

**THITIKORN PUBLIC COMPANY LIMITED  
AND ITS SUBSIDIARIES**

**Interim Financial Information**

**For the Period Ended June 30, 2020**

**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 June 30, 2020 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 statement of financial position of Thitikorn Public Company Limited as at June 30, 2020 and the related separate statements of comprehensive income for the three-month and six-month periods then ended, the separate statements of changes in shareholders' equity and cash flows for the six-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  
August 13, 2020

**THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2020 AND DECEMBER 31, 2019**

**ASSETS**

		In Thousand Baht			
		Consolidated		The Company Only	
	Note	June 30, 2020 (Reviewed) (Unaudited)	December 31, 2019 (Audited)	June 30, 2020 (Reviewed) (Unaudited)	December 31, 2019 (Audited)
<b>CURRENT ASSETS</b>					
Cash and cash equivalents		1,545,499	1,021,212	1,327,118	845,911
Trade receivables					
- Current portion of hire-purchase contract receivables - net	3, 4	3,433,359	4,089,880	2,398,968	3,109,502
- Current portion of loan receivables - net	4	235,757	140,902	227,646	133,613
- Nano finance receivables - net	4	332	566	-	-
- Microfinance receivables - net	4	423	441	-	-
- Other trade receivables		27,740	55,468	27,250	54,558
Receivables from and short-term loans to related parties	3	-	-	580,301	618,059
Current portion of long-term loans to other parties		318	-	318	-
Merchandises		216	406	49	240
Asset foreclosed - net	5	91,277	173,568	91,021	173,568
Other current assets	1, 3	9,772	28,385	8,661	19,158
<b>Total Current Assets</b>		<b>5,344,693</b>	<b>5,510,828</b>	<b>4,661,332</b>	<b>4,954,609</b>
<b>NON-CURRENT ASSETS</b>					
Restricted deposits at financial institutions		33,780	33,610	-	-
Hire-purchase contract receivables - net	3, 4	2,155,454	3,160,736	1,541,137	2,519,421
Loan receivables - net	4	60,816	46,065	50,579	35,894
Investments in subsidiaries accounted for using the cost method	1	-	-	305,835	305,835
Long-term loans to other parties - net		25,689	47,350	25,689	47,350
Property for lease - net		17,911	18,113	-	-
Assets not used in operations		14,282	14,282	5,708	5,708
Property, plant and equipment - net	3	142,966	154,659	110,962	119,463
Right-of-use assets - net	1, 3	123,288	-	100,420	-
Intangible assets - net	3	7,776	9,227	5,543	7,081
Deferred tax assets	7	165,566	153,742	156,169	151,052
Other non-current assets	1	3,045	14,710	1,548	10,190
<b>Total Non-Current Assets</b>		<b>2,750,573</b>	<b>3,652,494</b>	<b>2,303,590</b>	<b>3,201,994</b>
<b>TOTAL ASSETS</b>		<b>8,095,266</b>	<b>9,163,322</b>	<b>6,964,922</b>	<b>8,156,603</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 JUNE 30, 2020 AND DECEMBER 31, 2019**

**LIABILITIES AND SHAREHOLDERS' EQUITY**

	Note	In Thousand Baht			
		Consolidated		The Company Only	
		June 30, 2020 (Reviewed) (Unaudited)	December 31, 2019 (Audited)	June 30, 2020 (Reviewed) (Unaudited)	December 31, 2019 (Audited)
<b>CURRENT LIABILITIES</b>					
Bank overdrafts and short-term borrowings from financial institutions		170,661	163,188	14,290	20,831
Trade payables		52	21,445	-	13,895
Current portion of long-term loans		264,182	239,475	-	-
Current portion of lease liabilities	1, 3	42,574	-	37,315	-
Current portion of debentures	6	1,400,000	1,800,000	1,400,000	1,800,000
Payables to and short-term loans from related parties	3	50,810	48,328	570,419	535,201
Income tax payable		32,222	81,180	5,969	37,732
Deposits and advances from customers		192,615	161,644	142,244	121,635
Accrued expenses and other current liabilities					
- Accrued sales promotions and rewards		45,039	56,312	41,391	45,322
- Others		72,309	86,652	57,264	77,088
<b>Total Current Liabilities</b>		<b>2,270,464</b>	<b>2,658,224</b>	<b>2,268,892</b>	<b>2,651,704</b>
<b>NON-CURRENT LIABILITIES</b>					
Long-term loans - net of current portion		94,751	74,835	-	-
Lease liabilities - net of current portion	1, 3	63,185	-	51,431	-
Debentures - net of current portion	6	470,000	1,070,000	470,000	1,070,000
Liability for post-employment benefits	8	31,859	36,625	25,708	30,919
<b>Total Non-Current Liabilities</b>		<b>659,795</b>	<b>1,181,460</b>	<b>547,139</b>	<b>1,100,919</b>
<b>Total Liabilities</b>		<b>2,930,259</b>	<b>3,839,684</b>	<b>2,816,031</b>	<b>3,752,623</b>
<b>SHAREHOLDERS' EQUITY</b>					
Share capital - common shares, Baht 1 par value					
Authorized share capital - 500,000,000 shares, Baht 1 par value		500,000	500,000	500,000	500,000
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		3,715,096	3,825,603	2,625,904	2,880,993
Other component of equity					
- Difference on financial statement conversion of subsidiaries		(93,295)	(43,749)	-	-
- Gain on change in proportion of investment in subsidiary		2,362	2,362	-	-
<b>Equity attributable to Owners of the Parent</b>		<b>5,147,150</b>	<b>5,307,203</b>	<b>4,148,891</b>	<b>4,403,980</b>
Non-controlling interests		17,857	16,435	-	-
<b>Total Shareholders' Equity</b>		<b>5,165,007</b>	<b>5,323,638</b>	<b>4,148,891</b>	<b>4,403,980</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>8,095,266</b>	<b>9,163,322</b>	<b>6,964,922</b>	<b>8,156,603</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 THREE-MONTH PERIODS ENDED JUNE 30, 2020 AND 2019**

(REVIEWED)  
(UNAUDITED)

	Note	In Thousand Baht			
		Consolidated		The Company Only	
		2020	2019	2020	2019
<b>REVENUES</b>					
Interest income on hire purchase	3	514,910	778,360	381,761	657,449
Interest income on loan		3,192	4,405	2,503	3,603
Interest income on nano finance		21	36	-	-
Interest income on microfinance		40	-	-	-
Sales of merchandises		-	189	-	189
Other income	3	104,134	179,553	116,508	189,950
<b>Total Revenues</b>		<b>622,297</b>	<b>962,543</b>	<b>500,772</b>	<b>851,191</b>
<b>EXPENSES</b>					
Cost of sales		-	189	-	189
Administrative expenses	3, 8	322,626	480,032	287,916	450,778
Bad debt and loss on impairment of trade receivables	1, 4	217,977	299,244	194,177	288,355
<b>Total Expenses</b>		<b>540,603</b>	<b>779,465</b>	<b>482,093</b>	<b>739,322</b>
<b>Profit from Operating Activities</b>		<b>81,694</b>	<b>183,078</b>	<b>18,679</b>	<b>111,869</b>
<b>Finance Costs</b>	3	<b>21,277</b>	<b>34,254</b>	<b>18,326</b>	<b>31,707</b>
<b>PROFIT BEFORE INCOME TAX EXPENSE</b>		<b>60,417</b>	<b>148,824</b>	<b>353</b>	<b>80,162</b>
<b>Income Tax Expense (Tax Income)</b>	7	<b>9,196</b>	<b>30,544</b>	<b>(91)</b>	<b>16,486</b>
<b>PROFIT FOR THE PERIOD</b>		<b>51,221</b>	<b>118,280</b>	<b>444</b>	<b>63,676</b>
<b>Other Comprehensive Income (Loss)</b>					
<i>Item that will be subsequently reclassified to profit or loss</i>					
- Difference on financial statement conversion of subsidiaries		(40,771)	(23,745)	-	-
<b>Other Comprehensive Loss for the period</b>		<b>(40,771)</b>	<b>(23,745)</b>	<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>10,450</b>	<b>94,535</b>	<b>444</b>	<b>63,676</b>
<b>Profit (Loss) Attributable to:</b>					
Owners of the parent		52,348	117,113	444	63,676
Non-controlling interests		(1,127)	1,167	-	-
<b>Profit for the period</b>		<b>51,221</b>	<b>118,280</b>	<b>444</b>	<b>63,676</b>
<b>Total Comprehensive Income (Loss) Attributable to:</b>					
Owners of the parent		11,577	93,368	444	63,676
Non-controlling interests		(1,127)	1,167	-	-
<b>Total Comprehensive Income for the Period</b>		<b>10,450</b>	<b>94,535</b>	<b>444</b>	<b>63,676</b>
<b>Basic Earnings per Share (Baht)</b>		<b>0.105</b>	<b>0.234</b>	<b>0.001</b>	<b>0.127</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 SIX-MONTH PERIODS ENDED JUNE 30, 2020 AND 2019**

(REVIEWED)  
(UNAUDITED)

	Note	In Thousand Baht			
		Consolidated		The Company Only	
		2020	2019	2020	2019
<b>REVENUES</b>					
Interest income on hire purchase	3	1,116,323	1,584,211	840,576	1,356,556
Interest income on loan		6,709	9,084	5,401	7,625
Interest income on nano finance		50	71	-	-
Interest income on microfinance		80	-	-	-
Sales of merchandises		191	2,381	191	2,381
Other income	3	239,877	346,465	264,668	361,538
<b>Total Revenues</b>		<b>1,363,230</b>	<b>1,942,212</b>	<b>1,110,836</b>	<b>1,728,100</b>
<b>EXPENSES</b>					
Cost of sales		191	2,375	191	2,375
Distribution costs		-	3	-	3
Administrative expenses	3, 8	719,498	1,020,620	666,449	960,200
Bad debt and loss on impairment of trade receivables	1, 4	409,856	560,655	369,518	538,903
<b>Total Expenses</b>		<b>1,129,545</b>	<b>1,583,653</b>	<b>1,036,158</b>	<b>1,501,481</b>
<b>Profit from Operating Activities</b>		<b>233,685</b>	<b>358,559</b>	<b>74,678</b>	<b>226,619</b>
<b>Finance Costs</b>	3	<b>45,688</b>	<b>68,248</b>	<b>40,639</b>	<b>64,661</b>
<b>PROFIT BEFORE INCOME TAX EXPENSE</b>		<b>187,997</b>	<b>290,311</b>	<b>34,039</b>	<b>161,958</b>
<b>Income Tax Expense</b>	7	<b>33,594</b>	<b>58,448</b>	<b>5,700</b>	<b>33,399</b>
<b>PROFIT FOR THE PERIOD</b>		<b>154,403</b>	<b>231,863</b>	<b>28,339</b>	<b>128,559</b>
<b>Other Comprehensive Income (Loss)</b>					
<i>Item that will be subsequently reclassified to profit or loss</i>					
- Difference on financial statement conversion of subsidiaries		(49,546)	(17,146)	-	-
<i>Item that will not be reclassified subsequently to profit or loss</i>					
- Actuarial loss on remeasurement of liability for post-employment benefits - net of income tax effect by Baht 1,062 thousand for consolidated and Baht 913 thousand for the company only in 2020	7, 8	(4,250)	-	(3,653)	-
<b>Other Comprehensive Loss for the period</b>		<b>(53,796)</b>	<b>(17,146)</b>	<b>(3,653)</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>100,607</b>	<b>214,717</b>	<b>24,686</b>	<b>128,559</b>
<b>Profit Attributable to:</b>					
Owners of the parent		152,981	229,957	28,339	128,559
Non-controlling interests		1,422	1,906	-	-
<b>Profit for the period</b>		<b>154,403</b>	<b>231,863</b>	<b>28,339</b>	<b>128,559</b>
<b>Total Comprehensive Income Attributable to:</b>					
Owners of the parent		99,185	212,811	24,686	128,559
Non-controlling interests		1,422	1,906	-	-
<b>Total Comprehensive Income for the Period</b>		<b>100,607</b>	<b>214,717</b>	<b>24,686</b>	<b>128,559</b>
<b>Basic Earnings per Share (Baht)</b>		<b>0.306</b>	<b>0.460</b>	<b>0.057</b>	<b>0.257</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 SIX-MONTH PERIODS ENDED JUNE 30, 2020 AND 2019**

(REVIEWED)  
(UNAUDITED)

Consolidated (In Thousand Baht)										
	Note	Issued and Fully Paid-up Share Capital	Premium on Common Shares	Retained Earnings		Other Components of Equity		Equity Attributable to Owners of the Parent	Non-Controlling Interests	Total Shareholders' Equity
				Appropriated for Legal Reserve	Unappropriated	Difference on Financial Statement Conversion of Subsidiaries	Gain on Change in Proportion of Investment in Subsidiary			
<b>Beginning Balance as at January 1, 2020</b>										
- Balance previously reported		500,000	972,987	50,000	3,825,603	(43,749)	2,362	5,307,203	16,435	5,323,638
- Effect from first-time adoption of newly issued Thai financial reporting standards	1	-	-	-	15,762	-	-	15,762	-	15,762
- Balance as adjusted		500,000	972,987	50,000	3,841,365	(43,749)	2,362	5,322,965	16,435	5,339,400
Payment of dividends	10	-	-	-	(275,000)	-	-	(275,000)	-	(275,000)
Total comprehensive income for the period		-	-	-	148,731	(49,546)	-	99,185	1,422	100,607
<b>Ending Balance as at June 30, 2020</b>		<u>500,000</u>	<u>972,987</u>	<u>50,000</u>	<u>3,715,096</u>	<u>(93,295)</u>	<u>2,362</u>	<u>5,147,150</u>	<u>17,857</u>	<u>5,165,007</u>
<b>Beginning Balance as at January 1, 2019</b>		500,000	972,987	50,000	3,397,319	(4,813)	2,362	4,917,855	11,127	4,928,982
Payment of dividends	10	-	-	-	(225,000)	-	-	(225,000)	-	(225,000)
Total comprehensive income for the period		-	-	-	229,957	(17,146)	-	212,811	1,906	214,717
<b>Ending Balance as at June 30, 2019</b>		<u>500,000</u>	<u>972,987</u>	<u>50,000</u>	<u>3,402,276</u>	<u>(21,959)</u>	<u>2,362</u>	<u>4,905,666</u>	<u>13,033</u>	<u>4,918,699</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, 2020 AND 2019**

(REVIEWED)  
(UNAUDITED)

The Company Only (In Thousand Baht)						
	Note	Issued and Fully Paid-up Share Capital	Premium on Shares	Retained Earnings		Total
				Appropriated for Legal Reserve	Unappropriated	
<b>Beginning Balance as at January 1, 2020</b>						
- Balance previously reported		500,000	972,987	50,000	2,880,993	4,403,980
- Effect from first-time adoption of newly issued Thai financial reporting standards	1	-	-	-	(4,775)	(4,775)
- Balance as adjusted		500,000	972,987	50,000	2,876,218	4,399,205
Payment of dividends	10	-	-	-	(275,000)	(275,000)
Total comprehensive income for the period		-	-	-	24,686	24,686
<b>Ending Balance as at June 30, 2020</b>		<u>500,000</u>	<u>972,987</u>	<u>50,000</u>	<u>2,625,904</u>	<u>4,148,891</u>
<b>Beginning Balance as at January 1, 2019</b>						
		500,000	972,987	50,000	2,699,967	4,222,954
Payment of dividends	10	-	-	-	(225,000)	(225,000)
Total comprehensive income for the period		-	-	-	128,559	128,559
<b>Ending Balance as at June 30, 2019</b>		<u>500,000</u>	<u>972,987</u>	<u>50,000</u>	<u>2,603,526</u>	<u>4,126,513</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, 2020 AND 2019**

(REVIEWED)  
(UNAUDITED)

	In Thousand Baht			
	Consolidated		The Company Only	
	2020	2019	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit for the period	154,403	231,863	28,339	128,559
Adjustments				
Income tax expense	33,594	58,448	5,700	33,399
Depreciation and amortization	49,830	26,093	41,716	22,568
Expenses for post-employment benefits	1,803	10,800	1,557	9,126
Unrealized gain on exchange rate	(96)	(166)	(96)	(166)
Bad debt and loss on impairment of trade receivables	409,856	560,655	369,518	538,903
Increase (decrease) in allowance for diminution in value of asset foreclosed	(21,120)	14,917	(21,229)	14,917
Gain on sales of equipment	(152)	(3,831)	(152)	(3,831)
Interest income from trade receivables	(1,123,162)	(1,593,366)	(845,977)	(1,364,181)
Other interest income	(5,273)	(4,193)	(21,837)	(20,049)
Interest expense	45,688	68,248	40,639	64,661
Decrease (increase) in operating assets				
Trade receivables - hire-purchase contract receivables	1,163,333	58,703	1,218,482	256,043
Trade receivables - loan receivables	(44,540)	11,101	(43,642)	9,802
Trade receivables - nano finance receivables	70	207	-	-
Trade receivables - microfinance receivables	22	-	-	-
Trade receivables - other	27,728	22,145	27,308	21,787
Other receivables from related parties	-	-	507	(1,121)
Merchandises	190	66	191	63
Asset foreclosed	103,411	(27,971)	103,776	(27,971)
Other current assets	10,381	2,748	5,732	3,633
Other non-current assets	(471)	15	39	35
Increase (decrease) in operating liabilities				
Trade payables	(21,393)	(55,348)	(13,895)	(50,537)
Other payables to related parties	(255)	2,334	(1,389)	5,538
Deposits and advances from customers	30,971	19,414	20,609	14,744
Accrued expenses and other current liabilities	(15,891)	7,464	(14,303)	3,253
Liability for post-employment benefits	(11,881)	(4,301)	(11,334)	(2,801)
Net cash flows provided by (used in) operations	787,046	(593,955)	890,259	(343,626)
Interest received from trade receivables	1,162,632	1,583,467	876,944	1,358,914
Income tax paid	(93,385)	(62,227)	(41,667)	(31,579)
<b>Net Cash Flows Provided by Operating Activities</b>	<b>1,856,293</b>	<b>927,285</b>	<b>1,725,536</b>	<b>983,709</b>

**THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS (CONTINUED)**  
**FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2020 AND 2019**

(REVIEWED)  
(UNAUDITED)

	In Thousand Baht			
	Consolidated		The Company Only	
	2020	2019	2020	2019
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Decrease (increase) in restricted deposits at financial institutions	(170)	549	-	-
Increase in short-term loans to related parties	-	-	(41,000)	(10,000)
Collections from short-term loans to related parties	-	-	78,000	57,000
Increase in investment in subsidiaries	-	-	-	(27,240)
Increase in long-term loans to other parties	-	(55,013)	-	(55,013)
Collections from long-term loans to other parties	21,343	58,574	21,343	58,574
Purchases of fixed assets	(12,535)	(23,544)	(12,124)	(8,756)
Additions to right-of-use assets	(2,174)	-	(2,174)	-
Proceeds from sales of equipment	202	4,207	202	4,207
Purchases of intangible assets	(1,068)	(4,181)	-	(3,185)
Other interest received	5,478	4,235	22,258	24,610
<b>Net Cash Flows Provided by (Used in) Investing Activities</b>	<b>11,076</b>	<b>(15,173)</b>	<b>66,505</b>	<b>40,197</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Increase (decrease) in bank overdrafts and short-term borrowings from financial institutions	7,569	51,469	(6,445)	(21,501)
Increase in short-term loans from related party	-	-	74,000	62,000
Repayments of short-term loans from related party	-	-	(37,000)	(42,800)
Increase in long-term loans	190,664	193,132	-	-
Repayments of long-term loans	(146,041)	(99,284)	-	-
Payments of lease liabilities	(18,052)	-	(15,905)	-
Redemption of debentures	(1,000,000)	(600,000)	(1,000,000)	(600,000)
Interest paid	(55,413)	(71,733)	(50,484)	(66,854)
Dividends paid	(275,000)	(225,000)	(275,000)	(225,000)
<b>Net Cash Flows Used in by Financing Activities</b>	<b>(1,296,273)</b>	<b>(751,416)</b>	<b>(1,310,834)</b>	<b>(894,155)</b>
<b>DIFFERENCE ON FINANCIAL STATEMENT CONVERSION OF SUBSIDIARIES</b>	<b>(46,809)</b>	<b>(20,330)</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>524,287</b>	<b>140,366</b>	<b>481,207</b>	<b>129,751</b>
<b>Cash and Cash Equivalents at Beginning of Period</b>	<b>1,021,212</b>	<b>438,013</b>	<b>845,911</b>	<b>257,806</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>1,545,499</b>	<b>578,379</b>	<b>1,327,118</b>	<b>387,557</b>
<b>Supplementary disclosures of cash flow information</b>				
<b>a. Cash and cash equivalents at end of period</b>				
Cash in hand	13,594	29,922	10,552	15,286
Current accounts at banks	192,337	70,637	89,469	24,291
Savings deposits at banks	1,339,568	477,820	1,227,097	347,980
Total	1,545,499	578,379	1,327,118	387,557
<b>b. Non-cash transactions</b>				
Purchases of fixed assets by means of payables	-	2,057	-	2,057
Initial recognition of right-of-use assets and lease liabilities	123,811	-	104,651	-
Right-of-use assets transferred from other current assets	8,027	-	4,595	-
Right-of-use assets transferred from other non-current assets	12,207	-	8,603	-

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

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**1. BASIS FOR THE PREPARATION OF INTERIM FINANCIAL INFORMATION**

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

The accompanying interim financial information is prepared as updated information to the financial statements for the year ended December 31, 2019 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, 2019.

Starting from January 1, 2020, the Group has adopted Thai Accounting Standards (TAS), Thai Financial Reporting Standards (TFRS), Thai Accounting Interpretation (TSIC), Thai Financial Reporting Interpretation (TFRIC), and accounting guidance, newly issued and revised by TFAC, which became effective from the accounting period starting on or after January 1, 2020. The aforesaid adoption of newly issued and revised TAS and TFRS as well as TSIC, TFRIC and accounting guidance did not have any material effect to the financial statements of the Group, except:

*TFRS 9 Financial Instruments (and other related standards)*

TFRS 9 specifies the methods that the entity shall classify and measure its financial assets, financial liabilities, and contracts to purchase or sell the non-financial items. TFRS 9 is divided into the following three parts:

1. Classification and measurement
2. Impairment
3. Hedge accounting

Financial assets shall be classified and measured with respect to the business model on asset management and characteristics of the asset’s contractual cash flows which is divided into three categories i.e. amortized cost, fair value through other comprehensive income, and fair value through profit or loss. Upon changes in business model on financial asset management are known, the affected financial assets shall be considered for proper reclassification.

Financial liabilities shall be classified and measured at amortized cost except for financial liabilities measured at fair value through profit or loss (such liabilities include derivative liabilities). Reclassification of financial liabilities is prohibited.

Impairment loss (previously referred to as provision for doubtful account for certain items in the financial statements) from the expected credit loss of financial assets shall be recognized under General approach in the following stages:

1. Stage 1 (performing): the 12-month expected credit loss shall be recognized in profit or loss. Interest income (if any) shall be calculated base on gross carrying amount without netting the allowance for expected credit loss.
2. Stage 2 (under-performing): upon significant rise in credit risk and not being at low level, the entity shall recognize the full lifetime expected credit loss in profit or loss. Interest income (if any) shall be calculated based on the same principle to Stage 1.
3. Stage 3 (credit-impaired): upon significant rise in credit risk of financial asset that is considered as credit impaired, the entity shall recognize the full lifetime expected credit loss in profit or loss. Interest income (if any) shall be calculated base on gross carrying amount net of the allowance for impairment.

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For trade receivables, contract assets and lease or other similar receivables, the entity is able to adopt Simplified approach by recognizing the full lifetime expected credit loss for financial assets considered under the aforesaid stages 1, 2 and 3. In consideration and measurement of expected credit loss for both General approach and Simplified approach, the historical credit loss shall be combined with the forward looking information.

Hedge accounting is purposed for reflecting the impacts in the financial statements that are caused in risk management activities using the financial instruments on management of exposures to the risks and such risks shall affect profit or loss or other comprehensive income. TFRS 9 specifies the relationships and related accounting treatment of hedge accounting into three categories i.e. fair value hedge, cash flows hedge, and hedge of net investment in foreign entity. There is no material effect on the Group from this part about hedge accounting.

Thus, TFRS 9 affects the Group to classify and measure its financial assets and financial liabilities in statement of financial position for each of the periods ended in 2020 as well as recognizing impairment for the expected credit loss of financial assets with respect to the aforesaid principle which is briefly summarized below:

*Classification and measurement*

Assets classified and measured at amortized cost

- Cash and cash equivalents
- Restricted deposits at financial institutions
- Trade and other receivables
- Loans
- Advances and deposits or guarantees that are refundable

Assets classified and measured at fair value through other comprehensive income - none

Assets classified and measured at fair value through profit or loss - none

Liabilities classified and measured at amortized cost

- Bank overdrafts and short-term borrowings from financial institutions
- Other borrowings and debentures
- Trade and other payables
- Advances received and deposits or guarantees received with payment obligation

Liabilities classified and measured at fair value through profit or loss - none

As at December 31, 2019, there was no material effect from measurement of financial assets and financial liabilities with respect to the aforesaid principle. In addition, no restatement on the figures of comparative information of previous periods has been made in relation to classification and measurement because the Group exercised the option of modified retrospective adjustment by recognizing the cumulative effect from the first-time adoption of TFRS 9 at the date of initial application (January 1, 2020).

*Impairment*

For receivables and loans, the Group categorized the population by focusing on aging balance information whereby the past records were captured for historical credit loss each of aging balance for a period of approximately 4-5 years to create the business model and determine various variables that are fit to the Group which was conducted in coordination with the contracted independent external advisory company. However, the Company has exercised certain mitigating measures indicated in the accounting guidance for Temporary Mitigating Policies for Alternative Accounting on the Effects from Pandemic Situation of the Coronavirus 2019 (COVID-19), issued by TFAC in April 2020. Such mitigating measures relate to exception from combining the forward looking information for the assets adopted Simplified approach on consideration and measurement of the expected credit loss.

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As at December 31, 2019, the effect of impairment from the expected credit loss of hire-purchase contract receivables and loan receivables increased from the previously reported balance totalling approximately Baht 4.8 million in the separate financial statements and decreased from the previously reported balance totalling approximately Baht 15.8 million in the consolidated financial statements. No restatement on the figures of comparative information of previous periods has been made because the Group exercised the option of modified retrospective adjustment by recognizing the cumulative effect from the first-time adoption of TFRS 9 at the date of initial application (January 1, 2020). Therefore, the Company adjusted such effect by reducing (separate financial statements) or increasing (consolidated financial statements) the beginning unappropriated retained earnings as at January 1, 2020 and resulted in decrease (separate financial statements) or increase (consolidated financial statements) in balances of aforesaid accounts, total assets and shareholders' equity as at that date with the same amount.

*TFRS 16 Leases*

TFRS 16 specifies that lessee shall recognize right-of-use asset and lease liability for all lease agreements with the present value or discounted cash flows of payments throughout the lease term whereby the discount rate shall be considered appropriate in situation and to the entity. However, there is exception for short-term lease agreement (not exceeding 12-month period) or lease agreement for the underlying low-value asset whereby payments under the lease are able to be accounted for as expense. Right-of-use asset shall be depreciated by straight-line method over the lease term. Deferred interest, presented as deduction to lease liability, is amortized as finance cost over the lease term by the effective interest rate method. Each installment payment under the lease liability shall be separated into parts of principal and interest.

For lessor, classification and accounting for operating lease or finance lease is still required as previously applied. Therefore, there is no significant change or effect on the lessor.

TFRS 16 affects the Group to recognize right-of-use assets (non-current asset) and lease liabilities (non-current liability) on the leases of building space whereby the remaining lease terms as at December 31, 2019 are between 7 months and 10 years 4 months. The balances of non-current asset and non-current liability in consolidated and separate statements of financial position as at December 31, 2019 increased from those previously reported of approximately Baht 123.8 million and Baht 104.7 million, respectively, whereas the effect to consolidated and separate statements of comprehensive income is immaterial. In addition, the Company reclassified balances in consolidated and separate statements of financial position as at January 1, 2020 of (1) prepaid rental charges under other current assets of approximately Baht 8.0 million and 4.6 million, respectively, and (2) rental guarantees under other non-current assets of approximately Baht 12.2 million and 8.6 million, respectively, to be a part of cost of the right-of-use assets.

The weighted average incremental borrowing rates that are used in determining the discounted cash flows by the Group is between 2.27% and 2.83% p.a. whereby the group has used practical expedients permitted by such standard to apply a single discount rate to a portfolio of leases with reasonably similar characteristics. In addition, no restatement on the figures of comparative information of previous periods has been made because the Group exercised the option of modified retrospective adjustment by recognizing the cumulative effect from the first-time adoption of TFRS 16 at the date of initial application (January 1, 2020).

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Reconciling information of lease liabilities as at December 31, 2019 (or January 1, 2020)

	In Million Baht	
	Consolidated	The Company Only
Commitments on leases disclosed as at January 1, 2020	99.9	79.3
Less effect from service agreements related to lease agreements	( 26.5)	( 24.0)
Add consideration of renewal option	62.6	59.5
Less deferred interest	( 12.2)	( 10.1)
Lease liabilities as at January 1, 2020	123.8	104.7

For convenience of the readers, an English translation of the financial statements has been prepared from the Thai language statutory financial statements that are issued for domestic financial reporting purposes.

The consolidated financial statements for the three-month and six-month periods ended June 30, 2020 and 2019 and the consolidated financial statements for the year ended December 31, 2019, which are a component of this interim financial information, include the accounts of the Company and its subsidiaries which the Company has the controlling power or direct and indirect 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, 2020	December 31, 2019	June 30, 2020	December 31, 2019
C. V. A. Co., Ltd.	Hire-purchase motorcycle business and related services including vehicle modification services	50,000	50,000	99.99	99.99
Chayapak Co., Ltd.	Hire-purchase automobile and motorcycle business	40,000	40,000	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	41,061*	41,061*	80.50	80.50
Suosdey Finance PLC. (Cambodia)	Hire-purchase motorcycle business	132,209**	132,209**	99.95	99.95
Mingalaba Thitikorn Microfinance Co., Ltd. (Myanmar)	Microfinance business	4,705***	4,705***	99.00	99.00

\*KIP 10,250 million    \*\* USD 4 million    \*\*\* Kyat 200 million

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

At the general shareholders' meeting on April 23, 2020, the shareholders passed the resolutions to approve acquisition of a private company, whose business is engaged in microfinance in Myanmar, whereby the Company's management has considered for the appropriate value for the acquisition.

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**2. SIGNIFICANT ACCOUNTING POLICIES**

The Group 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, 2020 and 2019 which are similar to those applied to the preparation of financial statements for the year ended December 31, 2019 except the adoption of newly issued and revised TAS and TFRS as well as TSIC, TFRIC and accounting guidance as discussed in Note 1 whereby the effect was discussed in Note 1.

**3. TRANSACTIONS WITH RELATED PARTIES**

Significant transactions with related parties for the three-month and six-month periods ended June 30, 2020 and 2019 are as follows:

	Three-Month Periods (In Thousand Baht)			
	Consolidated		The Company Only	
	2020	2019	2020	2019
<b>Interest income on hire purchase (market price)</b>				
Related company	23	-	-	-
<b>Management fee income</b>				
Subsidiary	-	-	7,864	5,054
<b>Rental income</b>				
Related company	108	-	-	-
<b>Interest income</b>				
Subsidiaries	-	-	7,857	8,512
<b>Other income</b>				
Subsidiaries	-	-	7	17
<b>Rental and services</b>				
Subsidiary	-	-	216	216
Related companies	1,415	8,362	1,415	8,362
Total	1,415	8,362	1,631	8,578
<b>Management fee</b>				
Related companies	2,025	2,550	1,665	2,100
<b>Utility expenses</b>				
Related companies	923	931	923	931
<b>Stationery expense</b>				
Related companies	1,939	2,454	1,925	2,435
<b>Other expenses</b>				
Related companies	2,136	3,340	1,723	2,709
<b>Service expenses</b>				
Subsidiaries	-	-	31,449	32,831
Related companies	6,445	6,447	6,106	6,260
Total	6,445	6,447	37,555	39,091
<b>Amortization right-of-use assets</b>				
Related companies	6,412	-	6,412	-
Related person	421	-	421	-
Total	6,833	-	6,833	-



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	Three-Month Periods (In Thousand Baht)			
	Consolidated		The Company Only	
	2020	2019	2020	2019
<b>Interest expense</b>				
Subsidiaries	-	-	4,140	4,923
Directors	746	670	-	-
Total	746	670	4,140	4,923
<b>Interest expense under lease liabilities</b>				
Related company	1,239	-	1,239	-
Related person	49	-	49	-
Total	1,288	-	1,288	-
<b>Key management's remunerations</b>				
Short-term benefits	8,202	10,198	8,202	10,198
Post-employment benefits	244	1,649	244	1,649
Total	8,446	11,847	8,446	11,847
<b>Purchase of vehicles for hire-purchases</b>				
Related companies	9,723	30,868	-	-
<b>Purchase of vehicles for use</b>				
Related companies	-	3,047	-	3,047
<b>Purchase of office equipment</b>				
Related companies	338	1,429	338	1,429
<b>Purchase of program</b>				
Related companies	770	3,185	-	3,185
	Six-Month Periods (In Thousand Baht)			
	Consolidated		The Company Only	
	2020	2019	2020	2019
<b>Interest income on hire purchase (market price)</b>				
Related company	50	-	-	-
<b>Management fee income</b>				
Subsidiary	-	-	16,203	5,054
<b>Sales promotion income</b>				
Related companies	284	-	-	-
<b>Rental income</b>				
Related company	216	-	-	-
<b>Interest income</b>				
Subsidiaries	-	-	16,648	16,113
<b>Other income</b>				
Subsidiaries	-	-	8	40
<b>Rental and services</b>				
Subsidiary	-	-	432	432
Related companies	6,845	16,711	6,845	16,711
Total	6,845	16,711	7,277	17,143
<b>Management fee</b>				
Related companies	4,050	5,100	3,330	4,200
<b>Utility expenses</b>				
Related companies	1,812	1,811	1,812	1,811
<b>Stationery expense</b>				
Related companies	4,919	5,039	4,878	4,977

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	Six-Month Periods (In Thousand Baht)			
	Consolidated		The Company Only	
	2020	2019	2020	2019
<b>Other expenses</b>				
Related companies	5,043	6,577	4,029	5,617
<b>Service expenses</b>				
Subsidiaries	-	-	66,445	63,903
Related companies	12,768	12,441	12,174	12,068
Total	12,768	12,441	78,619	75,971
<b>Amortization right-of-use assets</b>				
Related company	9,398	-	9,398	-
Related person	842	-	842	-
Total	10,240	-	10,240	-
<b>Interest expense</b>				
Subsidiaries	-	-	9,145	9,714
Directors	1,434	1,332	-	-
Total	1,434	1,332	9,145	9,714
<b>Interest expense under lease liabilities</b>				
Related company	1,434	-	1,434	-
Related person	102	-	102	-
Total	1,536	-	1,536	-
<b>Key management's remunerations</b>				
Short-term benefits	16,752	20,364	16,752	20,364
Post-employment benefits	498	1,764	498	1,764
Total	17,250	22,128	17,250	22,128
<b>Purchase of vehicles for hire-purchases</b>				
Related companies	35,516	49,274	-	-
<b>Purchase of vehicles for use</b>				
Related companies	-	3,047	-	3,047
<b>Purchase of office equipment</b>				
Related companies	439	2,325	439	2,325
<b>Purchase of program</b>				
Related companies	770	3,185	-	3,185
<b>Sales of asset foreclosed (forfeited vehicles)</b>				
Related company	-	579	-	-

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Significant outstanding balances with related parties as at June 30, 2020 and December 31, 2019 are as follows:

	In Thousand Baht			
	Consolidated		The Company Only	
	June 30, 2020	December 31, 2019	June 30, 2020	December 31, 2019
<b>Hire-purchase contract receivable - net</b>				
Related company	1,641	-	-	-
<b>Receivables and short-term loans</b>				
<b>Accrued interest</b>				
Subsidiary	-	-	510	761
<b>Advances</b>				
Subsidiaries	-	-	4,842	5,349
<b>Short-term loans</b>				
Subsidiaries (interest rate at 2.875%, 3.10%, 3.50%, 3.75%, 3.875%, 6% and 9% p.a. in 2020 and 3.875%, 4.125%, 6% and 9% p.a. in 2019)	-	-	574,949	611,949
Total	-	-	580,301	618,059
<b>Right-of-use assets - net</b>				
Related companies	46,671	-	46,671	-
Related person	3,367	-	3,367	-
Total	50,038	-	50,038	-
<b>Payables and short-term loans</b>				
<b>Accrued interest expenses</b>				
Subsidiary	-	-	1,301	1,694
<b>Accrued expenses</b>				
Subsidiaries	-	-	11,153	12,245
Related companies	1,986	2,368	1,648	2,072
Total	1,986	2,368	12,801	14,317
<b>Payables on purchase of fixed assets</b>				
Related company	127	-	127	-
<b>Short-term loans</b>				
Subsidiaries (interest rate at 2.875%, 3.10%, 3.50%, 3.75% and 3.875% p.a. in 2020 and 3.875%, 4.125% p.a. in 2019)	-	-	556,190	519,190
Directors (interest rate at 6% p.a.)	48,697	45,960	-	-
Total	48,697	45,960	556,190	519,190
Total	50,810	48,328	570,419	535,201
<b>Lease liabilities - net</b>				
Related companies	47,293	-	47,293	-
Related person	3,410	-	3,410	-
Total	50,703	-	50,703	-

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

	Consolidated (In Thousand Baht)			June 30, 2020
	December 31, 2019	Increase	Decrease	
<b>Short-term loans from related persons</b>				
Directors	45,960	2,737	-	48,697
	The Company Only (In Thousand Baht)			June 30, 2020
	December 31, 2019	Increase	Decrease	
<b>Short-term loans to subsidiaries</b>				
Suosdey Finance PLC.	157,181	-	-	157,181
Sabaidee Leasing Co., Ltd.	184,529	-	-	184,529
Chayapak Co., Ltd.	243,000	41,000	78,000	206,000
Mingalaba Thitikorn Microfinance Co., Ltd.	27,239	-	-	27,239
Total	611,949	41,000	78,000	574,949
<b>Short-term loans from subsidiary</b>				
C.V.A. Co., Ltd.	519,190	74,000	37,000	556,190

As at June 30, 2020 and December 31, 2019, the Company has been guarantor for (1) short-term loan credit facilities granted by two local banks of Suosdey Finance PLC. amounting to USD 8 million (drawdown of approximately USD 5 million as at June 30, 2020) and long-term loan credit facilities granted by other three banks in Cambodia of such subsidiary totalling USD 31 million (drawdown of approximately USD 23.6 million as at June 30, 2020) and (2) loan credit facilities granted by two banks in Lao PDR of Sabaidee Leasing Co., Ltd., amounting to Kip 25,000 million (pertaining to percentage of shareholding) (drawdown amounting to KIP 1,600 million as at June 30, 2020). There has been no intercompany charge on these guarantees.

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

Hire-Purchase Contract Receivables

	Consolidated (In Thousand Baht)					
	June 30, 2020			December 31, 2019		
	Total	Current	Long-term	Total	Current	Long-term
Hire-purchase contract receivables	8,293,383	5,354,465	2,938,918	10,579,309	6,352,575	4,226,734
Accrued interest	77,989	77,989	-	111,049	111,049	-
Less Unearned income	(2,070,950)	(1,538,208)	(532,742)	(2,865,325)	(2,014,895)	(850,430)
Net	6,300,422	3,894,246	2,406,176	7,825,033	4,448,729	3,376,304
Less Allowance for impairment for expected credit loss	(711,609)	(460,887)	(250,722)	(574,417)	(358,849)	(215,568)
Net	5,588,813	3,433,359	2,155,454	7,250,616	4,089,880	3,160,736

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	The Company Only (In Thousand Baht)					
	June 30, 2020			December 31, 2019		
	Total	Current	Long-term	Total	Current	Long-term
Hire-purchase contract receivables	6,080,902	3,872,335	2,208,567	8,411,018	4,959,355	3,451,663
Accrued interest	60,293	60,293	-	93,989	93,989	-
Less Unearned income	( 1,560,335)	( 1,129,345)	( 430,990)	( 2,369,101)	( 1,636,978)	( 732,123)
Net	4,580,860	2,803,283	1,777,577	6,135,906	3,416,366	2,719,540
Less Allowance for impairment for expected credit loss	( 640,755)	( 404,315)	( 236,440)	( 506,983)	( 306,864)	( 200,119)
Net	3,940,105	2,398,968	1,541,137	5,628,923	3,109,502	2,519,421

Hire-purchase contract receivables as at June 30, 2020 (major contract terms are 1 - 5 years) were classified by staging as discussed in Note 1 as follows:

	In Thousand Baht	
	Consolidated	The Company Only
Performing receivables	4,510,186	2,982,495
Under-performing receivables	1,192,497	1,084,958
Credit-impaired receivables	597,739	513,407
Total	6,300,422	4,580,860
Less Allowance for impairment for expected credit loss	( 711,609)	( 640,755)
Net	5,588,813	3,940,105

Hire-purchase contract receivables as at December 31, 2019 (major contract terms are 1 - 5 years) are aged by outstanding installment payments of each contract as follows:

	In Thousand Baht	
	Consolidated	The Company Only
Current	4,904,188	3,551,142
Overdue 1 month	1,238,782	1,033,143
Overdue 2 - 3 months	1,319,063	1,250,975
Overdue 4 - 6 months	330,801	298,361
Overdue 7 - 12 months	30,922	1,583
Overdue longer than 12 months	1,277	702
Total	7,825,033	6,135,906
Less Allowance for impairment for expected credit loss	( 574,417)	( 506,983)
Net	7,250,616	5,628,923

The Group determines allowance for impairment for expected credit loss as at June 30, 2020, in accordance with the principle of TFRS 9 “Financial Instruments” as discussed in Note 1. Such policy is not compliance with the accounting guidance for determination 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 (“ICAAAT”) in 2004, because the Group is able to forfeit or repossess a portion of collaterals from debtors. As at June 30, 2020, the Group had allowance for impairment for expected credit loss at 11.29% (13.99% for the Company only) of total hire-purchase contract receivables before deducting allowance for impairment for expected credit loss.

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Loan Receivables

	Consolidated (In Thousand Baht)					
	June 30, 2020			December 31, 2019		
	Total	Current	Long-term	Total	Current	Long-term
Loan receivables	358,507	289,821	68,686	331,980	251,854	80,126
Less Unearned income	( 8,573)	( 6,663)	( 1,910)	( 9,932)	( 7,907)	( 2,025)
Net	349,934	283,158	66,776	322,048	243,947	78,101
Less Allowance for impairment for expected credit loss	( 53,361)	( 47,401)	( 5,960)	( 135,081)	( 103,045)	( 32,036)
Net	<u>296,573</u>	<u>235,757</u>	<u>60,816</u>	<u>186,967</u>	<u>140,902</u>	<u>46,065</u>

	The Company Only (In Thousand Baht)					
	June 30, 2020			December 31, 2019		
	Total	Current	Long-term	Total	Current	Long-term
Loan receivables	336,499	279,720	56,779	310,797	242,564	68,233
Less Unearned income	( 5,100)	( 4,824)	( 276)	( 6,370)	( 6,013)	( 357)
Net	331,399	274,896	56,503	304,427	236,551	67,876
Less Allowance for impairment for expected credit loss	( 53,174)	( 47,250)	( 5,924)	( 134,920)	( 102,938)	( 31,982)
Net	<u>278,225</u>	<u>227,646</u>	<u>50,579</u>	<u>169,507</u>	<u>133,613</u>	<u>35,894</u>

Loan receivables as at June 30, 2020 were classified by staging as discussed in Note 1 as follows:

	In Thousand Baht	
	Consolidated	The Company Only
Performing receivables	211,984	195,834
Under-performing receivables	83,918	82,430
Credit-impaired receivables	54,032	53,135
Total	349,934	331,399
Less Allowance for impairment for expected credit loss	( 53,361)	( 53,174)
Net	<u>296,573</u>	<u>278,225</u>

Loan receivables as at December 31, 2019 are aged by outstanding installment payments of each contract as follows:

	In Thousand Baht	
	Consolidated	The Company Only
Current	244,459	230,313
Overdue 1 month	38,475	36,296
Overdue 2 - 3 months	35,487	35,016
Overdue 4 - 6 months	3,082	2,701
Overdue 7 - 12 months	535	92
Overdue longer than 12 months	10	9
Total	322,048	304,427
Less Allowance for impairment for expected credit loss	( 135,081)	( 134,920)
Net	<u>186,967</u>	<u>169,507</u>

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The abovementioned loan receivables are receivables under loan agreements with terms between 1-5 years which are repayable monthly at the fixed equally amount per month. The characteristics of agreements or contracts of such receivables are relevant to the hire-purchase contract receivables.

Allowance for impairment for expected credit loss of loan receivables as at June 30, 2020 significantly decreased from 2019 because the Company transferred hire-purchase contract receivables, pertaining to the extended installment period by entering into new loan agreements, to loan receivables totalling approximately to Baht 147.0 million in 2019 whereby the Company had provided allowance for doubtful accounts based on management's estimates at the rate 50% of the former overdue balances of hire-purchase contract receivables whereby payment history in 2020 of receivables has turned back to almost normal and resulted in the improvement of status of receivables as well as positive result in consideration and measurement of expected credit loss in accordance with the principle of TFRS 9 "Financial Instruments" as discussed in Note 1.

Nano Finance Receivables

	Consolidated (In Thousand Baht)					
	June 30, 2020			December 31, 2019		
	Total	Current	Long-term	Total	Current	Long-term
Nano finance receivables	549	549	-	680	680	-
Less Unearned income	( 4)	( 4)	-	( 53)	( 53)	-
Net	545	545	-	627	627	-
Less Allowance for impairment for expected credit loss	( 213)	( 213)	-	( 61)	( 61)	-
Net	332	332	-	566	566	-

Nano finance receivables as at June 30, 2020 were classified by staging as discussed in Note 1 as follows:

	Consolidated (In Thousand Baht)
Performing receivables	307
Under-performing receivables	29
Credit-impaired receivables	209
Total	545
Less Allowance for impairment for expected credit loss	( 213)
Net	332

Nano finance receivables as at December 31, 2019 are aged by outstanding installment payments of each contract as follows:

	Consolidated (In Thousand Baht)
Current	343
Overdue 1 month	63
Overdue 2 - 3 months	198
Overdue 4 - 6 months	23
Total	627
Less Allowance for impairment for expected credit loss	( 61)
Net	566

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Microfinance Receivables

	Consolidated (In Thousand Baht)					
	June 30, 2020			December 31, 2019		
	Total	Current	Long-term	Total	Current	Long-term
Microfinance receivables	465	465	-	514	514	-
Less Unearned income	( 38)	( 38)	-	( 64)	( 64)	-
Net	427	427	-	450	450	-
Less Allowance for impairment for expected credit loss	( 4)	( 4)	-	( 9)	( 9)	-
Net	423	423	-	441	441	-

Microfinance receivables as at June 30, 2020 were classified by staging as discussed in Note 1 as follows:

	Consolidated (In Thousand Baht)
Performing receivables	427
Less Allowance for impairment for expected credit loss	( 4)
Net	423

Microfinance receivables as at December 31, 2019 are aged by outstanding installment payments of each contract as follows:

	Consolidated (In Thousand Baht)
Current	450
Less Allowance for impairment for expected credit loss	( 9)
Net	441

During the three-month period ended June 30, 2020, the Company and its subsidiaries in Thailand, Lao PDR and Cambodia, whose business are engaged in providing credit to retail customers, have launched and applied several measures with respect to the governmental aim of each country in order to relief the impacts on receivables from pandemic situation of the Coronavirus Disease 2019 (COVID-19) by rendering assistance and compromising on payments of principal and interest to certain hire-purchase contract receivables, loan receivables and nano finance receivables, whose status of balance is in line with frame of the policy specified by the Company and its subsidiaries. The aforesaid measures are deferral of installment payment (principal and interest) for three months, reduction in installment payment to the specified minimum amounts and giving special discount in addition to normal rate for customers who prefer to early settle the account balance.

**5. ASSET FORECLOSED - NET**

	In Thousand Baht			
	Consolidated		The Company Only	
	June 30, 2020	December 31, 2019	June 30, 2020	December 31, 2019
Balance not exceeding one year	130,395	247,954	130,030	247,954
Balance exceeding one year	22,189	8,041	22,189	8,041
Total	152,584	255,995	152,219	255,995
Less Allowance for diminution in value	( 61,307)	( 82,427)	( 61,198)	( 82,427)
Net	91,277	173,568	91,021	173,568



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**6. DEBENTURES**

Consolidated and The Company Only				In Thousand Baht	
Date of Issuance / Year of Redemption	Interest Payment	Interest Rate Per Annum (%)	Number of Unit (Baht 1,000 Each)	June 30, 2020	December 31, 2019
February 28, 2017 / 2020	Semi-annually	2.83	1,000,000	-	1,000,000
August 18, 2017 / 2020	Semi-annually	2.56	800,000	800,000	800,000
February 23, 2018 / 2021	Semi-annually	2.27	600,000	600,000	600,000
September 5, 2018 / 2021	Quarterly	2.64	70,000	70,000	70,000
July 19, 2019 / 2022	Semi-annually	2.70	400,000	400,000	400,000
Total				1,870,000	2,870,000
Less Current portion				( 1,400,000)	( 1,800,000)
Net				470,000	1,070,000

As at June 30, 2020, the amount for issuance and offering of the Company's debentures was totally Baht 7,450 million, which was approved by the shareholders' meetings in September 2017, April 2018 and 2019.

Under the conditions of the issuances of debentures, the Company has to comply with the specified conditions which include maintaining Debt-to-Equity ratio at the rate not exceeding 7:1 for the annual separate financial statements.

**7. INCOME TAX**

Corporate income tax recorded as expense (income) for the three-month and six-month periods ended June 30, 2020 and 2019 consists of:

	Three-Month Periods (In Thousand Baht)			
	Consolidated		The Company Only	
	2020	2019	2020	2019
Income tax computed from accounting profit	12,066	30,121	71	16,033
Effects from non-deductible expenses	( 19,500)	6,989	( 25,003)	7,158
Effects from benefit of tax loss carryforward	( 1,725)	500	-	-
Effects from additional deductible expenses	( 4,117)	( 932)	( 3,663)	( 200)
Current tax on taxable profit	( 13,276)	36,678	( 28,595)	22,991
Decrease (increase) in deferred tax assets	22,472	( 6,134)	28,504	( 6,505)
Income tax presented in statement of comprehensive income	9,196	30,544	( 91)	16,486

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	Six-Month Periods (In Thousand Baht)			
	Consolidated		The Company Only	
	2020	2019	2020	2019
Income tax computed from accounting profit	37,563	58,567	6,808	32,392
Effects from non-deductible expenses	17,325	11,623	10,041	10,962
Effects from benefit of tax loss carryforward	( 3,023)	-	-	-
Effects from additional deductible expenses	( 7,509)	( 2,800)	( 6,945)	( 959)
Current tax on taxable profit	44,356	67,390	9,904	42,395
Increase in deferred tax assets	( 10,762)	( 8,942)	( 4,204)	( 8,996)
Income tax presented in statement of comprehensive income	<u>33,594</u>	<u>58,448</u>	<u>5,700</u>	<u>33,399</u>
Increase in deferred tax assets from other comprehensive loss	<u>( 1,062)</u>	<u>-</u>	<u>( 913)</u>	<u>-</u>

As at June 30, 2020, a local subsidiary had tax loss carryforward amounting to approximately Baht 27.3 million whereby such loss carryforward is able to be used during the years 2020 to 2024.

Deferred tax assets presented in statements of financial positions as at June 30, 2020 and December 31, 2019 consist of:

	In Thousand Baht			
	Consolidated		The Company Only	
	June 30, 2020	December 31, 2019	June 30, 2020	December 31, 2019
Effects from non-deductible items from				
- Allowance for impairment for expected credit loss	146,956	129,932	138,788	128,383
- Allowance for diminution in value of asset foreclosed	12,261	16,485	12,239	16,485
- Liability for post-employment benefits	6,349	7,325	5,142	6,184
Total	<u>165,566</u>	<u>153,742</u>	<u>156,169</u>	<u>151,052</u>

## 8. LIABILITY FOR POST-EMPLOYMENT BENEFITS

The Group has obligations on post-employment benefits which were reassessed and recomputed by the qualified actuary during 2020. Movements of liability for post-employment benefits for the six-month periods ended June 30, 2020 and 2019 are as follows:

	In Thousand Baht			
	Consolidated		The Company Only	
	2020	2019	2020	2019
Liability for post-employment benefits as at January 1	36,625	31,666	30,919	26,149
Current service cost	1,466	1,151	1,272	986
Past service cost	-	9,088	-	7,666
Interest cost	337	561	285	474
Actuarial loss on measurement	5,312	-	4,566	-
Expense recognized in statement of comprehensive income	7,115	10,800	6,123	9,126
Employee benefits paid during the period	(11,881)	( 4,301)	(11,334)	( 2,801)
Liability for post-employment benefits as at June 30	<u>31,859</u>	<u>38,165</u>	<u>25,708</u>	<u>32,474</u>

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Significant assumptions used in calculation of liability for post-employment benefits are as follows:

- Discount rate 1.50% and 2.10% p.a. (2.71% p.a. as at December 31, 2019)
- Salary escalation rate 5.90% and 6.74% p.a. (5.66% p.a. as at December 31, 2019)
- Employee turnover rate 0% - 67% and 0% - 22% p.a. (0% - 22% p.a. as at December 31, 2019)

The abovementioned actuarial loss on measurement in the 2020 consolidated financial statements comprised of (1) loss from changes in financial assumptions amounting to approximately Baht 3,707 thousand, (2) loss from experience adjustment amounting to approximately Baht 2,589 thousand, and (3) gain from changes in demographic assumptions amounting to approximately Baht 984 thousand.

The abovementioned actuarial loss on measurement in the 2020 separate financial statements comprised of (1) loss from changes in financial assumptions amounting to approximately Baht 3,307 thousand, (2) loss from experience adjustment amounting to approximately Baht 2,159 thousand, and (3) gain from changes in demographic assumptions amounting to approximately Baht 900 thousand.

The abovementioned changes in significant assumptions may affect the sensitivity of the balance of provision or liability for post-employment benefits in respect of the information as per the calculation report of the qualified actuary as follows:

Significant Assumptions	Liability May Increase (Decrease) from Changes in Significant Assumptions (In Thousand Baht)			
	If Assumption Increased		If Assumption Decreased	
	Consolidated	The Company Only	Consolidated	The Company Only
Discount rate (increase/decrease by 0.5%)	( 1,210)	( 1,089)	1,286	1,157
Salary escalation rate (increase/decrease by 0.5%)	1,339	1,201	( 1,272)	( 1,141)
Employee turnover rate (increase/decrease by 1%)	( 3,149)	( 2,830)	3,532	3,207

During 2018, the National Legislative Assembly agreed and approved to edit some provisions of the Labour Protection Act 1998 (B.E. 2541) which include the increase in compensations to be paid to the employees whose working period have reached 20 years or above from previously equivalent to basic wage of 300 days to 400 days. Such matter was later legally announced in the early of April 2019 and became effective in the early of May 2019. The Group's management considered, based on their judgement, that amendment of such employee benefit plan (amendment of the applicable laws) occurred and became effective in the second quarter of 2019. Accordingly, the Group accounted for the past service cost, resulted from the plan amendment, amounting to approximately Baht 9.1 million for the consolidated financial statements and Baht 7.7 million for the separate financial statements in the second quarter of 2019, which was presented as part of administrative expenses for the three-month and six-month periods ended June 30, 2019.

## **9. SIGNIFICANT FINANCIAL INFORMATION CLASSIFIED BY OPERATING SEGMENT**

Statement of financial position and statement of income are significant financial and core information of the Group 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 Group has a single core operating segment (being internal reporting segment) by product which is hire-purchase on automobile and motorcycle for general retail customers whereby the business activities with respect of loans and nano finance / microfinance to the general retail customers are insignificant portion as compared to the entire volumes and business activities. Accordingly, the accompanying interim financial information does not include the operating segment information on products and key customers.

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*Information on Geographic Operating Segment*

	Six-Month Periods - Consolidated (In Thousand Baht)					
	2020			2019		
	Domestic	Abroad	Total	Domestic	Abroad	Total
Interest income on hire purchase	863,071	253,252	1,116,323	1,369,261	214,950	1,584,211
Other income	244,488	2,419	246,907	357,823	178	358,001
Total revenues	1,107,559	255,671	1,363,230	1,727,084	215,128	1,942,212
Total expenses	(1,067,581)	(141,246)	(1,208,827)	(1,595,337)	(115,012)	(1,710,349)
Profit for the period	39,978	114,425	154,403	131,747	100,116	231,863

	Consolidated (In Thousand Baht)					
	June 30, 2020			December 31, 2019		
	Domestic	Abroad	Total	Domestic	Abroad	Total
Total assets by segment	6,563,569	1,531,697	8,095,266	7,764,098	1,399,224	9,163,322
Total liabilities by segment	2,272,935	657,324	2,930,259	3,258,804	580,880	3,839,684

Interest income on hire purchase - abroad

	Six-Month Periods - Consolidated (In Thousand Baht)	
	2020	2019
	Cambodia	202,394
Lao PDR	50,858	49,494
Total	253,252	214,950

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, 2020, the subsidiaries incorporated in Cambodia, Lao PDR and Myanmar had fixed assets and intangible assets of which the carrying amounts totalling approximately Baht 23.4 million, Baht 2.6 million and Baht 0.2 million, respectively, were presented in the consolidated statement of financial position as at June 30, 2020 (as at December 31, 2019 : Baht 25.4 million, Baht 3.2 million and Baht 0.2 million, respectively).

Other income, classified by geographic segment (almost all incurred in domestic only), included revenues from contracts with customers which are not attributable to core business activities. Such revenues had timing of recognition as follows:

	Six-Month Periods - Consolidated (In Thousand Baht)	
	2020	2019
	At a point in time	125,809
Over time	-	-

Other income between segments, classified by geographic segment (charged from domestic segment to abroad segment), before elimination in the preparation of the consolidated financial statements as follows:

	Six-Month Periods - In Thousand Baht	
	2020	2019
	Management fee income	16,203
Interest income	12,364	11,053
Total	28,567	16,107

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**10. DIVIDENDS**

At the general shareholders' meeting on April 23, 2020, the shareholders unanimously approved the Company to pay dividends for the 2019 operations at Baht 0.55 per share, totalling Baht 275 million. The Company paid such dividends to the shareholders on May 12, 2020.

At the general shareholders' meeting on April 25, 2019, the shareholders unanimously approved the Company to pay dividends for the 2018 operations at Baht 0.45 per share, totalling Baht 225 million. The Company paid such dividends to the shareholders on May 15, 2019.

**11. COMMITMENTS ON LONG-TERM SERVICE AGREEMENTS**

As at June 30, 2020, the Group had commitments on service agreements for office premises and branches whereby the related service fees are committed to pay as follows:

	Consolidated and The Company Only (In Million Baht)
Due for payments within 1 year	10.3
Due for payments within 2 - 5 years	1.5
Total	<u>11.8</u>

**12. APPROVAL OF THE FINANCIAL STATEMENTS**

The accompanying financial statements have been approved to be issued by the Company's Board of Directors' meeting on August 13, 2020.