

WAVE ENTERTAINMENT PUBLIC COMPANY LIMITED

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

31 MARCH 2018

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of Wave Entertainment Public Company Limited

I have reviewed the interim consolidated financial information of Wave Entertainment Public Company Limited and its subsidiaries, and the interim separate financial information of Wave Entertainment Public Company Limited. These comprise the consolidated and separate statements of financial position as at 31 March 2018, and the related consolidated and separate statements of comprehensive income, changes in equity, and cash flows for the three-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of these 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 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 are not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers ABAS Ltd.

Sakuna Yamsakul

Certified Public Accountant (Thailand) No. 4906

Bangkok

11 May 2018

Wave Entertainment Public Company Limited
Statement of Financial Position
As at 31 March 2018

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 31 March 2018 Baht	Audited 31 December 2017 Baht	Unaudited 31 March 2018 Baht	Audited 31 December 2017 Baht
Assets					
Current assets					
Cash and cash equivalents		342,905,561	203,678,455	133,434,446	15,848,482
Short-term investments	6	8,664,913	21,539,476	3,664,913	3,539,476
Trade and other receivables	7	340,550,150	367,622,632	107,294,769	88,323,696
Short-term loans to related parties	19.4	2,750,000	2,750,000	887,452,900	840,452,900
Inventories		28,264,620	30,718,179	-	-
Television programmes, concerts production, and events in progress		18,772,851	10,491,682	-	-
Other current assets		58,970,979	83,565,136	6,204,676	6,078,104
Non-current assets classified as held-for-sale	8	5,350,000	5,350,000	-	-
Total current assets		806,229,074	725,715,560	1,138,051,704	954,242,658
Non-current assets					
Deposit at bank used as collateral		1,722,975	1,722,975	-	-
Investments in subsidiaries	9.1	-	-	430,000,000	430,000,000
Investments in associates	9.2	480,866,503	463,179,161	213,671,955	213,671,955
Interests in joint ventures	9.3	4,926,600	18,106,042	-	-
Property, plants and equipment	10	598,634,937	614,562,301	5,409,496	5,663,708
Goodwill	11	923,167,963	923,167,963	-	-
Intangible asset	10	238,926,267	243,595,328	-	-
Deferred tax assets		30,699,922	30,418,311	-	-
Other non-current assets		276,976,488	185,664,474	1,289,184	1,289,184
Total non-current assets		2,555,921,655	2,480,416,555	650,370,635	650,624,847
Total assets		3,362,150,729	3,206,132,115	1,788,422,339	1,604,867,505

The notes to the consolidated and company financial information form an integral part of these financial information.

Wave Entertainment Public Company Limited

Statement of Financial Position (Cont'd)

As at 31 March 2018

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 31 March 2018 Baht	Audited 31 December 2017 Baht	Unaudited 31 March 2018 Baht	Audited 31 December 2017 Baht
Liabilities and equity					
Current liabilities					
Bank overdrafts		56,486,989	31,566,575	25,736,413	96,999
Short-term borrowings from financial institutions	12.2	224,000,000	264,000,000	150,000,000	150,000,000
Trade and other payables		277,106,756	262,403,385	88,693	88,693
Unearned revenue		233,163,550	192,072,861	1,399	1,399
Accrued expenses		99,445,746	134,624,772	8,336,693	8,061,138
Short-term borrowings from related parties	19.5	-	-	12,000,000	12,000,000
Current portion of finance lease liabilities	12.1	9,688,144	10,092,835	1,394,556	1,673,484
Current portion of long-term borrowings from financial institutions	12.3	203,192,553	196,606,704	115,341,060	114,063,719
Current portion of long-term borrowings from related parties	19.6	17,069,783	-	-	-
Accrued income tax		9,567,141	4,875,279	-	-
Other current liabilities		52,616,395	47,467,477	4,770,564	3,809,841
Total current liabilities		1,182,337,057	1,143,709,888	317,669,378	289,795,273
Non-current liabilities					
Long-term finance lease liabilities	12.1	7,560,165	9,869,250	-	139,443
Long-term borrowings from financial institutions	12.3	540,363,781	595,657,285	278,504,401	307,876,813
Long-term borrowings from related parties	19.6	22,430,217	4,500,000	-	-
Employee benefit obligations		79,384,311	76,307,852	10,269,665	9,626,389
Deferred tax liabilities		45,146,224	45,746,185	-	-
Other non-current liabilities		17,338,132	17,002,677	-	-
Total non-current liabilities		712,222,830	749,083,249	288,774,066	317,642,645
Total liabilities		1,894,559,887	1,892,793,137	606,443,444	607,437,918
Equity					
Share capital	15				
Authorised share capital					
Ordinary share, 510,070,000 shares of par Baht 1 each (31 December 2017: 463,320,000 shares of par Baht 1 each)		510,070,000	463,320,000	510,070,000	463,320,000
Issued and paid-up share capital					
Ordinary share, 467,950,000 shares (31 December 2017: 421,200,000 share of paid-up Baht 1 each)		467,950,000	421,200,000	467,950,000	421,200,000
Share premium		448,802,180	315,564,680	448,802,180	315,564,680
Retained earnings					
Appropriated - legal reserve		43,872,094	43,872,094	43,872,094	43,872,094
Retained earnings		13,470,782	67,284,826	221,354,621	216,792,813
Other components of equity		(6,589,346)	(9,330,791)	-	-
Equity attributable to owners of the parent		967,505,710	838,590,809	1,181,978,895	997,429,587
Non-controlling interests		500,085,132	474,748,169	-	-
Total equity		1,467,590,842	1,313,338,978	1,181,978,895	997,429,587
Total liabilities and equity		3,362,150,729	3,206,132,115	1,788,422,339	1,604,867,505

The notes to the consolidated and company financial information form an integral part of these financial information.

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

	Notes	Consolidated financial information		Separate financial information	
		31 March 2018 Baht	31 March 2017 Baht	31 March 2018 Baht	31 March 2017 Baht
Revenues					
Sales		146,401,646	153,553,094	-	426
Revenue from rendering of services		417,684,324	399,040,409	-	795,176
Total revenues		564,085,970	552,593,503	-	795,602
Costs					
Costs of sales		(57,548,678)	(60,352,046)	-	(89)
Costs of rendering of services		(304,735,513)	(331,818,291)	-	(441,909)
Total costs		(362,284,191)	(392,170,337)	-	(441,998)
Gross profit		201,801,779	160,423,166	-	353,604
Other income	14	22,445,559	4,443,712	24,146,637	18,977,314
Selling expenses		(112,028,398)	(117,214,971)	-	(1,932,065)
Administrative expenses		(117,152,084)	(118,937,593)	(13,001,574)	(13,651,087)
Finance costs		(13,574,637)	(14,053,962)	(6,583,255)	(7,035,280)
Share of profit from associates and joint ventures	9.2, 9.3	12,637,539	13,001,718	-	-
Profit (loss) before income tax expense		(5,870,242)	(72,337,930)	4,561,808	(3,287,514)
Income tax expense	13	(7,144,862)	(307,522)	-	-
Profit (loss) for the period		(13,015,104)	(72,645,452)	4,561,808	(3,287,514)
Other comprehensive income:					
Items that will be reclassified subsequently to profit or loss:					
Currency translation differences		(4,777,832)	-	-	-
Share of other comprehensive income (expense) of associate accounted for using the equity method	9.2	5,130,361	(89,771)	-	-
Total comprehensive income (expense) for the period		(12,662,575)	(72,735,223)	4,561,808	(3,287,514)
Profit (loss) attributable to:					
Owners of the parent		(53,814,044)	(75,202,854)	4,561,808	(3,287,514)
Non-controlling interests		40,798,940	2,557,402	-	-
		(13,015,104)	(72,645,452)	4,561,808	(3,287,514)
Total comprehensive income (expense) attributable to:					
Owners to the parent		(51,072,599)	(75,292,625)	4,561,808	(3,287,514)
Non-controlling interests		38,410,024	2,557,402	-	-
		(12,662,575)	(72,735,223)	4,561,808	(3,287,514)
Earnings (loss) per share					
Basic earnings (loss) per share	17	(0.13)	(0.18)	0.01	(0.01)
Diluted earnings (loss) per share		(0.13)	(0.18)	0.01	(0.01)

The notes to the consolidated and company financial information form an integral part of these financial information.

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

Consolidated financial information											
Attributable to owners of the parent											
Note	Issued and paid-up share capital Baht	Share premium Baht	Retained earnings		Other components of equity			Change in parent's ownership interest in subsidiaries Baht	Total equity of the parent Baht	Non-controlling interests Baht	Total equity Baht
			Appropriated - legal reserve Baht	Retained earnings Baht	Translating financial statements Baht	Share of other comprehensive income of associates Baht					
Opening balance as at 1 January 2017	421,200,000	315,564,680	42,120,000	336,768,230	-	3,816,260	4,655,816	1,124,124,986	457,408,847	1,581,533,833	
Dividends	-	-	-	-	-	-	-	-	(5,225,705)	(5,225,705)	
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	(1,050,000)	(1,050,000)	
Change in percentage of shareholdings	-	-	-	-	-	-	(214,490)	(214,490)	214,490	-	
Total comprehensive income (expense) for the period	-	-	-	(75,202,854)	-	(89,771)	-	(75,292,625)	2,557,402	(72,735,223)	
Closing balance as at 31 March 2017	421,200,000	315,564,680	42,120,000	261,565,376	-	3,726,489	4,441,326	1,048,617,871	453,905,034	1,502,522,905	
Opening balance as at 1 January 2018	421,200,000	315,564,680	43,872,094	67,284,826	90,986	(12,194,927)	2,773,150	838,590,809	474,748,169	1,313,338,978	
Issue of shares	15 46,750,000	133,237,500	-	-	-	-	-	179,987,500	-	179,987,500	
Dividends	-	-	-	-	-	-	-	-	(12,800,000)	(12,800,000)	
Liquidation of a subsidiary	-	-	-	-	-	-	-	-	(273,061)	(273,061)	
Total comprehensive income (expense) for the period	-	-	-	(53,814,044)	(2,388,916)	5,130,361	-	(51,072,599)	38,410,024	(12,662,575)	
Closing balance as at 31 March 2018	467,950,000	448,802,180	43,872,094	13,470,782	(2,297,930)	(7,064,566)	2,773,150	967,505,710	500,085,132	1,467,590,842	

The notes to the interim consolidated and company financial information form an integral part of these interim financial information.

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

	Separate financial information					
	Note	Issued and paid-up share capital Baht	Share premium Baht	Retained earnings		Total equity Baht
				Appropriated - legal reserve Baht	Retained earnings Baht	
Opening balance as at 1 January 2017		421,200,000	315,564,680	42,120,000	183,503,035	962,387,715
Total comprehensive expense for the period		-	-	-	(3,287,514)	(3,287,514)
Closing balance as at 31 March 2017		<u>421,200,000</u>	<u>315,564,680</u>	<u>42,120,000</u>	<u>180,215,521</u>	<u>959,100,201</u>
Opening balance as at 1 January 2018		421,200,000	315,564,680	43,872,094	216,792,813	997,429,587
Issue of shares	15	46,750,000	133,237,500	-	-	179,987,500
Total comprehensive income for the period		-	-	-	4,561,808	4,561,808
Closing balance as at 31 March 2018		<u>467,950,000</u>	<u>448,802,180</u>	<u>43,872,094</u>	<u>221,354,621</u>	<u>1,181,978,895</u>

The notes to the interim consolidated and company financial information form an integral part of these interim financial information.

Wave Entertainment Public Company Limited
Statement of Cash Flows (Unaudited)
For the three-month period ended 31 March 2018

	Notes	Consolidated		Separate	
		financial information		financial information	
		31 March 2018 Baht	31 March 2017 Baht	31 March 2018 Baht	31 March 2017 Baht
Cash flows from operating activities					
Profit (loss) before income tax expense		(5,870,242)	(72,337,930)	4,561,808	(3,287,514)
Adjustments for:					
Depreciation	10	41,846,275	43,468,053	254,212	338,521
Amortisation	10	5,578,565	5,699,670	-	-
Interest income		(41,669)	(1,181,730)	(10,164,433)	(8,458,578)
Dividend income		(3,000,000)	-	(3,000,000)	-
Unrealised gain on short-term investments	6	(125,437)	(107,282)	(125,437)	(107,282)
Allowance for doubtful debt		7,896,600	85,600	-	-
Reversal of allowance for doubtful debt		(11,859,792)	-	-	-
Provision for obsolete inventories (reversal)		-	2,339,683	-	(15)
Loss (gain) from disposal of equipment		(434,531)	118,105	-	244
Loss from write-off of equipment	10	79	24,262	-	10,406
Provision for (reversal of) employee benefit obligations		3,076,458	(1,429,886)	643,276	627,688
Finance cost		13,574,637	14,053,962	6,583,255	7,035,280
Share of profit from associates and joint ventures	9.2, 9.3	(12,637,539)	(13,001,718)	-	-
		38,003,404	(22,269,211)	(1,247,319)	(3,841,250)
Changes in working capital					
- Trade and other receivables		31,013,287	(102,377,444)	(9,338,927)	(9,155,148)
- Inventories		2,453,559	3,717,521	-	15
- Television programmes, concerts, and events production in progress		(8,281,169)	(39,129,502)	-	-
- Other current assets		24,594,157	14,257,645	(59,347)	1,577
- Prepaid rents		-	140,714	-	140,714
- Other non-current assets		(91,312,014)	(25,616,607)	-	-
- Trade and other payables		12,132,130	77,158,933	-	(22,244)
- Unearned revenue		41,090,689	28,509,622	-	-
- Accrued income		-	262,500	-	-
- Accrued expenses		(35,141,161)	4,936,061	214,200	(7,500)
- Other current liabilities		5,148,917	(6,693,998)	960,723	343,363
- Other non-current liabilities		335,455	(528,045)	-	(1,153,718)
Cash flows from operating activities		20,037,254	(67,631,811)	(9,470,670)	(13,694,191)
Interest paid		(13,612,502)	(14,125,690)	(6,521,900)	(6,856,383)
Income tax paid		(3,334,572)	(1,311,319)	(67,225)	(80,613)
Net cash generated from (used in) operating activities		3,090,180	(83,068,820)	(16,059,795)	(20,631,187)

The notes to the consolidated and company financial information form an integral part of these financial information.

Wave Entertainment Public Company Limited
Statement of Cash Flows (Unaudited) (Cont'd)
For the three-month period ended 31 March 2018

	Notes	Consolidated		Separate	
		financial information		financial information	
		31 March 2018 Baht	31 March 2017 Baht	31 March 2018 Baht	31 March 2017 Baht
Cash flows from investing activities					
Interest received		64,058	1,663,956	532,287	1,617,785
Dividend received		16,260,000	-	3,000,000	-
Proceed from disposal of short-term investments		13,000,000	278,000,000	-	271,000,000
Purchase of short term investment		-	(64,235,640)	-	(59,235,640)
Deposit at bank as collateral		-	(150,000)	-	-
Proceed from short-term borrowings to related parties		-	350,000	-	-
Payment for short-term borrowings to related parties	19.4	-	(10,500,000)	(47,000,000)	(121,526,450)
Payment for investment in a subsidiary		-	(1,050,000)	-	-
Payment to account payable for investment		-	(111,526,450)	-	-
Proceed from disposal of equipment		941,796	2,147,804	-	290
Purchase of property, plant and equipment		(23,855,014)	(26,953,170)	-	-
Purchase of intangible assets	10	(909,504)	(789,500)	-	-
Net cash generated from (used in) investing activities		5,501,336	66,957,000	(43,467,713)	91,855,985
Cash flows from financing activities					
Bank overdrafts		24,920,414	42,257,648	25,639,414	-
Proceed from short-term borrowings from financial institutions		224,000,000	30,000,000	150,000,000	-
Repayment to short-term borrowings from financial institutions		(264,000,000)	-	(150,000,000)	-
Proceed from short-term borrowings from related parties	19.5	-	-	45,000,000	-
Repayment to short-term borrowings from related parties	19.5	-	-	(45,000,000)	-
Proceed from long-term borrowings from related parties	19.6	35,000,000	-	-	-
Repayment to long-term borrowings from related parties		-	(1,000,000)	-	-
Proceed from long-term borrowings from financial institutions		-	8,767,360	-	-
Repayment to long-term borrowings from financial institutions	12.3	(48,707,655)	(44,071,328)	(28,095,071)	(26,820,857)
Proceeds from issuance of shares	15	179,987,500	-	179,987,500	-
Liquidation of a subsidiary		(273,061)	-	-	-
Dividend paid to non-controlling interest		(12,800,000)	(5,225,705)	-	-
Repayment to finance lease liabilities		(2,713,776)	(2,893,843)	(418,371)	(418,371)
Net cash generated from (used in) financing activities		135,413,422	27,834,132	177,113,472	(27,239,228)
Net increase in cash and cash equivalents		144,004,938	11,722,312	117,585,964	43,985,570
Cash and cash equivalents at beginning of period		203,678,455	263,377,793	15,848,482	102,648,066
Effect of exchange rate changes on translation of financial statements		(4,777,832)	-	-	-
Cash and cash equivalents at end of period		342,905,561	275,100,105	133,434,446	146,633,636

Significant non-cash transactions

Significant non-cash transactions for periods ended 31 March 2018 and 2017 as follows:

Payable arising from purchases of equipment	2,571,241	1,175,041	-	-
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The notes to the consolidated and company financial information form an integral part of these financial information.

1 General information

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

3199, 15th Floor, Maleenont Tower, Rama IV Road, Klongtan Sub-district, Klongtoey District, Bangkok.

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

The Group is principally engaged in the businesses of investment in other companies, production and distribution of television programmes and movies, sales of series in forms of VCDs, DVDs and rights, sublease spaces, operations of concerts and events, operations of English language institution, and sales of food and beverage, and marketing activities services.

These group interim consolidated and separate financial information were authorised for issue by the Board of Directors on 11 May 2018.

These group interim consolidated and separate financial information have been reviewed, not audited.

2 Accounting policies

2.1 Basis of preparation

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

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2017.

An English version of the consolidated and separate financial information have been prepared from the interim financial information that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2017.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

2 Accounting policies (Cont'd)

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

2.2.1 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2018 which have significant change and are relevant to the Group:

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

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

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

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

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

The above revised standards have been adopted.

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

TFRS 15	Revenue from contracts with customers
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TFRS 15 provide the requirements for the recognition of revenue. This standard will supersede the following standards:

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

The new standard is based on the principle that

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

2 Accounting policies (Cont'd)

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

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

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

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

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

- extended warranties, which will need to be accounted for as separate performance obligations, which will delay the recognition of a portion of the revenue
- accounting for cost incurred in fulfilling a contract - certain costs which are currently expensed may need to be recognised as an asset under TFRS 15
- rights of return - TFRS 15 requires separate presentation on the balance sheet of the right to recover the goods from the customer and the refund obligations

3 Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2017.

4 Segment information

Financial information by business segment

	Language institutions Baht	Restaurant Baht	Entertainment and marketing activities Baht	Consolidate Baht
For the three-month period ended 31 March 2018				
Revenues from operation	110,482,950	146,401,646	307,201,374	564,085,970
Inter-segment revenue	-	-	-	-
Total revenue	<u>110,482,950</u>	<u>146,401,646</u>	<u>307,201,374</u>	<u>564,085,970</u>
Segment result	(25,750,454)	(7,561,251)	71,668,261	38,370,556
Other income				22,445,559
Unallocated costs				(18,330,419)
Depreciation and amortisation				(47,424,840)
Finance costs				(13,574,637)
Share of profit from associates and joint ventures				<u>12,637,539</u>
Loss before income tax expense				(5,870,242)
Income tax expense				<u>(7,144,862)</u>
Loss for the period				<u><u>(13,015,104)</u></u>
As at 31 March 2018				
Inventories	398,437	18,406,901	9,459,282	28,264,620
Property, plant and equipment	45,041,047	109,359,433	444,234,457	598,634,937
Intangible asset	29,971,181	142,227,639	66,727,447	238,926,267
Investment in associates				480,866,503
Investment in joint ventures				4,926,600
Goodwill				923,167,963
Unallocated assets				<u>1,087,363,839</u>
Consolidated total assets				<u><u>3,362,150,729</u></u>

4 Segment information (Cont'd)

Financial information by business segment (Cont'd)

	Language institutions Baht	Restaurant Baht	Entertainment and marketing activities Baht	Consolidated Baht
For the three-month period ended				
31 March 2017				
Revenues from operation	100,627,182	153,552,668	298,946,329	553,126,179
Inter-segment revenue	-	-	(532,676)	(532,676)
Total revenue	<u>100,627,182</u>	<u>153,552,668</u>	<u>298,413,653</u>	<u>552,593,503</u>
Segment result	(31,664,861)	(7,456,041)	29,431,162	(9,689,740)
Other income				4,443,712
Unallocated costs				(16,871,935)
Depreciation and amortisation				(49,167,723)
Finance costs				(14,053,962)
Share of profit from associate and joint ventures				<u>13,001,718</u>
Loss before income tax expense				(72,337,930)
Income tax expense				<u>(307,522)</u>
Loss for the period				<u>(72,645,452)</u>
As at 31 December 2017				
Inventories	338,171	21,120,323	9,259,685	30,718,179
Equipment	38,391,966	116,691,937	459,478,398	614,562,301
Intangible asset	30,690,882	143,694,948	69,209,498	243,595,328
Investment in associates				463,179,161
Investment in joint ventures				18,106,042
Goodwill				923,167,963
Unallocated assets				<u>912,803,141</u>
Consolidated total assets				<u><u>3,206,132,115</u></u>

Unallocated costs represent corporate expenses. Segment assets consist primarily of equipment, inventories, receivables and operating cash.

5 Fair value

Fair value estimation

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

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the group's financial assets that are measured at fair value at 31 March 2018.

	Consolidated and separate financial information			
	Level 1 Baht	Level 2 Baht	Level 3 Baht	Total Baht
Assets				
Financial assets at fair value through profit or loss				
Trading investments	3,664,913	-	-	3,664,913

The following table presents the group's financial assets that are measured at fair value at 31 December 2017.

	Consolidated and separate financial statements			
	Level 1 Baht	Level 2 Baht	Level 3 Baht	Total Baht
Assets				
Financial assets at fair value through profit or loss				
Trading investments	3,539,476	-	-	3,539,476

There were no transfers between Levels 1 and 2 during the period.

There were no changes in valuation techniques during the period.

6 Short-term investments

	Consolidated financial information			
	31 March 2018		31 December 2017	
	Cost Baht	Fair value Baht	Cost Baht	Fair value Baht
Short-term investments comprise:				
Trading securities	8,671,556	3,664,913	8,671,556	3,539,476
Held-to-maturity investments	5,000,000	5,000,000	18,000,000	18,000,000
Total	13,671,556	8,664,913	26,671,556	21,539,476
<u>Less</u> Revaluation adjustments	(5,006,643)	-	(5,132,080)	-
Total short-term investments	8,664,913	8,664,913	21,539,476	21,539,476

	Separate financial information			
	31 March 2018		31 December 2017	
	Cost Baht	Fair value Baht	Cost Baht	Fair value Baht
Short-term investments comprise:				
Trading securities	8,671,556	3,664,913	8,671,556	3,539,476
<u>Less</u> Revaluation adjustments	(5,006,643)	-	(5,132,080)	-
Total short-term investments	3,664,913	3,664,913	3,539,476	3,539,476

6 Short-term investments (Cont'd)

During the three-month period ended 31 March 2018, movement of trading securities is as follows:

	Consolidated and separate financial information Baht
Book value - beginning balance	3,539,476
Change in market value	125,437
Book value - ending balance	<u>3,664,913</u>

7 Trade and other receivables

	Consolidated financial information		Separate financial information	
	31 March 2018 Baht	31 December 2017 Baht	31 March 2018 Baht	31 December 2017 Baht
Trade accounts receivable - third parties	246,931,129	207,583,604	-	-
Trade accounts receivable - related parties (Note 19.3)	<u>17,876,026</u>	<u>40,276,659</u>	-	-
Total	264,807,155	247,860,263	-	-
<u>Less</u> Allowance for doubtful accounts	<u>(30,597,201)</u>	<u>(41,633,423)</u>	-	-
Trade accounts receivable, net	234,209,954	206,226,840	-	-
Prepayments	44,038,400	28,488,896	326,162	160,331
Accrued interest income	54,684	77,071	48,615,945	38,983,798
Other receivables	9,997,112	9,235,668	22,530	38,923
Other receivables - related parties (Note 19.3)	-	-	57,783,932	48,178,644
Accrued income	47,243,383	110,097,348	-	-
Advance payment	<u>5,006,617</u>	<u>13,496,809</u>	<u>546,200</u>	<u>962,000</u>
	<u>340,550,150</u>	<u>367,622,632</u>	<u>107,294,769</u>	<u>88,323,696</u>

Aging of trade accounts receivable can be analysed as follows:

	Consolidated financial information		Separate financial information	
	31 March 2018 Baht	31 December 2017 Baht	31 March 2018 Baht	31 December 2017 Baht
Trade accounts receivable				
Current	185,668,859	163,418,759	-	-
Overdue less than 3 months	25,533,783	15,990,577	-	-
Overdue 3 months but less than 6 months	7,107,421	12,837,750	-	-
Overdue 6 months but less than 12 months	21,307,418	18,335,402	-	-
Overdue more than 12 months	<u>25,189,674</u>	<u>37,277,775</u>	-	-
Total trade accounts receivable	264,807,155	247,860,263	-	-
<u>Less</u> Allowance for doubtful accounts	<u>(30,597,201)</u>	<u>(41,633,423)</u>	-	-
Trade accounts receivable, net	<u>234,209,954</u>	<u>206,226,840</u>	-	-

8 Non-current assets classified as held-for-sale

	Consolidated financial information	
	31 March 2018 Baht	31 December 2017 Baht
Property, plant and equipment	5,350,000	5,350,000

On 9 June 2017, the Group announced its intention to sell a condominium. The Group initiated an active programme to locate a buyer and expected to complete the sale within 2018.

9 Investments in subsidiaries, associates, and joint ventures

9.1 Movements of investments in subsidiaries

	Separate financial information Baht
For the three-month period ended 31 March 2018	
Opening net book amount	430,000,000
Movements during the period	-
Closing net book amount	430,000,000

Big Events Company Limited, a subsidiary of the Group, filed a liquidation request with the Ministry of Commerce on 8 December 2017. The aforementioned liquidation was completed on 20 March 2018.

9.2 Movements of investments in associates

	Consolidated financial information Baht	Separate financial information Baht
For the three-month period ended 31 March 2018		
Opening net book amount	463,179,161	213,671,955
Share of profit	12,556,981	-
Share of other comprehensive income	5,130,361	-
Closing net book amount	480,866,503	213,671,955

As at 31 March 2018, the Group's shares of Thai solar Energy Public Company Limited totaling 175.09 million shares has been pledged as collateral for borrowing and borrowing facilities from financial institutions (Note 12).

9.3 Movements of investments in joint ventures

	Consolidated financial information Baht
For the three-month period ended 31 March 2018	
Opening net book amount	18,106,042
Share of profit	80,558
Dividends received from joint ventures	(13,260,000)
Closing net book amount	4,926,600

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

9.4 Details of investment in subsidiaries, associates, and joint ventures

Details of investments are as follows:

	Business	Country of incorporation	% Ownership interest	
			31 March 2018	31 December 2017
Subsidiaries				
Wave Picture Company Limited	Investment	Thailand	99.99	99.99
Wave Food Group Co., Ltd.	Investment	Thailand	99.99	99.99
Wave Education Group Co., Ltd.	Investment	Thailand	99.99	99.99
Index Creative Village Public Company Limited	Advisor and organizer	Thailand	50.00	50.00
Subsidiary of Wave Food Group Co., Ltd.				
Jeffer Restaurant Company Limited	Restaurant	Thailand	99.99	99.99
Subsidiary of Wave Education Group Co., Ltd.				
Efficient English Services Limited	Language Institute	Thailand	99.99	99.99
Subsidiary of Wave Picture Co., Ltd.				
Wave TV Company Limited	Television programmes production	Thailand	99.99	99.99
Subsidiaries of Index Creative Village Public Company Limited				
Event Solutions Co., Ltd.	Provision of equipment for entertainment events	Thailand	99.99	99.99
TresBien Co., Ltd.	In liquidation process	Thailand	99.99	99.99
Media Vision (1994) Co., Ltd.	Light and sound system installation services for entertainment events	Thailand	50.99	50.99
Inspire Image Co., Ltd.	Preparation, installation and removal of advertising boards	Thailand	60.00	60.00
Index Creative Online Co., Ltd.	Consultancy, design and development services for web sites and flash media	Thailand	26.51	26.51
Envirocell (Thailand) Co., Ltd.	Provide advisory services ,research data analysis and survey of statistic Thailand	Thailand	50.00	50.00
Index and M Co., Ltd.	Advertising ,event services and public relations services	Thailand	50.00	50.00
Index and V Co., Ltd.	Advertising ,event services and public relations services	Thailand	50.00	50.00
Big Events Co., Ltd.	Liquidated	Thailand	-	50.00
ICVX Co., Ltd.	Advisor and organizer	Thailand	99.99	99.99
Blue Media Communications Co., Ltd.	Provision of publishing media design, production and distribution services	Thailand	58.18	58.18
Subsidiaries of Index and M Co., Ltd.				
I C V Company Limited	Advertising, event services and public relations services	The Republic of the Union Myanmar	99.00	99.00

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

9.4 Details of investment in subsidiaries, associates, and joint ventures (Cont'd)

Details of investments are as follows: (Cont'd)

	Business	Country of incorporation	% Ownership interest	
			31 March 2018	31 December 2017
Associate				
Thai Solar Energy Public Company Limited	Generation of electricity from sun radiation, and sale to Government and private sector	Thailand	10.00	10.00
Associates of Index Creative Village Public Company Limited				
Max Creative Co., Ltd.	Provider of Integrated marketing communication and image advisor and management services	Thailand	50.00	50.00
Happio Co., Ltd.	Application design and production	Thailand	33.00	33.00
Town Branding Co., Ltd.	Advertising	Thailand	20.00	20.00
Joint ventures of Index Creative Village Public Company Limited				
ID 2	Construction Design and Management of Thai exhibition building	Thailand	67.00	67.00
Index City Neon	Provider of contractor, Installation, exhibition and display materials for Siriraj Museum	Thailand	50.00	50.00
Index D103 Maco	Design and Management of exhibition building in Yeosu International Exposition	Thailand	70.00	70.00
Index D63	Design and Management of exhibition building in CP-Meiji Visitor Center	Thailand	63.00	63.00
Index Design 103	Design and Management of exhibition building in Astana International	Thailand	90.00	90.00
Index A-7	Construction design of New Royal Thai Naval Museum	Thailand	50.00	50.00

10 Property, plant and equipment and intangible asset

	Consolidated financial information		Separate financial information	
	Property, plant and equipment Baht	Intangible asset Baht	Property, plant and equipment Baht	Intangible asset Baht
For the three-month period ended 31 March 2018				
Opening net book amount	614,562,301	243,595,328	5,663,708	-
Additions	26,426,255	909,504	-	-
Disposals	(507,265)	-	-	-
Write-off	(79)	-	-	-
Depreciation/amortisation	(41,846,275)	(5,578,565)	(254,212)	-
Closing net book amount	598,634,937	238,926,267	5,409,496	-

Land, building, furnitures and fixtures with the carrying value of Baht 237.46 million (31 December 2017: Baht 241.52 million) has been pledged as collateral for borrowings from financial institutions (Note 12.2 and 12.3).

11 Goodwill

	Consolidated financial information Baht
Opening net book amount	923,167,963
Ending net book amount	<u>923,167,963</u>

12 Borrowings

	Consolidated financial information		Separate financial information	
	31 March 2018 Baht	31 December 2017 Baht	31 March 2018 Baht	31 December 2017 Baht
Current				
Bank overdrafts	56,486,989	31,566,575	25,736,413	96,999
Short-term borrowings from financial institutions	224,000,000	264,000,000	150,000,000	150,000,000
Short-term borrowings from related parties (Note 19.5)	-	-	12,000,000	12,000,000
Current portion of finance lease	9,688,144	10,092,835	1,394,556	1,673,484
Current portion of long-term borrowings from financial institutions	203,192,553	196,606,704	115,341,060	114,063,719
Current portion of long-term borrowings from related parties (Note 19.6)	<u>17,069,783</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>510,437,469</u>	<u>502,266,114</u>	<u>304,472,029</u>	<u>277,834,202</u>
Non-current				
Long-term finance lease liabilities	7,560,165	9,869,250	-	139,443
Long-term borrowings from financial institutions	540,363,781	595,657,285	278,504,401	307,876,813
Long-term borrowings from related parties (Note 19.6)	<u>22,430,217</u>	<u>4,500,000</u>	<u>-</u>	<u>-</u>
	<u>570,354,163</u>	<u>610,026,535</u>	<u>278,504,401</u>	<u>308,016,256</u>
	<u>1,080,791,632</u>	<u>1,112,292,649</u>	<u>582,976,430</u>	<u>585,850,458</u>

12.1 Finance lease liabilities

The present value of finance lease liabilities is due for settlement as follows:

	Consolidated financial information		Separate financial information	
	31 March 2018 Baht	31 December 2017 Baht	31 March 2018 Baht	31 December 2017 Baht
Not later than 1 year	9,688,144	10,092,835	1,394,556	1,673,484
Later than 1 year but not later than 5 years	<u>7,560,165</u>	<u>9,869,250</u>	<u>-</u>	<u>139,443</u>
	<u>17,248,309</u>	<u>19,962,085</u>	<u>1,394,556</u>	<u>1,812,927</u>

12 Borrowings (Cont'd)

12.2 Short-term borrowings

	Consolidated financial information		Separate financial information	
	31 March 2018 Baht	31 December 2017 Baht	31 March 2018 Baht	31 December 2017 Baht
Short-term borrowings from financial institutions	224,000,000	264,000,000	150,000,000	150,000,000

Short-term borrowings of Baht 150 million is collateralised by pledge of share of 50 million shares of Thai Solar Energy Public Company Limited (Note 9.2) and of Baht 74 million is collateralised by pledge of land and building with the carrying value of Baht 228.81 million (31 December 2017: Baht 232.19 million) (Note 10).

12.3 Long-term borrowing

Movements in long-term borrowings are analysed as follows:

	Consolidated financial information Baht	Separate Financial Information Baht
For the three-month period ended 31 March 2018		
Opening net amount as at 1 January 2018	792,263,989	421,940,532
Repayment	(48,707,655)	(28,095,071)
Closing net amount as at 31 March 2018	743,556,334	393,845,461

	Consolidated financial information		Separate financial information	
	31 March 2018 Baht	31 December 2017 Baht	31 March 2018 Baht	31 December 2017 Baht
Current portion of long-term borrowings	203,192,553	196,606,704	115,341,060	114,063,719
Long-term borrowings payable between 1 to 5 years	540,363,781	595,657,285	278,504,401	307,876,813
	743,556,334	792,263,989	393,845,461	421,940,532

Long-term borrowing of Baht 732.14 million is collateralised by pledge of shares of Efficient English Services Limited, shares of Jeffer Restaurant Company Limited and 114.28 million shares of Thai Solar Energy Public Company Limited. The carrying amount of Baht 7.49 million (31 December 2017: Baht 8.32 million) is secured by furniture and fixtures with the carrying value of Baht 8.65 million (31 December 2017: Baht 9.33 million) (Note 10). The borrowings are guaranteed by Wave Entertainment Public Company Limited.

12 Borrowings (Cont'd)

12.4 Interest rate

The interest rate exposure on the borrowings and finance lease liabilities of the Group is as follows:

	Consolidated financial information		Separate financial information	
	31 March 2018 Baht	31 December 2017 Baht	31 March 2018 Baht	31 December 2017 Baht
Borrowings and finance lease liabilities:				
- at fixed rates	200,748,309	208,462,085	71,394,556	71,812,927
- at floating rates	880,043,323	903,830,564	511,581,874	514,037,531
Total borrowings	<u>1,080,791,632</u>	<u>1,112,292,649</u>	<u>582,976,430</u>	<u>585,850,458</u>

The effective interest rates at the statement of financial position date are as follows:

	Consolidated financial information		Separate financial information	
	31 March 2018 %	31 December 2017 %	31 March 2018 %	31 December 2017 %
Short-term borrowing	MLR - 2.25, 4.44 - 5.25	MLR - 2.25, 4.44 - 5.25	MLR - 2.25, 4.44	MLR - 2.25, 4.44
Long-term borrowing	MLR - 1, MLR - 2.5, MLR - 3.52, 4.25	MLR - 1, MLR - 2.5, MLR - 3.52, 4.25	MLR - 2.5	MLR - 2.5
Finance lease liabilities	3.40 - 8.29	1.00 - 8.29	4.37	4.37

12.5 Borrowing facilities

The Group and the Company have the following undrawn borrowing facilities:

	Consolidated financial information		Separate financial information	
	31 March 2018 Baht	31 December 2017 Baht	31 March 2018 Baht	31 December 2017 Baht
Float rate				
- expiring within one year	249,090,000	193,000,000	40,000,000	40,000,000

The facilities expiring within one year are annual facilities subject to review at various dates during the year, which have been arranged to finance the operations of the Group and the Company.

Borrowing facilities of Baht 20 million is collateralised by pledge of shares of 10.81 million shares of Thai Solar Energy Public Company Limited (Note 9.2).

13 Income tax

The interim income tax expense is accrued based on management's estimate using the tax rate that would be applicable to expected total annual earnings. The estimated average annual tax rate used is 121.71% (31 March 2017: 0.43%).

14 Other income

	Consolidated financial information		Separate financial information	
	31 March 2018 Baht	31 March 2017 Baht	31 March 2018 Baht	31 March 2017 Baht
Interest income	41,669	1,181,731	10,164,433	8,458,578
Rental income	-	-	532,677	-
Dividends income	-	-	3,000,000	-
Management fee income	-	-	9,900,000	9,900,000
Unrealised gain on investments in trading securities (Note 6)	125,437	107,282	125,437	107,282
Gain on exchange rate	146,643	-	-	-
Gain from disposal of property, plant and equipment	-	169,195	-	-
Bad debt recovery	9,936,716	-	-	-
Compensation from litigation	4,081,976	-	-	-
Other income	8,113,118	2,985,504	424,090	511,454
Total	22,445,559	4,443,712	24,146,637	18,977,314

15 Share capital

	Authorised number of shares	Number of shares issued	Ordinary shares Baht	Share Premium Baht	Total Baht
At 1 January 2018	463,320,000	421,200,000	421,200,000	315,564,680	736,764,680
Issue and paid-up of shares	46,750,000	46,750,000	46,750,000	133,237,500	179,987,500
At 31 March 2018	510,070,000	467,950,000	467,950,000	448,802,180	916,752,180
At 1 January 2017	421,200,000	421,200,000	421,200,000	315,564,680	736,764,680
Issue of shares	42,120,000	-	-	-	-
At 31 December 2017	463,320,000	421,200,000	421,200,000	315,564,680	736,764,680

The total authorised number of ordinary shares is 510,070,000 shares (31 December 2017: 463,320,000 shares) with a par value of Baht 1 per share (31 December 2017: Baht 1 per share). The issued and fully paid-up ordinary shares is 467,950,000 shares (31 December 2017: 421,200,000 shares).

2018

On 29 March 2018, the Company received share subscription for 46,750,000 shares, with the par value of Baht 1 per share, at the value of Baht 3.85 per share, totaling Baht 179.99 million from The Mall Group Company Limited. As a result, the registered and fully paid-up share capital increase to 467,950,000 shares. The Company registered the share subscription with the Ministry of Commerce on 7 April 2018.

2017

On 18 April 2017, the Annual General Meeting of the shareholders approved the issuance of 42,120,000 ordinary shares at the par value of Baht 1 per share for the exercise of warrants ('WAVE-W1'). As a result, the number of registered shares increased from 421,200,000 shares to 463,320,000 shares. The Company registered the increased share capital with the Ministry of Commerce on 15 May 2017.

16 Warrants

At the Annual General Meeting of Shareholders held on 18 April 2017, the shareholders have passed the resolution to issue warrants to purchase of ordinary shares, issued in a named certificate and transferable ('WAVE-W1') by allocating to existing shareholders in proportion to their shares before the capital increase at proportion of 10 ordinary shares to 1 warrant. Total number of warrants to be allotted not exceeding 42,120,000 warrants and the exercise price is of Baht 6 per share. The exercise right is 1 warrant per 1 ordinary share. The warrant has the period of three years from the date of issuance and offering.

	Issued	Exercise date	As at	Increase	As at
			31 December		31 March
			2017	during the	2018
			Outstanding	period	Outstanding
			warrant		warrant
			Unit		Unit
WAVE-W1	11 May 2017	29 December 2017	42,119,734	-	42,119,734
			42,119,734	-	42,119,734

17 Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net profit (loss) attributable to shareholders by the weighted average number of ordinary shares in issue during the year.

The diluted earnings (loss) per share is calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: warrant.

For the three-month periods ended	Consolidated		Separate	
	31 March	31 March	31 March	31 March
	2018	2017	2018	2017
Net profit (loss) attributable to ordinary shareholders (Baht)	(53,814,044)	(75,202,854)	4,561,808	(3,287,514)
Weighted average number of ordinary shares in issue during the period (Shares)	422,758,333	421,200,000	422,758,333	421,200,000
Weighted average number of ordinary shares to be issued for warrants WAVE-W1, (Shares) (Note 16)	42,119,734	-	42,119,734	-
Weighted average number of ordinary shares including diluted ordinary shares (Shares)	464,878,067	421,200,000	464,878,067	421,200,000
Basics earnings (loss) per share (Baht)	(0.13)	(0.18)	0.01	(0.01)
Diluted earnings (loss) per share (Baht)	(0.13)	(0.18)	0.01	(0.01)

18 Contingencies and commitments

18.1 Guarantee

As at 31 March 2018, the Company provided guarantee on behalf of its subsidiary for sales and leaseback contracts amounting to Baht 7.49 million (31 December 2017: Baht 8.32 million) (Note 12.3).

18.2 Bank guarantee

As at 31 March 2018, there are outstanding bank guarantee given on behalf of the Group to the third parties in respect of construction contracts amounting to Baht 31.9 million (31 December 2017: Baht 47.8 million) and business operation amounting to Baht 1.22 million (31 December 2017: Baht 1.22 million).

18 Contingencies and commitments (Cont'd)

18.3 Operating lease commitments - where the Group is the lessee

The Group entered into long-term lease agreements to lease spaces in shopping malls and buildings for various lease terms.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	Consolidated financial information		Separate financial information	
	31 March 2018 Baht	31 December 2017 Baht	31 March 2018 Baht	31 December 2017 Baht
Not later than 1 year	185,961,546	182,166,677	5,120,736	5,120,736
Later than 1 year but not later than 5 years	128,905,823	161,588,640	4,074,564	5,354,748
Later than 5 years	-	1,005,810	-	-
	<u>314,867,369</u>	<u>344,761,127</u>	<u>9,195,300</u>	<u>10,475,484</u>

19 Related party transactions

The major shareholders of the Company are Maleenont family, BEC World Public Company Limited (incorporated in Thailand), and The Mall Group Company Limited (incorporated in Thailand), which owns 24.98%, 12.45%, and 9.99% of the Company's shares, respectively. The remaining 52.58% of the shares are widely held. Details of subsidiaries, associates and joint ventures are set out in Note 9.

The following material transactions were carried out with related parties:

19.1 Sales of goods and services

For the three-month periods ended	Consolidated financial information		Separate financial information	
	31 March 2018 Baht	31 March 2017 Baht	31 March 2018 Baht	31 March 2017 Baht
Revenue from rendering of services:				
Major shareholder	-	2,649,656	-	-
Related companies	-	2,879,570	-	-
	<u>-</u>	<u>5,529,226</u>	<u>-</u>	<u>-</u>
Other income:				
Subsidiaries	-	-	10,856,767	10,411,605
Associates	89,413	-	-	-
Joint ventures	1,476,168	-	-	-
Related companies	-	111,771	-	-
	<u>1,565,581</u>	<u>111,771</u>	<u>10,856,767</u>	<u>10,411,605</u>
Interest income:				
Subsidiaries	-	-	10,155,957	7,324,157
Associates	47,947	-	-	-
Related companies	-	87,027	-	-
	<u>47,947</u>	<u>87,027</u>	<u>10,155,957</u>	<u>7,324,157</u>

19 Related party transactions (Cont'd)

19.2 Purchases of goods and services

For the three-month periods ended	Consolidated financial information		Separate financial information	
	31 March 2018 Baht	31 March 2017 Baht	31 March 2018 Baht	31 March 2017 Baht
Purchase of goods from:				
Related companies	-	75	-	75
Cost of rendering services:				
Associates	777,000	-	-	-
Selling and administrative: expenses				
Related companies	1,564,959	1,685,443	1,564,959	1,661,443
Interest expenses:				
Subsidiaries	-	-	115,288	185,548

19.3 Outstanding balances arising from sales/purchases of goods and services

	Consolidated financial information		Separate financial information	
	31 March 2018 Baht	31 December 2017 Baht	31 March 2018 Baht	31 December 2017 Baht
Trade accounts receivable: (Note 7)				
Joint ventures	9,070,770	31,186,906	-	-
Related companies	8,805,256	9,089,753	-	-
	17,876,026	40,276,659	-	-
Other receivables: (Note 7)				
Subsidiaries	-	-	57,783,932	48,178,644
Advance payment:				
Subsidiaries	-	-	546,200	962,000
Accrued income:				
Associates	1,582,061	1,470,543	-	-
Accrued interest income:				
Subsidiaries	-	-	48,615,945	38,983,798
Prepaid expense:				
Associates	-	1,188,000	-	-
Trade and other payable:				
Associates	831,390	1,923,013	-	-
Related companies	840,998	840,998	-	-
	1,672,388	2,764,011	-	-
Accrued expenses:				
Related companies	821,684	665,490	824,684	665,490
Accrued interest expenses:				
Subsidiaries	-	-	758,051	674,113

19 Related party transactions (Cont'd)

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

19.4 Short-term loans to related parties

	Consolidated financial information		Separate financial information	
	31 March 2018 Baht	31 December 2017 Baht	31 March 2018 Baht	31 December 2017 Baht
Loan to:				
Subsidiaries	-	-	887,452,900	840,452,900
Associates	2,750,000	2,750,000	-	-
	<u>2,750,000</u>	<u>2,750,000</u>	<u>887,452,900</u>	<u>840,452,900</u>

Movements in short-term loans to related parties are analysed as follows:

	Consolidated financial information Baht	Separate financial information Baht
For the three-month period ended 31 March 2018		
Opening net amount as at 1 January 2018	2,750,000	840,452,900
Addition during the period	-	47,000,000
Closing net amount as at 31 March 2018	<u>2,750,000</u>	<u>887,452,900</u>

The loans to subsidiaries are denominated in Thai Baht, bearing interest rate of MLR minus 2.25% per annum, and there was no specified repayment date. The loans to associate are denominated in Thai Baht, bearing interest rate of 7.00% to 7.13% per annum, and there was no specified repayment date.

19.5 Short-term borrowings from related parties

	Separate financial information	
	31 March 2018 Baht	31 December 2017 Baht
Short-term borrowings from:		
Subsidiaries	12,000,000	12,000,000

Movements in short-term borrowings from related parties are analysed as follows:

	Separate financial information Baht
For the three-month period ended 31 March 2018	
Opening net amount as at 1 January 2018	12,000,000
Addition during the period	45,000,000
Repayment during the period	(45,000,000)
Closing net amount as at 31 March 2018	<u>12,000,000</u>

The short-term borrowings from subsidiaries are denominated in Thai Baht, bearing interest rate of bank fixed deposits rate plus 0.25% per annum, and there was no specified repayment date.

19 Related party transactions (Cont'd)

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

19.6 Long-term borrowings from related parties

	Consolidated financial information	
	31 March 2018 Baht	31 December 2017 Baht
Long-term borrowings from:		
Key management	39,500,000	4,500,000

Movements in long-term borrowings from related parties are analysed as follows:

	Consolidated financial information Baht
For the three-month period ended 31 March 2018	
Opening net amount as at 1 January 2018	4,500,000
Addition during the period	35,000,000
Closing net amount as at 31 March 2018	39,500,000

	Consolidated financial information	
	31 March 2018 Baht	31 December 2017 Baht
Current portion of long-term borrowings from related parties	17,069,783	-
Long-term borrowings from related parties payable between 1 to 5 years	22,430,217	4,500,000
	39,500,000	4,500,000

The loans from other related parties are denominated in Thai Baht, bearing interest rate of 4.25% to 6.75% per annum (31 December 2017: 6.50% to 6.75% per annum).

19.7 Key management compensation

The compensation paid or payable to key management for employee services for the three-month periods ended 31 March 2018 and 2017 is as follows:

For the three-month period ended	Consolidated financial information		Separate financial information	
	31 March 2018 Baht	31 March 2017 Baht	31 March 2018 Baht	31 March 2017 Baht
Short-term employee benefits	24,663,040	15,699,352	7,018,436	9,668,671
Post-employee benefits	4,446,639	785,387	540,171	534,467
	29,109,679	16,484,739	7,558,607	10,203,138