

Group Lease Public Company Limited
and its subsidiaries
Review report and interim financial statements
For the three-month and six-month periods ended
30 June 2014

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Group Lease Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Group Lease Public Company Limited and its subsidiaries as at 30 June 2014, the related consolidated statements of comprehensive income for the three-month and six-month periods ended 30 June 2014, and the statements of changes in shareholders' equity, and cash flows for the six-month period then ended, as well as the condensed notes to the consolidated financial statements and have also reviewed the separate financial information of Group Lease Public Company Limited for the same periods. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 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 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 Thai Accounting Standard 34 *Interim Financial Reporting*.

Rungnapa Lertsuwankul

Certified Public Accountant (Thailand) No. 3516

EY Office Limited

Bangkok: 13 August 2014

Group Lease Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2014

(Unit: Thousand Baht)

| | Note | Consolidated | | Separate | |
|--|--------|-----------------------------|------------------|-----------------------------|------------------|
| | | financial statements | | financial statements | |
| | | 30 June 2014 | 31 December 2013 | 30 June 2014 | 31 December 2013 |
| | | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 2 | 402,186 | 320,545 | 138,032 | 86,164 |
| Current portion of hire purchase and installment sales receivables | 3 | 2,403,873 | 2,208,369 | 2,257,638 | 2,145,484 |
| Assets foreclosed | 4 | 19,836 | 21,152 | 19,471 | 21,152 |
| Short-term loan and interest receivable | 5 | 24,093 | 23,366 | - | - |
| Short-term loan to and interest receivable from related parties | 14 | 33,623 | 55,162 | 403,521 | 203,882 |
| Other current assets | 6 | 134,890 | 133,132 | 116,997 | 123,573 |
| Total current assets | | 3,018,501 | 2,761,726 | 2,935,659 | 2,580,255 |
| Non-current assets | | | | | |
| Pledged fixed deposit at financial institution | 7 | 324 | 318 | 324 | 318 |
| Share subscription payment in advance | 8, 14 | - | - | - | 330,815 |
| Investment in subsidiary company | 8 | - | - | 441,513 | 110,698 |
| Hire purchase and installment sales receivables - long-term portion | 3 | 2,341,523 | 2,323,226 | 2,163,740 | 2,275,917 |
| Property, plant and equipment | 9 | 81,980 | 70,875 | 60,576 | 61,017 |
| Intangible assets | 10 | 101,504 | 105,071 | 5,280 | - |
| Goodwill | | 43,684 | 43,684 | - | - |
| Deferred tax assets | | 94,720 | 60,978 | 94,720 | 60,978 |
| Other non-current assets | 12, 14 | 74,324 | 130,628 | 58,614 | 50,474 |
| Total non-current assets | | 2,738,059 | 2,734,780 | 2,824,767 | 2,890,217 |
| Total assets | | 5,756,560 | 5,496,506 | 5,760,426 | 5,470,472 |

The accompanying notes are an integral part of the financial statements.

Group Lease Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2014

(Unit: Thousand Baht)

| | Note | Consolidated | | Separate | |
|---|------|-----------------------------|------------------|-----------------------------|------------------|
| | | financial statements | | financial statements | |
| | | 30 June 2014 | 31 December 2013 | 30 June 2014 | 31 December 2013 |
| | | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| Liabilities and shareholders' equity | | | | | |
| Current liabilities | | | | | |
| Bank overdraft | 13 | - | 13,550 | - | 13,550 |
| Trade accounts payable | | 8,009 | 4,317 | 7,216 | 3,219 |
| Current portion of long-term loans | 15 | 1,833,620 | 1,808,590 | 1,833,620 | 1,808,590 |
| Income tax payable | | 50,414 | 49,445 | 46,428 | 45,481 |
| Insurance premium payables | | 10,662 | 10,099 | 9,894 | 9,214 |
| Accrued expenses | | 41,003 | 28,911 | 27,635 | 22,561 |
| Other current liabilities | | 54,149 | 24,468 | 47,703 | 21,781 |
| Total current liabilities | | 1,997,857 | 1,939,380 | 1,972,496 | 1,924,396 |
| Non-current liabilities | | | | | |
| Long-term loans, net of current portion | 15 | 917,000 | 1,288,930 | 917,000 | 1,288,930 |
| Debentures | 16 | 484,831 | - | 484,831 | - |
| Provision for long-term liabilities | | | | | |
| Provision for long-term employee benefits | | 5,469 | 4,157 | 5,469 | 4,157 |
| Cash guarantee for damage on hire purchase agreements | | 2,300 | 2,302 | 2,300 | 2,302 |
| Deferred tax liabilities | | - | 653 | - | - |
| Total non-current liabilities | | 1,409,600 | 1,296,042 | 1,409,600 | 1,295,389 |
| Total liabilities | | 3,407,457 | 3,235,422 | 3,382,096 | 3,219,785 |

The accompanying notes are an integral part of the financial statements.

Group Lease Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2014

(Unit: Thousand Baht)

| | Note | Consolidated | | Separate | |
|--|------|-----------------------------|------------------|-----------------------------|------------------|
| | | financial statements | | financial statements | |
| | | 30 June 2014 | 31 December 2013 | 30 June 2014 | 31 December 2013 |
| | | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| Shareholders' equity | | | | | |
| Share capital | 18 | | | | |
| Registered | | | | | |
| 1,441,852,272 ordinary shares of Baht 0.50 each | | 720,926 | 720,926 | 720,926 | 720,926 |
| Issued and paid-up | | | | | |
| 1,026,940,383 ordinary shares of Baht 0.50 each | | | | | |
| (31 December 2013: 1,024,706,958 ordinary shares of Baht 0.50 each) | | 513,470 | 512,354 | 513,470 | 512,354 |
| Share premium | 18 | 939,187 | 933,680 | 939,187 | 933,680 |
| Share subscription received in advance | 18 | 128,566 | 997 | 128,566 | 997 |
| Warrants | 19 | 153 | 536 | 153 | 536 |
| Capital reserve for share-based payment transactions | 19 | 2,898 | 2,223 | 2,898 | 2,223 |
| Retained earnings | | | | | |
| Appropriated - statutory reserve | | 72,093 | 72,093 | 72,093 | 72,093 |
| Unappropriated | | 676,202 | 715,400 | 721,963 | 728,804 |
| Exchange differences on translation of financial statements in foreign currency | | 16,534 | 23,801 | - | - |
| Total shareholders' equity | | 2,349,103 | 2,261,084 | 2,378,330 | 2,250,687 |
| Total liabilities and shareholders' equity | | 5,756,560 | 5,496,506 | 5,760,426 | 5,470,472 |
| | | 0 | 0 | 0 | 0 |

The accompanying notes are an integral part of the financial statements.

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Directors
.....

Group Lease Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 June 2014

(Unit: Thousand Baht)

| | Note | Consolidated | | Separate | |
|---|------|----------------------|----------------|----------------------|----------------|
| | | financial statements | | financial statements | |
| | | 2014 | 2013 | 2014 | 2013 |
| Profit or loss: | | | | | |
| Revenues | | | | | |
| Hire purchase interest and installment sales income | | 363,641 | 303,812 | 341,802 | 303,812 |
| Other income | | 29,254 | 65,507 | 30,242 | 46,808 |
| Total revenues | | 392,895 | 369,319 | 372,044 | 350,620 |
| Expenses | | | | | |
| Service and administrative expenses | | 118,708 | 93,312 | 85,651 | 90,807 |
| Bad debts and doubtful accounts | | 135,272 | 86,364 | 133,251 | 86,364 |
| Loss on disposals of foreclosed assets | | 80,522 | 45,657 | 80,522 | 45,657 |
| Total expenses | | 334,502 | 225,333 | 299,424 | 222,828 |
| Profit before finance cost and income tax expenses | | | | | |
| tax expenses | | 58,393 | 143,986 | 72,620 | 127,792 |
| Finance cost | | (45,655) | (34,380) | (45,655) | (34,380) |
| Profit before income tax expenses | | 12,738 | 109,606 | 26,965 | 93,412 |
| Income tax expenses | 11 | (5,796) | (18,770) | (5,485) | (18,770) |
| Profit for the period | | 6,942 | 90,836 | 21,480 | 74,642 |
| Other comprehensive income: | | | | | |
| Exchange differences on translation of financial statements in foreign currency | | (253) | 8,980 | - | - |
| Total comprehensive income for the period | | 6,689 | 99,816 | 21,480 | 74,642 |
| (Unit: Baht) | | | | | |
| Earnings per share | | | | | |
| 20 | | | | | |
| Basic earnings per share | | | | | |
| Profit for the period | | 0.0067 | 0.0969 | 0.0209 | 0.0797 |
| Weighted average number of ordinary shares (thousand shares) | | 1,029,799 | 936,818 | 1,029,799 | 936,818 |
| Diluted earnings per share | | | | | |
| Profit for the period | | 0.0065 | 0.0860 | 0.0202 | 0.0707 |
| Weighted average number of ordinary shares (thousand shares) | | 1,065,845 | 1,056,307 | 1,065,845 | 1,056,307 |

The accompanying notes are an integral part of the financial statements.

Group Lease Public Company Limited and its subsidiaries

Statement of comprehensive income

For the six-month period ended 30 June 2014

(Unit: Thousand Baht)

| | Note | Consolidated | | Separate financial statements | |
|--|------|----------------------|------------------|-------------------------------|------------------|
| | | financial statements | | 2014 | 2013 |
| | | 2014 | 2013 | 2014 | 2013 |
| Profit or loss: | | | | | |
| Revenues | | | | | |
| Hire purchase interest and installment sales income | | 716,920 | 577,680 | 682,792 | 577,680 |
| Other income | | 60,358 | 112,444 | 61,320 | 94,039 |
| Total revenues | | <u>777,278</u> | <u>690,124</u> | <u>744,112</u> | <u>671,719</u> |
| Expenses | | | | | |
| Service and administrative expenses | | 224,970 | 160,539 | 163,255 | 157,656 |
| Bad debts and doubtful accounts | | 256,252 | 147,182 | 252,151 | 147,182 |
| Loss on disposals of foreclosed assets | | 174,181 | 95,776 | 174,181 | 95,776 |
| Total expenses | | <u>655,403</u> | <u>403,497</u> | <u>589,587</u> | <u>400,614</u> |
| Profit before finance cost and income tax expenses | | <u>121,875</u> | <u>286,627</u> | <u>154,525</u> | <u>271,105</u> |
| Finance cost | | (91,723) | (63,444) | (91,723) | (63,444) |
| Profit before income tax expenses | | <u>30,152</u> | <u>223,183</u> | <u>62,802</u> | <u>207,661</u> |
| Income tax expenses | 11 | (12,453) | (41,714) | (12,746) | (41,714) |
| Profit for the period | | <u>17,699</u> | <u>181,469</u> | <u>50,056</u> | <u>165,947</u> |
| Other comprehensive income: | | | | | |
| Exchange differences on translation of financial statements | | | | | |
| in foreign currency | | (7,267) | 6,389 | - | - |
| Total comprehensive income for the period | | <u>10,432</u> | <u>187,858</u> | <u>50,056</u> | <u>165,947</u> |
| | | | | | (Unit: Baht) |
| Earnings per share | 20 | | | | |
| Basic earnings per share | | | | | |
| Profit for the period | | 0.0172 | 0.2056 | 0.0487 | 0.1880 |
| Weighted average number of ordinary shares (thousand shares) | | <u>1,027,445</u> | <u>882,634</u> | <u>1,027,445</u> | <u>882,634</u> |
| Diluted earnings per share | | | | | |
| Profit for the period | | 0.0166 | 0.1748 | 0.0471 | 0.1598 |
| Weighted average number of ordinary shares (thousand shares) | | <u>1,063,560</u> | <u>1,038,196</u> | <u>1,063,560</u> | <u>1,038,196</u> |

The accompanying notes are an integral part of the financial statements.

Group Lease Public Company Limited and its subsidiaries

Statement of cash flows

For the six-month period ended 30 June 2014

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|--|----------------------|------------------|----------------------|------------------|
| | financial statements | | financial statements | |
| | 2014 | 2013 | 2014 | 2013 |
| Cash flows from operating activities | | | | |
| Profit before tax | 30,152 | 223,183 | 62,802 | 207,661 |
| Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities: | | | | |
| Depreciation and amortisation | 16,655 | 4,461 | 4,417 | 4,461 |
| Bad debts and doubtful accounts | 256,256 | 147,182 | 252,151 | 147,182 |
| Loss (gain) on disposal of property, plant and equipment | (67) | - | (67) | - |
| Loss on disposals of assets foreclosed | 174,181 | 95,776 | 174,181 | 95,776 |
| Reversal of loss on diminution in value of foreclosed assets | (4,888) | 12,424 | (4,888) | 12,424 |
| Unrealised exchange (gain) loss | (416) | 1,624 | 31 | (470) |
| Provision for long-term employee benefits | 1,312 | 963 | 1,312 | 963 |
| Capital reserve for share-based payment transactions | 675 | 676 | 675 | 676 |
| Interest income | (2,211) | (1,842) | (10,041) | (1,954) |
| Interest expenses | 89,911 | 63,444 | 89,911 | 63,444 |
| Amortised transaction cost of debentures | 1,812 | - | 1,812 | - |
| Profit from operating activities before changes in operating assets and liabilities | 563,372 | 547,891 | 572,296 | 530,163 |
| Operating assets (increase) decrease | | | | |
| Hire purchase and installment sales receivables | (470,057) | (1,076,432) | (252,128) | (1,076,432) |
| Assets foreclosed | (167,977) | (117,899) | (167,612) | (117,899) |
| Other current assets | (1,759) | (67,691) | 6,576 | (67,636) |
| Other non-current assets | 56,249 | (7,596) | (8,199) | (7,546) |
| Operating liabilities increase (decrease) | | | | |
| Trade accounts payable | 3,692 | (2,822) | 3,997 | (2,822) |
| Insurance premium payable | 563 | (784) | 680 | (784) |
| Accrued expenses | 5,312 | 2,601 | (1,692) | 2,568 |
| Provision for long-term employee benefits | - | (360) | - | (360) |
| Other current liabilities | 29,680 | 12,769 | 25,922 | 12,856 |
| Guarantee for damage from hire purchase agreements | (2) | (5) | (2) | (5) |
| Cash flows from (used in) operating activities | 19,073 | (710,328) | 179,838 | (727,897) |
| Cash paid for interest expenses | (83,135) | (63,387) | (83,135) | (63,387) |
| Cash paid for corporate income tax | (45,973) | (30,472) | (45,542) | (30,264) |
| Net cash flows from (used in) operating activities | (110,035) | (804,187) | 51,161 | (821,548) |

The accompanying notes are an integral part of the financial statements.

Group Lease Public Company Limited and its subsidiaries**Statement of cash flows (continued)**

For the six-month period ended 30 June 2014

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|---|-----------------------------|------------------|-----------------------------|------------------|
| | financial statements | | financial statements | |
| | 2014 | 2013 | 2014 | 2013 |
| Cash flows from investing activities | | | | |
| Increase in pledged fixed deposits at | | | | |
| financial institution | (6) | (7) | (6) | (7) |
| Cash and cash equivalents as at acquisition | | | | |
| date of subsidiary | - | 6,955 | - | - |
| Share subscription payment in advance before acquisition | | | | |
| date of subsidiary | - | (65,367) | - | - |
| Cash paid for additional in share capital of subsidiary company | - | - | - | (92,013) |
| (Increase) decrease in accounts receivable and loans to employees | 55 | (626) | 55 | (626) |
| Proceeds from sales of property, plant and equipment | 68 | - | 68 | - |
| Acquisitions of property, plant and equipment | (17,965) | (3,893) | (3,977) | (3,893) |
| Acquisitions of intangible assets | (7,472) | - | (5,280) | - |
| Cash paid for short-term loan to related parties | - | (55,074) | (189,750) | (164,360) |
| Cash receipt from short-term loan to related parties | 22,661 | - | - | - |
| Cash paid for short-term loans | - | (44,020) | - | - |
| Interest receipt | 162 | 317 | 115 | 425 |
| Net cash flows used in investing activities | (2,497) | (161,715) | (198,775) | (260,474) |
| Cash flows from financing activities | | | | |
| Decrease in bank overdrafts and short-term loans | | | | |
| from financial institutions | (13,550) | (50,000) | (13,550) | (50,000) |
| Cash receipt from long-term loans | 590,000 | 1,437,000 | 590,000 | 1,437,000 |
| Repayment of long-term loans | (936,900) | (639,024) | (936,900) | (639,024) |
| Cash receipt from issuance of debentures | 500,000 | - | 500,000 | - |
| Cash paid for transaction costs of debentures | (16,981) | - | (16,981) | - |
| Cash receipt from exercise of warrants | 5,610 | 327,231 | 5,610 | 327,231 |
| Cash receipt from share subscription received in advance | 128,200 | 256,913 | 128,200 | 256,913 |
| Dividend paid | (56,897) | (77,568) | (56,897) | (77,568) |
| Net cash flows from financing activities | 199,482 | 1,254,552 | 199,482 | 1,254,552 |
| Exchange differences on translation of financial | | | | |
| statements in foreign currency | (5,309) | 5,223 | - | - |
| Net increase in cash and cash equivalents | 81,641 | 293,873 | 51,868 | 172,530 |
| Cash and cash equivalents at beginning of period | 320,545 | 14,361 | 86,164 | 10,892 |
| Cash and cash equivalents at the end of period (Note 2) | 402,186 | 308,234 | 138,032 | 183,422 |
| Supplemental cash flows information | | | | |
| Non-cash item | | | | |
| Transferred of share subscription received in advance | 997 | 19,636 | 997 | 19,636 |
| during the period to ordinary shares and share premium | | | | |
| Transferred the exercise of warrants to share | 383 | 1,659 | 383 | 1,659 |
| subscription received in advance | | | | |
| Dividend payable | - | 72,321 | - | 72,321 |
| Tranferred of share subscription payment in advance | | | | |
| to cash paid for acquisition of subsidiary | - | 34,863 | - | - |
| Transferred share subscription payment in advance to | | | | |
| investment in subsidiary | - | - | 330,815 | - |

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Group Lease Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2014

(Unit: Thousand Baht)

| Consolidated financial statements | | | | | | | | | | |
|---|----------|--------------------|----------------|-----------------------------|------------|---|-------------------|----------------|---|----------------------------|
| | Note | Issued and paid-up | | Share subscription received | | Capital reserve for share-based payment | Retained earnings | | Other comprehensive income | Total shareholders' equity |
| | | share capital | Share premium | in advance | Warrants | transactions | Appropriated | Unappropriated | Exchange differences on translation of financial statements in foreign currency | |
| Balance as at 1 January 2013 | | 344,864 | 414,924 | 19,636 | 2,222 | 861 | 57,039 | 749,509 | (1,243) | 1,587,812 |
| Issuance of ordinary shares during period | | | | | | | | | | |
| from the exercise of warrants | | 50,297 | 297,494 | (19,636) | (925) | - | - | - | - | 327,230 |
| Share subscription received in advance | | | | | | | | | | |
| from the exercise of warrants | | - | - | 257,647 | (734) | - | - | - | - | 256,913 |
| Capital reserve for share-based payment | | | | | | | | | | |
| transactions | | - | - | - | - | 676 | - | - | - | 676 |
| Total comprehensive income for the period | | - | - | - | - | - | - | 181,469 | 6,389 | 187,858 |
| Issuance of stock dividend | 21 | 72,321 | - | - | - | - | - | (72,321) | - | - |
| Dividend paid | 21 | - | - | - | - | - | - | (77,568) | - | (77,568) |
| Transferred to statutory reserve | | - | - | - | - | - | 10,461 | (10,461) | - | - |
| Balance as at 30 June 2013 | | <u>467,482</u> | <u>712,418</u> | <u>257,647</u> | <u>563</u> | <u>1,537</u> | <u>67,500</u> | <u>770,628</u> | <u>5,146</u> | <u>2,282,921</u> |
| Balance as at 1 January 2014 | | 512,354 | 933,680 | 997 | 536 | 2,223 | 72,093 | 715,400 | 23,801 | 2,261,084 |
| Issuance of ordinary shares during period | | | | | | | | | | |
| from the exercise of warrants | 18.2, 19 | 1,116 | 5,507 | (997) | (16) | - | - | - | - | 5,610 |
| Share subscription received in advance | | | | | | | | | | |
| from the exercise of warrants | 19 | - | - | 128,566 | (367) | - | - | - | - | 128,199 |
| Capital reserve for share-based payment | | | | | | | | | | |
| transactions | 19 | - | - | - | - | 675 | - | - | - | 675 |
| Total comprehensive income for the period | | - | - | - | - | - | - | 17,699 | (7,267) | 10,432 |
| Dividend paid | 21 | - | - | - | - | - | - | (56,897) | - | (56,897) |
| Balance as at 30 June 2014 | | <u>513,470</u> | <u>939,187</u> | <u>128,566</u> | <u>153</u> | <u>2,898</u> | <u>72,093</u> | <u>676,202</u> | <u>16,534</u> | <u>2,349,103</u> |
| | | - | - | - | - | - | - | - | - | - |
| | | - | - | - | - | - | - | - | - | - |

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Group Lease Public Company Limited and its subsidiaries**Statement of changes in shareholders' equity****For the six-month period ended 30 June 2014**

(Unit: Thousand Baht)

| | Note | Separate financial statements | | | | | | | Total shareholders' equity |
|---|----------|-------------------------------|----------------|-----------------------------|------------|--|-------------------|----------------|----------------------------|
| | | Issued and paid-up | | Share subscription received | | Capital reserve for share-based payment transactions | Retained earnings | | |
| | | share capital | Share premium | in advance | Warrants | | Appropriated | Unappropriated | |
| Balance as at 1 January 2013 | | 344,864 | 414,924 | 19,636 | 2,222 | 861 | 57,039 | 745,370 | 1,584,916 |
| Issuance of ordinary shares during period from the exercise of warrants | | 50,297 | 297,494 | (19,636) | (925) | - | - | - | 327,230 |
| Share subscription received in advance from the exercise of warrants | | - | - | 257,647 | (734) | - | - | - | 256,913 |
| Capital reserve for share-based payment transactions | | - | - | - | - | 676 | - | - | 676 |
| Total comprehensive income for the period | | - | - | - | - | - | - | 165,947 | 165,947 |
| Issuance of stock dividend | 21 | 72,321 | - | - | - | - | - | (72,321) | - |
| Dividend paid | 21 | - | - | - | - | - | - | (77,568) | (77,568) |
| Transferred to statutory reserve | | - | - | - | - | - | 10,461 | (10,461) | - |
| Balance as at 30 June 2013 | | <u>467,482</u> | <u>712,418</u> | <u>257,647</u> | <u>563</u> | <u>1,537</u> | <u>67,500</u> | <u>750,967</u> | <u>2,258,114</u> |
| Balance as at 1 January 2014 | | 512,354 | 933,680 | 997 | 536 | 2,223 | 72,093 | 728,804 | 2,250,687 |
| Issuance of ordinary shares during period from the exercise of warrants | 18.2, 19 | 1,116 | 5,507 | (997) | (16) | - | - | - | 5,610 |
| Share subscription received in advance from the exercise of warrants | 19 | - | - | 128,566 | (367) | - | - | - | 128,199 |
| Capital reserve for share-based payment transactions | 19 | - | - | - | - | 675 | - | - | 675 |
| Total comprehensive income for the period | | - | - | - | - | - | - | 50,056 | 50,056 |
| Dividend paid | 21 | - | - | - | - | - | - | (56,897) | (56,897) |
| Balance as at 30 June 2014 | | <u>513,470</u> | <u>939,187</u> | <u>128,566</u> | <u>153</u> | <u>2,898</u> | <u>72,093</u> | <u>721,963</u> | <u>2,378,330</u> |
| | | - | - | - | - | - | - | - | - |
| | | - | - | - | - | - | - | - | - |

The accompanying notes are an integral part of the financial statements.

Group Lease Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month and six-month periods ended 30 June 2014

1. General information

1.1 Corporate information

Group Lease Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company and a subsidiary are principally engaged in the hire purchase of motorcycles. Another, overseas subsidiary is principally a financial advisory and other investment holding company.

The Company’s registered address is 63 Soi 1, Tesabalnimitretai Road, Ladyao, Chatujak, Bangkok. The Company has 5 branches in Phra Nakhon Si Ayutthaya, Chon Buri (2 sub-branches), Rayong and Nakhon Ratchasima.

The major shareholders of the Company are Engine Holdings Asia Pte. Ltd. (incorporated in Singapore) and A.P.F Holding Company Limited (incorporated in Thailand), which owns 31.59% and 15.51% of the Company’s share capital, respectively. The parent company of the Group is Wedge Holdings Company Limited (incorporated in Japan).

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard 34 (revised 2012) *Interim Financial Reporting*, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

1.3 Basis of consolidation

The consolidated financial statements are prepared using the same basis as the consolidated financial statements for the year ended 31 December 2013 and include the interim financial statements for the three-month and six-month periods ended 30 June 2014 of the Company and its subsidiaries.

The consolidated interim financial statements include the account balances of the Company and its subsidiaries. Material intercompany transactions and balances have been eliminated. The Company's holding in the subsidiaries is as follows:

| Company's name | Country of incorporation | Percentage owned by the Company | | Nature of business |
|---|--------------------------|---------------------------------|------------------|---|
| | | 30 June 2014 | 31 December 2013 | |
| Group Lease Holding Pte. Ltd. | Singapore | 100 | 100 | Financial advisory and other investment holding company |
| GL Finance Plc. (shares held by Group Lease Holding Pte. Ltd.) | Cambodia | 100 | 100 | Hire purchase services for motorcycles |
| GL Leasing (Laos) Ltd. (shares held by Group Lease Holding Pte. Ltd.) | Loas | 100 | - | Hire purchase services for motorcycles |

1.4 New accounting standards

(a) Accounting standards that became effective in the current accounting year

The Company disclosed the accounting standards, financial reporting standard, accounting standard interpretations and financial reporting standard interpretations that are effective for fiscal years beginning on or after 1 January 2014, in the notes to financial statements for the year ended 31 December 2013.

The Company's management has assessed the effects of the above accounting standards, financial reporting standard, accounting standard interpretations and financial reporting standard interpretations, and believes that they are not relevant to the business of the Company and its subsidiaries or do not have a significant impact.

(b) Accounting standards that will become effective in the future

The Company has disclosed the financial reporting standard that will be effective in the future in the notes to financial statements for the year ended 31 December 2013.

The Company's management has assessed the effect of this financial reporting standard and believes that it is not relevant to the business of the Company and its subsidiaries.

1.5 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2013.

2. Cash and cash equivalents

| | Consolidated | | (Unit: Thousand Baht) | |
|---------------|----------------------|---------------------|-----------------------|---------------------|
| | financial statements | | Separate | |
| | 30 June 2014 | 31 December 2013 | 30 June 2014 | 31 December 2013 |
| Cash | 1,065 | 1,470 | 199 | 469 |
| Bank deposits | 401,121 | 319,075 | 137,833 | 85,695 |
| Total | 402,186 | 320,545 | 138,032 | 86,164 |

As at 30 June 2014, bank deposits in saving accounts carried interest 0.37-0.50% per annum (31 December 2013: 0.50% per annum).

3. Hire purchase and installment sales receivables

3.1 As at 30 June 2014 and 31 December 2013, the balances of hire purchase and installment sales receivables are as follows:

| | (Unit: Thousand Baht) | | | | | |
|--|--|------------------|--|------------------|---------------------|------------------|
| | Consolidated financial statements | | | | | |
| | Current portion of hire purchase and installment sales receivables | | Long-term portion of hire purchase and installment sales receivables | | Total | |
| 30 June 2014 | 31 December 2013 | 30 June 2014 | 31 December 2013 | 30 June 2014 | 31 December 2013 | |
| Normal receivables | | | | | | |
| Hire purchase and installment sales receivables | 3,494,472 | 3,261,920 | 2,956,997 | 2,940,518 | 6,451,469 | 6,202,438 |
| Accrued hire purchase and installment sales income | 145,215 | 134,312 | - | - | 145,215 | 134,312 |
| Less: Unearned hire purchase and installment sales income, net | (1,274,238) | (1,218,699) | (659,046) | (669,478) | (1,933,284) | (1,888,177) |
| Total normal receivable | 2,365,449 | 2,177,533 | 2,297,951 | 2,271,040 | 4,663,400 | 4,448,573 |
| Terminated agreements receivables | | | | | | |
| Hire purchase and installment sales receivables | 445,966 | 316,571 | 395,495 | 327,661 | 841,461 | 644,232 |
| Accrued hire purchase and installment sales income | 65,758 | 48,037 | - | - | 65,758 | 48,037 |
| Less: Unearned hire purchase and installment sales income, net | (175,187) | (131,353) | (104,660) | (87,207) | (279,847) | (218,560) |
| Total terminated agreements receivables | 336,537 | 233,255 | 290,835 | 240,454 | 627,372 | 473,709 |
| Total receivables | 2,701,986 | 2,410,788 | 2,588,786 | 2,511,494 | 5,290,772 | 4,922,282 |
| Less: Allowance for doubtful accounts | (298,113) | (202,419) | (247,263) | (188,268) | (545,376) | (390,687) |
| Hire purchase and installment sales receivables, net | 2,403,873 | 2,208,369 | 2,341,523 | 2,323,226 | 4,745,396 | 4,531,595 |

(Unaudited but reviewed)

(Unit: Thousand Baht)

| | Separate financial statements | | | | | |
|---|--|---------------------|--|---------------------|------------------|---------------------|
| | Current portion of hire purchase and installment sales receivables | | Long-term portion of hire purchase and installment sales receivables | | Total | |
| | 30 June 2014 | 31 December 2013 | 30 June 2014 | 31 December 2013 | 30 June 2014 | 31 December 2013 |
| Normal receivables | | | | | | |
| Hire purchase and installment sales receivables | 3,266,777 | 3,183,459 | 2,726,852 | 2,863,467 | 5,993,629 | 6,046,926 |
| Accrued hire purchase and installment sales income | 138,586 | 132,083 | - | - | 138,586 | 132,083 |
| Less: Unearned hire purchase and installment sales income, net | (1,191,636) | (1,202,291) | (606,684) | (639,736) | (1,798,320) | (1,842,027) |
| Total normal receivable | 2,213,727 | 2,113,251 | 2,120,168 | 2,223,731 | 4,333,895 | 4,336,982 |
| Terminated agreements receivables | | | | | | |
| Hire purchase and installment sales receivables | 445,966 | 316,571 | 395,495 | 327,661 | 841,461 | 644,232 |
| Accrued hire purchase and installment sales income | 65,757 | 48,037 | - | - | 65,757 | 48,037 |
| Less: Unearned hire purchase and installment sales income, net | (175,187) | (131,353) | (104,659) | (87,207) | (279,846) | (218,560) |
| Total terminated agreements receivables | 336,536 | 233,255 | 290,836 | 240,454 | 627,372 | 473,709 |
| Total receivables | 2,550,263 | 2,346,506 | 2,411,004 | 2,464,185 | 4,961,267 | 4,810,691 |
| Less: Allowance for doubtful accounts | (292,625) | (201,022) | (247,264) | (188,268) | (539,889) | (389,290) |
| Hire purchase and installment sales receivables, net | 2,257,638 | 2,145,484 | 2,163,740 | 2,275,917 | 4,421,378 | 4,421,401 |

3.2 As at 30 June 2014 and 31 December 2013, the balances of hire purchase and installment sales receivables (net of unearned hire purchase income) and allowance for doubtful accounts aged on the basis of due dates, are summarised below.

(Unit: Thousand Baht)

| Aging | Consolidated financial statements | | | | | | | |
|--|--|---------------------|--|---------------------|------------------------------------|---------------------|---|---------------------|
| | Hire purchase and installment sales receivables | | Percentage of allowance set up by the Company | | Allowance for doubtful accounts | | Hire purchase and installment sales receivables, net | |
| | 30 June 2014 | 31 December 2013 | 30 June 2014 | 31 December 2013 | 30 June 2014 | 31 December 2013 | 30 June 2014 | 31 December 2013 |
| Hire purchase and installment sales receivables | | | | | | | | |
| Not yet due | 4,024,837 | 3,854,884 | 1 | 1 | 39,308 | 37,479 | 3,985,529 | 3,817,405 |
| Past due: | | | | | | | | |
| 1 month | 312,954 | 300,868 | 10 | 10 | 30,770 | 29,454 | 282,184 | 271,414 |
| 2 - 3 months | 321,983 | 295,720 | 20 | 20 | 63,400 | 58,047 | 258,583 | 237,673 |
| 4 - 6 months | 214,794 | 207,533 | 40 | 40 | 84,720 | 81,661 | 130,074 | 125,872 |
| 7 - 9 months | 146,054 | 142,983 | 60 | 60 | 86,494 | 84,554 | 59,560 | 58,429 |
| 10 - 12 months | 135,542 | 97,591 | 80 | 80 | 107,294 | 77,108 | 28,248 | 20,483 |
| Over 12 months | 134,608 | 22,703 | 100 | 100 | 133,390 | 22,384 | 1,218 | 319 |
| Total | 5,290,772 | 4,922,282 | | | 545,376 | 390,687 | 4,745,396 | 4,531,595 |

(Unit: Thousand Baht)

| Separate financial statements | | | | | | | | |
|-------------------------------|--|------------------|---|------------------|---------------------------------|------------------|--|------------------|
| Aging | Hire purchase and installment sales receivables | | Percentage of allowance set up by the Company | | Allowance for doubtful accounts | | Hire purchase and installment sales receivables, net | |
| | 30 June 2014 | 31 December 2013 | 30 June 2014 | 31 December 2013 | 30 June 2014 | 31 December 2013 | 30 June 2014 | 31 December 2013 |
| | Hire purchase and installment sales receivables | | | | | | | |
| Not yet due | 3,710,238 | 3,746,064 | 1 | 1 | 36,307 | 36,441 | 3,673,931 | 3,709,623 |
| Past due: | | | | | | | | |
| 1 month | 302,191 | 298,632 | 10 | 10 | 29,694 | 29,231 | 272,497 | 269,401 |
| 2 - 3 months | 319,584 | 295,325 | 20 | 20 | 62,920 | 57,967 | 256,664 | 237,358 |
| 4 - 6 months | 213,934 | 207,394 | 40 | 40 | 84,376 | 81,605 | 129,558 | 125,789 |
| 7 - 9 months | 145,368 | 142,983 | 60 | 60 | 86,083 | 84,554 | 59,285 | 58,429 |
| 10 - 12 months | 135,429 | 97,591 | 80 | 80 | 107,204 | 77,108 | 28,255 | 20,483 |
| Over 12 months | 134,523 | 22,702 | 100 | 100 | 133,305 | 22,384 | 1,218 | 318 |
| Total | 4,961,267 | 4,810,691 | | | 539,889 | 389,290 | 4,421,378 | 4,421,401 |

3.3 As at 30 June 2014 and 31 December 2013, the future minimum lease payments receivable under hire purchase agreements together with the present value of the net minimum lease payments receivable are as follows:

(Unit: Thousand Baht)

| Consolidated financial statements | | | | |
|---|-----------------------------|--------------------------------------|-----------------------------|--------------------------------------|
| | 30 June 2014 | | 31 December 2013 | |
| | Minimum payments receivable | Present value of payments receivable | Minimum payments receivable | Present value of payments receivable |
| Within one year | 4,151,411 | 2,701,986 | 3,760,840 | 2,410,788 |
| After one year but not more than five years | 3,352,492 | 2,588,786 | 3,268,179 | 2,511,494 |
| Total minimum lease payments receivable | 7,503,903 | 5,290,772 | 7,029,019 | 4,922,282 |
| Less: Amounts representing finance charges | (2,213,131) | | (2,106,737) | |
| Present value of minimum lease payments | 5,290,772 | | 4,922,282 | |

(Unit: Thousand Baht)

| Separate financial statements | | | | |
|---|-----------------------------|--------------------------------------|-----------------------------|--------------------------------------|
| | 30 June 2014 | | 31 December 2013 | |
| | Minimum payments receivable | Present value of payments receivable | Minimum payments receivable | Present value of payments receivable |
| Within one year | 3,917,087 | 2,550,263 | 3,680,150 | 2,346,506 |
| After one year but not more than five years | 3,122,347 | 2,411,004 | 3,191,128 | 2,464,185 |
| Total minimum lease payments receivable | 7,039,434 | 4,961,267 | 6,871,278 | 4,810,691 |
| Less: Amounts representing finance charges | (2,078,167) | | (2,060,587) | |
| Present value of minimum lease | | | | |

(Unaudited but reviewed)

payments 4,961,267 4,810,691

3.4 On 30 April 2004, the Institute of Certified Accountants and Auditors of Thailand, with the approval of the Office of the Securities and Exchange Commission, stipulated an accounting guideline for the consumer finance business, whereby recognition of revenue is to cease for accounts receivable which are overdue by more than 3 installments. However, this accounting guideline provides an alternative whereby, in cases where a company believes that the guideline would not be appropriate, it is to disclose the method it uses. The Company has a policy to cease recognising revenue from hire purchase receivables which are overdue by more than 4 installments. As at 30 June 2014, there are outstanding hire purchase receivable amounting to approximately Baht 642.6 million (31 December 2013: Baht 497.4 million) for which installment payments are more than 3 installments overdue but for which revenue is still being recognised.

In addition, if the Company had followed this accounting guideline, the amount of revenue recognised for the three-month periods ended 30 June 2014 and 2013 would be reduced by Baht 7.8 million and Baht 2.9 million, respectively.

3.5 The Company's hire purchase agreements have terms of 1 - 3 years and require settlement in equal installments.

3.6 As at 30 June 2014, the Company had transferred rights of claim under hire purchase agreements with outstanding balances (before net of unearned hire purchase interest income) of Baht 4,834 million (31 December 2013: Baht 4,845 million), in order to secure credit facilities granted by commercial banks as discussed in Notes 13 and 15.

4. Assets foreclosed

As at 30 June 2014 and 31 December 2013, assets foreclosed are presented as follows:

| | (Unit: Thousand Baht) | | | |
|---|--------------------------------------|---------------------|----------------------------------|---------------------|
| | Consolidated financial statements | | Separate financial statements | |
| | 30 June 2014 | 31 December 2013 | 30 June 2014 | 31 December 2013 |
| Repossessed assets | 36,786 | 42,990 | 36,421 | 42,990 |
| Less: Allowance for diminution in value of assets foreclosed | (16,950) | (21,838) | (16,950) | (21,838) |
| Assets foreclosed, net | <u>19,836</u> | <u>21,152</u> | <u>19,471</u> | <u>21,152</u> |

5. Short-term loan and interest receivable

During the third quarter of 2013, a subsidiary company entered into JPY 10.3 million and USD 0.6 million short-term loan agreement with an overseas company. The loan has a term of 1 year and the interest charge are 7.5%, respectively. As at 30 June 2014, the outstanding balance of short-term loan and interest receivable amounted to JPY 10.9 million and USD 0.6 million (31 December 2013: JPY 10.6 million and USD 0.6 million).

6. Other current assets

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|------------------------------------|----------------------|---------------------|----------------------|---------------------|
| | financial statements | | financial statements | |
| | 30 June 2014 | 31 December 2013 | 30 June 2014 | 31 December 2013 |
| Accrued income | 7,117 | 7,797 | 2,725 | 3,357 |
| Prepaid expenses | 98,024 | 98,323 | 90,412 | 96,191 |
| Other receivable - sales of assets | | | | |
| foreclosed | 17,076 | 17,539 | 17,076 | 17,539 |
| Undue input tax | 1,908 | 2,272 | 1,908 | 2,272 |
| Others | 13,291 | 9,727 | 7,402 | 6,740 |
| Total | 137,416 | 135,658 | 119,523 | 126,099 |
| Less: Allowance for | | | | |
| doubtful accounts | (2,526) | (2,526) | (2,526) | (2,526) |
| Other current assets, net | 134,890 | 133,132 | 116,997 | 123,573 |

7. Pledged fixed deposit at financial institution

This represents fixed deposit pledged with bank for the issuance of letter of bank guarantees for the Company, as discussed in Note 23.4.

8. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

| Company's name | Separate financial statements | | | | | | | Dividend received during the three-month periods ended | |
|-------------------------------|-------------------------------|-------------|---------------|-------------|---------|-------------|---------|---|------|
| | Paid-up capital | | Shareholdings | | Cost | | 30 June | | |
| | 30 June | 31 December | 30 June | 31 December | 30 June | 31 December | | | 2014 |
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | |
| Group Lease Holding Pte. Ltd. | | | (%) | (%) | 441,513 | 110,698 | - | - | |

| | | | | |
|---------------------|---------|---------|-----|-----|
| and its subsidiary. | 441,513 | 110,698 | 100 | 100 |
|---------------------|---------|---------|-----|-----|

On 16 December 2013, a meeting of the Board of Directors of the Company approved an additional investments in Group Lease Holding Pte. Ltd. (“GLH”) totaling 13.09 million ordinary shares (or 100% of the shares of the subsidiary in issue) at a price equal to the par value of SGD 1 per share, or a total of SGD 13.09 million (equivalent to Baht 330.82 million). The Company approved the conversion of the loan and interest payable, amounting to Baht 308.77 million and USD 0.79 million, to equity in GLH as stipulated in the loan capitalisation agreement. On 27 January 2014, GLH registered the increase in its paid up share capital with the Accounting and Corporate Regulatory Authority in Singapore.

As at 30 June 2014, investment in GLH in the separate financial statements amounted to SGD 17.69 million (31 December 2013: investment in GLH and share subscription payment in advance represented SGD 4.61 million and SGD 13.09 million).

During May 2013, GLH entered into an agreement to lend GL Finance Plc. (“GLF”) USD 2.1 million, interest-free and due at call. On 19 June 2013, a meeting of the Board of Directors of GLH approved an additional investment in GLF, totaling USD 3.1 million (equivalent to Baht 96.49 million), and approved the conversion of the loan to equity in GLF, together with cash payment of the outstanding balance. GLF registered the increase in its registered share capital with the Accounting and Corporate Regulatory Authority in Cambodia on 9 July 2014.

On 22 May 2014, a meeting of the Board of Directors of GLH approved an additional investments in GLF totaling 15,000 ordinary shares (or 100% of the shares of the subsidiary in issue) at a price equal to the par value of USD 200 per share, or a total of USD 3 million. GLH approved the conversion of the loan, amounting to USD 3 million, to equity in GLF as stipulated in the loan capitalisation agreement. Currently, GLF is still in the progress of registering the increase in its registered share capital with the Ministry of Commerce. The management of GLH expects the transaction to be completed during the third quarter of 2014.

On 5 February 2014, Board of Directors meeting of the Company’s subsidiary passed a resolution to establish GL Leasing (Laos) Company Limited, which is to be incorporated and domiciled in Laos. This company was incorporated with the Ministry of Industry and Commerce in Laos on 21 April 2014 and is currently in the process of applying for a license to operate a motorcycle leasing business in Laos.

9. Property, plant and equipment

Movements of the property, plant and equipment account during the six-month period ended 30 June 2014 are summarised below.

| | (Unit: Thousand Baht) | |
|---|-----------------------|---------------------|
| | Consolidated | Separate |
| | financial statement | financial statement |
| Net book value as at 1 January 2014 | 70,875 | 61,017 |
| Acquisitions during the period - at cost | 17,965 | 3,977 |
| Transfer in during the period | 144 | - |
| Disposals during the period - net book value at disposal date | (1) | (1) |
| Depreciation for the period | (6,879) | (4,417) |
| Exchange differences on translation of financial statements in foreign currency | (124) | - |
| Net book value as at 30 June 2014 | <u>81,980</u> | <u>60,576</u> |

As at 30 June 2014 and 31 December 2013, certain equipment items of the Company has been fully depreciated but are still in use. The original cost of those assets amounted to approximately Baht 72.1 million and Baht 32.9 million, respectively.

The Company has mortgaged land and construction thereon with a total net book value as at 30 June 2014 of Baht 21.4 million (31 December 2013: Baht 21.4 million) as collateral for long-term credit facilities as discussed in Note 15.

10. Intangible assets

| | (Unit: Thousand Baht) | | | |
|---|-----------------------------------|-------------------|----------------------------|----------------|
| | Consolidated financial statements | | | |
| | Exclusive Right Agreement | Computer Software | Software under development | Total |
| Net book value as at 1 January 2014 | 102,402 | 1,330 | 1,339 | 105,071 |
| Acquisitions during the period - at cost | - | - | 7,472 | 7,472 |
| Transfer out during the period | - | - | (144) | (144) |
| Amortisation for the period | (9,525) | (251) | - | (9,776) |
| Exchange differences on translation of financial statements in foreign currency | (1,089) | (14) | (16) | (1,119) |
| Net book value as at 30 June 2014 | <u>91,788</u> | <u>1,065</u> | <u>8,651</u> | <u>101,504</u> |

(Unaudited but reviewed)

(Unit: Thousand Baht)

| | Separate financial statements |
|--|-------------------------------|
| | Software under development |
| Net book value as at 1 January 2014 | - |
| Acquisitions during the period - at cost | 5,280 |
| Net book value as at 30 June 2014 | 5,280 |

Exclusive right agreement

A related party entered into a 5-year Exclusive Right Agreement (automatically renew for a further two years unless the parties mutually agree in writing not to renew the agreement within six months before the termination date) with a company which is the distributor of Honda motorcycles in Cambodia. The agreement grants the related party exclusive rights to act as finance agent arranging hire purchase finance for motorcycles branded "Honda". On 2 May 2012, the related party granted the exclusive rights to GLF for a fee of USD 100,000 and entered into a USD 2.9 million deposit agreement under which the related party is the representative agent to contact with such company. Conditions of the deposit agreement specify that if GLF fails to meet the minimum annual sales target set, the deposit will be forfeited in proportion to the period of six years as from 2013 to 2018.

As at 30 June 2014, the fair value of exclusive right in consolidated financial statement amounted to USD 2.83 million (31 December 2013: USD 3.12 million).

11. Corporate income tax/deferred tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective rate for the year.

(Unaudited but reviewed)

Income tax expenses for the three-month and six-month periods ended 30 June 2014 and 2013 are made up as follows:

(Unit: Thousand Baht)

| | For the three-month periods ended 30 June | | | |
|---|---|---------------|----------------------|---------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2014 | 2013 | 2014 | 2013 |
| Current income tax: | | | | |
| Interim corporate income tax charge | 21,549 | 32,614 | 21,238 | 32,614 |
| Deferred tax: | | | | |
| Relating to origination and reversal of temporary differences | (15,753) | (13,844) | (15,753) | (13,844) |
| Income tax expense reported in profit or loss | <u>5,796</u> | <u>18,770</u> | <u>5,485</u> | <u>18,770</u> |

(Unit: Thousand Baht)

| | For the six-month periods ended 30 June | | | |
|---|---|---------------|----------------------|---------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 2014 | 2013 | 2014 | 2013 |
| Current income tax: | | | | |
| Interim corporate income tax charge | 46,849 | 57,210 | 46,489 | 57,210 |
| Deferred tax: | | | | |
| Relating to origination and reversal of temporary differences | (34,396) | (15,496) | (33,743) | (15,496) |
| Income tax expense reported in profit or loss | <u>12,453</u> | <u>41,714</u> | <u>12,746</u> | <u>41,714</u> |

12. Other non-current assets

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|----------------|-------------------------------|---------------|
| | 30 June | 31 December | 30 June | 31 December |
| | 2014 | 2013 | 2014 | 2013 |
| Income tax and value added tax refundable | 56,930 | 48,995 | 56,930 | 48,995 |
| Deposits | 16,664 | 80,863 | 954 | 709 |
| Others | 730 | 770 | 730 | 770 |
| Total other non-current assets | <u>74,324</u> | <u>130,628</u> | <u>58,614</u> | <u>50,474</u> |

13. Bank overdraft

(Unit: Thousand Baht)

| | Interest rate (% per annum) | Consolidated/Separate financial statements | |
|----------------|--------------------------------|---|-------------|
| | | 30 June | 31 December |
| | | 2014 | 2013 |
| Bank overdraft | MOR | - | 13,550 |
| Total | | - | 13,550 |

As at 31 December 2013, bank overdraft from financial institutions are secured by the transfer of rights of claim under hire purchase agreements, the mortgage of land and the construction thereon and/or to be constructed thereon in the future and motorcycle registrations as requested by the lender.

14. Related party transactions

During the periods, the Company and its subsidiaries had significant business transactions with related parties, which have been concluded on commercial terms and bases agreed upon in the ordinary course of business between the Company, its subsidiaries and those related companies. Below is a summary of those transactions.

(Unit: Thousand Baht)

| | For the three-month periods ended 30 June | | | | Pricing policy |
|--|---|-------|----------------------------------|-------|----------------------|
| | Consolidated financial statements | | Separate financial statements | | |
| | 2014 | 2013 | 2014 | 2013 | |
| Transactions with subsidiary companies: | | | | | |
| (Eliminated from consolidated financial statements) | | | | | |
| Hire purchase interest and installment | | | | | |
| sales income | - | - | 32 | - | Contract rate |
| Interest income | - | - | 6,280 | 1,170 | 6.25% - 7% per annum |
| Transactions with related parties: | | | | | |
| Interest income | 612 | 1,125 | - | 52 | 6% - 15% per annum |

(Unaudited but reviewed)

(Unit: Thousand Baht)

| For the six-month periods ended 30 June | | | | | |
|--|-------|-------------------------------|--------|----------------|----------------------|
| Consolidated financial statements | | Separate financial statements | | Pricing policy | |
| 2014 | 2013 | 2014 | 2013 | | |
| Transactions with subsidiary companies: | | | | | |
| (Eliminated from consolidated financial statements) | | | | | |
| Hire purchase interest and installment | | | | | |
| sales income | - | - | 67 | - | Contract rate |
| Interest income | - | - | 10,042 | 1,850 | 6.25% - 7% per annum |
| Transactions with related parties: | | | | | |
| Interest income | 1,362 | 1,562 | - | 103 | 6% - 15% per annum |

The relationship between the Company and the related parties are summarised below.

| Name of related parties | Relationship with the Company |
|---|--|
| Group Lease Holding Pte. Ltd. | Subsidiary |
| GL Finance Plc. | Subsidiary (held by a subsidiary) |
| GL Leasing (Laos) Ltd. | Subsidiary (held by a subsidiary) |
| Asia Partnership Fund Pte., Ltd. | Company's director is major shareholders of that company / Common director |
| A.P.F. Group Co., Ltd. | Company's director is major shareholders of that company / Common director |
| Devenco Management and Consulting Co., Ltd. | Common director with GLF |
| Tennis Federation of Cambodia | GLF's director is general secretary of the Federation |

As at 30 June 2014 and 31 December 2013, the Company and its subsidiaries had outstanding balances of significant assets and liabilities with the related parties as follows:

| (Unit: Thousand Baht) | | | | |
|---|------------------|-------------------------------|------------------|---------|
| Consolidated financial statements | | Separate financial statements | | |
| 30 June 2014 | 31 December 2013 | 30 June 2014 | 31 December 2013 | |
| Hire purchase and installment sales receivables | | | | |
| Subsidiary company | | | | |
| GL Finance Plc. | - | - | 1,321 | - |
| Short-term loans to and interest receivable from related parties | | | | |
| Subsidiary companies | | | | |
| Group Lease Holding Pte. Ltd. | - | - | 400,178 | 200,499 |
| GL Finance Plc. | - | - | 3,343 | 3,383 |

(Unaudited but reviewed)

(Unit: Thousand Baht)

| | Consolidated financial | | Separate financial | |
|--|------------------------|---------------------|--------------------|---------------------|
| | statements | | statements | |
| | 30 June 2014 | 31 December 2013 | 30 June 2014 | 31 December 2013 |
| Related parties | | | | |
| Devenco Management and Consulting Co., Ltd. | 29,868 | 51,341 | - | - |
| Tennis Federation of Cambodia | 3,755 | 3,821 | - | - |
| Total | 33,623 | 55,162 | 403,521 | 203,882 |
| Share subscription payment in advance - subsidiary | | | | |
| Group Lease Holding Pte. Ltd. | - | - | - | 330,815 |
| Total | - | - | - | 330,815 |
| Deposit - related party (presented as part of other non-current assets) | | | | |
| A.P.F. Group Co., Ltd. | - | 65,627 | - | - |
| Total | - | 65,627 | - | - |

As at 31 December 2013, deposits as presented under the caption of non-current assets in the consolidated financial statements, totaling USD 2.0 million, represented a deposit of GLH that has been pledged as collateral with a related party who assisted with procurement of loans from a financial institution. In the current period, GLH cancelled the loan arrangement and, as a result, the related party returned the deposit to GLH.

During the current period, short-term loans to and interest receivable from related parties have movement as below:

(Unit: Thousand Baht)

| | Consolidated financial statements | | | | | Exchange differences on translation of financial statement in foreign currency | Balance as at 30 June 2014 |
|---|------------------------------------|-------------------|-----------------|----------------------------|--------------|--|----------------------------------|
| | Balance as at 1 January 2014 | During the period | | Gain from exchange rate | | | |
| | | Increase | Decrease | | | | |
| Short-term loans to and interest receivable from related parties | | | | | | | |
| Devenco Management and Consulting Co., Ltd. | 51,341 | 1,223 | (22,661) | 284 | (319) | 29,868 | |
| Tennis Federation of Cambodia | 3,821 | 139 | (162) | - | (43) | 3,755 | |
| Total | 55,162 | 1,362 | (22,823) | 284 | (362) | 33,623 | |

(Unit: Thousand Baht)

| | Separate financial statements | | | | Balance as at 30 June 2014 |
|--|-------------------------------|-------------------|----------|---------------|-------------------------------|
| | Balance as at | During the period | | Loss on | |
| | 1 January 2014 | Increase | Decrease | exchange rate | |
| Short-term loans to and interest receivable from subsidiaries | | | | | |
| Group Lease Holding Pte. Ltd. | 200,499 | 199,679 | - | - | 400,178 |
| GL Finance Plc. | 3,383 | 112 | (115) | (37) | 3,343 |
| Total | 203,882 | 199,791 | (115) | (37) | 403,521 |

Directors and management's benefits

During the six-month period 30 June 2014, the Company paid salaries, bonus, meeting allowance, gratuities, share-based payment and reserve for short-term and long-term employee benefits to its directors and management totaling of approximately Baht 18.9 million (2013: Baht 17.4 million).

Warrants for directors and management

On 15 May 2012, the Company issued 255,500 warrants (GL-WD) to subscribe to the Company's ordinary shares, to be allotted to 16 directors and management. This represents 25.55% of the Company's warrants.

On 1 November 2012, the Company issued 18,731 warrants (GL-W2) to subscribe to the Company's ordinary shares, to be allotted to 5 directors and management. This represents 0.04% of the Company's warrants.

On 2 December 2013, the Company issued 731,151 warrants (GL-W3) to subscribe to the Company's ordinary shares, to be allotted to 9 directors and management. This represents 0.22% of the Company's warrants.

As at 30 June 2014, there are outstanding warrants (GL-WD, GL-W2 and GL-W3) to subscribe to the Company's ordinary shares, to be allotted to existing directors and management totaling 219,500 units, 6,199 units and 731,151 units, respectively.

15. Long-term loans

The long-term loans, which the Company obtained from local financial institutions, are as detailed below.

(Unit: Thousand Baht)

| | Consolidated/Separate financial statements | | | |
|---|--|---------------------|---|---|
| | Balance | | Interest rate | Repayment condition |
| | 30 June 2014 | 31 December 2013 | per annum | |
| <u>Loan agreement dated 26 May 2011</u> | | | | |
| Credit facility No. 1 | 2,037,520 | 2,184,260 | At the rate of MLR - 1.0% per annum | Thirty equal installments, with first installment due on the first interest payment date after drawing down loans under credit facility |
| <u>Loan agreement dates 21 June 2013</u> | | | | |
| Credit facility No. 1 | 333,190 | 433,270 | At the rate of THBFIX1M + 1.50% per annum | Thirty equal installment, with first installment due on the first interest payment date after drawing down loans under credit facility. |
| <u>Loan agreement dates 17 September 2013</u> | | | | |
| Credit facility No. 1 | 379,910 | 479,990 | At the rate of THBFIX1M + 1.50% per annum | Thirty equal installment, with first installment due on the first interest payment date after drawing down loans under credit facility. |
| Total | 2,750,620 | 3,097,520 | | |
| Less: Current portion | (1,833,620) | (1,808,590) | | |
| Long-term loans, net of current portion | 917,000 | 1,288,930 | | |

Movements in the long-term loans account during the six-month period ended 30 June 2014 are summarised below.

(Unit: Thousand Baht)

| | Consolidated / Separate financial statements |
|------------------------------|--|
| Balance as at 1 January 2014 | 3,097,520 |
| Add: Addition borrowings | 590,000 |
| Less: Repayment | (936,900) |
| Balance as at 30 June 2014 | 2,750,620 |

On 26 May 2011, the Company entered into a loan agreement with another commercial bank obtain long-term loan facilities of Baht 500 million. The purposes of such loan are to repay the existing short-term loan and for use in the expansion of business.

During the year 2012 upto the first quarter of 2013, the Company increase the long-term credit facilities with commercial banks of loan agreement on 26 May 2011 to Baht 2,500 million. The purposes of such loan are to repay the existing short-term loan and for use in the expansion of business.

On 21 June 2013, the Company entered into a loan agreement with another commercial bank to obtain long-term loan facilities of Baht 500 million. The purpose of such loans are to repay the existing short-term loan and for use in the expansion of business. In order to reduce the fluctuation of interest rate risk, the Company has entered into an interest rate swap agreement covering this loan amount, whereby a floating interest rate is to be swapped for a fixed interest rate at 6.00% per annum.

On 17 September 2013, the Company entered into a loan agreement with another commercial bank to obtain long-term loan facilities of Baht 500 million. The purpose of such loans are to repay the existing short-term loan and for use in the expansion of business. In order to reduce the fluctuation of interest rate risk, the Company has entered into an interest rate swap agreement covering this loan amount, whereby a floating interest rate is to be swapped for a fixed interest rate at 6.00% per annum.

The loan agreements contains covenants regarding, among other things, the maintenance of the proportion of shareholding of the major shareholders, dividend payment, and maintenance of a certain debt to equity ratio, ratio of hire purchase receivables more than three months' past due to total hire purchase receivables, ratio of total hire purchase receivables to loans, prohibition of disposal of assets or rights of claim under hire purchase agreements and prohibition of entering into new loan agreements.

The loans are secured by the transfer of rights of claim under hire purchase agreements, the mortgage of land and construction thereon and/or to be constructed thereon in the future, and motorcycle registrations as requested by the commercial banks.

As at 30 June 2014, the long-term credit facilities of the Company which have not yet drawn down amount to Baht 462.5 million (31 December 2013: Baht 315.7 million).

16. Debentures

The Company has issued partially secured, unsubordinated, registered debentures, as detailed below.

| | | | | (Unit: Thousand Baht) | |
|---|---------------|---------|------------------|-------------------------------|-------------|
| | | | | Consolidated / | |
| | | | | Separate financial statements | |
| | | | | 30 June | 31 December |
| Debentures | Interest rate | Terms | Due date | 2014 | 2013 |
| Debentures 1/2014 | 4.17% p.a. | 3 years | 27 February 2017 | 500,000 | - |
| Less: Unamortised portion of deferred transaction costs | | | | (15,169) | - |
| Debentures - net | | | | <u>484,831</u> | <u>-</u> |

Details of the Company's debentures are as follows:

The Unsubordinated and partially secured Debentures of Group Lease Public Company Limited. No. 1/2014, due 2017.

| | |
|---------------------------|---|
| Name of debentures | "The Unsubordinated and partial secured Debentures of Group Lease Plc. No. 1/2014, due 2017" |
| Amount | Baht 500 million |
| Term | 3 years, starting from date of issuance |
| Issued date | 27 February 2014 |
| Interest rate | 4.17% per annum |
| Interest payment schedule | Twice a year on 27 February and 27 August, starting from 27 August 2014 |
| Principal repayment | On the redemption date of 27 February 2017 |
| Covenants | Maintenance of debt to equity ratio, hire purchase receivable ratio and restriction on dividend payment and disposal and transfer of assets |

17. Treasury stocks***The Share Repurchase Program for the purpose of financial management***

On 30 April 2014, a meeting of the Board of Directors of the Company approved the Share Repurchase Program for the purpose of financial management. However, the Company did not buy back any of its ordinary shares during that period, and there were no treasury shares as of 30 June 2014.

On 6 May 2014, the Company amended Article 12 of the Company's Articles of Association, to enable the Company to repurchase its shares.

18. Share capital

18.1 Additional share subscription from the exercise of warrants

During the current period, the Company received additional share subscription totaling Baht 6.6 million from the exercise of warrants, as detailed below.

| | Warrant (units) | Ordinary share (shares) | Exercise price (Baht/share) | Amount (Million Baht) |
|-------|--------------------|----------------------------|--------------------------------|--------------------------|
| GL-W2 | 188,698 | 2,233,425 | 2.95708 | 6.6 |

As at 30 June 2014, the Company had share premium amounting to Baht 939.2 million as a result of the capital increases (31 December 2013: Baht 933.7 million).

As at 30 June 2014, the Company had share subscription received in advance amounting Baht 128.6 million in its paid up share capital from the exercise of GL-W2 totaling 3,662,849 units. The Company registered the increase in its paid up share capital from the exercise of such warrants with the Ministry of Commerce 3 July 2014.

18.2 Reconciliation of number of ordinary shares

During the current period, the movements of paid-up capital and premium on ordinary shares of the Company are as follows:

| | Number of ordinary shares (Thousand Shares) | Paid-up capital (Thousand Baht) | Premium on ordinary shares (Thousand Baht) |
|--|---|------------------------------------|--|
| <u>Issued and paid-up share capital</u> | | | |
| At the beginning of the period | 1,024,707 | 512,354 | 933,680 |
| Increase in capital from exercising of the rights of the warrants | 2,233 | 1,116 | 5,507 |
| At the end of the period | <u>1,026,940</u> | <u>513,470</u> | <u>939,187</u> |

19. Warrants/Capital reserve for share-based payment transactions

As at 30 June 2014, details of outstanding warrants, which were issued by the Company, are as follows:

| Type of warrant | Issue to | Issuance date of warrant | Number of warrants original issued | Warrant offer price | Period of warrant | Exercise price per share | Exercise ratio per 1 warrant |
|--------------------|-------------------------|-----------------------------|---------------------------------------|------------------------|----------------------|-----------------------------|---------------------------------|
| GL-W2 | Existing shareholders | 1 November 2012 | 22,775,694 | Baht 0.10 | 2 years | Baht 2.95708 | 11.8360 ordinary share |
| GL-W3 | Existing shareholders | 2 December 2013 | 332,783,154 | - | 2 years | Baht 10 | 1 ordinary share |
| GL-WD | Directors and employees | 15 May 2012 | 1,000,000 | - | 3 years | Baht 1.65766 | 11.8360 ordinary share |

During the current period, the movements of warrants of the Company are as follows:

| Type of warrant | Number of warrants outstanding as at 1 January 2014 | Number of warrants exercised during the period | Number of warrant expired/cancelled during the period | Number of warrants outstanding as at 30 June 2014 |
|-----------------|---|--|---|---|
| GL-W2 | 5,356,893 | (3,823,147) | - | 1,533,746 |
| GL-W3 | 332,783,154 | - | - | 332,783,154 |
| GL-WD | 872,400 | - | (47,600) | 824,800 |

Up to 30 June 2014, the Company cancelled a total of 184,200 warrants (GL-WD) to purchase ordinary shares of the Company that had been allocated to the directors and management of the Company, because the directors and management who held those warrants had resigned, thus breaching the conditions under which the warrants were received.

On 15 May 2012, the Company issued 1,000,000 warrants (GL-WD) to subscribe to the Company's ordinary shares, to be allotted to directors and employees of the Company free of charge. The warrants are to have an adjust exercise ratio of 1 warrant per 11.8360 ordinary shares, an adjust exercise price of Baht 1.65766 per share, and a term of 3 years from the first issue date. The estimated fair value of each share option granted is Baht 4.08. This was calculated by applying the Black-Scholes-Merton formula. The model inputs were the share price at price determination date of Baht 24.9, exercise price of Baht 19.62, expected volatility of 32.85%, expected dividend yield of 8.62%, contractual life of 3 years, and a risk-free interest rate of 3.44%.

The distribution of the stock dividend and the change in the par value of the shares in the year 2013 did not modify the terms and conditions of the plan, and did not change the fair value of the capital reserve for share-based payment transactions. As a result, there is no change in the fair value of the share options.

During the six-month period ended 30 June 2014, the Company recorded expenses of the GL-WD plan amounting to Baht 0.7 million as personnel expenses (2013: Baht 0.7 million).

20. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period as discussed in the above paragraph, plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

The following table sets forth the computation of basic earnings per share and diluted earnings per share.

| Consolidated financial statements | | | | | | |
|---|-----------------------|---------------|--|------------------|--------------------|---------------|
| For the three-month periods ended 30 June | | | | | | |
| | Profit for the period | | Weighted average number of ordinary shares | | Earnings per share | |
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| | Thousand Baht | Thousand Baht | Thousand shares | Thousand shares | Baht | Baht |
| Basic earnings per share | | | | | | |
| Profit for the period | 6,942 | 90,836 | 1,029,799 | 936,818 | <u>0.0067</u> | <u>0.0969</u> |
| Effect of dilutive potential ordinary shares | | | | | | |
| GL-W2 | - | - | 28,344 | 108,954 | | |
| GL-WC | - | - | - | 968 | | |
| GL-WD | - | - | <u>7,702</u> | <u>9,567</u> | | |
| Diluted earnings per share | | | | | | |
| Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares | <u>6,942</u> | <u>90,836</u> | <u>1,065,845</u> | <u>1,056,307</u> | <u>0.0065</u> | <u>0.0860</u> |
| Separate financial statements | | | | | | |
| For the three-month periods ended 30 June | | | | | | |
| | Profit for the period | | Weighted average number of ordinary shares | | Earnings per share | |
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| | Thousand Baht | Thousand Baht | Thousand shares | Thousand shares | Baht | Baht |
| Basic earnings per share | | | | | | |
| Profit for the period | 21,480 | 74,642 | 1,029,799 | 936,818 | <u>0.0209</u> | <u>0.0797</u> |
| Effect of dilutive potential ordinary shares | | | | | | |
| GL-W2 | - | - | 28,344 | 108,954 | | |
| GL-WC | - | - | - | 968 | | |
| GL-WD | - | - | <u>7,702</u> | <u>9,567</u> | | |
| Diluted earnings per share | | | | | | |
| Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares | <u>21,480</u> | <u>74,642</u> | <u>1,065,845</u> | <u>1,056,307</u> | <u>0.0202</u> | <u>0.0707</u> |

(Unaudited but reviewed)

| Consolidated financial statements | | | | | | |
|--|-----------------------|----------------|---|------------------|--------------------|---------------|
| For the six-month periods ended 30 June | | | | | | |
| | Profit for the period | | Weighted average number of ordinary shares | | Earnings per share | |
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| | Thousand Baht | Thousand Baht | Thousand shares | Thousand shares | Baht | Baht |
| Basic earnings per share | | | | | | |
| Profit for the period | 17,699 | 181,469 | 1,027,445 | 882,634 | <u>0.0172</u> | <u>0.2056</u> |
| Effect of dilutive potential ordinary shares | | | | | | |
| GL-W2 | - | - | 28,380 | 144,322 | | |
| GL-WC | - | - | - | 1,593 | | |
| GL-WD | - | - | 7,735 | 9,647 | | |
| Diluted earnings per share | | | | | | |
| Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares | <u>17,699</u> | <u>181,469</u> | <u>1,063,560</u> | <u>1,038,196</u> | <u>0.0166</u> | <u>0.1748</u> |
| Separate financial statements | | | | | | |
| For the six-month periods ended 30 June | | | | | | |
| | Profit for the period | | Weighted average number of ordinary shares | | Earnings per share | |
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| | Thousand Baht | Thousand Baht | Thousand shares | Thousand shares | Baht | Baht |
| Basic earnings per share | | | | | | |
| Profit for the period | 50,056 | 165,947 | 1,027,445 | 882,634 | <u>0.0487</u> | <u>0.1880</u> |
| Effect of dilutive potential ordinary shares | | | | | | |
| GL-W2 | - | - | 28,380 | 144,322 | | |
| GL-WC | - | - | - | 1,593 | | |
| GL-WD | - | - | 7,735 | 9,647 | | |
| Diluted earnings per share | | | | | | |
| Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares | <u>50,056</u> | <u>165,947</u> | <u>1,063,560</u> | <u>1,038,196</u> | <u>0.0471</u> | <u>0.1598</u> |

However, no calculation of diluted earnings per share for the three-month period ended 30 June 2014 was required for warrant (GL-W3), as disclosed in Note 19, since the aggregated amounts of the exercise price and the fair value of the warrant were higher than the average market price of the Company's ordinary shares.

21. Dividends

Dividends declared in the second quarter of 2014 consist of the following:

| Dividends | Approved by | Total dividend (Thousand Baht) | Dividend per share (Baht) |
|--------------------------|---|-----------------------------------|------------------------------|
| Final dividends for 2013 | Annual General Meeting of the shareholders on 30 April 2014 | 56,897 | 0.0568 |
| | | 56,897 | 0.0568 |

Dividends declared in the year 2013 consist of the following:

| Dividends | Approved by | Total dividend (Thousand Baht) | Dividend per share (Baht) |
|--|---|-----------------------------------|------------------------------|
| Outstanding balance of interim dividend on operating results during 1 January 2012 to 30 September 2012 | Board of Directors meeting on 12 March 2013 | 69,532 | 1.00 |
| Final dividends for 2012 | Annual General Meeting of the shareholders on 26 April 2013 | 8,036 | 0.10 |
| Stock dividends for 2012 | Annual General Meeting of the shareholders on 26 April 2013 | 72,321 | 0.92 |
| | | 149,889 | 2.02 |

22. Segment information

The Company and its subsidiaries are organised into business units based on its products and services. During the current period, the Company and its subsidiaries have not changed the organisation of their reportable segments.

The following tables present revenue and loss information regarding the Company and its subsidiaries' operating segments for the three-month and six-month periods ended 30 June 2014 and 2013, respectively.

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the three-month period ended 30 June 2014

| | Hire Purchase service | Financial advisory and investment holding | Total reportable segments | Adjustments and eliminations | Consolidated |
|--|--------------------------------------|--|--|---|---------------------|
| Hire purchase interest income | 363,673 | - | 363,673 | (32) | 363,641 |
| Other income | 28,202 | 1,052 | 29,254 | - | 29,254 |
| Inter-segment | 6,280 | 6,839 | 13,119 | (13,119) | - |
| Total revenue | 398,155 | 7,891 | 406,046 | (13,151) | 392,895 |
| Finance expense | (52,631) | (5,631) | (58,262) | 12,607 | (45,655) |
| Bad debts and doubtful accounts | (135,272) | - | (135,272) | - | (135,272) |
| Loss on disposals of foreclosed assets | (80,522) | - | (80,522) | - | (80,522) |
| Services and administrative expenses | (116,231) | (5,611) | (121,842) | (4,612) | (126,454) |
| Income tax expense | (5,796) | - | (5,796) | - | (5,796) |
| Gain on exchange rate | 5,902 | 1,360 | 7,262 | 484 | 7,746 |
| Segment profit | 13,605 | (1,991) | 11,614 | (4,672) | 6,942 |

(Unit: Thousand Baht)

For the three-month period ended 30 June 2013

| | Hire Purchase service | Financial advisory and investment holding | Total reportable segments | Adjustments and eliminations | Consolidated |
|--|--------------------------------------|--|--|---|---------------------|
| Hire purchase interest income | 303,812 | - | 303,812 | - | 303,812 |
| Other income | 45,638 | 19,869 | 65,507 | - | 65,507 |
| Inter-segment | 1,170 | - | 1,170 | (1,170) | - |
| Total revenue | 350,620 | 19,869 | 370,489 | (1,170) | 369,319 |
| Finance expense | (34,380) | (1,161) | (35,541) | 1,161 | (34,380) |
| Bad debts and doubtful accounts | (86,364) | - | (86,364) | - | (86,364) |
| Loss on disposals of foreclosed assets | (45,657) | - | (45,657) | - | (45,657) |
| Services and administrative expenses | (92,426) | (607) | (93,033) | 1 | (93,032) |
| Income tax expense | (18,770) | - | (18,770) | - | (18,770) |
| Gain (loss) on exchange rate | 1,619 | 1,701 | 3,320 | (3,600) | (280) |
| Segment profit | 74,642 | 19,802 | 94,444 | (3,608) | 90,836 |

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the six-month period ended 30 June 2014

| | Financial advisory | | | | Consolidated |
|--|-----------------------|------------------------|---------------------------|------------------------------|----------------|
| | Hire Purchase service | and investment holding | Total reportable segments | Adjustments and eliminations | |
| Hire purchase interest income | 716,987 | - | 716,987 | (67) | 716,920 |
| Other income | 58,132 | 2,226 | 60,358 | - | 60,358 |
| Inter-segment | 10,042 | 11,893 | 21,935 | (21,935) | - |
| Total revenue | 785,161 | 14,119 | 799,280 | (22,002) | 777,278 |
| Finance expense | (103,843) | (9,335) | (113,178) | 21,455 | (91,723) |
| Bad debts and doubtful accounts | (256,252) | - | (256,252) | - | (256,252) |
| Loss on disposals of foreclosed assets | (174,181) | - | (174,181) | - | (174,181) |
| Services and administrative expenses | (206,549) | (10,937) | (217,486) | (9,255) | (226,741) |
| Income tax expense | (13,242) | - | (13,242) | 789 | (12,453) |
| Gain (loss) on exchange rate | (36) | (1,686) | (1,722) | 3,493 | 1,771 |
| Segment profit | 31,058 | (7,839) | 23,219 | (5,520) | 17,699 |

(Unit: Thousand Baht)

For the six-month period ended 30 June 2013

| | Financial advisory | | | | Consolidated |
|--|-----------------------|------------------------|---------------------------|------------------------------|----------------|
| | Hire Purchase service | and investment holding | Total reportable segments | Adjustments and eliminations | |
| Hire purchase interest income | 577,680 | - | 577,680 | - | 577,680 |
| Other income | 92,189 | 20,255 | 112,444 | - | 112,444 |
| Inter-segment | 1,850 | - | 1,850 | (1,850) | - |
| Total revenue | 671,719 | 20,255 | 691,974 | (1,850) | 690,124 |
| Finance expense | (63,444) | (1,847) | (65,291) | 1,847 | (63,444) |
| Bad debts and doubtful accounts | (147,182) | - | (147,182) | - | (147,182) |
| Loss on disposals of foreclosed assets | (95,776) | - | (95,776) | - | (95,776) |
| Services and administrative expenses | (158,125) | (1,349) | (159,474) | - | (159,474) |
| Income tax expense | (41,714) | - | (41,714) | - | (41,714) |
| Gain (loss) on exchange rate | 469 | 385 | 854 | (1,919) | (1,065) |
| Segment profit | 165,947 | 17,444 | 183,391 | (1,922) | 181,469 |

Segment assets of the Company and its subsidiaries as at 30 June 2014 and 31 December 2013 are as follows:

(Unit: Thousand Baht)

| Segment assets | Financial advisory | | | | Consolidated |
|---------------------|-----------------------|------------------------|---------------------------|--------------------|--------------|
| | Hire Purchase service | and investment holding | Total reportable segments | Unallocated assets | |
| At 30 June 2014 | 5,480,835 | 275,725 | 5,756,560 | - | 5,756,560 |
| At 31 December 2013 | 5,129,081 | 367,425 | 5,496,506 | - | 5,496,506 |

Geographic information

Revenue from external customers is based on locations of the customers for the three month and six-month periods ended 30 June 2014 and 2013, respectively.

| | (Unit: Thousand Baht) | | | |
|---------------------------------|-----------------------------|----------------|---------------------------|----------------|
| | For the three-month periods | | For the six-month periods | |
| | ended 30 June | | ended 30 June | |
| | <u>2557</u> | <u>2556</u> | <u>2557</u> | <u>2556</u> |
| Revenue from external customers | | | | |
| Thailand | 365,732 | 349,450 | 734,003 | 669,869 |
| Cambodia | 26,111 | - | 41,049 | - |
| Singapore | 1,052 | 19,869 | 2,226 | 20,255 |
| Total | <u>392,895</u> | <u>369,319</u> | <u>777,278</u> | <u>690,124</u> |

23. Commitments**23.1 Capital commitments**

As at 30 June 2014, the Company had capital commitments of approximately Baht 12.32 million, relating to the purchase of software license (31 December 2013: Baht 16.55 million).

23.2 Rental and service commitments

The Company has entered into several lease agreements in respect of the lease of land and office building space. The terms of the agreements are generally between 1 and 5 years.

Future minimum lease payments required under these non-cancellable operating leases contracts were as follows.

| | 30 June 2014 | | 31 December 2013 | |
|-----------------------------|----------------------|---------------------|----------------------|---------------------|
| | <u>Thousand Baht</u> | <u>Thousand USD</u> | <u>Thousand Baht</u> | <u>Thousand USD</u> |
| Payable: | | | | |
| In up to 1 year | 5,206 | 7 | 3,586 | 11 |
| In over 1 and up to 5 years | 4,814 | - | 2,075 | - |

23.3 Service commitments

As at 30 June 2014, the Company is required to pay fees of USD 0.10 million, JPY 0.50 million and THB 0.66 million per month to individuals who are employees of related party, for consultancy relating to overseas investment (31 December 2013: USD 0.04 million, JPY 0.20 million and THB 0.90 million per month).

23.4 Guarantees

As at 30 June 2014 and 31 December 2013, there was outstanding bank guarantee of approximately Baht 0.3 million issued by the bank on behalf of the Company in respect of electricity and use of post services guarantees.

24. Contingent liabilities

Interest Rate Swap Transaction Agreements

The Company has entered into Interest Rate Swap Transaction Agreements with one bank of which the balance as at 30 June 2014 is amounting to Baht 713.10 million. The contracts are for a period of 30 periods, maturing in June 2016. At each of the maturity dates, the Company is required to pay interest to the bank based at fixed rate stipulated in the agreements (6.00% p.a.) and the bank is required to pay interest to the Company at the floating rate plus stipulated rate. The agreement contains other conditions. The Company would have had unrealised loss of approximately Baht 18.59 million, if it had recorded the above contracts at fair value.

25. Events after the reporting period

25.1 Acquisition of Tanabun Company Limited

On 18 June 2014, a meeting of the Company's Board of Directors approved an acquisition of shares of Tanabun Company Limited from a financial institution. Tanabun Company Limited was incorporated in Thailand and its main activity is the provision of hire purchase services for motorcycles.

On the same day, the Company and the seller entered into a sale and purchase agreement, whereby the Company purchased 5,650,000 shares of Tanabun Company Limited, equivalent to 100 % of the issued and paid up share capital. The total value of the agreement was Baht 651.7 million.

The Company paid the value of the shares per the sales and purchase agreement in cash, and received the shares and registered the change in shareholders' name with the Ministry of Commerce on 2 July 2014. Under the terms of the agreement, following the transfer the Company is to arrange for Tanabum Company Limited to repay outstanding loans totaling Baht 867.1 million to the seller, using sources of funds and working capital of the group of companies.

25.2 Short-term loan

On July 2014, the Company entered into a loan agreement with a financial institution, granting a 3-month credit facility of Baht 1,435 million subject to interest at MLR + 1.25% per annum. The loan is to be used to pay for the shares acquired under the sales and purchase agreement for the ordinary shares of Tanabun Company Limited, and to settle loans of Tanabun Limited with the seller, as discussed in Note 25.1.

26. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's authorised directors on 13 August 2014.