



#### **NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim condensed consolidated financial statements of the company have been prepared by and are the responsibility of the company's management.

No auditor has performed a review of these financial statements.

"Ankit Bhandari"

Chief Financial Officer

Dated as of the 25<sup>th</sup> day of November 2020

# Asian Television Network International Limited

## Unaudited Interim Condensed Consolidated Statements of Profit and Loss

For the three months and nine months ended September 30, 2020 and September 30, 2019

	Note	Three months ended September 30,		Nine months ended September 30,	
		2020	2019	2020	2019
<b>Operating revenue</b>	4	\$ 2,766,649	\$ 2,994,964	\$ 7,435,767	\$ 9,094,326
<b>Operating expenses</b>					
Administrative expenses		231,429	372,167	794,956	1,008,901
Marketing and distribution costs	5	1,680,818	2,228,624	5,209,601	7,194,133
Employee costs	19	337,043	788,015	1,410,480	2,481,001
Depreciation and amortization	6	209,694	218,451	643,467	664,909
Finance costs		15,817	21,499	52,492	73,581
Loss (gain) on foreign exchange differences		(5,228)	235	12,047	(866)
<b>Total operating expenses</b>		<b>2,469,573</b>	<b>3,628,991</b>	<b>8,123,043</b>	<b>11,421,659</b>
<b>Income (Loss) before tax</b>		<b>297,076</b>	<b>(634,027)</b>	<b>(687,276)</b>	<b>(2,327,333)</b>
Income tax recovery	7	-	-	-	(328,234)
<b>Net Income (Loss) for the period</b>		<b>\$ 297,076</b>	<b>\$ (634,027)</b>	<b>\$ (687,276)</b>	<b>\$ (1,999,099)</b>
<b>Income (Loss) per share</b>					
Basic	9	\$ 0.01	\$ (0.03)	\$ (0.03)	\$ (0.08)
Diluted	9	\$ 0.01	\$ (0.03)	\$ (0.03)	\$ (0.08)

See accompanying notes.

# Asian Television Network International Limited

## Unaudited Interim Condensed Consolidated Statements of Comprehensive Income

For the three months and nine months ended September 30, 2020 and September 30, 2019

	Note	Three months ended September 30,		Nine months ended September 30,	
		2020	2019	2020	2019
Net income (loss) for the period	\$	297,076	\$ (634,027)	\$ (687,276)	\$ (1,999,099)
Other comprehensive income		-	-	-	-
<b>Comprehensive income (loss) for the period</b>	<b>\$</b>	<b>297,076</b>	<b>\$ (634,027)</b>	<b>\$ (687,276)</b>	<b>\$ (1,999,099)</b>

See accompanying notes.

# Asian Television Network International Limited

Unaudited Interim Condensed Consolidated Statements of Financial Position

As at September 30, 2020 and December 31, 2019

	Note	2020	2019
<b>Current assets</b>			
Cash and cash equivalents	13	\$ 8,123	\$ 104,348
Short-term investments	14	2,700,000	3,000,000
Trade and other receivables	20	1,629,686	1,370,260
Income taxes recoverable		233,853	206,483
Prepaid expenses		46,307	43,329
<b>Total current assets</b>		<b>4,617,969</b>	<b>4,724,420</b>
<b>Non-current assets</b>			
Plant and equipment	11	1,872,840	2,511,647
Intangible assets	12	94,669	742,154
Deferred tax assets		321,659	321,659
Other long-term assets		42,728	43,838
<b>Total non-current assets</b>		<b>2,331,896</b>	<b>3,619,298</b>
<b>TOTAL ASSETS</b>		<b>\$ 6,949,865</b>	<b>\$ 8,343,718</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	15	\$ 3,306,798	\$ 3,924,311
Bank indebtedness	18	318,704	-
Lease liabilities - current portion		526,103	543,289
<b>Total current liabilities</b>		<b>4,151,605</b>	<b>4,467,600</b>
<b>Non-current liabilities</b>			
Lease liabilities		332,951	723,533
<b>TOTAL LIABILITIES</b>		<b>4,484,556</b>	<b>5,191,133</b>
<b>SHAREHOLDERS' EQUITY</b>		<b>2,465,309</b>	<b>3,152,585</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>\$ 6,949,865</b>	<b>\$ 8,343,718</b>

Commitments and contingencies (Note 17)

See accompanying notes.

On behalf of the Board:

*Signed*  
Dr. Shan Chandrasekar  
Director

*Signed*  
Prakash Naidoo  
Director

# Asian Television Network International Limited

Unaudited Interim Condensed Consolidated Statements of Changes in Shareholders' Equity  
For the three months and nine months ended September 30, 2020 and September 30, 2019

	Note	Common shares amounts	Number of common shares	Retained earnings	Total shareholders' equity
Balances, January 1, 2020		\$ 6,025,852	24,402,914	\$ (2,873,267)	\$ 3,152,585
Net loss for the period		-	-	(687,276)	(687,276)
Dividends paid or payable		-	-	-	-
<b>Balances, September 30, 2020</b>	<b>8</b>	<b>\$ 6,025,852</b>	<b>24,402,914</b>	<b>\$ (3,560,543)</b>	<b>\$ 2,465,309</b>
Balances, January 1, 2019		\$ 6,025,852	24,402,914	\$ (359,047)	\$ 5,666,805
Net loss for the period		-	-	(1,999,099)	(1,999,099)
Adjustments IFRS 16		-	-	(251,759)	(251,759)
<b>Balances, September 30, 2019</b>	<b>8</b>	<b>\$ 6,025,852</b>	<b>24,402,914</b>	<b>\$ (2,609,905)</b>	<b>\$ 3,415,947</b>

See accompanying notes.

# Asian Television Network International Limited

## Unaudited Interim Condensed Consolidated Statements of Cash flows

For the three months and nine months ended September 30, 2020 and September 30, 2019

Note	Three months ended September 30, 2020	September 30, 2019	Nine months ended September 30, 2020	September 30, 2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Net income (loss) for the period	\$ 297,076	\$ (634,027)	\$ (687,276)	\$ (1,999,099)
Adjustments for:				
Finance costs	15,816	21,499	52,492	73,581
Depreciation and amortization	291,770	336,557	1,290,952	1,357,961
Income tax recovery	-	-	-	(328,234)
Changes in working capital:				
(Increase) decrease in trade and other receivables	(276,876)	(485,513)	(259,426)	(121,902)
(Increase) decrease in prepaid expenses	-	343,037	(2,978)	403,910
Increase (decrease) in accounts payable and accrued liabilities	(299,654)	809,678	(617,512)	1,312,517
Payment of finance costs	(15,816)	(21,499)	(52,492)	(73,581)
Recovery of income taxes	(27,371)	-	(27,371)	440,321
<b>NET CASH FLOWS (USED IN) FROM OPERATIONS</b>	<b>(15,055)</b>	<b>369,732</b>	<b>(303,611)</b>	<b>1,065,474</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Payments to acquire plant and equipment	-	(1,860)	(6,370)	(19,360)
Payments to acquire intangible assets	-	(217,440)	-	(230,570)
Proceeds from disposal of other long-term assets	1,987	417	2,820	1,249
(Payments to acquire) Proceeds from disposition of short-term investments	125,000	(2,500,000)	300,000	(2,250,000)
<b>NET CASH FLOWS (USED IN) FROM INVESTING</b>	<b>126,987</b>	<b>(2,718,883)</b>	<b>296,450</b>	<b>(2,498,681)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>				
Repayment of (Proceeds from) bank indebtedness	(21,297)	-	318,704	(230,000)
Repayment of finance lease obligation	(133,623)	(127,130)	(407,768)	(384,400)
Repayment of long-term debt	-	-	-	-
Payments of dividends	-	-	-	-
<b>NET CASH FLOWS (USED IN) FROM FINANCING</b>	<b>(154,920)</b>	<b>(127,130)</b>	<b>(89,064)</b>	<b>(614,400)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(42,988)</b>	<b>(2,476,281)</b>	<b>(96,225)</b>	<b>(2,047,607)</b>
Cash and cash equivalents at beginning of period	51,111	3,452,986	104,348	3,024,312
<b>Cash and cash equivalents at end of period</b>	<b>\$ 8,123</b>	<b>\$ 976,705</b>	<b>\$ 8,123</b>	<b>\$ 976,705</b>

See accompanying notes.

# Asian Television Network International Limited

## Notes to Unaudited Interim Condensed Consolidated Financial Statements

For the three months and nine months ended September 30, 2020 and September 30, 2019

### 1 Nature of Business

Asian Television Network International Limited ("ATN" or the "Company") is incorporated under the laws of the province of Ontario and its shares are traded on the TSX Venture Exchange. The Company's executive offices are located at 330 Cochrane Drive, Markham, Ontario, Canada L3R 8E4. Its activities consist primarily of specialty, pay television broadcasting and television broadcasting advertising primarily aimed at the South Asian community in Canada. ATN is the ultimate parent of the group of companies.

### 2 Summary of Significant Accounting Policies

#### a. Statement of Compliance

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB") and on a basis consistent with the accounting policies disclosed in the annual audited consolidated financial statements for the year ended December 31, 2019. These unaudited interim condensed consolidated financial statements of ATN for the nine months ended September 30, 2020 were approved by the Audit Committee on November 24, 2020.

#### b. Basis of Presentation

These unaudited interim condensed consolidated financial statements include the accounts of Asian Television Network International Limited and its subsidiaries. The notes presented in these unaudited interim condensed consolidated financial statements include in general only significant changes and transactions occurring since the Company's last year end, and are not fully inclusive of all disclosures required by IFRS for annual financial statements. These unaudited interim condensed consolidated financial statements should be read in conjunction with the annual audited consolidated financial statements, including the notes thereto, for the year ended December 31, 2019.

These unaudited interim condensed consolidated financial statements follow the same accounting policies and methods of application as the annual audited consolidated financial statements for the year ended December 31, 2019.

### 3 Segment Information

Management has determined the Company has one operating segment.

### 4 Operating Revenue

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	2020	2019
Subscription	\$ 2,278,671	\$ 2,127,625	\$ 6,044,203	\$ 6,413,904
Advertising	452,899	766,022	1,245,797	2,391,799
Programming	33,211	86,917	113,899	243,749
Finance income	1,868	14,400	31,868	44,874
Total	\$ 2,766,649	\$ 2,994,964	\$ 7,435,767	\$ 9,094,326

# Asian Television Network International Limited

## Notes to Unaudited Interim Condensed Consolidated Financial Statements

For the three months and nine months ended September 30, 2020 and September 30, 2019

### 5 Marketing and Distribution Costs

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	2020	2019
Programming and broadcast costs	\$ 1,467,178	\$ 1,787,116	\$ 4,647,323	\$ 5,825,812
Satellite and fibre costs	168,977	336,861	411,690	1,052,946
Advertising	19,109	35,934	58,765	93,105
Marketing and other distribution costs	25,554	68,713	91,823	222,270
<b>Total</b>	<b>\$ 1,680,818</b>	<b>\$ 2,228,624</b>	<b>\$ 5,209,601</b>	<b>\$ 7,194,133</b>

### 6 Depreciation and amortization

Depreciation and amortization for the period is recognized in the consolidated statements of profit and loss as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	2020	2019
Depreciation - broadcast equipment	\$ 98,520	\$ 99,722	\$ 298,298	\$ 305,032
Depreciation - IT equipment	2,319	2,621	7,376	11,776
Depreciation - furniture and fixtures	2,275	2,844	6,825	8,531
Depreciation - right of use assets	98,579	105,263	306,966	315,788
Depreciation - leasehold improvements	8,001	8,001	24,002	23,782
Depreciation and amortization	209,694	218,451	643,467	664,909
Amortization - broadcast licenses included in marketing and distribution costs	82,076	118,106	647,485	693,052
<b>Total depreciation and amortization</b>	<b>\$ 291,770</b>	<b>\$ 336,557</b>	<b>\$ 1,290,952</b>	<b>\$ 1,357,961</b>

# Asian Television Network International Limited

## Notes to Unaudited Interim Condensed Consolidated Financial Statements

For the three months and nine months ended September 30, 2020 and September 30, 2019

### 7 Income Tax Recovery

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	2020	2019
Current	\$ 0	\$ 0	\$ 0	\$ (286,874)
Deferred	0	0	0	(41,360)
<b>Income tax recovery</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (328,234)</b>

### 8 Share Capital

#### Issued capital

The Company has authorized an unlimited number of Class "A" preference shares with a \$0.12 cumulative dividend, payable on the third anniversary date from issuance, are non-voting, redeemable at the amount paid thereon, retractable at the amount paid thereon after the third anniversary date from issuance, convertible at the rate of \$225,000 of preference shares in exchange for 1% issued and outstanding common shares of which there are none outstanding.

The Company has authorized an unlimited number of Class "B" preference shares which have non-cumulative dividends, are non-voting, and are redeemable and retractable at the amount paid thereon, of which none are outstanding.

The Company has authorized an unlimited number of common shares with no par value. The following details the changes in issued and outstanding common shares for the periods ended September 30, 2020 and December 31, 2019:

Common shares	Number	Dollar amount
Balance, December 31, 2018	24,402,914	\$ 6,025,852
Issued, repurchased and cancelled shares	-	-
Balance, December 31, 2019	24,402,914	6,025,852
Issued, repurchased and cancelled shares	-	-
Balance, September 30, 2020	24,402,914	\$ 6,025,852

### 9 Income (Loss) per Share

The following table sets forth the computation of basic and diluted income (loss) per share for the comparable periods:

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	2020	2019
Numerator for basic and diluted income (loss) per share available to common shareholders				
Net income (loss) attributable to common shareholders	\$ 297,076	\$ (634,027)	\$ (687,276)	\$ (1,999,099)
Denominator for basic income (loss) per share - weighed average number of shares outstanding	24,402,914	24,402,914	24,402,914	24,402,914
Effect of dilutive securities				
Potential dilutive common shares			-	-
Denominator for dilutive income (loss) per share - adjusted weighted average shares	24,402,914	24,402,914	24,402,914	24,402,914
Basic and dilutive income (loss) per share	\$ 0.01	\$ (0.03)	\$ (0.03)	\$ (0.08)

# Asian Television Network International Limited

## Notes to Unaudited Interim Condensed Consolidated Financial Statements

For the three months and nine months ended September 30, 2020 and September 30, 2019

### 10 Shareholders' Equity

The Board of Directors declared quarterly dividends on each common share outstanding as per schedule:

Dividends	date	Record date	Payment date	share
Declared	1/15/2018	1/15/2018	1/31/2018	0.01
Declared	4/3/2018	4/15/2018	4/30/2018	0.01
Declared	7/3/2018	7/15/2018	7/31/2018	0.005

### 11 Plant and equipment

	September 30, 2020			December 31, 2019		
	Cost	Accumulated depreciation	Net book value	Cost	Accumulated depreciation	Net book value
Furniture and fixtures	\$ 235,124	\$ 193,449	\$ 41,675	\$ 236,834	\$ 186,624	\$ 50,210
IT equipment	504,765	431,688	73,077	504,765	424,312	80,453
Broadcast equipment	5,993,636	5,073,229	920,407	5,987,266	4,774,931	1,212,335
Leasehold improvements	466,580	237,259	229,321	466,580	213,257	253,323
Right of use - building	3,598,450	2,998,708	599,742	3,598,450	2,728,824	869,626
Right of use - other	106,906	98,288	8,618	106,906	61,206	45,700
	\$ 10,905,461	\$ 9,032,621	\$ 1,872,840	\$ 10,900,801	\$ 8,389,154	\$ 2,511,647

Changes in the net carrying amounts of plant and equipment during 2020 can be summarized as follows:

	January 1, 2020				September 30, 2020	
	Net book value	Additions	Disposals	Depreciation	Disposals / Other	Net book value
Furniture and fixtures	\$ 50,210	\$ -	\$ (1,710)	\$ (6,825)	\$ -	\$ 41,675
IT equipment	80,453	-	-	(7,376)	-	73,077
Broadcast equipment	1,212,335	6,370	-	(298,298)	-	920,407
Leasehold improvements	253,323	-	-	(24,002)	-	229,321
Right of use - building	869,626	\$ -	-	(269,884)	-	599,742
Right of use - other	45,700	-	-	(37,082)	-	8,618
	\$ 2,511,647	\$ 6,370	\$ (1,710)	\$ (643,467)	\$ -	\$ 1,872,840

Changes in the net carrying amounts of plant and equipment during 2019 can be summarized as follows:

	January 1, 2019				December 31, 2019	
	Net book value	Additions	Disposals	Depreciation	Disposals / Other	Net book value
Furniture and fixtures	\$ 61,585	\$ -	\$ -	\$ (11,375)	\$ -	\$ 50,210
IT equipment	88,902	6,066	-	(14,515)	-	80,453
Broadcast equipment	1,605,105	12,186	-	(404,956)	-	1,212,335
Leasehold improvements	281,800	3,305	-	(31,782)	-	253,323
Right of use - building	1,229,470	-	-	(359,844)	-	869,626
Right of use - other	106,906	-	-	(61,206)	-	45,700
	\$ 3,373,768	\$ 21,557	\$ -	\$ (883,678)	\$ -	\$ 2,511,647

# Asian Television Network International Limited

## Notes to Unaudited Interim Condensed Consolidated Financial Statements

For the three months and nine months ended September 30, 2020 and September 30, 2019

### 12 Intangible assets

	September 30, 2020			December 31, 2019		
	Cost	Accumulated amortization	Net book value	Cost	Accumulated depreciation	Net book value
Broadcast licenses	\$ 4,277,140	\$ 4,182,471	\$ 94,669	\$ 4,277,140	\$ 3,534,986	\$ 742,154
	\$ 4,277,140	\$ 4,182,471	\$ 94,669	\$ 4,277,140	\$ 3,534,986	\$ 742,154

Changes in the net carrying amounts of intangible assets can be summarized as follows:

	January 1, 2020				September 30, 2020	
	Net book value	Additions	Disposals	Amortization	Disposals / Other	Net book value
Broadcast licenses	\$ 742,154	\$ -	\$ -	\$ (647,485)	\$ -	\$ 94,669
	\$ 742,154	\$ -	\$ -	\$ (647,485)	\$ -	\$ 94,669

Changes in the net carrying amounts of intangible assets can be summarized as follows:

	January 1, 2019				December 31, 2019	
	Net book value	Additions	Disposals	Amortization	Disposals / Other	Net book value
Broadcast license	\$ 1,535,897	\$ 364,010	\$ -	\$ (1,157,753)	\$ -	\$ 742,154
	\$ 1,535,897	\$ 364,010	\$ -	\$ (1,157,753)	\$ -	\$ 742,154

### 13 Cash and Cash Equivalents

	September 30, 2020	December 31, 2019
Cash on hand	\$ 500	\$ 500
Bank balances	7,623	103,848
<b>Total</b>	<b>\$ 8,123</b>	<b>\$ 104,348</b>

### 14 Short-term investments

Short-term investments are Guaranteed Investment Certificates held in major Canadian financial institutions with an original maturity of more than 3 months.

### 15 Accounts Payable and Accrued Liabilities

	September 30, 2020	December 31, 2019
Accounts and other payable	\$ 2,680,076	\$ 2,696,021
Accrued expense	626,722	1,228,290
<b>Total</b>	<b>\$ 3,306,798</b>	<b>\$ 3,924,311</b>

# Asian Television Network International Limited

## Notes to Unaudited Interim Condensed Consolidated Financial Statements

For the three months and nine months ended September 30, 2020 and September 30, 2019

### 16 Financial Instruments

The carrying value of cash and cash equivalents, short-term investments, trade and other receivables, and accounts payable and accrued liabilities approximate their fair values because of the short-term nature of these financial instruments.

The carrying value of the bank credit facility when amounts are drawn approximates its fair value due to the market interest rates applicable on these financial instruments.

Fair value estimates are made at a specific point in time based on relevant market information and information about the financial instruments. The estimates are subjective in nature and involve uncertainties and matters of judgment. Changes in assumptions could significantly affect these statements.

The Company provides disclosure of the three-level hierarchy that reflects the significance of the inputs used in making the fair value measurements. The fair value of financial assets and financial liabilities included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. The fair value of financial assets and financial liabilities in Level 2 include valuations using inputs based on observable market data, either directly or indirectly, other than the quoted prices. Level 3 valuations are based on inputs that are not based on observable market data. There were no material financial instruments categorized in Level 3 (valuation technique using non-observable market inputs) as at September 30, 2020 or December 31, 2019.

There were no changes in categorization of financial assets and liabilities into the three levels of the fair value hierarchy during the 3 months ended September 30, 2020.

The following table outlines the hierarchy of inputs used in the calculations of fair value for each financial instrument:

Description	Total	Level 1	Level 2	Level 3
		Quoted prices in active market for identical assets	Significant other observable inputs	Significant other unobservable inputs
<b>Financial assets at fair value through net income for the period:</b>				
Cash and cash equivalents	\$ 8,123	\$ 8,123	\$ -	\$ -
<b>Held-to-maturity</b>				
Short-term investments	2,700,000	2,700,000	-	-
<b>Loans and receivables:</b>				
Accounts receivable	1,629,686	-	1,629,686	-
<b>Other liabilities at cost:</b>				
Accounts payable and accrued liabilities	3,306,798	-	3,306,798	-
Current and long-term debt	859,054	-	859,054	-

### 17 Commitments & Contingencies

#### a. Commitments

Our material obligations under firm contractual arrangements are summarized below at September 30, 2020. See also Note 17 to the 2019 Audited Consolidated Financial Statements.

Obligations	2020	2021	2022	2023	Totals
Purchase commitments	\$ 809,269	\$ 1,804,884	\$ 324,000	\$ 162,000	\$ 3,100,153
Totals	\$ 809,269	\$ 1,804,884	\$ 324,000	\$ 162,000	\$ 3,100,153

# Asian Television Network International Limited

## Notes to Unaudited Interim Condensed Consolidated Financial Statements

For the three months and nine months ended September 30, 2020 and September 30, 2019

### 18 Bank indebtedness

The Company has an authorized line of credit (the "Line") of a maximum of \$500,000 at a Canadian financial institution. The interest rate applicable to the Line available from the Canadian financial institution is the chartered bank's prime rate plus 0.5%, per annum. \$318,704 of the \$500,000 line of credit is utilized on a net basis as of September 30, 2020 (2019 - \$nil). The Line is secured by a \$500,000 Guaranteed Investment Certificate held in major Canadian financial institutions with an original maturity of more than 3 months.

### 19 Government assistance & grants

In response to the COVID-19 coronavirus pandemic, the government of Canada introduced the Canada Emergency Wage Subsidy ("CEWS") programme in March for companies who have seen a drop in revenue due to COVID-19 to subsidize a part of employee wages and help prevent further job losses. The CEWS currently provides eligible businesses with a reimbursement of a portion of their employee expense for the period from March 15 to December 19, 2020 subject to certain criteria. The Company applied for the CEWS for the period from March 15 to September 26, 2020 to the extent it met the requirements to receive the subsidy. In accordance with IAS 20 Accounting for Government Grants and Disclosure of Government Assistance, during the third quarter the Company recognized \$174,326 as a reimbursement of employee expense. During the nine months ended September 30, 2020, the Company recognized \$592,234 as a reimbursement of employee expense. The Company presents the subsidy as a reduction in its Employee expense line on the statements of profit & loss.

The Company has also been awarded a government grant to subsidize part of its qualified labour expenditure it incurred on creation of its Canadian content over the past years. The grant, received in September 2020, amounted to \$127,496 and is presented as a reduction in its Employee expense line on the statements of profit & loss.

### 20 Adjusting events after the year-end

Subsequent to the end of the current reporting period, the Company arrived at a settlement with one of its broadcasting distribution undertaking ("BDU") partners to write-off \$200,000 of its non-cash obligation that was disclosed as part of an earlier settlement from 2019. This was presented as part of Accrued expenses line on the statements of financial position and is now reversed into income as part of Operating revenue line on the statements of profit and loss.

The Company also agreed to receive \$300,000 as settlement pertaining to an ongoing dispute with one of its BDU partners for an issue identified by management in prior period. This amount is to be received over a 12 month period and is reflected as part of Operating revenue on the statements of profit and loss and Trade and other receivables on the statements of financial position for the current reporting period ending on September 30, 2020.

### 21 Non-adjusting events after the year-end

Subsequent to the end of the current reporting period, the Company received a one-time government grant as part of COVID-19 Emergency Support Fund for Cultural, Heritage and Sport Organizations (the "Fund"). The Fund complements other Government of Canada initiatives and is issued to help Canadian workers and employers on the basis that it shall not be used to cover the same expenses which are already funded through other government initiatives received by the Company. The amount of grant received subsequent to the reporting period is \$216,306 and will be presented as a reduction in the Company's operating expenses.