

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 30 September 2015, the related consolidated and company income statements and the related consolidated and company statements of comprehensive income for the three-month and nine-month periods then ended, and the related consolidated and company statements of changes in shareholders' equity and cash flows for the nine-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
6 November 2015

MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED

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

30 SEPTEMBER 2015

Major Cineplex Group Public Company Limited
Statement of Financial Position
As at 30 September 2015

		Unit: Baht'000			
		Consolidated		Company	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 September	31 December	30 September	31 December
Notes		2015	2014	2015	2014
Assets					
Current assets					
	Cash and cash equivalents	401,749	577,250	186,214	387,004
	Trade account and other receivables	7 1,281,262	1,306,898	540,143	586,479
	Short-term loans to related parties	23 -	-	583,504	641,578
	Inventories	140,944	154,449	54,242	55,882
	Films under production	116,934	127,670	-	-
	Current portion of prepaid rents	40,654	34,154	15,973	9,473
	Other current assets	206,114	181,124	58,935	36,065
	Total current assets	2,187,657	2,381,545	1,439,011	1,716,481
Non-current assets					
	Available-for-sale investment	8 773,512	785,507	773,512	785,507
	Restricted cash	4,541	4,512	-	-
	Finance lease receivables	12,476	12,628	-	-
	Investment in subsidiaries	9 -	-	3,742,768	3,732,412
	Investment in associates	9 2,444,301	2,343,980	2,261,793	2,233,091
	Interest in joint ventures	9 307,877	294,160	245,168	255,168
	Long-term loans to related parties	23 1,659	2,113	351,437	431,891
	Property, plant and equipment	10 7,168,627	6,730,491	3,971,964	3,512,522
	Goodwill	283,361	283,361	-	-
	Intangible assets	10 151,193	209,100	48,690	46,245
	Deferred income tax assets	15,630	19,771	-	-
	Long-term prepaid rents	550,198	453,130	265,510	149,931
	Other non-current assets	323,244	412,126	222,385	318,986
	Total non-current assets	12,036,619	11,550,879	11,883,227	11,465,753
	Total assets	14,224,276	13,932,424	13,322,238	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 30 September 2015

		Unit: Baht'000				
		Consolidated		Company		
		(Unaudited)	(Audited)	(Unaudited)	(Audited)	
		30 September	31 December	30 September	31 December	
Notes		2015	2014	2015	2014	
Liabilities and shareholders' equity						
Current liabilities						
	Short-term borrowings from financial institutions	12	2,442,498	2,235,000	2,442,498	2,185,000
	Trade account and other payables	11	1,967,247	1,899,355	1,279,583	1,306,240
	Current portion of long-term borrowings	12	910,062	115,558	831,617	40,170
	Short-term loans from related parties	23	23,000	25,000	1,139,172	973,924
	Accrued income tax		70,374	112,914	35,353	59,486
	Other current liabilities		142,303	154,533	86,805	54,340
	Total current liabilities		5,555,484	4,542,360	5,815,028	4,619,160
Non-current liabilities						
	Long-term borrowings from financial institutions	12	1,309,257	2,187,674	1,021,044	1,840,945
	Deferred income tax liabilities		336,567	328,475	87,497	82,187
	Employee benefit obligations		27,953	25,657	19,226	18,058
	Other non-current liabilities		462,240	461,482	107,677	91,713
	Total non-current liabilities		2,136,017	3,003,288	1,235,444	2,032,903
	Total liabilities		7,691,501	7,545,648	7,050,472	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, 892,430,323 shares (2014: 890,058,836 shares) at paid-up of Baht 1 each		892,430	890,059	892,430	890,059
	Share premium	13	4,013,124	3,967,548	4,013,124	3,967,548
	Warrants	14	10,128	17,249	6,963	15,067
	Retained earnings					
	Appropriated					
	Legal reserve		90,600	90,600	90,600	90,600
	Unappropriated		1,072,535	1,020,529	538,439	873,622
	Other components of shareholders' equity		387,463	344,830	730,210	693,275
	Equity attributable to owners of the parent		6,466,280	6,330,815	6,271,766	6,530,171
	Non-controlling interest	15	66,495	55,961	-	-
	Total shareholders' equity		6,532,775	6,386,776	6,271,766	6,530,171
	Total liabilities and shareholders' equity		14,224,276	13,932,424	13,322,238	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 30 September 2015

		Unit: Baht'000			
		Consolidated		Company	
Notes		2015	2014	2015	2014
Revenues					
	Service income	1,679,310	1,673,144	958,890	924,742
	Sales	510,150	479,430	258,930	249,520
	Total revenues	2,189,460	2,152,574	1,217,820	1,174,262
Costs					
	Cost of services	(1,182,252)	(1,115,108)	(753,695)	(713,733)
	Cost of sales	(268,155)	(234,925)	(90,464)	(70,555)
	Total costs	(1,450,407)	(1,350,033)	(844,159)	(784,288)
	Gross profit	739,053	802,541	373,661	389,974
	Other income	177,917	98,070	224,356	126,575
	Selling expenses	(142,720)	(142,996)	(57,276)	(48,296)
	Administrative expenses	(381,795)	(397,384)	(251,107)	(206,186)
	Finance costs	(36,873)	(40,896)	(44,752)	(39,077)
	Share of result of investments - equity method	72,677	51,728	-	-
	Profit before income tax	428,259	371,063	244,882	222,990
	Income tax	(83,469)	(81,017)	(41,401)	(38,490)
	Profit for the period	344,790	290,046	203,481	184,500
Attributable profit to:					
	Shareholders of the parent	342,881	293,309	203,481	184,500
	Non-controlling interests	1,909	(3,263)	-	-
		344,790	290,046	203,481	184,500
		Baht	Baht	Baht	Baht
Earnings per share					
	Basic earnings per share	0.38	0.33	0.23	0.21
	Diluted earnings per share	0.38	0.33	0.23	0.21

The accompanying 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 30 September 2015

	Unit: Baht'000			
	Consolidated		Company	
	2015	2014	2015	2014
Profit for the period	344,790	290,046	203,481	184,500
Other comprehensive income:				
Items that will be reclassified subsequently to profit or loss				
Remeasuring of available-for-sale investment	107,453	(18,797)	107,453	(18,797)
Currency translation differences	4,890	376	-	-
Income tax relating to items that will be reclassified	(21,490)	3,759	(21,490)	3,759
Other comprehensive income for the period, net of income tax	90,853	(14,662)	85,963	(15,038)
Total comprehensive income for the period	435,643	275,384	289,444	169,462
Total comprehensive income attributable to:				
Shareholders of the parent	433,734	278,647	289,444	169,462
Non-controlling interests	1,909	(3,263)	-	-
	435,643	275,384	289,444	169,462

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

Major Cineplex Group Public Company Limited
Income Statement (Unaudited)
For the nine-month period ended 30 September 2015

		Unit: Baht'000			
		Consolidated		Company	
Notes		2015	2014	2015	2014
Revenues					
	Service income	5,125,188	4,907,078	3,051,747	2,931,733
	Sales	1,479,425	1,592,170	818,499	807,810
	Total revenues	6,604,613	6,499,248	3,870,246	3,739,543
Costs					
	Cost of services	(3,554,600)	(3,296,458)	(2,299,092)	(2,165,416)
	Cost of sales	(693,581)	(785,209)	(253,853)	(242,346)
	Total costs	(4,248,181)	(4,081,667)	(2,552,945)	(2,407,762)
	Gross profit	2,356,432	2,417,581	1,317,301	1,331,781
	Other income	355,126	175,379	481,437	280,768
	Selling expenses	(387,487)	(378,755)	(169,161)	(137,726)
	Administrative expenses	(1,108,847)	(1,129,606)	(710,507)	(667,274)
	Finance costs	(116,770)	(129,501)	(137,072)	(113,234)
	Share of result of investments - equity method	197,208	137,196	-	-
	Profit before income tax	1,295,662	1,092,294	781,998	694,315
	Income tax	(253,623)	(219,314)	(136,898)	(118,653)
	Profit for the period	1,042,039	872,980	645,100	575,662
Attributable profit to:					
	Shareholders of the parent	1,032,289	879,236	645,100	575,662
	Non-controlling interests	9,750	(6,256)	-	-
		1,042,039	872,980	645,100	575,662
		Baht	Baht	Baht	Baht
Earnings per share					
	Basic earnings per share	1.16	0.99	0.72	0.65
	Diluted earnings per share	1.16	0.99	0.72	0.65

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

Major Cineplex Group Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the nine-month period ended 30 September 2015

	Unit: Baht'000			
	Consolidated		Company	
	2015	2014	2015	2014
Profit for the period	1,042,039	872,980	645,100	575,662
Other comprehensive income:				
Items that will be reclassified subsequently to profit or loss				
Remeasuring of available-for-sale investment (Note 8)	46,169	21,751	46,169	21,751
Currency translation differences	5,929	376	-	-
Income tax relating to items that will be reclassified	(9,234)	(4,350)	(9,234)	(4,350)
Other comprehensive income for the period, net of income tax	42,864	17,777	36,935	17,401
Total comprehensive income for the period	<u>1,084,903</u>	<u>890,757</u>	<u>682,035</u>	<u>593,063</u>
Total comprehensive income attributable to:				
Shareholders of the parent	1,075,153	897,013	682,035	593,063
Non-controlling interests	9,750	(6,256)	-	-
	<u>1,084,903</u>	<u>890,757</u>	<u>682,035</u>	<u>593,063</u>

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

Major Cineplex Group Public Company Limited
 Statements of Changes in Shareholders' Equity (Unaudited)
 For the nine-month period ended 30 September 2015

Unit: Baht'000

	Consolidated													
	Attributable to owners of the parent													
	Retained earnings					Other components of shareholders' equity			Other comprehensive		Total other component of equity	Total owners of the parent	Non- controlling interests	Total shareholders' equity
	Issued and paid-up share capital	Share premium	Warrants	Appropriated	Unappropriated	Share premium - Treasury share	Change in parent's ownership interest in subsidiaries	income (expense)						
				Legal reserve				Translation of financial statements	Available- for-sale investment					
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														
Proceeds from exercise of warrants	2,165	43,752	(13,830)	-	-	-	-	-	-	-	32,087	-	32,087	
Warrants	-	-	6,368	-	-	-	-	-	-	-	6,368	-	6,368	
Acquisition of investment in subsidiary	-	-	-	-	-	-	-	-	-	-	-	74,791	74,791	
Addition of investment in subsidiary from new registered shares	-	-	-	-	-	-	(12,308)	-	-	(12,308)	(12,308)	-	(12,308)	
Dividends payment	-	-	-	-	(888,029)	-	-	-	-	-	(888,029)	-	(888,029)	
Total comprehensive income	-	-	-	-	879,236	-	-	376	17,401	17,777	897,013	(6,256)	890,757	
Closing balance at 30 September 2014	889,741	3,963,251	13,980	90,600	813,486	288,425	(349,216)	376	427,466	367,051	6,138,109	64,885	6,202,994	
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)	2,371	45,576	(13,062)	-	-	-	-	-	-	-	34,885	-	34,885	
Warrants (Note 14)	-	-	6,096	-	-	-	-	-	-	-	6,096	-	6,096	
Exercise of warrants in subsidiary (Note 14)	-	-	(155)	-	-	-	(231)	-	-	(231)	(386)	784	398	
Dividends payment (Note 19)	-	-	-	-	(980,283)	-	-	-	-	-	(980,283)	-	(980,283)	
Total comprehensive income	-	-	-	-	1,032,289	-	-	5,929	36,935	42,864	1,075,153	9,750	1,084,903	
Closing balance at 30 September 2015	892,430	4,013,124	10,128	90,600	1,072,535	288,425	(349,447)	6,700	441,785	387,463	6,466,280	66,495	6,532,775	

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

Major Cineplex Group Public Company Limited
 Statements of Changes in Shareholders' Equity (Unaudited)
 For the nine-month period ended 30 September 2015

Unit: Baht'000

	Company									
	Company						Other components of shareholders' equity			
	Issued and paid-up share capital	Share premium	Warrants	Retained earnings		Share premium- Treasury share	Other comprehensive income		Total other component of equity	Total shareholders' equity
				Appropriated Legal reserve	Unappropriated		Available- for-sale investment			
Opening balance as 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										
Proceeds from exercise of warrants	2,165	43,752	(13,564)	-	-	-	-	-	32,353	
Warrants	-	-	4,500	-	-	-	-	-	4,500	
Dividends payment	-	-	-	-	(888,029)	-	-	-	(888,029)	
Total comprehensive income for the period	-	-	-	-	575,662	-	17,401	17,401	593,063	
Closing balance at 30 September 2014	889,741	3,963,251	11,926	90,600	746,442	288,425	427,466	715,891	6,417,851	
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 shareholders' equity for period										
Proceeds from exercise of warrants (Note 13)	2,371	45,576	(13,062)	-	-	-	-	-	34,885	
Warrants (Note 14)	-	-	4,958	-	-	-	-	-	4,958	
Dividends payment (Note 19)	-	-	-	-	(980,283)	-	-	-	(980,283)	
Total comprehensive income for the period	-	-	-	-	645,100	-	36,935	36,935	682,035	
Closing balance at 30 September 2015	892,430	4,013,124	6,963	90,600	538,439	288,425	441,785	730,210	6,271,766	

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 nine-month period ended 30 September 2015

	Notes	Unit: Baht'000			
		Consolidated		Company	
		2015	2014	2015	2014
Cash flows from operating activities					
Cash generated from operations	20	1,947,858	1,659,203	884,555	777,002
Interest paid		(111,943)	(113,327)	(140,820)	(110,850)
Income tax paid		(309,613)	(199,749)	(165,310)	(109,246)
Net cash generated from operating activities		<u>1,526,302</u>	<u>1,346,127</u>	<u>578,425</u>	<u>556,906</u>
Cash flows from investing activities					
Increase in restricted cash		(30)	(46)	-	-
Payment on short-term investments		(145,000)	-	(145,000)	-
Proceeds from disposal of short-term investments		145,037	-	145,037	-
Short-term loans to related parties	23	-	-	(570,447)	(857,511)
Proceeds from settlements of short-term loans to related parties	23	-	-	628,521	739,027
Loans made to related parties	23	(14)	-	(14)	(115,000)
Proceeds from settlements of loans to related parties	23	468	848	80,468	410,848
Loans made to third parties		(250)	(100)	(250)	(100)
Proceeds from settlements of loans to third parties		52	-	52	-
Payment on investment in subsidiaries	22	-	-	(8,686)	(990,962)
Proceeds from acquisition of subsidiary, net of cash payment	22	1,238	975	-	-
Proceeds from liquidate of investment in subsidiaries	9	-	-	4,130	-
Payments on investment in associate	9	(101,207)	(27,820)	(101,207)	(27,820)
Proceeds from disposal of investment in an associate	9	184,389	97,752	184,389	97,752
Payment for investment in joint venture	9	(25,000)	(25,000)	-	-
Proceeds from disposal available-for sale investment		185,543	33,066	185,543	33,066
Purchases of property, plant and equipment		(1,051,157)	(436,028)	(774,491)	(337,231)
Proceeds from disposals of property, plant and equipment		5,074	10,374	617	1,056
Purchase of intangible assets		(197,482)	(215,580)	(16,223)	(10,571)
Interest received		10,692	28,917	45,332	78,779
Dividends received	9	117,257	106,208	109,492	106,208
Net cash (used in) from investing activities		<u>(870,390)</u>	<u>(426,434)</u>	<u>(232,737)</u>	<u>(872,459)</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) (Cont'd)
For the nine-month period ended 30 September 2015

	Notes	Unit: Baht'000			
		Consolidated		Company	
		2015	2014	2015	2014
Cash flows from financing activities					
Proceeds from short-term loans from related parties	23	-	-	1,768,926	1,535,813
Repayments of short-term loans from related parties	23	(2,000)	-	(1,603,678)	(1,018,112)
Repayments of bank overdrafts		-	(60,418)	-	(703)
Proceeds from short-term borrowings		4,995,000	5,350,600	4,950,000	5,020,000
Payments of short-term borrowings		(4,780,000)	(5,309,110)	(4,685,000)	(4,530,000)
Repayments of finance lease liabilities		(69,468)	(69,611)	(1,383)	(1,519)
Proceeds from long-term borrowings		-	49,400	-	-
Repayments of long-term borrowings	12	(30,000)	(219,778)	(30,000)	(30,000)
Proceeds from increase in share capital of a subsidiary		-	60,708	-	-
Proceeds from exercise of warrants	13	35,283	32,886	34,885	32,352
Dividends paid to shareholders		(980,228)	(887,943)	(980,228)	(887,943)
Net cash received from (used in) financing activities		(831,413)	(1,053,266)	(546,478)	119,888
Net decrease in cash and cash equivalents		(175,501)	(133,573)	(200,790)	(195,665)
Cash and cash equivalents at the beginning of the period		577,250	495,682	387,004	394,325
Cash and cash equivalents at the end of the period		401,749	362,109	186,214	198,660

Non-cash transactions

Significant non-cash transactions for the nine-month periods ended 30 September 2015 and 2014:

Investment in property, plant and equipment, not yet paid	16,177	116,690	10,598	32,487
Purchases of property, plant and equipment under finance leases	748	-	-	-
Disposals of property, plant and equipment, not yet received amount due to related parties	-	36	-	-
Investment in intangible assets, not yet paid	13,177	-	-	-
Offsetting amounts due from related parties with loan to related parties	-	6	-	-
Dividend paid, not yet paid	55	86	55	86
Convertible investment in joint venture to investment in subsidiary	8,638	-	10,000	-
Disposal of available-for-sale, not yet received	10,546	12,071	10,546	12,071
Reclassification other non current asset to leasehold right	130,000	-	130,000	-
Purchase interest in joint venture, not yet paid	1,796	-	-	-

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 6 November 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 and have a significant impact to the Group.

TAS 1 (revised 2014)	Presentation of financial statements
TAS 19 (revised 2014)	Employee benefits
TAS 27 (revised 2014)	Separate financial statements
TAS 28 (revised 2014)	Investments in associates and joint ventures
TAS 34 (revised 2014)	Interim financial reporting
TFRS 10	Consolidated financial statements
TFRS 11	Joint arrangements
TFRS 12	Disclosure of interests in other entities
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.

TAS 27 (revised 2014) provide the requirements relating to separate financial statements.

TAS 28 (revised 2014) provide the requirements for investment in associates and joint ventures accounted by equity method.

TAS 34 (revised 2014), the key change is the disclosure requirements for operating segment. An entity shall disclose information of a measure of total assets and liabilities for a particular reportable segment if such amounts are regularly provided to the chief operating decision maker and if there has been a material change from the amount disclosed in the last annual financial statements for that reportable segment.

TFRS 10 has a single definition of control and supersedes the principles of control and consolidation included within the original TAS 27, 'Consolidated and separate financial statements'. The standard sets out the requirements for when an entity should prepare consolidated financial statements, defines the principles of control, explains how to apply the principles of control and explains the accounting requirements for preparing consolidated financial statements. The key principle in the new standard is that control exists, and consolidation is required, only if the investor possesses power over the investee, has exposure to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect its returns. This standard has no impact to the Group.

TFRS 11 defined that a joint arrangement is a contractual arrangement where at least two parties agree to share control over the activities of the arrangement. Unanimous consent toward decisions about relevant activities between the parties sharing control is a requirement in order to meet the definition of joint control. Joint arrangements can be joint operations or joint ventures. The classification is principle based and depends on the parties' exposure in relation to the arrangement. When the parties' exposure to the arrangement only extends to the net assets of the arrangement, the arrangement is a joint venture. Joint operations have rights to assets and obligations for liabilities. Joint operations account for their rights to assets and obligations for liabilities. Joint ventures account for their interest by using the equity method of accounting. This standard has no impact to the Group.

2 Accounting policies (Cont'd)

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

TFRS 12 require entities to disclose information that helps readers of financial statements to evaluate the nature of risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. 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.

New and revised accounting standards have been published by the Federation of Accounting Professions that are mandatory for annual periods beginning on or after 1 January 2016. The Group has not yet early adopted these revised standards.

TFRS 3 (revised 2015), 'Business combinations' clarifies i) an obligation to pay contingent consideration which meets the definition of a financial instrument as a financial liability or equity, on the basis of the definitions in TAS 32, 'Financial instruments: Presentation' (when announced) or other applicable standards. It also clarifies that all non-equity contingent consideration is measured at fair value at each reporting date, with changes in value recognised in profit and loss, and ii) TFRS 3 does not apply to the accounting for the formation of any joint venture under TFRS 11.

TFRS 8 (revised 2015), 'Operating segments' requires disclosure of the judgements made by management in aggregating operating segments. It is also amended to require a reconciliation of segment assets to the entity's assets when segment assets are reported to chief operating decision maker.

TFRS 12 (revised 2015) introduces disclosures that an investment entity needs to disclose.

TAS 16 (revised 2015), 'Property, plant and equipment' clarifies how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

TAS 24 (revised 2015), 'Related party disclosures' includes as a related party an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity (the 'management entity'). Disclosure of the amounts charged to the reporting entity is required.

TAS 27 (revised 2015) allows an investment entity that is exempted from consolidating its subsidiaries presenting separate financial statements as its only financial statements. It requires the investment entity to measure its investment in subsidiaries at fair value through profit or loss.

TAS 40 (revised 2015), 'Investment property' clarifies that TFRS 3 should be applied when determining whether an acquisition of an investment property is a business combination.

Management has assessed and considered that the above revised standards will not have a material impact on the group.

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.

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.

3 New accounting policy (Cont'd)

3.1 Consolidated (Cont'd)

(b) Joint arrangements (Cont'd)

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.

3.2 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 30 September 2015

5 Segment information (Cont'd)

Financial information by business segments is as follows:

Unit: Million Baht

	Consolidated					Total
	Cinema business	Advertising business	Bowling and karaoke business	Rental and services	Movie content business	
For the three-month period ended 30 September 2015						
Revenues						
Gross segment revenues	1,585	291	150	155	189	2,370
Inter-segment revenues	(127)	-	(17)	(25)	(12)	(181)
Net revenues	1,458	291	133	130	177	2,189
Segment results	88	212	10	12	(37)	285
Compensation income						-
Gain from selling of investments						133
Unallocated costs						(26)
Operating profit						392
For the three-month period ended 30 September 2014						
Revenues						
Gross segment revenues	1,544	286	165	155	212	2,362
Inter-segment revenues	(108)	-	(17)	(28)	(56)	(209)
Net revenues	1,436	286	148	127	156	2,153
Segment results	199	213	18	11	(116)	325
Compensation income						5
Gain from selling of investments						63
Unallocated costs						(33)
Operating profit						360

Major Cineplex Group Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 September 2015

5 Segment information (Cont'd)

Financial information by business segments is as follows: (Cont'd)

Unit: Million Baht

	Consolidated					Total
	Cinema business	Advertising business	Bowling and karaoke business	Rental and services	Movie content business	
For the nine-month period ended 30 September 2015						
Revenues						
Gross segment revenues	5,019	758	423	474	477	7,151
Inter-segment revenues	(360)	-	(53)	(78)	(55)	(546)
Net revenues	<u>4,659</u>	<u>758</u>	<u>370</u>	<u>396</u>	<u>422</u>	<u>6,605</u>
Segment results	<u>588</u>	<u>543</u>	<u>(17)</u>	<u>44</u>	<u>(97)</u>	1,061
Compensation income						8
Gain from selling of investments						237
Unallocated costs						(91)
Operating profit						<u>1,215</u>
For the nine-month period ended 30 September 2014						
Revenues						
Gross segment revenues	4,797	682	443	466	716	7,104
Inter-segment revenues	(326)	-	(53)	(82)	(144)	(605)
Net revenues	<u>4,471</u>	<u>682</u>	<u>390</u>	<u>384</u>	<u>572</u>	<u>6,499</u>
Segment results	<u>704</u>	<u>497</u>	<u>16</u>	<u>38</u>	<u>(179)</u>	1,076
Compensation income						10
Gain from selling of investments						80
Unallocated costs						(81)
Operating profit						<u>1,085</u>

There has been no material change in total assets or total liabilities from the amounts disclosed in the last annual financial statements.

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 30 September 2015.

	Level 1 Baht'000
Asset	
Available-for-sale financial assets	
• Equity securities	773,512
Total asset	<u>773,512</u>

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

	Level 1 Baht'000
Asset	
Available-for-sale financial assets	
• Equity securities	785,507
Total asset	<u>785,507</u>

Major Cineplex Group Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 September 2015

7 Trade and other receivables

	Unit: Baht'000			
	Consolidated		Company	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Third parties				
- Trade accounts receivable	638,660	618,133	72,313	46,859
- Unbilled revenue	359,283	308,273	67,298	73,473
Total	997,943	926,406	139,611	120,332
<u>Less</u> Allowance for doubtful accounts	(3,050)	(17,383)	-	-
Trade accounts receivable - Third parties, net	994,893	909,023	139,611	120,332
Trade accounts receivable - Related parties (Note 23)	14,116	39,720	73,390	95,986
Amounts due from related parties (Note 23)	74,534	193,657	197,961	223,397
Other accounts receivable	131,417	89,002	85,813	100,754
Prepaid expenses	66,302	75,496	43,368	46,010
Trade account and other receivables	<u>1,281,262</u>	<u>1,306,898</u>	<u>540,143</u>	<u>586,479</u>

Outstanding trade and other receivables can be analysed as follows:

	Unit: Baht'000			
	Consolidated		Company	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Third parties				
Unbilled revenue	359,283	308,273	67,298	73,473
Trade accounts receivable				
Current	385,042	305,736	43,792	32,594
Overdue less than 3 months	164,387	212,110	22,318	12,477
3 - 6 months	46,094	40,479	4,820	220
6 - 12 months	30,947	34,760	374	775
Over 12 months	12,190	25,048	1,009	793
Total	997,943	926,406	139,611	120,332
<u>Less</u> Allowance for doubtful accounts	(3,050)	(17,383)	-	-
Trade accounts receivable - third parties, net	<u>994,893</u>	<u>909,023</u>	<u>139,611</u>	<u>120,332</u>
Related parties				
Unbilled revenue	723	197	2,780	4,521
Trade accounts receivable				
Current	4,765	10,179	68,976	23,669
Overdue less than 3 months	6,112	5,575	1,602	67,165
3 - 6 months	2,145	236	-	610
6 - 12 months	135	-	-	-
Over 12 months	236	23,533	32	21
Total	14,116	39,720	73,390	95,986
<u>Less</u> Allowance for doubtful accounts	-	-	-	-
Trade accounts receivable - related parties, net	<u>14,116</u>	<u>39,720</u>	<u>73,390</u>	<u>95,986</u>

Major Cineplex Group Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 September 2015

8 Available-for-sale investment

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

	Unit: Baht'000			
	Consolidated and Company			
	30 September 2015		31 December 2014	
	At cost	At fair value	At cost	At fair value
Available-for-sale investment	221,280	773,512	279,444	785,507
	<u>221,280</u>	<u>773,512</u>	<u>279,444</u>	<u>785,507</u>

During the nine-month period ended 30 September 2015, the movements of available-for-sale investment are as follows:

	Unit: Baht'000
	Consolidated and Company
Opening book value	785,507
Disposal	(58,164)
Change in fair value of available-for-sale investment	<u>46,169</u>
Closing book value	<u>773,512</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
	30 September 2015
Investment in subsidiaries	3,742,768
<u>Less</u> Impairment	<u>-</u>
Closing net book amount	<u>3,742,768</u>
Opening net book amount	3,732,412
Additions (Note 22)	8,686
Reclassification from investment in joint ventures to subsidiaries (Note 9.3)	10,000
Liquidation of investment in subsidiaries	<u>(8,330)</u>
Closing net book amount	<u>3,742,768</u>

Additional of investment in subsidiary

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

On 19 January 2015, the Company has purchased 50.00% 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)

9.1 Investment in subsidiaries (Cont'd)

Liquidation of subsidiaries

Udon Five Star Cineplex Co., Ltd. (“UDF”)

On 13 August 2015, UDF was registered for liquidation. UDF declared a dividend of Baht 9.69 per share and paid back the registered capital to shareholders. The Company received a dividend of Baht 3.78 million and cash from registered capital of Baht 2.73 million. The Company had loss from liquidation amounting to Baht 4.20 million.

Chiangmai Cineplex Co., Ltd. (“CMC”)

On 13 August 2015, CMC was registered for liquidation. CMC declared a dividend of Baht 9.77 per share and paid back the registered capital to shareholders. The Company received a dividend of Baht 1.95 million and cash from registered capital of Baht 1.40 million.

9.2 Investment in associates

Movements of investment in associates can be analysed as follows:

	Unit: Baht'000	
	Consolidated	Company
For the nine-month period ended 30 September 2015		
Opening net book amount	2,343,980	2,233,091
Additions	101,207	101,207
Disposals	(85,278)	(72,505)
Dividends received	(103,757)	-
Share of results	188,149	-
Closing net book amount	<u>2,444,301</u>	<u>2,261,793</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 nine-month period ended 30 September 2015, the Group realised gain on disposals of Baht 12.24 million in the consolidated income statement.

During the nine-month period ended 30 September 2015, the Company received dividends income from associates amounting to Baht 103.76 million (30 September 2014: Baht 106.21 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 nine-month period ended 30 September 2015, the Company has made additional investment in SF of 18.53 million shares totalling Baht 101.21 million.

Disposal of investment in associate

During the nine-month period ended 30 September 2015, the Company disposed its investment in SF of 27.63 million shares for the considerations of Baht 184.39 million and recognised gain from disposal amounting to Baht 99.11 million, and Baht 111.88 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 23.29%.

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	
	<u>Consolidated</u>	<u>Company</u>
For the nine-month period ended 30 September 2015		
Opening net book amount	294,160	255,168
Additions	26,796	-
Reclassification from investment in joint ventures to subsidiaries (Note 9.1)	(8,638)	(10,000)
Dividends received	(13,500)	-
Share of result	9,059	-
	<u>307,877</u>	<u>245,168</u>
Closing net book amount		

Additional of interest in joint ventures

Transformation Film Co., Ltd. (“Transformation”)

M Pictures Entertainment Public Company Limited (a subsidiary) paid Baht 25.0 million for share subsidiary in Transformation Films Co., Ltd. in February 2015. And now the company completed the registration in 29 September 2015.

MVP M Pictures Film Distribution (Lao) Co., Ltd. (“MVP”)

M Pictures Entertainment Public Company Limited (a subsidiary) had invested in MVP M-Pictures Film Distribution (Lao) Co., Ltd. This Company have been registered on 24 August 2015. According to Articles of Association, the Group holds shares representing 40% of the issued share capital or 40,000 shares.

However, there is no payment for the shares and the agreement is during negotiation. Besides, MVP M-Pictures Film Distribution (Lao) Co., Ltd. is in an early stage thus it has not been fully operated.

Investment in MVP M-Pictures Film Distribution (Lao) Co., Ltd. is classified as joint venture of the Group. The equity method of accounting is applied to this investment in the consolidated financial information.

Major Cineplex Group Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 September 2015

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:

Subsidiaries	Nature of business	relationship	% Ownership interest	
			30 September 2015	31 December 2014
Subsidiaries				
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
Ratchayothin Management Co., Ltd.	Utilities services	Shareholder	99.99	99.99
Ratchayothin Cinema Co., Ltd.	Land and building space for rent	Shareholder	99.99	99.99
Ratchayothin 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
Siam Cineplex Co., Ltd.	Cinema services	Shareholder	99.99	99.99
EGV Entertainment Public Company Limited ("EGV")	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	92.46	92.49
Major Holding International Co., Ltd. ("MHD")	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	-
Subsidiaries under EGV				
Entertain Golden Village Exhibition Co., Ltd.	Cinema services	Indirect shareholding	-	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
Subsidiaries under MPIC				
TV Forum Co., Ltd.	Television media business	Indirect shareholding	92.46	92.49
M Picture Co., Ltd.	Distribution of film rights for cinema services, VCD/DVD production and TV broadcast	Indirect shareholding	92.46	92.49
M.V.D. Co., Ltd. ("MVD")	Distribution of VCD/DVD, Blu-ray and film rights	Indirect shareholding	92.46	92.49
M Thirty nine Co., Ltd.	Film production	Indirect shareholding	92.46	92.49
Talent One Co., Ltd.	Film production	Indirect shareholding	83.22	83.24
Subsidiary under MVD				
Pacific Media Sale Co., Ltd.	Distribution of CD, VCD and DVD	Indirect shareholding	91.91	91.93
Subsidiaries under MHD				
Major Platinum Cineplex (Cambodia) Co., Ltd. ("Major Platinum")	Cinema and bowling services	Indirect shareholding	69.97	69.97

Major Cineplex Group Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 September 2015

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	
			30 September 2015	31 December 2014
Associates				
Siam Future Development Public Company Limited ("SF")	Rental of building space and utilities services	Shareholder	23.29	23.89
Ratchayothin Avenue Co., Ltd.	Rental of building space and utilities services	Shareholder	50.00	50.00
		Indirect shareholding via SF	11.65	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	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
MVP M Pictures Distribution (Lao) Co., Ltd. ("MVP")	Film distribution	Indirect Shareholding	36.98	-

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

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 nine-month period ended 30 September 2015				
Opening net book amount	6,730,491	209,100	3,512,522	46,245
Exchange differences	8,372	345	-	-
Acquisition in subsidiary (Note 22)	7,518	-	-	-
Additions	1,068,082	210,659	785,089	16,223
Disposals	(4,925)	-	(854)	-
Write-off	(12,031)	(1,699)	-	-
Depreciation/amortisation	(622,468)	(283,316)	(324,793)	(13,778)
Impairment of asset	(6,412)	16,104	-	-
Closing net book amount	7,168,627	151,193	3,971,964	48,690

Major Cineplex Group Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 September 2015

10 Property, plant, equipment and intangible assets (Cont'd)

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

		Unit: '000			
		Consolidated		Company	
Currency		30 September 2015	31 December 2014	30 September 2015	31 December 2014
Property, plant, equipment	THB	106,329	46,490	106,329	46,490
Intangible assets	THB	34,346	85,462	-	-
	USD	2,150	2,221	-	-
	EUR	8	-	-	-
Total	THB	140,675	131,952	106,329	46,490
	USD	2,150	2,221	-	-
	EUR	8	-	-	-
Total in Thai Baht		213,909	193,595	106,329	46,490

11 Trade and other payables

		Unit: Baht'000			
		Consolidated		Company	
		30 September 2015	31 December 2014	30 September 2015	31 December 2014
Trade account payables					
- third parties		713,584	731,133	428,366	451,345
- related parties (Note 23)		9,257	2,660	83,525	123,922
Amounts due to related parties (Note 23)		20,868	54,286	22,776	53,750
Other payables		385,075	307,900	247,216	205,965
Accrued expenses		420,596	413,425	222,816	224,331
Unearned rental and services income		417,867	389,951	274,884	246,927
Trade account and other payables		1,967,247	1,899,355	1,279,583	1,306,240

Unearned rental and service income included cash advanced from customers amounting to Baht 64.93 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.

Major Cineplex Group Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 September 2015

12 Borrowings

	Unit: Baht'000			
	Consolidated		Company	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Current				
Short-term loans from financial institutions	2,442,498	2,235,000	2,442,498	2,185,000
Current portion of long-term borrowings:				
- Finance lease liabilities	80,062	75,558	1,617	170
- Bank borrowings	30,000	40,000	30,000	40,000
- Debentures	800,000	-	800,000	-
Total current portion of long-term borrowings	910,062	115,558	831,617	40,170
Non-current portion of long-term borrowings				
- Finance lease liabilities	309,257	367,674	21,044	20,945
- Bank borrowings	-	20,000	-	20,000
- Debentures	1,000,000	1,800,000	1,000,000	1,800,000
Total non-current portion of long-term borrowings	1,309,257	2,187,674	1,021,044	1,840,945
Total borrowings and debentures	4,661,817	4,538,232	4,295,159	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 nine-month period ended 30 September 2015		
Opening amount	60,000	60,000
Additions	-	-
Repayments	(30,000)	(30,000)
Closing amount	30,000	30,000

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

Debentures

	Unit: Baht'000	
	Consolidated	Company
For the nine-month period ended 30 September 2015		
Opening amount	1,800,000	1,800,000
Closing amount	1,800,000	1,800,000

Borrowing facilities

As at 30 September 2015, the available credit facilities from financial institutions of the Group and the Company are Baht 8,629.99 million and Baht 7,166.83 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.

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 nine-month period ended 30 September 2015				
Opening balance	896,266	890,059	890,059	3,967,548
Issuance of shares				
The exercised warrant - w4	-	2,371	2,371	45,576
Closing balance	896,266	892,430	892,430	4,013,124

Employee share option scheme: During the period, 206,500 options were exercised with exercise ratio 1:1.033 and 2,053,448 options were exercised with exercise ratio 1:1.051, respectively resulted in 2,371,487 shares being issued (30 September 2014: 2,097,500 options were exercised with exercise ratio 1:1.033 resulted in 2,164,329 shares), with exercise price of Baht 14.948 and Baht 14.687, respectively totaling proceeds of Baht 34.89 million (30 September 2014: Baht 14.948 totaling proceeds of Baht 32.35 million). The related weighted average price at the time of exercise was Baht 31.527 per share (30 September 2014: Baht 21.21 per share).

During the period to 30 September 2015, 250,088 options of a subsidiary were exercised with exercise ratio 1:1.287 resulted in 321,861 shares being issued (30 September 2014: 333,450 options of a subsidiary were exercised with exercise ratio 1:1.29 resulted in 430,150 shares), with exercise price of Baht 1.235 totaling proceeds of Baht 0.40 million (30 September 2014: exercise price of Baht 1.235 totaling proceeds of Baht 0.53 million). The related weight average price at the time of exercise was Baht 1.72 per share (30 September 2014: Baht 1.86 per share).

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. The Company has no legal obligation to repurchase or settle the options in cash.

As at 24 April 2015, a subsidiary issued and offered warrants (ESOP-W2) 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. The Company has no legal obligation to repurchase or settle the options in cash.

	Unit: Baht'000	
	Consolidated	Company
For the nine-month period ended 30 September 2015		
Opening balance	17,249	15,067
Expense during the period	6,096	4,958
Exercise of warrants	(13,217)	(13,062)
Closing balance	10,128	6,963

Major Cineplex Group Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 September 2015

15 Non-controlling interest

	Unit: Baht'000
	Consolidated
For the nine-month period ended 30 September 2015	
Opening balance	55,961
Exercise of warrants	784
Share of result	9,750
Closing balance	<u>66,495</u>

16 Other income

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

	Unit: Baht'000			
	Consolidated		Company	
For the three-month periods ended	30 September	30 September	30 September	30 September
	2015	2014	2015	2014
Dividend income	948	-	33,907	28,314
Gain on disposals of available-for-sale investment	133,377	27,351	133,377	27,351
Gain on disposals of investment in associate	-	35,964	-	39,365
Management fee income	13,416	15,972	24,990	15,518
Interest income	552	3,282	9,701	12,055

	Unit: Baht'000			
	Consolidated		Company	
For the nine-month periods ended	30 September	30 September	30 September	30 September
	2015	2014	2015	2014
Dividend income	948	3,323	110,439	109,532
Gain on disposals of available-for-sale investment	137,925	29,362	137,925	29,362
Gain on disposals of investment in associate (Note 9)	99,111	50,502	111,884	55,836
Management fee income	37,560	41,205	49,433	39,367
Interest income	7,849	8,017	31,749	40,066

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 18% 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		For the nine-month period ended	
	30 September 2015	30 September 2014	30 September 2015	30 September 2014
Number of weighted average shares:				
- basic	892,116	888,506	890,831	887,893
- diluted	893,572	890,466	892,929	889,410

19 Dividends

At the Annual General Shareholders Meeting held on 2 April 2015, the shareholders passed the resolution to approved dividends payment in respect of the operating results for the period from July to December 2014 at Baht 0.55 per share, totaling Baht 489.62 million. The dividend will be distributed to shareholders listed in the register on 17 April 2015. The dividends were distributed to the shareholders on 30 April 2015.

At the Board of Directors Meeting held on 7 August 2015, approve interim dividends in respect of the operating results for the period from January to June 2015 at Baht 0.55 per share, totaling Baht 490.66 million. The dividend will be distributed to shareholders listed in the register on 25 August 2015. The dividends were distributed to the shareholders on 4 September 2015.

Major Cineplex Group Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 September 2015

20 Cash flows from operating activities

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

For the nine-month period ended	Notes	Unit: Baht'000			
		Consolidated		Company	
		30 September 2015	30 September 2014	30 September 2015	30 September 2014
Profit before income tax		1,295,662	1,092,294	781,998	694,315
Adjustments for:					
Depreciation and amortisation	10	905,784	900,114	338,571	289,630
Amortisation of prepaid rent		28,897	25,615	10,386	7,104
Doubtful debts and bad debts		2,241	89,836	-	544
Loss on obsolescence		450	-	-	-
Provision for interest receivable		-	17	-	-
Loss on goods returns (Reversal)		(27,950)	7,772	-	-
Impairment loss (Reversal)		(9,692)	43,718	-	35,707
Loss from liquidate of investment in subsidiaries	9	-	-	4,200	-
Loss (gain) on disposals of equipment		(149)	3,009	237	3,084
Loss on write-off of equipment	10	12,031	26,296	-	17,460
Loss on write-off of intangible	10	1,699	-	-	-
Gain on disposals of investments in associates	9	(99,111)	(50,502)	(111,884)	(55,836)
Gain on disposals of available-for-sale investment	16	(137,925)	(29,362)	(137,925)	(29,362)
Gain on disposals of short-term investments		(37)	-	(37)	-
Shares of results of investments in associates and joint venture	9	(197,208)	(137,196)	-	-
Provision of liabilities on loyalty program		(593)	2,725	(593)	2,265
Employee benefit obligation		2,296	1,880	1,168	1,539
Warrants	14	6,096	6,368	4,958	4,500
Unrealised loss (gain) on exchange rate		(2,793)	376	(7,103)	-
Dividends income	16	(948)	(3,323)	(110,439)	(109,532)
Interest income	16	(7,849)	(8,017)	(31,749)	(40,066)
Financial costs		116,770	129,501	137,072	113,234
Changes in operating assets and liabilities:					
- trade and other receivables		31,789	(321,621)	51,351	(44,703)
- inventories		13,055	9,144	1,640	9,245
- movies under productions		10,736	(67,983)	-	-
- other current assets		(5,688)	24,833	(21,773)	11,793
- finance lease receivables		798	85	-	-
- other non-current assets		(43,384)	(58,934)	(35,665)	(77,937)
- trade and other payables		35,822	(74,572)	(38,879)	(105,478)
- other current liabilities		16,302	54,332	33,058	46,424
- other non-current liabilities		757	(7,202)	15,963	3,072
Cash flows from operating activities		<u>1,947,858</u>	<u>1,659,203</u>	<u>884,555</u>	<u>777,002</u>

21 Commitments and contingencies

i) Bank guarantees and letter of credits

As at 30 September 2015, there are outstanding bank guarantees and letter of credits given on behalf of the Group to third parties amounting to Baht 201.82 million (31 December 2014: Baht 182.16 million).

ii) Guarantees

As at 30 September 2015, the Company and a subsidiary have given guarantees for bank loans granted to subsidiaries and associate for a total of Baht 26.33 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	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Not later than 1 year	709	574	694	611
Later than 1 year but not later than 5 years	2,842	2,366	2,229	2,058
Later than 5 years	5,899	5,124	3,942	2,961
	<u>9,450</u>	<u>8,064</u>	<u>6,865</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 30 September 2015, the Group has commitments in respect of payments to film directors amounting to Baht 8.75 million (31 December 2014: Baht 38.18 million).

22 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 8.69 million. 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

	Baht'000
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.

Major Cineplex Group Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 September 2015

23 Related party transactions (Cont'd)

ii) Purchase of goods and services and others

	Unit: Baht'000			
	Consolidated		Company	
	2015	2014	2015	2014
For the three-month period ended 30 September				
Purchases of goods and services				
Subsidiaries	-	-	58,219	73,561
Associates	9,147	8,418	4,905	6,581
Leasehold property fund	40,151	38,177	30,166	28,845
Joint ventures	300	14,737	-	-
Related parties	44,913	39,761	38,883	34,939
	<u>94,511</u>	<u>101,093</u>	<u>132,173</u>	<u>143,926</u>
Purchases of fixed assets				
Subsidiaries	-	-	43	-
	<u>-</u>	<u>-</u>	<u>43</u>	<u>-</u>
	Unit: Baht'000			
	Consolidated		Company	
	2015	2014	2015	2014
For the nine-month period ended 30 September				
Purchases of goods and services				
Subsidiaries	-	-	183,830	207,793
Associates	23,098	22,813	16,119	18,214
Leasehold property fund	119,489	114,565	90,387	87,232
Joint ventures	12,109	15,400	8,223	20
Related parties	132,890	128,492	115,039	113,809
	<u>287,586</u>	<u>281,270</u>	<u>413,598</u>	<u>427,068</u>
Purchases of fixed assets				
Subsidiaries	-	-	44	120
	<u>-</u>	<u>-</u>	<u>44</u>	<u>120</u>

Major Cineplex Group Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 September 2015

23 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	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Trade accounts receivable (include unbilled revenue)				
Subsidiaries	-	-	71,994	93,227
Associates	6,582	4,705	600	1,945
Joint venture	2,332	32,397	319	334
Related parties	5,202	2,618	477	480
	<u>14,116</u>	<u>39,720</u>	<u>73,390</u>	<u>95,986</u>
Amounts due from related parties				
Subsidiaries	-	-	161,202	186,795
Associates	28,036	32,275	4,089	7,726
Joint venture	602	121,938	599	4,965
Related parties	44,948	39,444	31,123	23,911
	<u>73,586</u>	<u>193,657</u>	<u>197,013</u>	<u>223,397</u>
Dividend receivable (included in "Amounts due from related parties")				
Related parties	948	-	948	-
	<u>74,534</u>	<u>193,657</u>	<u>197,961</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	1,704	1,740	-	-
	<u>1,704</u>	<u>1,740</u>	<u>-</u>	<u>-</u>
Trade accounts payable (included in "Trade accounts and notes payable")				
Subsidiaries	-	-	74,394	121,899
Associates	4	1,040	1	1,037
Joint venture	1	535	-	-
Related parties	9,252	1,085	9,130	986
	<u>9,257</u>	<u>2,660</u>	<u>83,525</u>	<u>123,922</u>

Major Cineplex Group Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 September 2015

23 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	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Other payables (included in "Amounts due to related parties")				
Subsidiaries	-	-	11,469	24,309
Associates	6,288	16,094	3,580	15,243
Joint venture	2,874	21,172	-	-
Related parties	10,981	13,720	7,252	10,898
Board	725	3,300	475	3,300
	<u>20,868</u>	<u>54,286</u>	<u>22,776</u>	<u>53,750</u>
Advance received for rental and services (included in "Other non-current liabilities")				
Associate	26,270	27,055	-	-
Related parties	12,936	14,069	-	-
	<u>39,206</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	22,587	12,493	22,587	12,493
Related parties	-	8,329	-	8,329
	<u>22,587</u>	<u>20,822</u>	<u>22,587</u>	<u>20,822</u>

23 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 30 September 2015 comprise unsecured loan, 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 nine-month period ended 30 September 2015	
Opening balance	641,578
Loans advanced during the period	570,447
Loans repayments received during the period	<u>(628,521)</u>
Closing balance	<u>583,504</u>

The related interest income in the company income statement was Baht 18.01 million. As at 30 September 2015, the accrued interest income in the company statement of financial position was Baht 1.96 million.

v) Long-term loans to related parties and others

	Unit: Baht’000	
	Consolidated	Company
For the nine-month period ended 30 September 2015		
Subsidiaries and associates and employees		
Opening balance	2,113	431,891
Loans advanced during the period	14	14
Loans repayments received during the period	<u>(468)</u>	<u>(80,468)</u>
Closing balance	<u>1,659</u>	<u>351,437</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 0.01 million and Baht 11.73 million, respectively. As at 30 September 2015, the accrued interest incomes in the company statements of financial position were Baht 80.90 million.

23 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 30 September 2015 comprise unsecured loans of Baht 1,116.17 million, repayable within 1 month, carrying interest at the rate of 4.00% per annum. On-call promissory note of Baht 23 million bears interest rate of 2.72%-3.10% per annum.

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

	Unit: Baht'000	
	Consolidated	Company
For the nine-month period ended 30 September 2015		
Opening balance	25,000	973,924
Loans borrowed during the period	-	1,768,926
Loans repaid during the period	(2,000)	(1,603,678)
Closing balance	<u>23,000</u>	<u>1,139,172</u>

The related interest expense in the consolidated and company income statement was Baht 30.35 million and Baht 29.99 million, respectively. As at 30 September 2015, the accrued interest expense in the consolidated and company statement of financial position was Baht 9.00 million and Baht 3.60 million, respectively.

vii) Key management compensation

	Unit: Baht'000			
	Consolidated		Company	
For the three-month periods ended 30 September	2015	2014	2015	2014
Short-term employee benefits	11,998	11,635	9,490	10,417
Retirement benefits	199	251	187	240
Share-based payments	184	513	184	513
	<u>12,381</u>	<u>12,399</u>	<u>9,861</u>	<u>11,170</u>

	Unit: Baht'000			
	Consolidated		Company	
For the nine-month periods ended 30 September	2015	2014	2015	2014
Short-term employee benefits	33,859	35,707	28,612	32,192
Retirement benefits	597	753	561	720
Share-based payments	1,273	1,155	1,273	1,155
	<u>35,729</u>	<u>37,615</u>	<u>30,446</u>	<u>34,067</u>