

## **INDEPENDENT AUDITOR'S REPORT**

To the Shareholders of  
**Asian Television Network International Limited**

### **Report on the Audit of the Consolidated Financial Statements**

#### **Opinion**

We have audited the consolidated financial statements of Asian Television Network International Limited and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2024, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

#### **Basis of Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Material Uncertainty Related to Going Concern**

We draw attention to note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss during the year ended December 31, 2024 and, as of that date, the Company's current liabilities exceeded its total assets. As stated in note 1, these events or conditions, along with other matters as set forth in note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### **Key Audit Matter**

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

Except for the matter of the Material Uncertainty Related to Going Concern described above, we have determined that there are no other key audit matters to communicate in our report.

### **Other Matter**

The consolidated financial statements of the Company for the year ended December 31, 2023, were audited by another auditor who expressed an unmodified opinion on those statements on April 30, 2024.

### **Other Information**

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis for the year ended December 31, 2024, which we obtained prior to the date of this auditor's report.

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

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

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

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

In preparing the consolidated financial statements, management is responsible for assessing the 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards 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 financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 our 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the

Company as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we 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 our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we 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. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Julia Zhou.

**April 30, 2025**  
**Markham, Ontario**

***Horizon Assurance LLP***

**Chartered Professional Accountant**  
**Licensed Public Accountant**

# Asian Television Network International Limited

## Consolidated Statements of Loss & Comprehensive Loss

For the years ended December 31, 2024 and December 31, 2023

	Note	2024	2023
<b>Operating revenue</b>	6	\$ 6,593,342	\$ 7,270,635
<b>Operating expenses</b>			
Administrative expenses		\$ 1,151,777	\$ 1,196,331
Marketing and distribution costs	7	\$ 5,037,444	\$ 4,876,354
Employee costs		\$ 2,073,328	\$ 1,791,459
Depreciation and amortization	8	\$ 647,301	\$ 728,083
Finance costs		\$ 134,568	\$ 108,882
Loss (gain) on foreign exchange		\$ 17,428	\$ (1,002)
<b>Total operating expenses</b>		<b>9,061,846</b>	<b>8,700,107</b>
<b>Income (Loss) before tax</b>		<b>(2,468,504)</b>	<b>(1,429,472)</b>
Income tax expense (recovery)	9	\$ -	\$ -
<b>Net Loss &amp; Comprehensive Loss for the period</b>		<b>\$ (2,468,504)</b>	<b>\$ (1,429,472)</b>
<b>Loss per share</b>			
Basic	11	\$ (0.10)	\$ (0.06)
Diluted	11	\$ (0.10)	\$ (0.06)

See accompanying notes.

# Asian Television Network International Limited

Consolidated Statements of Financial Position  
As at December 31, 2024 and December 31, 2023

	Note	2024	2023
<b>Current assets</b>			
Cash and cash equivalents	14	\$ 159,609	\$ 127,534
Short-term investments	15	524,200	500,000
Trade and other receivables	20 (a) (iii), 4	1,187,206	1,986,120
Taxes recoverable	4	-	521,579
<b>Total current assets</b>		<b>\$ 1,871,015</b>	<b>3,135,233</b>
<b>Non-current assets</b>			
Plant and equipment	12	\$ 1,529,854	2,177,155
Intangible assets	13	265,000	363,191
Long-term investments	15	-	1,110,000
<b>Total non-current assets</b>		<b>\$ 1,794,854</b>	<b>3,650,346</b>
<b>TOTAL ASSETS</b>		<b>\$ 3,665,869</b>	<b>\$ 6,785,579</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	16	\$ 4,033,074	\$ 3,637,846
Bank indebtedness	17	230,000	200,000
Notes payable	21	-	625,000
Deferred revenue	22	364,000	222,000
Long-term debt - current portion		8,493	7,882
Lease liabilities - current portion		\$ 585,274	585,252
<b>Total current liabilities</b>		<b>5,220,841</b>	<b>5,277,980</b>
<b>Non-current liabilities</b>			
Long-term debt		\$ 25,115	33,351
Lease liabilities		861,685	1,447,516
<b>TOTAL LIABILITIES</b>		<b>\$ 6,107,641</b>	<b>6,758,847</b>
SHAREHOLDERS' EQUITY		(2,441,772)	26,732
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>\$ 3,665,869</b>	<b>\$ 6,785,579</b>
Commitments (Note 18)		-	-
Subsequent event (Note 21)		-	-
<i>See accompanying notes.</i>			

On behalf of the Board:

*Signed*  
Dr. Shan Chandrasekar  
Director

*Signed*  
Prakash Naidoo  
Director

# Asian Television Network International Limited

## Consolidated Statements of Changes in Shareholders' Equity

For the years ended December 31, 2024 and December 31, 2023

	Note	Number of common shares	Common shares amounts	Retained earnings	Total shareholders' equity
Balances, January 01, 2024		24,402,914	\$ 6,025,852	\$ (5,999,120)	\$ 26,732
Net loss for the period		-	-	(2,468,504)	(2,468,504)
Balances, December 31, 2024	10	24,402,914	\$ 6,025,852	\$ (8,467,624)	\$ (2,441,772)
Balances, January 01, 2023		24,402,914	\$ 6,025,852	\$ (4,569,648)	\$ 1,456,204
Net loss for the period		-	-	(1,429,472)	(1,429,472)
Balances, December 31, 2023	10	24,402,914	\$ 6,025,852	\$ (5,999,120)	\$ 26,732

See accompanying notes.

# Asian Television Network International Limited

## Consolidated Statements of Cash flows

For the years ended December 31, 2024 and December 31, 2023

	Note	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Net loss for the period		\$ (2,468,504)	\$ (1,429,472)
Adjustments for:			
Finance costs		134,568	75,772
Depreciation and amortization	8	841,492	953,081
Changes in working capital:			
(Increase) decrease in trade and other receivables		954,643	(705,972)
(Increase) decrease in long term asset		-	95,130
Increase (decrease) in accounts payable and accrued liabilities		395,228	268,702
Increase (decrease) in deferred revenue			135,000
Interest paid		(134,568)	
<b>NET CASH FLOWS FROM OPERATIONS</b>		<b>230,709</b>	<b>(607,759)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Payments to acquire intangible assets		(96,000)	(90,000)
Proceeds from disposition of investments		1,085,800	913,800
<b>NET CASH FLOWS (USED IN) FROM INVESTING</b>		<b>989,800</b>	<b>823,800</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Proceeds from (repayment of) bank indebtedness		30,000	(130,000)
Proceeds from (repayment of) notes payable		(625,000)	625,000
Repayment of long-term debt		(8,236)	(4,440)
Repayment of lease obligation		(585,831)	(647,760)
<b>NET CASH FLOWS (USED IN) FROM FINANCING</b>		<b>(1,188,434)</b>	<b>(157,200)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>32,075</b>	<b>58,841</b>
Cash and cash equivalents at beginning of period		127,534	68,693
<b>Cash and cash equivalents at end of period</b>		<b>\$ 159,609</b>	<b>\$ 127,534</b>

See accompanying notes.

# Asian Television Network International Limited

## Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and December 31, 2023

### 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.

During the year ended December 31, 2024, the Company incurred a net loss of \$2,468,504 (2023 - net loss of \$1,429,472) and working capital deficiency of \$3,349,826 (2023 \$2,142,747). As of December 31, 2024, the Company had accumulated a deficit of \$8,467,624 (2023 \$5,999,120).

These consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to realize its assets and satisfy its liabilities in the normal course of business for the foreseeable future. Management is aware, in making its going concern assessment, of material uncertainties related to events and conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The continued operations of the Company are dependent on future profitable operations, management's ability to manage costs, and the future availability of equity or debt financing. Whether and when the Company can generate sufficient operating cash flows to pay for its expenditures and settle its obligations as they fall due is uncertain. These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of consolidated financial position classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material.

### 2 Summary of Significant Accounting Policies

#### a. Basis of Presentation

These consolidated financial statements have been prepared by the Company in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretation Committee ("IFRIC").

These consolidated financial statements were approved for issue by the Company's Board of Directors on April 22, 2025

#### b. Basis of Consolidation

The consolidated financial statements have been prepared on a historical cost basis. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The consolidated statements of income present expenses based upon their nature. The presentation currency and the functional currency of the Company is the Canadian dollar. The consolidated financial statements include the accounts of Asian Television Network International Limited and its wholly-owned subsidiaries. All inter-company transactions and balances are eliminated on consolidation. Management has determined the Company has one operating segment.

Significant subsidiaries are as follows:

	Percentage Owned	
	2024	2023
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%

#### c. Revenue Recognition

The Company derives revenue from the transfer of services. Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognized when the performance obligation in the contract has been performed - "point in time" recognition.

Subscription revenues are recognized monthly, based on the number of subscribers reported by the Company's major Broadcast Distribution Undertakings (BDUs) at agreed upon rates. As the Company does not have a direct contract with the end user (the subscriber) any adjustments in fees by the BDUs, for whatever reason, are accounted for prospectively as revenue in the period reported. Because BDUs are the only viable system available to the Company to deliver its product to the end user, reliance is placed on information provided by the BDUs and is considered an industry practice.

Advertising revenues, net of agency commissions, are recognized in the period in which the advertising is aired on the Company's television network and when collection is reasonably assured.

Programming revenue and revenue from the creation of advertisements by the Company's in-house production team are recognized when the services are rendered, and collection is reasonably assured.

# Asian Television Network International Limited

## Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and December 31, 2023

### d. Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on investments in debt instruments that are measured at amortized cost and trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Company always recognizes lifetime expected credit losses (ECL) for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. For all other financial instruments, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

### e. Impairment of non-financial and long-lived assets

The Company reviews its long-lived assets for impairment at the end of each reporting period for events and changes in circumstances which indicate that the carrying amount may not be recoverable. Recoverability is assessed based on the carrying amount of a long-lived asset compared to the sum of the future undiscounted cash flows expected to result from its use and the eventual disposal of the asset. An impairment loss is recognized when the carrying amount is not recoverable and exceeds fair value. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would be determined, net of depreciation or amortization, if no impairment loss had been recognized. To December 31, 2024, \$ nil (2023 - \$nil) impairment losses have been recognized in these consolidated financial statements.

### f. Plant and Equipment

#### i. Costs capitalized

Costs are included in the plant and equipment's carrying value or recognized as a separate asset when it is probable that future economic benefits associated with the item will be realized and the cost of the item can be measured reliably. All other repairs and maintenance are expensed in the consolidated statement of loss.

#### ii. Derecognition

Plant and equipment is derecognized and removed from the consolidated statements of financial position on disposal or when no future economic benefits are expected. Gains and losses from derecognition are measured as the difference between the disposal proceeds, if any, and the carrying amount and are recognized in the consolidated statement of loss.

#### iii. Depreciation

Plant and equipment are recorded at cost and are depreciated on a straight-line or declining balance basis over their estimated useful life which is as follows:

Furniture and fixtures	20% declining balance
IT equipment	4 to 10 years straight line
Production equipment	4 to 10 years straight line
Broadcast equipment	2 to 10 years straight line
Right of use asset - building	5 years straight line
Right of use asset - other	1 to 2 years straight line
Vehicles	5 years straight line

Leasehold improvements are depreciated on a straight-line basis over the remaining term of the related lease(s).

# Asian Television Network International Limited

## Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and December 31, 2023

### g. Intangible Assets

#### i. Costs capitalized

Intangible assets (broadcast licenses) are carried at cost less accumulated amortization and accumulated impairment losses.

#### ii. Derecognition

Intangible assets are derecognized and removed from the consolidated statements of financial position on disposal or when no future economic benefits are expected. Gains and losses from derecognition are measured as the difference between the disposal proceeds, if any, and the carrying amount and are recognized in the consolidated statement of loss.

#### iii. Amortization

The Company amortizes intangible assets on a straight-line basis over their estimated useful lives. The amortization amount is included in Marketing and Distribution costs in the statements of loss. The Company monitors and reviews the useful lives, residual values, and amortization methods at least once a year and changes them if they are different from previous estimates. The Company recognizes the effects of changes in estimates in the consolidated statements of loss prospectively. The estimated useful lives for intangibles with finite lives are as follows:

Broadcast licence	estimated life of the contract from 1 to 2 years
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### h. Film rights

Amounts paid to acquire the rights to broadcast full length feature films or other media (media) are recorded at cost. For media under production the cost is not amortized until the media is delivered to the Company by the producers for broadcast. Prior to delivery the carrying value is assessed for impairment on an annual basis. The assessment includes the stage of completion of the media, its anticipated delivery and entertainment value. After delivery the media is amortized on a straight-line basis over the period the Company has a right to broadcast.

### i. Leases

The Company accounts for its right of use assets according to IFRS 16. On the lease commencement date, a right-of-use asset and a corresponding lease liability is recognized. The right-of-use asset is initially measured at cost, which corresponds to the value of the lease liability adjusted for any lease payments made at or before the commencement date, lease incentives, initial direct costs incurred and estimated dismantling or restoration cost payable at the end of the lease. The right-of-use asset is subsequently depreciated using the straight-line method over the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise (where applicable):

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statement of financial position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

This policy is in place for all leases except for short-term leases (less than 12 months) and leases of low value where the Company recognizes lease payments made as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the pattern of the benefit obtained from the lease.

### j. Provisions

Provisions are recognized when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. If the effect is material, provisions are determined by discounting the expected future cash flows using a current pre tax rate that reflects, where appropriate, the risks specific to the liability.

### k. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities are stated at cost, which approximates fair value due to the short term nature of these liabilities.

### l. Other Comprehensive Income/Loss

Other comprehensive income/loss represents the change in net equity for the period that arises from unrealized gains and losses on financial instruments accounted for through OCI. Amounts included in other comprehensive income are shown net of tax.

The Company does not have any other comprehensive income items.

# Asian Television Network International Limited

## Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and December 31, 2023

### **m Cash and Cash Equivalents**

Cash, which are deposits held in financial institutions, and cash equivalents, which are short term investments with an original maturity of three months or less, are stated at their fair value.

### **n Income Taxes**

Income tax expense is comprised of current and deferred taxes. Current tax and deferred tax are recognized in the consolidated statement of income/loss except to the extent that they relate to a business combination, or items recognized directly in equity or other comprehensive income.

The calculation of current tax is based on the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are recognized for the future income tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences will reverse. Deferred tax assets are recognized for unused tax losses and unused tax credits to the extent that it is probable that future taxable income will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Any such reduction will be reversed to the extent that it becomes probable that sufficient taxable income will be available.

### **o Employee Benefits**

#### **i. Short-term employee benefits**

Short term employee benefit obligations are measured on an undiscounted basis and are recognized as a liability and expense as employees render service.

#### **ii. Termination benefits**

Termination benefits are recognized as a liability and an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a detailed formal plan to either terminate employment of an employee before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary departure. Where termination benefits are payable more than 12 months after the reporting period, they are discounted to their present value.

### **p Marketing and Distribution Costs**

Management considers program, broadcast costs, satellite, fiber and advertising costs to be marketing and distribution costs. Program and broadcast costs represent contractual rights acquired from third parties to broadcast television programs and multi-year sports programming arrangements paid on a monthly basis. These program rights are expensed as incurred. Satellite and fiber costs represent the cost to receive and deliver broadcast signals from third party suppliers and to deliver the signals to BDUs. Advertising represents the cost to market and promote the various television programs and multi-year sports programming arrangements.

### **q Government Grants**

Government grants are recognized if there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received. Government grants received or receivable are applied to reduce the expense to which they relate.

### **r Dividends**

Dividends are not recognized in the consolidated financial statements until they have been approved and declared by the Board of Directors.

### **s Earnings per Share**

The Company presents basic and diluted earnings/loss per share data. Basic earnings/loss per share is calculated by dividing the income or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. The diluted earnings per share is determined by dividing the income or loss attributable to common shareholders by the weighted average number of common shares outstanding after adjusting for potentially dilutive effects of instruments that are convertible into common shares.

# Asian Television Network International Limited

## Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and December 31, 2023

### t Foreign Currency Translation

#### i Monetary assets and liabilities at current rates

Foreign currency transactions are translated at the rates of exchange in effect at the date of the transaction. Resulting foreign currency denominated monetary assets and liabilities are translated at the rates of exchange in effect at the statement of financial position date. Gains and losses on foreign exchange are recognized in the consolidated statement of income/loss.

#### ii Non-monetary assets and liabilities

Non-monetary assets and liabilities that are measured on a historical cost basis are translated at the rates of exchange in effect at the date of the transaction. Non-monetary assets and liabilities that are measured at fair value are translated at the rates of exchange in effect at the statement of financial position date. Gains and losses on foreign exchange are recognized in the consolidated statement of income/loss.

### u Borrowing Costs

The Company expenses borrowing costs in the period the costs are incurred.

### v Critical Accounting Estimates, Judgments and Assumptions

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the dates of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Estimates and assumptions are generally based on historical experience and other factors management believes to be relevant at the time financial statements are prepared. Although these estimates and assumptions are made with diligence, actual results could differ from the reported amounts disclosed in the Company's consolidated financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Examples of significant estimates include:

- Estimated useful life of assets;
- Allowance for doubtful accounts;
- Deferred income taxes;
- Determination of lease term of contracts with renewal options
- Incremental borrowing rate of leases.

### v Critical Accounting Estimates, Judgments and Assumptions (continued)

#### IFRS pronouncements adopted during the year

##### Classification of liabilities as current or non-current

Effective January 1, 2024, the Company adopted the amendments to IAS 1 Presentation of Financial Statements, which clarify the presentation of liabilities as current or non-current in the statement of financial position. The amendments specify that the classification should be based on rights that exist at the end of the reporting period, not on expectations about whether the entity will exercise those rights. The changes also clarify that covenants must be considered when assessing the classification of liabilities. The adoption of these amendments had no impact on the Company's consolidated financial statements.

##### Disclosure of Accounting Policies

Effective January 1, 2024, the Company adopted the amendments to IAS 1 Disclosure of Accounting Policies. The amendments require entities to disclose material accounting policies instead of significant accounting policies, with the aim of improving the usefulness and relevance of disclosures. The amendments provide guidance on how to identify material accounting policies and include examples. The adoption of these amendments had no material impact on the Company's consolidated financial statements.

##### Definition of Accounting Estimates

Effective January 1, 2024, the Company adopted the amendments to IAS 8 Definition of Accounting Estimates. The amendments introduced a new definition of accounting estimates and clarified the distinction between changes in accounting policies and changes in accounting estimates. The amendments did not result in any changes to the Company's accounting estimates or policies upon adoption.

##### Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction

Effective January 1, 2024, the Company adopted the amendments to IAS 12 Income Taxes which narrow the scope of the initial recognition exemption to require recognition of deferred tax on transactions that give rise to equal amounts of taxable and deductible temporary differences, such as leases and decommissioning obligations. The adoption of this amendment had no material impact on the Company's consolidated financial statements.

# Asian Television Network International Limited

## Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and December 31, 2023

### 3 Capital Risk Management

The Company defines capital as the aggregate of shareholders' equity (excluding accumulated other comprehensive income) and long term liabilities (excluding deferred income taxes) less cash and cash equivalents. The Company targets a maximum net debt to equity ratio of 1 to 1 which it continued to accomplish in the current reporting period.

The components of the Company's capital structure are as follows:

	2024	2023
Long-term debt	\$ 33,608	\$ 41,233
Lease obligations	1,446,956	2,032,533
Less: Cash and cash equivalents	159,609	127,534
Net debt	1,320,955	1,946,232
Shareholders' equity	(2,441,772)	26,732
Total capital	\$ (1,120,817)	\$ 1,972,964
Gearing ratio	(0.541)	72.805

The Company's overall capital management objectives are to create shareholder value through organic growth of its operations and through acquisitions, and to maintain the most optimal capital structure to minimize its cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to generate cash and reduce debt as necessary.

### 4 Taxes Receivable

The Company had utilized the Canadian Film or Video B526 Production Tax Credit (CPTC) for films it produced in previous years. A portion of the CPTC was allocated to the Company's various tax accounts to offset taxes owed, while the remainder was refunded in cash. As at December 31, 2024, the Company had \$nil (December 31, 2023 - \$521,579) of CPTC allocated to various tax accounts.

The tax credit accrued during the year in accounts receivable, amounted to \$nil (2023 - \$410,000) and was presented as a reduction in its employee costs line on the statements of loss.

The tax credits receivable included in the trade and other accounts receivable line on the statement of financial position amount to \$82,944 (2023 - \$625,373). The interest receivable included in the trade and other accounts receivable line on the statement of financial position is \$23,936 (2023 - \$86,708).

### 5 Segment Information

Management has determined the Company has one operating segment.

# Asian Television Network International Limited

## Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and December 31, 2023

### 6 Operating Revenue

	2024		2023	
Subscription	\$	5,011,749	\$	5,602,833
Advertising		1,513,395		1,509,758
Programming		(36,203)		59,235
Finance income		104,401		98,809
<b>Total</b>	<b>\$</b>	<b>6,593,342</b>	<b>\$</b>	<b>7,270,635</b>

### 7 Marketing and Distribution Costs

	2024		2023	
Programming and broadcast costs	\$	4,861,709	\$	4,361,321
Satellite and fibre costs		123,765		426,923
Advertising		1,906		85,042
Marketing and other distribution costs		50,064		3,068
<b>Total</b>	<b>\$</b>	<b>5,037,444</b>	<b>\$</b>	<b>4,876,354</b>

### 8 Depreciation and amortization

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

	2024		2023	
Furniture and fixtures	\$	4,348	\$	4,613
IT equipment		7,332		11,180
Production equipment		4,979		7,592
Broadcast equipment		86,789		132,332
Leasehold improvements		31,122		31,122
Right of use - building		505,096		505,098
Vehicles		7,634		3,817
Right of use - other		-		32,329
<b>Depreciation</b>		<b>647,301</b>		<b>728,083</b>
Amortization - broadcast licenses included in marketing and distribution costs		194,191		224,998
Impairments		-		-
<b>Total depreciation and amortization</b>	<b>\$</b>	<b>841,492</b>	<b>\$</b>	<b>953,081</b>

### 9 Income Taxes

The total income tax recovery varies from the amounts that would be computed by applying the weighted average statutory tax rate to net income before income taxes of the Company and its wholly owned subsidiaries for the following reasons:

	2024		2023	
Statutory tax rate		26.50%		26.50%
Loss before tax	\$	(2,468,504)	\$	(1,429,472)
Income tax recovery at the statutory tax rates applied to income before income taxes		(654,154)		(353,601)
Increase (decrease) in income taxes resulting from:				
- Non-deductible permanent differences and other				
- Deferred tax assets not recognized		654,154		353,601
- Benefit from previously unrecognized tax losses		-		-
	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>

Significant deferred tax assets and liabilities arising from the effect of temporary differences are as follows:

	2024		2023	
Plant and equipment	\$	895,849	\$	518,343
Non-capital losses		1,684,978		761,063
<b>Deferred tax assets</b>	<b>\$</b>	<b>2,580,827</b>	<b>\$</b>	<b>1,279,406</b>

The total deferred tax asset on non-capital losses to date not recognized as of December 31, 2024 is \$1,684,978 (2023 – \$761,063). There is uncertainty that there may not be adequate taxable income in the foreseeable future against which these losses can be utilized. The Company has approximately \$6,358,000 (2023- \$3,223,000) in taxable losses being carried forward that of which approximately \$892,000 will expire in 2039, \$55,000 in 2040, \$573,000 in 2041, \$1,350,000 in 2042, \$560,000 in 2043 and \$1,215,000 in 2044.

# Asian Television Network International Limited

## Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and December 31, 2023

### 10 Authorized & Share 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 years ended December 31, 2024 and December 31, 2023

Common shares	Number		Dollar amount
Balance, January 01, 2023	24,402,914	\$	6,025,852
Issued, repurchased or cancelled shares	-		-
Balance, December 31, 2023	24,402,914		6,025,852
Issued, repurchased or cancelled shares	-		-
Balance, December 31, 2024	24,402,914	\$	6,025,852

### 11 Loss per Share

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

	2024		2023
Numerator for basic and diluted income (loss) per share available to common shareholders			
Net income (loss) attributable to common shareholders	\$	(2,468,504)	\$ (1,429,472)
Denominator for basic income (loss) per share - weighted average number of shares outstanding			
		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
Basic and dilutive income (loss) per share	\$	(0.10)	\$ (0.06)

# Asian Television Network International Limited

## Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and December 31, 2023

### 12 Plant and equipment

	December 31, 2024			December 31, 2023		
	Cost	Accumulated depreciation	Net book value	Cost	Accumulated depreciation	Net book value
Furniture and fixtures	\$ 327,661	\$ 310,269	\$ 17,392	\$ 327,661	\$ 305,920	\$ 21,741
IT equipment	474,321	473,763	559	474,321	466,430	7,891
Production equipment	544,725	538,134	6,591	544,725	533,155	11,570
Broadcast equipment	5,379,533	5,216,311	163,222	5,379,533	5,129,521	250,012
Leasehold improvements	466,580	371,511	95,069	466,580	340,389	126,191
Right of use asset - building	2,861,750	1,641,448	1,220,302	2,861,750	1,136,352	1,725,397
Vehicles	85,845	59,125	26,719	85,845	51,491	34,353
	\$ 10,140,415	\$ 8,610,560	\$ 1,529,854	\$ 10,140,415	\$ 7,963,259	\$ 2,177,155

Changes in the net carrying amounts of plant and equipment during 2024 are summarized as follows:

	January 01, 2024					December 31, 2024	
	Net book value	Additions	Disposals	Depreciation	Disposals / Other Adjustments	Net book value	
Furniture and fixtures	\$ 21,741	\$ -	\$ -	\$ (4,348)	\$ -	\$ 17,392	
IT equipment	7,891	-	-	(7,332)	-	559	
Production equipment	11,570	-	-	(4,979)	-	6,591	
Broadcast equipment	250,012	-	-	(86,789)	-	163,222	
Leasehold improvements	126,191	-	-	(31,122)	-	95,069	
Right of use - building	1,725,397	\$ -	-	(505,096)	-	1,220,302	
Vehicles	34,353	-	-	(7,634)	-	26,719	
	\$ 2,177,155	\$ -	\$ -	\$ (647,301)	\$ -	\$ 1,529,854	

Changes in the net carrying amounts of plant and equipment during 2023 are summarized as follows:

	January 01, 2023					December 31, 2023	
	Net book value	Additions	Disposals	Depreciation	Disposals / Other Adjustments	Net book value	
Furniture and fixtures	\$ 26,354	\$ -	\$ -	\$ (4,613)	\$ -	\$ 21,741	
IT equipment	17,819	-	-	(11,180)	1,252	7,891	
Production equipment	11,570	-	-	(7,592)	7,592	11,570	
Broadcast equipment	391,188	-	-	(132,332)	(8,844)	250,012	
Leasehold improvements	157,313	-	-	(31,122)	-	126,191	
Right of use - building	2,230,495	\$ -	-	(505,098)	-	1,725,397	
Vehicles	-	38,170	-	(3,817)	-	34,353	
Right of use - other	32,329	-	-	(32,329)	-	-	
	\$ 2,867,068	\$ 38,170	\$ -	\$ (728,083)	\$ -	\$ 2,177,155	

The total cash outflow, including interest and principal, for the building lease and other leases presented as right of use for the year ended December 31, 2024 was \$641,437 (2023 – \$573,333).

The right of use - building lease represents the Company's head office as described in Note 1 above. The right of use - other assets primarily consist of broadcast equipment and vehicles that are being leased along with other software costs.

The total amount of interest expense on right of use lease liabilities during the year was \$55,628 (2023 - \$74,427).

# Asian Television Network International Limited

## Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and December 31, 2023

### 13 Intangible assets

	December 31, 2024			December 31, 2023		
	Cost	Accumulated amortization	Net book value	Cost	Accumulated depreciation	Net book value
Film Rights	\$ 265,000	\$ -	\$ 265,000	175,000.00	\$ -	\$ 175,000
Broadcast licenses	5,150,149	5,150,149	-	5,144,149	4,955,958	188,191
	\$ 5,415,149	\$ 5,150,149	\$ 265,000	5,319,149	\$ 4,955,958	\$ 363,191

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

	January 01, 2024					December 31, 2024
	Net book value	Additions	Disposals	Amortization	Disposals / Other	Net book value
Film Rights	\$ 175,000	90,000	-	\$ -	\$ -	265,000
Broadcast licenses	188,191	6,000	-	(194,191)	-	-
	\$ 363,191	\$ 96,000	\$ -	\$ (194,191)	\$ -	\$ 265,000

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

	January 01, 2023					December 31, 2023
	Net book value	Additions	Disposals	Amortization	Disposals / Other	Net book value
Film Rights	\$ 85,000.00	90,000	-	\$ -	\$ -	175,000
Broadcast license	106,479	306,710	-	(224,998)	-	188,191
	\$ 191,479	\$ 396,710	\$ -	\$ (224,998)	\$ -	\$ 363,191

### 14 Cash and Cash Equivalents

	December 31, 2024		December 31, 2023	
Cash on hand	\$	817	\$	817
Bank balances		158,792		126,717
<b>Total</b>	<b>\$</b>	<b>159,609</b>	<b>\$</b>	<b>127,534</b>

### 15 Short-term and Long-term Investments

Long-term investments are Guaranteed Investment Certificates (GICs) held at a major Canadian financial institution with maturities greater than one year after year end. As of December 31, 2024, the Company had \$nil (2023 - \$1,100,000) in long term investments.

On August 23, 2022, the Company invested in various non-redeemable GIC for a total of \$500,000 with a interest of 4.27% per annum and a mature date of February 23, 2024. As at December 31, 2024, the accrued interest income receivable was \$nil (2023 - \$29,340) which was included in trade and other receivables. During the year ended December 31, 2024, the Company recorded an interest income of \$3,232 (2023 - \$21,677) which was included in finance income.

On August 23, 2022, the Company invested in a non-redeemable GIC for \$610,000 with a compound interest of 4.37% per annum and a maturity date of August 23, 2024. As at December 31, 2024, the accrued interest income receivable on this GIC was nil (2023 - \$36,642) which was included in trade and other receivables. During the year ended December 31, 2024, the Company recorded an interest income of \$17,913 (2023 - \$27,075) which was included in finance income.

Short-term investments are GICs held at a major Canadian financial institution with maturities up to one year after the year end. As of December 31, 2024, in order to secure the Company's line of credit, the Company had invested in a short-term GIC of \$500,000, made on January 10, 2024, and \$24,200, made on July 23, 2024. The GICs are non-redeemable with a compound interest of 4.80% and 4.30% per annum respectively with maturity dates of January 9, 2025 and July 23, 2025 respectively. As at December 31, 2024, the accrued interest income receivable was \$23,474 (2023 - \$nil) and \$462 (2023 - nil) respectively which were included in trade and other receivables.

### 16 Accounts Payable and Accrued Liabilities

	December 31, 2024		December 31, 2023	
Accounts and other payable	\$	3,592,815	\$	2,906,462
Accrued wages		133,140		127,287
Accrued liabilities		307,119		604,097
<b>Total</b>	<b>\$</b>	<b>4,033,074</b>	<b>\$</b>	<b>3,637,846</b>

# Asian Television Network International Limited

## Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and December 31, 2023

### 17 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. \$230,000 of the \$500,000 line of credit is utilized as of December 31, 2024 (2023 - \$200,000). 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.

### 18 Commitments

In the normal course of its operations, the Company has entered into agreements 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 with terms ranging from one to two years. 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 December 31, 2024, are estimated as follows:

2025	2,230,029
2026	2,455,350
2027	2,265,192
Thereafter	1,586,997
	\$ 8,537,567

### 19 Related Party Transactions

#### Transactions with key management personnel

Key management personnel include the directors and senior management of the Company that are primarily responsible for planning, directing and controlling the Company's business activities.

Compensation expense for key management is included in employee costs at \$791,029.00 (2023 - \$786,816).

During the year ended December 31, 2024, the Company incurred consulting fees of \$195,400 (2023 - \$132,500) to companies providing finance, accounting and CFO services to the Company of which \$25,000 was outstanding as at Dec 31, 2024.

These consulting fees were included in administrative expenses.

### 20 Financial Instruments

#### a. Risks Arising from Financial Instruments

In the normal course of business, the Company has exposure, consisting primarily of interest rate risk, credit risk, foreign exchange risk and liquidity risk, arising from its financial instruments. The Company manages these risk exposures on an ongoing basis.

##### i Interest rate risk

Borrowing under the Company's Line of credit is subject to interest rate fluctuations. The Company is not materially exposed to interest rate risk.

Furthermore, interest rate fluctuations could have an impact on the Company's interest income that it earns on its cash balance. The Company has an investment policy designed to safeguard its capital and generate a reasonable return. The policy sets out the types of permissible investment instruments, their concentration and acceptable credit ratings.

Interest rate fluctuations also have an impact on the Company's consolidated net income and comprehensive income. With all other variables held constant, a 1% interest rate change would have an insignificant impact to the consolidated net income.

##### ii Foreign currency risk

A portion of the Company's revenue and expenses are in foreign currencies. Consequently, some assets and liabilities are exposed to foreign exchange fluctuations.

Changes in foreign exchange rates may cause translation effects that have a significant impact on operating costs and consolidated net income. A 10% strengthening of the Canadian dollar, which is not hedged, for the year ended December 31, 2024 would have a positive impact of \$41,086 (2023 - \$17,000) on net income. A 10% weakening would have an equal but opposite impact. This sensitivity analysis was prepared by using the average monthly foreign exchange rates over the period adjusted for a 10% variation and applied to those transactions during the period in the relevant foreign currency.

# Asian Television Network International Limited

## Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and December 31, 2023

### 20 Financial Instruments - continued

#### iii Credit risk

Credit exposure on financial instruments arises from the possibility that a counterparty to an instrument for which the Company is entitled to receive payment fails to perform. Trade and other receivables arise mainly from monthly wholesale fees charged to BDUs in connection with specialty and pay television subscriptions and from the sales of advertising aired or posted on the Company's television channels.

Customers distributing the Company's television services are generally large companies with stable financial conditions, thereby mitigating the Company's credit risks related to accounts receivable from such customers. The Company's credit exposure emanating from advertising transactions with advertising agencies and direct clients is influenced by the global economic environment. The Company performs ongoing customer credit evaluations. Allowances, which are estimated on the basis of historical loss rates adjusted for current events, are monitored by management on an ongoing basis. Accounts receivable are written off against the allowance for doubtful accounts only when the Company believes that an outstanding amount will not be recovered.

The maximum credit risk to which the Company is exposed equals its accounts receivable.

Trade and other receivables are aged as follows as of December 31, 2024:

	2024		2023	
Current	\$	670,507	\$	1,387,238
31-60 days		\$229,163		\$228,942
61-90 days		\$97,890		\$32,739
Over 90 days		\$361,508		\$403,525
		1,359,068		2,052,444
Less: allowance for doubtful accounts		(171,862)		(66,324)
Total	\$	1,187,206	\$	1,986,120

#### iii Credit risk - continued

Given the limited number of clients distributing its television services, the Company faces a high degree of concentration risk. As at year end, three major customers accounted for 39% of total trade receivables.

Credit risk from investing activities is minimized by establishing investment policies in liquid securities with high credit ratings and maintaining accounts in reputable financial institutions with high quality credit ratings.

#### iv Market risk

The loss of an important relationship would have a significant impact on the Company. To mitigate this risk, the Company enters into long-term contracts with its major clients who are Broadcast Distributions Undertakings. Furthermore, the Company has developed a broad selection of popular pay and specialty services that deliver quality programming. ATN's services have thus become key and highly demanded components of the offerings of those distributors in the markets they serve. For the year ended December 31, 2023, approximately 76% (2023 - 79%) of the Company's revenue was derived from three broadcast distributors 46%, 16% and 14% (2023 -49%, 17% and 13%).

#### v Liquidity risk

Liquidity risk is the risk that the Company would not be able to meet its financial obligations as they come to maturity or can only do so at excessive costs. Based on the Company's ability to generate cash flows through its ongoing operations, management believes that cash flows are sufficient to cover its known operating and capital requirements, as well as its debt service and its current and longer term commitments. Therefore, management evaluates that the Company's liquidity risk is low.

The liquidity risk is also considered to be low due to the fact that the Company has access to the unused portion of its credit facilities, which amounted to \$ 270,000 as at December 31, 2024. Finally, the Company manages its liquidity risk by monitoring its cash resources through ongoing financial and cash flow forecasts.

The contractual amounts of financial liabilities as at December 31, 2024:

	Maturing in next 12 months		Maturing in more than 13 to 36 months		Maturing in more than 37 to 60 months		Maturing in more than 60 months		Total
Accounts payable and accrued liabilities	\$	4,033,074	\$	-	\$	-	\$	-	4,033,074
Lease obligations - interest		37,394		20,432		-		-	57,826
Lease obligations - principal		585,274		861,685		-		-	1,446,959
Bank indebtedness		230,000		-		-		-	230,000
Long-term debt		8,493		25,115		-		-	33,608
	\$	4,894,235	\$	907,232	\$	-	\$	-	5,801,467

# Asian Television Network International Limited

## Notes to Consolidated Financial Statements

For the years ended December 31, 2024 and December 31, 2023

### 20 Financial Instruments - continued

#### b. Fair Values

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.

### 21 Notes Payable

The note payable of \$625,000 was obtained on Nov 28, 2023 at a 10% interest rate and fully paid by Aug 1, 2024. Total interest expense incurred on this note recorded as part of interest expense, was \$36,144 (2023 - \$5,164).

### 22 Deferred Revenue

Deferred revenue represents payment received in advance for airing of future movie productions on the Company's broadcasting network. During the year ended December 31, 2024, the Company received \$135,000 in fees for airing of new productions, while \$222,000 received in 2023.

### 23 Subsequent Events

In the first quarter of 2025, the United States of America has made many announcements of its intention to levy tariffs on imports from most countries around the globe. There have been many amendments to the rates of tariffs set to be imposed. While the Company doesn't directly import or export to the USA, it could be affected by the general economic impact of the tariffs on the Canadian consumer, including a reduction in discretionary spending. Management is actively monitoring the situation, and at present it is not possible to assess whether there will be a material impact on sales or profitability.

### 24 Comparative Information

Certain items in the comparative period of the notes to the financial statements have been reclassified to confirm with current year presentation. There was no impact to the Consolidated Statements of Financial Position, Consolidated Statements of Changes in Shareholders' Equity, Consolidated Statements of Loss & Comprehensive Loss or Consolidated Statements of Cash flows.