

MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND SEPARATE
FINANCIAL INFORMATION**

30 JUNE 2017

AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION

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

I have reviewed the interim consolidated financial information of Major Cineplex Group Public Company Limited and its subsidiaries, and the interim separate financial information of Major Cineplex Group Public Company Limited. These comprise the consolidated and separate statements of financial position as at 30 June 2017, the consolidated and separate income statements and comprehensive income for the three-month and six-month periods then ended, and the related consolidated and separate statements of changes in equity and cash flows for the six-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

Scope of review

I conducted my review in accordance with the Thai Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information 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 accompanying interim consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers ABAS Ltd.

Kajornkiet Aroonpirodkul
Certified Public Accountant (Thailand) No. 3445
Bangkok
11 August 2017

Major Cineplex Group Public Company Limited
Statement of Financial Position
As at 30 June 2017

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 30 June 2017 Thousand Baht	Audited 31 December 2016 Thousand Baht	Unaudited 30 June 2017 Thousand Baht	Audited 31 December 2016 Thousand Baht
Assets					
Current assets					
Cash and cash equivalents		670,675	530,873	379,141	173,652
Trade and other receivables	6	1,173,090	1,256,315	605,087	712,396
Short-term loans to related parties	21	3,000	8,000	433,404	474,900
Inventories		108,236	97,810	68,683	61,690
Films under production		214,048	221,085	-	-
Current portion of prepaid rents		44,695	44,666	20,008	19,978
Other current assets		176,980	191,628	60,472	60,558
Total current assets		2,390,724	2,350,377	1,566,795	1,503,174
Non-current assets					
Available-for-sale investment	7	343,783	512,699	343,783	512,699
Restricted cash		4,595	4,587	-	-
Finance lease receivables		11,382	11,479	-	-
Investment in subsidiaries	8	-	-	3,620,414	3,620,414
Investment in associates	8	2,742,104	2,751,690	2,534,668	2,501,310
Investment in joint ventures	8	294,763	288,168	245,168	245,168
Long-term loans to related parties	21	1,408	1,923	301,191	301,706
Property, plant and equipment	9	7,341,567	7,591,205	4,397,071	4,471,539
Goodwill		205,381	205,381	-	-
Intangible assets	9	117,018	120,791	37,992	44,931
Deferred income tax assets		8,369	9,066	-	-
Long-term prepaid rents		618,240	609,468	376,674	355,559
Other non-current assets		269,491	268,079	180,787	179,251
Total non-current assets		11,958,101	12,374,536	12,037,748	12,232,577
Total assets		14,348,825	14,724,913	13,604,543	13,735,751

Director _____

Director _____

The accompanying notes on pages 12 to 32 form part of this interim financial information.

Major Cineplex Group Public Company Limited
Statement of Financial Position (Cont'd)
As at 30 June 2017

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 30 June 2017 Thousand Baht	Audited 31 December 2016 Thousand Baht	Unaudited 30 June 2017 Thousand Baht	Audited 31 December 2016 Thousand Baht
Liabilities and equity					
Current liabilities					
Short-term borrowings from financial institutions	11	1,591,087	3,137,986	1,491,094	3,031,056
Trade and other payables	10	1,867,187	1,761,240	1,389,024	1,197,815
Current portion of long-term borrowings	11	1,506,149	1,337,408	1,420,006	1,253,632
Short-term loans from related parties	21	18,150	18,150	1,219,525	993,447
Accrued income tax		168,568	79,438	106,358	15,911
Other current liabilities		99,406	85,725	56,366	37,538
Total current liabilities		5,250,547	6,419,947	5,682,373	6,529,399
Non-current liabilities					
Long-term borrowings	11	1,426,224	763,914	1,286,130	580,133
Deferred income tax liabilities		241,812	277,501	6,016	29,689
Employee benefit obligations		43,616	41,384	29,367	28,046
Other non-current liabilities		490,623	504,428	130,816	135,286
Total non-current liabilities		2,202,275	1,587,227	1,452,329	773,154
Total liabilities		7,452,822	8,007,174	7,134,702	7,302,553
Equity					
Share capital	12				
Authorised share capital					
Ordinary shares, 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, 894,667,502 shares (2016: 894,533,377 shares) at paid-up of Baht 1 each	12	894,667	894,533	894,667	894,533
Share premium		4,055,609	4,053,064	4,055,609	4,053,064
Share premium - Treasury share		288,425	288,425	288,425	288,425
Warrants	13	4,538	5,288	-	750
Retained earnings					
Appropriated - legal reserve		90,600	90,600	90,600	90,600
Unappropriated		1,600,418	1,320,957	912,730	782,391
Other components of equity		(123,963)	(15,972)	227,810	323,435
Equity attributable to owners of the parent		6,810,294	6,636,895	6,469,841	6,433,198
Non-controlling interest	14	85,709	80,844	-	-
Total equity		6,896,003	6,717,739	6,469,841	6,433,198
Total liabilities and equity		14,348,825	14,724,913	13,604,543	13,735,751

The accompanying notes on pages 12 to 32 form part of this interim financial information.

Major Cineplex Group Public Company Limited
Income Statement (Unaudited)
For the three-month period ended 30 June 2017

	Notes	Consolidated financial information		Separate financial information	
		2017 Thousand Baht	2016 Thousand Baht	2017 Thousand Baht	2016 Thousand Baht
Revenues					
Services income		2,194,751	2,213,344	1,385,152	1,393,541
Sales income		584,293	573,387	425,650	374,256
Total revenues		2,779,044	2,786,731	1,810,802	1,767,797
Costs					
Cost of services		(1,522,361)	(1,459,030)	(1,010,854)	(1,013,835)
Cost of sales		(204,167)	(209,870)	(128,031)	(115,629)
Total Costs		(1,726,528)	(1,668,900)	(1,138,885)	(1,129,464)
Gross profit		1,052,516	1,117,831	671,917	638,333
Other income	15	163,395	116,966	206,151	586,290
Selling expenses		(115,993)	(144,821)	(66,057)	(68,371)
Administrative expenses		(454,248)	(456,574)	(306,874)	(286,215)
Finance costs		(35,676)	(35,088)	(44,236)	(43,736)
Share of results of investments		80,652	76,865	-	-
Profit before income tax		690,646	675,179	460,901	826,301
Income tax	16	(130,092)	(118,831)	(80,765)	(67,745)
Profit for the period		560,554	556,348	380,136	758,556
Attributable profit to:					
Owners of the parent		554,458	544,172	380,136	758,556
Non-controlling interests		6,096	12,176	-	-
		560,554	556,348	380,136	758,556
		Baht	Baht	Baht	Baht
Earnings per share					
Basic earnings per share	17	0.62	0.61	0.42	0.85
Diluted earnings per share		0.62	0.61	0.42	0.85

The accompanying notes on pages 12 to 32 form part of this interim financial information.

Major Cineplex Group Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the three-month period ended 30 June 2017

	Consolidated		Separate	
	financial information		financial information	
	2017	2016	2017	2016
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Profit for the period	560,554	556,348	380,136	758,556
Other comprehensive income:				
Items that will be reclassified subsequently to profit or loss				
Remeasuring of available-for-sale investment	(129,555)	113,879	(129,555)	113,879
Currency translation differences	(1,779)	(781)	-	-
Income tax relating to the above items	25,911	(22,776)	25,911	(22,776)
Other comprehensive gain (loss) for the period, net of income tax	(105,423)	90,322	(103,644)	91,103
Total comprehensive income for the period	455,131	646,670	276,492	849,659
Total comprehensive income attributable to:				
Owners of the parent	449,035	634,494	276,492	849,659
Non-controlling interests	6,096	12,176	-	-
	455,131	646,670	276,492	849,659

The accompanying notes on pages 12 to 32 form part of this interim financial information.

Major Cineplex Group Public Company Limited
Income Statement (Unaudited)
For the six-month period ended 30 June 2017

	Notes	Consolidated financial information		Separate financial information	
		2017	2016	2017	2016
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Revenues					
Services income		3,902,166	3,763,448	2,414,920	2,330,838
Sales income		1,010,983	959,718	692,992	618,751
Total revenues		4,913,149	4,723,166	3,107,912	2,949,589
Costs					
Cost of services		(2,740,624)	(2,585,358)	(1,793,854)	(1,732,376)
Cost of sales		(403,833)	(348,060)	(211,239)	(190,855)
Total Costs		(3,144,457)	(2,933,418)	(2,005,093)	(1,923,231)
Gross profit		1,768,692	1,789,748	1,102,819	1,026,358
Other income	15	312,419	209,611	472,191	798,130
Selling expenses		(249,580)	(251,975)	(120,734)	(143,105)
Administrative expenses		(873,912)	(863,917)	(578,275)	(553,305)
Finance costs		(74,185)	(73,072)	(89,228)	(91,039)
Share of result of investments	8	121,205	134,735	-	-
Profit before income tax		1,004,639	945,130	786,773	1,037,039
Income tax	16	(183,514)	(155,894)	(119,635)	(87,963)
Profit for the period		821,125	789,236	667,138	949,076
Attributable profit to:					
Owners of the parent		816,260	770,402	667,138	949,076
Non-controlling interests		4,865	18,834	-	-
		821,125	789,236	667,138	949,076
		Baht	Baht	Baht	Baht
Earnings per share					
	17				
Basic earnings per share		0.91	0.86	0.75	1.06
Diluted earnings per share		0.91	0.86	0.75	1.06

The accompanying notes on pages 12 to 32 form part of this interim financial information.

Major Cineplex Group Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the six-month period ended 30 June 2017

	Consolidated		Separate		
	financial information		financial information		
	2017	2016	2017	2016	
Note	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
Profit for the period		821,125	789,236	667,138	949,076
Other comprehensive income:					
Items that will be reclassified subsequently to profit or loss					
Remeasuring of available-for-sale investment	7	(119,531)	899	(119,531)	899
Currency translation differences		(12,366)	(1,208)	-	-
Income tax relating to the above items		23,906	(180)	23,906	(180)
Other comprehensive gain (loss) for the period, net of income tax		<u>(107,991)</u>	<u>(489)</u>	<u>(95,625)</u>	<u>719</u>
Total comprehensive income for the period		<u>713,134</u>	<u>788,747</u>	<u>571,513</u>	<u>949,795</u>
Total comprehensive income attributable to:					
Owners of the parent		708,269	769,913	571,513	949,795
Non-controlling interests		4,865	18,834	-	-
		<u>713,134</u>	<u>788,747</u>	<u>571,513</u>	<u>949,795</u>

The accompanying notes on pages 12 to 32 form part of this interim financial information.

Major Cineplex Group Public Company Limited
Statement of Changes in Equity (Unaudited)
For the six-month period ended 30 June 2017

	Consolidated financial information										Unit: Thousand Baht		
	Attributable to owners of the parent						Other components of equity						
	Issued and paid-up share capital	Share premium	Share premium on reissuance of treasury share	Warrants	Retained earnings		Change in parent's ownership interest in subsidiaries	Other comprehensive income (expense)		Total other component of equity	Total owners of the parent	Non-controlling interests	Total equity
					Appropriated	Unappropriated		Translation of financial statements	Available-for-sale investment				
					Legal reserve								
Opening balance as at 1 January 2016	892,520	4,014,840	288,425	11,058	90,600	1,204,870	(349,447)	6,164	421,800	78,517	6,580,830	67,493	6,648,323
Changes in equity for period													
Proceeds from exercise of warrants	1,821	34,250	-	(9,852)	-	-	-	-	-	-	26,219	-	26,219
Warrants	-	-	-	5,288	-	-	-	-	-	-	5,288	-	5,288
Acquisition of investment in subsidiary	-	-	-	-	-	-	-	-	-	-	-	4,516	4,516
Dividends payment	-	-	-	-	-	(535,535)	-	-	-	-	(535,535)	-	(535,535)
Total comprehensive income	-	-	-	-	-	770,402	-	(1,208)	719	(489)	769,913	18,834	788,747
Closing balance as at 30 June 2016	<u>894,341</u>	<u>4,049,090</u>	<u>288,425</u>	<u>6,494</u>	<u>90,600</u>	<u>1,439,737</u>	<u>(349,447)</u>	<u>4,956</u>	<u>422,519</u>	<u>78,028</u>	<u>6,846,715</u>	<u>90,843</u>	<u>6,937,558</u>
Opening balance as at 1 January 2017	894,533	4,053,064	288,425	5,288	90,600	1,320,957	(349,447)	10,040	323,435	(15,972)	6,636,895	80,844	6,717,739
Changes in equity for period													
Proceeds from exercise of warrants (Note 12)	134	2,545	-	(750)	-	-	-	-	-	-	1,929	-	1,929
Dividends payment (Note 18)	-	-	-	-	-	(536,799)	-	-	-	-	(536,799)	-	(536,799)
Total comprehensive income	-	-	-	-	-	816,260	-	(12,366)	(95,625)	(107,991)	708,269	4,865	713,134
Closing balance as at 30 June 2017	<u>894,667</u>	<u>4,055,609</u>	<u>288,425</u>	<u>4,538</u>	<u>90,600</u>	<u>1,600,418</u>	<u>(349,447)</u>	<u>(2,326)</u>	<u>227,810</u>	<u>(123,963)</u>	<u>6,810,294</u>	<u>85,709</u>	<u>6,896,003</u>

The accompanying notes on pages 12 to 32 form part of this interim financial information.

Major Cineplex Group Public Company Limited
Statement of Changes in Equity (Unaudited)
For the six-month period ended 30 June 2017

	Separate financial information						Unit: Thousand Baht		
	Issued and paid-up share capital	Share premium	Share premium on reissuance of treasury share	Warrants	Retained earnings		Other components of equity		Total equity
					Appropriated - legal reserve	Unappropriated	Other comprehensive income (expense)		
							Available-for-sale investment	Total other component of equity	
Opening balance as at 1 January 2016	892,520	4,014,840	288,425	7,187	90,600	649,659	421,800	421,800	6,365,031
Changes in equity for period									
Proceeds from exercise of warrants	1,821	34,250	-	(9,852)	-	-	-	-	26,219
Warrants	-	-	-	4,621	-	-	-	-	4,621
Dividends payment	-	-	-	-	-	(535,535)	-	-	(535,535)
Total comprehensive income	-	-	-	-	-	949,076	719	719	949,795
Closing balance as at 30 June 2016	<u>894,341</u>	<u>4,049,090</u>	<u>288,425</u>	<u>1,956</u>	<u>90,600</u>	<u>1,063,200</u>	<u>422,519</u>	<u>422,519</u>	<u>6,810,131</u>
Opening balance as at 1 January 2017	894,533	4,053,064	288,425	750	90,600	782,391	323,435	323,435	6,433,198
Changes in equity for period									
Proceeds from exercise of warrants (Note 12)	134	2,545	-	(750)	-	-	-	-	1,929
Dividends payment (Note 18)	-	-	-	-	-	(536,799)	-	-	(536,799)
Total comprehensive income	-	-	-	-	-	667,138	(95,625)	(95,625)	571,513
Closing balance as at 30 June 2017	<u>894,667</u>	<u>4,055,609</u>	<u>288,425</u>	<u>-</u>	<u>90,600</u>	<u>912,730</u>	<u>227,810</u>	<u>227,810</u>	<u>6,469,841</u>

The accompanying notes on pages 12 to 32 form part of this interim financial information.

Major Cineplex Group Public Company Limited
Statement of Cash Flows (Unaudited)
For the six-month period ended 30 June 2017

	Notes	Consolidated financial information		Separate financial information	
		2017 Thousand Baht	2016 Thousand Baht	2017 Thousand Baht	2016 Thousand Baht
Cash flows from operating activities					
Cash generated from operations	19	1,697,085	1,544,414	1,079,250	1,019,394
Interest paid		(69,561)	(70,310)	(86,716)	(93,659)
Income tax paid		(98,830)	(113,453)	(28,861)	(51,049)
Net cash generated from operating activities		<u>1,528,694</u>	<u>1,360,651</u>	<u>963,673</u>	<u>874,686</u>
Cash flows from investing activities					
Increase in restricted cash		(9)	(18)	-	-
Short-term loans made to related parties	21	-	-	(211,372)	(363,070)
Short-term loans repayments received from related parties	21	5,000	-	252,868	368,599
Loans made to related parties	21	-	(200)	-	(200)
Loans repayment received from related parties	21	515	161	515	30,162
Payments for short-term investments		(770,000)	-	(770,000)	-
Proceeds from disposal of short-term investments		771,156	-	771,156	-
Loans repayment received from third parties		-	20	-	20
Cash from acquisition of subsidiary, net of cash payment		-	24,326	-	-
Payments for investment in associate	8	(33,358)	(170,166)	(33,358)	(170,166)
Proceeds from disposal of investment in associate		-	63,102	-	63,102
Proceeds from disposal of available-for-sale investment		232,889	141,062	232,889	141,062
Purchases of property, plant and equipment		(413,563)	(529,151)	(307,055)	(389,672)
Proceeds from disposals of property, plant and equipment		13,537	223	503	966
Purchases of intangible assets		(91,611)	(97,831)	(3,613)	(9,172)
Interest received		2,707	1,737	10,784	29,357
Dividends received		162,030	153,872	277,446	582,281
Net cash (used in) generated from investing activities		<u>(120,707)</u>	<u>(412,863)</u>	<u>220,763</u>	<u>283,269</u>
Cash flows from financing activities					
Proceeds from short-term loans from related parties	21	-	-	1,319,542	1,180,099
Repayments to short-term loans from related parties	21	-	(1,650)	(1,093,464)	(1,426,565)
Increase (decrease) in bank overdrafts		1,062	(9,505)	-	-
Proceeds from short-term borrowings		2,114,000	3,180,000	2,050,000	3,100,000
Repayment to short-term borrowings		(3,662,000)	(3,526,000)	(3,590,000)	(3,526,000)
Repayments to finance lease liabilities		(49,548)	(46,136)	(4,159)	(770)
Proceeds from long-term borrowings	11	1,000,000	1,000,000	1,000,000	1,000,000
Repayments to long-term borrowings	11	(126,000)	(83,000)	(126,000)	(83,000)
Redemption of debentures		-	(800,000)	-	(800,000)
Proceeds from exercised warrants	12	1,929	26,219	1,929	26,219
Subsidiary paid dividends to non-controlling interests		(10,833)	-	-	-
Dividends paid to shareholders	18	(536,795)	(535,522)	(536,795)	(535,522)
Net cash used in financing activities		<u>(1,268,185)</u>	<u>(795,594)</u>	<u>(978,947)</u>	<u>(1,065,539)</u>
Net increase in cash and cash equivalents		139,802	152,194	205,489	92,416
Opening balance of cash and cash equivalents		<u>530,873</u>	<u>312,060</u>	<u>173,652</u>	<u>92,966</u>
Closing balance of cash and cash equivalents		<u>670,675</u>	<u>464,254</u>	<u>379,141</u>	<u>185,382</u>

The accompanying notes on pages 12 to 32 form part of this interim financial information.

Major Cineplex Group Public Company Limited
Statement of Cash Flows (Unaudited) (Cont'd)
For the six-month period ended 30 June 2017

Consolidated		Separate	
financial information		financial information	
2017	2016	2017	2016
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht

Non-cash transactions

Significant non-cash transactions for the six-month periods ended 30 June 2017 and 2016 are as follows:

Purchases of film rights, not yet paid	5,200	-	-	-
Receivable from disposals of property, plant and equipment	-	1,042	83	-
Investment in associate, not yet paid	-	25,826	-	25,826
Receivable from disposal of available-for-sale investment	56,205	23,643	56,205	23,643
Dividends not yet paid	4	13	4	13

The accompanying notes on pages 12 to 32 form part of this interim financial information.

1 General information

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

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

For reporting purposes, the Company and its subsidiaries are referred to as “the Group”.

This interim consolidated and separate financial information was authorised for issue by the Board of Directors on 11 August 2017.

This interim consolidated and separate financial information has been reviewed, not audited.

2 Accounting policies

2.1 Basis of preparation

The interim financial information has been prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting. The primary financial information (statement of financial position, income statement and statement of comprehensive income, statement of changes in shareholders’ equity and cash flows) is presented in a format consistent with the annual financial statements complying with Thai Accounting Standard 1 Presentation of Financial Statements. The notes to the financial information are prepared in a condensed format. 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 2016.

An English version of the interim consolidated and separate 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 2016.

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.

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

Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2017.

a) Financial reporting standards, which have significant changes and are relevant to the Group:

TAS 1 (revised 2016)	Presentation of financial statements
TAS 16 (revised 2016)	Property, plant and equipment
TAS 19 (revised 2016)	Employee benefits
TAS 27 (revised 2016)	Separate financial statements
TAS 28 (revised 2016)	Investments in associates and joint ventures
TAS 34 (revised 2016)	Interim financial reporting
TAS 38 (revised 2016)	Intangible assets
TFRS 10 (revised 2016)	Consolidated financial statements
TFRS 11 (revised 2016)	Joint arrangements
TFRS 12 (revised 2016)	Disclosure of interests in other entities

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd)

Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2017. (Cont'd)

a) Financial reporting standards, which have significant changes and are relevant to the Group: (Cont'd)

TAS 1 (revised 2016), the amendments provide clarifications on a number of issues, including:

- Materiality - an entity should not aggregate or disaggregate information in a manner that obscures useful information. Where items are material, sufficient information must be provided to explain the impact on the financial position or performance.
- Disaggregation and subtotals - line items specified in TAS 1 may need to be disaggregated where this is relevant to an understanding of the entity's financial position or performance. There is also new guidance on the use of subtotals.
- Notes - confirmation that the notes do not need to be presented in a particular order.
- OCI arising from investments accounted for under the equity method - the share of OCI arising from equity-accounted investments is grouped based on whether the items will or will not subsequently be reclassified to profit or loss. Each group should then be presented as a single line item in the statement of other comprehensive income.

TAS 16 (revised 2016), key amendments are 1) The amendments clarify that depreciation of an item of property, plant and equipment based on revenue generated by using the asset is not appropriate and 2) The amendments include bearer plants in scope of TAS 16.

TAS 19 (revised 2016), the amendments clarify that when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important and not the country where they arise.

TAS 27 (revised 2016), the amendments allow an entity a policy choice to account for investments in subsidiaries, joint ventures and associates in its separate financial statements using the equity method as described in TAS 28. While current TAS 27 allows entities to measure their investments in subsidiaries, joint ventures and associates either at cost or at fair value (when announced). The election can be made independently for each category of investment (subsidiaries, joint ventures and associates). Entities wishing to change to the equity method must do so retrospectively.

TAS 28 (revised 2016), the amendments allow an entity which is not an investment entity, but has an interest in an associate or joint venture which is an investment entity, a policy choice when applying the equity method of accounting. The entity may choose to retain the fair value measurement applied by the investment entity associate or joint venture, or to unwind the fair value measurement and instead perform a consolidation at the level of the investment entity associate or joint venture.

TAS 34 (revised 2016), the amendments clarify that what is meant by the reference in the standard to 'information disclosed elsewhere in the interim financial report'; entities taking advantage of the relief must provide a cross-reference from the interim financial statements to the location of that information and make the information available to users on the same terms and at the same time as the interim financial statements.

TAS 38 (revised 2016), the amendments include a rebuttable presumption that the amortisation of intangible assets based on revenue is inappropriate. This presumption can be overcome if either the intangible asset is expressed as a measure of revenue (i.e. where a measure of revenue is the limiting factor on the value that can be derived from the asset), or it can be shown that revenue and the consumption of economic benefits generated by the asset are highly correlated.

TFRS 10 (revised 2016), the amendments clarify that: 1) the exception from preparing consolidated financial statements is also available to intermediate parent entities which are subsidiaries of investment entities and 2) an investment entity should consolidate a subsidiary which is not an investment entity and whose main purpose and activity is to provide services in support of the investment entity's investment activities.

TFRS 11 (revised 2016), the amendments clarify that 1) the accounting for the acquisition of an interest in a joint operation where the activities of the operation constitute a business. They require an investor to apply the principles of business combination accounting and 2) existing interests in the joint operation are not remeasured on acquisition of an additional interest, provided joint control is maintained.

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd)

Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2017. (Cont'd)

a) Financial reporting standards, which have significant changes and are relevant to the Group: (Cont'd)

TFRS 12 (revised 2016), the amendments clarify the disclosure requirements of an entity which is an investment entity and exception from preparing consolidated financial statement and instead measured its subsidiaries at fair value is required to disclose information of its subsidiaries according to the requirement in TFRS 12.

Management has assessed and considered that the above revised standards do not have significant impact to the Group.

b) Revised financial reporting standards and interpretations with minor changes and do not have impact to the Group are as follows:

TAS 2 (revised 2016)	Inventories
TAS 7 (revised 2016)	Statement of cash flows
TAS 8 (revised 2016)	Accounting policies, changes in accounting estimates and errors
TAS 10 (revised 2016)	Events after the reporting period
TAS 12 (revised 2016)	Income taxes
TAS 17 (revised 2016)	Leases
TAS 21 (revised 2016)	The effects of changes in foreign exchange rates
TAS 23 (revised 2016)	Borrowing costs
TAS 24 (revised 2016)	Related party disclosures
TAS 26 (revised 2016)	Accounting and reporting by retirement benefit plans
TAS 33 (revised 2016)	Earnings per share
TAS 36 (revised 2016)	Impairment of assets
TAS 37 (revised 2016)	Provisions, contingent liabilities and contingent assets
TFRS 2 (revised 2016)	Share-based payment
TFRS 3 (revised 2016)	Business combinations
TFRS 8 (revised 2016)	Operating segments
TFRS 13 (revised 2016)	Fair value measurement
TSIC 31 (revised 2016)	Revenue - Barter transactions involving advertising services
TFRIC 1 (revised 2016)	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4 (revised 2016)	Determining whether an arrangement contains a lease
TFRIC 10 (revised 2016)	Interim financial reporting and impairment
TFRIC 13 (revised 2016)	Customer loyalty programmes
TFRIC 14 (revised 2016)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction
TAS 105 (revised 2016)	Accounting for Investments in Debt and Equity Securities

3 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 2016.

4 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.

4 Segment information (Cont'd)

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

	Consolidated financial information					Consolidated Million Baht
	Cinema business Million Baht	Advertising business Million Baht	Bowling and Karaoke business Million Baht	Rental and services Million Baht	Movie content business Million Baht	
For the six-month period ended 30 June 2017						
Revenues						
Gross segment revenues	4,151	511	239	274	140	5,315
Inter-segment revenues	(272)	-	(29)	(49)	(52)	(402)
Net revenues	<u>3,879</u>	<u>511</u>	<u>210</u>	<u>225</u>	<u>88</u>	<u>4,913</u>
Segment results	<u>523</u>	<u>367</u>	<u>(12)</u>	<u>-</u>	<u>(67)</u>	811
Gain from disposal of investments						241
Unallocated costs						(94)
Operating profit						<u>958</u>
For the six-month period ended 30 June 2016						
Revenues						
Gross segment revenues	3,861	488	267	292	241	5,149
Inter-segment revenues	(241)	-	(31)	(51)	(103)	(426)
Net revenues	<u>3,620</u>	<u>488</u>	<u>236</u>	<u>241</u>	<u>138</u>	<u>4,723</u>
Segment results	<u>520</u>	<u>343</u>	<u>(7)</u>	<u>(2)</u>	<u>(23)</u>	831
Gain from disposal of investments						145
Unallocated costs						(93)
Operating profit						<u>883</u>

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

5 Fair value

5.1 Fair value estimation

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

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: 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 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the group's financial assets and liabilities that are measured at fair value at 30 June 2017.

As of 30 June 2017	Level 1 Thousand Baht
Asset	
Available-for-sale financial assets	
Equity securities	343,783
As of 31 December 2016	Level 1 Thousand Baht
Asset	
Available-for-sale financial assets	
Equity securities	512,699

There was no change in valuation techniques during the periods.

6 Trade and other receivables

	Consolidated financial information		Separate financial information	
	30 June 2017 Thousand Baht	31 December 2016 Thousand Baht	30 June 2017 Thousand Baht	31 December 2016 Thousand Baht
Trade accounts receivable - third parties	529,960	638,635	108,760	131,279
Trade accounts receivable - related parties (Note 21)	9,521	12,740	131,236	61,165
Unbilled revenue	464,465	386,400	51,523	33,868
Total	1,003,946	1,037,775	291,519	226,312
Less Allowance for doubtful accounts	(43,594)	(43,594)	-	-
Trade accounts receivable, net	960,352	994,181	291,519	226,312
Amounts due from related parties (Note 21)	20,066	69,473	211,852	334,798
Other accounts receivable	114,799	150,855	80,690	132,068
Prepaid expenses	77,873	41,806	21,026	19,218
Trade and other receivables	1,173,090	1,256,315	605,087	712,396

6 Trade and other receivables (Cont'd)

Outstanding trade and other receivables can be analysed as follows:

	Consolidated financial information		Separate financial information	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Unbilled revenue	465,616	387,444	51,636	33,868
Trade accounts receivable				
Current	199,739	264,236	148,571	86,155
Overdue less than 3 months	157,323	180,998	54,454	85,255
3 - 6 months	25,381	35,913	3,177	12,814
6 - 12 months	37,940	133,650	28,885	7,218
Over 12 months	117,947	35,534	4,796	1,002
Total	1,003,946	1,037,775	291,519	226,312
Less Allowance for doubtful accounts	(43,594)	(43,594)	-	-
Trade accounts receivable, net	960,352	994,181	291,519	226,312

7 Available-for-sale investment

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

	Consolidated and Separate financial information			
	30 June 2017		31 December 2016	
	At cost	At fair value	At cost	At fair value
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Available-for-sale investment	59,021	343,783	108,405	512,699

During the six-month period ended 30 June 2017, the movements of available-for-sale investment are as follows:

	Consolidated and Separate financial information
	Thousand Baht
Opening book value	512,699
Disposal	(49,385)
Realised gain	(239,709)
Gain on exchange rate	1,218
Change in fair value of available-for-sale investment	118,960
Closing book value	343,783

8 Investments in subsidiaries, associates and interest in joint ventures

8.1 Investment in subsidiaries

Movements of investment in subsidiaries can be analysed as follows:

	Separate financial information 30 June 2017 Thousand Baht
Investment in subsidiaries	3,742,769
<u>Less</u> Impairment	<u>(122,355)</u>
Closing net book amount	<u>3,620,414</u>
Opening net book amount	<u>3,620,414</u>
Closing net book amount	<u>3,620,414</u>

8.2 Investment in associates

Movements of investment in associates can be analysed as follows:

	Consolidated financial information Thousand Baht	Separate financial information Thousand Baht
For the six-month period ended 30 June 2017		
Opening net book amount	2,751,690	2,501,310
Additions	33,358	33,358
Dividends received	(157,530)	-
Share of results	114,586	-
Closing net book amount	<u>2,742,104</u>	<u>2,534,668</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 six-month period ended 30 June 2017, the Group realised gain on disposals of Baht 8.27 million in the consolidated income statement (30 June 2016: Baht 8.16 million).

During the six-month period ended 30 June 2017, the Company received dividends income from associates amounting to Baht 157.53 million (30 June 2016: Baht 140.37 million), which was recognised as "Other income" in the Company income statement and reducing "Investment in associates" in the consolidated statement of financial position.

Siam Future Development Public Company Limited ("SF")

Additions of investment

During the six-month period ended 30 June 2017, the Company has made additional investment in SF of 5.38 million shares totalling Baht 33.36 million.

The aforementioned movements of investment resulted in the change to shareholding percentage from 24.89% to 25.19%.

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

8.3 Interest in joint ventures

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

	Consolidated financial information	Separate financial information
	Thousand Baht	Thousand Baht
For the six-month period ended 30 June 2017		
Opening net book amount	288,168	245,168
Share of result	6,619	-
Currency translation difference	(24)	-
Closing net book amount	294,763	245,168

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

	Country of incorporation	Nature of business	Nature of relationship	% Ownership interest	
				30 June 2017	31 December 2016
Subsidiaries					
Major Cineplex Property Co., Ltd.	Thailand	Building space for rent	Shareholder	99.99	99.99
Major Cineplex Services Co., Ltd.	Thailand	Utilities services	Shareholder	99.99	99.99
Ratchayothin Management Co., Ltd.	Thailand	Utilities services	Shareholder	99.99	99.99
Ratchayothin Cinema Co., Ltd.	Thailand	Land and building space for rent	Shareholder	99.99	99.99
Ratchayothin Realty Co., Ltd.	Thailand	Building space for rent	Shareholder	99.99	99.99
Major Bowl Group Co., Ltd.	Thailand	Bowling, Karaoke and entertainment services	Shareholder	99.99	99.99
Major Cinead Co., Ltd.	Thailand	Advertising and advisory services	Shareholder	99.93	99.93
Bangkok Imax Theater Co., Ltd.	Thailand	Cinema services	Shareholder	99.93	99.93
Siam Cineplex Co., Ltd.	Thailand	Cinema services	Shareholder	99.99	99.99
EGV Entertainment Public Company Limited ("EGV")	Thailand	Cinema services, advertising services, and area for rent	Shareholder	99.98	99.98
M Picture Entertainment Public Company Limited ("MPIC")	Thailand	Publishing, advertising and distribution of film rights	Shareholder	92.46	92.46
Major Holding International Co., Ltd. ("MHD")	Thailand	Holding business	Shareholder	99.96	99.96
Digital Projector Management Co., Ltd.	Thailand	Projector rental and system management	Shareholder	99.99	99.99
Major Rewards Co., Ltd.	Thailand	Customer relationship management loyalty program, E-payment and coupon Kiosk	Shareholder	99.99	99.99
Subsidiaries under EGV					
EGV Exhibition Co., Ltd.	Thailand	Cinema services	Indirect shareholding	99.96	99.96
Subsidiaries under MPIC					
M Picture Co., Ltd.	Thailand	Distribution of film rights for cinema services, VCD/DVD production and TV broadcast	Indirect shareholding	92.46	92.46
M.V.D. Co., Ltd. ("MVD")	Thailand	Distribution of VCD/DVD, Blu-ray and film rights	Indirect shareholding	92.46	92.46
M Thirty nine Co., Ltd.	Thailand	Film production	Indirect shareholding	92.46	92.46
Talent One Co., Ltd.	Thailand	Film production	Indirect shareholding	83.22	83.22

Major Cineplex Group Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 June 2017

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

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

	Country of incorporation	Nature of business	Nature of relationship	% Ownership interest	
				30 June 2017	31 December 2016
Subsidiary under MVD					
Pacific Media Sale Co., Ltd.	Thailand	Distribution of CD, VCD and DVD	Indirect shareholding	91.91	91.91
Subsidiaries under MHD					
Major Platinum Cineplex (Cambodia) Co., Ltd. ("Major Platinum")	Cambodia	Cinema and bowling services	Indirect shareholding	69.97	69.97
Major Platinum Cineplex (Lao) Co., Ltd. ("Major Platinum Lao")	Laos People's Democratic Republic	Cinema services	Indirect Shareholding	59.98	59.98
Cineplex (Lao) Sole Co., Ltd. ("CNP")	Laos People's Democratic Republic	Cinema services	Indirect Shareholding	99.99	99.99
Associates					
Siam Future Development Public Company Limited ("SF")	Thailand	Rental of building space and utilities services	Shareholder	25.19	24.89
Ratchayothin Avenue Co., Ltd.	Thailand	Rental of building space and utilities services	Shareholder Indirect shareholding via SF	50.00 12.60	50.00 12.45
Major Cineplex Lifestyle Leasehold Property Fund	Thailand	Rental of building and utilities services	Shareholder	33.00	33.00
Thai ticket major Co., Ltd.	Thailand	Agent for selling of tickets	Shareholder	40.00	40.00
CJ Major Entertainment Co., Ltd. ("CJM")	Thailand	Film production and distribution	Shareholder	49.00	49.00
Joint ventures					
PVR blu-O Entertainment Limited ("PVR blu-O")	India	Bowling, Karaoke and entertainment	Shareholder	49.00	49.00
Joint venture under MPIC					
Major Kantana Broadcasting Company Limited	Thailand	Satellite broadcasting and distribution of film rights	Indirect shareholding	41.61	41.61
Transformation Film Co., Ltd.	Thailand	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")	Laos People's Democratic Republic	Film distribution	Indirect Shareholding	36.98	36.98

All holdings are investments in ordinary shares and investment unit in the Property Fund.

Voting power is not different from ownership interest.

9 Property, plant, equipment and intangible assets

	Consolidated financial information		Separate financial information	
	Property, plant and equipment Thousand Baht	Intangible assets Thousand Baht	Property, plant and equipment Thousand Baht	Intangible assets Thousand Baht
For the six-month period ended 30 June 2017				
Opening net book amount	7,591,205	120,791	4,471,539	44,931
Exchange differences	(10,270)	(143)	-	-
Additions	292,705	96,810	219,736	3,613
Disposals	(2,593)	-	(1,050)	-
Write-off	(5,284)	-	(2,691)	-
Depreciation/amortisation	(512,350)	(118,690)	(290,463)	(10,552)
Impairment (reversal)	(11,846)	18,250	-	-
Closing net book amount	<u>7,341,567</u>	<u>117,018</u>	<u>4,397,071</u>	<u>37,992</u>

Capital expenditures contracted for at the statement of financial position date, but not recognised in the financial statements are as follows:

	Currency	Consolidated financial information		Separate financial information	
		30 June 2017	31 December 2016	30 June 2017	31 December 2016
		Thousand	Thousand	Thousand	Thousand
Property, plant and equipment	THB	79,674	55,648	79,674	55,648
Intangible assets	THB	3,743	1,969	-	-
	USD	1,295	1,061	-	-
Total	THB	83,417	57,617	79,674	55,648
	USD	1,295	1,061	-	-
Total in Thai Baht		<u>127,637</u>	<u>95,798</u>	<u>79,674</u>	<u>55,648</u>

10 Trade and other payables

	Consolidated financial information		Separate financial information	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Trade accounts payable	898,564	582,075	716,204	430,509
Amounts due to related parties (Note 21)	24,175	23,212	32,288	26,645
Other payables	263,879	395,678	188,174	259,719
Accrued expenses	379,203	410,432	217,104	208,797
Rental and service incomes received in advance	301,366	349,843	235,254	272,145
Trade and other payables	<u>1,867,187</u>	<u>1,761,240</u>	<u>1,389,024</u>	<u>1,197,815</u>

Unearned rental and service income included cash advanced from customers amounting to Baht 52.41 million (31 December 2016: Baht 55.20 million), which was 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 June 2017

11 Borrowings

	Consolidated financial information		Separate financial information	
	30 June 2017 Thousand Baht	31 December 2016 Thousand Baht	30 June 2017 Thousand Baht	31 December 2016 Thousand Baht
Current				
Bank overdrafts	2,992	1,930	-	-
Short-term loans from financial institutions	1,588,095	3,136,056	1,491,094	3,031,056
Total short-term borrowings from financial institutions	1,591,087	3,137,986	1,491,094	3,031,056
Current portion of long-term borrowings:				
- Finance lease liabilities	86,149	85,408	6	1,632
- Bank borrowings	420,000	252,000	420,000	252,000
- Debentures	1,000,000	1,000,000	1,000,000	1,000,000
Total current portion of long-term borrowings	1,506,149	1,337,408	1,420,006	1,253,632
Non-current portion of long-term borrowings				
- Finance lease liabilities	161,224	204,914	21,130	21,133
- Bank borrowings	1,265,000	559,000	1,265,000	559,000
Total non-current portion of long-term borrowings	1,426,224	763,914	1,286,130	580,133
Total borrowings	4,523,460	5,239,308	4,197,230	4,864,821

The movements in long-term borrowings from financial institution can be analysed as follows:

For the six-month period ended 30 June 2017	Consolidated financial information	Separate financial information
	Thousand Baht	Thousand Baht
Opening amount as at 1 January 2017	811,000	811,000
Additions	1,000,000	1,000,000
Repayments	(126,000)	(126,000)
Closing amount as at 30 June 2017	1,685,000	1,685,000

Long-term borrowings bear interest at the rates ranging from 2.85% to 3.04% per annum, and are secured by the pledge of leasehold rights.

Debentures

For the six-month period ended 30 June 2017	Consolidated financial information	Separate financial information
	Thousand Baht	Thousand Baht
Opening amount as at 1 January 2017	1,000,000	1,000,000
Closing amount as at 30 June 2017	1,000,000	1,000,000

Borrowing facilities

As at 30 June 2017, the available credit facilities from financial institutions for the Group and the Company are Baht 5,245.97 million and Baht 4,945.96 million, respectively (31 December 2016: Baht 6,562.53 million and Baht 6,098.14 million, respectively). The facilities, mainly expiring within 3 years, are subject to review at various dates. The facilities have been arranged mainly for cinema construction and working capital.

12 Share capital and premium on share capital

For the six-month period ended 30 June 2017	Authorised number of shares Thousand Shares	Issued and fully paid up shares		
		Number of shares Thousand Shares	Ordinary shares Thousand Baht	Shares premium Thousand Baht
Opening amount as at 1 January 2017	896,266	894,533	894,533	4,053,064
Issuance of shares The exercised warrant - W4	-	134	134	2,545
Closing amount as at 30 June 2017	896,266	894,667	894,667	4,055,609

Employee share option scheme: During the six-month period ended 30 June 2017, 125,000 options of the Company were exercised by employee with the exercise ratio of 1:1.073, resulted in 134,125 shares being issued, with exercise price of Baht 14.385 totaling Baht 1.93 million of proceed. The related weighted average price at the time of exercises was Baht 34.50 per share.

13 Warrants

Warrants issued and offered to directors and employees (ESOP)

The Company and a subsidiary issued and offered warrants (ESOP-W4, ESOP-W1, and ESOP-W2 respectively) to directors and employees of the Company and its subsidiaries, which are in registered form and are non-transferable. The warrants have no offering price and their terms do not exceed 5 years from the issued date. The Group has no legal obligation to repurchase or settle the options in cash.

For the six-month period ended 30 June 2017	Consolidated	Separate
	financial information Thousand Baht	financial information Thousand Baht
Opening amount as at 1 January 2017	5,288	750
Exercise of warrants	(750)	(750)
Closing amount as at 30 June 2017	4,538	-

14 Non-controlling interests

For the six-month period ended 30 June 2017	Consolidated
	financial information Thousand Baht
Opening amount	80,844
Share of result	4,865
Closing amount	85,709

15 Other income

For the three-month period ended 30 June	Consolidated		Separate	
	financial information 2017 Thousand Baht	financial information 2016 Thousand Baht	financial information 2017 Thousand Baht	financial information 2016 Thousand Baht
Dividends income	-	-	39,703	469,135
Gain on disposals of available-for-sale investment	126,780	80,014	126,780	80,014
Management fee income	12,363	12,344	16,431	16,450
Interest income	2,058	1,683	8,754	9,333
Others	22,194	22,925	14,483	11,358
	163,395	116,966	206,151	586,290

15 Other income (Cont'd)

For the six-month period ended 30 June	Consolidated financial information		Separate financial information	
	2017 Thousand Baht	2016 Thousand Baht	2017 Thousand Baht	2016 Thousand Baht
Dividends income	-	-	157,530	582,281
Gain on disposals of investment in associates	-	29,736	-	33,145
Gain on disposals of available-for-sale investment	239,709	115,669	239,709	115,669
Gain on disposals of short-term investment	1,156	-	1,156	-
Management fee income	23,073	25,190	31,236	33,361
Interest income	3,259	2,271	16,588	17,888
Others	45,222	36,745	25,972	15,786
	<u>312,419</u>	<u>209,611</u>	<u>472,191</u>	<u>798,130</u>

16 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 18% and 15% per annum for the consolidated and Company financial information, respectively.

17 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.

For the three-month period ended 30 June	Consolidated and Separate financial information	
	2017 Thousand Shares	2016 Thousand Shares
Number of weighted average shares:		
- basic	894,654	892,582
- diluted	894,662	893,780

For the six-month period ended 30 June	Consolidated and Separate financial information	
	2017 Thousand Shares	2016 Thousand Shares
Number of weighted average shares:		
- basic	894,594	892,550
- diluted	894,639	893,699

18 Dividends

At the Annual General Shareholders Meeting held on 5 April 2017, the shareholders passed a resolution to approve dividends payment in respect of the operating results for the period from July to December 2016 at Baht 0.60 per share, totalling Baht 536.80 million. The dividends were for the shareholders listed in the register on 21 April 2017 and were distributed on 3 May 2017.

19 Cash flows from operating activities

Reconciliation of net profit for the period to cash flows from operating activities:

For the six-month period ended 30 June	Notes	Consolidated financial information		Separate financial information	
		2017 Thousand Baht	2016 Thousand Baht	2017 Thousand Baht	2016 Thousand Baht
Profit before income tax		1,004,639	945,130	786,773	1,037,039
Adjustments for:					
Depreciation/amortisation	9	631,040	551,478	301,015	277,263
Amortisation of prepaid rents		22,347	20,392	10,004	8,048
Doubtful and bad debts		1,013	9,232	-	-
Loss on diminution in value of inventories		6,000	3,000	6,000	3,000
Reversal of provision for sales returns		-	(12,578)	-	-
Impairment of plant and equipment and intangible asset (reversal)	9	(6,404)	5,919	-	-
Loss on disposals of equipment		1,956	9,560	464	2,922
Loss from write-off of equipment	9	5,284	3,678	2,691	2,326
Loss from write-off of intangible asset	9	-	1,179	-	-
Gain on bargain purchase		-	(736)	-	-
Gain on disposals of available-for-sale investment	15	(239,709)	(115,669)	(239,709)	(115,669)
Gain on disposals of short-term investment	15	(1,156)	-	(1,156)	-
Gain on disposals of investments in associate	15	-	(29,736)	-	(33,145)
Shares of results of investments in associates and joint ventures	8	(121,205)	(134,735)	-	-
Unearned income - customers loyalty		83	(933)	83	(933)
Employee benefit obligations		2,232	1,948	1,321	906
Warrants		-	5,288	-	4,621
Unrealised loss on exchange rate		(862)	3,405	869	3,045
Dividends received	15	-	-	(157,530)	(582,281)
Interest income	15	(3,259)	(2,271)	(16,588)	(17,888)
Finance costs		74,185	73,072	89,228	91,039
Changes in operating assets and liabilities:					
- Trade and other receivables		117,729	(43,833)	48,698	14,768
- Inventories		(16,426)	11,599	(12,993)	7,867
- Film under productions		7,037	(74,334)	-	-
- Other current assets		(172)	(5,301)	(6,120)	9,203
- Finance lease receivables		599	696	-	-
- Other non-current assets		(32,560)	(1,048)	(32,685)	(1,240)
- Trade and other payables		241,478	292,592	284,692	294,146
- Other current liabilities		13,598	15,866	18,739	3,082
- Repayment to deposits received from customers		-	(3,896)	-	-
- Other non-current liabilities		(10,382)	15,450	(4,546)	11,275
Cash generated from operations		<u>1,697,085</u>	<u>1,544,414</u>	<u>1,079,250</u>	<u>1,019,394</u>

20 Commitments and contingencies

i) Bank guarantees and letter of credits

As at 30 June 2017, there are outstanding bank guarantees and letters of credit given on behalf of the Group to third parties amounting to Baht 192.04 million (31 December 2016: Baht 193.46 million).

ii) Guarantees

As at 30 June 2017, the Company and a subsidiary have provided guarantees for bank loans granted to subsidiaries and associate for a total of Baht 94.99 million (31 December 2016: Baht 106.93 million).

iii) Operating lease commitments - where the 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:

	Consolidated financial information		Separate financial information	
	30 June 2017 Million Baht	31 December 2016 Million Baht	30 June 2017 Million Baht	31 December 2016 Million Baht
Not later than 1 year	901	741	706	702
Later than 1 year but not later than 5 years	3,412	3,244	1,997	2,035
Later than 5 years	5,133	5,462	3,571	3,747
	<u>9,446</u>	<u>9,447</u>	<u>6,274</u>	<u>6,484</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 June 2017, the Group has commitments in respect of payments to film directors amounting to Baht 47.96 million (31 December 2016: Baht 63.10 million).

21 Related party transactions

The significant investments in subsidiaries, associates and joint ventures are set out in Note 8.

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

For the three-month period ended 30 June	Consolidated financial information		Separate financial information	
	2017 Thousand Baht	2016 Thousand Baht	2017 Thousand Baht	2016 Thousand Baht
Sales of goods and services				
Subsidiaries	-	-	97,674	86,948
Associates	244	1,956	-	267
Leasehold property fund	15,950	15,355	9,433	9,488
Joint ventures	3,900	4,782	1,094	1,042
Related parties	15,301	15,408	4,045	4,066
	<u>35,395</u>	<u>37,501</u>	<u>112,246</u>	<u>101,811</u>
Dividend income				
Subsidiaries	-	-	-	441,910
Associates	-	-	15,200	-
Leasehold property fund	-	-	24,503	27,225
	<u>-</u>	<u>-</u>	<u>39,703</u>	<u>469,135</u>
For the six-month period ended 30 June	Consolidated financial information		Separate financial information	
	2017 Thousand Baht	2016 Thousand Baht	2017 Thousand Baht	2016 Thousand Baht
Sales of goods and services				
Subsidiaries	-	-	194,887	173,759
Associates	857	4,083	295	727
Leasehold property fund	30,863	30,803	18,968	19,492
Joint ventures	8,563	22,513	2,435	2,068
Related parties	28,444	31,379	6,099	8,702
	<u>68,727</u>	<u>88,778</u>	<u>222,684</u>	<u>204,748</u>
Dividend income				
Subsidiaries	-	-	-	441,910
Associates	-	-	104,713	84,832
Leasehold property fund	-	-	52,817	55,539
	<u>-</u>	<u>-</u>	<u>157,530</u>	<u>582,281</u>

21 Related party transactions (Cont'd)

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

ii) Purchase of goods and services and others

For the three-month period ended 30 June	Consolidated financial information		Separate financial information	
	2017 Thousand Baht	2016 Thousand Baht	2017 Thousand Baht	2016 Thousand Baht
Purchases of goods and services				
Subsidiaries	-	-	59,528	108,397
Associates	6,842	8,491	5,408	5,856
Leasehold property fund	42,400	41,564	32,229	31,559
Joint ventures	384	-	-	-
Related parties	39,643	48,273	33,445	42,075
	<u>89,269</u>	<u>98,328</u>	<u>130,610</u>	<u>187,887</u>
For the six-month period ended 30 June	Consolidated financial information		Separate financial information	
2017 Thousand Baht	2016 Thousand Baht	2017 Thousand Baht	2016 Thousand Baht	
Purchases of goods and services				
Subsidiaries	-	-	120,283	189,984
Associates	13,721	15,140	9,413	10,111
Leasehold property fund	84,849	81,327	64,267	61,723
Joint ventures	22,997	-	17,077	-
Related parties	74,081	86,892	59,923	74,192
	<u>195,648</u>	<u>183,359</u>	<u>270,963</u>	<u>336,010</u>

21 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

	Consolidated financial information		Separate financial information	
	30 June 2017 Thousand Baht	31 December 2016 Thousand Baht	30 June 2017 Thousand Baht	31 December 2016 Thousand Baht
Trade accounts receivable (include unbilled revenue)				
Subsidiaries	-	-	130,164	55,717
Associates	4,566	7,260	721	4,709
Joint venture	2,610	3,104	22	428
Related parties	2,345	2,376	329	311
	<u>9,521</u>	<u>12,740</u>	<u>131,236</u>	<u>61,165</u>
Amounts due from related parties				
Subsidiaries	-	-	202,780	206,421
Associates	15,310	50,235	4,559	4,186
Joint venture	548	269	408	-
Related parties	4,208	14,469	4,105	4,275
	<u>20,066</u>	<u>64,973</u>	<u>211,852</u>	<u>214,882</u>
Dividends receivable (included in "Amounts due from related parties")				
Subsidiaries	-	-	-	119,916
Joint venture	-	4,500	-	-
	<u>-</u>	<u>4,500</u>	<u>-</u>	<u>119,916</u>
	<u>20,066</u>	<u>69,473</u>	<u>211,852</u>	<u>334,798</u>
Deposit (included in "Other non-current assets")				
Subsidiaries	-	-	44,528	44,528
Associates	8,881	8,869	3,849	3,849
Related parties	26,129	26,129	25,829	25,829
	<u>35,010</u>	<u>34,998</u>	<u>74,206</u>	<u>74,206</u>
Finance lease receivables				
Related parties	1,625	1,686	-	-
	<u>1,625</u>	<u>1,686</u>	<u>-</u>	<u>-</u>
Trade accounts payable (included in "Trade accounts payable")				
Subsidiaries	-	-	95,735	72,523
Associates	1,930	7,643	1	5,539
Joint venture	435	-	-	-
Related parties	1,145	619	1,032	515
	<u>3,510</u>	<u>8,262</u>	<u>96,768</u>	<u>78,577</u>

21 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)

	Consolidated financial information		Separate financial information	
	30 June 2017 Thousand Baht	31 December 2016 Thousand Baht	30 June 2017 Thousand Baht	31 December 2016 Thousand Baht
Amounts due to related parties				
Subsidiaries	-	-	16,914	12,645
Associates	7,572	4,127	7,051	3,448
Joint venture	51	45	51	-
Related parties	15,387	14,901	7,655	6,985
Board	1,165	4,139	617	3,567
	<u>24,175</u>	<u>23,212</u>	<u>32,288</u>	<u>26,645</u>
Advance received for rental and services (Included in "Other non-current liabilities")				
Associate	24,437	24,961	-	-
Related parties	10,293	11,048	-	-
	<u>34,730</u>	<u>36,009</u>	<u>-</u>	<u>-</u>
Deposits received (Included in "Other non-current liabilities")				
Subsidiaries	-	-	1,253	1,253
Associates	123,503	123,503	-	-
Joint venture	783	720	-	-
Related parties	5,666	5,666	135	135
	<u>129,952</u>	<u>129,889</u>	<u>1,388</u>	<u>1,388</u>
Finance lease liabilities (included in "Long-term borrowings from financial institutions")				
Associates	21,136	22,765	21,136	22,765
	<u>21,136</u>	<u>22,765</u>	<u>21,136</u>	<u>22,765</u>

21 Related party transactions (Cont'd)

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

iv) Short-term loans to related parties

	Consolidated financial information	Separate financial information
For the six-month period ended 30 June 2017	Thousand Baht	Thousand Baht
Opening amount	8,000	474,900
Loans made during the period	-	211,372
Loans repayments received during the period	(5,000)	(252,868)
Closing amount	<u>3,000</u>	<u>433,404</u>

The short-term loans to related parties are unsecured loans to subsidiaries. Loans are repayable within 1 month and carry interest at the rate of 4.00% per annum.

The related interest income was Baht 8.96 million. As at 30 June 2017, the accrued interest income in the Company statement of financial position was Baht 1.43 million.

v) Long-term loans to other and related parties

	Consolidated financial information	Separate financial information
For the six-month period ended 30 June 2017	Thousand Baht	Thousand Baht
Opening amount	1,923	301,706
Loans repayments received during the period	(515)	(515)
Closing amount	<u>1,408</u>	<u>301,191</u>

The long-term loans to related parties are carrying interest at the rate of 4% per annum (2016: 4.00% per annum).

The long-term loans to staff in the consolidated and separate financial statements were Baht 1.41 million and Baht 1.19 million (2016: Baht 1.49 million and Baht 1.27 million), respectively, bearing no interest (2016: carrying interest at the rates of 2.00% to 3.00% per annum).

vi) Short-term loans from related parties

	Consolidated financial information	Separate financial information
For the six-month period ended 30 June 2017	Thousand Baht	Thousand Baht
Opening amount	18,150	993,447
Loans borrowed during the period	-	1,319,542
Loans repaid during the period	-	(1,093,464)
Closing amount	<u>18,150</u>	<u>1,219,525</u>

The short-term loans from related parties consist of an unsecured loan amounting to Baht 1,201.38 million, repayable within 1 month and carrying interest at the rate of 4.00% per annum, and promissory note due upon demand of Baht 18.15 million bearing interest rate of 2.72% per annum.

The related interest expense in the consolidated and separate financial statements was Baht 0.24 million and Baht 22.04 million, respectively. As at 30 June 2017, the accrued interest expense in the consolidated and Company statement of financial position was Baht 0.42 million and Baht 13.61 million, respectively.

21 Related party transactions (Cont'd)

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

vii) Key management compensation

	Consolidated financial information		Separate financial information	
	2017	2016	2017	2016
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
For the three-month period ended 30 June				
Short-term employee benefits	13,497	14,686	10,628	11,455
Retirement benefits	82	168	63	149
Share-based payments	-	182	-	182
	<u>13,579</u>	<u>15,036</u>	<u>10,691</u>	<u>11,786</u>
	Consolidated financial information		Separate financial information	
	2017	2016	2017	2016
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
For the six-month period ended 30 June				
Short-term employee benefits	26,606	25,961	18,114	20,603
Retirement benefits	165	336	126	298
Share-based payments	-	364	-	364
	<u>26,771</u>	<u>26,661</u>	<u>18,240</u>	<u>21,265</u>

22 Subsequent events

At the Board of Directors Meeting held on 11 August 2017, the Board passed a resolution to approve interim dividends in respect of the operating results for the period from January to June 2017 at Baht 0.65 per share, totaling Baht 581.53 million. The dividends are for the shareholders listed in the register on 31 August 2017. The dividends will be distributed to the shareholders on 8 September 2017.