

WAVE ENTERTAINMENT PUBLIC COMPANY LIMITED

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

30 SEPTEMBER 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 30 September 2018, the consolidated and separate statements of comprehensive income for the three-month and nine-month periods then ended, and the related consolidated and separate statements of changes in equity and cash flows for the nine-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

Scope of review

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

Conclusion

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

PricewaterhouseCoopers ABAS Ltd.

Sakuna Yamsakul
Certified Public Accountant (Thailand) No. 4906
Bangkok
13 November 2018

Wave Entertainment Public Company Limited
Statement of Financial Position
As at 30 September 2018

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 30 September 2018 Baht	Audited 31 December 2017 Baht	Unaudited 30 September 2018 Baht	Audited 31 December 2017 Baht
Assets					
Current assets					
Cash and cash equivalents		187,227,634	203,678,455	2,056,274	15,848,482
Short-term investments	6	11,478,079	21,539,476	3,478,079	3,539,476
Trade and other receivables	7	235,211,873	367,622,632	158,148,499	88,323,696
Short-term loans to related parties	19.4	-	2,750,000	952,952,900	840,452,900
Inventories		28,231,906	30,718,179	-	-
Television programmes, concerts production, and events in progress		29,446,163	10,491,682	-	-
Other current assets		70,617,858	83,565,136	6,248,657	6,078,104
Non-current assets classified as held-for-sale	8	5,350,000	5,350,000	-	-
Total current assets		567,563,513	725,715,560	1,122,884,409	954,242,658
Non-current assets					
Deposit at bank used as collateral		1,502,475	1,722,975	-	-
Investments in subsidiaries	9.1	-	-	430,000,000	430,000,000
Investments in associates	9.2	491,330,305	463,179,161	213,671,955	213,671,955
Interests in joint ventures	9.3	4,592,251	18,106,042	-	-
Property, plants and equipment	10	694,905,497	614,562,301	4,892,507	5,663,708
Goodwill	11	923,167,963	923,167,963	-	-
Intangible asset	10	248,081,344	243,595,328	-	-
Deferred tax assets		30,985,764	30,418,311	-	-
Other non-current assets		204,902,482	185,664,474	1,289,184	1,289,184
Total non-current assets		2,599,468,081	2,480,416,555	649,853,646	650,624,847
Total assets		3,167,031,594	3,206,132,115	1,772,738,055	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 30 September 2018

	Notes	Consolidated financial information		Separate financial information	
		Unaudited	Audited	Unaudited	Audited
		30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Liabilities and equity					
Current liabilities					
Bank overdrafts		88,651,075	31,566,575	27,387,846	96,999
Short-term borrowings from financial institutions	12.2	204,000,000	264,000,000	145,000,000	150,000,000
Trade and other payables		212,285,358	262,403,385	89,195	88,693
Unearned revenue		286,173,935	192,072,861	1,399	1,399
Accrued expenses		97,871,568	134,624,772	6,238,950	8,061,138
Short term borrowings from related parties	19.5	-	-	30,000,000	12,000,000
Current portion of finance lease liabilities	12.1	12,165,647	10,092,835	557,814	1,673,484
Current portion of long-term borrowings from financial institutions	12.3	237,711,136	196,606,704	117,565,125	114,063,719
Current portion of long-term borrowings from related parties	19.6	9,114,366	-	-	-
Accrued income tax		5,377,931	4,875,279	-	-
Other current liabilities		43,894,207	47,467,477	6,330,365	3,809,841
Total current liabilities		1,197,245,223	1,143,709,888	333,170,694	289,795,273
Non-current liabilities					
Account payable for intangible asset		13,437,889	-	-	-
Long-term finance lease liabilities	12.1	6,869,838	9,869,250	-	139,443
Long-term borrowings from financial institutions	12.3	441,233,211	595,657,285	228,645,106	307,876,813
Long-term borrowings from related parties	19.6	21,955,874	4,500,000	-	-
Employee benefit obligations		84,616,957	76,307,852	11,556,216	9,626,389
Deferred tax liabilities		43,946,302	45,746,185	-	-
Other non-current liabilities		15,418,307	17,002,677	-	-
Total non-current liabilities		627,478,378	749,083,249	240,201,322	317,642,645
Total liabilities		1,824,723,601	1,892,793,137	573,372,016	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 of paid-up Baht 1 each (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
(Deficits) retained earnings		(91,445,695)	67,284,826	238,741,765	216,792,813
Other components of equity		(15,650,122)	(9,330,791)	-	-
Equity attributable to owners of the parent		853,528,457	838,590,809	1,199,366,039	997,429,587
Non-controlling interests		488,779,536	474,748,169	-	-
Total equity		1,342,307,993	1,313,338,978	1,199,366,039	997,429,587
Total liabilities and equity		3,167,031,594	3,206,132,115	1,772,738,055	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 30 September 2018

	Notes	Consolidated		Separate	
		financial information		financial information	
		30 September 2018 Baht	30 September 2017 Baht	30 September 2018 Baht	30 September 2017 Baht
Revenues					
Sales		149,032,599	158,876,950	2,087	3,138
Revenue from rendering of services		401,058,757	546,618,994	-	542,676
Total revenues		<u>550,091,356</u>	<u>705,495,944</u>	<u>2,087</u>	<u>545,814</u>
Costs					
Costs of sales		(53,702,830)	(59,322,245)	(563)	(823)
Costs of rendering of services		(307,420,183)	(457,367,609)	-	(11,247)
Total costs		<u>(361,123,013)</u>	<u>(516,689,854)</u>	<u>(563)</u>	<u>(12,070)</u>
Gross profit		188,968,343	188,806,090	1,524	533,744
Other income	14	7,714,711	9,298,066	33,965,537	25,130,470
Selling expenses		(138,944,934)	(116,740,794)	-	(492,505)
Administrative expenses		(94,295,387)	(113,862,947)	(13,528,070)	(13,693,119)
Finance cost		(12,963,719)	(12,896,864)	(6,320,411)	(5,929,451)
Share of profit from associates and joint ventures		12,376,536	12,830,846	-	-
(Loss) profit before income tax expense		<u>(37,144,450)</u>	<u>(32,565,603)</u>	<u>14,118,580</u>	<u>5,549,139</u>
Income tax expense		(3,936,665)	(2,726,262)	-	-
(Loss) profit for the period		<u>(41,081,115)</u>	<u>(35,291,865)</u>	<u>14,118,580</u>	<u>5,549,139</u>
Other comprehensive (expense) income:					
Items that will be reclassified subsequently to profit or loss:					
Currency translation differences		767,661	-	-	-
Share of other comprehensive expense from associate		(18,475,282)	(2,647,743)	-	-
Total comprehensive (expense) income for the period		<u>(58,788,736)</u>	<u>(37,939,608)</u>	<u>14,118,580</u>	<u>5,549,139</u>
(Loss) profit attributable to:					
Owners of the parent		(44,199,804)	(57,165,285)	14,118,580	5,549,139
Non-controlling interests		3,118,689	21,873,420	-	-
		<u>(41,081,115)</u>	<u>(35,291,865)</u>	<u>14,118,580</u>	<u>5,549,139</u>
Total comprehensive (expense) income attributable to:					
Owners of the parent		(62,291,256)	(59,813,028)	14,118,580	5,549,139
Non-controlling interests		3,502,520	21,873,420	-	-
		<u>(58,788,736)</u>	<u>(37,939,608)</u>	<u>14,118,580</u>	<u>5,549,139</u>
(Loss) earnings per share	17				
Basic (loss) earnings per share		<u>(0.09)</u>	<u>(0.14)</u>	<u>0.03</u>	<u>0.01</u>
Diluted (loss) earnings per share		<u>(0.09)</u>	<u>(0.14)</u>	<u>0.03</u>	<u>0.01</u>

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 nine-month period ended 30 September 2018

	Notes	Consolidated financial information		Separate financial information	
		30 September 2018	30 September 2017	30 September 2018	30 September 2017
		Baht	Baht	Baht	Baht
Revenues					
Sales		450,755,992	473,505,718	3,937	5,028
Revenue from rendering of services		1,128,255,225	1,378,947,267	-	1,913,028
Total revenues		1,579,011,217	1,852,452,985	3,937	1,918,056
Costs					
Costs of sales		(170,382,852)	(173,638,272)	(979)	(1,304)
Costs of rendering of services		(865,648,600)	(1,156,694,273)	-	(657,989)
Total costs		(1,036,031,452)	(1,330,332,545)	(979)	(659,293)
Gross profit		542,979,765	522,120,440	2,958	1,258,763
Other income	14	37,607,729	22,540,990	80,794,701	83,171,655
Selling expenses		(355,132,869)	(349,168,626)	-	(4,094,409)
Administrative expenses		(328,053,873)	(348,646,127)	(39,977,579)	(42,733,133)
Finance cost		(39,202,407)	(40,788,842)	(18,871,128)	(19,377,148)
Share of profit from associates and joint ventures	9.2, 9.3	34,106,765	44,958,956	-	-
(Loss) profit before income tax expense		(107,694,890)	(148,983,209)	21,948,952	18,225,728
Income tax expense	13	(17,310,605)	(8,641,943)	-	-
(Loss) profit for the period		(125,005,495)	(157,625,152)	21,948,952	18,225,728
Total comprehensive (expense) income					
Items that will be reclassified subsequently to profit or loss:					
Currency translation differences		(2,240,897)	-	-	-
Share of other comprehensive expense from associate	9.2	(5,198,882)	(4,250,046)	-	-
Total comprehensive (expense) income for the period		(132,445,274)	(161,875,198)	21,948,952	18,225,728
(Loss) profit attributable to:					
Owners of the parent		(158,730,521)	(196,181,885)	21,948,952	18,225,728
Non-controlling interests		33,725,026	38,556,733	-	-
		(125,005,495)	(157,625,152)	21,948,952	18,225,728
Total comprehensive (expense) income attributable to:					
Owners of the parent		(165,049,852)	(200,431,931)	21,948,952	18,225,728
Non-controlling interests		32,604,578	38,556,733	-	-
		(132,445,274)	(161,875,198)	21,948,952	18,225,728
(Loss) earnings per share					
	17				
Basic (loss) earnings per share		(0.35)	(0.47)	0.05	0.04
Diluted (loss) earnings per share		(0.35)	(0.47)	0.04	0.04

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 nine-month period ended 30 September 2018

Consolidated financial information											
Attributable to owners of the parent											
	Notes	Retained earnings			Other components of equity			Total equity of the parent	Non-controlling interests	Total equity	
		Issued and paid-up share capital	Share premium	Appropriated - legal reserve	Retained earnings (deficits)	Translation financial statements	Share of other comprehensive income of associates				Change in parent's ownership interest in subsidiaries
		Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	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		-	-	-	-	-	-	-	-	(17,525,605)	(17,525,605)
Shares decrease of a subsidiary		-	-	-	-	-	-	-	-	(2,250,000)	(2,250,000)
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		-	-	-	(196,181,885)	-	(4,250,046)	-	(200,431,931)	38,556,733	(161,875,198)
Closing balance as at 30 September 2017		421,200,000	315,564,680	42,120,000	140,586,345	-	(433,786)	4,441,326	923,478,565	475,354,465	1,398,833,030
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		-	-	-	-	-	-	-	-	(18,300,150)	(18,300,150)
Liquidation of a subsidiary	9.1	-	-	-	-	-	-	-	-	(273,061)	(273,061)
Total comprehensive income (expense) for the period		-	-	-	(158,730,521)	(1,120,449)	(5,198,882)	-	(165,049,852)	32,604,578	(132,445,274)
Closing balance as at 30 September 2018		467,950,000	448,802,180	43,872,094	(91,445,695)	(1,029,463)	(17,393,809)	2,773,150	853,528,457	488,779,536	1,342,307,993

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 nine-month period ended 30 September 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 income for the period		-	-	-	18,225,728	18,225,728
Closing balance as at 30 September 2017		<u>421,200,000</u>	<u>315,564,680</u>	<u>42,120,000</u>	<u>201,728,763</u>	<u>980,613,443</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		-	-	-	21,948,952	21,948,952
Closing balance as at 30 September 2018		<u>467,950,000</u>	<u>448,802,180</u>	<u>43,872,094</u>	<u>238,741,765</u>	<u>1,199,366,039</u>

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)
For the nine-month period ended 30 September 2018

	Notes	Consolidated financial information		Separate financial information	
		30 September 2018	30 September 2017	30 September 2018	30 September 2017
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
(Loss) profit before income tax expense		(107,694,890)	(148,983,209)	21,948,952	18,225,728
Adjustments for:					
Depreciation	10	130,768,073	129,790,921	771,165	989,412
Amortisation	10	17,592,069	16,996,596	-	-
Interest income	14	(927,924)	(2,073,573)	(32,450,373)	(26,632,771)
Dividends income		(5,624,282)	(98,342)	(6,634,812)	(22,590,842)
Unrealised loss on short-term investments	6	61,397	253,513	61,397	253,513
Reversal of allowance for doubtful debt		(14,967,102)	-	-	-
Reversal of provision for obsolete inventories		(509)	(675)	(509)	(675)
Reversal of provision for impairment of property, plant and equipments		-	(1,195,963)	-	-
Gain on disposal of property, plant and equipments	14	(4,866,216)	(2,245,757)	(1,073)	(414)
Loss from write-off of property, plant and equipments	10	3,781,962	5,668,814	-	10,406
Loss from write-off of intangible assets	10	1,075,013	181,250	-	-
Finance cost		39,202,407	40,788,842	18,871,128	19,377,148
Provision for employee benefit obligations		8,309,105	4,337,318	1,929,827	1,883,063
Share of profit from associates and joint ventures	9.2, 9.3	(34,106,765)	(44,958,956)	-	-
		32,602,338	(1,539,221)	4,495,702	(8,485,432)
Changes in working capital					
- Trade and other receivables		147,338,533	(224,434,549)	(39,496,318)	(28,706,938)
- Inventories		2,486,782	(5,969,050)	509	675
- Television programmes, concerts, and events production in progress		(18,954,481)	5,488,126	-	-
- Other current assets		29,298,202	1,053,176	55,779	37,199
- Prepaid rent		-	3,252,866	-	3,252,866
- Other non-current assets		(19,238,008)	(37,226,917)	-	83,710
- Trade and other payables		(62,623,525)	117,957,137	502	(21,651)
- Unearned revenue		94,101,074	37,360,710	-	(50,000)
- Accrued expenses		(38,137,726)	47,966,902	(2,900,485)	(237,553)
- Other current liabilities		(3,573,270)	1,431,610	2,520,524	(489,727)
- Other non-current liabilities		(1,584,370)	188,729	-	-
Cash flows from operating activities		161,715,549	(54,470,481)	(35,323,787)	(34,616,851)
Interest paid		(37,817,888)	(40,902,352)	(17,792,831)	(18,946,375)
Income tax paid		(35,526,213)	(20,954,403)	(226,332)	(11,002,851)
Net cash generated from (used in) operating activities		88,371,448	(116,327,236)	(53,342,950)	(64,566,077)

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 nine-month period ended 30 September 2018

	Notes	Consolidated financial information		Separate financial information	
		30 September 2018	30 September 2017	30 September 2018	30 September 2017
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Interest received		967,253	2,557,092	2,121,888	2,355,144
Dividends received		19,894,812	20,159,461	6,634,812	22,590,842
Proceed from disposals of short-term investments		31,000,000	406,688,180	-	271,000,000
Purchase of short-term investments		(21,000,000)	(149,688,180)	-	-
Deposit at bank used as collateral		220,500	(152,475)	-	-
Proceed from short-term loans to related parties	19.4	2,750,000	19,683,150	-	-
Payment for short-term loans to related parties	19.4	-	(19,000,000)	(112,500,000)	(187,026,450)
Payment for investment in a subsidiary		-	(1,050,000)	-	-
Payment for investment in a joint venture		-	(400,000)	-	-
Payment for account payable for investment		-	(111,526,450)	-	-
Proceed from disposal of property, plant, and equipment		6,255,950	8,364,944	1,109	1,215
Purchase of property, plant, and equipment		(199,837,439)	(102,381,440)	-	(103,200)
Purchase of intangible assets		(5,923,908)	(1,123,628)	-	-
Net cash (used in) generated from investing activities		(165,672,832)	72,130,654	(103,742,191)	108,817,551
Cash flows from financing activities					
Bank overdrafts		57,084,500	21,436,216	27,290,847	-
Proceed from short-term borrowings from financial institution		138,000,000	358,500,000	-	15,000,000
Repayment to short-term borrowings from financial institution		(198,000,000)	(314,500,000)	(5,000,000)	(55,000,000)
Proceed from short-term borrowings from related parties	19.5	-	-	75,000,000	-
Repayment to short-term borrowings from related parties	19.5	-	-	(57,000,000)	(15,000,000)
Proceed from long-term borrowings from related parties	19.6	35,000,000	-	-	-
Repayment to long-term borrowings from related parties	19.6	(8,429,760)	(9,687,000)	-	-
Repayment to finance lease liabilities		(8,657,927)	(8,456,769)	(1,255,113)	(1,255,113)
Proceed from long-term borrowings from financial institutions	12.3	6,000,000	31,077,296	-	-
Repayment to long-term borrowings from financial institutions	12.3	(119,319,642)	(136,756,375)	(75,730,301)	(86,047,476)
Proceed from the issuance of shares	15	179,987,500	-	179,987,500	-
Liquidation of a subsidiary		(273,061)	-	-	-
Payments for decrease in share capital of a subsidiary		-	(2,250,000)	-	-
Dividends paid to non-controlling interest		(18,300,150)	(17,525,605)	-	-
Net cash generated from (used in) financing activities		63,091,460	(78,162,237)	143,292,933	(142,302,589)
Net decrease in cash and cash equivalents		(14,209,924)	(122,358,819)	(13,792,208)	(98,051,115)
Cash and cash equivalents at beginning of the period		203,678,455	263,377,793	15,848,482	102,648,066
Effect of exchange rate changes on translation of financial statements		(2,240,897)	-	-	-
Cash and cash equivalents at end of the period		187,227,634	141,018,974	2,056,274	4,596,951

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

For the nine-month period ended 30 September 2018
Statement of Cash Flows (Unaudited) (Cont'd)
For the nine-month period ended 30 September 2018

Consolidated financial information		Separate financial information	
30 September 2018 Baht	30 September 2017 Baht	30 September 2018 Baht	30 September 2017 Baht

Significant non-cash transactions

Significant non-cash transactions for the periods ended 30 September are as follows:

Dividends received by offsetting with borrowing from an associate	-	-	-	4,840,000
Payable arising from purchases of equipment and intangible asset	25,943,387	5,184,216	-	-
Finance lease liabilities arising from purchase of equipment	7,731,327	-	-	-

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 13 November 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 summarized financial information.

The above revised standards have been adopted.

2.2.2 New financial reporting standards which have been announced but not yet effective.

2.2.2.1 TFRS 15 Revenue from contracts with customers 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

2.2.2 New financial reporting standards which have been announced but not yet effective. (Cont'd)

2.2.2.1 TFRS 15 Revenue from contracts with customers 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.

2.2.2.2 The group of financial reporting standards relating to financial instruments are effective for annual periods beginning on or after 1 January 2020 which are relevant to the Group. The Group has not yet adopted those standards.

The Group of financial instruments reporting standards consist of the following standards:

TAS 32	Financial instruments: Presentation
TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

The above new standards will supersede the following standards:

TAS 101	Bad and Doubtful Debts
TAS 103	Disclosures in the Financial Statements of Bank and Similar Financial Institutions
TAS 104	Accounting for Troubled Debt Restructuring
TAS 105	Accounting for Investment in Debts and Equity securities
TAS 106	Accounting for Investment Companies
TAS 107	Financial Instruments: Disclosure and Presentation

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 standards which have been announced but not yet effective. (Cont'd)

2.2.2.2 The group of financial reporting standards relating to financial instruments are effective for annual periods beginning on or after 1 January 2020 which are relevant to the Group. The Group has not yet adopted those standards. (Cont'd)

TAS 32 Financial Instruments: Presentation, provides the requirements for the presentation financial instruments as liabilities or equity and for offsetting financial assets and financial liabilities. It applies to the classification of financial instruments, from the perspective of the issuer, into financial assets, financial liabilities and equity instruments; the classification of related interest, dividends, losses and gains; and the circumstances in which financial assets and financial liabilities should be offset.

TFRS 7 Financial Instruments: Disclosures, provides the requirements for the disclosure that are intended to enable users to evaluate the significance of financial instruments for an entity's financial position and performance, and to understand the nature and extent of risks arising from those financial instruments to which the entity is exposed during the period and at the end of the reporting period, and how the entity manages those risks.

TFRS 9 Financial Instruments, establishes principles for the classification, measurement and derecognition of financial assets and financial liabilities, impairment requirement and hedge accounting as follow:

- Classification and measurement:
 - The classification and measurement of debt instrument financial assets has three classification categories, which are amortised cost, fair value through profit or loss and fair value through other comprehensive income. Classification of debt assets will be driven by the entity's business model for managing the financial assets and contractual cash flows characteristics of the financial assets.
 - Equity instrument financial assets shall be measured at fair value through profit or loss. An entity can make an irrevocable election to recognise the fair value change in other comprehensive income without subsequent recycling to profit or loss.
 - Financial liabilities are classified and measured at amortised cost. An entity can choose to measure a liability at fair value through profit or loss when the conditions are met.
 - Derivatives are classified and measured at fair value through profit or loss.
- The impairment requirements relating to the accounting for an entity's expected credit losses on its financial assets measured at amortised cost, investments in debt instruments measured at fair value through other comprehensive income, lease receivables, loan commitments and financial guarantee contracts. It is no longer necessary for a credit event to have occurred before credit losses are recognised. The entity always accounts for expected credit losses which involves a three stage approach. The stage dictates how the entity measures impairment losses and applies the effective interest rate method. Except for trade receivables and contractual assets which apply in TFRS 15 and are no significant financial components and lease receivables, they are permitted to measure by simplified approach for credit impaired consideration.
- The objective of hedge accounting is to represent, in the financial statements, the effect of an entity's risk management activities that use financial instruments to manage exposures arising from particular risks that could affect profit or loss (or other comprehensive income, in the case of investments in equity instruments for which an entity has elected to present changes in fair value in other comprehensive income). This approach aims to convey the context of hedging instruments for which hedge accounting is applied in order to allow insight into their purpose and effect.

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 standards which have been announced but not yet effective. (Cont'd)

2.2.2.2 The group of financial reporting standards relating to financial instruments are effective for annual periods beginning on or after 1 January 2020 which are relevant to the Group. The Group has not yet adopted those standards. (Cont'd)

TFRIC 16 Hedges of a Net Investment in a Foreign Operation, clarifies the accounting treatment in respect of net investment hedging, provides guidance on identifying the foreign currency risks that qualify as a hedged risk. Clarifying that hedging instruments that are hedges of a net investment in a foreign operation may be held anywhere in the group not only by the parent. This includes the guidance on how an entity should determine the amount to be reclassified from equity to profit or loss for both the hedging instrument and the hedged item.

TFRIC 19 Extinguishing financial liabilities with equity instruments, provides the requirements for accounting treatment when the entity issues equity instruments to a creditor to extinguish all or part of a financial liability. The equity instruments issued shall be measured at fair value. The entity shall remove a financial liability (or part of a financial liability) from its statement of financial position when it is extinguished in accordance with TFRS 9. The difference between the carrying amount of the financial liability (or part of a financial liability) extinguished and the fair value of equity instruments issued shall be recognised in profit or loss.

The Group's management is currently assessing the impact of initial adoption of these standards.

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 nine-month period ended 30 September 2018				
Revenues from operation	385,627,171	450,752,055	743,071,808	1,579,451,034
Inter-segment revenue	(439,817)	-	-	(439,817)
Total revenue	<u>385,187,354</u>	<u>450,752,055</u>	<u>743,071,808</u>	<u>1,579,011,217</u>
Segment result	(48,823,625)	(13,602,900)	112,399,731	49,973,206
Other income				37,607,729
Unallocated costs				(41,820,041)
Depreciation and amortisation				(148,360,142)
Finance costs				(39,202,407)
Share of profit from associates and joint ventures				<u>34,106,765</u>
Loss before income tax expense				(107,694,890)
Income tax expense				<u>(17,310,605)</u>
Loss for the period				<u>(125,005,495)</u>
As at 30 September 2018				
Inventories	539,279	16,971,600	10,721,027	28,231,906
Property, plant and equipment	41,525,648	103,377,318	550,002,531	694,905,497
Intangible asset	40,444,852	139,325,843	68,310,649	248,081,344
Investment in associates				491,330,305
Investment in joint ventures				4,592,251
Goodwill				923,167,963
Unallocated assets				<u>776,722,328</u>
Consolidated total assets				<u>3,167,031,594</u>

4 Segment information (Cont'd)

Financial information by business segment (Cont'd)

	Language institutions Baht	Restaurant Baht	Entertainment and marketing activities Baht	Consolidate Baht
For the nine-month period ended 30 September 2017				
Revenues from operation	295,616,587	473,500,690	1,084,933,736	1,854,051,013
Inter-segment revenue	-	-	(1,598,028)	(1,598,028)
Total revenue	<u>295,616,587</u>	<u>473,500,690</u>	<u>1,083,335,708</u>	<u>1,852,452,985</u>
Segment result	(99,558,686)	(18,521,701)	134,679,863	16,599,476
Other income				22,540,990
Unallocated costs				(45,506,272)
Depreciation and amortisation				(146,787,517)
Finance costs				(40,788,842)
Share of profit from associates and joint ventures				<u>44,958,956</u>
Loss before income tax expense				(148,983,209)
Income tax expense				<u>(8,641,943)</u>
Loss for the period				<u>(157,625,152)</u>
As at 31 December 2017				
Inventories	338,171	21,120,323	9,259,685	30,718,179
Property, plant and 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>3,206,132,115</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 30 September 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	3,478,079	-	-	3,478,079

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			
	30 September 2018		31 December 2017	
	Cost Baht	Fair value Baht	Cost Baht	Fair value Baht
Short-term investments comprise:				
Trading securities	8,671,556	3,478,079	8,671,556	3,539,476
Held-to-maturity investments	8,000,000	8,000,000	18,000,000	18,000,000
Total	16,671,556	11,478,079	26,671,556	21,539,476
<u>Less</u> Revaluation adjustments	(5,193,477)	-	(5,132,080)	-
Total short-term investments	11,478,079	11,478,079	21,539,476	21,539,476

	Separate financial information			
	30 September 2018		31 December 2017	
	Cost Baht	Fair value Baht	Cost Baht	Fair value Baht
Short-term investments comprise:				
Trading securities	8,671,556	3,478,079	8,671,556	3,539,476
<u>Less</u> Revaluation adjustments	(5,193,477)	-	(5,132,080)	-
Total short-term investments	3,478,079	3,478,079	3,539,476	3,539,476

Wave Entertainment Public Company Limited
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6 Short-term investments (Cont'd)

During the nine-month period ended 30 September 2018, movement of trading securities is as follows:

	Consolidated and separate financial information Baht
Book value - beginning balance	3,539,476
Change in fair value of trading securities	(61,397)
Book value - ending balance	<u>3,478,079</u>

7 Trade and other receivables

	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Trade accounts receivable - third parties	146,136,555	207,583,604	-	-
Trade accounts receivable - related parties (Note 19.3)	<u>15,590,428</u>	<u>40,276,659</u>	-	-
Total	161,726,983	247,860,263	-	-
<u>Less</u> Allowance for doubtful accounts	<u>(26,666,321)</u>	<u>(41,633,423)</u>	-	-
Trade accounts receivable, net	135,060,662	206,226,840	-	-
Prepayments	41,515,722	28,488,896	121,082	160,331
Accrued interest income	37,743	77,071	69,312,283	38,983,798
Other receivables	10,644,080	9,235,668	3,013	38,923
Other receivables - related parties (Note 19.3)	-	-	86,712,121	48,178,644
Accrued income	37,344,926	110,097,348	-	-
Advance payment	<u>10,608,740</u>	<u>13,496,809</u>	<u>2,000,000</u>	<u>962,000</u>
	<u>235,211,873</u>	<u>367,622,632</u>	<u>158,148,499</u>	<u>88,323,696</u>

Aging of trade accounts receivable can be analysed as follows:

	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Trade accounts receivable				
Current	94,902,205	163,418,759	-	-
Overdue less than 3 months	26,752,839	15,990,577	-	-
Overdue 3 months but less than 6 months	4,189,744	12,837,750	-	-
Overdue 6 months but less than 12 months	4,905,444	18,335,402	-	-
Overdue more than 12 months	<u>30,976,751</u>	<u>37,277,775</u>	-	-
Total trade accounts receivable	161,726,983	247,860,263	-	-
<u>Less</u> Allowance for doubtful accounts	<u>(26,666,321)</u>	<u>(41,633,423)</u>	-	-
Trade accounts receivable, net	<u>135,060,662</u>	<u>206,226,840</u>	-	-

Total amounts of receivables written-off during the nine-month period ended 30 September 2018 as uncollatible are Baht 17,654,081 and the recoverable amount of receivables which were already written-off for the period are Baht 12,413,865.

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

	Consolidated financial information	
	30 September 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 nine-month period ended 30 September 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 nine-month period ended 30 September 2018		
Opening net book amount	463,179,161	213,671,955
Share of profit	34,360,556	-
Share of other comprehensive expense	(5,198,882)	-
Dividends received from associate	(1,010,530)	-
Closing net book amount	491,330,305	213,671,955

As at 30 September 2018, the Group's shares of Thai Solar Energy Public Company Limited totaling 190.79 million shares (31 December 2017: 175.09 million shares) has been pledged as collateral for borrowing and borrowing facilities from financial institutions (Note 12).

On 20 April 2018, Thai Solar Energy Public Company Limited, an associate of the Company, approved a dividend payment in respect of operating results for the year 2017 to the shareholders at Baht 0.00556 per share and dividend stock at rate 20 shares : 1 dividend share. The Company received cash dividend of Baht 1.01 million and share dividends of 9.09 million shares. After the aforementioned share dividends received, the shareholding percentage of the Company in Thai Solar Energy Public Company Limited remain unchanged.

On 27 April 2018, Max Creative Company Limited, an associate of the Group, has increased the registered shares from Baht 5,000,000 to Baht 11,000,000 by issuing 60,000 shares at a par value of Baht 100 per share. Index Creative Village Public Company Limited, a subsidiary of the Company, does not subscribed for newly issued shares. After the increase in the aforementioned registered shares, the shareholding percentage of Index Creative Village Public Company Limited in Max Creative Company Limited changed from 50.00 percent to 22.73 percent.

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

9.3 Movements of investments in joint ventures

	Consolidated financial information Baht
For the nine-month period ended 30 September 2018	
Opening net book amount	18,106,042
Share of loss	(253,791)
Dividends received from joint ventures	(13,260,000)
Closing net book amount	<u>4,592,251</u>

On 20 March 2018, Index Design 103 Company Limited and Index D63 Company Limited, a joint venture of the Group, approved a dividend payment in respect of operating results for the year 2017 to the shareholders of Baht 800 per share and Baht 3,333.33 per share respectively. The Group received cash dividend of Baht 12 million and Baht 1.26 million respectively.

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

Details of investments are as follows:

	Business	Country of incorporation	% Ownership interest	
			30 September 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
Enviro (Thailand) Co., Ltd. (Formerly "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	
			30 September 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	22.73	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 nine-month period ended 30 september 2018				
Opening net book amount	614,562,301	243,595,328	5,663,708	-
Additions	216,282,965	23,153,098	-	-
Disposals	(1,389,734)	-	(36)	-
Write-off	(3,781,962)	(1,075,013)	-	-
Depreciation/amortisation	(130,768,073)	(17,592,069)	(771,165)	-
Closing net book amount	<u>694,905,497</u>	<u>248,081,344</u>	<u>4,892,507</u>	<u>-</u>

Land, building, furnitures and fixtures with the carrying value of Baht 237.74 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	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Current				
Bank overdrafts	88,651,075	31,566,575	27,387,846	96,999
Short-term borrowings from financial institutions	204,000,000	264,000,000	145,000,000	150,000,000
Short-term borrowings from related parties (Note 19.5)	-	-	30,000,000	12,000,000
Current portion of finance lease borrowings from financial institutions	12,165,647	10,092,835	557,814	1,673,484
Current portion of long-term borrowings from related parties (Note 19.6)	237,711,136	196,606,704	117,565,125	114,063,719
	<u>9,114,366</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>551,642,224</u>	<u>502,266,114</u>	<u>320,510,785</u>	<u>277,834,202</u>
Non-current				
Long-term finance lease liabilities	6,869,838	9,869,250	-	139,443
Long-term borrowings from financial institutions	441,233,211	595,657,285	228,645,106	307,876,813
Long-term borrowings from related parties (Note 19.6)	21,955,874	4,500,000	-	-
	<u>470,058,923</u>	<u>610,026,535</u>	<u>228,645,106</u>	<u>308,016,256</u>
	<u>1,021,701,147</u>	<u>1,112,292,649</u>	<u>549,155,891</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	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Not later than 1 year	12,165,647	10,092,835	557,814	1,673,484
Later than 1 year but not later than 5 years	6,869,838	9,869,250	-	139,443
	<u>19,035,485</u>	<u>19,962,085</u>	<u>557,814</u>	<u>1,812,927</u>

12 Borrowings (Cont'd)

12.2 Short-term borrowings

	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Short-term borrowings from financial institutions	204,000,000	264,000,000	145,000,000	150,000,000

Short-term borrowings of Baht 145 million is collateralised by pledge of share of 63.5 million shares of Thai Solar Energy Public Company Limited (31 December 2017: 50 million shares) (Note 9.2) and of Baht 59 million is collateralised by pledge of land and building with the carrying value of Baht 222.91 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 nine-month period ended 30 September 2018		
Opening net amount	792,263,989	421,940,532
Addition	6,000,000	-
Repayment	(119,319,642)	(75,730,301)
Closing net amount	678,944,347	346,210,231

	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Current portion of long-term borrowings	237,711,136	196,606,704	117,565,125	114,063,719
Long-term borrowings payable between 1 to 5 years	441,233,211	595,657,285	228,645,106	307,876,813
	678,944,347	792,263,989	346,210,231	421,940,532

Long-term borrowing of Baht 666.01 million is collateralised by pledge of all shares of Efficient English Services Limited, all shares of Jeffer Restaurant Company Limited and 116.48 million shares (31 December 2017 : 114.28 million shares) of Thai Solar Energy Public Company Limited.

On 24 September 2018, Efficient English Services Limited, a subsidiary of the Company, entered into 3-year sales and leaseback contracts with a financial institution on furniture and fixtures. At the end of the lease term, the subsidiary has options to purchase such assets at pre-determined price of return to the lessor and has an obligation to compensate the amount between the pre-determined price and the price sold to a third party. The substances of the transactions are borrowings from a financial institution. The carrying amount of Baht 11.65 million (31 December 2017: Baht 8.32 million) is secured by furniture and fixtures with the carrying value of Baht 14.83 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	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Borrowings and finance lease liabilities:				
- at fixed rates	179,105,725	208,462,085	70,557,813	71,812,927
- at floating rates	842,595,422	903,830,564	478,598,078	514,037,531
Total borrowings	<u>1,021,701,147</u>	<u>1,112,292,649</u>	<u>549,155,891</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	
	30 September 2018 %	31 December 2017 %	30 September 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	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Float rate				
- expiring within one year	267,000,000	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 16.07% (30 September 2017: 5.80%).

Wave Entertainment Public Company Limited
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For the interim period ended 30 September 2018

14 Other income

For the three-month period ended	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	30 September 2017 Baht	30 September 2018 Baht	30 September 2017 Baht
Interest income	121,124	254,249	11,449,847	9,186,850
Rental income	658,097	-	639,183	-
Dividends income	62,141	98,342	2,562,141	2,553,641
Management fee income	-	-	18,900,000	9,900,000
Gain on exchange rate	461,643	-	-	-
Gain from disposal of property, plant and equipment	1,036,824	1,978,285	1,073	-
Other income	5,374,882	6,967,190	413,293	3,489,979
Total	7,714,711	9,298,066	33,965,537	25,130,470

For the nine-month period ended	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	30 September 2017 Baht	30 September 2018 Baht	30 September 2017 Baht
Interest income	927,924	2,073,573	32,450,373	26,632,771
Rental income	1,094,395	-	1,775,539	-
Dividends income	124,282	98,342	6,634,812	22,590,842
Management fee income	-	-	38,700,000	29,700,000
Gain on exchange rate	889,414	-	-	-
Gain from disposal of property, plant and equipment	4,866,216	2,245,757	1,073	414
Bad debt recovery	14,018,692	-	-	-
Other income	15,686,806	18,123,318	1,232,904	4,247,628
Total	37,607,729	22,540,990	80,794,701	83,171,655

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 30 September 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 510,070,00 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 10 ordinary shares. The warrant has the period of three years from the date of issuance and offering.

	Issued	Exercise date	As at	Increase during the period	As at
			31 December 2017		30 September 2018
			Outstanding warrant Unit		Outstanding warrant Unit
WAVE-W1	11 May 2017	29 December 2017	42,119,734	-	42,119,734
			42,119,734	-	42,119,734

17 (Loss) earnings per share

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

The diluted (loss) earnings 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 period ended	Consolidated financial information		Separate financial information	
	30 September 2018	30 September 2017	30 September 2018	30 September 2017
(Loss) net profit attributable to ordinary shareholders (Baht)	(44,199,804)	(57,165,285)	14,118,580	5,549,139
Weighted average number of ordinary shares in issue during the period (Shares)	467,950,000	421,200,000	467,950,000	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	42,119,734	42,119,734
Weighted average number of ordinary shares including diluted ordinary shares (Shares)	510,069,734	463,319,734	510,069,734	463,319,734
(Loss) basic earnings per share (Baht)	(0.09)	(0.14)	0.03	0.01
(Loss) diluted earnings per share (Baht)	(0.09)	(0.14)	0.03	0.01

17 (Loss) earnings per share (Cont'd)

For the nine-month period ended	Consolidated financial information		Separate financial information	
	30 September 2018	30 September 2017	30 September 2018	30 September 2017
(Loss) net profit attributable to ordinary shareholders (Baht)	(158,730,521)	(196,181,885)	21,948,952	18,225,728
Weighted average number of ordinary shares in issue during the period (Shares)	453,051,648	421,200,000	453,051,648	421,200,000
Weighted average number of ordinary shares to be issued for warrants WAVE-W1, (Shares) (Note 16)	42,119,734	22,062,718	42,119,734	22,062,718
Weighted average number of ordinary shares including diluted ordinary shares (Shares)	495,171,382	443,262,718	495,171,382	443,262,718
(Loss) basic earnings per share (Baht)	(0.35)	(0.47)	0.05	0.04
(Loss) diluted earnings per share (Baht)	(0.35)	(0.47)	0.04	0.04

18 Contingencies and commitments

18.1 Guarantee

As at 30 September 2018, the Company provided guarantee on behalf of its subsidiary for sales and leaseback contracts on behalf of a subsidiary amounting to Baht 11.65 million (31 December 2017: Baht 8.32 million) (Note 12.3).

18.2 Bank guarantee

As at 30 September 2018, there are outstanding bank guarantee given on behalf of the Group to the third parties in respect of construction contracts amounting to Baht 18 million (31 December 2017: Baht 47.8 million) and business operation amounting to Baht 1 million (31 December 2017: Baht 1.22 million).

18.3 Commitment for franchise fees

As at 30 September 2018, the Group has the following commitments to pay on-going fees for operations of language institutions;

18.3.1 On-going fee at 7% of the gross revenue of its language institution

18.3.2 On-going franchise fee at 20% of the gross revenue of its language institution's franchisee.

18.4 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	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Not later than 1 year	200,383,207	182,166,677	5,120,736	5,120,736
Later than 1 year but not later than 5 years	124,134,880	161,588,640	1,514,196	5,354,748
Later than 5 years	-	1,005,810	-	-
	<u>324,518,087</u>	<u>344,761,127</u>	<u>6,634,932</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	
	30 September 2018 Baht	30 September 2017 Baht	30 September 2018 Baht	30 September 2017 Baht
Revenue from rendering of services:				
Subsidiaries	-	-	-	532,677
Joint ventures	-	43,150,387	-	-
Related companies	-	2,182,996	-	-
	-	45,333,383	-	532,677
Other income:				
Subsidiaries	-	-	19,938,218	10,431,375
Associates	86,643	91,413	-	-
	86,643	91,413	19,938,218	10,431,375
Interest income:				
Subsidiaries	-	-	11,416,688	9,053,357
Associates	48,114	49,012	-	-
Joint ventures	-	43,986	-	-
	48,114	92,998	11,416,688	9,053,357
For the nine-month periods ended	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	30 September 2017 Baht	30 September 2018 Baht	30 September 2017 Baht
Revenue from rendering of services:				
Subsidiaries	-	-	-	1,598,028
Joint ventures	-	139,243,864	-	-
Related companies	-	7,011,099	-	-
	-	146,254,963	-	1,598,028
Other income:				
Subsidiaries	-	-	41,674,350	31,300,636
Associates	264,198	270,948	-	-
Joint ventures	1,490,631	-	-	-
Related companies	-	22,378	-	-
	1,754,829	293,326	41,674,350	31,300,636
Interest income:				
Subsidiaries	-	-	32,279,990	24,875,406
Associates	143,846	158,685	-	-
Joint ventures	-	298,555	-	-
	143,846	457,240	32,279,990	24,875,406

19 Related party transactions (Cont'd)

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

19.2 Purchases of goods and services

For the three-month periods ended	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	30 September 2017 Baht	30 September 2018 Baht	30 September 2017 Baht
Purchase of goods from:				
Related companies	240	394	240	394
Cost of rendering of services:				
Associates	2,834,338	1,122,875	-	-
Selling and administrative expenses:				
Associates	63,398	-	-	-
Related companies	2,740,528	1,673,283	1,531,428	1,673,283
	<u>2,803,926</u>	<u>1,673,283</u>	<u>1,531,428</u>	<u>1,673,283</u>
Interest expenses:				
Subsidiaries	-	-	523,562	186,794
	<u>-</u>	<u>-</u>	<u>523,562</u>	<u>186,794</u>
For the nine-month periods ended	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	30 September 2017 Baht	30 September 2018 Baht	30 September 2017 Baht
Purchase of goods from:				
Related companies	470	629	470	629
Cost of rendering services:				
Associates	4,352,146	1,746,750	-	-
Related companies	-	686,449	-	-
	<u>4,352,146</u>	<u>2,433,199</u>	<u>-</u>	<u>-</u>
Selling and administrative Expenses:				
Associates	110,398	24,000	-	-
Related companies	5,870,682	5,227,907	4,661,582	5,227,907
	<u>5,981,080</u>	<u>5,251,907</u>	<u>4,661,582</u>	<u>5,227,907</u>
Interest expenses:				
Subsidiaries	-	-	691,206	559,952
	<u>-</u>	<u>-</u>	<u>691,206</u>	<u>559,952</u>

19 Related party transactions (Cont'd)

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

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

	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Trade accounts receivable: (Note 7)				
Associates	30,813	-	-	-
Joint ventures	7,506,032	31,186,906	-	-
Related companies	8,053,583	9,089,753	-	-
	<u>15,590,428</u>	<u>40,276,659</u>	<u>-</u>	<u>-</u>
Other receivables: (Note 7)				
Subsidiaries	<u>-</u>	<u>-</u>	<u>86,712,121</u>	<u>48,178,644</u>
Advance payment:				
Subsidiaries	<u>-</u>	<u>-</u>	<u>2,000,000</u>	<u>962,000</u>
Accrued income:				
Associates	<u>1,764,647</u>	<u>1,470,543</u>	<u>-</u>	<u>-</u>
Accrued interest income:				
Subsidiaries	<u>-</u>	<u>-</u>	<u>69,312,283</u>	<u>38,983,798</u>
Prepaid expense:				
Associates	<u>-</u>	<u>1,188,000</u>	<u>-</u>	<u>-</u>
Trade and other payable:				
Associates	2,737,662	1,923,013	-	-
Related companies	686,952	840,998	502	-
	<u>3,424,614</u>	<u>2,764,011</u>	<u>502</u>	<u>-</u>
Accrued expenses:				
Related companies	<u>502,865</u>	<u>665,490</u>	<u>502,865</u>	<u>665,490</u>
Accrued interest expenses:				
Subsidiaries	<u>-</u>	<u>-</u>	<u>509,178</u>	<u>674,113</u>

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	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Short-term loans to:				
Subsidiaries	-	-	952,952,900	840,452,900
Associates	-	2,750,000	-	-
	-	2,750,000	952,952,900	840,452,900

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

	Consolidated financial information Baht	Separate financial information Baht
For the nine-month period ended 30 September 2018		
Opening net amount	2,750,000	840,452,900
Addition during the period	-	112,500,000
Repayment during the period	(2,750,000)	-
Closing net amount	-	952,952,900

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.

19.5 Short-term borrowings from related parties

	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Short-term borrowings from:				
Subsidiaries	-	-	30,000,000	12,000,000

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

	Consolidated financial information Baht	Separate financial information Baht
For the nine-month period ended 30 September 2018		
Opening net amount	-	12,000,000
Addition during the period	-	75,000,000
Repayment during the period	-	(57,000,000)
Closing net amount	-	30,000,000

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	
	30 September 2018 Baht	31 December 2017 Baht
Long-term borrowings from:		
Key management	31,070,240	4,500,000

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

	Consolidated financial information Baht
For the nine-month period ended 30 September 2018	
Opening net amount	4,500,000
Addition during the period	35,000,000
Repayment during the period	(8,429,760)
Closing net amount	31,070,240

	Consolidated financial information	
	30 September 2018 Baht	31 December 2017 Baht
Current portion of long-term borrowings from related parties	9,114,366	-
Long-term borrowings from related parties payable between 1 to 5 years	21,955,874	4,500,000
	31,070,240	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) and due for repayment on a semi-annually basis up to year 2020.

19 Related party transactions (Cont'd)

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

19.7 Key management compensation

The compensation paid or payable to key management for employee services for the three-month and nine-month periods ended 30 September 2018 and 2017 is as follows:

For the three-month periods ended	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	30 September 2017 Baht	30 September 2018 Baht	30 September 2017 Baht
Short-term employee benefits	16,921,649	13,884,158	8,433,437	8,143,481
Post-employee benefits	836,755	793,103	540,172	534,467
	<u>17,758,404</u>	<u>14,677,261</u>	<u>8,973,609</u>	<u>8,677,948</u>

For the nine-month periods ended	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	30 September 2017 Baht	30 September 2018 Baht	30 September 2017 Baht
Short-term employee benefits	50,755,195	44,108,212	25,310,310	26,304,941
Post-employee benefits	2,510,265	2,379,305	1,620,516	1,603,401
	<u>53,265,460</u>	<u>46,487,517</u>	<u>26,930,826</u>	<u>27,908,342</u>

20 Events occurring after the reporting date

Media Vision (1994) Co., Ltd.

On 11 October 2018, Media Vision (1994) Company Limited, an subsidiary of the Group, approved a dividend payment in respect of the operating results for 2018 to the shareholders at Baht 61.14 per share, totalling Baht 25 million. The dividend were paid to the shareholders on 12 October 2018.