

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of Major Cineplex Group Public Company Limited

I have reviewed the accompanying consolidated and company statements of financial position as at 31 March 2015, the related consolidated and company income statements, the related consolidated and company statements of comprehensive income, changes in shareholders' equity, and cash flows for the three-month period then ended, and condensed notes to interim financial information of Major Cineplex Group Public Company Limited and its subsidiaries, and of Major Cineplex Group Public Company Limited, respectively. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

Pisit Thangtanagul
Certified Public Accountant (Thailand) No. 4095
PricewaterhouseCoopers ABAS Ltd.

Bangkok
8 May 2015

MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND COMPANY
FINANCIAL INFORMATION
(UNAUDITED)**

31 MARCH 2015

Major Cineplex Group Public Company Limited
Statement of Financial Position
As at 31 March 2015

		Unit: Baht'000			
		Consolidated		Company	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		31 March	31 December	31 March	31 December
Notes		2015	2014	2015	2014
Assets					
Current assets					
	Cash and cash equivalents	472,419	577,250	192,117	387,004
7	Trade account and other receivables	1,165,405	1,306,898	586,387	586,479
22	Short-term loans to related parties	-	-	641,438	641,578
	Inventories	180,390	154,449	76,758	55,882
	Films under production	112,943	127,670	-	-
	Current portion of prepaid rents	34,154	34,154	9,473	9,473
	Other current assets	200,110	181,124	48,490	36,065
	Total current assets	2,165,421	2,381,545	1,554,663	1,716,481
Non-current assets					
8	Available-for-sale investment	744,493	785,507	744,493	785,507
	Restricted cash	4,524	4,512	-	-
	Finance lease receivables	12,524	12,628	-	-
9	Investment in subsidiaries	-	-	3,751,098	3,732,412
9	Investment in associates	2,329,735	2,343,980	2,213,089	2,233,091
9	Interest in joint ventures	272,793	294,160	245,168	255,168
22	Long-term loans to related parties	1,933	2,113	396,711	431,891
10	Property, plant and equipment	6,743,833	6,730,491	3,561,504	3,512,522
	Goodwill	283,361	283,361	-	-
10	Intangible assets	184,466	209,100	46,534	46,245
	Deferred income tax assets	20,342	19,771	-	-
	Long-term prepaid rents	444,592	453,130	147,563	149,931
	Other non-current assets	423,494	412,126	330,248	318,986
	Total non-current assets	11,466,090	11,550,879	11,436,408	11,465,753
	Total assets	13,631,511	13,932,424	12,991,071	13,182,234

Director _____

Director _____

The accompanying condensed notes are an integral part of these interim financial information.

Major Cineplex Group Public Company Limited
Statement of Financial Position (Cont'd)
As at 31 March 2015

		Unit: Baht'000				
		Consolidated		Company		
		(Unaudited)	(Audited)	(Unaudited)	(Audited)	
		31 March	31 December	31 March	31 December	
Notes		2015	2014	2015	2014	
Liabilities and shareholders' equity						
Current liabilities						
	Short-term borrowings from financial institutions	12	2,000,000	2,235,000	1,945,000	2,185,000
	Trade account and other payables	11	1,686,022	1,899,355	1,140,043	1,306,240
	Current portion of long-term borrowings	12	116,393	115,558	40,066	40,170
	Short-term loans from related parties	22	25,000	25,000	1,091,953	973,924
	Accrued income tax		140,092	112,914	76,923	59,486
	Other current liabilities		135,552	154,533	51,870	54,340
	Total current liabilities		4,103,059	4,542,360	4,345,855	4,619,160
Non-current liabilities						
	Long-term borrowings from financial institutions	12	2,158,298	2,187,674	1,831,007	1,840,945
	Deferred income tax liabilities		322,225	328,475	74,473	82,187
	Employee benefit obligations		26,206	25,657	18,231	18,058
	Other non-current liabilities		459,303	461,482	92,057	91,713
	Total non-current liabilities		2,966,032	3,003,288	2,015,768	2,032,903
	Total liabilities		7,069,091	7,545,648	6,361,623	6,652,063
Shareholders' equity						
	Share capital	13				
	Authorised share capital					
	Ordinary shares, 896,266,347 shares (2014: 896,266,347 shares) at par value of Baht 1 each		896,266	896,266	896,266	896,266
	Issued and fully paid-up share capital					
	Ordinary shares, 890,272,150 shares (2014: 890,058,836 shares) at paid-up of Baht 1 each		890,272	890,059	890,272	890,059
	Share premium	13	3,971,675	3,967,548	3,971,675	3,967,548
	Warrants	14	19,222	17,249	16,915	15,067
	Retained earnings					
	Appropriated					
	Legal reserve		90,600	90,600	90,600	90,600
	Unappropriated		1,219,354	1,020,529	997,685	873,622
	Other components of shareholders' equity		313,634	344,830	662,301	693,275
	Equity attributable to owners of the parent		6,504,757	6,330,815	6,629,448	6,530,171
	Non-controlling interest	15	57,663	55,961	-	-
	Total shareholders' equity		6,562,420	6,386,776	6,629,448	6,530,171
	Total liabilities and shareholders' equity		13,631,511	13,932,424	12,991,071	13,182,234

The accompanying condensed notes are an integral part of these interim financial information.

Major Cineplex Group Public Company Limited
Income Statement (Unaudited)
For the three-month period ended 31 March 2015

		Unit: Baht'000			
		Consolidated		Company	
Notes		2015	2014	2015	2014
Revenues					
	Services income	1,349,604	1,283,677	789,106	788,898
	Sales	399,190	419,759	201,438	194,930
	Total revenues	1,748,794	1,703,436	990,544	983,828
Costs					
	Cost of services	(950,790)	(883,908)	(592,218)	(585,875)
	Cost of sales	(194,021)	(231,810)	(58,192)	(65,374)
	Total costs	(1,144,811)	(1,115,718)	(650,410)	(651,249)
	Gross profit	603,983	587,718	340,134	332,579
	Other income	80,024	47,188	122,646	92,100
	Selling expenses	(100,538)	(120,476)	(44,991)	(38,730)
	Administrative expenses	(344,084)	(327,648)	(224,751)	(207,685)
	Finance costs	(40,598)	(45,276)	(46,348)	(37,325)
	Share of result of investments - equity method	52,271	39,398	-	-
	Profit before income tax	251,058	180,904	146,690	140,939
	Income tax	(50,531)	(41,283)	(22,627)	(18,969)
	Profit for the period	200,527	139,621	124,063	121,970
Attributable profit to:					
	Shareholders of the parent	198,825	140,056	124,063	121,970
	Non-controlling interests	1,702	(435)	-	-
		200,527	139,621	124,063	121,970
		Baht	Baht	Baht	Baht
Earnings per share					
	Basic earnings per share	0.22	0.16	0.14	0.14
	Diluted earnings per share	0.22	0.16	0.14	0.14

The accompanying condensed notes are an integral part of these interim financial information.

Major Cineplex Group Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the three-month period ended 31 March 2015

	Unit: Baht'000			
	Consolidated		Company	
	2015	2014	2015	2014
Profit for the period	200,527	139,621	124,063	121,970
Other comprehensive income:				
Items that will be reclassified subsequently to profit or loss				
Remeasuring of available-for-sale investment (Note 8)	(38,717)	(211,556)	(38,717)	(211,556)
Currency translation differences	(222)	-	-	-
Income tax relating to items that will be reclassified	7,743	42,311	7,743	42,311
Other comprehensive income (loss) for the period, net of income tax	(31,196)	(169,245)	(30,974)	(169,245)
Total comprehensive income (loss) for the period	<u>169,331</u>	<u>(29,624)</u>	<u>93,089</u>	<u>(47,275)</u>
Total comprehensive income (loss) attributable to:				
Shareholders of the parent	167,629	(29,189)	93,089	(47,275)
Non-controlling interests	1,702	(435)	-	-
	<u>169,331</u>	<u>(29,624)</u>	<u>93,089</u>	<u>(47,275)</u>

The accompanying condensed notes are an integral part of these interim financial information.

Major Cineplex Group Public Company Limited
Statement of Changes in Shareholders' Equity (Unaudited)
For the three-month period ended 31 March 2015

Unit: Baht*000

	Consolidated													
	Attributable to owners of the parent													
	Issued and paid-up share capital	Share premium	Warrants	Retained earnings		Share premium - Treasury share	Other components of shareholders' equity				Total other component of equity	Total owners of the parent	Non- controlling interests	Total shareholders' equity
				Appropriated			Change in parent's ownership interest in subsidiaries	Other comprehensive income (expense)		Available- for-sale investment				
				Legal reserve	Unappropriated			Translation of financial statements						
Opening balance at 1 January 2014	887,576	3,919,499	21,442	90,600	822,279	288,425	(336,908)	-	410,065	361,582	6,102,978	(3,650)	6,099,328	
Changes in equity for period														
Warrants	-	-	1,566	-	-	-	-	-	-	-	1,566	-	1,566	
Total comprehensive income	-	-	-	-	140,056	-	-	-	(169,245)	(169,245)	(29,189)	(435)	(29,624)	
Closing balance at 31 March 2014	<u>887,576</u>	<u>3,919,499</u>	<u>23,008</u>	<u>90,600</u>	<u>962,335</u>	<u>288,425</u>	<u>(336,908)</u>	<u>-</u>	<u>240,820</u>	<u>192,337</u>	<u>6,075,355</u>	<u>(4,085)</u>	<u>6,071,270</u>	
Opening balance at 1 January 2015	890,059	3,967,548	17,249	90,600	1,020,529	288,425	(349,216)	771	404,850	344,830	6,330,815	55,961	6,386,776	
Changes in equity for period														
Proceeds from exercise of warrants (Note 13)	213	4,127	(1,152)	-	-	-	-	-	-	-	3,188	-	3,188	
Warrants (Note 14)	-	-	3,125	-	-	-	-	-	-	-	3,125	-	3,125	
Total comprehensive income	-	-	-	-	198,825	-	-	(222)	(30,974)	(31,196)	167,629	1,702	169,331	
Closing balance at 31 March 2015	<u>890,272</u>	<u>3,971,675</u>	<u>19,222</u>	<u>90,600</u>	<u>1,219,354</u>	<u>288,425</u>	<u>(349,216)</u>	<u>549</u>	<u>373,876</u>	<u>313,634</u>	<u>6,504,757</u>	<u>57,663</u>	<u>6,562,420</u>	

The accompanying condensed notes are an integral part of these interim financial information.

Major Cineplex Group Public Company Limited
Statement of Changes in Shareholders' Equity (Unaudited)
For the three-month period ended 31 March 2015

Unit: Baht'000

	Company								Total shareholders' equity
	Issued and paid-up share capital	Share premium	Warrants	Retained earnings		Other components of shareholders' equity			
				Legal reserve	Unappropriated	Share premium-Treasury share	Other comprehensive income (expense)		
							Available-for-sale investment	Total other component of equity	
Opening balance at 1 January 2014	887,576	3,919,499	20,990	90,600	1,058,809	288,425	410,065	698,490	6,675,964
Changes in equity for period									
Warrants	-	-	1,500	-	-	-	-	-	1,500
Total comprehensive income	-	-	-	-	121,970	-	(169,245)	(169,245)	(47,275)
Closing balance at 31 March 2014	<u>887,576</u>	<u>3,919,499</u>	<u>22,490</u>	<u>90,600</u>	<u>1,180,779</u>	<u>288,425</u>	<u>240,820</u>	<u>529,245</u>	<u>6,630,189</u>
Opening balance at 1 January 2015	890,059	3,967,548	15,067	90,600	873,622	288,425	404,850	693,275	6,530,171
Changes in equity for period									
Proceeds from exercise of warrants (Note 13)	213	4,127	(1,152)	-	-	-	-	-	3,188
Warrants (Note 14)	-	-	3,000	-	-	-	-	-	3,000
Total comprehensive income	-	-	-	-	124,063	-	(30,974)	(30,974)	93,089
Closing balance at 31 March 2015	<u>890,272</u>	<u>3,971,675</u>	<u>16,915</u>	<u>90,600</u>	<u>997,685</u>	<u>288,425</u>	<u>373,876</u>	<u>662,301</u>	<u>6,629,448</u>

The accompanying condensed notes are an integral part of these interim financial information.

Major Cineplex Group Public Company Limited
Statement of Cash Flows (Unaudited)
For the three-month period ended 31 March 2015

	Notes	Unit: Baht'000			
		Consolidated		Company	
		2015	2014	2015	2014
Cash flows from operating activities					
Cash generated from (used in) operations	19	208,494	430,798	(50,584)	213,826
Interest paid		(35,283)	(40,373)	(43,915)	(36,967)
Income tax paid		(24,636)	(16,772)	(5,161)	(6,156)
Net cash generated from (used in) operating activities		148,575	373,653	(99,660)	170,703
Cash flows from investing activities					
Increase in restricted cash		(13)	(17)	-	-
Short-term loans made to related parties	22	-	-	(246,318)	(270,250)
Short-term loans payments received from related parties	22	-	-	246,458	212,814
Loans made to third parties		(250)	-	(250)	-
Loans payments received from third parties		45	-	45	-
Long-term loans made to related parties		-	-	-	(30,000)
Long-term loans payments received from related parties and others	22	180	276	35,180	120,276
Payments on investment in subsidiary	21	-	-	(8,686)	-
Proceeds from acquisition of subsidiary, net of cash payment	21	1,238	-	-	-
Payments on investment in associate	9	(5,715)	(13,409)	(5,715)	(13,409)
Proceeds from disposals of investment in associate	9	68,378	33,584	68,378	33,584
Proceeds from disposals of available-for-sale investment		6,845	-	6,845	-
Purchase of property, plant and equipment		(137,909)	(148,335)	(115,588)	(88,767)
Proceeds from disposals of equipment		251	318	133	275
Purchase of intangible assets		(70,357)	(42,597)	(5,206)	(4,945)
Interest received		105,743	24,943	29,119	23,214
Dividends received		43,121	28,859	29,621	28,859
Net cash received (used in) from investing activities		11,557	(116,378)	34,016	11,651
Cash flows from financing activities					
Proceeds from short-term loans from related parties	22	-	-	511,322	425,001
Payments on short-term loans from related parties	22	-	-	(393,293)	(354,471)
Decrease in bank overdrafts		-	(52,112)	-	(703)
Proceeds from short-term borrowings		695,000	1,650,600	650,000	1,540,000
Payments on short-term borrowings		(930,000)	(2,002,300)	(890,000)	(1,940,000)
Payments on finance lease liabilities		(23,151)	(23,196)	(460)	(500)
Proceeds from long-term borrowings		-	19,500	-	-
Payments on long-term borrowings	12	(10,000)	(33,988)	(10,000)	(10,000)
Proceeds from exercised warrants	13	3,188	-	3,188	-
Net cash (used in) received from financing activities		(264,963)	(441,496)	(129,243)	(340,673)
Net (decrease) increase in cash and cash equivalents		(104,831)	(184,221)	(194,887)	(158,319)
Opening balance of cash and cash equivalents		577,250	495,682	387,004	394,325
Closing balance of cash and cash equivalents		472,419	311,461	192,117	236,006

The accompanying condensed notes are an integral part of these interim financial information.

Major Cineplex Group Public Company Limited
Statements of Cash Flows (Unaudited) (Cont'd)
For the three-month period ended 31 March 2015

		Unit: Baht'000	
Consolidated		Company	
2015	2014	2015	2014

Non-cash transactions

Significant non-cash transactions for the three-month periods ended 31 March 2015 and 2014 are as follows:

Purchase of property, plant and equipment, not yet paid	67,846	18,327	34,913	19,636
Purchase of film rights, not yet paid	7,241	33,020	-	-
Disposals of equipment, not yet received	60	23	55	-
Offsetting amount due from related parties with loans from related parties	-	15	-	-
Dividend received from associates	12,000	21,000	-	21,000
Convertible investment in joint venture to investment in subsidiary	8,638	-	9,999	-

The accompanying condensed notes are an integral part of these interim financial information.

1 General information

Major Cineplex Group Public Company Limited (“the Company”) is a public limited company incorporated and resident in Thailand. The address of the Company’s registered office is as follows:

1839, 1839/1-6 Phaholyothin Road, Ladyao, Jatujak, Bangkok.

The Company is listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiaries are referred to as “the Group”.

These group interim consolidated and company financial information have been authorised for issue by the Board of Directors on 8 May 2015.

These group interim consolidated and company financial information have been reviewed, not audited.

2 Accounting policies

2.1 Basis of preparation

These interim consolidated and company financial information are prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Professions Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission. The primary financial information (i.e. statement of financial position, income statement, statements of comprehensive income, changes in shareholders’ equity and cash flows) are prepared in the full format as required by the Securities and Exchange Commission. The notes to the financial information are prepared in a condensed format according to Thai Accounting Standard 34 (revised 2012) “Interim Financial Reporting” and additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2014.

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

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2014 except customer loyalty program as described in note 3.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations

The following amendments and related interpretations are effective for the periods beginning on or after 1 January 2015 and are relevant to the Group.

TAS 1 (revised 2014)	Presentation of financial statements
TAS 19 (revised 2014)	Employee benefits
TFRS 13	Fair value measurement

TAS 1 (revised 2014), the main change is that a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI.

TAS 19 (revised 2014), the key changes are (a) actuarial gains and losses are renamed 'remeasurements' and will be recognised immediately in 'other comprehensive income' (OCI). Actuarial gains and losses will no longer be deferred using the corridor approach or recognised in profit or loss; and (b) past-service costs will be recognised in the period of a plan amendment; unvested benefits will no longer be spread over a future-service period. This standard has no impact to the group.

TFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across TFRSs. This standard has no impact to the group, except for disclosures.

3 New accounting policy

3.1 Consolidated

(a) Subsidiaries

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

The group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

3 New accounting policy (Cont'd)

3.1 Consolidated (Cont'd)

(a) Subsidiaries (Cont'd)

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains or loss on transactions between Group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Joint arrangements

The Group has applied TFRS 11 to all joint arrangements as of 1 January 2015. Under TFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor. The Company has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

The change in accounting policies has no impact to the financial position, comprehensive income and the cash flows of the Group at 1 January 2014 and 31 December 2014.

3 New accounting policy (Cont'd)

3.2 Employee benefits

The accounting policies for employee benefits used in the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2014, except changes by the revised accounting standard as follows:

- The Group recognised actuarial gains and losses in other comprehensive income in the period in which they arise.
- The Group recognised past-service costs in profit or loss immediately.

The change in accounting policies has no impact to the financial position, comprehensive income and the cash flows of the group at 1 January 2014 and 31 December 2014.

4 Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2014.

5 Segment information

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

Major Cineplex Group Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 31 March 2015

5 Segment information (Cont'd)

Financial information by business segments is as follows:

	Consolidated					Unit: Million Baht
	Cinema business	Advertising business	Bowling and Karaoke business	Rental and services	Movie content	Consolidated
For the three-month period ended 31 March 2015						
Revenues						
Gross segment revenues	1,302	177	133	157	157	1,926
Inter-segment revenues	(113)	-	(17)	(24)	(23)	(177)
Net revenues	<u>1,189</u>	<u>177</u>	<u>116</u>	<u>133</u>	<u>134</u>	<u>1,749</u>
Segment results	<u>108</u>	<u>123</u>	<u>(6)</u>	<u>17</u>	<u>(22)</u>	220
Compensation income						8
Gain on disposal of investment						43
Unallocated costs						<u>(32)</u>
Operating profit						<u>239</u>
For the three-month period ended 31 March 2014						
Revenues						
Gross segment revenues	1,241	144	139	152	234	1,910
Inter-segment revenues	(106)	-	(18)	(24)	(59)	(207)
Net revenues	<u>1,135</u>	<u>144</u>	<u>121</u>	<u>128</u>	<u>175</u>	<u>1,703</u>
Segment results	<u>123</u>	<u>94</u>	<u>2</u>	<u>17</u>	<u>(45)</u>	191
Gain on disposal of investment						15
Unallocated costs						<u>(19)</u>
Operating profit						<u>187</u>

6 Fair value

6.1 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

The following table presents the group's financial assets and liabilities that are measured at fair value at 31 March 2015.

	Level 1 Thousand Baht
Asset	
Available-for-sale financial assets	
• Equity securities	744,493
Total asset	744,493

The following table presents the group's financial assets and liabilities that are measured at fair value at 31 December 2014.

	Level 1 Thousand Baht
Asset	
Available-for-sale financial assets	
• Equity securities	785,507
Total asset	785,507

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7 Trade and other receivables

	Unit: Baht'000			
	Consolidated		Company	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
Third parties				
- Trade accounts receivable	517,865	618,133	31,799	46,859
- Unbilled revenue	341,956	308,273	95,173	73,473
Total	859,821	926,406	126,972	120,332
<u>Less</u> Allowance for doubtful accounts	(17,873)	(17,383)	-	-
Trade accounts receivable - Third parties, net	841,948	909,023	126,972	120,332
Trade accounts receivable				
- Related parties (Note 22)	46,305	39,720	89,586	95,986
Amounts due from related parties (Note 22)	95,624	193,657	205,496	223,397
Other accounts receivable	102,460	89,002	110,501	100,754
Prepaid expenses	79,068	75,496	53,832	46,010
Trade account and other receivables	<u>1,165,405</u>	<u>1,306,898</u>	<u>586,387</u>	<u>586,479</u>

Outstanding trade and other receivables can be analysed as follows:

	Unit: Baht'000			
	Consolidated		Company	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
Third parties				
Unbilled revenue	341,956	308,273	95,172	73,473
Trade accounts receivable				
Current	222,174	305,736	16,796	32,594
Overdue less than 3 months	191,948	212,110	13,268	12,477
3 - 6 months	47,415	40,479	568	220
6 - 12 months	24,631	34,760	80	775
Over 12 months	31,697	25,048	1,088	793
Total	859,821	926,406	126,972	120,332
<u>Less</u> Allowance for doubtful accounts	(17,873)	(17,383)	-	-
Trade accounts receivable - third parties, net	841,948	909,023	126,972	120,332
Related parties				
Unbilled revenue	1,254	197	5,090	4,521
Trade accounts receivable				
Current	18,154	10,179	82,918	23,669
Overdue less than 3 months	2,584	5,575	946	67,165
3 - 6 months	544	236	-	610
6 - 12 months	236	-	632	-
Over 12 months	23,533	23,533	-	21
Total	46,305	39,720	89,586	95,986
<u>Less</u> Allowance for doubtful accounts	-	-	-	-
Trade accounts receivable - related parties, net	<u>46,305</u>	<u>39,720</u>	<u>89,586</u>	<u>95,986</u>

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8 Available-for-sale investment

Information relating to available-for-sale investment is as follows:

	Unit: Baht'000			
	Consolidated and Company			
	31 March 2015		31 December 2014	
	At cost	At fair value	At cost	At fair value
Available-for-sale investment	277,147	744,493	279,444	785,507
	<u>277,147</u>	<u>744,493</u>	<u>279,444</u>	<u>785,507</u>

During the three-month period ended 31 March 2015, the movements of available-for-sale investment are as follows:

	Unit: Baht'000
	Consolidated and Company
Opening book value	785,507
Disposal	(2,297)
Change in fair value of available-for-sale investment	<u>(38,717)</u>
Closing book value	<u>744,493</u>

9 Investments in subsidiaries, associates and interest in joint ventures

9.1 Investment in subsidiaries

Movements of investment in subsidiaries can be analysed as follows:

	Unit: Baht'000
	Company
	31 March 2015
Investment in subsidiaries	3,754,098
<u>Less</u> Impairment	<u>(3,000)</u>
Closing net book amount	<u>3,751,098</u>
Opening net book amount	3,732,412
Additions	8,686
Reclassification from investment in joint ventures to subsidiaries (Note 9.3)	<u>10,000</u>
Closing net book amount	<u>3,751,098</u>

Additional of investment in subsidiary

K Arena Co., Ltd. ("K Arena")

On 19 January 2015, the Company has purchased 50% of shares in K Arena Co., Ltd., a Karaoke business, totalling Baht 8.69 million. As a result, the shareholding percentage has been changed from 49.99% to 99.99%. The parent's ownership interest has changed from joint venture to subsidiary.

9 Investments in subsidiaries, associates and interest in joint ventures (Cont'd)

9.2 Investment in associates

Movements of investment in associates can be analysed as follows:

	Unit: Baht'000	
	Consolidated	Company
For the three-month period ended 31 March 2015		
Opening net book amount	2,343,980	2,233,091
Additions	5,715	5,715
Disposals	(29,839)	(25,717)
Dividends received	(41,621)	-
Share of results	51,500	-
Closing net book amount	<u>2,329,735</u>	<u>2,213,089</u>

Gain on disposals of assets to the Property Fund will be realised on the straight-line basis over the lease contracts period of the buildings leased out to the Property Fund. During the three-month period ended 31 March 2015, the Group realised gain on disposals of Baht 4.08 million in the consolidated income statement.

During the three-month period ended 31 March 2015, the Company received dividends from associates amounting to Baht 41.62 million (31 March 2014: Baht 49.86 million), which was recognised in "Other income" in the company income statement and recognised in "Investment in associates" in the consolidated statement of financial position.

Siam Future Development Public Company Limited ("SF")

Additional of investment in associate

During the three-month period ended 31 March 2015, the Company has made additional investment in SF of 0.80 million shares totalling Baht 5.72 million.

Disposal of investment in associate

During the three-month period ended 31 March 2015, the Company disposed its investment in SF of 8.70 million shares for the considerations of Baht 68.38 million and recognised gain from disposal amounting to Baht 38.54 million, and Baht 42.66 million, which included in "Other income" in the consolidated and company income statements, respectively.

The aforesaid additional and disposal of investment resulted in the change to shareholding percentage from 23.89% to 23.35%.

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9 Investments in subsidiaries, associates and interest in joint ventures (Cont'd)

9.3 Interest in joint ventures

Movements of interest in joint ventures can be analysed as follows:

	Unit: Baht'000	
	Consolidated	Company
For the three-month period ended 31 March 2015		
Opening net book amount	294,160	255,168
Reclassification from investment in joint ventures to subsidiaries (Note 9.1)	(8,638)	(10,000)
Dividends received	(13,500)	-
Share of result	771	-
Closing net book amount	<u>272,793</u>	<u>245,168</u>

9.4 The details of investments in subsidiaries, associates and interest in joint ventures are as follows:

Subsidiaries	Nature of business	relationship	% Ownership interest	
			31 March 2015	31 December 2014
Major Cineplex Property Co., Ltd.	Building space for rent	Shareholder	99.99	99.99
Major Cineplex Services Co., Ltd.	Utilities services	Shareholder	99.99	99.99
Chiangmai Cineplex Co., Ltd.	Cinema services	Shareholder	99.99	99.99
Rachayothin Management Co., Ltd.	Utilities services	Shareholder	99.99	99.99
Rachayothin Cinema Co., Ltd.	Land and building space for rent	Shareholder	99.99	99.99
Rachayothin Realty Co., Ltd.	Building space for rent	Shareholder	99.99	99.99
Major Bowl Group Co., Ltd.	Bowling, Karaoke and entertainment services	Shareholder	99.99	99.99
Major Cinead Co., Ltd.	Advertising and advisory services	Shareholder	99.93	99.93
Bangkok Imax Theater Co., Ltd.	Cinema services	Shareholder	99.93	99.93
Udon Five Star Cineplex Co., Ltd.	Cinema services	Shareholder	99.99	99.99
Siam Cineplex Co., Ltd.	Cinema services	Shareholder	99.99	99.99
EGV Entertainment Public Company Limited	Cinema services, advertising services, and area for rent	Shareholder	99.98	99.98
M Picture Entertainment Public Company Limited ("MPIC")	Publishing, advertising and distribution of film rights	Shareholder	92.49	92.49
Major Holding International Co., Ltd.	Holding business	Shareholder	99.96	99.96
Digital Projector Management Co., Ltd.	Projector rental and system management	Shareholder	99.99	99.99
K Arena Co.,Ltd. (2014 - Joint Venture)	Karaoke services	Shareholder	99.99	50.00

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9 Investments in subsidiaries, associates and interest in joint ventures (Cont'd)

9.4 The details of investments in subsidiaries, associates and interest in joint ventures are as follows:
(Cont'd)

Subsidiaries	Nature of business	relationship	% Ownership interest	
			31 March 2015	31 December 2014
Subsidiaries under EGV				
Entertain Golden Village Exhibition Co., Ltd.	Cinema services	Indirect shareholding	99.96	99.96
EGV Exhibition Co., Ltd.	Cinema services	Indirect shareholding	99.96	99.96
EGV Five Star Co., Ltd.	Cinema services	Indirect shareholding	99.96	99.96
Subsidiaries under MPIC				
TV Forum Co., Ltd.	Television media business	Indirect shareholding	92.49	92.49
M Picture Co., Ltd.	Distribution of film rights for cinema services, VCD/DVD production and TV broadcast	Indirect shareholding	92.49	92.49
M.V.D. Co., Ltd.	Distribution of VCD/DVD, Blu-ray and film rights	Indirect shareholding	92.49	92.49
M Thirty nine Co., Ltd.	Film production	Indirect shareholding	92.49	92.49
Talent One Co., Ltd. ("TLO")	Film production	Indirect shareholding	83.24	83.24
Subsidiary under MVD				
Pacific Media Sale Co., Ltd.	Distribution of CD, VCD and DVD	Indirect shareholding	91.93	91.93
Subsidiaries under MHD				
Major Platinum Cineplex (Cambodia) Co., Ltd. ("Major Platinum")	Cinema and bowling services	Indirect shareholding	69.97	69.97
Associates				
Siam Future Development Public Company Limited ("SF")	Rental of building space and utilities services	Shareholder	23.35	23.89
Ratchayothin Avenue Co., Ltd.	Rental of building space and utilities services	Shareholder	50.00	50.00
		Indirect shareholding via SF	11.68	11.95
Major Cineplex Lifestyle Leasehold Property Fund	Rental of building and utilities services	Shareholder	33.00	33.00
Thai ticket major Co., Ltd.	Agent for selling of tickets	Shareholder	40.00	40.00
Joint ventures				
PVR blu-O Entertainment Limited ("PVR blu-O")	Bowling, Karaoke and entertainment	Shareholder	49.00	49.00
K Arena Co., Ltd. (2015 - Subsidiary)	Karaoke services	Shareholder	-	50.00
Joint venture under MPIC				
Major Kantana Broadcasting Company Limited ("MKB")	Satellite broadcasting and distribution of film rights	Indirect shareholding	41.61	41.61
Transformation Film Co., Ltd.	Film production, advertising, television programmes service provided for all forms of entertainment	Indirect shareholding	26.42	26.42

All subsidiaries and associates are incorporated in Thailand except PVR blu-O and Major Platinum, which are incorporated in India and Cambodia, respectively. All holdings are investments in ordinary shares and investment unit in the Property Fund.

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10 Property, plant, equipment and intangible assets

	Unit: Baht'000			
	Consolidated		Company	
	Property, plant and equipment	Intangible assets	Property, plant and equipment	Intangible assets
For the three-month period ended 31 March 2015				
Opening net book amount	6,730,491	209,100	3,512,522	46,245
Exchange differences	(973)	(41)	-	-
Acquisition in subsidiary (Note 21)	7,518	-	-	-
Additions	205,755	63,116	150,501	5,206
Disposals	(561)	-	(531)	-
Write-off	(23)	-	-	-
Depreciation/amortisation	(198,374)	(101,884)	(100,988)	(4,917)
Reversal of impairment of asset	-	14,175	-	-
Closing net book amount	<u>6,743,833</u>	<u>184,466</u>	<u>3,561,504</u>	<u>46,534</u>

Capital expenditure contracted for at the statement of financial position date, but not recognised in the financial statements is presented as follows:

	Currency	Unit: Baht'000			
		Consolidated		Company	
		31 March 2015	31 December 2014	31 March 2015	31 December 2014
Property, plant, equipment	THB	145,721	46,490	126,623	46,490
Intangible assets	THB	72,805	85,462	-	-
	USD	2,113	2,221	-	-
Total	THB	218,526	131,952	126,623	46,490
	USD	2,113	2,221	-	-
Total in Thai Baht		<u>287,643</u>	<u>193,595</u>	<u>126,623</u>	<u>46,490</u>

11 Trade and other payables

	Unit: Baht'000			
	Consolidated		Company	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
Trade account payables				
- third parties	659,866	731,133	415,480	451,345
- related parties (Note 22)	2,174	2,660	75,568	123,922
Amounts due to related parties (Note 22)	26,117	54,286	37,512	53,750
Other payables	237,856	307,900	150,510	205,965
Accrued expenses	365,061	413,425	208,701	224,331
Unearned rental and services income	394,948	389,951	252,272	246,927
Trade account and other payables	<u>1,686,022</u>	<u>1,899,355</u>	<u>1,140,043</u>	<u>1,306,240</u>

Unearned rental and service income included cash advanced from customers amounting to Baht 65.76 million (31 December 2014: Baht 74.88 million), which received from selling of cash cards, being deposited at banks. In order to comply with the Notification of the Bank of Thailand applicable to the electronic card business, the balance of the deposit has to be maintained at the outstanding value of the cash cards on hands of the customers as the minimum.

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12 Borrowings

	Unit: Baht'000			
	Consolidated		Company	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
Current				
Short-term loans from financial institutions	2,000,000	2,235,000	1,945,000	2,185,000
Current portion of long-term borrowings:				
- Finance lease liabilities	76,393	75,558	66	170
- Bank borrowings	40,000	40,000	40,000	40,000
Total current portion of long-term borrowings	116,393	115,558	40,066	40,170
Non-current portion of long-term borrowings				
- Finance lease liabilities	348,298	367,674	21,007	20,945
- Bank borrowings	10,000	20,000	10,000	20,000
- Debentures	1,800,000	1,800,000	1,800,000	1,800,000
Total non-current portion of long-term borrowings	2,158,298	2,187,674	1,831,007	1,840,945
Total borrowings and debentures	4,274,691	4,538,232	3,816,073	4,066,115

The movements in long-term borrowings (excluding finance lease liabilities) can be analysed as follows:

	Unit: Baht'000	
	Consolidated	Company
For the three-month period ended 31 March 2015		
Opening amount	60,000	60,000
Additions	-	-
Repayments	(10,000)	(10,000)
Closing amount	50,000	50,000

Long-term bank borrowings bear interest at the rate at ranging from 4.60% to 6.25% per annum, and are secured by pledge of property, building, leasehold rights and operating lease contracts.

Debentures

	Unit: Baht'000	
	Consolidated	Company
For the three-month period ended 31 March 2015		
Opening amount	1,800,000	1,800,000
Closing amount	1,800,000	1,800,000

Borrowing facilities

As at 31 March 2015, the available credit facilities from financial institutions of the Group and the Company are Baht 4,348.17 million and Baht 2,920 million, respectively (31 December 2014: Baht 3,925 million, and Baht 2,320 million, respectively). The facilities, mainly expiring within 3 years, are subject to review at various dates. The facilities have been arranged to mainly used for cinema construction and working capital.

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13 Share capital and premium on share capital

	Authorised number of shares Shares'000	Issued and fully paid up shares		Shares premium Baht'000
		Number of shares Shares'000	Ordinary shares Baht'000	
For the three-month period ended 31 March 2015				
Opening balance	896,266	890,059	890,059	3,967,548
Issuance of shares				
The exercised warrant - w4	-	213	213	4,127
Closing balance	896,266	890,272	890,272	3,971,675

Employee share option scheme: During the period to 31 March 2015, 206,500 options of the Company were exercised with exercise ratio 1.033 resulted in 213,314 shares being issued (31 March 2014: None), with exercise price of Baht 14.948 totaling proceeds of Baht 3.19 million (31 March 2014: None). The related weighted average price at the time of exercise was Baht 30.41 per share (31 March 2014: None).

14 Warrants

Warrants issued and offered to directors and employees (ESOP)

The Company and a subsidiary issued and offered warrants (ESOP-W4 and ESOP-W1, respectively) to directors and employees of the Company and its subsidiaries, which are in registered form and are non-transferable. The warrants have no offered price and their terms do not exceed 5 years from the issued date.

	Unit: Baht'000	
	Consolidated	Company
For the three-month period ended 31 March 2015		
Opening balance	17,249	15,067
Expense during the period	3,125	3,000
Exercise of warrants	(1,152)	(1,152)
Closing balance	19,222	16,915

15 Non-controlling interest

	Unit: Baht'000
	Consolidated
For the three-month period ended 31 March 2015	
Opening balance	55,961
Share of result	1,702
Closing balance	57,663

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16 Other income

Significant transactions including in other income for the interim period are as follows:

For the three-month periods ended	Unit: Baht'000			
	Consolidated		Company	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Dividend income (Note 9.2)	-	-	41,621	49,859
Gain on disposals of investment in associate (Note 9.2)	38,540	14,539	42,661	16,472
Gain on disposals of available-for-sale of investment	4,548	-	4,548	-
Management fee income	12,346	12,754	12,496	11,852
Interest income	1,982	1,675	10,532	13,768

17 Income taxes

The interim income tax expense is accrued based on management's estimate using the tax rate that would be applicable to expected total annual earnings. The estimated average annual tax rate used are 20% and 15% per annum for the consolidated and company financial information, respectively.

18 Earnings per share

Earnings per share attributable to shareholders of the parent is calculated by dividing the profit attributable to shareholders of the parent by the weighted average number of paid-up ordinary shares in issue during the period.

The diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

	Unit: Shares'000	
	Consolidated and Company	
	For the three-month period ended	
	31 March 2015	31 March 2014
Number of weighted average shares:		
- basic	890,061	887,576
- diluted	892,355	888,513

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19 Cash flows from operating activities

Reconciliation of profit before income tax to cash flows from operating activities:

For the three-month period ended	Notes	Unit: Baht'000			
		Consolidated		Company	
		31 March 2015	31 March 2014	31 March 2015	31 March 2014
Profit before income tax		251,058	180,904	146,690	140,939
Adjustments for:					
Depreciation and amortisation	10	300,258	300,348	105,905	92,110
Amortisation of prepaid rents		8,538	8,538	2,368	2,368
Doubtful debts		192	10,859	-	544
Loss on diminution in value of inventories		450	-	-	-
Provision for sales returns (reversal)		(7,867)	4,400	-	-
Provision for interest receivable		-	17	-	-
Impairment charge (reversal)	10	(14,175)	9,809	-	12,500
Loss on disposals of equipment		250	2,165	343	2,079
Loss from write-off of equipment	10	23	2,175	-	-
Gain on disposals of investments in associate	16	(38,540)	(14,539)	(42,661)	(16,472)
Gain on disposals of available-for-sale of investments	16	(4,548)	-	(4,548)	-
Shares of results of investments in associates and joint ventures	9	(52,271)	(39,398)	-	-
Unearned income - customers loyalty program		(478)	(240)	(478)	(240)
Employee benefit obligations		549	163	173	513
Warrants	14	3,125	1,566	3,000	1,500
Unrealised loss on exchange rate		792	-	1,464	-
Dividends income	16	-	-	(41,621)	(49,858)
Interest income	16	(1,982)	(1,675)	(10,532)	(13,768)
Finance costs		40,598	45,276	46,348	37,325
Changes in operating assets and liabilities:					
- trade and other receivables		49,996	55,796	(7,902)	115,259
- inventories		(26,391)	15,979	(20,875)	15,233
- movies under productions		14,727	(48,527)	-	-
- other current assets		(11,245)	29,244	(9,980)	21,022
- finance lease receivables		103	59	-	-
- other non-current assets		(11,164)	930	(11,057)	(25,540)
- trade and other payables		(280,679)	(123,531)	(205,568)	(116,714)
- other current liabilities		(10,647)	(4,963)	(1,997)	(4,644)
- other non-current liabilities		(2,178)	(4,557)	344	(330)
Cash generated from operations		208,494	430,798	(50,584)	213,826

20 Commitments and contingencies

i) Bank guarantees and letter of credits

As at 31 March 2015, there are outstanding bank guarantees and letter of credits given on behalf of the Group to third parties amounting to Baht 192.62 million (31 December 2014: Baht 182.16 million).

ii) Guarantees

As at 31 March 2015, the Company and a subsidiary have given guarantees for bank loans granted to subsidiaries and associate for a total of Baht 81.33 million (31 December 2014: Baht 70.00 million).

iii) Operating lease commitments - where a Group is the lessee

The Company and its subsidiaries have commitment obligations in terms of long-term lease of land, buildings and service contracts. The future aggregate non-cancellable minimum lease and service payments under the contracts are as follows:

	Unit: Million Baht			
	Consolidated		Company	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
Not later than 1 year	662	574	682	611
Later than 1 year but not later than 5 years	2,683	2,366	2,279	2,058
Later than 5 years	6,001	5,124	3,916	2,961
	<u>9,346</u>	<u>8,064</u>	<u>6,877</u>	<u>5,630</u>

In addition to the minimum lease and service payments, the Group also has obligations in respect of lease of buildings and service contracts based on revenue sharing with the lessors.

iv) Commitment from film productions

As at 31 March 2015, the Group has commitments in respect of payments to film directors amounting to Baht 6.08 million (31 December 2014: Baht 39.03 million).

21 Business combinations

On 1 January 2015, the Group additionally acquired 50% of the share capital of K Arena Co., Ltd. for a total consideration of Baht 8,686,629. As a result of the acquisition, the Group is expected to increase its presence in these markets and revenue channel to the Group.

The following table summarises the consideration paid for K Arena Co.,Ltd. and the amounts of the assets acquired and liabilities assumed recognised at the acquisition date.

a) Consideration

	<u>Thousand Baht</u>
Cash	8,686
Total consideration transferred	8,686
Fair value of equity interest in K Arena Co., Ltd. held before the business combination	8,638
Total consideration	17,324
Recognised amounts of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	9,924
Trade and other receivables	390
Other current assets	707
Property, plant and equipment	7,518
Intangible assets	91
Trade and other payables	(1,306)
Total identifiable net assets	17,324
Goodwill	-

b) Acquired trade and other receivables

The fair value of trade and other receivables is Baht 390,498.

c) Acquired identifiable intangible assets

The fair value of the acquired identifiable intangible assets is Baht 91,352.

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22 Related party transactions

The significant investments in subsidiaries, associates and joint ventures are set out in Note 9.

Other related companies are companies belonging to directors and directors' family of the Company and is therefore related parties.

The following material transactions were carried out with related parties:

i) Sales of goods and services and others

	Unit: Baht'000			
	Consolidated		Company	
	2015	2014	2015	2014
For the three-month period ended 31 March				
Sales of goods and services				
Subsidiaries	-	-	79,900	75,866
Associates	1,909	1,276	13,119	21,874
Leasehold Property Fund	15,529	15,823	39,331	39,260
Joint Ventures	4,668	3,657	1,417	120
Related parties	16,271	15,642	4,648	4,228
	<u>38,377</u>	<u>36,398</u>	<u>138,415</u>	<u>141,348</u>
Sales of Fixed assets				
Subsidiaries	-	-	-	-

ii) Purchases of goods and services and others

	Unit: Baht'000			
	Consolidated		Company	
	2015	2014	2015	2014
For the three-month period ended 31 March				
Purchases of goods and services				
Subsidiaries	-	-	62,487	75,390
Associates	5,809	6,011	4,383	4,611
Leasehold Property Fund	38,270	36,820	29,121	27,927
Joint venture	10,067	369	7,640	-
Related parties	40,481	38,900	34,922	35,368
	<u>94,627</u>	<u>82,100</u>	<u>138,553</u>	<u>143,296</u>
Purchases of fixed assets				
Subsidiaries	-	-	-	120

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22 Related party transactions (Cont'd)

The following material transactions were carried out with related parties: (Cont'd)

iii) Outstanding balances arising from sales/purchases of goods/services and others

	Unit: Baht'000			
	Consolidated		Company	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
Trade accounts receivable (include unbilled revenue)				
Subsidiaries	-	-	81,805	93,227
Associates	6,123	4,705	1,925	1,945
Joint venture	37,503	32,397	5,394	334
Related parties	2,679	2,618	462	480
	<u>46,305</u>	<u>39,720</u>	<u>89,586</u>	<u>95,986</u>
Amounts due from related parties				
Subsidiaries	-	-	174,455	186,795
Associates	41,411	32,275	16,925	7,726
Joint venture	26,646	121,938	1,561	4,965
Related parties	27,567	39,444	12,555	23,911
	<u>95,624</u>	<u>193,657</u>	<u>205,496</u>	<u>223,397</u>
Deposit (included in "Other non-current assets")				
Subsidiaries	-	-	44,528	44,528
Associates	8,460	8,460	3,460	3,460
Joint venture	-	500	-	-
	<u>8,460</u>	<u>8,960</u>	<u>47,988</u>	<u>47,988</u>
Finance lease receivables				
Related parties	1,717	1,740	-	-
	<u>1,717</u>	<u>1,740</u>	<u>-</u>	<u>-</u>
Trade accounts payable (included in "Trade accounts and notes payable")				
Subsidiaries	-	-	74,571	121,899
Associates	6	1,040	3	1,037
Joint venture	1,070	535	-	-
Related parties	1,098	1,085	994	986
	<u>2,174</u>	<u>2,660</u>	<u>75,568</u>	<u>123,922</u>

Major Cineplex Group Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
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22 Related party transactions (Cont'd)

The following material transactions were carried out with related parties: (Cont'd)

iii) Outstanding balances arising from sales/purchases of goods/services and others (Cont'd)

	Unit: Baht'000			
	Consolidated		Company	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
Other payables				
(included in "Amounts due to related parties")				
Subsidiaries	-	-	15,942	24,309
Associates	14,834	16,094	14,051	15,243
Joint venture	440	21,172	-	-
Related parties	7,516	13,720	4,394	10,898
Board	3,327	3,300	3,125	3,300
	<u>26,117</u>	<u>54,286</u>	<u>37,512</u>	<u>53,750</u>
Advance received for rental and services				
(included in "Other non-current liabilities")				
Associate	26,793	27,055	-	-
Related parties	13,691	14,069	-	-
	<u>40,484</u>	<u>41,124</u>	<u>-</u>	<u>-</u>
Deposits received				
(included in "Other non-current liabilities")				
Subsidiaries	-	-	1,253	1,253
Associates	120,003	120,003	-	-
Joint venture	420	420	-	-
Related parties	5,667	5,667	135	135
	<u>126,090</u>	<u>126,090</u>	<u>1,388</u>	<u>1,388</u>
Finance lease liabilities				
(included in "Long-term borrowings from financial institutions")				
Associates	20,852	12,493	20,852	12,493
Related parties	-	8,329	-	8,329
	<u>20,852</u>	<u>20,822</u>	<u>20,852</u>	<u>20,822</u>

22 Related party transactions (Cont'd)

The following material transactions were carried out with related parties: (Cont'd)

iv) Short-term loans to related parties

The short-term loans to related parties are loans to subsidiaries of Major Cineplex Group Public Company Limited (“Major’s Group”) for the use of financing to other Major’s Group companies. The short-term loans to related parties as at 31 March 2015 comprise unsecured loans of Baht 641.44 million, repayable within 1 month which carry interest at the rate of 4.00% per annum.

The movements of short-term loans to related parties are shown below.

	Unit: Baht’000
	Company
For the three-month period ended 31 March 2015	
Opening balance	641,578
Loans advanced during the period	246,318
Loans repayments received during the period	<u>(246,458)</u>
Closing balance	<u>641,438</u>

The related interest income in the company income statement was Baht 6.07 million. As at 31 March 2015, the accrued interest income in the company statement of financial position was Baht 2.15 million.

v) Long-term loans to related parties and others

	Unit: Baht’000	
	Consolidated	Company
For the three-month period ended 31 March 2015		
Subsidiaries and associates and employees		
Opening balance	2,113	431,891
Loans advanced during the period	-	-
Loans repayments received during the period	<u>(180)</u>	<u>(35,180)</u>
Closing balance	<u>1,933</u>	<u>396,711</u>

The long-term loans to related parties are carrying interest at the rate of 4.00% per annum and there is no specific repayment date.

The interest income in the consolidated and company income statements were Baht 1.16 million and Baht 4.48 million, respectively. As at 31 March 2015, the accrued interest incomes in the company statements of financial position were Baht 75.76 million.

22 Related party transactions (Cont'd)

The following material transactions were carried out with related parties: (Cont'd)

vi) Short-term loans from related parties

The short-term loans from related parties are loans from subsidiaries of Major Cineplex Group Public Company Limited (“Major’s Group”) for the use of financing to other Major’s Group companies. The short-term loans from related parties as at 31 March 2015 comprise unsecured loans of Baht 980.45 million, repayable within 1 month which carry interest at the rate of 4.00% per annum and on-call promissory note of Baht 25.00 million bears interest rate of 3.10% per annum.

The movements of short-term loans from related parties are shown below.

	Unit: Baht'000	
	Consolidated	Company
For the three-month period ended 31 March 2015		
Opening balance	25,000	973,924
Loans borrowed during the period	-	511,322
Loans repaid during the period	-	(393,293)
Closing balance	<u>25,000</u>	<u>1,091,953</u>

The related interest expense in the consolidated and company income statement was Baht 11.70 million and Baht 9.51 million, respectively. As at 31 March 2015, the accrued interest expense in the consolidated and company statement of financial position was Baht 6.01 million and Baht 3.34 million, respectively.

vii) Key management compensation

	Unit: Baht'000			
	Consolidated		Company	
	2015	2014	2015	2014
For the three-month periods ended 31 March				
Short-term employee benefits	10,784	10,020	9,406	8,989
Retirement benefits	199	251	187	240
Share-based payments	770	385	770	385
	<u>11,753</u>	<u>10,656</u>	<u>10,363</u>	<u>9,614</u>

23 Subsequent events

23.1 At the Annual General Shareholders Meeting held on 2 April 2015, the shareholders passed the resolution to approve dividends payment in respect of the operating results for the period from July to December 2014 at Baht 0.55 per share, totaling Baht 489.53 million. The dividend would be distributed to shareholders listed in the register on 17 April 2015. The dividends were distributed to the shareholders on 30 April 2015.

23.2 At the Annual General Shareholders Meeting of an associate held on 22 April 2015, the shareholders passed a resolution to approve a stock dividend to shareholders at the ratio of 5 existing shares to 1 new share and cash dividend payment amounting to Baht 0.02223 per share in respect of 2014 operating results totaling 296,103,006 shares and Baht 32.91 million, respectively. The associate had already paid cash dividend and stock dividend to the shareholders on 18 May 2015. In addition, the meeting approved to decrease the authorised shares capital from Baht 1,480,522,641 shares to 1,480,515,030 shares and then to increase the authorised share capital to 1,776,618,036 shares by issuing 296,103,006 new ordinary shares at par value of Baht 1 each. The allotment of the newly issued shares is for stock dividend payment to shareholders.