



## **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 24<sup>th</sup> day of November, 2021.

# Asian Television Network International Limited

## Unaudited Interim Condensed Consolidated Income Statements

For the three months and nine months ended September 30, 2021 and September 30, 2020

	Note	Three months ended September 30,		Nine months ended September 30,	
		2021	2020	2021	2020
<b>Operating revenue</b>	4	\$ 2,378,476	\$ 2,766,649	\$ 7,258,790	\$ 7,435,767
<b>Operating expenses</b>					
Administrative expenses		156,985	231,429	619,376	794,956
Marketing and distribution costs	5	1,630,416	1,680,818	5,068,299	5,209,601
Employee costs		473,701	337,043	1,532,047	1,410,480
Depreciation and amortization	6	205,336	209,694	610,895	643,467
Finance costs		8,871	15,817	31,566	52,492
Loss (gain) on foreign exchange		(1,372)	(5,228)	(2,853)	12,046
<b>Total operating expenses</b>		<b>2,473,937</b>	<b>2,469,573</b>	<b>7,859,330</b>	<b>8,123,042</b>
<b>Income (Loss) before tax</b>		<b>(95,461)</b>	<b>297,076</b>	<b>(600,540)</b>	<b>(687,275)</b>
Income tax expense (recovery)	7	-	-	-	-
<b>Net Loss &amp; Comprehensive Loss for the period</b>		<b>\$ (95,461)</b>	<b>\$ 297,076</b>	<b>\$ (600,540)</b>	<b>\$ (687,275)</b>
<b>Loss per share</b>					
Basic	9	\$ (0.00)	\$ 0.01	\$ (0.02)	\$ (0.03)
Diluted	9	\$ (0.00)	\$ 0.01	\$ (0.02)	\$ (0.03)

See accompanying notes.

# Asian Television Network International Limited

## Unaudited Interim Condensed Consolidated Statements of Financial Position

As at September 30, 2021 and December 31, 2020

	Note	2021	2020
<b>Current assets</b>			
Cash and cash equivalents	12 \$	108,354 \$	68,892
Restricted cash	15	500,000	500,000
Trade and other receivables		2,026,623	2,221,351
Income taxes recoverable		2,753	2,753
Prepaid expenses		46,307	46,307
<b>Total current assets</b>		<b>2,684,037</b>	<b>2,839,303</b>
<b>Non-current assets</b>			
Plant and equipment	10	1,111,339	1,663,206
Intangible assets	11	4,393	96,437
Long-term investments	13	2,000,000	2,200,000
Deferred tax assets	7	-	-
Other long-term assets		42,728	42,728
<b>Total non-current assets</b>		<b>3,158,460</b>	<b>4,002,371</b>
<b>TOTAL ASSETS</b>		<b>\$ 5,842,497</b>	<b>\$ 6,841,674</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	14 \$	3,297,611 \$	3,283,390
Bank indebtedness	15	-	60,000
Lease liabilities - current portion		\$361,812	509,301
<b>Total current liabilities</b>		<b>3,659,423</b>	<b>3,852,691</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	7	156,773	156,773
Lease liabilities		\$8,862	214,231
<b>TOTAL LIABILITIES</b>		<b>3,825,058</b>	<b>4,223,695</b>
<b>SHAREHOLDERS' EQUITY</b>		<b>2,017,439</b>	<b>2,617,979</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>\$ 5,842,497</b>	<b>\$ 6,841,674</b>

Commitments (Note 16)

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, 2021 and September 30, 2020

	Note	Number of common shares	Common shares amounts	Retained earnings	Total shareholders' equity
Balances, January 1, 2021		24,402,914	\$ 6,025,852	\$ (3,407,873)	\$ 2,617,979
Net loss for the period		-	-	(600,540)	(600,540)
Dividends paid or payable		-	-	-	-
<b>Balances, September 30, 2021</b>	<b>8</b>	<b>24,402,914</b>	<b>\$ 6,025,852</b>	<b>\$ (4,008,413)</b>	<b>\$ 2,017,439</b>
Balances, January 1, 2020		24,402,914	\$ 6,025,852	\$ (2,873,266)	\$ 3,152,586
Net loss for the period		-	-	(687,275)	(687,275)
Dividends paid or payable		-	-	-	-
<b>Balances, September 30, 2020</b>	<b>8</b>	<b>24,402,914</b>	<b>\$ 6,025,852</b>	<b>\$ (3,560,541)</b>	<b>\$ 2,465,311</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, 2021 and September 30, 2020

	Note	Three months ended September 30,		Nine months ended September 30,	
		2021	2020	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Net loss for the period		\$ (95,461)	\$ 297,076	\$ (600,540)	\$ (687,275)
Adjustments for:					
Finance costs		8,871	15,816	31,566	52,492
Depreciation and amortization	6	256,346	291,770	859,529	1,290,952
Changes in working capital:					
(Increase) decrease in trade and other receivables		(200,275)	(276,876)	194,728	(259,426)
(Increase) decrease in prepaid expenses		-	-	-	(2,978)
Increase (decrease) in accounts payable and accrued liabilities		514,889	(299,654)	14,222	(617,512)
Interest paid		(8,871)	(15,816)	(31,567)	(52,492)
Recovery of income taxes		-	(27,371)	-	(27,371)
<b>NET CASH FLOWS FROM OPERATIONS</b>		<b>475,499</b>	<b>(15,055)</b>	<b>467,938</b>	<b>(303,610)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Payments to acquire plant and equipment		(2,350)	-	(59,028)	(6,370)
Payments to acquire intangible assets		(55,403)	-	(156,590)	-
Proceeds from disposal of other long-term assets		-	1,987	-	2,820
(Payments to acquire) Proceeds from disposition of investments		-	125,000	200,000	300,000
<b>NET CASH FLOWS (USED IN) FROM INVESTING</b>		<b>(57,753)</b>	<b>126,987</b>	<b>(15,618)</b>	<b>296,450</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>					
Advances from finance lease obligation		(5,011)	-	29,102	-
Repayment of finance lease obligation		(125,488)	(133,623)	(381,960)	(407,768)
Advances from (repayment of) bank indebtedness		(240,756)	(21,296)	(60,000)	318,704
<b>NET CASH FLOWS (USED IN) FROM FINANCING</b>		<b>(371,255)</b>	<b>(154,919)</b>	<b>(412,858)</b>	<b>(89,064)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>46,491</b>	<b>(42,987)</b>	<b>39,462</b>	<b>(96,224)</b>
Cash and cash equivalents at beginning of period		61,863	51,111	68,892	104,348
<b>Cash and cash equivalents at end of period</b>		<b>108,354</b>	<b>8,124</b>	<b>108,354</b>	<b>8,124</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, 2021 and September 30, 2020

### 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 under the symbol SAT.V. The Company's executive offices are located at 330 Cochrane Drive, Markham, Ontario, Canada L3R 8E4. Its activities comprise providing specialty, pay television broadcasting and advertising primarily aimed at the South Asian community in Canada. ATN is the ultimate parent of the group of companies listed in Note 2 below.

### 2 Summary of Significant Accounting Policies

#### a. 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, 2020.

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, 2020. These unaudited interim condensed consolidated financial statements of ATN for the three and nine months ended September 30, 2021 were approved by the Audit Committee on November 23, 2021.

#### b. Basis of Consolidation

The consolidated financial statements include the accounts of Asian Television Network International Limited and its wholly-owned subsidiaries. All intercompany transactions and balances are eliminated on consolidation.

Significant subsidiaries are as follows:

	Percentage Owned	
	2021	2020
Subsidiaries:		
Asian Television Network Inc.	100%	100%
Commonwealth Broadcasting Ltd.	100%	100%
JCTV Productions Ltd.	100%	100%
South Asian Television Network Limited	100%	100%
South Asian Television Canada Limited	100%	100%

### 3 Segment Information

Management has determined the Company has one operating segment.

# Asian Television Network International Limited

## Notes to Unaudited Interim Condensed Consolidated Financial Statements

For the three months and nine months ended September 30, 2021 and September 30, 2020

### 4 Operating Revenue

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Subscription	\$ 1,604,110	\$ 2,278,671	\$ 5,214,520	\$ 6,044,203
Advertising	720,939	452,899	1,926,642	1,245,797
Programming	33,691	33,211	86,644	113,899
Finance income	19,736	1,868	30,984	31,868
<b>Total</b>	<b>\$ 2,378,476</b>	<b>\$ 2,766,649</b>	<b>\$ 7,258,790</b>	<b>\$ 7,435,767</b>

### 5 Marketing and Distribution Costs

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Programming and broadcast costs	\$ 1,432,485	\$ 1,467,178	\$ 4,496,647	\$ 4,647,323
Satellite and fibre costs	128,715	168,977	387,881	411,690
Advertising	23,493	19,109	61,318	58,765
Marketing and other distribution costs	45,723	25,554	122,453	91,823
<b>Total</b>	<b>\$ 1,630,416</b>	<b>\$ 1,680,818</b>	<b>\$ 5,068,299</b>	<b>\$ 5,209,601</b>

### 6 Depreciation and amortization

Depreciation and amortization for the period is recognized in the consolidated income statement as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Broadcast equipment	\$ 97,325	\$ 98,520	\$ 292,069	\$ 298,298
IT equipment	3,136	2,319	7,599	7,376
Furniture and fixtures	1,820	2,275	5,460	6,825
Right of use assets	95,054	98,579	281,765	306,966
Leasehold improvements	8,001	8,001	24,002	24,002
Depreciation	205,336	209,694	610,895	643,467
Amortization - broadcast licenses included in marketing and distribution costs	313,347	82,076	248,634	647,485
Impairments	-	-	-	-
<b>Total depreciation and amortization</b>	<b>\$ 518,683</b>	<b>\$ 291,770</b>	<b>\$ 859,529</b>	<b>\$ 1,290,952</b>

### 7 Income Taxes

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
Current	\$ -	\$ -	\$ -	\$ -
Deferred	-	-	-	-
<b>Income tax expense</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

# Asian Television Network International Limited

## Notes to Unaudited Interim Condensed Consolidated Financial Statements

For the three months and nine months ended September 30, 2021 and September 30, 2020

### 8 Authorized & Share Capital

Issued capital

The Company's authorized and issued capital are as follows:

- An unlimited number of Class "A" preference shares, with no par value, with a \$0.12 cumulative dividend, payable on the third anniversary date from issuance. They are non-voting, redeemable and retractable at the amount paid thereon after the third anniversary date from issuance and convertible at the option of the holder at the rate of \$225,000 of preference shares in exchange for 1% issued and outstanding common shares. None of this class of shares are outstanding.

- An unlimited number of Class "B" preference shares, with no par value, which have non-cumulative dividends, are non-voting, and are redeemable and retractable at the amount paid thereon. None of this class of shares are outstanding.

- An unlimited number of common shares with no par value. The following details the issued and outstanding common shares for the periods ended September 30, 2021 and December 31 2020:

Common shares	Number	Dollar amount
Balance, December 31, 2020	24,402,914	6,025,852
Issued, repurchased or cancelled shares	-	-
Balance, September 30, 2021	24,402,914	\$ 6,025,852

### 9 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,	
	2021	2020	2021	2020
Numerator for basic and diluted income (loss) per share available to common shareholders				
Net income (loss) attributable to common shareholders	\$ (95,461)	\$ 297,076	\$ (600,540)	\$ (687,275)
Denominator for basic income (loss) per share - weighted average number of shares outstanding	24,402,914	24,402,914	24,402,914	24,402,914
Effect of potentially dilutive instruments	-	-	-	-
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	\$ (0.00)	\$ 0.01	\$ (0.02)	\$ (0.03)

# Asian Television Network International Limited

## Notes to Unaudited Interim Condensed Consolidated Financial Statements

For the three months and nine months ended September 30, 2021 and September 30, 2020

### 10 Plant and equipment

	September 30, 2021			December 31, 2020		
	Cost	Accumulated depreciation	Net book value	Cost	Accumulated depreciation	Net book value
Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Building	-	-	-	-	-	-
Furniture and fixtures	237,551	201,184	36,367	235,124	195,724	39,400
IT equipment	515,027	441,548	73,479	504,765	433,949	70,816
Broadcast equipment	5,999,239	5,463,817	535,422	5,993,636	5,171,748	821,888
Leasehold improvements	466,580	269,261	197,319	466,580	245,259	221,321
Right of use asset - building	3,598,450	3,358,553	239,897	3,598,450	3,088,669	509,781
Right of use asset - other	147,642	118,787	28,855	106,906	106,906	-
	\$ 10,964,489	\$ 9,853,150	\$ 1,111,339	\$ 10,905,461	\$ 9,242,255	\$ 1,663,206

Changes in the net carrying amounts of plant and equipment during 2021 are summarized as follows:

	January 1, 2021			September 30, 2021		
	Net book value	Additions	Disposals	Depreciation	Disposals / Other	Net book value
Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Building	-	-	-	-	-	-
Furniture and fixtures	39,400	2,427	-	(5,460)	-	36,367
IT equipment	70,816	10,262	-	(7,599)	-	73,479
Broadcast equipment	821,888	5,603	-	(292,069)	-	535,422
Leasehold improvements	221,321	-	-	(24,002)	-	197,319
Right of use - building	509,781	-	-	(269,884)	-	239,897
Right of use - other	-	40,736	-	(11,881)	-	28,855
	\$ 1,663,206	\$ 59,028	\$ -	\$ (610,895)	\$ -	\$ 1,111,339

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

	January 1, 2020			December 31, 2020		
	Net book value	Additions	Disposals	Depreciation	Disposals / Other	Net book value
Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Building	-	-	-	-	-	-
Furniture and fixtures	50,210	-	(1,710)	(9,100)	-	39,400
IT equipment	80,453	-	-	(9,637)	-	70,816
Broadcast equipment	1,212,335	6,370	-	(396,817)	-	821,888
Leasehold improvements	253,323	-	-	(32,002)	-	221,321
Right of use - building	869,626	-	-	(359,845)	-	509,781
Right of use - other	45,700	-	-	(45,700)	-	-
	\$ 2,511,647	\$ 6,370	\$ (1,710)	\$ (853,101)	\$ -	\$ 1,663,206

# Asian Television Network International Limited

## Notes to Unaudited Interim Condensed Consolidated Financial Statements

For the three months and nine months ended September 30, 2021 and September 30, 2020

### 11 Intangible assets

	September 30, 2021			December 31, 2020		
	Cost	Accumulated amortization	Net book value	Cost	Accumulated depreciation	Net book value
Broadcast licenses	\$ 4,517,976	\$ 4,513,583	\$ 4,393	\$ 4,361,386	\$ 4,264,949	\$ 96,437
	\$ 4,517,976	\$ 4,513,583	\$ 4,393	\$ 4,361,386	\$ 4,264,949	\$ 96,437

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

	January 1, 2021				September 30, 2021	
	Net book value	Additions	Disposals	Amortization	Disposals / Other	Net book value
Broadcast licenses	\$ 96,437	\$ 156,590	\$ -	\$ (248,634)	\$ -	\$ 4,393
	\$ 96,437	\$ 156,590	\$ -	\$ (248,634)	\$ -	\$ 4,393

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

	January 1, 2020				December 31, 2020	
	Net book value	Additions	Disposals	Amortization	Disposals / Other	Net book value
Broadcast license	\$ 742,154	\$ 84,246	\$ -	\$ (729,963)	\$ -	\$ 96,437
	\$ 742,154	\$ 84,246	\$ -	\$ (729,963)	\$ -	\$ 96,437

### 12 Cash and Cash Equivalents

	September 30, 2021	December 31, 2020
Cash on hand	\$ 500	\$ 500
Bank balances	107,854	68,392
<b>Total</b>	<b>\$ 108,354</b>	<b>\$ 68,892</b>

### 13 Investments

Long-term investments are Guaranteed Investment Certificates held at a major Canadian financial institution with maturities greater than one year after year end.

### 14 Accounts Payable and Accrued Liabilities

	September 30, 2021	December 31, 2020
Accounts and other payable	\$ 3,182,367	\$ 2,701,333
Accrued liabilities	115,244	582,057
<b>Total</b>	<b>\$ 3,297,611</b>	<b>\$ 3,283,390</b>

### 15 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 is the financial institution's prime rate plus 0.5%, per annum. \$nil (2020 - \$60,000) of the \$500,000 line of credit is utilized as of September 30, 2021. The lending is secured by a \$500,000 Guaranteed Investment Certificate held with the same major Canadian financial institution which bears interest at the prevailing GIC rate when it is renewed.

# Asian Television Network International Limited

## Notes to Unaudited Interim Condensed Consolidated Financial Statements

For the three months and nine months ended September 30, 2021 and September 30, 2020

### 16 Commitments

In the normal course of its operations, the Company has entered into agreements, with terms ranging from one to seven years, for the acquisition of program rights to be aired on its television network along with agreements for signal delivery to distribute the acquired rights to Broadcast Distribution Undertakings. The acquisition of the rights and related obligations is contingent on the actual delivery of programming by the supplying partners and on other contractual terms. The total commitment for programming rights, signal delivery and other commitments that are measurable, as at September 30, 2021, are estimated as follows. See also Note 17 to the 2020 Audited Consolidated Financial Statements:

2021	353,115
2022	368,594
2023	216,000
	\$ 937,709

In addition, the Company continues to have a commitment of \$207,385 as part of its ongoing investment in Broadcast Equipment. The lease on the acquisition of the equipment has not yet commenced.

During the three months ended September 30, 2021, the Company exercised its option to renew its building lease for an additional 5 years after the end of its current lease. The renewed lease is set to commence on June 1, 2022 for a total cash outflow of \$2,853,904 over the life of the lease.

### 17 Financial Instruments

The carrying values of cash, trade and other receivable, accounts payable and accrued liabilities approximates their fair values because of the short term nature of these financial instruments. The fair value of the Company's long-term debt and lease obligation is not significantly different from its carrying amount, due to the market rate of interest charged on the balance.

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, 2021 or December 31, 2020.

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, 2021.

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

Description	Total	Level 1 Quoted prices in active market for identical assets	Level 2 Significant other observable inputs	Level 3 Significant other unobservable inputs
<b>Financial assets at fair value through net income for the period:</b>				
Cash and cash equivalents	\$ 108,354	\$ 108,354	\$ -	\$ -
<b>Held-to-maturity</b>				
Short-term investments	-	-	-	-
<b>Loans and receivables:</b>				
Accounts receivable	2,026,623	-	2,026,623	-
<b>Other liabilities at cost:</b>				
Accounts payable and accrued liabilities	3,297,611	-	3,297,611	-
Current and long-term debt	370,674	-	370,674	-

# Asian Television Network International Limited

## Notes to Unaudited Interim Condensed Consolidated Financial Statements

For the three months and nine months ended September 30, 2021 and September 30, 2020

### 18 Government assistance & grants

In response to the COVID-19 coronavirus pandemic, the government of Canada introduced the Canada Emergency Wage Subsidy ("CEWS") program in March 2020 for companies that 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 provided eligible businesses with a reimbursement of a portion of their employee expense for the period from March 15, 2020 onwards subject to certain eligibility criteria. In accordance with IAS 20 Accounting for Government Grants and Disclosure of Government Assistance, during the three month period ending on September 30, 2021, the Company recognized \$44,000 as a reimbursement of employee expense under CEWS program. The Company presents the subsidy as a reduction in its Employee expense line on the statements of loss.

The Company also applied for the Canadian Emergency Rent Subsidy ("CERS") program introduced by the government of Canada to assist businesses by subsidizing a part of rental expense based on the same criteria applicable for CEWS. For the the three month period ending on September 30, 2021, the Company recognized \$19,000 as a receivable under the CERS program and has presented this as a reduction to Administrative expense line on the statements of loss.