receipts from short-term loans to related companies	32 d)	-	-	210,000,000	513,500,000
Receipts from decrease in share capital of subsidiary		-	-	18,750,000	-
Receipts (receivable) from subsidiaries liquidation *, **		-	22,055,550	-	22,055,550
Receipts from dividend income		-	-	45,419,936	268,171,848
Purchases of property, plant and equipment		(230,463,298)	(44,768,802)	(166,908,621)	(26,579,470)
Proceeds from disposals of property, plant and equipment and intangible asset		177,570	4,640,934	1,902,441	4,997,292
Purchases of intangible assets		(386,135,436)	(501,376,770)	(25,242,911)	(74,925,256)
Net cash receipts (payments) from investing activities		(615,226,308)	(518,377,777)	(218,794,803)	188,511,319
Cash flows from financing activities					
Interest expense paid		(21,927,333)	(29,981,873)	(8,363,810)	(9,113,101)
Payments on liability under finance lease agreements		(11,799,687)	(12,873,713)	(11,799,687)	(12,873,713)
Proceeds from short-term loans from financial institutions		1,150,000,000	930,000,000	920,000,000	930,000,000
Payments on short-term loans from financial institutions		(940,000,000)	(903,000,000)	(840,000,000)	(903,000,000)
Payments from long-term loans from financial institutions		(80,000,000)	(270,000,000)	-	-
Payment of license for operation right in spectrum of digital television		(207,500,000)	(6,225,000)	-	-
Proceeds from short-term loans from related companies	32 e)	-	-	154,027,125	385,500,000
Payments on short-term loans from related companies	32 e)	-	-	(265,027,125)	(299,300,000)
Dividend paid	25	(387,872,558)	(241,718,973)	(387,872,558)	(241,718,973)
Decrease in non-controlling interests from dividend payment		(34,440)	(3,151)	-	-
Proceeds from capital increase		70,049,169	22,500	70,049,169	22,500
Net cash payments from financing activities		(429,084,849)	(533,780,210)	(368,986,886)	(150,483,287)
Net increase in cash and cash equivalents		(11,230,864)	108,816,126	(64,226,581)	139,243,512
Cash and cash equivalents, opening balance		339,639,957	230,823,831	168,511,981	29,268,469
Cash and cash equivalents, closing balance		328,409,093	339,639,957	104,285,400	168,511,981

The accompanying notes on pages 18 to 67 are an integral part of these consolidated and separate financial statements.

RS Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2019

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Non-cash transactions and additional information:					
Write-off trade and other accounts receivable and allowance for doubtful accounts - trade and other accounts receivable		35,791,043	-	34,431,502	-
Write-off accrued interest income and allowance for doubtful accounts - accrued interest income		-	-	1,097,234	-
Write-off short-term loans to related companies and allowance for doubtful short-term loans to related companies		-	-	2,340,000	-
Write-off other non-current assets and allowance of other non-current assets		3,737,277	5,400,000	3,737,277	-
Outstanding payables as at 31 December arising from purchases of property, plant and equipment during the year		47,915,677	7,439,913	39,265,320	6,682,995
Outstanding payables as at 31 December arising from purchases of intangible assets during the year		46,909,204	63,451,817	727,600	3,583,858
Payable as at 31 December arising from purchase of property, plant and equipment under finance lease agreement during the year		2,669,904	-	2,669,904	-
Accrued dividend		24,525	-	-	-
Write-off withholding tax and allowance for doubtful in recoverable of withholding tax		188,810	927,856	-	1,094
The effect of change in accounting policy of accrued income		8,631,969	-	8,631,969	-
The effect of change in accounting policy of unearned revenue		23,681,661	-	13,616,990	-
Reversal from waived the installments license for operating right in spectrum of digital television		635,616,368	-	-	-
Employee benefit transfer between the Group		-	-	10,830,096	-
Reverse treasury shares reverse from decrease in share capital		43,873,484	-	43,873,484	-

* This transaction included the change from dissolution of RS In-Store Media Co., Ltd. which removed this company as subsidiary since 19 September 2018 (Note 10).

** This transaction included the change from dissolution of Blufairy Co., Ltd., Very Well Co., Ltd. and Aladdin House Co., Ltd. which removed this company as subsidiaries since 28 September 2018 (Note 10).

The accompanying notes on pages 18 to 67 are an integral part of these consolidated and separate financial statements.

1 General information

RS Public Company Limited (the “Company”) is incorporated as a limited company registered in Thailand on 17 April 1992 and on 15 January 2003, the Company converted to be a public company limited and listed on the Stock Exchange of Thailand on 22 May 2003. The address of the Company’s registered office is as follows:

419/1 Soi Ladphao 15, Ladphao Road, Jompon, Jatujak, Bangkok, Thailand.

For reporting purposes, the Company and its subsidiaries are referred to as ‘the Group’.

The principal business operations of the Group are Multi-platform Commerce, media, music distribution and showbiz.

These consolidated and separate financial statements were authorised for issue by the board of directors on 20 February 2020.

2 Accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below:

2.1 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements issued under the Securities and Exchange Act

The consolidated and separate financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 4.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

2.2 New and amended financial reporting standards that are relevant and have significant impacts to the Group

2.2.1 The Group has applied the following standard and amendments for the first time for their annual reporting commencing 1 January 2019

a) Thai Financial Reporting Standard no.15 (TFRS 15), Revenue from contracts with customers

The standard provides principle and approach of revenue recognition under five-step process. The underlying principle is that the Group will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. It replaces the principles of transferring the significant risks and rewards of ownership of the goods or services to the buyer in accordance with TAS 18, *Revenue* and TAS 11, *Construction contracts*.

The Group has adopted the new TFRS 15, Revenue from contracts with customers from 1 January 2019 (initial application date) by applying the modified retrospective approach and the comparative figures have not been restated. The Group applies practical expedient relates to completed contracts and contract modifications as allowed by TFRS 15.

Accounting for music copyright In the year 2018, the Group sells music copyright to the customer in which the customer has the right to use the music under the agreement time in the contract. The group will recognise revenue from selling music copyright by using a straight-line method based on the agreement period with the customer. Under Thai Financial Reporting Standards (TFRS) no. 15, the Group has no commitment after selling music copyright to the customer which is right of use of the assets. Therefore, the revenue is fully recognised when the customer is authorised to use music copyright.

The following tables show the amounts of affected line items in the current year from the adoption of TFRS 15 compared to the previous revenue recognition standards.

	Consolidated financial statements		
	As at 31 December 2018 Baht	Adjustments Baht	As at 1 January 2019 Baht
Statement of financial position			
Trade and other receivables	553,168,390	12,184,289	565,352,679
Deferred tax assets	231,609,431	(6,462,726)	225,146,705
Trade and other accounts payable	(733,203,437)	20,129,341	(713,074,096)
Retained earnings - unappropriated	(282,483,158)	(25,850,904)	(308,334,062)
	Separate financial statements		
	As at 31 December 2018 Baht	Adjustments Baht	As at 1 January 2019 Baht
Statement of financial position			
Trade and other receivables	611,655,348	12,184,289	623,839,637
Deferred tax assets	118,755,960	(4,449,792)	114,306,168
Trade and other accounts payable	(256,246,002)	10,064,670	(246,181,332)
Retained earnings - unappropriated	(633,950,934)	(17,799,167)	(651,750,101)

The following tables show the amounts by each financial statements line item in the current year from the adoption of the new revenue standard compared to the previous revenue standards.

	Consolidated financial statements		
	As at 31 December 2019		
	Amount as reported Baht	Impacts from TFRS 15 Baht	Amounts under the previous revenue standards Baht
Statement of financial position as at 31 December 2019			
Trade and other accounts receivable (net)	544,834,568	(22,623,120)	522,211,448
Deferred tax asset (net)	200,796,413	8,369,602	209,166,015
Trade and other accounts payable	(651,166,696)	(19,224,891)	(670,391,587)
Retained earnings - unappropriated	(309,980,034)	33,478,409	(276,501,625)
Statement of comprehensive income for the year ended 31 December 2019			
Revenue from services	1,598,699,374	(9,534,381)	1,589,164,993
Income tax credit (expense)	(97,451,696)	1,906,876	(95,544,820)
	Separate financial statements		
	As at 31 December 2019		
	Amount as reported Baht	Impacts from TFRS 15 Baht	Amounts under the previous revenue standards Baht
Statement of financial position as at 31 December 2019			
Trade and other accounts receivable (net)	590,093,380	(22,623,120)	567,470,260
Deferred tax asset (net)	92,623,154	6,447,113	99,070,267
Trade and other accounts payable	(242,054,856)	(9,612,446)	(251,667,302)
Retained earnings - unappropriated	(664,135,693)	25,788,453	(638,347,240)
Statement of comprehensive income for the year ended 31 December 2019			
Revenue from services	889,175,624	(9,986,607)	879,189,017
Income tax credit (expense)	(81,931,484)	1,997,321	(79,934,163)

2.2.2 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2020

The Group is in the process of assessing the effect of new and amended financial reporting standards that have been issued that are not mandatory for current period end 31 December 2019 reporting period and have not been early adopted by the group.

a) Financial instruments

The new financial standards relate to financial instruments are:

TAS 32	Financial instruments: Presentation
TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These new standards address the classification, measurement, derecognition of financial assets and financial liabilities, impairment of financial assets, hedge accounting, and presentation and disclosure of financial instruments.

b) TFRS 16, Leases

Where the Group is a lessee, TFRS 16, *Leases* will result in almost all leases being recognised on the balance sheet as the distinction between operating and finance leases is removed. A right-of-use asset and a lease liability will be recognised, with exception on short-term and low-value leases.

c) Other new/amended standards

The new and amended financial reporting standards that will have significant impact on the Group are:

TAS 12	Income tax
TAS 19	Employee benefits
TAS 23	Borrowing cost
TAS 28	Investments in associates and joint ventures
TFRS 3	Business combinations
TFRS 9	Financial instruments
TFRS 11	Joint arrangements
TFRIC 23	Uncertainty over income tax treatments

Amendment to TAS 12, Income tax - clarified that the income tax consequences of dividends of financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.

Amendment to TAS 19, Employee benefits (plan amendment, curtailment or settlement) - clarified accounting for defined benefit plan amendments, curtailments and settlements that the updated assumptions on the date of change are applied to determine current service cost and net interest for the remainder of the reporting period after the plan amendment, curtailment or settlement.

Amendment to TAS 23, Borrowing costs - clarified that if a specific borrowing remains outstanding after the related qualifying asset is ready for its intended use or sale, it becomes part of general borrowings.

Amendment to TAS 28, Investments in associates and joint ventures (long-term interests in associates and joint ventures) - clarified the accounting for long-term interests in an associate or joint venture, which is in substance form part of the net investment in the associate or joint venture, but to which equity accounting is not applied. Entities must account for such interests under TFRS 9, Financial instruments before applying the loss allocation and impairment requirements in TAS 28, Investments in associates and joint ventures.

Amendment to TFRS 3, Business combinations - clarified that obtaining control of a business that is a joint operation is a business combination achieved in stages. The previously held interest is therefore re-measured.

Amendment to TFRS 9, Financial instruments (prepayment features with negative compensation) - enabling entities to measure certain prepayable financial assets with negative compensation at amortised cost instead of fair value through profit or loss. These assets include some loan and debt securities. To qualify for amortised cost measurement, the negative compensation must be 'reasonable compensation for early termination of the contract' and the asset must be held within a 'held to collect' business model.

Amendment to TFRS 11, Joint arrangements - clarified that the party obtaining joint control of a business that is a joint operation should not remeasure its previously held interest in the joint operation.

TFRIC 23, Uncertainty over income tax treatments - explained how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

- That the Group should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, ie that detection risk should be ignored.
- That the Group should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment.
- That the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

2.3 Group Accounting - Investments in subsidiaries and associates

(1) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

(b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting.

In the separate financial statements, investments in associates are accounted for cost less impairment.

(c) Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently shares of its associates and joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

(d) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognise in profit or loss.

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

e) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

2.4 Foreign currency translation

(a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's and the Group's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

2.5 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

In the statements of financial position, bank overdrafts are shown within borrowings in current liabilities.

2.6 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business.

Trade receivables are recognised initially at the amount of consideration that is unconditionally unless they contain significant financing components, when they are recognised at its present value. The Group presented trade receivables at cost less allowance for doubtful accounts.

2.7 Inventories

Inventories are presented in the statement of financial position at the lower of cost or net realisable value. Cost is determined on the first-in, first-out method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charge, less all attributable discounts. The cost of finished goods and work in process : drama and others comprise direct production cost, making a film and other production cost. Net realisable value is the estimate of the selling price in the ordinary course of business, less the cost of completion and selling expense. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

2.8 Plant and equipment

Plant and equipment are stated at historical cost less accumulated depreciation and allowance for impairment of assets. Initial cost included other direct cost related to assets acquisition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to write off the cost of each asset, to their residual value over the estimate useful lives as follows:

Buildings	20 years
Buildings improvements	8 years 7 months
Machineries and equipment	5 - 10 years
Furniture, fixtures and office equipment	5 - 10 years
Motor vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of plant and equipment are calculated by comparing net proceeds from disposal of assets with assets' carrying amount and are taken into other income and other expenses.

2.9 License for operation right in spectrum of digital television

The digital television licence consists of expenditure that are directly attributable to the acquisition of the commercial digital terrestrial television license at national level for a general channel category, is measured at cash price equivalent instalments discounted to present value using a discount rate, quoted by bank, for this particular purpose less accumulated amortisation and impairment losses. The difference between the cash price equivalent and the total payments to be made is recognised as a financial cost over the license fee payment periods, amortised from the date that it is ready to provide service. Amortisation of digital television license is based on a straight-line basic over the estimated useful lives of 15 years.

2.10 Intangible assets

Production cost of drama and showbiz

Production cost of drama and showbiz are carried at cost less accumulated amortisation and allowance impairment losses (if any).

Production cost of drama was amortised based on actual on-air times.

Copyright of others

Copyright of others are carried at cost less accumulated amortisation and impairment losses (if any). The Group amortised copyright base on straight line method over the term of relevant agreements.

Copyright of musical master tape

Copyright of musical master tape have indefinite useful lives. The Group does not amortised them but tests for any impairment.

Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group is recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use or sell it;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an intangible asset in a subsequent period.

Computer software development costs recognised as intangible assets are amortised using the straight-line method over their estimated useful lives, which does not exceed 10 years.

2.11 Impairment of assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.12 Leases - where a Group company is the lessee

Finance leases

The Group leases certain plants and equipment. Leases of plants or equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period. The plants or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

2.13 Borrowings

Borrowings are recognised initially at the proceeds received (net of transaction costs incurred). In subsequent periods, borrowings are stated at amortised cost using the effective yield method. Any difference between proceeds (net transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

2.14 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.15 Employee benefit obligations

The Group companies operate various retirement benefits schemes. The Group has both defined benefit and defined contribution plans.

A defined contribution plan is a retirement plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Group pays contributions to a separate fund which is managed by an external fund manager in accordance with the provident fund Act. B.E. 2530. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

A defined benefit plan is a retirement plan that is not a defined contribution plan. Typically defined benefit plans define an amount of retirement benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of high-quality government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement liability.

Actuarial gains and losses arising from revaluation of experience adjustments are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

2.16 Financial assets and financial liabilities

Financial assets carried on the statement of financial position include cash and cash equivalents, trade and other accounts receivable, short-term borrowing to a subsidiary, other current assets and other non-current assets. Financial liabilities carried on the statement of financial position include short-term borrowings from financial institutions, trade and other accounts payable, short-term borrowings from related companies, other current liabilities, liability under finance lease agreements, payable for cost of license for operation right in spectrum of digital television and employee benefit obligations. The particular recognition methods adopted are disclosed in the individual accounting policy statements associated with each item.

The Company enters into forward foreign currency exchange contracts to protect the Company from movements in exchange rates by establishing the rate at which a foreign currency liability will be settled. The forward foreign currency exchange contracts are not recognised in the financial statements on inception but only when they are settled according to the contract terms.

2.17 Provisions - general

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.18 Share capital

Ordinary shares and non-redeemable preference shares with (if any) discretionary dividends are classified as equity. Other shares including mandatory redeemable preference shares are classified as liabilities.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any companies within the Group purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

2.19 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and service in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts, and after eliminating sales within the Group for the consolidated financial statements.

2.19.1 Revenue from sales of goods

Revenue from sales of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer.

2.19.2 Revenue from rendering of services

- a) Revenue from sales of advertising and promotion is recognized when the service has been provided on TV and radio.
- b) Revenue from event is recognised when the service has been provided.
- c) Revenue from production activity is recognised based on the proportion of completed service.
- d) Television station sublease income is recognised over the period of the sublease.
- e) Revenue from concert is recognised when the concert has been exhibited.
- f) Revenue from artist is recognised when the service has been provided.
- g) Revenue from digital downloads are recognised once it has been downloaded.
- h) Management income is recognised when service has been provided.

2.19.3 Revenue from copyright

- a) Revenue from music copyright is recognised when the customers receive the right to use the license.
- b) Revenue from film copyright is recognised when the customers receive the right to use the license.

2.19.4 Revenue from interest income

Interest income is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Group.

2.19.5 Dividend income

Dividend income is recognised when the right to receive payment is established.

2.20 Finance costs

Finance costs comprise interest expense and fee from short-term borrowings from a financial institutions and related companies and interest expense from liabilities under finance lease contracts.

2.21 Dividends

Dividends and interim dividends are recorded in the consolidated and company's financial statements in the period in which they are approved by the shareholders and board of directors, respectively.

2.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

3 Financial risk management

3.1 Financial risk factors

3.1.1 Foreign exchange risk

The principal finance risk faced by the Group are exchange rate risk as certain transactions are entered into in foreign currencies. Foreign exchange forward contracts are taken out to protect the currency risk in future purchase.

However, as at 31 December 2019 and 2018, there are no outstanding foreign exchange forward contract.

3.1.2 Interest rate risk

The interest rate risk is the risk that future movements in market interest rates will affect the results of the Company's operations and its cash flows. The Group's exposure to interest rate risk relates primarily to its deposits with financial institutions and borrowings. The Group realised that the risk of fluctuation in the interest rate risk did not affect significantly to the Group's cash flows. However, the management believe that the effect of interest rate fluctuation will not affect materially to the Group.

3.1.3 Credit risk

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high credit quality financial institutions.

3.1.4 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Group Treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

3.2 Fair value estimation

The different levels of fair value defined by valuation method are as follows:

- Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as market prices) or indirectly (that is, derived from market prices).
- Level 3 : Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The fair value of long-term borrowings from financial institutions are presented in Note 22.

4 Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

(a) Deferred tax

Deferred tax assets come from the estimation of some temporary difference effects which is probable to utilise tax benefit. Management's estimation comes from an assumption based on an available future income and any factors or external exposures which might affect the projected future performance. The Group also considered the utilisation of the past tax losses and assessed the estimation on a conservative basis.

(b) Employee benefit obligations

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for employee benefits include the discount rate. Any changes in these assumptions will have an impact on the carrying amount of employee benefit obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related employee benefit liability.

Other key assumptions for employee benefit obligations are based in part on current market conditions. Additional information is disclosed in Note 23.

(c) License operation right in spectrum of digital television and intangible assets

The initial recognised and measure of license operation right in spectrum of digital television and intangible assets and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

5 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Cash on hand	2,421,369	3,555,202	727,466	1,095,110
Cash at banks - savings accounts	329,017,052	337,275,597	104,805,509	167,876,740
- current accounts	(3,042,487)	(1,203,840)	(1,247,575)	(459,869)
- 3-month fixed deposits accounts	13,159	12,998	-	-
	328,409,093	339,639,957	104,285,400	168,511,981

As at 31 December 2019, savings accounts carry interest at the rates of 0.10% - 0.50% per annum (2018 : 0.10% - 0.50% per annum)

As at 31 December 2019, fixed deposits accounts (3-month) carry interest at the rates of 0.75% per annum (2018 : 1.00% per annum).

7 Trade and other accounts receivable (net)

	Note	Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Trade accounts receivable					
- others		415,863,868	504,972,145	152,662,088	163,707,932
- related companies	32 b)	-	-	343,405,207	431,165,260
Other accounts receivable					
- others		881,082	1,729,306	774,902	526,836
Contract assets		22,263,120	12,184,289	22,623,120	12,184,289
Accrued income					
- others		71,964,583	35,014,868	55,989,051	5,244,233
- related companies	32 b)	-	-	1,061,772	4,642,970
Advance payments					
- employees		10,120,619	2,738,945	373,838	732,013
- related companies	32 b)	-	-	-	302,974
Accrued interest income					
- others		349	-	-	-
- related companies	32 b)	2,489,884	2,489,884	6,957,047	10,280,552
Prepaid expenses - others		31,628,222	45,843,420	11,108,291	26,580,710
		555,571,727	604,972,857	594,955,136	655,367,769
<u>Less</u> Allowance for doubtful accounts					
- Trade accounts receivable					
- others		(7,168,543)	(42,383,287)	(1,293,140)	(35,363,437)
- related companies		-	-	-	(526,767)
- Other accounts receivables					
- others		-	(1,469,898)	-	(414,500)
- Accrued income - others		(1,078,732)	(5,461,398)	(1,078,732)	(3,879,474)
- Accrued interest income					
- related companies	32 b)	(2,489,884)	(2,489,884)	(2,489,884)	(3,528,243)
		(10,737,159)	(51,804,467)	(4,861,756)	(43,712,421)
		544,834,568	553,168,390	590,093,380	611,655,348

Trade accounts receivable classified by aging are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Others				
Current	249,961,575	324,274,299	84,714,654	71,445,195
Overdue				
Less than 3 months	151,522,542	131,994,710	66,615,341	52,528,032
3 - 6 months	7,117,968	3,108,366	1,250	2,011,600
6 - 12 months	-	660,399	-	7,500
Over 12 months	7,261,783	44,934,371	1,330,843	37,715,605
	415,863,868	504,972,145	152,662,088	163,707,932
<u>Less</u> Allowance for doubtful accounts	(7,168,543)	(42,483,287)	(1,293,140)	(35,363,437)
	408,695,325	462,588,858	151,368,948	128,344,495

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Trade accounts receivable classified by aging are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Related companies				
Current	-	-	121,615,568	163,094,566
Overdue				
Less than 3 months	-	-	66,564,603	75,014,947
3 - 6 months	-	-	59,323,224	126,369,777
6 - 12 months	-	-	95,901,632	66,685,970
Over 12 months	-	-	-	-
		-	343,405,027	431,165,260
<u>Less</u> Allowance for doubtful accounts	-	-	-	(526,767)
	-	-	343,405,027	430,638,493

The Group's credit term for trade accounts receivable-not yet due is 7 to 90 days.

8 Inventories (net)

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Finished goods: Music and CDs, VCDs, DVDs and others	599,592	599,592	599,592	599,592
Consumer products	282,640,829	275,724,439	-	2,846,773
Souvenirs	330,106	330,106	330,106	300,106
Total finished goods	283,570,527	276,654,137	929,698	3,776,471
Work in process:				
TV Program	2,687,300	127,384	-	91,666
Concert and others	4,307,849	-	4,011,872	-
Music and support	19,500	5,657,218	19,500	103,336
Total work in process	7,014,649	5,784,602	4,031,372	195,002
Satellite television receivers	119,597	119,697	-	-
Advance payment for inventories	-	27,428,542	-	8,798,987
Others	1,639,715	2,350,775	-	-
Total	292,344,488	312,337,753	4,961,070	12,770,460
<u>Less</u> Allowance for obsolete inventories	(33,549,070)	(27,552,085)	(813,918)	(813,918)
Inventories (net)	258,795,418	284,785,668	4,147,152	11,956,542

The cost of inventories recognised as expense and included in cost of sales in the consolidated and company financial statements amounted to Baht 704,494,668 and Baht 18,440,300 (2018 : Baht 713,479,826 and Baht 5,484,626) respectively.

The Company reversed allowance for obsolete inventory which was recognised in the consolidated financial statements of Baht 15,702,011 and recorded allowance for obsolete inventory in the company financial statements of Baht 21,698,996 (2018 : Baht 8,042,978 and recorded allowance for obsolete inventory in the company financial statements of Baht 24,667,082). The amount recorded and reversed has been included in cost of sales in the statement of comprehensive income.

9 Other current assets (net)

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Refundable deposits	4,186,200	1,245,200	1,465,200	15,200
Guarantees	-	2,926,572	-	9,345
Others	407,644	801,919	352,644	544,047
	4,593,844	4,973,691	1,817,844	568,592
<u>Less</u> Allowance for impairment	-	(40,000)	-	(40,000)
Other current assets (net)	4,593,844	4,933,691	1,817,844	528,592

10 Investments in subsidiaries (net)

Investments in subsidiaries which recorded by the cost method as at 31 December 2019 and 2018, consisted of:

Company name	Nature of business	Registered in	Percentage of shareholding	
			2019 %	2018 %
Operating subsidiaries				
R.S. Television Co., Ltd.	Digital TV business	Thailand	100	100
Lifestar Co., Ltd.	Multi-platform Commerce	Thailand	100	100
Thai Copyright Collection Co., Ltd.	Copyrights collection	Thailand	100	100
RS Mall Co., Ltd.	Satellite TV business, Media and	Thailand	100	100
(Formaly: Buntoeng Variety Co., Ltd.)	TV program			
Coolism Co., Ltd.	Radio business	Thailand	100	100
Yaak Co., Ltd.	TV program	Thailand	100	100
R Alliance Co., Ltd.	Event organizer	Thailand	100	100
Non-operating subsidiaries				
Goodlife Group Co., Ltd.	Event organizer	Thailand	100	100
R.S. Sportmaster Co., Ltd.	Production TV Program and event	Thailand	-	76
RS International Broadcasting and				
Sports Management Co., Ltd.	Event and sport activity organizer	Thailand	83	83
S-One Sport Co., Ltd.	Rental football stadium	Thailand	100	100

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	Separate financial statements									
	Paid up capital		Cost Method		Allowance for impairment		Carrying value		Dividend income (Note 26)	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht	2019 Baht	2018 Baht	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Operating subsidiaries										
R.S. Television Co., Ltd.	300,000,000	300,000,000	300,209,300	300,209,300	-	-	300,209,300	300,209,300	-	-
Lifestar Co., Ltd.	200,000,000	200,000,000	199,999,300	199,999,300	-	-	199,999,300	199,999,300	42,999,850	226,599,207
Thai Copyright Collection Co., Ltd.	5,000,000	5,000,000	4,999,400	4,999,400	-	-	4,999,400	4,999,400	1,749,790	13,823,340
RS Mall Co., Ltd. (Formaly: Buntoeng Variety Co., Ltd.)	1,000,000	1,000,000	852,193	852,193	-	(852,193)	852,193	-	-	9,674,807
Coolism Co., Ltd.	6,250,000	25,000,000	1,299,993	5,199,993	-	-	1,299,993	5,199,993	499,986	18,074,494
Yaak Co., Ltd.	2,500,000	2,500,000	2,499,300	2,499,300	-	-	2,499,300	2,499,300	-	-
R Alliance Co., Ltd.	80,000,000	80,000,000	80,000,000	80,000,000	(76,199,819)	(76,139,839)	3,800,181	3,860,161	-	-
Total	594,750,000	613,500,000	589,859,486	593,759,486	(76,199,819)	(76,992,032)	513,659,667	516,767,454	45,249,626	268,171,848
Non-operating subsidiaries										
Goodlife Group Co., Ltd.	37,000,000	37,000,000	32,775,000	32,775,000	(24,898,855)	(26,038,483)	7,867,145	6,736,517	-	-
R.S. Sportmaster Co., Ltd.*	4,500,000	4,500,000	2,667,595	2,667,595	(2,667,595)	(2,667,595)	-	-	-	-
RS International Broadcasting and Sports Management Co., Ltd.	9,375,000	9,375,000	167,812,500	167,812,500	(156,904,160)	(156,809,468)	10,980,340	11,003,032	170,310	-
S-One Sport Co., Ltd. **	15,000,000	15,000,000	33,800,530	33,800,530	(33,800,530)	(33,800,530)	-	-	-	-
Total	65,875,000	65,875,000	237,055,625	237,055,625	(218,271,140)	(219,316,076)	18,784,485	17,739,549	170,310	-
Grand Total	660,625,000	679,375,000	826,915,111	830,815,111	(294,470,959)	(296,308,108)	532,444,152	534,507,003	45,419,936	268,171,848

* Dissolute

** Under the bankruptcy process and the absolute receivership.

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The aforementioned subsidiaries have been reported as part of the group's consolidated financial statements. The voting right of the parent company in the subsidiaries does not differ from its shareholding and parent company does not own any preferred shares of the aforementioned subsidiaries.

- The non-controlling interest of the RS International Broadcasting are subsidiaries company and not material, so the Company therefore did not disclose the financial information of these subsidiaries.

S-One Sport Co., Ltd. is subsidiary which was under the bankruptcy process and the absolute receivership. Therefore, the financial information of it was excluded from the consolidated financial information.

Movement of investment in subsidiaries for the year ended 31 December 2019 and 2018 are as follows:

- On 29 November 2017, the extraordinary meeting of Blufairy Co., Ltd., Very Well Co., Ltd., Aladdin House Co., Ltd. approved to dissolution since 30 November 2017. The companies requested for the dissolution with the Ministry of Commerce on 30 November 2017. Afterwards, on 19 September 2018, RS In-Store Media Co., Ltd. and On 28 September 2018 Blufairy Co., Ltd., Very Well Co., Ltd. and Aladdin House Co., Ltd. was registered for the dissolution with the Ministry of Commerce, So, four subsidiaries will not included in the Consolidated financial statement as at 31 December 2018 since the date dissolution. At present, these 4 subsidiaries has been completely liquidated.

The movement of investment in liquidated subsidiaries and gain (loss) from liquidated subsidiaries are summarised as follows:

	Carrying value 31 December 2018 Baht	Reverse of allowance for impairments in subsidiary Baht	Carrying value at dissolution date Baht	Fair value (Cash received from subsidiaries liquidation) Baht	Gain (loss) from liquidated subsidiary Baht
RS In-Store Media Co., Ltd.	7,502,526	11,996,774	19,499,300	7,544,062	(11,955,238)
Blufairy Co., Ltd.	4,009,993	-	4,009,993	4,975,590	965,597
Very Well Co., Ltd.	3,999,300	-	3,999,300	4,265,414	266,114
Aladdin House Co., Ltd.	4,999,300	-	4,999,300	5,270,484	271,184
	20,511,119	11,996,774	32,507,893	22,055,550	(10,452,343)

- At the extraordinary Meeting of Coolism company limited., a subsidiary, on 27 June 2019, the shareholders approved to decrease share capital in the amount of Baht 18,750,000 from Baht 25,000,000 to Baht 6,250,000 by reduce 187,500 ordinary shares amount of Baht 100 per shares. The subsidiary company registered the reduce of capital with the Ministry of commerce on 30 August 2019, which caused the investment in the subsidiary to reduce by Baht 3,900,000.
- At the extraordinary Meeting of RS Sport master company Limited 12 September 2019, the shareholders approved to dissolution since 16 September 2019. The company request for the dissolution with the Ministry of Commers on 16 September 2019.

11 Investment in an associated company (net)

Name	Nature of business	Consolidated financial statements			
		Baht		Percentage	
		Issued and paid-up share capital 2019 Baht	2018 Baht	Percentage of shareholding 2019 Baht	2018 Baht
Idea Power Co., Ltd.	Organizer	20,000,000	20,000,000	25.00	25.00
		Consolidated financial statements			
		Investments at equity method		Investments at cost method	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Investment in Idea Power Co., Ltd.		3,992,546	3,991,133	6,303,621	6,303,621
<u>Less</u> Allowance for impairment		-	-	(2,311,075)	(2,312,488)
Total investment in an associated company (net)		3,992,546	3,991,133	3,992,546	3,991,133

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The net movement of investment in associated company for the years ended 31 December 2019 and 2018 comprise:

	Consolidated financial statements	
	2019 Baht	2018 Baht
Opening net book amount	3,991,133	3,988,995
Share of loss for the year	3,213	3,939
Over (under) share of loss for the prior year	(1,800)	(1,801)
Closing net book amount	3,992,546	3,991,133

Proportionate net worth for the year ended 31 December 2019 and 2018, is calculated on financial statements which was prepared by management of subsidiary and had not been audited by auditor. However, the Company's management believes that the value of proportionate net worth would not significantly differ if the financial statement is audited or reviewed by auditors.

Summary of financial information of associated company

Financial information of Idea Power Co., Ltd. which are accounted for using the equity method.

Summary statement of financial position

	Idea Power Co., Ltd. As at 31 December	
	2019 Baht	2018 Baht
Current assets	15,819,800	15,795,903
Non-current assets	162,595	172,566
	15,982,395	15,968,469
Current liabilities	12,213	3,939
Non-current liabilities	-	-
	12,213	3,939
Net assets	15,970,182	15,964,530

Summary statement of comprehensive income

	Idea Power Co., Ltd. For the years ended 31 December	
	2019 Baht	2018 Baht
Revenue	36,269	36,271
Expense	(20,203)	(16,578)
Profit before income tax	16,066	19,693
Income tax expense	(3,213)	(3,939)
Net profit	12,853	15,754
Equity method based on percentage of shareholding	3,213	3,939

12 Buildings and equipment (net)

	Consolidated financial statements (Baht)					Total
	Buildings and building improvement	Equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress and equipment under installation	
As at 1 January 2018						
Cost	2,639,106	408,047,691	492,153,873	72,515,762	-	975,356,432
<u>Less</u> Accumulated depreciation	(2,501,063)	(196,658,824)	(352,902,213)	(20,826,513)	-	(572,888,613)
Net book amount	138,043	211,388,867	139,251,660	51,689,249	-	402,467,819
For the year ended 31 December 2018						
Opening net book amount	138,043	211,388,867	139,251,660	51,689,249	-	402,467,819
Additions	-	1,105,966	24,896,181	650,000	23,868,600	50,520,747
Transfer from construction in progress and equipment under installation	-	3,130,220	9,107,880	-	(12,238,100)	-
Disposals - cost	(393,900)	(4,863,593)	(37,601,281)	(6,978,000)	-	(49,836,774)
- accumulated depreciation	255,859	4,863,551	37,342,312	1,544,886	-	44,006,608
Write-off - cost	-	-	-	(36,000)	-	(36,000)
- accumulated depreciation	-	-	-	35,998	-	35,998
Depreciation charge (Note 28)	-	(40,116,156)	(66,559,694)	(8,947,250)	-	(115,623,100)
Closing net book amount	2	175,508,855	106,437,058	37,958,883	11,630,500	331,535,298
As at 31 December 2018						
Cost	2,245,206	407,420,284	488,556,653	66,151,762	11,630,500	976,004,405
<u>Less</u> Accumulated depreciation	(2,245,204)	(231,911,429)	(382,119,595)	(28,192,879)	-	(644,469,107)
Net book amount	2	175,508,855	106,437,058	37,958,883	11,630,500	331,535,298

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Consolidated financial statements (Baht)						
	Buildings and building improvement	Equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress and equipment under installation	Total
As at 1 January 2019						
Cost	2,245,206	407,420,284	488,556,653	66,151,762	11,630,500	976,004,405
<u>Less</u> Accumulated depreciation	(2,245,204)	(231,911,429)	(382,119,595)	(28,192,879)	-	(644,469,107)
Net book amount	2	175,508,855	106,437,058	37,958,883	11,630,500	331,535,298
For the year ended 31 December 2019						
Opening net book amount	2	175,508,855	106,437,058	37,958,883	11,630,500	331,535,298
Additions	-	4,719,407	6,430,264	1,790,748	260,668,547	273,608,966
Transfer from construction in progress and equipment under installation	-	1,399,900	45,849,400	-	(47,249,300)	-
Disposals - cost	-	(5,300)	(4,949,856)	-	-	(4,955,156)
- accumulated depreciation	-	5,299	4,763,910	-	-	4,769,209
Depreciation charge (Note 28)	-	(35,873,520)	(56,565,207)	(8,736,141)	-	(101,174,868)
Closing net book amount	2	145,754,641	101,965,569	31,013,490	225,049,747	503,783,449
As at 31 December 2019						
Cost	2,245,206	413,534,291	535,886,461	67,942,510	225,049,747	1,244,658,215
<u>Less</u> Accumulated depreciation	(2,245,204)	(267,779,650)	(433,920,892)	(36,929,020)	-	(740,874,766)
Net book amount	2	145,754,641	101,965,569	31,013,490	225,049,747	503,783,449

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	Separate financial statements (Baht)					Total
	Buildings and building improvement	Equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress and equipment under installation	
As at 1 January 2018						
Cost	2,245,206	347,404,578	432,256,133	67,475,421	-	849,381,338
<u>Less</u> Accumulated depreciation	(2,245,204)	(137,744,408)	(321,405,226)	(17,495,148)	-	(478,889,986)
Net book amount	2	209,660,170	110,850,907	49,980,273	-	370,491,352
For the year ended 31 December 2018						
Opening net book amount	2	209,660,170	110,850,907	49,980,273	-	370,491,352
Additions	-	2,218,167	5,638,352	-	23,868,600	31,725,119
Transfer from construction in progress and equipment under installation	-	4,460,120	7,777,980	-	(12,238,100)	-
Disposals - cost	-	(4,863,593)	(38,784,178)	(6,978,000)	-	(50,625,771)
- accumulated depreciation	-	4,863,551	38,487,972	1,544,886	-	44,896,409
Write-off - cost	-	-	-	(36,000)	-	(36,000)
- accumulated depreciation	-	-	-	35,998	-	35,998
Depreciation charge (Note 28)	-	(39,957,960)	(55,841,852)	(7,836,298)	-	(103,636,110)
Closing net book amount	2	176,380,455	68,129,181	36,710,859	11,630,500	292,850,997
As at 31 December 2018						
Cost	2,245,206	349,219,272	406,888,287	60,461,421	11,630,500	830,444,686
<u>Less</u> Accumulated depreciation	(2,245,204)	(172,838,817)	(338,759,106)	(23,750,562)	-	(537,593,689)
Net book amount	2	176,380,455	68,129,181	36,710,859	11,630,500	292,850,997

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	Separate financial statements (Baht)					Total
	Buildings and building improvement	Equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress and equipment under installation	
As at 1 January 2019						
Cost	2,245,206	349,219,272	406,888,287	60,461,421	11,630,500	830,444,686
<u>Less</u> Accumulated depreciation	(2,245,204)	(172,838,816)	(338,759,106)	(23,750,562)	-	(537,593,689)
Net book amount	2	176,380,455	68,129,181	36,710,859	11,630,500	292,850,997
For the year ended 31 December 2019						
Opening net book amount	2	176,380,455	68,129,181	36,710,859	11,630,500	292,850,997
Additions	-	4,642,406	2,707,723	80,000	194,730,721	202,160,850
Transfer from construction in progress and equipment under installation	-	324,000	18,692,000	-	(19,016,000)	-
Disposals - cost	-	(5,300)	(10,368,025)	-	-	(10,373,325)
- accumulated depreciation	-	5,299	8,804,384	-	-	8,809,683
Depreciation charge (Note 28)	-	(35,723,696)	(40,845,520)	(7,832,291)	-	(84,401,507)
Closing net book amount	2	145,623,164	47,119,743	28,958,568	187,345,221	409,046,698
As at 31 December 2019						
Cost	2,245,206	354,180,378	417,919,985	60,541,421	187,345,221	1,022,232,211
<u>Less</u> Accumulated depreciation	(2,245,204)	(208,557,214)	(370,800,242)	(31,582,853)	-	(613,185,513)
Net book amount	2	145,623,164	47,119,743	28,958,568	187,345,221	409,046,698

As at 31 December 2019, the gross carrying amount of fully depreciated buildings and equipment that are still in used as included in the consolidated and company financial statements were Baht 310,017,371 and Baht 301,560,119 (2018 : Baht 246,543,377 and Baht 245,052,564), respectively.

Leased assets included above, where the Company and the subsidiaries are the lessee under the financial lease agreement comprise vehicles as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Cost of the assets under the financial lease agreements	57,117,010	53,181,399	57,117,010	53,181,399
<u>Less</u> Accumulated depreciation	(27,753,052)	(19,230,314)	(27,753,052)	(19,230,314)
Net book amount	29,363,958	33,951,085	29,363,958	33,951,085

13 License for operation right in spectrum of digital television (net)

Movement of license for operation right in spectrum of digital television during the years ended 31 December 2019 and 2018 are summarised below.

	Consolidated financial statements	
	2019 Baht	2018 Baht
Cash equivalent value (present value)	1,394,710,008	2,030,326,376
<u>Less</u> Accumulated amortisation	(723,961,393)	(634,588,094)
	670,748,615	1,395,738,282

On 11 April 2019, the NCPO Order no. 4/2019 on the Solution for Television and Telecommunication Industries was announced in the Royal Thai Government Gazette. The Order will come into effect on the date it's announced. According to the Order, Office of the NBTC must forego the 700MHz in the range of 694MHz - 790MHz license for digital terrestrial television licensees, and reallocate the spectrum for telecommunications purposes. Also, the NBTC needs to provide a compensation scheme or remuneration for those cancelled licensees which involves the following actions:

- (1) Waive the last instalment of the spectrum license fee the last two instalments for an amount exceeding the minimum bid price or the starting bid price. The cancelled licensees also need to pay for the spectrum license fee before the last exception payment by 8 August 2019.
- (2) The NBTC will provide compensation to digital terrestrial television network licensees to cover their expenses for leasing the terrestrial television spectrum (MUX) over their remaining license terms and will come into effect after the term of the NCPO Order No. 9/2018 regarding the compensation scheme for digital terrestrial television network licensees expires. The compensation is based on the actual amounts incurred, and is agreed by both parties. The compensation amount must not exceed the rate set by Office of the NBTC.

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Movement of obligation for the license for operation right in spectrum of digital television as follows:

	Consolidated Financial statements					
	31 December 2019 (Baht)			31 December 2018 (Baht)		
	Obligation to pay	Future finance charges	Net book amount	Obligation to pay	Future finance charges	Net book amount
Opening amount	1,005,048,750	(174,419,945)	830,628,805	987,232,500	(92,696,545)	894,535,955
Addition (Decrease) from extend the payment term of license	-	-	-	24,041,250	(118,656,073)	(94,614,823)
Addition (Decrease) Waive the last two instalments of license	(797,548,750)	161,932,382	(635,616,368)	-	-	-
(Repayments)/Amortisation	(207,500,000)	12,487,563	(195,012,437)	(6,225,000)	36,932,673	30,707,673
Closing amount	-	-	-	1,005,048,750	(174,419,945)	830,628,805

During the year 2018, the result of modification of payment term of license for operation right in spectrum of digital television according to NCPO No. 9/2561 is recognised as gain amounting to Baht 94.61 million in statement of comprehensive income.

According to NCOP No. 4/2562, the result of waive instalments of licence liabilities in April 2019, the subsidiary adjusted the book value of license by decreasing the carrying value of license assets against the carrying value of the license liabilities by Baht 635.62 million.

As at 31 December 2019 and 2018, the subsidiary has obligation to pay the license for operation right in spectrum of digital television as follows:

	Consolidated Financial statements	
	2019 Baht	2018 Baht
License of operation right in spectrum of digital television	-	1,005,048,750
<u>Less</u> Future finance charges	-	(174,419,945)
	-	830,628,805
<u>Less</u> Current portion	-	(4,072,392)
	-	826,556,413

As at 31 December 2019 and 2018, the payments to be made in subsequent years are as follows:

Due within	Consolidated Financial statements	
	2019 Baht	2018 Baht
1 year	-	6,941,516
2 - 5 years	-	998,107,234
	-	1,005,048,750

14 Intangible assets (net)

	Consolidated financial statements (Baht)						Separate Financial Statements (Baht)					
	Copyright of music	Production cost of drama series	Computer softwares and others	Production cost of music and drama series in progress	Advance payment for copyright of drama series	Total	Copyright of music	Production cost of drama series	Computer softwares and others	Production cost of music and drama series in progress	Advance payment for copyright of drama series	Total
As at 1 January 2018												
Cost	302,960,790	1,663,787,298	180,175,104	113,228,704	17,107,500	2,277,259,396	302,960,830	670,598,723	144,081,462	2,608,000	-	1,120,249,015
<u>Less</u> Accumulated amortisation	(82,763,674)	(1,181,067,388)	(76,637,966)	-	-	(1,340,469,028)	(82,763,674)	(474,352,084)	(69,196,151)	-	-	(626,311,909)
Allowance for impairment	(181,755,801)	(166,242,368)	(1,544,808)	-	-	(349,542,977)	(181,755,825)	(166,242,356)	-	-	-	(347,998,181)
Net book amount	38,441,315	316,477,542	101,992,330	113,228,704	17,107,500	587,247,391	38,441,331	30,004,283	74,885,311	2,608,000	-	145,938,925
For the year ended 31 December 2018												
Opening net book amount	38,441,315	316,477,542	101,992,330	113,228,704	17,107,500	587,247,391	38,441,331	30,004,283	74,885,311	2,608,000	-	145,938,925
Addition	1,708,000	177,569,020	45,593,679	215,791,642	43,757,000	484,419,341	1,708,000	11,410,000	12,809,174	-	-	25,927,174
Transferred in (out)	-	219,368,412	2,119,900	(184,158,812)	(37,329,500)	-	-	-	1,798,000	(1,798,000)	-	-
Write-off - cost	-	(14,530,000)	-	-	-	(14,530,000)	-	(14,530,000)	-	-	-	(14,530,000)
- accumulated amortisation	-	14,530,000	-	-	-	14,530,000	-	14,530,000	-	-	-	14,530,000
Amortisation charge (Note 28)	-	(324,606,086)	(15,883,956)	-	-	(340,490,042)	-	(32,085,766)	(11,329,665)	-	-	(43,415,431)
Impairment	(11,026,990)	-	-	-	-	(11,026,990)	(11,026,990)	-	-	-	-	(11,026,990)
Closing net book amount	29,122,325	388,808,888	133,821,953	144,861,534	23,535,000	720,149,700	29,122,341	9,328,517	78,162,820	810,000	-	117,423,678
As at 31 December 2018												
Cost	304,668,790	2,046,194,730	227,888,683	144,861,534	23,535,000	2,747,148,737	304,668,830	667,478,723	158,688,636	810,000	-	1,131,646,189
<u>Less</u> Accumulated amortisation	(82,763,674)	(1,491,143,474)	(92,521,922)	-	-	(1,666,429,070)	(82,763,674)	(491,907,850)	(80,525,816)	-	-	(655,197,340)
Allowance for impairment	(192,782,791)	(166,242,368)	(1,544,808)	-	-	(360,569,967)	(192,782,815)	(166,242,356)	-	-	-	(359,025,171)
Net book amount	29,122,325	388,808,888	133,821,953	144,861,534	23,535,000	720,149,700	29,122,341	9,328,517	78,162,820	810,000	-	117,423,678

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	Consolidated financial statements (Baht)						Separate Financial Statements (Baht)					
	Copyright of music	Production cost of drama series	Computer softwares and others	Production cost of music and drama series in progress	Advance payment for copyright of drama series	Total	Copyright of music	Production cost of drama series	Computer softwares and others	Production cost of music and drama series in progress	Advance payment for copyright of drama series	Total
As at 1 January 2019												
Cost	304,668,790	2,046,194,730	227,888,683	144,861,534	23,535,000	2,747,148,737	304,668,830	667,478,723	158,688,636	810,000	-	1,131,646,189
Less Accumulated amortisation	(82,763,674)	(1,491,143,474)	(92,521,922)	-	-	(1,666,429,070)	(82,763,674)	(491,907,850)	(80,525,816)	-	-	(655,197,340)
Allowance for impairment	(192,782,791)	(166,242,368)	(1,544,808)	-	-	(360,569,967)	(192,782,815)	(166,242,356)	-	-	-	(359,025,171)
Net book amount	29,122,325	388,808,888	133,821,953	144,861,534	23,535,000	720,149,700	29,122,341	9,328,517	78,162,820	810,000	-	117,423,678
For the year ended 31 December 2019												
Opening net book amount	29,122,325	388,808,888	133,821,953	144,861,534	23,535,000	720,149,700	29,122,341	9,328,517	78,162,820	810,000	-	117,423,678
Addition	1,575,000	180,891,415	4,210,052	182,916,356	-	369,592,823	1,575,000	13,892,500	4,210,053	2,709,100	-	22,386,853
Transferred in (out)	-	287,230,971	8,477,788	(272,173,759)	(23,535,000)	-	-	-	2,423,200	(2,423,200)	-	-
Disposal - cost	-	-	-	-	-	-	-	-	(19,775)	-	-	(19,775)
- accumulated amortisation	-	-	-	-	-	-	-	-	10,405	-	-	10,405
Write-off - cost	(500,400)	(130,961,623)	(742,715)	(821,052)	-	(133,025,790)	(500,400)	(45,532,500)	(742,715)	-	-	(46,775,615)
- accumulated amortisation	500,400	130,961,484	742,708	-	-	132,204,592	500,400	45,532,361	742,708	-	-	46,775,469
Amortisation charge (Note 28)	-	(358,498,806)	(19,537,135)	-	-	(378,035,941)	-	(9,088,878)	(11,545,243)	-	-	(20,634,121)
Impairment	(8,095,733)	-	-	-	-	(8,095,733)	(8,095,733)	-	-	-	-	(8,095,733)
Closing net book amount	22,601,592	498,432,329	126,972,651	54,783,079	-	702,789,651	22,601,608	14,132,000	73,241,453	1,095,900	-	111,070,961
As at 31 December 2019												
Cost	305,743,390	2,383,355,493	239,833,808	54,783,079	-	2,983,715,770	305,743,430	635,838,723	164,559,399	1,095,900	-	1,107,237,452
Less Accumulated amortisation	(82,263,274)	(1,718,680,796)	(111,316,349)	-	-	(1,912,260,419)	(82,263,274)	(455,464,367)	(91,317,946)	-	-	(629,045,587)
Allowance for impairment	(200,878,524)	(166,242,368)	(1,544,808)	-	-	(368,665,700)	(200,878,548)	(166,242,356)	-	-	-	(367,120,904)
Net book amount	22,601,592	498,432,329	126,972,651	54,783,079	-	702,789,651	22,601,608	14,132,000	73,241,453	1,095,900	-	111,070,961

As at 31 December 2019, the gross carrying amount of fully amortised intangible assets that are still in used as included in the consolidated and company financial statements were Baht 238,158,179 and Baht 139,289,929 (2018 : Baht 147,655,485 and Baht 127,394,435), respectively.

The amortization expense in the consolidated and company financial statement amount to Baht 378,035,941 and Baht 20,634,121 (2018 : Baht 340,490,042 and Baht 43,415,431) has been charged in cost of goods and services of Baht 359,198,731 and Baht 9,786,202 (2018 : Baht 325,270,474 and Baht 32,749,699) and in administrative expenses of Baht 18,837,210 and Baht 10,847,919 (2018 : Baht 15,219,568 and Baht 10,665,732).

15 Withholding tax (net)

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Prepaid corporate income tax	11,492,366	-	-	-
Withholding tax	154,130,349	180,320,232	59,836,570	115,677,411
<u>Less</u> Allowance for doubtful in recoverable of withholding tax	(7,176)	(230,325)	-	-
	165,615,539	180,089,907	59,836,570	115,677,411

During the year, the Group receive withholding tax in the consolidated financial statements of Baht 56,590,674 and in separate financial statements of Baht 55,788,282 (2018 : receive withholding tax in consolidated financial statement Baht 31,802,191). The Group recorded allowance for doubtful in recoverable of withholding tax which was recognised in the consolidated financial statements of Baht 5,780 and write off withholding tax for the year 2012 to 2016 in the consolidated financial statements of Baht 500,107 and in separate financial statements of Baht 311,297. (2018 : The Group recorded allowance for doubtful in recoverable of withholding tax which was recognised in the consolidated financial statements of Baht 281,362 and write off withholding tax for the year 2007 to 2016 in the consolidated financial statements of Baht 927,856 and in separate financial statements of Baht 1,094, respectively). And reversed of allowance for doubtful in recoverable of withholding tax in the consolidate financial statement of Baht 228,929 (2018 : reversed of allowance for doubtful in recoverable of withholding tax in the consolidate financial statement of Baht 873,052).

16 Deferred tax (net)

The analysis of deferred tax assets and liabilities (net) as at 31 December 2019 and 2018 are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Deferred tax assets:				
Deferred tax assets to be recovered within 12 months	72,343,978	95,264,972	5,077,337	30,855,919
Deferred tax assets to be recovered after more than 12 months	130,606,481	137,867,262	89,699,863	89,422,844
	202,950,459	233,132,234	94,777,200	120,278,763
Deferred tax liabilities:				
Deferred tax liabilities to be settled within 12 months	(973,988)	(71,365)	(973,988)	(71,365)
Deferred tax liabilities to be settled after more than 12 months	(1,180,058)	(1,451,438)	(1,180,058)	(1,451,438)
	(2,154,046)	(1,522,803)	(2,154,046)	(1,522,803)
Deferred tax assets (net)	200,796,413	231,609,431	92,623,154	118,755,960

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The movement of deferred taxes for the years ended 31 December 2019 and 2018 comprises the following:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening balance for the year	231,609,431	273,923,902	118,755,960	119,457,000
The effect of change in accounting policy	(6,462,726)	-	(4,449,792)	-
Increase in the statement of income (Note 30)	(28,775,022)	(42,314,471)	(23,891,579)	(701,040)
Increase (decrease) to the statement of comprehensive income	4,424,730	-	2,208,565	-
Closing balance for the year	200,796,413	231,609,431	92,623,154	118,755,960

Deferred tax assets and deferred tax liabilities presented by considering net position of each taxable unit as at 31 December 2019 and 2018 comprises the following:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Deferred tax assets (net)	200,796,413	231,609,431	92,623,154	118,755,960
Deferred tax liabilities (net)	-	-	-	-
	200,796,413	231,609,431	92,623,154	118,755,960

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	Consolidated financial statements					Separate Financial Statements				
	1 January 2019 Baht	Retrospective adjustment from change in accounting policy Baht	Increase (decrease) to the statement of income Baht	Increase (decrease) to the statement of comprehensive income Baht	31 December 2019 Baht	1 January 2019 Baht	Retrospective adjustment from change in accounting policy Baht	Increase (decrease) to the statement of income Baht	Increase (decrease) to the statement of comprehensive income Baht	31 December 2019 Baht
Deferred tax assets:										
Allowance for doubtful accounts	15,438,763	-	(9,608,702)	-	5,830,061	14,106,660	-	(9,063,429)	-	5,043,231
Intangible assets	39,281,977	-	(1,752,586)	-	37,529,391	57,125	-	(57,397)	-	(272)
Temporary differences arising between the carrying amounts of inventories reported in the consolidated balance sheet and their tax base	277,312	-	2,455,921	-	2,733,233	-	-	-	-	-
Allowance for slow moving	5,510,417	-	1,199,397	-	6,709,814	162,784	-	-	-	162,784
License for operation right in spectrum of digital television	6,485,322	-	140,728,288	-	147,213,610	-	-	-	-	-
Employee benefit obligations	19,222,480	-	8,459,175	4,424,730	32,106,385	14,998,038	-	5,468,169	2,208,565	22,674,772
Cumulative tax loss carry forward	81,252,608	-	(38,420,455)	-	42,832,153	25,483,244	-	(25,483,244)	-	-
Allowance for impairment of investments	59,261,621	-	(367,429)	-	58,894,192	59,261,621	-	(367,430)	-	58,894,191
Depreciation expense from building and equipment	6,401,734	-	2,593,666	-	8,995,400	6,209,291	-	1,793,203	-	8,002,494
Total deferred tax assets	233,132,234		105,287,505	4,424,730	342,844,239	120,278,763	-	(27,710,128)	2,208,565	94,777,200
Deferred tax liabilities:										
Assets under finance lease agreement	(1,522,803)	-	90,979	-	(1,431,824)	(1,522,803)	-	90,979	-	(1,431,824)
Contract asset	-	(6,462,726)	5,740,504	-	(722,222)	-	(4,449,792)	3,727,570	-	(722,222)
Decrease wire the installment of license	-	-	(139,893,780)	-	(139,893,780)	-	-	-	-	-
Total deferred tax liabilities	(1,522,803)	(6,462,726)	(134,062,297)	-	(142,047,826)	(1,522,803)	(4,449,792)	3,818,549	-	(2,154,046)
Deferred tax assets (net)	231,609,431	(6,462,726)	(28,775,022)	4,424,730	200,796,413	118,755,960	(4,449,792)	(23,891,579)	2,208,565	92,623,154

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	Consolidated financial statements					Separate Financial Statements				
	Retrospective adjustment from change in accounting policy	Increase (decrease) to the statement of income	Increase (decrease) to the statement of comprehensive income	31 December 2018	1 January 2018	Retrospective adjustment from change in accounting policy	Increase (decrease) to the statement of income	Increase (decrease) to the statement of comprehensive income	31 December 2018	1 January 2018
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Deferred tax assets:										
Allowance for doubtful accounts	18,390,907	-	(2,952,144)	-	15,438,763	14,270,903	-	(164,243)	-	14,106,660
Intangible assets	40,760,367	-	(1,478,390)	-	39,281,977	1,366,609	-	(1,309,484)	-	57,125
Temporary differences arising between the carrying amounts of inventories reported in the consolidated balance sheet and their tax base	-	-	277,312	-	277,312	-	-	-	-	-
Allowance for slow moving	3,265,596	-	2,244,821	-	5,510,417	162,784	-	-	-	162,784
License for operation right in spectrum of digital television	21,776,644	-	(15,291,322)	-	6,485,322	-	-	-	-	-
Employee benefit obligations	19,226,931	-	(4,451)	-	19,222,480	14,560,308	-	437,730	-	14,998,038
Cumulative tax loss carry forward	127,529,993	-	(46,277,385)	-	81,252,608	46,122,932	-	(20,639,688)	-	25,483,244
Allowance for impairment of investments	41,067,831	-	18,193,790	-	59,261,621	41,067,831	-	18,193,790	-	59,261,621
Depreciation expense from building and equipment	3,909,778	-	2,491,956	-	6,401,734	3,909,778	-	(2,299,513)	-	6,209,291
Total deferred tax assets	(275,928,047)	-	(42,795,813)	-	233,132,234	121,461,145	-	(1,182,382)	-	120,278,763
Deferred tax liabilities:										
Assets under finance lease agreement	(2,004,145)	-	481,342	-	(1,522,803)	(2,004,145)	-	481,342	-	(1,522,803)
Contract asset	-	-	-	-	-	-	-	-	-	-
Total deferred tax liabilities	(2,004,145)	-	481,342	-	(1,522,803)	(2,004,145)	-	481,342	-	(1,522,803)
Deferred tax assets (net)	273,923,902	-	(42,314,471)	-	231,609,431	119,457,000	-	(701,040)	-	118,755,960)

17 Other non-current assets (net)

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Refundable deposits	507,700	553,000	507,700	553,000
Guarantees	12,587,897	18,372,613	10,767,199	18,161,915
	13,095,597	18,925,613	11,274,899	18,714,915
<u>Less</u> Allowance for impairment of guarantees	-	(4,085,877)	-	(4,085,877)
Other non-current asset (net)	13,095,597	14,839,736	11,274,899	14,629,038

18 Trade and other accounts payable

	Note	Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Trade accounts payable					
- other companies		251,134,319	279,232,192	23,964,430	24,559,283
- related companies	32 c)	-	-	23,744,267	19,371,035
Other accounts payable					
- other companies		60,630,567	29,025,840	45,511,833	13,330,953
- related companies	32 c)	2,502,866	2,511,086	14,646,822	1,675,380
Contract liabilities		127,568,567	135,652,027	37,346,219	35,800,493
Unearned revenue					
- other companies		44,826,672	65,036,936	25,150,830	17,168,585
- related companies	32 c)	-	-	472,500	9,584,949
Accrued expenses					
- Accrued commission and promotion expenses					
- other companies		22,331,146	27,233,657	5,404,406	24,228,803
- related companies	32 c)	-	-	26,218,379	2,266,473
- Accrued project expenses					
- other companies		73,508,613	50,493,700	12,745,420	12,560,062
- related companies	32 c)	-	-	4,527,498	7,615,346
- Accrued interest expenses					
- other companies		241,590	777,138	28,493	454,302
- related companies	32 c)	-	-	270,429	976,289
- Other accrued expenses					
- other companies		68,397,831	143,240,861	22,023,330	86,654,049
- Dividend payable					
- other companies		24,525	-	-	-
		651,166,696	733,203,437	242,054,856	256,246,002

19 Liabilities under financial lease agreements (net)

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Liabilities under financial lease agreements	9,697,513	18,692,908	9,697,513	18,692,908
<u>Less</u> Future finance changes on finance lease	(387,082)	(1,005,005)	(387,082)	(1,005,005)
	9,310,431	17,687,903	9,310,431	17,687,903
<u>Less</u> Current portion	(6,729,866)	(11,070,866)	(6,729,866)	(11,070,866)
	2,580,565	6,617,037	2,580,565	6,617,037

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As at 31 December 2019 and 2018, payments to be made for financial lease agreements are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Within 1 year	7,019,521	11,708,728	7,019,521	11,708,728
More than 1 year but no longer than 5 years	2,677,992	6,984,180	2,677,992	6,984,180
	9,697,513	18,692,908	9,697,513	18,692,908

20 Short-term loans from financial institutions

Type of short-term loans	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Promissory notes	450,000,000	240,000,000	320,000,000	240,000,000

As at 31 December 2019, outstanding short-term loans from a financial institutions represents roll able-over promissory notes denominated in Thai Baht bear interest rate approximately of 2.50% - 2.70% per annum (2018 : 3.08% - 3.50% per annum). The outstanding principal and interest are due for payable during January to February 2020 (2018 : due for payable during February to March 2019).

The movement of short-term loans from financial institutions for the years ended 31 December 2019 and 2018 is as follows:

Promissory notes	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening net book amount	240,000,000	213,000,000	240,000,000	213,000,000
Additions	1,150,000,000	930,000,000	920,000,000	930,000,000
Repayments	(940,000,000)	(903,000,000)	(840,000,000)	(903,000,000)
Closing net book amount	450,000,000	240,000,000	320,000,000	240,000,000

21 Value added tax

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Undue output tax	(58,616,704)	(63,079,097)	(32,282,597)	(38,609,222)
Undue input tax	36,935,397	38,078,673	5,356,580	2,156,201
Value added tax receivable	3,127,206	910,318	47,736	-
Value added tax payable	(7,832,104)	(11,462,782)	(6,090,533)	(2,816,550)
	(26,386,205)	(35,552,888)	(32,968,814)	(39,269,571)

Value added tax present by net position of each taxable unit as at 31 December 2019 and 2018 comprises the following:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Value added tax (assets)	8,610,259	3,816,152	-	-
Value added tax (liabilities)	(34,996,464)	(39,369,040)	(32,968,814)	(39,269,571)
	(26,386,205)	(35,552,888)	(32,968,814)	(39,269,571)

22 Long-term loans from a financial institution

The movements of long-term loans from a financial institution for the years ended 31 December 2019 and 2018 are as follows:

	Consolidated financial statements	
	2019 Baht	2018 Baht
Balance as at 1 January	396,085,000	666,085,000
Additions during the year	-	-
Repayments during the year	(80,000,000)	(270,000,000)
Balance as at 31 December	316,085,000	396,085,000

During the year 2018, the Group repaid a portion of long-term loan amount of Baht 230 million before the maturity date.

On 31 December 2019, the Group has credit facilities for long-term loans from a financial institution amounted to Baht 1.60 billion (2018 : Baht 1.60 billion). Interest rate is Minimum Loan Rate (MLR) less a fixed percentage as stipulated in the contract. The principal is due for payable on a quarterly installment basis. The first installment is due to pay 25 months after the loan drawn down date (26 May 2016). Interest is payable monthly within 132 months starting from the loan drawn down date.

The effective interest rates at the statements of financial position date were as follows:

	Consolidated financial statements	
	2019 % per annum	2018 % per annum
Long-term loans from a financial institution	4.00	4.25

The carrying amounts and fair value of certain long-term borrowing are as follows:

	Consolidated financial statements			
	Carrying amounts		Fair values	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Long-term loans from a financial institution	316,085,000	396,085,000	316,085,000	396,085,000
	316,085,000	396,085,000	316,085,000	396,085,000

The fair value of current borrowings equal their carrying amount, as the impact of discounting is not significant.

The fair values are based on discounted cash flows using a discount rate based upon the borrowing rate of 4.00% per annum (2018 : 4.25% per annum) and are within level 2 of the fair value hierarchy.

As at 31 December 2019 and 2018, repayment periods of the long-term loans from a financial institution are summarised below:

<u>Due within the years ending</u>	Consolidated financial statements	
	2019 Baht	2018 Baht
Between 1 year	80,000,000	80,000,000
Between 2 years and 5 years	236,085,000	316,085,000
	316,085,000	396,085,000

23 Employee benefit obligations

Employee benefit obligations as at 31 December 2019 and 2018 comprise the following

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Statement of financial position				
Employee benefit obligation	163,964,704	99,545,179	105,976,538	78,422,968

The movement of employee benefit obligations during the years are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening balance	99,545,179	96,134,656	78,422,968	72,801,534
Effect from change in the Labour Protection Law	26,473,733	-	18,219,573	-
Current service cost	12,972,199	1,676,695	7,297,616	521,813
Interest cost	3,104,342	1,927,078	2,078,054	1,386,989
Gain from remeasurements of post employment benefit obligations	22,123,651	-	11,042,823	-
Transfer between the Group	-	-	(10,830,096)	3,712,632
Payment for retirement employee	(254,400)	(193,250)	(254,400)	-
Closing balance	163,964,704	99,545,179	105,976,538	78,422,968

Effect from change in the Labour Protection Law for the year ended 31 December 2019 comprise the following:

	Consolidated financial information	Separate financial information
	2019 Baht	2019 Baht
The effect is presented within		
Cost of services	6,427,097	2,954,226
Selling expenses	4,141,868	475,996
Administrative expenses	15,904,768	14,789,351
	26,473,733	18,219,573

	Consolidated and separate financial statements	
	2019	2018
Discount rate	1.36% - 2.50%	1.42% - 4.17%
Salary increase rate	7.00% - 7.50%	7.00% - 7.50%
Turnover rate	0.00% - 25.00%	0.00% - 30.00%
Mortality rate	1.00%	1.00%
Inflation rate	2.50%	2.50%

Sensitivity analysis form each significant assumption are as follows:

		Impact on defined benefit obligation Increase (Decrease)			
		Consolidated financial statements		Separate financial statements	
	Change in assumption	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Discount rate	Increase by 1%	(16,961,393)	(10,656,521)	(9,378,696)	(7,627,191)
Discount rate	Decrease by 1%	19,861,448	12,381,507	10,841,701	8,800,828
Salary growth rate	Increase by 1%	20,299,726	12,777,159	11,238,395	9,129,935
Salary growth rate	Decrease by 1%	(17,687,313)	(11,186,320)	(9,920,779)	(8,048,025)
Turnover rate	Increase by 20%	(20,753,855)	(12,879,515)	(10,683,656)	(8,838,771)
Turnover rate	Decrease by 20%	26,227,062	16,094,243	13,071,863	10,863,124
Mortality rate	Increase by 1%	560,534	321,933	300,550	212,746
Mortality rate	Decrease by 1%	(625,509)	(355,873)	(332,465)	(234,261)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the employee benefit obligations to significant actuarial assumptions use the projected unit credit method.

On 5 April 2019, an amendment bill to the Labour Protection Law was published in the Government Gazette. The amended law was effective 30 days after its publication. The main amendment is that the compensation for employees who have retired and have more than or equal to 20 years of service has changed from 300 day's pay to 400 day's pay. The Group recognised the impact in the consolidated and separate statement of comprehensive income for the year ended 31 December 2019.

24 Share capital

24.1 Ordinary shares and prevision on share capital

	Consolidated and Separate financial statements		
	Ordinary shares Shares	Ordinary shares Bath	Share Permium Bath
Opening balance as at 1 January 2018	1,010,147,392	1,010,147,392	258,236,895
Issue of shares	1,800	1,800	20,700
Closing balance as at 31 December 2018	1,010,149,192	1,010,149,192	258,257,595
Issue of shares	5,619,310	5,619,310	64,429,859
Decrease in capital	(43,273,300)	(43,273,300)	(600,184)
Closing balance as at 31 December 2019	972,495,202	972,495,202	322,087,270

24.2 Increase in share capital of company

On 30 April 2018, the warrants holder exercised their warrant of 1,800 units to purchase 1,800 ordinary shares of Baht 12.50 per each in amount of Baht 22,500. The Company has already received all amount of payment. The Company has registered to increase in share capital with the Ministry of Commerce on 11 May 2018.

The Company's Annual General Shareholders' meeting on 9 April 2019 passed a resolution to increase authorised share capital amount of Baht 2,000,000 by issuing of 2,000,000 new ordinary shares at the par value of Baht 1 each in order to support the adjustment of exercise price and exercise ratio of warrants. The Company has registered to increase authorised share capital with the Ministry of Commerce on 25 April 2019.

On 30 April 2019, the warrants holder exercised their warrant of 5,602,622 units to purchase 5,618,306 ordinary shares of Baht 12.4658 per each in total amount of Baht 70,036,679. The Company has already received full amount of payment. The Company has registered to increase in share capital with the Ministry of Commerce on 10 May 2019.

On 31 October 2019, the warrants holder exercised their warrant of 1,000 units to purchase 1,004 ordinary shares of Baht 12.4419 per each in total amount of Baht 12,492. The Company has already received full amount of payment. The Company has registered to increase in share capital with the Ministry of Commerce on 7 November 2019.

24.3 Decrease in share capital of company

On 22 August 2019, the company registered the reduction of paid-up capital for unsold treasury shares within resale period, in the amount of 43,273,300 shares to the Department of Business Development, Ministry of Commerce. (Note 24.5)

24.4 Warrants

The exercise of warrants to purchase ordinary share of RS Public Company Limited, have movement for the years ended 31 December 2019 and 2018 as follows:

<u>Warrants No. (RS-W3)</u>	Consolidated and separate financial statements Unit
Warrants had not been exercised as at 1 January 2018	193,123,014
Warrants had been exercised	(1,800)
Outstanding as at 31 December 2018	193,121,214
Warrants had been exercised	(5,603,622)
Outstanding warrants as at 31 December 2019	187,517,592

On 30 April 2018, the warrants holder exercised their warrant of 1,800 units to purchase 1,800 ordinary shares of Baht 12.50 per each in amount of Baht 22,500. The Company has already received all amount of payment. The Company has registered to increase in share capital with the Ministry of Commerce on 11 May 2018.

On 8 August 2018, the Company's board of directors' meeting no.3/2018 passed a resolution approving the payment of interim dividend, meaning the Company needed to adjust the exercise price and exercise ratio of warrants. On 9 October 2018, the Company announced the details of the adjusted exercise price from Baht 12.50 per 1 ordinary share to Baht 12.483 per 1 ordinary share, and exercise ratio from 1 stock warrant per 1 ordinary share to 1 stock warrant per 1.0014 ordinary share. The effective date of the exercise was 31 October 2018.

On 15 February 2019, the Company's board of directors' meeting no.1/2019 approved to propose on Annual General Meeting of shareholders of 2019 to approve the payment of dividend, meaning the Company needed to adjust the exercise price and exercise ratio of warrants. On 27 February 2019, the Company announced the details of the adjusted exercise price from Baht 12.483 per 1 ordinary share to Baht 12.4658 per 1 ordinary share, and exercise ratio from 1 stock warrant per 1.0014 ordinary share to 1 stock warrant per 1.0028 ordinary share. The effective date of the exercise was 28 February 2019.

On 30 April 2019, the warrants holder exercised their warrant of 5,602,622 units to purchase 5,618,306 ordinary shares of Baht 12.4658 per each in amount of Baht 70,036,679. The Company has already received all amount of payment. The Company has registered to increase in share capital with the Ministry of Commerce on 10 May 2019.

On 31 October 2019, the warrants holder exercised their warrant of 1,000 units to purchase 1,004 ordinary shares of Baht 12.4419 per each in total amount of Baht 12,492. The Company has already received full amount of payment. The Company has registered to increase in share capital with the Ministry of Commerce on 7 November 2019.

24.5 Treasury shares/treasury shares reserve

The movement of treasury shares and premium on share capital for the years ended 31 December 2019 and 2018 are as follows:

	Consolidated and Separate financial statements		
	Shares	Amount of treasury shares Baht	Premium on treasury shares Baht
Opening balance as at 1 January 2018	43,273,300	465,274,840	(600,184)
Reissuance	-	-	-
Closing balance as at 31 December 2018	43,273,300	465,274,840	(600,184)
Decrease in share capital	(43,273,300)	(465,274,840)	600,184
Closing balance as at 31 December 2019	-	-	-

On 21 February 2018, the Company's Board of Director meeting No. 1/2018 passed a resolution to resale the treasury shares 43,273,000 shares which is equivalent to 4.28% of the total issued shares by reselling via the Stock Exchange of Thailand. The resale period will be during 8 March 2018 to 30 May 2019.

As at 13 August 2019, the meeting of the Board of Directors No. 4/2019 passed a resolution to decrease share capital for outstanding unsold treasury shares within resale period of 43,273,300 shares to the Department of Business Development, Ministry of Commerce. On 22 August 2019, the Company registered the reduction of paid-up capital for unsold treasury shares within resale period, in the amount of 43,273,300 shares to the Department of Business Development, Ministry of Commerce. (Note 24.3)

On 18 December 2019, the Company's Board of Director No. 6/2019 passed a resolution to repurchase the Company's paid up capital detail as follows:

- The maximum amount for the share repurchases are not exceeding Baht 200 million.
- Number of repurchased shares will be not exceeding 15 million shares at par value of Baht 1 per share, which is equivalent to 1.54% of the total issued shares.
- Repurchasing of shares on the Stock Exchange of Thailand.
- The repurchase period will be within 6 months since 2 January 2020 to 1 July 2020.
- In determining the repurchase price, the average market price during 30 days prior to the date on which the Company discloses the information of shares repurchase will be used as the basis of calculation. The repurchase price must be not exceeded average closing price during 5 working days prior to each trading date plus 15% of such average closing price. The average market price during 30 days during 4 November 2019 to 17 December 2019 was Baht 13.67 per share.

25 Dividend payment

At the Company's Annual General Shareholders' Meeting on 19 March 2018, the shareholders passed a resolution not to approve a dividend payment from the operation results for the year 2017.

At the Company's Board of Director meeting No.3/2018 at 8 August 2018, the director passed a resolution approve the interim dividend for the six-month period ended 30 June 2018 at Baht 0.25 per share, total dividend payment Baht 241,718,973 which the Company paid the interim dividend on 4 September 2018.

At the Company's Annual General Shareholders' meeting at 9 April 2019 passed a resolution approve the dividends from the operation results for the year 2018 at the rate of Baht 0.20 per share total Baht 193,374,458 which the Company paid the dividend on 25 April 2019.

At the Company's Board of Director meeting No.4/2019 at 13 August 2019 the director passed a resolution approve the interim dividends for the six-month period ended 30 June 2019 at the rate of Baht 0.20 per share total Baht 194,498,100 which the Company paid the interim dividend on 12 September 2019.

26 Other income

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Net gain (loss) from exchange rate	178,378	(211,816)	7,255	(483,486)
Gain (loss) from disposal building and equipment and intangible assets	-	(818,508)	329,429	(732,070)
Interest income	1,195,205	1,071,311	30,058,081	35,230,160
Dividend income (Note 10)	-	-	45,419,936	268,171,848
Rental income	-	167,700	3,044,391	2,379,250
Management fee (Note 32 a))	-	-	372,712,370	344,624,130
Pirate of copyright income	292,166	432,682	-	-
Other income	9,054,145	33,108,258	11,973,566	31,018,750
	10,719,894	33,749,627	463,545,028	680,208,582

27 Other expenses

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Loss from disposal building and equipment and intangible assets	(8,377)	-	-	-
Loss from write off plant and equipment and intangible assets	(821,198)	(2)	(146)	(2)
Reverse (loss from) impairment of assets	231,250	74,488	231,250	74,488
Reverse on impairment of investment in subsidiary	1,413	2,138	-	-
Loss from liquidation in subsidiaries	-	-	-	(10,452,343)
Compensation	(5,063,551)	(3,250,486)	(5,010,877)	(600,000)
	(5,660,463)	(3,173,862)	(4,779,773)	(10,977,857)

28 Expense by nature

The following significant expenditure items, classified by nature for the years ended 31 December 2019 and 2018, have been charged in the profit before finance costs and income tax:

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Change in inventories of finished goods and work in process	12,679,546	11,826,636	(989,597)	(9,310,161)
Raw material and consumables used	1,359,969,933	1,535,861,300	344,999,984	371,728,436
Staff costs	722,559,402	760,927,998	318,029,104	426,764,506
Depreciation charge (Note 12)	101,174,868	115,623,100	84,401,507	103,636,110
Amortisation charge (Note 13 and 14)	467,409,240	475,836,608	20,634,118	43,415,431
Rental expenses and utilities expenses	134,270,410	120,825,361	94,875,000	89,697,220
Promotion and advertising expenses	221,194,184	140,056,272	39,130,845	55,380,912
Loss from impairment of assets	7,864,005	10,950,364	7,865,417	10,952,503
Loss from inventory destruction and obsolescence of inventories	5,996,985	16,624,103	-	-
Freight	92,684,174	111,638,802	-	-

29 Finance costs

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Interest expense from short-term borrowings from financial institutions	(21,391,785)	(30,216,105)	(4,079,739)	(5,568,167)
Interest expense from short-term borrowings from related companies (Note 32 a))	-	-	(3,152,402)	(4,472,289)
Interest expense for liability under finance lease agreements	(752,311)	(1,190,817)	(752,311)	(1,190,817)
Interest expense from license for operation right in section of digital television	(12,487,563)	(36,932,673)	-	-
	(34,631,659)	(68,339,595)	(7,984,452)	(11,231,273)

30 Income tax

Reconciliation of income tax expense for the years ended 31 December 2019 and 2018 comprises:

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Current income tax on taxable profit for the year	(68,318,821)	(66,249,022)	(57,728,608)	-
Over recorded prior year income tax	-	1,080,000	-	-
Under recorded prior year income tax	(80,895)	(12,668)	-	-
Write - off allowance for doubtful in recoverable of withholding tax	(500,107)	(927,856)	(311,297)	(1,094)
Reversal of allowance for doubtful in recoverable of withholding tax	223,149	591,690	-	-
Origination of temporary differences (Note 16)	(28,775,022)	(42,314,471)	(23,891,579)	(701,040)
Total income tax credit (expense)	(97,451,696)	(107,832,327)	(81,931,484)	(702,134)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Profit before tax accounting base	461,846,487	623,870,008	447,150,408	365,767,750
Tax calculated at the rate of 20%	(92,369,297)	(124,774,002)	(89,430,082)	(73,153,550)
Tax effect of:				
Non-deductible expenses	(5,769,141)	(7,611,954)	(2,410,159)	(3,156,261)
Additional deductible expenses	2,284,577	3,695,690	2,093,130	2,555,107
Temporary deferred of previously unrecognised deferred tax	46,729	(1,150,396)	(434,797)	(995,625)
Allowance for impairment in associate company and subsidiaries	283	20,415,347	-	20,414,919
Tax exemption - dividend received	-	-	9,083,988	53,634,370
Decrease of share capital in subsidiary	(522,267)	-	(522,267)	-
Temporary differences arising between the carrying amounts of inventories reported in accounting base and their tax base	(764,727)	861,822	-	-
Write - off allowance for doubtful in recoverable of withholding tax	(500,107)	(927,856)	(311,297)	(1,094)
Reversal of allowance for doubtful in recoverable of withholding tax	223,149	591,690	-	-
Over recorded prior year income tax	-	1,080,000	-	-
Under recorded prior year income tax	(80,895)	(12,668)	-	-
Tax charge	(97,451,696)	(107,832,327)	(81,931,484)	(702,134)

31 Earnings (loss) per share

31.1 Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing profit (loss) attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the year.

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019	2018	2019	2018
Profit (loss) attributable to ordinary shareholders (Baht)	363,343,967	516,039,530	365,218,924	365,065,616
Weighted average number of Ordinary shares in issue during the year (shares)	970,508,702	966,875,251	970,508,702	966,875,251
Basic earnings (loss) per share (Baht)	0.3744	0.5337	0.3763	0.3776

31.2 Diluted earnings (loss) per share

The diluted earnings (loss) per share is calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Group has dilutive potential ordinary shares that are warrants. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the warrant. The difference is added to the denominator as an issue of ordinary shares for no consideration. No adjustment is made to earnings (loss).

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019	2018	2019	2018
Net profit (loss) attributable to ordinary shareholders (Baht)	363,343,967	516,039,530	365,218,924	365,065,616
Weighted average number of common shares (basic) (shares)	970,508,702	966,875,251	970,508,702	966,875,251
Adjustment for :				
Assume conversion of warrants	43,507,317	81,049,943	43,507,317	81,049,943
Weighted average number of common shares for calculation of diluted earnings per share(shares)	1,014,016,019	1,047,925,194	1,014,016,019	1,047,925,194
Diluted earnings (loss) per shares (Baht)	0.3583	0.4924	0.3602	0.3484

32 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The significant investments in subsidiaries and associates are set out in Notes 10 and 11.

Significant related parties transactions other than subsidiaries and associates can be summarised as follows:

Related parties	Type of business	Type of relation
Chetchotsak Co., Ltd.	Rental service	Common shareholder and directors
Idea Power Co., Ltd.	Organizer	Associated company
Membership Co., Ltd.	Rental service	Common shareholder and directors
Chetchot Co., Ltd.	Rental service	Common shareholder and directors
Key management personnel	-	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group company

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Significant related parties transactions can be summarised as follows:

a) Revenues and expenses transaction between the Group with related parties for the years ended 31 December 2019 and 2018.

		Separate Financial Statements						
		For the year ended 31 December 2019 (Baht)						
		Revenue from media	Revenue from music	Revenue from showbiz	Revenue from other service Income	Revenue from management service	Other income	
							Interest income	Other income
Subsidiaries								
R.S. Television Co., Ltd.		17,614,632	10,743,405	-	-	176,968,370	29,568,467	1,874,018
Lifestar Co., Ltd.		107,667,930	238,667	27,670,300	-	189,996,000	-	10,617,721
Coolism Co., Ltd.		776,720	-	-	-	-	-	-
Thai Copyright Collection Co., Ltd.		-	30,992,275	-	-	4,788,000	-	1,656,348
RS Mall Co., Ltd. (Formerly : Buntoeng Variety Co., Ltd.)		5,984,000	-	-	-	960,000	-	-
R.S. Sportmaster Co., Ltd.*		-	-	-	-	-	61,886	-
Total		132,043,282	41,974,347	27,670,300	-	372,712,370	29,630,353	14,148,087

		Separate Financial Statements						
		For the year ended 31 December 2018 (Baht)						
		Revenue from media	Revenue from music	Revenue from showbiz	Revenue from other service Income	Revenue from management service	Other income	
							Interest income	Other income
Subsidiaries								
R.S. Television Co., Ltd.		20,580,002	4,722,200	-	-	206,755,830	34,893,753	85,184
Lifestar Co., Ltd.		106,084,167	246,900	-	7,429,800	129,013,164	-	8,966,775
Coolism Co., Ltd.		12,337,534	-	-	-	-	-	-
Thai Copyright Collection Co., Ltd.		-	33,465,430	-	-	4,222,920	-	1,628,321
RS Mall Co., Ltd. (Formerly : Buntoeng Variety Co., Ltd.)		15,200,000	-	-	-	4,632,216	6,904	-
R.S. Sportmaster Co., Ltd.*		-	-	-	-	-	93,600	-
Total		154,201,703	38,434,530	-	7,429,800	344,624,130	34,994,257	10,680,280

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		Consolidated Financial Statements					
		For the year ended 31 December 2019 (Baht)		For the year ended 31 December 2018 (Baht)			
		Cost of sales and service	Selling and administrative expenses	Cost of sales and service	Selling and administrative expenses		
Chetchotsak Co., Ltd.		21,509,710	69,153,277	20,564,486	60,311,728		
Membership Co., Ltd.		10,317,440	3,306,000	10,107,880	3,306,000		
Chetchot Co., Ltd.		-	54,492	-	45,535		
Group of person Chetchotsak		-	-	-	110,000		
Total		31,827,150	72,513,769	30,672,366	63,773,263		
		Separate Financial Statements					
		For the year ended 31 December 2019 (Baht)		For the year ended 31 December 2018 (Baht)			
		Cost of sales and service	Selling and administrative expenses	Cost of sales and service	Selling and administrative expenses		
Chetchotsak Co., Ltd.		21,509,710	60,565,815	20,415,986	51,446,476		
Membership Co., Ltd.		-	3,306,000	-	3,306,000		
Chetchot Co., Ltd.		-	54,492	-	45,535		
Group of person Chetchotsak		-	-	-	110,000		
Total		21,509,710	63,926,307	20,415,986	54,908,011		
		Separate Financial Statements					
		For the year ended 31 December 2019 (Baht)			For the year ended 31 December 2018 (Baht)		
		Cost of sales and service	Selling and administrative expenses	Finance cost - interest expense	Cost of sales and service	Selling and administrative expenses	Finance cost - interest expense
Subsidiaries							
R.S. Television Co., Ltd.		58,702,344	24,504,635	-	40,090,560	471,450	-
Lifestar Co., Ltd.		-	-	2,189,188	413,235	176,907	3,469,733
Coolism Co., Ltd.		-	108,900	287,841	374,786	2,908,477	512,464
Thai Copyright Collection Co., Ltd.		-	-	403,277	-	-	283,451
RS International Broadcasting and Sports Management Co., Ltd.		-	-	172,661	-	-	147,244
RS Mall Co., Ltd. (Formerly : Buntoeng Variety Co., Ltd.)		-	-	21,849	-	-	1,942
Goodlife Group Co., Ltd.		-	-	77,586	-	-	66,164
R.S. Sportmaster Co.,Ltd.*		-	1,101,580	-	-	-	-
Total		58,702,344	25,715,115	3,152,402	40,878,581	3,556,834	4,480,998

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b) Outstanding balance arising from trade and other accounts receivable as at 31 December 2019 and 2018 are as follows:

Consolidation Financial Statements										
As at 31 December 2019 (Baht)					As at 31 December 2018 (Baht)					
Trade accounts receivable	Accrued income	Accrued Interest income	Allowance for doubtful accounts - accrued interest income	Advance payments	Trade accounts receivable	Accrued income	Accrued Interest income	Allowance for doubtful accounts - accrued interest income	Advance payments	
Subsidiaries										
S-One Sport Co., Ltd. **	-	-	2,489,884	(2,489,884)	-	-	-	2,489,884	(2,489,884)	-
Total	-	-	2,489,884	(2,489,884)	-	-	-	2,489,884	(2,489,884)	-
Separate Financial Statements										
As at 31 December 2019 (Baht)					As at 31 December 2018 (Baht)					
Trade accounts receivable	Accrued income	Accrued Interest income	Allowance for doubtful accounts - accrued interest income	Advance payments	Trade accounts receivable	Accrued income	Accrued Interest income	Allowance for doubtful accounts - accrued interest income	Advance payments	
Subsidiaries										
R.S. Television Co., Ltd.	304,884,155	1,061,172	4,467,163	-	-	379,270,126	4,642,970	5,989,446	-	-
Lifestar Co., Ltd.	34,618,502	-	-	-	-	38,732,441	-	-	-	-
Coolism Co., Ltd.	-	-	-	-	-	2,606,560	-	-	-	-
Thai Copyright Collection Co., Ltd.	3,902,370	-	-	-	-	1,067,315	-	-	-	-
RS Mall Co., Ltd. (Formerly: Buntoeng Variety Co., Ltd.)	-	-	-	-	-	9,488,818	-	-	-	-
R.S. Sportmaster Co., Ltd.*	-	-	-	-	-	-	-	1,801,222	(1,038,359)	302,904
S-One Sport Co., Ltd.	-	-	2,489,884	(2,489,884)	-	-	-	2,489,884	(2,489,884)	-
Total	343,405,027	1,061,772	6,957,047	(2,489,884)	-	431,165,260	4,642,970	10,280,552	(3,528,243)	302,904

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** Under the bankruptcy process and the absolute receivership.

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c) Outstanding balance of trade and others accounts payable as at 31 December 2019 and 2018 are as follows:

Consolidated financial statements									
As at 31 December 2019 (Baht)					As at 31 December 2018 (Baht)				
Trade accounts payable	Other accounts payable	Unearned revenue	Accrued interest expense	Accrued expenses	Trade accounts payable	Other accounts payable	Unearned revenue	Accrued interest expense	Accrued expenses
Chetchotsak Co., Ltd.	-	1,942,748	-	-	-	2,073,397	-	-	-
Membership Co., Ltd.	-	555,753	-	-	-	429,049	-	-	-
Chetchot Co., Ltd.	-	4,365	-	-	-	8,640	-	-	-
Total	-	2,502,866	-	-	-	2,511,086	-	-	-
Separate financial statements									
As at 31 December 2019 (Baht)					As at 31 December 2018 (Baht)				
Trade accounts payable	Other accounts payable	Unearned revenue	Accrued interest expense	Accrued expenses	Trade accounts payable	Other accounts payable	Unearned revenue	Accrued interest expense	Accrued expenses
Chetchotsak Co., Ltd.	-	1,545,977	-	-	-	1,606,820	-	-	-
Membership Co., Ltd.	-	59,921	-	-	-	59,920	-	-	-
Chetchot Co., Ltd.	-	4,365	-	-	-	8,640	-	-	-
Total	-	1,610,263	-	-	-	1,675,380	-	-	-

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	Separate financial statements											
	As at 31 December 2019 (Baht)						As at 31 December 2018 (Baht)					
	Trade accounts payable	Other accounts payable	Unearned revenue	Accrued interest expense	Agent and accrued promotion expense	Accrued expenses	Trade accounts payable	Other accounts payable	Unearned revenue	Accrued interest expense	Agent and accrued promotion expense	Accrued expenses
Subsidiaries												
R.S. Television Co., Ltd.	23,719,267	12,558,561	-	-	26,218,379	4,527,498	19,213,825	-	-	-	2,266,473	7,615,346
Lifestar Co., Ltd.	-	477,998	472,500	160,065	-	-	141,160	-	107,500	755,647	-	-
Coolism Co., Ltd.	-	-	-	-	-	-	-	-	120,000	92,358	-	-
Thai Copyright Collection Co., Ltd.	25,000	-	-	64,112	-	-	16,050	-	9,357,449	84,487	-	-
RS Mall Co., Ltd. (Formerly: Buntoeng Variety Co., Ltd.)	-	-	-	9,192	-	-	-	-	-	-	-	-
Goodlife Group Co., Ltd.	-	-	-	11,490	-	-	-	-	-	13,579	-	-
RS International Broadcasting and Sports Management Co., Ltd.	-	-	-	25,570	-	-	-	-	-	30,218	-	-
Total	23,744,267	13,036,559	472,500	270,429	26,218,279	4,527,498	19,371,035	-	9,584,949	976,289	2,266,473	7,615,346
Grand total	23,744,267	14,646,822	472,500	270,429	26,218,379	4,527,498	19,371,035	1,675,380	9,584,949	976,289	2,266,473	7,615,346

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d) Short-term loans to related companies (net)

	Consolidate financial statements												
	For the year ended 31 December 2019 (Baht)												
	Short-term loans				Allowance for impairment of short-term loans				Short-term loans (net)				
	Opening balance	Increase during the year	Received during the year	Closing balance	Opening balance	Increase during the year	Decrease during the year	Closing balance	Opening balance	Increase during the year	Received during the year	Decrease during the year	Closing balance
Subsidiary													
S-one sport Co., Ltd. **	20,355,000	-	-	20,355,000	(20,355,000)	-	-	(20,355,000)	-	-	-	-	-

	Separate financial information														
	For the year ended 31 December 2019 (Baht)														
	Short-term loans					Allowance for impairment of short-term loans				Net short-term loans					
	Opening balance	Increase during the period	Received during the period	Write off during the period	Ending balance	Opening balance	Increase during the period	Decrease during the period	Ending balance	Opening balance	Increase during the period	Received during the period	Write off during the period	Decrease during the period	Ending balance
Subsidiaries															
R.S. Sportmaster Co., Ltd.*	2,340,000	-	-	(2,340,000)	-	(2,340,000)	-	2,340,000	-	-	-	-	(2,340,000)	2,340,000	-
R.S. Television Co., Ltd.	881,700,000	335,000,000	(210,000,000)	-	1,006,700,000	-	-	-	-	881,700,000	335,000,000	(210,000,000)	-	-	1,006,700,000
S-One Sport Co., Ltd.**	20,355,000	-	-	-	20,355,000	(20,355,000)	-	-	(20,355,000)	-	-	-	-	-	-
	904,395,000	335,000,000	(121,000,000)	(2,340,000)	1,027,055,000	(22,695,000)	-	2,340,000	(20,355,000)	881,700,000	335,000,000	(210,000,000)	(2,340,000)	2,340,000	1,006,700,000

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** Under the bankruptcy process and the absolute receivership

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Consolidate financial statements												
For the year ended 31 December 2018 (Baht)												
Short-term loans				Allowance for impairment of short-term loans				Short-term loans (net)				
Opening balance	Increase during the year	Received during the year	Closing balance	Opening balance	Increase during the year	Decrease during the year	Closing balance	Opening balance	Increase during the year	Received during the year	Decrease during the year	Closing balance
Subsidiary												
S-one sport Co., Ltd. **	20,355,000	-	-	20,355,000	(20,355,000)	-	-	(20,355,000)	-	-	-	-
Separate financial statements												
For the year ended 31 December 2018 (Baht)												
Short-term loans				Allowance for impairment of short-term loans				Short-term loans (net)				
Opening balance	Increase during the year	Received during the year	Closing balance	Opening balance	Increase during the year	Decrease during the year	Closing balance	Opening balance	Increase during the year	Received during the year	Decrease during the year	Closing balance
Subsidiaries												
R.S. Sportmaster Co., Ltd.*	2,340,000	-	-	2,340,000	(2,340,000)	-	-	(2,340,000)	-	-	-	-
R.S. Television Co., Ltd.	841,700,000	550,000,000	(510,000,000)	881,700,000	-	-	-	841,700,000	550,000,000	(510,000,000)	-	881,700,000
RS Mall Co., Ltd. (Formerly : Buntoeng Variety Co., Ltd).	-	3,500,000	(3,500,000)	-	-	-	-	-	3,500,000	(3,500,000)	-	-
S-One Sport Co., Ltd. **	20,355,000	-	-	20,355,000	(20,355,000)	-	-	(20,355,000)	-	-	-	-
Total	864,395,000	553,500,000	(513,500,000)	904,395,000	(22,695,000)	-	-	(20,695,000)	841,700,000	553,500,000	(513,500,000)	-

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** Under the bankruptcy process and the absolute receivership

As at 31 December 2019, the outstanding balance of short-term loan for related parties are unsecured loan in Thai Baht currency Interest rate is 2.65% per annum (2018 : 4.00% per annum).

e) Short-term loans from related companies

	Separate financial statements							
	For the year ended 31 December 2019 (Baht)				For the year ended 31 December 2018 (Baht)			
	Short-term loans				Short-term loans			
	Opening balance	Increase during the year	Payments during the year	Closing balance	Opening balance	Increase during the year	Payments during the year	Closing balance
Subsidiaries								
Coolism Co., Ltd.	27,000,000	-	(27,000,000)	-	-	75,000,000	(48,000,000)	27,000,000
RS International Broadcasting and Sports Management Co., Ltd.	11,127,125	11,127,125	(11,127,125)	11,127,125	11,127,125	-	-	11,127,125
Goodlife Group Co., Ltd.	5,000,000	5,000,000	(5,000,000)	5,000,000	5,000,000	-	-	5,000,000
RS Mall Co., Ltd. (Formerly : Buntoeng Variety Co., Ltd.	-	4,000,000	-	4,000,000	700,000	-	(700,000)	-
Lifestar Co., Ltd.	143,000,000	100,000,000	(194,000,000)	49,000,000	105,000,000	278,000,000	(240,000,000)	143,000,000
Thai Copyright Co., Ltd.	21,900,000	33,900,000	(27,900,000)	27,900,000	-	32,500,000	(10,600,000)	21,900,000
Total	208,027,125	154,027,125	(265,027,125)	97,027,125	121,827,125	385,500,000	(299,300,000)	208,027,125

As at 31 December 2019, the outstanding balance of short-term loan for related parties are unsecured loan in Thai Baht currency Interest rate is 1.375% per annum (2018 : 1.625% per annum).

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f) Key management compensation

Key management includes directors (executive and non-executive), members of the Executive Committee. The compensation paid or payable to key management for employee services is shown below:

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Salaries and other short-term employee benefits	114,250,288	128,444,302	89,872,987	106,516,402
Post-employment benefits	5,945,251	4,937,407	5,244,997	4,191,957
	120,195,539	133,381,709	95,117,984	110,708,359

33 Segment information

To assess the group's operation, the Group considers the gross profit from the revenue transactions comprising revenue from Multi-platform Commerce, revenues from media, revenues from music, revenues from event business and beauty and revenues from other services. Intercompany sales were already eliminated. Group profit was determined by subtracting cost of sales and services.

	Consolidated financial statements							
	For the year ended 31 December 2019							
	Multi-platform Commerce Baht	Media business Baht	Music business Baht	Showbiz business Baht	Other services Baht	Total Baht	Eliminated Baht	Total Baht
Revenues								
external	2,012,441,108	1,069,232,210	289,378,034	240,089,410	-	3,611,140,762	-	3,611,140,762
internal	28,182,188	671,881,601	41,974,347	-	-	742,038,136	(742,038,136)	-
Total revenues	2,040,623,296	1,741,113,811	331,352,381	240,089,410	-	4,353,178,898	(742,038,136)	3,611,140,762
Cost of sales and services	700,818,599	1,275,349,523	103,731,907	132,924,600	-	2,212,824,629	(192,862,417)	2,019,962,212
Gross profit	1,339,804,697	465,764,288	227,620,474	107,164,810	-	2,140,354,269	(549,175,719)	1,591,178,550
Timing of revenue recognition:								
Point in time	2,040,623,296	106,906,697	324,631,813	63,278,505	-	2,535,440,311	(106,776,671)	2,428,663,640
Over time	-	1,634,207,114	6,720,568	176,810,905	-	1,817,738,587	(635,261,465)	1,182,477,122
Total revenue	2,040,623,296	1,741,113,811	331,352,381	240,089,410	-	4,353,178,898	(742,038,136)	3,611,140,762
	Consolidated financial statements							
	As at 31 December 2019							
	Multi-platform Commerce Baht	Media business Baht	Music business Baht	Showbiz business Baht	Other services Baht	Total Baht	Eliminated Baht	Total Baht
Fixed assets	63,577,901	185,022,455	317,038	116,671	254,749,384	503,783,449	-	503,738,449
Intangible assets	56,792,769	1,219,780,036	22,628,110	-	74,337,351	1,373,538,266	-	1,373,538,266
	Consolidated financial statements							
	For the year ended 31 December 2018							
	Multi-platform Commerce Baht	Media business Baht	Music business Baht	Showbiz business Baht	Other services Baht	Total Baht	Eliminated Baht	Total Baht
Revenues								
external	2,126,820,966	1,344,681,665	236,847,131	118,331,329	-	3,826,681,091	-	3,826,681,091
internal	7,561,725	651,731,056	38,434,530	1,040,550	-	698,767,861	(698,767,861)	-
Total revenues	2,134,382,691	1,996,412,721	275,281,661	119,371,879	-	4,525,448,952	(698,767,861)	3,826,681,091
Cost of sales and services	717,607,797	1,506,376,963	110,337,837	71,733,102	-	2,406,055,699	(200,778,656)	2,205,277,043
Gross profit	1,416,774,894	490,035,758	164,943,824	47,638,777	-	2,119,393,253	(497,989,205)	1,621,404,048
	Consolidated financial statements							
	As at 31 December 2018							
	Multi-platform Commerce Baht	Media business Baht	Music business Baht	Showbiz business Baht	Other services Baht	Total Baht	Eliminated Baht	Total Baht
Fixed assets	37,738,719	196,430,357	828,684	267,394	96,270,144	331,535,298	-	331,535,298
Intangible assets	55,581,875	1,952,159,231	29,174,058	-	78,972,818	2,115,887,982	-	2,115,887,982

34 Credit facilities

As at 31 December 2019 and 2018, undrawn borrowing facilities are as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Million Baht	Million Baht	Million Baht	Million Baht
Various credit facilities				
- Unused	2,247	2,457	587	867

35 Commitments, contingent liabilities and significant agreements

35.1 Commitments

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Capital Commitments				
Purchase assets	118,661,621	10,957,460	37,691,683	10,229,560
Operating lease Commitments				
Within 1 year	9,738,856	17,594,562	2,530,621	14,171,196
Later than 1 year but not later than 3 years	17,802,000	-	-	-
Later than 3 years	2,952,000	-	-	-
Total	30,492,856	17,594,562	2,530,621	14,171,196

35.2 Significant agreements with related parties and other entities

- The Company and subsidiary have entered 8 agreements whereby those companies are to provide satellite transmission services during 20 December 2019 to 10 September 2021. The Company is obligated to pay transmission service fee and other expenses as stipulated in the agreements. The Company is required to comply with conditions stipulated in the agreements.
- The subsidiary has entered into 1 agreement to buy airtime of Radio Broadcast Station with the government agency for the period of 2 years starting from 1 January 2020 to 31 December 2021 as stipulated in the agreements.
- The National Broadcasting and Telecommunications Commission (NBTC) granted licenses to the Company and a subsidiary to operate telecommunication business. The Company and the subsidiaries are obligated to comply with certain conditions as stated in the licenses, and to pay annual license fee, together in accordance with conditions and requirements stipulated by the NBTC.
- The subsidiary has entered into the Standard Definition Terrestrial Digital Television Network Services agreement with Organization of Thailand Public Broadcasting Services (TPBS) for operation digital television for 15 years and had obligated to pay service fees as stipulated in the agreements. The subsidiary has submitted bank guarantee at 5% of total contract amount to the TPBS.

35.3 Contingent liabilities

As at 31 December 2019 and 2018, the Group had contingent liabilities with the local banks as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Million Baht	Million Baht	Million Baht	Million Baht
Guarantee to the Company, its subsidiary and other companies	47.16	46.59	5.81	5.48

36 Significant claims and legal litigations

- 36.1 As at 31 December 2019 and 2018, the Company and the subsidiaries have been sued, with the plaintiff demanding the Company to pay for the damage caused by the Company's alleged copyright violation and other in the amount of Baht 32.27 million and Baht 41.96 million, respectively. Then, the management has not recorded related provision. This issue is still being adjudicated.

- 36.2 Sponsor fee for broadcasting FIFA world cup.

In June 2014 the subsidiary company and National Broadcasting and Telecommunications Commission (NBTC) have agreed to whereby the subsidiary company shall broadcast all matches of FIFA World Cup 2014 to Free TV and NBTC shall sponsor to the subsidiary company.

Presently the subsidiary company is in process to appeal to receive sponsor fee for the remaining amount of Baht 57.14 million from the NBTC. This case is still being adjudicated in a supreme administrative court.

37 Subsequent events

- 37.1 On 6 January 2020, the Company has purchased treasury shares 1,400,000 shares at Baht 11.70 to Baht 11.90 per share totalling Baht 16,525,000.
- 37.2 At the Company's Board of Director meeting No.2/2020 at 20 February 2020 approved to propose on Annual General Meeting of shareholders of 2020 to approve to pay dividend from the operation results for the year 2019 at the rate of Baht 0.10 per share which will be paid to shareholders within April 2020.