

**THITIKORN PUBLIC COMPANY LIMITED  
AND ITS SUBSIDIARIES**

**Interim Financial Information**

**For the Period Ended September 30, 2016**

**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 statement of financial position of Thitikorn Public Company Limited and its subsidiaries as at September 30, 2016, and the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, the consolidated statement of changes in shareholders' equity and the consolidated statement of cash flows for the nine-month period then ended, and the condensed notes to the consolidated financial statements. I have also reviewed the accompanying separate statement of financial position of Thitikorn Public Company Limited as at September 30, 2016, and the related separate statements of comprehensive income for the three-month and nine-month periods then ended, the separate statement of changes in shareholders' equity and the separate statement of cash flows for the nine-month period then ended, and the condensed notes to the separate 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  
November 10, 2016

**THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2016 AND DECEMBER 31, 2015**

**ASSETS**

		In Thousand Baht			
		Consolidated		The Company Only	
		September 30, 2016 (Reviewed) (Unaudited)	December 31, 2015 (Audited)	September 30, 2016 (Reviewed) (Unaudited)	December 31, 2015 (Audited)
Note					
<b>CURRENT ASSETS</b>					
	Cash and cash equivalents	110,956	252,151	36,702	164,001
	Trade receivables				
	- Current portion of hire-purchase contract receivables - net	4	3,553,072	3,637,916	3,209,258
	- Current portion of loan receivables - net	4	127,771	149,728	127,771
	- Nano finance receivables - net	4	1,135	-	-
	- Other trade receivables		48,218	57,521	46,876
	Receivables from and short-term loan to related parties	3	-	-	585,734
	Current portion of long-term loans to other parties		11,511	62,430	11,511
	Merchandises		2,105	3,848	1,605
	Asset foreclosed - net	5	186,235	160,784	186,235
	Other current assets		35,793	31,177	34,308
	<b>Total Current Assets</b>		<b>4,076,796</b>	<b>4,355,555</b>	<b>4,240,000</b>
<b>NON-CURRENT ASSETS</b>					
	Restricted deposits at financial institutions		25,000	25,000	-
	Hire-purchase contract receivables - net	4	3,923,902	3,438,733	3,505,309
	Loan receivables - net	4	10,617	25,920	10,617
	Investments in subsidiaries accounted for using the cost method		-	-	166,538
	Long-term loans to other parties - net		58,474	5,860	58,474
	Property, plant and equipment - net		187,576	214,593	169,580
	Goodwill - net of allowance for impairment of Baht 83,640 thousand		-	-	-
	Intangible assets - net		10,159	10,007	9,894
	Deferred tax assets	7	127,638	125,275	115,312
	Property for lease - net		19,426	19,729	-
	Assets not used in operations		14,282	14,282	5,708
	Other non-current assets		49,194	48,772	13,046
	<b>Total Non-Current Assets</b>		<b>4,426,268</b>	<b>3,928,171</b>	<b>4,054,478</b>
	<b>TOTAL ASSETS</b>		<b>8,503,064</b>	<b>8,283,726</b>	<b>8,294,478</b>

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 SEPTEMBER 30, 2016 AND DECEMBER 31, 2015**

**LIABILITIES AND SHAREHOLDERS' EQUITY**

		In Thousand Baht			
		Consolidated		The Company Only	
		September 30,	December 31,	September 30,	December 31,
		2016	2015	2016	2015
		(Reviewed)		(Reviewed)	
Note		(Unaudited)	(Audited)	(Unaudited)	(Audited)
<b>CURRENT LIABILITIES</b>					
	Bank overdrafts and short-term borrowings from financial institutions	378,350	65,013	357,963	64,995
	Trade payables - other parties	59,869	137,471	59,869	106,703
	Current portion of long-term loans	17,438	510,842	-	500,000
6	Current portion of debentures	1,420,000	1,620,000	1,420,000	1,620,000
3	Payables to and short-term loans from related parties	12,553	1,318	410,157	391,051
	Income tax payable	25,786	6,483	23,702	-
	Deposits and advances from customers	78,815	114,259	71,944	108,717
	Accrued expenses and other current liabilities				
	- Accrued sales promotions and rewards	81,164	75,525	76,337	68,992
	- Others	41,341	64,373	31,705	59,784
	<b>Total Current Liabilities</b>	<u>2,115,316</u>	<u>2,595,284</u>	<u>2,451,677</u>	<u>2,920,242</u>
<b>NON-CURRENT LIABILITIES</b>					
	Long-term loans - net of current portion	5,231	8,132	-	-
6	Debentures	1,900,000	1,320,000	1,900,000	1,320,000
8	Liability for post-employment benefits	27,313	31,039	21,068	25,164
	Other non-current liabilities	6,248	7,968	2,712	4,432
	<b>Total Non-Current Liabilities</b>	<u>1,938,792</u>	<u>1,367,139</u>	<u>1,923,780</u>	<u>1,349,596</u>
	<b>Total Liabilities</b>	<u>4,054,108</u>	<u>3,962,423</u>	<u>4,375,457</u>	<u>4,269,838</u>
<b>SHAREHOLDERS' EQUITY</b>					
	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	500,000	500,000	500,000	500,000
	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	2,917,799	2,789,812	2,396,034	2,268,203
	Other component of equity				
	- Difference on financial statement conversion of subsidiaries	1,106	1,506	-	-
	<b>Equity attributable to Owners of the Parent</b>	<u>4,441,892</u>	<u>4,314,305</u>	<u>3,919,021</u>	<u>3,791,190</u>
	Non-controlling interests	7,064	6,998	-	-
	<b>Total Shareholders' Equity</b>	<u>4,448,956</u>	<u>4,321,303</u>	<u>3,919,021</u>	<u>3,791,190</u>
	<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<u>8,503,064</u>	<u>8,283,726</u>	<u>8,294,478</u>	<u>8,061,028</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 SEPTEMBER 30, 2016 AND 2015**

(REVIEWED)  
(UNAUDITED)

	Note	In Thousand Baht			
		Consolidated		The Company Only	
		2016	2015	2016	2015
<b>REVENUES</b>					
Interest income on hire purchases		634,482	636,227	617,248	623,448
Interest income on loan receivables		10,967	2,505	10,967	2,505
Interest income on nano finance	2	64	-	-	-
Sales of merchandises		4,954	3,801	4,954	3,801
Other income	3, 11	201,950	215,453	203,904	229,005
<b>Total Revenues</b>		<b>852,417</b>	<b>857,986</b>	<b>837,073</b>	<b>858,759</b>
<b>EXPENSES</b>					
Cost of sales		4,848	3,987	4,848	3,987
Selling expenses		73	-	73	-
Administrative expenses	3	520,346	454,974	509,565	455,646
Bad debt and provision for doubtful accounts		156,010	203,300	152,397	200,178
Loss on impairment of goodwill	11	-	83,640	-	-
Finance costs	3	28,371	38,369	32,250	42,251
<b>Total Expenses</b>		<b>709,648</b>	<b>784,270</b>	<b>699,133</b>	<b>702,062</b>
<b>PROFIT BEFORE INCOME TAX EXPENSE</b>		<b>142,769</b>	<b>73,716</b>	<b>137,940</b>	<b>156,697</b>
<b>Income Tax Expense</b>	7	<b>30,236</b>	<b>9,445</b>	<b>28,267</b>	<b>6,313</b>
<b>PROFIT FOR THE PERIOD</b>		<b>112,533</b>	<b>64,271</b>	<b>109,673</b>	<b>150,384</b>
<b>Other Comprehensive Income</b>					
<i>Item that will be reclassified subsequently to profit or loss</i>					
Difference on financial statement conversion of subsidiaries		167	1,388	-	-
<b>Other Comprehensive Income for the Period</b>		<b>167</b>	<b>1,388</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>112,700</b>	<b>65,659</b>	<b>109,673</b>	<b>150,384</b>
<b>Profit (Loss) Attributable to:</b>					
Owners of the parent		112,428	64,396	109,673	150,384
Non-controlling interests		105	(125)	-	-
<b>Profit for the Period</b>		<b>112,533</b>	<b>64,271</b>	<b>109,673</b>	<b>150,384</b>
<b>Total Comprehensive Income (Loss) Attributable to:</b>					
Owners of the parent		112,595	65,784	109,673	150,384
Non-controlling interests		105	(125)	-	-
<b>Total Comprehensive Income for the Period</b>		<b>112,700</b>	<b>65,659</b>	<b>109,673</b>	<b>150,384</b>
<b>Basic Earnings per Share (Baht)</b>		<b>0.23</b>	<b>0.13</b>	<b>0.22</b>	<b>0.30</b>
<b>Weighted average number of common shares</b>		<b>500,000,000</b>	<b>500,000,000</b>	<b>500,000,000</b>	<b>500,000,000</b>

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 NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2016 AND 2015**

(REVIEWED)  
(UNAUDITED)

	Note	In Thousand Baht			
		Consolidated		The Company Only	
		2016	2015	2016	2015
<b>REVENUES</b>					
Interest income on hire purchases		1,858,457	1,927,063	1,811,012	1,887,610
Interest income on loan receivables		35,770	2,505	35,770	2,505
Interest income on nano finance	2	132	-	-	-
Sales of merchandises		14,955	25,397	14,955	25,397
Other income	3, 11	603,118	610,609	610,911	769,600
<b>Total Revenues</b>		<b>2,512,432</b>	<b>2,565,574</b>	<b>2,472,648</b>	<b>2,685,112</b>
<b>EXPENSES</b>					
Cost of sales		14,727	26,047	14,727	26,047
Selling expenses		77	28	77	28
Administrative expenses	3	1,424,402	1,359,306	1,388,420	1,475,588
Bad debt and provision for doubtful accounts		573,040	677,367	562,767	668,789
Loss on impairment of goodwill	11	-	83,640	-	-
Finance costs	3	93,436	118,274	105,039	129,608
<b>Total Expenses</b>		<b>2,105,682</b>	<b>2,264,662</b>	<b>2,071,030</b>	<b>2,300,060</b>
<b>PROFIT BEFORE INCOME TAX EXPENSE</b>		<b>406,750</b>	<b>300,912</b>	<b>401,618</b>	<b>385,052</b>
<b>Income Tax Expense</b>	7	<b>78,697</b>	<b>22,035</b>	<b>73,787</b>	<b>11,528</b>
<b>PROFIT FOR THE PERIOD</b>		<b>328,053</b>	<b>278,877</b>	<b>327,831</b>	<b>373,524</b>
<b>Other Comprehensive Income (Loss)</b>					
<i>Item that will be reclassified subsequently to profit or loss</i>					
Difference on financial statement conversion of subsidiaries		(400)	1,201	-	-
<b>Other Comprehensive Income (Loss) for the Period</b>		<b>(400)</b>	<b>1,201</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>327,653</b>	<b>280,078</b>	<b>327,831</b>	<b>373,524</b>
<b>Profit (Loss) Attributable to:</b>					
Owners of the parent		327,987	279,436	327,831	373,524
Non-controlling interests		66	(559)	-	-
<b>Profit for the Period</b>		<b>328,053</b>	<b>278,877</b>	<b>327,831</b>	<b>373,524</b>
<b>Total Comprehensive Income (Loss) Attributable to:</b>					
Owners of the parent		327,587	280,637	327,831	373,524
Non-controlling interests		66	(559)	-	-
<b>Total Comprehensive Income for the Period</b>		<b>327,653</b>	<b>280,078</b>	<b>327,831</b>	<b>373,524</b>
<b>Basic Earnings per Share (Baht)</b>		<b>0.66</b>	<b>0.56</b>	<b>0.66</b>	<b>0.75</b>
<b>Weighted average number of common shares</b>		<b>500,000,000</b>	<b>500,000,000</b>	<b>500,000,000</b>	<b>500,000,000</b>

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 NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2016 AND 2015**

(REVIEWED)  
(UNAUDITED)

		In Thousand Baht							
		Consolidated							
				Retained Earnings		Other Component of Equity			
		Issued and Fully Paid-up Share Capital	Premium on Common Shares	Appropriated for Legal Reserve	Unappropriated	Difference on Financial Statement Conversion of Subsidiaries	Equity attributable to Owners of the Parent	Non-Controlling Interests	Total Shareholders' Equity
Note	Share Capital	Shares	Legal Reserve	Unappropriated	Subsidiaries	the Parent	Interests	Equity	Equity
<b>Beginning Balance as at January 1, 2016</b>		500,000	972,987	50,000	2,789,812	1,506	4,314,305	6,998	4,321,303
Payment of dividends	9	-	-	-	(200,000)	-	(200,000)	-	(200,000)
Total comprehensive income for the period		-	-	-	327,987	(400)	327,587	66	327,653
<b>Ending Balance as at September 30, 2016</b>		<u>500,000</u>	<u>972,987</u>	<u>50,000</u>	<u>2,917,799</u>	<u>1,106</u>	<u>4,441,892</u>	<u>7,064</u>	<u>4,448,956</u>
<b>Beginning Balance as at January 1, 2015</b>		500,000	972,987	50,000	2,471,559	455	3,995,001	7,612	4,002,613
Payment of dividends	9	-	-	-	(90,000)	-	(90,000)	-	(90,000)
Total comprehensive income for the period		-	-	-	279,436	1,201	280,637	(559)	280,078
<b>Ending Balance as at September 30, 2015</b>		<u>500,000</u>	<u>972,987</u>	<u>50,000</u>	<u>2,660,995</u>	<u>1,656</u>	<u>4,185,638</u>	<u>7,053</u>	<u>4,192,691</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 NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2016 AND 2015**

(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	
	<b>Beginning Balance as at January 1, 2016</b>	500,000	972,987	50,000	2,268,203	3,791,190
9	Payment of dividends	-	-	-	(200,000)	(200,000)
	Total comprehensive income for the period	-	-	-	327,831	327,831
	<b>Ending Balance as at September 30, 2016</b>	<u>500,000</u>	<u>972,987</u>	<u>50,000</u>	<u>2,396,034</u>	<u>3,919,021</u>
	<b>Beginning Balance as at January 1, 2015</b>	500,000	972,987	50,000	1,857,990	3,380,977
9	Payment of dividends	-	-	-	(90,000)	(90,000)
	Total comprehensive income for the period	-	-	-	373,524	373,524
	<b>Ending Balance as at September 30, 2015</b>	<u>500,000</u>	<u>972,987</u>	<u>50,000</u>	<u>2,141,514</u>	<u>3,664,501</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 NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2016 AND 2015**

(REVIEWED)  
(UNAUDITED)

	In Thousand Baht			
	Consolidated		The Company Only	
	2016	2015	2016	2015
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before income tax expense	406,750	300,912	401,618	385,052
Adjustments				
Depreciation and amortization	53,524	47,770	49,280	43,694
Expenses for post-employment benefits	2,112	2,178	1,742	1,824
Unrealized loss (gain) on exchange rate	(506)	2,104	(106)	903
Bad debt and provision for doubtful accounts	573,040	677,367	562,767	668,789
Increase (Decrease) in allowance for diminution in value of asset foreclosed	12,421	(23,413)	12,845	(23,370)
Gain on sales of equipment	(4,899)	(4,189)	(4,899)	(4,107)
Gain on decrease in share capital for returns of subsidiary (see Note 11)	-	-	-	(30,659)
Loss on impairment of goodwill (see Note 11)	-	83,640	-	-
Dividend income	-	-	-	(116,244)
Interest income	(4,882)	(5,146)	(24,291)	(28,523)
Interest expense	93,436	118,274	105,039	129,608
(Increase) Decrease in operating assets :				
Trade receivables - hire-purchase contract receivables	(955,151)	(72,261)	(1,022,960)	(255,770)
Trade receivables - loan receivables	26,755	(131,623)	26,755	(131,623)
Trade receivables - nano finance receivables	(1,147)	-	-	-
Trade receivables - other	1,606	13,529	761	11,929
Other receivables from related parties	-	755	1,530	(11,231)
Merchandises	1,743	(2,003)	492	557
Asset foreclosed	(37,872)	45,233	(38,445)	45,091
Other current assets	(4,097)	3,989	(6,892)	12,134
Other non-current assets	515	(4,806)	622	(1,672)
Increase (Decrease) in operating liabilities :				
Trade payables - other parties	(77,602)	25,016	(46,834)	25,153
Other payables to related parties	11,235	(28)	8,495	(236,794)
Deposits and advances from customers	(35,444)	2,872	(36,773)	868
Accrued expenses and other current liabilities	(11,011)	(34,478)	(14,262)	(6,264)
Liability for post-employment benefits	(5,838)	(6,408)	(5,838)	(5,888)
Other non-current liabilities	(1,720)	(1,974)	(1,720)	(1,975)
	42,968	1,037,310	(31,074)	471,482
Income tax paid	(62,694)	(23,984)	(51,082)	(692)
<b>Net Cash Provided by Operating Activities</b>	<b>(19,726)</b>	<b>1,013,326</b>	<b>(82,156)</b>	<b>470,790</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Increase in short-term loans to related party	-	-	(119,956)	(39,000)
Collections from short-term loans to related party	-	-	199,356	265,000
Increase in long-term loans to other parties	(75,454)	(23,200)	(75,454)	(23,200)
Collections from long-term loans to other parties	73,759	26,317	73,759	26,317
Purchases of fixed assets	(24,367)	(73,694)	(22,168)	(71,912)
Proceeds from sales of equipment	6,119	6,277	6,119	5,436
Purchases of intangible assets	(2,959)	(3,141)	(2,850)	(3,109)
Proceeds from decrease in share capital for returns of subsidiary (see Note 11)	-	-	-	197,531
Payment for investment in subsidiary	-	-	-	(49,997)
Dividends received	-	-	-	116,244
Interest received	4,363	5,122	24,127	29,501
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>(18,539)</b>	<b>(62,319)</b>	<b>82,933</b>	<b>452,811</b>

**THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS (CONTINUED)**  
**FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2016 AND 2015**

(REVIEWED)  
(UNAUDITED)

	In Thousand Baht			
	Consolidated		The Company Only	
	2016	2015	2016	2015
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Increase (Decrease) in bank overdrafts and short-term borrowings from financial institutions	313,443	(430,281)	293,074	(458,216)
Increase in short-term loans from related party	-	-	46,500	77,600
Repayments of short-term loans from related party	-	-	(35,900)	(39,800)
Increase in long-term loans	14,040	21,921	-	-
Repayments of long-term loans	(510,345)	(300,000)	(500,000)	(300,000)
Issuances of debentures	1,700,000	320,000	1,700,000	320,000
Redemptions of debentures	(1,320,000)	(300,000)	(1,320,000)	(300,000)
Interest paid	(100,068)	(121,337)	(111,750)	(136,127)
Dividends paid	(200,000)	(90,000)	(200,000)	(90,000)
<b>Net Cash Used in Financing Activities</b>	<b>(102,930)</b>	<b>(899,697)</b>	<b>(128,076)</b>	<b>(926,543)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(141,195)</b>	<b>51,310</b>	<b>(127,299)</b>	<b>(2,942)</b>
<b>Cash and Cash Equivalents at Beginning of Period</b>	<b>252,151</b>	<b>90,993</b>	<b>164,001</b>	<b>44,478</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>110,956</b>	<b>142,303</b>	<b>36,702</b>	<b>41,536</b>
<b>Supplementary disclosures of cash flow information</b>				
<b>a. Cash and cash equivalents at end of period</b>				
Cash in hand	23,903	15,374	22,567	14,437
Current accounts at banks	25,431	54,281	5,910	17,389
Savings deposits at banks	61,622	72,648	8,225	9,710
Total	110,956	142,303	36,702	41,536
<b>b. Non-cash transactions</b>				
Purchases of equipment by means of payables	250	1,524	250	1,524
Receivable on decrease in share capital for returns of subsidiary (see Note 11)	-	-	-	22,354

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

**THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**Condensed Notes to Financial Statements**  
**September 30, 2016 and 2015 (Reviewed) (Unaudited)**  
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**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 2015) “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, 2015 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, 2015.

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 nine-month periods ended September 30, 2016 and 2015 and the consolidated financial statements for the year ended December 31, 2015, which are components of this interim financial information, 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 (%)	
		September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
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, forfeiture, and vehicle modification services	700	700	99.99	99.99
TK Ngern Tan Jai Co., Ltd.	Nano finance business	50,000	50,000	99.99	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	17,616**	17,616**	99.60	99.60

\*KIP 5,250 million

\*\*USD 500,000

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

Starting from January 1, 2016, 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, 2016. 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.

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**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 nine-month periods ended September 30, 2016 and 2015 which are similar to those applied to the preparation of financial statements for the year ended December 31, 2015 except (1) adoption of new and revised TAS and TFRS as well as TSIC and TFRIC as discussed in Note 1 which had no material effect and (2) additional accounting policies on nano finance business of a subsidiary (i.e. TK Ngern Tan Jai Co., Ltd.) which first ever started in February 2016 and such additional accounting policies are as follows:

Nano finance receivables are receivables under loan agreements for individual occupation without guarantee or collateral, and are repayable monthly at fixed equally amount per month within one year. The Company and its subsidiaries recognize interest income on nano finance receivables by the same method to the interest income on loan receivables i.e. treated as unearned interest income and then recognized as income under the time proportion based on the effective interest rate method. In addition, the Company and its subsidiaries determine allowance for doubtful accounts of such receivables in line with the policy adopted for loan receivables because of the comparable characteristics of the contracts.

**3. TRANSACTIONS WITH RELATED PARTIES**

	Three-Month Periods (In Thousand Baht)			
	Consolidated		The Company Only	
	2016	2015	2016	2015
<b>Interest income</b>				
Subsidiaries	-	-	6,210	6,927
<b>Other income</b>				
Subsidiaries	-	-	21	36
<b>Rental and services</b>				
Subsidiaries	-	-	216	216
Related companies	9,358	8,840	9,015	8,552
Total	9,358	8,840	9,231	8,768
<b>Management fee</b>				
Related companies	2,550	2,550	1,800	1,800
<b>Utility expenses</b>				
Related companies	944	1,105	944	1,104
<b>Stationery expense</b>				
Related companies	586	691	581	686
<b>Other expenses</b>				
Related companies	2,316	3,124	1,817	2,189
<b>Service expenses</b>				
Subsidiaries	-	-	29,855	31,419
<b>Interest expense</b>				
Subsidiaries	-	-	4,271	3,915
<b>Key management's remunerations</b>				
Short-term benefits	19,136	6,198	19,136	6,198
Post-employment benefits	88	81	88	81
Total	19,224	6,279	19,224	6,279
<b>Sales of vehicles for use</b>				
Related companies	-	206	-	206
<b>Purchase for hire-purchases</b>				
Related companies	46,438	127,035	-	-

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	Nine-Month Periods (In Thousand Baht)			
	Consolidated		The Company Only	
	2016	2015	2016	2015
<b>Interest income</b>				
Subsidiaries	-	-	19,702	23,660
<b>Dividend income</b>				
Subsidiaries	-	-	-	116,244
<b>Other income</b>				
Subsidiaries	-	-	56	111
<b>Rental and services</b>				
Subsidiaries	-	-	648	432
Related companies	28,075	26,390	27,045	25,526
Total	28,075	26,390	27,693	25,958
<b>Management fee</b>				
Related companies	7,650	7,650	5,400	5,400
<b>Utility expenses</b>				
Related companies	2,965	3,342	2,965	3,319
<b>Stationery expense</b>				
Related companies	1,756	1,610	1,737	1,566
<b>Other expenses</b>				
Related companies	8,125	8,213	5,889	6,445
<b>Service expenses</b>				
Subsidiaries	-	-	76,561	205,105
<b>Interest expense</b>				
Subsidiaries	-	-	12,586	11,375
<b>Key management's remunerations</b>				
Short-term benefits	30,797	17,050	30,797	17,050
Post-employment benefits	263	243	263	243
Total	31,060	17,293	31,060	17,293
<b>Sales of vehicles for use</b>				
Related companies	561	206	561	206
<b>Purchase of vehicles for use</b>				
Related companies	5,589	15,112	5,589	15,112
<b>Purchase for hire-purchases</b>				
Related companies	229,918	214,149	-	-

Significant outstanding balances with related parties as at September 30, 2016 and December 31, 2015 are as follows:

	In Thousand Baht			
	Consolidated		The Company Only	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
<b>Receivables and short-term loan</b>				
<b>Receivables and accrued income - subsidiaries</b>				
Receivable on returns of share capital	-	-	8,144	8,144
Accrued interest and other income	-	-	2,476	4,138
Total	-	-	10,620	12,282
<b>Advances</b>				
Subsidiaries	-	-	3,005	3,286

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	In Thousand Baht			
	Consolidated		The Company Only	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
<b>Short-term loans</b>				
Subsidiaries (Interest rate at 4.375 p.a. in 2016 and 4.375 - 4.5% p.a. in 2015)	-	-	572,109	651,509
Total	-	-	585,734	667,077
<b>Payables and short-term loans</b>				
<b>Accrued expenses</b>				
Subsidiaries	-	-	23,122	14,460
Related companies	1,153	1,318	1,145	1,301
Total	1,153	1,318	24,267	15,761
<b>Advances</b>				
Related persons (directors)	11,400	-	-	-
<b>Short-term loans</b>				
Subsidiaries (Interest rate at 4.375 p.a. in 2016 and 4.375 - 4.5% p.a. in 2015)	-	-	385,890	375,290
Total	12,553	1,318	410,157	391,051

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

	The Company Only (In Thousand Baht)			September 30, 2016
	December 31, 2015	Increase	Decrease	
<b>Short-term loans to subsidiaries</b>				
Suosdey Finance PLC.	9,509	356	356	9,509
Sabaidee Leasing Co., Ltd.	-	18,600	-	18,600
TK Debt Services Co., Ltd.	-	26,000	6,000	20,000
Chayapak Co., Ltd.	642,000	75,000	193,000	524,000
Total	651,509	119,956	199,356	572,109
<b>Short-term loans from subsidiary</b>				
C.V.A. Co., Ltd.	375,290	46,500	35,900	385,890

As at September 30, 2016 and December 31, 2015, 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 3 million (drawdown of approximately USD 0.5 million as at September 30, 2016) and long-term loan credit facilities granted by another commercial bank incorporated in Cambodia of such subsidiary amounting to USD 1 million (fully drawdown as at September 30, 2016). There has been no intercompany charge on these guarantees.

During 2016, the Company gave short-term loans amounting to Baht 18.6 million to another foreign subsidiary, i.e. Sabaidee Leasing Co., Ltd., under the loan facility amount of Baht 30 million, which was approved by the Board of Directors in February 2016.

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**4. HIRE-PURCHASE CONTRACT, LOANS, AND NANO FINANCE RECEIVABLES - NET**

*Hire-Purchase Contract Receivables*

	Consolidated (In Thousand Baht)					
	September 30, 2016			December 31, 2015		
	Total	Current	Non-Current	Total	Current	Non-Current
Hire-purchase contract receivables	11,390,421	6,087,201	5,303,220	10,665,347	6,061,362	4,603,985
Less Unearned income	(3,398,937)	(2,176,216)	(1,222,721)	(3,073,750)	(2,058,236)	(1,015,514)
Net	7,991,484	3,910,985	4,080,499	7,591,597	4,003,126	3,588,471
Less Allowance for doubtful accounts	(514,510)	(357,913)	(156,597)	(514,948)	(365,210)	(149,738)
Net	7,476,974	3,553,072	3,923,902	7,076,649	3,637,916	3,438,733

	The Company Only (In Thousand Baht)					
	September 30, 2016			December 31, 2015		
	Total	Current	Non-Current	Total	Current	Non-Current
Hire-purchase contract receivables	10,467,661	5,634,320	4,833,341	9,687,494	5,603,928	4,083,566
Less Unearned income	(3,295,344)	(2,113,930)	(1,181,414)	(2,985,747)	(2,008,599)	(977,148)
Net	7,172,317	3,520,390	3,651,927	6,701,747	3,595,329	3,106,418
Less Allowance for doubtful accounts	(457,750)	(311,132)	(146,618)	(465,575)	(325,773)	(139,802)
Net	6,714,567	3,209,258	3,505,309	6,236,172	3,269,556	2,966,616

Hire-purchase contract receivables at September 30, 2016 and December 31, 2015 are aged by outstanding installment payments of each contract as follows:

	In Thousand Baht			
	Consolidated		The Company Only	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
Current	5,326,783	4,919,873	4,694,748	4,238,587
Overdue 1 month	1,158,999	1,131,446	1,104,318	1,061,544
Overdue 2 - 3 months	1,114,092	1,136,640	1,065,087	1,079,678
Overdue 4 - 6 months	259,489	272,947	242,846	250,600
Overdue 7 - 12 months	70,509	78,528	52,664	61,136
Overdue exceeding 12 months	61,612	52,163	12,654	10,202
Total	7,991,484	7,591,597	7,172,317	6,701,747
Less Allowance for doubtful accounts	(514,510)	(514,948)	(457,750)	(465,575)
Net	7,476,974	7,076,649	6,714,567	6,236,172

The Company and its subsidiaries determine allowance for doubtful accounts in line with the policy for the year 2015. 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 statistic information for the past three years (2013 - 2015), the Company and its subsidiaries had average actual bad debt less than doubtful accounts based on such basis defined by the SEC and ICAAT. As at September 30, 2016, the Company and its subsidiaries had allowance for doubtful accounts at 6.44% (6.38% for the Company only) of total hire-purchase contract receivables before deducting allowance for doubtful accounts.

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Loan Receivables

	Consolidated and The Company Only (In Thousand Baht)					
	September 30, 2016			December 31, 2015		
	Total	Current	Non-Current	Total	Current	Non-Current
Loan receivables	163,843	152,422	11,421	208,725	180,886	27,839
Less Unearned income	( 17,499)	( 16,844)	( 655)	( 29,543)	( 27,977)	( 1,566)
Net	146,344	135,578	10,766	179,182	152,909	26,273
Less Allowance for doubtful accounts	( 7,956)	( 7,807)	( 149)	( 3,534)	( 3,181)	( 353)
Net	138,388	127,771	10,617	175,648	149,728	25,920

Loan receivables as at September 30, 2016 and December 31, 2015 are aged by outstanding installment payments of each contract as follows:

	Consolidated and The Company Only (In Thousand Baht)	
	September 30, 2016	December 31, 2015
	Current	97,760
Overdue 1 month	25,017	18,917
Overdue 2 - 3 months	18,244	7,915
Overdue 4 - 6 months	4,486	486
Overdue 7 - 12 months	837	-
Total	146,344	179,182
Less Allowance for doubtful accounts	( 7,956)	( 3,534)
Net	138,388	174,658

Nano Finance Receivables

	Consolidated (In Thousand Baht)					
	September 30, 2016			December 31, 2015		
	Total	Current	Non-Current	Total	Current	Non-Current
Nano finance receivables	1,274	1,274	-	-	-	-
Less Unearned income	( 127)	( 127)	-	-	-	-
Net	1,147	1,147	-	-	-	-
Less Allowance for doubtful accounts	( 12)	( 12)	-	-	-	-
Net	1,135	1,135	-	-	-	-

Nano finance receivables as at September 30, 2016 and December 31, 2015 are aged by outstanding installment payments of each contract as follows:

	Consolidated (In Thousand Baht)	
	September 30, 2016	December 31, 2015
	Current balance	1,113
Overdue 1 month	34	-
Total	1,147	-
Less Allowance for doubtful accounts	( 12)	-
Net	1,135	-



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**5. ASSET FORECLOSED - NET**

	In Thousand Baht			
	Consolidated		The Company Only	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
Balance not exceeding one year	266,050	229,692	266,050	229,479
Balance exceeding one year	9,962	8,448	9,962	8,448
Total	276,012	238,140	276,012	237,927
Less Allowance for diminution in value	( 89,777)	( 77,356)	( 89,777)	( 77,292)
Net	186,235	160,784	186,235	160,635

**6. DEBENTURES**

Consolidated and The Company Only					
Date of Issuance / Year of Redemption	Period of Interest Payment	Interest Rate Per Annum (%)	Number of Unit (Baht 1,000 Each)	In Thousand Baht	
				September 30, 2016	December 31, 2015
January 28, 2011 / 2016	Semi-annually	4.04	250,000	-	250,000
May 27, 2011 / 2016	Quarterly	5.00	300,000	-	300,000
November 6, 2012 / 2016	Semi-annually	4.20	300,000	300,000	300,000
July 19, 2013 / 2016	Semi-annually	3.98	570,000	-	570,000
March 26, 2014 / 2017	Semi-annually	4.00	900,000	900,000	900,000
April 30, 2014 / 2017	Semi-annually	4.00	100,000	100,000	100,000
May 9, 2014 / 2016	Quarterly	3.63	200,000	-	200,000
February 25, 2015 / 2017	Semi-annually	3.15	120,000	120,000	120,000
September 3, 2015 / 2018	Semi-annually	2.59	200,000	200,000	200,000
May 16, 2016 / 2019	Semi-annually	2.15	600,000	600,000	-
July 20, 2016 / 2019	Semi-annually	2.36	600,000	600,000	-
September 1, 2016 / 2019	Semi-annually	2.41	500,000	500,000	-
Total				3,320,000	2,940,000
Less Current portion				(1,420,000)	(1,620,000)
Net				1,900,000	1,320,000

As at September 30, 2016, the amount for the issuance and offering of the Company's debentures, which was approved by the shareholders' meeting in April 2016, has been Baht 4,000 million.

Under the specified conditions on issuances of debentures, the Company has to comply with significant financial conditions as follows:

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.

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**7. INCOME TAX AND DEFERRED TAX ASSETS / DEFERRED TAX LIABILITIES**

Corporate income tax recorded as expenses (income) for the three-month and nine-month periods ended September 30, 2016 and 2015 consists of:

	Three-Month Periods (In Thousand Baht)			
	Consolidated		The Company Only	
	2016	2015	2016	2015
Income tax computed from accounting profit	28,554	14,743	27,588	31,339
Effects from non-deductible expenses	-	18,896	-	822
Effects from additional deductible expenses or non-taxable income	( 2,150)	(29,967)	( 3,602)	(32,161)
Current tax on taxable profit	26,404	3,672	23,986	-
Decrease in deferred tax assets	3,832	5,773	4,281	6,313
Income tax presented in statement of comprehensive income	<u>30,236</u>	<u>9,445</u>	<u>28,267</u>	<u>6,313</u>

  

	Nine-Month Periods (In Thousand Baht)			
	Consolidated		The Company Only	
	2016	2015	2016	2015
Income tax computed from accounting profit	81,350	60,182	80,324	77,010
Effects from non-deductible expenses	6,181	28,863	5,027	9,589
Effects from additional deductible expenses or non-taxable income	( 6,471)	(77,315)	(10,567)	(86,599)
Current tax on taxable profit	81,060	11,730	74,784	-
Adjustment to tax payable in respect of previous periods	-	209	-	-
Decrease (Increase) in deferred tax assets	( 2,363)	10,096	( 997)	11,528
Income tax presented in statement of comprehensive income	<u>78,697</u>	<u>22,035</u>	<u>73,787</u>	<u>11,528</u>

Deferred tax assets and liabilities presented in the statements of financial position as at September 30, 2016 and December 31, 2015 consist of:

	In Thousand Baht			
	Consolidated		The Company Only	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
<i>Deferred tax assets</i>				
Effects from non-deductible items from				
- Allowance for doubtful accounts	104,220	103,596	93,143	93,823
- Allowance for diminution in value of asset foreclosed	17,955	15,471	17,955	15,459
- Liability for post-employment benefits	5,463	6,208	4,214	5,033
Total	<u>127,638</u>	<u>125,275</u>	<u>115,312</u>	<u>114,315</u>
<i>Deferred tax liabilities</i>				
Net	<u>127,638</u>	<u>125,275</u>	<u>115,312</u>	<u>114,315</u>

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**8. LIABILITY FOR POST-EMPLOYMENT BENEFITS**

	In Thousand Baht			
	Consolidated		The Company Only	
	2016	2015	2016	2015
Liability for post-employment benefits as at January 1	31,039	34,543	25,164	28,620
Current service cost	1,149	1,170	958	1,005
Interest cost	963	1,008	784	819
Actuarial loss (gain) on measurement	-	-	-	-
Expense recognized in statement of comprehensive income	2,112	2,178	1,742	1,824
Employee benefits paid during the period	( 5,838)	( 6,408)	( 5,838)	( 5,888)
Liability for post-employment benefits as at September 30	<u>27,313</u>	<u>30,313</u>	<u>21,068</u>	<u>24,556</u>

Assumptions used in the calculation of the abovementioned liability were not changed during the periods.

**9. DIVIDENDS**

At the general shareholders' meeting held on April 26, 2016, the shareholders unanimously approved the Company to pay dividends for the 2015 operations at Baht 0.40 per share totalling Baht 200 million. The Company paid such dividends to the shareholders on May 18, 2016.

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.

**10. SIGNIFICANT FINANCIAL INFORMATION CLASSIFIED BY OPERATING SEGMENT**

Balance sheet 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 (being internal reporting segment) by product which is hire-purchase of automobile and motorcycle for general retail customers whereby the business activities relating to loans and nano finance to general retail customers are operated with insignificant portion as compared to the entire volumes and business activities. Accordingly, the accompanying interim financial information does not include operating segment information on products and key customers.

*Information on Geographic Areas*

The Company's subsidiaries in Cambodia and Lao PDR started their business activities close to the end of 2014. Accordingly, their operations have been insignificant portion as compared to the entire volumes and business activities; therefore, the accompanying interim financial information does not include the operating segment 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 September 30, 2016, subsidiaries, incorporated in Cambodia and Lao PDR, had fixed assets and intangible assets of which carrying amounts totalling approximately Baht 4.8 million and Baht 2.6 million, respectively, were presented in the consolidated statement of financial position as at September 30, 2016.

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**September 30, 2016 and 2015 (Reviewed) (Unaudited)**  
**And December 31, 2015 (Audited)**

**11. LOSS ON IMPAIRMENT OF GOODWILL OF SUBSIDIARY  
IN THE CONSOLIDATED FINANCIAL STATEMENTS**

During the nine-month period ended September 30, 2015, TK Debt Services Co., Ltd. (“TKD”), a subsidiary of the Company, decreased its authorized share capital from Baht 223,375,000 (divided into 8,935,000 common shares at Baht 25 par value) to Baht 3,490,237.50 (divided into 558,438 common shares at Baht 6.25 par value) and total amount of the decrease in share capital attributable to the Company was approximately Baht 219.9 million. The Company accounted for the proceeds from such decrease for return of capital by deducting the carrying amount of investment in TKD and incurred gain on decrease for return of capital for the three-month and nine-month periods ended September 30, 2015 amounting to approximately Baht 10.5 million and Baht 30.7 million, respectively, which was presented as part of “Other income” in the separate statements of comprehensive income for the three-month and nine-month periods ended September 30, 2015, respectively. As at September 30, 2015, TKD was still payable for the return of capital to the Company amounting to approximately 22.4 million. The aforesaid decrease in share capital of TKD together with enforcement of certain notifications and regulations by the government has affected and triggered the decreasing trend of current and future operating activities of TKD that initiated the impairment indicator of goodwill of TKD which was accounted for in the consolidated financial statements of the Company and its subsidiaries. The Company’s management has considered and assessed the relevant information as well as tested the impairment of goodwill and found that the recoverable amount of goodwill was none (recoverable amount was assessed by the value in use with discount rate on estimation of 4% p.a.). Consequently, the Company recognized the carrying amount of such goodwill amounting to approximately Baht 83.6 million as “Loss on impairment of goodwill” which was separately presented in the consolidated statements of comprehensive income for the three-month and nine-month periods ended September 30, 2015. Such recognition of loss on impairment of goodwill was approved in the meeting of Executive Committee held on September 23, 2015.

**12. COMMITMENTS**

As at September 30, 2016, the Company and its subsidiaries had commitments on lease and service agreements for being office premises and operating branches whereby the related lease and service fees are committed to pay as follows:

• Due for payments within one year	47.3	million Baht
• Due for payments beyond one year but not exceeding five years	<u>32.1</u>	
• Total	<u>79.4</u>	million Baht

**13. APPROVAL OF THE INTERIM FINANCIAL INFORMATION**

The accompanying interim financial information was approved to be issued by the Company’s Board of Directors’ meeting on November 10, 2016.