

MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND SEPARATE
FINANCIAL INFORMATION**

30 SEPTEMBER 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 September 2017, the consolidated and separate income statements and comprehensive income for the three-month and nine-month periods then ended, and the related consolidated and separate statements of changes in equity and cash flows for the nine-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
10 November 2017

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

	Notes	Consolidated financial information		Separate financial information	
		Unaudited	Audited	Unaudited	Audited
		30 September	31 December	30 September	31 December
		2017	2016	2017	2016
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Assets					
Current assets					
Cash and cash equivalents		804,509	530,873	482,303	173,652
Trade and other receivables	6	1,314,435	1,256,315	644,385	712,396
Short-term loans to related parties	21	5,000	8,000	424,051	474,900
Inventories		115,300	97,810	72,577	61,690
Films under production		162,100	221,085	-	-
Current portion of prepaid rents		44,876	44,666	20,022	19,978
Other current assets		187,867	191,628	60,515	60,558
Total current assets		2,634,087	2,350,377	1,703,853	1,503,174
Non-current assets					
Available-for-sale investment	7	166,394	512,699	166,394	512,699
Restricted cash		-	4,587	-	-
Finance lease receivables		11,325	11,479	-	-
Investment in subsidiaries	8	-	-	3,620,414	3,620,414
Investment in associates	8	2,845,267	2,751,690	2,593,861	2,501,310
Investment in joint ventures	8	46,858	288,168	-	245,168
Long-term loans to related parties	21	1,852	1,923	271,635	301,706
Property, plant and equipment	9	7,210,070	7,591,205	4,331,014	4,471,539
Goodwill		205,381	205,381	-	-
Intangible assets	9	112,885	120,791	37,911	44,931
Deferred income tax assets		33,786	9,066	21,423	-
Long-term prepaid rents		611,864	609,468	371,650	355,559
Other non-current assets		276,694	268,079	181,560	179,251
Total non-current assets		11,522,376	12,374,536	11,595,862	12,232,577
Total assets		14,156,463	14,724,913	13,299,715	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 September 2017

	Notes	Consolidated financial information		Separate financial information	
		Unaudited	Audited	Unaudited	Audited
		30 September	31 December	30 September	31 December
		2017	2016	2017	2016
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Liabilities and equity					
Current liabilities					
Short-term borrowings from financial institutions	11	2,115,043	3,137,986	1,995,596	3,031,056
Trade and other payables	10	1,723,517	1,761,240	1,313,899	1,197,815
Current portion of long-term borrowings	11	585,591	1,337,408	504,006	1,253,632
Short-term loans from related parties	21	15,900	18,150	1,160,815	993,447
Accrued income tax		63,694	79,438	16,149	15,911
Other current liabilities		132,025	85,725	83,734	37,538
Total current liabilities		4,635,770	6,419,947	5,074,199	6,529,399
Non-current liabilities					
Long-term borrowings	11	2,262,708	763,914	2,139,128	580,133
Deferred income tax liabilities		240,183	277,501	-	29,689
Employee benefit obligations		44,732	41,384	30,027	28,046
Other non-current liabilities		480,492	504,428	129,497	135,286
Total non-current liabilities		3,028,115	1,587,227	2,298,652	773,154
Total liabilities		7,663,885	8,007,174	7,372,851	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		1,321,265	1,320,957	492,392	782,391
Other components of equity		(252,636)	(15,972)	105,171	323,435
Equity attributable to owners of the parent		6,402,468	6,636,895	5,926,864	6,433,198
Non-controlling interest	14	90,110	80,844	-	-
Total equity		6,492,578	6,717,739	5,926,864	6,433,198
Total liabilities and equity		14,156,463	14,724,913	13,299,715	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 September 2017

	Notes	Consolidated financial information		Separate financial information	
		2017 Thousand Baht	2016 Thousand Baht	2017 Thousand Baht	2016 Thousand Baht
Revenues					
Service income		1,698,111	1,723,183	1,003,503	959,943
Sales income		502,360	403,452	308,614	245,661
Total revenues		2,200,471	2,126,635	1,312,117	1,205,604
Costs					
Cost of services		(1,210,540)	(1,181,814)	(778,581)	(749,397)
Cost of sales		(277,893)	(165,654)	(114,265)	(77,723)
Total costs		(1,488,433)	(1,347,468)	(892,846)	(827,120)
Gross profit		712,038	779,167	419,271	378,484
Other income	15	207,776	192,749	233,919	222,053
Selling expenses		(163,656)	(149,911)	(135,236)	(78,231)
Administrative expenses		(437,639)	(445,457)	(288,693)	(277,472)
Finance costs		(33,018)	(34,187)	(42,753)	(40,661)
Share of result of investments		83,414	68,594	-	-
Profit before income tax		368,915	410,955	186,508	204,173
Income tax		(62,134)	(73,278)	(25,314)	(24,587)
Profit for the period		306,781	337,677	161,194	179,586
Attributable profit to:					
Owners of the parent		302,380	332,734	161,194	179,586
Non-controlling interests		4,401	4,943	-	-
		306,781	337,677	161,194	179,586
		Baht	Baht	Baht	Baht
Earnings per share					
Basic earnings per share	17	0.34	0.37	0.18	0.20
Diluted earnings per share		0.34	0.37	0.18	0.20

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 September 2017

	Consolidated		Separate	
	financial information		financial information	
	2017	2016	2017	2016
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Profit for the period	306,781	337,677	161,194	179,586
Other comprehensive income:				
Items that will be reclassified subsequently to profit or loss				
Remeasuring of available-for-sale investment	(55,420)	121,732	(55,420)	121,732
Reclassification of unrealised gain from remeasuring of available-for-sale investment to income statement	(97,879)	(149,327)	(97,879)	(149,327)
Currency translation differences	(6,035)	(3,223)	-	-
Income tax relating to above items	30,660	5,519	30,660	5,519
Other comprehensive expense for the period, net of income tax	(128,674)	(25,299)	(122,639)	(22,076)
Total comprehensive income for the period	<u>178,107</u>	<u>312,378</u>	<u>38,555</u>	<u>157,510</u>
Total comprehensive income attributable to:				
Owners of the parent	173,706	307,435	38,555	157,510
Non-controlling interests	4,401	4,943	-	-
	<u>178,107</u>	<u>312,378</u>	<u>38,555</u>	<u>157,510</u>

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 2017

	Notes	Consolidated financial information		Separate financial information	
		2017 Thousand Baht	2016 Thousand Baht	2017 Thousand Baht	2016 Thousand Baht
Revenues					
Service income		5,600,278	5,486,631	3,418,423	3,290,781
Sales income		1,513,344	1,363,170	1,001,606	864,412
Total revenues		7,113,622	6,849,801	4,420,029	4,155,193
Costs					
Cost of services		(3,951,163)	(3,767,171)	(2,572,435)	(2,481,773)
Cost of sales		(681,727)	(513,714)	(325,504)	(268,578)
Total costs		(4,632,890)	(4,280,885)	(2,897,939)	(2,750,351)
Gross profit		2,480,732	2,568,916	1,522,090	1,404,842
Other income	15	520,195	402,360	706,111	1,020,184
Selling expenses		(413,238)	(401,886)	(255,970)	(221,336)
Administrative expenses		(1,311,552)	(1,309,374)	(866,969)	(830,777)
Finance costs		(107,203)	(107,259)	(131,981)	(131,700)
Share of result of investments	8	204,619	203,329	-	-
Profit before income tax		1,373,553	1,356,086	973,281	1,241,213
Income tax	16	(245,648)	(229,171)	(144,949)	(112,550)
Profit for the period		1,127,905	1,126,915	828,332	1,128,663
Attributable profit to:					
Owners of the parent		1,118,639	1,103,138	828,332	1,128,663
Non-controlling interests		9,266	23,777	-	-
		1,127,905	1,126,915	828,332	1,128,663
		Baht	Baht	Baht	Baht
Earnings per share					
	17				
Basic earnings per share		1.25	1.24	0.93	1.26
Diluted earnings per share		1.25	1.23	0.93	1.26

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 nine-month period ended 30 September 2017

	Note	Consolidated financial information		Separate financial information	
		2017	2016	2017	2016
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Profit for the period		1,127,905	1,126,915	828,332	1,128,663
Other comprehensive income:					
Items that will be reclassified subsequently to profit or loss					
Remeasuring of available-for-sale investment	7	64,758	238,300	64,758	238,300
Reclassification of unrealised gain from remeasuring of available-for-sale investment to income statement	7	(337,588)	(264,996)	(337,588)	(264,996)
Currency translation differences		-	(4,432)	-	-
Income tax relating to items that will be reclassified subsequently to profit or loss		-	5,339	-	5,339
Other comprehensive expense for the period, net of income tax		(272,830)	(25,789)	(272,830)	(21,357)
Total comprehensive income for the period		<u>855,075</u>	<u>1,101,126</u>	<u>555,502</u>	<u>1,107,306</u>
Total comprehensive income attributable to:					
Owners of the parent		891,241	1,077,349	610,068	1,107,306
Non-controlling interests		-	23,777	-	-
		<u>891,241</u>	<u>1,101,126</u>	<u>610,068</u>	<u>1,107,306</u>

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

Major Cineplex Group Public Company Limited
Statements of Changes in Equity (Unaudited)
For the nine-month period ended 30 September 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 reissuance of treasury share	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 Legal reserve	Unappropriated		Translation of financial statements	Available- for-sale investment					
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	1,964	37,287	-	(10,981)	-	-	-	-	-	-	28,270	-	28,270
Warrants	-	-	-	5,486	-	-	-	-	-	-	5,486	-	5,486
Acquisition of investment in subsidiary	-	-	-	-	-	-	-	-	-	-	-	4,516	4,516
Dividends	-	-	-	-	-	(1,072,134)	-	-	-	-	(1,072,134)	-	(1,072,134)
Total comprehensive income	-	-	-	-	-	1,103,138	-	(4,432)	(21,357)	(25,789)	1,077,349	23,777	1,101,126
Closing balance as at 30 September 2016	<u>894,484</u>	<u>4,052,127</u>	<u>288,425</u>	<u>5,563</u>	<u>90,600</u>	<u>1,235,874</u>	<u>(349,447)</u>	<u>1,732</u>	<u>400,443</u>	<u>52,728</u>	<u>6,619,801</u>	<u>95,786</u>	<u>6,715,587</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 (Note 18)	-	-	-	-	-	(1,118,331)	-	-	-	-	(1,118,331)	-	(1,118,331)
Total comprehensive income	-	-	-	-	-	1,118,639	-	(18,400)	(218,264)	(236,664)	881,975	9,266	891,241
Closing balance as at 30 September 2017	<u>894,667</u>	<u>4,055,609</u>	<u>288,425</u>	<u>4,538</u>	<u>90,600</u>	<u>1,321,265</u>	<u>(349,447)</u>	<u>(8,360)</u>	<u>105,171</u>	<u>(252,636)</u>	<u>6,402,468</u>	<u>90,110</u>	<u>6,492,578</u>

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

Major Cineplex Group Public Company Limited
 Statements of Changes in Equity (Unaudited)
 For the nine-month period ended 30 September 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		Other comprehensive		
					- Legal reserve	Unappropriated	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	1,964	37,287	-	(10,981)	-	-	-	-	28,270
Warrants	-	-	-	4,820	-	-	-	-	4,820
Dividends	-	-	-	-	-	(1,072,134)	-	-	(1,072,134)
Total comprehensive income	-	-	-	-	-	1,128,663	(21,357)	(21,357)	1,107,306
Closing balance as at 30 September 2016	<u>894,484</u>	<u>4,052,127</u>	<u>288,425</u>	<u>1,026</u>	<u>90,600</u>	<u>706,188</u>	<u>400,443</u>	<u>400,443</u>	<u>6,433,293</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 exercise of warrants (Note 12)	134	2,545	-	(750)	-	-	-	-	1,929
Dividends (Note 18)	-	-	-	-	-	(1,118,331)	-	-	(1,118,331)
Total comprehensive income	-	-	-	-	-	828,332	(218,264)	(218,264)	610,068
Closing balance as at 30 September 2017	<u>894,667</u>	<u>4,055,609</u>	<u>288,425</u>	<u>-</u>	<u>90,600</u>	<u>492,392</u>	<u>105,171</u>	<u>105,171</u>	<u>5,926,864</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 nine-month period ended 30 September 2017

	Notes	Consolidated		Separate	
		financial information		financial information	
		2017	2016	2017	2016
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from operating activities					
Cash generated from operations	19	2,100,447	1,728,172	1,282,579	916,929
Interest paid		(100,702)	(97,890)	(128,296)	(129,448)
Income tax paid		(279,903)	(243,216)	(141,367)	(138,393)
Net cash generated from operating activities		1,719,842	1,387,066	1,012,916	649,088
Cash flows from investing activities					
Decrease (increase) in restricted cash		4,587	(27)	-	-
Short-term loans to related parties	21	(2,000)	-	(332,974)	(499,662)
Short-term loans repayments received from related parties	21	5,000	-	383,823	519,370
Loans made to related parties	21	(500)	(954)	(500)	(954)
Loans repayment received from related parties	21	571	391	30,571	30,386
Payment 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		-	18,289	-	-
Payments for investment in associate	8	(140,207)	(207,893)	(140,207)	(207,893)
Proceeds from disposal of investment in associate		60,058	63,102	60,058	63,102
Proceeds from disposal of investment in joint venture		205,002	-	205,002	-
Proceeds from disposal of available-for-sale investment		365,590	300,532	365,590	300,532
Purchases of property, plant and equipment		(557,435)	(825,187)	(412,700)	(585,430)
Proceeds from disposals of property, plant and equipment		14,122	2,187	1,219	982
Purchase of intangible assets		(181,937)	(158,002)	(9,065)	(12,483)
Interest received		3,374	1,856	15,916	34,753
Dividends received		195,018	181,097	310,434	609,506
Net cash (used in) generated from investing activities		(27,601)	(624,589)	478,323	252,229

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 nine-month period ended 30 September 2017

	Notes	Consolidated		Separate	
		financial information		financial information	
		2017	2016	2017	2016
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from financing activities					
Proceeds from short-term loans from related parties	21	-	-	1,967,888	1,681,256
Repayments to short-term loans from related parties	21	(2,250)	(4,850)	(1,800,520)	(1,898,980)
Increase (decrease) in bank overdrafts		(483)	(9,505)	-	-
Proceeds from short-term borrowings		3,903,000	5,190,000	3,800,000	5,100,000
Repayment to short-term borrowings		(4,930,000)	(4,640,000)	(4,840,000)	(4,640,000)
Repayments to finance lease liabilities		(72,667)	(69,216)	(4,584)	(1,157)
Proceeds from long-term borrowings	11	1,000,000	1,000,000	1,000,000	1,000,000
Repayments to long-term borrowings	11	(189,000)	(146,000)	(189,000)	(146,000)
Proceeds from debentures	11	1,000,000	-	1,000,000	-
Redemption of debentures	11	(1,000,000)	(800,000)	(1,000,000)	(800,000)
Proceeds from exercised warrants	12	1,929	28,270	1,929	28,270
Dividends paid to shareholders		(1,129,134)	(1,072,066)	(1,118,301)	(1,072,066)
Net cash used in financing activities		(1,418,605)	(523,367)	(1,182,588)	(748,677)
Net increase in cash and cash equivalents		273,636	239,110	308,651	152,640
Opening balance of cash and cash equivalents		530,873	312,060	173,652	92,966
Closing balance of cash and cash equivalents		804,509	551,170	482,303	245,606

Non-cash transactions

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

Investment in intangible assets, not yet paid	14,218	-	-	-
Disposals of property, plant and equipment, not yet received	-	1,042	-	-
Receivable from disposal of available-for-sale investment	45,473	53,190	45,473	53,190
Receivable from disposal of investment in associate	38,223	-	38,223	-
Dividend income not yet received	-	1,176	-	1,176

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 10 November 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

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

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

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

- 2.2.2 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2018 which have significant changes and are relevant to the Group. The Group has not yet adopted these revised standards.

TAS 7 (revised 2017)	Statement of cash flows
TAS 12 (revised 2017)	Income taxes
TFRS 12 (revised 2017)	Disclosure of interests in other entities

TAS 7 (revised 2017), the amendments require additional disclosure of changes in liabilities arising from financing activities. This includes changes arising from cash and non-cash.

TAS 12 (revised 2017), the amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. Specifically, the amendments confirm that:

- A temporary difference exists whenever the carrying amount of an asset is less than its tax base at the end of the reporting period.
- An entity can assume that it will recover an amount higher than the carrying amount of an asset to estimate its future taxable profit.
- Where the tax law restricts the source of taxable profits against which particular types of deferred tax assets can be recovered, the recoverability of the deferred tax assets can only be assessed in combination with other deferred tax assets of the same type.
- Tax deductions resulting from the reversal of deferred tax assets are excluded from the estimated future taxable

TFRS 12 (revised 2017), the amendments clarify that the disclosure requirements of TFRS 12 apply to interests in entities that are classified as held for sale according to TFRS 5 (revised 2017), except for the summarised financial information.

The Group's management has assessed and considered that the above revised standards will not have a material impact on the Group except for disclosure.

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 and separate 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.

Major Cineplex Group Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
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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 nine-month period ended 30 September 2017						
Revenues						
Gross segment revenues	5,920	762	377	399	307	7,765
Inter-segment revenues	(416)	-	(43)	(72)	(120)	(651)
Net revenues	<u>5,504</u>	<u>762</u>	<u>334</u>	<u>327</u>	<u>187</u>	<u>7,114</u>
Segment results	<u>607</u>	<u>560</u>	<u>(7)</u>	<u>(13)</u>	<u>(140)</u>	1,007
Compensation income						49
Gain from disposal of investments						340
Unallocated costs						<u>(120)</u>
Operating profit						<u>1,276</u>
For the nine-month period ended 30 September 2016						
Revenues						
Gross segment revenues	5,504	784	408	435	360	7,491
Inter-segment revenues	(363)	-	(45)	(75)	(158)	(641)
Net revenues	<u>5,141</u>	<u>784</u>	<u>363</u>	<u>360</u>	<u>202</u>	<u>6,850</u>
Segment results	<u>598</u>	<u>555</u>	<u>(3)</u>	<u>-</u>	<u>(52)</u>	1,098
Gain from disposal of investments						295
Unallocated costs						<u>(133)</u>
Operating profit						<u>1,260</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 September 2017.

As of 30 September 2017	Level 1 Thousand Baht
Asset	
Available-for-sale financial assets	
Equity securities	166,394
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 September 2017 Thousand Baht	31 December 2016 Thousand Baht	30 September 2017 Thousand Baht	31 December 2016 Thousand Baht
Trade accounts receivable - third parties	595,454	638,635	135,509	131,279
Trade accounts receivable - related parties (Note 21)	7,269	12,740	87,140	61,165
Unbilled revenue	453,052	386,400	45,511	33,868
Total	1,055,775	1,037,775	268,160	226,312
<u>Less</u> Allowance for doubtful accounts	<u>(43,594)</u>	<u>(43,594)</u>	<u>-</u>	<u>-</u>
Trade accounts receivable, net	1,012,181	994,181	268,160	226,312
Amounts due from related parties (Note 21)	27,169	69,473	209,647	334,798
Other accounts receivable	187,651	150,855	136,279	132,068
Prepaid expenses	87,434	41,806	30,299	19,218
Trade and other receivables	1,314,435	1,256,315	644,385	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 September 2017 Thousand Baht	31 December 2016 Thousand Baht	30 September 2017 Thousand Baht	31 December 2016 Thousand Baht
Unbilled revenue	453,377	387,444	45,511	33,868
Trade accounts receivable				
Current	257,359	264,236	118,099	86,155
Overdue less than 3 months	153,820	180,998	68,613	85,255
3 - 6 months	33,810	35,913	3,735	12,814
6 - 12 months	34,265	133,650	21,219	7,218
Over 12 months	123,144	35,534	10,983	1,002
Total	1,055,775	1,037,775	268,160	226,312
<u>Less</u> Allowance for doubtful accounts	<u>(43,594)</u>	<u>(43,594)</u>	<u>-</u>	<u>-</u>
Trade accounts receivable, net	<u>1,012,181</u>	<u>994,181</u>	<u>268,160</u>	<u>226,312</u>

7 Available-for-sale investment

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

	Consolidated and Separate financial information			
	30 September 2017		31 December 2016	
	At cost Thousand Baht	At fair value Thousand Baht	At cost Thousand Baht	At fair value Thousand Baht
Available-for-sale investment	59,021	166,394	108,405	512,699

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

	Consolidated and Separate financial information Thousand Baht
Opening book value	512,699
Disposal	(73,475)
Realised gain	(337,588)
Loss on exchange rate	(12,124)
Change in fair value of available-for-sale investment	<u>76,882</u>
Closing book value	<u>166,394</u>

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 September 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 nine-month period ended 30 September 2017		
Opening net book amount	2,751,690	2,501,310
Additions	140,207	140,207
Disposals	(53,183)	(47,656)
Dividends income	(190,033)	-
Share of results	196,586	-
Closing net book amount	<u>2,845,267</u>	<u>2,593,861</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 2017, the Group realised gain on disposals of Baht 12.40 million in the consolidated income statement (30 September 2016: Baht 12.24 million).

During the nine-month period ended 30 September 2017, the Company received dividends income from associates amounting to Baht 190.03 million (30 September 2016: Baht 167.60 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 nine-month period ended 30 September 2017, the Company has made additional investment in SF of 22.40 million shares totalling Baht 140.21 million.

Disposal of investment

During the nine-month period ended 30 September 2017, the Company disposed its investment in SF of 15.60 million shares for the considerations of Baht 98.28 million and recognised gain from disposal amounting to Baht 45.10 million, and Baht 50.63 million, included in "Other income" in the consolidated and Company income statements, respectively.

The aforementioned movements of investment resulted in the change to shareholding percentage from 24.89% to 25.27%.

Major Cineplex Group Public Company Limited
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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 nine-month period ended 30 September 2017		
Opening net book amount	288,168	245,168
Disposal	(249,320)	(245,168)
Share of result	8,033	-
Currency translation difference	(23)	-
Closing net book amount	<u>46,858</u>	<u>-</u>

PVR BluO Entertainment Co., Ltd. (“PVR bluO”)

Disposal of investment

During the nine-month period ended 30 September 2017, the Company disposed its entire investment in PVR bluO for the considerations of Bath 205.00 million and recognised loss from disposal amounting to Baht 44.32 million, and Baht 40.17 million, included in “Other income” in the consolidated and separate income statements, respectively.

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 September 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

Major Cineplex Group Public Company Limited
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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 September 2017	31 December 2016
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
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	25.27	24.89
Ratchayothin Avenue Co., Ltd.	Thailand	Rental of building space and utilities services	Shareholder	50.00	50.00
			Indirect shareholding via SF	12.64	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
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 nine-month period ended 30 September 2017				
Opening net book amount	7,591,205	120,791	4,471,539	44,931
Exchange differences	(13,174)	(190)	-	-
Additions	442,412	196,155	316,092	9,065
Disposals	(6,615)	-	(3,098)	-
Write-off	(12,306)	(19)	(7,908)	(19)
Depreciation/amortisation	(779,606)	(221,127)	(445,611)	(16,066)
Impairment (reversal)	(11,846)	17,275	-	-
Closing net book amount	<u>7,210,070</u>	<u>112,885</u>	<u>4,331,014</u>	<u>37,911</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 September 2017 Thousand	31 December 2016 Thousand	30 September 2017 Thousand	31 December 2016 Thousand
Property, plant and equipment	THB	63,092	55,648	62,186	55,648
Intangible assets	THB	1,070	1,969	-	-
	USD	1,110	1,061	-	-
Total	THB	64,162	57,617	62,186	55,648
	USD	1,110	1,061	-	-
Total in Thai Baht		<u>101,381</u>	<u>95,798</u>	<u>62,186</u>	<u>55,648</u>

10 Trade and other payables

	Consolidated financial information		Separate financial information	
	30 September 2017 Thousand Baht	31 December 2016 Thousand Baht	30 September 2017 Thousand Baht	31 December 2016 Thousand Baht
Trade accounts payable	776,445	582,075	583,227	430,509
Amounts due to related parties (Note 21)	19,039	23,212	108,402	26,645
Other payables	259,530	395,678	163,518	259,719
Accrued expenses	323,231	410,432	188,681	208,797
Rental and service incomes received in advance	345,272	349,843	270,071	272,145
Trade and other payables	<u>1,723,517</u>	<u>1,761,240</u>	<u>1,313,899</u>	<u>1,197,815</u>

Unearned rental and service income included cash advanced from customers amounting to Baht 48.70 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.

11 Borrowings

	Consolidated financial information		Separate financial information	
	30 September 2017 Thousand Baht	31 December 2016 Thousand Baht	30 September 2017 Thousand Baht	31 December 2016 Thousand Baht
Current				
Bank overdrafts	1,447	1,930	-	-
Short-term loans from financial institutions	2,113,596	3,136,056	1,995,596	3,031,056
Total short-term borrowings from financial institutions	2,115,043	3,137,986	1,995,596	3,031,056
Current portion of long-term borrowings:				
- Finance lease liabilities	81,591	85,408	6	1,632
- Bank borrowings	504,000	252,000	504,000	252,000
- Debentures	-	1,000,000	-	1,000,000
Total current portion of long-term borrowings	585,591	1,337,408	504,006	1,253,632
Non-current portion of long-term borrowings				
- Finance lease liabilities	144,708	204,914	21,128	21,133
- Bank borrowings	1,118,000	559,000	1,118,000	559,000
- Debentures	1,000,000	-	1,000,000	-
Total non-current portion of long-term borrowings	2,262,708	763,914	2,139,128	580,133
Total borrowings	4,963,342	5,239,308	4,638,730	4,864,821

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

For the nine-month period ended 30 September 2017	Consolidated	Separate
	financial information Thousand Baht	financial information Thousand Baht
Opening amount as at 1 January 2017	811,000	811,000
Additions	1,000,000	1,000,000
Repayments	(189,000)	(189,000)
Closing amount as at 30 September 2017	1,622,000	1,622,000

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 nine-month period ended 30 September 2017	Consolidated	Separate
	financial information Thousand Baht	financial information Thousand Baht
Opening amount as at 1 January 2017	1,000,000	1,000,000
Issuance of debenture	1,000,000	1,000,000
Repayment of debenture	(1,000,000)	(1,000,000)
Closing amount as at 30 September 2017	1,000,000	1,000,000

On 12 September 2017, the Company issued unsubordinated debenture of Baht 1,000 million. The debenture is one-time redemption on maturity date, unsecured, with no debenture holders' representative. The term of the debenture is 5 years from the issuance date. The interest rate is 2.80% per annum and due for payment every six months. The Company has to maintain debt to equity ratio at the ratio stipulated in the prospectus. The Company use proceeds from the debentures to repay bank borrowings

11 Borrowings (Cont'd)

Borrowing facilities

As at 30 September 2017, the available credit facilities from financial institutions for the Group and the Company are Baht 5,111.51 million and Baht 4,735.95 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 nine-month period ended 30 September 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 September 2017	896,266	894,667	894,667	4,055,609

Employee share option scheme: During the nine-month period ended 30 September 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 nine-month period ended 30 September 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 September 2017	4,538	-

14 Non-controlling interests

For the nine-month period ended 30 September 2017	Consolidated
	financial information Thousand Baht
Opening amount	80,844
Share of result	9,266
Closing amount	90,110

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15 Other income

For the three-month periods ended 30 September	Consolidated financial information		Separate financial information	
	2017	2016	2017	2016
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Dividends income	485	1,176	32,987	28,401
Gain on disposals of available-for-sale investment	97,879	149,327	97,879	149,327
Gain on disposals of investment in associate	45,098	-	50,625	-
Loss on disposals of investment in joint venture	(44,318)	-	(40,166)	-
Management fee income	12,774	13,375	15,089	17,461
Interest income	925	401	8,036	8,426
Compensation income	49,223	-	33,999	-
Others	45,710	28,470	35,470	18,438
	<u>207,776</u>	<u>192,749</u>	<u>233,919</u>	<u>222,053</u>
For the nine-month periods ended 30 September	Consolidated financial information		Separate financial information	
	2017	2016	2017	2016
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Dividends income	485	1,176	190,518	610,682
Gain on disposals of short-term Investment	1,156	-	1,156	-
Gain on disposals of available-for-sale Investment (Note 7)	337,588	264,996	337,588	264,996
Gain on disposals of investment in associate (Note 8)	45,098	29,736	50,625	33,145
Loss on disposals of investment in joint venture (Note 8)	(44,318)	-	(40,166)	-
Management fee income	35,847	38,565	46,324	50,822
Interest income	4,184	2,672	24,623	26,314
Compensation income	49,223	-	33,999	-
Others	90,932	65,215	61,444	34,225
	<u>520,195</u>	<u>402,360</u>	<u>706,111</u>	<u>1,020,184</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.

	Consolidated and Separate financial information	
For the three-month period ended 30 September	2017	2016
	Thousand Shares	Thousand Shares
Number of weighted average shares:		
- basic	894,668	894,343
- diluted	894,668	894,531
	Consolidated and Separate financial information	
For the nine-month period ended 30 September	2017	2016
	Thousand Shares	Thousand Shares
Number of weighted average shares:		
- basic	894,619	893,153
- diluted	894,648	893,978

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, totaling 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.

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.

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19 Cash flows from operating activities

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

For the nine-month period ended 30 September	Notes	Consolidated financial information		Separate financial information	
		2017 Thousand Baht	2016 Thousand Baht	2017 Thousand Baht	2016 Thousand Baht
Profit before income tax		1,373,553	1,356,086	973,281	1,241,213
Adjustments for:					
Depreciation/amortisation	9	1,000,733	852,762	461,677	419,820
Amortisation of prepaid rent		33,542	30,587	15,013	12,072
Doubtful and bad debts		1,015	9,870	-	-
Loss on diminution in value of inventories		9,000	13,272	9,000	6,000
Reversal of provision of sales return		-	(15,300)	-	-
Impairment of plant and equipment and intangible asset (reversal)		(5,429)	10,980	-	-
Loss on disposals of equipment		5,392	8,018	1,879	3,071
Loss from write-off of equipment	9	12,306	6,221	7,908	4,438
Loss from write-off of intangible asset	9	19	1,338	19	-
Gain on bargain purchase		-	(736)	-	-
Gain on disposals of available-for-sale investment	15	(337,588)	(264,996)	(337,588)	(264,996)
Gain on disposals of short-term investment	15	(1,156)	-	(1,156)	-
Gain on disposals of investments in associate	15	(45,098)	(29,736)	(50,625)	(33,145)
Gain on disposals of investments in joint venture	15	44,318	-	40,166	-
Shares of results of investments in associates and joint venture	8	(204,619)	(203,329)	-	-
Unearned income - customers loyalty		448	(1,307)	448	(1,307)
Employee benefit obligations		3,348	2,922	1,981	1,360
Warrants		-	5,486	-	4,820
Unrealised (gain) loss on exchange rate		(4,656)	2,653	921	3,973
Dividends received	15	(485)	(1,176)	(190,518)	(610,682)
Interest income	15	(4,184)	(2,672)	(24,623)	(26,314)
Financial costs		107,203	107,259	131,981	131,700
Changes in operating assets and liabilities:					
- Trade and other receivables		2,149	16,677	39,577	29,357
- Inventories		(24,771)	47,295	(19,887)	10,037
- Films under productions		58,985	(104,025)	-	-
- Other current assets		7,656	(42,534)	(6,611)	(22,059)
- Finance lease receivables		891	980	-	-
- Other non-current assets		(54,763)	(24,839)	(43,457)	(27,163)
- Trade and other payables		97,222	(129,012)	233,234	(19,019)
- Other current liabilities		45,852	51,898	45,748	43,834
- Other non-current liabilities		(20,436)	23,530	(5,789)	9,919
Cash generated from operations		<u>2,100,447</u>	<u>1,728,172</u>	<u>1,282,579</u>	<u>916,929</u>

20 Commitments and contingencies

i) Bank guarantees and letter of credits

As at 30 September 2017, there are outstanding bank guarantees and letters of credit given on behalf of the Group to third parties amounting to Baht 198.15 million (31 December 2016: Baht 193.46 million).

ii) Guarantees

As at 30 September 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 September 2017	31 December 2016	30 September 2017	31 December 2016
	Million Baht	Million Baht	Million Baht	Million Baht
Not later than 1 year	1,038	741	831	702
Later than 1 year but not later than 5 years	4,127	3,244	2,614	2,035
Later than 5 years	5,549	5,462	3,836	3,747
	<u>10,714</u>	<u>9,447</u>	<u>7,281</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 September 2017, the Group has commitments in respect of payments to film directors amounting to Baht 45.46 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 September	Consolidated financial information		Separate financial information	
	2017 Thousand Baht	2016 Thousand Baht	2017 Thousand Baht	2016 Thousand Baht
Sales of goods and services				
Subsidiaries	-	-	102,124	87,687
Associates	170	1,629	-	212
Leasehold property fund	16,057	16,702	9,855	10,517
Joint ventures	4,127	3,596	-	-
Related parties	35,459	14,907	5,155	4,569
	<u>55,813</u>	<u>36,834</u>	<u>117,134</u>	<u>102,985</u>
Dividend income				
Associates	-	-	8,000	-
Leasehold property fund	-	-	24,503	27,225
Related parties	485	1,176	485	1,176
	<u>485</u>	<u>1,176</u>	<u>32,988</u>	<u>28,401</u>
For the nine-month period ended 30 September	Consolidated financial information		Separate financial information	
	2017 Thousand Baht	2016 Thousand Baht	2017 Thousand Baht	2016 Thousand Baht
Sales of goods and services				
Subsidiaries	-	-	297,011	261,446
Associates	1,027	5,712	295	938
Leasehold property fund	46,920	47,505	28,823	30,009
Joint ventures	12,690	12,609	-	-
Related parties	63,903	46,285	13,690	15,339
	<u>124,540</u>	<u>112,111</u>	<u>339,819</u>	<u>307,732</u>
Dividend income				
Subsidiaries	-	-	-	441,910
Associates	-	-	112,714	84,832
Leasehold property fund	-	-	77,319	82,764
Related parties	485	1,176	485	1,176
	<u>485</u>	<u>1,176</u>	<u>190,518</u>	<u>610,682</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 September	Consolidated financial information		Separate financial information	
	2017	2016	2017	2016
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Purchases of goods and services				
Subsidiaries	-	-	134,578	65,349
Associates	6,426	7,648	4,164	4,098
Leasehold property fund	43,969	42,939	33,108	32,039
Related parties	23,169	30,136	20,802	26,296
	<u>73,564</u>	<u>80,723</u>	<u>192,652</u>	<u>127,782</u>
For the nine-month period ended 30 September	Consolidated financial information		Separate financial information	
	2017	2016	2017	2016
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Purchases of goods and services				
Subsidiaries	-	-	254,862	255,333
Associates	20,147	22,788	13,577	14,209
Leasehold property fund	128,818	124,266	97,375	93,762
Joint ventures	22,997	-	-	-
Related parties	97,250	117,028	97,802	100,488
	<u>269,212</u>	<u>264,082</u>	<u>463,616</u>	<u>463,792</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 September 2017 Thousand Baht	31 December 2016 Thousand Baht	30 September 2017 Thousand Baht	31 December 2016 Thousand Baht
Trade accounts receivable (include unbilled revenue)				
Subsidiaries	-	-	86,424	55,717
Associates	2,971	7,260	384	4,709
Joint venture	1,859	3,104	-	-
Related parties	2,439	2,376	332	739
	<u>7,269</u>	<u>12,740</u>	<u>87,140</u>	<u>61,165</u>
Amounts due from related parties				
Subsidiaries	-	-	200,211	206,421
Associates	13,946	50,235	4,433	4,186
Joint venture	8,529	269	3	-
Related parties	4,694	14,469	5,000	4,275
	<u>27,169</u>	<u>64,973</u>	<u>209,647</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>27,169</u>	<u>69,473</u>	<u>209,647</u>	<u>334,798</u>
Advance payment (included in "Other current assets")				
Related parties	11,212	-	7,794	-
	<u>11,212</u>	<u>-</u>	<u>7,794</u>	<u>-</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	1,614	1,686	-	-
	<u>1,614</u>	<u>1,686</u>	<u>-</u>	<u>-</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 September 2017 Thousand Baht	31 December 2016 Thousand Baht	30 September 2017 Thousand Baht	31 December 2016 Thousand Baht
Trade accounts payable (included in "Trade accounts payable")				
Subsidiaries	-	-	70,325	72,523
Associates	749	7,643	1	5,539
Joint venture	17,566	-	-	-
Related parties	633	619	596	515
	<u>18,948</u>	<u>8,262</u>	<u>70,922</u>	<u>78,577</u>
Amounts due to related parties				
Subsidiaries	-	-	97,066	12,645
Associates	4,013	4,127	3,361	3,448
Joint venture	-	45	-	-
Related parties	14,443	14,901	7,667	6,985
Board	583	4,139	308	3,567
	<u>19,039</u>	<u>23,212</u>	<u>108,402</u>	<u>26,645</u>
Advance received for rental and services (included in "Other non-current liabilities")				
Associate	24,175	24,961	-	-
Related parties	9,915	11,048	-	-
	<u>34,090</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	21,134	22,765	21,134	22,765
	<u>21,134</u>	<u>22,765</u>	<u>21,134</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 nine-month period ended 30 September 2017	Thousand Baht	Thousand Baht
Opening amount	8,000	474,900
Loans made during the period	2,000	332,974
Loans repayments received during the period	<u>(5,000)</u>	<u>(383,823)</u>
Closing amount	<u>5,000</u>	<u>424,051</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 13.07 million. As at 30 September 2017, the accrued interest income in the separate statement of financial position was Baht 1.33 million.

v) Long-term loans to other and related parties

	Consolidated financial information	Separate financial information
For the nine-month period ended 30 September 2017	Thousand Baht	Thousand Baht
Opening amount	1,923	301,706
Loans made during the period	500	500
Loans repayments received during the period	<u>(571)</u>	<u>(30,571)</u>
Closing amount	<u>1,852</u>	<u>271,635</u>

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

The long-term loans to staff in the consolidated and separate financial statements were Baht 1.85 million and Baht 1.63 million (2016: Baht 2.12 million and Baht 1.90 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 nine-month period ended 30 September 2017	Thousand Baht	Thousand Baht
Opening amount	18,150	993,447
Loans borrowed during the period	-	1,967,888
Loans repaid during the period	<u>(2,250)</u>	<u>(1,800,520)</u>
Closing amount	<u>15,900</u>	<u>1,160,815</u>

The short-term loans from related parties consist of an unsecured loan amounting to Baht 1,144.92 million, repayable within 1 month and carrying interest at the rate of 4.00% per annum, and promissory note due upon demand of Baht 15.90 million bearing interest rate of 2.72% per annum.

The related interest expense in the consolidated and separate financial statements was Baht 0.36 million and Baht 34.78 million, respectively. As at 30 September 2017, the accrued interest expense in the consolidated and Company statement of financial position was Baht 0.03 million and Baht 14.14 million, respectively.

21 Related party transactions (Cont'd)

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

vii) Key management compensation

For the three-month period ended 30 September	Consolidated financial information		Separate financial information	
	2017 Thousand Baht	2016 Thousand Baht	2017 Thousand Baht	2016 Thousand Baht
Short-term employee benefits	13,991	12,991	11,009	10,693
Retirement benefits	82	168	63	149
Share-based payments	-	788	-	788
	<u>14,073</u>	<u>13,947</u>	<u>11,072</u>	<u>11,630</u>

For the nine-month period ended 30 September	Consolidated financial information		Separate financial information	
	2017 Thousand Baht	2016 Thousand Baht	2017 Thousand Baht	2016 Thousand Baht
Short-term employee benefits	40,597	38,952	29,123	31,296
Retirement benefits	247	504	189	447
Share-based payments	-	1,152	-	1,152
	<u>40,844</u>	<u>40,608</u>	<u>29,312</u>	<u>32,895</u>

22 Litigation

On 27 July 2017, the insurance companies of damaged parties from the fire accident at Major Cineplex Theater (Pinklao Branch) sued the Company for compensation for causing damages pursuant to the civil case, black case no. P3537/2560. The case is in the process of the civil court and the outcome is not yet known. The Company believes that there will be no material loss arising from the lawsuits and therefore does not provide for the contingent liability.

23 Subsequent events

On 6 October 2017, the Company issued unsubordinated debenture of Baht 500 million. The debenture is one-time redemption on maturity date, unsecured, with no debenture holders' representative. The debenture issued is within the amount authorised at the Annual General Meeting of shareholders on 5 April 2017. The term of the debenture is 4 years from the issuance date. The interest rate is 2.49% per annum. The Company received proceeds of Baht 500 million on 6 October 2017 which is used to repay bank borrowings, for operation and expansion of its business.