

MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED

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

30 JUNE 2021

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 2021, 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".

PricewaterhouseCoopers ABAS Ltd.

Tithinun Vankeo

Certified Public Accountant (Thailand) No. 9432

Bangkok

13 August 2021

Major Cineplex Group Public Company Limited
Statement of Financial Position
As at 30 June 2021

	Notes	Consolidated financial information		Separate financial information	
		(Unaudited) 30 June 2021 Thousand Baht	(Audited) 31 December 2020 Thousand Baht	(Unaudited) 30 June 2021 Thousand Baht	(Audited) 31 December 2020 Thousand Baht
Assets					
Current assets					
Cash and cash equivalents		1,125,391	1,557,306	947,788	1,378,293
Trade accounts and other receivables		379,922	591,588	281,196	381,095
Short-term loans to related parties	16.4	9,467	2,251	307,176	213,020
Inventories		106,723	117,979	67,873	76,874
Films under production		144,275	131,855	-	-
Current portion of prepaid services		1,876	1,876	1,876	1,876
Other current assets		151,903	160,122	46,842	44,948
Total current assets		1,919,557	2,562,977	1,652,751	2,096,106
Non-current assets					
Investment in debt instrument		27,057	27,094	-	-
Finance lease receivables		12,310	13,944	-	-
Investment in subsidiaries	8	-	-	2,283,769	2,419,040
Investment in associates	9	6,571,112	6,249,303	6,530,567	6,204,747
Interests in joint ventures	10	47,649	49,583	-	-
Long-term loans to related parties	16.5	1,900	1,900	144,000	160,400
Investment property	11	374,441	480,954	-	-
Property, plant and equipment	12	4,889,981	5,160,804	3,406,868	3,641,474
Right-of-use assets		2,801,698	2,662,503	2,192,602	2,024,470
Intangible assets	12	141,244	149,649	88,861	97,833
Deferred income tax assets		113,193	109,907	-	-
Long-term prepaid services		53,562	54,791	53,110	54,326
Other non-current assets		204,071	154,805	129,822	105,720
Total non-current assets		15,238,218	15,115,237	14,829,599	14,708,010
Total assets		17,157,775	17,678,214	16,482,350	16,804,116

Director _____ Director _____

The accompanying notes are part of this interim financial information.

Major Cineplex Group Public Company Limited

Statement of Financial Position (Cont'd)

As at 30 June 2021

	Notes	Consolidated		Separate	
		financial information		financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 June	31 December	30 June	31 December
		2021	2020	2021	2020
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Liabilities and equity					
Current liabilities					
Bank overdrafts and short-term borrowings					
from financial institutions		1,682,895	1,782,314	1,647,602	1,747,039
Trade accounts and other payables		945,711	1,395,316	613,782	898,799
Contract liabilities		673,451	632,628	463,489	475,066
Current portion of long-term borrowings	13	1,490,000	845,000	1,490,000	845,000
Current portion of lease liabilities		308,629	272,671	204,903	172,891
Short-term loans from related parties	16.6	12,800	12,800	932,061	990,114
Accrued income tax		6,550	17,846	-	-
Other current liabilities		22,735	50,492	6,969	19,986
Total current liabilities		5,142,771	5,009,067	5,358,806	5,148,895
Non-current liabilities					
Long-term borrowings	13	2,160,000	2,505,000	2,160,000	2,505,000
Lease liabilities		2,609,027	2,481,909	2,056,742	1,889,954
Deferred income tax liabilities		175,898	241,580	63,642	128,621
Employee benefit obligations		78,246	75,060	54,706	52,712
Contract liabilities		13,237	15,855	-	-
Other non-current liabilities		698,125	723,708	413,943	431,101
Total non-current liabilities		5,734,533	6,043,112	4,749,033	5,007,388
Total liabilities		10,877,304	11,052,179	10,107,839	10,156,283

The accompanying notes are part of this interim financial information.

Major Cineplex Group Public Company Limited

Statement of Financial Position (Cont'd)

As at 30 June 2021

	Consolidated		Separate	
	financial information		financial information	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
	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	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
Retained earnings				
Appropriated - legal reserve	90,600	90,600	90,600	90,600
Unappropriated	1,209,026	1,547,166	1,055,596	1,340,683
Other components of equity	(380,529)	(394,085)	(10,387)	(22,152)
Equity attributable to owners of the parent	6,157,799	6,482,383	6,374,511	6,647,833
Non-controlling interests	122,672	143,652	-	-
Total equity	6,280,471	6,626,035	6,374,511	6,647,833
Total liabilities and equity	17,157,775	17,678,214	16,482,350	16,804,116

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 2021

	Consolidated financial information		Separate financial information	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Revenues				
Service income	283,544	148,188	194,898	80,225
Sales income	153,570	60,221	109,412	28,573
Total revenues	437,114	208,409	304,310	108,798
Costs				
Cost of services	(474,958)	(351,963)	(316,405)	(210,088)
Cost of sales	(96,300)	(83,269)	(54,193)	(17,437)
Total costs	(571,258)	(435,232)	(370,598)	(227,525)
Gross loss	(134,144)	(226,823)	(66,288)	(118,727)
Other income	82,693	58,233	70,697	53,796
Selling expenses	(52,636)	(43,720)	(31,434)	(35,455)
Administrative expenses	(274,516)	(332,035)	(186,910)	(256,922)
Expected credit loss	(35,334)	(56,326)	(12,533)	(1,623)
Finance costs	(68,945)	(37,808)	(71,000)	(45,193)
Share of profit (loss) from investments	210,208	165,161	72,046	(72,912)
Loss before income tax	(272,674)	(473,318)	(225,422)	(477,036)
Income tax	29,581	(13,062)	25,897	(491)
Loss for the period	(243,093)	(486,380)	(199,525)	(477,527)
Other comprehensive income (expense):				
<i>Items that will subsequently be reclassified to profit or loss</i>				
Currency translation differences	6,368	(18,646)	-	-
Share of other comprehensive income (expense) from investments using equity method	215	(490)	1,403	-
Other comprehensive income (expense) for the period, net of tax	6,583	(19,136)	1,403	-
Total comprehensive expense for the period	(236,510)	(505,516)	(198,122)	(477,527)

The accompanying notes are part of this interim financial information.

Major Cineplex Group Public Company Limited
Statement of Comprehensive Income (Unaudited) (Cont'd)
For the three-month period ended 30 June 2021

	Consolidated financial information		Separate financial information	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Loss attributable to:				
Owners of the parent	(218,162)	(475,017)	(199,525)	(477,527)
Non-controlling interests	(24,931)	(11,363)	-	-
	<u>(243,093)</u>	<u>(486,380)</u>	<u>(199,525)</u>	<u>(477,527)</u>
Total comprehensive expense attributable to:				
Owners of the parent	(213,355)	(488,058)	(198,122)	(477,527)
Non-controlling interests	(23,155)	(17,458)	-	-
	<u>(236,510)</u>	<u>(505,516)</u>	<u>(198,122)</u>	<u>(477,527)</u>
	Baht	Baht	Baht	Baht
Loss per share				
Basic loss per share	(0.24)	(0.53)	(0.22)	(0.53)

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 2021

	Note	Consolidated financial information		Separate financial information	
		2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Revenues					
Service income		919,418	1,199,616	615,922	694,280
Sales income		370,948	330,460	261,085	207,570
Total revenues		1,290,366	1,530,076	877,007	901,850
Costs					
Cost of services		(1,108,943)	(1,300,149)	(748,330)	(796,082)
Cost of sales		(212,635)	(184,566)	(117,920)	(81,421)
Total costs		(1,321,578)	(1,484,715)	(866,250)	(877,503)
Gross (loss) profit		(31,212)	45,361	10,757	24,347
Other income		174,341	77,654	138,720	73,137
Selling expenses		(118,140)	(148,172)	(69,515)	(97,813)
Administrative expenses		(570,496)	(813,681)	(378,439)	(562,315)
Expected credit (loss) gain		(43,934)	(63,357)	2,679	(11,073)
Finance costs		(139,246)	(93,776)	(142,193)	(102,839)
Share of profit from investments		304,532	237,265	87,925	6,106
Loss before income tax		(424,155)	(758,706)	(350,066)	(670,450)
Income tax	14	52,715	18,075	64,979	8,517
Loss for the period		(371,440)	(740,631)	(285,087)	(661,933)
Other comprehensive income:					
<i>Items that will subsequently be reclassified to profit or loss</i>					
Currency translation differences		20,813	15,892	-	-
Share of other comprehensive income from investments using equity method		563	258	11,765	-
Other comprehensive income for the period, net of tax		21,376	16,150	11,765	-
Total comprehensive expense for the period		(350,064)	(724,481)	(273,322)	(661,933)

The accompanying notes are part of this interim financial information.

Major Cineplex Group Public Company Limited
Statement of Comprehensive Income (Unaudited) (Cont'd)
For the six-month period ended 30 June 2021

	Consolidated financial information		Separate financial information	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Loss attributable to:				
Owners of the parent	(338,140)	(730,016)	(285,087)	(661,933)
Non-controlling interests	(33,300)	(10,615)	-	-
	<u>(371,440)</u>	<u>(740,631)</u>	<u>(285,087)</u>	<u>(661,933)</u>
Total comprehensive expense attributable to:				
Owners of the parent	(322,566)	(718,838)	(273,322)	(661,933)
Non-controlling interests	(27,498)	(5,643)	-	-
	<u>(350,064)</u>	<u>(724,481)</u>	<u>(273,322)</u>	<u>(661,933)</u>
	Baht	Baht	Baht	Baht
Loss per share				
Basic loss per share	(0.38)	(0.82)	(0.32)	(0.74)

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 2021

Consolidated financial information											Unit: Thousand Baht			
Attributable to owners of the parent														
Note	Issued and paid-up share capital	Share premium	Share premium on reinsurance of treasury share	Warrants	Retained earnings		Change in parent's ownership interest in subsidiaries	Other components of equity			Total other components of equity	Total owners of the parent	Non-controlling interests	Total equity
					Appropriated-legal reserve	Unappropriated		Translation of financial statements	Share of other comprehensive income from investments	Total				
Opening balance at 1 January 2021	894,668	4,055,609	288,425	-	90,600	1,547,166	(371,576)	(22,087)	(422)	(394,085)	6,482,383	143,652	6,626,035	
Changes in equity for period														
Change in parent's ownership interest in subsidiaries	8	-	-	-	-	-	(2,018)	-	-	(2,018)	(2,018)	6,518	4,500	
Total comprehensive income (expense)		-	-	-	-	(338,140)	-	15,011	563	15,574	(322,566)	(27,498)	(350,064)	
Closing balance at 30 June 2021	<u>894,668</u>	<u>4,055,609</u>	<u>288,425</u>	<u>-</u>	<u>90,600</u>	<u>1,209,026</u>	<u>(373,594)</u>	<u>(7,076)</u>	<u>141</u>	<u>(380,529)</u>	<u>6,157,799</u>	<u>122,672</u>	<u>6,280,471</u>	
Balance at 31 December 2019 - previously reported	894,668	4,055,609	288,425	4,538	90,600	1,516,455	(371,576)	(22,614)	(471)	(394,661)	6,455,634	151,111	6,606,745	
Retrospective adjustments from changes in accounting policy by full retrospective approach		-	-	-	-	883,063	-	(5,049)	-	(5,049)	878,014	(4,756)	873,258	
Balance at 31 December 2019 - previously reported	894,668	4,055,609	288,425	4,538	90,600	2,399,518	(371,576)	(27,663)	(471)	(399,710)	7,333,648	146,355	7,480,003	
Retrospective adjustments from changes in accounting policy by modified retrospective approach		-	-	-	-	(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)	(27,663)	(471)	(399,710)	7,327,272	146,355	7,473,627	
Changes in equity for period														
Dividends		-	-	-	-	(313,126)	-	-	-	-	(313,126)	-	(313,126)	
Warrants		-	-	(4,538)	-	4,538	-	-	-	-	-	-	-	
Total comprehensive income (expense)		-	-	-	-	(730,016)	-	10,920	258	11,178	(718,838)	(5,643)	(724,481)	
Closing balance at 30 June 2020	<u>894,668</u>	<u>4,055,609</u>	<u>288,425</u>	<u>-</u>	<u>90,600</u>	<u>1,354,538</u>	<u>(371,576)</u>	<u>(16,743)</u>	<u>(213)</u>	<u>(388,532)</u>	<u>6,295,308</u>	<u>140,712</u>	<u>6,436,020</u>	

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 2021

	Separate financial information						Unit: Thousand Baht		
	Issued and paid-up share capital	Share premium	Share premium on reissuance of treasury share	Retained earnings		Other components of equity			
				Appropriated- legal reserve	Unappropriated	Other comprehensive income (expense)		Total other component of equity	Total equity
						Share of other comprehensive income from investments			
Opening balance at 1 January 2021	894,668	4,055,609	288,425	90,600	1,340,683	(22,152)	(22,152)	6,647,833	
Changes in equity for period									
Total comprehensive income (expense)	-	-	-	-	(285,087)	11,765	11,765	(273,322)	
Closing balance at 30 June 2021	<u>894,668</u>	<u>4,055,609</u>	<u>288,425</u>	<u>90,600</u>	<u>1,055,596</u>	<u>(10,387)</u>	<u>(10,387)</u>	<u>6,374,511</u>	
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	-	-	-	-	853,412	-	-	853,412	
Opening 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	-	-	-	-	(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	-	-	-	-	(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>-</u>	<u>-</u>	<u>6,494,860</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 2021

	Notes	Consolidated financial information		Separate financial information	
		2021	2020	2021	2020
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Loss before income tax		(424,155)	(758,706)	(350,066)	(670,450)
Adjustments for:					
Depreciation and amortisation		612,265	641,589	407,339	403,867
Expected credit loss (reversal)		43,934	63,357	(2,679)	11,073
Loss on write-off of bad debts		4,064	3,905	4,104	3,519
Reversal of loss on sales returns		-	(150)	-	-
Loss on diminution in value of inventories		6,000	2,983	6,000	3,000
(Gain) loss on disposals of equipment		530	(2,660)	14	250
Gain from sales back lease area		(1,602)	-	-	-
Loss on write-off of equipment and intangible assets	12	4,145	3,049	1,156	2,543
Loss from fair value adjustment on investment property	11	106,513	52,011	-	-
Loss on impairment of plant and equipment (reversal)	12	(72,000)	13,654	-	-
Loss on impairment of intangible assets	12	2,000	-	-	-
Lease payment discount		(112,613)	5,978	(88,154)	6,153
Loss on impairment of goodwill		-	75,141	-	-
Loss on disposals of investment in associates		-	19,153	-	19,153
Shares of profit from subsidiaries, associates and joint ventures	8, 9, 10	(304,532)	(237,265)	(87,925)	(6,106)
Loss on impairment of investment in subsidiaries and associates	8	-	8,013	38	82,502
Advance income - loyalty program		1,001	(405)	1,001	(405)
Employee benefit obligations		3,186	3,436	1,994	2,213
Unrealised loss on exchange rate		3,228	2,233	2,431	1,370
Interest income		(7,752)	(5,587)	(12,618)	(11,942)
Finance costs		139,246	93,776	142,193	102,839
Changes in working capital:					
Trade and other receivables		162,212	388,558	98,264	212,951
Inventories		5,256	11,821	3,000	13,965
Films under productions		(45,590)	(16,031)	-	-
Other current assets		(23,307)	(19,975)	(13,486)	(4,310)
Finance lease receivables		1,213	(44)	-	-
Other non-current assets		(3,934)	(13,641)	(347)	(16,851)
Trade and other payables		(422,956)	(275,935)	(291,043)	(305,884)
Other current liabilities		(29,075)	(71,241)	(14,335)	(36,551)
Contract liabilities		13,540	122,692	(12,615)	45,523
Other non-current liabilities		(25,033)	3,450	(16,609)	(3,093)
Employee benefit obligations		-	(8,340)	-	(5,774)
Cash (used in) generated from operations		(364,216)	104,819	(222,343)	(150,445)
Interest paid		(89,906)	(52,015)	(102,205)	(73,227)
Income tax paid		(39,774)	(45,633)	(10,957)	(23,832)
Net cash (used in) generated from operating activities		(493,896)	7,171	(335,505)	(247,504)

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 2021

	Notes	Consolidated		Separate	
		financial information		financial information	
		2021	2020	2021	2020
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from investing activities					
Short-term loans made to related parties	16.4	(8,706)	(3,763)	(197,793)	(88,089)
Short-term loans repayment received from related parties	16.4	1,490	-	103,637	78,717
Long-term loans repayment received from related parties	16.5	-	-	16,400	-
Payments for investment in subsidiary	8	-	-	(73,000)	-
Payments for investment in associate	9	(169,823)	(100,133)	(167,823)	(100,133)
Proceeds from disposals of investment in associate		-	41,934	-	41,934
Proceeds from return of investment in associate	9	5,117	2,940	-	-
Purchases of property, plant and equipment		(53,127)	(115,620)	(31,783)	(56,731)
Proceeds from disposals of equipment		127	3,142	93	2,258
Proceeds from sales back lease area		2,500	-	-	-
Purchases of intangible assets		(28,110)	(34,567)	(4,969)	(31,837)
Interest received		7,664	4,822	11,064	11,196
Dividends received from associates	9	149,926	164,642	149,926	164,642
Net cash (used in) generated from investing activities		(92,942)	(36,603)	(194,248)	21,957
Cash flows from financing activities					
Proceeds from short-term loans from related parties	16.6	-	-	425,756	827,293
Repayments to short-term loans from related parties	16.6	-	-	(483,809)	(606,512)
Proceeds from bank overdrafts		18	7	-	-
Proceeds from short-term loans from financial institutions		3,290,000	4,205,000	3,250,000	4,170,000
Repayments to short-term loans from financial institutions		(3,390,000)	(3,532,000)	(3,350,000)	(3,520,000)
Repayments to lease liabilities		(77,027)	(129,039)	(42,699)	(78,498)
Proceeds from long-term borrowings from financial institutions		-	800,000	-	800,000
Repayments to long-term borrowings from financial institutions	13	(200,000)	(273,000)	(200,000)	(273,000)
Proceeds from debenture	13	500,000	-	500,000	-
Dividends paid to shareholders		-	(313,126)	-	(313,126)
Proceeds from non-controlling interests from investment in subsidiary		4,500	-	-	-
Net cash generated from financing activities		127,491	757,842	99,248	1,006,157
Net (decrease) increase in cash and cash equivalents					
		(459,347)	728,410	(430,505)	780,610
Cash and cash equivalents at the beginning of the period		1,557,306	961,742	1,378,293	715,065
Exchange gain (loss) on cash and cash equivalents		27,432	(7,569)	-	-
Cash and cash equivalents at the end of the period		1,125,391	1,682,583	947,788	1,495,675

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 2021

Non-cash transactions

Significant non-cash transactions for the six-month periods ended 30 June 2021 and 2020 are as follows:

	Consolidated		Separate	
	financial information		financial information	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Payment for investment in associates, not yet paid	-	8,825	-	8,825
Acquisition - right-of-use assets and lease liabilities less lease incentives	290,761	-	289,444	-
Lease modifications and reassessments	10,552	-	4,210	-

The accompanying notes are part of this interim financial information.

1 Significant events during the current period

The outbreak of Coronavirus Disease 2019 (“COVID-19 outbreak”) in early 2020, has adverse effects on operating results of 2020.

During quarter 2 of 2021, all cinema theaters in Bangkok 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 which significantly impact to revenue from all segments. The Group is now paying close attention to the development of the COVID-19 situation, evaluating its impacts on the operation while strategizing effect solutions.

Although Thailand market conditions have affected market confidence and consumer spending patterns, the group has sufficient working capital and undrawn financing facilities to service its operating activities and film production.

2 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 2020.

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.

3 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 2020, except for the following:

- 1) As at 1 January 2021, the Group ceases applying the temporary exemption guidance to relieve the impact from COVID-19 (temporary measures to relieve the impact from COVID-19) announced by The Federation of Accounting Professions (TFAC) which were effective for reporting periods ending between 1 January 2020 and 31 December 2020. The impact of the ceasing the guidance is included in the financial performance in the period ended 30 June 2021. However, this impact was not significant to the Group.
- 2) The adoption of the new and amended financial reporting standards effective for the accounting periods beginning on or after 1 January 2021 do not have material impact to the Group.

4 Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The estimates and assumptions were not changed from those that were applied for financial statements for the year ended 31 December 2020.

5 Segment and revenue information

The Group's Chief Executive Officer who is a strategic decision-maker of the Group identifies reportable segments of its business to examine the Group's performance by business as follows:

	Consolidated financial information					Total 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 2021						
Revenues						
- Gross segment revenues	1,090	100	51	184	82	1,507
- Inter-segment revenues	(146)	-	(10)	(24)	(37)	(217)
Net revenues	944	100	41	160	45	1,290
Segment results	(569)	54	(55)	4	(104)	(670)
Unallocated costs						82
Operating loss						(588)
Timing of revenue recognition						
At a point in time	359	15	10	-	23	407
Over time	585	85	31	160	22	883
Total revenue	944	100	41	160	45	1,290

Major Cineplex Group Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 June 2021

	Consolidated financial information					Total 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	1,087	151	83	154	55	1,530
Segment results	(707)	36	(55)	(14)	(114)	(854)
Loss from disposal of investments						(19)
Unallocated costs						(29)
Operating loss						(902)
Timing of revenue recognition						
At a point in time	296	59	26	-	30	411
Over time	791	92	57	154	25	1,119
Total revenue	1,087	151	83	154	55	1,530

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

6 Fair value

Fair value of financial assets and financial liabilities maturing within one year are approximate to carrying amount since the impact of discount rate is not significant.

The following table presents fair value and carrying amount of financial liabilities, excluding those with the carrying amount approximates fair value.

	Consolidated financial information and separate financial information	
	30 June 2021	
	Carrying amount - amortised cost Thousand Baht	Fair value Thousand Baht
Financial liabilities not measured at fair value		
Long-term borrowings from financial institutions	1,160,000	945,845
Debenture	1,000,000	1,001,600

The fair value of debenture is based on the market price of debenture from Thai Bond Market Association as at the date of the statement of financial position and is categorised into level two of fair value hierarchy.

7 Trade and other receivables

As at 30 June 2021 and 31 December 2020, trade receivables, included in trade and other receivables in statements of financial position, can be analysed by aging as follows:

	Consolidated financial information		Separate financial information	
	30 June 2021 Thousand Baht	31 December 2020 Thousand Baht	30 June 2021 Thousand Baht	31 December 2020 Thousand Baht
Unbilled revenue	104,500	192,819	17,960	25,062
Trade accounts receivable				
Current	78,165	158,661	41,686	92,698
Overdue less than 3 months	79,461	130,151	27,328	65,105
3 - 6 months	26,484	18,849	3,427	268
6 - 12 months	33,986	44,805	830	6,893
Over 12 months	72,580	35,699	1,016	182
Total	395,176	580,984	92,247	190,208
<u>Less</u> Loss allowance	(113,464)	(75,716)	(2,049)	(8,853)
Trade accounts receivable, net	281,712	505,268	90,198	181,355

8 Investment in subsidiaries

Movements of investments in subsidiaries for six-month period ended 30 June 2021 are as follows:

	<u>Separate financial information</u> <u>Thousand Baht</u>
Opening net book value	2,419,040
Acquisition	73,000
Share of loss	(219,998)
Share of comprehensive income	11,765
Allowance for impairment	(38)
Closing net book value	<u>2,283,769</u>

Addition of investment

Major Join Film Co., Ltd.

On 19 January 2021, Digital Projector Management Co., Ltd. (subsidiary) had registered to change the company name to "Major Join Film Co., Ltd." and added the investment in film business to its business objectives. At the Board of Directors Meeting of the subsidiary No. 2/2021 on 11 February 2021, the Board passed a resolution to approve an increase in the registered capital from Baht 5.00 million (50,000 shares at the par value of Baht 100 each) to Baht 100.00 million (1,000,000 shares at the par value of Baht 100 each) by issuing additional 950,000 ordinary shares at the par value of Baht 100 each. The first payment is 50% in which the Company made a payment on 9 March 2021 amounting to Baht 47.50 million.

Tai Major Co., Ltd.

At the Extraordinary General Meeting of Tai Major Co., Ltd. (subsidiary) No.1/2021 on 24 March 2021, the shareholders passed a resolution to approve an increase in the registered capital from Baht 45.00 million (450,000 shares at the par value of Baht 100 each) to 75.00 million (750,000 shares at the par value of Baht 100 each) by issuing additional 300,000 ordinary shares at the par value of Baht 100 each. The Company additionally invested in 255,000 shares for the consideration of Baht 25.50 million. The acquisition resulted in change in shareholding interests of the subsidiary from 60.00% to 70.00%. The difference between consideration paid and net identifiable assets and liabilities of acquired, amounting to Baht 2.02 million was recognised as "Change in parents' ownership interests in subsidiaries" under "Other components of equity" in the consolidated financial statements.

9 Investment in associates

Movements of investments in associates for six-month period ended 30 June 2021 are as follows:

	<u>Consolidated financial information</u> <u>Thousand Baht</u>	<u>Separate financial information</u> <u>Thousand Baht</u>
Opening net book value	6,249,303	6,204,747
Additions	169,823	167,823
Return of investment	(5,117)	-
Dividends received	(149,926)	(149,926)
Share of profit	306,587	307,923
Share of comprehensive income	442	-
Closing net book value	<u>6,571,112</u>	<u>6,530,567</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 2021, the Group realised gain on disposals of Baht 5.16 million in the consolidated statement of comprehensive income (30 June 2020: Baht 5.19 million).

Siam Future Development Public Company Limited (“SF”)

Additions of investment

During the six-month period ended 30 June 2021, the Group acquired additional 26.17 million shares of interests in SF for a consideration of Baht 167.82 million.

The aforementioned addition of investments in SF resulted in the change to shareholding percentage in SF from 29.13% to 30.36%.

M Pictures Entertainment Public Company Limited

Additions of investment

M Pictures Entertainment Public Company Limited invested in associates as follows:

1. “Last Idol (Thailand) Co., Ltd.” amounting to Baht 2.00 million on 6 May 2021.

Returned of investment

M Pictures Entertainment Public Company Limited got return of investment from associates as follows:

1. “Joint Venture Classic Again” amounting to Baht 3.24 million on 16 June 2021.
2. “Joint Venture THAT MARCH” amounting to Baht 0.43 million on 16 June 2021.
3. “Joint Venture OUR LOVE FOREVER” amounting to Baht 1.44 million on 17 June 2021.

10 Joint arrangements

10.1 Joint ventures

Movements of investments in joint ventures for six-month period ended 30 June 2021 are as follows:

	Consolidated financial information
	Thousand Baht
Opening net book value	49,583
Share of loss	(2,055)
Share of comprehensive income	121
Closing net book value	47,649

10.2 Joint operations

Movements of investments in joint operations for six-month period ended 30 June 2021 are as follows:

Returned of investment

M Thirty Nine Company Limited got returned of investment from joint operation “Joint Venture Gang Tann Zine and Laan25 Naa24” amounting to Baht 10.50 million on 27 January 2021.

11 Investment property

	Consolidated financial information Thousand Baht
Opening net book value	480,954
Net loss from fair value adjustment	(106,513)
Closing net book value	374,441

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.

12 Property, plant, equipment and intangible assets

Movements of property, plant and equipment and intangible assets for six-month period ended 30 June 2021 are as follows:

	Consolidated financial information		Separate financial information	
	Property, plant and equipment Thousand Baht	Intangible assets Thousand Baht	Property, plant and equipment Thousand Baht	Intangible assets Thousand Baht
Opening net book value	5,160,804	149,649	3,641,474	97,833
Exchange differences	(8,467)	303	-	-
Additions	45,784	28,110	33,313	4,969
Transfer from film under production	-	33,170	-	-
Disposals	(657)	-	(114)	-
Write-off	(2,775)	(1,370)	-	(1,156)
Depreciation/amortisation	(376,708)	(66,618)	(267,805)	(12,785)
Impairment charge	-	(2,000)	-	-
Impairment reversal	72,000	-	-	-
Closing net book value	4,889,981	141,244	3,406,868	88,861

13 Borrowings

On 4 February 2021, the Company issued a straight, unsecured and unsubordinated Baht bonds (Straight Bond) of 500,000 units at face value of Baht 1,000 per unit, totaling Baht 500 million. The straight bond has a term of one-year and maturity date is on 4 February 2022 with a fixed interest rate of 2.55% per annum. Interest is due for payment every six-month period. The Company must maintain the debt to equity ratio at the ratio stipulated in the prospectus.

For the six-month period ended 30 June 2021, the Company repaid the long-term borrowing from a financial institution amounting to Baht 200 million and released all securities of Siam Future Development Public Company Limited (SF) which had been pledged as collateral.

14 Income tax expense

Income tax expense is recognised based on management's estimate. The estimated tax rate used for the six-month period ended 30 June 2021 is 12.43% and 18.56% for consolidated financial information and separate financial information, respectively.

15 Commitments and contingencies

15.1 Bank guarantees and letter of credits

As at 30 June 2021, there are outstanding bank guarantees and letters of credit given on behalf of the Group to third parties amounting to Baht 234.28 million (31 December 2020: Baht 242.97 million).

15.2 Guarantees

As at 30 June 2021, the Company has provided guarantees for bank loans granted to subsidiaries for a total of Baht 35.00 million (31 December 2020: Baht 35.00 million).

15.3 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 2021 Million Baht	31 December 2020 Million Baht	30 June 2021 Million Baht	31 December 2020 Million Baht
Not later than 1 year	740	717	474	425
Later than 1 year but not later than 5 years	2,204	2,180	1,551	1,436
Later than 5 years	3,523	3,882	2,796	3,015
	6,467	6,779	4,821	4,876

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.

15.4 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	
		2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Property, plant and equipment	THB	54,145	54,145	54,145	54,145
Intangible asset	USD	815	845	-	-
Total	THB	54,145	54,145	54,145	54,145
	USD	815	845	-	-
Total in Thai Baht		80,405	79,669	54,145	54,145

15.5 Commitment for film productions

As at 30 June 2021, the Group has commitments in respect of payments to film directors amounting to Baht 33.84 million (31 December 2020: Baht 35.23 million).

16 Related party transactions

The following material transactions were carried out with related parties:

16.1 Sales of goods and services and others

For the six-month period ended 30 June	Consolidated financial information		Separate financial information	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Sales of goods and services				
Subsidiaries	-	-	136,148	111,550
Associates	1,974	1,425	615	-
Leasehold property fund	25,458	22,329	17,598	15,948
Joint ventures	681	1,593	-	-
Joint operation	987	757	-	-
Related parties under associates	8,189	217	5,381	217
Related parties	21,242	33,175	4,290	8,256
	58,531	59,496	164,032	135,971

16.2 Purchase of goods and services and others

For the six-month period ended 30 June	Consolidated financial information		Separate financial information	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Purchases of goods and services				
Subsidiaries	-	-	50,426	60,737
Associates	4,610	7,467	4,327	5,416
Leasehold property fund	107,216	95,484	79,225	72,753
Joint ventures	-	228	-	-
Joint operation	1,423	2,978	-	-
Related parties under associates	22,586	13,634	16,126	9,827
Related parties	18,192	33,936	16,874	33,188
	154,027	153,727	166,978	181,921

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

	Consolidated financial information		Separate financial information	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Trade accounts receivable (include unbilled revenue)				
Subsidiaries	-	-	28,796	79,524
Associates	1,915	13,229	-	4,786
Leasehold property fund	1,337	10,810	14	9,142
Joint ventures	2,805	6,962	-	-
Joint operation	634	2,943	-	-
Related parties	17,055	8,115	8,184	1,991
	23,746	42,059	36,994	95,443

Major Cineplex Group Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 June 2021

	Consolidated financial information		Separate financial information	
	30 June 2021 Thousand Baht	31 December 2020 Thousand Baht	30 June 2021 Thousand Baht	31 December 2020 Thousand Baht
Amounts due from related parties				
Subsidiaries	-	-	182,619	196,812
Associates	8,192	5,469	6	-
Leasehold property fund	2,541	3,415	2,541	3,415
Joint ventures	-	109	-	-
Related parties	2,072	5,368	1,959	4,325
<u>Less</u> Loss allowance	-	-	(32,113)	(34,000)
	12,805	14,361	115,012	170,552
Deposits (included in "Other non-current assets")				
Associates	389	389	389	389
Leasehold property fund	3,369	3,324	3,369	3,324
Related parties under associates	14,887	14,671	14,744	14,528
	18,645	18,384	18,502	18,241
Trade accounts payable				
Subsidiaries	-	-	2,278	75,513
Associates	8,458	16,536	1	1
Leasehold property fund	-	137,852	-	99,791
Joint ventures	4,091	8,721	-	-
Joint Operation	2,103	11,238	-	-
Related parties under associates	1,640	1,640	1,640	1,640
Related parties	2,330	6,765	867	27,899
	18,622	182,752	4,786	204,844
Other payables				
Subsidiaries	-	-	10,947	14,039
Associates	28,260	4,350	4,996	4,144
Leasehold property fund	15,579	1,507	11,967	1,311
Joint operation	122	-	-	-
Related parties under associates	9,043	9,105	8,455	7,826
Related parties	6,741	8,658	816	2,207
Director	2,401	1,492	2,055	1,172
	62,146	25,112	39,236	30,699

Major Cineplex Group Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 June 2021

	Consolidated financial information		Separate financial information	
	30 June 2021 Thousand Baht	31 December 2020 Thousand Baht	30 June 2021 Thousand Baht	31 December 2020 Thousand Baht
Advance received for rental and services				
Leasehold property fund	20,248	20,771	-	-
Related parties	4,252	5,007	-	-
	24,500	25,778	-	-
Deposits received				
Leasehold property fund	123,503	123,503	-	-
Related parties	5,531	5,531	-	-
	129,034	129,034	-	-
Lease liabilities				
Associates	11,270	11,906	8,133	8,493
Leasehold property fund	89,097	110,761	81,894	102,979
Related parties under associates	258,051	259,380	167,054	167,914
Related parties	134,161	138,122	134,160	138,122
	492,579	520,169	391,241	417,508

16.4 Short-term loans to related parties

The movements of short-term loans to related parties for the six-month period ended 30 June 2021 and for the year ended 31 December 2020 are as follows:

	Consolidated financial information		Separate financial information	
	30 June 2021 Thousand Baht	31 December 2020 Thousand Baht	30 June 2021 Thousand Baht	31 December 2020 Thousand Baht
Opening balance	2,251	463	213,020	239,714
Loans provided	8,706	6,276	197,793	167,518
Loans repayments received	(1,490)	(4,025)	(103,637)	(193,749)
Loans written off during the period/year	-	(463)	-	(463)
Closing balance	9,467	2,251	307,176	213,020

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 (2020: 4.00% per annum).

The related interest income was Baht 4.58 million (30 June 2020: Baht 4.61 million). As at 30 June 2021, the accrued interest income in the separate financial information was Baht 0.94 million (31 December 2020: Baht 0.69 million).

16.5 Long-term loans to related parties

The movements of long-term loans to related parties for the six-month period ended 30 June 2021 and for the year ended 31 December 2020 are as follows:

	Consolidated financial information		Separate financial information	
	30 June 2021 Thousand Baht	31 December 2020 Thousand Baht	30 June 2021 Thousand Baht	31 December 2020 Thousand Baht
Subsidiaries and associates and employees				
Opening balance - previously reported	1,900	3,202	160,400	227,985
Impacts from the adoption of the new standard (TFRS 9)	-	-	-	(64,000)
Opening balance - restated	1,900	3,202	160,400	163,985
Loans repayments received	-	-	(16,400)	(29,500)
Loans written off during the period/year	-	(1,302)	-	(1,085)
Reversal of loss allowance	-	-	-	27,000
Closing balance	1,900	1,900	144,000	160,400

Long-term loans to related parties in the separate financial information amounting to Baht 142.10 million carry interest at the rate of 2.38% per annum (2020: 2.00% per annum) and there is no specific repayment term.

Long-term loans to staff in the consolidated and separate financial information were Baht 1.90 million (2020: Baht 1.90 million), bearing no interest (2020: nil).

The related interest income was Baht 2.22 million (30 June 2020: Baht 2.24 million). As at 30 June 2021, the accrued interest income in the separate financial information was Baht 108.13 million (31 December 2020: Baht 108.14 million).

16.6 Short-term loans from related parties

The movements of short-term loans from related parties for the six-month period ended 30 June 2021 and for the year ended 31 December 2020 are as follows:

	Consolidated financial information		Separate financial information	
	30 June 2021 Thousand Baht	31 December 2020 Thousand Baht	30 June 2021 Thousand Baht	31 December 2020 Thousand Baht
Subsidiaries and associates				
Opening balance	12,800	12,800	990,114	967,425
Loans borrowed	-	-	425,756	1,431,188
Loans repaid	-	-	(483,809)	(1,408,499)
Closing balance	12,800	12,800	932,061	990,114

Short-term loans from related parties are loans from subsidiaries which are unsecured short-term loans of Baht 919.26 million (2020: Baht 977.31 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 (2020: 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 18.85 million, respectively (30 June 2020: Baht 0.14 million and Baht 22.03 million). As at 30 June 2021, the accrued interest expense in the consolidated and separate financial information was Baht 0.54 million and Baht 3.62 million, respectively (31 December 2020: Baht 0.39 million and Baht 3.61 million).

16.7 Key management compensation

For the six-month period ended 30 June	Consolidated financial information		Separate financial information	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Short-term employee benefits	16,241	11,664	10,636	9,187
Post employee benefits	288	364	196	276
	16,529	12,028	10,832	9,463

17 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, representing 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, including the 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.

18 Events after the reporting date

At the Board of Directors Meeting held on 5 July 2021, the Board approved the entering into memorandum of understanding in relation to the sale of shares in SF in order to sell ordinary shares in the amount of 647,158,471 shares or representing 30.36% of the total issued shares to Central Pattana Public Company Limited, at a price of Baht 12 per share and in total of Baht 7,765.90 million and approve the hoding of the Extraordinary General Meeting of Shareholders on 27 August 2021, for approval of such transaction.

19 Authorisation of financial information

The interim consolidated and separate financial information were authorised for issue by the Board of Directors on 13 August 2021.

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