

MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED

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

30 JUNE 2020

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

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

I have reviewed the interim consolidated financial information of Major Cineplex Group Public Company Limited and its subsidiaries, and the interim separate financial information of Major Cineplex Group Public Company Limited. These comprise the consolidated and separate statements of financial position as at 30 June 2020, the consolidated and separate income statements, and the consolidated and separate statements of comprehensive income for the three-month and six-month periods then ended, the related consolidated and separate statements of changes in equity and cash flows for the six-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

Scope of review

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

Conclusion

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

Emphasis of matters

I draw attention to note 4 to note 6 of the interim financial information, which describe the following:

1. The adoption of new financial reporting standards relating to financial instruments and leases and the effects from the adoption.
2. The changes in accounting policies regarding investment property measurement which changes from the cost model to the fair value model, and carrying value of investments in subsidiaries, associates and joint ventures which changes from cost method to equity method, and the effects from the changes.
3. The accounting policies in relation to adopting the temporary exemptions announced by the Federation of Accounting Professions to relieve the impact from COVID-19 for the reporting periods ending between 1 January 2020 and 31 December 2020.

My conclusion is not modified in respect to these matters.

PricewaterhouseCoopers ABAS Ltd.

Kajornkiet Aroonpirodkul
Certified Public Accountant (Thailand) No. 3445
Bangkok
10 August 2020

Major Cineplex Group Public Company Limited
Statement of Financial Position (Unaudited)
As at 30 June 2020

	Notes	Consolidated financial information		Separate financial information	
		(Restated)		(Restated)	
		30 June 2020	31 December 2019	30 June 2020	31 December 2019
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Assets					
Current assets					
Cash and cash equivalents		1,682,583	961,742	1,495,675	715,065
Trade accounts and other receivables		591,987	1,054,936	363,901	585,478
Short-term loans to related parties	21	4,226	463	249,086	239,714
Inventories		106,590	121,394	56,142	73,107
Films under production		79,888	117,417	-	-
Current portion of prepaid rents and services		9,819	9,819	7,437	7,437
Other current assets		146,813	115,557	56,269	37,780
Total current assets		2,621,906	2,381,328	2,228,510	1,658,581
Non-current assets					
Finance lease receivables		10,462	10,418	-	-
Investment in subsidiaries	11	-	-	2,560,279	2,878,548
Investment in associates	12	5,702,167	5,586,874	5,670,944	5,545,842
Interests in joint ventures	13	61,901	67,395	-	-
Long-term loans to related parties	21	3,202	3,202	156,985	227,985
Investment property	14	469,071	512,750	-	-
Property, plant and equipment	15	5,575,654	5,958,838	3,900,087	4,176,297
Right-of-use assets		2,604,793	2,758,096	2,056,544	2,177,959
Goodwill	11	-	75,141	-	-
Intangible assets	15	167,781	137,367	100,549	78,996
Deferred income tax assets		76,165	69,983	-	-
Long-term prepaid rents and services		124,972	113,367	107,715	93,934
Other non-current assets		196,901	192,985	139,448	143,403
Total non-current assets		14,993,069	15,486,416	14,692,551	15,322,964
Total assets		17,614,975	17,867,744	16,921,061	16,981,545

Director _____

Director _____

The accompanying notes are part of this interim financial information.

Major Cineplex Group Public Company Limited
Statement of Financial Position (Unaudited) (Cont'd)
As at 30 June 2020

	Notes	Consolidated		Separate	
		financial information		financial information	
		(Restated)		(Restated)	
		30 June	31 December	30 June	31 December
		2020	2019	2020	2019
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Liabilities and equity					
Current liabilities					
Bank overdrafts and short-term borrowings					
from financial institutions	16	2,592,941	2,118,578	2,547,658	2,096,302
Trade accounts and other payables		1,433,617	1,744,687	909,183	1,247,391
Contract liabilities		669,866	545,328	480,899	435,376
Current portion of long-term borrowings	16	360,000	383,000	360,000	383,000
Current portion of lease liabilities		256,789	228,416	166,292	146,745
Short-term loans from related parties	21	12,800	12,800	1,188,206	967,425
Accrued income tax		54,361	79,540	-	9,490
Other current liabilities		44,237	116,035	17,028	53,985
Total current liabilities		5,424,611	5,228,384	5,669,266	5,339,714
Non-current liabilities					
Long-term borrowings from financial institutions	16	2,250,000	1,500,000	2,250,000	1,500,000
Lease liabilities		2,537,518	2,691,758	1,979,515	2,078,409
Deferred income tax liabilities		296,291	310,242	194,259	203,658
Employee benefit obligations		72,490	77,394	50,897	54,457
Contract liabilities		17,800	20,668	-	-
Other non-current liabilities		580,245	559,295	282,264	267,857
Total non-current liabilities		5,754,344	5,159,357	4,756,935	4,104,381
Total liabilities		11,178,955	10,387,741	10,426,201	9,444,095

The accompanying notes are part of this interim financial information.

Major Cineplex Group Public Company Limited
Statement of Financial Position (Unaudited) (Cont'd)
As at 30 June 2020

	Consolidated		Separate	
	financial information		financial information	
	(Restated)		(Restated)	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Liabilities and equity (Cont'd)				
Equity				
Share capital				
Authorised share capital				
Ordinary shares, 894,667,502 shares par value of Baht 1 each	894,668	894,668	894,668	894,668
Issued and fully paid-up share capital				
Ordinary shares, 894,667,502 shares fully-paid	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	-	4,538	-	-
Retained earnings				
Appropriated - legal reserve	90,600	90,600	90,600	90,600
Unappropriated	1,354,538	2,399,518	1,165,558	2,208,148
Other components of equity	(388,532)	(399,710)	-	-
Equity attributable to owners of the parent	6,295,308	7,333,648	6,494,860	7,537,450
Non-controlling interests	140,712	146,355	-	-
Total equity	6,436,020	7,480,003	6,494,860	7,537,450
Total liabilities and equity	17,614,975	17,867,744	16,921,061	16,981,545

The accompanying notes are part of this interim financial information.

Major Cineplex Group Public Company Limited
Income Statement (Unaudited)
For the three-month period ended 30 June 2020

	Notes	Consolidated financial information		Separate financial information	
		(Restated)		(Restated)	
		2020	2019	2020	2019
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Revenues					
Service income		148,188	2,428,262	80,225	1,526,234
Sales income		60,221	744,204	28,573	491,508
Total revenues		208,409	3,172,466	108,798	2,017,742
Costs					
Cost of services		(351,963)	(1,659,379)	(210,088)	(1,115,047)
Cost of sales		(83,269)	(305,149)	(17,437)	(157,273)
Total costs		(435,232)	(1,964,528)	(227,525)	(1,272,320)
Gross profit (loss)		(226,823)	1,207,938	(118,727)	745,422
Other income		58,233	20,352	53,796	26,493
Selling expenses		(43,720)	(131,482)	(35,455)	(85,607)
Administrative expenses		(332,035)	(488,328)	(256,922)	(352,752)
Expected credit loss		(56,326)	-	(1,623)	-
Finance costs		(37,808)	(57,884)	(45,193)	(62,128)
Share of profit (loss) from investments		165,161	158,119	(72,912)	330,923
Profit (loss) before income tax		(473,318)	708,715	(477,036)	602,351
Income tax	17	(13,062)	(129,196)	(491)	(76,489)
Profit (loss) for the period		(486,380)	579,519	(477,527)	525,862
Profit (loss) attributable to:					
Owners of the parent		(475,017)	569,474	(477,527)	525,862
Non-controlling interests		(11,363)	10,045	-	-
		(486,380)	579,519	(477,527)	525,862
		Baht	Baht	Baht	Baht
Earnings (loss) per share					
Basic earnings (loss) per share	18	(0.53)	0.64	(0.53)	0.59

The accompanying notes are part of this interim financial information.

Major Cineplex Group Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the three-month period ended 30 June 2020

	Consolidated		Separate	
	financial information		financial information	
		(Restated)		(Restated)
	2020	2019	2020	2019
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Profit (loss) for the period	(486,380)	579,519	(477,527)	525,862
Other comprehensive income:				
Items that will be reclassified subsequently to profit or loss:				
Currency translation differences	(18,646)	(16,223)	-	-
Share of other comprehensive expense of associates and joint ventures accounted for using equity method	(490)	(155)	-	-
Total comprehensive income (expense) for the period	<u>(505,516)</u>	<u>563,141</u>	<u>(477,527)</u>	<u>525,862</u>
Total comprehensive income (expense) attributable to:				
Owners of the parent	(488,058)	769,689	(477,527)	525,862
Non-controlling interests	(17,458)	(206,548)	-	-
	<u>(505,516)</u>	<u>563,141</u>	<u>(477,527)</u>	<u>525,862</u>

The accompanying notes are part of this interim financial information.

Major Cineplex Group Public Company Limited
Income Statement (Unaudited)
For the six-month period ended 30 June 2020

	Consolidated		Separate	
	financial information		financial information	
		(Restated)		(Restated)
	2020	2019	2020	2019
Notes	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Revenues				
Service income	1,199,616	4,313,808	694,280	2,639,356
Sales income	330,460	1,258,523	207,570	831,901
Total revenues	1,530,076	5,572,331	901,850	3,471,257
Costs				
Cost of services	(1,300,149)	(3,011,844)	(796,082)	(1,991,711)
Cost of sales	(184,566)	(519,692)	(81,421)	(265,949)
Total costs	(1,484,715)	(3,531,536)	(877,503)	(2,257,660)
Gross profit	45,361	2,040,795	24,347	1,213,597
Other income	77,654	52,041	73,137	62,854
Selling expenses	(148,172)	(261,774)	(97,813)	(191,349)
Administrative expenses	(813,681)	(985,436)	(562,315)	(688,341)
Expected credit loss	(63,357)	-	(11,073)	-
Finance costs	(93,776)	(119,012)	(102,839)	(124,077)
Share of profit from investments	237,265	255,454	6,106	556,569
Profit (loss) before income tax	(758,706)	982,068	(670,450)	829,253
Income tax	17 18,075	(181,980)	8,517	(98,506)
Profit (loss) for the period	(740,631)	800,088	(661,933)	730,747
Profit (loss) attributable to:				
Owners of the parent	(730,016)	783,769	(661,933)	730,747
Non-controlling interests	(10,615)	16,319	-	-
	(740,631)	800,088	(661,933)	730,747
	Baht	Baht	Baht	Baht
Earnings (loss) per share				
18 Basic earnings (loss) per share	(0.82)	0.88	(0.74)	0.82

The accompanying notes are part of this interim financial information.

Major Cineplex Group Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the six-month period ended 30 June 2020

	Consolidated financial information		Separate financial information	
	2020 Thousand Baht	(Restated) 2019 Thousand Baht	2020 Thousand Baht	(Restated) 2019 Thousand Baht
Profit (loss) for the period	(740,631)	800,088	(661,933)	730,747
Other comprehensive income:				
Items that will be reclassified subsequently to profit or loss:				
Currency translation differences	15,892	(21,244)	-	-
Share of other comprehensive income (expense) of associates and joint ventures accounted for using equity method	258	(155)	-	-
Total comprehensive income (expense) for the period	<u>(724,481)</u>	<u>778,689</u>	<u>(661,933)</u>	<u>730,747</u>
Total comprehensive income (expense) attributable to:				
Owners of the parent	(718,838)	769,689	(661,933)	730,747
Non-controlling interests	(5,643)	9,000	-	-
	<u>(724,481)</u>	<u>778,689</u>	<u>(661,933)</u>	<u>730,747</u>

The accompanying notes are part of this interim financial information.

Major Cineplex Group Public Company Limited
Statements of Changes in Equity (Unaudited)
For the six-month period ended 30 June 2020

	Consolidated financial information										Unit: Thousand Baht		
	Attributable to owners of the parent						Other components of equity						
	Issued and paid-up share capital	Share premium	Share premium on reissuance of treasury share	Warrants	Retained earnings		Change in parent's ownership interest in subsidiaries	Other comprehensive income		Total other components of equity	Total owners of the parent	Non-controlling interests	Total equity
					Appropriated	Unappropriated		Translation of financial statements	Other				
					Legal reserve								
Balance at 31 December 2019													
- previously reported	894,668	4,055,609	288,425	4,538	90,600	1,516,455	(371,576)	(23,085)	(394,661)	6,455,634	151,111	6,606,745	
Retrospective adjustments from changes in accounting policy by full retrospective approach (Note 6)	-	-	-	-	-	883,063	-	(5,049)	(5,049)	878,014	(4,756)	873,258	
Balance at 31 December 2019 - restated	894,668	4,055,609	288,425	4,538	90,600	2,399,518	(371,576)	(28,134)	(399,710)	7,333,648	146,355	7,480,003	
Retrospective adjustments from changes in accounting policy by modified retrospective approach (Note 6)	-	-	-	-	-	(6,376)	-	-	-	(6,376)	-	(6,376)	
Opening balance at 1 January 2020 - restated	894,668	4,055,609	288,425	4,538	90,600	2,393,142	(371,576)	(28,134)	(399,710)	7,327,272	146,355	7,473,627	
Changes in equity for period													
Dividends (Note 19)	-	-	-	-	-	(313,126)	-	-	-	(313,126)	-	(313,126)	
Warrants	-	-	-	(4,538)	-	4,538	-	-	-	-	-	-	
Total comprehensive income (expense)	-	-	-	-	-	(730,016)	-	11,178	11,178	(718,838)	(5,643)	(724,481)	
Closing balance at 30 June 2020	894,668	4,055,609	288,425	-	90,600	1,354,538	(371,576)	(16,956)	(388,532)	6,295,308	140,712	6,436,020	
Balance at 31 December 2018													
- previously reported	894,668	4,055,609	288,425	4,538	90,600	1,557,472	(370,933)	(10,430)	(381,363)	6,509,949	122,534	6,632,483	
Retrospective adjustments from changes in accounting policy by full retrospective approach (Note 6)	-	-	-	-	-	646,157	-	-	-	646,157	(2,106)	644,051	
Opening balance at 1 January 2019 - restated	894,668	4,055,609	288,425	4,538	90,600	2,203,629	(370,933)	(10,430)	(381,363)	7,156,106	120,428	7,276,534	
Changes in equity for period													
Dividends (Note 19)	-	-	-	-	-	(626,265)	-	-	-	(626,265)	-	(626,265)	
Total comprehensive income	-	-	-	-	-	783,769	-	(14,080)	(14,080)	769,689	9,000	778,689	
Closing balance at 30 June 2019	894,668	4,055,609	288,425	4,538	90,600	2,361,133	(370,933)	(24,510)	(395,443)	7,299,530	129,428	7,428,958	

The accompanying notes are part of this interim financial information.

Major Cineplex Group Public Company Limited
Statements of Changes in Equity (Unaudited) (Cont'd)
For the six-month period ended 30 June 2020

	Separate financial information					Unit: Thousand Baht
	Issued and paid-up share capital	Share premium	Share premium on reissuance of treasury share	Retained earnings		Total equity
				Appropriated Legal reserve	Unappropriated	
Balance at 31 December 2019 - previously reported	894,668	4,055,609	288,425	90,600	1,354,736	6,684,038
Retrospective adjustments from changes in accounting policy by full retrospective approach (Note 6)	-	-	-	-	853,412	853,412
Balance at 31 December 2019 - restated	894,668	4,055,609	288,425	90,600	2,208,148	7,537,450
Retrospective adjustments from changes in accounting policy by modified retrospective approach (Note 6)	-	-	-	-	(67,531)	(67,531)
Opening balance at 1 January 2020 - restated	894,668	4,055,609	288,425	90,600	2,140,617	7,469,919
Changes in equity for period						
Dividends (Note 19)	-	-	-	-	(313,126)	(313,126)
Total comprehensive expense	-	-	-	-	(661,933)	(661,933)
Closing balance as at 30 June 2020	<u>894,668</u>	<u>4,055,609</u>	<u>288,425</u>	<u>90,600</u>	<u>1,165,558</u>	<u>6,494,860</u>
Balance at 31 December 2018 - previously reported	894,668	4,055,609	288,425	90,600	1,204,015	6,533,317
Retrospective adjustments from changes in accounting policy by full retrospective approach (Note 6)	-	-	-	-	842,852	842,852
Opening balance at 1 January 2019 - restated	894,668	4,055,609	288,425	90,600	2,046,867	7,376,169
Changes in equity for period						
Dividends (Note 19)	-	-	-	-	(626,265)	(626,265)
Total comprehensive income	-	-	-	-	730,747	730,747
Closing balance at 30 June 2019	<u>894,668</u>	<u>4,055,609</u>	<u>288,425</u>	<u>90,600</u>	<u>2,151,349</u>	<u>7,480,651</u>

The accompanying notes are part of this interim financial information.

Major Cineplex Group Public Company Limited
Statement of Cash Flows (Unaudited)
For the six-month period ended 30 June 2020

	Consolidated financial information		Separate financial information	
	(Restated)		(Restated)	
	2020	2019	2020	2019
Notes	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Profit (loss) before income tax	(758,706)	982,068	(670,450)	829,253
Adjustments for:				
Depreciation and amortisation	641,589	802,595	403,867	459,351
Expected credit loss	63,357	-	11,073	-
Loss on write-off of bad debts	3,905	26,466	3,519	17,023
Reversal of loss on sales returns	(150)	(1,795)	-	-
Loss on diminution in value of inventories	2,983	5,962	3,000	6,000
(Gain) loss on disposals of equipment	(2,660)	1,146	250	1,165
Loss on write-off of equipment and intangible assets	15 3,049	504	2,543	312
Loss from adjustment on investment property	14 52,011	28,628	-	-
Loss on impairment of plant and equipment	15 13,654	14,083	-	-
Difference from lease payment discount	5,978	-	6,153	-
Loss on impairment of goodwill	75,141	-	-	-
(Gain) loss on disposals of investment in associates	19,153	(11,578)	19,153	(11,578)
Shares of profit from subsidiaries, associates and joint ventures	11,12,13 (237,265)	(255,454)	(6,106)	(556,569)
Loss on impairment of investment in subsidiaries and associates	11,12 8,013	-	82,502	14,201
Unearned revenue - loyalty program	(405)	706	(405)	706
Employee benefit obligations	3,436	13,302	2,213	10,133
Unrealised loss on exchange rate	2,233	3,431	1,370	3,023
Interest income	(5,587)	(3,884)	(11,942)	(18,481)
Finance costs	93,776	119,012	102,839	124,077
Changes in operating assets and liabilities:				
- trade account and other receivables	388,558	115,072	212,951	186,056
- inventories	11,821	(24,426)	13,965	(15,895)
- films under production	(16,031)	21,407	-	-
- other current assets	(19,975)	(9,284)	(4,310)	(637)
- receivables under finance lease agreement	(44)	638	-	-
- other non-current assets	(13,641)	(567)	(16,851)	267
- trade account and other payables	(275,935)	17,558	(305,884)	(33,739)
- other current liabilities	(71,241)	(9,782)	(36,551)	(17,325)
- contract liabilities	122,692	90,826	45,523	103,193
- other non-current liabilities	3,450	15,013	(3,093)	25,281
- employee benefit obligations	(8,340)	(551)	(5,774)	-
Cash flows generated from (used in) operating activities	104,819	1,941,096	(150,445)	1,125,817

The accompanying notes are part of this interim financial information.

Major Cineplex Group Public Company Limited
Statement of Cash Flows (Unaudited) (Cont'd)
For the six-month period ended 30 June 2020

	Notes	Consolidated financial information		Separate financial information	
		(Restated)		(Restated)	
		2020	2019	2020	2019
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from (used in) operating activities					
Cash generated from operations		104,819	1,941,096	(150,445)	1,125,817
Interest paid		(52,015)	(120,653)	(73,227)	(125,386)
Income tax paid		(45,633)	(155,468)	(23,832)	(67,565)
Net cash generated from (used in) operating activities		7,171	1,664,975	(247,504)	932,866
Cash flows from investing activities					
Short-term loans made to related parties	21	(3,763)	-	(88,089)	(218,498)
Short-term loans repayment received from related parties	21	-	1,304	78,717	246,915
Long-term loans repayment received from related parties		-	500	-	500
Payments for investment in associate		(100,133)	(135,927)	(100,133)	(91,750)
Proceeds from disposals of investment in associate		41,934	74,365	41,934	74,365
Proceeds from return of investment in associate	12	2,940	-	-	-
Payments for investment in joint venture		-	(1,304)	-	-
Payments for property, plant and equipment		(115,620)	(452,708)	(56,731)	(386,959)
Proceeds from disposals of equipment		3,142	601	2,258	391
Payments for intangible assets		(34,567)	(215,167)	(31,837)	(22,243)
Interest received		4,822	3,432	11,196	13,265
Dividends received from associates		164,642	102,225	164,642	501,945
Net cash (used in) generated from investing activities		(36,603)	(622,679)	21,957	117,931
Cash flows from financing activities					
Proceeds from short-term loans from related parties	21	-	-	827,293	1,694,324
Repayments to short-term loans from related parties	21	-	-	(606,512)	(1,728,564)
Repayments (proceeds from) bank overdrafts		7	(4,993)	-	-
Proceeds from short-term loans from financial institutions		4,205,000	1,872,000	4,170,000	1,750,000
Repayments to short-term loans from financial institutions		(3,532,000)	(1,600,000)	(3,520,000)	(1,550,000)
Repayments to lease liabilities		(129,039)	(111,935)	(78,498)	(71,038)
Proceeds from long-term borrowings from financial institutions		800,000	-	800,000	-
Repayments to long-term borrowings from financial institutions		(273,000)	(294,000)	(273,000)	(294,000)
Dividends paid to shareholders		(313,126)	(626,265)	(313,126)	(626,265)
Dividends paid to non-controlling interests		-	(280)	-	-
Net cash generated from (used in) financing activities		757,842	(765,473)	1,006,157	(825,543)
Net increase in cash and cash equivalents		728,410	276,823	780,610	225,254
Opening balance of cash and cash equivalents		961,742	596,315	715,065	390,591
Exchange loss on cash and cash equivalents		(7,569)	(490)	-	-
Closing balance of cash and cash equivalents		<u>1,682,583</u>	<u>872,648</u>	<u>1,495,675</u>	<u>615,845</u>

The accompanying notes are part of this interim financial information.

Major Cineplex Group Public Company Limited
Statement of Cash Flows (Unaudited) (Cont'd)
For the six-month period ended 30 June 2020

Non-cash transactions

Significant non-cash transactions for the six-month periods ended 30 June 2020 and 2019 are as follows:

	Consolidated		Separate	
	financial information		financial information	
	(Restated)		(Restated)	
	2020	2019	2020	2019
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Payment for investment in associates, not yet paid	8,825	-	8,825	-
Receivable from disposal of investment in associate	-	9,412	-	9,412
Dividends not yet received	-	-	-	16,999

The accompanying notes are 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 10900.

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

The Group principally engages in cinema operations and entertainment services. The principal business operations of the Group are summarised as follows:

- Cinema operations;
- Advertising and media services;
- Bowling and karaoke services;
- Rental and services; and
- Movie content

The interim consolidated and separate financial information were authorised for issue by the Board of Directors on 10 August 2020.

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

2 Significant events during the current period

The outbreak of Coronavirus Disease 2019 (“COVID-19 outbreak”) in early 2020, has adverse effects on operating results for the 6-month period ended 30 June 2020.

From 18 March 2020, all cinema operations are temporarily closed, including bowling, karaoke and ice-skate services as ordered by The Emergency Decree to prevent, suppress, and delay the COVID-19 outbreak. As a result, revenue from all segments dropped significantly. Although all cinema theaters and other services are permitted to reopen on 1 June 2020, the Group still cannot operate at full capacity mainly due to the situation of the pandemic in the movies production countries. The Group is now putting measures to reduce the operational costs with highest effort, evaluating the impact on the operation, and strategising effective solutions.

3 Basis of preparation

The interim consolidated and separated financial information has been prepared in accordance with Thai Accounting Standard (TAS) no. 34, Interim Financial Reporting and other financial reporting requirements issued 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 2019.

An English version of the interim consolidated and separate financial information has been prepared from the interim financial information that is 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.

4 Accounting policies

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 2019, except for the following:

4.1 New standards adopted by the Group

4.1.1 Financial reporting standards relating to financial instruments

The Group has adopted financial reporting standards relating to financial instruments (TAS 32, TFRS 7 and TFRS 9) retrospectively from 1 January 2020 by applying the modified retrospective approach, but has not restated comparatives for the 2019 reporting period, as permitted in the standards.

4.1.2 Thai Financial Reporting Standard no.16 (TFRS 16), Leases

The Group has adopted TFRS 16, Leases from 1 January 2020 (initial application date) by applying the new standard retrospectively and has restated the comparatives presented (Full retrospective approach).

4.2 Changes in accounting policies

To reflect the fair value of investment properties held by subsidiaries and associates which are significant assets of the Group, the Group changes its accounting policies as follows.

4.2.1 Thai Accounting Standard no.40 (TAS 40), Investment Property

Under Thai Accounting Standards related to Investment Property (TAS 40), the Group changes the measurement of the investment property from cost model to fair value model from 1 January 2020 retrospectively and has restated the comparatives presented (Full retrospective approach).

4.2.2 Thai Accounting Standard no.27 (TAS 27), Separate Financial Statements

Under Thai Accounting Standards related to Separate Financial Statement (TAS27), the Group changes the accounting for the carrying value of investments in subsidiaries, associates and joint ventures in separate financial statements from cost method to equity method applying Thai Accounting Standard no.28 (TAS 28): Investments in Associates and Joint Ventures, from 1 January 2020 retrospectively and has restated the comparatives presented (Full retrospective approach).

The new accounting policies are described in Note 5. The reclassifications and adjustments arising from the new financial reporting standards and new accounting policies are detailed in Note 6.

4.3 Exemption from the temporary measures to relieve the impact from COVID-19

The Federation of Accounting Professions announced on 22 April 2020 related to the temporary exemption guidance to relieve the impact from COVID-19 (temporary measures to relieve the impact from COVID-19) for the reporting periods ending between 1 January 2020 and 31 December 2020. The Group applied the exemption on the following matters.

Determining expected credit loss with the simplified approach according to Thai Financial Reporting Standard no.9, Financial Instruments.

The Group has chosen to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC by excluding forward-looking information in assessing the expected credit loss under the simplified approach of trade receivables. The expected credit loss was assessed based on historical credit loss together with the management's judgement in estimating the expected credit loss.

4 Accounting policies (Cont'd)

4.3 Exemption from the temporary measures to relieve the impact from COVID-19 (Cont'd)

Lease modification

During the reporting period, the Group received discounts in the lease payments from lessors due to the COVID-19 situation. Instead, the Group has chosen to apply the temporary measures by reducing lease liabilities in the proportion of the reduction to the lease payments throughout the period that the Group has received the reduction. The Group also reversed depreciation charges on the right-of-use assets and interest expenses on the lease liabilities recognised in the same proportion. The differences between the reduction of the lease liabilities and the reversal of the expenses are recognised in cost of service instead of remeasuring lease liabilities and adjusting the corresponding right-of-use assets from the lease modification.

Impairment of assets

The Group has chosen to exclude information related to COVID-19 as an indication of the impairment of assets.

Fair value measurements of investment properties

The Group has chosen not to take into account the information related to COVID-19 in the financial projections for the purpose of fair valuing investment properties as of 30 June 2020.

5 New accounting policies

5.1 Financial instruments

Investments and other financial assets

Classification and measurements

From 1 January 2020, the Group classifies its financial assets as follows:

- those to be measured subsequently at fair value either through profit or loss (FVPL) or through other comprehensive income (FVOCI)
- those to be measured at amortised cost

The Group initially recognises a financial asset on trade date at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset, except financial assets that are measured at FVPL whose transaction costs are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories:

- Amortised cost: Assets that are held for collection of contractual cash flows that represent solely payments of principal and interest (SPPI) are measured at amortised cost. Interest income is included in finance income using the effective interest method. Any gain or loss on derecognition is presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item.
- FVOCI: Assets that are held for collection of contractual cash flows that represent SPPI and for selling the financial assets are measured at FVOCI. Movements in the carrying amount are taken through OCI, except impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. Interest revenue is included in finance income. Foreign exchange gains and losses are presented in other gains/(losses). Impairment losses are presented as separate line item. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to profit or loss in other gains/(losses).
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on subsequent measurement is presented in other gains/(losses).

The Group reclassifies debt instruments only when its business model for managing those assets changes.

5 New accounting policies (Cont'd)

5.1 Financial instruments (Cont'd)

Equity instruments

All equity instruments held must be irrevocably classified to two measurement categories; i) at fair value through profit or loss, or ii) at fair value through other comprehensive income without subsequent recycling to profit or loss. The classification of equity instruments is considered on investment-by-investment basis. Dividends from such investment continue to be recognised in profit or loss as other income.

Impairment

From 1 January 2020, the Group assesses expected credit loss on a forward-looking basis for its financial assets carried at FVOCI and at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk, except trade receivables which the Group applies the simplified approach in determining its expected credit loss.

Financial guarantee

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of a) the amount of expected credit loss determined; and b) the amount initially recognised less the cumulative amount of income recognised.

5.2 Leases

The Group leases various property, plant and equipment. Before 2020 financial year, leases of property, plant and equipment were classified as either finance or operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 January 2020, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability, any lease payment made at or before the commencement date less any lease incentives received, any initial direct costs, and restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT devices and small office equipment.

5 New accounting policies (Cont'd)

5.3 Investment property

Investment properties, principally freehold buildings, are held for long-term rental yields and are not occupied by the Group.

The Group chooses to account for land held under operating leases as investment properties when the rest of the definition of an investment property is met.

Investment property is measured initially at cost, including directly attributable costs and borrowing costs.

Investment property will be fair value after the initial recognition. Changes in fair value will be recognised in profit or loss.

5.4 Principles of consolidation and equity accounting

a) Subsidiaries

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

In the separate financial statements, investments in subsidiaries are accounted for using equity method which direct cost related to acquisition of investment will be recognised as a part of initial cost of investment.

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting.

In the separate financial statements, investments in associates are accounted for using equity method.

c) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

Joint operations

A joint operation is a joint arrangement whereby the Group has rights to the assets, and obligations for the liabilities relating to the arrangement. The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the Group's financial statements line items.

Joint ventures

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method.

In the separate financial statements, investments in joint ventures are accounted for using equity method.

5 New accounting policies (Cont'd)

5.4 Principles of consolidation and equity accounting (Cont'd)

d) Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently recognises shares of its subsidiaries, associates and joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in subsidiaries, associates and joint ventures equals or exceeds its interest in the subsidiaries, associates and joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

e) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognise in profit or loss.

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

f) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

6 Adjustments recognised on the adoption of new financial reporting standards and changes in accounting policies

The following tables show the adjustments made to the amounts recognised in each line items in the statement of financial position upon adoption of the financial reporting standards and changes in accounting policies:

	Consolidated financial information								
	As at 31 December 2019					As at 1 January 2019			
	Previously reported Thousand Baht	Adjustments and Reclassifications				Previously reported Thousand Baht	Adjustments and Reclassifications		
TAS 32 and TFRS 9 Thousand Baht		TFRS 16 Thousand Baht	TAS 40 Thousand Baht	Restated Thousand Baht	TFRS 16 Thousand Baht		TAS 40 Thousand Baht	Restated Thousand Baht	
Assets									
Current assets									
Current portion of prepaid rents and services	48,731	-	(38,912)	-	9,819	48,407	(38,588)	-	9,819
Non-current assets									
Investment in associates	3,817,686	-	-	1,769,188	5,586,874	3,375,389	-	1,419,789	4,795,178
Property, plant and equipment	6,620,302	-	(175,775)	(485,689)	5,958,838	7,241,647	(201,155)	(545,575)	6,494,917
Investment property	-	-	151,197	361,553	512,750	-	187,912	405,082	592,994
Right-of-use assets	-	-	2,758,096	-	2,758,096	-	2,986,331	-	2,986,331
Goodwill	97,931	-	-	(22,790)	75,141	152,931	-	(22,790)	130,141
Deferred tax asset	90,177	-	(20,194)	-	69,983	77,463	84,131	(112,093)	49,501
Long-term prepaid rents and services	548,046	-	(434,679)	-	113,367	579,054	(466,257)	-	112,797

6 Adjustments recognised on the adoption of new financial reporting standards and changes in accounting policies (Cont'd)

	Consolidated financial information								
	As at 31 December 2019					As at 1 January 2019			
	Previously reported Thousand Baht	Adjustments and Reclassifications				Previously reported Thousand Baht	Adjustments and Reclassifications		
TAS 32 and TFRS 9 Thousand Baht		TFRS 16 Thousand Baht	TAS 40 Thousand Baht	Restated Thousand Baht	TFRS 16 Thousand Baht		TAS 40 Thousand Baht	Restated Thousand Baht	
Liabilities									
Current liabilities									
Current portion of long-term borrowings	383,141	-	(141)	-	383,000	588,116	(116)	-	588,000
Current portion of lease liabilities	-	-	228,416	-	228,416	-	209,336	-	209,336
Non-current liabilities									
Long-term borrowings from financial institutions	1,522,344	-	(22,344)	-	1,500,000	1,905,519	(22,519)	-	1,883,000
Lease liabilities	-	-	2,691,758	-	2,691,758	-	2,859,460	-	2,859,460
Deferred income tax liabilities	217,621	-	(131,537)	224,158	310,242	215,563	(29,719)	37,948	223,792
Other non-current liabilities	560,868	-	(1,573)	-	559,295	561,085	(1,654)	-	559,431
Equity									
Retained earning unappropriated	1,516,455	(6,376)	(515,041)	1,398,104	2,393,142	1,557,472	(460,308)	1,106,465	2,203,629
Other components of equity	(394,661)	-	(5,049)	-	(399,710)	381,363	-	-	381,363
Non-controlling interests	151,111	-	(4,756)	-	146,355	122,534	(2,106)	-	120,428

6 Adjustments recognised on the adoption of new financial reporting standards and changes in accounting policies (Cont'd)

	Separate financial information								
	As at 31 December 2019				As at 1 January 2019				
	Previously reported Thousand Baht	Adjustments and Reclassifications			Restated Thousand Baht	Previously reported Thousand Baht	Adjustments and Reclassifications		Restated Thousand Baht
TAS 32 and TFRS 9 Thousand Baht		TFRS 16 Thousand Baht	TAS 27 and TAS 28 Thousand Baht	TFRS 16 Thousand Baht			TAS 27 and TAS 28 Thousand Baht		
Assets									
Current assets									
Current portion of prepaid rents and services	23,877	-	(16,440)	-	7,437	23,553	(16,116)	-	7,437
Non-current assets									
Investment in subsidiaries	3,534,829	-	-	(656,281)	2,878,548	3,526,825	-	(304,559)	3,222,266
Investment in associates	3,347,707	-	-	2,198,135	5,545,842	3,099,847	-	1,684,867	4,784,714
Property, plant and equipment	4,308,548	-	(132,251)	-	4,176,297	4,560,161	(147,546)	-	4,412,615
Right-of-use assets	-	-	2,177,959	-	2,177,959	-	2,335,338	-	2,335,338
Deferred tax asset	42,367	-	(42,367)	-	-	49,915	76,798	(126,713)	-
Long-term prepaid rents and services	363,158	-	(269,224)	-	93,934	369,311	(277,940)	-	91,371
Liabilities									
Current liabilities									
Current portion of long-term borrowings	383,106	-	(106)	-	383,000	588,006	(6)	-	588,000
Current portion of lease liabilities	-	-	146,745	-	146,745	-	129,984	-	129,984
Non-current liabilities									
Long-term borrowings from financial institutions	1,521,014	-	(21,014)	-	1,500,000	1,904,120	(21,120)	-	1,883,000
Lease liabilities	-	-	2,078,409	-	2,078,409	-	2,170,524	-	2,170,524
Deferred income tax liabilities	-	-	(119,843)	323,501	203,658	-	-	103,549	103,549
Other non-current liabilities	269,430	-	(1,573)	-	267,857	260,122	(1,654)	-	258,468
Equity									
Retained earnings unappropriated	1,354,736	(67,531)	(364,941)	1,218,353	2,140,617	1,204,015	(307,194)	1,150,046	2,046,867

6 Adjustments recognised on the adoption of new financial reporting standards and changes in accounting policies (Cont'd)

The following tables show the adjustments made to the amounts recognised in each line items in the statement of income upon adoption of the financial reporting standards and changes in accounting policies:

Consolidated financial information				
For the three-month period ended 30 June 2019				
	Previously reported Thousand Baht	Impacts from TFRS 16 Thousand Baht	Impacts from TAS 40 Thousand Baht	Restated Thousand Baht
Cost of services	(1,702,289)	27,942	14,968	(1,659,379)
Other income	21,185	1,351	(2,184)	20,352
Administrative expenses	(480,011)	9,823	(18,140)	(488,328)
Finance costs	(23,515)	(34,369)	-	(57,884)
Share of profit from investments	75,757	-	82,362	158,119
Income tax	(111,728)	(6,979)	(10,489)	(129,196)
Profit for the period	515,234	(2,231)	66,516	579,519
Earnings per share (Baht)	0.56	-	0.07	0.64

Separate financial information				
For the three-month period ended 30 June 2019				
	Previously reported Thousand Baht	Impacts from TFRS 16 Thousand Baht	Impacts from TAS 27 and TAS 28 Thousand Baht	Restated Thousand Baht
Cost of services	(1,123,365)	8,318	-	(1,115,047)
Other income	124,461	1,097	(99,065)	26,493
Administrative expenses	(336,226)	914	(17,440)	(352,752)
Finance costs	(37,025)	(25,103)	-	(62,128)
Share of profit from investments	-	-	330,923	330,923
Income tax	(61,461)	(6,074)	(8,954)	(76,489)
Profit for the period	341,246	(20,848)	205,464	525,862
Earnings per share (Baht)	0.38	0.02	0.23	0.59

6 Adjustments recognised on the adoption of new financial reporting standards and changes in accounting policies (Cont'd)

The following tables show the adjustments made to the amounts recognised in each line items in the statement of income upon adoption of the financial reporting standards and changes in accounting policies:

Consolidated financial information				
For the six-month period ended 30 June 2019				
	Previously reported Thousand Baht	Impacts from TFRS 16 Thousand Baht	Impacts from TAS 40 Thousand Baht	Restated Thousand Baht
Cost of services	(3,096,801)	55,188	29,769	(3,011,844)
Other income	70,073	2,660	(20,692)	52,041
Administrative expenses	(958,624)	1,816	(28,628)	(985,436)
Finance costs	(49,583)	(69,429)	-	(119,012)
Share of profit from investments	140,498	-	114,956	255,454
Income tax	(169,512)	(921)	(11,547)	(181,980)
Profit for the period	726,916	(10,686)	83,858	800,088
Earnings per share (Baht)	0.79	(0.01)	0.10	0.88

Separate financial information				
For the six-month period ended 30 June 2019				
	Previously reported Thousand Baht	Impacts from TFRS 16 Thousand Baht	Impacts from TAS 27 and TAS 28 Thousand Baht	Restated Thousand Baht
Cost of services	(2,007,823)	16,112	-	(1,991,711)
Other income	207,295	2,225	(146,666)	62,854
Administrative expenses	(675,956)	1,816	(14,201)	(688,341)
Finance costs	(73,450)	(50,627)	-	(124,077)
Share of profit from investments	-	-	556,569	556,569
Income tax	(81,055)	635	(18,086)	(98,506)
Profit for the period	382,970	(29,839)	377,616	730,747
Earnings per share (Baht)	0.43	(0.03)	0.42	0.82

6 Adjustments recognised on the adoption of new financial reporting standards and changes in accounting policies (Cont'd)

6.1 Adjustments on the adoption of the new financial reporting standards related to financial instruments

Impairment

The new requirements on the impairment losses will lead to expected credit losses having to be considered and recognised at the initial recognition and subsequent period. As of 1 January 2020, the Group recognised additional impairment losses from accounts receivable of Baht 6.38 million and Baht 3.53 million in consolidated financial information and separate financial information, respectively, and recognised expected credit loss on loan to subsidiaries amounting to Baht 64.00 million in separate financial information. The transition adjustment will be recognised as an adjustment to the opening balance of retained earnings.

6.2 Adjustments on the adoption of the new financial reporting standards related to leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of TAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the lease commencement date. The weighted average lessee's incremental borrowing rate applied to the lease liabilities was 4.75%.

For leases previously classified as finance leases the Group recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of TFRS 16 are only applied after that date.

Reconciliation on the lease liabilities recognised on 1 January 2020

	Consolidated financial information	Separate financial information
	Thousand Baht	Thousand Baht
Operating lease commitments disclosed as at 31 December 2019	11,297,127	8,459,889
(Less): discounted using the lessee's incremental borrowing rate of at the date of initial application	(1,007,392)	(799,641)
Add: finance lease liabilities recognised as at 31 December 2019	22,485	21,120
(Less): contracts reassessed as service agreements / service portion included in leases	(7,498,244)	(5,403,001)
Add/(less): adjustments relating to changes in the content of lease agreements	106,198	(53,213)
Lease liabilities recognised as at 1 January 2020	2,920,174	2,225,154
Current lease liabilities	228,416	146,745
Non-current lease liabilities	2,691,758	2,078,409

The associated right-of-use assets for property leases were measured on a retrospective basis as if the new rules had always been applied. Other right-of use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 31 December 2019. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

6 Adjustments recognised on the adoption of new financial reporting standards and changes in accounting policies (Cont'd)

6.2 Adjustments on the adoption of the new financial reporting standards related to leases (Cont'd)

The recognised right-of-use assets relate to the following types of assets:

	Consolidated financial information		Separate financial information	
	30 June 2020 Thousand Baht	31 December 2019 Thousand Baht	30 June 2020 Thousand Baht	31 December 2019 Thousand Baht
Investment properties	132,061	151,197	-	-
Land and building	2,604,793	2,758,096	2,056,544	2,177,959
Total	2,736,854	2,909,293	2,056,544	2,177,959

Practical expedients applied

In applying TFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2020 as short-term leases
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease, and
- elect not to reassess whether a contract is, or contains a lease as defined under TFRS 16 at the date of initial application but relied on its assessment made applying TAS 17 and TFRIC 4 Determining whether an Arrangement contains a Lease.

6.3 Adjustments on the changes in accounting policy of the Thai accounting standards no.40 Investment property

The Group engages an independent valuer to assess the fair value of the investment property. Fair value is measured by discounted cash flow projections which reflects rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects any cash outflows that could be expected in respect of the property. The discount rate reflects current market assessments of the time value of money and risk factors. The Group classifies the fair value measurement of investment property as level 3. Application of fair value model resulted in a net gain from valuation of investment properties belonged to subsidiaries and associates amounting to Baht 1,106 million which is adjusted to the retained earnings as of 1 January 2019.

6.4 Adjustments on the changes in accounting policy of the Thai accounting standards no. 27 Separate financial statement

The Group changes the investment in subsidiaries, associates and joint ventures in separate financial statement accounting from cost method to equity method. The Group recognised the cumulative movements based on equity method amounting to Bath 1,150 million to the retained earnings as of 1 January 2019

7 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.

8 Segment and revenue information

The Group's chief operating decision-maker e.g. the Group's Chief Executive Officer identifies reportable segments of its business to examine the Group's performance by product lines as follows:

8 Segment and revenue information (Cont'd)

Financial information by business segments is as follows:

	Consolidated financial information					Consolidated Million Baht
	Cinema business Million Baht	Advertising business Million Baht	Bowling and Karaoke business Million Baht	Rental and services Million Baht	Movie content business Million Baht	
For the six-month period ended 30 June 2020						
Revenues						
- Gross segment revenues	1,225	151	95	176	68	1,715
- Inter-segment revenues	(138)	-	(12)	(22)	(13)	(185)
Net revenues	<u>1,087</u>	<u>151</u>	<u>83</u>	<u>154</u>	<u>55</u>	<u>1,530</u>
Segment results	<u>(707)</u>	<u>36</u>	<u>(55)</u>	<u>(14)</u>	<u>(114)</u>	<u>(854)</u>
Loss from disposal of investments						(19)
Unallocated costs						(29)
Operating loss						<u>(902)</u>
Timing of revenue recognition						
At a point in time	296	59	26	-	30	411
Over time	<u>791</u>	<u>92</u>	<u>57</u>	<u>154</u>	<u>25</u>	<u>1,119</u>
Total revenue	<u>1,087</u>	<u>151</u>	<u>83</u>	<u>154</u>	<u>55</u>	<u>1,530</u>

8 Segment and revenue information (Cont'd)

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

	Consolidated financial information					Consolidated Million Baht
	Cinema business Million Baht	Advertising business Million Baht	Bowling and Karaoke business Million Baht	Rental and services Million Baht	Movie content business Million Baht	
For the six-month period ended 30 June 2019 - restated						
Revenues						
- Gross segment revenues	4,547	626	244	265	210	5,892
- Inter-segment revenues	(196)	-	(25)	(49)	(50)	(320)
Net revenues	<u>4,351</u>	<u>626</u>	<u>219</u>	<u>216</u>	<u>160</u>	<u>5,572</u>
Segment results	<u>557</u>	<u>414</u>	<u>10</u>	<u>22</u>	<u>(53)</u>	950
Gain from disposal of investments						11
Unallocated costs						(115)
Operating profit						<u>846</u>
Timing of revenue recognition						
At a point in time	1,167	182	66	-	102	1,517
Over time	<u>3,184</u>	<u>444</u>	<u>153</u>	<u>216</u>	<u>58</u>	<u>4,055</u>
Total revenue	<u>4,351</u>	<u>626</u>	<u>219</u>	<u>216</u>	<u>160</u>	<u>5,572</u>

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9 Fair value

The following table presents assets that are measured at fair value, excluding where its fair value is approximating the carrying amount.

	Consolidated financial information	
	Level 3	
	30 June 2020	(Restated) 31 December 2019
	Thousand Baht	Thousand Baht
Assets		
Assets at fair value through profit or loss		
Investment property (Note 14)	469,071	512,750

10 Trade and other receivables

Outstanding trade and other receivables can be analysed as follows:

	Consolidated financial information		Separate financial information	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Unbilled revenue	168,065	335,742	23,160	69,336
Trade accounts receivable				
Current	120,689	271,259	55,883	86,155
Overdue less than 3 months	93,343	254,777	34,421	188,319
3 - 6 months	52,841	43,134	9,097	4,558
6 - 12 months	57,992	3,741	8,138	690
Over 12 months	5,099	9,468	1,632	2,671
Total	498,029	918,121	132,331	351,729
Less Expected credit loss	(72,269)	(918)	(8,486)	-
Trade accounts receivable, net	<u>425,760</u>	<u>917,203</u>	<u>123,845</u>	<u>351,729</u>

11 Investment in subsidiaries

Movements of investments in subsidiaries during six-month period ended 30 June 2020 are as follows:

	Separate financial information
	Thousand Baht
Opening net book value (restated)	2,878,548
Allowance for impairment	(74,489)
Share of loss	(243,780)
Closing net book value	<u>2,560,279</u>

Impairment

During the period ended 30 June 2020, subsidiaries which operate in movie content segment and rental and services segment, respectively, were severely affected by the situation of COVID-19 pandemic, causing the significant decrease in value-in-use. Therefore, the Group has impaired the entire amount of goodwill relating to those business segments in the consolidated financial information and impaired investment amounting to Baht 74.49 million in the separate financial information.

12 Investment in associates

Movements of investments in associates during six-month period ended 30 June 2020 are as follows:

	Consolidated financial information	Separate financial information
	Thousand Baht	Thousand Baht
Opening net book value (restated)	5,586,874	5,545,842
Additions	108,958	108,958
Disposals	(61,087)	(61,087)
Returns of investments	(2,940)	-
Allowance for impairment	(8,013)	(8,013)
Dividends received	(164,642)	(164,642)
Share of profit	242,812	249,886
Share of comprehensive income	205	-
Closing net book value	<u>5,702,167</u>	<u>5,670,944</u>

Gain on disposals of assets to the Property Fund will be realised on the straight-line basis over the lease contracts period of the buildings leased out to the Property Fund. During the six-month period ended 30 June 2020, the Group realised gain on disposals of Baht 5.19 million in the consolidated income statement (30 June 2019: Baht 8.27 million).

Siam Future Development Public Company Limited (“SF”)

Additions of investment

During the six-month period ended 30 June 2020, the Group acquired additional 22.75 million shares of interests in SF for a consideration of Baht 108.96 million.

Disposals of investment

During the six-month period ended 30 June 2020, the Company disposed investments in SF of 9.89 million shares for the considerations of Baht 41.93 million and recognised loss from disposal amounting to Baht 19.15 million, included in “Administrative expenses” in the consolidated and separate income statements.

The aforementioned addition and disposal of investments in SF resulted in the change to shareholding percentage in SF from 28.09% to 28.70%.

M Pictures Company Limited

Returns of investments

M Pictures Company Limited received returned of investment from “Joint Venture Sangkrasue” amounting to Baht 2.94 million on 1 June 2020.

13 Joint arrangements

a) Joint ventures

Movements of investments in joint ventures for six-month period ended 30 June 2020 are as follows:

	Consolidated financial information
	Thousand Baht
Opening net book value (restated)	67,395
Share of loss	(5,547)
Share of comprehensive income	53
Closing net book value	<u>61,901</u>

13 Joint arrangements (Cont'd)

b) Joint operations

Movements of investments in joint operations are as follows:

Additions of investment

M Thirty Nine Company Limited additionally invested in "Joint Venture Sam Gler Hua Kaeng and Juad Kathoei Bung Fai", which the Company has 64.72% of interest with respect to the joint venture agreement. M Thirty Nine Company Limited paid the additional investment amounting to Baht 10.85 million on 8 January 2020.

Returns of investment

M Thirty Nine Company Limited received returns of investments from joint operations as follows:

1. "Joint Venture Bikeman 2" amounting to Baht 4.13 million on 21 January 2020.
2. "Joint Venture Gang Tann Zine and Laan25 Naa24" amounting to Baht 3.50 million on 3 February 2020.

14 Investment property

	Consolidated financial information
	Thousand Baht
Net opening balance (restated)	512,750
Reclassification	8,332
Net loss from fair value adjustment	(52,011)
Closing net book value	469,071

To measure the fair value of investment property, the Group engaged an independent valuer to assess the fair value of the investment property. The Group's valuation technique used significant unobservable inputs, such that the fair value measurement was classified as level 3.

According to the temporary exemption guidance from Thailand Federation of Accounting Professions, other information relating to COVID-19 is not taken into accounts when measuring the fair value of the investment properties as at 30 June 2020.

15 Property, plant, equipment and intangible assets

Movements of property, plant and equipment and intangible assets for six-month period ended 30 June 2020 are as follows:

	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 value (restated)	5,958,838	137,367	4,176,297	78,996
Exchange differences	9,366	81	-	-
Additions	88,922	34,567	34,358	31,837
Transfer Film under production	-	53,561	-	-
Transfer to Investment property	(8,332)	-	-	-
Disposals	(491)	-	(2,517)	-
Write-off	(3,045)	(4)	(2,539)	(4)
Depreciation/amortisation	(455,950)	(57,791)	(305,512)	(10,280)
Impairment	(13,654)	-	-	-
Closing net book value	5,575,654	167,781	3,900,087	100,549

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16 Borrowings

	Consolidated financial information		Separate financial information	
	30 June 2020 Thousand Baht	31 December 2019 Thousand Baht	30 June 2020 Thousand Baht	31 December 2019 Thousand Baht
Current				
Bank overdrafts	283	276	-	-
Short-term borrowings from financial institutions	2,592,658	2,118,302	2,547,658	2,096,302
Total bank overdrafts and short-term borrowings from financial institutions	2,592,941	2,118,578	2,547,658	2,096,302
Current portion of long-term borrowings: - Bank borrowings	360,000	383,000	360,000	383,000
Non-current				
Long-term borrowings from financial institutions	750,000	-	750,000	-
Debentures	1,500,000	1,500,000	1,500,000	1,500,000
Total non-current	2,250,000	1,500,000	2,250,000	1,500,000
Total borrowings	5,202,941	4,001,578	5,157,658	3,979,302

17 Income tax expense

	Consolidated financial information		Separate financial information	
	2020 Thousand Baht	(Restated) 2019 Thousand Baht	2020 Thousand Baht	(Restated) 2019 Thousand Baht
For the three-month period ended 30 June				
Current income tax	(919)	(118,080)	-	(65,113)
Deferred income tax	(12,143)	(11,116)	(491)	(11,376)
	(13,062)	(129,196)	(491)	(76,489)
For the six-month period ended 30 June				
Current income tax	(53)	(168,401)	-	(74,349)
Deferred income tax	18,128	(13,579)	8,517	(24,157)
	18,075	(181,980)	8,517	(98,506)

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 is 2.38% and 1.27% for the consolidated financial statement and separate financial statement, respectively.

18 Earnings per share

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

For the three-month period ended 30 June	Consolidated financial information		Separate financial information	
	(Restated)		(Restated)	
	2020	2019	2020	2019
Profit (loss) attributable to equity holders of parent (Thousand Baht)	(475,017)	569,474	(477,527)	525,862
Weighted average number of paid-up ordinary shares in issue (Thousand share)	894,668	894,668	894,668	894,668
Basic earnings (loss) per share (Baht)	(0.53)	0.64	(0.53)	0.59

For the six-month period ended 30 June	Consolidated financial information		Separate financial information	
	(Restated)		(Restated)	
	2020	2019	2020	2019
Profit (loss) attributable to equity holders of parent (Thousand Baht)	(730,016)	783,769	(661,933)	730,747
Weighted average number of paid-up ordinary shares in issue (Thousand share)	894,668	894,668	894,668	894,668
Basic earnings (loss) per share (Baht)	(0.82)	0.88	(0.74)	0.82

19 Dividends

2020

At the annual General Shareholders Meeting held on 9 April 2020, the shareholders passed a resolution to approve dividends payment in respect of the operating results for the period from July to December 2019 at Baht 0.35 per share, totaling Baht 313.13 million. The dividends were for all shareholders listed in the register on 15 April 2020 and were distributed on 30 April 2020.

2019

At the annual General Shareholders Meeting held on 10 April 2019, the shareholders passed a resolution to approve dividends payment in respect of the operating results for the period from July to December 2018 at Baht 0.70 per share, totaling Baht 626.27 million. The dividends were for the shareholders listed in the register on 24 April 2019 and were distributed on 3 May 2019.

20 Commitments and contingencies

i) Bank guarantees and letter of credits

As at 30 June 2020, there are outstanding bank guarantees and letters of credit given on behalf of the Group to third parties amounting to Baht 229.12 million (31 December 2019: Baht 230.52 million).

ii) Guarantees

As at 30 June 2020, the Company has provided guarantees for bank loans granted to subsidiaries for a total of Baht 45.00 million (31 December 2019: Baht 22.00 million).

iii) Service contract commitments

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

	Consolidated financial information		Separate financial information	
	30 June 2020 Million Baht	31 December 2019 Million Baht	30 June 2020 Million Baht	31 December 2019 Million Baht
Not later than 1 year	704	677	422	412
Later than 1 year but not later than 5 years	2,291	2,372	1,478	1,525
Later than 5 years	3,862	4,449	3,015	3,466
	<u>6,857</u>	<u>7,498</u>	<u>4,915</u>	<u>5,403</u>

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

iv) Capital commitments

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

	Currency	Consolidated financial information		Separate financial information	
		2020 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht
Property, plant and equipment	THB	54,145	57,446	54,145	57,446
	USD	848	296	-	-
Total	THB	54,145	57,446	54,145	57,446
	USD	848	296	-	-
Total in Thai Baht		<u>80,500</u>	<u>66,435</u>	<u>54,145</u>	<u>57,446</u>

v) Commitment for film productions

As at 30 June 2020, the Group has commitments in respect of payments to film directors amounting to Baht 60.93 million (31 December 2019: Baht 90.85 million).

21 Related party transactions

The significant investments in subsidiaries, associates and joint arrangements are set out in Note 11, 12 and 13.

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

The following material transactions were carried out with related parties:

i) Sales of goods and services and others

For the six-month period ended 30 June	Consolidated financial information		Separate financial information	
	2020 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht
Sales of goods and services				
Subsidiaries	-	-	111,550	183,057
Associates	1,425	5,058	-	-
Leasehold property fund	22,329	30,789	15,948	18,403
Joint ventures	1,593	7,097	-	-
Joint operation	757	198	-	-
Related parties	33,392	27,848	8,473	5,638
	<u>59,496</u>	<u>70,990</u>	<u>135,971</u>	<u>207,098</u>

ii) Purchase of goods and services and others

For the six-month period ended 30 June	Consolidated financial information		Separate financial information	
	2020 Thousand Baht	(Restated) 2019 Thousand Baht	2020 Thousand Baht	(Restated) 2019 Thousand Baht
Purchases of goods and services				
Subsidiaries	-	-	60,737	126,211
Associates	7,467	26,395	5,416	11,310
Leasehold property fund	95,484	73,319	72,753	51,761
Joint ventures	228	1,778	-	-
Joint operation	2,978	-	-	-
Related parties	46,770	60,566	43,015	62,710
	<u>152,927</u>	<u>162,058</u>	<u>181,921</u>	<u>251,992</u>

21 Related party transactions (Cont'd)

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

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

	Consolidated financial information		Separate financial information	
	30 June 2020 Thousand Baht	31 December 2019 Thousand Baht	30 June 2020 Thousand Baht	31 December 2019 Thousand Baht
Trade accounts receivable (include unbilled revenue)				
Subsidiaries	-	-	48,506	143,733
Associates	8,356	20,219	-	4,501
Leasehold property fund	2,236	1,582	452	32
Joint ventures	880	7,877	-	-
Joint operation	2,278	2,150	-	-
Related parties	14,930	36,370	1,177	17,061
	<u>28,680</u>	<u>68,198</u>	<u>50,135</u>	<u>165,327</u>
Amounts due from related parties				
Subsidiaries	-	-	175,520	176,848
Associates	8,469	9,167	-	1,267
Leasehold property fund	2,862	7,548	2,862	7,548
Joint ventures	30	407	-	-
Joint operation	-	11	-	-
Related parties	12,204	11,834	10,049	10,516
	<u>23,565</u>	<u>28,967</u>	<u>188,431</u>	<u>196,179</u>
Deposits (included in "Other non-current assets")				
Associates	421	2,221	389	389
Leasehold property fund	3,460	3,460	3,460	3,460
Related parties	26,129	26,129	25,829	25,829
	<u>30,010</u>	<u>31,810</u>	<u>29,678</u>	<u>29,678</u>

21 Related party transactions (Cont'd)

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

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

	Consolidated financial information		Separate financial information	
	30 June 2020 Thousand Baht	31 December 2019 Thousand Baht	30 June 2020 Thousand Baht	31 December 2019 Thousand Baht
Trade accounts payable				
Subsidiaries	-	-	29,879	85,799
Associates	7,022	3,809	211	1
Leasehold property fund	67,720	-	52,019	-
Joint ventures	12,315	19,408	-	-
Joint Operation	2,327	1,841	-	-
Related parties	33,904	864	5,510	7,051
	<u>123,288</u>	<u>25,922</u>	<u>87,619</u>	<u>92,851</u>
Other payables				
Subsidiaries	-	-	12,943	65,433
Associates	7,694	76,804	7,603	59,190
Leasehold property fund	64	447	-	27
Joint ventures	34	355	-	-
Joint operation	-	50	-	-
Related parties	18,133	20,585	8,626	11,441
Board	2,358	5,033	2,019	3,931
	<u>28,283</u>	<u>103,274</u>	<u>31,191</u>	<u>140,022</u>
Advance received for rental and services				
Leasehold property fund	21,295	21,819	-	-
Related parties	5,762	6,517	-	-
	<u>27,057</u>	<u>28,336</u>	<u>-</u>	<u>-</u>
Deposits received				
Subsidiaries	-	-	1,403	1,403
Leasehold property fund	123,503	123,503	-	-
Related parties	5,531	5,531	-	-
	<u>129,034</u>	<u>129,034</u>	<u>1,403</u>	<u>1,403</u>
Lease liabilities - restated				
Associates	8,843	9,183	8,843	9,183
Leasehold property fund	123,479	143,292	123,479	143,292
Related parties	402,399	407,159	310,563	314,962
	<u>534,721</u>	<u>559,634</u>	<u>442,885</u>	<u>467,437</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

The movements of short-term loans to related parties for the six-month period ended 30 June 2020 and 31 December 2019 are as follows:

	Consolidated financial information		Separate financial information	
	30 June 2020 Thousand Baht	31 December 2019 Thousand Baht	30 June 2020 Thousand Baht	31 December 2019 Thousand Baht
Opening balance	463	1,304	239,714	289,277
Loans provided	3,763	963	88,089	418,287
Loans repayments received	-	(1,804)	(78,717)	(467,850)
Closing balance	4,226	463	249,086	239,714

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 (2019: 4.00% per annum).

The related interest income was Baht 4.61 million (2019: Baht 5.57 million). As at 30 June 2020, the accrued interest income was Baht 0.78 million (2019: Baht 0.83 million).

v) Long-term loans to related parties

The movements of long-term loans to related parties for the six-month period ended 30 June 2020 and 31 December 2019 are as follows:

	Consolidated financial information		Separate financial information	
	30 June 2020 Thousand Baht	31 December 2019 Thousand Baht	30 June 2020 Thousand Baht	31 December 2019 Thousand Baht
Subsidiaries and associates and employees				
Opening balance - restated	3,202	1,802	163,985	271,585
Loans provided	-	1,900	-	1,900
Loans repayments received	-	(500)	-	(45,500)
Expected credit loss	-	-	(7,000)	-
Closing balance	3,202	3,202	156,985	227,985

Long-term loans to related parties carry interest at the rate of 2.00% per annum (2019: 2.00% to 4.00% per annum) and there is no specific repayment term.

Long-term loans to staff in the consolidated and separate financial information were Baht 3.20 million and Baht 2.98 million (2019: Baht 1.30 million and Baht 1.08 million), respectively, bearing no interest (2019: nil).

The related interest income was Baht 2.24 million (2019: Baht 2.67 million). As at 30 June 2020, the accrued interest income was Baht 108.14 million (31 December 2019: Baht 108.15 million).

21 Related party transactions (Cont'd)

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

vi) Short-term loans from related parties

The movements of short-term loans from related parties for the six-month period ended 30 June 2020 and 31 December 2019 are as follows:

	Consolidated financial information		Separate financial information	
	30 June 2020 Thousand Baht	31 December 2019 Thousand Baht	30 June 2020 Thousand Baht	31 December 2019 Thousand Baht
Subsidiaries and associates				
Opening balance	12,800	14,500	967,425	1,411,026
Loans borrowed	-	-	827,293	3,105,688
Loans repaid	-	(1,700)	(606,512)	(3,549,289)
Closing balance	12,800	12,800	1,188,206	967,425

Short-term loans from related parties are loans from subsidiaries which are unsecured short-term loans of Baht 1,175.41 million, repayable within 1 month and carrying interest rate of 4.00% per annum, and a promissory note due upon demand borrowed from associate of Baht 12.80 million which bears interest rate of 2.25% per annum.

The related interest expense in the consolidated and separate financial information was Baht 0.14 million and Baht 22.03 million, respectively (2019: Baht 0.16 million and Baht 25.42 million). As at 30 June 2020, the accrued interest expense in the consolidated and separate financial information was Baht 0.25 million and Baht 4.04 million, respectively (31 December 2019: Baht 0.10 million and Baht 4.06 million).

vii) Key management compensation

The compensation paid to key management are as follows:

For the six-month period ended 30 June	Consolidated financial information		Separate financial information	
	2020 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht
Short-term employee benefits	11,664	30,808	9,187	22,902
Retirement benefits	364	425	276	341
	12,028	31,233	9,463	23,243

22 Litigation

In 2017, the insurance company of damaged parties from the fire accident at Major Cineplex Pinklao as the plaintiffs sued the Company for causing of damages. During 2018, the Civil court of the first instance rendered the verdict in favor of the plaintiffs. The Company is required to compensate the plaintiffs for Baht 413.00 million, together with the claim and interest thereon.

On 15 July 2020, the Appeal court rendered the verdict in favor of one insurer of damaged parties. The Company is required to compensate the plaintiff for Baht 365.00 million, together with the claim and interest thereon. The Company is in the process of filing to the Supreme court. The Company believes that there will be no material loss arising from the lawsuits. However, certain provision has been provided.

23 Subsequent events

- a) At the Extraordinary General Meeting of Tai Major Co., Ltd. (Subsidiary) No.1/2020, the shareholders passed a resolution to approve increase in the registered capital from Baht 30.00 million (300,000 shares at the par value of Baht 100 each) to 45.00 million (450,000 shares at the par value of Baht 100 each). The Company paid-up for ordinary shares of 150,000 shares at the par value of Baht 100 each. The capital increase will not affect shareholding percentage in that subsidiary.
- b) At the Board of Directors Meeting held on 10 August 2020, the Board approved the disposal of the entire investment held by the Company at the 55% of interest in Mtel (Thailand) Co., Ltd. (Subsidiary) representing 16,499 shares at the book value as on the transaction date. The disposal will be completed within 31 August 2020.