

**MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED**

**INTERIM CONSOLIDATED AND SEPARATE  
FINANCIAL INFORMATION**

**31 MARCH 2018**

## **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 31 March 2018, and the related consolidated and separate income statements and comprehensive income, changes in equity, and cash flows for the three-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 May 2018

Major Cineplex Group Public Company Limited

Statement of Financial Position

As at 31 March 2018

	Notes	Consolidated		Separate	
		financial information		financial information	
		Unaudited	Audited	Unaudited	Audited
		31 March 2018	31 December 2017	31 March 2018	31 December 2017
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		606,559	573,030	376,641	272,256
Trade account and other receivables	6	1,229,250	1,182,113	661,742	704,253
Short-term loans to related parties	20	5,000	5,000	359,861	394,601
Inventories		120,400	140,869	84,146	99,335
Films under production		223,308	178,365	-	-
Current portion of prepaid rents		44,891	44,891	20,037	20,037
Other current assets		216,452	138,545	44,594	45,371
<b>Total current assets</b>		<b>2,445,860</b>	<b>2,262,813</b>	<b>1,547,021</b>	<b>1,535,853</b>
<b>Non-current assets</b>					
Available-for-sale investment	7	-	67,095	-	67,095
Finance lease receivables		11,194	11,265	-	-
Investment in subsidiaries	8	-	-	3,620,414	3,620,414
Investment in associates	8	2,946,459	2,969,459	2,774,815	2,716,074
Interest in joint ventures	8	37,775	37,406	-	-
Long-term loans to related parties	20	1,802	1,827	271,585	271,610
Property, plant and equipment	9	7,108,909	7,186,429	4,259,550	4,281,282
Goodwill		205,381	205,381	-	-
Intangible assets	9	102,067	100,398	39,300	36,745
Deferred income tax assets		64,892	49,914	50,574	35,706
Long-term prepaid rents		619,594	630,626	391,617	396,626
Other non-current assets		199,417	285,098	185,611	187,563
<b>Total non-current assets</b>		<b>11,297,490</b>	<b>11,544,898</b>	<b>11,593,466</b>	<b>11,613,115</b>
<b>Total assets</b>		<b>13,743,350</b>	<b>13,807,711</b>	<b>13,140,487</b>	<b>13,148,968</b>

Director \_\_\_\_\_

Director \_\_\_\_\_

The accompanying notes on pages 9 to 27 form part of this interim financial information.

Major Cineplex Group Public Company Limited

Statement of Financial Position (Cont'd)

As at 31 March 2018

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 31 March 2018 Thousand Baht	Audited 31 December 2017 Thousand Baht	Unaudited 31 March 2018 Thousand Baht	Audited 31 December 2017 Thousand Baht
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term borrowings from financial institutions	11	1,256,922	1,459,890	1,196,461	1,399,889
Trade account and other payables	10	1,729,531	1,674,700	1,262,003	1,220,324
Current portion of long-term borrowings	11	724,622	658,591	588,006	588,006
Short-term loans from related parties	20	15,900	15,900	1,319,219	1,262,776
Accrued income tax		77,596	61,329	38,669	22,829
Other current liabilities		75,114	75,457	37,576	34,455
<b>Total current liabilities</b>		<b>3,879,685</b>	<b>3,945,867</b>	<b>4,441,934</b>	<b>4,528,279</b>
<b>Non-current liabilities</b>					
Long-term borrowings from financial institutions	11	2,371,175	2,605,355	2,345,792	2,492,127
Deferred income tax liabilities		220,255	241,369	-	-
Employee benefit obligations		40,077	38,895	25,592	24,908
Other non-current liabilities		490,362	477,465	152,153	132,314
<b>Total non-current liabilities</b>		<b>3,121,869</b>	<b>3,363,084</b>	<b>2,523,537</b>	<b>2,649,349</b>
<b>Total liabilities</b>		<b>7,001,554</b>	<b>7,308,951</b>	<b>6,965,471</b>	<b>7,177,628</b>
<b>Equity</b>					
Share capital	12				
Authorised share capital					
Ordinary shares, 896,266,347 shares 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 paid-up of Baht 1 each	12	894,668	894,668	894,668	894,668
Share premium		4,055,609	4,055,609	4,055,609	4,055,609
Share premium - treasury share		288,425	288,425	288,425	288,425
Warrants	13	4,538	4,538	-	-
Retained earnings					
Appropriated - legal reserve		90,600	90,600	90,600	90,600
Unappropriated		1,680,881	1,396,560	845,714	597,998
Other components of equity		(360,328)	(316,853)	-	44,040
Equity attributable to owners of the parent		6,654,393	6,413,547	6,175,016	5,971,340
Non-controlling interests	14	87,403	85,213	-	-
<b>Total equity</b>		<b>6,741,796</b>	<b>6,498,760</b>	<b>6,175,016</b>	<b>5,971,340</b>
<b>Total liabilities and equity</b>		<b>13,743,350</b>	<b>13,807,711</b>	<b>13,140,487</b>	<b>13,148,968</b>

The accompanying notes on pages 9 to 27 form part of this interim financial information.

Major Cineplex Group Public Company Limited  
Income Statement (Unaudited)  
For the three-month period ended 31 March 2018

	Notes	Consolidated financial information		Separate financial information	
		2018 Thousand Baht	2017 Thousand Baht	2018 Thousand Baht	2017 Thousand Baht
<b>Revenues</b>					
Services income		1,555,429	1,707,406	887,320	1,029,768
Sales income		394,853	426,701	278,764	267,342
<b>Total revenues</b>		<b>1,950,282</b>	<b>2,134,107</b>	<b>1,166,084</b>	<b>1,297,110</b>
<b>Costs</b>					
Cost of services		(1,187,272)	(1,218,263)	(742,326)	(783,000)
Cost of sales		(142,947)	(199,666)	(100,105)	(83,208)
<b>Total costs</b>		<b>(1,330,219)</b>	<b>(1,417,929)</b>	<b>(842,431)</b>	<b>(866,208)</b>
<b>Gross profit</b>		<b>620,063</b>	<b>716,178</b>	<b>323,653</b>	<b>430,902</b>
Other income	15	170,474	149,024	320,487	266,040
Selling expenses		(118,191)	(133,587)	(67,866)	(54,676)
Administrative expenses		(401,544)	(419,666)	(268,315)	(271,401)
Finance costs		(28,801)	(38,509)	(40,260)	(44,993)
Share of result of investments	8	71,470	40,553	-	-
<b>Profit before income tax</b>		<b>313,471</b>	<b>313,993</b>	<b>267,699</b>	<b>325,872</b>
Income tax	16	(26,960)	(53,422)	(19,983)	(38,870)
<b>Profit for the period</b>		<b>286,511</b>	<b>260,571</b>	<b>247,716</b>	<b>287,002</b>
<b>Attributable profit to:</b>					
Owners of the parent		284,321	261,803	247,716	287,002
Non-controlling interests		2,190	(1,232)	-	-
		<b>286,511</b>	<b>260,571</b>	<b>247,716</b>	<b>287,002</b>
		<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Earnings per share</b>					
Basic earnings per share	17	0.32	0.29	0.28	0.32
Diluted earnings per share		0.32	0.29	0.28	0.32

The accompanying notes on pages 9 to 27 form part of this interim financial information.

Major Cineplex Group Public Company Limited  
Statement of Comprehensive Income (Unaudited)  
For the three-month period ended 31 March 2018

	Consolidated		Separate	
	financial information		financial information	
	2018	2017	2018	2017
Note	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Profit for the period</b>	286,511	260,571	247,716	287,002
<b>Other comprehensive income:</b>				
Items that will be reclassified subsequently to profit or loss				
Remeasuring of available-for-sale investment	7	(11,785)	122,954	(11,785)
Reclassification of unrealised gain from remeasuring available-for-sale investment to income statement	7	(43,265)	(112,929)	(43,265)
Currency translation differences		565	(10,586)	-
Income tax relating to the above items		11,010	(2,005)	11,010
<b>Other comprehensive gain (loss) for the period, net of income tax</b>		(43,475)	(2,566)	(44,040)
<b>Total comprehensive income for the period</b>		243,036	258,005	203,676
<b>Total comprehensive income attributable to:</b>				
Owners of the parent		240,846	259,237	203,676
Non-controlling interests		2,190	(1,232)	-
		243,036	258,005	203,676

The accompanying notes on pages 9 to 27 form part of this interim financial information.

Major Cineplex Group Public Company Limited  
Statement of Changes in Equity (Unaudited)  
For the three-month period ended 31 March 2018

Consolidated financial information											Unit: Thousand Baht		
Attributable to owners of the parent													
	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 components of equity		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								
<b>Opening balance as at 1 January 2017</b>	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
<b>Changes in equity for period</b>													
Total comprehensive income	-	-	-	-	-	261,803	-	(10,586)	8,020	(2,566)	259,237	(1,232)	258,005
<b>Closing balance as at 31 March 2017</b>	<u>894,533</u>	<u>4,053,064</u>	<u>288,425</u>	<u>5,288</u>	<u>90,600</u>	<u>1,582,760</u>	<u>(349,447)</u>	<u>(546)</u>	<u>331,455</u>	<u>(18,538)</u>	<u>6,896,132</u>	<u>79,612</u>	<u>6,975,744</u>
<b>Opening balance as at 1 January 2018</b>	894,668	4,055,609	288,425	4,538	90,600	1,396,560	(349,447)	(11,446)	44,040	(316,853)	6,413,547	85,213	6,498,760
<b>Changes in equity for period</b>													
Total comprehensive income	-	-	-	-	-	284,321	-	565	(44,040)	(43,475)	240,846	2,190	243,036
<b>Closing balance as at 31 March 2018</b>	<u>894,668</u>	<u>4,055,609</u>	<u>288,425</u>	<u>4,538</u>	<u>90,600</u>	<u>1,680,881</u>	<u>(349,447)</u>	<u>(10,881)</u>	<u>-</u>	<u>(360,328)</u>	<u>6,654,393</u>	<u>87,403</u>	<u>6,741,796</u>

The accompanying notes on pages 9 to 27 form part of this interim financial information.

Major Cineplex Group Public Company Limited  
Statement of Changes in Equity (Unaudited)  
For the three-month period ended 31 March 2018

	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 income (expense)		
					Legal reserve	Unappropriated	Available-for-sale investment	Total other component of equity	
<b>Opening balance as at 1 January 2017</b>	894,533	4,053,064	288,425	750	90,600	782,391	323,435	323,435	6,433,198
<b>Changes in equity for period</b>									
Total comprehensive income	-	-	-	-	-	287,002	8,020	8,020	295,022
<b>Closing balance as at 31 March 2017</b>	<u>894,533</u>	<u>4,053,064</u>	<u>288,425</u>	<u>750</u>	<u>90,600</u>	<u>1,069,393</u>	<u>331,455</u>	<u>331,455</u>	<u>6,728,220</u>
<b>Opening balance as at 1 January 2018</b>	894,668	4,055,609	288,425	-	90,600	597,998	44,040	44,040	5,971,340
<b>Changes in equity for period</b>									
Total comprehensive income	-	-	-	-	-	247,716	(44,040)	(44,040)	203,676
<b>Closing balance as at 31 March 2018</b>	<u>894,668</u>	<u>4,055,609</u>	<u>288,425</u>	<u>-</u>	<u>90,600</u>	<u>845,714</u>	<u>-</u>	<u>-</u>	<u>6,175,016</u>

The accompanying notes on pages 9 to 27 form part of this interim financial information.



**Major Cineplex Group Public Company Limited**  
**Statement of Cash Flows (Unaudited)**  
**For the three-month period ended 31 March 2018**

	Notes	Consolidated financial information		Separate financial information	
		2018 Thousand Baht	2017 Thousand Baht	2018 Thousand Baht	2017 Thousand Baht
<b>Cash flows from operating activities</b>					
Cash generated from operations	18	481,607	634,059	347,859	384,949
Interest paid		(35,269)	(32,293)	(46,594)	(40,427)
Income tax paid		(35,110)	(39,449)	(8,595)	(7,675)
Net cash generated from operating activities		<u>411,228</u>	<u>562,317</u>	<u>292,670</u>	<u>336,847</u>
<b>Cash flows from investing activities</b>					
Increase in restricted cash		-	(9)	-	-
Short-term loans made to related parties	20	-	-	(112,896)	(113,227)
Short-term loans repayments received from related parties	20	-	-	147,636	124,391
Long-term loans repayments received from related parties	20	25	211	25	211
Payments for short-term investments		-	(770,000)	-	(770,000)
Proceeds from disposal of short-term investments		-	771,156	-	771,156
Payments for investment in associate	8	(122,129)	(33,358)	(122,129)	(33,358)
Proceeds from disposals of investment in associate		205,433	-	205,433	-
Proceeds from disposals of available-for-sale investment		67,971	35,400	67,971	35,400
Purchases of property, plant and equipment		(173,277)	(237,801)	(105,751)	(175,754)
Proceeds from disposals of equipment		183	13,362	131	445
Purchases of intangible assets		(11,597)	(57,329)	(6,677)	(782)
Interest received		904	913	4,328	4,959
Dividends received		23,958	32,814	23,958	148,230
Net cash (used in) generated from investing activities		<u>(8,529)</u>	<u>(244,641)</u>	<u>102,029</u>	<u>(8,329)</u>
<b>Cash flows from financing activities</b>					
Proceeds from short-term loans from related parties	20	-	-	593,099	581,318
Repayments to short-term loans from related parties	20	-	-	(536,656)	(544,233)
Decrease in bank overdrafts		461	1,832	-	-
Proceeds from short-term borrowings		1,050,000	980,000	1,050,000	950,000
Repayments to short-term borrowings		(1,250,000)	(2,100,000)	(1,250,000)	(2,100,000)
Repayments to finance lease liabilities		(23,298)	(24,766)	(424)	(2,072)
Proceeds from long-term borrowings	11	-	1,000,000	-	1,000,000
Repayments to long-term borrowings	11	(146,333)	(63,000)	(146,333)	(63,000)
Subsidiary paid dividends to non-controlling interests		-	(10,856)	-	-
Net cash used in financing activities		<u>(369,170)</u>	<u>(216,790)</u>	<u>(290,314)</u>	<u>(177,987)</u>
<b>Net increase in cash and cash equivalents</b>		<u>33,529</u>	<u>100,886</u>	<u>104,385</u>	<u>150,531</u>
Opening balance of cash and cash equivalents		<u>573,030</u>	<u>530,873</u>	<u>272,256</u>	<u>173,652</u>
<b>Closing balance of cash and cash equivalents</b>		<u><u>606,559</u></u>	<u><u>631,759</u></u>	<u><u>376,641</u></u>	<u><u>324,183</u></u>
<b>Non-cash transactions</b>					
Significant non-cash transactions for the three-month periods ended 31 March 2018 and 2017 are as follows:					
Dividends receivable from associates		117,161	89,514	117,161	89,514
Receivable from disposal of investment in associate		9,000	-	9,000	-
Receivable from disposal of available-for-sale investment		55,310	101,620	55,310	101,620

The accompanying notes on pages 9 to 27 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 May 2018.

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 2017.

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 2017.

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 2018 which have significant change and are relevant to the Group:

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.

## 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 2018 which have significant change and are relevant to the Group: (Cont'd)

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 profits.

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.

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

2.2.2 New financial reporting standard is effective for annual periods beginning on or after 1 January 2019 which is relevant to the Group. The Group has not yet adopted this standard.

TFRS 15 Revenue from contracts with customers

TFRS 15 provide the requirements for the recognition of revenue. This standard will supersede the following standards:

TAS 11 (revised 2017)	Construction contracts
TAS 18 (revised 2017)	Revenue
TFRIC 13 (revised 2017)	Customer loyalty programmes
TFRIC 15 (revised 2017)	Agreements for the construction of real estate
TFRIC 18 (revised 2017)	Transfers of assets from customers
TSIC 31 (revised 2017)	Revenue - barter transactions involving advertising services

The new standard is based on the principle that

- revenue is recognised when control of a good or service transfers to a customer - so the notion of control replaces the existing notion of risks and rewards
- an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

An entity recognises revenue in accordance with that core principle by applying the following steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

**2 Accounting policies (Cont'd)**

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

2.2.2 New financial reporting standard is effective for annual periods beginning on or after 1 January 2019 which is relevant to the Group. The Group has not yet adopted this standard. (Cont'd)

Entities will have a choice to apply this standard retrospectively in accordance with TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, subject to the expedients or retrospectively with the cumulative effect recognised as an adjustment to the opening balance of retained earnings of the annual reporting period that includes the date of initial application with additional disclosures. The Group will first apply this standard for annual reporting periods beginning on or after 1 January 2019. Management is currently assessing the impact from initial application of this standard in detail and has identified the following areas that are likely to be affected:

- consignment sales where recognition of revenue will depend on the passing of control rather than the passing of risks and rewards
- accounting for cost incurred in fulfilling a contract - certain costs which are currently expensed may need to be recognised as an asset under TFRS 15
- rights of return - TFRS 15 requires separate presentation on the balance sheet of the right to recover the goods from the customer and the refund obligations

**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 2017.

**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)  
For the interim period ended 31 March 2018

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	
<b>For the three-month period ended 31 March 2018</b>						
Revenues						
Gross segment revenues	1,599	266	121	126	34	2,146
Inter-segment revenues	(147)	-	(14)	(21)	(14)	(196)
Net revenues	<u>1,452</u>	<u>266</u>	<u>107</u>	<u>105</u>	<u>20</u>	<u>1,950</u>
Segment results	<u>4</u>	<u>187</u>	<u>5</u>	<u>(2)</u>	<u>(24)</u>	<u>170</u>
Compensation income						136
Gain from disposal of investments						(35)
Unallocated costs						<u>271</u>
Operating profit						
<b>For the three-month period ended 31 March 2017</b>						
Revenues						
Gross segment revenues	1,757	236	118	135	93	2,339
Inter-segment revenues	(136)	-	(15)	(22)	(32)	(205)
Net revenues	<u>1,621</u>	<u>236</u>	<u>103</u>	<u>113</u>	<u>61</u>	<u>2,134</u>
Segment results	<u>135</u>	<u>163</u>	<u>(5)</u>	<u>4</u>	<u>(51)</u>	<u>246</u>
Gain from disposal of investments						114
Unallocated costs						<u>(48)</u>
Operating profit						<u>312</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).

At 31 March 2018, the Group does not have financial assets and liabilities that are measured at fair value.

The following table present the Group's financial assets and liabilities that are measured at fair value at 31 December 2017.

	<b>Level 1</b> <b>Thousand Baht</b>
<b>Asset</b>	
Available-for-sale financial assets	
Equity securities	67,095

There was no change in valuation techniques during the periods.

## 6 Trade and other receivables

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial information</b>		<b>financial information</b>	
	<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>Thousand</b>	<b>Thousand</b>	<b>Thousand</b>	<b>Thousand</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Trade accounts receivable - third parties	428,955	469,783	102,623	134,779
Trade accounts receivable - related parties (Note 20)	8,347	17,605	45,830	100,591
Unbilled revenue	431,902	428,408	34,941	60,495
<b>Total</b>	<b>869,204</b>	<b>915,796</b>	<b>183,394</b>	<b>295,865</b>
<u>Less</u> Allowance for doubtful accounts	(6,732)	(6,732)	-	-
Trade accounts receivable, net	862,472	909,064	183,394	295,865
Amounts due from related parties (Note 20)	144,422	31,198	339,868	246,860
Other accounts receivable	144,541	159,622	117,747	137,218
Prepaid expenses	77,815	82,229	20,733	24,310
<b>Trade account and other receivables</b>	<b>1,229,250</b>	<b>1,182,113</b>	<b>661,742</b>	<b>704,253</b>

**6 Trade and other receivables (Cont'd)**

Outstanding trade and other receivables can be analysed as follows:

	Consolidated financial information		Separate financial information	
	31 March 2018 Thousand Baht	31 December 2017 Thousand Baht	31 March 2018 Thousand Baht	31 December 2017 Thousand Baht
Unbilled revenue	433,751	433,722	35,044	61,006
Trade accounts receivable				
Current	186,149	240,411	75,264	145,040
Overdue less than 3 months	182,659	176,561	55,006	72,539
3 - 6 months	16,753	23,985	1,875	1,534
6 - 12 months	23,577	13,277	1,378	992
Over 12 months	26,315	27,840	14,827	14,754
Total	869,204	915,796	183,394	295,865
<u>Less</u> Allowance for doubtful accounts	(6,732)	(6,732)	-	-
Trade accounts receivable, net	862,472	909,064	183,394	295,865

**7 Available-for-sale investment**

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

	Consolidated and Separate financial information			
	31 March 2018		31 December 2017	
	At cost Thousand Baht	At fair value Thousand Baht	At cost Thousand Baht	At fair value Thousand Baht
Available-for-sale investment	-	-	12,045	67,095

During the three-month period ended 31 March 2018, the movements of available-for-sale investment are as follows:

	Consolidated and Separate financial information Thousand Baht
Opening book value	67,095
Disposal	(12,045)
Realised gain	(43,265)
Loss on exchange rate	(3,506)
Change in fair value of available-for-sale investment	(8,279)
Closing book value	-

**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:

	<b>Separate financial information 31 March 2018 Thousand Baht</b>
Investment in subsidiaries	3,742,769
<u>Less</u> Impairment	<u>(122,355)</u>
Closing net book amount	<u>3,620,414</u>

There was no movement in investment in subsidiaries during the period.

**8.2 Investment in associates**

Movements of investment in associates can be analysed as follows:

	<b>Consolidated financial information Thousand Baht</b>	<b>Separate financial information Thousand Baht</b>
<b>For the three-month period ended 31 March 2018</b>		
Opening net book amount	2,969,459	2,716,074
Additions	122,129	122,129
Disposals	(75,141)	(63,388)
Dividends income	(141,119)	-
Share of results	71,131	-
Closing net book amount	<u>2,946,459</u>	<u>2,774,815</u>

Gain on disposals of assets to the Property Fund will be realised on the straight-line basis over the lease contracts period of the buildings leased out to the Property Fund. During the three-month period ended 31 March 2018, the Group realised gain on disposals of Baht 4.13 million in the consolidated income statement (31 March 2017: Baht 4.13 million).

During the three-month period ended 31 March 2018, the Company received dividends income from associates amounting to Baht 141.12 million (31 March 2017: Baht 117.83 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 three-month period ended 31 March 2018, the Company has made additional investment in SF of 14.12 million shares totalling Baht 122.13 million.

**Disposal of investment**

During the three-month period ended 31 March 2018, the Company disposed its investment in SF of 18.46 million shares for the considerations of Baht 167.74 million and recognised gain from disposal amounting to Baht 92.60 million, and Baht 104.35 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 25.65% to 25.41%.



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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:

	<b>Consolidated financial information</b>	<b>Separate financial information</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>
<b>For the three-month period ended 31 March 2018</b>		
Opening net book amount	37,406	-
Share of result	339	-
Currency translation difference	30	-
Closing net book amount	<u>37,775</u>	<u>-</u>

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

	<b>Country of incorporation</b>	<b>Nature of business</b>	<b>Nature of relationship</b>	<b>% Ownership interest</b>	
				<b>31 March 2018</b>	<b>31 December 2017</b>
<b>Subsidiaries</b>					
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
<b>Subsidiary under EGV</b>					
EGV Exhibition Co., Ltd.	Thailand	Cinema services	Indirect shareholding	99.96	99.96

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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	
				31 March 2018	31 December 2017
<b>Subsidiaries under MPIC</b>					
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 Thirtynine Co., Ltd.	Thailand	Film production	Indirect shareholding	92.46	92.46
Talent One Co., Ltd.	Thailand	Film production	Indirect shareholding	83.22	83.22
Metacognition Co., Ltd	Thailand	Advertising agency businesses	Indirect shareholding	55.48	55.48
<b>Subsidiary under MVD</b>					
Pacific Media Sale Co., Ltd.	Thailand	Distribution of CD, VCD and DVD	Indirect shareholding	91.91	91.91
<b>Subsidiaries under MHD</b>					
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")	Lao People's Democratic Republic	Cinema services	Indirect shareholding	59.98	59.98
Cineplex (Lao) Co., Ltd. ("CNP")	Lao People's Democratic Republic	Cinema services	Indirect shareholding	99.99	99.99
<b>Associates</b>					
Siam Future Development Public Company Limited ("SF")	Thailand	Rental of building space and utilities services	Shareholder	25.41	25.65
Ratchayothin Avenue Co., Ltd.	Thailand	Rental of building space and utilities services	Shareholder Indirect holding via SF	50.00 12.71	50.00 12.83
Major Cineplex Lifestyle Leasehold Property Fund ("MJLF")	Thailand	Rental of building space 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 Company Limited ("CJM")	Thailand	Film production and distribution	Shareholder	49.00	49.00
<b>Joint venture under MPIC</b>					
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")	Lao 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

For the three-month period ended 31 March 2018	Consolidated financial information		Separate financial information	
	Property, plant and equipment	Intangible assets	Property, plant and equipment	Intangible assets
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Opening net book amount	7,186,429	100,398	4,281,282	36,745
Exchange differences	(12,174)	(153)	-	-
Additions	190,998	13,060	128,581	6,677
Disposals	(633)	-	(389)	-
Write-off	(11)	-	-	-
Depreciation/amortisation	(260,852)	(11,238)	(149,924)	(4,122)
Reversal of Impairment	5,152	-	-	-
Closing net book amount	<u>7,108,909</u>	<u>102,067</u>	<u>4,529,550</u>	<u>39,300</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	
		31 March 2018	31 December 2017	31 March 2018	31 December 2017
		Thousand	Thousand	Thousand	Thousand
Property, plant and equipment	THB	77,200	77,200	77,200	77,200
Intangible assets	THB	3,714	1,211	-	-
	USD	896	1,072	-	-
Total	THB	80,914	78,411	77,200	77,200
	USD	896	1,072	-	-
Total in Thai Baht		<u>109,048</u>	<u>113,626</u>	<u>77,200</u>	<u>77,200</u>

10 Trade and other payables

	Consolidated financial information		Separate financial information	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Trade account payables - third parties	683,459	604,017	477,649	408,245
Trade account payables - related parties (Note 20)	7,942	20,344	58,397	72,846
Amounts due to related parties (Note 20)	43,777	48,043	52,000	44,300
Other payables	269,113	256,937	175,459	165,263
Accrued expenses	385,652	395,021	218,044	246,960
Rental and service incomes received in advance	339,588	350,338	280,454	282,710
Trade account and other payables	<u>1,729,531</u>	<u>1,674,700</u>	<u>1,262,003</u>	<u>1,220,324</u>

Unearned rental and service income included cash advanced from customers amounting to Baht 50.43 million (31 December 2017: Baht 54.99 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	
	31 March 2018 Thousand Baht	31 December 2017 Thousand Baht	31 March 2018 Thousand Baht	31 December 2017 Thousand Baht
<b>Current</b>				
Bank overdrafts	461	-	-	-
Short-term borrowings from financial institutions	1,256,461	1,459,890	1,196,461	1,399,889
Total bank overdrafts and short-term borrowings from financial institutions	1,256,922	1,459,890	1,196,461	1,399,889
Current portion of long-term borrowings:				
- Finance lease liabilities	136,622	70,591	6	6
- Bank borrowings	588,000	588,000	588,000	588,000
Total current portion of long-term borrowings	724,622	658,591	588,006	588,006
<b>Non-current portion of long-term borrowings</b>				
- Finance lease liabilities	46,508	134,355	21,125	21,127
- Bank borrowings	824,667	971,000	824,667	971,000
- Debentures	1,500,000	1,500,000	1,500,000	1,500,000
Total non-current portion of long-term borrowings	2,371,175	2,605,355	2,345,792	2,492,127
Total borrowings	4,352,719	4,723,836	4,130,259	4,480,022

**Long-term borrowings from financial institution**

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

	Consolidated financial information	Separate financial information
	Thousand Baht	Thousand Baht
<b>For the three-month period ended 31 March 2018</b>		
Opening amount as at 1 January 2018	1,559,000	1,559,000
Repayments	(146,333)	(146,333)
Closing amount as at 31 March 2018	1,412,667	1,412,667

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**

There was no movement in debentures during the period.

**Borrowing facilities**

As at 31 March 2018, the available credit facilities from financial institutions for the Group and the Company are Baht 5,723.77 million and Baht 5,334.23 million, respectively (31 December 2017: Baht 5,718.33 million and Baht 5,328.33 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 three-month period ended 31 March 2018	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 2018	896,266	894,668	894,668	4,055,609
Closing amount as at 31 March 2018	896,266	894,668	894,668	4,055,609

**13 Warrants**

**Warrants issued and offered to directors and employees (ESOP)**

A subsidiary issued and offered warrants (ESOP-W2) to directors and employees of 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.

There was no exercise of warrants during the period.

**14 Non-controlling interests**

For the three-month period ended 31 March 2018	Consolidated financial information
	Thousand Baht
Opening amount	85,213
Share of results	2,190
Closing amount	87,403

**15 Other income**

For the three-month periods ended 31 March	Consolidated financial information		Separate financial information	
	2018 Thousand Baht	2017 Thousand Baht	2018 Thousand Baht	2017 Thousand Baht
Dividends income	-	-	141,119	117,828
Gain on disposals of investment in associate	92,601	-	104,354	-
Gain on disposals of available-for-sale investment	43,265	112,929	43,265	112,929
Management fee income	10,532	10,710	14,377	14,804
Interest income	1,136	1,201	6,870	7,834
Others	22,940	24,184	10,502	12,645
	170,474	149,024	320,487	266,040

**16 Income tax**

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 9% and 7% per annum for the consolidated and separate financial information, respectively.

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**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.

<b>For the three-month period ended 31 March</b>	<b>Consolidated and Separate financial information</b>	
	<b>2018 Thousand Shares</b>	<b>2017 Thousand Shares</b>
Number of weighted average shares:		
- basic	894,668	894,533
- diluted	894,668	894,615

**18 Cash flows from operating activities**

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

<b>For the three-month period ended 31 March</b>	<b>Notes</b>	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
		<b>2018 Thousand Baht</b>	<b>2017 Thousand Baht</b>	<b>2018 Thousand Baht</b>	<b>2017 Thousand Baht</b>
Profit before income tax		313,471	313,993	267,699	325,872
Adjustments for:					
Depreciation/amortisation	9	272,090	342,770	154,046	148,772
Amortisation of prepaid rent		11,032	11,166	5,009	4,995
Doubtful and bad debts (reversal)		(9,118)	928	-	-
Loss on diminution in value of inventories		3,000	3,000	3,000	3,000
Impairment of plant and equipment and intangible asset (reversal)	9	(5,152)	(12,441)	-	-
Loss (gain) on disposals of equipment		450	880	258	(395)
Loss from write-off of equipment	9	11	2,912	-	919
Gain on disposals of investments in associate	15	(92,601)	-	(104,354)	-
Gain on disposals of available-for-sale investment	15	(43,265)	(112,929)	(43,265)	(112,929)
Gain on disposals of short-term investment		-	(1,156)	-	(1,156)
Shares of results of investments in associates and joint venture	8	(71,470)	(40,553)	-	-
Unearned income - customers loyalty		226	(189)	226	(189)
Employee benefit obligations		1,182	1,116	684	660
Unrealised (gain) loss on exchange rate		14,732	(2,452)	1,033	(351)
Dividends received	15	-	-	(141,119)	(117,828)
Interest income	15	(1,136)	(1,201)	(6,870)	(7,834)
Financial costs		28,801	38,509	40,260	44,993
Changes in operating assets and liabilities:					
- Trade and other receivables		32,487	146,375	113,581	96,575
- Inventories		17,469	8,523	12,190	6,965
- Films under productions		(44,943)	12,775	-	-
- Other current assets		2,947	9,185	2,966	3,853
- Finance lease receivables		312	259	-	-
- Other non-current assets		1,804	1,258	(799)	556
- Trade and other payables		36,949	(80,688)	20,581	(11,859)
- Other current liabilities		(569)	(2,243)	2,894	3,596
- Other non-current liabilities		12,898	(5,738)	19,839	(3,266)
Cash generated from operations		<u>481,607</u>	<u>634,059</u>	<u>347,859</u>	<u>384,949</u>

**19 Commitments and contingencies**

**i) Bank guarantees and letter of credits**

As at 31 March 2018, there are outstanding bank guarantees and letters of credit given on behalf of the Group to third parties amounting to Baht 208.80 million (31 December 2017: Baht 199.47 million).

**ii) Guarantees**

As at 31 March 2018, the Company and a subsidiary have provided guarantees for bank loans granted to subsidiaries and associate for a total of Baht 60.46 million (31 December 2017: Baht 60.00 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:

	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>31 March 2018 Million Baht</b>	<b>31 December 2017 Million Baht</b>	<b>31 March 2018 Million Baht</b>	<b>31 December 2017 Million Baht</b>
Not later than 1 year	1,035	1,040	754	805
Later than 1 year but not later than 5 years	4,026	4,104	2,538	2,584
Later than 5 years	4,921	5,632	3,457	3,915
	<b>9,982</b>	<b>10,776</b>	<b>6,749</b>	<b>7,304</b>

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 for film productions**

As at 31 March 2018, the Group has commitments in respect of payments to film directors amounting to Baht 78.43 million (31 December 2017: Baht 69.94 million).

**20 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 31 March	Consolidated financial information		Separate financial information	
	2018 Thousand Baht	2017 Thousand Baht	2018 Thousand Baht	2017 Thousand Baht
<b>Sales of goods and services</b>				
Subsidiaries	-	-	106,191	97,213
Associates	241	612	-	295
Leasehold property fund	13,455	14,914	8,790	9,535
Joint ventures	2,349	4,663	-	-
Related parties	13,519	13,142	3,614	3,395
	<u>29,564</u>	<u>33,331</u>	<u>118,595</u>	<u>110,438</u>
<b>Dividend income</b>				
Associates	-	-	117,161	89,514
Leasehold property fund	-	-	23,958	28,314
	<u>-</u>	<u>-</u>	<u>141,119</u>	<u>117,828</u>

**ii) Purchase of goods and services and others**

For the three-month period ended 31 March	Consolidated financial information		Separate financial information	
	2018 Thousand Baht	2017 Thousand Baht	2018 Thousand Baht	2017 Thousand Baht
<b>Purchases of goods and services</b>				
Subsidiaries	-	-	54,289	60,755
Associates	5,079	6,879	3,859	4,004
Leasehold property fund	43,594	42,449	33,108	32,038
Joint ventures	1,405	22,613	-	-
Related parties	36,151	34,438	30,682	43,555
	<u>86,229</u>	<u>106,379</u>	<u>121,938</u>	<u>140,352</u>



20 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	
	31 March 2018 Thousand Baht	31 December 2017 Thousand Baht	31 March 2018 Thousand Baht	31 December 2017 Thousand Baht
<b>Trade accounts receivable (include unbilled revenue)</b>				
Subsidiaries	-	-	45,375	96,134
Associates	3,159	6,538	100	4,154
Joint venture	2,826	3,452	-	-
Related parties	2,362	7,615	355	303
	<u>8,347</u>	<u>17,605</u>	<u>45,830</u>	<u>100,591</u>
<b>Amounts due from related parties</b>				
Subsidiaries	-	-	203,916	230,630
Associates	12,050	12,857	4,159	4,235
Joint venture	626	3,702	-	-
Related parties	14,585	14,639	14,632	11,995
	<u>27,261</u>	<u>31,198</u>	<u>222,707</u>	<u>246,860</u>
<b>Dividends receivable</b>				
Associates	117,161	-	117,161	-
	<u>144,422</u>	<u>31,198</u>	<u>339,868</u>	<u>246,860</u>
<b>Deposit (included in "Other non-current assets")</b>				
Subsidiaries	-	-	44,528	44,528
Associates	8,881	8,881	3,849	3,849
Related parties	26,129	26,129	25,829	25,829
	<u>35,010</u>	<u>35,010</u>	<u>74,206</u>	<u>74,206</u>

20 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	
	31 March 2018 Thousand Baht	31 December 2017 Thousand Baht	31 March 2018 Thousand Baht	31 December 2017 Thousand Baht
<b>Trade accounts payable</b>				
Subsidiaries	-	-	57,547	71,734
Associates	51	30	1	1
Joint venture	7,265	19,739	-	-
Related parties	626	575	849	1,111
	<u>7,942</u>	<u>20,344</u>	<u>58,397</u>	<u>72,846</u>
<b>Amounts due to related parties</b>				
Subsidiaries	-	-	36,294	28,320
Associates	8,121	4,979	7,459	4,281
Joint venture	107	-	-	-
Related parties	31,730	38,948	4,964	8,131
Board	3,819	4,116	3,283	3,568
	<u>43,777</u>	<u>48,043</u>	<u>52,000</u>	<u>44,300</u>
<b>Advance received for rental and services</b> (included in "Other non-current liabilities")				
Associate	23,652	23,913	-	-
Related parties	9,160	9,538	-	-
	<u>32,812</u>	<u>33,451</u>	<u>-</u>	<u>-</u>
<b>Deposits received</b> (included in "Other non-current liabilities")				
Subsidiaries	-	-	1,253	1,253
Associates	123,503	123,503	-	-
Joint venture	483	720	-	-
Related parties	5,666	5,666	135	135
	<u>129,652</u>	<u>129,889</u>	<u>1,388</u>	<u>1,388</u>
<b>Finance lease liabilities</b> (included in "Long-term borrowings from financial institutions")				
Associates	21,131	21,133	21,131	21,133
	<u>21,131</u>	<u>21,133</u>	<u>21,131</u>	<u>21,133</u>

**20 Related party transactions (Cont'd)**

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

**iv) Short-term loans to related parties**

<b>For the three-month period ended 31 March 2018</b>	<b>Consolidated</b>	<b>Separate</b>
	<b>financial information</b>	<b>financial information</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>
Opening amount	5,000	394,601
Loans made during the period	-	112,896
Loans repayments received during the period	-	(147,636)
Closing amount	<u>5,000</u>	<u>359,861</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 3.65 million. As at 31 March 2018, the accrued interest income in the separate statement of financial position was Baht 1.24 million.

**v) Long-term loans to related parties**

<b>For the three-month period ended 31 March 2018</b>	<b>Consolidated</b>	<b>Separate</b>
	<b>financial information</b>	<b>financial information</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>
Opening amount	1,827	271,610
Repayment received	(25)	(25)
Closing amount	<u>1,802</u>	<u>271,585</u>

The long-term loans to related parties are carrying interest at the rate of 4.00% per annum (2017: 4.00% per annum).

The long-term loans to staff in the consolidated and separate financial statements were Baht 1.80 million and Baht 1.58 million (2017: Baht 1.71 million and Baht 1.49 million), respectively, bearing interest rates ranging from 2.00% to 3.00% (2017: bearing interest rates of ranging from 2.00% to 3.00% per annum).

**vi) Short-term loans from related parties**

<b>For the three-month period ended 31 March 2018</b>	<b>Consolidated</b>	<b>Separate</b>
	<b>financial information</b>	<b>financial information</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>
Opening amount	15,900	1,262,776
Loans borrowed during the period	-	593,099
Loans repaid during the period	-	(536,656)
Closing amount	<u>15,900</u>	<u>1,319,219</u>

The short-term loans from related parties consist of an unsecured loan amounting to Baht 1,303.32 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 0.11 million and Baht 13.22 million, respectively. As at 31 March 2018, the accrued interest expense in the consolidated and Company statement of financial position was Baht 0.25 million and Baht 16.84 million, respectively.

**20 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 31 March	Consolidated financial information		Separate financial information	
	2018	2017	2018	2017
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Short-term employee benefits	11,998	13,109	9,753	10,267
Retirement benefits	86	82	66	63
	<u>12,084</u>	<u>13,191</u>	<u>9,819</u>	<u>10,330</u>

**21 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.

**22 Subsequent event**

- a) At the Annual General Shareholders Meeting held on 5 April 2018, the shareholders passed a resolution to approve dividends payment in respect of the operating results for the period from July to December 2017 at Baht 0.60 per share, totaling Baht 536.80 million. The dividends were for the shareholders listed in the register on 20 April 2018 and were distributed on 3 May 2018.
- b) On 18 April 2018, the Company has established and registered a new company namely Mtel (Thailand) Co., Ltd. which will engage in the business of development of software and applications. The registered share capital is Baht 0.30 million consisting 30,000 shares at a par value of Baht 10 each. The Company will own 55% of interest at the cost of Baht 0.16 million.
- c) At the Annual General Shareholders Meeting of EGV Entertainment Public Company Limited (subsidiary) held on 27 April 2018, the shareholders passed a resolution to approve dividends payment in respect of the operating results for the year 2017 at Baht 1 per share, totaling Baht 260 million. The dividends will be distributed on 24 May 2018.
- d) At the Annual General Shareholders Meeting of Major Holding International Co., Ltd. (subsidiary) held on 30 April 2018, the shareholders passed a resolution to approve dividends payment in respect of the operating results for the year 2016 to year 2017 at Baht 34 per share, totaling Baht 30.74 million and to appropriate for a legal reserve at 5% of the profit amounting to Baht 1.54 million. The dividend will be distributed on 14 May 2018.
- e) At the Board of Directors Meeting of M Pictures Entertainment Public Company Limited (subsidiary) held on 9 May 2018, the Board of Directors approved to acquire shares of Talent One Company Limited from minority shareholders of 39,998 shares for a consideration of Baht 40. After the acquisition, the holding interest in Talent One Company Limited will increase to 99.99% of the issued share capital.