

**THITIKORN PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Interim Financial Information

For the Period Ended June 30, 2015

and Report on Review of Interim Financial Information

Performed by the Certified Public Accountant

M.R. & ASSOCIATES CO., LTD.

Certified Public Accountants

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION BY THE CERTIFIED PUBLIC ACCOUNTANT

To the Board of Directors of Thitikorn Public Company Limited

I have reviewed the accompanying consolidated financial statements of Thitikorn Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at June 30, 2015, and the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, the consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended, and the condensed notes to the consolidated financial statements. I have also reviewed the accompanying separate financial statements of Thitikorn Public Company Limited, which comprise the statement of financial position as at June 30, 2015, and the related statements of comprehensive income for the three-month and six-month periods then ended, the statements of changes in shareholders' equity and cash flows for the six-month period then ended, and the condensed notes to the financial statements. Management is responsible for the preparation and presentation of this interim financial information in accordance with the Thai Accounting Standard No. 34 "Interim Financial Reporting". My responsibility is to express a conclusion on this interim 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 financial information is not prepared, in all material respects, in accordance with the Thai Accounting Standard No. 34 "Interim Financial Reporting".

(Mr. Akadet Pliensakul)
Certified Public Accountant
Registration No. 5389

M.R. & ASSOCIATES CO., LTD.
Bangkok
August 11, 2015

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2015 AND DECEMBER 31, 2014

ASSETS

		In Thousand Baht			
		Consolidated		The Company Only	
		June 30, 2015 (Reviewed) (Unaudited)	December 31, 2014 (Audited)	June 30, 2015 (Reviewed) (Unaudited)	December 31, 2014 (Audited)
ASSETS	Note				
CURRENT ASSETS					
Cash and cash equivalents		127,476	90,993	42,853	44,478
Trade receivables					
- Current portion of hire-purchase contract receivables - net	4	3,825,061	3,971,167	3,440,010	3,536,096
- Other trade receivables		58,471	72,254	56,233	68,777
Receivables from and short-term loan to related parties	3, 7	-	755	700,374	857,827
Current portion of long-term loans to other parties		57,976	3,800	57,976	3,800
Merchandises		6,941	3,741	4,380	3,741
Asset foreclosed - net	5	175,108	190,165	175,008	190,066
Other current assets		31,063	40,093	42,303	46,610
Total Current Assets		4,282,096	4,372,968	4,519,137	4,751,395
NON-CURRENT ASSETS					
Restricted deposits at financial institutions		25,000	25,000	-	-
Hire-purchase contract receivables - net	4	3,579,328	3,796,608	3,140,056	3,230,321
Investments in subsidiaries accounted for using the cost method	7	-	-	152,158	291,387
Long-term loans to other parties - net		6,066	69,287	6,066	69,287
Property, plant and equipment - net		223,283	190,866	200,354	167,255
Goodwill		83,640	83,640	-	-
Intangible assets - net		9,903	9,052	9,620	8,775
Deferred tax assets	8	130,602	134,925	121,104	126,319
Property for lease - net		19,933	20,133	-	-
Assets not used in operations		14,282	14,282	5,708	5,708
Other non-current assets		65,102	50,420	14,225	11,737
Total Non-Current Assets		4,157,139	4,394,213	3,649,291	3,910,789
TOTAL ASSETS		8,439,235	8,767,181	8,168,428	8,662,184

The accompanying condensed notes are an integral part of these financial statements.

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2015 AND DECEMBER 31, 2014

LIABILITIES AND SHAREHOLDERS' EQUITY

		In Thousand Baht			
		Consolidated		The Company Only	
		June 30, 2015 (Reviewed)	December 31, 2014	June 30, 2015 (Reviewed)	December 31, 2014
Note		(Unaudited)	(Audited)	(Unaudited)	(Audited)
CURRENT LIABILITIES					
	Bank overdrafts and short-term borrowings from financial institutions	49,853	680,608	49,665	678,638
	Trade payables - other parties	113,266	46,766	113,266	46,629
	Current portion of long-term loans	300,000	300,000	300,000	300,000
6	Current portion of debentures	1,050,000	300,000	1,050,000	300,000
3	Payables to and short-term loans from related parties	3,156	1,387	379,747	573,593
	Income tax payable	6,447	4,944	-	-
	Deposits and advances from customers	116,110	108,745	111,113	105,609
	Accrued expenses and other current liabilities				
	- Accrued sales promotions and rewards	78,338	70,697	72,915	64,062
	- Others	65,787	86,342	57,534	57,055
	Total Current Liabilities	<u>1,782,957</u>	<u>1,599,489</u>	<u>2,134,240</u>	<u>2,125,586</u>
NON-CURRENT LIABILITIES					
	Long-term loans - net of current portion	500,000	500,000	500,000	500,000
6	Debentures	1,990,000	2,620,000	1,990,000	2,620,000
10	Liability for post-employment benefits	30,090	34,543	24,451	28,620
	Other non-current liabilities	9,156	10,536	5,620	7,001
	Total Non-Current Liabilities	<u>2,529,246</u>	<u>3,165,079</u>	<u>2,520,071</u>	<u>3,155,621</u>
	Total Liabilities	<u>4,312,203</u>	<u>4,764,568</u>	<u>4,654,311</u>	<u>5,281,207</u>
SHAREHOLDERS' EQUITY					
	Share capital - common shares, Baht 1 par value				
	Authorized share capital - 500,000,000 shares, Baht 1 par value	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
	Issued and fully paid-up share capital - 500,000,000 shares, Baht 1 par value	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
	Premium on shares	972,987	972,987	972,987	972,987
	Retained earnings				
	- Appropriated for legal reserve	50,000	50,000	50,000	50,000
	- Unappropriated	2,596,599	2,471,559	1,991,130	1,857,990
	Other component of equity				
	- Difference on financial statement conversion of subsidiaries	268	455	-	-
	Equity attributable to Owners of the Parent	<u>4,119,854</u>	<u>3,995,001</u>	<u>3,514,117</u>	<u>3,380,977</u>
	Non-controlling interests	7,178	7,612	-	-
	Total Shareholders' Equity	<u>4,127,032</u>	<u>4,002,613</u>	<u>3,514,117</u>	<u>3,380,977</u>
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>8,439,235</u>	<u>8,767,181</u>	<u>8,168,428</u>	<u>8,662,184</u>

The accompanying condensed notes are an integral part of these financial statements.

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF COMPREHENSIVE INCOME
 FOR THE THREE-MONTH PERIODS ENDED JUNE 30, 2015 AND 2014

(REVIEWED)
 (UNAUDITED)

		In Thousand Baht			
		Consolidated		The Company Only	
		2015	2014	2015	2014
Note			(Restated)		(Restated)
REVENUES					
	Hire-purchase income	642,080	713,671	628,985	696,140
	Sales of merchandises	15,098	5,304	15,098	5,304
3, 7	Other income	196,217	209,323	241,711	318,811
	Total Revenues	<u>853,395</u>	<u>928,298</u>	<u>885,794</u>	<u>1,020,255</u>
EXPENSES					
	Cost of sales	15,364	5,329	15,364	5,329
	Selling expenses	7	413	7	413
2, 3	Administrative expenses	441,143	493,444	455,946	598,479
	Bad debt and provision for doubtful accounts	250,984	366,136	247,573	363,196
3	Finance costs	39,425	59,747	43,225	62,960
2	Total Expenses	<u>746,923</u>	<u>925,069</u>	<u>762,115</u>	<u>1,030,377</u>
2	PROFIT (LOSS) BEFORE INCOME TAX EXPENSE	106,472	3,229	123,679	(10,122)
2, 8	Income Tax Expense (Tax Income)	<u>(1,253)</u>	<u>(3,005)</u>	<u>(4,896)</u>	<u>(9,411)</u>
2	PROFIT (LOSS) FOR THE PERIOD	107,725	6,234	128,575	(711)
Other Comprehensive Income (Loss)					
<i>Item that will be reclassified subsequently to profit or loss</i>					
	- Difference on financial statement conversion of subsidiaries	367	-	-	-
<i>Item that will not be reclassified subsequently to profit or loss</i>					
2	- Actuarial loss on liability for post-employment benefits	-	(2,486)	-	(2,660)
	Other Comprehensive Income (Loss) for the Period	<u>367</u>	<u>(2,486)</u>	<u>-</u>	<u>(2,660)</u>
	TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	<u>108,092</u>	<u>3,748</u>	<u>128,575</u>	<u>(3,371)</u>
Profit (Loss) Attributable to:					
2	Owners of the parent	107,865	6,234	128,575	(711)
	Non-controlling interests	(140)	-	-	-
	Profit (Loss) for the Period	<u>107,725</u>	<u>6,234</u>	<u>128,575</u>	<u>(711)</u>
Total Comprehensive Income (Loss) Attributable to:					
	Owners of the parent	108,232	3,748	128,575	(3,371)
	Non-controlling interests	(140)	-	-	-
	Total Comprehensive Income (Loss) for the Period	<u>108,092</u>	<u>3,748</u>	<u>128,575</u>	<u>(3,371)</u>
2	Basic Earnings (Loss) per Share (Baht)	<u>0.216</u>	<u>0.012</u>	<u>0.257</u>	<u>(0.001)</u>
	Weighted average number of common shares	<u>500,000,000</u>	<u>500,000,000</u>	<u>500,000,000</u>	<u>500,000,000</u>

The accompanying condensed notes are an integral part of these financial statements.

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2015 AND 2014

(REVIEWED)
(UNAUDITED)

		In Thousand Baht			
		Consolidated		The Company Only	
		2015	2014	2015	2014
Note			(Restated)		(Restated)
REVENUES					
	Hire-purchase income	1,290,836	1,450,113	1,264,162	1,414,806
	Sales of merchandises	21,596	12,753	21,596	12,753
	Other income	395,156	405,486	540,595	621,857
	Total Revenues	1,707,588	1,868,352	1,826,353	2,049,416
EXPENSES					
	Cost of sales	22,060	12,677	22,060	12,677
	Selling expenses	28	707	28	707
	Administrative expenses	904,332	962,307	1,019,942	1,168,179
	Bad debt and provision for doubtful accounts	474,067	699,139	468,611	691,552
	Finance costs	79,905	115,788	87,357	122,077
	Total Expenses	1,480,392	1,790,618	1,597,998	1,995,192
	PROFIT BEFORE INCOME TAX EXPENSE	227,196	77,734	228,355	54,224
	Income Tax Expense (Tax Income)	12,590	(7)	5,215	(7,931)
	PROFIT FOR THE PERIOD	214,606	77,741	223,140	62,155
Other Comprehensive Income					
<i>Item that will be reclassified subsequently to profit or loss</i>					
	- Difference on financial statement conversion of subsidiaries	(187)	-	-	-
<i>Item that will not be reclassified subsequently to profit or loss</i>					
	- Actuarial loss on liability for post-employment benefits	-	(2,486)	-	(2,660)
	Other Comprehensive Income for the Period	(187)	(2,486)	-	(2,660)
	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	214,419	75,255	223,140	59,495
Profit (Loss) Attributable to:					
	Owners of the parent	215,040	77,741	223,140	62,155
	Non-controlling interests	(434)	-	-	-
	Profit for the Period	214,606	77,741	223,140	62,155
Total Comprehensive Income (Loss) Attributable to:					
	Owners of the parent	214,853	75,255	223,140	59,495
	Non-controlling interests	(434)	-	-	-
	Total Comprehensive Income for the Period	214,419	75,255	223,140	59,495
	Basic Earnings per Share (Baht)	0.430	0.155	0.446	0.124
	Weighted average number of common shares	500,000,000	500,000,000	500,000,000	500,000,000

The accompanying condensed notes are an integral part of these financial statements.

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2015 AND 2014

(REVIEWED)
(UNAUDITED)

		In Thousand Baht							
		Consolidated							
				Retained Earnings		Other Component	Equity		Total
		Issued and	Premium	Appropriated		Difference on	Equity		Shareholders'
		Fully Paid-up	on Common	for		Financial Statement	attributable to	Non-Controlling	Equity
Note	Share Capital	Shares	Legal Reserve	Unappropriated		Conversion of	Owners of	Interests	
						Subsidiaries	the Parent		
	Beginning Balance as at January 1, 2015	500,000	972,987	50,000	2,471,559	455	3,995,001	7,612	4,002,613
9	Dividends paid	-	-	-	(90,000)	-	(90,000)	-	(90,000)
	Total comprehensive income for the period	-	-	-	215,040	(187)	214,853	(434)	214,419
	Ending Balance as at June 30, 2015	<u>500,000</u>	<u>972,987</u>	<u>50,000</u>	<u>2,596,599</u>	<u>268</u>	<u>4,119,854</u>	<u>7,178</u>	<u>4,127,032</u>
	Beginning Balance as at January 1, 2014	500,000	972,987	50,000	2,490,931	-	4,013,918	-	4,013,918
9	Dividends paid	-	-	-	(214,995)	-	(214,995)	-	(214,995)
2	Total comprehensive income for the period	-	-	-	75,255	-	75,255	-	75,255
	Ending Balance as at June 30, 2014	<u>500,000</u>	<u>972,987</u>	<u>50,000</u>	<u>2,351,191</u>	<u>-</u>	<u>3,874,178</u>	<u>-</u>	<u>3,874,178</u>

The accompanying condensed notes are an integral part of these financial statements

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2015 AND 2014

(REVIEWED)
(UNAUDITED)

		In Thousand Baht					
		The Company Only					
					Retained Earnings		
		Issued and	Appropriated				
		Fully Paid-up	Premium on	for Legal			
Note	Share Capital	Shares	Reserve	Unappropriated	Total		
	Beginning Balance as at January 1, 2015	500,000	972,987	50,000	1,857,990	3,380,977	
9	Dividends paid	-	-	-	(90,000)	(90,000)	
	Total comprehensive income for the period	-	-	-	223,140	223,140	
	Ending Balance as at June 30, 2015	<u>500,000</u>	<u>972,987</u>	<u>50,000</u>	<u>1,991,130</u>	<u>3,514,117</u>	
	Beginning Balance as at January 1, 2014	500,000	972,987	50,000	1,911,567	3,434,554	
9	Dividends paid	-	-	-	(214,995)	(214,995)	
2	Total comprehensive income for the period	-	-	-	59,495	59,495	
	Ending Balance as at June 30, 2014	<u>500,000</u>	<u>972,987</u>	<u>50,000</u>	<u>1,756,067</u>	<u>3,279,054</u>	

The accompanying condensed notes are an integral part of these financial statements.

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2015 AND 2014

(REVIEWED)
(UNAUDITED)

	In Thousand Baht			
	Consolidated		The Company Only	
	2015	2014	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax expense	227,196	77,734	228,355	54,224
Adjustments				
Depreciation and amortization	29,444	24,245	26,732	22,965
Expenses for post-employment benefits	1,452	1,959	1,216	1,678
Unrealized loss on exchange rate	1,262	165	1,449	165
Bad debt and provision for doubtful accounts	474,067	699,139	468,611	691,552
Increase (Decrease) in allowance for diminution in value of asset foreclosed	(15,130)	4,698	(15,130)	5,837
Gain on sales of equipment	(396)	(555)	(396)	(555)
Gain on decrease in share capital for returns of subsidiary (see Note 7)	-	-	(20,188)	-
Dividend income	-	-	(116,244)	(200,323)
Interest income	(3,571)	(4,515)	(20,096)	(28,598)
Interest expense	79,905	115,788	87,357	122,077
(Increase) Decrease in operating assets :				
Trade receivables - hire-purchase contract receivables	(108,312)	(237,139)	(279,948)	(380,801)
Trade receivables - other	11,414	25,512	10,232	23,480
Other receivables from related parties	755	-	(1,542)	(7)
Merchandises	(3,200)	7,962	(639)	12,660
Asset foreclosed	30,187	21,693	30,188	15,856
Other current assets	7,895	12,554	3,174	26,215
Other non-current assets	(4,176)	35,835	(1,996)	406
Increase (Decrease) in operating liabilities :				
Trade payables - other parties	66,500	17,450	66,637	17,450
Other payables to related parties	1,769	105	(220,674)	(98,546)
Deposits and advances from customers	7,365	(202)	5,504	(204)
Accrued expenses and other current liabilities	(21,809)	(12,308)	(104)	(7,119)
Liability for post-employment benefits	(5,905)	(470)	(5,385)	(206)
Other non-current liabilities	(1,380)	(1,740)	(1,381)	(1,028)
	<u>775,332</u>	<u>787,910</u>	<u>245,732</u>	<u>277,178</u>
Income tax paid	(17,270)	(15,698)	(492)	(641)
Net Cash Provided by Operating Activities	<u>758,062</u>	<u>772,212</u>	<u>245,240</u>	<u>276,537</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase in short-term loans to related party	-	-	(18,000)	(79,000)
Collections from short-term loans to related party	-	-	198,000	223,500
Increase in long-term loans to other parties	(11,500)	(26,215)	(11,500)	(26,215)
Collections from long-term loans to other parties	20,545	36,694	20,545	36,694
Purchases of fixed assets	(52,183)	(34,557)	(50,399)	(34,557)
Proceeds from sales of equipment	1,092	1,414	1,092	1,414
Purchases of intangible assets	(2,201)	(2,757)	(2,149)	(2,757)
Proceeds from decrease in share capital for returns of subsidiary (see Note 7)	-	-	187,531	-
Payment for investment in subsidiary (see Note 7)	-	-	(49,997)	-
Dividends received	-	-	116,244	280,559
Interest received	3,533	4,679	20,934	29,413
Net Cash Provided by (Used in) Investing Activities	<u>(40,714)</u>	<u>(20,742)</u>	<u>412,301</u>	<u>429,051</u>

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2015 AND 2014

(REVIEWED)
(UNAUDITED)

	In Thousand Baht			
	Consolidated		The Company Only	
	2015	2014	2015	2014
CASH FLOWS FROM FINANCING ACTIVITIES				
Decrease in bank overdrafts and short-term borrowings from financial institutions	(632,204)	(603,298)	(630,422)	(595,559)
Increase in short-term loans from related party	-	-	53,100	46,100
Repayments of short-term loans from related party	-	-	(26,300)	(32,850)
Repayments of long-term loan	-	(500,000)	-	(500,000)
Issuances of debentures	120,000	1,200,000	120,000	1,200,000
Redemption of debentures	-	(500,000)	-	(500,000)
Interest paid	(78,661)	(126,246)	(85,544)	(132,540)
Dividends paid	(90,000)	(214,995)	(90,000)	(214,995)
Net Cash Used in Financing Activities	(680,865)	(744,539)	(659,166)	(729,844)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	36,483	6,931	(1,625)	(24,256)
Cash and Cash Equivalents at Beginning of Period	90,993	100,427	44,478	78,191
CASH AND CASH EQUIVALENTS AT END OF PERIOD	127,476	107,358	42,853	53,935
Supplementary disclosures of cash flow information				
a. Cash and cash equivalents at end of period				
Cash in hand	14,301	9,084	12,872	7,906
Current accounts at banks	27,035	25,285	8,336	17,523
Savings deposits at banks	86,140	72,989	21,645	28,506
Total	127,476	107,358	42,853	53,935
b. Non-cash transactions				
Accrued dividend income from subsidiary	-	-	-	102,127
Receivable on decrease in share capital for returns of subsidiary (see Note 7)	-	-	21,883	-
Purchases of equipment by means of payables	8,824	867	8,824	867

The accompanying condensed notes are an integral part of these financial statements.

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements

June 30, 2015 and 2014 (Reviewed) (Unaudited)

And December 31, 2014 (Audited)

1. BASIS FOR THE PREPARATION OF INTERIM FINANCIAL INFORMATION

The accompanying interim financial information is prepared on a condensed basis and in accordance with The Thai Accounting Standard No. 34 (Revised 2014) “Interim Financial Reporting” including interpretations and guidelines promulgated by the Federation of Accounting Professions, applicable rules and regulations of the Securities and Exchange Commission.

The accompanying interim financial information is prepared as updated information to the financial statements for the year ended December 31, 2014 with an emphasis on the more current information about activities, events and situations, not a duplicate of information previously reported. This interim financial information should therefore be read in conjunction with the financial statements for the year ended December 31, 2014.

For convenience of the readers, an English translation of the interim financial information is prepared from the Thai language interim financial information that is issued for domestic financial reporting purposes.

The consolidated financial statements for the three-month and six-month periods ended June 30, 2015 and 2014, which are a component of this interim financial information, and the consolidated financial statements for the year ended December 31, 2014, include the accounts of the Company and its subsidiaries which the Company has controlling power or directly and indirectly holdings on those subsidiaries as follows:

Name of Companies	Type of Business	Paid-up Share Capital (In Thousand Baht)		Percentage of Direct and Indirect Holdings (%)	
		June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
C. V. A. Co., Ltd.	Hire-purchase motorcycle business and related services	50,000	50,000	99.99	99.99
Chayapak Co., Ltd.	Hire-purchase automobile business	40,000	40,000	99.99	99.99
TK Debt Services Co., Ltd.	Debt collection and forfeiture services	13,961	223,375	99.99	99.99
TK Ngern Tan Jai Co., Ltd.	Nano finance business	50,000	-	99.99	-
Sabaidee Leasing Co., Ltd. (Lao PDR)	Hire-purchase motorcycle business	21,015*	21,015*	61.90	61.90
Suosdey Finance PLC. (Cambodia)	Hire-purchase motorcycle business	3,236**	3,236**	98.00	98.00

* KIP 5,250 million

** USD 100,000

Significant intercompany transactions between the Company and its subsidiaries were eliminated in the preparation of the consolidated financial statements.

Starting from January 1, 2015, the Company and its subsidiaries have adopted the revision and issuance of new Thai Accounting Standards (TAS), Thai Financial Reporting Standards (TFRS), Thai Accounting Interpretation (TSIC), and Thai Financial Reporting Interpretation (TFRIC) which have been effective from the accounting period starting on or after January 1, 2015.

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**Notes to Financial Statements (Continued)****June 30, 2015 and 2014 (Reviewed) (Unaudited)****And December 31, 2014 (Audited)**

The aforesaid adoption of new and revised TAS and TFRS as well as TSIC and TFRIC did not have any material effect on the Company and its subsidiaries, except for the effects from adoption of TAS 19 (Revised 2014) “Employees Benefits” as discussed in Note 2.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company and its subsidiaries applied significant accounting policies and methods of computation to the preparation of interim financial information for the three-month and six-month periods ended June 30, 2015 and 2014 which are similar to those applied to the preparation of financial statements for the year ended December 31, 2014 except the adoption of new and revised TAS and TFRS as well as TSIC and TFRIC as discussed in Note 1 which had no any material effect, except for the adoption of TAS 19 (Revised 2014) “Employee Benefits” which requires actuarial gain and loss be recognized as other comprehensive income or loss whereby the Company and its subsidiaries previously recognized as profit or loss. The significant effects with retrospective adjustment of such matter to the statements of comprehensive income for the three-month and six-month periods ended June 30, 2014 are as follows:

	<u>Increase (Decrease) - In Thousand Baht</u>	
	<u>Consolidated</u>	<u>The Company Only</u>
<u>Three-Month Period</u>		
Administrative expenses	(3,107)	(3,325)
Total expenses	(3,107)	(3,325)
Loss before income tax expense	(3,107)	(3,325)
Tax income	(621)	(665)
Loss for the period	(2,486)	(2,660)
Other comprehensive loss (item that will not be reclassified subsequently to profit or loss) - actuarial loss on liability for post-employment benefits (net of income tax effect of Baht 621 thousand and Baht 665 thousand, respectively)	2,486	2,660
Loss attributable to owners of the parent	(2,486)	(2,660)
Basic loss per share (in Baht)	(0.005)	(0.005)
<u>Six-Month Period</u>		
Administrative expenses	(3,107)	(3,325)
Total expenses	(3,107)	(3,325)
Profit before income tax expense	3,107	3,325
Tax income	(621)	(665)
Profit for the period	2,486	2,660
Other comprehensive income (item that will not be reclassified subsequently to profit or loss) - actuarial loss on liability for post-employment benefits (net of income tax effect of Baht 621 thousand and Baht 665 thousand, respectively)	2,486	2,660
Profit attributable to owners of the parent	2,486	2,660
Basic earnings per share (in Baht)	0.005	0.005

3. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties for the three-month and six-month periods ended June 30, 2015 and 2014 are as follows:

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	Consolidated (In Thousand Baht)			
	Three-Month Periods		Six-Month Periods	
	2015	2014	2015	2014
Rental and services				
Related companies	8,770	8,380	17,550	16,759
Management fee				
Related companies	2,550	2,550	5,100	5,100
Utility expenses				
Related companies	1,122	1,240	2,237	2,365
Stationery expense				
Related companies	408	578	919	1,113
Other expenses				
Related companies	2,254	2,787	4,526	5,981
Key management's remunerations				
Short-term benefits	5,456	5,074	10,852	10,558
Post-employment benefits	81	296	162	592
Total	5,537	5,370	11,014	11,150
Purchase for hire-purchases				
Related companies	-	92,370	-	233,727

	The Company Only (In Thousand Baht)			
	Three-Month Periods		Six-Month Periods	
	2015	2014	2015	2014
Interest income				
Subsidiaries	7,828	11,926	16,733	24,385
Dividend income				
Subsidiaries	21,444	102,127	116,244	200,323
Other income				
Subsidiaries	40	48	75	80
Rental and services				
Subsidiaries	108	-	216	-
Related companies	8,482	7,479	16,974	14,957
Total	8,590	7,479	17,190	14,957
Management fee				
Related companies	1,800	1,800	3,600	3,600
Utility expenses				
Related companies	1,122	1,112	2,215	2,109
Stationery expense				
Related companies	384	566	880	1,079
Other expenses				
Related companies	2,089	1,982	4,256	4,085
Service expenses				
Subsidiaries	43,433	132,851	173,686	263,621
Interest expense				
Subsidiaries	3,805	3,215	7,460	6,293
Key management's remunerations				
Short-term benefits	5,456	5,074	10,852	10,558
Post-employment benefits	81	296	162	592
Total	5,537	5,370	11,014	11,150

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	The Company Only (In Thousand Baht)			
	Three-Month Periods		Six-Month Periods	
	2015	2014	2015	2014
Purchase of vehicles for use				
Related companies	-	-	15,112	-
Sales of vehicles for use (mutually-agreed price)				
Subsidiaries	-	-	514	-

Significant outstanding balances with related parties as at June 30, 2015 and December 31, 2014 are as follows:

	In Thousand Baht			
	Consolidated		The Company Only	
	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
Receivables and short-term loans				
Receivable and accrued income - subsidiaries				
Receivable on capital decrease	-	-	21,883	-
Accrued interest and other income	-	-	4,996	3,317
Total	-	-	26,879	3,317
Advances				
Subsidiaries	-	-	495	755
Related persons (directors)	-	755	-	755
Total	-	755	495	1,510
Short-term loans				
Subsidiaries (interest rate at 4.5% p.a. in 2015 and 4.25 - 4.375% p.a. in 2014)	-	-	673,000	853,000
Total	-	755	700,374	857,827
Payables and short-term loans				
Accrued expenses and advances				
Subsidiaries	-	-	28,510	249,041
Related companies	3,156	1,387	1,247	1,362
Total	3,156	1,387	29,757	250,403
Short-term loans				
Subsidiaries (interest rate at 4.5% p.a. in 2015 and 4.25 - 4.375% p.a. in 2014)	-	-	349,990	323,190
Total	3,156	1,387	379,747	573,593

Significant movements of loans from and loans to related parties during the period are as follows:

	The Company Only (In Thousand Baht)			
	December 31, 2014	Increase	Decrease	June 30, 2015
Short-term loans to subsidiaries				
Suosdey Finance PLC.	-	11,000	-	11,000
Chayapak Co., Ltd.	853,000	7,000	198,000	662,000
Total	853,000	18,000	198,000	673,000
Short-term loans from subsidiary				
C.V.A. Co., Ltd.	323,190	53,100	26,300	349,990

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As at June 30, 2015 and December 31, 2014, the Company has been guarantor for (1) short-term loan credit facilities granted by a local commercial bank to Chayapak Co., Ltd. amounting to Baht 600 million and (2) short-term loan credit facilities granted by a commercial bank incorporated in Cambodia of Suosdey Finance PLC. amounting to USD 1 million. There is no intercompany charge on the guarantees.

4. HIRE-PURCHASE CONTRACT RECEIVABLES - NET

	Consolidated (In Thousand Baht)					
	June 30, 2015			December 31, 2014		
	Total	Current	Long-term	Total	Current	Long-term
Hire-purchase contract receivables	11,137,491	6,316,519	4,820,972	11,564,141	6,520,319	5,043,822
Less Unearned income	(3,200,173)	(2,108,224)	(1,091,949)	(3,261,566)	(2,179,065)	(1,082,501)
Net	7,937,318	4,208,295	3,729,023	8,302,575	4,341,254	3,961,321
Less Allowance for doubtful accounts	(532,929)	(383,234)	(149,695)	(534,800)	(370,087)	(164,713)
Net	<u>7,404,389</u>	<u>3,825,061</u>	<u>3,579,328</u>	<u>7,767,775</u>	<u>3,971,167</u>	<u>3,796,608</u>
	The Company Only (In Thousand Baht)					
	June 30, 2015			December 31, 2014		
	Total	Current	Long-term	Total	Current	Long-term
Hire-purchase contract receivables	10,199,762	5,853,455	4,346,307	10,442,933	6,008,065	4,434,868
Less Unearned income	(3,128,752)	(2,064,362)	(1,064,390)	(3,178,796)	(2,132,365)	(1,046,431)
Net	7,071,010	3,789,093	3,281,917	7,264,137	3,875,700	3,388,437
Less Allowance for doubtful accounts	(490,944)	(349,083)	(141,861)	(497,720)	(339,604)	(158,116)
Net	<u>6,580,066</u>	<u>3,440,010</u>	<u>3,140,056</u>	<u>6,766,417</u>	<u>3,536,096</u>	<u>3,230,321</u>

Hire-purchase contract receivables at June 30, 2015 and December 31, 2014 are aged by outstanding installment payments of each contract as follows:

	In Thousand Baht			
	Consolidated		The Company Only	
	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
Current	5,055,353	5,332,408	4,421,123	4,543,286
Overdue 1 month	1,229,730	1,282,454	1,148,814	1,188,468
Overdue 2 - 3 months	1,228,255	1,275,094	1,155,866	1,185,874
Overdue 4 - 6 months	309,813	310,485	282,271	286,562
Overdue 7 - 12 months	73,260	66,324	56,975	55,388
Overdue exceeding 12 months	40,907	35,810	5,961	4,559
Total	7,937,318	8,302,575	7,071,010	7,264,137
Less Allowance for doubtful accounts	(532,929)	(534,800)	(490,944)	(497,720)
Net	<u>7,404,389</u>	<u>7,767,775</u>	<u>6,580,066</u>	<u>6,766,417</u>

The Company and its subsidiaries determine their allowance for doubtful accounts in line with the 2014 policy. Such policy is not compliance with the accounting guidance for making of allowance of doubtful accounts for consumer finance business which was mutually defined by the Securities and Exchange Commission (SEC) and the Institute of Certified Accountants and Auditors of Thailand (“ICAAT”). However, based on the statistic information for the past three years (2012 - 2014), the Company and its subsidiaries had an average actual bad debt less than doubtful accounts based on such basis defined by the SEC and ICAAT. As at June 30, 2015, the Company and its subsidiaries had allowance for doubtful accounts at 6.71% (6.94% for the Company only) of total hire-purchase contract receivables before deducting allowance for doubtful accounts.

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5. ASSET FORECLOSED - NET

	In Thousand Baht			
	Consolidated		The Company Only	
	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
Balance not exceeding one year	250,155	271,664	250,012	271,522
Balance exceeding one year	15,113	23,791	15,113	23,791
Total	265,268	295,455	265,125	295,313
Less Allowance for diminution in value	(90,160)	(105,290)	(90,117)	(105,247)
Net	<u>175,108</u>	<u>190,165</u>	<u>175,008</u>	<u>190,066</u>

6. DEBENTURES

	In Thousand Baht			
	Consolidated		The Company Only	
	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
Debentures	3,040,000	2,920,000	3,040,000	2,920,000
Less Current portion	(1,050,000)	(300,000)	(1,050,000)	(300,000)
Net	<u>1,990,000</u>	<u>2,620,000</u>	<u>1,990,000</u>	<u>2,620,000</u>

On August 27, 2010, the Company issued a series of debentures to specific investors amounting to Baht 300 million (divided into 300,000 units at Baht 1,000 per unit) and bears interest at 3.9% p.a. with maturity in 2015. Interest is payable semi-annually.

On January 28, 2011, the Company issued another series of debentures to specific investors amounting to Baht 250 million (divided into 250,000 units at Baht 1,000 per unit) and bears interest at 4.04% p.a. with maturity in 2016. Interest is payable semi-annually.

On May 27, 2011, the Company issued another series of debentures to institutional investors and/or large investors amounting to Baht 300 million (divided into 300,000 units at Baht 1,000 per unit) and bears interest at 3.92% p.a. in 1st - 3rd year and interest at 5.00% p.a. in 4th - 5th year with maturity in 2016. Interest is payable quarterly.

On November 6, 2012, the Company issued another series of debentures to specific investors amounting to Baht 300 million (divided into 300,000 units at Baht 1,000 per unit) and bears interest at 4.2% p.a. with maturity in 2016. Interest is payable semi-annually.

On July 19, 2013, the Company issued another series of debentures to institutional investors and/or large investors amounting to Baht 570 million (divided into 570,000 units at Baht 1,000 per unit) and bears interest at 3.98% p.a. with maturity in 2016. Interest is payable semi-annually.

On March 26, 2014, the Company issued another series of debentures to institutional investors and/or large investors amounting to Baht 900 million (divided into 900,000 units at Baht 1,000 per unit) and bears interest at 4% p.a. with maturity in 2017. Interest is payable semi-annually.

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On April 30, 2014, the Company issued another series of debentures to specific investors amounting to Baht 100 million (divided into 100,000 units at Baht 1,000 per unit) and bears interest at 4% p.a. with maturity in 2017. Interest is payable semi-annually.

On May 9, 2014, the Company issued another series of debentures to specific investors amounting to Baht 200 million (divided into 200,000 units at Baht 1,000 per unit) and bears interest at 3.63% p.a. with maturity in 2016. Interest is payable quarterly.

On February 25, 2015, the Company issued another series of debentures to specific investors amounting to Baht 120 million (divided into 120,000 units at Baht 1,000 per unit) and bears interest at 3.15% p.a. with maturity in 2017. Interest is payable quarterly.

Under the conditions of the issuances of debentures, the Company has to comply with the specified conditions as shown below:

1. To maintain Debt-to-Equity ratio at the rate not exceeding 7:1
2. To maintain dividend payment ratio not exceeding 60% of net profit.

**7. INVESTMENTS IN SUBSIDIARIES ACCOUNTED FOR USING
THE COST METHOD**

At the Board of Directors' meeting held on April 21, 2015, the Board of Directors unanimously passed the resolution to approve the plan for decrease in authorized share capital of subsidiary (i.e. TK Debt Services Co., Ltd. "TKD"). The plan is to reduce in number of shares and par value totalling 5 times to be completed in November 2015 whereby the authorized share capital of TKD will be decreased from Baht 223,375,000 (divided into 8,935,000 common shares at Baht 25 par value) to Baht 700,000 (divided into 140,000 common shares at Baht 5 par value) at the 5th decrease in share capital. During the three-month period ended June 30, 2015, TKD decreased its share capital for 2 times whereby the authorized share capital of TKD was decreased from Baht 223,375,000 (divided into 8,935,000 common shares at Baht 25 par value) to Baht 13,960,937.50 (divided into 2,233,750 common shares at Baht 6.25 par value) and total amount of the decrease in share capital attributable to the Company was approximately Baht 209.4 million. The Company accounted for the proceeds from decrease for return of capital amounting to approximately Baht 209.4 million by deducting the carrying amount of investment in TKD and incurred gain on decrease for return of capital amounting to approximately Baht 20.2 million which was presented as part of "Other income" in the separate statement of comprehensive income for the three-month and six-month periods ended June 30, 2015. In addition, as at June 30, 2015, TKD had not yet paid the return of capital to the Company amounting to approximately 21.9 million which was presented as part of "Receivables from and short-term loan to related parties" in the separate statement of financial position as at June 30, 2015.

On April 29, 2015, the Company has established the new subsidiary (the 6th subsidiary), i.e. TK Ngern Tan Jai Co., Ltd. ("TKN"), in order to engage in nano finance business whereby the authorized share capital of TKN amounting to Baht 50 million (divided in to 50,000 common shares at Baht 1,000 par value). The Company has the percentage of shareholding in TKN of 99.99% while the rest is held by three directors of the Company. As at June 30, 2015, TKN is during the preparation processes and has not yet started any core activities of its business.

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8. INCOME TAX AND DEFERRED TAX ASSETS / DEFERRED TAX LIABILITIES

Corporate income tax recorded as expenses (income) for the three-month and six-month periods ended June 30, 2015 and 2014 consists of:

	Three-Month Periods (In Thousand Baht)			
	Consolidated		The Company Only	
	2015	2014	2015	2014
Income tax computed from accounting profit	21,294	646	24,736	(2,024)
Effects from non-deductible expenses	1,647	13,739	865	12,916
Effects from additional deductible expenses or non-taxable income	(18,838)	(9,965)	(25,601)	(10,227)
Income tax on taxable profit	4,103	4,420	-	665
Adjustment to tax payable in respect of previous periods	209	3,141	-	-
Increase in deferred tax assets	(5,565)	(10,566)	(4,896)	(10,076)
Income tax presented in statement of comprehensive income	(1,253)	(3,005)	(4,896)	(9,411)

	Six-Month Periods (In Thousand Baht)			
	Consolidated		The Company Only	
	2015	2014	2015	2014
Income tax computed from accounting profit	45,439	15,546	45,671	10,845
Effects from non-deductible expenses	9,967	17,207	8,767	15,477
Effects from additional deductible expenses or non-taxable income	(47,348)	(26,279)	(54,438)	(25,657)
Income tax on taxable profit	8,058	6,474	-	665
Adjustment to tax payable in respect of previous periods	209	3,141	-	-
Decrease (increase) in deferred tax assets	4,323	(9,622)	5,215	(8,596)
Income tax presented in statement of comprehensive income	12,590	(7)	5,215	(7,931)

Deferred tax assets and liabilities presented in the statements of financial position as at June 30, 2015 and December 31, 2014 consist of:

	In Thousand Baht			
	Consolidated		The Company Only	
	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
<i>Deferred tax assets</i>				
Effects from non-deductible items from				
- Allowance for doubtful accounts	106,552	106,958	98,191	99,546
- Allowance for diminution in value of asset foreclosed	18,032	21,058	18,023	21,049
- Liability for post-employment benefits	6,018	6,909	4,890	5,724
Total	130,602	134,925	121,104	126,319
<i>Deferred tax liabilities</i>				
Net	130,602	134,925	121,104	126,319

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9. DIVIDENDS

At the general shareholders' meeting held on April 21, 2015, the shareholders unanimously approved the Company to pay dividends for the 2014 operations at Baht 0.18 per share totalling Baht 90 million. The Company paid such dividends to the shareholders on May 12, 2015.

At the general shareholders' meeting held on April 24, 2014, the shareholders unanimously approved the Company to pay dividends for the 2013 operations at Baht 0.43 per share totalling Baht 215 million. The Company paid such dividends to the shareholders on May 15, 2014.

10. LIABILITY FOR POST-EMPLOYMENT BENEFITS

	In Thousand Baht			
	Consolidated		The Company Only	
	2015	2014	2015	2014
Liability for post-employment benefits as at January 1	34,543	28,566	28,620	22,722
Current service cost and interest	1,452	1,959	1,216	1,678
Actuarial loss	-	3,107	-	3,325
Expense recognized in statement of comprehensive income	1,452	5,066	1,216	5,003
Employee benefits paid during the period	(5,905)	(470)	(5,385)	(206)
Liability for post-employment benefits as at June 30	30,090	33,162	24,451	27,519

Assumptions used in the calculation of liability for post-employment benefits were not changed during the three-month and six-month periods ended June 30, 2015.

11. SIGNIFICANT FINANCIAL INFORMATION CLASSIFIED BY OPERATING SEGMENT

Statement of financial position and statement of income are significant financial and core information of the Company and its subsidiaries that are provided regularly to the highest authority in decision-making operation and also used in evaluation of financial performances of the segments. However, the Company and its subsidiaries have a single core operating segment (also being internal reporting segment) by product which is hire-purchase on automobile and motorcycle for general retail customers. Accordingly, the accompanying financial statements do not include the operational information relating to information on products and key customers.

Information on Geographic Areas

The Company's subsidiaries in Cambodia and Lao PDR started their business activities near the end of 2014. Accordingly, their operations have been insignificant portion as compared to the entire operations of the Group and, therefore, the accompanying financial statements do not include the operational information relating to information on geographic areas.

The Company and its subsidiaries incorporated in Thailand have no any non-current asset located in the countries other than Thailand. However, as at June 30, 2015, the subsidiaries, incorporated in Cambodia and Lao PDR, had fixed assets (i.e. building improvement on rented land, furniture, fixtures and office equipment and vehicles) and intangible assets of which the carrying amounts totalling approximately Baht 3.8 million and Baht 3.6 million, respectively, were presented in the consolidated statement of financial position as at June 30, 2015.

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12. COMMITMENTS

As at June 30, 2015,

- a. The Company and its subsidiaries had commitments on rental and service agreements for office premises and branches for periods of 1 to 10 years. Under the terms of such agreements, the Company and its subsidiaries are committed to pay annual rental and service fees totalling approximately Baht 54.4 million.
- b. The Company had commitments on improvement, decoration, and extension of its buildings and the rented buildings totalling approximately Baht 7.8 million.

13. APPROVAL OF THE INTERIM FINANCIAL INFORMATION

The accompanying interim financial information has been approved to be issued by the Company's Board of Directors' meeting on August 11, 2015.